

**PHERECYDES PHARMA**

*Société Anonyme* incorporated under French law with a share capital of €7,939,179

Registered office: 22, Boulevard Benoni Goullin – 44200 Nantes (France)

493 252 266 RCS Nantes

(“Pherecydes” or the “Absorbed Company”)

**ERYTECH PHARMA**

*Société Anonyme* incorporated under French law with a share capital of €3,412,029.80

Registered office: 60, avenue Rockefeller - 69008 Lyon (France)

479 560 013 RCS Lyon

(“Erytech” or the “Absorbing Company”)

By private deed dated May 15, 2023, Erytech and Pherecydes entered into a merger agreement pursuant to which Pherecydes will be merged into Erytech.

The merger agreement specified that Pherecydes would contribute to Erytech, subject to the fulfillment of the conditions precedent mentioned in the merger agreement, all of its assets on the completion date of the merger, with Erytech assuming all of Pherecydes' liabilities existing on same date.

In accordance with the French accounting regulations, the contributions to be made by Pherecydes in the course of the merger would be contributed at their fair market value, determined in accordance with the valuation methods set out in the appendix to the merger agreement.

On this basis, the assets and liabilities transferred by Pherecydes to Erytech would amount to €22,231,338 and €5,693,952 respectively; the net assets transferred by Pherecydes would amount to €16,537,386.

The exchange ratio for the proposed merger, determined on the basis of the fair market value of the two involved companies, will be fifteen (15) new Erytech shares for every four (4) Pherecydes shares.

In accordance with applicable law, neither the exchange of the Pherecydes ordinary shares held by Erytech on the completion date would be carried out, nor the exchange of the Pherecydes treasury shares held by Pherecydes on the completion date, which would be automatically cancelled on the completion date of the merger.

As a result, as consideration for the contribution, Erytech would carried out on the completion date of the merger, pursuant to the above-mentioned exchange ratio, a share capital increase of a nominal amount of €2,657,589.30 through the issuance of 26,575,893 new ordinary shares with a nominal value of € 0.10 each, allocated directly to the shareholders of Pherecydes, with the exception of the Absorbing Company (for the shares of the Absorbed Company that will be held by the Absorbing Company) and with the exception of the Absorbed Company (with respect to the treasury shares held by the Absorbed Company), together with a balancing payment of a total amount of € 0.42; it being specified that the final number of new shares to be issued and, accordingly, the nominal amount of the subsequent capital increase will be adjusted by operation of law in accordance with the exact number of Pherecydes shares to be remunerated under this merger, in particular in the event that

the number of shares is adjusted as a result of an interim transaction between the date hereof and the completion date.

The difference between the net assets transferred by Pherecydes and remunerated by the Absorbing Company, i.e. €14,757,430.84, and the nominal value of the new ordinary shares to be issued as consideration of the merger together with the balancing payment, i.e. €2,657,589.72, will represent a merger premium estimated at €12,099,841.12, which will be recorded as a liability in the balance sheet of Erytech in the "Merger Premium" account.

It is specified that the holders of Pherecydes shares who will not own the number of shares required to obtain a full number of shares of the Absorbing Company, will receive a cash payment for the fraction forming a fractional share ("*rompu*"), in accordance with the provisions of the merger agreement.

The proposed merger agreement is subject to the following conditions precedent:

- the delivery by the independent merger appraiser (*commissaire à la fusion*) of (i) a report on the value of the contributions and (ii) a report on the terms and conditions of the proposed merger confirming the fairness of the envisaged exchange ratio;
- the approval by the general shareholders' meeting of the Absorbed Company of the merger and the resulting dissolution of the Absorbed Company;
- the approval by the general shareholders' meeting of the Absorbing Company of the merger as well as the capital increase allowing the remuneration provided for in the merger agreement; and
- the approval by the general shareholders' meeting of the Absorbing Company of the resolutions relating to the appointment of directors chosen by Pherecydes and the amendment of the Erytech's bylaws relating to the removal of the casting vote of the chairman of the board of directors.

The proposed merger will be definitively completed and will take effect from a legal point of view on the completion date, subject to and solely as a result of the completion of the aforementioned conditions precedent.

From an accounting and tax point of view, the proposed merger would retroactively take effect on January 1<sup>st</sup>, 2023.

Pherecydes would be automatically dissolved, without liquidation, on the completion date of the merger.

The non-bondholders creditors of Erytech and Pherecydes, whose claim predates the date of publication of this notice, may object to the proposed merger within thirty (30) days in accordance with French law.

The proposed merger agreement has been filed with the Commercial Court of Lyon and Nantes on May 16, 2023 in the name and on behalf of Erytech and May 16, 2023 in the name and on behalf of Pherecydes.

In accordance with Article R. 236-2-1 of the French Commercial Code, this notice of proposed merger is published on the websites of the involved companies (<https://erytech.com/fr/>) and (<https://www.pherecydes-pharma.com/>).