UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2022

OR

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

For the transition period from _____ to _____

COMMISSION FILE NUMBER 000-51122

EyePoint Pharmaceuticals, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**26-2774444**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
480 Pleasant Street **Watertown, MA**	**02472**
(Address of principal executive offices)	(Zip Code)

(617) 926-5000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001	EYPT	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **Yes** ☒ **No** ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). **Yes** ☒ **No** ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). **Yes** ☐ **No** ☒

There were 34,071,899 shares of the registrant's common stock, $0.001 par value, outstanding as of August 1, 2022.

EYEPOINT PHARMACEUTICALS, INC. AND SUBSIDIARIES
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PART I. FINANCIAL INFORMATION

Item 1. Unaudited Financial Statements

EYEPOINT PHARMACEUTICALS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands except share data)

	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 82,134	$ 178,593
Marketable securities	89,033	32,965
Accounts and other receivables, net	22,594	18,354
Prepaid expenses and other current assets	8,851	4,217
Inventory	3,254	3,616
Total current assets	205,866	237,745
Property and equipment, net	1,111	476
Operating lease right-of-use assets	4,787	2,252
Intangible assets, net	21,519	22,749
Restricted cash	150	150
Total assets	$ 233,433	$ 263,372
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 7,058	$ 7,385
Accrued expenses	14,312	14,422
Deferred revenue	1,137	1,069
Short-term borrowings	10,475	—
Other current liabilities	408	782
Total current liabilities	33,390	23,658
Long-term debt	29,181	36,562
Deferred revenue – noncurrent	14,070	14,560
Operating lease liabilities – noncurrent	4,826	1,860
Other long-term liabilities	600	2,352
Total liabilities	82,067	78,992
Contingencies (Note 13)		
Stockholders' equity:		
Preferred stock, $.001 par value, 5,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, $.001 par value, 300,000,000 shares authorized at June 30, 2022 and December 31, 2021; 34,052,616 and 33,905,826 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	34	34
Additional paid-in capital	760,209	752,602
Accumulated deficit	(609,479)	(569,097)
Accumulated other comprehensive income	602	841
Total stockholders' equity	151,366	184,380
Total liabilities and stockholders' equity	$ 233,433	$ 263,372

See notes to condensed consolidated financial statements.

EYEPOINT PHARMACEUTICALS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)
(In thousands except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues:				
Product sales, net	$ 11,318	$ 8,738	$ 20,328	$ 15,540
License and collaboration agreements	49	94	108	435
Royalty income	198	181	423	361
Total revenues	11,565	9,013	20,859	16,336
Operating expenses:				
Cost of sales, excluding amortization of acquired intangible assets	1,734	1,929	3,511	3,319
Research and development	12,992	5,605	22,937	11,084
Sales and marketing	6,883	6,659	13,576	12,318
General and administrative	8,557	5,184	17,106	10,299
Amortization of acquired intangible assets	615	615	1,230	1,230
Total operating expenses	30,781	19,992	58,360	38,250
Loss from operations	(19,216)	(10,979)	(37,501)	(21,914)
Other income (expense):				
Interest and other income, net	362	280	423	281
Interest expense	(552)	(1,376)	(1,745)	(2,722)
Gain (loss) on extinguishment of debt	—	2,065	(1,559)	2,065
Total other income (expense), net	(190)	969	(2,881)	(376)
Net loss	$ (19,406)	$ (10,010)	$ (40,382)	$ (22,290)
Net loss per share - basic and diluted	$ (0.52)	$ (0.35)	$ (1.08)	$ (0.83)
Weighted average shares outstanding - basic and diluted	37,322	28,744	37,288	26,750
Net loss	$ (19,406)	$ (10,010)	$ (40,382)	$ (22,290)
Other comprehensive loss:				
Unrealized loss on available-for-sale securities, net of tax of $0 for periods presented	(186)	—	(239)	—
Comprehensive loss	$ (19,592)	$ (10,010)	$ (40,621)	$ (22,290)

See notes to condensed consolidated financial statements.

EYEPOINT PHARMACEUTICALS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)
(In thousands except share data)

	Common Stock		Additional		Accumulated Other	Total
	Number of Shares	Par Value Amount	Paid-In Capital	Accumulated Deficit	Comprehensive Income	Stockholders' Equity
Balance at April 1, 2021	28,741,475	$ 29	$ 637,797	$ (522,960)	$ 841	$ 115,707
Net loss	—	—	—	(10,010)	—	(10,010)
Vesting of stock units	12,717	—	(12)	—	—	(12)
Stock-based compensation	—	—	1,180	—	—	1,180
Balance at June 30, 2021	28,754,192	$ 29	$ 638,965	$ (532,970)	$ 841	$ 106,865
Balance at April 1, 2022	34,047,128	$ 34	$ 756,070	$ (590,073)	$ 788	$ 166,819
Net loss	—	—	—	(19,406)	—	(19,406)
Other comprehensive loss	—	—	—	—	(186)	(186)
Issuance of stock, net of issue costs	—	—	20	—	—	20
Employee stock purchase plan	—	—	—	—	—	—
Exercise of stock options	—	—	—	—	—	—
Vesting of stock units	5,488	—	(21)	—	—	(21)
Stock-based compensation	—	—	4,140	—	—	4,140
Balance at June 30, 2022	34,052,616	$ 34	$ 760,209	$ (609,479)	$ 602	$ 151,366

	Common Stock		Additional		Accumulated Other	Total
	Number of Shares	Par Value Amount	Paid-In Capital	Accumulated Deficit	Comprehensive Income	Stockholders' Equity
Balance at January 1, 2021	18,139,981	$ 18	$ 528,362	$ (510,680)	$ 841	$ 18,541
Net loss	—	—	—	(22,290)	—	(22,290)
Other comprehensive loss	—	—	—	—	—	—
Issuance of stock, net of issue costs	10,513,538	11	108,392	—	—	108,403
Employee stock purchase plan	27,713	—	173	—	—	173
Exercise of stock options	827	—	10	—	—	10
Vesting of stock units	72,133	—	(140)	—	—	(140)
Stock-based compensation	—	—	2,168	—	—	2,168
Balance at June 30, 2021	28,754,192	$ 29	$ 638,965	$ (532,970)	$ 841	$ 106,865
Balance at January 1, 2022	33,905,826	$ 34	$ 752,602	$ (569,097)	$ 841	$ 184,380
Net loss	—	—	—	(40,382)	—	(40,382)
Other comprehensive loss	—	—	—	—	(239)	(239)
Issuance of stock, net of issue costs	—	—	20	—	—	20
Employee stock purchase plan	28,504	—	201	—	—	201
Exercise of stock options	4,223	—	40	—	—	40
Vesting of stock units	114,063	—	(271)	—	—	(271)
Stock-based compensation	—	—	7,617	—	—	7,617
Balance at June 30, 2022	34,052,616	$ 34	$ 760,209	$ (609,479)	$ 602	$ 151,366

See notes to condensed consolidated financial statements.

EYEPOINT PHARMACEUTICALS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Six Months Ended June 30,	
	2022	**2021**
Cash flows from operating activities:		
Net loss	$ (40,382)	$ (22,290)
Adjustments to reconcile net loss to cash flows used in operating activities:		
Amortization of intangible assets	1,230	1,230
Depreciation of property and equipment	170	142
Amortization of debt discount and premium and discount on available-for-sale marketable securities	(4)	300
(Gain) loss on extinguishment of debt	1,559	(2,065)
Stock-based compensation	7,617	2,168
Changes in operating assets and liabilities:		
Accounts receivable and other current assets	(9,310)	(5,943)
Inventory	362	(43)
Accounts payable and accrued expenses	(90)	1,354
Right-of-use assets and operating lease liabilities	(10)	(74)
Deferred revenue	(423)	(421)
Net cash used in operating activities	(39,281)	(25,642)
Cash flows from investing activities:		
Purchases of marketable securities	(92,087)	—
Sales and maturities of marketable securities	36,000	—
Purchases of property and equipment	(367)	(25)
Net cash used in investing activities	(56,454)	(25)
Cash flows from financing activities:		
Proceeds from issuance of stock	—	115,666
Proceeds from issuance of long-term debt	30,000	—
Payment of equity and debt issue costs	(573)	(7,263)
Payment of long-term debt	(38,235)	—
Payment of extinguishment of debt costs	(2,294)	—
Borrowings under revolving facility	21,934	—
Repayment under revolving facility	(11,459)	—
Net settlement of stock units to satisfy statutory tax withholding	(271)	(140)
Proceeds from exercise of stock options	241	183
Principal payments on finance lease obligations	(67)	(58)
Net cash (used in) provided by financing activities	(724)	108,388
Net increase (decrease) in cash, cash equivalents and restricted cash	(96,459)	82,721
Cash, cash equivalents and restricted cash at beginning of period	178,743	45,059
Cash, cash equivalents and restricted cash at end of period	$ 82,284	$ 127,780
Supplemental cash flow information:		
Cash interest paid	$ 1,349	$ 2,403
Supplemental disclosure of non-cash investing and financing activities:		
Stock issuance costs	$ —	$ 65
Debt issue costs	$ 26	$ —
Accrued term loan exit fee	$ 600	$ —
Payments forgiven under paycheck protection program loan	$ —	$ 2,041

See notes to condensed consolidated financial statements.

1.Operations

The accompanying condensed consolidated financial statements of EyePoint Pharmaceuticals, Inc., a Delaware corporation (together with its subsidiaries, the "Company"), as of June 30, 2022 and for the three and six months ended June 30, 2022 and 2021 are unaudited. Certain information in the footnote disclosures of these financial statements has been condensed or omitted in accordance with the rules and regulations of the Securities and Exchange Commission (the "SEC"). These financial statements should be read in conjunction with the Company's audited consolidated financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021. In the opinion of management, these statements have been prepared on the same basis as the audited consolidated financial statements as of and for the year ended December 31, 2021, and include all adjustments, consisting only of normal recurring adjustments, that are necessary for the fair presentation of the Company's financial position, results of operations, comprehensive loss and cash flows for the periods indicated. The preparation of financial statements in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") requires management to make assumptions and estimates that affect, among other things, (i) reported amounts of assets and liabilities; (ii) disclosure of contingent assets and liabilities at the date of the consolidated financial statements; and (iii) reported amounts of revenues and expenses during the reporting period. The results of operations for the three months ended June 30, 2022 are not necessarily indicative of the results that may be expected for the entire fiscal year or any future period.

The Company is a pharmaceutical company committed to developing and commercializing innovative therapeutics to help improve the lives of patients with serious eye disorders. The Company's pipeline leverages its proprietary Durasert® technology for sustained intraocular drug delivery including EYP-1901, an investigational sustained delivery anti-VEGF treatment initially targeting wet age-related macular degeneration ("wet AMD"), the leading cause of vision loss among people 50 years of age and older in the United States. The Company also has two commercial products: YUTIQ®, a once every three-year treatment for chronic non-infectious uveitis affecting the posterior segment of the eye, and DEXYCU®, a single-dose treatment for postoperative inflammation following ocular surgery. Both commercial products are currently being sold in the United States.

The Company plans to identify and advance additional pipeline product candidates through clinical and regulatory development. This may be accomplished through internal discovery efforts, research collaborations and/or in-licensing arrangements with partner molecules and potential acquisitions of additional ophthalmic products, product candidates or technologies that complement the Company's current product portfolio.

Effects of the COVID-19 Coronavirus Pandemic

The ongoing COVID-19 coronavirus pandemic (the "Pandemic") has had a material and adverse impact on the Company's business. The duration and full extent to which the Pandemic impacts the Company's business, revenues, financial condition and cash flows depends on future developments that are highly uncertain, subject to change and are difficult to predict, including new information that may emerge concerning the Pandemic, and may cause intermittent or prolonged periods of reduced patient services at the Company's customers' facilities, which may negatively affect customer demand. The Company's revenues, financial condition and cash flows may be adversely affected in the future as well. The Company is continuously monitoring the Pandemic and its potential effect on the Company's financial position, results of operations and cash flows. This uncertainty could have an impact in future periods on certain estimates used in the preparation of the Company's periodic financial results, including reserves for variable consideration related to product sales, realizability of certain receivables, assessment for excess or obsolete inventory and impairment of long-lived assets. Uncertainty around the extent and length of time of the Pandemic, and any future related financial impact cannot be reasonably estimated at this time.

Liquidity

The Company had cash, cash equivalents and investments in marketable securities of $171.2 million at June 30, 2022. The Company has a history of operating losses and has not had significant recurring cash inflows from revenue. The Company's operations have been financed primarily from sales of its equity securities, issuance of debt and a combination of license fees, milestone payments, royalty income and other fees received from its collaboration partners. The Company anticipates that it will continue to incur losses as it continues the research and development of its product candidates and the Company does not expect revenues from its product sales to generate sufficient funding to sustain its operations in the near-term. The Company expects to continue fulfilling its funding needs through cash inflows from revenues of its product sales, licensing and research collaboration transactions, additional equity capital raises and other arrangements. The Company believes that its cash, cash equivalents and investments in marketable securities of $171.2 million at June 30, 2022 coupled with expected cash inflows from its product sales will enable the Company to fund its current and planned operations for at least the next twelve months from the date these consolidated financial statements were issued. Actual cash requirements could differ from management's projections due to many factors, including the continued effect of the Pandemic on the Company's business and the medical community, the timing and results of the Company's

clinical trials for EYP-1901, additional investments in research and development programs, the success of ongoing commercialization efforts for YUTIQ and DEXYCU, the actual costs of these ongoing commercialization efforts, competing technological and market developments and the costs of any strategic acquisitions and/or development of complementary business opportunities.

Recently Adopted and Recently Issued Accounting Pronouncements

New accounting pronouncements are issued periodically by the Financial Accounting Standards Board ("FASB") and are adopted by the Company as of the specified effective dates. The Company believes that recently issued and adopted pronouncements will not have a material impact on the Company's financial position, results of operations and cash flows or do not apply to the Company's operations.

2. Summary of Significant Accounting Policies

Revenue Recognition

Revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, *Revenue from Contracts with Customers* ("ASC 606"), the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within the contract, determines those that are performance obligations and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied. Sales, value-add and other taxes collected on behalf of third parties are excluded from revenue.

Product sales, net — The Company sells YUTIQ and DEXYCU to a limited number of specialty distributors and specialty pharmacies (collectively the "Distributors") in the U.S., with whom the Company has entered into formal agreements, for delivery to physician practices for YUTIQ and to hospital outpatient departments and ambulatory surgical centers for DEXYCU. The Company recognizes revenue on sales of its products when Distributors obtain control of the products, which occurs at a point in time, typically upon delivery. In addition to agreements with Distributors, the Company also enters into arrangements with healthcare providers, ambulatory surgical centers and payors that provide for government mandated and/or privately negotiated rebates, chargebacks and discounts with respect to the purchase of the Company's products from Distributors.

Reserves for variable consideration — Product sales are recorded at the wholesale acquisition costs, net of applicable reserves for variable consideration. Components of variable consideration include trade discounts and allowances, provider chargebacks and discounts, payor rebates, product returns and other allowances that are offered within contracts between the Company and its Distributors, payors and other contracted purchasers relating to the Company's product sales. These reserves, as detailed below, are based on the amounts earned, or to be claimed on the related sales, and are classified either as reductions of product revenue and accounts receivable or a current liability, depending on how the amount is to be settled. Overall, these reserves reflect the Company's best estimates of the amount of consideration to which it is entitled based on the terms of the respective underlying contracts. Actual amounts of consideration ultimately received may differ from the Company's estimates. If actual results in the future vary from the estimates, the Company adjusts product revenue and earnings in the period such variances become known.

Distribution fees — The Company compensates its Distributors for services explicitly stated in the Company's contracts and are recorded as a reduction of revenue in the period the related product sale is recognized.

Provider chargebacks and discounts — Chargebacks are discounts that represent the estimated obligations resulting from contractual commitments to sell products at prices lower than the list prices charged to the Company's Distributors. These Distributors charge the Company for the difference between what they pay for the product and the Company's contracted selling price. These reserves are established in the same period that the related revenue is recognized, resulting in a reduction of product revenue and the establishment of a current liability. Reserves for chargebacks consist of amounts that the Company expects to pay for units that remain in the distribution channel inventories at each reporting period-end that the Company expects will be sold under a contracted selling price, and chargebacks that Distributors have claimed, but for which the Company has not yet settled.

Government rebates — The Company is subject to discount obligations under state Medicaid programs and Medicare. These reserves are recorded in the same period the related revenue is recognized, resulting in a reduction of product revenue and the establishment of a current liability which is included in accrued expenses and other current liabilities on the condensed consolidated

balance sheets. The Company's liability for these rebates consists of invoices received for claims from prior quarters that have not been paid or for which an invoice has not yet been received, estimates of claims for the current quarter, and estimated future claims that will be made for product that has been recognized as revenue, but which remains in the distribution channel inventories at the end of each reporting period.

Payor rebates — The Company contracts with certain private payor organizations, primarily insurance companies, for the payment of rebates with respect to utilization of its products. The Company estimates these rebates and records such estimates in the same period the related revenue is recognized, resulting in a reduction of product revenue and the establishment of a current liability.

Co-Payment assistance — The Company offers co-payment assistance to commercially insured patients meeting certain eligibility requirements. The calculation of the accrual for co-pay assistance is based on an estimate of claims and the cost per claim that the Company expects to receive associated with product that has been recognized as revenue.

Product returns — The Company generally offers a limited right of return based on its returned goods policy, which includes damaged product and remaining shelf life. The Company estimates the amount of its product sales that may be returned and records this estimate as a reduction of revenue in the period the related product revenue is recognized, as well as reductions to trade receivables, net on the condensed consolidated balance sheets.

License and collaboration agreement revenue — The Company analyzes each element of its license and collaboration arrangements to determine the appropriate revenue recognition. The terms of the license agreement may include payment to the Company of non-refundable up-front license fees, milestone payments if specified objectives are achieved, and/or royalties on product sales. The Company recognizes revenue from upfront payments at a point in time, typically upon fulfilling the delivery of the associated intellectual property to the customer.

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price based on the estimated relative standalone selling prices of the promised products or services underlying each performance obligation. The Company determines standalone selling prices based on the price at which the performance obligation is sold separately. If the standalone selling price is not observable through past transactions, the Company estimates the standalone selling price taking into account available information such as market conditions and internally approved pricing guidelines related to the performance obligations.

The Company recognizes sales-based milestone payments as revenue upon the achievement of the cumulative sales amount specified in the contract in accordance with ASC 606-10-55-65. For those milestone payments which are contingent on the occurrence of particular future events, the Company determines that these need to be considered for inclusion in the calculation of total consideration from the contract as a component of variable consideration using the most-likely amount method. As such, the Company assesses each milestone to determine the probability and substance behind achieving each milestone. Given the inherent uncertainty associated with these future events, the Company will not recognize revenue from such milestones until there is a high probability of occurrence, which typically occurs near or upon achievement of the event.

When determining the transaction price of a contract, an adjustment is made if payment from a customer occurs either significantly before or significantly after performance, resulting in a significant financing component. Applying the practical expedient in paragraph 606-10-32-18, the Company does not assess whether a significant financing component exists if the period between when the Company performs its obligations under the contract and when the customer pays is one year or less. None of the Company's contracts contained a significant financing component as of June 30, 2022.

Royalties — The Company recognizes revenue from license arrangements with its commercial partners' net sales of products. Such revenues are included as royalty income. In accordance with ASC 606-10-55-65, royalties are recognized when the subsequent sale of the commercial partner's products occurs. The Company's commercial partners are obligated to report their net product sales and the resulting royalty due to the Company typically within 60-days from the end of each quarter. Based on historical product sales, royalty receipts and other relevant information, the Company recognizes royalty income each quarter and subsequently determines a true-up when it receives royalty reports and payment from its commercial partners. Historically, these true-up adjustments have been immaterial.

Sale of Future Royalties — The Company has sold its rights to receive certain royalties on product sales. In the circumstance where the Company has sold its rights to future royalties under a royalty purchase agreement and also maintains limited continuing involvement in the arrangement (but not significant continuing involvement in the generation of the cash flows that are due to the purchaser), the Company defers recognition of the proceeds it receives for the sale of royalty streams and recognizes such unearned revenue as revenue under the units-of-revenue method over the life of the underlying license agreement. Under the units-of-revenue

method, amortization for a reporting period is calculated by computing a ratio of the proceeds received from the purchaser to the total payments expected to be made to the purchaser over the term of the agreement, and then applying that ratio to the period's cash payment.

Estimating the total payments expected to be received by the purchaser over the term of such arrangements requires management to use subjective estimates and assumptions. Changes to the Company's estimate of the payments expected to be made to the purchaser over the term of such arrangements could have a material effect on the amount of revenues recognized in any particular period.

Research Collaborations — The Company recognizes revenue over the term of the statements of work under any funded research collaborations. Revenue recognition for consideration, if any, related to a license option right is assessed based on the terms of any such future license agreement or is otherwise recognized at the completion of the research collaborations.

Please refer to Note 3 for further details on the license and collaboration agreements into which the Company has entered and corresponding amounts of revenue recognized during the current and prior year periods.

Cost of sales, excluding amortization of acquired intangible assets — Cost of sales, excluding amortization of acquired intangible assets, consist of costs associated with the manufacture of YUTIQ and DEXYCU, certain period costs, product shipping and, as applicable, royalty expense. The inventory costs for YUTIQ include purchases of various components, the active pharmaceutical ingredient ("API") and internal labor and overhead for the product manufactured in the Company's Watertown, MA facility. The inventory costs for DEXYCU include purchased components, the API and third-party manufacturing and assembly.

For the three months ended June 30, 2022 and 2021, the Company accrued DEXYCU product revenue-based royalty expense of $441,000 and $648,000, respectively, as a component of cost of sales. For the six months ended June 30, 2022 and 2021, the Company accrued DEXYCU product revenue-based royalty expense of $1.1 million and $1.1 million, respectively, as a component of cost of sales.

3. Revenue

Product Revenue Reserves and Allowances

The Company's product revenues have been primarily from sales of YUTIQ and DEXYCU in the U.S.

Net product revenues by product for the three and six months ended June 30, 2022 and 2021 were as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
YUTIQ [(A)]	$ 7,421	$ 4,166	$ 12,032	$ 7,196
DEXYCU [(B)]	3,897	4,572	8,296	8,344
Total product sales, net	$ 11,318	$ 8,738	$ 20,328	$ 15,540

(A) Included approximately $11 and $67 of revenue from YUTIQ product sales to Ocumension under a supply agreement for the three and six months ended June 30, 2022, respectively, and approximately $14 and $19 of revenue from YUTIQ product sales to Ocumension under a supply agreement for the three and six months ended June 30, 2021, respectively.

(B) No revenue was recognized from DEXYCU product sales to Ocumension under a supply agreement for the three and six months ended June 30, 2022, and no revenue was recognized from DEXYCU product sales to Ocumension for the three and six months ended June 30, 2021.

The following table summarizes activity in each of the product revenue allowance and reserve categories for the six months ended June 30, 2022 and 2021 (in thousands):

	Chargebacks, Discounts and Fees	Government and Other Rebates	Returns	Total
Beginning balance at January 1, 2022	$ 1,153	$ 1,821	$ 379	$ 3,353
Provision related to sales in the current year	6,580	3,554	329	10,463
Adjustments related to prior period sales				—
Deductions applied and payments made	(5,698)	(3,490)	(198)	(9,386)
Ending balance at June 30, 2022	$ 2,035	$ 1,885	$ 510	$ 4,430

	Chargebacks, Discounts and Fees	Government and Other Rebates	Returns	Total
Beginning balance at January 1, 2021	$ 574	$ 535	$ 603	$ 1,712
Provision related to sales in the current year	2,932	1,965	497	5,394
Adjustments related to prior period sales	(50)	(22)	(100)	(172)
Deductions applied and payments made	(2,229)	(1,121)	(581)	(3,931)
Ending balance at June 30, 2021	$ 1,227	$ 1,357	$ 419	$ 3,003

Returns are recorded as a reduction of accounts receivable on the condensed consolidated balance sheets. Chargebacks, discounts and fees and rebates are recorded as a component of accrued expenses on the condensed consolidated balance sheets (See Note 6).

License and Collaboration Agreements and Royalty Income

SWK Royalty Purchase Agreement

On December 17, 2020, the Company entered into a royalty purchase agreement (the "RPA") with SWK Funding LLC ("SWK"). Under the RPA, the Company sold its right to receive royalty payments on future sales of products subject to a licensing and development agreement, as amended, with Alimera Sciences, Inc. ("Alimera") (the "Amended Alimera Agreement") for an upfront cash payment of $16.5 million. Except for the rights to the royalties, the Company retains all rights and obligations under the Amended Alimera Agreement, pursuant to which, Alimera owns worldwide rights to the Company's Durasert technology in ILUVIEN for diabetic macular edema ("DME") and rights for ILUVIEN (currently marketed by the Company as YUTIQ in the U.S.) for non-infectious posterior uveitis in Europe, the Middle East, and Africa ("EMEA"). Alimera has the sole rights to utilize the intellectual property developed under the Amended Alimera Agreement. There has been no intellectual property developed jointly by Alimera and the Company as part of the Amended Alimera Agreement. The Company cannot utilize the intellectual property for the indication licensed to Alimera in order to manufacture and sell ILUVIEN.

The Company's ongoing efforts under the Amended Alimera Agreement will consist of continuing to maintain and enforce its patents as well as providing safety data and regulatory support as necessary. None of these obligations require significant efforts on the part of the Company with respect to the generation of sales in the market. The Company will only be required to expend more extensive efforts if litigation were to arise that requires the Company to protect its patents rights pursuant to the terms of the Amended Alimera Agreement. Historically, such a defense has not been required. Similarly, regulatory support and safety data is only provided on an ad-hoc basis depending on the regulatory requests, which has been minimal historically. It remains Alimera's sole responsibility to manufacture, actively market and promote the products under the Amended Alimera Agreement to generate the sales, which ultimately generate the royalties to be paid to SWK.

The Company classified the proceeds received from SWK as deferred revenue, to be recognized as revenue under the units-of-revenue method over the life of the RPA because of the Company's limited continuing involvement in the Amended Alimera Agreement. SWK has no recourse and the Company assumes no credit risk in event that Alimera fails to make a royalty payment. The Company must only forward all material correspondence from Alimera to SWK, including royalty reports, notices and any other correspondence with respect to royalties to SWK. SWK has the right to audit and inspect the books and records pertaining to net sales and royalties under the Amended Alimera Agreement. Neither the Company nor SWK has the unilateral ability to cancel the agreement. There is no cap or limitation on the royalties to be received by SWK in the future and its return will reflect all royalties

paid by Alimera. Because the transaction was structured as a non-cancellable sale, the Company does not have significant continuing involvement in the generation of the cash flows due to SWK and there is no limitation on the rates of return to SWK, the Company recorded the total proceeds of $16.5 million as deferred revenue under royalty sale agreement. The deferred revenue is being recognized as revenue over the life of the RPA under the "units-of-revenue" method. Under this method, amortization for a reporting period is calculated by computing a ratio of the proceeds received from SWK to the payments expected to be made by Alimera to SWK over the term of the Amended Alimera Agreement, and then applying that ratio to the period's cash payment.

The Company recognized $198,000 and $423,000 of royalty revenue related to the RPA for the three and six months ended June 30, 2022, in connection with the royalty payment of $617,000 and $1.3 million for the three and six months ended June 30, 2022 from Alimera to SWK, pursuant to the Amended Alimera Agreement. The Company recognized $181,000 and $361,000 of royalty revenue related to the RPA for the three and six months ended June 30, 2021, in connection with the royalty payment of $583,000 and $1.2 million for the three and six months ended June 30, 2021 from Alimera to SWK, pursuant to the Amended Alimera Agreement. As of June 30, 2022, the Company had $1.1 million and $14.1 million as current and non-current deferred revenue recognized under royalty sale agreement, respectively. As of December 31, 2021, the Company classified $1.1 million and $14.6 million as current and non-current deferred revenue recognized under royalty sale agreement, respectively.

Ocumension Therapeutics

In November 2018, the Company entered into an exclusive license agreement with Ocumension Therapeutics ("Ocumension") for the development and commercialization of its three-year micro insert using the Durasert technology for the treatment of chronic non-infectious uveitis affecting the posterior segment of the eye (YUTIQ in the U.S.) in Mainland China, Hong Kong, Macau and Taiwan. The Company received a one-time upfront payment of $1.75 million from Ocumension and is eligible to receive up to (i) $7.25 million upon the achievement by Ocumension of certain prescribed development and regulatory milestones, and (ii) $3.0 million commercial sales-based milestones. In addition, the Company is entitled to receive mid-single digit sales-based royalties. Ocumension has also received a special approval by the Hainan Province People's Government to market this product for chronic, non-infectious posterior segment uveitis in the Hainan Bo Ao Lecheng International Medical Tourism Pilot Zone ("Hainan Pilot Zone"). In March 2019, the Company entered into a Memorandum of Understanding ("2019 MOU"), pursuant to which, the Company will supply product for the clinical trials and Hainan Pilot Zone use. Paralleling to Ocumension's normal registration process of the product with the Chinese Regulatory Authorities, the 2019 MOU modified the Company's entitlement to the development and regulatory milestones of up to $7.25 million under the license agreement to product supply milestones or development milestones, whichever comes first, totaling up to $7.25 million. In August 2019, the Company began shipping this product to Ocumension.

The Company was required to provide a fixed number of hours of technical assistance support to Ocumension at no cost. This support has been completed and no future performance obligation exists. Ocumension is responsible for all development, regulatory and commercial costs, including any additional technical assistance requested. Ocumension has a first right of negotiation for an additional exclusive license to the Company's shorter-duration line extension candidate for this indication.

In August 2019, the Company received a $1.0 million development milestone payment from Ocumension triggered by the approval of its Investigational New Drug ("IND") in China for this program. The IND allows the importation of finished product into China for use in a clinical trial to support regulatory filing.

In January 2020, the Company entered into an exclusive license agreement with Ocumension for the development and commercialization in Mainland China, Hong Kong, Macau and Taiwan of DEXYCU for the treatment of post-operative inflammation following ocular surgery. Pursuant to the terms of the license agreement, the Company received upfront payments of $2.0 million from Ocumension in February 2020 and will be eligible to receive up to (i) $6.0 million upon the achievement by Ocumension of certain prescribed development and regulatory milestones, and (ii) $6.0 million commercial sales-based milestones. In addition, the Company is entitled to receive mid-single digit sales-based royalties. In exchange, Ocumension will receive exclusive rights to develop and commercialize DEXYCU in Mainland China, Hong Kong, Macau and Taiwan, at its own cost and expense with the Company supplying product for clinical trials and commercial sale. In addition, Ocumension will receive a fixed number of hours of technical assistance support from the Company at no cost.

In August 2020, the Company entered into a Memorandum of Understanding ("2020 MOU"), pursuant to which, the Company received a one-time non-refundable payment of $9.5 million (the "Accelerated Milestone Payment") from Ocumension as a full and final payment of the combined remaining development, regulatory and sales milestone payments under the Company's license agreements with Ocumension for the treatment of chronic non-infectious uveitis affecting the posterior segment of the eye and for the treatment of post-operative inflammation following ocular surgery, respectively. Upon payment of the Accelerated Milestone Payment, the remaining $11.75 million in combined remaining development and sales milestone payments under the Company's original license agreement with Ocumension upon the achievement by Ocumension of (i) remaining development and regulatory milestones of $6.25 million and commercial sales-based milestones of $3.0 million for the development and commercialization of its

three-year micro insert using the Durasert technology for the treatment of chronic non-infectious uveitis affecting the posterior segment of the eye; and (ii) $6.0 million upon the achievement by Ocumension of certain prescribed development and regulatory milestones, and $6.0 million commercial sales-based milestones for the development and commercialization in Mainland China, Hong Kong, Macau and Taiwan of DEXYCU for the treatment of post-operative inflammation following ocular surgery, totaling up to $21.25 million, were permanently extinguished and will no longer be due and owed to the Company. In exchange, Ocumension also received exclusive rights to develop and commercialize YUTIQ and DEXYCU products under its own brand names in South Korea and other jurisdictions across Southeast Asia in Brunei, Burma (Myanmar), Cambodia, Timor-Leste, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam, at its own cost and expense with the Company supplying product for clinical trials and commercial sale. The Company continues to be entitled to royalties on future product sales by Ocumension. In April 2021, Ocumension announced its filing of a New Drug Application ("NDA") for YUTIQ under Ocumension's distinct name to Chinese regulatory authorities and it is under review. Ocumension has been granted approval to have its NDA submission reviewed based on the U.S. NDA data and the real-world data Ocumension has collected from marketing the product in Hainan Pilot Zone. In September 2021, Ocumension announced its receipt of approval from Chinese regulatory authorities for DEXYCU under Ocumension's distinct name to conduct a Phase 3 clinical trial in China. In June 2022, Ocumension announced its receipt of approval of the NDA from Chinese regulatory authorities for YUTIQ under Ocumension's distinct name.

Other than a fixed number of hours of technical assistance support to be provided at no cost by the Company, Ocumension is responsible for all development, regulatory and commercial costs, including any additional technical assistance requested. All technical assistance was provided during 2020. The Chief Executive Officer of Ocumension became a director of the Company starting December 31, 2020, pursuant to a Share Purchase Agreement pursuant to which the Company sold to Ocumension 3,010,722 shares of common stock, at which time, Ocumension became a related party of the Company.

During the three and six months ended June 30, 2022, in addition to $11,000 and $67,000 of revenue from product sales, respectively, the Company recognized approximately $49,000 and $108,000 of license and collaboration revenue, respectively, related to additional technical assistance. During the three and six months ended June 30, 2021, the Company recognized $91,000 and $360,000, respectively, related to additional technical assistance.

Exclusive License Agreement with Betta Pharmaceuticals, Co., Ltd.

On May 2, 2022, the Company entered into an Exclusive License Agreement (the "Betta License Agreement") with Betta Pharmaceuticals Co., Ltd. ("Betta"), an affiliate of Equinox Sciences, LLC ("Equinox") (see Note 11). Under the Betta License Agreement, the Company granted to Betta an exclusive, sublicensable, royalty-bearing license under certain of the Company's intellectual property to develop, use (but not make or have made), sell, offer for sale and import the Company's product candidate, EYP-1901, an investigational sustained delivery intravitreal anti-VEGF treatment that combines a bioerodible formulation of the Company's proprietary sustained-release technology with the compound vorolanib (the "Licensed Product"), in the field of ophthalmology (the "Betta Field") in the Greater Area of China, including China, the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan (the "Betta Territory"). The Company retained rights under the Company's intellectual property to, among other things, conduct clinical trials on the Licensed Product in the Betta Field in the Betta Territory.

In consideration for the rights granted by the Company, Betta agreed to pay the Company tiered, mid-to-high single-digit royalties based upon annual net sales of Licensed Products in the Betta Territory. The royalties are payable on a Licensed Product-by-Licensed Product and region-by-region basis commencing on the first commercial sale of a Licensed Product in a region and continuing until the later of (i) the date that is twelve (12) years after first commercial sale of such Licensed Product in such region, and (ii) the first day of the month following the month in which a generic product corresponding to such Licensed Product is launched in the relevant region. The royalty rate is subject to reduction under certain circumstances, including when there is no valid claim of a licensed patent that covers a Licensed Product in a particular region.

Betta is responsible for all costs relating to development, registration, manufacturing, marketing, advertising, promotional, launch and sales activities in connection with the Licensed Products in the Betta Field in the Betta Territory. Betta is required to use commercially reasonable efforts to develop, seek regulatory approval for, and commercialize at least one Licensed Product in the Betta Field in the Betta Territory. The Betta License Agreement also requires Betta to achieve certain diligence milestones relating to regulatory filings, patient dosing and regulatory approval by certain specified deadlines set forth in the Betta License Agreement, subject to certain exceptions and extensions as set forth in the Betta License Agreement. Betta's development activities will be conducted pursuant to a development plan subject to periodic updates. In the event that the Company conducts a global registrational clinical trial for a Licensed Product in the Betta Field, Betta will have the right to participate in such clinical trial by including clinical trial sites in the Betta Territory in accordance with the terms of the Betta License Agreement. The Company has also agreed to provide certain technology transfer and other support services to Betta subject to certain conditions and limitations set forth in the Betta License Agreement.

Research Collaborations

The Company from time to time enters into agreements to evaluate the potential use of its technology systems for sustained release of third-party partner drug candidates. Consideration received is generally recognized as revenue over the term of the research collaborations. Revenue recognition for consideration, if any, related to a license option right is assessed based on the terms of any such future license agreement or is otherwise recognized at the completion of the research collaborations. No revenues were recognized under research collaborations for the three months ended June 30, 2022 and 2021, and $0 and $60,000 for the six months ended June 30, 2022 and 2021, respectively.

4. Inventory

Inventory consisted of the following (in thousands):

	June 30, 2022	December 31, 2021
Raw materials	$ 1,946	$ 2,727
Work in process	595	405
Finished goods	713	484
Total inventory	$ 3,254	$ 3,616

5. Intangible Assets

The reconciliation of intangible assets for the six months ended June 30, 2022 and 2021 (in thousands) was as follows:

	June 30, 2022	June 30, 2021
Patented technologies		
Gross carrying amount at beginning of period	$ 68,322	$ 68,322
Gross carrying amount at end of period	68,322	68,322
Accumulated amortization at beginning of period	(45,573)	(43,113)
Amortization expense	(1,230)	(1,230)
Accumulated amortization at end of period	(46,803)	(44,343)
Net book value at end of period	$ 21,519	$ 23,979

The Company amortizes intangible assets with finite lives on a straight-line basis over their respective estimated useful lives of 13 years. Amortization of intangible assets totaled $615,000 and $1.2 million for each of the three and six months ended June 30, 2022 and 2021, respectively.

In connection with the Company's acquisition of Icon Bioscience, Inc., the initial purchase price was attributed to the DEXYCU product intangible asset. This finite-lived intangible asset is being amortized on a straight-line basis over its expected remaining useful life of 8.75 years at the rate of approximately $2.5 million per year. Amortization expense was reported as a component of cost of sales for the three and six months ended June 30, 2022 and 2021, respectively.

6. Accrued Expenses

Accrued expenses consisted of the following at June 30, 2022 and December 31, 2021 (in thousands):

	June 30, 2022	December 31, 2021
Personnel costs	$ 4,881	$ 7,321
Clinical trial costs	2,243	753
Professional fees	505	712
Sales chargebacks, rebates and other revenue reserves	3,920	2,974
Commissions due to DEXYCU commercial partner	1,837	1,518
Other	926	1,144
	$ 14,312	$ 14,422

7. Leases

On May 17, 2018, the Company amended the lease for its headquarters in Watertown, Massachusetts. The original five-year lease for approximately 13,650 square feet of combined office and laboratory space was set to expire in April 2019. Under the amendment, the Company leased an additional 6,590 square feet of rentable area of the building, with a commencement date of September 10, 2018. The amendment extended the term of the lease for the combined space through May 31, 2025, and the landlord provided the Company a construction allowance of up to $670,750 to be applied toward renovations and improvements within the total space. On April 5, 2021, the Company further amended the lease to include an additional 1,409 square feet of rentable area of the building, through May 31, 2025, with a commencement date of July 1, 2021.

On March 8, 2022, the Company further amended the lease (i) to extend the term to May 31, 2028 for 13,650 square feet of laboratory and manufacturing operations space, with the landlord agreeing to provide the Company a construction allowance of up to $555,960 to be applied toward upgrades and improvements within the space; (ii) to rent an additional 11,999 square feet of office space within the building through May 31, 2028 ("New Premises"); and (iii) to terminate a portion of the lease comprising 7,999 square feet of office space in the building in accordance with its existing contractual term on May 31, 2025. The amendment also reinstated the Company's right to extend the lease for the space it occupies after May 31, 2025 for one additional period of five years. Rent for the extension period would be at the fair market rent for comparable space in comparable properties in the Watertown area.

During the three months ended June 30, 2022, the Company recorded an out-of-period adjustment. This adjustment was identified and corrected during the current financial closing process, and related to the quarterly period ended March 31, 2022 but was not reflected in its prior filings because it was deemed immaterial. The out-of-period adjustment reflected a $2.9 million increase to the Company's lease liabilities and ROU assets resulting from the lease amendment for the term extension of the laboratory and manufacturing operations space. This out-of-period adjustment did not impact the Company's statement of operations or cash flows.

The lease for the New Premises has not yet commenced; however, the lease will create significant rights and obligations for the Company as the lessee. Under the terms of the amendment, once the Company and the landlord approve the space plan for the build-out of the premises, the landlord will bear the entire cost of constructing the leasehold improvements according to that plan. The Company will bear 100% of the cost of any change-orders that it initiates; however, such costs are not anticipated to be significant. The Company plans to occupy the New Premises once the landlord substantially completes its construction for the space, which is expected to occur in the third quarter of 2022, after which the Company's obligation to pay base rent will begin.

The Company previously provided a cash-collateralized $150,000 irrevocable standby letter of credit as security for the Company's obligations under the lease, which will remain in effect through the period that is four months beyond the expiration date of the amended lease. The Company will also be required to pay its proportionate share of certain operating costs and property taxes applicable to the leased premises in excess of new base year amounts.

In July 2017, the Company leased approximately 3,000 square feet of office space in Basking Ridge, New Jersey under a lease term extending through June 2022, with two five-year renewal options at 95% of the then-prevailing market rates. In addition to base rent, the Company was obligated to pay its proportionate share of building operating expenses and real estate taxes in excess of base year amounts. In June 2018, the Company subleased an additional 1,381 square feet of adjoining space from Caladrius Biosciences, Inc. ("Caladrius") through May 2022. The Chief Executive Officer of Caladrius was a director of the Company through June 2020. Per the terms of the lease and sublease agreements, the Company does not have any residual value guarantees. The Company gave notice to the landlord that the Company would not be renewing the lease and the Company vacated the facility upon expiration.

The Company identified and assessed the following significant assumptions in recognizing its right-of-use ("ROU") assets and corresponding lease liabilities:

- As the Company's leases do not specify an implicit rate, the Company estimated its incremental borrowing rate to calculate the present value of the lease payments. The Company utilized the borrowing rate under its CRG term loan facility (see Note 8) as the discount rate for all leases, with the exception of the amendment dated March 8, 2022, for which the Company utilized the borrowing rate under its SVB term loan facility as the discount rate.
- Since the Company elected to account for each lease component and its associated non-lease components as a single combined component, all contract consideration was allocated to the combined lease component.
- The expected lease terms include non-cancellable lease periods. Renewal option periods have not been included in the determination of the lease terms as they are not deemed reasonably certain of exercise.
- Variable lease payments, such as common area maintenance, real estate taxes and property insurance are not included in the determination of the lease's ROU asset or lease liability.

As of June 30, 2022, the weighted average remaining term of the Company's operating leases was 5.6 years and the lease liabilities arising from obtaining ROU assets reflect a weighted average discount rate of 5.5%.

Supplemental balance sheet information related to operating leases as of June 30, 2022 and December 31, 2021 are as follows (in thousands):

	June 30, 2022	December 31, 2021
Other current liabilities – operating lease current portion	$ 301	$ 645
Operating lease liabilities – noncurrent portion	4,826	1,860
Total operating lease liabilities	$ 5,127	$ 2,505

Operating lease expense recognized related to ROU assets were $288,000 and $213,000, excluding $3,000 and $9,000 of variable lease costs, for each of the three months ended June 30, 2022 and 2021, and $518,000 and $427,000, excluding $6,000 and $18,000 of variable lease costs, during each of the six months ended June 30, 2022 and 2021, respectively, and were included in general and administrative expense in the Company's statement of comprehensive loss. Cash paid for amounts included in the measurement of operating lease liabilities was $238,000 and $221,000, for the three months ended June 30, 2022 and 2021, respectively, and $480,000 and $442,000 for the six months ended June 30, 2022 and 2021, respectively.

The Company is a party to two finance leases for laboratory equipment. The equipment leases expire in December 2022 and June 2023, respectively.

Supplemental balance sheet information related to the finance lease as of June 30, 2022 and December 31, 2021 are as follows (in thousands):

	June 30, 2022	December 31, 2021
Property and equipment, at cost	$ 270	$ 371
Accumulated amortization	(172)	(205)
Property and equipment, net	$ 98	$ 166
Other current liabilities – finance lease current portion	$ 105	$ 137
Other long-term liabilities	—	36
Total finance lease liabilities	$ 105	$ 173

The components of finance lease expense recognized during the three and six months ended June 30, 2022 related to ROU assets was $34,000 and $68,000 and interest on lease liabilities was $4,000 and $8,000. Cash paid for amounts included in the measurement of finance lease liabilities were operating cash flows of $4,000 and $8,000 during the three and six months ended June 30, 2022, respectively, and financing cash flows of $34,000 and $67,000 for the three and six months ended June 30, 2022, respectively. The components of finance lease expense recognized during the three and six months ended June 30, 2021 related to ROU assets was $30,000 and $62,000 and interest on lease liabilities was $4,000 and $10,000. Cash paid for amounts included in the measurement of finance lease liabilities were operating cash flows of $4,000 and $10,000 during the three and six months ended June 30, 2021, respectively, and financing cash flows of $29,000 and $58,000 during the three and six months ended June 30, 2021, respectively.

As of June 30, 2022, the weighted average remaining term of the Company's finance lease was 0.8 year and the lease liabilities arising from obtaining ROU assets reflect a weighted average discount rate of 12.5%.

The Company's total future minimum lease payments under non-cancellable leases at June 30, 2022 were as follows (in thousands):

	Operating Leases	Finance Leases
Remainder of 2022	$ 348	$ 73
2023	701	37
2024	1,073	—
2025	1,113	—
2026	1,158	—
Thereafter	1,699	—
Total lease payments	$ 6,092	$ 110
Less imputed interest	(965)	(5)
Total	$ 5,127	$ 105

8. Loan Agreements

CRG Term Loan Agreement

On February 13, 2019 (the "CRG Closing Date"), the Company entered into the CRG Loan Agreement among the Company, as borrower, CRG Servicing LLC, as administrative agent and collateral agent (the "Agent"), and the lenders party thereto from time to time, providing for a senior secured term loan of up to $60 million (the "CRG Loan"). On the CRG Closing Date, $35 million of the CRG Loan was advanced (the "CRG Initial Advance"). The Company utilized the proceeds from the CRG Initial Advance for the repayment in full of all outstanding obligations under its prior credit agreement (the "SWK Credit Agreement") with SWK Funding LLC ("SWK"). In April 2019, the Company exercised its option to borrow an additional $15 million of the CRG Loan (the "CRG Second Advance"). The Company did not draw any additional funds under the CRG Loan by the final draw deadline of March 31, 2020.

The total debt discount related to the CRG Initial Advance was approximately $3.2 million and consisted of (i) the accrual of a $2.1 million exit fee; (ii) the $525,000 upfront fee; and (iii) $591,000 of legal and other transaction costs. The discount is being amortized as additional interest expense over the term of the Loan using the effective interest rate method.

The total debt discount related to the CRG Second Advance was approximately $1.1 million and consisted of (i) the accrual of a $900,000 exit fee; and (ii) the $225,000 upfront fee. The discount is being amortized as additional interest expense over the term of the Loan using the effective interest rate method.

The CRG Loan was originally scheduled to mature on December 31, 2023 and bore interest at a fixed rate of 12.5% per annum payable in arrears on the last business day of each calendar quarter. On December 17, 2020, the Company paid $15.0 million against the CRG Loan obligations in connection with the consummation of the RPA agreement (see Note 3). This payment included (i) a $13.8 million principal portion of the CRG Loan (ii) the $828,000 Exit Fee, and (iii) accrued and unpaid interest of $378,000 through that date. In connection with the partial prepayment of the CRG Loan, the Company recorded a loss on partial extinguishment of debt of $905,000 in the year ended December 31, 2020, associated with the write-off of the remaining balance of unamortized debt discount related to the partial prepayment of the CRG Loan.

On March 9, 2022, the Company repaid the remaining CRG Loan balance totaling $41.4 million with the proceeds from the SVB Loan Agreement (discussed below). This payment included (i) the remaining $38.2 million principal portion of the CRG Loan, (ii) a $2.3 million exit fee of 6% of the aggregate principal amount advanced under the CRG Loan, and (iii) accrued and unpaid interest of $0.9 million through the pay-off date. As a result of the early repayment of the CRG Loan, the Company recorded a loss on extinguishment of debt of $1.6 million for the quarter ended March 31, 2022 related to the write-off of the remaining balance of unamortized debt discount.

SVB Loan Agreement

On March 9, 2022 (the "SVB Closing Date"), the Company entered into a loan and security agreement (the "SVB Loan Agreement") with Silicon Valley Bank ("SVB") providing for (i) a senior secured term loan facility of $30.0 million (the "Term Facility") and (ii) a senior secured revolving credit facility of up to $15.0 million (the "Revolving Facility" and together with the Term Facility, the "Credit Facilities"). The maximum amount available for borrowing at any time under the Revolving Facility is limited to a borrowing base valuation of the Company's eligible accounts receivable. On the SVB Closing Date, $30.0 million of the Term Facility and $11.5 million of the Revolving Facility, were advanced, to pay off the CRG Loan, including the accrued interest through that date. The Revolving Facility is classified as short-term borrowings in the consolidated balance sheets.

The loans under the Credit Facilities are due and payable on January 1, 2027 (the "SVB Maturity Date"). The Credit Facilities bear interest that is payable monthly in arrears at a per annum rate (subject to increase during an event of default) equal to (i) with respect to the Term Facility, the greater of (x) the Wall Street Journal prime rate plus 2.25% and (y) 5.50% and (ii) with respect to the Revolving Facility, the Wall Street Journal Prime Rate. An unused commitment fee of 0.25% per annum applies to unutilized borrowing capacity under the Revolving Facility. Commencing on February 1, 2024, the Company is required to repay the principal of the Term Facility in 36 consecutive equal monthly installments. At maturity or if earlier prepaid, the Company will also be required to pay an exit fee equal to 2.00% of the aggregate principal amount of the Term Facility.

The repayment of all unpaid principal and accrued interest under the Credit Facilities may be accelerated upon consummation of a specified change of control transaction or the occurrence of certain other events of default (as specified in the SVB Loan Agreement). Subject to certain exceptions, the Company is also required to make mandatory prepayments of outstanding loans under the Credit Facilities with the proceeds of assets sales and insurance proceeds, which amounts in the case of the Revolving Facility, subject to the conditions set forth in the SVB Loan Agreement, may be re-borrowed. All voluntary and mandatory prepayments of the Term Facility are subject to the payment of prepayment premiums as follows: (i) if prepayment occurs on or prior to the first anniversary of the SVB Closing Date, an amount equal to 3.0% of the aggregate outstanding principal amount of the Term Facility being prepaid, (ii) if prepayment occurs after the first anniversary of the SVB Closing Date and on or prior to the second anniversary of the SVB Closing Date, 2.0% of the aggregate outstanding principal amount of the Term Facility being prepaid, (iii) if prepayment occurs after the second anniversary of the SVB Closing Date and on or prior to the third anniversary of the SVB Closing Date, 1.0% of the aggregate outstanding principal amount of the Term Facility being prepaid and (iv) if prepayment occurs after the third anniversary of the SVB Closing Date but prior to the SVB Maturity Date, an amount equal to 0.50% of the aggregate outstanding principal amount of the Term Facility being prepaid. The prepayment of the Term Facility in full is also subject to the payment of an exit fee of $600,000. The Company may voluntarily terminate the Revolving Facility at any time, subject to the payment of a termination fee as follows: (i) if such termination occurs on or prior to the first anniversary of the SVB Closing Date, an amount equal to 3.0% of the Revolving Facility and (ii) if such termination occurs after the first anniversary of the SVB Closing Date, 1.0% of the Revolving Facility.

The obligations of the Company under the SVB Loan Agreement are secured by a pledge of substantially all of the Company's assets, excluding intellectual property. Certain of the Company's future subsidiaries will be required to become co-borrowers under the SVB Loan Agreement or guarantee the obligations of the Company under the SVB Loan Agreement. In addition, such subsidiaries will be required to pledge substantially all of their assets, excluding intellectual property, to secure the obligations of the Company under the SVB Loan Agreement.

The SVB Loan Agreement contains affirmative and negative covenants customary for financings of this type, including limitations on the Company and its subsidiaries' abilities, among other things, to incur additional debt, grant or permit additional liens, make investments and acquisitions, merge or consolidate with others, dispose of assets, pay dividends and distributions, enter into affiliate transactions and change its line of business, in each case, subject to certain exceptions. In addition, the SVB Loan Agreement contains the following quarterly financial covenants requiring the Company to maintain either:

- minimum product revenue from YUTIQ and DEXYCU assessed on a quarterly basis commencing from the three-month period ending on March 31, 2022 through the SVB Maturity Date, with such minimum quarterly product revenue ranging from approximately $7.8 million to approximately $11.5 million in fiscal year 2022. Such minimum quarterly product revenue will be subject to incremental increases in fiscal year 2023 and will thereafter be such amounts as agreed upon between the Company and SVB based on certain agreed-upon factors commencing for the three-month period ending on March 31, 2024 and for each three-month period thereafter through the SVB Maturity Date; or
- if the Company is unable to achieve the minimum quarterly product revenue level required as of the end of any three-month period, cash and cash equivalents in an amount equal to the greater of (i) $50,000,000 and (ii) the Company's six-month Cash Burn (as defined in the SVB Loan Agreement).

Amortization of debt discount under the SVB Loan Agreement totaled $73,000 and $91,000 for the three and six months ended June 30, 2022. Commitment fees under the revolving facility were immaterial.

The Company's scheduled principal payments for debt at June 30, 2022 were as follows (in thousands):

Remainder of 2022	—
2023	—
2024	9,167
2025	10,000
2026	10,000
Thereafter	833
Total	$ 30,000

9. Stockholders' Equity

Equity Financings

Common Stock Offering

In February 2021, the Company sold 10,465,000 shares of its common stock in an underwritten public offering at a price of $11.00 per share, including the exercise in full by the underwriters of their option to purchase up to 1,365,000 additional shares of the Company's common stock. The gross proceeds of the offering to the Company were approximately $115.1 million. Underwriter discounts and commissions and other share issue costs totaled approximately $7.2 million.

ATM Facility

In August 2020, the Company entered into an at-the-market facility (the "ATM Facility") with Cantor Fitzgerald & Co ("Cantor"). Pursuant to the ATM Facility, the Company may, at its option, offer and sell shares of its common stock from time to time, through or to Cantor, acting as sales agent. The Company will pay Cantor a commission of 3.0% of the gross proceeds from any future sales of such shares.

During the three and six months ended June 30, 2022, the Company did not sell any shares of its common stock under the ATM Facility.

During the three months ended June 30, 2021, the Company did not sell any shares of its common stock under the ATM facility. During the six months ended June 30, 2021, the Company sold 48,538 shares of its common stock, at a weighted average price of $11.37 per share, for gross proceeds of approximately $552,000. Share issue costs, including sales agent commissions, totaled approximately $53,000 during the six months ended June 30, 2021.

Warrants to Purchase Common Shares

The following table provides a reconciliation of fixed price warrants to purchase shares of the Company's common stock for the six months ended June 30, 2022 and 2021:

	Six Months Ended June 30,			
	2022		2021	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance at beginning of period	48,683	$ 12.33	48,683	$ 12.33
Balance and exercisable at end of period	48,683	$ 12.33	48,683	$ 12.33

Pursuant to a credit agreement, the Company issued a warrant to SWK Funding LLC to purchase (i) 40,910 shares of the Company's common stock on March 28, 2018 at an exercise price of $11.00 per share with a seven-year term and (ii) 7,773 shares of the Company's common stock on June 26, 2018 at an exercise price of $19.30 per share with a seven-year term. At June 30, 2022, the weighted average remaining life of the warrant was approximately 2.8 years.

10. Share-Based Payment Awards

Equity Incentive Plan

The 2016 Long-Term Incentive Plan (the "2016 Plan"), approved by the Company's stockholders on December 12, 2016 (the "Adoption Date"), provides for the issuance of up to 300,000 shares of the Company's common stock reserved for issuance under the 2016 Plan plus any additional shares of the Company's common stock that were available for grant under the 2008 Incentive Plan (the "2008 Plan") at the Adoption Date or would otherwise become available for grant under the 2008 Plan as a result of subsequent termination or forfeiture of awards under the 2008 Plan. At the Company's Annual Meeting of Stockholders held on June 25, 2019, the Company's stockholders approved an amendment to the 2016 Plan to increase the number of shares authorized for issuance by 1,100,000 shares. At the Company's Annual Meeting of Stockholders held on June 22, 2021, the Company's stockholders approved an amendment to the 2016 Plan to increase the number of shares authorized for issuance by 2,500,000 shares. At June 30, 2022, a total of approximately 82,000 shares were available for new awards.

The Company also granted non-statutory stock options to new employees as inducement awards to enter into employment with the Company. The grants were approved by the Compensation Committee of the Board of Directors and awarded in accordance with Nasdaq Listing Rule 5635(c)(4). Although not awarded under the 2016 Plan or the 2008 Plan, the grants are subject to and governed by the terms and conditions of the 2016 Plan or 2008 Plan, as applicable.

Stock Options

The following table provides a reconciliation of stock option activity under the Company's equity incentive plans and for inducement awards for the six months ended June 30, 2022:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at January 1, 2022	2,517,680	$ 16.49		
Granted	1,643,300	10.43		
Exercised	(4,223)	9.44		
Forfeited	(98,470)	11.98		
Expired	(6,000)	21.00		
Outstanding at June 30, 2022	4,052,287	$ 14.14	8.28	$ 72,444
Exercisable at June 30, 2022	1,306,830	$ 19.82	6.26	$ 27,575

The Company has granted stock options with 25% of the option vesting after one year followed by ratable monthly vesting over the remaining three years. Nonemployee awards are granted similar to the Company's employee awards. All option grants have a 10-year term. Options to purchase a total of 568,000 shares of the Company's common stock vested during the six months ended June 30, 2022. Starting February 2021, the Company (i) ceased vesting ratable monthly over four years and (ii) retained 25% vesting after one year followed by ratable monthly vesting over the remaining three years.

In determining the grant date fair value of option awards during the six months ended June 30, 2022, the Company applied the Black-Scholes option pricing model based on the following key assumptions:

Option life (in years)	5.50 - 6.08
Stock volatility	76% - 78%
Risk-free interest rate	1.46% - 3.36%
Expected dividends	0.0%

The following table summarizes information about employee, non-executive director and external consultant stock options for the six months ended June 30, 2022 (in thousands except per share amount):

	Six Months Ended June 30, 2022
Weighted average grant date fair value per share	$ 7.03
Total cash received from exercise of stock options	40
Total intrinsic value of stock options exercised	13

Time-Vested Restricted Stock Units

Time-vested restricted stock units ("RSUs") issued to date under the 2016 Plan generally vest on a ratable annual basis over 3 years. The related stock-based compensation expense is recorded over the requisite service period, which is the vesting period. The fair value of all time-vested RSUs is based on the closing share price of the Company's common stock on the date of grant.

The following table provides a reconciliation of RSU activity under the 2016 Plan for the six months ended June 30, 2022:

	Number of Restricted Stock Units	Weighted Average Grant Date Fair Value
Nonvested at January 1, 2022	291,575	$ 13.19
Granted	409,500	10.09
Vested	(140,402)	13.44
Forfeited	(18,793)	11.31
Nonvested at June 30, 2022	541,880	$ 10.85

At June 30, 2022, the weighted average remaining vesting term of the RSUs was 1.58 years.

Employee Stock Purchase Plan

On June 25, 2019, the Company's stockholders approved the adoption of the EyePoint Pharmaceuticals, Inc. 2019 Employee Stock Purchase Plan (the "ESPP") and authorized up to 110,000 shares of common stock reserved for issuance to participating employees. At the Company's Annual Meeting of Stockholders held on June 22, 2021, the Company's stockholders approved an amendment to the ESPP to increase the number of shares authorized for issuance by 250,000 shares. The ESPP allows qualified participants to purchase the Company's common stock twice a year at 85% of the lesser of the average of the high and low sales price of the Company's common stock on (i) the first trading day of the relevant offering period and (ii) the last trading day of the relevant offering period. The number of shares of the Company's common stock each employee may purchase under this plan, when combined with all other employee stock purchase plans, is limited to the lower of an aggregate fair market value of $25,000 during each calendar year, or 5,000 shares of the Company's common stock in any one offering period. The Company has maintained consecutive six-month offering periods since August 1, 2019. As of June 30, 2022, 28,504 shares of the Company's common stock were issued pursuant to the ESPP.

The Company estimated the fair value of the option component of the ESPP shares at the date of grant using a Black-Scholes valuation model. During the three and six months ended June 30, 2022, the compensation expense from ESPP shares was approximately $38,000 and $71,000. During the three and six months ended June 30, 2021, the compensation expense from ESPP shares was immaterial.

Stock-Based Compensation Expense

The Company's consolidated statements of comprehensive loss included total compensation expense from stock-based payment awards for the three and six months ended June 30, 2022 and 2021, respectively, as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Compensation expense included in:				
Research and development	$ 2,011	$ 255	$ 3,485	$ 518
Sales and marketing	496	241	905	481
General and administrative	1,633	684	3,227	1,169
	$ 4,140	$ 1,180	$ 7,617	$ 2,168

At June 30, 2022, there was approximately $17.1 million of unrecognized compensation expense related to outstanding equity awards under the 2016 Plan, the 2008 Plan, the inducement awards and the ESPP that is expected to be recognized as expense over a weighted average period of approximately 1.75 years.

11. License and Asset Purchase Agreements

Equinox Science, LLC

In February 2020, the Company entered into an Exclusive License Agreement (the "Equinox License Agreement") with Equinox, pursuant to which Equinox granted the Company an exclusive, sublicensable, royalty-bearing right and license to certain patents and other Equinox intellectual property to research, develop, make, have made, use, sell, offer for sale and import the compound vorolanib and any pharmaceutical products comprising the compound for local delivery to the eye for the prevention or treatment of age-related macular degeneration, diabetic retinopathy and retinal vein occlusion using the Company's proprietary localized delivery technologies (the "Original Field"), in each case, throughout the world except China, Hong Kong, Taiwan and Macau (the "Company Territory").

In consideration for the rights granted by Equinox, the Company (i) made a one time, non-refundable, non-creditable upfront cash payment of $1.0 million to Equinox in February 2020, and (ii) agreed to pay milestone payments totaling up to $50 million upon the achievement of certain development and regulatory milestones, consisting of (a) completion of a Phase II clinical trial for the compound or a licensed product, (b) the filing of a new drug application or foreign equivalent for the compound or a licensed product in the United States, European Union or United Kingdom and (c) regulatory approval of the compound or a licensed product in the United States, European Union or United Kingdom.

The Company also agreed to pay Equinox tiered royalties based upon annual net sales of licensed products in the Company Territory. The royalties are payable with respect to a licensed product in a particular country in the Company Territory on a country-by-country and licensed product-by-licensed product basis until the later of (i) twelve years after the first commercial sale of such licensed product in such country and (ii) the first day of the month following the month in which a generic product corresponding to such licensed product is launched in such country. The royalty rates range from the high-single digits to low-double digits depending on the level of annual net sales. The royalty rates are subject to reduction during certain periods when there is no valid patent claim that covers a licensed product in a particular country.

On May 2, 2022, concurrent with the Company entering into the Betta License Agreement, the Company entered into Amendment #1 to the Equinox License Agreement, pursuant to which the Original Field was expanded to cover the prevention or treatment of ophthalmology indications using the Company's proprietary localized delivery technologies and certain conforming changes were made to the Equinox License Agreement in connection therewith.

No R&D expense was recorded for the three and six months ended June 30, 2022 for this license. No R&D expense was recorded for the three and six months ended June 30, 2021.

12. Fair Value Measurements

The following tables summarize the Company's assets by significant categories carried at fair value measured on a recurring basis at June 30, 2022 and December 31, 2021 by valuation hierarchy (in thousands):

	June 30, 2022					
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash Equivalents	Marketable Securities
Level 1:						
Money market funds	$ 62,178	$ —	$ —	$ 62,178	$ 62,178	$ —
Subtotal	$ 62,178	$ —	$ —	$ 62,178	$ 62,178	$ —
Level 2:						
Commercial paper	$ 30,926	$ —	$ —	$ 30,926	$ 4,999	$ 25,927
U.S. treasury securities	63,345	—	(239)	63,106	—	63,106
Subtotal	$ 94,271	$ —	$ (239)	$ 94,032	$ 4,999	$ 89,033
Total	$ 156,449	$ —	$ (239)	$ 156,210	$ 67,177	$ 89,033

	December 31, 2021					
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash Equivalents	Marketable Securities
Level 1:						
Money market funds	$ 155,551	$ —	$ —	$ 155,551	$ 155,551	$ —
Subtotal	$ 155,551	$ —	$ —	$ 155,551	$ 155,551	$ —
Level 2:						
Commercial paper	$ 49,514	$ —	$ —	$ 49,514	$ 16,549	$ 32,965
Subtotal	$ 49,514	$ —	$ —	$ 49,514	$ 16,549	$ 32,965
Total	$ 205,065	$ —	$ —	$ 205,065	$ 172,100	$ 32,965

At June 30, 2022, substantially all of the Company's interest-bearing cash equivalent balances, were concentrated in one U.S. Government institutional money market fund that had investments consisting primarily of U.S. Government Agency debt, U.S. Treasury Repurchase Agreements and U.S. Government Agency Repurchase Agreements. Generally, these deposits may be redeemed upon demand and, therefore, the Company believes they have minimal risk. Marketable securities consist of investments with an original or remaining maturity of greater than three months but less than one year at the date of purchase. The Company had investments of $89.0 million in marketable securities at June 30, 2022.

At December 31, 2021, a total of $155.6 million, or 90.4% of the Company's interest-bearing cash equivalent balances, were concentrated in one U.S. Government institutional money market fund that had investments consisting primarily of U.S. Government Agency debt, U.S. Treasury debt, U.S. Treasury Repurchase Agreements and U.S. Government Agency Repurchase Agreements. $16.5 million, or 9.6% of the Company's interest-bearing cash equivalent balances consisted of investment-grade commercial paper. Generally, these investments may be sold upon demand and, therefore, the Company believes they have minimal risk. The Company had investments of $33.0 million in marketable securities at December 31, 2021.

The Company's cash equivalents and marketable securities are classified within Level 1 or Level 2 on the basis of valuations using quoted market prices or alternative pricing sources and models utilizing market observable inputs, respectively. The marketable securities have been valued on the basis of valuations provided by third-party pricing services, as derived from such services' pricing models. Inputs to the models may include, but are not limited to, reported trades, executable bid and ask prices, broker/dealer quotations, prices or yields of securities with similar characteristics, benchmark curves or information pertaining to the issuer, as well as industry and economic events. The pricing services may use a matrix approach, which considers information regarding securities with similar characteristics to determine the valuation for a security, and have been classified as Level 2.

The carrying amounts of accounts receivable, accounts payable and accrued expenses approximate fair value because of their short-term maturity.

The carrying amounts of the short-term borrowings and long-term debt under the Company's SVB Loan Agreement approximate the estimated fair value. These borrowings under the Credit Facilities have a variable interest rate structure and are classified within Level 2 of the fair value hierarchy.

13. Contingencies

Legal Proceedings

The Company is subject to various routine legal proceedings and claims incidental to its business, which management believes will not have a material effect on the Company's financial position, results of operations or cash flows.

14. Net Loss per Share

Basic net loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. For periods in which the Company reports net income, diluted net income per share is determined by adding to the basic weighted average number of common shares outstanding the total number of dilutive common equivalent shares using the treasury stock method, unless the effect is anti-dilutive. Potentially dilutive shares were not included in the calculation of diluted net loss per share for each of the three and six months ended June 30, 2022 and 2021 as their inclusion would be anti-dilutive.

Potential common stock equivalents excluded from the calculation of diluted earnings per share because the effect would have been anti-dilutive were as follows:

	Six Months Ended June 30,	
	2022	**2021**
Stock options	4,052,287	2,099,810
ESPP	18,394	10,793
Warrants	48,683	48,683
Restricted stock units	541,880	290,917
	4,661,244	2,450,203

15. Subsequent Events

On July 26, 2022, the Center for Medicare & Medicaid Services ("CMS") published in the Federal Register the calendar year (CY) 2023 Medicare Hospital Outpatient Prospective Payment System ("OPPS") and ASC Payment System Proposed Rule ("Proposed Rule"). If the Proposed Rule is finalized, in the relevant part, without changes, it would result in loss of pass-through related separate payment for DEXYCU, when furnished in hospital outpatient department settings reimbursed by Medicare. This would reduce the amount of Medicare reimbursement provided to the Company's DEXYCU customers and, if finalized without changes, result in a significant reduction in the Company's DEXYCU product revenues (see Note 3). Furthermore, a significant reduction in the Company's DEXYCU product revenues will result in a material impairment of the Company's net intangible asset related to DEXYCU which has a carrying value of $21.5 million at June 30, 2022 (see Note 5).

The Proposed Rule is currently in a comment period which ends on September 13, 2022. A Final Rule is expected to be issued in early November 2022. In the Final Rule, CMS may adopt or modify the Proposed Rule's proposals related to DEXYCU. If the Proposed Rule's proposals related to DEXYCU are finalized, they would be effective on January 1, 2023. The Company will monitor the status of the Proposed Rule and evaluate the impact on its operations, cash flows, intangible asset and its DEXYCU inventory balances when the rule is finalized. No adjustments have been made to the Company's June 30, 2022 financial statements as a result of the Proposed Rule.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Note Regarding Forward-Looking Statements

Various statements made in this Quarterly Report on Form 10-Q are forward-looking and involve risks and uncertainties. All statements that address activities, events or developments that we intend, expect or believe may occur in the future are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements give our current expectations or forecasts of future events and are not statements of historical or current facts. These statements include, among others, statements about:

- the potential for EYP-1901, as an investigational sustained delivery intravitreal anti-VEGF treatment targeting wet age-related macular degeneration ("wet AMD"), non-proliferative diabetic retinopathy ("NPDR") and diabetic macular edema ("DME");
- our expectations regarding the timing and outcome of our planned Phase 2 clinical trials for EYP-1901, for the treatment of wet AMD, NPDR and DME;
- our expectations regarding the timing and clinical development of our product candidates, including EYP-1901;
- the extent to which our business, the medical community and the global economy will continue to be materially and adversely impacted by the effects of the COVID-19 pandemic (the "Pandemic"), or by other pandemics, epidemics or outbreaks;
- our cash flow expectations from commercial sales of YUTIQ and DEXYCU;
- our ability to manufacture YUTIQ and DEXYCU, or any future products or product candidates, in sufficient quantities and quality;
- our belief that our cash, cash equivalents, and marketable securities of $171.2 million at June 30, 2022, combined with anticipated net cash inflows from product sales, will fund our operating plans through 2024, under current expectations regarding the initiation of our Phase 2 clinical trials for EYP-1901;
- our ability to obtain additional capital in sufficient amounts and on terms acceptable to us, and the consequences of failing to do so;
- our future expenses and capital expenditures;
- our expectations regarding our ability to obtain and adequately maintain sufficient intellectual property protection for EYP-1901, YUTIQ, DEXYCU and any future products or product candidates, and to avoid claims of infringement of third-party intellectual property rights;
- our expectation that we will continue to incur significant expenses and that our operating losses and our net cash outflows to fund operations will continue for the foreseeable future;
- our expectations regarding our expanded commercial alliance with ImprimisRx for the sales and marketing of DEXYCU, and ImprimisRx's ability to execute on sales and marketing activities for the brand; and
- the effect of legal and regulatory developments.

Forward-looking statements also include statements other than statements of current or historical fact, including, without limitation, all statements related to any expectations of revenues, expenses, cash flows, earnings or losses from operations, cash required to maintain current and planned operations, capital or other financial items; any statements of the plans, strategies and objectives of management for future operations; any plans or expectations with respect to product research, development and commercialization, including regulatory approvals; any other statements of expectations, plans, intentions or beliefs; and any statements of assumptions underlying any of the foregoing. We often, although not always, identify forward-looking statements by using words or phrases such as "likely", "expect", "intend", "anticipate", "believe", "estimate", "plan", "project", "forecast" and "outlook".

The following are some of the factors that could cause actual results to differ materially from the anticipated results or other expectations expressed, anticipated or implied in our forward-looking statements:

- the extent to which the Pandemic impacts our business, the medical community and the global economy;
- the effectiveness and timeliness of our preclinical studies and clinical trials, and the usefulness of the data;
- our expectations regarding the timing and clinical development of our product candidates, including EYP-1901, and the potential for EYP-1901 as a sustained delivery treatment for serious eye diseases, including wet AMD, NPDR and DME;
- our ability to achieve profitable operations and access to needed capital;
- fluctuations in our operating results;
- our ability to successfully produce sufficient commercial quantities of YUTIQ and DEXYCU and to successfully commercialize YUTIQ and DEXYCU in the U.S.;

- our ability to sustain and enhance an effective commercial infrastructure and enter into and maintain commercial agreements for the commercialization of YUTIQ and DEXYCU;
- consequences of fluocinolone acetonide side effects for YUTIQ;
- consequences of dexamethasone side effects for DEXYCU;
- the success of current and future license and collaboration agreements, including our agreements with Ocumension Therapeutics ("Ocumension"), Equinox Science, LLC ("Equinox") and Betta Pharmaceuticals Co., Ltd.;
- our dependence on contract research organizations, our commercial alliance partner ImprimisRx, vendors and investigators;
- effects of competition and other developments affecting sales of products;
- market acceptance of our products;
- protection of intellectual property and avoiding intellectual property infringement;
- product liability; and
- other factors described in our filings with the SEC.

We cannot guarantee that the results and other expectations expressed, anticipated or implied in any forward-looking statement will be realized. The risks set forth under Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021 describe major risks to our business, and you should read and interpret any forward-looking statements together with these risks. A variety of factors, including these risks, could cause our actual results and other expectations to differ materially from the anticipated results or other expectations expressed, anticipated or implied in our forward-looking statements. Should known or unknown risks materialize, or should underlying assumptions prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected in the forward-looking statements. You should bear this in mind as you consider any forward-looking statements.

Our forward-looking statements speak only as of the dates on which they are made. We do not undertake any obligation to publicly update or revise our forward-looking statements even if experience or future changes makes it clear that any projected results expressed or implied in such statements will not be realized.

Our Business

Overview

We are a pharmaceutical company committed to developing and commercializing innovative therapeutics to help improve the lives of patients with serious eye disorders. Our pipeline leverages our proprietary Durasert® technology for sustained intraocular drug delivery including EYP-1901, an investigational sustained delivery intravitreal anti-VEGF treatment initially targeting wet age-related macular degeneration ("wet AMD"), the leading cause of vision loss among people 50 years of age and older in the United States. We also have two commercial products: YUTIQ®, a once every three-year treatment for chronic non-infectious uveitis affecting the posterior segment of the eye, and DEXYCU®, a single dose treatment for postoperative inflammation following ocular surgery.

Recent Developments

- In July 2022, the Company announced that the CMS indicated its intention not to provide further pass-through extension to certain drugs, including DEXYCU® in the 2023 CMS Draft HOPPS (Hospital Outpatient) rule. If the draft rule becomes final, DEXYCU will lose pass-through separate reimbursement status on December 31, 2022 and will instead be bundled into the general Cataract procedure reimbursement code starting on January 1, 2023. We anticipate that the loss of pass-through status will negatively impact DEXYCU revenue.
- In July, we announced the appointment of Karen Zaderej to our Board of Directors. Ms. Zaderej is currently the President, Chief Executive Officer, and Chair of the Board at AxoGen Corporation (Nasdaq:AXGN), and brings more than 35 years of biopharmaceutical and medical device experience to the role.
- In June, we announced the appointment of Anthony (Tony) Adamis, M.D. to our Board of Directors. Dr. Adamis is a highly accomplished ophthalmology executive with more than 30 years or research and development experience in the biopharmaceutical industry.
- In June 2022, China's Center for Drug Evaluation (CDE) of the National Medical Products Administration (NMPA) approved YUTIQ 0.18mg for the treatment of chronic non-infectious uveitis affecting the posterior segment of the eye.
- In May 2022, we entered into an Exclusive License Agreement (the "Betta License Agreement") with Betta Pharmaceuticals Co., Ltd. ("Betta"). Under the Betta License Agreement, we granted to Betta an exclusive, sublicensable, royalty-bearing license to develop, use (but not make or have made), sell, offer for sale and import EYP-1901 in the field of ophthalmology (the "Betta Field") in the Greater Area of China, including China, the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan (the "Betta Territory"). Under the terms of the Betta License Agreement, we

retained all ophthalmic rights to EYP-1901 outside of the Betta Territory and to, among other things, conduct clinical trials on EYP-1901 in the Betta Field in the Betta Territory.

- Concurrently with the execution of the Betta License Agreement, we entered into Amendment #1 (the "First Amendment") to that certain Exclusive License Agreement, dated February 3, 2020 (the "Equinox License Agreement"), with Equinox Sciences, LLC ("Equinox"), regarding our exclusive, sublicensable, royalty-bearing right and license to certain patents and other Equinox intellectual property to research, develop, make, have made, use, sell, offer for sale and import the compound vorolanib and any pharmaceutical products comprising the compound for local delivery to the eye for the prevention or treatment of wet AMD, DR and RVO using our proprietary localized delivery technologies (the "Original Field"), in each case, throughout the world except China, Hong Kong, Taiwan and Macau. Pursuant to the First Amendment, the Original Field was expanded to cover the prevention or treatment of all ophthalmology indications, using our proprietary localized delivery technologies.
- Customer demand for YUTIQ in Q2 2022, represented as units purchased by physicians from our distributors, was 43% higher versus Q1 2022, driven by higher demand.
- Customer demand for DEXYCU in Q2 2022, represented as units purchased by ambulatory surgical centers ("ASCs"), was flat over Q1 2022.
- In March 2022, we entered into a loan agreement for senior secured credit facilities in the aggregate amount of $45 million with Silicon Valley Bank to replace our existing credit facility with CRG.

R&D Highlights

- In July 2022, the Company announced that the first patient was dosed in the Phase 2 DAVIO2 clinical trial of EYP-1901 for the treatment of wet AMD. The twelve-month, randomized, controlled DAVIO2 trial is expected to enroll approximately 150 patients previously treated with a standard-of-care anti-VEGF therapy, and topline data is expected in the second half of 2023. More information about the study is available at clinicaltrials.gov (identifier: NCT05381948).
- In July 2022, we announced positive 12-month safety and efficacy data from the DAVIO Phase 1 clinical trial evaluating EYP-1901 for the treatment of wet AMD. The final twelve-month data presented from the Phase 1 DAVIO clinical trial showed no reports of ocular serious adverse events ("SAEs") or drug-related systemic SAEs. There were no reported events of vitreous floaters, endophthalmitis, retinal detachment, implant migration in the anterior chamber, retinal vasculitis, posterior segment inflammation, or retinal vascular occlusive events. Additionally, updated data from the twelve-month follow-up confirm stable best corrected visual acuity (BCVA) (-4.12 ETDRS letters), stable central subfield thickness (CST) on optical coherence tomography (OCT) (-2.76 µm), and an expected late increase in supplemental anti-VEGF therapy given the insert's expected drug depletion, with 53% supplement free up to six months and 35% of eyes supplement free up to twelve months. Additionally, there was positive treatment burden reduction of 74% at twelve months versus 79% at six-months.
- The FDA has recently updated the regulatory requirements for combination drug/device products such as YUTIQ 50. Based on updated guidance from the FDA, these regulatory changes will require us to conduct additional clinical trials for YUTIQ 50 beyond what was originally contemplated for the efficacy supplement of our NDA, resulting in a significant increase in the program's anticipated cost. Accordingly, we have decided to pause enrollment for the YUTIQ 50 clinical trial and evaluate if there is a viable path for resumption of the program.
- In February 2022, we announced updated positive interim safety and efficacy data from the ongoing Phase 1 DAVIO clinical trial evaluating EYP-1901 for the treatment of wet AMD. We presented eight-month data from the DAVIO Phase 1 clinical trial of EYP-1901 for wet AMD at the Angiogenesis, Exudation, and Degeneration 2022 virtual meeting. The data showed no dose limiting toxicities, no reports of ocular SAEs and no drug-related systemic SAEs, consistent with the six-month data presented in November 2021. The DAVIO data has also shown that following a single dose of EYP-1901, 53% and 41% of patients did not require a supplemental anti-VEGF treatment up to six and nine months, respectively. The treatment burden was reduced by 79% and 75% at six months and eight months respectively compared to prior to dosing with EYP-1901. Additionally, the eight-month data confirmed continued stable and sustained BCVA (-3.0 ETDRS letters) and CST/OCT (+13 µm).
- In January 2022, we announced that we completed a positive Type C meeting with the U.S. Food and Drug Administration (FDA) and expect to initiate a Phase 2 trial of EYP-1901 for wet AMD in Q3 2022 and in NPDR in the second half of 2022 with initial top-line data for the wet AMD trial anticipated in the second half of 2023.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements in conformity with GAAP requires that we make certain estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. We base our estimates, judgments and assumptions on historical experience, anticipated results and trends, and on various other factors that we believe are reasonable under the circumstances at the time. By their nature, these estimates, judgments and assumptions are subject to an inherent

degree of uncertainty. Actual results may differ from our estimates under different assumptions or conditions. In our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, we set forth our critical accounting policies and estimates, which included revenue recognition, reserves for variable consideration associated with our commercial revenue and recognition of expense in outsourced clinical trial agreements. See Note 2 of the notes to our unaudited condensed consolidated financial statements contained in this quarterly report on Form 10-Q for a description of our accounting policies and estimates for reserves for variable consideration related to product sales.

Results of Operations

Three Months Ended June 30, 2022 Compared to Three Months Ended June 30, 2021:

	Three Months Ended June 30,		Change	
	2022	2021	Amounts	%
Revenues:				
Product sales, net	$ 11,318	$ 8,738	$ 2,580	30%
License and collaboration agreements	49	94	(45)	-48%
Royalty income	198	181	17	9%
Total revenues	11,565	9,013	2,552	28%
Operating expenses:				
Cost of sales, excluding amortization of acquired intangible assets	1,734	1,929	(195)	-10%
Research and development	12,992	5,605	7,387	132%
Sales and marketing	6,883	6,659	224	3%
General and administrative	8,557	5,184	3,373	65%
Amortization of acquired intangible assets	615	615	—	0%
Total operating expenses	30,781	19,992	10,789	54%
Loss from operations	(19,216)	(10,979)	(8,237)	75%
Other income (expense):				
Interest and other income, net	362	280	82	29%
Interest expense	(552)	(1,376)	824	-60%
Gain (loss) on extinguishment of debt	—	2,065	(2,065)	-100%
Total other income (expense), net	(190)	969	(1,159)	-120%
Net loss	$ (19,406)	$ (10,010)	$ (9,396)	94%
Net loss per share - basic and diluted	$ (0.52)	$ (0.35)	$ (0.17)	49%
Weighted average shares outstanding - basic and diluted	37,322	28,744	8,578	30%
Net loss	$ (19,406)	$ (10,010)	$ (9,396)	94%

Product Sales, net

Product sales, net represents the gross sales of YUTIQ and DEXYCU less provisions for product sales allowances. Product sales, net increased by $2.6 million, or 30%, to $11.3 million for the three months ended June 30, 2022 compared to $8.7 million for the three months ended June 30, 2021. Customer demand has a direct impact on product orders from our specialty distributors that we record as net product sales. Net product revenue represents product purchased by our distributors whereas customer demand represents purchases of product by physician practices and ASCs from our distributors. The progression of the Pandemic and its effects on our business and operations remain uncertain at this time. Depending on future developments that are uncertain and difficult to predict, including new information that may emerge concerning the Pandemic, our customer demand may be adversely affected in the future.

License and collaboration agreement

License and collaboration agreement revenues decreased by $45,000, or 48%, to $49,000 for the three months ended June 30, 2022 compared to $94,000 for the three months ended June 30, 2021. The decrease was primarily due to the reduction of revenue from Ocumension by $44,000 for technical assistance we are required to provide to Ocumension during the three months ended June 30, 2022.

Royalty Income

Royalty income increased by $17,000, or 9%, to $198,000 for the three months ended June 30, 2022 compared to $181,000 for the three months ended June 30, 2021. The increase was attributable to higher non-cash Alimera royalties payable to SWK.

Cost of Sales, Excluding Amortization of Acquired Intangible Assets

Cost of sales, excluding amortization of acquired intangible assets, decreased by $195,000, or 10%, to $1.7 million for the three months ended June 30, 2022 from $1.9 million for the three months ended June 30, 2021. This decrease was primarily attributable to decreased costs associated with lower costs of goods and distribution fees.

Research and Development

Research and development expenses increased by $7.4 million, or 132%, to $13.0 million for the three months ended June 30, 2022 from $5.6 million for the same period in the prior year. This increase was attributable primarily to (i) $3.6 million of personnel related costs for investment in new employees across the research and clinical organizations, including $1.7 million of stock based compensation, and (ii) $2.2 million in increased clinical costs, primarily related to the wrap up of our EYP-1901 Phase 1 DAVIO clinical trial and start up costs for anticipated Phase 2 trials, and $1.6 million of other early stage research and development activities.

Sales and Marketing

Sales and marketing expenses increased by $224,000, or 3%, to $6.9 million for the three months ended June 30, 2022 from $6.7 million for the same period in the prior year. This increase was primarily attributable to (i) a $383,000 increase in commission due to our commercial partner for DEXYCU (ii) partially offset by a $154,000 decrease in other marketing and related expenses.

General and Administrative

General and administrative expenses increased by $3.4 million, or 65%, to $8.6 million for the three months ended June 30, 2022 from $5.2 million for the same period in the prior year. This increase was attributable primarily to (i) $2.3 million in personnel expense, including $1.0 million of stock-based compensation, for organizational expansion across executive, Finance, HR, and IT functions and (ii) $1.0 million in consulting, insurance, and other professional services.

Amortization of Acquired Intangible Assets

Amortization of acquired intangible assets totaled $615,000 for both the three months ended June 30, 2022 as well as the same period in the prior year. This amount was attributable to the DEXYCU product intangible asset that resulted from the Icon Acquisition (see Note 5).

Interest (Expense) Income

Interest expense totaled $552,000 for the three months ended June 30, 2022. We incurred lower interest expense due to the conversion of debt from the CRG Loan to the SVB Loan, which carries a lower interest rate. Interest expense in the three months ended June 30, 2021 was $1.4 million.

Interest income from amounts invested in marketable securities and institutional money market funds increased to $362,000 for the three months ended June 30, 2022 compared to $280,000 in the prior year quarter, due primarily to an increase in cash invested in marketable securities in the current year.

Six Months Ended June 30, 2022 Compared to Six Months Ended June 30, 2021:

	Six Months Ended June 30,		Change	
	2022	2021	Amounts	%
Revenues:				
Product sales, net	$ 20,328	$ 15,540	$ 4,788	31%
License and collaboration agreements	108	435	(327)	-75%
Royalty income	423	361	62	17%
Total revenues	20,859	16,336	4,523	28%
Operating expenses:				
Cost of sales, excluding amortization of acquired intangible assets	3,511	3,319	192	6%
Research and development	22,937	11,084	11,853	107%
Sales and marketing	13,576	12,318	1,258	10%
General and administrative	17,106	10,299	6,807	66%
Amortization of acquired intangible assets	1,230	1,230	—	0%
Total operating expenses	58,360	38,250	20,110	53%
Loss from operations	(37,501)	(21,914)	(15,587)	71%
Other income (expense):				
Interest and other income, net	423	281	142	51%
Interest expense	(1,745)	(2,722)	977	-36%
Gain (loss) on extinguishment of debt	(1,559)	2,065	(3,624)	-175%
Total other income (expense), net	(2,881)	(376)	(2,505)	666%
Net loss	$ (40,382)	$ (22,290)	$ (18,092)	81%

Product Sales, net

Product sales, net represents the gross sales of YUTIQ and DEXYCU less provisions for product sales allowances. Product sales, net increased by $4.8 million, or 31%, to $20.3 million for the six months ended June 30, 2022 compared to $15.5 million for the six months ended June 30, 2021. The increase was driven by increases in cataract surgeries, re-opening of ASCs, and ongoing sales efforts. Customer demand has a direct impact on product orders from our specialty distributors that we record as net product sales. Net product revenue represents product purchased by our distributors whereas customer demand represents purchases of product by physician practices and ASCs from our distributors. The progression of the Pandemic and its effects on our business and operations remain uncertain at this time. Depending on future developments that are uncertain and difficult to predict, including new information that may emerge concerning the Pandemic, our customer demand may be adversely affected in the future.

License and collaboration agreement

License and collaboration agreement revenues decreased by $327,000, or 75%, to $108,000 for the six months ended June 30, 2022 compared to $435,000 for the six months ended June 30, 2021. The decrease was primarily due to the reduction of revenue from Ocumension by $253,000 for additional technical assistance we are required to provide to Ocumension during the six months ended June 30, 2022.

Royalty Income

Royalty income increased by $62,000, or 17%, to $423,000 for the six months ended June 30, 2022 compared to $361,000 for the six months ended June 30, 2021. The increase was attributable to higher non-cash Alimera royalties payable to SWK.

Cost of Sales, Excluding Amortization of Acquired Intangible Assets

Cost of sales, excluding amortization of acquired intangible assets, increased by $192,000, or 6%, to $3.5 million for the six months ended June 30, 2022 from $3.3 million for the six months ended June 30, 2021. This increase was primarily attributable to increased costs associated with higher product sales, primarily costs of goods and distribution fees.

Research and Development

Research and development expenses increased by $11.9 million, or 107%, to $22.9 million for the six months ended June 30, 2022 from $11.1 million for the same period in the prior year. This increase was attributable primarily to (i) $6.9 million of personnel related costs for investment in new employees across the research and clinical organizations, including $2.9 million of stock-based compensation, and (ii) $3.7 million in increased clinical costs, primarily related to the completion of our EYP-1901 Phase 1 clinical trial and start up costs for anticipated Phase 2 clinical trials, and $1.2 million of other research and development activities.

Sales and Marketing

Sales and marketing expenses increased by $1.3 million, or 10%, to $13.6 million for the six months ended June 30, 2022 from $12.3 million for the same period in the prior year. This increase was primarily attributable to (i) a $1.1 million increase in commission due to our commercial partner for DEXYCU and (ii) a $114,000 increase in other marketing and related expenses.

General and Administrative

General and administrative expenses increased by $6.8 million, or 66%, to $17.1 million for the six months ended June 30, 2022 from $10.3 million for the same period in the prior year. This increase was attributable primarily to (i) $4.8 million in personnel expense, including $2.1 million of stock-based compensation, for organizational expansion across executive, Finance, HR, and IT functions, (ii) $1.4 million in consulting, legal, and other professional services, and (iii) $0.5 million in facilities and IT expenses.

Amortization of Acquired Intangible Assets

Amortization of acquired intangible assets totaled $1.2 million for both the six months ended June 30, 2022 as well as the same period in the prior year. This amount was attributable to the DEXYCU product intangible asset that resulted from the Icon Acquisition (see Note 5).

Interest (Expense) Income

Interest expense totaled $1.7 million for the six months ended June 30, 2022. We incurred lower interest expense due to the conversion of debt from the CRG Loan to the SVB Loan, which carries a lower interest rate. Interest expense in the six months ended June 30, 2021 was $2.7 million.

Interest income from amounts invested in marketable securities and institutional money market funds increased to $423,000 for the six months ended June 30, 2022 compared to $281,000 in the prior year quarter, due primarily to higher cash balances invested in marketable securities in the current year.

Liquidity and Capital Resources

We have had a history of operating losses and an absence of significant recurring cash inflows from revenue, and at June 30, 2022 we had a total accumulated deficit of $609.5 million. Our operations have been financed primarily from sales of our equity securities, issuance of debt and a combination of license fees, milestone payments, royalty income and other fees received from collaboration partners. In the first quarter of 2019, we commenced the U.S. launch of our first two commercial products, YUTIQ and DEXYCU. However, we have not received sufficient revenues from our product sales to fund operations and we do not expect revenues from our product sales to generate sufficient funding to sustain our operations in the near-term.

Financing Activities

During the six months ended June 30, 2021, we recorded net proceeds of $107.9 million from the issuance of shares of our common stock ("Common Stock") in an underwritten public offering (see Note 9). We also sold shares of our Common Stock under our at-the-market facility during the six months ended June 30, 2021 and recorded net proceeds of approximately $499,000. During the six months ended June 30, 2022, we did not sell any shares of our common stock under the at-the-market facility but the program remains available for use.

On March 9, 2022 (the "SVB Closing Date"), we entered into a loan and security agreement (the "SVB Loan Agreement") with Silicon Valley Bank ("SVB") providing for (i) a senior secured term loan facility of $30.0 million (the "Term Facility") and (ii) a senior secured revolving credit facility of up to $15.0 million (the "Revolving Facility" and together with the Term Facility, the "Credit Facilities"). The maximum amount available for borrowing at any time under the Revolving Facility is limited to a borrowing base valuation of our eligible accounts receivable. On the SVB Closing Date, $30.0 million of the Term Facility and $11.5 million of the Revolving Facility, were advanced, to pay off the CRG Loan, including the accrued interest through that date.

The loans under the Credit Facilities are due and payable on January 1, 2027 (the "SVB Maturity Date"). The Credit Facilities bear interest that is payable monthly in arrears at a per annum rate (subject to increase during an event of default) equal to (i) with respect to the Term Facility, the greater of (x) the Wall Street Journal prime rate plus 2.25% and (y) 5.50% and (ii) with respect to the Revolving Facility, the Wall Street Journal Prime Rate. An unused commitment fee of 0.25% per annum applies to unutilized borrowing capacity under the Revolving Facility. Commencing on February 1, 2024, we are required to repay the principal of the Term Facility in 36 consecutive equal monthly installments. At maturity or if earlier prepaid, we will also be required to pay an exit fee equal to 2.00% of the aggregate principal amount of the Term Facility.

The repayment of all unpaid principal and accrued interest under the Credit Facilities may be accelerated upon consummation of a specified change of control transaction or the occurrence of certain other events of default (as specified in the SVB Loan Agreement). Subject to certain exceptions, we are also required to make mandatory prepayments of outstanding loans under the Credit Facilities with the proceeds of asset sales and insurance proceeds, which amounts in the case of the Revolving Facility, subject to the conditions set forth in the SVB Loan Agreement, may be re-borrowed. In addition, we may make a voluntary prepayment of the SVB Loan, in whole but not in part, at any time. All mandatory and voluntary prepayments of the Term Facility are subject to the payment of prepayment premiums as follows: (i) if prepayment occurs on or prior to March 9, 2023, 3% of the aggregate outstanding principal amount of the Term Facility being prepaid, (ii) if prepayment occurs after March 9, 2023 but on or prior to March 9, 2024, an amount equal to 2% of the aggregate outstanding principal amount of the Term Facility being prepaid, (iii) if prepayment occurs after March 9, 2024 but on or prior to March 9, 2025, an amount equal to 1% of the aggregate outstanding principal amount of the Term Facility being prepaid, and (iv) if prepayment occurs after March 9, 2025 but prior to January 1, 2027, an amount equal to 0.5% of the aggregate outstanding principal amount of the Term Facility being prepaid. We may voluntarily terminate the Revolving Facility at any time, subject to the payment of a termination fee as follows: (i) if such termination occurs on or prior to March 9, 2023, an amount equal to 3.0% of the Revolving Facility and (ii) if such termination occurs after March 9, 2023, 1.0% of the Revolving Facility.

Certain of our future subsidiaries will be required to become co-borrowers under the SVB Loan Agreement or guarantee the obligations of ours under the SVB Loan Agreement. Our obligations under the SVB Loan Agreement and the guarantee of such obligations are secured by a pledge of substantially all of our and such subsidiaries' assets, excluding intellectual property.

The SVB Loan Agreement contains affirmative and negative covenants customary for financings of this type, including limitations on our and our subsidiaries' abilities, among other things, to incur additional debt, grant or permit additional liens, make investments and acquisitions, merge or consolidate with others, dispose of assets, pay dividends and distributions, enter into affiliate transactions and change its line of business, in each case, subject to certain exceptions. In addition, the SVB Loan Agreement contains the following quarterly financial covenants requiring the Company to maintain either:

- minimum product revenue from YUTIQ® and DEXYCU® assessed on a quarterly basis commencing from the three-month period ending on March 31, 2022 through the SVB Maturity Date, with such minimum quarterly product revenue ranging from approximately $7.8 million to approximately $11.5 million in fiscal year 2022. Such minimum quarterly product revenue will be subject to incremental increases in fiscal year 2023 and will thereafter be such amounts as agreed upon between us and SVB based on certain agreed-upon factors commencing for the three-month period ending on March 31, 2024 and for each three-month period thereafter through the SVB Maturity Date; or
- if we are unable to achieve the minimum quarterly product revenue level required as of the end of any three-month period, cash and cash equivalents in an amount equal to the greater of (i) $50,000,000 and (ii) our six-month Cash Burn (as defined in the SVB Loan Agreement).

Future Funding Requirements

At June 30, 2022, we had cash, cash equivalents, and marketable securities of $171.2 million. We expect that our cash and cash equivalents combined with anticipated net cash inflows from net product sales will fund our operating plan into the second half of 2024, under current expectations regarding the timing and outcomes of our Phase 2 clinical trials for EYP-1901 for the treatment of wet AMD, NPDR, and DME. Due to the difficulty and uncertainty associated with the design and implementation of clinical trials, we will continue to assess our cash and cash equivalents and future funding requirements. However, there is no assurance that additional funding will be achieved and that we will succeed in our future operations.

Actual cash requirements could differ from management's projections due to many factors, including cash generation from sales of YUTIQ and DEXYCU, additional investments in research and development programs, clinical trial expenses for EYP-1901, competing technological and market developments and the costs of any strategic acquisitions and/or development of complementary business opportunities. In addition, the Pandemic has had, and may continue to have, a material and adverse impact on our business, including as a result of preventive and precautionary measures that we, other businesses, and governments are taking. Due to these impacts and measures, we have experienced and may continue to experience significant and unpredictable reductions in the demand

for our commercial products as customers have shut down their facilities and non-essential surgical procedures have been postponed in an effort to promote social distancing and to redirect medical resources and priorities towards the treatment of COVID-19.

The amount of additional capital we will require will be influenced by many factors, including, but not limited to:

1. the potential for EYP-1901, as a sustained delivery intravitreal anti-VEGF treatment for wet AMD, NPDR, and DME;
2. our expectations regarding the timing and clinical development of our product candidates, including EYP-1901;
3. the success of our U.S. direct commercialization of YUTIQ and DEXYCU;
4. the cost of commercialization activities for YUTIQ and DEXYCU, including product manufacturing, marketing, sales and distribution;
5. the scheduled December 31, 2022 expiration of pass-through coverage under which DEXYCU is reimbursed for Medicare Part B patients;
6. whether and to what extent we internally fund, whether and when we initiate, and how we conduct additional pipeline product development programs;
7. payments we receive under any new collaboration agreements;
8. whether and when we are able to enter into strategic arrangements for our products or product candidates and the nature of those arrangements;
9. the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing any patent claims;
10. changes in our operating plan, resulting in increases or decreases in our need for capital;
11. our views on the availability, timing and desirability of raising capital; and
12. the extent to which our business could be adversely impacted by the effects of the Pandemic or by other pandemics, epidemics or outbreaks.

We do not know if additional capital will be available when needed or on terms favorable to us or our stockholders. Collaboration, licensing or other agreements may not be available on favorable terms, or at all. We do not know the extent to which we will receive funds from the commercialization of YUTIQ or DEXYCU. If we seek to sell our equity securities, we do not know whether and to what extent we will be able to do so, or on what terms. If available, additional equity financing may be dilutive to stockholders, debt financing may involve restrictive covenants or other unfavorable terms and dilute our existing stockholders' equity, and funding through collaboration, licensing or other commercial agreements may be on unfavorable terms, including requiring us to relinquish rights to certain of our technologies or products. If adequate financing is not available if and when needed, we may delay, reduce the scope of, or eliminate research or development programs, independent commercialization of YUTIQ and DEXYCU, or other new products, if any, postpone or cancel the pursuit of product candidates, or otherwise significantly curtail our operations to reduce our cash requirements and extend our capital.

Our consolidated statements of historical cash flows are summarized as follows (in thousands):

	Six Months Ended June 30,		
	2022	2021	Change
Cash flows from operating activities:			
Net loss	$ (40,382)	$ (22,290)	$ (18,092)
Changes in operating assets and liabilities	$ (9,471)	$ (5,127)	$ (4,344)
Other adjustments to reconcile net loss to cash flows from operating activities:	10,572	1,775	8,797
Net cash used in operating activities	$ (39,281)	$ (25,642)	$ (13,639)
Net cash used in investing activities	(56,454)	(25)	(56,429)
Net cash (used in) provided by financing activities	(724)	108,388	(109,112)

Operating cash outflows for the six months ended June 30, 2022 totaled $39.3 million, primarily due to our net loss of $40.3 million, reduced by $10.6 million of non-cash expenses, which included $7.6 million of stock-based compensation, $1.6 million of loss on extinguishment of debt, $1.2 million of amortization of the DEXYCU finite-lived intangible asset, and $4,000 of amortization of debt discount and premium and discount on available-for-sale marketable securities. This was partially offset by increases of $9.5 million primarily in accounts receivable and other current assets.

Operating cash outflows for the six months ended June 30, 2021 totaled $25.6 million, primarily due to our net loss of $22.3 million, reduced by $1.8 million of non-cash expenses, which included $2.2 million of stock-based compensation, $1.2 million of amortization of the DEXYCU finite-lived intangible asset, $300,000 of amortization of debt discount and a $2.1 million gain on

extinguishment of debt from the forgiveness of our Paycheck Protection Program Loan. The non-cash expenses were offset by increases of $5.1 million primarily in accounts receivable and other current assets.

For the six months ended June 30, 2022, $56.1 million of net cash was used to purchase marketable securities, as well as $367,000 for the purchase of property and equipment.

Net cash used in investing activities for the six months ended June 30, 2021 consisted of $25,000 of purchases of property and equipment.

Net cash used in financing activities for the six months ended June 30, 2022 totaled $724,000 and consisted of the following:

(i) $38.2 million used to pay off the CRG loan;
(ii) $2.3 million used to extinguish debt costs related to the CRG loan;
(iii) $30.0 million of proceeds from the issuance for long-term debt related to the SVB loan;
(iv) $10.5 million of net proceeds from the revolving facility.

Net cash provided by financing activities for the six months ended June 30, 2021 totaled $108.4 million and consisted of the following:

(i) $107.9 million of net proceeds from the issuance of 10,465,000 shares of our Common Stock;
(ii) $499,000 of net proceeds from the issuance of 48,538 shares of our Common Stock sold utilizing our ATM; and
(iii) $173,000 of proceeds from stock issued under our employee stock purchase plan.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended, and are not required to provide the information under this item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and our principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2022. The term "disclosure controls and procedures", as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure, particularly during the period in which this Quarterly Report on Form 10-Q was being prepared. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their desired objectives, and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of June 30, 2022, our principal executive officer and our principal financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

During the quarter ended June 30, 2022, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings

We are subject to various routine legal proceedings and claims incidental to our business, which management believes will not have a material effect on our financial position, results of operations or cash flows.

Item 1A. Risk Factors

This section augments and updates certain risk factors disclosed in Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2021 (the "Annual Report"). The following risk factor supersedes the corresponding risks described in the Annual Report and should be read together with the other risk factors disclosed in the Annual Report. In addition to the other information in this Quarterly Report on Form 10-Q, all of the risk factors should be carefully considered in evaluating us and our common stock. Any of these risks, many of which are beyond our control, could materially and adversely affect our financial condition, results of operations or cash flows, or cause our actual results to differ materially from those projected in any forward-looking statements. We may also face other risks and uncertainties that are not presently known, are not currently believed to be material, or are not identified below because they are common to all businesses. Past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods. For more information, see "Note Regarding Forward-Looking Statements" in this Quarterly Report on Form 10-Q.

Our products may become subject to unfavorable pricing regulations, third-party reimbursement practices or healthcare reform initiatives, including DEXYCU pass-through status, which could harm our business.

The regulations that govern marketing approvals, pricing and reimbursement for new drug products vary widely from country to country. Some countries require approval of the sale price of a product before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a product in a particular country, but then be subject to price regulations that delay our commercial launch of the product, possibly for lengthy time periods, which could negatively impact the revenues we are able to generate from the sale of the product in that particular country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more of our products.

Our success also depends in part on the extent to which coverage and reimbursement for these products and related treatments will be available from government health administration authorities, private health insurers and other organizations. Government authorities and third-party payors, such as private health insurers and health maintenance organizations, determine which medications they will cover and establish reimbursement levels. A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Government authorities and third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. Third-party payors also may seek additional clinical evidence, beyond the data required to obtain marketing approval, demonstrating clinical benefits and value in specific patient populations, before covering our products for those patients. We cannot be sure that coverage and reimbursement will be available for any product that we commercialize and, if reimbursement is available, what the level of reimbursement will be. Coverage and reimbursement may impact the demand for, or the price of, any product candidate for which we obtain marketing approval. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any product candidate for which we obtain marketing approval. For example, under current Medicare Part B policy, payment to hospital outpatient departments and ambulatory surgical centers for products furnished to patients during a procedure is typically packaged into the payment for the associated procedure and thus not paid separately. Products granted pass-through status are excluded from this payment packaging policy and receive separate payment from the associated procedure for a period of three years. While DEXYCU has been granted pass-through status and has been receiving separate payment in these settings from Medicare, the calendar year (CY) 2023 Medicare Hospital Outpatient Prospective Payment System (OPPS) and ASC Payment System Proposed Rule ("Proposed Rule"), which was published July 26, 2022 in the Federal Register, did not extend pass-through status for certain drugs, including DEXYCU, beyond its current expiration date of December 31, 2022. It is expected that the Proposed Rule will be finalized in the fourth quarter of 2022. If the Proposed Rule is finalized, without changes as to pass-through status for DEXYCU, then as of January 1, 2023, payment for DEXYCU will be packaged into the payment for the associated procedure and no longer be reimbursed separately, which will materially decrease our revenues from sales of DEXYCU and correspondingly have a material adverse effect on our results of operations and financial condition.

There may be significant delays in obtaining coverage and reimbursement for newly approved drugs, and coverage may be more limited than the purposes for which the drug is approved by the FDA or comparable foreign regulatory authorities. Moreover,

eligibility for coverage and reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacturing, selling and distribution costs. Reimbursement rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on reimbursement levels already set for lower cost drugs and may be incorporated into existing payments for other services. Net prices for products may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of products from countries where they may be sold at lower prices than in the U.S. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement policies. Our inability to promptly obtain coverage and profitable reimbursement rates from both government-funded and private payors for any approved products that we develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize products, and our overall financial condition.

We participate in, and have certain price reporting obligations to, the Medicaid Drug Rebate Program. This program requires us to pay a rebate for each unit of drug reimbursed by Medicaid. The amount of the "basic" portion of the rebate for each product is set by law as the larger of: (i) 23.1% of quarterly average manufacturer price, or AMP, or (ii) the difference between quarterly AMP and the quarterly best price available from us to any commercial or non-governmental customer, or Best Price. AMP must be reported on a monthly and quarterly basis and Best Price is reported on a quarterly basis only. In addition, the rebate also includes the "additional" portion, which adjusts the overall rebate amount upward as an "inflation penalty" when the drug's latest quarter's AMP exceeds the drug's AMP from the first full quarter of sales after launch, adjusted for increases in the Consumer Price Index-Urban. The upward adjustment in the rebate amount per unit is equal to the excess amount of the current AMP over the inflation-adjusted AMP from the first full quarter of sales. The rebate amount is computed each quarter based on our report to CMS of current quarterly AMP and Best Price for our drug. Medicaid Drug Rebate Program caps are currently set at 100 percent of AMP, but that cap is set to be removed, effective January 1, 2024, which could increase our rebate liability. We are required to report revisions to AMP or Best Price within a period not to exceed 12 quarters from the quarter in which the data was originally due. Any such revisions could have the impact of increasing or decreasing our rebate liability for prior quarters, depending on the direction of the revision. The Affordable Care Act made significant changes to the Medicaid Drug Rebate Program, and CMS issued a final regulation, which became effective on April 1, 2016, to implement the changes to the Medicaid Drug Rebate program under the Affordable Care Act. On December 21, 2020, CMS issued a final regulation that modified existing Medicaid Drug Rebate Program regulations to permit reporting multiple Best Price figures with regard to value based purchasing arrangements (beginning in 2022); provide definitions for "line extension," "new formulation," and related terms with the practical effect of expanding the scope of drugs considered to be line extensions (beginning in 2022); and revise AMP and Best Price exclusions of manufacturer-sponsored patient benefit programs, specifically regarding inapplicability of such exclusions in the context of pharmacy benefit manager "accumulator" programs (beginning in 2023).

Federal law also requires that any manufacturer that participates in the Medicaid Drug Rebate Program also participate in the Public Health Service's 340B drug pricing program in order for federal funds to be available for the manufacturer's drugs under Medicaid and Medicare Part B. The 340B drug pricing program, which is administered by the Health Resources and Services Administration, or HRSA, requires participating manufacturers to agree to charge statutorily-defined covered entities no more than the 340B "ceiling price" for the manufacturer's covered outpatient drugs. These 340B covered entities include, but are not limited to, a variety of community health clinics and other entities that receive health services grants from the Public Health Service, as well as hospitals that serve a disproportionate share of low-income patients. The 340B ceiling price is calculated using a statutory formula, which is based on the AMP and rebate amount for the covered outpatient drug as calculated under the Medicaid Drug Rebate Program. Any changes to the definition of AMP and the Medicaid rebate amount under the Affordable Care Act or other legislation could affect our 340B ceiling price calculations and negatively impact our results of operations.

HRSA issued a final regulation regarding the calculation of the 340B ceiling price and the imposition of civil monetary penalties on manufacturers that knowingly and intentionally overcharge covered entities, which became effective on January 1, 2019. It is currently unclear how HRSA will apply its enforcement authority under this regulation. HRSA has also implemented a ceiling price reporting requirement related to the 340B program under which we are required to report 340B ceiling prices to HRSA on a quarterly basis, and HRSA then publishes that information to covered entities. Moreover, under a final regulation effective January 13, 2021, HRSA newly established an administrative dispute resolution ("ADR") process for claims by covered entities that a manufacturer has engaged in overcharging, and by manufacturers that a covered entity violated the prohibitions against diversion or duplicate discounts. Such claims are to be resolved through an ADR panel of government officials rendering a decision that could be appealed only in federal court. An ADR proceeding could subject us to onerous procedural requirements and could result in additional liability. In addition, legislation may be introduced that, if passed, would further expand the 340B program to additional covered entities or would require participating manufacturers to agree to provide 340B discounted pricing on drugs used in an inpatient setting.

Federal law also requires that a company that participates in the Medicaid Drug Rebate program report average sales price, or ASP, information each quarter to CMS for certain categories of drugs that are paid under the Medicare Part B program. For calendar quarters beginning January 1, 2022, manufacturers are required to report the average sales price for certain drugs under the Medicare program regardless of whether they participate in the Medicaid Drug Rebate Program. Manufacturers calculate the ASP based on a

statutorily defined formula as well as regulations and interpretations of the statute by CMS. CMS uses these submissions to determine payment rates for drugs under Medicare Part B. Starting in 2023, manufacturers must pay refunds to Medicare for single source drugs or biologicals, or biosimilar biological products, reimbursed under Medicare Part B and packaged in single-dose containers or single-use packages, for units of discarded drug reimbursed by Medicare Part B in excess of 10 percent of total allowed charges under Medicare Part B for that drug. Manufacturers that fail to pay refunds could be subject to civil monetary penalties of 125 percent of the refund amount.

Statutory or regulatory changes or CMS guidance could affect the pricing of our approved products, and could negatively affect our results of operations. For example, Congress could enact a Medicare Part B inflation rebate, under which manufacturers would owe additional rebates if the average sales price of a drug were to increase faster than the pace of inflation, or enact other legislation that would otherwise limit reimbursement of Part B products. In addition, manufacturers are currently required to provide a 70% discount on brand name prescription drugs utilized by Medicare Part D beneficiaries when those beneficiaries are in the coverage gap phase of the Part D benefit design. Congress could enact legislation that sunsets this discount program and replaces it with a new manufacturer discount program. In addition, Congress could enact a drug price negotiation program under which the prices for certain high Medicare spend single source drugs would be capped by reference to the non-federal average manufacturer price. These or any other public policy change could impact the market conditions for our products. We further expect continued scrutiny on government price reporting and pricing more generally from Congress, agencies, and other bodies.

In order to be eligible to have our products paid for with federal funds under the Medicaid and Medicare Part B programs and purchased by certain federal agencies and grantees, we must participate in the VA FSS pricing program. Under this program, we would be obligated to make our "innovator" drugs available for procurement on an FSS contract and charge a price to four federal agencies—VA, DoD, Public Health Service and U.S. Coast Guard—that is no higher than the statutory FCP. The FCP is based on the Non-FAMP, which we calculate and report to the VA on a quarterly and annual basis. We do not currently participate in the Tricare Retail Pharmacy program, under which we would need to pay quarterly rebates on utilization of innovator products that are dispensed through the Tricare Retail Pharmacy network to TRICARE beneficiaries. The rebates are calculated as the difference between the annual Non-FAMP and FCP. The requirements under the 340B, FSS, and TRICARE programs will impact gross-to-net revenue for our current products and any product candidates that are commercialized in the future and could adversely affect our business and operating results.

We are shipping YUTIQ directly to physician offices or clinics to be administered to patients. YUTIQ is being shipped to physician offices or clinics primarily through specialty pharmacies and distributors. Most prefer to buy the product directly through our select distributors under a "buy and bill" model. Physicians who may not be willing to purchase our products through a specialty distributor because they do not prefer the buy and bill method may prefer to have another entity called a specialty pharmacy ship them the product at no cost to the physician. The specialty pharmacy bills the health plan for our product directly and then ships the product to the physician such that no costs are incurred by the physician. We have obtained a permanent "J" code for YUTIQ which assists physicians and hospitals in their ability to bill all payer types for the product.

We are shipping DEXYCU to ASCs, or to hospital outpatient surgical centers through specialty pharmacies and distributors. DEXYCU is being reimbursed for Medicare Part B patients in these settings through a transitional pass-through payment utilizing a "J" code. In the event the CY 2023 OPPS/ASC Final Rule does not extend pass-through status of expiring drugs, DEXYCU will not qualify for separate payment and, therefore, will be subject to cataract-bundled payment rates, which would significantly limit our ability to gain utilization and subsequent revenues. In addition, ImprimisRx may terminate our Commercial Alliance Agreement in the event of loss a pass-through status in accordance with the terms of the commercial alliance arrangement with ImprimisRX. DEXYCU received an adjusted separate payment for nine months in the CY 2022 OPPS/ASC Final Rule, which preserves separate payment for the product through December 31, 2022.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Exhibit Description	Incorporated by Reference to SEC Filing		
		Form	SEC Filing Date	Exhibit No.
3.1	Certificate of Incorporation of pSivida Corp.	8-K12G3	06/19/08	3.1
3.2	Certificate of Amendment of the Certificate of Incorporation of pSivida Corp.	10-K	09/13/17	3.2
3.3	Certificate of Correction to Certificate of Amendment of the Certificate of Incorporation of pSivida Corp.	8-K	04/02/18	3.1
3.4	Certificate of Amendment of Certificate of Incorporation, as amended, of EyePoint Pharmaceuticals, Inc.	8-K	06/27/18	3.1
3.5	By-Laws of EyePoint Pharmaceuticals, Inc.	10-K	09/18/18	3.5
3.6	Amendment No. 1 to the By-Laws of EyePoint Pharmaceuticals, Inc.	8-K	11/06/18	3.1
3.7	Certificate of Amendment of the Certificate of Incorporation, as amended, of EyePoint Pharmaceuticals, Inc.	8-K	06/23/20	3.1
3.8	Certificate of Amendment of the Certificate of Incorporation, as amended, of EyePoint Pharmaceuticals, Inc.	8-K	12/08/20	3.1
4.1	Form of Specimen Stock Certificate for Common Stock	8-K12G3	06/19/08	4.1
4.2	Warrant to Purchase Common Stock of pSivida Corp., issued March 28, 2018, to SWK Funding, LLC	8-K	03/29/18	4.1
4.3	Registration Rights Agreement, dated as of March 28, 2018, by and among pSivida Corp. and EW Healthcare Partners, L.P. and EW Healthcare Partners-A, L.P.	8-K	03/29/18	10.3
4.4	Second Registration Rights Agreement, dated as of June 25, 2018, by and among EyePoint Pharmaceuticals, Inc. and EW Healthcare Partners, L.P. and EW Healthcare Partners-A, L.P. and each other person identified on the signature pages thereto	8-K	06/27/18	10.1
4.5	Form of Pre-Funded Warrant to Purchase Common Stock	8-K	11/19/21	4.1
10.1*	Amendment #1 to Exclusive License Agreement, dated May 2, 2022, by and between EyePoint Pharmaceuticals, Inc. and Equinox Sciences, LLC			
10.2*#	Exclusive License Agreement, dated May 2, 2022, by and between EyePoint Pharmaceuticals, Inc. and Betta Pharmaceuticals Co., Ltd.			
10.3*#	First Amendment to Loan and Security Agreement, dated June 2, 2022, by and among EyePoint Pharmaceuticals, Inc., EyePoint Pharmaceuticals US, Inc., Icon Bioscience, Inc. and Silicon Valley Bank			
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002			
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002			
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			

32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the inline XBRL document and included in Exhibit 101)

Portions of this exhibit have been omitted in compliance with Item 601(b)(10) of Regulation S-K. The Company agrees to furnish a supplemental copy of the exhibit or any omitted schedule or similar attachment to the Securities and Exchange Commission upon request.
* Filed herewith
** Furnished herewith

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.

EyePoint Pharmaceuticals, Inc.

Date: August 5, 2022

By: /s/ Nancy Lurker
Name: Nancy Lurker
Title: President and Chief Executive Officer
(Principal Executive Officer)

Date: August 5, 2022

By: /s/ George O. Elston
Name: George O. Elston
Title: Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 10.1

CONFIDENTIAL Execution Version

AMENDMENT #1 TO EXCLUSIVE LICENSE AGREEMENT

This Amendment #1 (this "**Amendment**"), dated as of May 2, 2022 (the "**Amendment Effective Date**"), is by and between EyePoint Pharmaceuticals, Inc., a Delaware corporation having offices at 480 Pleasant Street, Watertown, MA 02472 ("**EyePoint**"), and Equinox Sciences, LLC, a Delaware limited liability company having offices at 11780 U.S. Hwy One, Suite 202, Palm Beach Gardens, FL 33408 ("**Equinox**"), and amends that certain Exclusive License Agreement, effective as of February 3, 2020, between EyePoint and Equinox (the "**License Agreement**"). Capitalized terms used in this Amendment without definition shall have the meanings given those terms in the License Agreement.

WHEREAS, the Parties entered into the License Agreement pursuant to which EyePoint exclusively licensed from Equinox certain intellectual property rights related to the Compound to develop, manufacture, use and distribute Licensed Products in the Field in the Territory;

WHEREAS, concurrently with the execution of this Amendment, EyePoint and Betta Pharmaceuticals Co., Ltd., an Affiliate of Equinox, are entering into the exclusive license agreement referenced in Section 2.5 of the License Agreement (the "**EYP-1901 License Agreement**"); and

WHEREAS, the Parties desire to amend the License Agreement as further described below.

NOW THEREFORE, in consideration of the promises and mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Amendments.** The License Agreement is hereby amended as of the Amendment Effective Date as follows:

The definition of Field in Section 1.35 of the License Agreement is hereby deleted and replaced in its entirety with the following: ""**Field**" means the prevention or treatment of ophthalmology indications using EyePoint's proprietary localized delivery technologies such as Durasert, Verisome, or other localized delivery technologies that EyePoint develops, acquires or licenses." Section 2.4 of the License Agreement is hereby deleted and replaced in its entirety with the following: "Removed and Reserved." The language from and after "for (a)..." in the last sentence of Section 3.7 of the License Agreement is hereby deleted and replaced in its entirety with a reference to "in the Field."

2. **Representations and Warranties.** Each Party hereby makes to the other Party as of the Amendment Effective Date the representations and warranties set forth in Section 7.1 of the License Agreement as to the License Agreement, as amended by this Amendment.

3. **Effect of Amendment.** Except to the extent specifically provided in this Amendment, this Amendment shall not amend, modify or otherwise alter the License Agreement.

4. **Governing Law.** This Amendment and any dispute arising from the performance or breach hereof shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to conflicts of laws principles which would direct the application of the laws of another jurisdiction.

5. **Counterparts.** This Amendment may be signed in counterparts, each and every one of which shall be deemed an original, notwithstanding variations in format or file designation which may result from the electronic transmission, storage and printing of copies of this Amendment from separate computers or printers. Facsimile signatures and signatures transmitted via PDF shall be treated as original signatures.

* - * - * - *

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives as of the Amendment Effective Date.

EYEPOINT PHARMACEUTICALS, INC.

By: /s/ Nancy Lurker
Name: Nancy Lurker
Title: President and Chief Executive Officer

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives as of the Amendment Effective Date.

EQUINOX SCIENCES, LLC

By: /s/ Kevin Sang
Name: Kevin Sang
Title: Chief Operating Officer

Exhibit 10.2*

EXCLUSIVE LICENSE AGREEMENT

by and between

EYEPOINT PHARMACEUTICALS, INC.

and

BETTA PHARMACEUTICALS, CO., LTD.

for

EYP-1901

May 2, 2022

TABLE OF CONTENTS

EXCLUSIVE LICENSE AGREEMENT

This EXCLUSIVE LICENSE AGREEMENT (this "**Agreement**") is entered into as of May 2, 2022 (the "**Effective Date**"), by and between EyePoint Pharmaceuticals, Inc., a Delaware corporation having offices at 480 Pleasant Street, Watertown, MA 02472 ("**EyePoint**"), and Betta Pharmaceuticals, Co., Ltd., a corporation organized and existing under the laws of PRC having offices at No. 355 Xingzhong Road, Linping District, Hangzhou, China ("**Betta**"). EyePoint and Betta are each referred to herein by name or as a "**Party**" or, collectively, as "**Parties**."

RECITALS

WHEREAS, EyePoint and Equinox Science, LLC, an Affiliate of Betta ("**Equinox**"), entered into an Exclusive License Agreement, dated as of February 3, 2020, as amended by Amendment #1, dated as of May 2, 2022, pursuant to which Equinox granted EyePoint an exclusive license to develop, manufacture, use and distribute pharmaceutical products comprising vorolanib, Equinox's proprietary tyrosine kinase inhibitor (the "**Equinox Compound**") outside the Territory in a specified field of use (as such agreement may be amended or restated from time to time, the "**Equinox Compound License Agreement**");

WHEREAS, EyePoint owns or Controls (as defined below) certain rights to patents and other intellectual property related to EYP-1901, a potential six-month sustained delivery intravitreal anti-VEGF treatment that combines a bioerodible formulation of EyePoint's proprietary sustained-release technology with the Equinox Compound (as further defined below, the "**Licensed Product**");

WHEREAS, pursuant to Section 2.5 of the Equinox Compound License Agreement, the Parties are entering into this Agreement for EyePoint to grant an exclusive license to Betta under such intellectual property rights to develop and commercialize Licensed Products in the Field in the Territory (as such terms are defined below), subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set forth in this Article 1:

"**Acquiring Entity**" means, collectively, the Third Party referenced in the definition of Change of Control and such Third Party's Affiliates, other than (a) the applicable Party in the definition of Change of Control, and (b) such Party's Affiliates, determined immediately prior to the closing of such Change of Control ((a) and (b) collectively, the "**Pre-Existing Entities**").

"**Acquisition Program**" has the meaning assigned to such term in Section 2.6(c). "**Action**" has the meaning assigned to such term in Section 6.3(b).

"**Affiliate**" means any Person that directly or indirectly through one (1) or more intermediaries controls, is controlled by or is under common control with a Party. For purposes of this definition, a Person shall be deemed to "control" another Person if it (a) owns, directly or indirectly, beneficially or legally, at least fifty percent (50%) of the outstanding voting securities or capital stock (or such lesser percentage which is the maximum allowed to be owned by a Person in a particular jurisdiction) of such other Person, or has other comparable ownership interest with respect to any Person other than a corporation, or (b) has the power, whether pursuant to contract, ownership of securities or otherwise, to direct the management and policies of such Person.

"**Agreement**" has the meaning assigned to such term in the Preamble. "**Alliance Managers**" has the meaning assigned to such term in Section 3.7.

"**Annual Net Sales**" means, with respect to all Licensed Products, aggregate Net Sales in the Territory in a particular Calendar Year for all Licensed Products.

"**Anti-Corruption Laws**" has the meaning assigned to such term in Section 8.8(a)(i).

"**Applicable Laws**" means individually and collectively, any federal, state, local, national and supra-national laws, treaties, statutes, ordinances, rules and regulations, including any rules, regulations, guidance, guidelines or requirements having the binding effect of law of national securities exchanges, automated quotation systems or securities listing organizations, Regulatory Authorities, courts, tribunals, Governmental Authorities other than Regulatory Authorities, legislative bodies and commissions that are in effect from time to time during the Term and applicable to a particular activity hereunder and, where the context permits, includes Applicable PRC Laws. Applicable Laws shall include GCP, GLP and GMP.

"**Applicable PRC Laws**" means any (local or national-level) laws, administrative regulations, decrees, provisions, rules, circulars, and other legislative, executive or judicial decisions or normative pronouncements of any Governmental Authority of the PRC which are publicly promulgated and available and in effect during the Term, including, where the context permits, any applicable mandatory or recommended standards in the PRC, as identified by the "GB" (国标) or "GB/T" (国标/推荐) prefix.

"**Approval**" means any consent, authorization, order, confirmation, qualification, permission, certification, approval, record-filing, registration, license, permit, designation and/or declaration or other act by a Regulatory Authority or Governmental Authority approving or consenting to a request or application.

"**Bankruptcy Code**" means Title 11, U.S. Code or foreign equivalent laws, including the PRC Enterprise Bankruptcy Law.

"**Betta**" has the meaning assigned to such term in the Preamble.

"**Betta Improvement IP**" has the meaning assigned to such term in Section 6.1(b)(ii).

"**Betta New IP**" has the meaning assigned to such term in Section 6.1(b)(iii).

"**Board**" has the meaning assigned to such term in Section 8.7.

"**Breaching Party**" has the meaning assigned to such term in Section 10.2(a).

"**Business Day**" means a day other than a Saturday or a Sunday on which banking institutions in Boston, Massachusetts or Hangzhou, China are open for business.

"**Calendar Quarter**" means a period of three (3) consecutive months ending on the last day of March, June, September, or December, respectively.

"**Calendar Year**" means a period of twelve (12) consecutive months beginning on January 1 and ending on December 31.

"**CDE**" means the Chinese Center for Drug Evaluation of the NMPA, or any successor entity thereto.

"**Change of Control**" means, with respect to a Party: (a) a merger or consolidation of such Party with a Third Party that results in the voting securities of such Party outstanding immediately prior thereto, or any securities into which such voting securities have been converted or exchanged, ceasing to represent at least fifty percent (50%) of the combined voting power of the surviving entity or the parent of the surviving entity immediately after such merger or consolidation; (b) a transaction or series of related transactions in which a Third Party, together with its Affiliates, becomes the beneficial owner of fifty percent (50%) or more of the combined voting power of the outstanding securities of such Party; or (c) the sale or other transfer to a Third Party of all or substantially all of such Party's business; provided, however, that a transaction to raise capital for a Party or a migratory merger solely to change the domicile of a Party is not a Change of Control.

"**China**" or "**PRC**" means, for the purpose of this Agreement, the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

"**Claims**" has the meaning assigned to such term in Section 9.1.

"**Clinical Supply Agreement**" has the meaning assigned to such term in Section 4.12(b).

"**Clinical Supply Quality Agreement**" has the meaning assigned to such term in Section 4.12(b).

"**CMC Information**" has the meaning assigned to such term in Section 4.6(c). "**COC Program**" has the meaning assigned to such term in Section 2.6(b).

"**Commercial Supply Agreement**" has the meaning assigned to such term in Section 4.12(c).

"**Commercial Supply Quality Agreement**" has the meaning assigned to such term in Section 4.12(c).

"**Commercially Reasonable Efforts**" means, with respect to a Party, efforts that are consistent with the efforts and resources commonly used in the pharmaceutical industry by a company of comparable size in connection with the research, development and commercialization of a pharmaceutical product owned by it or to which it has exclusive rights, with similar product characteristics, which is of similar market potential at a similar stage in its development or product life, taking into account issues of patent coverage, safety and efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the compound or product, the regulatory structure involved, the potential or actual profitability of the applicable product (including pricing and reimbursement status achieved or to be achieved) and other relevant factors, including technical, legal, scientific and/or medical factors.

"**Competing Product**" means any pharmaceutical product containing a locally delivered (i.e., delivered to the eye) tyrosine kinase inhibitor other than the Licensed Product.

"**Confidential Information**" has the meaning assigned to such term in Section 7.1.

"**Control**," "**Controls**," or "**Controlled**" when used in reference to any particular subject matter including Patents, Know-How, tangible materials or other intellectual property rights, means the legal authority or right of a Party to grant a license or sublicense to such subject matter to another Party, or to otherwise provide such other Party the right to access and use such subject matter, whether arising by ownership, license, or other authorization, without breaching the terms of any written agreement with a Third Party under which such Party first acquired rights to such subject matter, or misappropriating the proprietary or trade secret information of a Third Party. Notwithstanding the foregoing, a Party will be deemed not to Control any Patent, Know-How, other intellectual property right, Confidential Information, compound, or molecule that is owned or in-licensed by an Acquiring Entity, including a Competing Product.

"**Data**" means pre-clinical, clinical, chemical, manufacturing and analytical data and any other data and information generated in or resulting from the development or commercialization of the Licensed Products.

"**Development Participation Right**" has the meaning assigned to such term in Section 4.5.

"**Development Plan**" has the meaning assigned to such term in Section 4.3.

"**Disclosing Party**" has the meaning assigned to such term in Section 7.1.

"**Dollars**" or "**$**" means the legal tender of the U.S.

"**Effective Date**" has the meaning assigned to such term in the Preamble.

"**Equinox**" has the meaning assigned to such term in the Recitals.

"**Equinox Compound**" means vorolanib as well as any solvates or hydrates, polymorphs, prodrugs, metabolites, isomers, anhydrates and pharmaceutically acceptable salts thereof.

"**Equinox Compound License Agreement**" has the meaning assigned to such term in the Recitals.

"**Exchange Act**" has the meaning assigned to such term in Section 8.7(b). "**Excluded Claim**" has the meaning assigned to such term in Section 11.2(f).

"**Exclusive License**" has the meaning assigned to such term in Section 2.1.

"**Executive Officer**" means (a) with respect to EyePoint, the Chief Executive Officer of EyePoint, or any other person that such officer designates from time to time, and (b) with respect to Betta, the Chief Operating Officer of Betta, or any other person that such officer designates from time to time.

"**Existing Inventory Exception**" has the meaning assigned to such term in Section 2.1.

"**Exploit**" means, with respect to any pharmaceutical or biological compound or product, to develop, make, have made, use, sell, offer for sale, import, export, obtain and maintain Regulatory Approvals.

"**EyePoint**" has the meaning assigned to such term in the Preamble.

"**EyePoint Improvement IP**" has the meaning assigned to such term in Section 6.1(b)(i).

"**EyePoint IP**" means the EyePoint Know-How and the EyePoint Patents.

"**EyePoint Know-How**" means any Know-How Controlled by EyePoint or its Affiliates, as of the Effective Date or after the Effective Date during the Term, including any Know-How included in the EyePoint Improvement IP, that is necessary for the development, using (but not making or having made), selling, offering for sale and importation of the Licensed Products in the Field in the Territory. For clarity, the EyePoint Know-How excludes the "Equinox Know-How" as such term is defined in the Equinox Compound License Agreement.

"**EyePoint New IP**" has the meaning assigned to such term in Section 6.1(b)(iv).

"**EyePoint Patents**" means any Patents that are Controlled by EyePoint or its Affiliates, as of the Effective Date or after the Effective Date during the Term, including any Patents included in the EyePoint Improvement IP, that claim or cover the development, using (but not making or having made), selling, offering for sale or importation of the Licensed Products in the Field in the Territory. For clarity, the EyePoint Patents exclude the "Equinox Patents" as such term is defined in the Equinox Compound License Agreement. The EyePoint Patents in existence as of the Effective Date are set forth on Exhibit A hereto, which Exhibit shall be updated as needed from time to time during the Term.

"**EyePoint Support**" has the meaning assigned to such term in Section 4.7.

"**EyePoint Territory Regulatory Documents**" has the meaning assigned to such term in Section 4.8(a).

"**FDA**" means the U.S. Food and Drug Administration, or any successor entity thereto.

"**Field**" means ophthalmology; provided, that Betta acknowledges that EyePoint has exclusively licensed the right to use its currently commercialized Durasert technology platform for the treatment of diabetic macular edema (DME) to a third party, Alimera Sciences (Alimera), and therefore the Field shall exclude the treatment of DME until the Licensed Product utilizes an insert formulation that is permitted for the treatment of DME pursuant to EyePoint's agreement with Alimera.

"**First Commercial Sale**" means, with respect to any Licensed Product, the first sale for which revenue has been recognized by Betta or its Affiliates or Sublicensees for use or consumption by the general public of such Licensed Product in any Relevant Region in the Territory after all Regulatory Approvals have been granted in such Relevant Region.

"**Force Majeure**" has the meaning assigned to such term in Section 11.6.

"**Fully Burdened Manufacturing Cost**" means, with respect to any Licensed Product supplied by EyePoint to Betta in connection with this Agreement, EyePoint's or its Affiliate's fully burdened manufacturing cost for such Licensed Product plus appropriately allocated overhead and administrative costs relating thereto to the extent not included in the fully burdened manufacturing cost.

"**GCP**" means current Good Clinical Practices as defined in Parts 50, 56 and 312 of Title 22 of the U.S. Code of Federal Regulations, as may be amended from time to time, or any successor thereto or foreign equivalents thereof, including Good Clinical Practice for Drugs (i.e. 药物临床试验质量管理规范) promulgated by NMPA and the National Health Commission effective as of July 1, 2020, together with any guidelines and/or implementation rules issued by NMPA in connection thereto, in each case as amended from time to time.

"**Generic Product**" means, with respect to any Licensed Product and any country in the Territory, any finished drug product that (a) is marketed for sale by a Third Party not authorized by Betta or its Affiliates or Sublicensees, and (b) receives Regulatory Approval in such country in reliance on the Regulatory Approval of such Licensed Product and is determined by a Regulatory Authority to be therapeutically equivalent to, interchangeable with, or substitutable for, such Licensed Product. By way of example, in the United States this would include a product that is submitted to FDA under an Abbreviated New Drug Application under Section 355(j) of Title 21 of the United States Code, as may be amended from time to time, or under an NDA under Section 355(b)(2) of Title 21 of the United States Code, as may be amended from time to time, for which the Licensed Product is the reference listed drug, and that is determined to be therapeutically equivalent to the Licensed Product.

"**Global Trial**" has the meaning assigned to such term in Section 4.5. "**Global Trial Notice**" has the meaning assigned to such term in Section 4.5.

"**GLP**" means current Good Laboratory Practices as defined in Part 58 of Title 21 of the U.S. Code of Federal Regulations, as may be amended from time to time, or any successor thereto and foreign equivalents thereof.

"**GMP**" means current Good Manufacturing Practices as defined in Parts 210 and 211 of Title 21 of the U.S. Code of Federal Regulations, as may be amended from time to time, or any successor thereto and foreign equivalents thereof, including Good Manufacturing Practice for Drugs (i.e.药品生产质量管理规范) promulgated by the Ministry of Health of China effective as of March 1, 2011, as may be amended from time to time.

"**Governmental Authority**" means any court, agency, department, authority or other instrumentality of any national, state, provincial, county, city or other political subdivision, including any entity authorized or delegated by the foregoing to exercise any administrative authority or function.

"**ICC**" has the meaning assigned to such term in Section 11.2.

"**Imported Drug License**" means an imported drug license (进口药品注册证) issued by the NMPA.

"**IND**" means any investigational new drug application filed with the FDA pursuant to Part 312 of Title 21 of the U.S. Code of Federal Regulations prior to beginning clinical trials in humans in the United States or any comparable application filed with any Regulatory Authority outside of the United States.

"**Indemnitee**" has the meaning assigned to such term in Section 9.3. "**Infringement**" has the meaning assigned to such term in Section 6.3(a).

"**Invention**" means any invention, discovery, technology, know-how, information or idea, trade secrets, knowledge, methods, processes, practices, formulae, instructions, skills, techniques, procedures, experiences, ideas, technical assistance, designs, drawings, assembly procedures, computer programs, specifications data and results not generally known to the public (including biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, preclinical, clinical, safety, manufacturing, and quality control data and know-how, including study designs and protocols) in all cases, whether or not patentable, in written, electronic or any other form, that is conceived, discovered, developed or first actually reduced to practice by or on behalf of a Party, or by the Parties together, arising from or in the scope of activities to be conducted under this Agreement, but excluding any Data. For clarity, Inventions do not include any invention, discovery, technology, know-how, information or idea conceived, discovered, developed or first actually reduced to practice prior to the Effective Date, or after the Effective Date through activities conducted by a Party outside of the purpose of this Agreement.

"**Joint New IP**" has the meaning assigned to such term in Section 6.1(b)(v).

"**Joint Steering Committee**" or "**JSC**" has the meaning assigned to such term in Section 3.1.

"**Know-How**" means any proprietary Data, results, material(s), technology, and nonpublic information of any type whatsoever, in any tangible or intangible form, including: (a) information, techniques, technology, practices, trade secrets, discoveries, developments, inventions (whether

patentable or not), methods, knowledge, know-how, skill, experience, data, results (including assay development, compound screening, chemical, pharmacological, toxicological, preclinical and clinical test data and results), analytical and quality control data, results or descriptions, software and algorithms, reports and study reports; and (b) compositions of matter, cells, cell lines, assays, animal models and physical, biological or chemical material.

"**Licensed Product**" means EYP-1901, a potential twice-yearly sustained delivery intravitreal anti-VEGF treatment as a monotherapy that combines a bioerodible formulation of EyePoint's proprietary sustained-release technology with the Equinox Compound as the sole active ingredient which is currently described in [***] filed with the FDA, effective January 17, 2021, in (a) the latest dosage, form, formulation and administration device used by EyePoint or its Affiliates or sublicensees in any clinical trials in the U.S., or (b) if EyePoint or its Affiliate or sublicensee has submitted an NDA to the FDA, then in the dosage, form, formulation and administration device set forth in such NDA, in each case subject to the Existing Inventory Exception. For clarity, except for any dosages, forms, formulations and administration devices of EYP-1901 that are subject to the Existing Inventory Exception, dosages, forms, formulations and administration devices of EYP-1901 that do not meet the requirements of the foregoing definition are not Licensed Products, including dosages, forms, formulations and administration devices of EYP-1901 no longer used by EyePoint or its Affiliates or sublicensees in any clinical trials in the U.S., or if EyePoint or its Affiliate or sublicensee has submitted an NDA to the FDA, dosages, forms, formulations and administration devices of EYP-1901 other than the dosage, form, formulation and administration device set forth in such NDA.

"**Losses**" has the meaning assigned to such term in Section 9.1.

"**MAA**" means a Marketing Authorization Application, NDA, or similar application, as applicable, and all amendments and supplements thereto, submitted to the FDA, NMPA, or any equivalent filing in a country or regulatory jurisdiction other than the U.S. or China with the applicable Regulatory Authority, to obtain marketing approval for a pharmaceutical or biologic product, in a country or in a group of countries, including in China an application for an Imported Drug License and a domestic Drug Registration Certificate.

"**Material Efficacy Issue**" means EyePoint has discontinued development or commercialization of the Licensed Product in the U.S. due to EyePoint's reasonable good faith determination that the Licensed Product is not efficacious for its intended use.

"**Material Safety Issue**" means EyePoint has discontinued development or commercialization of the Licensed Product in the U.S. due to EyePoint's reasonable good faith determination that the use of the Licensed Product may unreasonably adversely affect patient safety and such matter is not reasonably capable of remedy.

"**MOFCOM**" means the Ministry of Commerce of China or any successor agency with a similar scope of responsibility.

"**NDA**" means a New Drug Application seeking Regulatory Approval of a pharmaceutical product and all amendments and supplements thereto filed with the FDA, or any comparable application filed with any Regulatory Authority outside the United States.

"**Net Sales**" means, with respect to any Licensed Product, the gross invoiced sales price of such Licensed Product sold by Betta, its Affiliates or Sublicensees (the "**Selling Party**"), in finished product form, packaged and labelled for sale in arm's-length transactions to Third Parties, less deductions allowed to the Third Party customer by the Selling Party, to the extent actually taken by such Third Party customer, on such sales for:

(a)transportation charges relating to the Licensed Product, including handling charges and insurance premiums relating thereto;

(b)sales taxes, excise taxes, use taxes, VAT and duties paid by the Selling Party in relation to the Licensed Product and any other equivalent governmental charges imposed upon the importation, use or sale of the Licensed Product;

(c)government-mandated and other rebates (such as those in respect of any state or federal Medicare, Medicaid or similar programs);

(d)customary trade, quantity and cash discounts allowed on the Licensed Product;

(e)allowances or credits to customers on account of retrospective price reductions affecting the Licensed Product;

(f)customary rebates and charge-backs including those granted to managed care entities;

(g)bad debt and uncollectable invoiced amounts actually written off in accordance with the standard practices of the Selling Entity; and

(h)fees for distribution paid to wholesalers, distributors, specialty pharmacies, etc., but not commissions on sales.

If a sale, transfer or other disposition with respect to a Licensed Product in a Relevant Region involves consideration other than cash or is not at arm's length, the Net Sales from such sale, transfer, or other disposition will be calculated based on the average Net Sales price of the Licensed Product in arm's length sales for cash in the Relevant Region during the same Calendar Quarter as such sale, transfer or other disposition, or in the absence of such sales, the fair market value of the Licensed Product as mutually determined by the Parties in good faith.

Notwithstanding the foregoing to the contrary, sales of Licensed Product between Betta and its Affiliates or Sublicensees shall be excluded from the computation of Net Sales and no payments shall be payable on such sales except where such Affiliates or Sublicensees are end users.

"**NMPA**" means the National Medical Products Administration in China, or any successor agency with a similar scope of responsibility regarding the regulation of human pharmaceutical and biologic products in China.

"**Non-Breaching Party**" has the meaning assigned to such term in Section 10.2(a). "**Participation Notice**" has the meaning assigned to such term in Section 4.5.

"**Party**" or "**Parties**" has the meaning assigned to such term in the Preamble.

"**Patent**" means (a) all patents and patent applications in any country or supranational jurisdiction in the Territory, and (b) any substitutions, divisions, continuations, continuations-in-part, provisional applications, reissues, renewals, registrations, confirmations, re- examinations, extensions, supplementary protection certificates and the like of any such patents or patent applications.

"**Payments**" has the meaning assigned to such term in Section 5.5(a).

"**Person**" means any individual, partnership, joint venture, limited liability company, corporation, firm, trust, association, unincorporated organization, governmental authority or agency, or any other entity not specifically listed herein.

"**Pharmacovigilance Agreement**" has the meaning assigned to such term in Section 4.11. "**Prior Version**" has the meaning assigned to such term in Section 2.1.

"**Process Completion**" means such time when (a) EyePoint has determined the dosage, form, formulation and administration device for EYP-1901 that will be commercially available in the United States (the "**U.S. Commercial Product**"), and (b) EyePoint has completed development and validation of the process to manufacture the U.S. Commercial Product and no further modifications to such process are being made (such process, the "**Final Process**").

"**Receiving Party**" has the meaning assigned to such term in Section 7.1.

"**Registrational Clinical Trial**" means, with respect to a Licensed Product, a clinical trial that is expected, based on guidance from the FDA or other applicable Regulatory Authority, to provide the basis for submitting an application for Regulatory Approval for such Licensed Product (whether it be for the first Regulatory Approval for that Licensed Product or expansion of that Regulatory Approval to include an additional indication for such Licensed Product). For avoidance of doubt, a clinical trial or portion thereof may be a Registrational Clinical Trial regardless of whether the protocol for such clinical trial describes it as a "Phase 1," "Phase 2," or "Phase 3" clinical trial, or any variation thereof.

"**Regulatory Approval**" means all Approvals, including if required by Applicable Laws, pricing or reimbursement Approvals, necessary for the marketing and sale of a Licensed Product in the Territory, which may include satisfaction of all applicable regulatory and notification requirements.

"**Regulatory Authority**" means any federal, national, supranational, state, provincial, directly administered municipality or local regulatory agency, department, bureau or other Governmental Authority, including the CDE and the NMPA, that has authority over the manufacture, development, commercialization or other use or exploitation (including the granting of Regulatory Approval) of any Licensed Product in any applicable regulatory jurisdiction.

"**Regulatory Materials**" means materials developed or compiled in preparation for Regulatory Authority meetings, regulatory applications (including INDs and MAAs), submissions,

dossiers, notifications, registrations, Regulatory Approvals (including Approvals of MAAs, supplements and amendments, pre- and post-approvals, pricing approvals, and labeling Approvals) and/or other filings or communications made to or with, or other Approvals granted by, a Regulatory Authority or Governmental Authority that are necessary or reasonably desirable for or incidental to the development, manufacture or commercialization of a Licensed Product in a particular regulatory jurisdiction.

"**Representatives**" has the meaning assigned to such term in Section 8.7.

"**Review Period**" has the meaning assigned to such term in Section 4.5.

"**Royalty Term**" has the meaning assigned to such term in Section 5.1(b).

"**Section 8.8 Representatives**" has the meaning assigned to such term in Section 8.8(a).

"**Sublicensee**" means, with respect to a particular Licensed Product, a Third Party to whom Betta has granted a sublicense, license, or other transfer of rights under any EyePoint Patents and EyePoint Know-How, but excluding (i) distributors, and (ii) limited use licenses to Third Party service providers who perform services on behalf of Betta provided that no right to sell, have sold or otherwise commercialize the Licensed Product has been granted to such Third Party service provider.

"**Supply Agreements**" means, collectively, the Clinical Supply Agreement, the Clinical Supply Quality Agreement, the Commercial Supply Agreement and the Commercial Supply Quality Agreement.

"**Tax**" means any form of tax or taxation, levy, duty, charge, social security charge, contribution or withholding of whatever nature, together with any related fine, penalty, surcharge or interest thereon imposed by, or payable to, a Governmental Authority.

"**Term**" has the meaning assigned to such term in Section 10.1.

"**Territory**" means the Greater Area of China, including (a) China, (b) the Hong Kong Special Administrative Region ("**Hong Kong**"), (c) the Macau Special Administrative Region ("**Macau**"), and (d) Taiwan (each of the foregoing a "**Relevant Region**").

"**Territory Filings and Approvals**" has the meaning assigned to such term in Section 4.13.

"**Third Party**" means any Person other than Betta or EyePoint or an Affiliate of Betta or EyePoint.

"**Third Party Acquisition**" means the acquisition by EyePoint or its Affiliate of a Third Party or a portion of the business of a Third Party (whether by merger or acquisition of all or substantially all of the stock or of all or substantially all of the assets of such Third Party or of any operating or business division of such Third Party or similar transaction).

"**Third Party License**" means any license or other agreement between a Third Party and Betta or its Affiliate or Sublicensee, pursuant to which Betta or its Affiliate or Sublicensee (as

applicable) is granted a license to Patents or Know-How owned or Controlled by a Third Party, where such license is necessary or useful, in Betta's sole discretion, for the development, manufacture or commercialization of the Licensed Products in the Field in the Territory.

"**United States**" or "**U.S.**" means the United States of America, including its territories and possessions.

"**Valid Claim**" means a claim of (a) an issued and unexpired Patent within the EyePoint Patents that has not been abandoned, or (b) an application within the EyePoint Patents that has been pending approval for no more than seven (7) years after the initial date of filing, and that (in each case, as applicable) has not been held invalid or unenforceable by a court or other government agency of competent jurisdiction from which no appeal can be or has been taken and has not been held or admitted to be invalid or unenforceable through reexamination or disclaimer, opposition procedure, nullity suit or otherwise.

"**VAT**" has the meaning assigned to such term in Section 5.5(b).

ARTICLE 2. GRANT OF RIGHTS

2.1 Licenses.

Subject to the terms and conditions of this Agreement, EyePoint hereby grants to Betta an exclusive (even as to EyePoint and its Affiliates, subject to Section 2.3 below), royalty-bearing right and license, with the right to grant sublicenses (including through multiple tiers of sublicensees, subject to Section 2.2 below), under the EyePoint IP to develop, use (but not make or have made), sell, offer for sale and import the Licensed Products in the Field in the Territory (the "**Exclusive License**"). For clarity, the Exclusive License expressly excludes the right to (a) make or have made the Licensed Product other than to label and package (or relabel or repackage, as applicable) the finished Licensed Product provided by EyePoint under the Supply Agreements for sale in the Field in the Territory, (b) sell or offer for sale the Licensed Product in combination with any other active pharmaceutical ingredient or therapeutic agent, whether co-formulated, co-packaged or bundled, or (c) develop, use, make, have made, sell, offer for sale and import any dosage, form, formulation or administration device of EYP-1901 that is not a Licensed Product; provided, that if Betta or its Affiliate or Sublicensee commences a clinical trial in the Territory using a particular dosage, form, formulation or administration device of EYP-1901 that constitutes the then-current Licensed Product (the "**Prior Version**"), and the dosage, form, formulation or administration device of EYP-1901 that constitutes the Licensed Product changes from the Prior Version during the conduct of such clinical trial, Betta or its Affiliate or Sublicensee shall have the right under the Exclusive License to continue to use its existing inventory of the Prior Version to perform such clinical trial (the "**Existing Inventory Exception**").

2.2 Sublicenses.

The Exclusive License may be sublicensed, in whole or in part, by Betta to its Affiliates or Third Parties with the prior written consent of EyePoint, not to be unreasonably withheld; provided, that no consent shall be required for sublicenses to (a) distributors, and (b) limited use sublicenses to Third Party service providers who perform services on behalf of Betta provided that no right to sell, have sold or otherwise commercialize the Licensed Product has been granted to such Third

Party service provider. Each sublicense shall be in writing and consistent with and subject to the terms and conditions of this Agreement. Betta shall continue to be responsible for the performance of its obligations under this Agreement and will be responsible for all actions of its Affiliates and sublicensees as if such Affiliates and sublicensees were Betta hereunder. Betta shall provide EyePoint with a full and complete copy of each sublicense agreement with a Sublicensee within thirty (30) days after execution, subject to Betta's right to redact provisions of such sublicense that are not necessary to verify compliance with this Agreement.

2.3 No Implied Rights; Retained Rights.

Except as expressly stated herein, Betta shall have no other right to use, or interest in, the EyePoint Patents or the EyePoint Know-How. Additionally, Betta shall not have any interest in any other Patents or other intellectual property owned, licensed, developed or Controlled by EyePoint, other than as expressly provided in this Agreement or other valid written agreements. EyePoint makes no grant of intellectual property rights by implication. All rights that are not specifically granted herein by EyePoint to Betta are reserved to EyePoint. Without limitation of the foregoing, EyePoint retains rights under the EyePoint IP, with the right to grant licenses through multiple tiers, to (a) perform its obligations under this Agreement, (b) import the Licensed Product in the Territory to the extent necessary to exercise its retained rights, and (c) subject to Section 4.5, develop in clinical trials the Licensed Product in the Field in the Territory.

2.4 Registration of Agreement.

In accordance with Applicable PRC Laws, within fifteen (15) days after the Effective Date, Betta shall complete the registration of this Agreement with (a) the competent local counterpart of MOFCOM as a technology importation contract pursuant to the PRC Technology Importation and

Exportation Administrative Regulations (i.e. 中华人民共和国技术进出口管理条例)
promulgated by the State Council of China effective as of January 1, 2002 and amended as of March 2, 2019 and the Registration of Technology Importation and Exportation Contracts

Administrative Measures (i.e.技术进出口合同登记管理办法) promulgated by MOFCOM and
effective as of March 3, 2009, in each case, as may be amended from time to time, and (b) any other applicable Regulatory Authority as required under Applicable PRC Laws. Betta shall also be responsible for filing this Agreement with the National Intellectual Property Administration of

PRC pursuant to the Measures for the Filing of Patent Exploitation License Contracts (i.e. 专利实施许可合同备案办法). Upon successful registration of this Agreement with each applicable

Regulatory Authority in the Territory, Betta shall promptly forward to EyePoint certified true and complete copies of any registration certificates as well as any other relevant documentation received by Betta in connection with the same, including English translations of the same, if appropriate.

2.5 Exclusivity by Betta.

During the Term, Betta will not (and Betta will ensure that its Affiliates do not) anywhere in the world, directly or indirectly: (a) alone or with or for any Third Party, develop (including drug discovery, screening or pre-clinical or clinical research), manufacture or commercialize any

Competing Product in the Field; (b) grant a license, sublicense, option or other rights to any Third Party to conduct any of the activities in subsection (a); or (c) transfer, assign, convey or otherwise sell any Competing Product in the Field or any rights in any Competing Product in the Field or grant an option to do any of the foregoing, in each case of (a), (b) and (c) other than in performance of activities under this Agreement.

2.6 Exclusivity by EyePoint.

(a)During the Term, EyePoint will not (and EyePoint will ensure that its Affiliates do not) anywhere in the Territory, directly or indirectly: (i) alone or with or for any Third Party, develop (including drug discovery, screening or pre-clinical or clinical research), manufacture or commercialize any Competing Product in the Field; (ii) grant a license, sublicense, option or other rights to any Third Party to conduct any of the activities in subsection (i); or (iii) transfer, assign, convey or otherwise sell any Competing Product in the Field or any rights in any Competing Product in the Field or grant an option to do any of the foregoing, in each case of (i), (ii) and (iii) other than in performance of activities under this Agreement or as permitted under Sections 2.6(b) and 2.6(c) of this Agreement.

(b)Notwithstanding Section 2.6(a), if a Change of Control occurs with respect to EyePoint or its parent Affiliate with an Acquiring Entity, and the Acquiring Entity (or any of such Acquiring Entity's successors or assigns, other than the relevant Pre-Existing Entities) as of the Change of Control has a program or product in development or commercialization that would otherwise violate Section 2.6(a), and which program did not directly or indirectly originate from EyePoint or any from the license or other transfer of any rights under EyePoint Patents or EyePoint Know-How (each, a "**COC Program**"), then (i) Section 2.6(a) shall not apply with respect to such COC Program unless the COC Program subsequently uses directly or indirectly any of the EyePoint Patents or EyePoint Know-How, and (ii) such Acquiring Entity will be permitted to continue such COC Program after such Change of Control and such continuation will not constitute a violation of Section 2.6(a).

(c)Notwithstanding Section 2.6(a), if EyePoint or its Affiliate closes a Third Party Acquisition where the applicable Third Party, prior to such closing, is conducting a clinical development or commercialization program that, if conducted by EyePoint at such time, would be a breach of EyePoint's exclusivity obligation in Section 2.6(a) (an "**Acquisition Program**"), then EyePoint and its Affiliates will, at its option, either (i) divest its rights to such Acquisition Program in the Field in the Territory, or (ii) cease the development and commercialization of such Acquisition Program in the Field in the Territory, in each case of (i) and (ii) within one (1) year after the closing of the applicable Third Party Acquisition. For clarity, the obligation to divest or cease activities under this Section 2.6(c) shall only apply to activities that are being conducted in the Territory.

2.7 Section 365(n) of the U.S. Bankruptcy Code.

All rights and licenses granted under or pursuant to any section of this Agreement are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(35A) of the Bankruptcy Code. Each Party shall retain and may fully exercise all of its rights and elections under the Bankruptcy

Code or equivalent legislation in any other jurisdiction. Upon the bankruptcy of either Party, the other Party shall further be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property, and such, if not already in its possession, shall be promptly delivered to such other Party, unless the Party in bankruptcy elects to continue, and continues, to perform all of its obligations under this Agreement.

ARTICLE 3. GOVERNANCE

3.1 Establishment of the JSC.

The Parties will establish a joint steering committee to review and oversee the development and commercialization of the Licensed Products in the Field in the Territory and to coordinate the Parties' activities under this Agreement (the "**Joint Steering Committee**" or "**JSC**"). Within thirty (30) days after the Effective Date, each Party shall appoint two (2) representatives to the JSC, each of whom shall have sufficient seniority and relevant expertise to make decisions within the scope of the JSC's responsibilities. The JSC may change its size from time to time by mutual consent of the Parties; provided, that the JSC will consist at all times of an equal number of representatives of each of EyePoint and Betta. Each Party may at any time replace its JSC representatives upon written notice to the other Party.

3.2 Co-Chairpersons of JSC.

Each of EyePoint and Betta will select from their representatives a co-chairperson for the JSC, and each Party may change its designated co-chairperson from time to time upon written notice to the other Party. The co-chairpersons of the JSC will be responsible, with the assistance of the Alliance Managers, for calling meetings, preparing and circulating an agenda and relevant materials (including drafts of, updates to, or any proposed changes to the Development Plan) to the other Party at least ten (10) Business Days in advance of each meeting, and preparing and issuing minutes of each meeting within ten (10) Business Days thereafter. The co-chairpersons of the JSC shall be responsible for executing the final agreed version of the minutes from each meeting of the JSC and such minutes, when executed by the co-chairperson from each Party, shall be binding upon the Parties, including with respect to any amendment or waiver to the terms of this Agreement that is included in such minutes.

3.3 JSC Responsibilities.

The JSC shall be responsible for:

(a)coordinating the activities of the Parties under this Agreement and providing a forum to facilitate communications between the Parties under this Agreement;

(b)overseeing, reviewing and discussing the development and commercialization of the Licensed Products in the Field in the Territory, including the activities of Betta and its Affiliates and Sublicensees to (i) develop the Licensed Products in the Field in the Territory in accordance with the Development Plan, (ii) following receipt of Regulatory Approval, launch, market, distribute and sell Licensed Products in the Field in the Territory, and (iii) Betta's selection of Third Party service providers to support Betta's efforts to develop and commercialize the Licensed Products in the Field in the Territory;

(d)reviewing and discussing changes to the Development Plan, overseeing the implementation of the Development Plan, and reviewing and discussing the Data and results of the Development activities under the Development Plan, in each case, subject to the provisions of Section 3.5 below;

(e)reviewing and discussing commercial strategy, including the launch plan, branding, marketing, market access, and pricing for the Licensed Products in the Territory;

(f)discussing at a high-level and exchanging relevant information relating to the development, manufacturing and commercialization activities for the Licensed Products undertaken by EyePoint and its Affiliates and sublicensees outside of Field and/or the Territory (i) to the extent relevant to the development and commercialization of the Licensed Products in the Field in the Territory, and (ii) to the extent that EyePoint has the right to disclose such information to Betta; and

(g)performing such other functions as appropriate to further the purposes of this Agreement, as expressly set forth in this Agreement or allocated to it by the Parties in writing by mutual agreement.

The Parties acknowledge and agree that although the JSC does not have the right to approve the Development Plan itself and any amendments thereto, the JSC has oversight and authority as set forth in Section 3.5 over the development of the Licensed Products in the Field in the Territory.

3.4 JSC Meetings.

The JSC will hold meetings on a quarterly basis at such times as the co-chairpersons may reasonably determine. Unless otherwise agreed by the Parties, all JSC meetings shall be held by teleconference, videoconference or other similar or mutually acceptable electronic means. Each Party will bear its own costs associated with attending meetings of the JSC. Each Party may from time to time invite a reasonable number of participants (including translators), in addition to its representatives, to attend the JSC meetings in a non-voting capacity. Each individual attending any JSC meeting hereunder (whether as a JSC member or invitee) shall be bound by written non-use and non-disclosure terms and conditions at least as restrictive as those set forth in this Agreement with respect to the Confidential Information of the other Party (for clarity, this may be through employment, confidentiality, invention assignment or similar agreements with such individuals). All materials to be discussed at a JSC meeting must be sent to the Parties at least ten (10) Business Days prior to such meeting.

3.5 JSC Decision-Making.

The members of each Party on the JSC shall collectively have one vote. Except as otherwise provided in this Section 3.5, decisions of the JSC shall be made by unanimous vote; provided, that at least one (1) representative from each Party participates in such vote. If the JSC does not reach unanimity with respect to a particular matter, and the JSC is unable to resolve the dispute within fifteen (15) days, then either Party may, by written notice to the other Party, have such matter referred to the Executive Officers, who shall meet promptly and negotiate in good

faith to resolve the dispute. If the Executive Officers are unable to resolve such dispute within fifteen (15) days, then:

(a)EyePoint shall have final decision-making authority with respect to any matters that (i) raise *bona fide* safety concerns for the Licensed Product or *bona fide* technical concerns for Manufacturing the Licensed Product, or (ii) reasonably could be expected to have a material adverse effect on the development or commercialization of a Licensed Product outside of the Territory; and

(b)Betta shall have final decision-making authority with respect to all other matters.

Each Party shall at all times exercise its final decision-making authority using reasonable scientific and business judgment, in compliance with Applicable Laws, and with respect to Betta in accordance with its diligence obligations in Section 4.2.

3.6 Limitations on Authority of JSC.

The JSC shall not have responsibility for, oversight over or decision-making authority with respect to, the development and commercialization of the Licensed Products outside the Field and/or the Territory, or the manufacturing of the Licensed Products by or on behalf of EyePoint or its Affiliates or sublicensees. Neither Party, in exercising its final decision-making authority, shall have the authority or power to (a) amend or modify the terms of this Agreement, (b) avoid or seek to avoid any obligation of such Party under this Agreement, (c) waive compliance with the terms of this Agreement, (d) permit a Party to take an action that requires the prior written consent or other approval of the other Party under this Agreement, or (e) impose additional financial or other obligations on a Party that are not otherwise specified in this Agreement or agreed to by such Party.

3.7 Alliance Managers.

Each Party shall appoint a single English-speaking individual to act as the primary point of contact between the Parties in connection with the development and commercialization of the Licensed Products in the Field in the Territory (the "**Alliance Managers**"). Each Party may at any time appoint a different Alliance Manager by written notice to the other Party and may elect, upon mutual agreement by the Parties, to eliminate the responsibilities of the Alliance Managers. The Alliance Managers will (a) attend all meetings of the JSC, and (b) be the first point of referral for all matters of conflict resolution, and bring disputes to the attention of the JSC in a timely manner.

ARTICLE 4. DEVELOPMENT AND COMMERCIALIZATION

4.1 Betta Development and Commercialization.

Betta, either itself and/or by and through its Affiliates or Sublicensees, shall be solely responsible for and shall have full control and authority with respect to, all development, registration, manufacturing, marketing, advertising, promotional, launch and sales activities in connection with the Licensed Products in the Field in the Territory. All costs associated with such activities shall be borne solely by Betta.

4.2 Betta Diligence.

(a)Betta, either by itself or through its Affiliates or Sublicensees, shall use Commercially Reasonable Efforts to develop, seek Regulatory Approval for and commercialize at least one Licensed Product in the Field in the Territory.

(b)Without limiting Betta's obligations under Section 4.2(a) and Section 4.3, Betta, by itself or through its Affiliates or Sublicensees, shall achieve each of the following diligence milestones by the corresponding diligence deadline:

	Diligence Milestone	Diligence Deadline
1	Submission of the first IND for a Licensed Product in China	Within [***] months after the Effective Date
2	First dosing of the first patient in a clinical trial for a Licensed Product in the Field in China	Within [***] months after approval of the first IND for a Licensed Product in China
3	First dosing of the first patient in a Registrational Clinical Trial for a Licensed Product in the Field in China	Within [***] months after approval of the first IND for a Licensed Product in China
4	Submission of an NDA to NMPA seeking Regulatory Approval for a Licensed Product in the Field in China	Within [***] months after the Effective Date

If Betta anticipates that it will not be able to achieve one or more of the diligence milestones set forth above by the corresponding diligence deadline, Betta shall provide EyePoint with written notice thereof. The Parties, through the JSC, shall discuss Betta's expectations regarding timing relating to achievement of the applicable milestone(s) and the factors relating thereto. EyePoint shall consider in good faith, and shall not unreasonably withhold its consent to, any reasonable extension to the diligence deadlines set forth above proposed by Betta to the extent that any delay in achieving the corresponding diligence milestones by such diligence deadlines is due to unforeseen technical or regulatory difficulties beyond the reasonable control of Betta; provided, that the Parties shall extend the diligence deadlines set forth above by a reasonable period of time to the extent necessary to account for the following circumstances: (i) a failure by EyePoint to timely perform its obligations under Section 4.6; (ii) if Betta is required by NMPA to generate additional data or documentation not included in the EyePoint Know-How in order to support submission of an IND for the Licensed Product to NMPA in China; or (iii) if the IND for the Licensed Product previously filed by EyePoint in the United States is not otherwise sufficient to support submission of an IND for the Licensed Product to NMPA in China. For clarity, any amendment to the diligence deadlines set forth above shall require the written agreement of the Parties. If Betta agrees to participate in the Global Trial, then these diligence milestones shall not

apply and will be replaced by the development plan for the Global Trial; provided, that Parties shall extend the diligence deadlines for Betta set forth in the development plan by a reasonable period of time to the extent necessary to account for EyePoint's performance of and control of the Global Trial.

4.3 Development Plan.

Betta shall use Commercially Reasonable Efforts to develop the Licensed Products in the Field in the Territory pursuant to a development plan that will include a description of the development activities to be performed in support of obtaining Regulatory Approval for the Licensed Products in the Field in the Territory, including study designs and projected timelines for the completion of such activities (the "**Development Plan**"). Without limiting the foregoing, the Development Plan will include projected timelines for the achievement of material development milestones, including the following material development milestones: (a) submission by Betta of the first IND for a Licensed Product in China; (b) initiation of the first clinical trial in China for a Licensed Product; (c) initiation of the first Registrational Clinical Trial in China for a Licensed Product; and (d) the submission of an NDA for a Licensed Product to the NMPA. Within [***] days after the Effective Date, Betta shall submit to the JSC the initial Development Plan. Not later than [***] days prior to December 31 of each Calendar Year during the Term when development of the Licensed Products in the Field in the Territory is ongoing, Betta shall submit to the JSC for its review an updated Development Plan for the next Calendar Year. Such update shall take into account completion, commencement, changes in or cessation of development activities not contemplated by the then-current Development Plan in sufficient detail to reflect the continued diligence of Betta and its Affiliates and Sublicensees. Any material changes to the Development Plan made outside of the annual process to update the Development Plan shall be prepared by Betta, including the addition of any clinical trial protocols or any material changes thereto, and shall be submitted to the JSC for review. In the event of any proposed change to the Development Plan as a result of any interaction with any Regulatory Authority or Governmental Authority, the JSC shall meet as promptly as practicable to review and discuss any such proposed changes and determine an appropriate revision (if any) to the Development Plan. EyePoint shall have the right to review and comment on any updates to the Development Plan proposed by Betta before such updates are submitted to the JSC for review. In the event EyePoint reasonably disagrees with an update to the Development Plan, Betta shall consider in good faith EyePoint's comments relating thereto. For clarity, if Betta participates in the Global Trial, then the development plan for the Global Trial will replace the requirement for the Development Plan.

4.4 Development Records.

Betta shall maintain complete and accurate records of all work conducted by or on behalf of Betta in furtherance of the development of the Licensed Products and all material results and Data generated in conducting such activities. Such records shall be maintained in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes and in accordance with Applicable Laws. EyePoint shall have the right to receive a copy of such records upon request.

4.5 Global Clinical Trial.

In the event that EyePoint decides to conduct a global Registrational Clinical Trial for a Licensed Product in the Field (a "**Global Trial**"), Betta shall have the right to participate in such Global Trial by including clinical trial sites in the Territory on the terms set forth in this Section 4.5 ("**Development Participation Right**"). In advance of any Global Trial, EyePoint shall provide written notice thereof to Betta (a "**Global Trial Notice**"). Betta shall have sixty (60) days from receipt of the Global Trial Notice (the "**Review Period**") to exercise its Development Participation Right by providing written notice thereof to EyePoint (the "**Participation Notice**"). If Betta exercises its Development Participation Right within the Review Period, the Parties shall negotiate in good faith for up to sixty (60) days an agreement setting forth the terms of Betta's participation in the Global Trial, which shall include Betta's obligation to support EyePoint in connection with the Global Trial by (a) recommending clinical trial sites in the Territory; provided, that EyePoint shall have the right to reject any clinical trial sites that do not meet the regulatory, quality or other standards of EyePoint, in EyePoint's sole discretion, (b) bearing all costs and expenses incurred by or on behalf of Betta for its participation in such Global Trial conducted in the Territory, and (c) reimbursing EyePoint for a that portion of its internal and external expenses attributable to the Territory, including the expenses of any contract research organization or other Third Party service providers, to oversee and manage the Global Trial to the extent attributable to the Territory. For clarity, EyePoint shall have the right to control, in its sole discretion, the study design and study protocol for the Global Trial. If Betta does not deliver a Participation Notice to EyePoint during the Review Period, or if the Parties are unable to execute an agreement providing for Betta's participation in the Global Trial within sixty (60) days of the Participation Notice, then Betta will be deemed to have waived its Development Participation Right for the Global Trial and EyePoint shall have no further obligation to Betta under this Section 4.5 with respect to participation in the Global Trial and shall have the right to move forward with the Global Trial in the Territory and Betta will have no obligation to participate in the Global Trial. For clarity, if Betta elects not to participate in the Global Trial but conducts its own Registrational Clinical Trial for the Licensed Product in the Territory for the same indication, EyePoint will still provide Betta all the data, results and documents generated through the Global Trial to support the clinical, commercial development and the regulatory approval of the Licensed Product in the Territory for such indication as provided in this Agreement. Notwithstanding any term of this Agreement to the contrary, if Betta does not conduct its own Registrational Clinical Trial for the Licensed Product for a particular indication in the Field in the Territory and elects not to participate in a Global Trial for such indication conducted by EyePoint, then Betta shall not have the right to use or access any data generated by or on behalf of EyePoint in the Global Trial unless and until Betta reimburses EyePoint for the proportionate costs to conduct the Global Trial for such indication in the Territory. For clarity, Betta may elect to develop, at its own cost and expense, the Licensed Products in any indication in the Field in the Territory as approved under the Development Plan, even if Betta does not exercise its Development Participation Right with respect to the same indication in the Field in the Territory.

4.6 Know-How Transfer.

(a) Initial Transfer. Within thirty (30) days after the Effective Date, EyePoint shall transfer and deliver to Betta, at no cost to Betta, an electronic copy (which may be through access

to a secured electronic database) of the EyePoint Know-How, as set forth on Exhibit B, that Betta needs to file an IND with respect to the Licensed Product in the Territory.

(b)Continuing Transfer Obligation. After the initial transfer of the EyePoint Know-How contemplated by Section 4.6(a) above, from time to time during the Term at Betta's request, EyePoint shall transfer and deliver to Betta all tangible embodiments of any other material then-existing EyePoint Know-How (other than Data and reports that are subject to transfer in accordance with Section 4.9(a) and Know-How for Manufacturing the Licensed Product) not previously transferred and delivered to Betta that is necessary to Exploit the license set forth in Section 2.1, including without limitation for Betta to obtain or maintain Regulatory Approval for the Licensed Product in the Territory.

(c)No Transfer of Manufacturing Know-How. Notwithstanding any term of this Agreement to the contrary, EyePoint shall have no obligation under this Agreement to transfer or otherwise deliver to Betta or its Affiliates, Sublicensees or agents, (i) any EyePoint Know-How necessary to enable manufacturing of the Licensed Products, or (ii) any other chemistry, manufacturing or control (CMC) information included within the EyePoint Know-How that is considered proprietary information belonging to EyePoint (the "**CMC Information**"). In order to support Regulatory Approval of the Licensed Products in the Field in the Territory, EyePoint will provide necessary CMC Information directly to the applicable Regulatory Authority in the Territory or will provide Betta with a letter of cross reference to allow Regulatory Authorities in the Territory to reference such CMC Information from the appropriate EyePoint dossier(s), and the Parties will work together in good faith to ensure that CMC Information that satisfies the requirements of Regulatory Authorities in the Territory is provided while also taking into account any bona fide concerns of EyePoint with respect to the scope of CMC Information and other proprietary EyePoint Know-How that is disclosed.

(d)Translations. Each Party shall be solely responsible at its sole expense for translating, or arranging for a Third Party service provider to translate, any materials, reports or other documentation received from the other Party under this Agreement into the local language as necessary for use in the relevant jurisdiction.

4.7 EyePoint Support.

In addition to EyePoint's express obligation to provide certain information and customary and reasonable support under Sections 4.6, 4.8(b), 4.8(c) and 4.9, the Parties understand and agree that it may be necessary for Betta from time to time to seek additional consulting support from EyePoint with respect to matters relating to the development of the Licensed Products in the Field in the Territory under this Agreement (the "**EyePoint Support**"). Upon the request of Betta, EyePoint shall provide the EyePoint Support to Betta, subject to the following terms and conditions: (1) all EyePoint Support shall be provided through EyePoint personnel, and EyePoint shall have no obligation to (x) provide any EyePoint Support that requires EyePoint to utilize any Third Party service provider not under contract with EyePoint for the scope of the requested EyePoint Support or incur any out-of-pocket costs, including any fees charged by any Third Party service provider that are not paid directly by Betta or paid in advance by Betta to EyePoint, unless EyePoint agrees to provide such EyePoint Support in writing, and Betta timely pays (or reimburses EyePoint for) all such out-of-pocket costs, or (y) require any EyePoint employees to travel in-

person to the Territory except as necessary for meetings with Regulatory Authorities, subject to availability of such EyePoint employees and reimbursement by Betta of any related expenses; and [***] of EyePoint Support provided by EyePoint employees shall be provided at no cost to Betta. Upon the request of EyePoint, the Parties shall enter into a separate written agreement relating to the EyePoint Support if the [***] are not adequate to address the need from Betta.

4.8 Regulatory Activities.

(a) Regulatory Materials. Betta shall apply for and maintain, at Betta's sole cost and expense, all Regulatory Materials relating to the Licensed Products in the Field in the Territory. All Regulatory Materials relating to the Licensed Products in the Field in the Territory shall be owned by Betta and held in Betta's name, except for any Regulatory Materials, including any IND or Imported Drug License, that are required under Applicable Laws to be filed in EyePoint's name, which Regulatory Materials will be owned by EyePoint, but shall be prepared, filed and maintained by Betta on EyePoint's behalf (such Regulatory Materials in EyePoint's name and owned by EyePoint, the "**EyePoint Territory Regulatory Documents**"). EyePoint shall, at the direction of and with the assistance of Betta, execute any documentation prepared by Betta necessary to appoint Betta as EyePoint's local regulatory agent to perform regulatory actions on its behalf in connection with the EyePoint Territory Regulatory Documents. Betta shall be responsible, at Betta's sole cost and expense, for all communications and interactions with Regulatory Authorities with respect to the Licensed Products in the Field in the Territory, both prior to and subsequent to receipt of any Regulatory Approvals. At least thirty (30) days in advance of filing any material Regulatory Document relating to a Licensed Product with any Regulatory Authority in the Territory, including any IND or MAA (or, if a Regulatory Authority requires that a filing be made in a period that does not allow for such thirty (30) day advance review period, then at a mutually agreed upon time in advance of such filing), Betta shall provide to EyePoint for EyePoint's review and comment the then-current draft of such Regulatory Document in full in Chinese and an English translation thereof. Betta will consider in good faith EyePoint's comments to any material Regulatory Materials relating to a Licensed Product prior to filing such Regulatory Materials with the applicable Regulatory Authorities; provided, that no EyePoint Territory Regulatory Document relating to a Licensed Product may be filed in the Territory without the prior written consent of EyePoint, such consent not to be unreasonably withheld, conditioned or delayed. Betta shall notify EyePoint in writing at least ten (10) Business Days in advance of any material meeting with Regulatory Authorities in the Territory relating to the Licensed Products, and EyePoint shall have the right, but not the obligation, to have a representative of EyePoint accompany Betta to each such meeting in an observational capacity if such attendance is permitted by the applicable Regulatory Authorities in the Territory; provided, that, with respect to any meeting with Regulatory Authorities in the Territory pertaining to an EyePoint Territory Regulatory Document, EyePoint's representative shall have the right to attend such meeting as a representative of the applicant/owner of such EyePoint Territory Regulatory Document, unless EyePoint agrees in writing prior to such meeting that such representative shall be in attendance in an observational capacity only. If a Regulatory Authority requires EyePoint to execute any document or attend any meeting, as for example as the applicant/owner of an EyePoint Territory Regulatory Document, then EyePoint will promptly provide Betta with the necessary support at the expense of Betta.

(b)Requests for Information from Regulatory Authorities. Upon the request by a Regulatory Authority or Governmental Authority in the Territory to Betta for any information or materials relating to the Licensed Products that have not already been provided to Betta under the terms of this Agreement, EyePoint shall promptly provide to Betta such information or materials to the extent that such information or materials are in the Control of EyePoint.

(c)Requests for Information. Within thirty (30) days of receipt or filing, each Party shall provide the other Party with an electronic copy of all material Regulatory Materials and correspondence with Regulatory Authorities or Governmental Authorities, including any IND or MAA, that are (i) Controlled by such Party and permitted to be disclosed by such Party to the other Party, and (ii) necessary for the development of the Licensed Products in the other Party's territory. Additionally, upon the reasonable request of a Party, the other Party shall, as soon as practicable, provide the requesting Party with (x) an electronic copy, of all other Regulatory Materials and correspondence with Regulatory Authorities or Governmental Authorities, and (y) a written summary of all other interactions with Regulatory Authorities and Governmental Authorities, in each case by or on behalf of EyePoint or its Affiliates or Betta or its Affiliates or Sublicensees with respect to the development of the Licensed Products in the Field in its territory, that is in each case (1) Controlled by such Party and permitted to be disclosed by such Party to the other Party, and (2) necessary for the development of the Licensed Products in the other Party's territory.

4.9 Data Sharing and Use.

(a)Exchange of Data and Other Information. In addition to the technology transfer obligations under Section 4.6 and the adverse event and safety reporting obligations under Section 4.11, each Party shall promptly provide the other Party, through the JSC if practicable or if not practicable directly to the other Party, with copies of all material Data, including non-clinical and clinical data, and reports, that are in each case (i) generated from its (or its Affiliates' or sublicensees') development of the Licensed Products in its respective territory, (ii) Controlled by such Party and permitted to be disclosed by such Party to the other Party, and (iii) necessary for the development of the Licensed Products in the other Party's territory. Each Party shall be responsible for obtaining all Approvals and completing all filings required under Applicable Laws for the transfer of Data and reports to the other Party as required under this Section 4.9(a).

(b)Right to Use and Reference. Each Party shall have the right to use and reference any Data, reports and Regulatory Materials disclosed to such Party under this Agreement in support of obtaining Regulatory Approval for the Licensed Products in its respective territory, in each case consistent with the rights and licenses granted by each Party to the other Party under Article 2.

4.10 Reporting Obligations.

(a) Development and Commercialization Reports. On a semi-annual basis during the Term, within fifteen (15) days after the release of Betta's semi-annual and annual company reports (or, if Betta no longer has an obligation to release semi-annual and annual company reports, then no less than once every six (6) months), Betta shall submit to EyePoint a high-level report summarizing Betta's and its Sublicensees' activities related to the development and commercialization of the Licensed Products during the prior semi-annual period. Additionally, if

any material issue relating to the development or commercialization of the Licensed Products in the Territory occurs during the time period between the delivery of the semi-annual reports, Betta shall promptly deliver to EyePoint written notice summarizing such material issue. EyePoint shall have the opportunity to discuss each such report and its contents with Betta, either through the JSC or in any other manner reasonably acceptable to EyePoint, and Betta shall provide to EyePoint any additional documentation or information reasonably requested by EyePoint relating to such reports.

(b) Disclosure Reports. Upon the request of EyePoint made no more than once per Calendar Quarter during the Term, Betta shall submit to EyePoint a running list of the Third Parties to whom Betta and its Affiliates and Sublicensees have disclosed EyePoint's Confidential Information during the Term.

4.11 Safety Data Exchange and Global Safety Database.

Within ninety (90) days of the Effective Date, but in any event prior to commencement of any clinical trials with a Licensed Product in the Field in the Territory by or on behalf of Betta or its Affiliates or Sublicensees, the Parties will in good faith negotiate and finalize a separate safety data exchange agreement (the "**Pharmacovigilance Agreement**"), the terms of which shall set forth the obligations, procedures and timelines for exchanging information (such as the occurrence of adverse events and serious adverse events) observed in connection with the Licensed Products in order to enable each Party to comply with its safety reporting obligations to Regulatory Authorities in their respective territories. Prior to the execution of the Pharmacovigilance Agreement, each Party shall promptly notify the other Party of any information observed in connection with the Licensed Products necessary to enable such Party to comply with its safety reporting obligations to Regulatory Authorities. EyePoint shall be responsible for maintaining a global safety database with respect to the Licensed Products. Betta shall be responsible for reporting all adverse drug reaction experiences related to the Licensed Products in connection with the activities of Betta under this Agreement to the applicable Regulatory Authorities in the Territory in accordance with all Applicable Laws.

4.12 Supply Agreements.

(a)Subject to this Section 4.12 and Section 4.13, EyePoint shall be responsible for manufacturing all quantities of the Licensed Products necessary for Betta to develop and commercialize the Licensed Products in the Field in the Territory. Betta acknowledges and agrees that EyePoint has engaged or in the future may engage certain Third Party contract manufacturers to manufacture the Licensed Products on behalf of EyePoint. Betta is responsible for supplying EyePoint with the quantities of the Equinox Compound that are necessary to manufacture the Licensed Product required by Betta, and EyePoint's obligations to supply quantities of the Licensed Products to Betta shall be subject to, and limited by, Betta's ability to deliver such quantities of the Equinox Compound to EyePoint.

(b)Within [***] days after the execution of this Agreement, the Parties shall enter into a clinical supply agreement (the "**Clinical Supply Agreement**") and a related quality agreement (the "**Clinical Supply Quality Agreement**") pursuant to which EyePoint shall supply to Betta quantities of the Licensed Products in bulk, unlabeled form at

EyePoint's Fully Burdened Manufacturing Cost to support the development of Licensed Products in the Field in the Territory.

(c)At least [***] prior to the anticipated date of Regulatory Approval of a Licensed Product in China, the Parties shall negotiate in good faith the terms of and enter into a commercial supply agreement (the "**Commercial Supply Agreement**,") and a related quality agreement (the "**Commercial Supply Quality Agreement**") pursuant to which EyePoint shall supply to Betta quantities of the Licensed Products in bulk, unlabeled form at EyePoint's Fully Burdened Manufacturing Cost, to support the commercialization of Licensed Products in the Field in the Territory. The Commercial Supply Agreement and Commercial Supply Quality Agreement shall contain terms that are consistent with EyePoint's agreements with any applicable Third Party contract manufacturer and such other terms that are customary and reasonable for agreements of such type.

(d)If Betta desires to continue to receive a supply of the Licensed Product for sale in the Territory following the expiration of all applicable Royalty Terms, the Parties shall renegotiate the terms of any then-existing Commercial Supply Agreement or enter into a new commercial supply agreement pursuant to which EyePoint shall supply to Betta quantities of the Licensed Product in bulk, unlabeled form at EyePoint's Fully Burdened Manufacturing Cost [***].

4.13 Territory Filings and Approvals.

With respect to any applicable filings and Approvals required from any Governmental Authority in the Territory in order to develop, import or commercialize Licensed Products in the Field in the Territory ("**Territory Filings and Approvals**"), the Parties agree that Betta shall be solely responsible for making, obtaining and maintaining all such Territory Filings and Approvals, at its sole cost and expense.

ARTICLE 5. FINANCIAL PROVISIONS

5.1 Royalties.

(a) Licensed Product Royalty from Betta. Subject to the remainder of this Section 5.1, Betta shall pay to EyePoint the following tiered royalties on Annual Net Sales of Licensed Products in the Territory:

Annual Net Sales	Royalty Rate
The portion of Annual Net Sales of Licensed Products in the Territory up to and including [***]	[***]
The portion of Annual Net Sales of Licensed Products in the Territory exceeding [***]	[***]

(b)Royalty Term. Betta's obligation to pay royalties with respect to a Licensed Product in a Relevant Region in the Territory, even if reduced as provided below in this Section 5.1, shall commence upon the First Commercial Sale of such Licensed Product in such Relevant Region and shall expire on a Relevant Region-by-Relevant Region and Licensed Product-by-Licensed Product basis on the later of (i) the date that is [***] years after First Commercial Sale of such Licensed Product in such Relevant Region, and (ii) the first day of the month following the month in which a Generic Product corresponding to such Licensed Product is launched in such Relevant Region (the "**Royalty Term**").

(c)Existence and Expiry of Valid Claims. If, on a Relevant Region-by-Relevant Region and Licensed Product-by-Licensed Product basis, there is no Valid Claim that covers the Licensed Product, and there is no other Patent that is controlled by Betta which covers such Licensed Product, either at the time of First Commercial Sale or anytime thereafter during the Royalty Term, then Betta shall have no obligation to pay royalties on Net Sales of such Licensed Product in such Relevant Region at the royalty rates set forth in Section 5.1(a), but rather, Betta shall pay to EyePoint a Know-How royalty on Net Sales of such Licensed Product in such Relevant Region at a royalty rate equal to [***] of the applicable royalty rate as set forth in Section 5.1(a) during the Royalty Term.

(d)Expiration of Royalty Term. After the Royalty Term expires, on a Relevant Region-by-Relevant Region and Licensed Product-by-Licensed Product basis, Betta shall have nonexclusive, fully paid, perpetual license (with the right to sublicense, to the extent that Betta granted a sublicense under this Agreement prior to expiration of the applicable Royalty Term) under the EyePoint IP to develop, use (but not make or have made), sell, offer for sale and import the Licensed Products in the Field in the Territory.

(e)Third Party Licenses. Betta shall pay all amounts due under Third Party Licenses. Such payments under Third Party Licenses are not creditable against any payments due to EyePoint under this Agreement.

5.2 Reports; Royalty Payments.

Until the expiration of all the Royalty Term in all Relevant Regions, Betta shall make written reports and Calendar Quarterly payments to EyePoint within sixty (60) calendar days after the end of each Calendar Quarter covering Net Sales of Licensed Products in the Territory by Betta, its Affiliates and Sublicensees during the preceding Calendar Quarter, each such written report in reasonable detail as available stating (a) gross sales of the Licensed Product sold by Betta, its Affiliates and Sublicensees, in local currency and Dollars, (b) calculation of Net Sales of the Licensed Product including all deductions and currency conversions, and (c) a calculation of the royalties due to EyePoint. Concurrent with the delivery of each such report, Betta shall make the royalty payment due to EyePoint for the Calendar Quarter covered by such report.

5.3 Method of Payments.

All payments due from one Party to the other Party under this Agreement shall be paid in Dollars by wire transfer to a bank account designated in writing by the Party that is to receive payment at least five (5) Business Days before such payment is due.

5.4 Audit.

Betta and its Affiliates and Sublicensees shall keep and maintain for five (5) years complete and accurate records of sales of Licensed Products in sufficient detail to allow EyePoint to confirm the accuracy of royalties paid and/or payable under Section 5.1 hereunder. EyePoint shall have the right during such five (5) year period to appoint at its expense an independent certified public accountant reasonably acceptable to Betta to audit all relevant records for the purpose of verifying reports provided by Betta under Section 5.2. Betta and its Affiliates and Sublicensees shall make such records available for audit by such independent certified public accountant during regular business hours at such place or places where such records are customarily kept, upon thirty (30) days written notice from EyePoint. Such audit right shall not be exercised by EyePoint more than once in any Calendar Year and the records for a twelve (12) month period may not be audited more than once. All records made available for audit shall be deemed to be Confidential Information of Betta and, upon the request of Betta, the independent certified public accountant selected by EyePoint shall enter into a confidentiality agreement with Betta in a form reasonably acceptable to Betta regarding the use and disclosure of such Confidential Information. The results of each audit, if any, shall be binding on both Parties absent manifest error. EyePoint shall bear the full cost of such audit, except in the event that the results of the audit reveal an underpayment of royalties to EyePoint under Section 5.1 of five percent (5%) or more over the period being audited, in which case documented and reasonable audit fees for such examination shall be paid by Betta. If such audit reveals an underpayment of royalties, Betta shall pay any unpaid royalties within thirty (30) days of the completion of the audit. If such audit reveals an overpayment of royalties, then at Betta's election, EyePoint shall either pay any overpaid royalties to Betta within thirty (30) days of the completion of the audit or Betta shall have the right to credit such overpayment against future amounts payable to EyePoint under this Agreement.

5.5 Taxes.

(a) Withholding. To the extent any payments due to EyePoint under this Agreement ("**Payments**") become subject to withholding of income Taxes under Applicable Laws, Betta shall deduct and withhold the amount of such Taxes for the account of EyePoint to the extent required by Applicable Laws but shall not be otherwise subject to any other deductions, offsets or withholdings whatsoever other than those directly related to withholding Taxes that EyePoint is required to pay under Applicable Laws; the Payments payable to EyePoint shall be reduced by the amount of withholding income Taxes deducted and withheld; and Betta shall pay the amounts of such Taxes to the proper Governmental Authority in a timely manner and transmit to EyePoint an official tax certificate or other evidence of such Tax obligations together with proof of payment from the relevant Governmental Authority of all amounts deducted and withheld sufficient to enable EyePoint to claim such payment of Taxes. If EyePoint is entitled (whether under any applicable tax treaty or otherwise under Applicable Laws) to a reduction in the rate of, or the elimination of, withholding of income Tax with respect to the Payments, it may deliver to Betta or

the appropriate Governmental Authority (with the assistance of Betta to the extent that this is reasonably required and is expressly requested in writing) the prescribed forms necessary to reduce the applicable rate of withholding or to relieve Betta of its obligation to withhold Tax, and Betta shall apply the reduced rate of withholding, or dispense with withholding, as the case may be. Betta agrees to take reasonable and lawful efforts to minimize such withholding income Taxes that would otherwise be borne by EyePoint. Betta shall cooperate with EyePoint as reasonably requested in any claim for refund or application to any Governmental Authority and/or in obtaining any tax credit by EyePoint for the withholding of income Taxes with respect to the Payments.

(b) VAT. All Payments, including any royalty payments payable to EyePoint pursuant to Section 5.1 of this Agreement, shall be paid exclusive of, and without reduction for, any value-added tax (including, for greater certainty, any goods and services tax, harmonized sales tax and any similar taxes, including any interest, penalties or other additions to tax thereon) ("**VAT**") imposed by the relevant Governmental Authority in the Territory. Betta shall be responsible for the payment of all VAT applicable to the Payments and shall file all applicable VAT tax returns imposed by the relevant Governmental Authority in the Territory. EyePoint shall cooperate, to the extent reasonably required, with the filing of any such VAT tax returns. Betta shall indemnify EyePoint for any VAT imposed on EyePoint imposed by the relevant Governmental Authority in the Territory with respect to the Payments and if EyePoint directly pays any VAT, Betta shall promptly reimburse EyePoint for such VAT including all reasonable related costs. If EyePoint determines that it is required to report any such tax, Betta shall promptly provide EyePoint with applicable receipts and other documentation necessary or appropriate for such report.

5.6 Currency Conversion.

With respect to sales of the Licensed Product invoiced in Dollars, the Net Sales and the amounts due hereunder will be expressed in Dollars. With respect to sales of the Licensed Product invoiced in a currency other than Dollars, the Net Sales and amounts due hereunder will be reported in Dollars, calculated using the exchange rates on the last day of the applicable Calendar Quarter as published in the Wall Street Journal.

ARTICLE 6. INTELLECTUAL PROPERTY RIGHTS

6.1 Ownership of New IP.

(a)Subject to the licenses granted by EyePoint herein, EyePoint is and shall at all times remain the sole and exclusive owner of the EyePoint IP and all Confidential Information of EyePoint disclosed by or on behalf of EyePoint to Betta pursuant to this Agreement.

(b)As between the Parties, Inventions conceived or generated by or on behalf of one or both of the Parties in the course of performing activities under this Agreement shall be owned as follows:

(i) Inventions that (1) constitute an improvement or enhancement of any EyePoint IP, or (2) are derived from or use the EyePoint IP or EyePoint's Confidential Information, together with all intellectual property rights therein, shall be owned solely by EyePoint ("**EyePoint Improvement IP**");

(ii) Inventions solely and specifically related to the Equinox Compound, together with all intellectual property rights therein, shall be owned solely by Betta (the "**Betta Improvement IP**");

(iii) Inventions other than EyePoint Improvement IP or Betta Improvement IP that are conceived or generated solely by or on behalf of Betta and all intellectual property rights therein shall be owned solely by Betta (the "**Betta New IP**");

(iv) Inventions other than EyePoint Improvement IP or Betta Improvement IP that are conceived or generated solely by or on behalf of EyePoint and all intellectual property rights therein shall be owned solely by EyePoint (the "**EyePoint New IP**"); and

(v) Inventions other than EyePoint Improvement IP or Betta Improvement IP conceived or generated jointly by or on behalf of Betta and EyePoint and all intellectual property rights therein shall be owned jointly by Betta and EyePoint (the "**Joint New IP**").

(c) Each Party (including its employees and contractors) shall assign and hereby assigns to the other Party, without additional consideration, such of its interest in any Invention, and shall cause its Affiliates and Sublicensees, as applicable, to execute and deliver such additional documents, instruments, conveyances and assurances and take any such further actions as may be reasonably required to ensure that such interest in any Invention is effectively assigned to and held by the other Party, as necessary to effectuate the allocation of ownership rights set forth in Section 6.1(b).

(d) For clarity, to the extent any EyePoint Improvement IP, EyePoint New IP or Joint New IP constitutes any EyePoint IP, it shall be automatically included in the Exclusive License without additional consideration.

(e) Any Data relating to the Territory generated by Betta and its Affiliates and Sublicensees shall be owned solely by Betta; provided, that EyePoint shall have the right to receive and to use the Data to Exploit the Licensed Products (i) in the Territory outside the Field, and (ii) outside the Territory in all fields of use, in each case in accordance with the terms of this Agreement, including Sections 2.3 and 4.9.

(f) Notwithstanding the foregoing, each Party shall own and retain ownership of all Know-How and Patent Rights owned by such Party as of the Effective Date or that come into the Control of such Party during the Term outside the scope of this Agreement.

(g) The Parties will attempt in good faith to resolve any disputes regarding ownership of Inventions, and all Patent Rights and any other intellectual property rights therein, in accordance with Sections 11.1 and 11.2.

6.2 Prosecution and Maintenance of EyePoint Patents.

EyePoint shall have the first right, but not the obligation, and in a commercially reasonable and expeditious manner, to prepare, file, prosecute, and maintain each of the EyePoint Patents throughout the Territory provided, that Betta shall reimburse EyePoint for [***] of EyePoint's costs in the preparation, filing, prosecution, and maintenance of the EyePoint Patents

in the Territory. Upon request, EyePoint shall promptly furnish or have furnished to Betta copies of all patents, patent applications, substantive patent office actions, and substantive responses received or filed in connection with applications for the EyePoint Patents in the Territory at least thirty (30) days before filing or mailing, as the case may be, and, if requested, use reasonable efforts to solicit Betta's advice and review of EyePoint Patents in the Territory and material prosecution matters related thereto in reasonable time prior to filing thereof, and EyePoint shall consider in good faith Betta's reasonable comments and suggestions related thereto; provided, that nothing herein shall obligate EyePoint to adopt or follow such comments or suggestions. If, during the Term, EyePoint intends to allow any EyePoint Patent in the Territory to expire or intends to otherwise abandon any such EyePoint Patent, EyePoint shall notify Betta of such intention or decision at least thirty (30) days (or as soon as possible if less than thirty (30) days) prior to any filing or payment due date, or any other date that requires action, in connection with such EyePoint Patent, and Betta shall thereupon have the right, but not the obligation, to assume responsibility for the preparation, filing, prosecution or maintenance thereof in the Territory at its sole cost and expense, in the name of EyePoint. Each Party agrees to reasonably cooperate with the other Party to execute all lawful papers and instruments and to provide consultation and assistance as may be reasonably necessary in the prosecution and maintenance of the EyePoint Patents in a manner consistent with this Section 6.2.

6.3 Third Party Infringement.

(a)Notice. If either Party becomes aware of any suspected infringement or misappropriation by a Third Party of any EyePoint IP in the Territory in the Field, then that Party shall promptly notify the other Party and provide it with all material details of such activities (each, an "**Infringement**") of which it is aware.

(b)Betta Right to Enforce. Betta shall have the first right, but not the obligation, to address such Infringement in the Field in the Territory and to defend against any related declaratory judgement action, by taking reasonable steps, which may include the institution of legal proceedings or other actions (an "**Action**"), and to compromise or settle such Action; provided, that (i) Betta shall keep EyePoint reasonably informed about such Action and shall consult with EyePoint about the Action so that EyePoint can advise Betta about potential impacts of the Action outside of the Field, (ii) EyePoint shall provide all reasonable cooperation to Betta in connection with such Action, (iii) Betta shall not take any position with respect to such Action in any way that is reasonably likely to directly and adversely affect the scope, validity or enforceability of the EyePoint IP, or compromise or settle any such Action, without the prior consent of EyePoint, which consent shall not be unreasonably withheld, and (iv) if Betta does not intend to prosecute or defend an Action, or ceases to diligently pursue such an Action, it shall promptly inform EyePoint in such a manner that such Action will not be prejudiced and Section 6.3(c) shall apply.

(c)EyePoint Right to Enforce. In the event of an Infringement described in Section 6.3(a) or a declaratory judgement action relating to such Infringement, if (i) Betta informs EyePoint that it does not intend to prosecute an Action in respect of the EyePoint IP, (ii) within sixty (60) days after notice of Infringement, Betta has not commenced any such Action (which commencement, for clarity, may include a cease and desist letter to an infringer or an attempt to settle the matter), or (iii) if Betta thereafter ceases to diligently pursue such Action, then EyePoint shall have the right, at its own expense, upon notice to Betta to take appropriate action to address

such Infringement, including by initiating its own Action or taking over prosecution of any Action initiated by Betta. In such event, EyePoint shall keep Betta fully informed about such Action and Betta shall provide all reasonable cooperation to EyePoint in connection with such Action.

(h)Right to Representation. Each Party shall have the right to participate and be represented by counsel that it selects, in any Action instituted under Section 6.3(b) or 6.3(c) by the other Party. If a Party with the right to initiate an Action to eliminate an Infringement or defend against a declaratory judgement action lacks standing to do so and the other Party has standing to initiate such Action, then the Party with the right to initiate an Action may name the other Party as plaintiff in such Action or may require the Party with standing to initiate such Action at the expense of the other Party.

(i)Cooperation. In any Action instituted under this Section 6.3, the Parties shall cooperate with and assist each other in all reasonable respects. Upon the reasonable request of the Party instituting such Action, the other Party shall join such Action and shall be represented using counsel of its own choice, at the requesting Party's expense; provided, that if EyePoint has informed Betta that it would not proceed with such Action on the opinion of counsel, Betta may not require EyePoint to join such Action.

(j)Share of Recoveries. Except as otherwise provided, the costs and expenses of the Party bringing suit under this Section 6.3 shall be borne by such Party, and any damages or other monetary awards recovered shall be shared as follows: (i) the amount of such recovery actually received by the Party controlling such action shall first be applied to the out-of-pocket costs of each Party in connection with such action; (ii) if Betta is the Party controlling such action, then any proceeds that are lost profits damages or a reasonable royalty shall be treated as the equivalent of Annual Net Sales in the Calendar Year in which the recovery is paid (i.e., shall be allocated to Betta with EyePoint receiving a royalty on the recovery proceeds in accordance with the provisions of Section 5.1), and any remaining proceeds shall be retained by Betta; or (iii) if EyePoint is the Party controlling such action, then any remaining proceeds shall be retained by EyePoint. A settlement or consent judgment or other voluntary final disposition of a suit under this Section 6.3 may not be entered into without the consent of the Party not bringing the suit, which consent shall not be unreasonably withheld.

6.4 Defense of Claims Brought by Third Parties.

In the event that any action, suit or proceeding is brought against either Party or an Affiliate of either Party or a Sublicensee of Betta alleging the infringement of the Know-How or Patents of a Third Party by the making, having made, use, sale, offering for sale or importation of a Licensed Product in the Field in the Territory, such Party shall notify the other Party within five (5) days of the earlier of (a) receipt of service of process in such action, suit or proceeding, or (b) the date such Party becomes aware that such action, suit or proceeding has been instituted, and the Parties shall meet as soon as possible to discuss the overall strategy for defense of such matter. Betta shall have the right, but not the obligation, to defend such action, suit or proceeding in the Territory at its sole cost and expense. EyePoint shall have the right to separate counsel at its own expense in any such action, suit or proceeding, and the Parties shall cooperate with each other in all reasonable respects in any such action, suit or proceeding. Each Party shall promptly furnish the other Party with a

copy of each communication relating to the alleged infringement that is received by such Party including all documents filed in any litigation.

6.5 Patent Listing and Marking.

Betta shall mark all Licensed Products with the relevant EyePoint Patent Rights to the extent permitted under Applicable Law.

ARTICLE 7. CONFIDENTIALITY

7.1 Confidentiality; Exceptions.

Except to the extent expressly authorized by this Agreement or otherwise agreed in writing, the Parties agree that the receiving Party (the "**Receiving Party**") shall keep confidential and shall not publish or otherwise disclose or use for any purpose other than as provided for in this Agreement any Know-How or other confidential and proprietary information and materials, patentable or otherwise, in any form (written, oral, photographic, electronic, magnetic, or otherwise) which is disclosed to it by the other Party (the "**Disclosing Party**") or otherwise received or accessed by a Receiving Party in the course of performing its obligations or exercising its rights under this Agreement (collectively, "**Confidential Information**"), except to the extent that it can be established by the Receiving Party that such Confidential Information:

(a)was in the lawful knowledge and possession of the Receiving Party prior to the time it was disclosed to, or learned by, the Receiving Party, or was otherwise developed independently by the Receiving Party, as evidenced by written records kept in the ordinary course of business, or other documentary proof of actual knowledge by the Receiving Party;

(b)was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party;

(c)became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the Receiving Party in breach of this Agreement; or

(d)was disclosed to the Receiving Party, other than under an obligation of confidentiality, by a Third Party who had no obligation to the Disclosing Party not to disclose such information to others.

For clarity, the EyePoint Know-How is and shall remain the Confidential Information of EyePoint until or unless such information comes within one of the exceptions set forth in this Section 7.1.

7.2 Authorized Disclosure.

Except as otherwise provided in this Agreement, a Receiving Party may use and disclose Confidential Information of the Disclosing Party as follows:

(a)under appropriate confidentiality provisions similar to those in this Agreement, in connection with the performance of its obligations or exercise of rights granted or reserved in this Agreement;

(b)to the extent such disclosure is reasonably necessary in filing or prosecuting patent, copyright and trademark applications, prosecuting or defending litigation, complying with applicable governmental regulations, obtaining Regulatory Approval, conducting pre-clinical activities or clinical trials, marketing Licensed Products or otherwise required by Applicable Laws or the rules of a securities exchange or securities listing organization; provided, that if a Receiving Party is required by Applicable Laws to make any such disclosure of a Disclosing Party's Confidential Information it shall, except where impracticable, give reasonable advance notice to the Disclosing Party of such disclosure requirement and, except to the extent inappropriate in the case of patent applications, shall use its reasonable efforts to secure confidential treatment of such Confidential Information required to be disclosed;

(c)to existing or prospective advisors, investors, collaborators, (sub)licensees, partners or joint venturers, in each case under appropriate confidentiality provisions substantially equivalent to those of this Agreement;

(d)as reasonably required under the circumstances, to a Third Party in connection with (i) a merger, consolidation or similar transaction by such Party, or (ii) the sale of all or substantially all of the assets of such Party to which this Agreement relates, in each case under appropriate confidentiality provisions substantially equivalent to those of this Agreement, or (iii) to the extent mutually agreed in writing by the Parties.

(e)In each of the above authorized disclosures, the Receiving Party shall remain responsible for any failure by any Person who receives the Confidential Information pursuant to this Section 7.2 to treat such Confidential Information as required under this Article 7.

7.3 Press Release; Disclosure of Agreement.

On or promptly after the Effective Date, the Parties shall issue a public announcement of the execution of this Agreement in the form mutually agreed by the Parties. Except to the extent required by Applicable Laws or the rules of a securities exchange or securities listing organization, neither Party shall issue any other press release or other public disclosure concerning this Agreement, the subject matter hereof or the Parties' activities hereunder, or any results or data arising hereunder, except with the other Party's prior written consent. The Parties agree to consult with each other reasonably and in good faith with respect to the text and timing of any such press releases and disclosures prior to the issuance thereof, and a Party may not unreasonably withhold consent to such releases and disclosures, and shall give due consideration to any reasonable comments by the non-filing Party relating to such releases and disclosures, including where applicable subject matter for which confidential treatment may be sought. A Party may publicly disclose without regard to the preceding requirements of this Section 7.3 any information that was previously publicly disclosed pursuant to this Section 7.3; provided that such disclosure does not materially alter the meaning of the information disclosed previously. Nothing in this Section 7.3 will prevent a Party from disclosing this Agreement to existing or prospective advisors, investors,

collaborators, (sub)licensees, partners or joint venturers, in each case under appropriate confidentiality provisions substantially equivalent to those of this Agreement.

7.4 Remedies.

Each Party shall be entitled to seek, in addition to any other right or remedy it may have, at law or in equity, a temporary injunction, without the posting of any bond or other security, enjoining or restraining the other Party from any violation or threatened violation of this Article 7.

7.5 Return of Confidential Information.

Except as otherwise provided in Article 10 of this Agreement, upon termination of this Agreement, each Party hereto and its Affiliates shall use Commercially Reasonable Efforts to return all Confidential Information of the other Party in its possession to the other Party; provided, that each Party may retain: (a) a single archival copy of the Confidential Information of the other Party; and (b) any portion of the Confidential Information of the other Party which is contained in laboratory notebooks or other electronic systems, including computer backup in the ordinary course of business, the deletion from which would not be practicable; in either case, solely for the purpose of determining the extent of disclosure of Confidential Information hereunder, assuring compliance with the surviving provisions of this Agreement, relevant document retention policies of the Party and Applicable Laws.

7.6 Survival.

This Article 7 shall survive the expiration or termination of this Agreement for a period of ten (10) years.

ARTICLE 8. REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 Representations and Warranties of Both Parties.

Each Party hereby represents and warrants to the other Party, as of the Effective Date, that:

(a)such Party is duly organized, validly existing and in good standing under Applicable Laws of the jurisdiction of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof;

(b)such Party has taken all necessary action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder;

(c)this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, binding obligation, enforceable against it in accordance with the terms hereof, except as enforcement may be affected by bankruptcy, insolvency or other similar laws and by general principles of equity;

(d)the execution, delivery and performance of this Agreement by such Party does not conflict with any material agreement, instrument or understanding, oral or written, to which it is a

party or by which it is bound, nor violate any law or regulation of any court, governmental body or administrative or other agency having jurisdiction over such Party; and

(e) no government authorization, consent, approval, license, exemption of or filing or registration with any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, under any Applicable Laws currently in effect, is necessary for the transaction contemplated by this Agreement or any other agreement or instrument executed in connection herewith.

8.2 Representations and Warranties of EyePoint.

EyePoint hereby represents, warrants, and covenants to Betta, as of the Effective Date, that:

(a)EyePoint Controls the EyePoint Know-How and EyePoint Patents existing as of the Effective Date;

(b)EyePoint has the right to grant all rights and licenses it purports to grant to Betta with respect to the EyePoint Know-How and EyePoint Patents under this Agreement;

(c)EyePoint has no present knowledge of any settled, pending or threatened claim or lawsuit or legal proceeding of a Third Party against EyePoint alleging that the EyePoint Know-How or EyePoint Patents misappropriates or infringes, in part or in whole, the intellectual property or intellectual property rights of any Third Party;

(d)To the knowledge of EyePoint, the EyePoint IP does not infringe or misappropriate, in part or in whole, the intellectual property or intellectual property rights of any Third Party;

(e)EyePoint has not granted any right or license to any Third Party relating to any of the EyePoint Know-How or EyePoint Patents that would conflict or interfere with any of the rights or licenses granted to Betta hereunder;

(f)Exhibit A sets forth a complete and accurate list of the EyePoint Patents as of the Effective Date;

(g)EyePoint has disclosed to Betta all material information received by EyePoint concerning the institution of any interference, opposition, reexamination, reissue, revocation, nullification or any official proceeding involving any EyePoint Patent anywhere in the Territory; and

(h)To its knowledge, EyePoint has not employed (or used any subcontractor or consultant that employs) any individual or entity debarred by the FDA (or subject to a similar sanction of a Regulatory Authority in the Territory), or any individual who or entity which is the subject of an FDA debarment investigation or proceeding (or similar proceeding of a Regulatory Authority in the Territory), in the research and development of the Licensed Products prior to the Effective Date.

8.3 Mutual Covenants.

Each Party hereby covenants to the other Party that:

(a)such Party shall, to the extent applicable, perform its activities pursuant to this Agreement in compliance with all Applicable Laws, including GLP, GMP and GCP, as well as any Applicable PRC Laws concerning the protection, collection, use, storage, processing or transfer of personal data, important commercial data and human genetic resources materials and information (as such terms are defined under the PRC Human Genetic Resources Administrative Regulations (i.e., 中华人民共和国人体遗传资源管理条例) promulgated by the State Council of the PRC effective as of July 1, 2019, as may be amended from time to time), the published standards of any applicable Regulatory Authorities, and the scientific standards applicable to the conduct of such activities, if any; and

(b)such Party shall notify the other Party in writing promptly in the event that it has actual knowledge of the material breach of any covenant under this Article 8 or the material breach of any representation or warranty provided by either Party under Section 8.1 or by EyePoint under Section 8.2 .

8.4 EyePoint Covenants.

(a)During the Term, EyePoint shall not grant any right or license to any Third Party relating to any of the intellectual property rights it Controls which would conflict or interfere with any of the rights or licenses granted to Betta hereunder.

(b)During the Term, EyePoint shall not conduct any clinical trial in the Territory for a product that contains the Equinox Compound as the sole active ingredient without the use of EyePoint's proprietary technology.

8.5 Betta Covenants.

Betta hereby covenants to EyePoint that when performing its activities pursuant to this Agreement:

(a)it will prepare, maintain and retain all Regulatory Materials in the Territory pursuant to and in accordance in all material respects with all Applicable Laws and will not make any materially false or misleading statement to a Regulatory Authority in connection with such Regulatory Materials;

(b)it will, and will cause each of its Affiliates and Sublicensees and any of their respective directors, officers, managers, employees, independent contractors, representatives or agents to, at all times, duly obtain and maintain all Approvals from and complete all filings and registrations with the Governmental Authorities as required by Applicable Laws in a timely manner for conducting its business and engaging in the activities as contemplated hereunder in compliance with all Applicable Laws in all material respects;

(c)during the Term, Betta will promptly disclose and make available to EyePoint for review (i) all safety-related data for the Licensed Products and (ii) all material non-clinical and

clinical data for the Licensed Products, in each case of (i) and (ii), which comes into the possession of Betta or its Affiliates or Sublicensees and has not been disclosed or otherwise made available to EyePoint for review previously. Betta shall use Commercially Reasonable Efforts to confirm that all such data is true and accurate in all material respects as of the time it is disclosed or otherwise made available to EyePoint, which efforts shall in no event be less than the efforts Betta would use if such data were to be used by Betta in its own Exploitation of the Licensed Products in the Field in the Territory; and

(d) it will not, and will cause each of its Affiliates and Sublicensees and any of their respective directors, officers, managers, employees, independent contractors, representatives or agents (collectively, "**Relevant Persons**") not to, engage directly or indirectly in transactions connected with any of North Korea, Iraq, Libya, Cuba, Iran, Myanmar or Sudan, or otherwise engage directly or indirectly in transactions connected with any government, country or other entity or Person that is the target of U.S. economic sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department, including those designated on its list of Specially Designated Nationals and Blocked Persons. No Relevant Person will receive unlicensed donations or engaged in any financial transaction while knowing or having reasonable cause to believe that such transaction poses a risk of furthering terrorist attacks anywhere in the world.

8.6 Debarment.

(a) Each Party hereby represents, warrants and covenants that each of it, its respective Affiliates, and in the case of Betta its Sublicensees, is not:

(i)debarred under Section 306(a) or 306(b) of the United States Federal Food, Drug and Cosmetic Act, as may be amended and supplemented from time to time, or any foreign equivalent thereof in the Territory;

(ii)charged with, or convicted of, any felony or misdemeanor within the ambit of 42 U.S.C. Sections 1320a-7(a), 1320a-7(b)(1)-(3), or proposed for exclusion, or any foreign equivalent thereof in the Territory; or

(iii)excluded, suspended or debarred from participation, or otherwise ineligible to participate, in any federal or state health care programs (including convicted of a criminal offense that falls within the scope of 42 U.S.C. Section 1320a-7 but not yet excluded, debarred, suspended or otherwise declared ineligible), or excluded, suspended or debarred from participation, or otherwise ineligible to participate, in any federal procurement or nonprocurement programs, or any foreign equivalent thereof in the Territory.

(b) Each Party shall immediately notify the other, but in no event later than five (5) Business Days, after knowledge of any such exclusion, debarment, suspension or ineligibility otherwise occurring during the Term, or if Betta or its Affiliate becomes aware that any action or investigation is pending.

8.7 Standstill.

Betta hereby covenants to EyePoint that for a period beginning on the Effective Date and terminating on the date that is [***] years following the first commercial sale of a Licensed Product in the United States, unless the Board of Directors of EyePoint (the "**Board**") shall overwise provide advanced written consent, Betta shall not, and shall cause its and its Affiliates' respective employees, officers, directors, representatives, consultants, contractors, advisors and agents (collectively, "**Representatives**") not to (and Betta and its Representatives shall not assist or encourage others to) directly or indirectly:

(a)acquire or offer to acquire, seek, propose or agreed to acquire, by means of a purchase, agreement, business combination or in any other manner, beneficial ownership of any securities or assets of EyePoint, including rights or options to acquire such ownership;

(b)seek or propose to influence, advise, change or control the management, the Board, governing instruments or policies or affairs of EyePoint, including, without limitation, by means of a solicitation of proxies (as such terms are defined in Rule 14a-1 of Regulation 14A promulgated pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), disregarding clause (iv) of Rule 14a-1(1)(2) and including any exempt solicitation pursuant to Rule 14a-2(b)(1) or (2)), or seeking to influence, advise or direct the vote of any holder or voting securities of EyePoint;

(c)form, join, communicate or associate with other security holders with respect to, or otherwise participate in, any "group" (as defined under the Exchange Act) with respect to EyePoint or any of its subsidiaries or any voting securities of EyePoint or any of its subsidiaries;

(d)enter into any discussions, negotiations, arrangements or understandings with any Third Parties with respect to the foregoing; or

(e)disclose any intention, plan or arrangement to do any of the foregoing.

8.8 Compliance with Anti-Corruption Laws.

(a) Each party agrees on behalf of itself, its Affiliates, and its and their shareholders, partners officers, directors, employees, agents and any other persons or entities acting on its behalf in connection with this Agreement (collectively, the "**Section 8.8 Representatives**") that it and its Section 8.8 Representatives:

(i)shall not in the performance of this Agreement violate any applicable anti-bribery and anti-corruption laws or regulations, including the US Foreign Corrupt Practices Act, the UK Bribery Act 2010, the PRC Criminal Law, the PRC Anti-Bribery Unfair Competition Law or other local law (collectively, the "**Anti-Corruption Laws**").

(ii)shall adhere to its own internal anticorruption policies and shall not, in the performance of this Agreement, directly or indirectly, make any payment, or offer or transfer anything of value, or agree or promise to make any payment or offer or transfer anything of value, to a government official or government employee, to any political party or any candidate for political office or to any other Third Party with the purpose of

influencing decisions related to either Party or its business in a manner that would violate Anti-Corruption Laws; and

(iii) shall not, directly or indirectly, solicit, receive or agree to accept any payment of money or anything of value in violation of the Anti-Corruption Laws.

(b)Each Party shall (i) promptly provide written notice to the other Party of any violations of Anti-Corruption Laws by such Party, its Affiliates or its and their respective Section 8.8 Representatives that are performing under of this Agreement of which it becomes aware; and (ii) upon the request of the other Party (which such request may be made no more frequently than once a year), verify in writing that to the best of its knowledge, there have been no violations of Anti-Corruption Laws by such Party or its Section 8.8 Representatives that are performing under this Agreement, or shall provide details of any exception to the foregoing.

(c)Each Party shall maintain records (financial and otherwise) and supporting documentation related to the subject matter of this Agreement in order to document or verify compliance with the provisions of this Section 8.8, and upon request of the other Party, up to once a year upon reasonable advance notice, shall provide the other Party or its representative with access to such records for purposes of verifying compliance with the provisions of this Section 8.8.

(d)Each Party represents and warrants that, to its knowledge, neither such Party nor any of its Section 8.8 Representatives has taken any action in violation of any applicable Anti-Corruption Laws.

8.9 Disclaimer.

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY THAT ANY PATENTS ARE VALID OR ENFORCEABLE OR THAT THEIR EXERCISE DOES NOT INFRINGE ANY PATENT RIGHTS OF THIRD PARTIES AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, EACH PARTY DISCLAIMS ANY WARRANTIES WITH RESPECT TO (A) THE SAFETY OR USEFULNESS FOR ANY PURPOSE OF THE LICENSED PRODUCTS, AND ALL PRODUCTS IT PROVIDES OR DISCOVERS UNDER THIS AGREEMENT, AND (B) THE VALIDITY, ENFORCEABILITY, OR NON-INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS OR TECHNOLOGY IT PROVIDES OR LICENSES TO THE OTHER PARTY UNDER THIS AGREEMENT.

8.10 LIMITATION OF LIABILITY.

EXCEPT FOR A BREACH OF ARTICLE 7 OR FOR ACTS OF GROSS NEGLIGENCE OR WRONGFUL INTENTIONAL ACTS OR OMISSIONS, NEITHER BETTA NOR EYEPOINT, NOR ANY OF THEIR AFFILIATES OR SUBLICENSEES SHALL BE LIABLE TO THE OTHER PARTY, ITS AFFILIATES OR ANY OF THEIR SUBLICENSEES FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, RELIANCE OR PUNITIVE

DAMAGES OR LOST OR IMPUTED PROFITS, WHETHER LIABILITY IS ASSERTED IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT PRODUCT LIABILITY), INDEMNITY OR CONTRIBUTION, AND IRRESPECTIVE OF WHETHER THAT PARTY OR ANY REPRESENTATIVE OF THAT PARTY HAS BEEN ADVISED OF, OR OTHERWISE MIGHT HAVE ANTICIPATED THE POSSIBILITY OF, ANY SUCH LOSS OR DAMAGE; PROVIDED, THAT THIS LIMITATION WILL NOT LIMIT THE INDEMNIFICATION OBLIGATION OF A PARTY UNDER THE PROVISIONS OF ARTICLE 9 FOR SUCH DAMAGES CLAIMED BY A THIRD PARTY.

ARTICLE 9. INDEMNIFICATION

9.1 Indemnification by Betta.

Betta shall indemnify, defend and hold harmless EyePoint, and its Affiliates, and its or their respective directors, officers, employees and agents, from and against any and all liabilities, damages, losses, costs and expenses including the reasonable fees of attorneys and other professionals (collectively, "**Losses**"), arising out of or resulting from any and all Third Party suits, claims, actions, proceedings or demands ("**Claims**") based upon:

(a) the gross negligence or wrongful intentional acts or omissions of Betta and/or its Affiliates and/or its or their respective directors, officers, employees and agents, in connection with Betta's performance of its obligations or exercise of its rights under this Agreement;

(b) any breach of any representation or warranty or express covenant made by Betta under Article 8 or any other provision under this Agreement; or

(c) the research, development and commercialization activities conducted by or on behalf of Betta, its Affiliates, subcontractors or Sublicensees of the Licensed Products;

except, in each case of Sections 9.1(a) through 9.1(c) (inclusive), to the extent EyePoint is obligated to indemnify Betta with respect to such Losses under Section 9.2.

9.2 Indemnification by EyePoint.

EyePoint shall indemnify, defend and hold harmless Betta and its Affiliates, and its or their respective directors, officers, employees and agents, from and against any and all Losses, arising out of or resulting from any and all Third Party Claims based upon:

(a) the gross negligence or wrongful intentional acts or omissions of EyePoint and/or its Affiliates and/or its or their respective directors, officers, employees and agents, in connection with EyePoint's performance of its obligations or exercise of its rights under this Agreement;

(b) any breach of any representation or warranty or express covenant made by EyePoint under Article 8 or any other provision under this Agreement;

(c) the research, development and commercialization activities conducted by or on behalf of EyePoint, its Affiliates, subcontractors or sublicensees (other than Betta and its Affiliates, subcontractors or Sublicensees) of the Licensed Products;

except, in each case of Sections 9.2(a) through 9.2(c) (inclusive), to the extent Betta is obligated to indemnify EyePoint with respect to such Losses under Section 9.1.

9.3 Procedure.

In the event that any person (an "**Indemnitee**") entitled to indemnification under Section 9.1 or Section 9.2 is seeking such indemnification, such Indemnitee shall (a) inform, in writing, the indemnifying Party of the Claim as soon as reasonably practicable after such Indemnitee receives notice of such Claim, (b) permit the indemnifying Party to assume direction and control of the defense of the Claim (provided, that the indemnifying Party may not settle the Claim without the prior consent of the Indemnitee, not to be unreasonably withheld), (c) cooperate as reasonably requested (at the expense of the indemnifying Party) in the defense of the Claim, and (d) undertake all reasonable steps to mitigate any loss, damage or expense with respect to the Claim(s). Without limiting the foregoing, any Indemnitee will be entitled to participate in the defense of a Claim for which it has sought indemnification hereunder and to employ counsel of its choice for such purpose; provided, that such employment will be at the Indemnitee's own expense unless (i) the employment thereof has been specifically authorized by the indemnifying Party in writing, or (ii) the indemnifying Party has failed to assume the defense (or continue to defend such Claim in good faith) and employ counsel in accordance with this Section 9.3, in which case the indemnified Party will be allowed to control the defense.

ARTICLE 10. TERM AND TERMINATION

10.1 Term; Expiration.

The term of this Agreement (the "**Term**") shall begin on the Effective Date and, unless earlier terminated pursuant to the other provisions of this Article 10, shall expire on a Licensed Product-by-Licensed Product and Relevant Region-by-Relevant Region basis on the date of the expiration of all applicable Royalty Terms under Article 5 of this Agreement.

10.2 Termination for Cause.

(a) Termination for Material Breach. Either Party (the "**Non-Breaching Party**") may, without prejudice to any other remedies available to it at law or in equity, terminate this Agreement in the event the other Party (the "**Breaching Party**") shall have materially breached or defaulted in the performance of its obligations under this Agreement and such default shall have continued for ninety (90) calendar days after written notice thereof was provided to the Breaching Party by the Non-Breaching Party (or thirty (30) calendar days after written notice thereof for any payment breach), such notice describing with particularity and in detail the alleged material breach. Any such termination of this Agreement under this Section 10.2(a) shall become effective at the end of such ninety (90) calendar day period (or thirty (30) calendar day period for any payment breach), unless the Breaching Party has either (i) cured any such breach or default prior to the expiration of such ninety (90) calendar day period (or thirty (30) calendar day period, if applicable), or (ii) if such breach is not susceptible to cure within such ninety (90) calendar day period, the Breaching Party has, within thirty (30) calendar days from notice of such breach or default, provided to the Non-Breaching Party a written plan to effect a cure that the Non- Breaching Party notifies the Breaching Party is reasonably satisfactory to the Non-Breaching Party (provided, that this

subsection (ii) shall not apply in the case of any payment breach). If the Non-Breaching Party rejects this plan, then the Breaching Party may either (x) seek dispute resolution pursuant to Sections 11.1 and 11.2 herein, or (y) allow the Non-Breaching Party to terminate the Agreement without further action. In the event that the Non-Breaching Party has accepted any plan in accordance with the preceding sentences, the Non-Breaching Party may terminate this Agreement immediately upon written notice to the Breaching Party if the Breaching Party subsequently fails to carry out such plan. The right of either Party to terminate this Agreement as provided in this Section 10.2(a) shall not be affected in any way by such Party's waiver or failure to take action with respect to any previous default.

(b) Disagreement. If the Parties reasonably and in good faith disagree as to whether there has been a material breach, the Party which seeks to dispute that there has been a material breach may contest the allegation in accordance with Sections 11.1 and 11.2.

10.3 Betta Unilateral Termination Right.

Betta shall have the right, at its sole discretion and without any penalty or liability, exercisable at any time during the Term, to terminate this Agreement for any reason or no reason at all (a) upon ninety (90) calendar days' prior written notice to EyePoint if notice is provided prior to receipt of Regulatory Approval for a Licensed Product in the Field in the Territory, or (b) upon one hundred eighty (180) calendar days' prior written notice to EyePoint if notice is provided after receipt of Regulatory Approval for a Licensed Product in the Field in the Territory.

10.4 EyePoint Right to Terminate.

EyePoint may terminate this Agreement upon three (3) months' prior written notice to Betta in the event that a Material Efficacy Issue or a Material Safety Issue has occurred.

10.5 Termination for Bankruptcy.

Each Party shall have the right to terminate this Agreement in its entirety immediately upon written notice to the other Party if (a) such other Party files in any court or agency pursuant to any statute or regulation of any jurisdiction a petition in bankruptcy or insolvency or for reorganization or similar arrangement for the benefit of creditors or for the appointment of a receiver or trustee of such other Party or its assets, (b) such other Party is served with an involuntary petition against it in any insolvency proceeding, and upon the ninety-first (91st) day after such service, such involuntary petition has not been stayed or dismissed, or (c) such other Party makes an assignment of substantially all of its assets for the benefit of its creditors.

10.6 Effects of Termination.

In the event of termination of this Agreement for any reason, the following terms shall apply:

(a) all rights and licenses granted to Betta by EyePoint under this Agreement shall terminate; provided, that if EyePoint terminates this Agreement in accordance with Section 10.4 for a Material Efficacy Issue, then at option of Betta, which option may be exercised by providing written notice to EyePoint prior to the effective date of termination of this Agreement, the Parties

shall promptly (i) enter into a new agreement or an amended and restated version of this Agreement pursuant to which Betta will continue to retain the Exclusive License under Section 2.1 but EyePoint's obligations under this Agreement (including, for clarity, EyePoint's obligations under Section 2.6) other than the obligation to provide Betta with a supply of the Licensed Product shall otherwise terminate, and (ii) EyePoint's obligation to provide Betta with a supply of the Licensed Product shall continue, subject to the following pricing terms: (x) for any clinical supply of the Licensed Product, at EyePoint's Fully Burdened Manufacturing Cost plus [***]; and (y) for any commercial supply of the Licensed Product, at EyePoint's Fully Burdened Manufacturing Cost for so long as royalties as set forth in Section 5.1 are payable to EyePoint, and once such royalties are no longer payable to EyePoint, at EyePoint's Fully Burdened Manufacturing Cost [***];

(b)the Parties shall have no further obligation to perform any activities under this Agreement other than as provided for or referenced in this Section 10.6 or in Section 10.7, and Betta shall cease any and all development and commercialization activities relating to the Licensed Products;

(c)Betta shall comply with its obligations pursuant to Sections 7.5 and 10.7;

(d)upon the request of EyePoint, Betta shall, within thirty (30) days of the effective date of termination of this Agreement, transfer to EyePoint all Data relating to the Licensed Products within Betta's control that has not been previously transferred to EyePoint, and EyePoint shall have the right to use such Data for any and all purposes;

(e)with respect to any ongoing Clinical Trials of the Licensed Products conducted by or on behalf of Betta or its Affiliates or Sublicensees, (x) Betta shall wind down at its sole cost the conduct of such Clinical Trials as soon as reasonably practicable, subject to requirements of Applicable Laws, or, upon the request of EyePoint, transfer to EyePoint or its designee the conduct of such Clinical Trials as soon as reasonably practicable pursuant to the requirements of Applicable Laws, and (y) until such time as the conduct of such Clinical Trials has been successfully terminated or transferred to EyePoint or its designee, Betta shall continue such Clinical Trials at its sole cost; and

(f)unless (i) Betta terminates this Agreement due to an uncured material breach by EyePoint in accordance with Section 10.2 or an EyePoint insolvency in accordance with Section 10.5 or (ii) EyePoint terminates this Agreement due to a Material Safety Issue or a Material Efficacy Issue under Section 10.4, then upon the request of EyePoint, (x) Betta shall assign and transfer to EyePoint or its designee any and all Regulatory Materials, including regulatory filings made with and all Regulatory Approvals (including any MAAs) obtained from the Regulatory Authorities in the Territory, relating to the Licensed Products in the Field in the Territory pursuant to the requirements of Applicable Laws, and (y) Betta shall cooperate with EyePoint to facilitate the orderly transition and uninterrupted development and commercialization of the Licensed Products in the Field in the Territory, including by assigning or otherwise transferring (to the extent permissible) to EyePoint or its designee all right, title and interest in all Third Party contracts (or portions thereof) related to such development and commercialization, as reasonably requested by EyePoint.

10.7 Accrued Rights; Surviving Provisions of this Agreement.

(a)Accrued Rights. Termination or expiration of this Agreement for any reason shall be without prejudice to any rights that shall have accrued to the benefit of any Party prior to such termination or expiration and any and all damages arising from any breach hereunder. Such termination or expiration shall not relieve any Party from obligations which are expressly indicated to survive termination of this Agreement.

(b)Surviving Provisions. The following provisions shall survive the termination or expiration of this Agreement for any reason, in accordance with their respective terms and conditions, and for the duration stated, and where no duration is stated, shall survive for so long as required to give effect to the subject matter of the provision: Section 4.4, Article 5 (to the extent relating to accrued payments), Section 6.1(a), Section 6.1(b), Article 7, Section 8.10, Article 9, Section 10.6, this Section 10.7 and Article 11, as well as any applicable definitions in Article 1 and any other provisions which are expressed to survive termination or expiration or which are required to give effect to such termination or expiration.

ARTICLE 11. MISCELLANEOUS

11.1 Dispute Resolution.

Other than disputes subject to final decision-making authority by a Party pursuant to Section 3.5, in the event of any dispute between the Parties relating to or arising out of this Agreement, the formation, construction, breach or termination hereof, or the rights, duties or liabilities of either Party hereunder, the Parties shall first attempt in good faith to resolve such dispute by negotiation and consultation between themselves, utilizing the Alliance Managers. In the event that such dispute is not resolved on an informal basis within thirty (30) days, either Party may, by written notice to the other Party, refer the dispute to the Executive Officers for attempted resolution by good faith negotiation within thirty (30) days after such notice is received.

11.2 Arbitration Request.

If the Executive Officers are not able to resolve a disputed matter referred to them under Section 11.1 within thirty (30) days and any Party wishes to pursue the matter, each such dispute, controversy or claim that is not an Excluded Claim shall be finally resolved by binding arbitration administered by the International Chamber of Commerce ("**ICC**") pursuant to its then prevailing arbitration rules, and judgment on the arbitration award may be entered in any court having jurisdiction thereof. The Parties agree that:

(a) The arbitration shall be conducted by a single arbitrator appointed by the ICC, who shall (i) be a lawyer of not less than fifteen (15) years' standing who is experienced in the pharmaceutical business in the relevant country, (ii) not be or have been an employee, consultant, officer, director or stockholder of either Party or any Affiliate of either Party, and (iii) not have a conflict of interest under any applicable rules of ethics. The place of arbitration shall be Singapore, and all proceedings and communications shall be in English, unless otherwise agreed by all Parties involved in such dispute.

(b)Any Party may apply to the arbitrators for interim injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Any Party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any injunctive or provisional relief necessary to protect the rights or property of that Party pending the arbitration award.

(c)The arbitrator shall have no authority to award punitive or any other type of damages not measured by a Party's compensatory damage. Each Party shall bear its own costs and expenses and attorneys' fees and an equal share of the arbitrator's fees and any administrative fees of arbitration regardless of the outcome of such arbitration.

(d)Except to the extent necessary to confirm an award or as may be required by law, neither a Party nor the arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of all Parties. In no event shall an arbitration be initiated after the date when commencement of a legal or equitable proceeding, based on the dispute, controversy or claim, would have been barred by the applicable statute of limitations.

(e)Each Party hereby irrevocably waives any claim to sovereign immunity in regard to any proceedings to recognise or enforce an arbitral award rendered by an arbitral tribunal constituted pursuant to this Agreement, including, without limitation, immunity from service of process, immunity from jurisdiction of any court, and immunity of any of its property from execution, regardless of the commercial or non-commercial nature of the property in question.

(f)As used in this Section 11.2, the term "**Excluded Claim**" shall mean a dispute, controversy or claim that concerns the scope, validity, enforceability, inventorship or infringement of a patent, patent application, trademark or copyright. Any Excluded Claim shall be submitted to a court of competent jurisdiction.

(g)The governing law of this Section 11.2 is the laws of Singapore. **11.3 Governing Law.**

This Agreement and any dispute arising from the performance or breach hereof shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to conflicts of laws principles which would direct the application of the laws of another jurisdiction.

11.4 Assignment.

Neither this Agreement nor any obligation of a Party hereunder may be assigned by either Party without the consent of the other which shall not be unreasonably withheld, except that each Party may assign this Agreement and the rights, obligations and interests of such Party, in whole or in part, to any of its Affiliates, to any purchaser of all or substantially all of its assets or all or substantially all of its assets to which this Agreement relates, or to any successor corporation resulting from any merger, consolidation, share exchange or other similar transaction; provided, that in each instance the assignee or resulting entity in such transaction (if not the Party) expressly assumes all obligations imposed on the assigning Party by this Agreement in writing. This Agreement shall bind and inure to the benefit of the Parties hereto and their respective successors

and permitted assigns. Any purported assignment in violation of this Section 11.4 shall be null and void.

11.5 Performance Warranty.

Each Party hereby acknowledges and agrees that it shall be responsible for the full and timely performance as and when due under, and observance of all the covenants, terms, conditions and agreements set forth in, this Agreement by its Affiliate(s) and, as applicable, sublicensees.

11.6 Force Majeure.

Except for any payment obligations, neither EyePoint nor Betta shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to any occurrence beyond the reasonable control of a Party that (a) prevents or substantially interferes with the performance by such Party of any of its obligations hereunder, and (b) occurs by reason of any act of God, flood, fire, explosion, earthquake, strike, lockout, labor dispute, casualty or accident, or war, revolution, civil commotion, act of terrorism, blockage or embargo, or any injunction, law, order, proclamation, regulation, ordinance, demand or requirement of any government or of any subdivision, authority or representative of any such government (a **"Force Majeure"**). In event of such Force Majeure, the Party affected shall use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

11.7 Notices.

Any notice or request required or permitted to be given under or in connection with this Agreement shall be deemed to have been sufficiently given if in writing and personally delivered or sent by certified mail (return receipt requested), facsimile transmission (receipt verified), overnight express courier service (signature required), prepaid, or by email (with a duplicate copy by another method of notice) to the Party for which such notice is intended, at the address set forth for such Party below:

If to Betta, addressed to:

Betta Pharmaceuticals, Co., Ltd
No. 355 Xingzhong Road, Linping District
Hangzhou, China
PRC 311100
Attention: Lily Li
Email: lily.li@bettapharma.com

If to EyePoint, addressed to:

EyePoint Pharmaceuticals, Inc.
480 Pleasant Street
Watertown, MA 02472
Attention: Ron Honig
Facsimile: 617-926-5050
Email: rhonig@eyepointpharma.com

or to such other address for such Party as it shall have specified by like notice to the other Parties, provided, that notices of a change of address shall be effective only upon receipt thereof. If delivered personally or by confirmed facsimile or email transmission, the date of delivery shall be deemed to be the date on which such notice or request was given. Notwithstanding the foregoing, any notice delivered outside normal business hours (which shall for these purposes mean in the country of the recipient of the notice) then delivery shall be deemed to occur on the Business Day following such delivery. If sent by overnight express courier service, the date of delivery shall be deemed to be the next Business Day after such notice or request was deposited with such service. If sent by certified mail, the date of delivery shall be deemed to be the third (3rd) Business Day after such notice or request was deposited with the U.S. Postal Service.

11.8 Waiver.

Neither Party may waive or release any of its rights or interests in this Agreement except in writing. The failure of either Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition. No waiver by either Party of any condition or term in any one or more instances shall be construed as a continuing waiver of such condition or term or of another condition or term.

11.9 Severability.

If any provision hereof should be held invalid, illegal or unenforceable in any jurisdiction, the Parties shall negotiate in good faith a valid, legal and enforceable substitute provision that most nearly reflects the original intent of the Parties and all other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the Parties hereto as nearly as may be possible. Such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

11.10 Independent Contractors.

Nothing herein shall be construed to create any relationship of employer and employee, agent and principal, partnership or joint venture between the Parties. Each Party is an independent contractor. Neither Party shall assume, either directly or indirectly, any liability of or for the other Party. The Parties shall not have the authority to bind or obligate the other Party and neither Party shall represent that it has such authority.

11.11 Headings; Interpretation.

Headings used herein are for convenience only and shall not in any way affect the construction of or be taken into consideration in interpreting this Agreement. Further, in this Agreement: (a) the word "including" shall be deemed to be followed by the phrase "without limitation" or like expression; (b) the singular shall include the plural and vice versa; and (c) masculine, feminine and neuter pronouns and expressions shall be interchangeable. A Party includes its permitted assignees and/or the respective successors in title to substantially the whole of its undertaking. A statute or statutory instrument or any of their provisions is to be construed as a reference to that statute or statutory instrument or such provision as the same may have been or

may from time to time hereafter be amended, restated, modified, supplemented, or re-enacted. The Exhibits and other attachments form part of the operative provisions of this Agreement and references to this Agreement shall, unless the context otherwise requires, include references to the recitals and the Exhibits and attachments. References to pharmaceutical products, preparations, ingredients, and the like, include biologics and biopharmaceuticals, as applicable. This Agreement, the Exhibits and any amendments hereto may only be written in English, and the Chinese version of any language included in this Agreement or any Exhibit or amendment hereto is included solely for convenience and shall not be binding.

11.12 Further Actions.

Each Party shall execute, acknowledge and deliver such further instruments, and do all such other acts, as may be reasonably necessary or appropriate in order to carry out the expressly stated purposes and the clear intent of this Agreement.

11.13 Construction of Agreement.

The terms and provisions of this Agreement represent the results of negotiations between the Parties and their representatives, each of which has been represented by counsel of its own choosing, and neither of which has acted under duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions of this Agreement shall be interpreted and construed in accordance with their usual and customary meanings, and each of the Parties hereto hereby waives the application in connection with the interpretation and construction of this Agreement of any rule of law to the effect that ambiguous or conflicting terms or provisions contained in this Agreement shall be interpreted or construed against the Party whose attorney prepared the executed draft or any earlier draft of this Agreement.

11.14 Supremacy.

In the event of any express conflict or inconsistency between this Agreement and any Exhibit hereto, the terms of this Agreement shall control. The Parties understand and agree that the Exhibits hereto are to be updated from time to time during the Term, as appropriate, and in accordance with the provisions of this Agreement.

11.15 Counterparts.

This Agreement may be signed in counterparts, each and every one of which shall be deemed an original, notwithstanding variations in format or file designation which may result from the electronic transmission, storage and printing of copies of this Agreement from separate computers or printers. Facsimile signatures and signatures transmitted via PDF shall be treated as original signatures.

11.16 Entire Agreement.

This Agreement, together with the Exhibits hereto, the Pharmacovigilance Agreement and the Supply Agreements, sets forth all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto and supersedes and terminates all prior agreements and understandings between the Parties, including Section 2.5 of

the Equinox Compound License Agreement. There are no covenants, promises, agreements, warranties, representations, conditions or understandings, either oral or written, between the Parties other than as set forth herein and therein. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties hereto unless reduced to writing and signed by the respective authorized officers of the Parties.

* - * - * - *

IN WITNESS WHEREOF, the Parties have caused this Exclusive License Agreement to be executed by their duly authorized representatives as of the Effective Date.

EYEPOINT PHARMACEUTICALS, INC.
By: /s/ Nancy Lurker
Name: Nancy Lurker
Title: President and Chief Executive Officer

IN WITNESS WHEREOF, the Parties have caused this Exclusive License Agreement to be executed by their duly authorized representatives as of the Effective Date.

BETTA PHARMACEUTICALS, CO., LTD.

By: /s/ Lieming Ding
Name: Lieming Ding
Title: Chairman and Chief Executive Officer

EXHIBIT A

EYEPOINT PATENTS

[***]

EXHIBIT B

INITIAL TRANSFER OF EYEPOINT KNOW-HOW

[***]

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY "[***]", HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Exhibit 10.3*

FIRST AMENDMENT
TO
LOAN AND SECURITY AGREEMENT

This First Amendment to Loan and Security Agreement (this "Amendment") is entered into this 2nd day of June, 2022, by and among (a) **SILICON VALLEY BANK** ("Bank") and (b) (i) **EYEPOINT PHARMACEUTICALS, INC.**, a Delaware corporation ("Parent"), (ii) **EYEPOINT PHARMACEUTICALS US, INC.**, a Delaware corporation ("EyePoint US"), and (iii) **ICON BIOSCIENCE, INC.**, a Delaware corporation ("Icon", together with Parent and EyePoint US, individually and collectively, jointly and severally, the "Borrower") whose address is 480 Pleasant Street, Suite A210, Watertown, Massachusetts 02472.

RECITALS

A. Bank and Borrower have entered into that certain Loan and Security Agreement dated as of March 9, 2022 (as the same may from time to time be amended, modified, supplemented or restated, the "Loan Agreement").

B. Bank has extended credit to Borrower for the purposes permitted in the Loan Agreement.

C. Borrower has requested that Bank amend the Loan Agreement to make certain revisions to the Loan Agreement as more fully set forth herein.

D. Bank has agreed to so amend certain provisions of the Loan Agreement, but only to the extent, in accordance with the terms, subject to the conditions and in reliance upon the representations and warranties set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1.Definitions. Capitalized terms used but not defined in this Amendment shall have the meanings given to them in the Loan Agreement.

2.Amendments to Loan Agreement.

2.1 **Section 5.10(b) (Financial Covenants).** Section 5.10(b) of the Loan Agreement is deleted in its entirety and replaced with the following:

" (b) Maintain, at all times, unrestricted and unencumbered cash and Cash Equivalents in accounts in the name of Borrower with Bank or Bank's Affiliates in an amount equal to at least the greater of (i) $50,000,000.00, or (ii) the amount of Borrower's Cash Burn, multiplied by six (6)."

2.2 **Section 12.2 (Definitions).** The following term and its definition set forth in Section 12.2 is deleted in its entirety and replaced with the following:

" "**Cash Burn**" is, as of any date of determination, Borrower's quarterly, as determined as of the most recent fiscal quarter then-ended: (a) Net Income, plus (b) to the extent deducted in the calculation of Net Income, (i) depreciation expense and amortization expense, (ii) non-cash stock compensation, and (iii) other one-time expenses, as approved by Bank in writing in its sole and absolute discretion, each as determined in accordance with GAAP, divided by three (3)."

2.3 **Exhibit A (Compliance Certificate)**. The Compliance Certificate appearing as Exhibit A to the Loan Agreement is deleted in its entirety and replaced with the Compliance Certificate attached as Schedule 1 hereto.

3.Limitation of Amendments.

3.1 The amendments set forth in Section 2, above, are effective for the purposes set forth herein and shall be limited precisely as written and shall not be deemed to (a) be a consent to any other amendment, waiver or modification of any other term or condition of any Loan Document, or (b) otherwise prejudice any right or remedy which Bank may now have or may have in the future under or in connection with any Loan Document.

3.2 This Amendment shall be construed in connection with and as part of the Loan Documents and all terms, conditions, representations, warranties, covenants and agreements set forth in the Loan Documents, except as herein amended, are hereby ratified and confirmed and shall remain in full force and effect.

4.Representations and Warranties. To induce Bank to enter into this Amendment, Borrower hereby represents and warrants to Bank as follows:

4.1 Immediately after giving effect to this Amendment (a) the representations and warranties contained in the Loan Documents are true, accurate, and complete in all material respects as of the date hereof (except to the extent such representations and warranties relate to an earlier date, in which case they are true and correct as of such date), and (b) no Event of Default has occurred and is continuing;

4.2 Borrower has the power and authority to execute and deliver this Amendment and to perform its obligations under the Loan Agreement, as amended by this Amendment;

4.3 The organizational documents of Borrower delivered to Bank on the Effective Date, remain true, accurate and complete and have not been amended, supplemented or restated and are and continue to be in full force and effect;

4.4 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, have been duly authorized;

4.5 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, do not and will not contravene (a) any law or regulation binding on or affecting Borrower, (b) any contractual restriction with a Person binding on Borrower, (c) any order, judgment or decree of any court or other governmental or public body or authority, or subdivision thereof, binding on Borrower, or (d) the organizational documents of Borrower;

4.6 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, do not require any order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption by any governmental or public body or authority, or subdivision thereof, binding on Borrower, except as already has been obtained or made; and

4.7 This Amendment has been duly executed and delivered by Borrower and is the binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws of general application and equitable principles relating to or affecting creditors' rights.

5.[Intentionally omitted].

6.[Intentionally omitted].

7.Integration. This Amendment and the Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Amendment and the Loan Documents merge into this Amendment and the Loan Documents.

8.Counterparts. This Amendment may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

9.Effectiveness. This Amendment shall be deemed effective upon the due execution and delivery to Bank of this Amendment by each party hereto.

[Signature page follows.]

In Witness Whereof, the parties hereto have caused this Amendment as of the date first written above.

BANK

SILICON VALLEY BANK

By: /s/ John Sansone
Name: John Sansone
Title: Vice President

BORROWER

EYEPOINT PHARMACEUTICALS, INC.

By: /s /George Elston
Name: George Elston
Title: Chief Financial Officer and Head of Corporate Development

EYEPOINT PHARMACEUTICALS US, INC.

By: /s /George Elston
Name: George Elston
Title: Chief Financial Officer

ICON BIOSCIENCE, INC.

By: /s /Philip Hoffstein
Name: Philip Hoffstein
Title: President

Schedule 1

EXHIBIT A
COMPLIANCE STATEMENT

TO: SILICON VALLEY BANK Date: _____
FROM: EYEPOINT PHARMACEUTICALS, INC.
EYEPOINT PHARMACEUTICALS US, INC.
ICON BIOSCIENCE, INC.

Under the terms and conditions of the Loan and Security Agreement between Borrower and Bank (as amended, modified, supplemented and/or restated from time to time, the "**Agreement**"), Borrower is in complete compliance for the period ending _____ with all required covenants except as noted below. Attached are the required documents evidencing such compliance, setting forth calculations prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

Please indicate compliance status by circling Yes/No under "Complies" column.

Reporting Covenants	Required	Complies
Compliance Statement	Monthly within 30 days	Yes No
10-Q Report with Compliance Statement	Quarterly, within 45 days of Q1, Q2, and Q3	Yes No
10-K Report and Annual financial statements (CPA Audited)	FYE within 90 days	Yes No
10-Q, 10-K and 8-K	Within 5 days after filing with SEC	Yes No
A/R & A/P Agings, deferred revenue reports	Monthly within 30 days	Yes No
Borrowing Base Statement	Monthly within 30 days	Yes No
Board approved projections	FYE within 90 days and as amended/updated	Yes No

Financial Covenant	Required	Actual	Complies
Maintain as Indicated one of the following:			
Minimum revenue	*See Section 5.10(a)*	$_____	Yes No
Minimum liquidity	*See Section 5.10(b)*	**$**_____	Yes No

Minimum Cash	Required	Actual	Complies
Borrower shall at all times have on deposit in operating and depository accounts maintained in the name of Borrower with Bank, unrestricted cash in an amount equal to the lesser of (i) one hundred percent (100.0%) of the Dollar value of Borrower's consolidated cash, including any Subsidiaries', or Affiliates' (other than senior executives or directors of the Borrower) cash, in the aggregate, at all financial institutions, and (ii) one hundred ten percent (110.0%) of the then-outstanding Obligations of Borrower to Bank.		$_____	Yes No

Beneficial Ownership: Please disclose any updates to the Borrower's beneficial ownership information set forth in Section 14 of the Perfection Certificate pursuant to Section 5.3(i).

Legal Action Notice: Please disclosed any notice of legal actions, investigations, or proceedings pending or threatened in writing ≥ $250,000.00 pursuant to Section 5.3(j).

Account Disputes: Please disclose any disputes or claims relating to Accounts in excess of $100,000.00 individually, or $200,000.00 in the aggregate pursuant to Section 5.4(b).

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY "[***]", HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

The following are the exceptions with respect to the statements above: (If no exceptions exist, state "No exceptions to note.")

Schedule 1

EXHIBIT A
COMPLIANCE STATEMENT
[***]

Exhibit 31.1

Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.

CERTIFICATIONS

I, Nancy Lurker, certify that:

1. I have reviewed this quarterly report on Form 10-Q of EyePoint Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2022

/s/ Nancy Lurker
Name: Nancy Lurker
Title: President and Chief Executive Officer (Principal Executive Officer)

Exhibit 31.2

Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.

CERTIFICATIONS

I, George O. Elston, certify that:

1. I have reviewed this quarterly report on Form 10-Q of EyePoint Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2022

/s/ George O. Elston
Name: George O. Elston
Title: Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

In connection with the Quarterly Report of EyePoint Pharmaceuticals, Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nancy Lurker, President and Chief Executive Officer of the Company, certify that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2022

/s/ Nancy Lurker
Name: Nancy Lurker
Title: President and Chief Executive Officer (Principal Executive Officer)

Exhibit 32.2

Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

In connection with the Quarterly Report of EyePoint Pharmaceuticals, Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, George O. Elston, Chief Financial Officer of the Company, certify that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2022

/s/ George O. Elston
Name: George O. Elston
Title: Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)