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EyeGate Pharmaceuticals Reports Second Quarter 2017 Financial Results and Provides Business Update

WALTHAM, Mass., Aug. 07, 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 June 30, 2017, and provided an update on recent corporate and operational activities.

Second Quarter 2017 and Recent Business Highlights:

- Completed public offering of common stock generating gross proceeds of $10 million;
- Received milestone payment from Valeant Pharmaceuticals under EGP-437 ocular surgery licensing agreement; and
- Submitted investigational device exemption (IDE) filing for a second pilot study of EyeGate ocular bandage gel (EyeGate OBG).

"Our achievements during the second quarter are very well aligned with our strategy and establish a solid foundation for what we expect will be an exciting second half of the year," said Stephen From, President and Chief Executive Officer of EyeGate. In May, we received our first milestone payment from Valeant under our worldwide licensing agreement for EGP-437 in ocular surgery. We look forward to continuing our partnership with Valeant as we further advance EGP-437 in the licensed indications.

"We are also making remarkable progress in the development of our other core asset. In May, we submitted an IDE application for initiation of a second pilot study of our Ocular Bandage Gel, the lead product in our cross-linked thiolated carboxymethyl hyaluronic acid (CMHA-S) platform, for the acceleration of re-epithelialization of large corneal epithelial defects in patients having undergone photorefractive keratectomy (PRK). We received FDA feedback on the application in June and anticipate refiling the IDE to address the Agency's comments later this quarter. Our development plans for OBG remain unchanged, as we anticipate initiating a study soon after approval of the IDE, with the potential for top-line data by the end of this year."

Mr. From concluded, "Recently, we completed a successful public offering with gross proceeds of $10 million, which underscores the confidence of our investors in EyeGate's products and business strategy. The proceeds from this financing will enable advancement of our clinical development plans and support our operations. We are proud of the progress we made during the first half of the year and truly believe that EyeGate is poised for long-term growth and success as we continue working toward out goals."

Second Quarter 2017 Financial Review

EyeGate's revenue for the second quarter of 2017 was $0.148 million, compared with $0.235 million in the second quarter of 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.

Net loss for the second quarter of 2017 was $3.3 million, compared with $3.8 million in the second quarter of 2016.

Research and development expenses were $2.3 million for the three months ended June 30, 2017, compared with $2.5 million for the three months ended June 30, 2016. The decrease of $0.2 million was primarily due to reduced activity in the Phase 3 clinical trial for anterior uveitis, caused by a change in manufacturers for the placebo and control arm eye drops used in the trial, which was completed in the second quarter. This decrease was partially offset by increases in the development of and clinical trial for the EyeGate OBG, the Phase 2b trial for post-cataract surgery inflammation and pain, and personnel related costs as we support these activities.

General and administrative expenses were $1.2 million for the three months ended June 30, 2017, compared with $1.6 million for the three months ended June 30, 2016. The decrease of $0.4 million was primarily due to decreases in corporate and professional fees for costs incurred during the second quarter of 2016.

Cash and cash equivalents as of June 30, 2017 totaled $11.8 million, compared with $3.6 million as of December 31, 2016. The increase in cash and cash equivalents was primarily attributable to the public offering of common stock generating net proceeds of $8.8 million, the upfront and milestone payment received under the Valeant licensing agreement of $4.6 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 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, plus other 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 and our quarterly report on Form 10-Q, as filed with the SEC on August 4, 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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