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EyeGate Pharma Reports Second Quarter 2021 Financial Results and Provides Business Update

WALTHAM, Mass., Aug. 12, 2021 (GLOBE NEWSWIRE) -- EyeGate Pharmaceuticals, Inc. (NASDAQ: EYEG), ("EyeGate" or the "Company"), a clinical-stage company developing and commercializing products for treating inflammatory and immune diseases with a focus on the eye and certain systemic diseases, today reported its financial results for the quarter ended June 30, 2021 and provided an update on recent corporate and operational activities.

"In the second quarter of 2021 we made significant advancements to build our business and our clinical initiatives remain on track as we enter this new phase of continued growth," said Brian Strem, Ph.D., President and Chief Executive Officer of EyeGate. "We took important steps to advance our pipeline programs for PP-001 and OBG, and we look forward to leveraging new opportunities to expand the therapeutic potential of our platform addressing a diverse range of ocular surface and systemic diseases."

Recent Business Highlights:

Pipeline Updates
Ocular Surface Franchise

- PP-001 is a first-in-class inhibitor of dihydroorotate dehydrogenase ("DHODH") for ophthalmic indications. PP-001 has been successfully formulated as a topical eye drop for conjunctivitis and dry eye disease ("DED"). EyeGate successfully completed a Phase 1 safety study in healthy volunteers and upcoming expected milestones are as follows:
    - Hold a type B, pre-IND meeting with the U.S. FDA to discuss the path to initiating a Phase 2 clinical trial for patients with DED in **Q3 2021.**
    - Report top-line data from the proof-of-concept study in Austria for patients with DED in **Q4 2021.**
- Ocular Bandage Gel ("OBG") eye drop is based on a modified form of the natural polymer hyaluronic acid ("HA") designed to protect the ocular surface, permit re-epithelialization of the cornea, and improve ocular surface integrity. Development of OBG has shifted from a medical device to a drug, which allows for Medicare Part D reimbursement. OBG is now in development to address ophthalmic conditions where epithelial cells are either missing (wounds) or compromised (epitheliopathies). Upcoming expected milestones are as follows:
    - Initiate a proof-of-concept study in patients with persistent epithelial defects in**Q4 2021.**

Systemic Indications

Other administration routes for PP-001 are in development for systemic indications, including oral delivery. Planning for preclinical bioavailability and toxicology studies are currently underway to prepare for clinical trials in patients with autoimmune diseases.

Corporate Updates

- *Executive Leadership Appointments*: In July of 2021, Brian M. Strem, Ph.D., was appointed as permanent President, Chief Executive Officer and board member. He brings strategic expertise, scientific acumen and drug development experience in ophthalmology, otology and regenerative medicine to his new role.
    - Franz Obermayr, Ph.D., stepped down as Acting CEO and reassumed his position as EVP Clinical Development.
- *Letter of Intent:* In July of 2021, EyeGate entered a non-binding letter of intent to acquire Bayon Therapeutics, a private ophthalmic specialty pharmaceutical company focused on using light sensitive 'photoswitch' small molecules, specifically designed to restore vision in patients with inherited and age-related degenerative retinal diseases. There can be no assurance that a definitive agreement will be entered into or that the proposed transaction will be consummated at all or on the terms set forth in the letter of intent.
- *Financing:* In August of 2021, EyeGate completed a registered direct offering priced at-the-market under Nasdaq Rules for 4,668,844 shares of Common Stock with a purchase price of $2.3025 per share. The Company also completed a concurrent private placement of unregistered warrants to purchase up to an aggregate of 2,334,422 shares of Common Stock at an exercise price of $2.24 per share that are exercisable immediately upon issuance and will expire five and one-half years following the date of issuance. The total net proceeds to the Company from the offering and concurrent private placement were approximately $9.7 million.

Second Quarter 2021 Financial Results

Research and development expenses were $1.440 million for the three months ended June 30, 2021, compared to $0.631 million for the three months ended June 30, 2020. The increase of $0.809 million was primarily due to the Panoptes acquisition, including development costs for PP-001 and personnel related costs, partially offset by a decrease in costs related to OBG.

General and administrative expenses were $1.306 million for the three months ended June 30, 2021, compared to $1.090 million for the three months ended June 30, 2020. The increase of $0.216 million was primarily due to increases in professional fees and personnel related costs.

Other income, net was $0.276 million for the for the three months ended June 30, 2021, compared to $0.004 million for the three months ended June 30, 2020. During the second quarter of 2021, the Company recorded a gain of $0.278 million due to the full forgiveness of loan funds received under the Paycheck Protection Program.

Cash and cash equivalents were $3.663 million as of June 30, 2021, compared to $1.186 million as of December 31, 2020. The increase in cash and cash equivalents was mainly due to net proceeds of $7.989 million received from the completion of a private placement in January of 2021, partially offset by cash outflows to fund the Company's operations.

About EyeGate

EyeGate is a clinical-stage pharmaceutical company developing and commercializing products for treating inflammatory and immune diseases with a focus on the eye and certain systemic diseases. PP-001, EyeGate's lead clinical-stage drug product, is a next-generation, non-steroidal, immuno-modulatory and small-molecule inhibitor of Dihydroorotate Dehydrogenase ("DHODH") with best-in-class picomolar potency and a validated immune modulating mechanism designed to overcome the off-target side effects and safety issues associated with DHODH inhibitors. PP-001 has been developed in multiple clinical-stage formulations including ophthalmic and intravenous routes of administration. The ophthalmic formulation is in development for dry eye disease and conjunctivitis. In addition, EyeGate is developing Ocular Bandage Gel ("OBG"), a modified form of the natural polymer hyaluronic acid, designed to protect the ocular surface to permit re-epithelialization of the cornea and improve ocular surface integrity. OBG, with unique properties that help hydrate and protect the ocular surface, is in clinical evaluation for patients with punctate epitheliopathies ("PE") as a result of dry eye. For more information, please visit www.EyeGatePharma.com.

Forward-Looking Statements

Some of the statements in this press release are "forward-looking" and are made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. These "forward-looking" statements include statements relating to, among other things, the commercialization efforts and other regulatory or marketing approval efforts pertaining to EyeGate's products, including EyeGate's PP-001 and OBG products, as well as the success thereof, with such approvals or success may not be obtained or achieved on a timely basis or at all; the results and potential benefits of the acquisition of Bayon; and the proposed terms and conditions of any binding agreement with Bayon, which will be subject to the receipt of all necessary approvals and satisfaction of all closing conditions for the completion of the transaction. These statements involve risks and uncertainties that may cause results to differ materially from the statements set forth in this press release, including, among other things, certain risk factors described under the heading "Risk Factors" contained in EyeGate's Annual Report on Form 10-K filed with the SEC on March 25, 2021 or described in EyeGate's other public filings. EyeGate's results may also be affected by factors of which EyeGate is not currently aware. The forward-looking statements in this press release speak only as of the date of this press release. EyeGate expressly disclaims any obligation or undertaking to release publicly any updates or revisions to such statements to reflect any change in its expectations with regard thereto or any changes in the events, conditions or circumstances on which any such statement is based.

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