

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

**FORM 8-K/A
(Amendment No. 1)**

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): December 18, 2020

EYEGATE PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-36672
(Commission File Number)

98-0443284
(IRS Employer Identification No.)

**271 Waverley Oaks Road
Suite 108
Waltham, MA**
(Address of principal executive offices)

02452
(Zip Code)

(781) 788-9043
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class:</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered:</u>
Common Stock, \$0.01 par value	EYEG	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Explanatory Note

On December 21, 2020, EyeGate Pharmaceuticals, Inc. (the "Company") filed a Current Report on Form 8-K (the "Original Form 8-K") reporting, among other items, that on December 18, 2020, the Company entered into a Share Purchase Agreement (the "Purchase Agreement"), by and among the Company and the Sellers named therein (the "Sellers"). Pursuant to the Purchase Agreement, the Company acquired 100% of the outstanding equity interests of Panoptes Pharma Ges.m.b.H. ("Panoptes") and Panoptes became a wholly-owned subsidiary of the Company. This Amendment No. 1 to Current Report on Form 8-K amends the Original Form 8-K to provide (i) the historical audited financial statements of Panoptes and (ii) the pro forma condensed combined financial information as required by Items 9.01(a) and 9.01(b) of Current Report on Form 8-K, respectively. Such financial information was excluded from the Original Form 8-K in reliance on the instructions to such Items.

Item 9.01. Financial Statements and Exhibits.

(a) Financial statements of businesses acquired.

The audited financial statements of Panoptes as of and for the years ended December 31, 2019 and 2018 and the notes related thereto are filed herewith as Exhibit 99.1 and are incorporated herein by reference. The unaudited financial statements of Panoptes as of and for the nine months ended September 30, 2020 and the notes related thereto are filed herewith as Exhibit 99.2 and are incorporated herein by reference.

(b) Pro Forma Financial Information.

The unaudited pro forma condensed combined financial information of the Company and Panoptes, which include a pro forma condensed combined balance sheet as of September 30, 2020 and pro forma condensed combined statements of operations for the year ended December 31, 2019 and the nine months ended September 30, 2020 and the notes related thereto, are filed herewith as Exhibit 99.4 and are incorporated herein by reference.

(d) Exhibits.

The Company hereby files the following exhibits:

- 23.1 Consent of Diligence Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH, independent audit firm for Panoptes Pharma Ges.m.b.H.
- 99.1 Audited financial statements of Panoptes Pharma Ges.m.b.H. as of and for the years ended December 31, 2019 and 2018 and the notes related thereto.
- 99.2 Unaudited financial statements of Panoptes Pharma Ges.m.b.H. as of and for the nine months ended September 30, 2020 and the notes related thereto.
- 99.3 Unaudited pro forma condensed combined financial information of EyeGate Pharmaceuticals, Inc. and Panoptes Pharma Ges.m.b.H., including pro forma condensed combined balance sheet as of September 30, 2020 and pro forma condensed combined statements of operations for the year ended December 31, 2019 and the nine months ended September 30, 2020 and the notes related thereto

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EYEGATE PHARMACEUTICALS, INC.

By: /s/ Franz Obermayr
Franz Obermayr
Acting Chief Executive Officer

Date: March 5, 2021

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CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statements of EyeGate Pharmaceuticals, Inc. ("EyeGate") on Form S-8 (Nos. 333-241657, 333-202207, 333-209441, 333-216227, 333-223431 and 333-231207) and on Form S-3 (Nos. 333-231204 and 333-234255) of our report dated February 15, 2021, with respect to our audits of the financial statements of Panoptes Pharma Ges.m.b.H as of December 31, 2018 and December 31, 2019 and for the years then ended appearing in the Current Report on Form 8-K/A of EyeGate filed as of March 5, 2021.

/s/ Diligence Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH

Diligence Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH
Vienna, Austria
March 5, 2021

Diligence
Wirtschaftsprüfungs- and Steuerberatungsgesellschaft mbH

Panoptes Pharma Ges.m.b.H.
Wien
Long-form Audit Report
on the Financial Statements as
of 31. December 2019
(Translation)

We draw attention to the fact that the English translation of this long-form audit report according to section 273 UGB (Austrian Company Code) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Ausfertigung: 1

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*Panoptes Pharma Ges.m.b.H.
Long-form Audit Report on the Financial Statements as of 31. Dezember 2019*

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*Panoptes Pharma Ges.m.b.H.
Long-form Audit Report on the Financial Statements as of 31. Dezember 2019*

To the Members of Management of
Panoptes Pharma Ges.m.b.H.,
Wien

We have completed the audit of the financial statements as of 31. December 2019 of

Panoptes Pharma Ges.m.b.H.,
Wien

(referred to as "the Company")

and **report** on the result of our audit as follows:

1. Audit contract and performance of the engagement

The Company, represented by the management, concluded an audit contract with us to audit the financial statements as of 31. December 2019, including the accounting system pursuant to sections 269 et seqq. UGB (Austrian Company Code).

The Company is a **micro corporation** pursuant to section 221 UGB (Austrian Company Code).

The audit is a **voluntary audit**.

The **audit included** assessing whether the statutory requirements were adhered to concerning the preparation of the financial statements.

We conducted our audit in accordance with the **legal requirements and generally accepted standards on auditing** as applied in Austria. These standards require that we comply with International Standards on Auditing. An auditor conducting an audit obtains reasonable assurance about whether the financial statements are free from material misstatement. Absolute assurance is not attainable due to the inherent limitations of any accounting and internal control system and due to the sample-based test nature of an audit, there is an unavoidable risk that material misstatements in the financial statements remain undetected. Areas which are generally covered in special engagements were not included in our scope of work.

We performed the audit, with interruptions, **from 1st of February 2021 to 15th of February 2021** mainly at our office in Vienna. The audit was substantially completed at the date of this report.

The **audit partner** responsible for the proper performance of the engagement is Mr Fritz Rech, Austrian Certified Public Accountant.

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*Panoptes Pharma Ges.m.b.H.
Long-form Audit Report on the Financial Statements as of 31. Dezember 2019*

Our audit is based on the audit contract concluded with the Company. The "General Conditions of Contract for the Public Accounting Professions" issued by the Austrian Chamber of Auditors and Tax Advisors (refer to Appendix [01]) form an integral part of the audit contract. These conditions of contract do not only apply to the Company and the auditor, but also to third parties. Section 275 UGB (Austrian Company Code) applies with regard to our responsibility and liability as auditors towards the Company and towards third parties.

2. Breakdown and description of significant items in the financial statements

The breakdown and description of all significant financial statement items are included in the notes to the financial statements which were made voluntarily. Therefore, we refer to the respective disclosures made by the management in the notes to the financial statements.

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*Panoptes Pharma Ges.m.b.H.
Long-form Audit Report on the Financial Statements as of 31. Dezember 2019*

3. Summary of audit findings

3.1. Compliance of the accounting system and the financial statements

During our audit, we obtained evidence that the statutory requirements and generally accepted **accounting principles** in Austria have been complied with.

In line with our risk and controls based audit approach and to the extent we considered necessary for the purpose of expressing an opinion, we considered internal controls related to sub processes of the financial reporting process as part of our audit.

With regard to the compliance of the **financial statements** with all applicable statutory requirements we refer to the auditor's report.

3.2. Information provided

The Company's legal representatives provided all **evidence** and **explanations** requested by us. We obtained a representation letter signed by the legal representatives which we included in our working papers.

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*Panoptes Pharma Ges.m.b.H.
Long-form Audit Report on the Financial Statements as of 31. Dezember 2019*

3.3. Adverse changes in the financial position and financial performance and significant losses

The negative equity increased 2019 to EUR 3,20 m (last year EUR 3,18 m) and the loss of the year decreased to EUR 0,91 m (last year EUR 1,41 m).

Currently there are no sales as the company is researching different methods of therapy for eye diseases. The only revenues are public grants as the Austrian research premium, grants by the City of Vienna or by the FFG. The main expenses are external services by medical institutions in Austria and abroad, labor costs, consultancy fees, costs for searching of investors, rent-, license- and patent costs and travel costs.

These losses were financed 2019 by public grants and equity increases. At the end of the year cash in banks was EUR 0,57 m.

3.4. Reporting in accordance with section 273 par. 2 and 3 UGB (Austrian Company Code) (exercising the duty to report)

During our audit we did not note any facts which indicate a material deterioration of the Company's performance or a material offence of the Company's legal representative/s or its employees against Austrian law. We did not note any material weaknesses in the internal controls over the financial reporting process.

We informed the management that the financial statements meet the requirements for the assumed need of reorganization in accordance with section 22 par. 1 subsec. URG (Austrian Corporate Restructuring Act) and that we noted facts which indicate there could be substantial doubt about the company's ability to continue as a going concern.

4. Auditor's Report

Report on the Financial Statements

Audit Opinion

We have audited the financial statements of

**Panoptes Pharma Ges.m.b.H.,
Wien,**

These financial statements comprise the statement of financial position as of 31st of December 2019, the income statement for the fiscal year then ended and the notes.

Based on our audit the accompanying financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Company as of 31st of December 2019 and its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles.

Basis for Opinion

We conducted our audit in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISAs). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Our responsibility and liability as auditor is guided by section 275 par. 2 UGB (Austrian Company Code) (liability regulations for the audit of small and medium-sized companies) and is limited to a total of 2 million Euros towards the Company and towards third parties.

Emphasis of matter

Without expressing a qualified opinion or an adverse opinion or disclaiming an opinion we want to emphasize that the financial statements show a negative equity and that the requirements for the assumed need of reorganization are met. The Company expects for the coming years further losses which have to be financed by the shareholder (increase of equity or subordinated loans). In 2020 the Company suffered a further loss; in December 2020 a new share holder bought all shares of the company and obliged itself to maintain a physical staffed office located in Vienna until at least 31st of December 2021.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles, for them to present a true and fair view of the assets, the financial position and the financial performance of the Company and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Austrian Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

· evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Vienna, 15th of February 2021

Diligence Wirtschaftsprüfungs- und Steuer-
Beratungsgesellschaft mbH

/s/ Fritz Rech

Mag. Fritz Rech
Beeideter Wirtschaftsprüfer und Steuerberater

This report is a translation of the original report in German, which is solely valid.

Publication or sharing with third parties of the financial statements together with our auditor's opinion is only allowed if the financial statements and the management report are identical with the German audited version. This audit opinion is only applicable to the German and complete financial statements with the management report. Section 281 par. 2 UGB (Austrian Company Code) applies to alternated versions.

Court of registration: Handelsgericht Wien
Registration number: 399293x

FINANCIAL STATEMENTS

as of December 31, 2019

of

Panoptes Pharma Ges.m.b.H.

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Due to automatic rounding, rounding differences may arise in the addition of figures and percentages.

Assignment and Execution (Preparation Report)

On behalf of the management of

Panoptes Pharma Ges.m.b.H.

and in accordance with the requirements of the law and the articles of incorporation and in compliance with the principles of proper accounting and reporting as well as the

guidelines on the accounting and valuation methods to be applied, we have prepared the interim financial statements for the financial year 1 January 2019 to 31 December 2019 in accordance with the Austrian Commercial Code (UGB), consisting of the balance sheet, income statement and notes.

The basis for the preparation of the interim financial statements were the business documents including inventory (§§ 191 et seq. UGB) and information provided to us by the client, which were not audited or assessed for plausibility by us in accordance with the order, and which were confirmed to be complete and correct.

The preparation of the financial statements was carried out in compliance with the professional opinion KFS/RL 26 ("Principles for the Preparation of Financial Statements") applicable to the preparation of financial statements. Neither an audit, nor a review of the financial statements, nor any other audit or agreed-upon examination procedures were performed, so that consequently no assurance (confirmation) on the financial statements can be given in this regard.

The financial statements prepared by us may only be passed on to third parties if this preparation report is enclosed. In the event that the financial statements prepared by us are passed on to third parties, the statements contained in point 7 of the General Terms and Conditions of Contract for the Public Accounting Professions regarding liability shall also apply to third parties.

The contractual relationship is based on the General Terms and Conditions for the Public Accounting Professions (see Notes).

Vienna, January 28, 2020

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH Linke Wienzeile 4, Stiege 1, 2. DG, 1060 Vienna

Franz Haimerl
Auditor
and Tax Advisor

Gerda Hörler
Tax Advisor

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH 1

Financial Statements

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH 2

Balance Sheet

Panoptes Pharma Ges.m.b.H.

Assets	2019-12-31 EUR	2018-12-31 TEUR
A. Fixed Assets		
I. Intangible assets		
1. Software	0,00	0
II. Tangible assets		
1. Tools and equipment	451,79	1
	451,79	1
B. Current Assets		
I. Accounts receivable and other assets		
1. Accounts receivable - trade	4.300,00	0
<i>thereof with a remaining maturity of more than one year</i>	<i>0,00</i>	<i>0</i>
2. Other receivables and assets	157.214,54	239
	161.514,54	239
II. Bank balances	570.538,12	710
	732.052,66	950
C. Prepayments and accrued income	318,32	0
Total assets	732.822,77	951
Shareholder's equity and liabilities	2019-12-31	2018-12-31
	EUR	TEUR
A. Negative Capital		
I. Nominal capital called	52.186,07	46
<i>Nominal capital</i>	<i>52.186,07</i>	<i>46</i>
<i>Capital paid in</i>	<i>52.186,07</i>	<i>46</i>
II. Capital reserves		
1. not appropriated	0,00	1.688
III. Balance Sheet Loss	-3.255.628,38	-4.912
<i>thereof loss carried forward from the previous years</i>	<i>-4.911.609,00</i>	<i>-3.501</i>
	-3.203.442,31	-3.177
B. Provisions		
1. Other provisions	1.543.383,41	1,587

C. Investments from silent partners	1.190.000,00	1,190
D. Liabilities		
1. Accounts payable - Trade	92.062,05	249
<i>thereof with a remaining maturity of up to one year</i>	92.062,05	249
<i>thereof with a remaining maturity of more than one year</i>	0,00	0
2. Other liabilities	1.110.819,62	1.103
<i>thereof taxes</i>	2.803,20	0
<i>thereof social security</i>	7.118,02	1
<i>thereof with a remaining maturity of up to one year</i>	1.110.819,62	8
<i>thereof with a remaining maturity of more than one year</i>	0,00	1.095
	1.202.881,67	1.352
<i>thereof with a remaining maturity of up to one year</i>	1.202.881,67	257
<i>thereof with a remaining maturity of more than one year</i>	0,00	1.095
Total shareholder's equity and liabilities	732.822,77	951

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH

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Panoptes Pharma Ges.m.b.H. Profit and Loss Statement
from January 1, 2019 to December 31, 2019

	2019 EUR	2018 TEUR
1. Other operating income	323.090,66	335
2. Costs of materials and other purchased services		
a) Costs of materials	4.730,00	13
b) Costs of purchased services	284.886,41	837
	289.616,41	850
3. Personnel expenses		
a) Wages and salaries	467.112,09	312
b) Social security expenses	82.971,93	49
	550.084,02	361
4. Depreciation and amortization		
a) on intangible and tangible fixed assets	513,90	2
5. other operating expenses	404.074,31	528
6. Subtotal no. 1 to 5 (Operating profit)	-921.197,98	-1.406
7. other interest and similar income	24.416,67	4
8. Interest payable and similar expenses	8.327,00	8
9. Subtotal no. 7 to 8 (Financial result)	16.089,67	4
10. Earnings before taxes (Total no. 6 and no. 9)	-905.108,31	1.410
11. Taxes on income	875,00	1
12. Earnings after tax	905.983,31	-1.411
13. Net loss for the year	-905.983,31	-1.411
14. Release of capital reserves	2.561.963,93	0
15. Loss carried forward from the previous year	-4.911.609,00	-3.501
16. Balance sheet loss	-3.255.628,38	-4.912

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH

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Panoptes Pharma Ges.m.b.H. Analysis of Assets

	Purchase/Production costs				Accumulated depreciation					Net asset values		
	Status	Additions	Disposals	Restorings	Status	Status	Depreciation	Write-ups	Disposals	Status	Status	
	2019-01-01 EUR	EUR	EUR	EUR	2019-12-31 EUR	2019-01-01 EUR	EUR	EUR	EUR	2019-12-31 EUR	2019-01-01 EUR	2019-12-31 EUR
A. Fixed assets												
I. Intangible assets												
1. Software	8.652,00	0,00	0,00	0,00	8.652,00	8.652,00	0,00	0,00	0,00	8.652,00	0,00	0,00
II. Tangible assets												
1. Tools and equipment	7.272,41	145,00	145,00	0,00	7.272,41	6.452,00	513,62	0,00	145,00	6.820,62	820,41	451,79
	15.924,41	145,00	145,00	0,00	15.924,41	15.104,00	513,62	0,00	145,00	15.472,62	820,41	451,79

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH

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1. Accounting and valuation methods
1.1. General principles

The annual financial statements were prepared in accordance with the provisions of Sections 189 et seq. of the Austrian Commercial Code (UGB) in accordance with generally accepted accounting principles and in compliance with the general standard of providing the most accurate possible rendition of net assets, the financial position and operating results of the company.

The annual financial statements were drawn up in compliance with the principle of completeness in accordance with statutory provisions.

When assessing the individual assets and liabilities, the principle of individual valuation was taken into account and a going concern assumed.

The principle of prudence was taken into account by showing only the profits realized on the balance sheet date. All identifiable risks and imminent losses have been taken into account – insofar as legally required.

1.2. Capital assets
Intangible assets

Acquired intangible assets were valued at cost less scheduled depreciation.

Depreciation was calculated on a straight-line basis.

The following useful lives were based on scheduled depreciation:

	Useful life in years		
Software	3.00	-	5.00

Tangible assets

The tangible assets were valued at acquisition or production cost, which was reduced by the scheduled depreciation. Low-value assets up to a value of !EUR 400,00 were fully written off in the year of acquisition.

Depreciation was calculated on a straight-line basis over the expected useful life in years.

The following useful lives were based on scheduled depreciation:

	Useful life in years		
Tools and equipment	3.00	-	5.00

1.3. Current assets
Receivables and other assets

The receivables and other assets have been estimated at nominal value.

Foreign currency receivables were valued at the rate at which they were incurred or at the lower exchange rate on the balance sheet date.

1.4. Provisions
Other provisions

In accordance with the prudence principle, other provisions took into account all risks identifiable at the time of drawing up the balance sheet and the amount of or reason for contingent liabilities with the amounts which, according to the best possible estimate, may have to be used to settle the obligation. All provisions have a term of less than one year.

Provisions with a remaining term of more than one year were discounted at an interest rate of 1.50 % (previous year: 1.50 %).

1.5. Liabilities

Liabilities were stated at their settlement amount.

1.6. Currency conversion

Foreign currency receivables were valued at the acquisition cost or the lower foreign exchange rate as at balance sheet date.

Foreign currency liabilities were valued at the acquisition cost or the lower foreign exchange rate as at balance sheet date.

1.7. Changes in accounting and valuation methods

The accounting and valuation methods used until now have also been retained in the preparation of the present annual financial statements.



2. Explanations of the balance sheet and the income statement

2.1. General information

Capital assets

The development of the individual items of fixed assets and the breakdown of the annual depreciation by individual item are shown in the attached schedule of assets.

Negative equity

The management of the company comments as follows on the question of whether there is over-indebtedness under insolvency law:

The object of the company is the development of new drugs, as a result of which losses are incurred as planned in the years of development activity. These losses have led to the reported negative equity. The development activities are financed by subsidies from the shareholders, forms of financing similar to equity (e.g. silent partners), as well as public subsidies and loans. With the current liquid funds, the company is fully financed until the end of October 2020.

Further capital measures on the part of the shareholders are necessary for the positive continuation of the company. These capital measures were discussed with the shareholders prior to the adoption of the annual financial statements. The commitments made by the shareholders are binding to the extent that it can be assumed that the company will continue as a going concern. The accounting over-indebtedness reported in the annual financial statements therefore does not constitute over-indebtedness within the meaning of insolvency law. It is therefore assumed that the company will continue to be accounted for as a going concern.



3. Other Information

3.1. Events after the balance sheet date

The global outbreak of coronavirus (COVID-19) and related containment measures, have containment measures, are having a significant impact on global economic development and are leading to declining financial, goods and services markets. The extent and duration of the economic and duration of the economic impact cannot be reliably estimated from today's perspective.

However, it can be stated that COVID-19 will have a negative impact on research activities, especially clinical trials. COVID-19 is causing difficulties in the conduct of clinical trials. The time delays have not yet been made up. As a result, the search for investors for the required financing rounds has also been made considerably more difficult.

In addition, no events of material significance for the company have occurred after the balance sheet date as of December 31, 2019, which are neither recognized in the income statement nor in the balance sheet.

3.2. Organs and employees of society

The average number of employees during the financial year 2019 is 6 (previous year: 4).

Signature Annual Financial Statements

These financial statements, consisting of the balance sheet and the income statement, have been prepared and signed below.

15/02/2021 /s/ Gerda Hörler
Date, Signatures of the managing directors

15/02/2021 /s/ Franz Haimerl
Date, Signatures of the managing directors

D i l i g e n c e

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH

Panoptes Pharma Ges.m. b. H.
ViennaReport on the Audit of the
Financial Statements as of
31 December 2018

Copy: 1

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Report on the Audit of the Financial Statements as of 31 December 2018***List of Contents**

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*Panoptes Pharma Ges.m.b.H.
Report on the Audit of the Financial Statements as of 31 December 2018*To the Management of
Panoptes Pharma Ges.m.b.H.,
Vienna

We have completed the audit of the financial statements as of 31 December 2018 of

**Panoptes Pharma Ges.m.b.H.,
Vienna**

(hereinafter also referred to as the "Company")

and provide the following **report** on the results of this audit:**1. Audit contract and performance of the audit**By shareholder resolution of 28 May 2019, we were appointed as auditors for the financial year 2018. The Company, represented by the management, entered into an **audit agreement** on the audit of the financial statements as of 31 December 2018, including the accounting and the management report in accordance with secs 269 et seqq. UGB (Austrian Commercial Code, *Unternehmensgesetzbuch*).

The Company is a **very small company** in terms of Sec 221 UGB. The present audit is a **voluntary audit**.

This **audit** concerns whether statutory provisions were observed in the preparation of the financial statements and the accounting.

In performing our audit, we complied with **statutory laws and regulations** applicable in Austria and with **auditing standards generally accepted in the profession**. These standards require the application of International Standards on Auditing. We draw attention to the fact that the audit of the financial statements is intended to provide reasonable assurance that the financial statements are correct. Absolute assurance cannot be obtained because the possibility of error is inherent in any internal control system and because, based on our audit of the financial statements using random sampling, there is an unavoidable risk that material misstatements may remain undetected. The audit did not cover areas that are usually the subject of special audits.

We performed the audit with interruptions in the **time period** from 21 June to 28 June 2019 (with interruptions), mainly in the offices of the Company. The audit was substantively completed on the date of this report.

Mr. Mag. Fritz Rech, Auditor, is **responsible** for the proper performance of the contract.

The basis for our audit is the audit contract entered into with the Company, of which the "General Terms and Conditions for Audits of Financial Statements/Auditing Professions" (Attachment 01) form an integral part. These terms apply not only between the Company and the auditor, but also towards third parties.

Sec 275 UGB applies to our responsibility and liability as auditor towards the Company and third parties.

Our responsibility and liability applies only to you as principal and is expressly excluded vis-à-vis third parties. For proven financial losses due to a grossly negligent breach of duty during the audit, our liability is limited to EUR 2.0 million in analogy to § 274 (2) UGB (liability regulation for the audit of the financial statements of a small or medium-sized company). The objective limitation period of 5 years pursuant to § 275 para 5 UGB shall apply. In accordance with the regulation in the General Conditions of Contract for the Public Accounting Professions (AAB), our liability for slight negligence in voluntary audits is excluded. Since our report is prepared exclusively on behalf of and in the interest of you as the client, it does not form the basis for any reliance by third parties on its contents. Claims by third parties can therefore not be derived.

2. Breakdown and explanation of significant items in the financial statements

All necessary breakdowns and explanations of significant items in the financial statements are contained in the notes to the financial statements. We therefore refer to the requisite disclosures by the management in the notes to the financial statements.

3. Summary of the audit results

3.1 Findings on the legality of the accounting records and financial statements

In our audit procedures, we determined compliance with the statutory provisions supplementary provisions of the Articles of Association and the principles of proper **accounting**.

As part of our risk- and control-oriented audit approach, we included - to the extent we considered necessary for our audit opinion - internal controls in sub-areas of the accounting process in the audit.

With regard to the legality of the **annual financial statements**, we refer to our comments in the auditor's report.

3.2 Information provided

The legal representative provided the information and evidence we requested. We have included in our files a representation letter signed by the legal representative.

3.3 Adverse changes in net assets, financial position and results of operations and significant losses

The negative equity increased from MEUR 2.41 to MEUR 3.18 in 2018. The net loss for the year 2018 is MEUR 1.41.

The Company currently generates no turnover, since it is still researching different methods for the treatment of eye diseases. The only income currently generated is essentially public grants such as the research grant or FFG subsidies. The main expense items are external services from medical institutions in Germany and abroad, personnel and management expenses, legal and consulting expenses and investor search expenses.

To date, these losses have been financed by public grants, the conclusion of silent partnerships, capital increases and by taking out long-term loans. A capital increase has already taken place in 2019. Furthermore, public subsidies were again granted.

The first revenues are expected to be generated from the early 20s.

3.4 Statement of facts pursuant to § 273 para 2 and para 3 UGB (reporting duties)

In the performance of our duties as auditors, we have not ascertained any facts which could have a material adverse effect on the development of the audited company or which reveal serious violations of the law or the articles of association by the legal representatives or employees. No material weaknesses in the internal control over the financial reporting process have come to our attention. The requirements for the presumption of a need for reorganization (§22 para 1 subpara 1 URG) are met: Equity ratio; negative, notional debt repayment period: not calculable.

With regard to the established facts that endanger the existence of the audited company and that the conditions for the presumption of a need for reorganization exist, we have issued a written statement to the managing directors and informed all shareholders.

4. Audit certificate

Report on the annual financial statement

Audit Opinion

We have audited the annual financial statements of

**Panoptes Pharma Ges.m.b.H.,
Vienna**

consisting of the balance sheet as of 31 December 2018, the profit and loss statement for the business year ending on this date and the notes.

In our opinion, the accompanying financial statements comply with legal requirements and present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and of its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles.

Highlighting of a matter

Without qualifying or modifying the auditor's report, we draw attention to the fact that the Company also has negative equity as of the balance sheet date - as in previous years - and that the conditions for the presumption of a need for reorganization exist. The Company expects to continue to incur net losses in the coming years, which are to be financed by various capital measures on the part of the owners, public subsidies and the raising of further debt capital. A capital increase has already been carried out in 2019 and public subsidies have been granted. The company's planning provides for sufficient cash and cash equivalents to cover the planned losses until mid-2020. Thereafter, the company would need to be provided with further cash and cash equivalents in order to secure its continued existence. Management believes that this should be possible based on the experience of recent years, the state of research, and discussions with equity and debt investors.

In the event that the aforementioned measures are not taken by the providers of equity and debt capital, the continued existence of the Company is at risk.

Basis for the audit opinion

We conducted our audit in accordance with Austrian Generally Accepted Auditing Standards. These standards require the application of International Standards on Auditing (ISA). Our responsibilities under these provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report. We are independent of the Company in accordance with Austrian Generally Accepted Accounting Principles and professional requirements and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibility and liability applies only to you as the client and is expressly excluded with respect to third parties. For proven financial losses due to a grossly negligent breach of duty during the audit, our liability is limited to EUR 2.0 million analogously to § 275 para 2 UGB (liability regulation for the audit of the financial statements of a small or medium-sized company). The objective limitation period of 5 years pursuant to Section 275 para 5 UGB shall apply. In the sense of the regulation in the General Terms and Conditions of Contract for Accounting Professions (AAB), our liability for slight negligence in voluntary audits is excluded.

Responsibilities of the legal representatives for the annual financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Austrian Generally Accepted Auditing Standards, which require the application of ISAs, will always detect a material misstatement, if any. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Austrian Generally Accepted Auditing Standards, which require the application of ISAs, we exercise professional judgment and maintain a critical attitude throughout the audit.

In addition:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk that a material misstatement resulting from fraudulent activities is not detected is higher than one resulting from error, since fraudulent activities may involve fraudulent collaboration, forgeries, intentional incompleteness, misleading statements or the discontinuation of internal controls.
-

- We obtain an understanding of the internal control system relevant for the audit, in order to plan audit activities that are adequate to the circumstances, but not with the goal of providing an audit opinion on the efficacy of the internal control system of the Company.
- We evaluate the appropriateness of accounting policies used by management and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of the legal representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. We draw our conclusions based on the audit evidence obtained up to the date of our audit opinion. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Vienna, this 28 June 2019

Diligence Wirtschaftsprüfungs- und Steuer-
beratungsgesellschaft mbH

Mag. Fritz Rech
Certified public accountant and tax advisor
(*Beeideter Wirtschaftsprüfer und Steuerberater*)
[Seal]

[Disclaimer]

Company Register: Commercial Court Vienna
Company Register No: 399293x

FINANCIAL STATEMENT

as of 31 December 2018

of

Panoptes Pharma Ges.m.b.H.

Haimerl Hörler
Wirtschaftsprüfer Steuerberater GmbH
Linke Wienzeile 4, Stiege 1, 2. DG, Top 13, 1060 Wien
T +43 1 388 00 00
F +43 1 388 00 00-99

Assignment and Execution (Preparation Report)

On behalf of the management of

Panoptes Pharma Ges.m.b.H.

and in accordance with the requirements of the law and the articles of incorporation and in compliance with the principles of proper accounting and reporting as well as the guidelines on the accounting and valuation methods to be applied, we have prepared the interim financial statements for the financial year 1 January 2019 to 31 December 2018 in accordance with the Austrian Commercial Code (UGB), consisting of the balance sheet, income statement and notes.

The basis for the preparation of the interim financial statements were the business documents including inventory (§§ 191 et seq. UGB) and information provided to us by the client, which were not audited or assessed for plausibility by us in accordance with the order, and which were confirmed to be complete and correct.

The preparation of the financial statements was carried out in compliance with the professional opinion KFS/RL 26 ("Principles for the Preparation of Financial Statements") applicable to the preparation of financial statements. Neither an audit, nor a review of the financial statements, nor any other audit or agreed-upon examination procedures were performed, so that consequently no assurance (confirmation) on the financial statements can be given in this regard.

The financial statements prepared by us may only be passed on to third parties if this preparation report is enclosed. In the event that the financial statements prepared by us are passed on to third parties, the statements contained in point 7 of the General Terms and Conditions of Contract for the Public Accounting Professions regarding liability shall also apply to third parties.

The contractual relationship is based on the General Terms and Conditions for the Public Accounting Professions (see Notes).

Vienna, this 28 June 2019

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH
Linke Wienzeile 4, Stiege 1, 2. DG, 1060 Vienna

Franz Haimerl
Certified Auditor (*Wirtschaftsprüfer*)
and Tax Advisor (*Steuerberater*)

Gerda Hörler
Tax Advisor
(*Steuerberaterin*)

Financial Statement

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		Balance Sheet	
Panoptes Pharma Ges.m.b.H.			
Assets	31.12.2018	31.12.2017	
	EUR	TEUR	
A. Fixed Assets			
I. Intangible assets			
1. Software	0,28		1
II. Property, plants and equipment			
1. Office furniture and equipment	820,41		1
	820,69		2
B. Current Assets			
I. Accounts receivable and other assets			
1. Other receivables and assets	239.383,54		178
II. Cash at bank	710.491,52		753
	949.875,06		931
C. Deferred Items	318,32		0
Total assets	951.014,07		933
Liabilities	31.12.2018	31.12.2017	
	EUR	TEUR	
A. Negative Equity			
I. Called-up nominal capital	48.349,76		42
<i>subscribed share capital</i>	46.349,76		42
<i>nominal capital paid up</i>	46.349,76		42
II. Capital reserves			
1. Unrestricted capital reserves	1.687.800		1.047
III. Net loss	-4.911.609,00		-3.501
<i>of which loss carried forward</i>	-3.500.683,00		-2.257
	-3.177.459,00		-2.412
B. Reserves			
1. Other reserves	1.586.561,18		1.293
C. Contributions from silent partners	1.190.000,00		940
D. Liabilities			
1. Trade accounts payable	249.001,20		111
<i>of which with a residual term of up to one year</i>	249.001,20		111
2. Other liabilities	1.102.910,69		1.101
<i>of which from taxes</i>	74,04		3
<i>of which from social security</i>	980,21		4
<i>of which with a residual term of up to one year</i>	1.110.819,69		11
<i>of which with a residual term of more than one year</i>	1.095.044,00		989
	1.351.911,89		1.112

of which with a residual term of up to one year	256.867,89	122
of which with a residual term of more than one year	1.095.044,00	989
Total liabilities	951.014,07	933

Panoptes Pharma Ges.m.b.H.		Gewinn- und Verlustrechnung From 1 January 2018 to 31 December 2018 vom 1. Jänner 2019 bis 31. Dezember 2019	
	2018 EUR	2017 TEUR	
1. Other operating income	334.617,87	291	
2. Costs of materials and other purchased services			
a) Costs of materials	13.040,04	3	
b) Costs of purchased services	836.791,38	685	
	836.831,42	689	
3. Personnel expenses			
a) Wages and salaries	312.430,24	87	
<i>of which salaries of management</i>	<i>251.323,73</i>	<i>0</i>	
b) Social security expenses	48.721,46	28	
<i>Of which ancillary salary costs management</i>	<i>21.364,89</i>	<i>0</i>	
	361.151,70	115	
4. Depreciation and amortization			
a) on intangible and tangible fixed assets	1.913,12	5	
5. other operating expenses	527.842,31	719	
6. Subtotal of items 1 through 5 (operating result)	-1.406.120,87	-1.237	
7. other interest and similar income	3.717,23	0	
8. interest and similar expenses	7.896,81	6	
9. Subtotal of items 7 through 8 (financial result)	-4.179,58	-6	
10. Earnings before taxes (sum of items 6 and 9)	-1.410.300,45	-1.243	
11. Taxes on income	625,00	1	
12. Profit after tax	-1.410.925,45	-1.411	
13. Net loss for the year	-1.410.925,45	-1.411	
14. Loss carried forward from the previous year	-3.500.683,55	-2.257	
15. Accumulated loss	-4.911.609,00	-3.501	

Panoptes Pharma Ges.m.b.H.		List of Assets										
	Status 2019-01-01 EUR	Acquisition/production costs			Status 31.12.2018 EUR	Status 01.01.2018 EUR	Accumulated depreciation			Status 31.12.2018 EUR	Book values	
		Additions EUR	Disposals EUR	Reclassifications EUR			Depreciation EUR	Allocations EUR	Disposals EUR		Status 01.01.2018 EUR	Stand 31.12.2018 EUR
A. Fixed assets												
I. Intangible assets												
1. Software	8.652,00	0,00	0,00	0,00	8.652,00	7.786,80	864,92	0,00	0,00	8.651,72	865,20	0,28
II. Property, plant and equipment												
1. Office furniture and equipment	6.369,66	1.211,93	309,18	0,00	7.272,41	5.712,98	1.048,20	0,00	309,18	6.452,00	656,68	820,41
	15.021,66	1.211,93	309,18	0,00	15.924,41	13.489,78	1.913,12	0,00	309,18	15.103,72	1.521,88	820,69

Panoptes Pharma Ges.m.b.H. Notes

General

The annual financial statements have been prepared in accordance with the provisions of the Austrian Commercial Code (*Unternehmensgesetzbuch*) as amended, observing generally accepted accounting principles and the general requirement to present a true and fair view of the net assets, financial position and results of operations of the company.

The income statement has been prepared using the **total cost method**.

Size categories pursuant to Section 221 (1) to (3) UGB with reference to Section 221 (4) UGB

By the Austrian Accounting Amendment Act 2014 (*Rechnungslegungs-Änderungsgesetz 2014*) (BGB. I 2015/22) the corporate size classes were changed.

The company is considered to be a **very small corporation** in the financial year.
Balance sheet totals as of the reporting date:

	Very small corporation	Small corporation	Medium-sized corporation	Large corporation
	Up to EUR 350.000	over EUR 350.000 - 5 Mio	over EUR 5 Mio - 20 Mio	over EUR 20 Mio
Financial year		X		
Prev. year		X		
Year before that		X		

Total sales as of the balance sheet date:

	Very small corporation	Small corporation	Medium-sized corporation	Large corporation
	up EUR 700.000	over EUR 700.000 - 10 Mio	over EUR 10 Mio - 40 Mio	over EUR 40 Mio
Financial year	X			
Prev. year	X			
Year before that	X			

Average number of employees in the financial year:

	Very small corporation	Small corporation	Medium-sized corporation	Large corporation
	Up to 10	over 10 bis 50	over 50 bis 250	over 250
Financial year	X			
Prev. year	X			
Year before that	X			

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH

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Panoptes Pharma Ges.m.b.H.

Notes

1. Accounting and valuation methods

1.1. General principles

The annual financial statements have been prepared in accordance with the provisions of §§ 189 ff of the Austrian Commercial Code (UGB), taking into account the principles of proper accounting, as well as the general standard of presenting as true and fair a view as possible of the company's net assets, financial position and results of operations.

In preparing the annual financial statements, the principle of completeness was observed in accordance with the statutory regulations.

In the valuation of the individual assets and liabilities, the principle of individual valuation was observed and a going concern was assumed.

The principle of prudence was observed in that only profits realized on the balance sheet date were recognized. All identifiable risks and impending losses have been taken into account to the extent required by law.

1.2. Fixed assets

Intangible fixed assets

Acquired intangible assets have been valued at acquisition cost less scheduled amortization.

Amortization was calculated using the straight-line method.

The following useful lives were used as the basis for scheduled amortization:

	Useful life in years	
Software	3,00	5,00

Property, plant and equipment

Depreciable tangible assets were valued at acquisition or production cost, reduced by scheduled depreciation. Low-value assets up to a value of EUR 400.00 were written off in full in the year of acquisition.

Scheduled depreciation was charged on a straight-line basis over the expected useful life.

The following useful lives were used as a basis for scheduled depreciation:

Useful life
in years

Operating and office equipment 3,00 - 5,00

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH

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Panoptes Pharma Ges.m.b.H.

Notes

1.3. Current Assets

Receivables and other assets

Receivables and other assets are stated at nominal value.

Receivables denominated in foreign currencies have been valued at the lower of the exchange rate at the date of the transaction or the selling rate at the balance sheet date.

1.4. Reserves

Other reserves

In accordance with the principle of prudence, all risks identifiable at the time the balance sheet was prepared and all liabilities of uncertain amount or nature were recognized in other reserves at the amounts which, according to the best possible estimate, would have to be expended in order to settle the obligation.

Reserves with a remaining term of more than one year were discounted at an interest rate of 1.5% (previous year: 1.5%).

1.5. Liabilities

Liabilities were stated at their settlement amount.

1.6. Currency conversion

Receivables denominated in foreign currencies were valued at the lower of the acquisition rate or the foreign exchange buying rate at the balance sheet date.

Liabilities denominated in foreign currencies were valued at the higher of the acquisition rate or the selling rate at the balance sheet date.

1.7. Changes in accounting and valuation methods

The accounting and valuation methods previously applied have been retained in the preparation of these financial statements.

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH

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Panoptes Pharma Ges.m.b.H.

Notes

2. Notes to the balance sheet and income statement

2.1. Notes to the balance sheet

Fixed assets

The development of the individual fixed asset items and the breakdown of annual depreciation by individual items are shown in the attached statement of changes in fixed assets.

Negative Equity

The management of the Company comments as follows on the question of whether there is over-indebtedness under insolvency law within the meaning of the German Insolvency Act:

The object of the company is the development of new drugs, as a result of which losses are incurred as planned in the years of development activity. By a capital increase passed on 28 May 2019, the Company was granted additional equity in the amount of EUR 880,000.00. The payment of these EUR 880,000.00 will be effected in the months June and July. According to the development plan, the Research and Development activities of the Company are fully financed up to the end of June 2020. The business will be able to continue its business activities in this forecast period and observe its payment obligations. The continued existence of the Company is thus not at risk and the development corresponds to the expected planning (business and/or financial plan) The over-indebtedness reported in the financial statements does not constitute over-indebtedness in terms of insolvency law.

Haimerl Hörler Wirtschaftsprüfer Steuerberater GmbH

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3. Other disclosures

3.1. Governing bodies and employees of the company

The average number of employees during the financial year 2019 is 4 (previous year: 3).

Signing of annual financial statements

These financial statements, consisting of the balance sheet and income statement, have been prepared and signed below.

Vienna, this 28 June 2019

Signatures of the managing directors

Interim
Statement

		Balance Sheet	
Panoptes Pharma Ges.m.b.H.			
Assets		30.09.2020 EUR	31.12.2019 TEUR
A. Fixed Assets			
I. Intangible assets			
1. Software		0,00	0
II. Property, plants and equipment			
1. Office furniture and equipment		1.673,64	0
		1.673,64	0
B. Current Assets			
I. Accounts receivable and other assets			
1. Accounts receivable trade		396,03	4
<i>of which with a residual term of more than one year</i>		<i>0,00</i>	<i>0</i>
2. Other receivables and assets		58.440,13	157
<i>of which with a residual term of more than one year</i>		<i>5.400,00</i>	<i>0</i>
		58.836,16	162
II. Cash at banks			
		642.620,36	571
		701.456,52	732
C. Deferred items			
		1.548,12	0
Total assets			
		704.678,28	733
Liabilities			
		30.09.2020 EUR	31.12.2019 TEUR
A. Negative Equity			
I. Called-up nominal capital			
<i>subscribed share capital</i>		52.186,07	52
<i>nominal capital paid up</i>		52.186,07	52
II. Net loss			
<i>Of which loss carried forward</i>		-3.793.557,72	-3.256
		-3.255.628,38	-4.912
		-3.741.371,65	-3.203
B. Reserves			
1. Other reserves		1.925.698,03	1.543
C. Contributions from silent partners			
		1.190.000,00	1.190
D. Liabilities			
1. Trade accounts payable			
<i>of which with a residual term of up to one year</i>		219.436,01	92
<i>of which with a residual term of more than one year</i>		219.436,01	92
		<i>0,00</i>	<i>0</i>
2. other liabilities			
<i>of which from taxes</i>		1.110.915,89	1.111
<i>of which from social security</i>		8.091,25	3
<i>of which with a residual term of up to one year</i>		7.205,98	7
		1.110.915,89	1.111
		1.330.351,90	1.203
<i>of which with a residual term of up to one year</i>		1.330.351,90	1.203
<i>of which with a residual term of more than one year</i>		<i>0,00</i>	<i>0</i>
Total liabilities			
		704.678,28	733

1. Other operating income	738.224,19	323
2. Costs of materials and other purchased services		
a) Costs of materials	5.117,00	5
b) Costs of purchased services	355.840,79	285
	360.957,79	290
3. Personnel expenses		
a) Wages and salaries	276.135,89	467
of which salaries of management	183.130,22	339
b) Social security expenses	59.604,79	83
	335.740,68	550
4. Depreciation and amortization		
a) on intangible and tangible fixed assets	1.263,64	1
5. other operating expenses	508.311,16	404
6. Subtotal of items 1 through 5 (operating result)	-468.049,08	-921
7. other interest and similar income	34,31	24
8. interest and similar expenses	68.914,57	8
9. Subtotal of items 7 through 8 (financial result)	-68.880,26	16
10. Earnings before taxes (sum of items 6 and 9)	-536.929,34	-905
11. Taxes on income	1.000,00	1
12. Profit after tax	-537.929,34	-906
13. Net loss for the year	-537.929,34	-906
14. Release of capital reserves	0,00	2.562
15. Loss carried forward from the previous year	-3.255.628,38	-4.912
16. Accumulated loss	-3.793.557,72	-3.256

Panoptes Pharma Ges.m.b.H.

List of fAssets

	Acquisition/production costs				Accumulated depreciation					Book values		
	Status 01.01.2020	Additions	Disposals	Reclassifications	Status 30.09.2020	Status 01.01.2020	Depreciation	Allocations	Disposals	Status 30.09.2020	Status 01.01.2020	Stand 30.09.2020
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
A. Fixed assets												
I. Intangible assets												
1. Software	8.652,00	0,00	0,00	0,00	8.652,00	8.652,00	0,00	0,00	0,00	8.652,00	0,00	0,00
II. Property, plant and equipment												
1. Office furniture and equipment	7.272,41	2.284,15	0,00	0,00	9.556,56	6.820,62	1.062,30	0,00	0,00	7.882,92	451,79	1.673,64
	15.924,41	2.284,15	0,00	0,00	18.208,56	15.472,62	1.062,30	0,00	0,00	16.534,92	451,79	1.673,64

Notes on the Balance Sheet and Income Statement

Notes on the balance sheet and income statement

Panoptes Pharma Ges.m.b.H.

1 Notes on the balance sheet and income statement

Assets

A. Fixed Assets

I. Intangible Assets

Changes in book value:

EUR

Status 01.01.2020		0,00
Status 30.09.2020		0,00

Composition:

	30.09.2020 EUR	31.12.2019 EUR
Website	0,00	0,00

II. Property, Plant and Equipment

Changes in book value:

		EUR
Status 01.01.2020		451,79
Addition		2 284,15
Depreciation and amortization		-1 062,30
Status 30.09.2020		1 673,64

Composition:

	30.09.2020 EUR	31.12.2019 EUR
Office equipment, computer systems	1 673,64	451,79

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Notes on the balance sheet and income statement

Panoptes Pharma Ges.m.b.H.

B. Current assets

1. Accounts receivable trade

Composition:

	30.09.2020 EUR	31.12.2019 EUR
Creditors with debit accounts	396,03	4 300,00

I. Receivables and other assets

2. Other receivables and assets

Composition:

	30.09.2020 EUR	31.12.2019 EUR
Receivable research premium	51 230,06	146 003,91
Deposits	5 400,00	5 400,00
Settlement VAT	1 810,07	3 813,43
Input tax Germany	0,00	1 117,20
Settlement account Sperl	0,00	675,00
Other receivables	0,00	146,25
Settlement account Obermayr	0,00	58,75
	<u>58 440,13</u>	<u>157 214,54</u>

II. Cash at banks

Composition:

	30.09.2020 EUR	31.12.2019 EUR
Erste Bank 823-175-016	542 319,96	470 239,34
Deposit account Erste Bank	50 300,40	100 298,78
Deposit account Erste Bank 823-175-016/02	50 000,00	0,00
	<u>642 620,36</u>	<u>570 538,12</u>

C. Accruals and deferrals

Composition:

	30.09.2020 EUR	31.12.2019 EUR
accrued income	1 548,12	318,32

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Panoptes Pharma Ges.m.b.H.

Liabilities

A. Negative equity

Composition:

	30.09.2020 EUR	31.12.2019 EUR
Called-up share capital	52 186,07	52 186,07
Subscribed share capital	52 186,07	52 186,07
Paid-in share capital	52 186,07	52 186,07
Net loss	-3 793 557,72	-3 255 628,38
Of which loss carried forward	-3 255 628,38	-4 911 609,00
	<u>-3 741 371,65</u>	<u>-3 203 442,31</u>

Development of net loss:

	30.09.2020 EUR	31.12.2019 EUR
Profit/loss for the year	-537 929,34	1 655 980,62
Loss carried forward from previous years	-3 255 628,38	-4 911 609,00
	<u>-3 793 557,72</u>	<u>-3 255 628,38</u>

B. Reserves

Composition and development:

	Status			Allocation EUR	Status
	01.01.2020 EUR	Use EUR	Release EUR		30.09.2020 EUR
Other reserves	<u>1 543 383,41</u>	<u>34 108,82</u>	<u>103,60</u>	<u>416 527,04</u>	<u>1 925 698,03</u>

Composition and development of other reserves:

	30.09.2020 EUR	31.12.2019 EUR
Reserves for repayment aw's	1 000 000,00	956 317,00
Reserves for premiums	500 887,72	479 808,15
Reserves for repayment FFG	276 108,12	0,00
Reserves for third-party services	63 045,84	60 998,84
Vacation reserves	27 941,84	11 259,42
Other reserves	23 000,00	15 000,00
Reserves for advisory board fees	20 000,00	20 000,00
Reserves for special payments	14 714,51	0,00
	<u>1 925 698,03</u>	<u>1 543 383,41</u>

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Panoptes Pharma Ges.m.b.H.

C. Capital contributions silent partners

Composition:

	30.09.2020 EUR	31.12.2019 EUR
Capital contributions atypical silent partner ACP 2016	400 000,00	400 000,00
Capital contributions atypical silent partner ACP 2015	275 000,00	275 000,00
Capital contributions atypical silent partner ACP 2016.eins	265 000,00	265 000,00
Capital contributions atypical silent partner ACP 2017	250 000,00	250 000,00
	<u>1 190 000,00</u>	<u>1 190 000,00</u>

D. Liabilities

1. Accounts payable trade

Composition:

	30.09.2020 EUR	31.12.2019 EUR
Deferral accounts payable trade	183 481,23	36 466,10
Trade payables EU	31 574,76	34 317,31
Trade payables third countries	2 472,74	0,00

Trade payables domestic	1 907,28	21 278,64
	<u>219 436,01</u>	<u>92 062,05</u>

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Notes on the balance sheet and income statement

Panoptes Pharma Ges.m.b.H.

2. Other liabilities

Composition:

	30.09.2020	31.12.2019
	EUR	EUR
Loan FFG	1 095 044,00	1 095 044,00
Balance payroll taxes	8 091,75	8 249,41
Social security providers	7 205,98	7 118,02
Balance credit card	324,66	5 854,40
Remaining other liabilities	250,00	0,00
Balance tax office	-0,50	-5 446,21
	<u>1 110 915,89</u>	<u>1 110 819,62</u>

of which from taxes

	30.09.2020	31.12.2019
	EUR	EUR
Balance charges linked to salaries and wages	8 091,75	8 249,41
Balance tax offices	-0,50	-5 446,21
	<u>8 091,25</u>	<u>2 803,20</u>

Of which relating to social security

	30.09.2020	31.12.2019
	EUR	EUR
Social security providers	<u>7 205,98</u>	<u>7 118,02</u>

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Notes on the balance sheet and income statement

Panoptes Pharma Ges.m.b.H.

Income Statement

1. Other operating income

Income from the release of reserves

Composition:

	2020	2019
	EUR	EUR
Release other reserves	<u>103,60</u>	<u>77 003,23</u>

Remaining

Composition:

	2020	2019
	EUR	EUR
Grant FFG - Covid 19	586 150,00	0,00
Grant <i>Wirtschaftsagentur</i> Research 18-21	100 000,00	100 000,00
Other operational income (non-taxable)	51 230,06	146 003,91
Exchange gains foreign currency transactions	712,96	0,00
Other operational income	27,57	83,52
	<u>738 120,59</u>	<u>246 087,43</u>

2. Costs of material and other purchased manufacturing services

a. Costs of material

Composition:

	2020	2019
	EUR	EUR
Laboratory chemicals	<u>5 117,00</u>	<u>4 730,00</u>

b. Costs of purchased services

Composition:

2020 2019

	EUR	EUR
Third-party services from abroad, reverse charge	354 960,79	269 648,42
Third-party services	880,00	15 522,99
Exchange losses foreign currency transactions	0,00	18,26
Cash discounts 20% other services EU	0,00	-303,26
	<u>355 840,79</u>	<u>284 886,41</u>

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Notes on the balance sheet and income statement

Panoptes Pharma Ges.m.b.H.

3. Personnel costs

a. Wages and salaries

Composition:

	2020 EUR	2019 EUR
Salaries (management)	155 571,39	198 000,00
Salaries	55 206,00	74 666,40
Special payments (management)	27 558,83	36 500,00
Change in vacation provision (white-collar employees)	16 682,42	4 599,42
Special payments (white-collar employees)	11 124,54	28 764,83
Bonuses and commission (white-collar employees)	6 300,90	8 401,20
Wages	3 150,00	3 420,00
Special payments (blue-collar workers)	541,81	570,00
Changes in reserves for bonuses and premiums (management)	0,00	104 960,24
Changes in reserves for bonuses and premiums	0,00	7 230,00
	<u>276 135,89</u>	<u>467 112,09</u>

Of which salaries of management

	2020 EUR	2019 EUR
Salaries (management)	155 571,39	198 000,00
Special payments (management)	27 558,83	36 500,00
Changes in reserves for bonuses and premiums (management)	0,00	104 960,24
	<u>183 130,22</u>	<u>339 460,24</u>

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Notes on the balance sheet and income statement

Panoptes Pharma Ges.m.b.H.

b. Social expenses

Composition:

	2020 EUR	2019 EUR
Statutory social expenses (white-collar employees)	38 411,66	52 099,46
Employer contribution (white-collar employees)	9 408,33	13 506,90
Municipal tax (white-collar employees)	7 237,14	10 389,95
Company pension fund (white-collar employees)	3 691,05	5 296,13
Vienna employer levy (subway, white-collar employees)	312,00	416,00
Voluntary social expenses	207,52	879,21
Employer contribution (blue-collar workers)	136,50	155,66
Municipal tax (blue-collar workers)	105,00	119,70
Company pension fund (blue-collar workers)	53,59	61,04
Statutory social expenses (blue-collar workers)	42,00	47,88
	<u>59 604,79</u>	<u>82 971,93</u>

4. Depreciation and amortization

Composition:

	2020 EUR	2019 EUR
Depreciation of property, plant and equipment	1 062,30	368,62

low-value tangible fixed assets	201,34	145,00
Depreciation of intangible fixed assets	0,00	0,28
	<u>1 263,64</u>	<u>513,90</u>

Notes on the balance sheet and income statement

Panoptes Pharma Ges.m.b.H.

5. Other operational expenses

Composition:

	2020 EUR	2019 EUR
Repayment FFG Grant	276 108,12	0,00
Legal, consulting and auditing fees	171 076,20	173 363,50
Expenses for rent, licenses and patents	26 676,48	55 755,67
Expenditure for insurance	8 886,71	4 895,77
Expenditure communication	6 901,96	10 964,26
Expenditure search for investors	6 794,69	87 457,25
Travel expenses	3 654,89	43 193,88
Expenditure for advertising, operational donations and presentation	2 377,53	8 363,28
Transportation expenses	1 632,54	6 862,47
Expenditure for maintenance, operating costs	1 544,04	3 233,25
IT Expenses	994,20	687,50
Charges on monetary transactions	971,70	1 289,64
Expenses for office supplies	420,60	1 923,71
Membership dues	137,50	0,00
Software maintenance	133,91	0,00
Training and development	0,00	3 816,76
Fees and charges	0,00	2 240,00
Various operating expenses	0,09	27,37
	<u>508 311,16</u>	<u>404 074,31</u>

6. Subtotal of items 1 through 5 (Operating result)	2020	EUR	-468 049,08
	2019	EUR	-921 197,98

7. Other interest and similar income

Composition:

	2020 EUR	2019 EUR
Interest income from bank balances	34,31	70,40
Interest income from discounting of long-term provisions	0,00	24 346,27
	<u>34,31</u>	<u>24 416,67</u>

Notes on the balance sheet and income statement

Panoptes Pharma Ges.m.b.H.

8. Interest and similar expenses

Composition:

	2020 EUR	2019 EUR
Interest expense non-current provisions	64 762,57	0,00
Interest on loans	4 152,00	8 327,00
	<u>68 914,57</u>	<u>8 327,00</u>

9. Subtotal from items 7 through 8 (Financial result)	2020	EUR	-68 880,26
	2019	EUR	16 089,67

10. Earnings before taxes (Total from items 6 and 9)	2020	EUR	-536 929,34
	2019	EUR	-905 108,31

11. Taxes on income

Composition:

		2020 EUR	2019 EUR
Corporate income tax		<u>1 000,00</u>	<u>875,00</u>

12. Earnings after taxes	2020	EUR	-537 929,34
	2019	EUR	-905 983,31

13. Net loss for the year	2020	EUR	-537 929,34
	2019	EUR	-905 983,31

14. Release of capital reserves

Composition:

		2020 EUR	2019 EUR
Release of other (unrestricted) reserves		<u>0,00</u>	<u>2 561 963,93</u>

15. Loss carried forward from previous year

Composition:

		2020 EUR	2019 EUR
Loss carried forward from the previous year		<u>-3 255 628,38</u>	<u>-4 911 609,00</u>

16. Accumulated loss	2020	EUR	-3 793 557,72
	2019	EUR	-3 255 628,38

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information is derived from the historical consolidated financial statements of EyeGate Pharmaceuticals, Inc. (the "Company") and the unaudited financial statements of Panoptes Pharma Ges.m.b.H ("Panoptes") as of and for the nine-months ended September 30, 2020 and the audited financial statements of Panoptes for the year ended December 31, 2019.

The unaudited pro forma condensed combined balance sheet as of September 30, 2020 gives effect to the acquisition as if it had occurred on September 30, 2020. The unaudited pro forma condensed combined statements of operations for the nine-months ended September 30, 2020 give effect to the acquisition as if it had occurred on September 30, 2020. The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2019 give effect to the acquisition as if it had occurred on January 1, 2019.

Other than as disclosed in the notes thereto, the unaudited pro forma combined financial statements do not reflect any additional liabilities, off-balance sheet commitments or other obligations that may become payable after the date of such financial statements.

The unaudited pro forma condensed combined financial statements are presented for illustrative purposes only to reflect the acquisition and do not represent what our results of operations or financial position would actually have been had the transactions occurred on the dates noted above, or project our results of operations or financial position for any future periods. The unaudited pro forma condensed combined financial statements are intended to provide information about the continuing impact of the acquisition as if it had been consummated earlier. The pro forma adjustments are based on available information and certain assumptions that management believes are factually supportable and are expected to have a continuing impact on our results of operations. In the opinion of management, all adjustments necessary to present fairly the unaudited pro forma condensed combined financial statements have been made.

The acquisition will be accounted for using the acquisition method of accounting for business combinations. The allocation of the preliminary estimated purchase price is based upon management's estimates of and assumptions related to the fair value of assets to be acquired and liabilities to be assumed as of September 30, 2020 using currently available information. Due to the fact that the unaudited pro forma combined financial information has been prepared based on these preliminary estimates, the final purchase price allocation and the resulting effect on financial position and results of operations may materially differ from the pro forma amounts included herein. The Company expects to finalize its allocation of the purchase consideration as soon as practicable but is not required to finalize for one year from the closing date of the transaction.

The following unaudited pro forma condensed combined financial information should be read in conjunction with the Company's consolidated financial statements and related notes. The Company's financial statements and notes are included in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020 and our Annual Report on Form 10-K for the year ended December 31, 2019.

**EYEGATE PHARMACEUTICALS, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF SEPTEMBER 30, 2020**

	<u>EyeGate Pharmaceuticals, Inc.</u>	<u>Panoptes Pharma Ges.m.b.H.</u>	<u>Pro Forma Adjustments</u>	<u>Pro Forma Combined</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 2,931,349	\$ 753,408	\$ (437,817) A	\$ 3,246,940
Prepaid Expenses and Other Current Assets	501,871	70,794	-	572,665
Right-of-Use Assets	61,609	-	-	61,609
Current portion of Refundable Tax Credit Receivable	2,774	-	-	2,774
Total current assets	<u>3,497,603</u>	<u>824,202</u>	<u>(437,817)</u>	<u>3,883,988</u>
Property and Equipment, Net	11,253	1,963	-	13,216
Restricted Cash	45,000	-	-	45,000
Goodwill	1,525,896	-	1,302,758 B	2,828,654
Intangible Assets and In-Process R&D, Net	4,112,314	-	5,885,000 B	9,997,314
Other Assets	53,034	-	-	53,034
Total assets	<u>\$ 9,245,100</u>	<u>\$ 826,165</u>	<u>\$ 6,749,941</u>	<u>\$ 16,821,206</u>
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities:				
Accounts Payable	\$ 59,534	257,267	-	316,801
Accrued Expenses	809,050	516,656	-	1,325,706
Lease Liabilities	61,609	-	-	61,609
Total Current Liabilities	<u>930,193</u>	<u>773,923</u>	<u>-</u>	<u>1,704,116</u>
Non-Current Liabilities:				
Contingent Consideration	1,710,000	-	-	1,710,000
Deferred Tax Liability	365,364	-	-	365,364
Deferred Purchase Consideration	-	-	3,644,100 A	3,644,100
Long-term Notes Payable	-	1,759,641	(1,759,641) D	-
Austrian Research Promotion Agency (FFG) Loan	-	1,283,830	(1,283,830) E	-
Paycheck Protection Program Loan	278,190	-	-	278,190
Total Non-Current Liabilities	<u>2,353,554</u>	<u>3,043,471</u>	<u>600,629</u>	<u>5,997,654</u>
Total Liabilities	<u>3,283,747</u>	<u>3,817,394</u>	<u>600,629</u>	<u>7,701,770</u>
Commitments and Contingencies				
Stockholders' Equity:				
Preferred Stock - Series A	41	-	-	41
Preferred Stock - Series D	-	-	1 A	1
Common Stock	46,268	-	8,842 A	55,110
Called-up Share Capital	-	61,183	(61,183) C	-

Additional Paid-in Capital	111,715,592	1,395,156	3,149,240	A	114,864,832
			(1,395,156)	C	
Accumulated Deficit	(105,923,069)	(4,447,568)	4,447,568	C	(105,923,069)
Accumulated Other Comprehensive Income	122,521	-	-		122,521
Total Stockholders' Equity	5,961,353	(2,991,229)	6,149,312		9,119,436
Total Liabilities and Stockholders' Equity	\$ 9,245,100	\$ 826,165	\$ 6,749,941		\$ 16,821,206

EYEGATE PHARMACEUTICALS, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020

	EyeGate Pharmaceuticals, Inc.	Panoptes Pharma Ges.m.b.H.	Pro Forma Adjustments		Pro Forma Combined
Revenue					
Collaboration Revenue	\$ -	\$ -	\$ -		\$ -
Grant Revenue	-	470,257	-		470,257
	-	470,257	-		470,257
Operating Expenses:					
Research and Development	985,880	413,965	-	H	1,399,845
General and Administrative	1,021,325	652,794	-		1,674,119
Total Operating Expenses	2,007,205	1,066,759	-		3,073,964
Operating Loss Before Other Income (Expense)	(2,007,205)	(1,066,759)	-		(3,073,964)
Other Income (Expense), Net:					
Interest Income	331	39	-		370
Interest Expense	-	(79,035)	79,035	F	-
Change in Fair Value of Deferred Purchase Consideration	-	-	(375,900)	G	(375,900)
Other Income	-	59,721	-		59,721
Total Other Income (Expense)	331	(19,275)	(296,865)		(315,809)
Loss Before Income Taxes					
Income Tax (Benefit) Provision	(2,006,874)	(1,086,034)	(296,865)		(3,389,773)
	-	1,147	-		1,147
Net Loss	(2,006,874)	(1,087,181)	(296,865)		(3,390,920)
Other Comprehensive Loss:					
Foreign Currency Translation Adjustments	(17,110)	(116,631)	-		(133,741)
Comprehensive Loss	\$ (2,023,984)	\$ (1,203,812)	\$ (296,865)		\$ (3,524,661)
Net Loss per Common Share - Basic and Diluted					
Basic and diluted	\$ (0.45)				\$ (0.65)
Weighted Average Shares Outstanding					
Basic and Diluted	4,547,524				5,431,746

EYEGATE PHARMACEUTICALS, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE YEAR ENDED DECEMBER 31, 2019

	EyeGate Pharmaceuticals, Inc.	Panoptes Pharma Ges.m.b.H.	Pro Forma Adjustments		Pro Forma Combined
Revenue					
Collaboration Revenue	\$ 2,686,000	\$ -	\$ -		\$ 2,686,000
Grant Revenue	-	113,475	-		113,475
	2,686,000	113,475	-		2,799,475
Operating Expenses:					
Research and Development	5,389,357	328,643	-	H	5,718,000
General and Administrative	4,405,684	1,083,314	-		5,488,998
Total Operating Expenses	9,795,041	1,411,957	-		11,206,998
Operating Loss Before Other Income (Expense)	(7,109,041)	(1,411,957)	-		(8,520,998)
Other Income (Expense), Net:					
Interest Income	108,066	27,707	(27,628)	F	108,145
Interest Expense	(325)	(9,449)	9,449	F	(325)
Change in Fair Value of Deferred Purchase Consideration	-	-	(505,900)	G	(505,900)
Other Income	-	253,153	-		253,153
Total Other Income (Expense)	107,741	271,411	(524,079)		(144,927)

Loss Before Income Taxes	(7,001,300)	(1,140,546)	(524,079)	(8,665,925)
Income Tax (Benefit) Provision	95,396	993		96,389
Net Loss	(7,096,696)	(1,141,539)	(524,079)	(8,762,314)
Other Comprehensive Loss:				
Foreign Currency Translation Adjustments	5,134	41,976		47,110
Comprehensive Loss	<u>\$ (7,091,562)</u>	<u>\$ (1,099,563)</u>	<u>\$ (524,079)</u>	<u>\$ (8,715,204)</u>
Net Loss per Common Share - Basic and Diluted				
Basic and diluted	\$ (2.23)			\$ (2.14)
Weighted Average Shares Outstanding				
Basic and Diluted	3,181,019			4,065,241

Note 1 – Unaudited Pro Forma Condensed Combined Balance Sheet

Consideration for the acquisition of Panoptes consisted of: (i) 884,222 shares of the Company’s common stock, (ii) 45.8923 shares of the Company’s Series D Convertible Preferred Stock (the “Series D Preferred Stock”) convertible, subject to stockholder approval, into an aggregate of 13,000 shares of common stock, and (iii) cash payments in an aggregate amount of approximately \$220,577 to certain Sellers. Additionally, 1,500 shares of Series D Preferred Stock convertible into an aggregate of approximately 424,685 shares of common stock will be issued after a period of 18 months subject to adjustments for potential post-closing working capital and/or indemnification claims relating to breaches of representations, warranties and covenants contained in the Purchase Agreement.

In addition to the consideration set forth above, the Sellers are eligible to receive up to \$9.5 million in milestone payments, with \$4.75 million being payable upon the enrollment and randomization of a first patient into the first Phase III pivotal study of a Panoptes product with the U.S. Food and Drug Administration (the “FDA”) and \$4.75 million being payable upon approval of the first New Drug Application by the FDA with respect to a Panoptes product, subject to certain set-off rights as described in the Purchase Agreement. In each case, the Company may elect to pay the applicable milestone payment either (i) in cash, or (ii) by issuing shares of Series D Preferred Stock.

Based on the closing stock price on December 18, 2020, the fair value of the Company’s considered transferred and expected to be transferred in the future was \$7.5 million. The preliminary purchase price allocation is as follows:

Consideration:	\$ 7,240,000
Fair Value of Assets Acquired:	
Cash and cash equivalents	\$ 753,408
Prepaid expenses and other current assets	70,794
Property and equipment	1,963
Intangible assets - In-process Research & Development	5,885,000
Goodwill	1,302,758
	<u>\$ 8,013,923</u>
Fair Value of Liabilities Assumed:	
Accounts payable	\$ 257,267
Accrued expenses	516,656
	<u>\$ 773,923</u>

The following adjustments have been made in the accompanying unaudited pro forma combined balance sheet as of September 30, 2020 to reflect the acquisition adjustments related to the transaction:

- (A) Represents the purchase consideration paid / payable to the sellers of Panoptes, and includes two tranches of the FFG loan principal payments. The deferred purchase consideration represents the fair value of the purchase consideration that is deferred under the purchase agreement.
- (B) Represents the preliminary estimated fair value of goodwill and intangible assets acquired and reflected in the preliminary price allocation.
- (C) Elimination of Panoptes’s stockholders’ equity upon the completion of the acquisition.
- (D) Elimination of certain long-term obligations of Panoptes not assumed by the Company in the acquisition.
- (E) Elimination of the FFG loan not assumed by the Company in the acquisition; the Company agreed to make an initial payment of EUR 100,000, which is included in the immediate cash payments, and a second payment of EUR 200,000 in 12-months, which is reflected in the deferred purchase consideration amount.

Note 2 – Unaudited Pro Forma Condensed Combined Statement of Operations and Comprehensive Loss

The following adjustments have been made to the accompanying unaudited pro forma combined statement of operations and comprehensive loss for the year ended December 31, 2019 to reflect the acquisition transactions related to the transaction:

- (F) Elimination of interest expense related to long-term obligations and FFG loan not assumed by the Company as well as elimination of the interest income from discounting of such long-term obligation.
- (G) Represents the change in the fair value of the deferred purchase consideration as a result of passage of time.
- (H) No amortization expenses has been reflected as the in-process research and development intangible asset is considered indefinite-lived until the associated research and development efforts are abandoned or completed.

