



Q2 2020 Financial Results

August 5, 2020

NASDAQ: KRMD

FORWARD-LOOKING STATEMENTS / NON-GAAP MEASURES



This presentation contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as : "expect," "plan," "goals," "believe," "intend," "see," "feel," and "future," and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding our long-term growth potential and sustainability, our strategic growth initiatives and long-term financial goals, issues expected with U.S. plasma supply, expected increase in IG supply, and the potential impact of COVID-19 in the market. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: impact of COVID-19; introduction of competitive products; availability of insurance reimbursement; changes in U.S. Food and Drug Administration regulations; changes to health care policies; success of our research and development efforts; our ability to raise capital if or when needed; acceptance of and demand for new and existing products; expanded market acceptance of the FREEDOM Syringe Infusion System; our ability to obtain required governmental approvals; success in enforcing and obtaining patents; continued performance by principal suppliers; continued customer preference to work through distributors; continued service of key personnel and attracting and maintaining new personnel; and general economic and business conditions. Any forward-looking statement made by us is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Non-GAAP Adjusted EBITDA

Adjusted EBITDA excludes from net income (loss): tax expense, depreciation and amortization, interest income/expense, net, reorganizations charges, discontinued product expenses, litigation, stock-based settlement expense, manufacturing initiative expenses, and stock option expense.

Non-GAAP Measures

This presentation includes the non-GAAP financial measure of "Adjusted EBITDA" that is not in accordance with, nor an alternate to, generally accepted accounting principles and may be different from non-GAAP measures used by other companies. In addition, this non-GAAP measure is not based on any comprehensive set of accounting rules or principles. Non-GAAP financial measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. They are limited in value because they exclude charges that have a material effect on our reported results and, therefore, should not be relied upon as the sole financial measures to evaluate our financial results. The non-GAAP financial measure is meant to supplement, and to be viewed in conjunction with, GAAP financial results. A reconciliation of our non-GAAP measure is included in an attachment to this press release.

COMPANY OVERVIEW

- Market-leading position for subcutaneous, at home immunoglobulin (SCIg) drug therapy.
- Sizeable U.S. PIDD and CIDP patient population with low but increasing penetration rates.
- Significant catalysts for long-term growth in current end markets, new drug development, and TAM expansion via clinical trial participation.
- COVID-19 accelerating underlying market trends, specifically the benefits of at-home therapy.
- Attractive economics: chronic patient population produces high product loyalty with low churn; razor / razor blade model; lower sales & marketing expenses compared to other healthcare companies.



Q2 2020 OVERVIEW



**Strong Q2 2020
Performance**



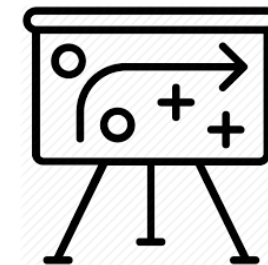
Russell 3000®



**Legal
Settlement**

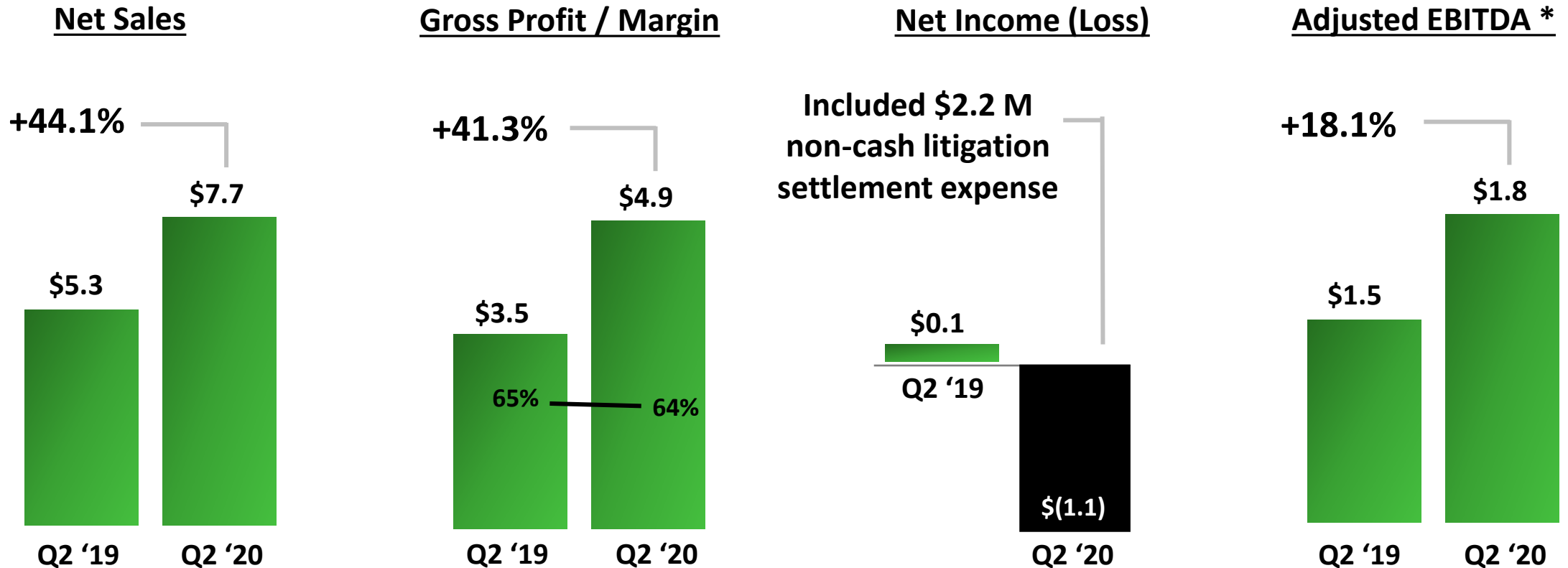


**Successful
Fundraising**



**Pursuing
Growth Opportunities**

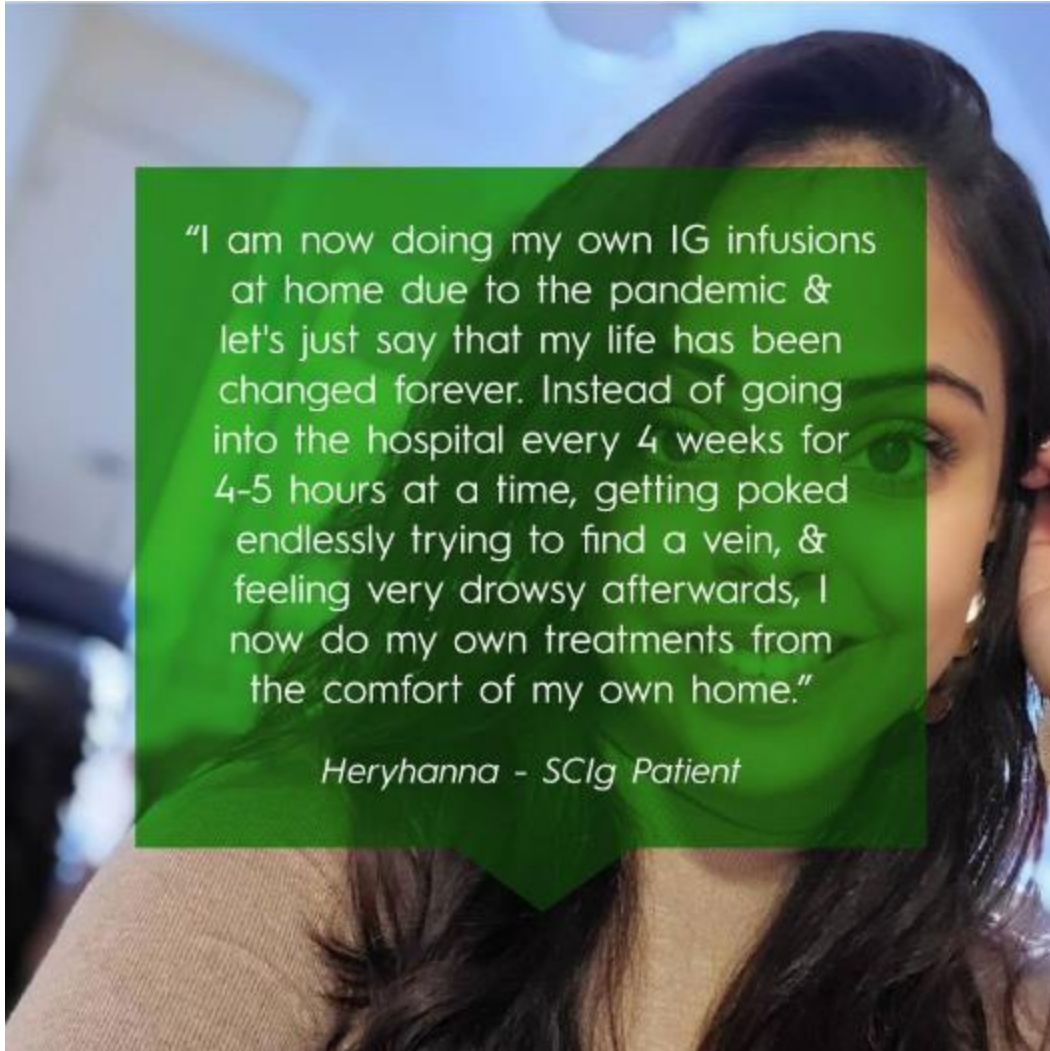
Q2 2020 FINANCIAL SUMMARY (\$ in MMs)



*Adjusted EBITDA excludes from net income: tax expense, depreciation and amortization, interest income, net, discontinued product expense, litigation costs that consisted of a \$2.2 million non-cash, stock-based settlement expense, manufacturing initiative expenses, and stock option expense.

MAKING AT HOME TREATMENT A REALITY

PEACE OF MIND DURING UNCERTAIN TIMES



"I am now doing my own IG infusions at home due to the pandemic & let's just say that my life has been changed forever. Instead of going into the hospital every 4 weeks for 4-5 hours at a time, getting poked endlessly trying to find a vein, & feeling very drowsy afterwards, I now do my own treatments from the comfort of my own home."

Heryhanna - SCIG Patient

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FREEDOM60[®]
Syringe Infusion System



Hizentra[®]
Immune Globulin Subcutaneous
(Human) 20% Liquid

Xembify[®]
(immune globulin subcutaneous
human-klhw) 20%

cutaquig[®]
Subcutaneous human immunoglobulin (SCIG)
16.5% (165 g/mL)

Cuvitru[®]
[Immune Globulin Subcutaneous (Human)] 20%

KORU'S POSITIONING

LEVERAGING OUR CORE STRENGTHS TODAY TO DRIVE GROWTH TOMORROW



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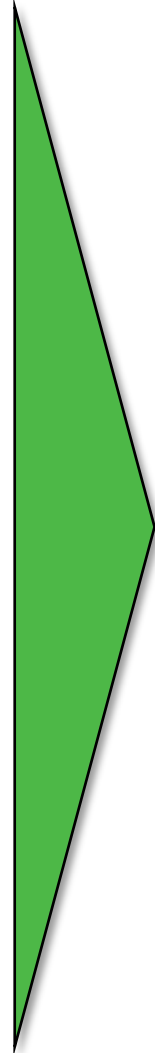
Significant Market Share and Growth Potential
- 





Differentiated Technology
- 

Strong Pharma Relationships
- 

Premium Customer Retention
- 

Unique Value Proposition That Benefits The Care Continuum



Growing Adoption and Opportunity in Current Space (Ig)	Expanded Indications for Existing Therapies (e.g. Secondary Immunodeficiency)
	
Expand Outside the United States	Support Drug Development for New Disease States
	

NEW THERAPIES REPRESENT SIGNIFICANT MARKET EXPANSION POTENTIAL

Opportunities

>100 Companies*

>10 Therapeutic Areas

>10 High Potential Future Candidates

Current Development Programs
Total Addressable Market = ~40M Patients



Secondary Immunodeficiency



Hematology



Pulmonology



Nephrology



Rheumatic & Autoimmune Diseases

STRENGTHENING OUR TEAM



Josh Bennett
Vice President Global Commercialization

- 20 years of healthcare management and consulting experience, including Baxter Healthcare and Salter Labs.
- Experience in medical devices / technology, pharmaceuticals, biologics, home and acute care.
- Track record of growth in the U.S. and international markets through product development, commercialization, and mergers & acquisitions.

Q2 2020 FINANCIAL SUMMARY (\$ in MMs)

	Three Months Ended 6/30/20	Three Months Ended 6/30/19	Year Over Year Change
Net Sales	\$ 7.7	\$ 5.3	44.1%
Gross Profit	\$ 4.9	\$ 3.5	41.3%
Gross Margin	63.7%	65.0%	(130) bps
Total Operating Expenses	\$ 5.9	\$ 3.4	72.7%
Net (Loss) / Income	\$ (1.1)	\$ 0.1	\$ 1.0 M
Non-GAAP Adjusted EBITDA*	\$ 1.8	\$ 1.5	18.1%

*Adjusted EBITDA excludes from net income (loss): tax expense, depreciation and amortization, interest expense (income), net, reorganization charges, discontinued product expenses, litigation, manufacturing initiative expenses, and stock option expense.

BALANCE SHEET AND CAPITAL STRUCTURE



\$38.1 M
Cash & Cash Equivalents
at June 30, 2020



\$3.5 M
Line of Credit

\$2.5 M
Equipment Financing
Line of Credit



48.1 M
Diluted Shares Outstanding
at June 30, 2020

(\$ in millions)	June 30, 2020	December 31, 2019
Cash & Cash Equivalents	\$ 38.1	\$ 5.9
Current Assets	\$ 45.3	\$ 11.9
Total Assets	\$ 47.7	\$ 13.9
Total Liabilities	\$ 8.4	\$ 2.7
Shareholders' Equity	\$ 39.2	\$ 11.2

RECONCILIATION



Reconciliation of GAAP Net Income to Non-GAAP Adjusted EBITDA

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
GAAP Net (Loss)/Income	\$ (1,076,038)	\$ 78,183	\$ (626,610)	\$ (7,207)
Tax Expense	30,919	24,683	172,847	2,584
Depreciation/Amortization	94,940	86,169	182,164	169,820
Interest Expense/(Income), Net	5,002	(18,243)	(14,028)	(35,723)
Reorganization Charges	—	—	—	354,926
Discontinued Product Expenses	(31,581)	—	77,977	—
Litigation*	2,346,914	1,124,947	2,446,072	1,617,462
Manufacturing Initiative Expenses	25,957	—	135,759	—
Stock Option Expense	<u>363,851</u>	<u>194,765</u>	<u>664,817</u>	<u>316,640</u>
Non-GAAP Adjusted EBITDA	\$ 1,759,964	\$ 1,490,504	\$ 3,038,998	\$ 2,418,502

*2020 included \$2.2 million of non-cash, stock-based settlement expense.

THANK YOU



NEW LIFE, NEW BEGINNINGS