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

- PP-001: proof-of-concept study in Austria for dry eye patients expected to initiate in Q3:21; U.S. IND submission planned in Q4:21-

-OBG: U.S. IND submission and initiation of Phase 2 dry eye study is planned in Q4:21; proof-of-concept study for persistent epithelial defects expected to initiate in Q4:21-

-PP-001 for systemic indications: Phase 1 healthy volunteer study in Austria planned to initiate in Q4:21-

WALTHAM, Mass., May 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 March 31, 2021 and provided an update on recent corporate and operational activities.

"We have entered a new phase of strategic growth and are steadily executing across our clinical development program for PP-001 and OBG, two unique platforms with broad therapeutic potential among a diverse range of ocular surface and systemic diseases," said Franz Obermayr, Ph.D., Acting Chief Executive Officer of EyeGate. "We look forward to providing updates on our progress as we plan to kick-off several new clinical initiatives this year."

Recent Business Highlights:

Pipeline updates
Ocular Surface Franchise

- PP-001 is an inhibitor of dihydroorotate dehydrogenase ("DHODH") and first-in-class for ophthalmology indications. PP-001 has been successfully formulated as an ophthalmic eye drop for conjunctivitis and dry eye disease ("DED"). We have completed a Phase 1 safety study in healthy volunteers and expect to move forward with the following:
  - Initiate a proof-of-concept study in dry eye patients in Austria in **Q3 2021**.
  - File an IND in the U.S. 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. OBG has been developed to address ophthalmic conditions where epithelial cells are either missing (wounds) or compromised (epitheliopathies).

- Pre-IND meeting held in March 2021 with the FDA to discuss eligibility of continuing OBG clinical studies as a drug.
- Development of OBG has shifted from a medical device to a drug, which allows for Medicare Part D reimbursement.
- Expect to file an IND and initiate a Phase 2 dry eye study in **Q4 2021**.
- Expect to 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 with both oral and intravenous ("IV") delivery formulations.

- PP-001 IV formulation:
  - Preclinical toxicology studies are ongoing.
  - Initiated animal studies for types of cancer that are sensitive to DHODH.
  - Expect to initiate a Phase 1 healthy volunteer study in Austria in **Q4 2021**.
- PP-001 oral formulation:
  - Oral formulation optimization is underway.

Corporate updates

- *Board of Directors Appointments*: In April, Kenneth Gayron and Aron Shapiro were appointed to the Company's Board of Directors. Both Mr. Gayron and Mr. Shapiro bring deep expertise and valuable insight to the leadership team.
  - Thomas Hancock, Morton Goldberg, M.D., and Bernard Malfroy-Camine, Ph.D., stepped down from the board, which is now composed of seven members.

First Quarter 2021 Financial Results

Research and development expenses were $1.280 million for the three months ended March 31, 2021, compared to compared to $0.938 million for the three months ended March 31, 2020. The increase of $0.342 million was primarily due to increases in personnel related costs from the Panoptes acquisition, OBG manufacturing costs, and development costs for PP-001. These increases were partially offset by decreases in OBG clinical work, as well as the expiration of a prepaid agreement with a research vendor in 2020.

General and administrative expenses were $1.300 million for the three months ended March 31, 2021, compared to compared to $1.033 million for the three months ended March 31, 2020. The increase of $0.267 million was primarily due to increases in professional fees, including approximately $0.050 million of Panoptes acquisition costs, as well as corporate costs.

Other income, net was $436 for the for the three months ended March 31, 2021, compared to compared to $0.018 million for the three months ended March 31, 2020 mainly due to less interest income earned on the Company's cash balances.

Cash and cash equivalents were $6.610 million as of March 31, 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, 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. 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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