REPLACES MEDIA RELEASE "KINARUS THERAPEUTICS PROVIDES STRATEGIC UPDATE" FROM NOVEMBER 4, 2022, 7AM CET, WHICH HAD BEEN ERRONEOUSLY SENT AS AN AD-HOC NEWS.

Kinarus Therapeutics Provides Strategic Update

- **Exploring financial and strategic options to fund Phase 2 trials of KIN001 in wet age-related macular degeneration and idiopathic pulmonary fibrosis**
- **KINFAST phase 2 clinical trial of KIN001 in mild to moderate Covid-19 patients to continue**

Basel, Switzerland, 4 November 2022. Kinarus Therapeutics Holding AG (SIX: KNRS) ("Kinarus"), a clinical-stage biopharmaceutical company developing novel therapeutics to treat viral, respiratory, and ophthalmic diseases, today reiterated its plans to focus on clinical trials in wet age-related macular degeneration and idiopathic pulmonary fibrosis, and to refocus its capital resources and financing efforts to drive these programs.

Following the discontinuation of the Phase 2 KINETIC study of KIN001 in hospitalized Covid-19 patients, Kinarus is exploring various financial and strategic options to initiate mid-stage clinical development of its lead drug candidate, KIN001, in wet age-related macular degeneration (wAMD) and idiopathic pulmonary fibrosis (IPF).

KINFAST, a Phase 2 study of KIN001 in ambulatory Covid-19 patients who are not hospitalized, is continuing and funded from existing Kinarus resources and the Programme for Covid-19 medicines of the Swiss Federal Office for Public Health.

Dr Alexander Bausch, CEO of Kinarus Therapeutics Holding AG, commented: "Our current resources are committed to conducting the KINFAST study, which is jointly financed by the Swiss government. While the outcome of the KINETIC study in hospitalized Covid-19 patients was disappointing, KINFAST is testing KIN001 in a different population with different endpoints, both of which are better suited to a potential positive outcome. Therefore, we plan to continue KINFAST as planned.

"However, we founded Kinarus to pursue wAMD and IPF and, prior to the Covid-19 pandemic, we successfully demonstrated in preclinical testing that KIN001 has strong potential to provide meaningful improvements for patients suffering from wAMD and IPF when used in combination with marketed therapies. Now that it is once again possible to conduct clinical trials in non-Covid indications - which was not the case during the height of the pandemic - we are refocusing our team's efforts on our initial goal of running Phase 2 clinical testing of KIN001 in wAMD and IPF patients. We are exploring all options to advance KIN001 into Phase 2 clinical trials in these indications."

Current Clinical Programs

- KINFAST Phase 2 trial in Covid-9 - KIN001 potentially targets the multiple mechanisms of acute and long Covid-19. The SARS-CoV-2 virus hijacks the p38 MAPK pathway for replication. Kinarus has discovered that KIN001 is active against SARS-CoV-2, as well as its variants of concern. KIN001 also possesses anti-inflammatory and anti-fibrotic activity. The phase 2 KINFAST trial is currently actively enrolling patients in Switzerland and Germany. We anticipate results in 2023.

- KIN001-AMD Phase 2 trial - KIN001 is under development as oral therapy complementing current anti-VEGF drugs, intended to extend the time interval between ocular injections. Kinarus has received regulatory approvals to conduct a Phase 2 clinical study in Switzerland and Germany. The trial is anticipated to start enrolment once the company has raised sufficient funds.

- KIN001- IPF - IPF is a devastating disease with high morbidity and mortality and significant unmet need. KIN001 targets multiple underlying mechanisms of disease progression, reducing the irreversible fibrosis and loss of respiratory capacity. Protocol development is completed, and regulatory submissions are expected once the company has raised sufficient funds.

KIN001 is a patented combination of two active pharmaceutical ingredients (APIs): pamapimod and pioglitazone. Pamapimod is a highly selective clinical stage small molecule inhibitor of the p38 MAP kinase signaling pathway. Kinarus has obtained an exclusive worldwide license from Roche for the development of pamapimod in all therapeutic indications. p38 MAPK inhibitors were broadly considered to have blockbuster potential, with several compounds evaluated through mid-stage clinical trials. Most efforts were abandoned after finding that the initial therapeutic benefit of p38 MAPK inhibition decreased over time due to compensatory mechanisms that blocked its beneficial effects.

Kinarus has discovered a potential way to overcome this limitation. Kinarus has found that combining pamapimod with pioglitazone, a safe and well-tolerated marketed drug for the treatment of type 2 diabetes, leads to synergistic efficacy and increased duration of action in preclinical models of wAMD, IPF and other autoimmune/inflammation indications. The KIN001 drug combination thereby revives the important therapeutic potential of p38 MAPK inhibition. KIN001 enjoys broad patent protection in the US, EU, China, and other countries through at least 2037, with intellectual property wholly owned by Kinarus.

Kinarus Therapeutics Holding AG (www.kinarus.com) was founded in 2017 by experienced pharmaceutical executives in Basel, Switzerland. The Kinarus team utilizes its knowledge and drug development competencies to in-license and develop mid-stage clinical assets in which they have identified an increased probability of clinical and regulatory success and a rapid path to market. Kinarus possesses the exclusive worldwide license to pamapimod covering all indications.

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