March 2, 2018

EyeGate Pharmaceuticals Reports Full-Year 2017 Financial Results and Provides Business Update

WALTHAM, Mass., March 02, 2018 (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 twelve-month period ended December 31, 2017, and provided an update on recent corporate and operational achievements.

2017 and Recent Business Highlights:

- Reported topline data from the Phase 2b clinical trial of the EGP-437 combination product for the treatment of pain and inflammation in patients having undergone cataract surgery; EGP-437 demonstrated a higher rate of success compared to vehicle at all time points, but did not show statistical significance in the trial's co-primary endpoints;
- Reported positive topline data from the first-in-human pilot study of EyeGate Ocular Bandage Gel (OBG) in the treatment of corneal epithelial defects and submitted Investigational Device Exemption (IDE) for second pilot study;
- Awarded new U.S. patent for iontophoretic delivery of corticosteroids to the eye;
- Announced promotion of Sarah Romano to Chief Financial Officer and appointment of Mike Garanzini as Chief Commercial Officer;
- Raised capital through a public offering of $10.0 million to support clinical operations and other general corporate purposes;
- Expanded Scientific Advisory Board with additional distinguished leaders in ophthalmology; and
- Received multiple milestone payments from Valeant related to development of the EGP-437 combination product in anterior uveitis and treatment of post-operative pain and inflammation in ocular surgery patients.

"In 2017, we significantly advanced the development of both of our ophthalmic platforms, expanded our strategic partnerships, and strengthened our balance sheet," said Stephen From, President and Chief Executive Officer of EyeGate. "On the operational front, we made several new appointments to our management team and scientific advisory board, further strengthening what was already a solid leadership group to help guide the Company both scientifically and operationally.

"On the clinical front, we are anticipating data from our ocular bandage gel trials in photorefractory kerectomy in first half of 2018 and punctate epitheliopathy in the third quarter of this year. Looking at our iontophoresis delivery platform, we reached 75% enrollment in our pivotal Phase 3 trial of anterior uveitis resulting in a milestone payment from Valeant. We

expect to report top-line data from the trial in the third quarter of this year. Early in the year, we signed a second licensing agreement with Valeant to develop and commercialize our EGP-437 combination product in cataract surgery. Recently, we announced topline results from the Phase 2b trial of EGP-437 in this indication. Although the trial did not meet its co-primary endpoints, EGP-437 clearly demonstrated higher benefit at all time points as compared to the vehicle. We are further evaluating the data to determine the optimal path forward."

Mr. From concluded, "Our team is focused on achieving multiple objectives in 2018 with several potential catalysts ahead of us. On behalf of the Company, I would like to thank our shareholders for their ongoing support."

Full-Year 2017 Financial Review

EyeGate's revenue for the year ended December 31, 2017 totaled $0.408 million, compared with $0.669 million for the year ended December 31, 2016. Revenue generated 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. These grants were fully funded as of December 31, 2017.

Net loss for the year ended December 31, 2017 was $13.2 million, compared with $13.3 million for the year ended December 31, 2016.

Research and development expenses for the year ended December 31, 2017 totaled $10.3 million, compared with $8.4 million for the year ended December 31, 2016. The increase of $1.9 million was primarily due to an increase in clinical and other activity, which the Company was able to undertake after its June 2017 follow-on offering, related to the Phase 2b trial for post-cataract surgery inflammation and pain and the EyeGate OBG eye drop. These increases were partially offset by a decrease in clinical activity related to the EGP-437 Phase 3 trial for the treatment of anterior uveitis.

General and administrative expenses were $4.6 million for the year ended December 31, 2017, compared with $5.6 million for the year ended December 31, 2016. The decrease of $1.0 million was due primarily to lower professional fees incurred during the year ended December 31, 2017.

Income tax benefit was $1.3 million for the year ended December 31, 2017, compared with zero for the year ended December 31, 2016. The income tax benefit was generated in 2017 due to the partial release of valuation allowance against previously recorded deferred tax assets as a result of the impact of the Tax Cuts and Jobs Act where future reversals of deductible temporary differences can offset taxable temporary differences from future net operating loss carryforwards due to their indefinite carryforward period under the new tax law.

Cash and cash equivalents as of December 31, 2017 totaled $7.8 million, compared with $3.6 million as of December 31, 2016. The increase in cash and cash equivalents of $4.2 million was primarily attributable to the public offering of common stock generating net proceeds of $8.8 million, the upfront and milestone payments received under the Valeant licensing agreements of $8.1 million, and net proceeds of $1.8 million from the sale of shares under the Company's ATM agreement, offset by cash outflows to fund the Company's operations.

About EyeGate

EyeGate is a clinical-stage specialty pharmaceutical company focused on developing and commercializing products using its two proprietary platform technologies for treating diseases and disorders of the eye.

EyeGate's most advanced platform is based on a cross-linked thiolated carboxymethyl hyaluronic acid ("CMHA-S"), a modified form of the natural polymer hyaluronic acid ("HA"), which is a gel that possesses unique physical and chemical properties such as hydrating and healing when applied to the ocular surface. 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.

EyeGate Social Media

EyeGate uses its website (www.EyeGatePharma.com), Facebook page (https://www.facebook.com/ EyeGatePharma/), corporate Twitter account (https://twitter.com/EyeGatePharma), and LinkedIn page (https://www.linkedin.com/company/135892/) as channels of distribution of information about EyeGate and its product candidates. Such information may be deemed material information, and EyeGate may use these channels to comply with its disclosure obligations under Regulation FD. Therefore, investors should monitor EyeGate's website and its social media accounts in addition to following its press releases, SEC filings, public conference calls, and webcasts. The social media channels that EyeGate intends to use as a means of disclosing the information described above may be updated from time to time as listed on EyeGate's investor relations website.

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 Therapeutics, Inc., 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 EyeGate's Annual Report on Form 10-K filed with the SEC on February 23, 2017 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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