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Innovation In Ophthalmology

Corporate Overview

April 2022

Disclaimers and Notices

This presentation contains forward-looking statements that involve substantial risks and uncertainties. Any statements in this presentation about our future expectations, plans and prospects, including but not limited to statements about our expectations with respect to and potential advantages of KPI-012, KPI-287 and our SEGRM program, the future development or commercialization of KPI-012, KPI-287 or our SEGRM program, conduct and timelines of clinical trials for any of our development programs, the clinical utility of KPI-012 for Persistent Corneal Epithelial Defect ("PCED"), plans for filing of regulatory approvals, the market opportunity for KPI-012 for PCED and other indications, plans to pursue research and development of KPI-012 for other indications, statements regarding our products, EYSUVIS®, for the short term (up to two weeks) relief of the signs and symptoms of dry eye disease, INVELTYS®, for treatment of post-operative inflammation and pain following ocular surgery; the status of insurance coverage and the availability of reimbursements for EYSUVIS and INVELTYS for commercial and Medicare Part D patients; the commercial potential for EYSUVIS and INVELTYS, and our expectations regarding our use of cash, cash runway and projected revenues. All statements, other than statements of historical facts, contained in this presentation, including statements regarding the Company's strategy, future operations, future financial position, future revenue, projected costs, prospects, plans and objectives of management, are forward looking statements. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," "would," and similar expressions are intended to identify forward looking statements, although not all forward-looking statements contain these identifying words. The Company may not actually achieve the plans, intentions or expectations disclosed in its forward-looking statements, and you should not place undue reliance on such forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements as a result of various risks and uncertainties including, but not limited to: the impact of extraordinary external events, such as the current pandemic health event resulting from the novel coronavirus (COVID-19), and their collateral consequences, including disruption of the activities of Kala's sales force and the market for EYSUVIS and INVELTYS; whether Kala will be able to successfully implement its commercialization plans for EYSUVIS and INVELTYS; whether the market opportunity for EYSUVIS and INVELTYS is consistent with Kala's expectations and market research; Kala's ability execute on the commercial launch of EYSUVIS on the timeline expected, or at all, including obtaining and increasing Commercial and Medicare Part D payor coverage; whether Kala will be able to generate its projected net product revenue on the timeline expected, or at all; Kala's ability to realize the anticipated benefits of the acquisition of Combangio, including the possibility that the expected benefits, synergies and growth prospects from the acquisition of Combangio will not be realized or will not be realized within the expected time period or at all, the uncertainties inherent in the initiation and conduct of predinical studies and clinical trials, availability and timing of data from dinical trials, whether results of early dinical trials or trials in different disease indications will be indicative of the results of ongoing or future trials, whether results of the Phase 1b clinical trial of KPI-012 will be indicative of results for any future clinical trials and studies of KPI-012, uncertainties associated with regulatory review of clinical trials and applications for marketing approvals, whether regulatory or commercial milestones are achieved, Kala's ability to successfully integrate Combangio's business into its business, Kala's ability to retain and hire key personnel, the risk that disruption resulting from the acquisition of Combangio may adversely affect its business and business relationships, including with employees and suppliers, the sufficiency of cash resources and need for additional financing and such other important factors as are set forth under the caption "Risk Factors" section of the Company's Annual Report on Form 10-K, most recent Quarterly Report on Form 10-Q and other filings the Company makes with the Securities and Exchange Commission.

All information in this presentation is as of March 29, 2022 and should not be considered current after such date. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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Kala is a Biopharmaceutical Company Focused on the Discovery, Development and Commercialization of Innovative Therapies for Eye Diseases

Portfolio of Innovative Therapies

- Compelling pipeline:
  - KPI-012 - clinical-stage secretome therapy targeting persistent corneal epithelial defect (PCED) and other rare diseases
  - KPI-287 - suprachoroidal tyrosine kinase inhibitor (TKI) for retinal diseases
  - Selective glucocorticoid receptor modulator (SEGRM) program targeted to address inflammatory diseases
- Two marketed products that utilize Kala's proprietary AMPPLIFY® mucus-penetrating particle (MPP) drug delivery technology to address unmet medical needs in dry eye disease and post ocular surgery – EYSUVIS® and INVELTYS®
- Kala holds worldwide rights and IP on all marketed products and pipeline assets

Upcoming Milestones

- KPI-012 – target IND filing with FDA and initiate a Phase 2/3 trial in the fourth quarter of 2022
- Tyrosine Kinase Inhibitor (KPI-287) – conducting preclinical efficacy and PK studies
- SEGRM – targeting identification of development candidate

Cash Position

- Cash and cash equivalents of $92.1 million as of December 31, 2021. Together with anticipated revenue from EYSUVIS and INVELTYS, expected to fund operations into 2Q 2023.

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Kala Holds Worldwide Rights to a Portfolio of Promising Therapies

Marketed Products

Two innovative therapies utilizing Kala's proprietary AMPPLIFY® Drug Delivery Technology to address medical needs for front of the eye

EYSUVIS® (loteprednol etabonate ophthalmic suspension) 0.25%

First and only prescription therapy specifically for the short-term management of the signs and symptoms of dry eye disease

INVELTYS® (loteprednol etabonate ophthalmic suspension) 1%

First and only BID corticosteroid indicated for the treatment of post-operative ocular inflammation and pain

Development Pipeline

Proprietary development programs targeted to address front and back of the eye diseases

Product Candidate*	Classification	Preclinical	Phase 1	Phase 2	Phase 3
KPI-012: Mesenchymal Stem Cell (MSC) Secretome *Persistent Corneal Epithelial Defect (PCED)*	Biologic	→	→		
KPI-287: Tyrosine Kinase Inhibitor *Retinal diseases, including wet AMD, DME, and RVO*	NCE	→			
Selective Glucocorticoid Receptor Modulator (SEGRM) *Inflammatory Diseases*	NCE	→			

* Product candidates are investigational and have not been approved by any regulatory authority.
NCE – New Chemical Entity

Please see full Prescribing Information at www.eysuvis.com and www.inveltys.com

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Kala Team

MARK IWICKI

Chairman and Chief Executive Officer

CIVITAS THERAPEUTICS · sunovion · NOVARTIS · MERCK

TODD BAZEMORE

President and Chief Operating Officer

santhera · Dyax · sunovion

KIM BRAZZELL, PHD

Head of R&D and Chief Medical Officer

INSPIRE · NOVARTIS · CIBAVISION · Alcon

DARIUS KHARABI

Chief Business Officer

LAGUNITA BIOSCIENCES · WSGR · OrthAlign

MARY REUMUTH, CPA

Chief Financial Officer

genzyme · enobia pharma · EY

ERIC L. TRACHTENBERG

General Counsel and Chief Compliance Officer

enobia pharma · AUXILIUM · KOS Pioneering Medicines for a Better Life · sunovion

SUSAN COULTAS, PHD

SVP, Clinical Development

Alcon · SUCAMPO The Science of Innovation · CIBAVISION

KATE KLINE

SVP, Marketing

Allergan · B+L BAUSCH + LOMB

VINCENT KOSEWSKI

SVP, Manufacturing and Supply Chain Management

sunovion · Astra USA

JAMES PATNOE

SVP, Market Access, Commercial Operations and Pricing

Takeda · TR

JOSIAH CRAVER

SVP, Corporate Controller

pwc · SOLID BIOSCIENCES

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Clinical and Development-Stage Programs

Kala Holds Worldwide Rights to a Portfolio of Promising Therapies

Clinical and Development Stage Pipeline

Proprietary development programs targeted to address front and back of the eye diseases

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KPI-012 – Regenerative Therapy for PCED

KPI-012: Novel Clinical Stage Secretome Therapy With Multifactorial MoA
Currently in Development for Persistent Corneal Epithelial Defect (PCED)

- Human bone marrow derived mesenchymal stem cell (MSC) secretome currently in development for PCED
  - Mixture of biologically active components secreted by human MSCs and processed into a simple solution formulation
  - Accelerated corneal wound healing in established preclinical models
  - Potential utility in other severe ocular surface diseases
- Encouraging Ph 1b results with BID dosing
  - Improvement in 7 of the 8 PCED patients
  - Complete healing of PCED in 6 of 8 patients, in most cases with 1 to 2 weeks of dosing
- Positive pre-IND meeting with FDA
  - Agreement on clinical requirements and endpoints for PCED
  - FDA open to a broad PCED indication
- Orphan drug designation granted by FDA for PCED
- Significant market potential for PCED and additional underserved rare disease segments – eg chemical/thermal injury, corneal ulcer, graft *vs* host disease, limbal cell deficiency

Applying Innovative Science to the Treatment of Serious Ocular Surface Diseases

Cell-free regenerative therapy | Secreted biologically active MSC factors critical for effective wound healing

Addresses the complex wound healing process involved in PCED and other ocular surface diseases via a multifactorial mechanism of action

Simple convenient topical solution formulation to improve patient experience

KPI-012 Has Potential To Treat PCEDs of Multiple Etiologies as Well as Other Severe Ocular Surface Diseases

Persistent Corneal Epithelial Defect (PCED) is a Significant Unmet Need

- PCED – persistent non-healing corneal defect that is refractory to conventional treatments
- Clinical symptoms include pain, foreign body sensation, redness, photophobia and tearing
- Clinical signs include non-healing epithelial defect, stromal scarring and stromal thinning
- Can lead to infection, corneal perforation and vision loss
- Estimated incidence of approximately 100,000 patients in the US and 238,000 in the US, EU and Japan combined
- Underserved market – only approved Rx product (Oxervate™) has limited indication
  - Indicated for neurotrophic keratitis (NK) which is estimated to be the underlying etiology for only ~ 1/3 of all PCED
  - Contains a single growth factor (NGF)
  - Dosed 6 times/day at 2-hr intervals for 8 weeks
  - Often requires repeat treatment

PCED is driven by various potential etiologies, including:

- Neurotrophic keratitis
- Surgical epithelial debridement
- Microbial/viral keratitis
- Corneal transplant
- Limbal stem cell deficiency
- Mechanical trauma

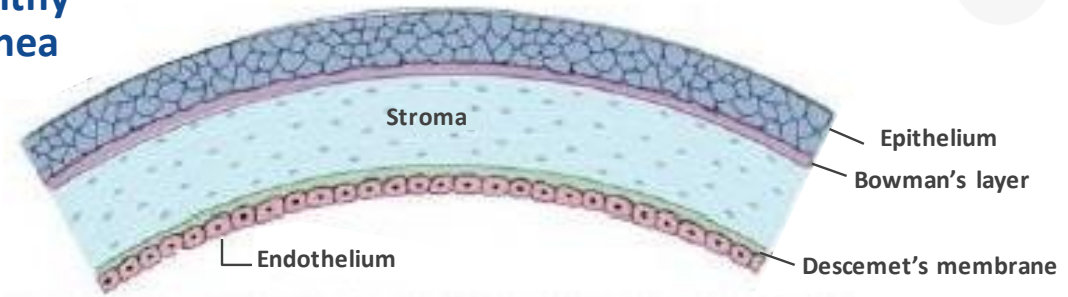
PCED patients often have more than one underlying etiology

There Are Currently No Effective Treatments for Many of the Etiologies of PCED

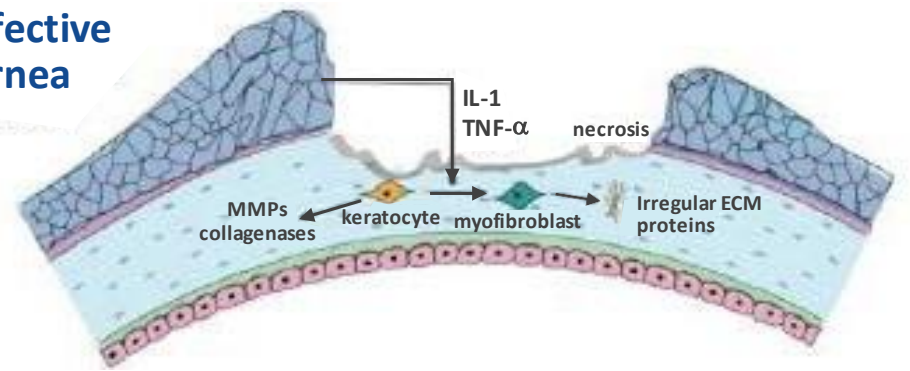
PCED is a Disease of Impaired Corneal Healing

- PCED – multifactorial pathophysiology leads to impaired corneal wound healing
- Normal corneal healing follows a highly regulated multifactorial process
  - Involving growth factors, cell signaling, epithelial proliferation/migration, and extracellular matrix remodeling
- Healing process impaired in PCED and similar diseases
  - Imbalance of the key biomolecules that orchestrate normal wound healing
  - Leads to significant inflammation, impaired innervation and disruption of the protective epithelial and stromal layers of the cornea
- We believe that addressing the imbalance of key biomolecules is critical for effective treatment of diseases involving impaired healing

Healthy Cornea



Defective Cornea



Effective Treatment of PCED and Other Ocular Diseases of Impaired Healing May Require a Multifactorial Mechanism of Action

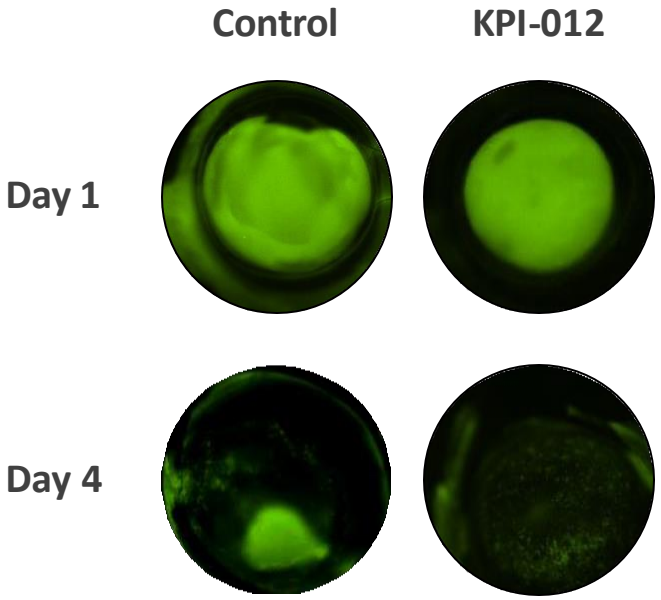
Multifactorial Mechanism of Action to Address PCED and Other Ocular Surface Diseases of Impaired Healing

Key KPI-012 Components	Ocular Surface Wound-Healing Function
Protease Inhibitors (TIMP-1, TIMP-2, Serpin E1)	Inhibition of destructive proteases that degrade matrix in the wound bed
Matrix Proteins (Collagen)	Construction of a molecular scaffold in the wound bed for cells to migrate and adhere to
Growth Factors (HGF)	Suppression of inflammation and promotion of corneal epithelium repair
Neurotrophic Factors (PEDF)	Regeneration and maintenance and of neurons to support corneal health

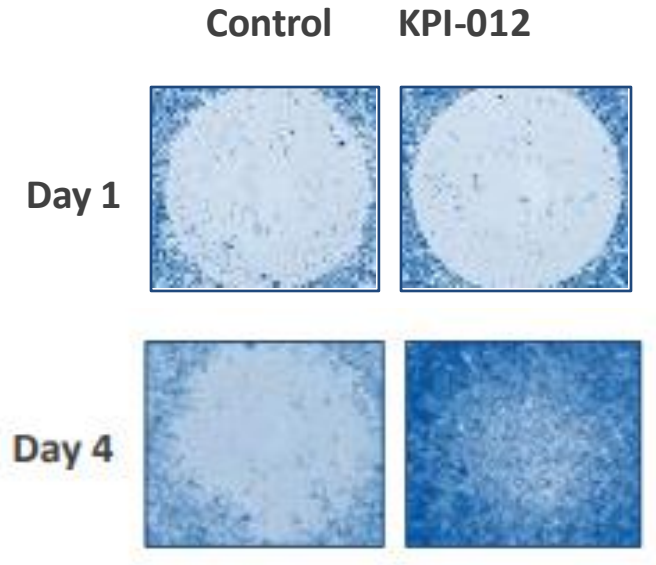
KPI-012's Mechanism of Action Offers Promise for the Treatment of PCED and Other Ocular Diseases of Various Etiologies

Broad Wound Healing Activity in Preclinical Models

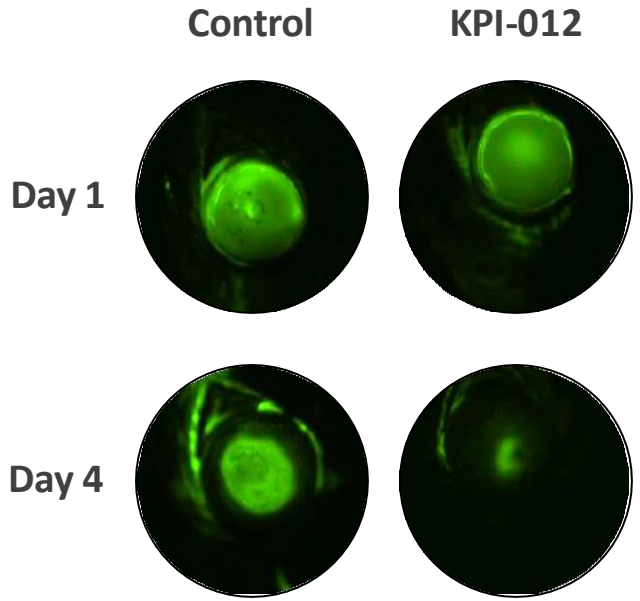
Rat Alkali Injury Model (*in vivo*)



Human Corneal Epithelial Cells (*in vitro* cell culture)



Mouse Mechanical Wound Model (*in vivo*)



Positive Results Across Various Models Suggest Potential Benefit in PCED and Other Ocular Surface Diseases

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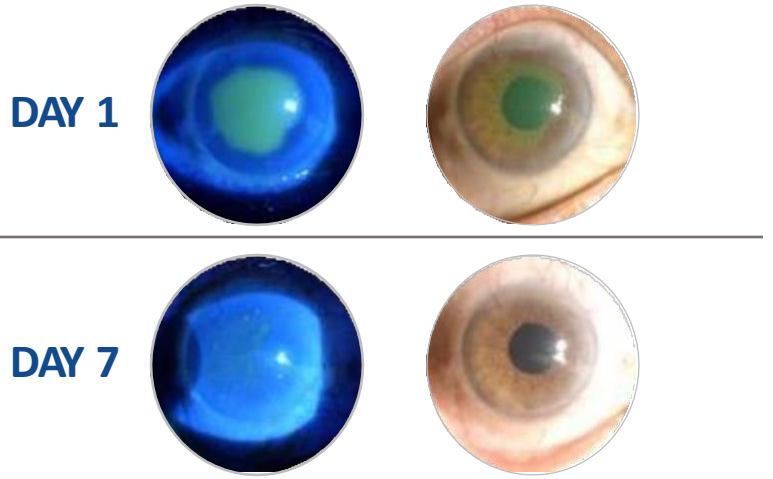
Promising Results in PCED With BID Dosing in Phase 1b Clinical Trial

- Prospective single arm trial at 2 sites in Mexico City
  - Initial safety cohort of 3 subjects without corneal disease dosed BID for 1 week showed no tolerability or safety issues
  - Efficacy cohort consisted of 8 PCED patients dosed BID for 1 to 8 weeks and followed for up to 19 weeks
  - Key efficacy endpoint – healing of PCED based on corneal staining photographs
- Top line results in efficacy cohort
  - 7 of 8 patients showed improvement in PCED
  - 6 of 8 patients had complete healing of PCED
    - 4 of the 6 completely healed after 1 week
    - 1 of the 6 healed after 2 weeks; the other after 4 weeks
  - All healed patients remained healed through end of follow-up
  - KPI-012 well-tolerated with no safety issues observed

6/8 Completely Healed PCED Patients

	Mean	Median
PCED Size at Baseline (mm x mm)	5.1 x 3.5	5.6 x 2.9
PCED Duration at Baseline (Days)	58	32
PCED Healing Time (Days) KPI-012, 2x/day	12	7



Representative images for a healed patient study eye

Results Support Moving Directly to Phase 2/3 Clinical Trial

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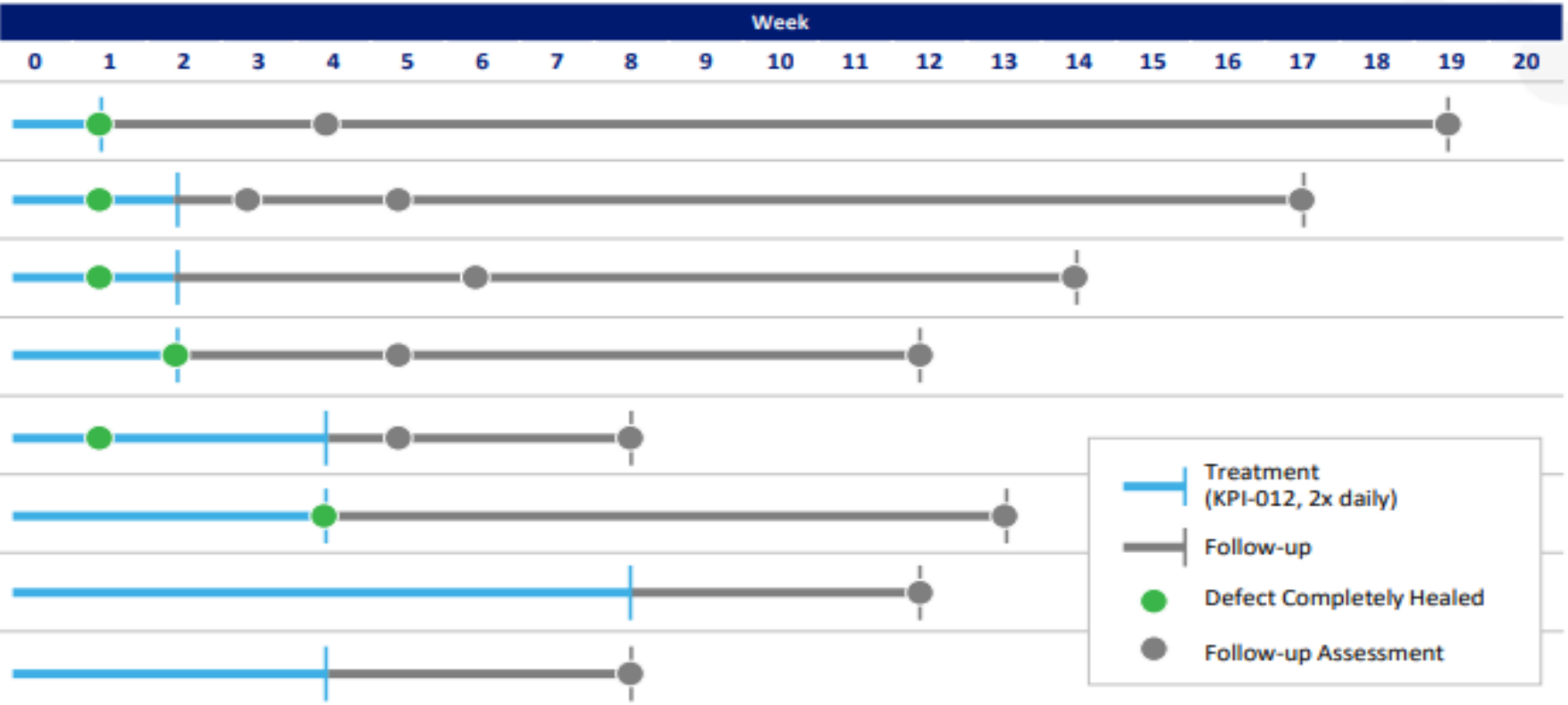
Complete Healing in 6 of 8 PCED Patients After 1 - 4 Weeks of BID Treatment With KPI-012 in Phase 1b Clinical Trial

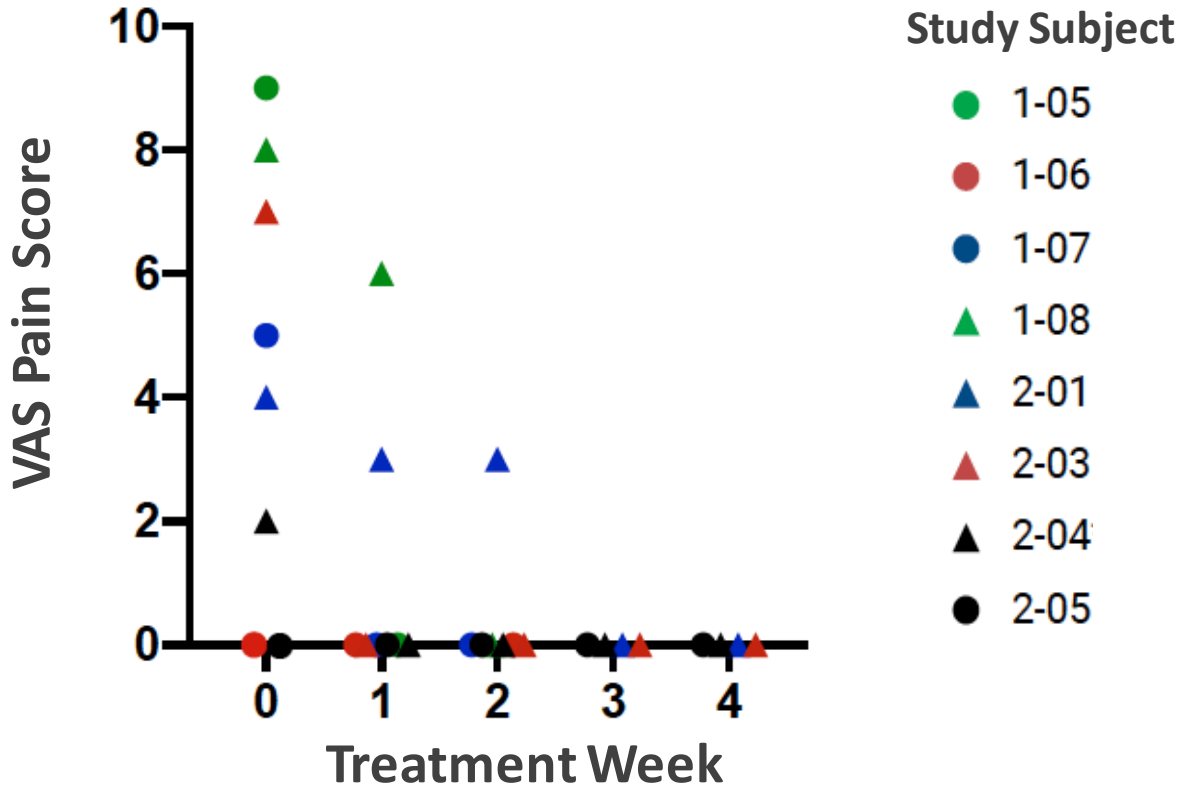
Study Subject	PCED Etiology	PCED Duration at Baseline (Days)
1-05	Neurotrophic (Diabetic)	17
1-06	Neurotrophic (Diabetic)	28
1-07	Neurotrophic (Diabetic)	15
1-08	Neurotrophic (Diabetic)	41
2-01	Stevens-Johnson/ Dry Eye	213
2-03	Post-Infectious Keratitis	37
2-04	Neurotrophic (Diabetic)	35
2-05*	Neurotrophic/ Dry Eye	871



*Improvement in the PCED was observed for subject 2-05 but did not achieve complete healing

Rapid and Sustained Healing in Patients with Varying Etiologies and Duration of Disease Suggests Potential for Broad Efficacy in PCED

Significant Pain Relief Within 1 Week of Treatment in Phase 1b Trial



Of Patients Reporting Pain at Baseline (6 of 8):

100%	reported pain reduction at Week 1
67%	reported 0 pain score at Week 1
100%	reported 0 pain score at Week 3

Rapid and Sustained Improvement in Pain in PCED Patients Treated with KPI-012

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KPI-012 Development Program for PCED

- Pre-IND meeting with FDA in 2020
  - FDA open to broad PCED indication and provided guidance on CMC, clinical trial design and endpoints
- US IND submission and initiation of Phase 2/3 clinical trial targeted for Q4 2022
  - Top line Phase 2/3 results expected by Q1 2024
- If Phase 2/3 results positive, it could serve as the first of the two required trials to support a BLA submission

Projected Timelines for PCED Development

Straightforward PCED Clinical Development Program
Clinical Program(s) for Additional Orphan Indications Being Evaluated

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KPI-012 – An Orphan Drug with Significant Global Market Opportunity

- PCED is a rare disease with substantial clinical burden and high unmet need - speed of healing, pain resolution, prevention of vision loss
  - No FDA-approved products for the treatment of PCED across multiple etiologies
  - KPI-012 granted orphan drug designation by FDA
  - KPI-012 has potential for broad efficacy across all PCED etiologies and BID dosing for 4-weeks with favorable safety and tolerability
  - Estimated ~100K patients in the U.S. and ~ 238K patients in US/EU/Japan combined; projected to grow annually through 2030[1,2]
  - One product approved to treat Neurotrophic Keratitis (Oxervate), an underlying etiology in only ~35% of all PCED cases
  - Oxervate priced at approximately $100K per treatment
- KPI-012 Drug Substance manufacturing scaled up to the bioreactor scale needed for pivotal trials
  - Process design enables scaling to commercial bioreactor scale utilizing same quantity of working cell bank starting material
- Preservative-free unit dose blow-fill-seal vials for pivotal trials with planned commercial container closure
- PCED treated by small subset of ECPs, allowing for efficient rare disease commercial model
- KPI-012 has U.S patent coverage extending into 2040 and a portfolio of additional U.S. and ex-U.S. patent applications covering KPI-012 is currently in prosecution

KPI-012 Provides Significant Global Commercial Opportunity and Entry into Rare Disease Space

1. PED Market Insights, Epidemiology, and Market Forecast—2030. *Delveinsight*,. 2020.
2. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4498999/. Accessed 4 Feb 2021.

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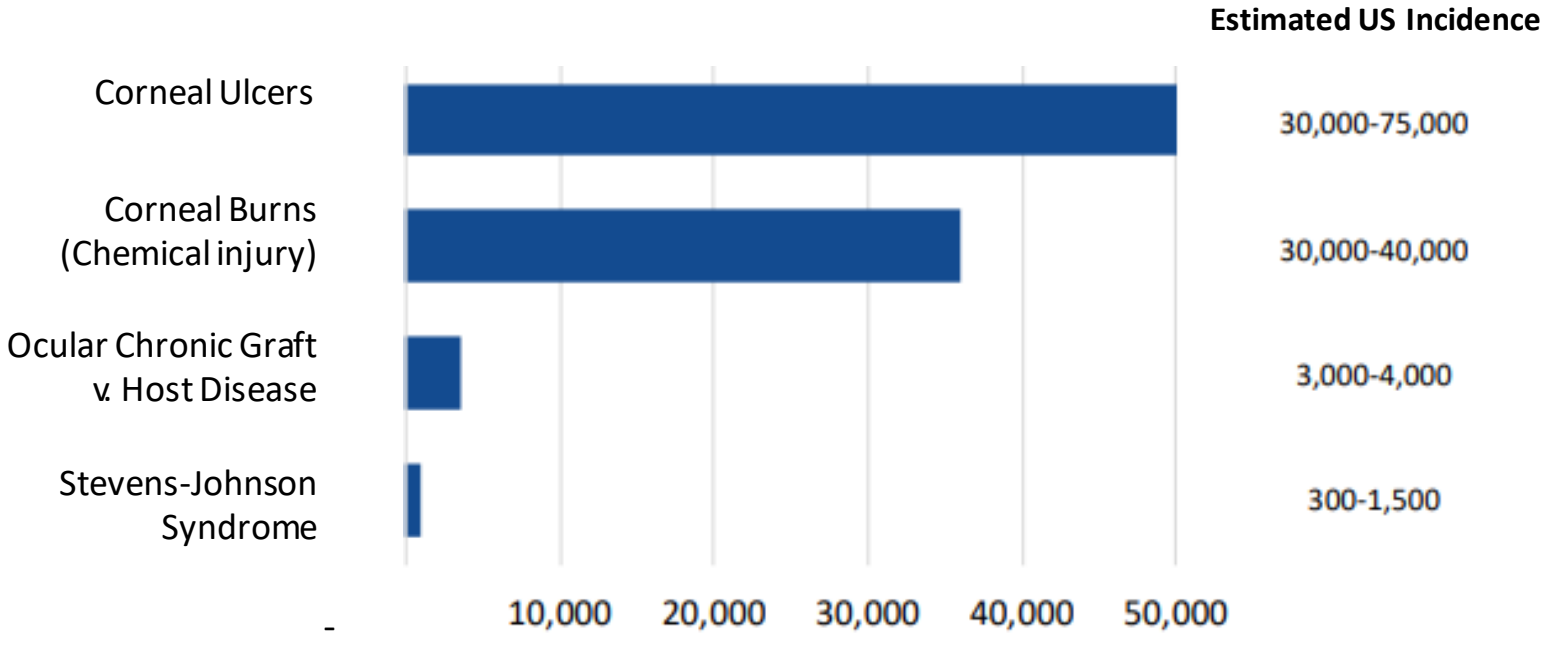
KPI-012 Has Potential Application in Other Orphan Ocular Surface Disease Segments as Well as Non-ocular Diseases

Potential Orphan Disease Markets in Severe Ocular Surface Disease



Also evaluating severe Sjogren's Syndrome, limbal stem cell deficiency, corneal burns, retinitis pigmentosa and optic neuritis as potential indications

Potential Out-licensing Opportunities in Unmet Needs Outside of the Eye

- Diabetic Foot Ulcer
- Venous Leg Ulcer
- Oral Mucositis

KPI-012 Could Have Significant Commercial Potential Beyond PCED

KPI-287 - Suprachoroidal Tyrosine Kinase Inhibitor (TKI) for Retinal Diseases

Significant Unmet Need for Reduced Injection Frequency and Broader Mechanism of Action for Treatment of Retinal Disorders

Wet Age-related Macular Degeneration

A leading cause of irreversible blindness and visual impairment worldwide

288M

Number of people living with macular degeneration is expected to reach **288 million worldwide by 2040**[1]

5.4M

By 2050, an estimated **5.4 million Americans** are expected to have wet AMD[2]

Diabetic Retinopathy and Diabetic Macular Edema (DME)

The leading cause of vision loss in working adults

137M

Approximately **137** million **people worldwide** have diabetic retinopathy[3] in 2021

16M

Number of **Americans** with diabetic retinopathy is expected to grow to **16 million by 2050**[4]

Retinal Vein Occlusion (RVO)

Second most common cause of vision loss due to retinal vascular disease

21.5M

Globally, an estimated **21.5 million** adults are affected by RVO[3] in 2021

1.37M

Estimated number of patients with retinal vein occlusion in the US[3] in 2021

- Maintaining vision improvement with current anti-VEGF therapies requires frequent intravitreal (IVT) injections, which are a significant burden on both patients and heath care providers
- Lack of compliance with these regimens can limit long-term efficacy
- Therapies requiring less frequent dosing could enable significantly better compliance and treatment outcomes
- Treatments with broader MoA (eg, anti-VEGF + anti-PDGF) could provide better efficacy than VEGF inhibition alone

1. National Institutes of Health. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5178091/. Published December 2016. Accessed January 4, 2021.
2. National Eye Institute. https://www.nei.nih.gov/learn-about-eye-health/resources-for-health-educators/eye-health-data-and-statistics/age-related-macular-degeneration-amd-data-and-statistics. Published July 2019. Accessed February 19, 2021.
3. Marketscope, 2020 Retinal Pharmaceuticals Market Report
4. American Journal of Managed Care.4. https://www.ajmc.com/view/addressing-unmet-needs-in-diabetic-retinopathy. Published October 2019.Accessed January 4, 2021.

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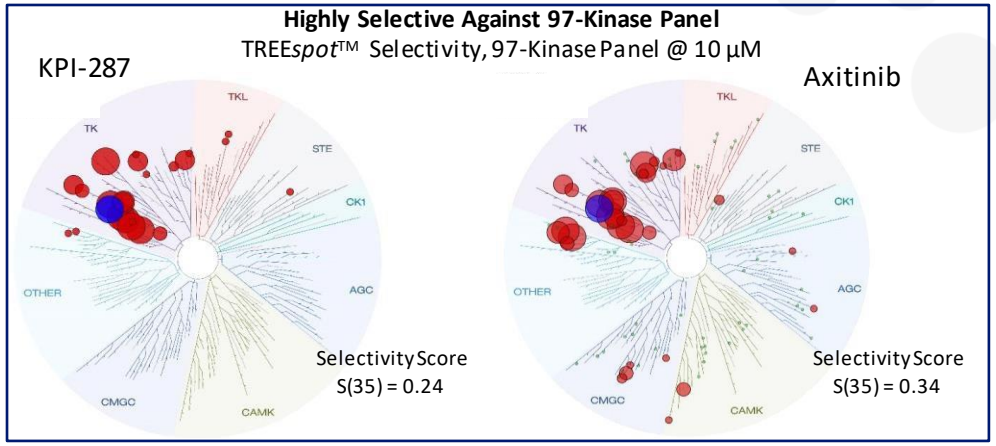
Suprachoroidal Tyrosine Kinase Inhibitor (TKI) for Treatment of Age-Related Macular Degeneration (AMD) and Other Retinal Diseases

- Kala synthesized and characterized > 100 NCE TKIs
  - Lead molecule (KPI-287) selected based on physicochemical properties, potency against VEGFR (anti-angiogenesis activity) and PDGFR (may impact fibrosis in AMD), and selectivity
  - KPI-287 has improved solubility and kinase selectivity compared to axitinib, the most common TKI currently being developed for retinal disease
- Compelling preclinical PK and efficacy results with topical KPI-287 in standard preclinical models of retinal disease
  - Significant drug concentrations in retina and choroid
  - Comparable efficacy to intravitreal injection (IVT) of Avastin in relevant animal model
- Suprachoroidal injection (SCI) of KPI-287 being developed to achieve sustained delivery from single administration
  - Target duration - 6 month or greater
  - SCI has potential to overcome dose, release and delivery limitations of current IVT TKI delivery approaches

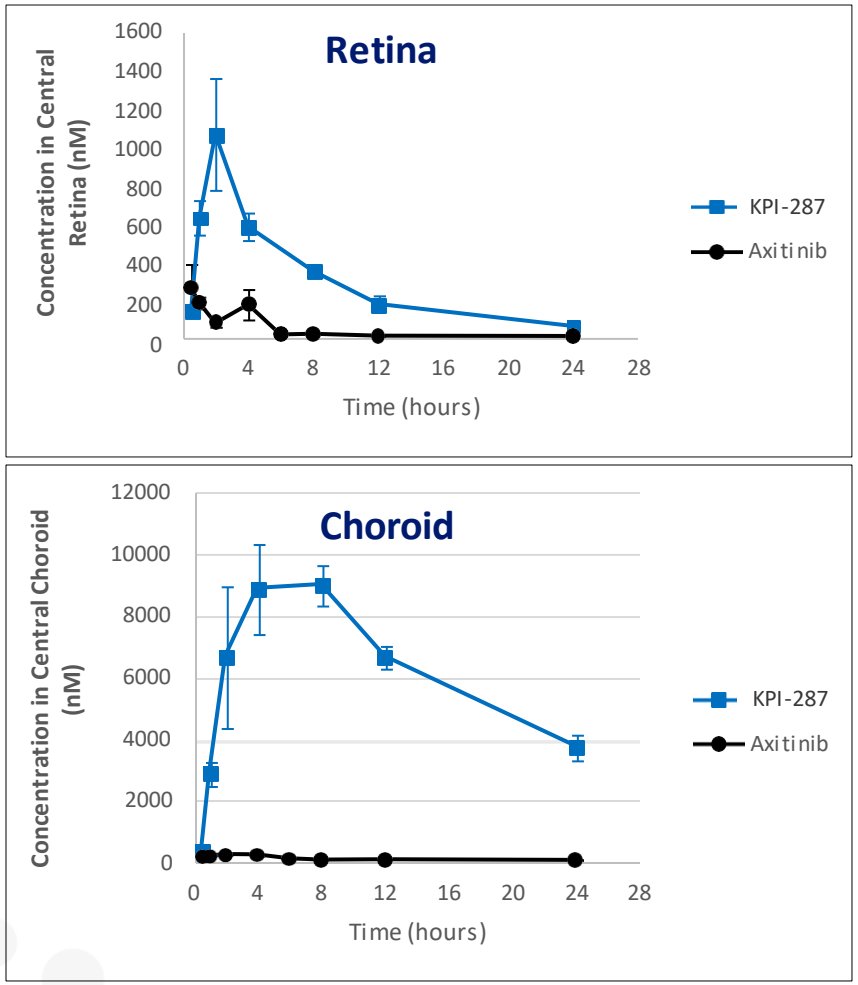


Potent VEGFR-2 Inhibitor:
HUVEC IC50: 0.2 ± 0.1 nM (n=6)

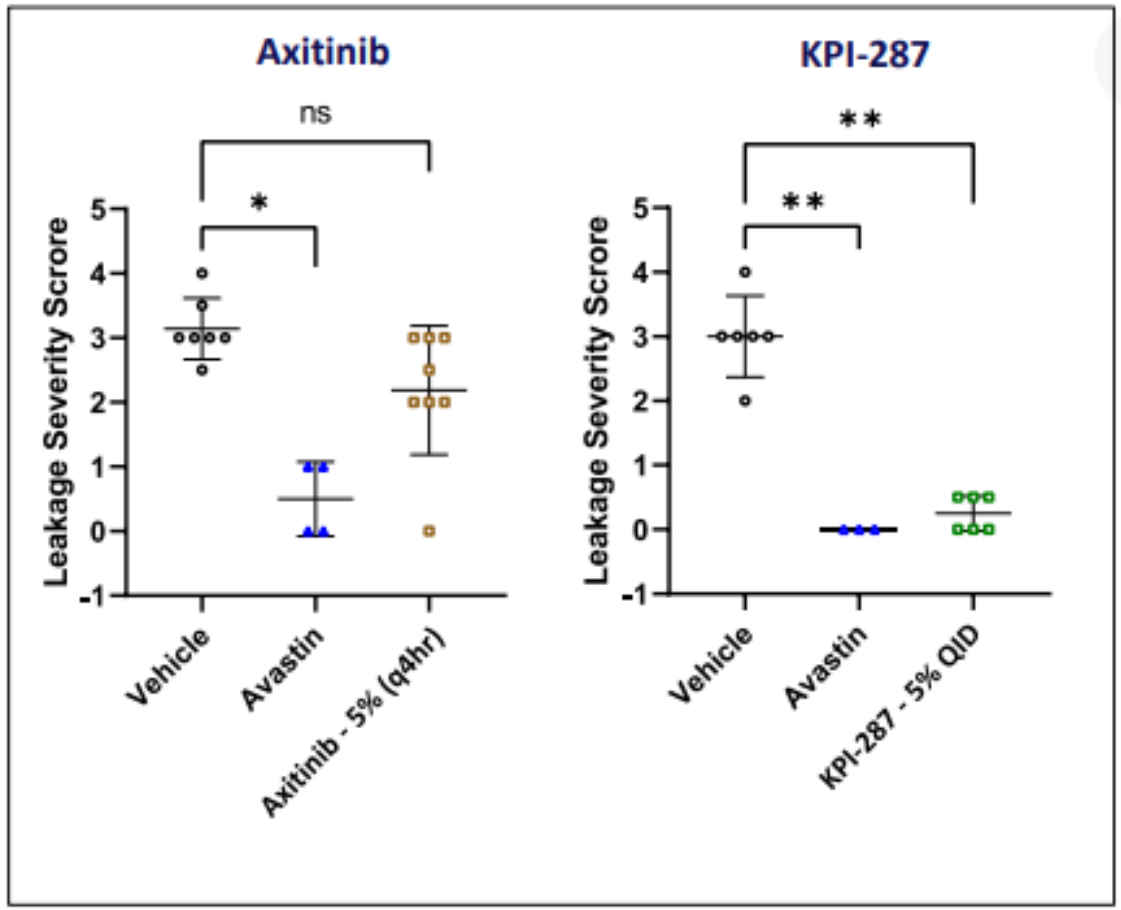
Target	Kd (nM)
FLT1 (VEGFR-1)	0.6
KDR (VEGFR-2)	0.5
FLT4 (VEGFR-3)	6
PDGFRA	0.9
PDGFRB	0.2

Solubility (µg/mL)	Axitinib	KPI-287
PBS (pH 7.4) at 37°C	4	20

Topical KPI-287 - Better PK and Efficacy than Axitinib in Rabbit PK and VEGF Challenge Models



Tissues collected after a single topical dose 5% KPI-287 suspension *vs* 5% Axitinib suspension in Dutch Belted rabbits



Axitinib (5% q4 hr) or KPI-287 (5% QID) dosed topically days 1 through 6, with VEGF challenge on day 3, and efficacy evaluation (fluorescein angiography) on day 6 (72 hrs post VEGF challenge). IVT Avastin used as positive control.

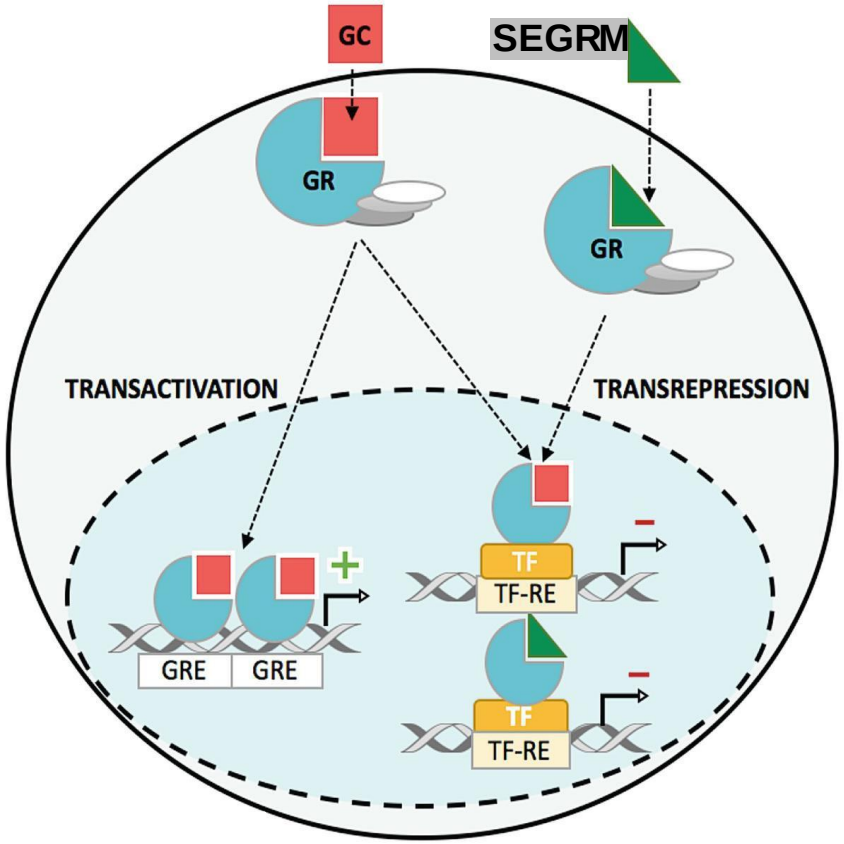
- * $p < 0.05$, ** $p < 0.01$, Kruskal-Wallis non-parametric with Dunn's test for multiple comparison

Selective Glucocorticoid Receptor Modulators (SEGRM)

SEGRMs (Selective Glucocorticoid Receptor Modulators)

Novel Anti-inflammatory Compounds to Address Significant Unmet Needs in Ophthalmology and Systemic Diseases

- Activation of glucocorticoid receptor (GR) can result in regulation of gene expression along both the transactivation (TA) and transrepression (TR) pathways
- Considerable evidence that the TR pathway alone is sufficient for anti-inflammatory and immunomodulatory activity
- The TA pathway is thought to be responsible for the untoward effects associated with ocular and systemic administration of corticosteroids
  - Elevated IOP, hypertension, osteoporosis, skin atrophy, etc.
- SEGRMs:
  - Novel class of compounds designed to selectively regulate gene expression through the TR pathway, avoiding the TA pathway
  - Potential for comparable anti-inflammatory activity to the corticosteroid class of therapies without their associated side effects



Luypaert A., Vanden Berghe W., Tavernier J., Libert C., De Bosscher K. (2018) Strategies and Compounds to Circumvent Glucocorticoid-Induced Side Effects. In: Riccardi C., Levi-Schaffer F., Tiligada E. (eds) Immunopharmacology and Inflammation. Springer, Cham.

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Kala SEGRM Program

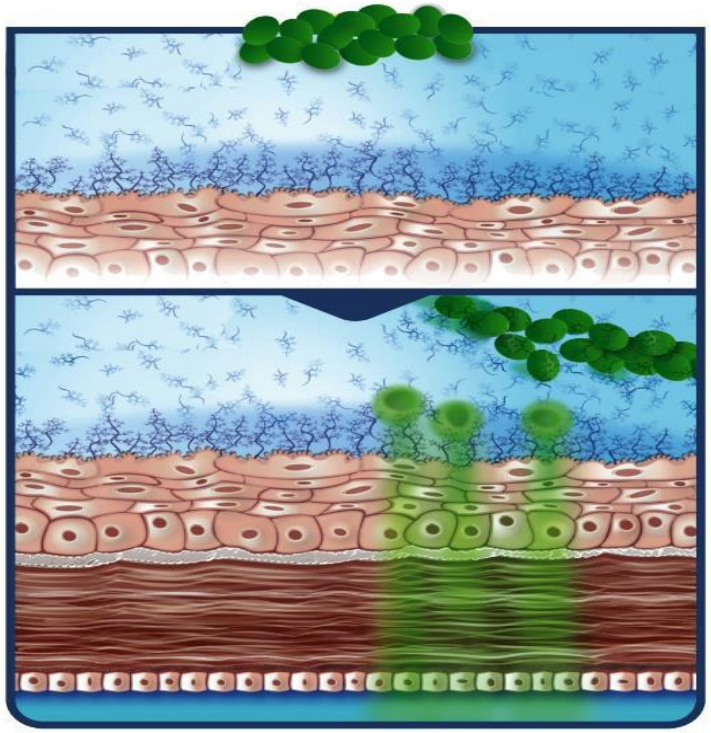
- Kala SEGRM program focused on developing novel NCEs that specifically target the TR pathway of the glucocorticoid receptor
  - Will address key unmet needs in both ophthalmic and systemic disease
- Target profile - Novel glucocorticoid receptor modulator with:
  - Potent anti-inflammatory and immunomodulatory effect with favorable therapeutic index
  - Favorable side effect profile, devoid of typical steroid side effects with both ocular and systemic administration
  - Ability to be safely administered long-term
- Good progress on program to date:
  - Promising *in vitro* selectivity data on several NCEs
  - Good separation of transrepression (TR) and transactivation (TA) effects
- SEGRM product candidates also have potential to be developed for non-ophthalmic disease
- Kala owns all Intellectual Property and Worldwide rights

FDA Approved Commercial Products

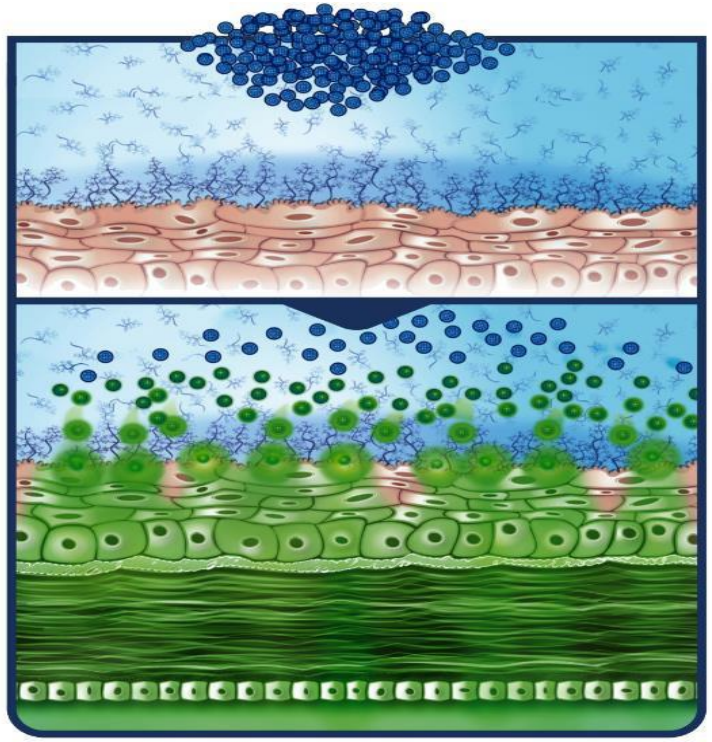
EYSUVIS®
(loteprednol etabonate ophthalmic suspension) 0.25%

INVELTYS®
(loteprednol etabonate ophthalmic suspension) 1%

EYSUVIS and INVELTYS utilize AMPPLIFY Technology which Increases LE Penetration to Corneal and Aqueous Humor by More Than 3x



Traditional suspension eye drops adhere to mucins and can be rapidly cleared through blinking



Drug particles formulated with **AMPPLIFY™ Drug Delivery Technology** are designed to enhance penetration through the mucus barrier and deliver increased concentrations of drug to the target ocular tissues

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EYSUVIS: Potential to Be the Preferred Prescription Therapy for Dry Eye Disease Flares

EYSUVIS®
(loteprednol etabonate ophthalmic suspension) 0.25%

1. First and only prescription therapy specifically for the short-term (up to two weeks) treatment of the signs and symptoms of dry eye disease
2. 75-90% of dry eye patients routinely experience dry eye flares
3. Opportunity to capture a large significant unmet need in dry eye with deep experience in eye care across the organization
4. As of 3/29/22, EYSUVIS achieved Commercial coverage of more than 118 million lives (70%) and achieved Medicare coverage of 7.1 million lives (15%)
5. Strong IP position (2033) and proprietary manufacturing process

Approved October 2020 with U.S. promotional launch in January 2021

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EYSUVIS is Poised to Answer Unmet Needs in DED

- **Broad anti-inflammatory activity** addresses key driver of DED
- In clinical trials, **EYSUVIS** provided **rapid onset of relief** of signs and symptoms of DED
- In clinical trials, **EYSUVIS** was **well tolerated** with low incidence of IOP elevations (similar to vehicle)
- **EYSUVIS** is the **first and only** ocular corticosteroid indicated for dry eye disease

Eye Care Professionals (ECPs) Prefer an On-label Steroid for DED:[1]

- Off-label steroids have varied safety profiles
- Risk of IOP elevation when prescribing steroids off-label
- The DED indication provides patient comfort and confidence
- Efficacy and safety reviewed by the FDA

99% of ECPs are interested in the availability of a steroid with a DED indication[2]

1. Third Party Qualitative Physician Market Research with 70 ECPs (34 OPH and 36 OPT).
2. Quantitative Market Research with 201 ECPs (101 OPH and 100 OPT).

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A Gap in the Market Provides Opportunity for EYSUVIS

OTC ARTIFICIAL TEARS

EYSUVIS®
(loteprednol etabonate ophthalmic suspension) 0.25%

EPISODIC FLARES

xiidra®
(lifitegrast ophthalmic solution) 5%

tyrvaya™
(varenicline solution) nasal spray 0.03 mg

Cequa™
(cyclosporine ophthalmic solution) 0.09%

Restasis®
(Cyclosporine Ophthalmic Emulsion) 0.05%

CHRONIC Rx

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Positive Feedback for EYSUVIS to Treat DED Flares

- **EYSUVIS is suitable for a wide variety of dry eye patients**, including chronic dry eye patients who may benefit from treatment for induction or breakthrough therapy, patients on an artificial tear only, and patients currently using an off-label steroid
- **Rapid relief and safety/tolerability profile of EYSUVIS as top advantages** vs. other DED therapies
- **ECPs are using EYSUVIS as a first-line treatment for dry eye flares**: Approximately two-thirds of EYSUVIS prescriptions, launch to date, are for new-to-market patients[1]

EYSUVIS Prescriptions Since Launch (January 2021)[2]			
Q1'21	Q2'21	Q3'21	Q4'21
8,099	15,632	18,537	22,460

Since launch in January 2021 to the week ended March 18, 2022:

- Approximately 87,000 prescriptions filled
- Over 14,500 refill prescriptions
- More than 7,400[3] unique prescribers

1. Symphony Health Solutions, Jan – Nov 2021
2. Data based on Symphony Quantity converted to Pack Units and HUB Consignment volume. METYS Data Week ending 1/8 includes EYSUVIS volume from prior weeks.
3. Symphony ECP Level Data through 3/11/22

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Majority of DED Patients Suffer from Episodic Flares, Not Continual Symptoms

Dry Eye Disease (DED) Flare Definition[1]:

Rapid-onset, inflammation-driven response to a variety of triggers that **typically cannot be adequately managed with patient's current therapy** (e.g., artificial tears, chronic Rx therapies)

~75-90% of all DED patients report they **suffer from flares**[2,3,4]

~81% of patients on artificial tears report they **suffer from flares**[4]

~91% of patients on prescription medications report they **suffer from flares**[4]

1. ASCRS Eye World. https://www.eyeworld.org/download/file/fid/453. Published May 2019. Accessed May 24, 2019.
2. Based on a survey of 297 patients commissioned by Kala and performed by a third party.
3. Based on a survey of 500 patients diagnosed with dry eye disease commissioned by Kala and performed by a third party.
4. Based on a survey of 774 patients performed by a third party.

Annual Total Addressable US Market for Dry Eye Disease Flares

75-90% [1-3]

of the 17.2M [4] **diagnosed DED patients experience Flares** [1-3]

Of these,

~13-15M patients have about 5.5 Flares per year [4,5]

330M treatable Flare Days per year

- Only ~15% of diagnosed DED patients are currently on an Rx medication
- 75% of diagnosed DED patients have never tried prescription therapy
- Less than 3% of diagnosed DED patients receive a prescription for an off-label steroid
- U.S. Dry Eye Market expected to exceed $2.6B in annual revenues by 2026[6]

1. Based on a survey of 297 patients commissioned by Kala and performed by a third party. 2. Based on a survey of 500 patients diagnosed with dry eye disease commissioned by Kala and performed by a third party. 3. Based on a survey of 774 patients performed by a third party. 4. Schaumberg et al, 2013, Prevalence of diagnosed dry eye in the US, MarketScope 2018 report – Diagnosed Dry Eye patients in the US; 5. Based on a survey of 297 patients commissioned by Kala and performed by a third party 6. Evaluatepharma Report: Available USA Sales by Indication (Indications) (Marketed & PII+) 8Jan2021

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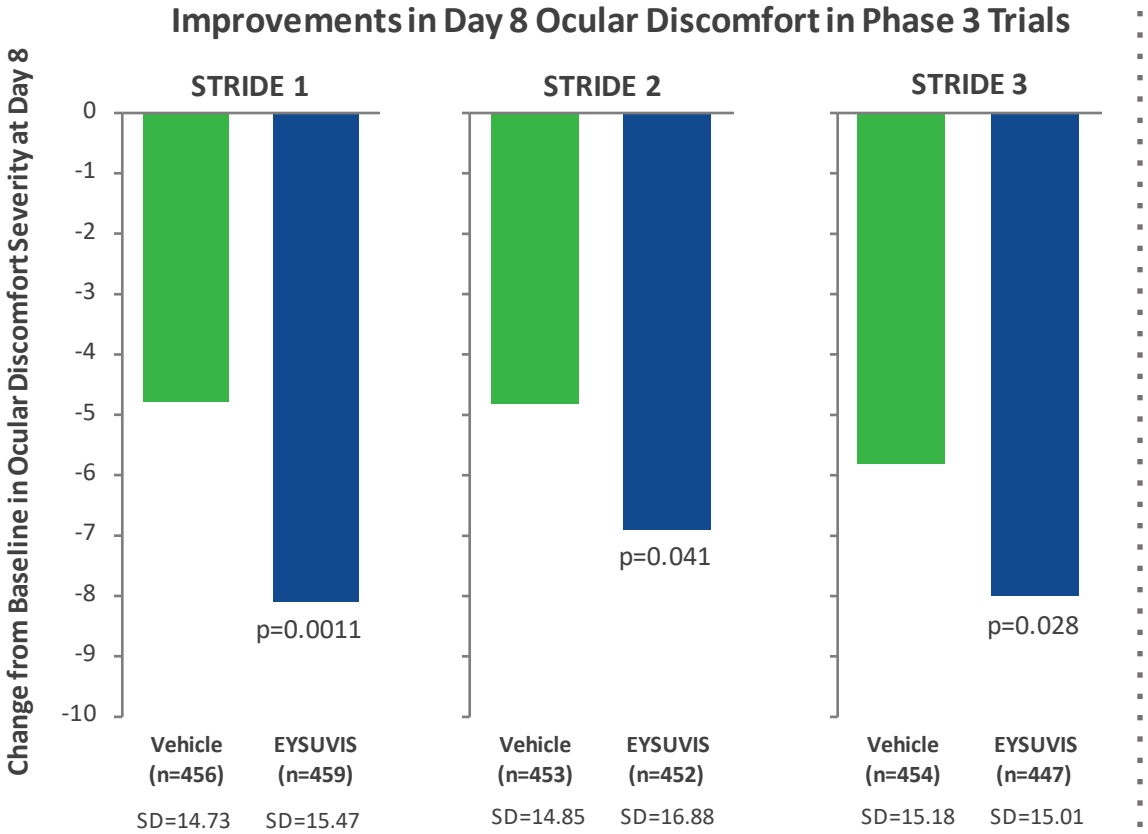
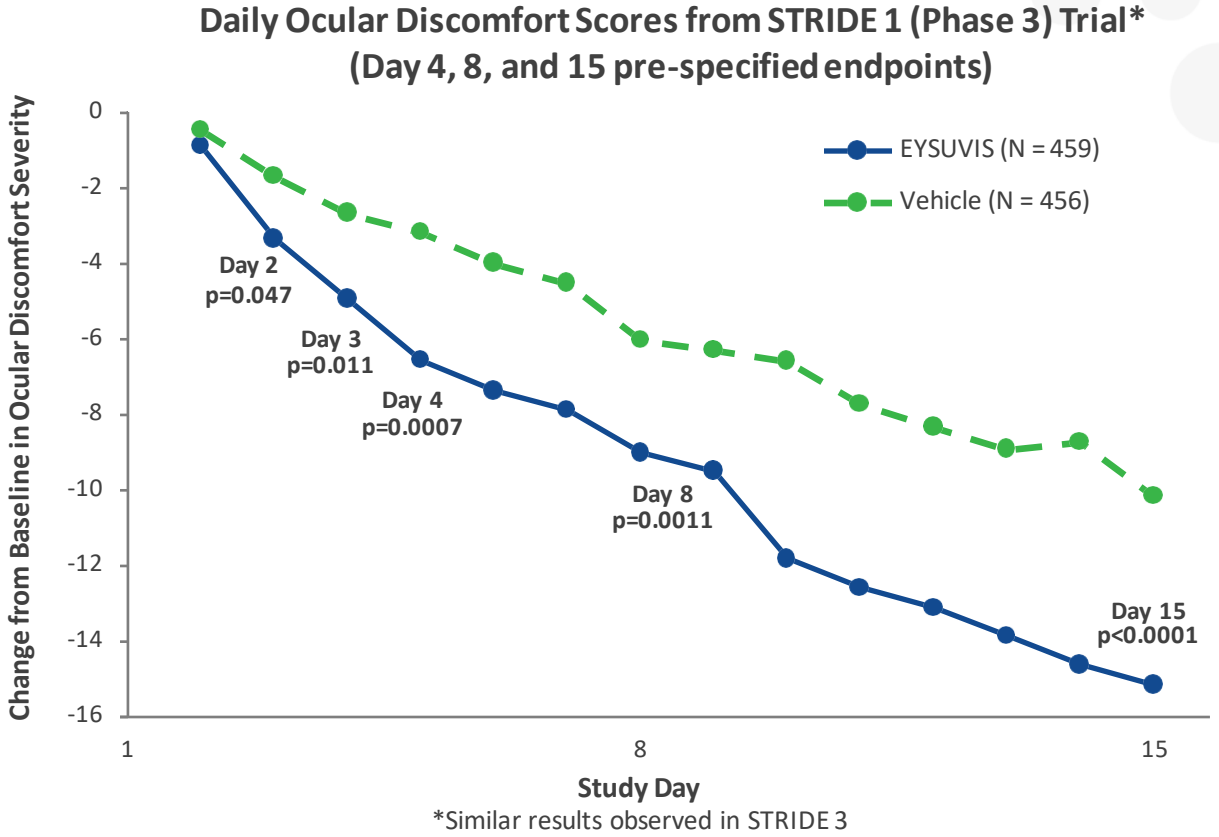
Rapid Onset of Relief for Ocular Discomfort



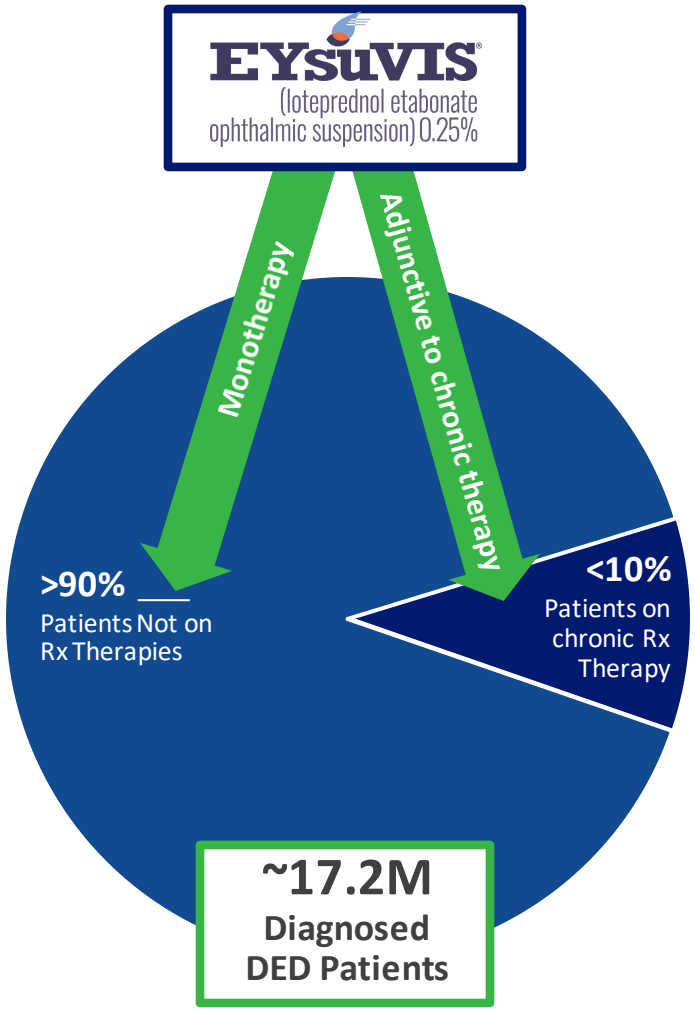


- Day 8 and 15 were pre-specified efficacy endpoints in STRIDE 1, STRIDE 2 and STRIDE 3
- Day 4, Day 8 and Day 15 were pre-specified efficacy endpoints in STRIDE 1
- Day 2 and day 3 are exploratory efficacy endpoints in STRIDE 1
- p values for the Day 8 and day 15 results in each study were analyzed on the days following Day 7 and 14 using the 3 day mean prior to Day 8 (Days 5, 6 and 7) and the 3 day mean prior to Day 15 (days 12, 13 and 14) compared to the 3 day mean prior to Day 1 (Baseline)
- The daily ocular discomfort change from baseline data presented in the graph on the right are derived comparing the single day data from each time point to the 3 day mean prior to Day 1 (baseline)

References: 1. Data on file. Kala Pharmaceuticals.

EYSUVIS May Be Suitable for the Vast Majority of Patients with Dry Eye Disease

EYSUVIS as First-line Rx Therapy for treatment of episodic symptoms (flares)



EYSUVIS as Induction Therapy at initiation of chronic Rx meds

or

EYSUVIS as Add-on Therapy to treat breakthrough flares for those already on chronic Rx meds

Patients with DED are in the Office Seeking Treatment

2-3x Patients with DED are in the Eye Care Professional (ECP) office an average of 2-3 times per year

42% of annual ECP office visits are for DED flares

MarketScope 2018 report – Diagnosed Dry Eye patients in the US; Symphony Prescription data, November 2018; NPA Market Dynamics IQVIA data, October 2018; Epidemiology research commissioned by Kala and performed by a third party; Schaumberg et al, 2013, Prevalence of diagnosed dry eye in the US; Survey of 73 ophthalmologists commissioned by Kala and performed by a third party

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INVELTYS: The First & Only Post-Surgical Steroid Approved with BID Dosing

- INVELTYS launched January 2019
- INVELTYS is indicated to treat inflammation and pain following ALL ocular surgeries
- INVELTYS is the FIRST AND ONLY post-surgical steroid shown to be effective and approved with BID dosing
- INVELTYS has an excellent safety and tolerability profile, with IOP results similar to placebo
- INVELTYS utilizes AMPPLIFY nanoparticle technology that delivers more loteprednol directly to the target ocular tissue while maintaining an excellent safety profile

Field sales team currently subject to some restrictions on in-office meetings due to COVID-19

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Kala is Positioned to be a Leader in Ophthalmics

Compelling Clinical Pipeline Candidates

- KPI-012 - Advancing novel secretome therapy into Phase 2/3 study for PCED with orphan disease status
- KPI-287 - Proprietary NCE Tyrosine Kinase Inhibitor (TKI) for Treatment of Age-Related Macular Degeneration (AMD) and other retinal diseases
- SEGRM - novel NCEs that specifically target the TR pathway of the glucocorticoid receptor

Experienced Ophthalmic Team

- Deep experience in clinical development, commercial and medical affairs across multiple ophthalmic brands
- Expanded ophthalmic sales team deepens experience in dry eye and gains access to optometrist and ophthalmologist

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EYSUVIS® (loteprednol etabonate ophthalmic suspension) 0.25%

- First and only prescription therapy specifically for the short-term (up to two weeks) treatment of the signs and symptoms of dry eye disease
- 75-90% of dry eye patients suffer from short-term, episodic flares
- Approved by FDA on October 26, 2020, with U.S. promotional launch in January 2021

INVELTYS® (loteprednol etabonate ophthalmic suspension) 1%

- First and only post-surgical steroid with combination of powerful efficacy, a safety profile comparable to vehicle and approved for BID dosing
- Approved by FDA in August 2018 with U.S. launch in January 2019

Cash Position

- Cash, cash equivalents and short-term investments of $92.1 million as of December 31, 2021

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Thank You