May 13, 2016

Eyegate Pharmaceuticals Reports First Quarter 2016 Financial Results and Provides Business Update

WALTHAM, Mass., May 13, 2016 (GLOBE NEWSWIRE) -- Eyegate Pharmaceuticals, Inc. (NASDAQ: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 financial results for the three-month period ended March 31, 2016 and provided an update on recent corporate and operational initiatives.

First Quarter 2016 and Recent Business Highlights:

- Expanded ocular therapeutic pipeline with acquisition of Jade Therapeutics and its CMHA-S technology platform
- Presented four posters, highlighting encouraging data that supports the continued development of CMHA-S technology at the 2016 Annual Association of Research in Vision and Ophthalmology Meeting (ARVO)
- Enrolled initial patients in the confirmatory Phase 3 clinical trial of EGP-437 combination product targeting non-infectious anterior uveitis; top-line data expected first quarter 2017
- Received additional development milestone payment from Valeant Pharmaceuticals Luxembourg S.à.r.l. ("Valeant") under the license agreement for the development and commercialization of its EGP-437 combination product in uveitis
- Continued enrollment in second leg of Phase 1b / 2a study of EGP-437 in macular edema; top-line data expected second quarter 2016
- Initiated Phase 1b / 2a trial of EGP-437 for treatment of ocular inflammation and pain post cataract surgery; top-line data expected second quarter 2016
- Strengthened management team with appointments of Ryan R. Brenneman and Dr. Brenda Mann as Chief Financial Officer and Vice President, Research and Development, respectively

"In the first quarter, we achieved several important clinical and operational milestones that position EyeGate to reach key inflection points in the near-term and generate significant potential growth over the longer-term," said Stephen From, President and Chief Executive Officer of EyeGate. "The acquisition of Jade Therapeutics and its proprietary CMHA-S technology has bolstered our position in the ophthalmology market through the addition of promising preclinical assets that extend our pipeline into new indications characterized by high unmet medical needs. At last month's ARVO annual meeting, we presented compelling data that highlights the potential of the CMHA-S technology in treating a variety of ophthalmic indications. Development efforts for the acquired assets remain on track, and we continue to expect initiation of the first clinical trial for JDE-003 in the treatment of corneal repair by the end of the year.

“We have further advanced the development of EGP-437 combination product for its three primary indications as well. We began treating patients in the confirmatory Phase 3 study of EGP-437 for anterior uveitis and earned an additional milestone payment from Valeant, our licensing partner for this indication. We are also targeting top-line data from our Phase 1b / 2a trials of EGP-437 in macular edema and cataract surgery by the end of the second quarter. Both of these indications represent significant market opportunities, while the macular edema trial is particularly exciting as it has the potential to provide proof-of-concept for the first non-invasive method of delivering drug to the back of the eye.”

Mr. From continued, “We significantly strengthened our leadership team with the appointment of Ryan Brenneman as Chief Financial Officer and Dr. Brenda Mann as Vice President, Research and Development. These key strategic hires followed the addition of Dr. Barbara Wirotsko as Chief Medical Officer in conjunction with the Jade acquisition. Overall, we are extremely proud of the progress we have made to-date. We believe we have the right products, with the right strategy in place and the best possible team to execute on that strategy. We are excited about what the future holds for EyeGate.”

First Quarter 2016 Financial Review

EyeGate’s net loss for the first quarter of 2016 was $(2.442) million, significantly smaller than the net loss of $(11.028) million for the first quarter of 2016, due principally to a non-recurring deemed dividend to preferred stockholders that occurred in connection with our IPO in the first quarter of 2015.

Research and Development Expenses. Research and development expenses were $0.914 million for the three months ended March 31, 2016, compared to $0.321 million for the three months ended March 31, 2015. The increase of $0.593 million is primarily due to an increase in clinical activity related to the resumption of Phase III clinical trial for the treatment of anterior uveitis, the Phase I/II macular edema trial, and additional research and development expenses attributable to Jade’s CMHA-S-based product pipeline of $0.073 million.

General and Administrative Expenses. General and administrative expenses were $1.529 million for the three months ended March 31, 2016, compared to $0.783 million for the three months ended March 31, 2015. The increase of $0.746 million was due primarily to an increase in stock compensation charges for options issued in connection with the Company’s stock offerings and new employees. Increases in payroll and other expenses were also realized as company operations have expanded following the receipt of funds from our two common stock offerings and the Jade Acquisition.

Other (Expense) Income. Total other (expense) income was $0 million and $(1.697) million for the three months ended March 31, 2016 and 2015, respectively. The change of $1.697 million is comprised primarily of a decline in financing and advisory expenses relating to the Company’s Initial Public Offering (“IPO”) in the first quarter of 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® II Delivery System. In addition, EyeGate is developing, through its wholly-owned Jade

subsidiary, products using cross-linked thiolated carboxymethyl hyaluronic acid (“CMHA-S”), a modified form of the natural polymer hyaluronic acid (HA), which possesses unique physical and chemical properties such as viscoelasticity and water retention. The ability of CMHA-S to adhere longer to the ocular surface, resist degradation and protect the ocular surface makes it well-suited for treating various ocular surface injuries. EyeGate intends to initiate a clinical study for Jade’s lead product candidate for corneal epithelial defects. 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 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” contained in our Annual Report on Form 10-K filed with the SEC on March 30, 2015, or described in our other public filings. Our results may also be affected by factors of which we are 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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Source: Eyegate Pharmaceuticals, Inc.