March 31, 2015

EyeGate Pharmaceuticals Reports Full Year 2014 Financial Results

WALTHAM, Mass., March 31, 2015 (GLOBE NEWSWIRE) -- Eyegate Pharmaceuticals, Inc. (OTCBB:EYEG) ("EyeGate" or the "Company"), a specialty pharmaceutical company that focuses on developing and commercializing therapeutics and drug delivery systems for treating diseases of the eye, today announced its financial results for the year ended December 31, 2014.

Stephen From, President and CEO, stated, "With the proceeds of our initial public offering, we have the capital needed to advance our clinical development programs for EGP-437, a corticosteroid delivered to the ocular tissue via our proprietary iontophoresis platform, the EyeGate® II Delivery System. EGP-437 is being developed to treat non-infectious anterior uveitis and macular edema, two prevalent conditions affecting the front and back of the eye, respectively, and we believe that our technology provides substantive potential benefits to both patients and clinicians."

Mr. From continued, "The planned confirmatory Phase III trial of EGP-437 in anterior uveitis and Phase II trial in macular edema will each represent important milestones in our development path. More importantly, these trials are expected to provide significant validation for our iontophoresis technology platform and its ability to safely and effectively deliver drugs to the anterior and posterior segments of the eye. We look forward to further demonstrating the capabilities of this novel delivery technology, which we believe has paradigm shifting potential as it relates to improving the lives of patients with a variety of ophthalmic conditions."

2014 Full Year Financial Review

For the twelve month period ended December 31, 2014, net loss was approximately $1.6 million. This compares to a net loss of approximately $3.7 million in 2013.

Research and development expenses were approximately $0.5 million for the year ended December 31, 2014 compared to approximately $1.0 million for the year ended December 31, 2013. The reduction of approximately $0.5 million was mainly due to a reduction in clinical trial activity related to the Company's EGP-437 Combination Product following the completion of the Company's first Phase III trial in non-infectious anterior uveitis. The Company expects research and development costs to increase in 2015, as it initiates a Phase II proof-of-concept trial of the EGP-437 Combination Product in macular edema.

General and administrative expenses for the year were approximately $1.9 million, compared to approximately $2.1 million in 2013.

Net cash used in operating activities was approximately $1.0 million for the year ended December 31, 2014, compared to net cash used in operating activities of approximately $3.0 million for the year ended December 31, 2013.

As of December 31, 2014, the Company had cash and cash equivalents of approximately $167,000. The Company's cash position at the end of 2014 excludes net proceeds less transaction expenses of approximately $2.7 million from its initial public offering, which was completed in February 2015.

About EyeGate

EyeGate is a clinical-stage specialty pharmaceutical company that is focused on developing and commercializing therapeutics and drug delivery systems for treating diseases of the eye. EGP-437, the Company's first and only product in clinical trials, incorporates a reformulated topically active corticosteroid, dexamethasone phosphate, that is delivered into the ocular tissues through EyeGate's proprietary innovative drug delivery system, the EyeGate(R) II Delivery System. For more information, please visit www.EyeGatePharma.com.

Safe Harbor Statement

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 clinical trials, commercialization efforts and other regulatory or marketing approval efforts pertaining to EyeGate's products, including EGP-437, 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" in the Company's Annual Report filed on Form 10-K with the Securities Exchange Commission on March 31, 2015, or described in the Company's other public filings. The Company's results may also be affected by factors of which the Company 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.

EYEGATE PHARMACEUTICALS, INC.

CONSOLIDATED BALANCE SHEETS DATA

	December 31,	
	2014	**2013**
ASSETS		
Current assets:		
Cash and cash equivalents	$ 167,001	$ 501,172
Prepaid expenses and other current assets	26,443	22,351
Current portion of Refundable tax credit receivable	25,336	35,124
Total current assets	218,780	558,647
Property and equipment, net	1,257	2,981
Restricted cash		30,000
Deferred offering costs	1,148,994	
Other assets	37,439	100,566
Total assets	$ 1,406,470	$ 692,194

LIABILITIES, CONVERTIBLE PREFERRED STOCK, NON-CONTROLLING INTEREST AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Grants payable	$ 36,401	$ 41,232
Accounts Payable	565,947	13,691
Accrued expenses	913,063	488,989
Convertible notes due to stockholders, net (aggregate principal outstanding of $3,376,573 and $2,027,240, at December 31, 2014 and 2013, respectively)	3,205,504	2,027,240
Warrant liability	303,102	—
Total current liabilities	5,024,017	2,571,152
Commitments and contingencies (Note 13)		
Convertible preferred stock and non-controlling interests: (classified as temporary equity)		
Series A convertible preferred stock, $0.01 par value, 2,483,692 shares authorized; 2,483,692 shares issued and outstanding at December 31, 2014 and 2013 (liquidation value of $5,960,863 at December 31, 2014)	254,525	254,525
Series B convertible preferred stock, $0.01 par value, 13,819,649 shares authorized; 8,073,508 shares issued and outstanding at December 31, 2014 and 2013 (liquidation value of $7,023,952 at December 31, 2014)	6,926,180	6,926,180
Series C convertible preferred stock, $0.01 par value, 5,161,241 shares authorized; 3,351,156 shares issued and outstanding at December 31, 2014 and 2013 (liquidation value of $5,857,140 at December 31, 2014)	5,745,127	5,745,127
Series D convertible preferred stock, $0.01 par value 29,020,544 shares authorized; 19,557,392 shares issued and outstanding at December 31, 2014 and 2013 (liquidation value of $23,762,876 at December 31, 2014)	23,482,834	23,482,834
Non-controlling interests	6,780,588	6,556,215
Total convertible preferred stock and non-controlling interests	43,189,254	42,964,881
Stockholders' deficit:		
Common stock, $0.01 par value: 70,000,000 shares authorized; 201,787 shares issued and 184,474 shares issued at December 31, 2014 and 2013	2,018	1,844
Additional paid-in capital	10,055,613	10,384,554
Accumulated deficit	(56,862,152)	(55,088,160)
Shareholders' notes receivable	(58,824)	(195,000)
Accumulated other comprehensive income	56,544	52,923
Total stockholders' deficit	(46,806,801)	(44,843,839)
Total liabilities, convertible preferred stock, non-controlling interests and stockholders' deficit	$ 1,406,470	$ 692,194

EYEGATE PHARMACEUTICALS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS DATA

Year Ended December 31,

	2014	2013
Operating expenses:		
Research and development	$ 531,116	$ 1,010,268
General and administrative	1,930,967	2,087,637
Total operating expenses	2,462,083	3,097,905
Other income (expense), net:		
Research & development tax credit	15,911	24,520
Interest income	1,102	2,186
Extinguishment of research liability	240,000	—

Change in warrant liability	1,095,282	—
Interest expense	(441,720)	(611,386)
Total other income (expense), net	910,575	(584,680)
Net loss	(1,551,508)	(3,682,585)
Net income attributable to non-controlling interests	(222,484)	(196,862)
Net (loss) attributable to EyeGate Pharmaceuticals, Inc. stockholders	$ (1,773,992)	$ (3,879,447)
Net loss per common share – basic and diluted	$ (9.20)	$ (21.03)
Weighted average shares outstanding – basic and diluted	192,873	184,431

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Source: Eyegate Pharmaceuticals, Inc.