


Letter by Gil Beyen

Dear Sir, Madam,

It is with confidence, conviction and determination that I write to you today, ahead of our Annual General Meeting, at which you will have the opportunity to vote on Erytech's corporate project. More specifically, you will have **the opportunity to vote on the strategic merger with Pherecydes Pharma** which we announced last February, and to give your company the means to reinvent itself through a new development project.



“ This merger will enable Erytech to open a new chapter in its history by investing in a therapeutic area of global medical needs.

Gil Beyen
CEO of Erytech Pharma

This merger will enable Erytech to **open a new chapter in its history** by investing in a therapeutic area of global medical needs, the antimicrobial resistance. Resistance to antibiotics is a major global public health concern, currently responsible for over 1 million deaths per year worldwide, and which could, according to the World Health Organization, cause 10 million deaths per year by 2050 if nothing is done. **Phages, which are natural viruses that target specific bacteria, represent a promising solution** for treating these resistant infections. Pherecydes, one of the 20 companies selected last March by Mission French Tech from over 400 applicants to the Health20 program, is a leading company in this field. It has already achieved **promising results** in humans thanks to its innovative approach to phage therapy, and its phage portfolio targets three bacteria responsible for more than two-thirds of resistant hospital-acquired infections in industrialized countries.

We are convinced that **the combination of our expertise and the resulting synergies could lead to the emergence of a European and possibly global leader in phage therapy**. With your vote of trust, this merger will enable the new entity to build on experienced teams and a



solid base from which to implement an ambitious clinical development plan. The **synergies between our companies are great**, and could rapidly materialize with the extension of the PhagoDAIR Phase II study, the world's first phagotherapy study for the treatment of prosthetic joint infections caused by *Staphylococcus aureus*, as well as the launch of two new complementary Phase II clinical studies, one in endocarditis caused by *Staphylococcus aureus* and the other in complex urinary tract infections caused by *Escherichia coli*.

We recently heard a discordant voice publicly questioning the rationale and terms of our alliance with Pherecydes. I say this with both the gravity of the moment, and the serenity of having done everything that could and should have been done to bring our company a favorable outcome: I am convinced that **this merger project**, which is the culmination of a search for strategic partners conducted with specialized advisors over more than a year, and of an in-depth examination of several dozen potential projects, **is the best one to date for our company and its shareholders**. It is based on strong operational synergies and complementarities. It is consistent with our corporate purpose and respects the interests of Erytech's shareholders and other stakeholders. Its terms were freely negotiated between two independent companies, in the absence of any conflict of interest. Ultimately, they are balanced and based on a fair exchange parity, taking into account a multi-criteria valuation of the two companies, including market values. And its implementation is robust, compliant with both legal and business ethics.

Transparency and a sense of responsibility oblige me to inform you that Erytech has no other serious or credible alternative project. The alternatives presented to Erytech and mentioned by a shareholder were duly examined by Erytech and its advisors, even though they were remote from Erytech's strategy and identity. All these alternatives had to be rejected given their uncertainty and the significant associated risks. Furthermore, Erytech will remain vigilant against any creeping takeover attempt that does not offer liquidity to its shareholders.

In addition to the resolutions relating to the approval of the merger with Pherecydes, we are also submitting for your vote resolutions that will enable the implementation of our project: the constitution of a new governance structure with complementary expertise for a new development project, financial delegations giving the company the necessary agility to finance its programs, and finally the proposal of a new corporate name, PHAXIAM Therapeutics, which symbolizes the renewal of our company.

On behalf of the Erytech team, I would like to thank you again for your support. With your trust, by voting in favor of the merger project we are submitting to you, you will be helping to give our company a promising future, and to create a leader committed to responding decisively to global healthcare challenges. **It is in the nature of our company, and it is the future we want to give it.**

Yours sincerely,

Gil Beyen