

ABEONA THERAPEUTICS INC.
AUDIT COMMITTEE CHARTER

Charter

This charter governs the operations of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Abeona Therapeutics Inc. (the "Company"). At least annually, the Committee shall review and reassess the adequacy of this charter and recommend any proposed changes to the Board for its approval. The Company shall make this charter available on its website at www.abeonatherapeutics.com.

Purpose

The purpose of the Committee is to oversee the Company's accounting and financial reporting processes and the audit of the Company's financial statements. To fulfill this obligation, the Committee relies on: (i) management for (A) the preparation and accuracy of the Company's financial statements, (B) establishing effective internal controls and procedures to ensure the Company's compliance with accounting standards, financial reporting procedures, and applicable laws and regulations, and (ii) the Company's independent auditors for unbiased, diligent audit or review, as applicable, of the Company's financial statements and the effectiveness of the Company's internal controls.

Membership

The Committee shall consist of at least three directors, each of whom is independent in accordance with the requirements of Rule 10A-3 of the Securities Exchange Act of 1934, as amended, and the rules of the Nasdaq Stock Market (the "Nasdaq").

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement. At least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background that leads to financial sophistication. At least one member of the Committee must be an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K of the Securities Act of 1933, as amended (the "Securities Act"). A person who satisfies this definition of audit committee financial expert will also be presumed to have financial sophistication.

To promote independence and to otherwise avoid any potential conflicts of interest, members of the Committee may not (i) accept any consulting, advisory or other compensatory fees from the Company, other than fees for Board or Board committee service, (ii) be an affiliated person of the Company, or (iii) have participated in the preparation of the Company's or any current subsidiary's financial statements during the three (3) years prior to such person's appointment to the Committee.

The Committee shall be appointed by the Board, based on recommendations from the

Nominating and Corporate Governance Committee of the Board. Committee members shall serve until their successors are duly appointed and qualified or until their earlier removal by the Board at any time. The Board shall designate a member of the Committee as the chairman.

Meetings and Consultants

The Committee shall meet as often as it shall determine is necessary or appropriate to carry out its responsibilities, but at least once per quarter. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or any consultant to, the Committee.

Except as otherwise provided by the Certificate of Incorporation or By-Laws of the Company, the frequency, location and operation of meetings and similar procedural matters relating to the Committee shall, to the extent applicable, be the same as those that relate to meetings of, and procedural matters concerning, the Board.

Duties and Responsibilities

The primary responsibilities of the Committee are to select, appoint and ensure the independence of the Company's registered public accounting firm, oversee the Company's financial reporting process on behalf of the Board, oversee the effectiveness of internal controls over financial reporting, establish procedures for the receipt and treatment of complaints regarding accounting, internal accounting controls or auditing matters and report the results of its activities to the Board. Management is responsible for preparing the Company's financial statements and the Company's registered public accounting firm is responsible for auditing those financial statements.

The following are the principal recurring processes of the Committee in carrying out its oversight responsibilities and are set forth as a guide with the understanding that the Committee may supplement and modify them as appropriate.

Relating to Independent Auditors

- To (i) select and retain an independent registered public accounting firm to act as the Company's independent auditor for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting, subject to ratification by the Company's stockholders of the selection of the independent auditors, (ii) set the compensation of the Company's independent auditors, (iii) oversee the work done by the Company's independent auditors and (iv) terminate the Company's independent auditors, if necessary.
- To select, retain, compensate, oversee and terminate, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

- To (i) approve all audit engagement fees and terms, (ii) pre-approve all audit and permitted non-audit and tax services that may be provided by the Company's independent auditors or other registered public accounting firms, and (iii) establish policies and procedures for the Committee's pre-approval of permitted services by the Company's independent auditors or other registered public accounting firms on an ongoing basis.
- At least annually, to obtain and review a report by the Company's independent auditors that describes (i) the accounting firm's internal quality control procedures, (ii) any material issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board ("PCAOB") review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and (iii) all relationships between the firm and the Company or any of its subsidiaries; and to discuss with the independent auditors this report and any relationships or services that may impact the objectivity and independence of the auditors.
- At least annually, to evaluate the qualifications, performance and independence of the Company's independent auditors, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner at the Company's independent auditors and consider regular rotation of the accounting firm serving as the Company's independent auditors.
- To keep the Company's independent auditors informed of the Committee's understanding of the Company's relationships and transactions with related parties that are significant to the Company; and to review and discuss with the Company's independent auditors the auditors' evaluation of the Company's identification of, accounting for, and disclosure of its relationships and transactions with related parties, including any significant matters arising from the audit regarding the Company's relationships and transactions with related parties.
- To review with management and the Company's independent auditors the adequacy and effectiveness of the Company's internal controls, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's internal controls, and review and discuss with management and the Company's independent auditors disclosure relating to the Company's internal controls, the independent auditors' report on the effectiveness of the Company's internal control over financial reporting and the required management certifications to be included in or attached as exhibits to the Company's annual report on Form 10-K or quarterly report on Form 10-Q, as applicable.
- The Committee shall have a clear understanding with management and the Company's independent auditors that the independent auditors are ultimately accountable, and must report directly, to the Committee, as representatives of the Company's stockholders. The Committee shall have the sole authority to appoint (subject, if applicable, to ratification by the stockholders of the Company), terminate and replace

the independent auditors. The Committee may receive input from management on these matters but shall not delegate these responsibilities. The Committee shall be responsible for the oversight of the Company's independent auditors, including the resolution of any disagreements between management and the independent auditors regarding financial reporting or other matters.

- The Committee will have the sole authority to approve the scope, fees and terms of all audit and permissible non-audit engagements of the Company's registered public accounting firm. The Committee will pre-approve all audit and permissible non-audit services to be performed for the Company by the registered public accounting firm, in accordance with the rules of the PCAOB, giving effect to any exceptions in the rules of the Securities and Exchange Commission ("PCAOB"). The Committee may delegate to one or more members of the Committee the authority to pre-approve any such services, provided such pre-approval is reported to the Committee at a subsequent meeting.
- The Committee shall ensure that it receives from the Company's independent auditors a formal written statement delineating all relationships between the independent auditors and the Company. The Committee shall discuss with the independent auditors any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and shall take, or recommend that the Board take, appropriate action to oversee the independence of the independent auditors. The Committee shall ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit, to the extent required by law.

Relating to Audits and Financial Statements

- To review and discuss with the Company's independent auditors (i) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (ii) the overall audit strategy, (iii) the scope and timing of the annual audit, (iv) any significant risks identified during the independent auditors' risk assessment procedures and (v) when completed, the results, including significant findings, of the annual audit.
- To discuss with management and the Company's independent auditors the adequacy and effectiveness of the accounting and financial controls, including the Company's system to monitor and manage business risk, and legal and ethical compliance programs.
- To review with management and the Company's independent auditors: (i) any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles, (ii) any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative generally accepted accounting principles ("GAAP") methods, (iii) and the effect of regulatory and accounting initiatives and off-balance sheet

structures on the Company's financial statements.

- To review and discuss with management and the Company's independent auditors the audited financial statements (including the related notes), the form of audit opinion to be issued by the auditors on the financial statements, and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Company's annual report on Form 10-K before the form 10-K is filed.
- To recommend to the Board that the audited financial statements be included in the Company's annual report on Form 10-K and whether the Form 10-K should be filed with the Securities and Exchange Commission ("SEC"); and to produce the audit committee report required to be included in the Company's proxy statement.
- To review and discuss with the Company's independent auditors and management the Company's interim financial statements prior to the filing of each of the Company's quarterly reports on Form 10-Q. The Committee also shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted accounting standards. The chairman of the Committee may represent the entire Committee for the purposes of this review.
- To review and discuss with the Company's independent auditors the matters required to be discussed under the standards of the PCAOB relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, including management's response to these difficulties, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.
- The Committee will review and discuss with the independent public accounting firm the matters required to be discussed by Auditing Standard No. 16, as adopted by the PCAOB and as amended from time to time.
- The Committee will review each other report of the Company's registered public accounting firm delivered to the Committee concerning: (i) all critical accounting policies and practices to be used, (ii) all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the Company's registered public accounting firm, and (iii) other material written communications between the Company's registered public accounting firm and management.
- The Committee shall review the disclosures made by officers of the Company in the certification required to be filed (i) as part of the Company's annual reports on Form 10-K and quarterly reports on Form 10-Q, regarding any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud

involving management or other employees who have a significant role in the Company's internal controls, and (ii) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, regarding the compliance of periodic reports and their fair presentation of the Company's financial statements and results of operations.

Relating to Other Compliance Matters

- To establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.
- To review, approve and oversee any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K of the Securities Act).
- The Committee shall review such other reports, adopt such other policies and implement such other procedures as shall be necessary to comply with the rules and regulations that, from time to time, may be established by Nasdaq or the SEC.

Delegation of Authority

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

Performance Evaluation

The Committee shall conduct an annual evaluation of the performance of its duties under this charter and shall present the results of the evaluation to the Board, including any recommended changes to its duties and responsibilities, charter, or the policies and practices of the Company that are relevant to the duties and responsibilities of the Committee. The Committee shall conduct its evaluation in such manner as it deems appropriate.

Revised: March 14, 2019