

## **Kinarus Therapeutics signed CHF1.5 million convertible loan agreement with ChaoDian (Hangzhou) Investment Management**

**Basel, Switzerland, May 10, 2023** – Kinarus Therapeutics Holding AG (“Kinarus”) (SIX: KNRS), a clinical-stage biopharmaceutical company developing novel therapeutics to treat viral, respiratory and ophthalmic diseases, today announced the signing of a strategic convertible loan agreement for a CHF 1.5 million investment by ChaoDian (Hangzhou) Investment Management Co., Ltd., an investment company based in Hangzhou City, China (“CDIM”). Further, this agreement forms the basis for discussions on the introduction, development and commercialization of KIN001 for the treatment of Idiopathic Pulmonary Fibrosis (IPF) in China. Great Health Companion Group Ltd (GHCG), a subsidiary of Hakim Unique Group, introduced CDIM to Kinarus.

Under the terms of the loan agreement, CDIM grants a subordinated loan in the amount of CHF 1.5 million to Kinarus for a fixed term of three years without any interest. During the term of the agreement, the outstanding loan amount can be converted at any time into Kinarus shares with a nominal value of CHF 0.01 at a fixed conversion price of CHF 0.01 per Kinarus share.

The loan will strengthen the financial position of Kinarus.

Dr Hari Kumar, Chairman of the Board of Kinarus Therapeutics Holding AG, commented: “We are pleased that our relationship with GHCG has led to this exciting partnership with CDIM. We believe this investment aligns the parties’ interests and demonstrates CDIM’s confidence in our mutual success, in finding the best solution for KIN001 development and commercialization for treatment of IPF in China. IPF is a devastating disease with important unmet medical need in Asia and other markets around the world. This partnership further validates the high potential value of KIN001 in IPF and other indications. We also are actively evaluating potential partnerships for KIN001 in other indications and territories. This convertible loan will strengthen our financial position.”

**Idiopathic Pulmonary Fibrosis** is a devastating disease with high morbidity and mortality and significant unmet need. Currently approved drugs have limited efficacy and significant side effects/drug-drug interaction potential. Often patients suspend treatment despite severity of the disease. KIN001 targets multiple underlying mechanisms of disease progression, with potential to reverse fibrosis and loss of respiratory capacity.

**KIN001** is a patented combination of two active pharmaceutical ingredients (APIs): pamapimod and pioglitazone. Pamapimod is a highly selective clinical stage small molecule inhibitor of the p38 MAP kinase signaling pathway. Kinarus has discovered that combining pamapimod with pioglitazone, a safe and well-tolerated marketed drug for the treatment of type 2 diabetes, leads to synergistic efficacy and increased duration of action in preclinical models of wet AMD, IPF and other autoimmune/inflammation indications. KIN001 enjoys broad patent protection in the US, EU, China, and other countries through at least 2037.

**Kinarus Therapeutics Holding AG** ([www.kinarus.com](http://www.kinarus.com)) was founded in 2017 by experienced pharmaceutical executives in Basel, Switzerland. The Kinarus team utilizes its knowledge and drug development competencies to in-license and develop mid-stage clinical assets in which they have identified an increased probability of clinical and regulatory success and a rapid path to market. Kinarus possesses the exclusive worldwide license to pamapimod, covering all indications, and has patented KIN001, its novel mechanism in combination with pioglitazone.

## **Contacts**

### **Kinarus Therapeutics Holding AG**

Hochbergerstrasse 60C  
4057 Basel, Switzerland  
+41 61 633 29 71  
info@kinarus.com

### **Investors & Media**

Chris Maggos  
Cohesion Bureau  
+41 79 367 6254  
chris.maggos@cohesionbureau.com

## **Legal disclaimer**

THIS PRESS RELEASE DOES NOT CONSTITUTE AN OFFER TO SELL NOR AN INTIMATION TO SUBMIT A PROPOSAL FOR THE ACQUISITION OF SECURITIES OF KINARUS THERAPEUTICS HOLDING AG. THIS PRESS RELEASE IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, INTO OR WITHIN ANY JURISDICTION WHERE IT IS UNLAWFUL TO BE DISTRIBUTED.