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# EyeGate Pharmaceuticals Reports First Quarter 2017 Financial Results and Provides Business Update

WALTHAM, Mass., May 08, 2017 (GLOBE NEWSWIRE) -- EyeGate Pharmaceuticals, Inc. (NASDAQ:EYEG) ("EyeGate" or the "Company"), a clinical-stage specialty pharmaceutical company that focuses on developing and commercializing products for treating diseases and disorders of the eye, today announced financial results for the three-month period ended March 31, 2017, and provided an update on recent corporate and operational achievements.

**First Quarter 2017 and Recent Business Highlights:**

- Reported positive top-line data from first-in-human pilot study of EyeGate Ocular Bandage Gel ("EyeGate OBG") in the treatment of corneal epithelial defects;
- Strengthened Scientific Advisory Board through appointments of Daniel S. Durrie, M.C. and Randall J. Olson, M.D.;
- Entered into exclusive, worldwide licensing agreement with Valeant Pharmaceuticals International, Inc. ("Valeant") for EGP-437 combination product to treat post-operative pain and inflammation in ocular surgery patients. Under the agreement, the Company received an upfront cash payment and is eligible to receive development and commercial milestone payments as well as royalties on the sale of the product.

Stephen From, President and Chief Executive Officer of EyeGate, said, "The first quarter of 2017 saw a continuation of the significant momentum we built throughout last year. Our EGP-437 program was highlighted by the signing of our second exclusive worldwide licensing agreement with Valeant, this time in the field of cataract surgery, which provided non-dilutive capital in the form of an upfront payment and has the potential to generate significant incremental value through milestone payments and potential royalties on the sale of the product."

Mr. From continued, "Additionally, the lead product in our first-in-class CMHA-S platform, EyeGate OBG, generated promising top-line data from its first-in-human pilot study in the treatment of corneal epithelial defects, which served as the basis for the recent submission of an IDE for our second pilot study of the product. We look forward to continued interaction with the FDA during the review process, and are excited by the prospect of initiating this next study, for which we expect top-line data in the second half of the year. We anticipate a number of important milestones as the year progresses, and believe that EyeGate is optimally positioned for continued execution against our primary clinical, strategic and operational objectives."

**First Quarter 2017 Financial Review**

EyeGate's revenue for the three months ended March 31, 2017 was $0.19 million, compared with no revenue in the three months ended March 31, 2016. Revenue for the first quarter of

2017 was attributable to collaboration revenue from U.S. government grants to support the development of products based on the Company's CMHA-S platform technology.

Net loss for the three months ended March 31, 2017 was $2.9 million, compared with $2.4 million in the first quarter of 2016.

Research and development expenses were $1.8 million for the three months ended March 31, 2017, compared with $0.9 million for the three months ended March 31, 2016. The increase of $0.9 million was primarily due to an increase in clinical and other activity related to the development of and clinical trial for the EyeGate OBG, research expenses attributable to the Company's EGP-437-based and CMHA-S-based product pipelines, as well as increases in payroll related costs as a result of the acquisition of Jade Therapeutics, Inc. in March 2016 (the "Jade Acquisition").

General and administrative expenses were $1.3 million for the three months ended March 31, 2017, compared with $1.5 million for the three months ended March 31, 2016. The decrease of $0.2 million was primarily due to decreases in professional fees for costs incurred during the first quarter of 2016 related to the Jade Acquisition, partially offset by increases in payroll, office and other expenses as company operations have expanded with the acceleration in clinical activity related to the EGP-437 Phase 3 trials for the treatment of anterior uveitis, the Phase 1b/2a trial for post-cataract surgery inflammation and pain, and the clinical trial for the EyeGate OBG, as well as the expansion of operations following the Jade Acquisition.

Cash and cash equivalents as of March 31, 2017 totaled $5.4 million, compared with $3.6 million as of December 31, 2016. The increase in cash and cash equivalents was primarily attributable to the upfront payment received under the Valeant licensing agreement and net proceeds of $1.8 million from the sale of shares under the Company's ATM agreement.

**About EyeGate:**
EyeGate is a clinical-stage specialty pharmaceutical company that is focused on developing and commercializing products for treating diseases and disorders of the eye. EyeGate is developing products using CMHA-S, a modified form of the natural polymer hyaluronic acid (HA), which possesses unique physical and chemical properties such as hydration and healing properties. 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.

EGP-437, EyeGate's other 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. 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 EGP-437 combination product and those of Jade, a wholly owned subsidiary of EyeGate, 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 February 23, 2017 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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