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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2025

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File No. 001-36672

KIORA PHARMACEUTICALS, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	**98-0443284**
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)

169 Saxony Rd.
Suite 212
Encinitas, CA 92024
(Address of Principal Executive Offices, including zip code)

(858) 224-9600
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	KPRX	The Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x Yes o No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit). x Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated filer	o	Accelerated filer	o
Non-accelerated filer	x	Smaller reporting company	x
		Emerging growth company	o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)
o Yes x No

On May 7, 2025, there were 3,043,857 shares of the registrant's common stock outstanding.

KIORA PHARMACEUTICALS, INC.
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QUARTERLY REPORT ON FORM 10-Q
For the Quarterly Period Ended March 31, 2025

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains statements that are not statements of historical fact and are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The forward-looking statements are principally, but not exclusively, contained in "Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations." These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements include, but are not limited to, statements about management's confidence or expectations, and our plans, objectives, expectations, and intentions that are not historical facts. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "could," "would," "expect," "plan," "anticipate," "believe," "goal," "foreseeable," "see," "estimate," "project," "intends," "think," "potential," "objective," "optimistic," "strategy," and similar expressions intended to identify forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements include, but are not limited to, statements about:

- the timing and success of preclinical studies and clinical trials conducted by us and our development partners;
- the ability to obtain and maintain regulatory approval of our product candidates, and the labeling for any approved products;
- the scope, progress, expansion, and costs of developing and commercializing our product candidates;
- the size and growth of the potential markets for our product candidates and the ability to serve those markets;
- our expectations regarding our expenses and revenue, the sufficiency of our cash resources and needs for additional financing;
- the rate and degree of market acceptance of any approved products;
- our expectations regarding competition;
- our anticipated growth strategies;
- our ability to attract or retain key personnel;
- our ability to establish and maintain development partnerships;
- our expectations regarding federal, state and foreign regulatory requirements;
- regulatory developments in the U.S. and foreign countries;
- our ability to obtain and maintain intellectual property protection for our product candidates;
- the anticipated trends and challenges in our business and the market in which we operate; and
- our ability to assess the probability of achievement of milestones and other advances in our product candidates.

We discuss many of these risks in detail under the heading "Item 1A. Risk Factors" beginning on page 17 of our Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, or the SEC, on March 25, 2025, or the Annual Report. You should carefully review all these factors, as well as other risks described in

our public filings, and you should be aware that there may be other factors, including factors of which we are not currently aware, that could cause these differences.

Also, these forward-looking statements represent our estimates and assumptions only as of the date of this report. We may not update these forward-looking statements, even though our situation may change in the future, unless we have obligations under the federal securities laws to update and disclose material developments related to previously disclosed information.

Kiora Pharmaceuticals, Inc. is referred to herein as “we,” “our,” “us,” and “the Company.”

PART I - FINANCIAL INFORMATION
Item 1. Financial Statements

KIORA PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2025 (unaudited)	December 31, 2024
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 3,771,024	$ 3,792,322
Short-Term Investments	20,334,831	22,999,760
Prepaid Expenses and Other Current Assets	941,542	2,042,487
Collaboration Receivables	1,337,604	601,197
Tax Receivables	722,290	270,246
Total Current Assets	27,107,291	29,706,012
Non-Current Assets:		
Property and Equipment, Net	4,984	5,232
Restricted Cash	4,081	4,057
Intangible Assets and In-Process R&D, Net	6,687,100	6,687,100
Operating Lease Right-of-Use Assets	152,083	57,170
Other Assets	64,323	24,913
Total Assets	$ 34,019,862	$ 36,484,484
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable	$ 942,492	$ 415,590
Accrued Expenses	3,522,003	4,588,657
Accrued Collaboration Credit	738,584	981,111
Operating Lease Liabilities	71,554	23,355
Total Current Liabilities	5,274,633	6,008,713
Non-Current Liabilities:		
Contingent Consideration	4,466,682	4,191,490
Deferred Tax Liability	490,690	490,690
Non-Current Operating Lease Liabilities	87,470	33,815
Total Non-Current Liabilities	5,044,842	4,715,995
Total Liabilities	10,319,475	10,724,708
Commitments and Contingencies (Note 8)		
Stockholders' Equity:		
Preferred Stock, $0.01 Par Value: 10,000,000 shares authorized; 3,750 designated Series A, 0 shares issued and outstanding; 10,000 designated Series B, 0 shares issued and outstanding; 10,000 shares designated Series C, 0 shares issued and outstanding; 20,000 shares designated Series D, 7 shares issued and outstanding; 1,280 shares designated Series E, 0 shares issued and outstanding; 3,908 shares designated Series F, 420 issued and outstanding at March 31, 2025 and December 31, 2024, respectively	4	4
Common Stock, $0.01 Par Value: 150,000,000 shares authorized; 3,000,788 shares issued and outstanding at March 31, 2025 and December 31, 2024, respectively	267,679	267,679
Additional Paid-In Capital	169,304,991	169,156,374
Accumulated Deficit	(145,575,102)	(143,382,122)
Accumulated Other Comprehensive Loss	(297,185)	(282,159)
Total Stockholders' Equity	23,700,387	25,759,776
Total Liabilities and Stockholders' Equity	$ 34,019,862	$ 36,484,484

See Accompanying Notes to Condensed Consolidated Financial Statements.

KIORA PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME
(unaudited)

	Three Months Ended March 31,	
	2025	2024
Revenue:		
Collaboration Revenue	$ —	$ 16,000,000
Total Revenue	—	16,000,000
Operating Expenses:		
General and Administrative	1,489,398	1,296,441
Research and Development	2,531,887	1,684,212
Collaboration and Research Credits	(1,966,123)	(190,553)
Change in Fair Value of Contingent Consideration	275,192	(12,194)
Total Operating Expenses	2,330,354	2,777,906
Operating (Loss) Income	(2,330,354)	13,222,094
Other Income (Expense), Net:		
Interest Income, Net	276,633	223,047
Other (Expense) Income, Net	(16,253)	8,066
Total Other Income, Net	260,380	231,113
(Loss) Income Before Income Tax Expense	(2,069,974)	13,453,207
Income Tax Expense	(123,006)	—
Net (Loss) Income	$ (2,192,980)	$ 13,453,207
Net (Loss) Income Attributable to Common Shareholders	$ (2,192,980)	$ 13,453,207
Net (Loss) Income per Common Share - Basic	$ (0.52)	$ 4.67
Weighted Average Shares Outstanding - Basic	4,217,007	2,881,796
Net (Loss) Income per Common Share - Diluted	$ (0.52)	$ 3.46
Weighted Average Shares Outstanding - Diluted	4,217,007	3,891,722
Other Comprehensive (Loss) Income:		
Net (Loss) Income	$ (2,192,980)	$ 13,453,207
Unrealized Loss on Marketable Securities	(16,099)	—
Foreign Currency Translation Adjustments	1,072	(81,573)
Comprehensive (Loss) Income	$ (2,208,007)	$ 13,371,634

See Accompanying Notes to Condensed Consolidated Financial Statements.

KIORA PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
Three Months Ended March 31, 2025 and 2024
(unaudited)

	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2024	**427**	**$ 4**	**3,000,788**	**$ 267,679**	**$ 169,156,374**	**$ (143,382,122)**	**$ (282,159)**	**$ 25,759,776**
Stock-Based Compensation	—	—	—	—	148,616	—	—	148,616
Unrealized Loss on Marketable Securities	—	—	—	—	—	—	(16,099)	(16,099)
Foreign Currency Translation Adjustment	—	—	—	—	—	—	1,072	1,072
Net Loss	—	—	—	—	—	(2,192,980)	—	(2,192,980)
Balance at March 31, 2025	**427**	**$ 4**	**3,000,788**	**$ 267,679**	**$ 169,304,991**	**$ (145,575,102)**	**$ (297,185)**	**$ 23,700,387**

	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2023	**427**	**$ 4**	**856,182**	**$ 77,078**	**$ 153,192,228**	**$ (146,976,855)**	**$ (182,801)**	**$ 6,109,654**
Stock-Based Compensation	—	—	—	—	175,443	—	—	175,443
Issuance of Common Stock and Warrants from Private Placement, Net of Offering Costs of $1.2 million	—	—	1,755,556	158,000	1,516,757	—	—	1,674,757
Issuance of Common Stock from Warrant Exercises	—	—	305,617	27,506	156,812	—	—	184,318
Foreign Currency Translation Adjustment	—	—	—	—	—	—	(81,573)	(81,573)
Net Income	—	—	—	—	—	13,453,207	—	13,453,207
Balance at March 31, 2024	**427**	**$ 4**	**2,917,355**	**$ 262,584**	**$ 155,041,241**	**$ (133,523,648)**	**$ (264,374)**	**$ 21,515,807**

See Accompanying Notes to Condensed Consolidated Financial Statements.

KIORA PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

	Three Months Ended March 31,	
	2025	2024
Operating Activities:		
Net (Loss) Income	$ (2,192,980)	$ 13,453,207
Adjustments to Reconcile Net (Loss) Income to Net Cash (Used in) Provided by Operating Activities:		
Depreciation and Amortization of Intangible Assets	318	4,869
Reduction of Operating Lease Right-of-Use Assets	19,290	11,343
Stock-Based Compensation	148,616	175,443
Change in Fair Value of Contingent Consideration	275,192	(12,194)
Investment Income and Fair Value Adjustments on Marketable Securities and Cash Equivalents	(23,953)	—
Changes in Operating Assets and Liabilities:		
Prepaid Expenses and Other Current Assets	454,932	12,651
Collaboration Receivables	(736,407)	(189,904)
Research Credit Receivables	(668,916)	165,687
Tax Receivables	225,794	13,400
Other Assets	(39,226)	1,112
Accounts Payable	1,171,627	124,975
Accrued Expenses	(1,084,242)	(124,391)
Accrued Collaboration Credit	(241,894)	—
Operating Lease Liabilities	(12,350)	(11,343)
Net Cash (Used in) Provided by Operating Activities	(2,704,199)	13,624,855
Investing Activities:		
Purchases of Marketable Securities	(3,619,218)	—
Sales of Marketable Securities	80,000	—
Maturities of Marketable Securities	6,212,000	—
Net Cash Provided by Investing Activities	2,672,782	—
Financing Activities:		
Gross Proceeds from Private Placement	—	15,000,000
Issuance Costs for Private Placement	—	(1,191,185)
Exercise of Warrants	—	1,438,817
Net Cash Provided by Financing Activities	—	15,247,632
Effect of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Cash	10,143	(51,024)
Net (Decrease) Increase in Cash, Cash Equivalents and Restricted Cash	(21,274)	28,821,463
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	3,796,379	2,458,951
Cash, Cash Equivalents and Restricted Cash, End of Period	$ 3,775,105	$ 31,280,414
Supplemental Disclosures of Noncash Operating and Financing Activities		
Creation of Right-of-Use Assets and Related Lease Liabilities	$ 114,616	$ —

See Accompanying Notes to Condensed Consolidated Financial Statements.

KIORA PHARMACEUTICALS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)
March 31, 2025

1. Business, Presentation and Recent Accounting Pronouncements

Overview

Kiora Pharmaceuticals, Inc. (“Kiora” or the “Company”) was formed as a Delaware corporation on December 28, 2004. Kiora is a clinical-stage specialty pharmaceutical company developing and commercializing therapies for the treatment of ophthalmic diseases.

Since its inception, Kiora has devoted substantially all its efforts to business planning, research and development, and raising capital.

Unaudited Interim Financial Information

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Pursuant to these rules and regulations, they do not include all information and notes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of the Company’s financial condition and results of operations have been included. Operating results for the periods presented are not necessarily indicative of the results that may be expected for the full year. We believe that the disclosures provided herein are adequate to make the information presented not misleading when these unaudited interim condensed consolidated financial statements are read in conjunction with the audited consolidated financial statements and notes previously included in the Company’s 2024 Annual Report on Form 10-K dated March 25, 2025. The balance sheet as of December 31, 2024 was derived from audited consolidated financial statements of the Company but does not include all the disclosures required by U.S. GAAP.

Adoption of Accounting Standards

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740) - Improvements to Income Tax Disclosures. The new standard requires a company to expand its existing income tax disclosures, specifically related to the rate reconciliation and income taxes paid. The standard is effective for us beginning in fiscal year 2025 for the annual reporting period ending December 31, 2025. The new standard is expected to be applied prospectively, but retrospective application is permitted. The Company adopted ASU 2023-09 on January 1, 2025. The adoption of ASU 2023-09 did not have a material effect on the condensed consolidated financial statements and related disclosures.

Accounting Standards Pending Adoption

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses (“ASU 2024-03”). The guidance in ASU 2024-03 requires new financial statement disclosures in tabular format, disaggregating information about prescribed categories underlying any relevant income statement expense captions. The standard is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. Upon adoption, ASU 2024-03 may be applied prospectively or retrospectively. The Company is currently evaluating the impact that the adoption of ASU 2024-03 may have on its disclosures in its condensed consolidated financial statements.

Liquidity and Capital Resources

At March 31, 2025, the Company had unrestricted Cash and Cash Equivalents of $3.8 million and Short-term Investments of $20.3 million, and an Accumulated Deficit of $145.6 million. Kiora has incurred annual losses and negative cash flows since inception, and future losses are anticipated. However, Management believes that the Company's capital resources as of March 31, 2025 will be sufficient to fund the Company's planned operations for at least 12 months after the date that these unaudited condensed consolidated financial statements are issued.

Significant Accounting Policies

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents include cash in readily available checking accounts, savings accounts, money market funds, and marketable securities with maturities of 3 months or less when acquired. The carrying amounts reported in the unaudited condensed balance sheets for cash and cash equivalents are valued at cost, which approximates fair value.

Short-Term Investments

Short-term investments primarily consist of treasuries, corporate debt securities, and government and agency securities. The Company has classified these investments as available-for-sale securities, as the sale of such investments may be required prior to maturity to implement management strategies, and therefore has classified all investments with maturity dates beyond three months at the date of purchase as current assets in the accompanying unaudited condensed consolidated balance sheets. Any premium or discount arising at purchase is amortized and/or accreted to interest income as an adjustment to yield using the straight-line method over the life of the instrument. Investments are reported at their estimated fair value. Unrealized gains and losses are included in accumulated other comprehensive (loss) income as a component of stockholders' equity until realized.

Allowance for Credit Losses

For available-for-sale securities in an unrealized loss position, the Company first assesses whether it intends to sell, or if it is more likely than not that it will be required to sell, the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through earnings. For available-for-sale securities that do not meet the aforementioned criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, the Company considers the severity of the impairment, any changes in interest rates, market conditions, changes to the underlying credit ratings and forecasted recovery, among other factors. The credit-related portion of unrealized losses, and any subsequent improvements, are recorded in interest income through an allowance account. Any impairment that has not been recorded through an allowance for credit losses is included in other comprehensive (loss) income on the condensed consolidated balance sheets.

The Company excludes the applicable accrued interest from both the fair value and amortized cost basis of available-for-sale securities for purposes of identifying and measuring an impairment. Accrued interest receivable on investment securities is recorded within prepaid expenses and other current assets on the condensed consolidated balance sheets. The Company's accounting policy is to not measure an allowance for credit loss for accrued interest receivable and to write-off any uncollectible accrued interest receivable as a reversal of interest income in a timely manner, which is considered to be in the period in which it is determined the accrued interest will not be collected.

Revenue Recognition

In accordance with FASB's ASC 606, Revenue from Contracts with Customers, or ASC 606, the Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, it performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company applies the five-step model to contracts when it determines that it is probable it will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods

or services promised within each contract and determines those that are performance obligations, and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

In a contract with multiple performance obligations, we must develop estimates and assumptions that require judgment to determine the underlying stand-alone selling price for each performance obligation which determines how the transaction price is allocated among the performance obligation. The estimation of the stand-alone selling price(s) may include estimates regarding forecasted revenues or costs, development timelines, discount rates, and probabilities of technical and regulatory success. We evaluate each performance obligation to determine if it can be satisfied at a point in time or over time. Any change made to estimated progress towards completion of a performance obligation and, therefore, revenue recognized will be recorded as a change in estimate. In addition, variable consideration must be evaluated to determine if it is constrained and, therefore, excluded from the transaction price.

Amounts received prior to satisfying the revenue recognition criteria are recognized as deferred revenue in the Company's balance sheet. Amounts expected to be recognized as revenue within the twelve months following the balance sheet date are classified as the current portion of deferred revenue. Amounts not expected to be recognized as revenue within the twelve months following the balance sheet date are classified as deferred revenue, net of current portion. As of March 31, 2025 and 2024, the Company did not have a deferred revenue balance.

Collaboration Revenue

If a license to our intellectual property is determined to be distinct from the other performance obligations identified in a contract, the Company recognizes revenues from the transaction price allocated to the license when the license is transferred to the licensee and the licensee is able to use and benefit from the license. For licenses that are bundled with other promises, the Company utilizes judgment to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue from the allocated transaction price. The Company evaluates the measure of progress at each reporting period and, if necessary, adjusts the measure of performance and related revenue or expense recognition as a change in estimate.

At the inception of each arrangement that includes milestone payments, the Company evaluates whether the milestones are considered probable of being reached. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price. Milestone payments that are not within the Company's or a collaboration partner's control, such as regulatory approvals, are generally not considered probable of being achieved until those approvals are received. At the end of each reporting period, the Company re-evaluates the probability of achievement of milestones that are within the Company's or a collaboration partner's control, such as operational development milestones and any related constraint, and, if necessary, adjust our estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, which will affect collaboration revenues and earnings in the period of adjustment. Revisions to the Company's estimate of the transaction price may also result in negative collaboration revenues and earnings in the period of adjustment.

For arrangements that include sales-based royalties, including commercial milestone payments based on the level of sales, and a license is deemed to be the predominant item to which the royalties relate, the Company will recognize revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied, or partially satisfied.

In January 2024, the Company entered into a strategic development and commercialization agreement ("License Agreement") with Théa Open Innovation ("TOI"), a sister company of the global ophthalmic specialty company Laboratoires Théa ("Théa"). Under the agreement, the Company granted TOI exclusive worldwide development and commercialization rights, excluding certain countries in Asia, to KIO-301 for the treatment of degenerative retinal diseases (the "License"). The Company concluded that the Licensing Agreement contains one material performance obligation, the License. The transaction price includes the upfront, non-refundable payment of $16.0 million (the "License Access Fee"). The Company did not include any development or

regulatory milestones in the transaction price because it is probable that changes in the estimate of receiving those milestones would result in significant reversals of cumulative revenue in future periods, due to the inherent risks and uncertainties in the drug development process. The sales-based milestones and royalties are not included in the transaction price per ASC 606-10-32-11 and ASC 606-10-55-65. There is no financing component in the License Agreement.

The initial transaction price will be allocated to the one performance obligation identified (i.e., the License), which was transferred to TOI at the execution of the License Agreement and the entire $16.0 million transaction price was recognized in the first quarter of 2024 upon the satisfaction of the license performance obligations. Variable components of consideration related to development and regulatory milestones, commercial milestones, and royalties will be allocated to the transaction price if and when they occur. When it is probable that including milestones in the transaction price will not result in significant reversals of cumulative revenue in future periods, the Company will recognize the revenue for the milestones immediately since the license performance obligation to which the milestones relate has already been fully satisfied when the change in estimate of the variable consideration occurs. Since the reimbursement for the development activities clearly relates to those activities and are accounted for under ASC 808, the Company will recognize those amounts that are due from TOI as contra-R&D expense.

The License Access Fee was earned at a point in time (first quarter of 2024) and, as a result, the associated contract costs specifically, sublicense fees, were expensed at the same point in time (first quarter of 2024). All further revenue sources that may lead to sublicense fee payments will not be recognized until earned. As such, sublicense fees will be expensed in the same period as the revenue of the respective milestone or royalties are earned.

See Note 8 to the condensed consolidated financial statements for additional information.

Collaboration Agreements

The Company has entered into a research agreement that falls under the scope of ASC 808, Collaborative Arrangements. Reimbursements from a collaboration partner are recorded as a reduction to research and development expense in the condensed consolidated statements of operations and comprehensive (loss) income. Similarly, amounts that are owed to a collaboration partner are recognized as research and development expense in the condensed consolidated statements of operations and comprehensive (loss) income.

In-Process Research and Development

The Company records in-process R&D projects acquired in asset acquisitions that have not reached technological feasibility and which have no alternative future use. For in-process R&D projects acquired in business combinations, the Company capitalizes the in-process R&D project as an indefinite-lived intangible asset and evaluates this asset at least annually for impairment until the R&D process has been completed. Once the R&D process is complete, the Company amortizes the R&D asset over its remaining useful life. The Company performed an annual evaluation of its indefinite-lived intangible assets for impairment as of August 31, 2024 with a quantitative analysis using the Income Approach. At March 31, 2025 and December 31, 2024, there was $6.7 million of in-process R&D as part of intangible assets and in-process R&D, net on the condensed consolidated balance sheets.

Accrued Clinical Expenses

As part of the Company’s process of preparing the condensed consolidated financial statements, the Company is required to estimate its accrued expenses. This process includes reviewing open contracts and purchase orders, communicating with its applicable personnel to identify services that have been performed on its behalf and estimating the level of service performed and the associated costs incurred for the service when the Company has not yet been invoiced or otherwise notified of actual costs. The majority of the Company’s service providers invoice monthly in arrears for services performed. The Company makes estimates of its accrued expenses as of each balance sheet date in the financial statements based on facts and circumstances known at

the time. The Company periodically confirms the accuracy of these estimates with the service providers and makes adjustments if necessary.

Business Segment and Geographical Information

The Company identifies operating segments as components of the enterprise for which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions on how to allocate resources and assess performance. The Company views its operations and manages its business as fully integrated and operating in one business segment and three geographic areas. The Company's singular focus is developing innovative ophthalmic pharmaceutical products.

Refunds for Research and Development

The Company through its subsidiaries, Kiora Pharmaceuticals GmbH and Kiora Pharmaceuticals Pty Ltd., is eligible to receive certain refundable tax incentives associated with its research and development expenses in Austria and Australia. These refunds are realized in the form of a cash payment when received, following the eligible incurred research and development expenses. Following the approval of a research finding by the tax authority, the Company records the refundable payment as a tax receivable and a reduction in expense in the period in which the research and development expenses are incurred. In situations where a new research application has not yet been approved by the tax authority, the Company records the tax receivable and reduction of expense in the period following approval. As of March 31, 2025 and December 31, 2024, the Company has a research and development tax receivable of $0.7 million and $0.3 million, respectively.

Reverse Stock Split

On June 6, 2024, the Company filed a Certificate of Amendment to its Restated Certificate of Incorporation (the “Amendment”) with the Secretary of State of the State of Delaware to effect a one-for-nine ("1-for-9") reverse stock split of its outstanding common stock. The Amendment was approved by the Company’s stockholders at the Company’s 2024 Annual Meeting of Stockholders held on May 1, 2024, and by the Company’s board of directors. The amendment became effective on June 11, 2024, the effective date of the reverse stock split.

The reverse stock split proportionally adjusted all shares of the Company’s common stock outstanding and shares of common stock underlying outstanding options and warrants immediately prior to the effective date of the Amendment. As a result of the reverse stock split, proportionate adjustments were made to the per share exercise price and/or the number of shares issuable upon the exercise or vesting of all warrants, stock options, and restricted stock awards issued by the Company and outstanding immediately prior to the effective date of the Amendment, which resulted in a proportionate decrease in the number of shares of the Company’s common stock reserved for issuance upon exercise or vesting of such warrants, stock options, and restricted stock awards, and, in the case of warrants and stock options, a proportionate increase in the exercise price of all such warrants and stock options. In addition, the number of shares reserved for issuance under the Company’s equity compensation plans immediately prior to the effective date of the Amendment was reduced proportionately. The reverse stock split did not affect the number of shares or par value of common stock authorized for issuance under the Company’s Restated Certificate of Incorporation, which remained at 150,000,000 shares.

No fractional shares were issued as a result of the reverse stock split. Stockholders of record who would otherwise have been entitled to receive a fractional share received a cash payment in lieu thereof. The reverse stock split affected all stockholders proportionately and did not affect any stockholder’s percentage ownership of the Company’s common stock (except to the extent that the reverse stock split results in stockholders owning fractional shares). As a result of the reverse stock split, the number of the Company’s outstanding shares of common stock as of June 11, 2024 decreased from 26,735,116 (pre-split) shares to 2,970,545 (post-split) shares.

All share and per share amounts in the accompanying financial statements and related footnotes have been adjusted retroactively to reflect the reverse stock split as if it had occurred at the beginning of the earliest period presented. While the number of warrants outstanding did not change, the underlying shares did and are

presented reflecting the split. The Company's common stock began trading on The Nasdaq Capital Market on a split-adjusted basis when the market opened on June 11, 2024.

2. Balance Sheet Information

Cash, Cash Equivalents and Restricted Cash

A summary of cash and cash equivalents and restricted cash is as follows:

	March 31, 2025	December 31, 2024
Cash and Cash Equivalents	$ 3,771,024	$ 3,792,322
Restricted Cash, Non-current	4,081	4,057
Total Cash, Cash Equivalents and Restricted Cash	$ 3,775,105	$ 3,796,379

Non-current restricted cash consists of deposits with financial institutions for corporate credit cards.

Short-term Investments

The following table summarizes short-term investments as of March 31, 2025 and December 31, 2024:

	As of March 31, 2025			
		Unrealized		
	Amortized Cost	Gains	Losses	Estimated Fair Value
US Treasuries	$ 395,150	$ —	$ (11)	$ 395,139
Government Agency Securities	15,295,366	10,762	(2,292)	15,303,836
Corporate Debt Securities	4,405,847	5,812	(801)	4,410,858
Asset Backed Securities	224,846	152	—	224,998
Total Short-term Investments	$ 20,321,209	$ 16,726	$ (3,104)	$ 20,334,831

	As of December 31, 2024			
		Unrealized		
	Amortized Cost	Gains	Losses	Estimated Fair Value
US Treasuries	$ 92,273	$ 40	$ —	$ 92,313
Government Agency Securities	18,517,164	28,008	(4,621)	18,540,551
Corporate Debt Securities	4,058,879	5,901	(2,107)	4,062,673
Asset Backed Securities	301,844	2,379	—	304,223
Total Short-term Investments	$ 22,970,160	$ 36,328	$ (6,728)	$ 22,999,760

The following table summarizes the maturities of the Company's short-term investments at March 31, 2025 and December 31, 2024:

	As of March 31, 2025	
	Amortized Cost	Estimated Fair Value
Due in one year or less	$ 18,877,094	$ 18,889,213
Due in one to five years	1,444,115	1,445,618
Total Short-term Investments	$ 20,321,209	$ 20,334,831

	As of December 31, 2024	
	Amortized Cost	Estimated Fair Value
Due in one year or less	$ 21,659,580	$ 21,688,074
Due in one to five years	1,310,580	1,311,686
Total Short-term Investments	$ 22,970,160	$ 22,999,760

The following table shows the Company's available-for-sale investments' gross unrealized losses and fair value aggregated by investment category and length of time that individual securities have been in a continuous loss position, at March 31, 2025 and December 31, 2024:

	As of March 31, 2025		
	Less than 12 months		
	Count	Fair Value	Unrealized Losses
Government Agency Securities	4	$ 1,943,922	$ (2,292)
Corporate Debt Securities	9	713,852	(801)
Total	16	$ 3,052,913	$ (3,104)

	As of December 31, 2024		
	Less than 12 months		
	Count	Fair Value	Unrealized Losses
Government Agency Securities	4	$ 3,369,962	$ (4,621)
Corporate Debt Securities	9	801,149	(2,107)
Total	13	$ 4,171,111	$ (6,728)

The Company reviews its investments each quarter to identify and evaluate investments that have an indication of possible other-than-temporary impairment. Factors considered in determining whether a loss is other-than-temporary include the length of time and extent to which fair value has been less than the cost basis, any changes to the underlying credit risk of the investment, and the Company’s intent and ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value. The unrealized losses in the Company’s investments were caused by changes in interest rates resulting from changing economic conditions, and not from a decline in credit of their underlying issuers. The Company may be required to sell these investments prior to maturity to implement management strategies, however, it is not likely that the Company will sell these investments before recovery of their amortized cost basis. As such, the Company has classified these losses as temporary in nature.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:

	March 31, 2025	December 31, 2024
Prepaid Research and Development	$ 728,555	$ 1,181,699
Prepaid General and Administrative	178,431	118,371
Prepaid Insurance	34,556	96,141
Other	—	646,276
Total Prepaid Expenses and Other Current Assets	$ 941,542	$ 2,042,487

Tax and Other Receivables

Tax and other receivables consist of the following:

	March 31, 2025	December 31, 2024
Research Tax Credits	$ 668,916	$ 223,183
Other Tax Receivables	53,374	47,063
Total Tax Receivables	$ 722,290	$ 270,246

Accrued Expenses

Accrued expenses consist of the following:

	March 31, 2025	December 31, 2024
Payroll and Benefits	$ 653,201	$ 1,169,618
Professional Fees	112,556	55,032
Clinical Trials	243,556	875,072
Income Tax	2,456,920	2,328,042
Other	55,770	160,893
Total Accrued Expenses	$ 3,522,003	$ 4,588,657

3. Fair Value Disclosures

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value, and expands disclosure for each major asset and liability category measured at fair value on either a recurring or nonrecurring basis. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following table summarizes the Company's financial instruments measured at fair value on a recurring basis as of March 31, 2025 and December 31, 2024.

		Fair Value Measurements at Reporting Date Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of March 31, 2025				
Cash Equivalents:				
Money Market Funds	$ 1,796,171	$ 1,796,171	$ —	$ —
US Treasury Securities	174,611	—	174,611	—
Total Cash Equivalents Measured at Fair Value	$ 1,970,782	$ 1,796,171	$ 174,611	$ —
Short-term Investments:				
US Treasury Securities	$ 395,139	$ —	$ 395,139	$ —
Government Agency Securities	15,303,836	—	15,303,836	—
Corporate Debt Securities	4,410,858	—	4,410,858	—
Asset Backed Securities	224,998	—	224,998	—
Total Short-term Investments Measured at Fair Value	$ 20,334,831	$ —	$ 20,334,831	$ —
Total Assets Measured at Fair Value	$ 22,305,613	$ 1,796,171	$ 20,509,442	$ —

		Fair Value Measurements at Reporting Date Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of December 31, 2024				
Cash Equivalents:				
Money Market Funds	$ 562,604	$ 562,604	$ —	$ —
US Treasury Securities	691,917	—	691,917	—
Total Cash Equivalents Measured at Fair Value	$ 1,254,521	$ 562,604	$ 691,917	$ —
Short-term Investments:				
US Treasury Securities	$ 92,314	$ —	$ 92,314	$ —
Government Agency Securities	18,540,550	—	18,540,550	—
Corporate Debt Securities	4,062,673	—	4,062,673	—
Asset Backed Securities	304,223	—	304,223	—
Total Short-term Investments Measured at Fair Value	$ 22,999,760	$ —	$ 22,999,760	$ —
Total Assets Measured at Fair Value	$ 24,254,281	$ 562,604	$ 23,691,677	$ —

In connection with historical acquisitions, additional consideration may be owed by the Company related to the achievement of certain milestones and such contingent consideration payments are required by U.S. GAAP to be presented at fair value. The following table provides information for liabilities measured at fair value on a recurring basis using Level 3 inputs:

	March 31, 2025	December 31, 2024
Contingent Consideration:		
Non-current	$ 4,466,682	$ 4,191,490
Total Contingent Consideration	$ 4,466,682	$ 4,191,490

The Company initially values contingent consideration related to business combinations using a probability-weighted calculation of potential payment scenarios discounted at rates reflective of the risks associated with the expected future cash flows for certain milestones. Key assumptions used to estimate the fair value of contingent consideration include projected financial information, market data and the probability and timing of achieving the specific milestones. After the initial valuation, the Company generally uses its best estimate to measure contingent consideration at each subsequent reporting period using the following unobservable Level 3 inputs:

	Valuation Technique	Unobservable Inputs	March 31, 2025	December 31, 2024
	Discounted cash flow	Payment discount rate	14.0 %	15.1 %
Bayon		Payment period	2027 - 2029	2027 - 2029
Panoptes		Payment period	2027 - 2028	2027 - 2028
Bayon		Probability of success for payment	48% - 77%	42% - 77%
Panoptes		Probability of success for payment	30% - 33%	30% - 33%

Significant changes in these assumptions could result in a significantly higher or lower fair value. The contingent consideration reported in the above table is adjusted quarterly based upon the passage of time or the anticipated success or failure of achieving certain milestones. The change in fair value of contingent consideration of $0.3 million for the three months ended March 31, 2025, was primarily driven by a decrease in the discount rate. The change in fair value of contingent consideration of $12.2 thousand for the three months ended March 31, 2024 was primarily driven by an increase in the discount rate. The change in fair value of contingent consideration is recorded within operating expenses on the accompanying condensed consolidated statements of operations and comprehensive (loss) income.

The Company records in-process R&D projects acquired in asset acquisitions that have not reached technological feasibility and which have no alternative future use at estimated fair value. For in-process R&D projects acquired in business combinations, the Company capitalizes the in-process R&D project as an indefinite-lived intangible asset and evaluates this asset annually for impairment until the R&D process has been completed. Once the R&D process is complete, the Company amortizes the R&D asset over its remaining useful life.

ASC 350 allows an entity to first assess qualitative factors to determine whether events and circumstances indicate that it is more likely than not (that is, a likelihood of more than 50 percent) that an indefinite-lived intangible asset is impaired. If it is more likely than not that the asset is impaired, the entity must calculate the fair value of the asset and record an impairment charge if the carrying amount exceeds fair value. If an entity concludes that there is a less than 50 percent likelihood that the asset is impaired, no further action is required. An indefinite-lived intangible asset should be tested for impairment if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. If such events or changes have occurred, a quantitative assessment is required.

If an entity bypasses the qualitative assessment or determines from its qualitative assessment that an indefinite-lived intangible asset is more likely than not impaired, a quantitative impairment test should be performed. The quantitative impairment test compares the fair value of an indefinite-lived intangible asset with the asset's carrying amount. If the fair value of the indefinite-lived intangible asset is less than the carrying amount, an impairment loss should be recognized in an amount equal to the difference in accordance with ASC 350-30-35-19.

The Company values in-process R&D related to asset acquisitions using the Income Approach which measures the value of an asset by the present value of its future economic benefits. These benefits can include interest and principal payments, earnings, cost savings, tax deductions, or proceeds from its disposition. Value indications are developed by discounting expected cash flows at a rate of return that incorporates the risk-free rate for the use of funds, the expected rate of inflation, and risks associated with the particular investment. The selected discount rate is generally based on rates of return available from alternative investments of similar type and quality.

The Company engaged a third-party valuation firm to complete a quantitative assessment of in-process R&D as of August 31, 2024, which includes the following unobservable Level 3 inputs:

	Valuation Technique	Unobservable Inputs		Discount Rate
KIO-104	Multi-Period Excess Earnings Method	Probability of success for next development phase	17% to 36%	43 %
KIO-301	Multi-Period Excess Earnings Method	Probability of success for next development phase	23% to 43%	43 %

As of March 31, 2025, the Company assessed qualitative factors to determine whether events and circumstances indicate impairment, and concluded that it is not more likely than not that any assets are impaired.

4. Capital Stock

All amounts of shares of common stock in the transactions described below have been adjusted to reflect post Amendment adjusted shares of common stock of the Company.

On May 1, 2024, the Company held its 2024 Annual Meeting of Stockholders (the "Annual Meeting") where the Company's stockholders voted to approve various proposals including (i) adoption of a new Equity Incentive Plan, the "2024 Equity Incentive Plan", (ii) an amendment to the Company's Restated Certificate of Incorporation to increase the number of authorized shares of Common Stock to 150,000,000, which the Company filed with the Secretary of State for the State of Delaware on May 1, 2024 and (iii) the approval, as contemplated by Nasdaq Listing Rule 5635, of the issuance of up to 5,486,066 shares of Common Stock upon the exercise of Tranche A Warrants and Tranche B Warrants issued in the private placement that closed on February 5, 2024.

On January 31, 2024, the Company entered into a private placement agreement with Maxim Group LLC serving as placement agent for 1,755,556 shares of common stock, pre-funded warrants to purchase up to 1,261,582 shares of common stock, and accompanying Tranche A and Tranche B warrants to purchase up to an aggregate of 5,486,066 shares of common stock. The total net proceeds from the private placement were approximately $13.8 million.

The Tranche A warrants are exercisable for up to 2,743,033 shares of common stock at an exercise price of $5.4684 per share for an aggregate of up to approximately $15.0 million and will expire at the earlier of (i) 30 days following the announcement of full data (expected in 2026) from the Company's Phase 2 clinical trial (ABACUS-2) of KIO-301 in patients with retinitis pigmentosa and the daily Volume Weighted Average Price "VWAP" of the Company's common stock equaling or exceeding $9.9432 per share for 30 consecutive trading days following the announcement and (ii) five years from the date of shareholder approval of the warrants.

The Tranche B warrants are exercisable for up to 2,743,033 shares of common stock at an exercise price of $5.4684 per share for an aggregate of up to approximately $15.0 million and will expire at the earlier of (i) 30 days following the announcement of topline data (expected in 2026) from the planned Phase 2 trial of KIO-104 in retinal inflammation and the daily VWAP of the Company's common stock equaling or exceeding $12.4290 per share for 30 consecutive trading days following the announcement and (ii) five years from the date of shareholder approval of the warrants.

5. Warrants

The following is a summary of warrant activity for the Company's equity-classified warrants for the three months ended March 31, 2025:

	Number of Common Shares Issuable Upon Exercise of Outstanding Warrants		Weighted Average Exercise Price	Weighted Average Remaining Term in Years
Outstanding at December 31, 2024	7,389,523	$	7.06	5.06
Issued	—	$	—	
Exercised	—	$	—	
Expired	(69)	$	4,500	
Outstanding at March 31, 2025	7,389,454	$	7.02	4.81

6. Net (Loss) Income per Share - Basic and Diluted

Basic and diluted net (loss) income per share is computed by dividing net (loss) income available to common shareholders by the weighted-average number of common shares outstanding for the time period, which for basic net (loss) income per share, does not include the weighted-average unvested restricted common stock that has been issued and is subject to forfeiture totaling 45,363 and 24,094 shares for the three months ended March 31, 2025 and 2024.

Dilutive common equivalent shares consist of stock options, warrants, and preferred stock and are calculated using the treasury stock method, which assumes the repurchase of common shares at the average market price during the period. Under the treasury stock method, options and warrants will have a dilutive effect when the average price of common stock during the period exceeds the exercise price of options or warrants. Common equivalent shares do not qualify as participating securities. In periods where the Company records a net loss, unvested restricted common stock and potential common stock equivalents are not included in the calculation of diluted net (loss) income per share as their effect would be anti-dilutive. The following is a summary of potentially dilutive securities excluded from the calculation of diluted net (loss) income per share as of March 31, 2025 and 2024:

	2025	2024
Common Stock Warrants, Excluding Pre-funded Warrants	6,127,872	5,661,699
Employee Stock Options	161,276	89,338
Restricted Stock	45,363	24,094
Preferred Stock, as Converted into Common Stock	42,426	42,426
Common Stock Reserved for Future Issuance	570,846	54,695
Total	6,947,783	5,872,252

7. Stock-Based Compensation

Equity Incentive Plans

The Company's Board of Directors (the "Board") adopted the 2014 Equity Incentive Plan (the "2014 Plan") and the Employee Stock Purchase Plan (the "ESPP") and the Company's Stockholders approved the 2014 Plan and ESPP in February 2015. The Board subsequently adopted the 2024 Equity Incentive Plan (the "2024 Plan") and the Company's Stockholders approved the Plan in May 2024. Following adoption of the 2024 Plan, no further grants were made under the 2014 Plan.

Consistent with the 2014 Plan, the 2024 Plan provides for the granting of stock options (incentive and nonqualified), restricted stock or other stock-based awards to employees, officers, directors, consultants, and advisors. The Board is responsible for administration of the 2024 Plan. The Company's Board determines the term of each option, the option exercise price, the number of shares for which each option is granted and the rate at which each option is exercisable. Incentive stock options may be granted to any officer or employee at an exercise price per share of not less than the fair value per common share on the date of the grant (not less than 110% of fair value in the case of holders of more than 10% of the Company's voting stock) and with a term not to exceed ten years from the date of the grant (five years for incentive stock options granted to holders of more than 10% of the Company's voting stock). Nonqualified stock options may be granted to any officer, employee, consultant, or director at an exercise price per share of not less than the par value per share. In January 2025, the number of shares of common stock issuable under the 2024 Plan automatically increased by 120,031 shares pursuant to the terms of the 2024 Plan. As of March 31, 2025, the maximum number of shares of Common Stock that may be issued pursuant to the 2024 Plan was 853,133 of which 570,846 shares were available for awards.

Stock-based compensation expense is presented in the same expense line items as cash compensation paid and for the three months ended March 31, 2025 and 2024 is as follows:

	Three months ended March 31,	
	2025	2024
Research and Development	$ 84,944	$ 94,571
General and Administrative	63,672	80,872
Total Stock-Based Compensation Expense	$ 148,616	$ 175,443

Stock Options

The Company grants time-based stock options which generally vest one-third of the underlying shares on the one-year anniversary of the grant date and the remainder ratably over a 24-month period. The fair value of time-based stock options is determined using the Black-Scholes Option Pricing Model, with such value recognized as expense over the service period, which is typically three years, net of actual forfeitures. There were no grants made during the three months ended March 31, 2025 and 2024, and therefore no assumptions used to determine the fair value.

The weighted-average grant date fair value of options outstanding as of March 31, 2025 was $6.77. The expected term of the options granted is based on management's estimate. Expected volatility is based on the historical volatility of the Company's common stock. The risk-free interest rate is determined based upon a constant U.S. Treasury security rate with a contractual life that approximates the expected term of the option.

Unamortized compensation expense related to the options amounted to $0.4 million as of March 31, 2025 and is expected to be recognized over a weighted average period of approximately 3.44 years.

Following is a summary of stock option activity for the three months ended March 31, 2025:

	Number of Options	Weighted- Average Exercise Price	Weighted- Average Remaining Term in Years
Outstanding at December 31, 2024	161,303	$ 21.15	9.00
Granted	—	$ —	
Expired	(27)	$ 23,490	
Forfeited	—	$ —	
Outstanding at March 31, 2025	161,276	$ 17.22	8.75
Exercisable and vested at March 31, 2025	58,397	$ 37.13	8.28

The stock options outstanding and exercisable as of March 31, 2025 had no aggregate intrinsic value. The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying options and the market price of the Company's common stock for options that had exercise prices lower than $3.01, the closing price of the Company's stock on March 31, 2025.

Restricted Stock Awards

Restricted stock compensation expense is recognized over the vesting period, which is typically one-third of the underlying shares on the one-year anniversary of the grant date and the remainder ratably over a 24-month period. Unamortized compensation expense related to the restricted stock awards amounted to $0.2 million as of March 31, 2025 and is expected to be recognized over a weighted average period of approximately 3.53 years. The following is a summary of restricted stock activity for the three months ended March 31, 2025:

	Number of Units	Weighted- Average Grant Date Fair Value	Weighted- Average Remaining Term in Years
Non-vested Outstanding at December 31, 2024	46,697	$ 7.56	2.19
Awarded	—	$ —	
Released	(1,334)	$ 34.45	
Forfeited	—	$ —	
Non-vested Outstanding at March 31, 2025	45,363	$ 6.77	1.97

Employee Stock Purchase Plan

The Company has a non-qualified ESPP, which provides for the issuance of shares of the Company's common stock to eligible employees of the Company that elect to participate in the plan and purchase shares of common stock through payroll deductions at a discounted price. Six month offering periods are made at the Board's discretion. The ESPP provides for 32 aggregate shares of the Company's common stock for participants to purchase. As of March 31, 2025 and 2024, the remaining shares reserved for future offerings was 23. Subsequent to the reporting period, in May 2025 the Company terminated the ESPP (Note 10).

8. Commitments and Contingencies

Leases

The Company is party to five real property operating leases for the rental of office and clinical trial space.

In February 2022, the Company entered into an 18-month lease for an office facility in Encinitas, California (the "Encinitas Lease"), which is now used for its corporate headquarters. The Encinitas Lease commenced in May 2022 and was amended to extend its lease term through April 30, 2025. The Company recorded a right-of use ("ROU") asset and lease liability upon lease commencement and lease amendment in May 2022 and November 2023, respectively. Monthly rent payments are approximately $3.3 thousand, and the security deposit is $12 thousand.

In May 2022, the Company entered into a 12-month lease for office space in Adelaide, Australia (the "Adelaide Lease") which expired in May 2023. Following expiration, the landlord agreed to extend the Adelaide Lease on a month-month basis, whereby the Company must provide 90-day notice of termination. The Adelaide Lease is a short-term lease which is exempt for ROU asset and lease liability reporting. Monthly rent payments are approximately A$2.2 thousand. The Adelaide lease is being used was a clinical trial site for ABACUS-2, with rent costs fully reimbursed by TOI.

The Company also entered into a lease for 910 square feet of office space in Vienna, Austria (the "Vienna Lease"). The Vienna Lease commenced on October 15, 2023 with a term of 5 years through October 14, 2028. The Company recorded a ROU asset and lease liability upon lease commencement in October 2023. Monthly rent payments are approximately €1.3 thousand, and the security deposit is €4.5 thousand.

In January 2025, the Company entered into a lease in Perth, Australia (the "Perth Lease") and another in Brisbane, Australia (the "Brisbane Lease"). Both leases commenced in February 2025, at which time the Company recorded a ROU asset and lease liability, with a term of 2 years through January 2027. Monthly rent payments are approximately A$8.9 thousand, and the total security deposit is A$44.0 thousand. The Company has rent abatement for the first 2 months of the Brisbane Lease and for the first 3 months of the Perth Lease. The Brisbane and Perth leases are for ABACUS-2 clinical trial sites, with rent costs fully reimbursed by TOI.

In March 2025, the Company entered into a new lease in Encinitas, California (the "New Encinitas Lease"). The New Encinitas Lease will commence in June 2025 with a term of 3 years and 3 months through August 31, 2028. Monthly rent payments will be approximately $8.4 thousand per month and will increase by approximately 4% each year on the anniversary of the commencement, starting in 2026. The Company has rent abatement for the first 2 months of the lease and maintains a security deposit of $9.4 thousand.

Operating lease expense, consisting of the reduction of the right-of-use asset and the imputed interest on the lease liability, totaled $13,845 and $20,231 for the three months ended March 31, 2025 and 2024, respectively.The remaining lease terms range from less than 30 days to 3.5 years.

Supplemental balance sheet information related to the leases is as follows as of March 31, 2025:

Weighted-Average Remaining Lease Term	2.27 years
Weighted-Average Discount Rate	6.6 %

Future annual minimum lease payments under non-cancellable operating leases as of March 31, 2025 are as follows:

Years Ending December 31,		
2025 (remaining months)	$	59,207
2026		81,666
2027		19,714
2028		11,144
Total Lease Liabilities		171,731
Less Amounts Representing Interest		(12,707)
Total		159,024
Less Current Portion		(71,554)
	$	87,470

License and Exclusive Rights Agreements

The Company is a party to six license agreements as previously disclosed in Note 12 to the consolidated financial statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes to the terms of these agreements during the three months ended March 31, 2025.

Grant Funding

In April 2024, the Company received grant funding of $20,000 from the Choroideremia Research Foundation in support of validating functional vision assessments for patients with profound blindness. This grant funding will aid in further validation of a suite of tests expected to be used in the upcoming ABACUS-2 Phase 2 clinical trial assessing KIO-301.

Contingent Consideration

The purchase price of various acquisitions in prior periods included contingent consideration, which consisted of various cash earn-out payments upon the achievement of certain milestones. Below are the maximum obligation payments per the respective agreements and estimated fair value of contingent consideration payments remaining as of March 31, 2025.

	Maximum Obligation per Agreements	Current Fair Value Estimated
Bayon	$ 7,135,000	$ 2,355,232
Panoptes	9,500,000	2,111,450
	$ 16,635,000	$ 4,466,682

Credit Line Agreement

In March 2025, the Company entered into a credit line with UBS (the “Credit Line”) providing for a $10.0 million revolving line of credit. The Credit Line bears interest at the 30-day Secured Overnight Financing Rate ("SOFR") average, plus 1.5%. The SOFR rate is variable. The Credit Line is secured by a first priority lien and security interest in the Company’s marketable securities held in its managed investment accounts with UBS. As of March 31, 2025 the line was unused.

Other

In the normal course of business, the Company periodically becomes involved in various claims and lawsuits, as well as governmental proceedings and investigations that are incidental to the business. The Company accrues a liability when a loss is considered probable and the amount can be reasonably estimated. When a material loss contingency is reasonably possible but not probable, the Company does not record a liability, but instead discloses the nature and amount of the claim, and an estimate of the possible loss or range of loss, if such an estimate can be made. Legal fees are expensed as incurred. With respect to governmental proceedings and investigations, like other companies in the industry, the Company is subject to extensive regulation by national, state and local governmental agencies in the U.S. and in other jurisdictions in which the Company and its affiliates operate. As a result, interaction with governmental agencies is ongoing. The Company’s standard practice is to cooperate with regulators and investigators in responding to inquiries.

The Company currently maintains insurance for risks associated with the operation of its business, provision of professional services and ownership of property. These policies provide coverage for a variety of potential losses, including loss or damage to property, bodily injury, general commercial liability, professional errors and omissions and medical malpractice.

9. Segment Information

The Company operates in and reports as a single reportable segment, focused on the development of innovative ophthalmic pharmaceutical products.

Our Chief Operating Decision Maker "CODM" is our President and Chief Executive Officer. The CODM does not evaluate profitability nor evaluate performance or allocate resources below the level of the consolidated Company. The accounting policies of the segment are the same as those described in the summary of significant accounting policies. The CODM reviews operating expenses and net (loss) income presented on a consolidated basis for purposes of allocating resources and evaluating financial performance. These metrics serve as benchmarks to evaluate the business, measure performance, identify trends, prepare financial projections, and make strategic decisions. The CODM does not evaluate performance or allocate resources based on segment assets data; therefore, total segment assets are not presented. As part of the adoption of ASU 2023-07, the comparative prior period segment information has been disclosed herein to align with the current year's presentation.

The following table presents the revenue, significant expenses, and net (loss) income for the Company's single reportable segment:

	Three Months Ended March 31,	
	2025	2024
Total Revenue	$ —	$ 16,000,000
Less: Significant and Other Segment Expenses		
General and Administrative	1,489,398	1,296,441
Research and Development		
KIO-101	3,014	10,474
KIO-104[1]	(149,326)	1,639
KIO-201	—	30,875
KIO-301	2,101,850	1,018,847
KIO-301 Collaboration Credit	(1,966,123)	(190,553)
Unallocated Research and Development Expenses[2]	576,349	622,377
Change in Fair Value of Contingent Consideration	275,192	(12,194)
Interest Income, Net	(277,321)	(223,235)
Other Segment Expenses[3]	16,941	(7,878)
Income Tax Expense	123,006	—
Net (Loss) Income	**$ (2,192,980)**	**$ 13,453,207**

[1] Net of research tax credit offset, including a cumulative catch-up for the 2024 expense credit that was recorded in Q1 2025 upon confirmation of approval.
[2] Unallocated research and development expenses primarily include personnel costs, research consulting and scientific advisory expenses.
[3] Other segment expenses primarily include interest expense, other income, net, and loss on disposal of fixed assets.

10. Subsequent Events

In April 2025, the Company and Dômes Pharma, successor to SentrX Animal Care Inc., agreed to terminate the license agreement dated June 7, 2023 given the Company's decision to cease continued development of KIO-201 in combination with an antibiotic, and thereby to cease continued maintenance of all related licensed IP. Dômes Pharma elected not to resume the prosecution and maintenance of the licensed IP.

In May 2025, the Company terminated the ESPP effective as of April 30, 2025. The Company has provided notice of the ESPP's termination to the Company's employees and ESPP participants, and there are no employee funds currently held for purchasing shares of Common Stock under the ESPP.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following section of this Quarterly Report on Form 10-Q entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" contains statements that are not statements of historical fact and are forward-looking statements within the meaning of federal securities laws. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Factors that may cause our actual results to differ materially from those in the forward-looking statements include those factors described in "Item 1A. Risk Factors" beginning on page 17 of our Annual Report on Form 10-K as filed with the Securities and Exchange Commission on March 25, 2025. You should carefully review all of these factors, as well as the comprehensive discussion of forward-looking statements on page 1 of this Quarterly Report on Form 10-Q.

Kiora Pharmaceuticals, Inc. is referred to herein as "Kiora", "we," "our," "us," and "the Company".

Executive Summary

We are a specialty clinical-stage pharmaceutical company developing and commercializing products for the treatment of ophthalmic diseases.

KIO-301 is initially focused on patients with later stages of disease progression due to Retinitis Pigmentosa (any and all sub-forms). KIO-301 is a potential vision-restoring small molecule that acts as a "photoswitch" specifically designed to restore vision in patients with inherited and age-related degenerative retinal diseases. The molecule is specifically designed to restore the eyes' ability to perceive and interpret light in visually impaired patients. It selectively enters viable downstream retinal ganglion cells (no longer receiving electrical input due to degenerated rods and cones) and is intended to turn them into light sensing cells, capable of signaling the brain as to the presence or absence of light. On March 17, 2022, we were granted Orphan Drug Designation by the United States ("U.S.") Food and Drug Administration ("FDA") for the Active Pharmaceutical Ingredient ("API") in KIO-301. In July 2024, we were granted Orphan Medicinal Product Designation by the European Medicines Agency for KIO-301 for the treatment of non-syndromic, rod-dominant retinal dystrophies, which includes diseases like retinitis pigmentosa, choroideremia, Stargardt disease and others. In September 2024, the European Medicines Agency expanded our Orphan Medicinal Product Designation to also include syndromic, rod-dominant retinal dystrophies that includes diseases like Usher's syndrome, which has non-ocular aspects of diseases in addition to retinal involvement.

KIO-301 (formerly known as B-203) was acquired through the Bayon Therapeutics, Inc. ("Bayon") transaction that closed October 21, 2021. We initiated a Phase 1b clinical trial (ABACUS-1) in the third quarter of 2022. Topline data from this trial was presented at the American Academy of Ophthalmology annual meeting in November 2023. The complete data set was presented at the Association for Research in Vision and Ophthalmology ("ARVO") annual conference in May 2024 highlighting improvements in visual acuity, visual field and functional vision among clinical trial participants relative to baseline.

In January 2024, we entered into a strategic development and commercialization agreement ("License Agreement") with Théa Open Innovation ("TOI"), a sister company of the global ophthalmic specialty company Laboratoires Théa ("Théa"). Under the agreement, Kiora granted TOI exclusive worldwide development and commercialization rights, excluding Asia, to KIO-301 for the treatment of degenerative retinal diseases. In exchange, Kiora received an upfront, payment of $16 million; up to $285 million upon achievement of pre-specified clinical development, regulatory and commercial milestones; tiered royalties of up to low 20% on net sales; and reimbursement of all KIO-301 research and development expenses moving forward from the date of the execution of the License Agreement.

In October 2024, we, in collaboration with our partner TOI, announced that we received regulatory approval to initiate a Phase 2 clinical trial to investigate KIO-301 for vision restoration in patients with retinitis pigmentosa. The ABACUS-2 trial is expected be a 36 patient, multi-center, double-masked, randomized, controlled, multiple dose study enrolling patients with ultra-low vision or no light perception regardless of their underlying gene mutation associated with retinitis pigmentosa. Enrollment is expected to begin in Q2 2025 following validation of

novel functional vision endpoints. These functional assessments may serve as approvable primary endpoints in subsequent registration studies in the United States, Europe and other major regions.

Based on results of ABACUS-1, we have the opportunity to expand development of KIO-301 to treat patients with late stages of Choroideremia and Stargardt disease. These diseases have a similar underlying late-stage pathology as Retinitis Pigmentosa, hence the mechanism of action of KIO-301 could potentially provide a similar benefit to these patients.

We are also planning to develop KIO-104 for the treatment of retinal inflammatory diseases including Posterior Non-Infectious Uveitis, a rare T cell-mediated, intraocular inflammatory disease and diabetic macular edema. KIO-104 is a novel and potent small molecule inhibitor of dihydroorotate dehydrogenase ("DHODH"), formulated for intravitreal delivery and ideally suited to suppress overactive T-cell activity to treat the underlying condition. Data from a previous Phase 1/2a study in patients with Posterior Non-Infectious Uveitis, reported in October 2022, showed that a single injection of KIO-104 decreased intraocular inflammation and improved visual acuity significantly for the duration of the study. Further, KIO-104 reduced macular edema (swelling) which if unchecked, can lead to permanent vision loss. The drug was well tolerated, with no serious side effects on intraocular tissues or other serious adverse events observed. We are currently approved to start enrolling patients in a Phase 2 trial for KIO-104 in retinal inflammation and expect enrollment to commence in Q2 2025.

We have an additional asset, KIO-101, that we are currently seeking to partner. KIO-101 is based on the same molecule as KIO-104, however formulated for topical, eye drop delivery.

Throughout our history we have not generated significant revenue; however, in January 2024 we entered into the License Agreement with TOI, whereby we recognized $16 million in collaboration revenue related to the upfront payment. We have never been profitable and from inception through March 31, 2025, our losses from operations have aggregated $145.6 million. We expect to incur significant expenses and increasing operating losses for the foreseeable future as we continue the development and clinical trials of and seek regulatory approval for our product candidates. If we obtain regulatory approval for our product candidates, we expect to incur significant expenses in order to create an infrastructure to support their commercialization including sales, marketing, and distribution functions.

We will need additional financing to support our continuing operations. We will seek to fund our operations through a combination of public or private sales of equity, debt financings, license and development agreements, non-dilutive grants and other sources, which may include collaborations with third parties. Adequate additional financing may not be available to us on acceptable terms, or at all. Our failure to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy. Although historically we have been successful at raising capital, including raising net proceeds of approximately $13.8 million in a private placement offering that closed on February 5, 2024, additional capital may not be available on terms favorable to Kiora, if at all. We do not know if any future offerings will succeed. Our failure to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy. Kiora has incurred losses and negative cash flows since inception, and future losses are anticipated. However, based on the cash on hand and short-term investments at March 31, 2025 of approximately $3.8 million and $20.3 million, respectively, we anticipate having sufficient cash to fund currently planned operations into late 2027.

Recent Developments

None noted.

New Components of Results of Operations

None.

Results of Operations

Comparison of three months ended, March 31, 2025 and 2024

The following table summarizes the results of our operations for the three months ended March 31, 2025 and 2024:

	2025	2024	Change
Revenue:			
Collaboration Revenue	$ —	$ 16,000,000	$ (16,000,000)
Total Revenue	—	16,000,000	(16,000,000)
Operating Expenses:			
General and Administrative	1,489,398	1,296,441	192,957
Research and Development	2,531,887	1,684,212	847,675
Collaboration and Research Credits	(1,966,123)	(190,553)	(1,775,570)
Change in Fair Value of Contingent Consideration	275,192	(12,194)	287,386
Total Operating Expenses	2,330,354	2,777,906	(447,552)
Other Income, Net	260,380	231,113	29,267
(Loss) Income Before Income Tax Expense	(2,069,974)	13,453,207	(15,523,181)
Income Tax Expense	(123,006)	—	(123,006)
Net (Loss) Income	$ (2,192,980)	$ 13,453,207	$ (15,646,187)

Revenue. The decrease of $16.0 million was attributable to the revenue recognized from the upfront payment pursuant the strategic development and commercialization agreement with TOI.

General and Administrative Expenses. The increase of $0.2 million was driven primarily by personnel related costs of related to higher salary and bonus expenses.

Research and Development Expenses. The increase of $0.8 million was primarily due to increased preclinical, CMC and clinical trial related expenses of $1.8 million, partially offset by a reduction in licensing fees of $0.8 million.

Collaboration and Research Credits. The increase of $1.8 million is related to increased research and development expenses for the KIO-301 program which are fully reimbursed by TOI.

Change in Fair Value of Contingent Consideration. The increase of $0.3 million was primarily driven by the timing of expected milestone payments and fluctuations in the weighted average cost of capital.

Other Income, Net. The increase of $29.3 thousand was primarily due to additional estimated interest income resulting from accrued interest on short-term marketable securities.

Liquidity and Capital Resources

Our principal liquidity needs have historically been for acquisitions, working capital, research and development, and capital expenditures. While we anticipate having sufficient cash to fund currently planned operations into late 2027, we will need additional financing to support our future operations as we develop and work toward the commercialization of new products. We will seek to fund our operations through a combination of public or private sales of equity, debt financings, license and development agreements, non-dilutive grants and other sources, which may include collaborations with third parties.

If we raise additional funds by issuing equity securities or convertible debt, our stockholders will experience dilution. Debt financing, if available, would result in increased fixed payment obligations and may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, or making capital expenditures. If we raise additional funds through collaboration and licensing

arrangements with third parties, it may be necessary to relinquish valuable rights to our products, future revenue streams or product candidates, or to grant licenses on terms that may not be favorable to us. Although historically we have been successful at raising capital, most recently raising net proceeds of approximately $13.8 million in a private placement offering that closed on February 5, 2024, additional capital may not be available on terms favorable to us, if at all. We do not know if any future offerings will succeed. Our failure to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy. We have incurred losses and negative cash flows since inception, and future losses are anticipated. However, based on the cash on hand and short-term investments at March 31, 2025 of approximately $3.8 million and $20.3 million, respectively, we anticipate having sufficient cash to fund currently planned operations into late 2027.

Information Regarding Cash Flows

As of March 31, 2025, we had unrestricted cash and cash equivalents totaling $3.8 million and restricted cash totaling $4.1 thousand for a total of $3.8 million compared to $3.8 million at December 31, 2024. The following table sets forth the primary uses of cash for the three months ended March 31, 2025 and 2024:

	2025	2024
Net Cash (Used in) Provided by Operating Activities	$ (2,704,199)	$ 13,624,855
Net Cash Provided by Investing Activities	$ 2,672,782	$ —
Net Cash Provided by Financing Activities	$ —	$ 15,247,632

Operating Activities. Net cash provided by operating activities decreased $16.3 million primarily due to an increase in net cash provided by operating activities of $13.6 million in first quarter of 2024 which was driven by the collaboration revenue recognized from the TOI agreement and the timing of research and development activities.

Investing Activities. Net cash provided by investing activities increased $2.7 million primarily due to the maturities of marketable securities. There were no marketable securities fin the first quarter of 2024.

Financing Activities. There were no financing activities for the first quarter of 2025, compared to an increase in net cash provided by financing activities during the first quarter of 2024 due to receiving net proceeds of approximately $13.8 million in a private offering that closed on February 5, 2024 and proceeds of $1.7 million from warrant exercises.

Funding Requirements and Other Liquidity Matters

Our product pipeline is still in various stages of preclinical and clinical development. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future. We anticipate that our expenses will increase substantially if and as we:

- seek partnerships for our KIO-101 product to continue its development activities;
- seek marketing approval for our KIO-301 product outside of the territory already partnered with TOI;
- seek marketing approval for our KIO-104 product or any other products that we successfully develop;
- establish a sales and marketing infrastructure to commercialize our KIO-301 product outside of the territory already partnered with TOI;
- establish a sales and marketing infrastructure to commercialize our KIO-104 product, if approved; and
- add operational, financial and management information systems and personnel, including personnel to support our product development and future commercialization efforts.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances, grants and licensing arrangements. We do not have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of holders of common stock. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt,

making capital expenditures or declaring dividends. If we raise additional funds through collaborations, strategic alliances or licensing arrangements with pharmaceutical partners, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates, including our KIO-301 (outside of the territory already partnered with TOI), KIO-101, and KIO-104 products, on terms that may not be favorable to us. We have currently paused development work on KIO-101 and are seeking partnership for any further development of those programs. For our active programs, if we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market KIO-301 outside of the territory already partnered with TOI and KIO-104 products, or any other products that we would otherwise prefer to develop and market ourselves.

Based on our cash on hand and short-term investments at March 31, 2025, we believe that we will have sufficient cash to fund planned operations into late 2027. However, the acceleration or reduction of cash outflows by management can significantly impact the timing for raising additional capital to complete development of our products. To continue development, we will need to raise additional capital through debt and/or equity financing, grants and other arrangements. Although historically we have been successful at raising capital, additional capital may not be available on terms favorable to us, if at all. We do not know if any future offerings will succeed. Accordingly, no assurances can be given that management will be successful in these endeavors. Our Condensed Consolidated Financial Statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities or any other adjustments that might be necessary should we be unable to continue as a going concern.

Other

For information regarding Commitments and Contingencies, refer to Note 8. Commitments and Contingencies to the Notes to the Condensed Consolidated Financial Statements of Part 1, Item 1. Financial Statements of this Form 10-Q.

Critical Accounting Estimates

Our discussion of operating results is based upon the Unaudited Condensed Consolidated Financial Statements and accompanying notes. The preparation of these statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Our critical accounting policies and significant judgement and estimates are detailed in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2024.

As of March 31, 2025, we have no material changes from such disclosures.

Recently Issued Accounting Pronouncements

Information regarding new accounting pronouncements is included in Note 1 - Business, Presentation and Recent Accounting Pronouncements to the current period’s unaudited condensed consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

This Report includes the certifications of our Chief Executive Officer (who is our principal executive officer) and our Chief Financial Officer (who is our principal financial and accounting officer) required by Rule 13a-14 of the Exchange Act. See Exhibits 31.1 and 31.2. This Item 4 includes information concerning the controls and control evaluations referred to in those certifications.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

In connection with the preparation of this Quarterly Report on the Form 10-Q, the Company's Management, under the supervision of, and with the participation of, our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2025. Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and our management necessarily was required to apply its judgment in evaluating and implementing our disclosure controls and procedures. Based upon the evaluation described above, our Chief Executive Officer and Chief Financial Officer have concluded that they believe that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control over Financial Accounting and Reporting

There were no changes in the Company's internal control over financial reporting during the three months ended March 31, 2025 that were identified in connection with management's evaluation required by Rules 13a-15(d) and 15d-15(d) under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

While we are not currently a party to any legal proceedings as of March 31, 2025, from time to time we may be a party to a variety of legal proceedings that arise in the normal course of our business.

Item 1A. Risk Factors.

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, each of which is incorporated herein by reference and which could materially affect our business, financial condition or future results. The risks described herein and in those filings are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results. We do not believe that there have been any material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Unregistered Sales of Equity Securities

None.

Purchase of Equity Securities

We did not purchase any of our registered equity securities during the period covered by this Quarterly Report on Form 10-Q.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosure.

Not applicable.

Item 5. Other Information.

No officers or directors, as defined in Rule 16a-1(f), adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement as defined in item 408 of Regulation S-K, during the period ended March 31, 2025.

In May 2025, the Company terminated the ESPP effective as of April 30, 2025. The Company has provided notice of the ESPP's termination to the Company's employees and ESPP participants, and there are no employee funds currently held for purchasing shares of Common Stock under the ESPP.

Item 6. Exhibits

The exhibits filed as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index immediately preceding such exhibits and are incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of Section 13 and 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 9, 2025	By:	/s/ Brian M. Strem, Ph.D. President and Chief Executive Officer (Principal executive officer)
Date: May 9, 2025	By:	/s/ Melissa Tosca Chief Financial Officer (Principal financial and accounting officer)

EXHIBIT INDEX

The following exhibits are filed as part of this Quarterly Report on Form 10-Q. Where such filing is made by incorporation by reference to a previously filed document, such document is identified.

Exhibit Number	Description of Exhibit
31.1	Certification of principal executive officer pursuant to Rules 13a-15(e) and 15d-15(e), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of principal financial and accounting officer pursuant to Rules 13a-15(e) and 15d-15(e), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of principal executive officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of principal financial and accounting officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document (embedded within the Inline XBRL document)
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* This certification shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall it be deemed to be incorporated by reference into any filing under the Securities Act.

EXHIBIT 31.1

Certification

I, Brian M. Strem, Ph.D., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kiora Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2025

/s/ Brian M. Strem, Ph.D.

Brian M. Strem, Ph.D.
President and Chief Executive Officer
(Principal executive officer)

EXHIBIT 31.2

Certification

I, Melissa Tosca, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kiora Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2025

/s/ Melissa Tosca

Melissa Tosca
Chief Financial Officer
(Principal financial and accounting officer)

EXHIBIT 32.1

CERTIFICATION OF PERIODIC FINANCIAL REPORT
PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned officer of Kiora Pharmaceuticals, Inc. (the "Company") hereby certifies to his knowledge that the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 (the "Report") to which this certification is being furnished as an exhibit, as filed with the Securities and Exchange Commission on the date hereof, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. This certification is provided solely pursuant to 18 U.S.C. Section 1350 and Item 601(b)(32) of Regulation S-K ("Item 601(b)(32)") promulgated under the Securities Act of 1933, as amended (the "Securities Act"), and the Exchange Act. In accordance with clause (ii) of Item 601(b)(32), this certification (A) shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and (B) shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

Date: May 9, 2025

/s/ Brian M. Strem, Ph.D.

Brian M. Strem, Ph.D.
President and Chief Executive Officer
(Principal executive officer)

EXHIBIT 32.2

CERTIFICATION OF PERIODIC FINANCIAL REPORT
PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned officer of Kiora Pharmaceuticals, Inc. (the "Company") hereby certifies to her knowledge that the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 (the "Report") to which this certification is being furnished as an exhibit, as filed with the Securities and Exchange Commission on the date hereof, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. This certification is provided solely pursuant to 18 U.S.C. Section 1350 and Item 601(b)(32) of Regulation S-K ("Item 601(b)(32)") promulgated under the Securities Act of 1933, as amended (the "Securities Act"), and the Exchange Act. In accordance with clause (ii) of Item 601(b)(32), this certification (A) shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and (B) shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

Date: May 9, 2025

/s/ Melissa Tosca

Melissa Tosca
Chief Financial Officer
(Principal financial and accounting officer)