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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2021

OR

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

Commission File Number 001-36751

OCUGEN, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**04-3522315**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

263 Great Valley Parkway
Malvern, Pennsylvania 19355
(Address of principal executive offices, including zip code)
(484) 328-4701
(Registrant's telephone number, including area code)

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 $0.01 per share	**OCGN**	**The Nasdaq Stock Market LLC (The Nasdaq Capital Market)**

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 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, 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 7(a)(2)(B) of the Securities Act. ☐

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

As of July 30, 2021, there were 198,755,831 outstanding shares of the registrant's common stock, $0.01 par value per share.

OCUGEN, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2021

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Unless the context otherwise requires, references to the "Company," "we," "our," or "us" in this report refer to Ocugen, Inc. and its subsidiaries, and references to "OpCo" refer to Ocugen OpCo, Inc., the Company's wholly owned subsidiary.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts contained in this Quarterly Report on Form 10-Q regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans, and objectives of management are forward-looking statements. These statements involve known and unknown risks, uncertainties, and other important factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," “will,” “would,” or the negative of such terms and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties, and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated.

The forward-looking statements in this Quarterly Report on Form 10-Q and contained in the Annual Report on Form 10-K filed with the United States Securities and Exchange Commission (“SEC”) on March 19, 2021 (the "2020 Annual Report") include, among other things, statements about:

- our estimates regarding expenses, future revenue, capital requirements, and timing and availability of and the need for additional financing;
- our ability to obtain sufficient additional capital to continue to advance our product candidates and our preclinical programs;
- our activities with respect to COVAXIN, our vaccine candidate for the prevention of COVID-19 caused by SARS-CoV-2, in collaboration with Bharat Biotech International Limited (“Bharat Biotech”), including our plans and expectations regarding clinical development, manufacturing, pricing, regulatory review and compliance, reliance on third parties, and commercialization, if authorized or approved;
- our plans regarding submission of a Biologics License Application ("BLA") to the U.S. Food and Drug Administration including the need for an additional clinical trial to support a BLA submission;
- our ability to successfully obtain adequate supply of COVAXIN from Bharat Biotech and to complete a technology transfer to a new third-party manufacturer and engage such manufacturer on commercially acceptable terms;
- anticipated market demand for COVAXIN in the United States or Canada;
- the extent to which health epidemics and other outbreaks of communicable diseases, including the COVID-19 pandemic, could disrupt our business and operations;
- the uncertainties associated with the clinical development and regulatory authorization or approval of our product candidates, including potential delays in the commencement, enrollment, and completion of clinical trials;
- our ability to realize any value from product candidates and preclinical programs being developed and anticipated to be developed in light of inherent risks and difficulties involved in successfully bringing product candidates to market and the risk that products will not achieve broad market acceptance;
- uncertainties in obtaining successful clinical results for product candidates and unexpected costs that may result therefrom;
- our ability to comply with regulatory schemes applicable to our business and other regulatory developments in the United States, Canada, and other foreign countries; including the extent to which developments with respect to COVID-19 pandemic will affect the regulatory pathway available for vaccines in the United States, Canada, or other jurisdictions;
- the performance of third-parties upon which we depend, including third-party contract research organizations, and third-party suppliers, manufacturers, group purchasing organizations, distributors, and logistics providers;
- the pricing and reimbursement of our product candidates, if authorized or approved;
- our ability to obtain and maintain patent protection, or obtain licenses to intellectual property and defend our intellectual property rights against third-parties;
- our ability to maintain our relationships, profitability, and contracts with our key collaborators and commercial partners; including with Bharat Biotech, and our ability to establish additional collaborations and/or partnerships;

- our ability to recruit or retain key scientific, technical, commercial, and management personnel or to retain our executive officers;
- our ability to comply with stringent U.S., Canada, and other foreign government regulation in the manufacture of pharmaceutical products, including Good Manufacturing Practice compliance and other relevant regulatory authorities;
- the impact of the COVID-19 pandemic on our development programs, global supply chain, and collaborators and manufacturers, including Bharat Biotech; and
- other matters discussed under the heading “Risk Factors” contained in this Quarterly Report on Form 10-Q, the 2020 Annual Report, and in any other documents we file with the SEC.

We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions, and expectations disclosed in the forward-looking statements we make. We have included important factors in the cautionary statements included in this Quarterly Report on Form 10-Q and in the 2020 Annual Report, particularly under “Risk Factors,” that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, collaborations, or investments we may make.

You should read this Quarterly Report on Form 10-Q and the documents that we have filed as exhibits to this Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. We do not assume any obligation to update any forward-looking statements.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Form 10-Q, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

Solely for convenience, tradenames and trademarks referred to in this Quarterly Report on Form 10-Q appear without the ® or TM symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or that the applicable owner will not assert its rights, to these tradenames or trademarks, as applicable. All tradenames, trademarks, and service marks included or incorporated by reference in this Quarterly Report on Form 10-Q are the property of their respective owners.

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	June 30, 2021	December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	$ 115,642	$ 24,039
Advance for COVAXIN supply	4,988	—
Prepaid expenses and other current assets	996	1,839
Total current assets	121,626	25,878
Property and equipment, net	944	633
Restricted cash	151	151
Other assets	1,530	714
Total assets	$ 124,251	$ 27,376
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 802	$ 395
Accrued expenses and other current liabilities	3,870	2,941
Short-term debt, net	—	234
Operating lease obligation	168	44
Total current liabilities	4,840	3,614
Non-current liabilities		
Operating lease obligation, less current portion	1,328	389
Long term debt, net	1,674	1,823
Total non-current liabilities	3,002	2,212
Total liabilities	7,842	5,826
Commitments and contingencies (Note 13)		
Stockholders' equity		
Convertible preferred stock; $0.01 par value; 10,000,000 shares authorized at June 30, 2021 and December 31, 2020		
Series A; seven issued and outstanding at June 30, 2021 and December 31, 2020	—	—
Series B; 54,745 and zero issued and outstanding at June 30, 2021 and December 31, 2020, respectively	1	—
Common stock; $0.01 par value; 295,000,000 and 200,000,000 shares authorized, 198,816,745 and 184,133,384 shares issued, and 198,695,245 and 184,011,884 shares outstanding at June 30, 2021 and December 31, 2020, respectively	1,988	1,841
Treasury stock, at cost, 121,500 shares at June 30, 2021 and December 31, 2020	(48)	(48)
Additional paid-in capital	220,799	93,059
Accumulated deficit	(106,331)	(73,302)
Total stockholders' equity	116,409	21,550
Total liabilities and stockholders' equity	$ 124,251	$ 27,376

See accompanying notes to condensed consolidated financial statements.

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenues				
Collaboration revenue	$ —	$ 43	$ —	$ 43
Total revenues	—	43	—	43
Operating expenses				
Research and development	18,853	1,630	21,725	3,282
General and administrative	6,757	1,779	10,942	4,056
Total operating expenses	25,610	3,409	32,667	7,338
Loss from operations	(25,610)	(3,366)	(32,667)	(7,295)
Other income (expense)				
Interest income	10	—	10	—
Interest expense	(20)	(248)	(40)	(263)
Other income (expense)	(332)	—	(332)	—
Total other income (expense)	(342)	(248)	(362)	(263)
Net loss and comprehensive loss	$ (25,952)	$ (3,614)	$ (33,029)	$ (7,558)
Deemed dividend related to Warrant Exchange	—	(12,546)	—	(12,546)
Net loss to common stockholders	$ (25,952)	$ (16,160)	$ (33,029)	$ (20,104)
Shares used in calculating net loss per common share — basic and diluted	195,572,189	83,537,463	190,960,775	68,082,346
Net loss per share of common stock — basic and diluted	$ (0.13)	$ (0.19)	$ (0.17)	$ (0.30)

See accompanying notes to condensed consolidated financial statements.

OCUGEN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(in thousands, except share amounts)

(Unaudited)

	Series A Convertible Preferred Stock		Series B Convertible Preferred Stock		Common Stock		Treasury Stock	Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at December 31, 2020	7	$ —	—	$ —	184,133,384	$ 1,841	$ (48)	$ 93,059	$ (73,302)	$ 21,550
Stock-based compensation expense	—	—	—	—	—	—	—	833	—	833
Issuance of common stock for option exercises	—	—	—	—	157,468	2	—	174	—	176
At-the-market common stock issuance, net	—	—	—	—	987,000	10	—	4,839	—	4,849
Registered direct offering common stock issuance, net	—	—	—	—	3,000,000	30	—	21,174	—	21,204
Series B Convertible Preferred Stock issuance, net	—	—	54,745	1	—	—	—	4,953	—	4,954
Net loss	—	—	—	—	—	—	—	—	(7,077)	(7,077)
Balance at March 31, 2021	7	$ —	54,745	$ 1	188,277,852	$ 1,883	$ (48)	$ 125,032	$ (80,379)	$ 46,489
Stock-based compensation expense	—	—	—	—	—	—	—	2,095	—	2,095
Issuance of common stock for option and warrant exercises	—	—	—	—	538,893	5	—	366	—	371
Registered direct offering common stock issuance, net	—	—	—	—	10,000,000	100	—	93,306	—	93,406
Net loss	—	—	—	—	—	—	—	—	(25,952)	(25,952)
Balance at June 30, 2021	**7**	**$ —**	**54,745**	**$ 1**	**198,816,745**	**$ 1,988**	**$ (48)**	**$ 220,799**	**$ (106,331)**	**$ 116,409**

OCUGEN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT) (CONTINUED)

(in thousands, except share amounts)

(Unaudited)

	Series A Convertible Preferred Stock		Series B Convertible Preferred Stock		Common Stock		Treasury Stock	Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at December 31, 2019	7	$ —	—	$ —	52,746,728	$ 528	$ (48)	$ 62,019	$ (51,480)	$ 11,019
Stock-based compensation expense	—	—	—	—	—	—	—	222	—	222
Net loss	—	—	—	—	—	—	—	—	(3,944)	(3,944)
Balance at March 31, 2020	7	$ —	—	$ —	52,746,728	$ 528	$ (48)	$ 62,241	$ (55,424)	$ 7,297
Stock-based compensation expense	—	—	—	—	—	—	—	149	—	149
Warrant Exchange	—	—	—	—	21,920,820	219	—	(5,197)	—	(4,978)
Issuance of common stock for subscription agreements and warrant exercises	—	—	—	—	1,328,405	13	—	319	—	332
At-the-market common stock issuance, net	—	—	—	—	59,132,191	591	—	14,846	—	15,437
Net loss	—	—	—	—	—	—	—	—	(3,614)	(3,614)
Balance at June 30, 2020	**7**	**$ —**	**—**	**$ —**	**135,128,144**	**$ 1,351**	**$ (48)**	**$ 72,358**	**$ (59,038)**	**$ 14,623**

See accompanying notes to condensed consolidated financial statements.

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Six months ended June 30,	
	2021	2020
Cash flows from operating activities		
Net loss	$ (33,029)	$ (7,558)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	93	38
Non-cash interest expense	40	263
Non-cash lease expense	134	95
Stock-based compensation expense	2,928	371
Gain on forgiveness of PPP Note	(426)	—
Impairment on note receivable	758	—
Other non-cash	—	(166)
Changes in assets and liabilities:		
Prepaid expenses and other assets	965	500
Accounts payable and accrued expenses	1,483	(1,220)
Other assets	100	—
Lease obligations	(130)	(96)
Net cash used in operating activities	(27,084)	(7,773)
Cash flows from investing activities		
Purchase of property and equipment	(524)	(34)
Issuance of note receivable	(750)	—
Net cash used in investing activities	(1,274)	(34)
Cash flows from financing activities		
Proceeds from issuance of common stock	128,496	16,161
Payment of equity issuance costs	(8,525)	(593)
Proceeds from issuance of debt	—	921
Payments of debt issuance costs	—	(6)
Repayments of debt	—	(1,140)
Financing lease principal payments	(10)	(12)
Net cash provided by financing activities	119,961	15,331
Net increase in cash, cash equivalents, and restricted cash	91,603	7,524
Cash, cash equivalents, and restricted cash at beginning of period	24,190	7,595
Cash, cash equivalents, and restricted cash at end of period	$ 115,793	$ 15,119
Supplemental disclosure of non-cash investing and financing transactions:		
Series B Convertible Preferred Stock issuance	$ 4,988	$ —
Exercise of Warrants	$ 603	$ —
Forgiveness of PPP Note	$ 426	$ —
Issuance of Warrant Exchange Promissory Notes	$ —	$ 5,625
Obligation settled with common stock	$ —	$ 331
Equity issuance costs	$ —	$ 130
Purchase of property and equipment	$ 78	$ —
Right-of-use asset related to operating leases	$ 926	$ —

See accompanying notes to condensed consolidated financial statements.

OCUGEN, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Nature of Business

Ocugen, Inc., together with its wholly owned subsidiaries (“Ocugen” or the “Company”), is a biopharmaceutical company focused on developing gene therapies to cure blindness diseases and developing a vaccine to save lives from COVID-19. The Company is located in Malvern, Pennsylvania, and manages its business as one operating segment.

COVID-19 Vaccine

In February 2021, the Company entered into a Co-Development, Supply and Commercialization Agreement with Bharat Biotech International Limited ("Bharat Biotech"), pursuant to which the Company obtained an exclusive right and license under certain of Bharat Biotech's intellectual property rights, with the right to grant sublicenses to develop, manufacture, and commercialize COVAXIN for the prevention of COVID-19 caused by SARS-CoV-2 in humans in the United States, its territories, and possessions. In June 2021, the Company entered into an amendment to the Co-Development, Supply and Commercialization Agreement (as so amended, the "Covaxin Agreement") pursuant to which the parties agreed to expand the Company's rights to develop, manufacture, and commercialize COVAXIN to include Canada in addition to the United States, its territories, and possessions (the “Ocugen Covaxin Territory”).

COVAXIN is a whole-virion inactivated COVID-19 vaccine candidate and is formulated with the inactivated SARS-CoV-2 virus, an antigen, and an adjuvant. COVAXIN requires a two-dose vaccination regimen given 28 days apart and is stored in standard vaccine storage conditions (2-8°C). COVAXIN has been granted approval for emergency use in India and over 45.0 million doses globally have been administered to date.

In July 2021, the Company announced that COVAXIN demonstrated an overall vaccine efficacy against COVID-19 disease of 77.8%, with efficacy against severe COVID-19 disease of 93.4%, and efficacy against asymptomatic COVID-19 disease of 63.6% in the Phase 3 clinical trial conducted by Bharat Biotech in India. Adverse events in the COVAXIN and controls arms of the Phase 3 clinical trial were observed in 12.4% of subjects, with less than 0.5% of subjects experiencing serious adverse side effects. The majority of the symptomatic cases identified in aggregate in the COVAXIN and controls arms in the Phase 3 clinical trial were COVID-19 variants, the majority of which were identified to be the Delta variant, B.1.617.2. Subjects vaccinated with COVAXIN in the Phase 3 clinical trial showed protection against the emerging Delta variant, B.1.617.2, showing a vaccine efficacy of 65.2%. Additionally, in in-vitro studies conducted by the Indian Council of Medical Research ("ICMR") — National Institute of Virology, COVAXIN demonstrated potential effectiveness against the Zeta variant, B.1.1.28.2, which contains the E484K mutation found in New York, as well as potential effectiveness against the Alpha variant, B.1.1.7, and the Beta variant, B.1.351.

The Company is currently evaluating the clinical and regulatory pathway to market for COVAXIN in the United States. In June 2021, the U.S. Food and Drug Administration (the "FDA") provided feedback to the Company regarding the data and information contained in a "Master File" that was previously submitted to the FDA and recommended that the Company pursue a Biologics License Application ("BLA") submission instead of an Emergency Use Authorization ("EUA") application for COVAXIN in the United States. As part of the feedback provided by the FDA regarding the "Master File", the FDA also requested additional information and data. The Company is currently in discussions with the FDA regarding the appropriate regulatory pathway for COVAXIN in the United States. The Company is additionally in discussions with the FDA regarding the data requirements for COVAXIN under a BLA submission and anticipates that data from an additional clinical trial will be required to support a BLA submission.

The Company is pursuing authorization for COVAXIN in Canada and has had discussions with Health Canada regarding the regulatory pathway for COVAXIN under the Minister of Health’s *Interim Order Respecting the Importation, Sale and Advertising of Drugs for Use in Relation to COVID-19* (the "Interim Order"). In July 2021, the Company announced it had completed its rolling submission to Health Canada for COVAXIN. The rolling submission process, which permits companies to submit safety and efficacy data and information as they become available, was recommended and accepted under the Interim Order and transitioned to a New Drug Submission for COVID-19. The submission was conducted through the Company's Canadian affiliate, Vaccigen, Ltd. ("Vaccigen").

The Company is evaluating its commercialization strategy for COVAXIN in the United States and Canada, if authorized or approved in either jurisdiction. In June 2021, the Company selected Jubilant HollisterStier as its manufacturing partner for

COVAXIN to prepare for the potential commercial manufacturing for the Ocugen Covaxin Territory. The Company expects to enter into a master services agreement with Jubilant HollisterStier for the manufacture of COVAXIN and the technology transfer process to Jubilant HollisterStier has been initiated.

See Note 3 for additional information about the terms, rights, and obligations under the Covaxin Agreement.

Modifier Gene Therapy Platform

The Company is developing a breakthrough modifier gene therapy platform to generate therapies designed to fulfill unmet medical needs in the area of retinal diseases, including inherited retinal diseases ("IRDs") and dry age-related macular degeneration ("AMD"). The Company's modifier gene therapy platform is based on nuclear hormone receptors (“NHRs”), which have the potential to restore homeostasis, the basic biological processes in the retina. Unlike single-gene replacement therapies, which only target one genetic mutation, the Company believes that its gene therapy platform, through its use of NHRs, represents a novel approach in that it may address multiple retinal diseases with one product.

The Company believes that OCU400, its first product candidate being developed with its modifier gene therapy platform, has the potential to be broadly effective in restoring retinal integrity and function across a range of genetically diverse IRDs, including retinitis pigmentosa ("RP") and leber congenital amaurosis ("LCA"). OCU400 has received four Orphan Drug Designations ("ODDs") from the FDA for the treatment of certain disease genotypes: nuclear receptor subfamily 2 group E member 3 ("*NR2E3*"), centrosomal protein 290 ("*CEP290*"), rhodopsin ("*RHO*"), and phosphodiesterase 6B ("*PDE6ß*") mutation-associated inherited retinal degenerations. The Company is planning to initiate two parallel Phase 1/2a clinical trials for OCU400 in the United States later this year. OCU400 additionally has received Orphan Medicinal Product Designation ("OMPD") from the European Commission ("EC"), based on the recommendation of the European Medicines Agency ("EMA"), for RP and LCA, which the Company believes further supports the potential broad spectrum application of OCU400 to treat many IRDs. The Company is currently evaluating options to commence OCU400 clinical trials in Europe in 2022. The Company's second gene therapy candidate, OCU410, is being developed to utilize the nuclear receptor genes RAR-related orphan receptor A ("*RORA*") for the treatment of dry AMD. This candidate is currently in preclinical development. The Company is planning to initiate a Phase 1/2a clinical trial for OCU410 in 2022.

Novel Biologic Therapy for Retinal Diseases

The Company is also conducting preclinical development for its biologic product candidate, OCU200. OCU200 is a novel fusion protein designed to treat diabetic macular edema ("DME"), diabetic retinopathy ("DR"), and wet AMD. The Company had a pre-Investigational New Drug ("IND") meeting with the FDA in November 2020 and received guidance on IND-enabling preclinical studies to support the Phase 1/2a study. The Company has completed the technology transfer of manufacturing processes to the Company's contract development and manufacturing organization ("CDMO") for the manufacture of OCU200. The Company expects to initiate a Phase 1/2a clinical trial in 2022. The Company's CDMO will manufacture the clinical supplies for the Phase 1/2a clinical trial.

Going Concern

The Company has incurred recurring net losses since inception and has funded its operations to date through the sale of common stock, warrants to purchase common stock, the issuance of convertible notes, debt, and grant proceeds. The Company incurred net losses of approximately $33.0 million and $7.6 million for the six months ended June 30, 2021 and 2020, respectively. As of June 30, 2021, the Company had an accumulated deficit of $106.3 million and cash, cash equivalents, and restricted cash totaling $115.8 million.

The Company has a limited operating history and its prospects are subject to risks, expenses, and uncertainties frequently encountered by companies in its industry. The Company intends to continue its research, development, and commercialization efforts for its product candidates, which will require significant additional funding. If the Company is unable to obtain additional financing in the future or research, development, and commercialization efforts require higher than anticipated capital, there may be a negative impact on the financial viability of the Company. The Company plans to increase working capital by raising additional capital through public and private placements of equity and/or debt, payments from potential strategic research and development arrangements, sale of assets, government grants, licensing and/or collaboration arrangements with pharmaceutical companies or other institutions, or other funding from the government or other third parties. Such financing may not be available at all, or on terms that are favorable to the Company. While management of the Company believes that it has a plan to fund ongoing operations, its plan may not be successfully implemented. Failure to generate sufficient cash flows from operations, raise additional capital, or appropriately manage certain discretionary spending could have a material adverse effect on the Company’s ability to achieve its intended business objectives.

As a result of these factors, together with the anticipated increase in spending that will be necessary to continue to develop and commercialize the Company's product candidates, there is substantial doubt about the Company's ability to continue as a going concern within one year after the date that these condensed consolidated financial statements are issued. The condensed consolidated financial statements do not contain any adjustments that might result from the resolution of any of the above uncertainties.

2. Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

The accompanying condensed consolidated financial statements included herein have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP") and under the rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim reporting. The accompanying unaudited condensed consolidated financial statements include all adjustments, consisting of normal recurring adjustments, that are necessary to present fairly the Company's financial position, results of operations, and cash flows. The condensed consolidated results of operations are not necessarily indicative of the results that may occur for the full fiscal year. Certain information and footnote disclosures of the Company normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted under the SEC's rules and regulations. These condensed consolidated financial statements should be read in conjunction with the audited financial statements and accompanying notes thereto for the year ended December 31, 2020, included in the Company's Annual Report on Form 10-K filed with the SEC on March 19, 2021 (the "2020 Annual Report").

The condensed consolidated financial statements include the accounts of Ocugen and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. Certain prior period amounts have been reclassified to conform with current period presentation.

Use of Estimates

In preparing the condensed consolidated financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of expenses during the reporting period. Due to inherent uncertainty involved in making estimates, actual results reported in future periods may be affected by changes in these estimates. On an ongoing basis, the Company evaluates its estimates and assumptions. These estimates and assumptions primarily include those used in the accounting for research and development accruals, the fair value measurement of equity instruments, and the collectibility of the note receivable.

Collaboration Arrangements

The Company assesses whether collaboration agreements are subject to Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 808, *Collaborative Arrangements* ("ASC 808"), based on whether they involve joint operating activities and whether both parties have active participation in the arrangement and are exposed to significant risks and rewards. To the extent that the arrangement falls within the scope of ASC 808, the Company assesses whether the payments between the Company and the collaboration partner are subject to other accounting literature. If payments from the collaboration partner represent consideration from a customer, the Company accounts for those payments within the scope of FASB ASC Topic 606, *Revenue from Contracts with Customers*. However, if the Company concludes that its collaboration partner is not a customer, the Company will record royalty payments received as collaboration revenue in the period in which the underlying sale occurs and record expenses and expense reimbursements as either research and development expense or general and administrative expense, or a reduction thereof, based on the underlying nature of the expense or expense reimbursement. During the three and six months ended June 30, 2020, the Company recorded collaboration revenue from an agreement accounted for as a collaborative arrangement within the scope of ASC 808. No collaboration revenue was recorded during the three and six months ended June 30, 2021.

Exit and Disposal Activities

The Company records liabilities for one-time termination benefits in accordance with FASB ASC Topic 420, *Exit and Disposal Cost Obligations* ("ASC 420"). In accordance with ASC 420, an arrangement for one-time termination benefits exists at the date the plan of the termination meets the following criteria: (i) management commits to a plan of termination, (ii) the plan identifies the impacted employees and expected completion date, (iii) the plan identifies the terms of the benefits arrangement, (iv) it is unlikely significant changes to the plan will be made or the plan will be withdrawn, and (v) the plan has been

communicated to employees. Costs for one-time termination benefits in which the employee is required to render service until termination in order to receive the benefits, are recognized ratably over the future service period.

The Company records liabilities for employee termination benefits covered by ongoing benefit arrangements in accordance with FASB ASC Topic 712, *Compensation — Nonretirement Postemployment Benefits* ("ASC 712"). In accordance with ASC 712, costs for termination benefits under ongoing benefits arrangements are recognized when management has committed to a plan of termination and the costs are probable and estimable.

Severance-related charges, once incurred, are recognized as either research and development expense or general and administrative expense within the condensed consolidated statements of operations and comprehensive loss depending on the job function of the employee.

Fair Value Measurements

The company follows the provisions of the FASB ASC Topic 820, *Fair Value Measurements* (“ASC 820”), which defines fair value as used in numerous accounting pronouncements, establishes a framework for measuring fair value, and expands disclosure of fair measurements.

The carrying value of certain financial instruments, including cash and cash equivalents, accounts payable, and accrued expenses approximates their fair values due to the short-term nature of these instruments.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets or liabilities
Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable
Level 3 — inputs that are unobservable (for example cash flow modeling inputs based on assumptions)

As of June 30, 2021, the Company believes the fair value using Level 2 inputs of the borrowings under the EB-5 Loan Agreement (as defined in Note 8) approximates its carrying value. See Note 8 for additional information.

Cash, Cash Equivalents, and Restricted Cash

The Company considers all highly liquid investments that have maturities of three months or less when acquired to be cash equivalents. Cash and cash equivalents include bank demand deposits, marketable securities with maturities of three months or less at purchase, and money market funds that invest primarily in certificates of deposit, commercial paper, and U.S. government and U.S. government agency obligations. The Company’s restricted cash balance consists of cash held to collateralize a corporate credit card account.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash in the condensed consolidated balance sheets to the total amount shown in the condensed consolidated statements of cash flows (in thousands):

	As of June 30,	
	2021	2020
Cash and cash equivalents	$ 115,642	$ 14,968
Restricted cash	151	151
Total cash, cash equivalents, and restricted cash	$ 115,793	$ 15,119

Property and Equipment, Net

Property and equipment is recorded at historical cost. Significant additions or improvements are capitalized, and expenditures for repairs and maintenance are charged to expense as incurred. Gains and losses on disposal of assets are included in the condensed consolidated statements of operations and comprehensive loss. Depreciation is calculated using the straight-line method and is recognized over the expected useful life of the underlying asset. The Company's property and equipment

currently includes office equipment, lab equipment, and leasehold improvements. The Company's office equipment includes computers and other office technology equipment with a useful life of five years as well as furniture and fixtures with a useful life of seven years. The Company's lab equipment has a useful life of five years. Leasehold improvements are amortized over the shorter of their useful lives or the remaining lease term. If a leasehold improvement transfers ownership to the Company at the end of the lease term, the leasehold improvement is amortized over its useful life.

Leases

The Company determines if an arrangement is a lease at inception. This determination generally depends on whether the arrangement conveys to the Company the right to control the use of an explicitly or implicitly identified fixed asset for a period of time in exchange for consideration. Control of an underlying asset is conveyed to the Company if the Company obtains the rights to direct the use of and to obtain substantially all of the economic benefits from using the underlying asset. The Company's current and historical lease agreements include lease and non-lease components, which the Company has elected not to account for separately for all classes of underlying assets. Lease expense for variable lease components is recognized when the obligation is probable.

Operating leases are included in other assets and operating lease obligations in the Company's condensed consolidated balance sheets. Operating lease right-of-use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Operating lease payments are recognized as lease expense on a straight-line basis over the lease term and recognized as research and development expense or general and administrative expense based on the underlying nature of the expense. The Company primarily leases real estate classified as operating leases. FASB ASC Topic 842, *Leases* ("ASC 842") requires a lessee to discount its unpaid lease payments using the interest rate implicit in the lease or, if that rate cannot be readily determined, its incremental borrowing rate. The implicit interest rate was not readily determinable in the Company's current and historical operating leases, therefore the incremental borrowing rate was used based on the information available at the commencement date in determining the present value of lease payments.

The lease term for all of the Company's leases includes the non-cancellable period of the lease plus any additional periods covered by either an option to extend (or not to terminate) the lease that the Company is reasonably certain to exercise, or an option to extend (or not to terminate) the lease controlled by the lessor.

Lease payments included in the measurement of the lease liability are comprised of fixed payments, variable payments that depend on index or rate, and amounts probable to be payable under the exercise of an option to purchase the underlying asset if reasonably certain.

Variable lease payments not dependent on a rate or index associated with the Company's leases are recognized when the event, activity, or circumstance is probable. Variable lease payments include the Company's proportionate share of certain utilities and other operating expenses and are presented as operating expenses in the Company's condensed consolidated statements of operations and comprehensive loss in the same line item as expense arising from fixed lease payments.

Stock-Based Compensation

The Company accounts for its stock-based compensation awards in accordance with FASB ASC Topic 718, *Compensation — Stock Compensation* ("ASC 718"). The Company has issued stock-based compensation awards consisting of stock options and restricted stock units ("RSUs"). ASC 718 requires all stock-based payments, including grants of stock options and RSUs, to be recognized in the condensed consolidated statements of operations and comprehensive loss based on their grant date fair values. The Company uses the Black-Scholes option-pricing model to determine the fair value of stock options granted. For RSUs, the fair value of the RSUs is determined by the Company's market price of a share of common stock at the grant date. The Company recognizes forfeitures as they occur.

Compensation expense related to stock-based compensation awards granted with service-based vesting conditions is recognized on a straight-line basis based on the grant date fair value over the associated service period of the award, which is generally the vesting term. Stock-based compensation awards generally vest over a one to three year requisite service period and have a contractual term of 10 years. To the extent a stock-based compensation award is subject to performance-based vesting conditions, the amount of compensation expense recorded reflects an assessment of the probability of achieving the performance conditions. Compensation expense for stock-based compensation awards with performance-based vesting conditions is only recognized when the performance-based vesting condition is deemed probable to occur. Shares issued upon stock option exercise and RSU vesting are newly issued common shares.

Estimating the fair value of stock options requires the input of subjective assumptions, including the expected life of the stock option, stock price volatility, the risk-free interest rate, and expected dividends. The assumptions used in the Company's Black-Scholes option-pricing model represent management's best estimates and involve a number of variables, uncertainties, assumptions, and the application of management's judgment, as they are inherently subjective. If any assumptions change, the Company's stock-based compensation expense could be materially different in the future.

Recently Adopted Accounting Standards

In December 2019, the FASB issued Accounting Standards Update ("ASU") No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. This standard removes certain exceptions for recognizing deferred taxes for investments, performing intraperiod allocations, and calculating income taxes in interim periods. This standard also adds guidance to reduce complexity in certain areas, including recognizing franchise tax, recognizing deferred taxes for tax goodwill, allocating taxes to the members of a consolidated group, and recognizing the effect of enacted changes in tax laws or rates during an interim period. This standard was effective for the Company on January 1, 2021. The adoption of this standard did not have a material impact on the Company's condensed consolidated financial statements.

Recent Accounting Pronouncements

In May 2021, the FASB issued ASU No. 2021-04, *Earnings Per Share (Topic 260), Debt — Modifications and Extinguishments (Subtopic 470-50), Compensation — Stock Compensation (Topic 718), and Derivatives and Hedging — Contracts in Entity's Own Equity (Subtopic 815-40)*. This standard will have an effective and transition date of January 1, 2022. This standard clarifies and reduces diversity in an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options, including warrants, that remain equity-classified after modification or exchange. The standard requires an entity to treat a modification or an exchange of a freestanding equity-classified written call option that remains equity-classified after the modification or exchange as an exchange of the original instrument for a new instrument. The standard additionally provides guidance on measuring and recognizing the effect of a modification or an exchange. The Company does not currently expect the adoption of this standard to have a material impact on the Company's condensed consolidated financial statements.

In August 2020, the FASB issued ASU No. 2020-06, *Debt — Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging — Contracts in Entity's Own Equity (Subtopic 815-40)*. This standard will have an effective and transition date of January 1, 2024. Early adoption is currently permitted. This standard simplifies an issuer's accounting for convertible instruments by eliminating two of the three models that require separate accounting for embedded conversion features as well as simplifies the settlement assessment that entities are required to perform to determine whether a contract qualifies for equity classification. This standard also requires entities to use the if-converted method for all convertible instruments in the diluted earnings per share calculation and include the effect of potential share settlement (if the effect is more dilutive) for instruments that may be settled in cash or shares, except for certain liability-classified share-based payment awards. The standard requires new disclosures about events that occur during the reporting period and cause conversion contingencies to be met and about the fair value of a public business entity's convertible debt at the instrument level, among other things. The Company does not currently expect the adoption of this standard to have a material impact on the Company's condensed consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The FASB subsequently issued amendments to ASU No. 2016-13, which have the same effective date and transition date of January 1, 2023. These require that credit losses be reported using an expected losses model rather than the incurred losses model that is currently used, and establishes additional disclosures related to credit risks. For available-for-sale debt securities with unrealized losses, these standards now require allowances to be recorded instead of reducing the amortized cost of the investment. These standards limit the amount of credit losses to be recognized for available-for-sale debt securities to the amount by which carrying value exceeds fair value and requires the reversal of previously recognized credit losses if fair value increases. The Company does not currently expect the adoption of this standard to have a material impact on the Company's condensed consolidated financial statements.

3. License and Development Agreements

The Company entered into the Covaxin Agreement with Bharat Biotech to co-develop COVAXIN, a whole-virion inactivated COVID-19 vaccine being developed to prevent COVID-19 infection, for the U.S. and Canadian markets. The Covaxin Agreement was originally entered into in February 2021 with respect to the U.S. market and was subsequently amended in June 2021 to add rights to the Canadian market. Pursuant to the Covaxin Agreement, the Company obtained an exclusive right and license under certain of Bharat Biotech's intellectual property rights, with the right to grant sublicenses, to develop,

manufacture, and commercialize COVAXIN in the Ocugen Covaxin Territory. In consideration of the license and other rights granted by Bharat Biotech to the Company, the parties agreed to share any profits generated from the commercialization of COVAXIN in the Ocugen Covaxin Territory, with the Company retaining 45% of such profits, and Bharat Biotech receiving the balance of such profits. In consideration of the expansion of the Ocugen Covaxin Territory to include Canada, the Company paid Bharat Biotech a non-refundable, up-front payment of $15.0 million in June 2021, which was recognized as research and development expense in the condensed consolidated statements of operations and comprehensive loss during the three and six months ended June 30, 2021. The Company additionally agreed to pay Bharat Biotech $10.0 million within 30 days after the first commercial sale of COVAXIN in Canada. The Covaxin Agreement is a collaboration arrangement within the scope of ASC 808.

Under the Covaxin Agreement, the Company and Bharat Biotech will collaborate to develop COVAXIN for their respective territories. Except with respect to manufacturing rights under certain circumstances as described below, the Company has the exclusive right and is solely responsible for researching, developing, manufacturing, and commercializing COVAXIN for the Ocugen Covaxin Territory. Bharat Biotech has the exclusive right and is solely responsible for researching, developing, manufacturing, and commercializing COVAXIN outside of the Ocugen Covaxin Territory.

Bharat Biotech has agreed to provide to the Company all preclinical and clinical data, and to transfer to the Company certain proprietary technology owned or controlled by Bharat Biotech, that is necessary for the successful commercial manufacture and supply of COVAXIN to support commercial sale in the Ocugen Covaxin Territory. In certain circumstances set forth in the Covaxin Agreement, and until the Company is capable and primarily responsible for the manufacture and supply of COVAXIN for the Ocugen Covaxin Territory, Bharat Biotech has the exclusive right to manufacture COVAXIN for the Ocugen Covaxin Territory and is responsible for manufacturing and supplying clinical testing materials required for the Company’s development activities, and all of the Company’s requirements of commercial quantities of COVAXIN. The parties expect to enter into supply agreements setting forth the terms of such supply. Bharat Biotech has agreed to provide a specified minimum number of doses in calendar year 2021. In March 2021, the Company issued shares of Series B Convertible Preferred Stock (as defined in Note 9) as an advance payment for the supply of COVAXIN to be provided by Bharat Biotech under an expected future supply agreement. See Note 9 for additional information about the Series B Convertible Preferred Stock issuance to Bharat Biotech. In June 2021, the Company selected Jubilant HollisterStier as its manufacturing partner for COVAXIN to prepare for the potential commercial manufacturing of COVAXIN for the Ocugen Covaxin Territory. The Company expects to enter into a master services agreement with Jubilant HollisterStier for the manufacture of COVAXIN and the technology transfer process to Jubilant HollisterStier has been initiated.

The Covaxin Agreement continues in effect for the commercial life of COVAXIN, subject to the earlier termination of the Covaxin Agreement in accordance with its terms. The Covaxin Agreement also contains customary representations and warranties made by both parties and customary provisions relating to indemnification, limitation of liability, confidentiality, information and data sharing, and other matters.

4. Notes Receivable

On April 13, 2021, the Company received a promissory note in the principal amount of $0.8 million from a company in connection with a potential collaboration. The promissory note bore interest at a rate per annum of 5% and the outstanding principal balance of the promissory note plus any accrued and unpaid interest thereon was payable in full on April 13, 2022 (the "Maturity Date"). Effective July 2021, the Company accepted an amended and restated promissory note (as so amended and restated, the "Promissory Note") pursuant to which the parties agreed to extend the Maturity Date of the Promissory Note to June 30, 2022 and increase the interest rate per annum to 9% with quarterly interest payments. The Promissory Note may be prepaid in whole or in part at any time, together with accrued and unpaid interest. The Promissory Note contains customary covenants and events of default, including, among others, failure to make payment, breach of agreement, and bankruptcy.

The Company has evaluated the probability of collecting the full principal and accrued interest balance under the terms of the Promissory Note and has determined that collection is not probable. During the three and six months ended June 30, 2021, the Company wrote off the full principal and accrued interest balance of the Promissory Note and recorded the write-off as a loss within other income (expense) within the condensed consolidated statements of operations and comprehensive loss.

5. Property and Equipment

The following table provides a summary of the major components of property and equipment as reflected on the condensed consolidated balance sheets (in thousands):

	June 30, 2021	December 31, 2020
Office equipment	$ 307	$ 166
Lab equipment	749	452
Leasehold improvements	163	177
Financing lease right-of-use asset	—	64
Total property and equipment	1,219	859
Less: accumulated depreciation	(275)	(226)
Total property and equipment, net	$ 944	$ 633

6. Operating Leases

The Company has commitments under an operating lease with WPT Land 2 LP (the “Landlord”) for certain facilities used in its operations including for the use of laboratory, office, and storage space located in Malvern, Pennsylvania (the “Lease Agreement”). The Lease Agreement was determined to have two lease components per ASC 842, a laboratory space lease component (the "Initial Premises") and an office, storage, and future expanded laboratory space lease component (the "Expansion Premises"), with varying commencement dates. The Initial Premises commencement date occurred in December 2020 and the Expansion Premises commencement date occurred in January 2021. The Lease Agreement has an initial term of seven years and the Company has the option to extend the Lease Agreement for one additional five-year term. The option for extension has been excluded from the lease term (and lease liability) for the Lease Agreement as it is not reasonably certain that the Company will exercise such option.

The Company had a former lease agreement with the Landlord for the Company's former office space. Pursuant to the terms of the Lease Agreement, the Company terminated the former lease agreement with the Landlord without penalty upon the commencement of the Expansion Premises in January 2021.

The components of lease expense were as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Operating lease cost	$ 66	$ 48	$ 134	$ 95
Variable lease cost	22	20	52	42
Total lease cost	$ 88	$ 68	$ 186	$ 137

Supplemental balance sheet information related to leases was as follows (in thousands):

	June 30, 2021	December 31, 2020
Right-of-use assets, net	$ 1,480	$ 434
Current lease obligations	$ 168	$ 44
Non-current lease obligations	1,328	389
Total lease liabilities	$ 1,496	$ 433

Supplemental information related to leases was as follows:

	Six months ended June 30,	
	2021	2020
Weighted-average remaining lease term — operating leases (years)	6.4	1.5
Weighted-average discount rate — operating leases	4.6 %	7.6 %

Future minimum operating lease base rent payments are approximately as follows (in thousands):

For the Years Ending December 31,	Amount
Remainder of 2021	$ 102
2022	252
2023	261
2024	269
2025	277
Thereafter	578
Total	$ 1,739
Less: present value adjustment	(243)
Present value of minimum lease payments	$ 1,496

7. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities are as follows (in thousands):

	June 30, 2021	December 31, 2020
Research and development	$ 814	$ 512
Clinical	106	117
Professional fees	1,907	405
Employee-related	647	963
Severance-related (1)	197	712
Other	199	232
Total accrued expenses and other current liabilities	$ 3,870	$ 2,941

(1) In June 2020, the Company communicated notice to five employees of the termination of their employment as a result of the discontinuation of a product candidate. This reduction represented one-third of the Company's workforce at the time of communication. All terminations were "without cause" and each employee received termination benefits upon departure. The termination dates varied for each employee and ranged from June 30, 2020 to December 31, 2020. The Company recognized no severance-related charges and a de minimis amount of severance-related charges during the three and six months ended June 30, 2021, respectively. The Company recognized severance-related charges of $0.5 million within research and development expense and $0.2 million within general and administrative expense during the three and six months ended June 30, 2020, respectively. The Company made severance payments of $0.2 million and $0.5 million during the three and six months ended June 30, 2021, respectively. The Company made a de minimis amount of severance payments during the three and six months ended June 30, 2020. The Company expects to pay severance benefits of $0.2 million throughout the remainder of 2021.

8. Debt

The following table provides a summary of the carrying values for the components of debt as reflected on the condensed consolidated balance sheets (in thousands):

	June 30, 2021	December 31, 2020
PPP Note	$ —	$ 421
EB-5 Loan Agreement	1,674	1,636
Total carrying value of debt, net	$ 1,674	$ 2,057

PPP Note

In April 2020, the Company was granted a loan from Silicon Valley Bank ("SVB"), in the amount of $0.4 million, pursuant to the Paycheck Protection Program (the “PPP”) of the Coronavirus Aid, Relief and Economic Security Act of 2020 (the “CARES Act”). Under the PPP, the loan was eligible for forgiveness to the extent the funds received were used for qualifying expenses as described by the CARES Act. The loan was in the form of a promissory note dated April 30, 2020 in favor of SVB (the "PPP Note"). The PPP Note had a maturity date of April 30, 2022 and bore interest at a rate of 1.0% per annum. The Company did not provide any collateral or guarantees for the loan, nor did the Company pay any facility charge to obtain the loan. The PPP Note provided for customary events of default, including, among others, failure to make payment, bankruptcy, breaches of representations, and material adverse events. In May 2021, the Company received notice from the Small Business Administration (the "SBA") that the PPP Note was forgiven in its entirety, including both principal and accrued interest. The Company recognized a $0.4 million gain on loan extinguishment within other income (expense) for the forgiveness of the PPP Note within the condensed consolidated statements of operations and comprehensive loss for the three and six months ended June 30, 2021.

EB-5 Loan Agreement

In September 2016, pursuant to the U.S. government’s Immigrant Investor Program, commonly known as the EB-5 program (the “EB-5 Program”), the Company entered into an arrangement (the “EB-5 Loan Agreement”) to borrow up to $10.0 million from EB5 Life Sciences, L.P. (“EB-5 Life Sciences”) in $0.5 million increments. Borrowing may be limited by the amount of funds raised by the EB-5 Life Sciences and are subject to certain job creation requirements by the Company. Borrowings are at a fixed interest rate of 4.0% per annum and are to be utilized in the clinical development, manufacturing, and commercialization of the Company’s product candidates and for the general working capital needs of the Company. Outstanding borrowings pursuant to the EB-5 Loan Agreement, including accrued interest, become due upon the seventh anniversary of the final disbursement. Amounts repaid cannot be re-borrowed. The EB-5 Loan Agreement borrowings are secured by substantially all assets of the Company, except for any patents, patent applications, pending patents, patent licenses, patent sublicenses, trademarks, and other intellectual property rights.

Under the terms and conditions of the EB-5 Loan Agreement, the Company borrowed $1.0 million in 2016 and an additional $0.5 million in March 2020. Issuance costs were recognized as a reduction to the loan balance and are amortized to interest expense over the term of the loan.

The carrying values of the EB-5 Loan Agreement borrowings as of June 30, 2021 and December 31, 2020 are summarized below (in thousands):

	June 30, 2021	December 31, 2020
Principal outstanding	$ 1,500	$ 1,500
Plus: accrued interest	211	181
Less: unamortized debt issuance costs	(37)	(45)
Carrying value	$ 1,674	$ 1,636

9. Equity

COVAXIN Preferred Stock Purchase Agreement

On March 1, 2021, the Company entered into a preferred stock purchase agreement, pursuant to which the Company agreed to issue and sell 0.1 million shares of the Company's Series B Convertible Preferred Stock, par value $0.01 per share (the "Series B Convertible Preferred Stock"), at a price per share equal to $109.60, to Bharat Biotech. On March 18, 2021, the Company issued the Series B Convertible Preferred Stock as an advance payment for the supply of COVAXIN to be provided by Bharat Biotech pursuant to a supply agreement expected to be entered into with respect to the parties' Covaxin Agreement (the "Supply Agreement").

Each share of Series B Convertible Preferred Stock is convertible, at the option of Bharat Biotech, into 10 shares of the Company's common stock (the "Conversion Ratio") only after (i) the Company has received stockholder approval to increase the number of authorized shares of common stock under its Sixth Amended and Restated Certificate of Incorporation and (ii) the Company's receipt of shipments by Bharat Biotech of the first 10.0 million doses of COVAXIN manufactured by Bharat Biotech pursuant to the Supply Agreement, and further on the terms and subject to the conditions set forth in the Certificate of Designation of Preferences, Rights and Limitations of Series B Convertible Preferred Stock (the "Certificate of Designation"). In April 2021, the Company's stockholders approved an increase in the number of the Company's authorized shares of common stock from 200.0 million to 295.0 million. As of June 30, 2021, the conversion condition relating to the delivery of the first 10.0 million doses of COVAXIN had not been met. The conversion rate of the Series B Convertible Preferred Stock is subject to adjustment in the event of a stock dividend, stock split, reclassification, or similar event with respect to the Company's common stock.

Bharat Biotech is entitled to receive dividends on the Series B Convertible Preferred Stock equal (on an as-converted to common stock basis) to and in the same form as dividends actually paid on shares of common stock, when and if such dividends are paid. Except as provided by law and certain protective provisions set forth in the Certificate of Designation, the Series B Convertible Preferred Stock has no voting rights. Upon a liquidation or dissolution of the Company, holders of Series B Convertible Preferred Stock would be entitled to receive the same amount that a holder of common stock would receive if the Series B Convertible Preferred Stock were fully converted to common stock.

The Company accounted for the issuance of the Series B Convertible Preferred Stock in accordance with ASC 718 and recorded the fair value of $5.0 million within equity during the six months ended June 30, 2021, with a corresponding short-term asset for the advanced payment for the doses of COVAXIN. The Company utilized the traded common stock price, adjusted by the Conversion Ratio, to value the Series B Convertible Preferred Stock and the Finnerty model to estimate a 15% discount rate for the lack of marketability of the instrument. The valuation incorporates Level 3 inputs in the fair value hierarchy, including the estimated time until the instrument's liquidity and estimated volatility of the Company's common stock as of the grant date.

Registered Direct Offerings

On April 23, 2021, the Company entered into a securities purchase agreement with certain institutional investors pursuant to which the Company agreed to issue and sell in a registered direct offering (the "April 2021 Registered Direct Offering") an aggregate of 10.0 million shares of the Company's common stock at an offering price of $10.00 per share. The closing of the April 2021 Registered Direct Offering occurred on April 27, 2021 and the Company received net proceeds of $93.4 million after deducting equity issuance costs of $6.6 million.

On February 7, 2021, the Company entered into a securities purchase agreement with certain institutional investors pursuant to which the Company agreed to issue and sell in a registered direct offering (the "February 2021 Registered Direct Offering") an aggregate of 3.0 million shares of the Company's common stock at an offering price of $7.65 per share. The closing of the February 2021 Registered Direct Offering occurred on February 10, 2021 and the Company received net proceeds of $21.2 million after deducting equity issuance costs of $1.7 million.

At-the-Market Offerings

The Company commenced three separate at-the-market offerings ("ATMs") in May 2020 (the "May 2020 ATM"), June 2020 (the "June 2020 ATM"), and August 2020 (the "August 2020 ATM"). The offerings were made pursuant to the Company's effective "shelf" registration statement on Form S-3 filed with the SEC on March 27, 2020, the base prospectus contained therein dated May 5, 2020, and the prospectus supplements related to the offerings dated May 8, 2020, June 12, 2020, and August 17, 2020. During the six months ended June 30, 2021, the Company sold 1.0 million shares of the Company's common

stock under the August 2020 ATM and received net proceeds of $4.8 million after deducting equity issuance costs of $0.1 million. During the three and six months ended June 30, 2020, the Company sold an aggregate of 59.1 million shares of common stock under the May 2020 ATM and June 2020 ATM and received net proceeds of $15.4 million after deducting equity issuance costs of $0.7 million.

Subscription Agreements

In June 2020, the Company entered into a subscription agreement with an accredited investor for the issuance of 1.3 million shares of the Company's common stock in a private placement. The shares of common stock were issued as part of a transaction in settlement of an outstanding obligation of the Company to the accredited investor, in which (i) the Company agreed to make certain cash payments, (ii) the Company issued the 1.3 million shares of common stock in exchange for the accredited investor's agreement to cancel $0.3 million of the outstanding obligation, and (iii) the accredited investor agreed to cancel an additional portion of the amount owed by the Company representing a discount of $0.2 million.

In April 2020, the Company entered into a subscription agreement with an accredited investor for the issuance of 1,000 shares of the Company's common stock in a private placement for an aggregate offering price of $395 (the "April 2020 Subscription Agreement").

10. Warrants

SPA Warrants

In October 2019, the Company issued three series of warrants to purchase shares of the Company’s common stock (the “Series A Warrants,” the “Series B Warrants”, and the “Series C Warrants” and collectively, the “SPA Warrants”) under a securities purchase agreement with certain accredited investors. As of June 30, 2021 and December 31, 2020, no SPA Warrants were outstanding. In April 2020, the Company entered into the April 2020 Subscription Agreement, as discussed within Note 9, which represented a dilutive issuance as defined by the Series A Warrants and resulted in adjustments to the number of issuable Series A Warrants and the exercise price of the Series A Warrants. Immediately prior to the Company entering into the April 2020 Subscription Agreement, 8.8 million Series A Warrants, 1,000 Series B Warrants, and 1,000 Series C Warrants were outstanding.

Contemporaneously with the April 2020 Subscription Agreement, the Company and OpCo entered into Amendment and Exchange Agreements (each an "Exchange Agreement" and collectively, the "Exchange Agreements") with the accredited investors. Pursuant to the Exchange Agreements, the Company, OpCo, and the accredited investors agreed, among other things, after giving effect to the dilutive issuance, to amend the Series A Warrants to provide for an adjustment to the number of common stock issuable upon the exercise of the Series A Warrants. Concurrently with such amendments, the accredited investors exchanged the Series A Warrants for (i) an aggregate of 21.9 million shares of common stock and (ii) a promissory notes of $5.6 million (the "Warrant Exchange Promissory Notes" and collectively with the common stock issued, the "Warrant Exchange"). During the three and six months ended June 30, 2020, the Company made payments to the Warrant Exchange Promissory Note holders of $1.1 million. As of December 31, 2020, the Warrant Exchange Promissory Notes had been repaid in full. Immediately following the consummation of the Warrant Exchange and the concurrent exercise of the remaining Series B Warrants and Series C Warrants, there were no SPA Warrants outstanding.

The Company accounted for the Warrant Exchange by recognizing the fair value of the consideration transferred in excess of the carrying value of the Series A Warrants as a reduction of additional paid-in capital. The fair value of the Series A Warrants immediately prior to the Warrant Exchange was $1.1 million, which was estimated using a Black-Scholes valuation model utilizing Level 3 inputs. The fair value of the consideration transferred to settle the Series A Warrants was approximately $13.6 million, comprised of $8.6 million in shares of common stock and the fair value of the Warrant Exchange Promissory Notes of $5.0 million. The fair value of consideration transferred to settle the Series A Warrants was in excess of the fair value of the Series A Warrants immediately prior to the Warrant Exchange by approximately $12.5 million. The excess consideration was accounted for as a deemed dividend to the Series A Warrant holders and was reflected as an additional net loss to common stockholders in the calculation of basic and diluted net loss per common share for the three and six months ended June 30, 2020.

OpCo Warrants

Prior to 2018, OpCo issued warrants to purchase the Company's common stock (the "OpCo Warrants") to investors of the Company pursuant to a stockholders' agreement and to two employees of the Company pursuant to their respective employment agreements. As of June 30, 2021 and December 31, 2020, 0.8 million and 0.9 million OpCo Warrants were outstanding,

respectively. As of June 30, 2021 the outstanding OpCo Warrants had a weighted-average exercise price of $4.97. The outstanding OpCo Warrants expire between 2026 and 2027.

11. Stock-Based Compensation

Stock-based compensation expense for stock options and RSUs is reflected in the condensed consolidated statements of operations and comprehensive loss as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
General and administrative	$ 1,527	$ 44	$ 2,117	$ 148
Research and development	568	105	811	223
Total	$ 2,095	$ 149	$ 2,928	$ 371

Stock-based compensation expense during the three and six months ended June 30, 2021 included $1.1 million of expense related to stock options with performance-based vesting conditions. No stock-based compensation expense during the three and six months ended June 30, 2020 was related to stock options with performance-based vesting conditions. As of June 30, 2021, the Company had $14.1 million of unrecognized stock-based compensation expense related to options and RSUs outstanding. This expense is expected to be recognized over a weighted-average period of 2.2 years as of June 30, 2021.

Equity Plans

The Company maintains two equity compensation plans, the 2014 Ocugen OpCo, Inc. Stock Option Plan (the “2014 Plan”) and the Ocugen, Inc. 2019 Equity Incentive Plan (the “2019 Plan”, collectively with the 2014 Plan, the "Plans"). As of June 30, 2021, the 2014 Plan and 2019 Plan authorizes for the granting of up to 0.8 million and 11.5 million equity awards in respect to the Company's common stock, respectively. In addition to options and RSUs granted under the Plans, the Company has granted certain options and RSUs as material inducements to employment in accordance with Nasdaq Listing Rule 5635(c)(4), which were granted outside of the Plans.

Options to Purchase Common Stock

The following table summarizes the stock option activity:

	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (years)	Aggregate Intrinsic Value (in thousands)
Options outstanding at December 31, 2020	4,224,433	$ 0.84	8.9	$ 5,496
Granted	7,097,300	$ 3.13		$ —
Exercised	(668,666)	$ 0.82		$ 6,439
Forfeited	(274,220)	$ 2.96		$ 1,146
Options outstanding at June 30, 2021	10,378,847	$ 2.35	9.2	$ 59,563
Options exercisable at June 30, 2021	1,110,116	$ 1.47	8.0	$ 7,441

Options not yet exercisable as of June 30, 2021 includes 1.5 million stock options with performance-based vesting conditions. Options not yet exercisable as of June 30, 2020 includes no stock options with performance-based vesting conditions. The weighted-average grant date fair values of stock options granted during the three and six months ended June 30, 2021 were $4.98 and $2.60, respectively. The weighted-average grant date fair values of stock options granted during the three and six months ended June 30, 2020 were $0.28 and $0.34, respectively. The total fair value of stock options vested during the three

and six months ended June 30, 2021 was $0.3 million and $0.6 million, respectively. The total fair value of stock options vested during the three and six months ended June 30, 2020 was $0.1 million and $0.2 million, respectively.

RSUs

The following table summarizes the RSU activity:

	Number of Shares	Weighted-Average Grant-Date Fair Value	Aggregate Intrinsic Value (in thousands)
RSUs outstanding at December 31, 2020	—	$ —	$ —
Granted	117,601	$ 6.48	$ 839
Forfeited	(900)	$ 8.75	$ 6
RSUs outstanding at June 30, 2021	116,701	$ 6.47	$ 937

12. Net Loss Per Share of Common Stock

The following table sets forth the computation of basic and diluted earnings per share for the three and six months ended June 30, 2021 and 2020 (in thousands, except share and per share amounts):

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Net loss — basic and diluted	$ (25,952)	$ (3,614)	$ (33,029)	$ (7,558)
Deemed dividend related to Warrant Exchange	—	(12,546)	—	(12,546)
Net loss to common stockholders	$ (25,952)	$ (16,160)	$ (33,029)	$ (20,104)
Shares used in calculating net loss per common share — basic and diluted	195,572,189	83,537,463	190,960,775	68,082,346
Net loss per common share — basic and diluted	$ (0.13)	$ (0.19)	$ (0.17)	$ (0.30)

The following potentially dilutive securities have been excluded from the computation of diluted weighted-average shares outstanding, as their inclusion would have been antidilutive:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Options to purchase common stock	10,378,847	4,503,961	10,378,847	4,503,961
RSUs	116,701	—	116,701	—
Warrants	774,137	870,017	774,137	870,017
Series A Convertible Preferred Stock (as converted to common stock)	3,115	—	3,115	—
Series B Convertible Preferred Stock (as converted to common stock)	547,450	—	547,450	—
Total	11,820,250	5,373,978	11,820,250	5,373,978

13. Commitments and Contingencies

Commitments

The Company has commitments under certain license agreements, lease agreements, debt agreements, and separation agreements. Commitments under certain license agreements primarily include annual payments, payments upon the achievement of certain milestones, and royalty payments based on net sales of licensed products. Commitments under the Company's licensing agreements are more fully described within Note 3 and within the Company's 2020 Annual Report. Commitments under lease agreements are future minimum lease payments for operating leases. See Note 6 for additional information about commitments under lease agreements. Commitments under debt agreements are the future payment of principal and accrued interest under the EB-5 Loan Agreement. See Note 8 for additional information about commitments

under debt agreements. Commitments under separation agreements are severance payments to be paid throughout the remainder of 2021 as a result of the reduction in force in connection with the Company's discontinuation of a product candidate. See Note 7 for additional information about commitments under separation agreements.

Contingencies

On June 17, 2021, a securities class action lawsuit was filed against the Company and certain of its officers and directors in the U.S. District Court for the Eastern District of Pennsylvania (Case No. 2:21-cv-02725) that purported to state a claim for alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, based on statements made by the Company concerning the announcement of the Company's decision to pursue the submission of a BLA for COVAXIN rather than pursuing EUA for the vaccine candidate. On July 16, 2021, a second securities class action complaint was filed against the Company and certain of its officers and directors in the U.S. District Court for the Eastern District of Pennsylvania (Case No. 2:21-cv-03182) that also purported to state a claim for alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, based on same statements as the first complaint. The complaints seek unspecified damages, interest, attorneys' fees, and other costs. The Company believes that the lawsuits are without merit and intends to vigorously defend against them. At this time, no assessment can be made as to their likely outcome or whether the outcome will be material to the Company. No information is available to indicate that it is probable that a loss has been incurred and can be reasonably estimated as of the date of the condensed consolidated financial statements and, as such, no accrual for the loss has been recorded within the condensed consolidated financial statements.

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

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the financial statements and the notes thereto included elsewhere in this Quarterly Report on Form 10-Q and with our audited financial statements for the year ended December 31, 2020, included in our 2020 Annual Report. Some of the information contained in this discussion and analysis, including information with respect to our plans and strategy for our business and related financing, include forward-looking statements that involve risks, uncertainties, and assumptions. These statements are based on our beliefs and expectations about future outcomes and are subject to risks and uncertainties that could cause our actual results to differ materially from anticipated results. We undertake no obligation to publicly update these forward-looking statements, whether as a result of new information, future events, or otherwise. You should read the "Risk Factors" section included in our 2020 Annual Report and the "Risk Factors" and "Disclosure Regarding Forward-Looking Statements" sections of this Quarterly Report on Form 10-Q for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are a biopharmaceutical company focused on developing gene therapies to cure blindness diseases and developing a vaccine to save lives from COVID-19.

Our cutting-edge technology pipeline includes:

- **COVID-19 Vaccine** — COVAXIN is a whole-virion inactivated COVID-19 vaccine candidate being developed to prevent COVID-19 infection in humans. We are co-developing COVAXIN with Bharat Biotech for the U.S. and Canadian markets.
- **Modifier Gene Therapy Platform** — Based on NHRs, we believe our gene therapy platform has the potential to address many retinal diseases, including RP, LCA, and dry AMD.
- **Novel Biologic Therapy for Retinal Diseases** — We are developing OCU200, a novel biologic product candidate, to treat DME, DR, and wet AMD.

COVID-19 Vaccine

In February 2021, we entered into the Covaxin Agreement with Bharat Biotech, pursuant to which we obtained an exclusive right and license under certain of Bharat Biotech's intellectual property rights, with the right to grant sublicenses to develop, manufacture, and commercialize COVAXIN for the prevention of COVID-19 in humans in the United States, its territories, and possessions. The Covaxin Agreement was subsequently amended in June 2021 by which we and Bharat Biotech agreed to expand our rights to develop, manufacture, and commercialize COVAXIN to include Canada in addition to the United States, its territories, and possessions.

COVAXIN is a whole-virion inactivated COVID-19 vaccine candidate and is formulated with the inactivated SARS-CoV-2 virus, an antigen, and an adjuvant. COVAXIN requires a two-dose vaccination regimen given 28 days apart and is stored in standard vaccine storage conditions (2-8°C). COVAXIN has been granted approval for emergency use in India and over 45.0 million doses globally have been administered to date.

In July 2021, we announced that COVAXIN demonstrated an overall vaccine efficacy against COVID-19 disease of 77.8%, with efficacy against severe COVID-19 disease of 93.4%, and efficacy against asymptomatic COVID-19 disease of 63.6% in the Phase 3 clinical trial conducted by Bharat Biotech in India. The aforementioned efficacy results represent point estimates of vaccine efficacy with a 95% confidence interval of 65.2% to 86.4% against COVID-19 disease, 57.1% to 99.8% against severe COVID-19 disease, and 29.0% to 82.4% against asymptomatic COVID-19 disease. The Phase 3 clinical trial enrolled 25,798 participants over the age of 18 in India, including 10.7% of participants over the age of 60 and 27.5% of participants with at least one pre-existing condition. Adverse events in the COVAXIN and control arms of the Phase 3 clinical trial were observed in 12.4% of subjects, with less than 0.5% of subjects experiencing serious adverse side effects. The majority of the symptomatic cases identified in aggregate in the COVAXIN and controls arms in the Phase 3 clinical trial were COVID-19 variants, the majority of which were identified to be the Delta variant, B.1.617.2. Subjects vaccinated with COVAXIN in the Phase 3 clinical trial showed protection against the emerging Delta variant, B.1.617.2, showing a vaccine efficacy of 65.2%, which represents a point estimate of vaccine efficacy with a 95% confidence interval of 33.1% to 83.0%. Additionally, in in-vitro studies conducted by the ICMR — National Institute of Virology, COVAXIN demonstrated potential effectiveness against the Zeta variant, B.1.1.28.2, which contains the E484K mutation found in New York, as well as potential effectiveness against the Alpha variant, B.1.1.7, and the Beta variant, B.1.351.

We are currently evaluating the clinical and regulatory pathway to market for COVAXIN in the United States. In June 2021, the FDA provided feedback to us regarding the data and information contained in a "Master File" that was previously submitted to the FDA and recommended that we pursue a BLA submission instead of an EUA application for COVAXIN in the United States. As part of the feedback provided by the FDA regarding the "Master File", the FDA also requested additional information and data. We are currently in discussions with the FDA regarding the appropriate regulatory pathway for COVAXIN in the United States. We are additionally in discussions with the FDA regarding the data requirements for COVAXIN under a BLA submission and anticipate that data from an additional clinical trial will be required to support a BLA submission.

We are pursuing authorization for COVAXIN in Canada and have had discussions with Health Canada regarding the regulatory pathway for COVAXIN under the Interim Order. In July 2021, we announced that we had completed our rolling submission to Health Canada for COVAXIN. The rolling submission process, which permits companies to submit safety and efficacy data and information as they become available, was recommended and accepted under the Interim Order and transitioned to a New Drug Submission for COVID-19. The submission was conducted through our Canadian affiliate, Vaccigen.

We are evaluating our commercialization strategy for COVAXIN in the United States and Canada, if authorized or approved in either jurisdiction. In June 2021, we selected Jubilant HollisterStier as our manufacturing partner for COVAXIN to prepare for the potential commercial manufacturing for the Ocugen Covaxin Territory. We expect to enter into a master services agreement with Jubilant HollisterStier for the manufacture of COVAXIN and the technology transfer process to Jubilant HollisterStier has been initiated.

Modifier Gene Therapy Platform

We are developing a breakthrough modifier gene therapy platform to generate therapies designed to fulfill unmet medical needs in the area of retinal diseases, including IRDs and dry AMD. Our modifier gene therapy platform is based on NHRs, which have the potential to restore homeostasis, the basic biological processes in the retina. Unlike single-gene replacement therapies, which only target one genetic mutation, we believe that our gene therapy platform, through its use of NHRs, represents a novel approach in that it may address multiple retinal diseases with one product. IRDs such as RP, a group of rare genetic disorders that involve a breakdown and loss of cells in the retina and can lead to visual impairment and blindness, affect over 2.0 million people worldwide. Over 150 gene mutations have been associated with RP and this number represents only 60% of the RP population. The remaining 40% of RP patients cannot be genetically diagnosed, making it difficult to develop individual treatments.

We believe that OCU400, our first product candidate being developed with our modifier gene therapy platform, has the potential to be broadly effective in restoring retinal integrity and function across a range of genetically diverse IRDs, including RP and LCA. For example, we believe OCU400 has the potential to eliminate the need for developing more than 150 individual products and provide one treatment option for all RP patients. OCU400 has received four ODDs from the FDA for the treatment of certain disease genotypes: *NR2E3*, *CEP290*, *RHO*, and *PDE6ß* mutation-associated inherited retinal degenerations. We are planning to initiate two parallel Phase 1/2a clinical trials for OCU400 in the United States later this year. OCU400 additionally has received OMPD from the EC, based on the recommendation of the EMA, for RP and LCA, which we believe further supports the potential broad spectrum application of OCU400 to treat many IRDs. We are currently evaluating options to commence OCU400 clinical trials in Europe in 2022. Our second gene therapy candidate, OCU410, is being developed to utilize the nuclear receptor genes *RORA* for the treatment of dry AMD. This candidate is currently in preclinical development. We are planning to initiate a Phase 1/2a clinical trial for OCU410 in 2022.

Novel Biologic Therapy for Retinal Diseases

We are also conducting preclinical development for our biologic product candidate, OCU200. OCU200 is a novel fusion protein designed to treat DME, DR, and wet AMD. We had a pre-IND meeting with the FDA in November 2020 and received guidance on IND-enabling preclinical studies to support the Phase 1/2a study. We have completed the technology transfer of manufacturing processes to our CDMO for the manufacture of OCU200. We expect to initiate a Phase 1/2a clinical trial in 2022. Our CDMO will manufacture the clinical supplies for the Phase 1/2a clinical trial.

Product Candidate for the Treatment of Ocular Graft-Versus-Host Disease

We were developing OCU300, a small molecule therapeutic for the treatment of symptoms associated with ocular graft-versus-host disease. The Phase 3 clinical trial for OCU300 was discontinued in 2020 based on results of a pre-planned interim sample size analysis conducted by an independent Data Monitoring Committee, which indicated the trial was unlikely to meet its co-primary endpoints upon completion.

Impact of COVID-19 on our Business

The COVID-19 pandemic is continually evolving and we are closely monitoring the situation. Impacts from the COVID-19 pandemic remain highly uncertain and subject to change and, as such, we cannot predict the specific duration or impact that the COVID-19 pandemic may have on our operations including our preclinical activities, future clinical trials, and potential commercialization. The extent to which the COVID-19 pandemic may impact our operations is dependent on future developments, including but not limited to: (i) the duration of the spread of the SARS-CoV-2 virus, including the spread of variants, (ii) the future actions taken by governmental authorities and regulators with respect to the COVID-19 pandemic, and (iii) the impact on our partners, collaborators, and suppliers. We will continue to monitor the situation closely as these effects could have a material impact on our operations.

Financial Operations Overview

We have no products approved for commercial sale and have not generated significant revenue to date. We have never been profitable and have incurred net losses in each year since inception. We incurred net losses of approximately $33.0 million and $7.6 million for the six months ended June 30, 2021 and 2020, respectively. As of June 30, 2021, we had an accumulated deficit of $106.3 million and a cash, cash equivalents, and restricted cash balance of $115.8 million.

Research and development expense

Research and development costs are expensed as incurred. These costs consist of internal and external expenses, as well as depreciation on assets used within our research and development activities. Internal expenses include the cost of salaries, benefits, severance, and other related costs, including stock-based compensation, for personnel serving in our research and development functions, as well as allocated rent and utilities expenses. External expenses include development, clinical trials, patent costs, and regulatory compliance costs incurred with research organizations, contract manufacturers, and other third-party vendors. License fees paid to acquire access to proprietary technology are expensed to research and development unless it is determined that the technology is expected to have an alternative future use. All patent-related costs incurred in connection with filing and prosecuting patent applications are expensed as incurred to research and development expense due to the uncertainty about the recovery of the expenditure. We record costs for certain development activities, such as preclinical studies and clinical trials, based on our evaluation of the progress to completion of specific tasks. Payments for these activities are based on the terms of the individual arrangements, which may differ from the pattern of costs incurred, and are reflected in the condensed consolidated financial statements as prepaid or accrued research and development expense, as applicable. Our recording of costs for certain development activities requires us to use estimates. We believe our estimates and assumptions are reasonable under the current conditions; however, actual results may differ from these estimates.

Research and development expenses account for a significant portion of our operating expenses. We plan to incur research and development expenses for the foreseeable future as we expect to continue the development of our product candidates. We anticipate that our research and development expenses will be higher in 2021 and subsequent periods as compared to prior periods as we evaluate the regulatory and commercialization path for COVAXIN in the United States and Canada as well as conduct preclinical and clinical activities with respect to our other product candidates.

Our research and development expenses are not currently tracked on a program-by-program basis for indirect and overhead costs. We use our personnel and infrastructure resources across multiple research and development programs directed toward identifying, developing, and commercializing product candidates.

At this time, due to the inherently unpredictable nature of preclinical and clinical development as well as regulatory approval and commercialization, we are unable to estimate with any certainty the costs we will incur and the timelines we will require in our continued development and commercialization efforts. As a result of these uncertainties, successful development and completion of clinical trials as well as regulatory approval and commercialization are uncertain and may not result in approved products. Completion dates and completion costs can vary significantly for each product candidate and are difficult to predict. We will continue to make determinations as to which product candidates to pursue and how much funding to direct to each product candidate on an ongoing basis in response to our ability to enter into collaborations with respect to each product candidate, the scientific and clinical success of each product candidate as well as ongoing assessments as to the commercial potential of each product candidate.

General and administrative expense

General and administrative expense consists primarily of personnel expenses, including salaries, benefits, severance, insurance, and stock-based compensation expense, for employees in executive, accounting, and other administrative functions. General

and administrative expense also includes corporate facility costs, including allocated rent and utilities, insurance premiums, legal fees related to corporate matters, and fees for auditing, accounting, and other consulting services.

We anticipate that our general and administrative expenses will be higher in 2021 as compared to prior periods as a result of higher corporate infrastructure costs including, but not limited to, accounting, legal, human resources, consulting, and investor relations fees. Additionally, if and when we believe a regulatory approval of a product candidate appears likely, we anticipate an increase in payroll and expense as a result of our preparation for commercial operations, especially as it relates to the sales and marketing of our product candidates.

Severance-related expense

In June 2020, we communicated notice to five employees of the termination of their employment as a result of the discontinuation of a product candidate. This reduction represented one-third of our workforce at the time of communication. All terminations were "without cause" and each employee received termination benefits upon departure. The termination dates varied for each employee and ranged from June 30, 2020 to December 31, 2020. As a result of the workforce reduction, we expect to pay severance benefits of $0.2 million throughout the remainder of 2021. We made severance payments of $0.2 million and $0.5 million during the three and six months ended June 30, 2021, respectively. We made a de minimis amount of severance payments during the three and six months ended June 30, 2020.

Critical Accounting Policies and Significant Judgments and Estimates

The preparation of financial statements in conformity with GAAP requires us to make judgments, estimates, and assumptions in the preparation of our condensed consolidated financial statements. Actual results could differ from those estimates. There were no material changes to our critical accounting policies and estimates as reported in our 2020 Annual Report.

Results of Operations

Comparison of the Three Months Ended June 30, 2021 and 2020

The following table summarizes the results of our operations for the three months ended June 30, 2021 and 2020 (in thousands):

	Three months ended June 30,		
	2021	2020	Change
Revenues			
Collaboration revenue	$ —	$ 43	$ (43)
Total revenues	—	43	(43)
Operating expenses			
Research and development	18,853	1,630	17,223
General and administrative	6,757	1,779	4,978
Total operating expenses	25,610	3,409	22,201
Loss from operations	(25,610)	(3,366)	(22,244)
Other income (expense)			
Interest income	10	—	10
Interest expense	(20)	(248)	228
Other income (expense)	(332)	—	(332)
Total other income (expense)	(342)	(248)	(94)
Net loss	$ (25,952)	$ (3,614)	$ (22,338)

Research and development expense

Research and development expense increased by $17.2 million for the three months ended June 30, 2021 compared to the three months ended June 30, 2020. The increase was primarily due to the $15.0 million up-front payment to Bharat Biotech in connection with the amendment to the Covaxin Agreement to add rights to the Canadian market in June 2021 as well as increases of $0.8 million in OCU400 preclinical activities, $0.6 million in OCU200 preclinical activities, $0.4 million in

COVAXIN development and regulatory activities, $0.5 million in stock-based compensation expense, and $0.4 million in employee-related expenses offset by a $0.5 million decrease for the discontinuation of OCU300 clinical trial activities in 2020.

General and administrative expense

General and administrative expense increased by $5.0 million for the three months ended June 30, 2021 compared to the three months ended June 30, 2020. The increase was primarily due to $2.0 million of expenses for stockholder meetings and proxy solicitation as well as increases of $1.5 million in stock-based compensation expense, $1.0 million in professional fees, and $0.4 million in employee-related expenses.

Interest expense

Interest expense decreased by $0.2 million for the three months ended June 30, 2021 compared to the three months ended June 30, 2020. Interest expense for the three months ended June 30, 2021 primarily includes debt coupon interest and amortization of debt issuance costs. Interest expense for the three months ended June 30, 2020 primarily related to the accretion of the debt discount on the Warrant Exchange Promissory Notes.

Other income (expense)

Other income (expense) increased by $0.3 million for the three months ended June 30, 2021 compared to the three months ended June 30, 2020. The increase was primarily due to $0.8 million related to a loss on the write-off of the Promissory Note deemed uncollectible, partially offset by a gain on loan extinguishment of $0.4 million for PPP Note forgiveness obtained in May 2021.

Comparison of the Six Months Ended June 30, 2021 and 2020

The following table summarizes the results of our operations for the six months ended June 30, 2021 and 2020 (in thousands):

	Six months ended June 30,		
	2021	2020	Change
Revenues			
Collaboration revenue	$ —	$ 43	$ (43)
Total revenues	—	43	(43)
Operating expenses			
Research and development	21,725	3,282	18,443
General and administrative	10,942	4,056	6,886
Total operating expenses	32,667	7,338	25,329
Loss from operations	(32,667)	(7,295)	(25,372)
Other income (expense)			
Interest income	10	—	10
Interest expense	(40)	(263)	223
Other income (expense)	(332)	—	(332)
Total other income (expense)	(362)	(263)	(99)
Net loss	$ (33,029)	$ (7,558)	$ (25,471)

Research and development expense

Research and development expense increased by $18.4 million for the six months ended June 30, 2021 compared to the six months ended June 30, 2020. The increase was primarily due to $15.0 million up-front payment to Bharat Biotech in connection with the amendment to the Covaxin Agreement to add rights to the Canadian market in June 2021 as well as increases of $1.5 million in OCU400 preclinical activities, $0.9 million in OCU200 preclinical activities, $0.8 million in COVAXIN development and regulatory activities, $0.6 million in stock-based compensation expense, and $0.3 million in employee-related expenses, partially offset by a $1.0 million decrease for the discontinuation of OCU300 clinical trial activities in 2020.

General and administrative expense

General and administrative expense increased by $6.9 million for the six months ended June 30, 2021 compared to the six months ended June 30, 2020. The increase was primarily due to an increase of $3.2 million in expenses for stockholder meetings and proxy solicitation, $2.0 million in stock-based compensation expense, $0.5 million in employee-related expenses, and $0.8 million in professional fees.

Interest expense

Interest expense decreased by $0.2 million for the six months ended June 30, 2021 compared to the six months ended June 30, 2020. Interest expense for the six months ended June 30, 2021 primarily includes debt coupon interest and amortization of debt issuance costs. Interest expense for the six months ended June 30, 2020 primarily related to the accretion of the debt discount on the Warrant Exchange Promissory Notes.

Other income (expense)

Other income (expense) increased by $0.3 million for the six months ended June 30, 2021 compared to the six months ended June 30, 2020. The increase was primarily due to $0.8 million related to a loss on the write-off of the Promissory Note deemed uncollectible, partially offset by a gain on loan extinguishment of $0.4 million for PPP Note forgiveness obtained in May 2021.

Liquidity and Capital Resources

As of June 30, 2021, we had $115.8 million in cash, cash equivalents, and restricted cash. We have not generated significant revenue to date and have primarily funded our operations to date through the sale of common stock, warrants to purchase common stock, the issuance of convertible notes, debt, and grant proceeds. Specifically, since our inception and through June 30, 2021, we have raised an aggregate of $218.7 million to fund our operations, of which $206.1 million was from gross proceeds from the sale of our common stock and warrants, $10.3 million was from the issuance of convertible notes, $2.1 million was from debt, and $0.2 million was from grant proceeds.

In February 2021, we issued and sold 3.0 million shares of our common stock at an offering price of $7.65 per share in the February 2021 Registered Direct Offering pursuant to a securities purchase agreement entered into with certain institutional investors. We received net proceeds of $21.2 million. In April 2021, we issued and sold 10.0 million shares of our common stock at an offering price of $10.00 per share in the April 2021 Registered Direct Offering pursuant to a securities purchase agreement with certain institutional investors. We received net proceeds of $93.4 million. For additional information about the February 2021 Registered Direct Offering and the April 2021 Registered Direct Offering, see Note 9 in the notes to the condensed consolidated financial statements included in this report.

Additionally, during the six months ended June 30, 2021, we sold 1.0 million shares of our common stock under the August 2020 ATM and received net proceeds of $4.8 million. The offering was made pursuant to our effective "shelf" registration statement on Form S-3 filed with the SEC on March 27, 2020, the base prospectus contained therein dated May 5, 2020, and the prospectus supplement related to the offering dated August 17, 2020.

Since our inception, we have devoted substantial resources to research and development and have incurred significant net losses and may continue to incur net losses in the future. We incurred net losses of approximately $33.0 million and $7.6 million for the six months ended June 30, 2021 and 2020, respectively. As of June 30, 2021, we had an accumulated deficit of $106.3 million.

The following table shows a summary of our cash flows for the six months ended June 30, 2021 and 2020 (in thousands):

	Six months ended June 30,	
	2021	2020
Net cash used in operating activities	$ (27,084)	$ (7,773)
Net cash used in investing activities	(1,274)	(34)
Net cash provided by financing activities	119,961	15,331
Net increase in cash, cash equivalents, and restricted cash	$ 91,603	$ 7,524

Operating activities

Cash used in operating activities was $27.1 million for the six months ended June 30, 2021 compared to $7.8 million for the six months ended June 30, 2020. The increase in cash used in operating activities was primarily driven by the $15.0 million up-front payment to Bharat Biotech in connection with the amendment to the Covaxin Agreement to add rights to the Canadian market in June 2021, an increase in our research and development expenses for product candidates, including COVAXIN, and expenses for stockholder meetings and proxy solicitation during the six months ended June 30, 2021 compared to the six months ended June 30, 2020.

Investing activities

Cash used in investing activities was $1.3 million for the six months ended June 30, 2021 compared to $34.5 thousand for the six months ended June 30, 2020. The increase in cash used in investing activities was primarily driven by the receipt of the Promissory Note of $0.8 million in April 2021 and a $0.5 million increase in purchases of property and equipment during the six months ended June 30, 2021 compared to the six months ended June 30, 2020.

Financing activities

Cash provided by financing activities was $120.0 million for the six months ended June 30, 2021 compared to $15.3 million for the six months ended June 30, 2020. During the six months ended June 30, 2021, cash provided by financing activities primarily consisted of gross proceeds of $100.0 million and $22.9 million received from the April 2021 Registered Direct Offering and the February 2021 Registered Direct Offering, respectively. During the six months ended June 30, 2020, cash provided by financing activities primarily consisted of gross proceeds of $16.2 million received under May 2020 and June 2020 ATMs.

Indebtedness

In April 2020, we were granted a loan from SVB in the aggregate amount of $0.4 million, pursuant to the PPP of the CARES Act. The PPP Note was in the form of a promissory note dated April 30, 2020 in favor of SVB, bore interest at a rate of 1.0% per annum, and had a maturity date of April 30, 2022. In May 2021, we received notice from the SBA that the PPP Note was forgiven in its entirety, including both principal and accrued interest.

In September 2016, pursuant to the EB-5 program, we entered into the EB-5 Loan Agreement to borrow up to $10.0 million from EB-5 Life Sciences in $0.5 million increments. Borrowings are at a fixed interest rate of 4.0% and are to be utilized in the clinical development, manufacturing, and commercialization of our product candidates and for our general working capital needs. Outstanding borrowings pursuant to the EB-5 Program become due upon the seventh anniversary of the final disbursement. Amounts repaid cannot be re-borrowed. As of June 30, 2021, there was $1.5 million of principal outstanding under the EB-5 Loan Agreement.

Funding requirements

We expect to continue to incur significant expenses in connection with our ongoing activities, particularly as we continue research and development, including preclinical and clinical development of our product candidates, contract to manufacture our product candidates, prepare for potential commercialization of our product candidates, add operational, financial, and information systems to execute our business plan, maintain, expand, and protect our patent portfolio, and operate as a public company.

For additional information regarding our commitments and contingencies, see Note 13 in the notes to the condensed consolidated financial statements included in this Quarterly Report. Factors impacting our future funding requirements include, without limitation, the following:

- the initiation, progress, timing, costs, and results of clinical trials for our product candidates, including the additional clinical trial in support of a BLA submission for COVAXIN;
- the outcome, timing, and cost of the regulatory approval process for our product candidates; including with respect to COVAXIN in the United States and Canada;
- future costs of manufacturing and commercialization, including with respect to COVAXIN, if authorized or approved;
- costs related to doing business internationally with respect to our proposed development and commercialization of COVAXIN in Canada;
- the cost of filing, prosecuting, defending, and enforcing our patent claims and other intellectual property rights;
- the cost of defending intellectual property disputes, including patent infringement actions brought by third parties against us;
- the costs of expanding infrastructure, as well as the higher corporate infrastructure costs associated with operating as a public company;
- the expenses needed to attract and retain skilled personnel;
- the extent to which we in-license or acquire other products, product candidates, or technologies; and
- the impact of the COVID-19 pandemic.

As of June 30, 2021, we had $115.8 million in cash, cash equivalents, and restricted cash. This amount will not meet our capital requirements over the next 12 months. Our management is currently evaluating different strategies to obtain the required funding for future operations. These strategies may include, but are not limited to: public and private placements of equity and/or debt, payments from potential strategic research and development arrangements, sale of assets, government grants, licensing and/or collaboration arrangements with pharmaceutical companies or other institutions, or other funding from the government or other third parties. There can be no assurance that these funding efforts will be successful. If we cannot obtain the necessary funding, we will need to delay, scale back, or eliminate some or all of our research and development programs; consider other various strategic alternatives, including a merger or sale; or cease operations. If we cannot expand our operations or otherwise capitalize on our business opportunities because we lack sufficient capital, our business, financial condition, and results of operations could be materially adversely affected.

As a result of these factors, together with the anticipated increase in spending that will be necessary to continue to develop and commercialize our product candidates, there is substantial doubt about our ability to continue as a going concern within one year after the date that the condensed consolidated financial statements included in this report are issued. See Note 1 to our condensed consolidated financial statements included in this report for additional information.

Off-Balance Sheet Arrangements

We do not have off-balance sheet arrangements during the periods presented, and we do not currently have any off-balance sheet arrangements as defined in the rules and regulations of the SEC.

Recently Adopted Accounting Pronouncements

For a discussion of recently adopted accounting pronouncements, see Note 2 in the notes to the condensed consolidated financial statements included in this Quarterly Report.

Other Company Information

None.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of June 30, 2021. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the 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 (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

For a discussion of legal proceedings, see Note 13 in the notes to the condensed consolidated financial statements included in this Quarterly Report.

Item 1A. Risk Factors.

Except as set forth below and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, there have been no material changes in our risk factors as previously disclosed in our 2020 Annual Report. The risks described in our 2020 Annual Report, our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, and this Quarterly Report on Form 10-Q are not the only risks facing our company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, or future results.

The FDA has recommended that we submit a BLA for COVAXIN rather than seeking an EUA as we originally had planned. The regulatory pathway for COVAXIN in the United States is continually evolving and may result in unexpected or unforeseen challenges that delay and/or prevent marketing authorization or approval of COVAXIN in the United States.

COVAXIN has moved rapidly through the regulatory review process for emergency use in India. However, we cannot predict the speed at which we will be able to obtain regulatory marketing authorization or approval for COVAXIN in the United States, if at all. The FDA indicated that it did not anticipate that it would review and process an EUA application for COVAXIN, and recommended that we consider submitting a BLA for COVAXIN, rather than seeking an EUA. We are currently in discussions with the FDA regarding the appropriate regulatory pathway and data requirements for COVAXIN. The FDA further advised us that the clinical trials used as the basis for a BLA submission should meet certain criteria related to trial participant demographics and manufacturing standards. We are currently evaluating the nature of the activities we will have to undertake in order to pursue that regulatory pathway including an additional clinical trial. BLA approval will entail a lengthier development process than an EUA pathway for COVAXIN. Moreover, evolving or changing plans or priorities at the FDA, including changes based on new knowledge of COVID-19, the effectiveness of other available vaccines for COVID-19, the extent to which the U.S. population has been vaccinated or obtained natural immunity, emerging variants of SARS-CoV-2, and how the new variants of the disease affect the human body, may significantly affect the regulatory pathway and timeline for COVAXIN in the United States.

An additional clinical trial will need to be conducted in the United States to support the BLA. There can be no assurances that the results of any clinical trials we may conduct will resemble the results obtained by Bharat Biotech in their Phase 3 clinical trial in India. Any results from further clinical testing by Bharat Biotech or by us may raise new questions and require us to redesign planned clinical trials, including revising proposed endpoints or adding new clinical trial sites or cohorts of subjects. In addition, the FDA's analysis of any clinical data may differ from our interpretation and the FDA may require that we conduct additional analysis or trials. Further, ongoing clinical testing by Bharat Biotech and administration by Bharat Biotech under emergency use in India may demonstrate that the vaccine candidate is less effective than currently believed, including against new or emerging variants, or has an unacceptable safety profile, which would have a negative impact on our regulatory submission.

We have obtained the rights to develop and commercialize COVAXIN in Canada and we have completed a rolling submission to Health Canada for COVAXIN. However, we have no experience in obtaining marketing approval for, or commercializing products in Canada.

In June 2021, we entered into an amendment to the Covaxin Agreement that provided us with the rights to develop and commercialize COVAXIN in Canada. In order to market and sell COVAXIN in Canada, we must obtain marketing approval for COVAXIN from Health Canada and must comply with that agency's regulatory requirements. Health Canada regulates the testing, manufacture, labeling, marketing, and sale of pharmaceutical products in Canada. Currently, COVID-19 vaccine products in Canada are evaluated for approval under the Interim Order, which provides temporary regulatory tools to expedite the approval of drugs and vaccines, and is set to end on September 16, 2021. In July 2021, we announced we had completed our rolling submission to Health Canada for COVAXIN. The rolling submission process, which permits companies to submit safety and efficacy data and information as they become available, was recommended and accepted under the Interim Order and transitioned to a New Drug Submission for COVID-19.

Generally, the approval process under a New Drug Submission in Canada includes all of the risks associated with obtaining BLA approval from the FDA. We may or may not receive approval under the Interim Order and, as in the United States, the

regulatory pathway in Canada for a New Drug Submission would potentially require a longer development and approval process than approval under the Interim Order. The clinical trials of COVAXIN conducted by Bharat Biotech in India may not be sufficient to support an application for marketing approval in Canada. Accordingly, seeking Canadian regulatory approval could result in difficulties and costs for us and require additional preclinical studies or clinical trials which could be costly and time-consuming. We do not have any product candidates approved for sale in any jurisdiction, including in Canada, and we do not have experience in obtaining regulatory approval in Canada. We, or any collaborators, may not obtain approval for COVAXIN from Health Canada on a timely basis, if at all. Even if we obtain approval from the FDA for COVAXIN, approval by the FDA does not ensure approval by regulatory authorities in other countries or jurisdictions, including in Canada, or vice versa. Ultimately, we may not receive the necessary approval to commercialize COVAXIN in Canada.

We have selected a manufacturing partner for COVAXIN to provide commercial supply for the United States and Canada. We may still encounter difficulties with respect to the manufacturing of COVAXIN, including with respect to our third-party manufacturers, which could impair our ability to commercialize COVAXIN, if authorized or approved.

We do not have the internal capacity to manufacture COVAXIN and we do not currently plan to develop any internal capacity to do so. Accordingly, we are, and expect to continue to be, dependent upon third parties for the manufacture of COVAXIN for clinical trials and commercial supply, if authorized or approved. Bharat Biotech has agreed to provide all preclinical and clinical data, and to transfer to us certain proprietary technology owned or controlled by Bharat Biotech, that is necessary for the successful commercial manufacture and supply of COVAXIN to support commercial sale in the United States and Canada, if authorized or approved. Until the completion of the technology transfer and until we are capable and primarily responsible for the manufacture and supply of COVAXIN in the United States and Canada through the third-party manufacturer we have selected, Bharat Biotech has the exclusive right to manufacture COVAXIN and we will be wholly dependent on Bharat Biotech for the manufacture and supply of clinical testing materials required for our development activities and all of our requirements of commercial quantities of COVAXIN, if authorized or approved. We and Bharat Biotech intend to enter into supply agreements setting forth the terms of such supply arrangement, but there can be no assurance that we will be able to successfully enter into such agreements. Bharat Biotech has agreed to provide a specified minimum number of doses in calendar year 2021, but there can be no assurance that they will in fact provide such number of doses, whether due to shortages in supply, diversion of vaccine resources to other uses deemed more immediate, or other factors.

We have selected Jubilant HollisterStier of Spokane, Washington, as our manufacturing partner for COVAXIN to prepare for potential commercial manufacturing of COVAXIN for the U.S. and Canadian markets. We have initiated the technology transfer process to Jubilant HollisterStier that is required to enable Jubilant HollisterStier to manufacture our commercial requirements of COVAXIN, if authorized or approved. There can be no assurance that we will be successful in transitioning the manufacture of COVAXIN for the U.S. or Canadian markets from Bharat Biotech to Jubilant HollisterStier or any other third-party manufacturer. A technology transfer of a manufacturing process can be time-consuming and expensive and there can be no assurance that such transfer will be successful or that Jubilant HollisterStier will be able to manufacture our drug products successfully. Certain manufacturing processes for COVAXIN are novel and complex. Due to the nature of this vaccine candidate, we may encounter difficulties in manufacturing, product release, shelf life, testing, storage and supply chain management, or shipping. These difficulties could be due to any number of reasons including, but not limited to, complexities of producing batches at a larger scale, equipment failure, choice, availability, and quality of raw materials, analytical testing technology, and product instability. Insufficient stability or shelf life of COVAXIN could materially delay our ability to continue any potential commercialization activities due to the need to manufacture additional commercial supply of COVAXIN. Moreover, notwithstanding our selection of Jubilant HollisterStier as our commercial manufacturing partner, we expect to continue to be dependent on Bharat Biotech as a single-source supplier for the supply of certain raw materials necessary for manufacture of COVAXIN, including the adjuvant and active pharmaceutical ingredient. If, for any reason, Bharat Biotech is unable to provide an adequate supply of these materials, our ability to timely complete the technology transfer to Jubilant HollisterStier and to obtain adequate quantities of commercial supply of COVAXIN could be jeopardized.

Engaging Jubilant HollisterStier as our new commercial manufacturing partner may also require additional testing, notification, or approval by the FDA, Health Canada, or other regulatory authorities. If Jubilant HollisterStier proceeds to scale up its manufacturing of COVAXIN for commercialization, if authorized or approved, we may encounter unexpected issues relating to the manufacturing process or the quality, purity, and stability of the product, and we may be required to refine or alter our manufacturing processes to address these issues, which may not be successful. This could jeopardize our ability to commence COVAXIN sales and generate revenue. Moreover, we have not yet entered into a master services agreement with Jubilant HollisterStier and we may not be successful in doing so on commercially favorable terms or at all. If we have to engage another third-party manufacturer, this will entail additional cost and cause further delay.

If our third-party manufacturing partners cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA, Health Canada, or comparable regulatory authorities in other jurisdictions, we may

not be able to rely on our third-party manufacturing partners' facilities for the manufacture of COVAXIN. If the FDA, Health Canada, or another comparable regulatory authority finds their facilities inadequate for the manufacture of COVAXIN, or if such facilities are subject to enforcement action in the future or are otherwise inadequate, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for, or market COVAXIN. If we are unable to obtain and maintain adequate supply of COVAXIN, our U.S. and Canadian development and commercialization efforts would be impaired.

We are currently, and may in the future be, subject to securities litigation, which is expensive and could divert management attention.

On June 17, 2021, a securities class action lawsuit was filed against us and certain of our officers and directors in the U.S. District Court for the Eastern District of Pennsylvania (Case No. 2:21-cv-02725) that purported to state a claim for alleged violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder, based on statements made by us concerning the announcement of our decision to pursue the submission of a BLA for COVAXIN rather than pursuing an EUA for the vaccine candidate. On July 16, 2021, a second securities class action complaint was filed against us and certain of our officers and directors in the U.S. District Court for the Eastern District of Pennsylvania (Case No. 2:21-cv-03182) that also purported to state a claim for alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, based on same statements as the first complaint. The complaints seek unspecified damages, interest, attorneys' fees, and other costs. We believe that the lawsuits are without merit and intend to vigorously defend against them. At this time, no assessment can be made as to their likely outcome or whether the outcome will be material to us. We may also become subject to additional securities class action lawsuits in the future. This risk is especially relevant for us because life sciences companies have experienced significant stock price volatility in recent years.

The cost of defending against these types of claims against us or the ultimate resolution of such claims, whether by settlement or adverse court decision, may harm our business. Further, potential claimants may be encouraged to bring lawsuits based on a settlement from us or adverse court decisions against us. We cannot currently assess the likely outcome of such suits, but the commencement and/or resolution of such suits (particularly if the outcome were negative), could have a material adverse effect on our reputation, results of operations, financial condition, and cash flows. They could also cause a decline in the market price of our common stock.

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

There were no unregistered sales of equity securities during the period covered by this Quarterly Report that were not registered under the Securities Act.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not Applicable.

Item 5. Other Information.

Not Applicable.

Item 6. Exhibits.

	Description
	First Amendment to Co-Development, Supply and Commercialization Agreement, dated as of May 29, 2021, by and between the Registrant and Bharat Biotech International Limited
	Form of Stock Option Agreement for Inducement Option Awards
	Form of Restricted Stock Unit Grant Notice and Restricted Stock Unit Agreement for Inducement Restricted Stock Unit Awards
	Certification of the Chief Executive Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002
	Certification of the Chief Financial Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002
	Certifications of the Chief Executive Officer and Chief Financial Officer as required by 18 U.S.C. 1350
	Inline XBRL Instance Document
	Inline XBRL Taxonomy Extension Schema Document
	Inline XBRL Taxonomy Extension Calculation Linkbase Document
	Inline XBRL Taxonomy Extension Definition Linkbase Document
	Inline XBRL Taxonomy Extension Label Linkbase Document
	Inline XBRL Taxonomy Extension Presentation Linkbase Document
	The cover page from this Quarterly Report on Form 10-Q, formatted in Inline XBRL

* Filed herewith.

** Furnished herewith.

\+ Indicates a management contract or compensatory plan or arrangement.

SIGNATURES

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

Ocugen, Inc.

Dated: August 6, 2021

/s/ Shankar Musunuri

Shankar Musunuri, Ph.D., MBA
Chief Executive Officer and Chairman
(Principal Executive Officer)

Dated: August 6, 2021

/s/ Sanjay Subramanian

Sanjay Subramanian
Chief Financial Officer
(Principal Financial Officer and Accounting Officer)

Exhibit 10.1

FIRST AMENDMENT

TO

CO-DEVELOPMENT, SUPPLY AND COMMERCIALIZATION AGREEMENT

THIS FIRST AMENDMENT TO CO-DEVELOPMENT, SUPPLY AND COMMERCIALIZATION AGREEMENT (this **"Amendment")** is made and entered into as of 29th May, 2021, by and between Ocugen, Inc., with an address at 263 Great Valley Parkway, Malvern, PA 19355, USA (together with its Affiliates, subsidiaries, successors and permitted assigns, **"Ocugen")**, and Bharat Biotech International Limited, whose registered address is at Genome Valley, Shameerpet, Hyderabad — 500078 Telangana India (together with its Affiliates, subsidiaries , successors and permitted assigns, **"BBIL"),** and hereby amends that certain Co-Development, Supply and Commercialization Agreement dated as of January 31, 2021 by and between Ocugen and BBIL (the **"Agreement"**). Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

W I T N E S S E T H:

WHEREAS, the Parties mutually desire to amend the Agreement as provided herein and incorporate the terms set forth herein into the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the Parties agree as follows:

1. Ocugen Territory. As per clause 1.53 of the Agreement, the Ocugen Territory is currently defined solely as the United States. The Parties desire and hereby agree to expand the Ocugen Territory by including Canada therein, subject to the following terms and conditions:

a. As consideration for expanding the Ocugen Territory to include Canada, Ocugen shall pay BBIL: (i) a non-refundable, up-front payment of USD 15 million immediately upon the execution of this Amendment; and (ii) USD 10 million within thirty (30) days after the First Commercial Sale of the Product by Ocugen, its Affiliates or Sublicensees in the Field in Canada.

b. For clarity, neither up-front payment of USD 15 million nor the USD 10 million payment contemplated in paragraph (a)(i) and (ii) above shall not be adjusted nor constitute an Allowable Expense used to calculate Operating Profit or Profit Share under the Agreement.

2. Amendment. Section 1.53 of the Agreement (Definition of Ocugen Territory) is hereby deleted in its entirety and replaced with the following new Section 1.53:

"1.53. **"Ocugen Territory"** means the United States and Canada."

3. No Other Modifications. Except as expressly set forth in this Amendment, the Agreement and all provisions thereof in effect as of the date of this Amendment shall continue in full force and effect without any modification or amendment, and the terms of this Amendment shall stand as an integral part of the Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to executed this Amendment as of the date first above written.

OCUGEN, INC.

Signed By: /s/ Dr. Shankar Musunuri

Name: Dr. Shankar Musunuri

Title: Chairman and CEO

BHARAT BIOTECH INTERNATIONAL LIMITED

Signed By: /s/ Dr. Krishna Mohan

Name: Dr. Krishna Mohan

Title: Whole-Time Director

Exhibit 10.2

OCUGEN, INC.

STOCK OPTION AGREEMENT

THIS STOCK OPTION AGREEMENT ("Agreement") is made and entered into as of _____ (the "Grant Date"), by and between Ocugen, Inc., a Delaware corporation (the "Company"), and _____, an individual (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Company desires to grant to Optionee, and Optionee desires to accept, an option inducement grant under NASDAQ Listing Rule 5635(c)(4) to purchase shares of the common stock of the Company, par value $.01 per share (the "Common Stock"), upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Inducement Award.** This is an inducement grant under NASDAQ Listing Rule 5635(c)(4). Accordingly, this stock option has been granted outside of the Company's 2019 Equity Incentive Plan (the "Plan") and any other equity plan established by the Company. However, this award and Agreement will be governed in all respects as if issued under the Plan (as currently in effect and as may be amended hereafter from time to time) which is attached hereto and incorporated herein in its entirety. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan.

2. **Grant.** Subject to the terms hereof, Optionee is hereby awarded an option (the "Option") to purchase _____ shares of Common Stock (the "Option Shares") at a price of _____ per share (the "Option Price"), which price has been determined by the Company's Board of Directors ("Board") to be the Fair Market Value of the Common Stock as of the Grant Date. The Option is not intended to qualify as an incentive stock option within the meaning of Section 422 of the Internal Revenue Code. The Option Price of the Option Shares shall be paid at the time of exercise, as provided in Section 3 hereof.

3. **Exercise.**

(a) Except as specifically provided otherwise herein or in the Plan, the Option will become exercisable in accordance with the following schedule subject to Optionee's continuous employment by the Company and/or its Affiliates following the Grant Date:

The Option Shares shall vest [ ].

(b) The Option may be exercised in whole or in part in accordance with this Section 3 by delivering to the Secretary of the Company (1) a written notice specifying the number of shares to be purchased, and (2) payment in full of the Option Price, together with the amount, if any, deemed necessary by the Company to enable it to satisfy any income tax withholding obligations with respect to the exercise (unless other arrangements, acceptable to the Company, are made for the satisfaction of such withholding obligations). The Option Price may be paid in cash, by check, or as otherwise provided in the Plan.

(c) The Option shall not be exercisable after ten (10) years from the Grant Date.

4. **Termination.** Unless sooner terminated, to the extent not sooner exercised, the Option will terminate ten (10) years from the Grant Date. If Optionee ceases to be employed by the Company for any reason other than death or total disability (within the meaning of the Plan), then, unless sooner terminated under the terms

hereof, the Option will terminate three (3) months after the effective date of Optionee's termination of employment; provided, however, that if the Company or any of its Affiliates terminates the Optionee's employment for cause, the Option will terminate immediately upon the effective date of Optionee's termination of employment. If Optionee's employment is terminated by reason of Optionee's death or total disability, then, unless sooner terminated under the terms hereof, the Option will terminate on the date one (1) year after the date of such termination of employment or services.

5. **Change in Control.** In the event of a Change in Control, all Option Shares shall automatically vest.

6. **Rights as Stockholder.** No shares of Common Stock shall be sold or delivered hereunder until full payment for such shares has been made. Optionee shall have no rights as a stockholder with respect to any Option Shares until a stock certificate (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent) for such shares is issued to him or her. Except as otherwise provided herein, no adjustment shall be made for dividends or distributions of other rights for which the record date is prior to the date such stock certificate is issued.

7. **Nontransferability.** The Option is not assignable or transferable except by will or the laws of descent and distribution. During Optionee's lifetime, the option may be exercised only by Optionee or, in the event of Optionee's total disability, Optionee's legal representative.

8. **Securities Restrictions.** If a registration statement is not in effect under the Securities Act of 1933 or any applicable state securities laws with respect to the Option Shares, the Board may require, as a condition of exercise of the Option that the Optionee represent, in writing, that that (a) such Option Shares are being purchased for investment and not for distribution or resale, (b) the Optionee has been advised and understands that (i) the Option Shares have not been registered under the Act and are "restricted securities" within the meaning of Rule 144 under the Act and are subject to restrictions on transfer and (ii) the Company is under no obligation to register the Option Shares under the Act or to take any action which would make available to the Optionee any exemption from such registration, (c) such Option Shares may not be transferred without compliance with all applicable federal and state securities laws, and (d) an appropriate legend referring to the foregoing restrictions may be endorsed on the certificates.

9. **No Right to Continued Employment.** Nothing in this Agreement shall give Optionee any right to continued employment by the Company and/or its Affiliates or interfere in any way with the right of the Company or any Affiliate thereof to terminate the employment of Optionee.

10. **Provisions of Plan.** The provisions of the Plan shall govern if and to the extent that there are inconsistencies between those provisions and the provisions hereof. Optionee acknowledges receipt of a copy of the Plan prior to the execution of this Agreement.

11. **Administration.** The Board or the committee appointed by the Board to administer the Plan, if any, will have full power and authority to interpret and apply the provisions of this Agreement and act on behalf of the Company in connection with this Agreement, and the decision of said Board or committee as to any matter arising under this Agreement shall be binding and conclusive as to all persons.

12. **Miscellaneous.**

(a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

(b) This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to its conflicts of laws principles.

(c) This Agreement and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof and may not be modified except by written instrument executed by the parties.

(d) This Agreement may be executed in counterparts, each of which shall be deemed a complete original.

[Execution page follows]

IN WITNESS WHEREOF, this Agreement has been executed as of the date first above written.

COMPANY:

OCUGEN, INC.

_____

OPTIONEE:

_____

Exhibit 10.3

OCUGEN, INC.

RESTRICTED STOCK UNIT GRANT NOTICE AND
RESTRICTED STOCK UNIT AGREEMENT

Ocugen, Inc (the "Company") hereby grants to the individual listed below ("Participant") an award of the number of Restricted Stock Units set forth below (the "Restricted Stock Units"). This is an inducement grant under NASDAQ Listing Rule 5635(c)(4). Accordingly, the Restricted Stock Units have been granted outside of the Company's 2019 Equity Incentive Plan (the "Plan") and any other equity plan established by the Company. However, the Restricted Stock Units are subject to the terms and conditions of, and will be governed in all respects as if issued under, the Plan (as currently in effect and as may be amended hereafter from time to time) which is attached hereto and incorporated herein in its entirety. Additionally, the Restricted Stock Units are subject to the terms and conditions set forth in this Restricted Stock Unit Grant Notice (the "Grant Notice") and the Restricted Stock Unit Agreement attached hereto as Exhibit A (the "Agreement"), each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Grant Notice and the Agreement.

Participant: [_____]

Grant Date: [_____]

Total Number of Restricted Stock Units: [_____]

Vesting Schedule:

By Participant's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan.

OCUGEN, INC.

Name:

Title:

PARTICIPANT

Name:

EXHIBIT A
TO RESTRICTED STOCK UNIT GRANT NOTICE

RESTRICTED STOCK UNIT AGREEMENT

1. Award of Restricted Stock Units. The Company has granted to the Participant the number of Restricted Stock Units set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice and this Agreement. This is an inducement grant under NASDAQ Listing Rule 5635(c)(4). Accordingly, the Restricted Stock Units have been granted outside of the Company's 2019 Equity Incentive Plan (the "Plan") and any other equity plan established by the Company. However, the Restricted Stock Units are subject to the terms and conditions of, and will be governed in all respects as if issued under, the Plan (as currently in effect and as may be amended hereafter from time to time) which is attached hereto and incorporated herein in its entirety. Each Restricted Stock Unit represents the right to receive one Share at the times and subject to the conditions set forth herein.

2. Date of Grant. The Restricted Stock Units were granted on the Grant Date set forth in the Grant Notice.

3. Vesting of Restricted Stock Units.

(a) Vesting. Subject to the continued employment of the Participant with the Company through the relevant vesting dates, the Restricted Stock Units shall become vested in such amounts and at such times as are set forth in the Grant Notice.

(b) Service with Affiliates. Solely for purposes of this Agreement, employment with the Company will be deemed to include employment with any Affiliate of the Company (for only so long as such entity remains an Affiliate of the Company).

(c) Effect of Termination of Service. If the Participant's employment with the Company ceases for any reason, the unvested portion of the Restricted Stock Units shall be forfeited immediately.

4. Settlement of Restricted Stock Units.

(a) Shares will be issued in respect of vested Restricted Stock Units within sixty (60) days following the applicable vesting date. For avoidance of doubt, this deadline is intended to comply with the "short-term deferral" exemption from Section 409A of the Code.

(b) The Restricted Stock Units will not confer on the Participant any rights as a stockholder of the Company until Shares are actually issued in settlement of such Restricted Stock Units.

(c) Notwithstanding the foregoing, to the extent provided in Prop. Treas. Reg. § 1.409A-1(b)(4)(ii) or any successor provision, the Company may delay settlement of Restricted Stock Units if it reasonably determines that such settlement would violate federal securities laws or any other applicable law.

5. Non-Transferability of Restricted Stock Units. The Restricted Stock Units may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily, by operation of law or otherwise, other than by will or by the laws of descent and distribution.

6. Investment Representations. The Participant represents and warrants to the Company that the Participant is acquiring the Restricted Stock Units (and upon settlement of the Restricted Stock Units, may be acquiring Shares) for investment for the Participant's own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. As a further condition to the settlement of the Restricted Stock Units, the Committee may require that certain agreements, undertakings, representations, certificates, legends and/or information or other matters, as the Committee may deem necessary or advisable, be executed, agreed to and/or provided to the Company to assure compliance with all such applicable laws or regulations.

7. Tax Consequences. The Participant acknowledges that the Company has not advised the Participant regarding the Participant's income tax liability in connection with the grant of the Restricted Stock Units and that the Company does not guarantee any particular tax treatment. The Participant acknowledges that the Participant has reviewed with the Participant's own tax advisors the tax treatment of the Restricted Stock Units and is relying solely on those advisors in that regard. The Participant understands that the Participant (and not the Company) will be responsible for the Participant's own tax liabilities arising in connection with the Restricted Stock Units.

8. No Continuation of Service. Neither the Plan nor this Agreement will confer upon the Participant any right to continue in the employment or service of the Company or any of its Affiliates, or limit in any respect the right of the Company or its Affiliates to discharge the Participant at any time, with or without Cause and with or without notice.

9. Withholding. The Company is hereby authorized to withhold from any consideration payable or property transferable to the Participant any taxes required to be withheld in connection with the Restricted Stock Units.

10. Company Policies. In consideration for the grant of the Restricted Stock Units, the Participant agrees to be subject to the policies of the Company regarding clawback, securities trading and hedging or pledging of securities, as in effect from time to time.

11. The Plan. The Participant has received a copy of the Plan, has read the Plan and is familiar with its terms, and hereby accepts the Restricted Stock Units subject to the terms and provisions of the Plan. Pursuant to the Plan, the Committee is authorized to interpret the Plan and to adopt rules and regulations not inconsistent with the Plan as it deems appropriate. The Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to questions arising under the Plan, the Grant Notice or this Agreement.

12. Entire Agreement. The Grant Notice and this Agreement, together with the Plan, represents the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreement, written or otherwise, relating to the subject matter hereof.

13. Amendment. Except as otherwise provided herein, in the Grant Notice or in the Plan, or as would otherwise not have a material adverse effect on the Participant, this Agreement may only be amended by a writing signed by each of the parties hereto.

14. Governing Law. This Agreement will be construed in accordance with the laws of the State of Delaware, without regard to the application of the principles of conflicts of laws.

15. Execution. The Grant Notice may be executed, including execution by facsimile or electronic signature, in one or more counterparts, each of which will be deemed an original, and all of which together shall be deemed to be one and the same instrument.

Exhibit 31.1

CERTIFICATION

I, Shankar Musunuri, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ocugen, 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(s) 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, 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(s) 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 6, 2021 /s/ Shankar Musunuri, Ph.D., MBA

Shankar Musunuri, Ph.D., MBA
Chief Executive Officer and Chairman
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Sanjay Subramanian, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ocugen, 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(s) 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, 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(s) 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 6, 2021 /s/ Sanjay Subramanian

Sanjay Subramanian
Chief Financial Officer
(Principal Financial Officer and Accounting Officer)

Exhibit 32.1

Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Ocugen, Inc. (the Company), does hereby certify, to the best of such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (the Form 10-Q) of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2021 /s/ Shankar Musunuri, Ph.D., MBA
Shankar Musunuri, Ph.D., MBA
Chief Executive Officer and Chairman
(Principal Executive Officer)

Date: August 6, 2021 /s/ Sanjay Subramanian
Sanjay Subramanian
Chief Financial Officer
(Principal Financial Officer and Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. This certification "accompanies" the Form 10-Q to which it relates, is not deemed filed with the SEC and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.