EDISON

Kinarus Therapeutics

USPTO allows method-of-use KIN001 patent

Intellectual property update

Pharma and biotech

24 November 2022

Price	**CHF0.01**
Market cap	**CHF11m**
Net cash at 30 June 2022	CHF1.1m
Shares in issue	1,113m
Free float	70.7%
Code	KNRS
Primary exchange	SIX Stock Exchange
Secondary exchange	N/A

Kinarus received a notice of allowability from the US Patent and Trademark Office (USPTO) for its patent application No. 16/500,504 ('methods of preventing or treating ophthalmic diseases') covering its orally dosed lead drug candidate KIN001 for its lead indication to treat wet age-related macular degeneration (wet AMD). This method of use patent is on top of the USPTO-granted composition-of-matter Patent No. 11285155, which is designed to protect the KIN001 pharmaceutical combination of pamapimod and pioglitazone until at least 2037. We view this development as positive for Kinarus as it strengthens the intellectual property position of KIN001 as the company works towards starting a Phase II study with the drug in wet AMD in the coming months, upon the attainment of the necessary financing.

Year end	Revenue (CHFm)	PBT (CHFm)	EPS (CHF)	DPS (CHF)	P/E (x)	Yield (%)
12/20	0.0	(1.5)	(0.31)	0.00	N/A	N/A
12/21	0.0	(4.9)	(0.00)	0.00	N/A	N/A

Note: 2020 accounts reflect statements of privately held Kinarus AG and 2021 statements represent pro forma financials of Kinarus Therapeutics AG following the reverse merger transaction with Perfect Holding.

KIN001 is unique among drug candidates for wet AMD in that it is designed to be used as an oral therapy complementing current injectable anti-VEGF agents, with the objective to potentially improve treatment efficacy and reduce the frequency of required eye injections. Wet AMD is the leading cause of vision loss in older adults in western countries and the standard of care requires repeated intravitreal injections of anti-VEGF drugs, causing significant burden and compliance issues. Preclinical data suggest potential benefit for KIN001 in reducing choroidal neovascularisation lesions.

There are currently no oral drugs approved to treat wet AMD, and if successful, we believe oral KIN001 dosing could drive significant quality-of-life and/or compliance improvements in the wet AMD population. Kinarus has already received regulatory approval to conduct a one-year Phase II clinical study in Switzerland and Germany and is awaiting funding prior to advancing this study.

In addition to wet AMD, Kinarus is advancing KIN001 in COVID-19 and idiopathic pulmonary fibrosis (IPF). The company started the KINFAST study in ambulatory COVID-19 patients in August. The company believes that KIN001's multi-faceted mechanism of action (anti-inflammatory, anti-fibrotic and anti-viral against COVID-19) may provide benefit in patients with earlier stages of COVID-19, and this indication is supported by in vitro data that is indicative of robust antiviral efficacy of equal potency against the original SARS-CoV-2 strain and variants of concern, including Delta and Omicron.

Kinarus continues to explore additional financing and partnering options to support its development objectives, particularly the planned Phase II clinical trials in wet AMD and IPF.

Share price performance

Business description

Based in Switzerland, Kinarus Therapeutics is a clinical-stage pharmaceutical company focused on advancing lead candidate KIN001 in inflammatory, fibrotic and/or viral infection-related conditions. KIN001 is in Phase II studies for COVID-19 and the company plans to start Phase II studies in the coming months for wet age-related macular degeneration and idiopathic pulmonary fibrosis.

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