Translation for convenience purposes only

ERYTECH PHARMA

A French Joint-stock corporation (société anonyme) with share capital of €874,064.80
Headquarters: Bâtiment Adénine, 60 avenue Rockefeller – 69008 Lyon, France
Lyon Trade and Companies Register 479 560 013

SECURITIES NOTE

Made available to the public in conjunction with the admission for trading on the Euronext Paris regulated market ("**Euronext Paris**"), of new shares subscribed in cash as part of a capital increase with preferential subscription rights waived, reserved for a certain category of investors (the "**Capital Increase**"), for a gross amount, including issue premium, of €**70,500,00**, through the issuance of **3,000,000** new shares at a share price of €**23.50.**

French Financial Markets Authority Authorization

Pursuant to Articles L. 412-1 and L. 621-8 of the French Monetary and Financial Code and Articles 211-1 to 216-1 of its General Regulations, the French Financial Markets Authority (*Autorité des marchés financiers / AMF*) has assigned an approval no. 17-161 dated April 13, 2017 for this Prospectus. This Prospectus has been prepared by the Issuer and is the responsibility of its signatories.

In accordance with Article L. 621-8-1-I of the French Monetary and Financial Code, the approval was granted after the AMF had verified that the document is comprehensive and understandable and that the information it contains is consistent. It neither implies approval of the merits of the transaction, nor validation of the accounting and financial information presented in it.

The prospectus ("**Prospectus**") consists of:

- the Reference Document filed by ERYTECH PHARMA (the "**Company**" or "**ERYTECH**") with the French Financial Markets Authority ("**AMF**") on March 31, 2017 under number D.17-0283 (the "**Reference Document**");
- this Securities Note ("**Securities Note**"); and
- the summary of the Prospectus (included in the Securities Note).

Copies of the Prospectus are available free of charge from the Company's headquarters, Bâtiment Adénine, 60 avenue Rockefeller – 69008 Lyon, France, as well as from the Company's website (www.erytech.com), and the AMF website (www.amf-france.org).

This document is a free non- binding translation, for information purposes only, of the French language “Note d’opération” as approved to the AMF on April 13, 2017 under visa no. 17-161. In the event of any ambiguity or conflict between corresponding statements or items contained in this English translation and the original French version, the relevant statements or items of the French version shall prevail.

Translation for convenience purposes only

Remarks and Disclaimer

In the Prospectus, unless indicated otherwise, the terms "**Company**" and "**ERYTECH**" designates ERYTECH PHARMA.

The disclosures in this Prospectus ensure that the various shareholders and investors have equal access to the information pertaining to the Company, in all material aspects and to the extent possible.

The Prospectus includes information on the Company's objectives and includes forward-looking statements. Such statements are sometimes identified by the use of the future or conditional tense, and forward-looking words such as “estimate”, “consider”, “has as its objective”, “expects to”, “understands”, “should”, “hopes to”, and “could” and other similar expressions. The reader's attention is drawn to the fact that achieving these objectives and forward-looking statements, and information on the objectives may be affected by known and unknown risks, uncertainties and other factors that could cause future results, performance or achievements of the Company to be materially different from the stated or implied objectives.

Investors should carefully consider the risk factors described in Section 2 “Risk factors” of the Reference Document as well as those described in Section 2 of the Securities Note before making any decision to invest. The occurrence of all or some of these risks may have an adverse material effect on the Company’s business, financial position, earnings, or ability to meet its objectives. In addition, other risks, that have not yet been identified or are considered as immaterial by the Company, may have the same material adverse effect and investors may lose all or part of their investment.

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SUMMARY OF PROSPECTUS

Approval No. 17-161 dated April 13, 2017

The summary consists of known information that is required to be disclosed as "**Key Features**". These Key Features are presented in five Sections A to E and are numbered A.1 to E.7.

This Summary contains all the Key Features that have to be disclosed in the summary of a Prospectus for this class of securities and this type of issuer. As not all Features have to be disclosed, the numbering in this Summary is not continuous.

It is possible that relevant information may be unavailable regarding a given Feature that has to appear in this Summary because of the class of securities and the type of issuer involved. In such a case, the information for that Feature will be shown as "Not Applicable" or "N/A".

Section A – Introduction and Disclaimers		
A.1	**Advice to Readers**	This Summary should be read as an introduction to the Prospectus. Any decision to invest in securities whose admission for trading on a regulated market is pending should be based on a prior exhaustive review of the Prospectus by the investor. Should any information in this Prospectus be contested in court, the plaintiff is required by the national legislation of the Member States of the European Union and of the parties to the Agreement on the European Economic Area (**EEA**), to bear the cost of translating the Prospectus before the start of court proceedings. Persons submitting this Summary, including any translation, and requesting notification in the sense of Article 212-41 of the AMF General Regulations, have no liability unless the content of the Summary is misleading, inaccurate or contradicts other parts of the Prospectus, or if it does not provide, when combined with the other parts of the Prospectus, the key information needed to help investors decide whether to invest in those securities.
A.2	**Issuer consent to use the Prospectus**	N/A
Section B – Issuer		
B.1	**Corporate name and Business name**	ERYTECH Pharma (the "**Company**", "**ERYTECH**", or "**Issuer**")
B.2	**Headquarters:**	Bâtiment Adénine, 60 avenue Rockefeller – 69008 Lyon, France
	Legal form	French Joint stock corporation (société anonyme) with a Board of Directors, listed in the Lyon Trade & Companies Register under number 479 560 013.
	Governing Law	French law
	Country of origin	France

B.3	**Description of the Issuer's operations and main activities**	ERYTECH was founded in 2004 to develop and market innovative therapies for acute leukemia and other cancers for which medical needs remain unmet. The innovative approach by ERYTECH consists of acting on the tumor's environment and "starving" it, so that the cancerous cells no longer have access to the growth factors they need to live and proliferate. ERYTECH's lead product eryaspase™ / GRASPA®, is positioned in the treatment of acute leukemia, a cancer of the blood and bone marrow which progresses rapidly and requires urgent treatment. The two most frequent forms are Acute Lymphoblastic Leukemia (ALL) and Acute Myeloid Leukemia (AML), depending on the cells at the origin of the disease. Each year, approximately 50,000 patients are diagnosed with acute leukemia in Europe and the United States. Eryaspase, known as Eryaspase™ in the United States and GRASPA® in Europe and Israel, has obtained convincing clinical results from numerous clinical trials and is in the final phase of clinical development with a view to obtaining marketing authorization (MA) in Europe. ERYTECH therefore expects to apply for MA in Europe for ALL by the end of the third quarter of 2017. Based on these results, ERYTECH has signed two distribution partnerships for the European and Israeli markets with the international companies Orphan Europe (Recordati Group) and Teva Group. ERYTECH is developing possible new indications for eryaspase outside the field of leukemia. Initial pre-clinical and clinical results suggest that eryaspase could also be effective against certain solid tumors for which therapeutic options are currently limited. ERYTECH has completed a Phase IIb trial launched in 2014 in pancreatic cancer with positive initial results, the full data is expected in the second quarter of 2017. Depending on preparations carried out in 2017, a Phase 3 launch may be considered for 2018 and would require additional financing, which is presently estimated, pending the finalization of the clinical protocol, to be at least €40 million. In addition to the existing candidate-products which are intended to starve tumors through the use of red blood cell-encapsulated enzymes, ERYTECH is exploring other uses of its ERYCAPS technological platform in order to develop vaccines against cancer and enzyme replacement therapies. The Company also has a pipeline of potential products targeting orphan diseases that constitute medium and long-term sources of growth for the company and/or partnership options. In the longer term, the ERYTECH technology can be used to encapsulate various molecules or active ingredients inside red blood cells and could help develop new drugs, particularly in cancer treatment, with much better efficacy and toxicity profiles, consequently improving patient survival and quality of life. ERYTECH's objectives for the current fiscal year, taking into consideration its available cash at December 31, 2016 of €37.6 million, are: – to define the recommended treatment dose in Phase I of the ALL trials; – to meet during the third quarter of 2017 with the U.S. Food and Drug Administration (**FDA**) to discuss the next development plan in ALL, as the recommended dose for Phase II has to be confirmed by mid-2017; – to resubmit the MA application in Europe for eryaspase/GRASPA® in ALL by the end of the third quarter of 2017;

– to obtain proof of concept in the ERYMMUNE and ERYZYME programs;

– the culmination of the pre-clinical development of erymethionase (ERYMET) to launch a Phase 1 clinical study during 2017, provided additional financing is available.

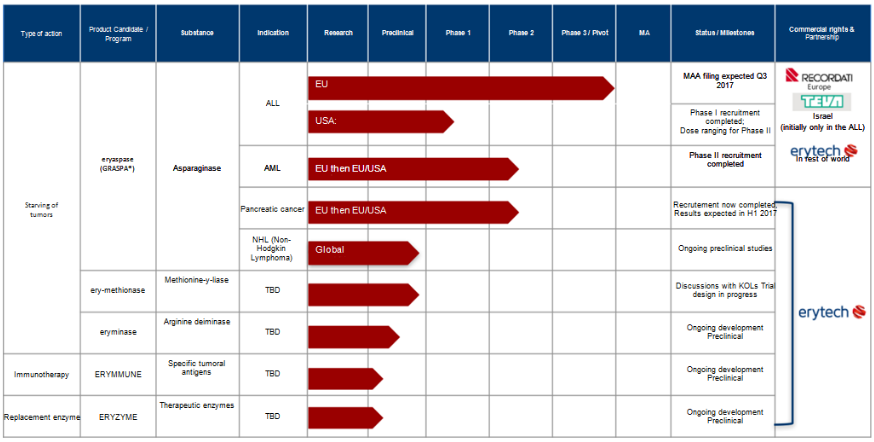
Furthermore, the Company will use this capital increase to finance prepartory actions for a potential Phase 3 study in the pancreatic cancer indication, particularly to:

– hire staff to prepare for future clinical development

– increase the Company’s production capacity in Europe and the United States and to streamline the supply chain

with the stipulation that the purpose of this capital increase is not to finance this potential Phase 3 study.

The following table shows our pipeline of products:



B.4	**Main recent trends with repercussions on the Issuer and its business sectors**	**Significant events since December 31, 2016** Since December 31, 2016, the Company announced: - on January 17, 2017, the presentation of new clinical data on ERY-MET at the 2017 ASCO-GI symposium; - on February 28, 2017, the webcast on March 3, 2017 on the release of its 2016 annual results; - on March 2, 2017, an update of its activities and the publication of its 2016 annual results; - on March 7, 2017, a presentation at two medical conferences of the preclinical results confirming the immunotherapy potential of its ERYMMUNE platform; - on March 20, 2017, new preclinical anti-tumoral data with erymethionase at the American Association for Cancer Research (AACR) 2017 Annual Meeting; - on March 23, 2017, its collaboration with Fox Chase Cancer Center to advance its platform in the field of rare metabolic diseases; and - on March 27, 2017, the positive Phase IIb results for its clinical trial with eryaspase/ GRASPA® in the treatment of metastatic pancreatic cancer.
B.5	**Description of the Group and of the Issuer's position in the Group**	As of the visa date of the Prospectus, the Company owned a subsidiary in the United States, Erytech Pharma Inc., formed on April 9, 2014. This U.S. subsidiary is wholly owned by ERYTECH and its accounts are consolidated since June 30, 2014.

B.6

Main shareholders and control of the Issuer

As of April 10, 2017, share capital amounted to €874,064.80, divided into 8,740,648 fully subscribed and paid-up shares each with a par value of €0.10.

As of March 31, 2017, to the best of the Company's knowledge, the composition of its shareholding and voting rights was as follows:

		3/31/2017		
	SHAREHOLDERS	**SHARES**	**% of capital**	**% of the total voting rights**
REGISTERED	***MANAGEMENT***	**2,630**	0.03%	0.04%
REGISTERED	*Jérôme Bailly*	*280*	*0.00 %*	*0.00 %*
REGISTERED	*Other management*	*2,350*	*0.03 %*	*0.03%*
REGISTERED	**FINANCIAL INVESTORS**	**1,018,212**	**11.65%**	**19.76%**
REGISTERED	*AURIGA Partners***	1,018,212	11.65%	19.76%
REGISTERED	**RECORDATI ORPHAN DRUGS**	**431,034**	**4.93%**	**8.37%**
REGISTERED	**MEMBERS OF THE BOARD OF DIRECTORS**	**10,300**	**0.12 %**	**0.13%**
REGISTERED	**OTHER SHAREHOLDERS**	**178,557**	**2.04%**	**2.80%**
REGISTERED	***SUB-TOTAL REGISTERED SHAREHOLDERS***	***1, 640, 733***	***18.77%***	***31.09%***
BEARER	***Treasury shares***	**2,500**	**0.03 %**	**0.00 %**
BEARER	**FINANCIAL INVESTORS**	**1,843,494**	**21.09%**	**17.89%**
BEARER	***Baker Bros****	1,346,268	15.40%	13.07%
BEARER	***JP Morgan****	497,226	5.69 %	4.83 %
BEARER	***Free float***	5,193,614	59.46%	50.19%
BEARER	***SUB-TOTAL BEARER SHAREHOLDERS***	***7,099,915***	***81.23%***	***68.91%***
	TOTAL	**8,740,648**	**100.00%**	**100.00%**

* Based on the latest threshold crossing disclosures and available information

** Based on the latest threshold crossing disclosures and available information, AURIGA Partners also holds 129,310 bearer shares, bringing its total shareholding to 13.14%, and 20.78% of voting rights.

As of the Prospectus date, no shareholder held a controlling interest in the Company.

Baker Bros reported to the AMF that it had exceeded the threshold of 10% of shared capital on March 28, 2017 and the threshold of 15% of share capital on March 30, 2017, and that as of March 30, 2017 it held on

	behalf of the funds that it manages 1,317,607 Company shares representing the same number of voting rights, specifically 15.04% of share capital and 12.64% of the voting rights in the Company. To the best of the Company's knowledge, as of the Prospectus date, no other shareholder held, directly or indirectly, alone or in concert, more than 5% of the capital and voting rights in the Company and no shareholder reported to the AMF that it was acting in concert. Any shareholder, regardless of nationality, whose shares have been fully paid-up and in registered form for at least two years benefits from double voting rights.

B.7	**Selected historical financial information and significant changes since the last historical financial information** **(€ thousands)**	• **Simplified Consolidated Balance Sheet:**

(€ thousands)	**2016**	**2015**
NON-CURRENT ASSETS		
Intangible assets	57	61
Property, plant and equipment	2,245	918
Non-current financial assets	132	97
Deferred tax assets	-	-
TOTAL NON-CURRENT ASSETS	**2,434**	**1,076**
CURRENT ASSETS	**42,533**	**51,929**
Of which cash and cash equivalents	37,646	45634
TOTAL ASSETS	**44,967**	**53,004**
SHAREHOLDERS' EQUITY	**35,638**	**53,004**
NON-CURRENT LIABILITIES	2,982	251
CURRENT LIABILITIES	6,347	5,621
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**44,967**	**53,004**

- **Simplified Consolidated Income Statement:**

at 12/31 in € thousands (€ thousands)	**2016**	**2015**
Total operating income	**4,138**	**2,929**
o/w Sales	-	-
Operating profit (loss)	**(22,390)**	**(15,583)**
Financial profit (loss)	**488**	**567**
NET PROFIT (LOSS)	**(21,913)**	**(15,013)**

- **Change in consolidated share capital:**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (thousands of €)	**Share capital**	**SHARE PREMIUM ACCOUNT**	**Reserves**	**INCOME (LOSS)**	**Shareholders' equity**
12/31/2014	**688**	**72,427**	**(28,431)**	**(8,860)**	**35,824**
Net loss				**(15,013)**	**(15,013)**
Issue of ordinary shares	**104**				**104**
Share premium increase		**23,440**			**23,440**
Treasury shares	**0**	**64**			**64**
Allocation of prior period loss			**(8,860)**	**8,860**	
Reassessmentof net defined benefit liability (asset)			**6**		**6**
Change in currency translation reserve			**(9)**		**(9)**
Comprehensive income			**(3)**	**(15,013)**	**(15,017)**
Share-based payments			**2,716**		**2,716**
12/31/2015	**792**	**95,931**	**(34,578)**	**(15,013)**	**47,132**
Net loss				**(21,913)**	**(21,913)**
Issue of ordinary shares	**81**				**81**
Share premium increase		**9,158**			**9,158**
Treasury shares					
Allocation of prior period loss			**(15,013)**	**15,013**	
Reassessment of net defined benefit liability (asset)			**(20)**		**(20)**

Change in currency translation reserve			**21**		**21**
Comprehensive income			**1**	**(21,913)**	**(21,912)**
Share-based payments			**1,178**		**1,178**
12/31/2016	**873**	**105,090**	**(48,412)**	**(21,913)**	**35,638**

- **Consolidated Cash Flow Statement:**

at 12/31 in € thousands	**2016**
Cash flow from operating activities before change in WCR	(20,255)
Change in working capital requirement for operating activities	2,641
Net cash flow from operating activities	**(17,614)**
Net cash flow from investing activities	**(1,786)**
Net cash flow from investing activities	**11,393**
o/w capital increase and transaction costs	9,239
Impact of change in exchange rates on cash held,	19
Change in net cash	**(7 988)**

B.8	**Proforma financial information**	N/A
B.9	**Profit estimates or forecasts**	N/A
B.10	**Reservations regarding the stated financial information**	N/A
B.11	**Net working capital**	The Company declares that, in its opinion, its net working capital available on December 31, 2016, prior to the Capital Increase (as described in Section E.3 below) is sufficient to meet its currently existing obligations over the course of the 12/15 months following the Prospectus approval date.

Section C – Negotiable securities

C.1	**Type, class and identification number**	Ordinary shares of the same class as existing Company shares. They will enjoy immediate entitlement, upon being issued, to all dividends issued by the Company from that date onwards. They will be admitted for trading on the Euronext Paris regulated market (Compartment C, on the same price listing as existing shares and with the same ISIN Code 0011471135). Name: Erytech Pharma

		ISIN Code: FR0011471135 Ticker: ERYP Compartment: C ICB classification: 4577 Pharmaceuticals
C.2	**Currency**	euro
C.3	**Number of shares issued and par value**	**3,000,000** new ordinary shares each with a par value of €0.10, fully paid-up when subscribed (the "**New Shares**").
C.4	**Attached rights**	Once created, the New Shares will be subject to all the provisions of the Company's Articles of Incorporation. Under current French legislation and the Company's Articles of Incorporation, the main rights attached to the New Shares issued as part of the Capital Increase are as follows: – the right to dividends; – voting rights (including a double voting right attached to shares that have been held in registered form by the same shareholder for at least two years); – preferential subscription right to shares in the same class; – right to participate in any surplus in the case of liquidation; and – right to receive shareholder information.
C.5	**Restrictions on free trading**	N/A
C.6	**Listing Application**	The New Shares will apply for listing on Euronext Paris. They are expected to be approved for trading on April 19, 2017, on the same line as the Company's existing shares (ISIN Code FR0011471135 and Ticker ERYP). The New Shares will also apply for admission to Euroclear France which will ensure clearing/settlement of shares held in custodial accounts.
C.7	**Dividend policy**	The Company has paid no dividends in the last three fiscal years. There is no plan to set up a dividend payment policy in the short term, given the Company’s stage of development.
Section D – Risks		
D.1	**Main risks specific to the Issuer and its business sector**	The main risks specific to the Company and its business sector are disclosed below: The marketing approval for ERY-ASP/GRASPA® may be delayed, may be subject to “post-MA” studies (these two eventualities potentially leading to additional costs), or may not be obtained. The Company develops innovative therapies and may not achieve its development and profitability objectives. The Company is dependent on its suppliers of key raw materials and on its subcontractors for carrying out its activities. Direct or indirect competitive solutions could hinder the growth of the Company and render its products obsolete.

		The Company has limited resources and access to financing and its decision to develop eryaspase instead of other drug candidates may have a significantly adverse impact on its growth prospects. The Company may need to increase its equity capital or arrange additional financing to support its growth. Recourse to such additional financing and the issuance or allocation of new shares or new financial instruments giving access to its share capital may significantly dilute existing shareholders' equity interests in the Company. Production costs may be higher than expected and the Company may have inadequate production capacity. Obtaining prior marketing approvals is uncertain. ERY-ASP/GRASPA® is the only product in clinical development, in the process of registration in Europe, and likely to be launched on the market within the next five years. The Company may fail to develop the ERYCAPS platform. If the Company reaches the marketing stage, it will face the risk of the product not being authorized for reimbursement, as well as the usual product liability risks. Furthermore, the marketing of GRASPA® in 39 European countries and in Israel is largely dependent on Orphan Europe (Recordati Group) and Teva Group. It is also possible that the Company may not benefit from market exclusivity connected with the orphan drug status for GRASPA®, ERY-ASP, or its other drug candidates or in other indications. The protection offered by patents and other intellectual property rights is uncertain. The Company may not be able to maintain adequate protection of its intellectual property rights and thereby lose its technological and competitive advantage. Part of the Company's activity could depend on or infringe patents and/or other intellectual property rights owned by third parties. The exclusivity conferred by intellectual property rights could be circumvented by the Company's third parties/competitors.
D.3	**Main risks specific to the shares issued**	The main risk factors connected with the transaction are as follows: - The market price of Company shares may fluctuate and fall below the New Share subscription price; - The volatility and liquidity of Company shares may fluctuate significantly; - Company shares may be sold on the market adversely impacting the Company's share price; - Company shares may be subject in the future to a tax on European financial transactions. - A new market call could result in additional dilution of existing shareholders' holdings.
Section E – Offer		

E.1	**Total proceeds from and estimated total expense of the issue**	Gross proceeds correspond to the number of shares to be issued multiplied by the per-share subscription price. Net proceeds correspond to the gross proceeds minus the expenses mentioned above. Expenses will be charged in full against the issue premium. For indicative purposes only, the gross proceeds and estimated net proceeds (tax excluded) of the entire Offer (as the term is defined below) are: - Gross proceeds of the Offer: approximately €70.5 million; - Remuneration to financial intermediaries and legal and administrative fees: approximately €5.99 million; - Estimated net proceeds: approximately €64.51 million.
E.2.a	**Purpose of the issue / Use of issue proceeds / Net proceeds of the issue**	The net proceeds from the issue of the New Shares requested for stock-market listing, are intended to give the Company additional resources to finance the continuing development of its drug candidates in the following order of priority: 1) primarily preparations for the launch of the potential Phase 3 for pancreatic cancer indications, to include • recruiting teams (handling regulatory as well as clinical issues) to prepare future clinical development; • increase production capacity in Europe and the United States, especially automation of the manufacturing process and streamlining the supply chain; 2) review of the potential for expanding clinical development of eryspase, or GRASPA to other oncological indications and in other countries; 3) increase the cash available to the Company over the next 12 months. The Company intends to use around one half of net income from the issue to carry out preparations for the potential lauch of Phase 3 for pancreatic cancer as described above, on the basis of current cost estimates for thes preparations. As of the Prospectus date, the New Shares have already been placed with investors, but the Company will not issue the New Shares or receive the proceeds until settlement/delivery is completed, which is expected to be April 19, 2017.
E.3	**Terms and Conditions of the Offer**	***Structure of the transaction – Capital increase reserved for a category of investors*** The New Shares are issued as part of a capital increase in the form of an offer reserved for a category of investors approved by the Shareholders' General Meeting of June 24, 2016 (defined below). The New Shares requested for stock-market listing have been reserved, at the end of a process called bookbuilding aimed at investors meeting the characteristics of a investor category set by the aforementioned General Meeting, within the European Economic Area (**EEA**) in accordance with Article 3.2 of Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (as amended), and outside the EEA in accordance with the rules of each country concerned, in particular the United States where the shares have been issued as part of an offering under the exemption provided by Section 4(a)(2) of the *U.S. Securities Act of 1933* (as amended) (the "**Offer**"). ***Number of shares requested for stock-market listing***

		3,000,000 shares. ***Preferential subscription rights*** The New Shares are issued with existing shareholders' preferential subscription rights waived, and reserved for a category of investors in accordance with Article L. 225-138 of the French Commercial Code (the "**Capital Increase**"). In this transaction, the Company's shareholders expressly decided to waive their preferential subscription rights at the General Meeting of June 24, 2016 (Resolution 23), to the benefit of a category of investors consisting of natural persons or legal entities, including industrial or commercial companies, or French or foreign investment funds normally investing in the pharmaceutical, biotechnological or technological sectors, or French or foreign investment services providers, or any foreign establishment with equivalent legal status, likely to complete such a transaction including subscribe to the securities issued. ***Subscription price*** The subscription price of the New Shares is €23.50 per share (€0.10 par value plus €23.40 issue premium). In accordance with the procedure for setting the subscription price specified in Resolution 23 of the General Meeting of June 24, 2016, the issue price shows a 6.37% discount off the Company's weighted average share price over the 20 trading days immediately preceding the date on which the price was set (the average trading price in this case being €25.10 between March 16 and April 12, 2017). Subscriptions and payments are received and lodged with Société Générale Securities Services, which will then issue the depositary certificate on the settlement/delivery date for the New Shares, which is expected to be **April 19,** 2017. ***New Share entitlements*** Current. ***Underwriting*** The Offer is drafted in English as a "**Placement [and Underwriting] Agreement**" signed on April 13, 2017 by Jefferies International Limited ("**Jefferies**"), Cowen Group ("**Cowen**") and Oddo as placement agents (together, the "**Placement Agents**"). New Shares placed with investors in the United States are recorded as separate subscription agreements between each U.S. investor and the Company. According to the Placement [and Underwriting] Agreement, the delivery/settlement of the portion of the Offer signed with investors outside the United States is underwritten by Jefferies and Oddo. This underwriting is not a guarantee of completion in the sense of Article L. 225-145 of the French Commercial Code as the portion placed with investors in the United States is not underwritten. The Placement [and Underwriting] Agreement may be rescinded by the Placement Agents at any time until (and including) the settlement/delivery date of the entire Offer expected to be April 19, 2017 thereby impacting the success of the Offer, under certain conditions especially in the case of inaccuracies and non-adherence to the statements made by the parties in the Placement [and Underwriting] Agreement, assuming the

usual conditions precedent had been met.

Should the Placement [and Underwriting] Agreement be rescinded in accordance with its terms, all investor orders placed and subscription deals signed for the Offer will be deemed null and void . Should the Placement [and Underwriting] Agreement be rescinded, this information will be publicized in a press release issued by the Company and a notice circulated by Euronext Paris.

Restrictions on the Offer

The Offer has been placed exclusively with investors **listed in the category set by the Shareholders' General Meeting of June 24, 2016 in Resolution 23, in accordance with Article L. 225-138 of the French Commercial Code.**

Circulation of the Prospectus may, in some countries including the United States, be subject to special regulations. Persons in possession of the Prospectus should inform themselves of any local restrictions.

The Prospectus, and any other document relating to the Capital Increase, may not be circulated outside France unless it complies with local laws and regulations, and does not constitute an offer to subscribe in countries where such an offer would infringe local laws.

Indicative Timeline

March 31, 2017	Reference Document filed Press release announcing the filing of the Reference Document
April 12, 2017 (after markets close)	Press release announcing the launch of the Capital Increase New Shares issue price and terms & conditions set
April 13, 2017	Press release announcing the subscription price and the final total Capital Increase (before markets open) AMF issues approval visa for the Prospectus Euronext Paris publishes notice admitting the New Shares
April 19, 2017	Settlement/Delivery of the New Shares New Shares admitted for trading on Euronext Paris

Placement Agents

		Jefferies International Limited Vintners Place 68 Upper Thames Street London EC4V 3BJ, United Kingdom Tel: +44 20 7029 8000 **Oddo** 12 Boulevard de la Madeleine 75440 Paris Cedex 09 *For the United States only* : **Cowen Group** 99 Lexington Avenue New York, NY 10022 Etats-Unis
E.4	**Interests that may significantly impact the issue**	The Company is not aware of any interests that may significantly impact the issue. Jefferies, Cowen and Oddo or its affiliates have rendered and/or may in the future render banking, financial, investment and other services to the Company, its shareholders or corporate officers, for which they have received or may receive remuneration.
E.5	**Person or entity offering to sell transferable securities** **Abstention commitment**	***Name of Issuer*:** ERYTECH PHARMA ***Company's abstention commitment*** From the signing date of the Placement [and Underwriting] Agreement (April 13, 2017) until 90 calendar days after the settlement/delivery date, subject to the the usual exceptions. ***Agreement by certain Company executives to abstain from trading and to hold their existing shares.*** From the signing date of the Placement [and Underwriting] Agreement (April 13, 2017) until 90 calendar days after the settlement/delivery date, subject to the the usual exceptions.
E.6	**Dilution amount and percentage**	***Impact of the issue on existing shareholdings*** For information purposes only, the impact of the issue on existing shareholdings (based on share capital on March 31, 2017 and the number of shares on April 10, 2017 excluding treasury shares), is, per share:

	Percentage of capital per share (in euros)	
	Undiluted basis	Diluted basis (1)
Before the issue of New Shares resulting from the Capital Increase	€4.08	4.68€
After the issue of 3,000,000 New Shares resulting from the Capital Increase (2)	€8.53	€8.75

(1) The calculations assume that if all the ordinary share subscription warrants (BSAs), founders' share subscription warrants (BSPCEs), bonus shares and share subscription or purchase warrants outstanding as of April 11, 2017 were to be exercised in full a maximum of 651,000 new shares would be issued.

(2) This calculation is based on the net proceeds from the issue.

Impact of the issue on shareholders' positions

For indicative purposes only, the impact of the issue on the relative position of a shareholder who holds 1% of Company capital prior to the issue and does not subscribe to the issue is as follows (calculation based on the number of shares comprising Company share capital on April 10, 2017 excluding treasury shares):

	Percentage holding	
	Undiluted basis	Diluted basis (1)
Before the issue of New Shares resulting from the Capital Increase	1.00 %	0.93 %
After the issue of 3,000,000 New Shares resulting from the Capital Increase	0.74 %	0.71 %

(1) The calculations assume that if all the ordinary share subscription warrants (BSAs), founders' share subscription warrants (BSPCEs), bonus shares and share subscription or purchase warrants outstanding as of April 11, 2017 were to be exercised in full a maximum of 651,000 new shares would be issued.

E.6 Dilution amount and percentage

Impact of the issue on the composition of shareholding and voting rights in the Company

		Before Issue						After issue					
		Undiluted			Diluted			Undiluted			Diluted		
	SHAREHOLDERS	Number of shares	% of capital	% of total voting rights	Number of shares	% of capital	% of total voting rights	Number of shares	% of capital	% of total voting rights	Number of shares	% of capital	% of total voting rights
REGISTERED	***MANAGEMENT***	**2,630**	**0.03%**	**0.04%**	**430,919**	**4.59%**	**3.95%**	**2,630**	**0.02%**	**0.03%**	**430,919**	**3.48%**	**3.10%**
	Gil BEYEN	*0*	*0.00%*	*0.00%*	160,629	1.71%	1.47%	0	0.00%	0.00%	160,629	1.30%	1.15%
	Jérôme BAILLY	*280*	*0.00%*	*0.00%*	38,281	0.41%	0.35%	280	0.00%	0.00%	38,281	0.31%	0.27%
	Iman EL HARIRY	*0*	*0.00%*	*0.00%*	50,999	0.54%	0.47%	0	0.00%	0.00%	50,999	0.41%	0.37%
	Eric SOYER	*0*	*0.00%*	*0.00%*	31,001	0.33%	0.28%	0	0.00%	0.00%	31,001	0.25%	0.22%
	Jean-Sébastien CLEIFTIE	*0*	*0.00%*	*0.00%*	15,000	0.16%	0.14%	0	0.00%	0.00%	15,000	0.12%	0.11%
	Alexander SCHEER	*0*	*0.00%*	*0.00%*	15,000	0.16%	0.14%	0	0.00%	0.00%	15,000	0.12%	0.11%
	Autres management	*2,350*	*0.03%*	*0.03%*	120,009	1.28%	1.11%	2,350	0.02%	0.03%	120,009	0.97%	0.87%
	FINANCIAL INVESTORS	**1,018,212**	**11.65%**	**19.76%**	**1018212**	**10.84%**	**18.59%**	**1,018,212**	**8.67%**	**15.31%**	**1,018,212**	**8.22%**	**14.59%**
	AURIGA Partners**	1,018,212	11.65%	19.76%	1,018,212	10.84%	18.59%	1,018,212	8.67%	15.31%	1,018,212	8.22%	14.59%
	RECORDATI ORPHAN DRUGS	**431,034**	**4.93%**	**8.37%**	**431,034**	**4.59%**	**7.87%**	**431,034**	**3.67%**	**6.48%**	**431,034**	**3.48%**	**6.18%**
	BOARD MEMBERS	**10,300**	**0.12%**	**0.13%**	**110,480**	**1.18%**	**1.04%**	**10,300**	**0.09%**	**0.10%**	**110,480**	**0.89%**	**0.81%**
	OTHER SHAREHOLDERS	**178,557**	**2.04%**	**2.80%**	**301,088**	**3.21%**	**3.75%**	**178,557**	**1.52%**	**2.17%**	**301,088**	**2.43%**	**2.94%**
	SUB-TOTAL REGISTERED	***1,640,733***	***18.77%***	***31.09%***	***2,291,733***	***24.40%***	***35.19%***	***1,640,733***	***13.97%***	***24.08%***	***2,291,733***	***18.49%***	***27.62%***
BEARER	**Treasury shares**	**2,500**	**0.03%**	**0.00%**	**2,500**	**0.03%**	**0.00%**	**2,500**	**0.02%**	**0.00%**	**2,500**	**0.02%**	**0.00%**
	FINANCIAL INVESTORS	**1,843,494**	**21.09%**	**17.89%**	**1843494**	**19.63%**	**16.83%**	**2,605,494**	**22.19%**	**19.58%**	**2,605,494**	**21.03%**	**18.67%**
	*Baker Bros**	1,346,268	15.40%	13.07%	1,346,268	14.33%	12.29%	1,808,268	15.40%	13.59%	1,808,268	14.59%	12.96%
	*JP Morgan**	497,226	5.69%	4.83%	497,226	5.29%	4.54%	797,226	6.79%	5.99%	797,226	6.43%	5.71%
	Free float	**5,253,921**	**60.11%**	**51.01%**	**5,253,921**	**55.94%**	**47.98%**	**7,491,921**	**63.81%**	**56.33%**	**7,491,921**	**60.46%**	**53.70%**
	SUB-TOTAL BEARER	***7,099,915***	***81.23%***	***68.91%***	***7,099,915***	***75.60%***	***64.81%***	***10,099,915***	***86.03%***	***75.92%***	***10,099,915***	***81.51%***	***72.38%***
	TOTAL	**8,740,648**	**100.00%**	**100.00%**	**9,391,648**	**100.00%**	**100.00%**	**11,740,648**	**100.00%**	**100.00%**	**12,391,648**	**100.00%**	**100.00%**

** Based on the latest information received in threshold crossing disclosures.*

****** *Based on the latest information received in threshold crossing disclosures, AURIGA Partners holds over 129,310 bearer shares, bringing its total shareholding to 9.77% and 16.28% of voting rights.*

E.7 Estimate of expenses invoiced to investors

N/A

1. RESPONSIBLE PARTIES

1.1 PERSON RESPONSIBLE FOR THE PROSPECTUS

Gil Beyen
Chairman and Chief Executive Officer

1.2 CERTIFICATION BY THE PERSON RESPONSIBLE FOR THE PROSPECTUS

"I hereby declare, after having taken all reasonable measures to this effect, that, to my knowledge, the information contained in this Prospectus gives a true view of the facts and contains no omissions that may alter its nature or intent.

We have obtained a completion letter (lettre de fin de travaux) from the statutory auditors, in which they state that they have audited the information relating to the financial position and the financial statements presented in this Prospectus, and have read this Prospectus in its entirety. "

Signed in Lyon, April 13, 2017,

Gil Beyen

Chairman and Chief Executive Officer

1.3 PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

Eric Soyer
Chief Financial Officer and Chief Operations Officer of Erytech Pharma
Bâtiment Adénine, 60 avenue Rockefeller
69008 Lyon - France
Tel: +33 4.78.75.56 38
Fax: +33 4.78.75.56 29
Website: http://erytech.com/
Email: investors@erytech.com

2. RISK FACTORS

The Company carries on its activities in an evolving environment involving numerous risks some of which are beyond its control. Before deciding to subscribe to or buy shares in the Company, investors should review all the information in the Reference Document including the section on risks. Those risks are the ones that the Company considers may have a significant adverse impact on the Company's business, outlook, financial position, earnings and growth and are important to weigh when making any decision to invest. Investors' attention is drawn to the fact that the list of risks presented in Section 2 of the Reference Document is not exhaustive, and that other risks that are unknown or not considered as of the Prospectus date may exist or could arise with a significant adverse impact on the Company's business, financial position, earnings and growth.

In addition to these risks, investors should consider the following risk factors:

The market price of Company shares may fluctuate and fall below the New Share subscription price.

The market price of Company shares may not reflect the Company's stock-market price on the issue date of the 3,000,000 New Shares (as this term is defined in Section 4.1 of the Securities Note).

Company shares may trade at prices lower than the prevailing market price on the date that the subscription price was set for the New Shares. No assurance can be given that the market price of Company shares will not fall below the subscription price of the New Shares. No assurance can be given that, after subscribing to the New Shares, investors will be able to sell their Company shares at a price equal to or higher than the subscription price of the New Shares.

The volatility and liquidity of Company shares may fluctuate significantly

Stock market prices have experienced major fluctuations in recent years often unrelated to the results of the companies whose shares are being traded. Market fluctuations and economic conditions may increase the volatility of Company shares. The Company's share price may fluctuate significantly, in reaction to various factors and events, including the risk factors described in the Reference Document and the market liquidity for Company shares.

Company shares may be sold on the market adversely impacting the Company's share price.

The sale of a significant number of Company shares on the market after the completion of the Capital Increase (as this term is defined in Section 5.1.1 below) or the expectation that such sale may occur, may have an adverse impact on the Company's share price. The Company cannot foresee all potential impacts on the market price of shares sold by its shareholders.

Company shares may be subject in the future to a tax on European financial transactions.

Investors' attention is drawn to the fact that on February 14, 2013, the European Commission published a draft directive ("**Commission Proposal**") to introduce a European financial transaction tax ("**European FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Poland, Slovenia and Slovakia (the "**Participating Member States**") which, if it were adopted and transposed into French law, would replace the French FTT. In March 2016, Estonia stated that it would not participate in the European FTT.

If adopted in its present form, the European FTT would apply, in certain circumstances, to certain transactions in the Company's shares.

If adopted in its present form, the European FTT could in certain circumstances apply to investors within or outside Participating Member States. In principle, it would apply to any financial transaction where at least one of the parties is based in a Participant Member State or when a financial institution based in a Participating Member State is a party to the transaction, for its own account or on behalf of a third party, or acting in the name of a party to the transaction. A financial institution may be, or may be deemed to be, based in a Participating Member State in a wide variety of circumstances, specifically (a) when entering into a transaction with a person based in a Participating Member State or (b) when the financial instrument in the transaction is issued in a Participating Member State.

The European FTT would not apply to transactions on the primary market as defined in Article 5(c) of Regulation (EC) 1287/2006 of the Commission of August 10, 2006, including subscriptions and allocations of financial instruments as part of their issuance. The European FTT would be payable by every financial institution based, or deemed to be based, in a Participating Member State, when it is a party to the transaction, whether for its own account or on behalf of a third party, or acting for a party to the transaction, or when the transaction has been entered into for its own account.

The draft European FTT is still being discussed by the ten Participating Member States. It may therefore be amended before being adopted, the date of which is uncertain. Other Member States of the European Union may decide to participate in it.

These taxes would increase the transactional cost of buying and selling Company shares and could reduce market liquidity for the Company's shares. Investors should seek advice from their usual tax advisor regarding the potential consequences of the European FTT.

A new market call could result in additional dilution of existing shareholders' holdings.

Should the funds raised by the by the Capital Increase be insufficient to support its development plan, the Company may be forced to make a new market call offering new shares to finance some of all of its corresponding needs. This would result in an additional dilution for existing shareholders.

3. ESSENTIAL INFORMATION

3.1 DISCLOSURE OF WORKING CAPITAL REQUIREMENT

The Company declares that, in its opinion, its net working capital available at December 31, 2016, prior to the Capital Increase (as described in Section E.3 below) is sufficient to meet its currently existing obligations over the course of the 12/15 months following the Prospectus approval date.

3.2 CONSOLIDATED SHARE CAPITAL AND DEBT

In accordance with European Securities and Markets Authority (ESMA) Recommendation 2013/319, paragraph 127, March 2013, the following table shows the Company's unaudited Statement of Debt and Equity as of March 31, 2017:

Shareholders' Equity [1] and Debt (€ thousands)	3/31/2017
Total current debt:	**86**
Current debt backed by guarantees	**0**
Current debt backed by pledges	**0**
Current debt not backed by guarantees or pledges	**86**
Total non-current debt (excluding the current portion of long-term debt)	**(3,178)**
Non-current debt backed by guarantees	**0**
Non-current debt backed by pledges	**0**
Non-current debt not backed by guarantees or pledges	**(3,178)**
Shareholders' equity	**35,654**
Share capital	**873**
Premiums relating to share capital	**105,106**
Reserves (at December 31, 2016)	**(48,412)**
Result (January 1 to December 2016)	**(21,913)**

[1] *This amount does not reflect earnings (losses) or changes in other elements of overall results since January 1, 2017.*

The result and reserves shown here are those stated in the December 31, 2016 financial statements approved by the Board of Directors on March 1, 2017.

The share capital and related premiums shown in the above table are those stated in the unaudited statement of shareholders' equity as of March 31, 2017:

Company net debt (€ thousands)	3/31/2017
Cash (A)	**3,535**
Cash equivalents (B)	**27,000**
Trading securities (C)	**0**
Cash & cash equivalents (D = A+B+C)	**30,535**
Short-term financial receivables (E)	**0**
Short-term bank debt (F)	**0**
Short-term portion (< 1 year) of medium and long-term debt (G)	**574**
Other short-term financial debt (H)	**0**
Current short-term financial debt (I = F+G+H)	**574**
Net short-term financial debt (J = I-E-D)	**(29,961)**
Long-term bank borrowing (>1 yr) (K)	**1,412**
Bonds issued (L)	**0**
Other borrowings > 1 yr (M)	**1,278**
Net medium and long-term financial debt (N = K+L+M)	**2,690**
Net financial debt (J+N)	**(27,271)**

As of the Prospectus date, the Company was not aware of any other significant events since March 31, 2017 likely to change the amount of share capital, additional paid-in capital or net debt components disclosed above.

3.3 INTERESTS OF NATURAL PERSONS OR LEGAL ENTITIES PARTICIPATING IN THE TRANSACTION

The Company is not aware of any interests that may significantly impact the issue. Jefferies International Limited ("**Jefferies**"), Cowen Group ("**Cowen**"), Oddo and/or Jefferies, Cowen and Oddo or its affiliates have rendered and/or may in the future render banking, financial, investment and other services to the Company, its shareholders or corporate officers, for which they have received or may receive remuneration.

3.4 PURPOSE OF THE ISSUE AND USE OF THE PROCEEDS

The net proceeds from the issue of the New Shares requested for stock-market listing, are intended to give the Company additional resources to finance the continuing development of its drug candidates in the following order of priority:

1) primarily preparations for the launch of the potential Phase 3 for pancreatic cancer indications, to include

- o recruiting teams (handling regulatory as well as clinical issues) to prepare future clinical development;
- o increase production capacity in Europe and the United States, especially automation of the manufacturing process and streamlining the supply chain;

2) review of the potential for expanding clinical development of eryspase, or GRASPA to other oncological indications and in other countries;

3) increase the cash available to the Company over the next 12 months.

The Company intends to use around one half of net income from the issue to carry out preparations for the potential lauch of Phase 3 for pancreatic cancer as described above, on the basis of current cost estimates for thes preparations.

4. INFORMATION ON THE SECURITIES TO BE ADMITTED FOR TRADING ON EURONEXT PARIS

4.1 TYPE, CATEGORY AND ENTITLEMENTS OF THE SECURITIES OFFERED

The 3,000,000 new shares ("**New Shares**") requested for listing on Euronext Paris ("**Euronext Paris"**) are the same class as existing Company shares and result from the Capital Increase (as defined in Section 5.1.1 below). They will enjoy immediate entitlement, upon being issued, to all dividends approved by the Company from that date onwards.

The New Shares will be admitted for trading on Euronext Paris from April 19, 2017. From that date, they will be immediately the same as the Company's existing shares currently traded on Euronext Paris, and will be included in the same listing line with the same ISIN Code FR0011471135.

4.2 GOVERNING LAW AND COMPETENT COURTS

The New Shares are issued under French law.

In the event of a dispute the competent courts are those for the district where ERYTECH head office is based when the Company is the defendant, and are otherwise appointed depending on the nature of the dispute, unless specified otherwise in the French Code of Civil Procedure.

4.3 TYPE AND METHOD OF SHARE REGISTRATION

Subscribers and purchasers may choose to hold their New Shares in registered or bearer form.

Article L. 211-3 of the French Monetary and Financial Code requires them to be registered in a securities account held by the Company or an authorized intermediary, at the shareholder's discretion.

Consequently, shareholders' rights will be evidenced by registration in a securities account opened in their name in the ledgers of

- Société Générale Securities Services / Global Issuer Services (32 rue du Champ-de-tir, BP 81236, 44312 Nantes Cedex 03), mandated by the Company for shares held in pure registered form;
- an authorized intermediary of their choice or Société Générale Securities Services / Global Issuer Services (32 rue du Champ-de-tir, BP 81236, 44312 Nantes Cedex 03), mandated by the Company for shares held in administered registered form;
- an authorized intermediary of their choice for shares held in bearer form.

Under Articles L. 211-15 and L. 211-17 of the French Monetary and Financial Code, movements and payments between New Share accounts are evidenced by their registration in the subscribers' accounts.

The New Shares will also apply for admission to Euroclear France which will ensure clearing/settlement of shares held in custodial accounts.

According to the indicative timeline for the Capital Increase (as the term is defined below), the New Shares are expected to be registered in securities accounts on April 19, 2017.

4.4 ISSUE CURRENCY

The New Shares are issued in euros.

4.5 RIGHTS ATTACHED TO THE ISSUED SHARES

Once created, the New Shares will be subject to all the provisions of the Company's Articles of Incorporation.

Under current French legislation and the Company's Articles of Incorporation, the main rights attached to the New Shares issued as part of the Capital Increase are as follows:

Threshold breaches (Article 9 of the Articles of Incorporation)

All shareholders who come to hold or cease to hold, directly or indirectly, alone or jointly with another person, a number of shares or similar securities representing a portion of the capital or voting rights established by law must inform the Company of this, in accordance with the conditions established by the law and regulations.

Shareholders who have not respected these provisions shall be deprived of the voting rights attached to the shares exceeding the portion that should have been declared. The loss of voting rights shall apply to all shareholders' meetings held up to the expiry of a two-year period following the date on which the declaration was normalized.

Share Capital increase (Article 10 of the Articles of Incorporation)

The share capital shall be increased by any means and according to any methods established by law.

An Extraordinary General Meeting, acting on a report by the Board of Directors, is the sole entity with competency to decide on a capital increase. It may delegate such competency or powers to the Board of Directors.

The shareholders have, proportionate to the number of their shares they hold, a preferential right to the subscription of shares issued by way of a cash contribution to perform a capital increase, a right that they can waive individually. An extraordinary general meeting may decide to withdraw this preferential subscription right under legally established conditions.

The right to the assignment of new shares to shareholders, by capitalizing reserves, profits or paid-in surplus, belongs to the bare owner, without prejudice to the rights of the beneficial owner.

Payment for shares (Article 11 of the Articles of Incorporation)

All the original shares constituting the initial capital and representing cash contributions must be paid up in the amount of at least half their nominal value at the time of their subscription.

Shares subscribed during a cash-based capital increase must be paid up in the amount of at least one quarter of their nominal value at the time of their subscription and, where applicable, the entirety of the issue premium.

Payment of the remainder must take place on one or more occasions on the decision of the Board of Directors within a period of five years, i.e., this period starting on the day of registration in the Trade and Companies Register or, for a capital increase, on the day on which the capital increase became final.

Calls for funds shall be brought to the knowledge of subscribers by registered letter with acknowledgment of receipt sent at least fifteen days prior to the date established for each payment. Payments shall be paid either at the headquarters or at any other location indicated to this end.

Any delays in the payment of sums owing on the share amount not paid up shall automatically result in the payment of interest at the legal rate starting on the due date, without the need to proceed with any formalities whatsoever and without prejudice to any personal action that the company may exercise against the defaulting shareholder and the enforcement measures established by law.

<u>Share Capital reduction / buyback (Article 12 of the Articles of Incorporation)</u>

A reduction of the capital may be authorized or decided on in an Extraordinary General Meeting which may delegate to the board of directors all powers to perform such reduction. In no case shall this compromise the equal treatment of the shareholders.

A reduction in share capital for an amount below the legal minimum can only be carried out pursuant to the suspensive condition of a capital increase intended to return the share capital to an amount at least equal to this minimum amount, except where the company is transformed into another form of company.

In the event of non-compliance with these provisions, any interested parties may seek dissolution of the Company through the courts.

Nevertheless, the court cannot order its dissolution where, on the date on which it rules based on grounds, the situation has been corrected.

The capital may be amortized in accordance with legal provisions. Amortization of the capital may be approved in an extraordinary general meeting and must be performed, through sums distributable in accordance with article L. 232-11 of the commercial code, by way of an equal reimbursement on each share of the same class. It shall not result in a reduction of the capital. Shares fully or partially amortized shall lose the right to reimbursement at their nominal value, up to the amount of this amortization. They shall retain all their other rights.

<u>Types of shares (Article 13 of the Articles of Incorporation)</u>

The shares are in registered form until they have been paid in full. When they are fully paid up, they can be in registered or bearer form, at the shareholder's discretion.

They shall give rise to the registration of an account opened pursuant to the conditions and methods established under current legal and regulatory provisions, by the issuing company or by a financial broker authorized by the French Minister of the Economy and Finance.

<u>Indivisibility of shares – bare ownership – beneficial ownership (Article 14 of the Articles of Incorporation)</u>

The shares are indivisible in the eyes of the Company. Indivisible co-owners of shares shall be represented in General Meetings by one of the co-owners or by a joint representative of their choice. In the absence of an agreement between them on the choice of a representative, this representative shall be designated by order of the president of the commercial court, ruling in an interim order on the application of the co-owner first making such request.

The voting right attached to a share belongs to the beneficial owner for Ordinary General Meetings and to the bare owner for Extraordinary General Meetings. However, the shareholders may agree amongst themselves on any other distribution for the exercise of voting rights in general meetings. In this case, they must inform the company of their agreement by registered letter sent to the headquarters, the company being required to respect this agreement for any general meetings held after the expiry of a one-month period following mailing of the registered letter, the postmark being considered proof of the mailing date.

The shareholder's right to obtain company documents or to consult these documents may likewise be exercised by each co-owner of an undivided share, by the beneficial owner and the bare owner of shares.

Sale and transfer of shares (Article 15 of the Articles of Incorporation)

Shares can be freely traded, without prejudice to legal and regulatory provisions.

The ownership of shares issued in nominal form shall result from their registration in the name of the owners on the registers held to this end. Shares that are registered as necessarily being nominal may only be traded on the market where they have first been placed in a management account with an authorized broker.

Shares that are not required to be registered in nominal form may only be traded on the market where they are converted to bearer shares.

Ownership of bearer shares shall result from their registration in a bearer account with an authorized financial broker.

The assignment of nominal or bearer shares shall take place, with regard to third parties and the company, by an account-to-account transfer into the accounts of the issuing company or those of the authorized financial broker.

The transfer of shares, free of charge or following a death, shall likewise take place by an account-to-account transfer upon the provision of evidence supporting the change in legal conditions.

Rights and obligations attached to the shares (Article 16 of the Articles of Incorporation)

Each share gives a right to company profits and assets in proportion to the percentage of capital that it represents.

Unless specified otherwise by law or by the Articles of Incorporation, each share entitles its holder to one vote at General Meetings of shareholders.

All shareholders shall have the right to be informed of the Company's performance and to obtain certain company documents at the times and in accordance with the conditions established by the law and regulations.

Shareholders shall only sustain losses up to the amount of their contributions.

The possession of a share automatically implies adherence to the decisions of the shareholders in general meetings and to these articles of incorporation. Assignments shall include all accrued unpaid dividends and those accruing in future, as well as a potential share in the reserve funds, except where provisions to the contrary are reported to the company.

Whenever it is necessary to hold a certain number of shares to exercise a right, such as in the event of an exchange, regrouping, or assignment of shares, or at the time of a capital increase or reduction, a merger, or any other operation, the shareholders holding a number of shares fewer than that required can only exercise these rights on the condition that they obtain the number of shares required.

Quorum –voting (Article 30 of the Articles of Incorporation)

General Meetings, whether they are ordinary, extraordinary, or mixed, shall deliberate in accordance with the conditions for a quorum and majority as established by the provisions governing them, and shall exercise the powers assigned to them by the law.

The voting right attached to capital or dividend shares is proportional to the portion of capital that they represent. Each share gives the right to one vote.

A double voting right is granted, in accordance with legal conditions, to all shares fully paid up for which evidence is provided of nominal registration for at least two years in the name of the same shareholder, or in the name of a person holding such rights following a succession, a sharing of the community of property between spouses, or an inter vivos gift granted by a shareholder to the shareholder's spouse or to a relative in the direct line of succession, or following a transfer resulting from a merger or a division of a shareholder company.

In the event of a capital increase through capitalizing reserves, profits or paid-in surplus, the double voting right is granted, upon issue, to registered bonus shares awarded to replace existing shares already carrying double voting rights.

The double voting right will be automatically withdrawn from any share converted to a bearer share or for which ownership has changed, except where such transfer results from an inheritance, sharing of the community of property between spouses, or an inter vivos gift granted by a shareholder to such shareholder's spouse or to a relative in the direct line of succession, or following a transfer resulting from a merger or a division of a shareholder company.

4.6 AUTHORIZATIONS

4.6.1 Authorizations by the Shareholders' General Meeting of June 24, 2016

The issuance of New Shares with preferential subscription rights waived was carried out under Resolution 23 (capped by Resolution 19 of the Combined Ordinary and Extraordinary General Meeting of Company shareholders on June 24, 2016) which is reproduced below.

"Resolution 23 - Authorization to the Board of Directors, with existing shareholders' preferential subscription rights waived, to increase capital to the benefit of natural persons or legal entities including industrial or commercial companies, or French or foreign investment funds normally investing in the pharmaceutical, biotechnological or technological sectors, or French or foreign investment services providers, or any foreign establishment with equivalent legal status, likely to complete such a transaction under which it will subscribe to the securities issued.

The General Meeting, having met the quorum and majority requirements for Extraordinary General Meetings and having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, in accordance with Articles L. 225-138 and L. 225-129-2 of the French Commercial Code:

- *terminates immediately the unused portion of the authorizations granted by the General Meeting of June 23, 2015 under Resolutions 11, 12 and 13; and*

- *authorizes the Board of Directors to increase share capital on one or more occasions at such times and in such amounts that it considers appropriate, up to a maximum €50,000 (it being understood that (i) this ceiling jointly covers the cap set by Resolution 19 and (ii) the total nominal value of the capital increases allowable under this Resolution as well as Resolutions 18 to 22, 24 and 25 submitted to this General Meeting must not exceed the overall ceiling of €1,000,000 set by Resolution 18 for the issue of shares and any other transferable securities giving access to shares to be issued immediately or in the future by the Company; also that the Board of Directors may delegate to the Chief Executive Officer, or with the CEO's consent, to one or more Deputy Chief Executive Officers, as permitted by law, all necessary powers to decide to increase capital.*

The General Meeting expressly resolves to exclude the issuance of all preference shares and securities giving access to preference shares.

The General Meeting resolves that securities giving access to ordinary shares to be issued by the Company immediately or in the future may consist of debt securities, warrants or instruments associated with such securities or issued as intermediate securities. The maximum nominal value of such debt securities may not exceed €80,000,000 or the equivalent of that amount on the date of the decision to issue, it being understood that (i) this amount does not include redemption premiums above par, if any, and that (ii) this amount is an overall ceiling covering all debt securities that may be issued under Resolutions 18 to 25 submitted to this General Meeting.

The General Meeting resolves to waive existing shareholders' preferential subscription rights to the securities that are the subject of this Resolution and to reserve the right to subscribe to them to natural persons or legal entities including industrial or commercial companies, or French or foreign investment funds normally investing in the pharmaceutical, biotechnological or technological sectors, or French or foreign investment services providers, or any foreign establishment with equivalent legal status, likely to complete such a transaction under which it will subscribe to the securities issued.

This authorization entails, to the benefit of holders of securities giving access to Company capital, waiver by existing shareholders of their preferential subscription rights to the shares to which the issued securities give access.

The General Meeting resolves that the Board of Directors shall determine the list of investors from within the aforementioned category of investors who will benefit from the waiver of preferential subscription rights, including the features, amount and terms and conditions of any issue as well as the type of securities to be issued. In particular, it will decide the number of securities to be issued to each investor and will set, taking into consideration the information contained in its report, the subscription price of those securities, their entitlement date, and duration, if any, including how the securities issued *under this Resolution will give access to ordinary shares to be issued by the Company, it being understood that the sum that accrues or should accrue to the Company for each:*

a) of the shares issued under this authorization shall be at least equal to the volume-weighted average share price of Company shares (as shown in the central order book and excluding off-exchange blocks) on the Euronext Paris regulated market over the 20 trading days immediately preceding the date on which the issue price is set, and potentially adjusted for differences in entitlement dates and reduced by any discount of up to 15%;

b) of the securities issued under this authorization shall be such that the amount received immediately by the Company plus any amount that may be received subsequently by the Company is, for each ordinary share issued to service said securities issued, at least equal to the amount in paragraph "a)" above.

The General Meeting resolves that the amount of any additional capital increases necessary to protect the rights of holders of securities giving access to Company capital shall be added to the €500,000 previously set.

In accordance with Article L. 225-138 of the French Commercial Code, the Board of Directors shall issue a report at the next Ordinary General Meeting describing the final terms and conditions of the transactions carried out in implementation of this Resolution.

The authorization thus granted to the Board of Directors is valid for a period of 18 months counting from the date of this General Meeting. "

4.6.2 Decisions of the Board of Directors

Under the authorizations granted by the Combined Ordinary and Extraordinary General Meeting of shareholders of June 24, 2016, specified in Section 4.6.1 above, the Company's Board of Directors approved, at an initial meeting of April 12, 2017, the principle of a capital increase in cash with preferential subscription rights waived and reserved for a category of investors, by issuing up to 5,000,000 new shares at a nominal price of €0.10 per share, representing a maximum nominal amount of €500,000.

At a second meeting on April 12, 2017, the Board of Directors approved (i) the final terms and conditions of the capital increase in the nominal amount of €300,000 through the issuance of 3,000,000 new shares at a price of €23.50 per share, of which €23.40 was paid-in capital, making a total capital increase, issue premium included, of €70,500,000 and (ii) the list of beneficiaries (from among the category of investors defined in Resolution 23 of the Combined Ordinary and Extraordinary General Meeting of June 24, 2016) and the number of shares allocated to each of them as indicated in Section 5.2.1 "Categories of Investors – Restrictions applicable to the Offer" and on the terms and conditions specified in Section 5 "Terms and Conditions of the Offer", below.

4.7 SCHEDULED DATE FOR THE ISSUE OF NEW SHARES

The New Shares are scheduled to be issued on April 19, 2017.

4.8 RESTRICTIONS ON THE CAPACITY TO FREELY TRADE THE NEW SHARES

There is no statutory clause that limits freely trading the shares comprising Company capital. Commitments made by the Company and certain key executives, directors and managers are detailed in Section 5.4.4 of the Securities Note.

4.9 FRENCH REGULATIONS GOVERNING PUBLIC OFFERS

The Company is subject to the laws and regulations applicable in France governing mandatory public offers, squeeze-outs and compulsory buy-outs.

4.9.1 Mandatory public offers

Article L. 433-3 of the French Monetary and Financial Code and Articles 234-1 et seq. of the AMF General Regulations specify mandatory terms and conditions for filing a public offer targeting all equity securities and instruments giving access to the capital or voting rights of a company whose shares are listed for trading on a regulated market.

4.9.2 Squeeze-outs and compulsory buy-outs

Article L. 433-4 of the French Monetary and Financial Code and Articles 236-1 et seq. (Squeeze-out), 237-1 et seq. (compulsory buy-out upon completion of a Squeeze-out) and 237-14 et seq. (compulsory buy-out upon completion of any public offer) of the AMF General Regulations specify terms and conditions for filing a squeeze-out and for a compulsory buy-out filed by the minority shareholders of a company whose shares are listed for trading on a regulated market.

4.10 TAKEOVER BIDS LAUNCHED BY THIRD PARTIES TARGETING THE ISSUER'S CAPITAL DURING THE CURRENT FISCAL YEAR AND PREVIOUS FISCAL YEAR

No takeover bid targeting the Company's capital has been launched by a third party during the current or the previous fiscal year.

4.11 WITHHOLDING AND DEDUCTIONS APPLICABLE TO DIVIDENDS

The information in the Securities Note is only a summary of certain consequences of French taxation, in particular regarding withholdings of dividend earnings that may apply under current French tax legislation and regulations, and subject to potential application of international tax treaties to persons who become shareholders in the Company.

Investors' attention is drawn to the fact that this information is only a simple summary, provided for general information purposes, regarding withholding and taxes that may apply to dividend income under existing legislation. The rules mentioned below may be impacted by future legislative and regulatory changes that may have retroactive effect, or may apply to the current year or current fiscal period, as well as by changes to their interpretation by French tax authorities.

The tax information below does not constitute an exhaustive description of all tax impacts that may apply to persons receiving dividends from New Shares issued by the Company. It also does not describe the consequences of buying, holding and selling shares.

Persons receiving dividends from New Shares should seek advice from their usual tax advisor regarding the taxes applicable in their particular circumstances.

Persons who are not tax-resident in France must, furthermore, comply with the tax laws applicable in their country of residence and with any tax treaties between France and their country of residence.

It should be noted that any required withholdings and deductions described below are under no circumstances the Company's responsibility.

4.11.1 Shareholders who are tax-resident in France

4.11.1.1 Legal-entity shareholders subject to corporate income tax (on a standard basis)

Earnings distributed as dividends from shares held by legal entities based in France are in principle not subject to withholding. However, if the dividends paid by the Company are paid to a recipient outside France or in a non-cooperating State or territory in the sense of Article 238-0 A of the French General Tax Code ("**CGI**"), the dividends paid by the Company will be subject to 75% withholding under the terms and conditions described in Section 4.11.2.

Dividends received by legal entities based in France are taxable at the standard rate, i.e., in principle the normal corporate tax rate which is currently 28% or $33^{1}/_{3}$% plus, if applicable, 3.3% social security contributions on taxable corporate income exceeding €763,000 per 12-month period (Article 23ter ZC of the CGI).

SMEs may benefit, under the conditions specified in Articles 219-I.b and 235ter ZC of the CGI, from a reduced corporate tax rate of 15% and exemption from the 3.3% social security contribution.

Under Articles 145 and 216 of the CGI, legal entities subject to corporate income tax who hold an equity interest of at least 5% in the Company, may under certain conditions elect to opt for the tax regime of the parent company whereby dividends received by the parent company are not subject to corporate income tax, with the exception of a flat percentage representing the expenses and charges borne by that company and equal to 5% of said dividends. To be able to benefit from this exemption, the securities opening the option of electing the parent company system must be, or have been, held for at least two years.

4.11.1.2 Other shareholders

Company shareholders who are subject to a tax system other than those mentioned above, in particular natural persons dealing in shares on a stock market in conditions analogous to those characterizing an activity carried on by a professional trader or who record their shares as business assets, should seek advice from their usual tax advisor regarding the tax system applicable to their particular situation.

4.11.2 Shareholders who are tax-resident outside France

This section summarizes some of the French taxation consequences in terms of withholding that may apply to shareholders (i) who are not domiciled in France in the sense of Article 4B of the CGI or whose head office is based outside France, (ii) whose share ownership cannot be linked to a fixed base or a stable establishment that is subject to taxation in France and (iii) who will receive dividends from the New Shares issued by the Company.

Under current French legislation and subject to any applicable tax treaties and the exceptions explained below, dividends are in principle subject to withholding, deducted by the dividend paying agent, when the tax domicile or head office of the beneficial owner is located outside

France.

Subject to the following provisions, the withholding rate is:

(i) 21% when the dividend meets the definition of income eligible for the tax allowance provided in Article 158 sections 2 and 3 of the CGI and the beneficiary is a natural person who is tax-resident in a Member State of the European Union or in another State that is a party to the European Economic Area (**EEA**) Agreement and has signed a tax treaty with France that includes an administrative assistance clause combating tax fraud and tax evasion;

(ii) 15% when the beneficiary is a not-for-profit entity with its head office in a Member State of the European Union or in another State that is a party to the European Economic Area (**EEA**) Agreement and has signed a tax treaty with France that includes an administrative assistance clause combating tax fraud and tax evasion, which would be levied in accordance with the system in Article 206.5 of the CGI if it has its head office in France and meets the criteria in paragraphs 580 et seq. of the official tax circular Bulletin Officiel des Finances Publiques-Impôts BOI-IS- CHAMP-10-50-10-40-20130325, and;

(iii) 30% in all other cases.

However, separately from the issue of the beneficiary's country of residence and its head office, and subject to the provisions of applicable international tax treaties, if the dividends are paid to a recipient outside France in a non-cooperating State or territory in the sense of Article 238-0 A of the CGI, the dividends paid by the Company will be subject to 75% withholding, unless the Company provides proof that the payment of dividends to a recipient in such a State or territory has neither the purpose or effect of tax fraud, in accordance with Articles 119 bis and 187 of the CGI. The list of non-cooperating States and territories is published by ministerial decree and is updated annually.

Withholding may be reduced or eliminated:

(i) to reflect international treaties between France and the beneficiary's country of residence;

(ii) to reflect Article 119 ter of the CGI, for legal entity shareholders whose effective headquarters is in a Member State of the European Union or in a State that is party to the EEA Agreement that has signed a treaty with France to eliminate double taxation which includes an administrative assistance clause combating tax fraud and tax evasion, and who have held at least 10% of the Company's dividend-paying share capital for at least two years and meet all the conditions in Article 119 ter of the CGI. Furthermore, provided they meet the administrative requirements published in BOI-RPPM-RCM-30-30-20-40-20160607, legal entities that are subject in their State, automatically or optionally, to the standard rate of corporate income tax on all or part of their activity, and that hold at least 5% of the Company's share capital, may under certain conditions be exempt from withholding if their effective management center is located in another Member State of the European Union or in another State this is party to the EEA Agreement that has signed a treaty with France to eliminate double taxation which includes an administrative assistance clause combating tax fraud and tax evasion. The shareholders concerned should seek advice from their usual tax advisor to determine to what extent and under what conditions they may benefit from such exemption.

(iii) Also exempt from withholding are dividends paid to collective investment undertakings incorporated under foreign law and located in a Member State of the European Union or in another State or territory that has signed an administrative assistance treaty with France to combat tax fraud and tax evasion that meets the conditions in Article 119 bis 2 of the CGI, and that (i) raise funds from a certain number of investors with a view to investing the funds, in accordance with a defined investment policy, in the interests of their investors and (ii) whose characteristics are similar to those of collective investment undertakings incorporated under French law, specifically paragraphs 1, 2, 3, 4 and 6 of subsection 2, subsection 3, or subsection 4 of section 2 of chapter IV of part I of book II of the French Monetary and Financial Code. The provisions of the aforementioned administrative assistance treaty and its implementation must in practice permit the French tax authorities to obtain from the authorities of the State in which the foreign-law collective investment undertaking is based, the information necessary to verify the undertaking's compliance with the two conditions mentioned above. The terms and conditions of this exemption are detailed in BOI-RPPM-RCM-30-30-20-70-20170301. The investors concerned should seek advice from their usual tax advisor to determine the applicability of these provisions in their particular circumstances.

It is the responsibility of each Company shareholders to seek advice from their usual tax advisor to determine whether the legislation relating to non-cooperating States and territories in the sense of Article 238-0 A of the CGI applies to them and whether they can benefit from a reduction of or exemption from withholding under the aforementioned principles or provisions of international tax treaties, and to understand the practical implications of such treaties.

Investors who are not tax-resident in France must also comply with the applicable tax laws in their country of residence, as amended by any international tax treaty between their country and France.

5. TERMS AND CONDITIONS OF THE OFFER

5.1 TERMS AND CONDITIONS, STATISTICS, PROVISIONAL TIMELINE, AND SUBSCRIPTION PROCEDURES

5.1.1 Terms and conditions of the Offer

The New Shares are issued as part of a capital increase with existing shareholders' preferential subscription rights waived, and reserved for a category of investors set by the General Shareholders’ Meeting of June 24, 2016 in accordance with Article L. 225-138 of the French Commercial Code (the "**Offer**").

The 3,000,000 New Shares requested for stock-market listing have been reserved, at the end of a process called bookbuilding aimed at investors meeting the characteristics of a investor category set by the Company (see Section 5.2.1 "Category of potential investors – Countries in which the Offer has been opened", below) within the EEA in accordance with Article 3.2 of Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (as amended), and outside the EEA in accordance with the rules of each country concerned, in particular the United States where the shares have been issued as part of an offering under the exemption provided by Section 4(a)(2) of the *U.S. Securities Act of 1933* (as amended) (the "**Securities Act**").

The Company's shareholders expressly decided to waive their preferential subscription rights at the General Meeting of June 24, 2016 (in Extraordinary Resolution 23), to the benefit of a category of investors consisting of natural persons or legal entities, including industrial or commercial companies, or French or foreign investment funds normally investing in the pharmaceutical, biotechnological or technological sectors, or French or foreign investment services providers, or any foreign establishment with equivalent legal status, likely to complete such a transaction under which it will subscribe to the securities issued (the "**Capital Increase**").

5.1.2 Amount of Offer

The total Capital Increase, issue premium included, amounts to €70,500,000 (€300,000 par value plus €70,200,000 issue premium), being the proceeds from the number of New Shares issued, i.e., 3,000,000 New Shares multiplied by the share subscription price of €23.50 (€0.10 par value plus €23.40 issue premium). Issuance cost will be charged against the issue premium.

As of the Prospectus date, the New Shares have already been placed with investors, but the Company will not issue the shares or receive the proceeds until settlement/delivery is completed, which is expected to be April 19**,** 2017.

5.1.3 Subscription period and procedure

Subscriptions and payments will be accepted and lodged by Société Générale Securities Services which will issue the depositary certificate on the settlement/delivery date of the new shares, which is scheduled to be April 19, 2017.

The timeline for the Capital Increase is as follows:

Indicative Timeline

March 31, 2017	Reference Document filed Press release announcing the filing of the Reference Document
April 12, 2017 (after markets close)	Press release announcing the the Capital increase New Shares issue price and terms & conditions set
April 13, 2017	Press release announcing the subscription price and the final total Capital Increase (before markets open) AMF approves the Prospectus Euronext Paris publishes notice admitting the New Shares

April 19, 2017	Settlement/Delivery of the New Shares New Shares admitted for trading on Euronext Paris

5.1.4 Withdrawal / Suspension of the Offer

N/A

5.1.5 Subscription reductions

N/A

5.1.6 Minimum and/or maximum subscription

N/A

5.1.7 Withdrawal of subscription orders

N/A

5.1.8 Payment of funds and procedure for delivering shares

Subscribers must pay the subscription price by April 19, 2017.

The funds paid for subscriptions will be cleared by Société Générale Securities Services who are in charge of issuing the funds deposit certificate acknowledging and the completion of the Capital Increase (the depositary certificate).

The shares will be listed in the corporate register on April 19, 2017, the date on which the Company receives the proceeds from the issue.

5.1.9 Publication of the results of the Offer

A press release was issued on April 13, 2017 announcing the successful completion of the Capital Increase (before markets opened) and the Euronext notice reporting the listing of the New Shares.

5.1.10 Procedure for exercising and trading in preferential subscription rights

N/A

5.2 PLAN FOR DISTRIBUTING AND ALLOCATING SECURITIES

5.2.1 Categories of investors – Restriction applicable to the Offer

Category of potential investors

The Offer is issued with existing shareholders' preferential subscription rights waived, and reserved for a category of investors in accordance with Article L. 225-138 of the French Commercial Code.

Countries in which the new shares have been offered

The New Shares have been offered within the EEA and outside the EEA in accordance with the rules of each country concerned, in particular the United States as part of an offer benefiting from an exemption under the *U.S. Securities Act of 1933,* as amended.

Restrictions on the Offer

Circulation of the Prospectus may, in some countries including the United States, be subject to special regulations. Persons in possession of the Prospectus should inform themselves of any local restrictions.

Anyone (including Trustees and Nominees) receiving this Prospectus must not circulate or send it such countries unless permitted by applicable laws and regulations.

Anyone who, for any reason, circulates it or allows or causes the circulation of this Prospectus in such countries, must warn the potential recipient of the restrictions in this paragraph.

In Member States of the European Economic Area that have transposed Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (the "**Prospectus Directive**"), no further publication of a prospectus offering securities to the public is necessary in any Member State. Consequently, securities cannot be offered and will not be offered in any Member State unless covered by the exemption in Article 3(2) of the Prospectus Directive, if they have been transposed in that Member State or in other cases requiring the publication by GENFIT of a prospectus under Article 3(2) of the Prospectus Directive and/or the applicable regulations in that Member State.

In particular, shares have not been and will not be registered under the *Securities Act* and cannot be offered or sold in the United States, except after registration or as part of a transaction exempt from Securities & Exchange Commission registration or as part of transactions exempt from registration by the *Securities Act*. The issue will not be registered in the United States under the *Securities Act* and will be transacted in accordance with *Regulation D.* Neither the Prospectus nor any other documents prepared for this transaction may be circulated in the United States unless otherwise provided in applicable exemptions. The Company shall not be liable for any breach of applicable laws and regulations by financial intermediaries in charge of placing these investments. No public offering has been made in any country.

5.2.2 Subscription commitments and intentions by key shareholders and members of the Board of Directors and management

Amongst the Company’s primary shareholders, Baker Bros. took part in the Capital Increase up to 15.40% of its total amount and JP Morgan up to 10% of its total amount.

5.2.3 Pre-allocation information

N/A

5.2.4 Notification to subscribers

N/A

5.2.5 Overallocation and Extension

N/A

5.3 SETTING OF SUBSCRIPTION PRICE FOR SHARES APPLYING FOR STOCK-MARKET LISTING

The subscription price of the New Shares is €23.50 per share (€0.10 par value plus €23.40 issue premium).

In accordance with the procedure for setting the subscription price specified in Resolution 23 of the General Meeting of June 24, 2016, the issue price shows a discount rate of 6.37% with relation to the Company's weighted average share price over the 20 trading days immediately preceding the date on which the price was set (the average trading price in this case being €25.10 between March 16 and April 12, 2017).

The Capital Increase share price was reported in a press release on April 13, 2017 (before markets opened).

5.4 PLACEMENT AND FIRM PRICE

5.4.1 Contact details of financial institutions

Placement Agents

Jefferies International Limited
Vintners Place
68 Upper Thames Street
London EC4V 3BJ,
United Kingdom
Tel: +44 20 7029 8000

Oddo
12 Boulevard de la Madeleine
75440 Paris Cedex 09

For the United States only

Cowen Group
599 Lexington Avenue
New York, NY 10022
USA

5.4.2 Contact details of the authorized intermediaries responsible for depositing funds and the financial servicing of the shares

The funds paid for subscriptions are cleared by Société Générale Securities Services / Global Issuer Services (32, rue du Champ-de-tir, BP 81236, 44312 Nantes Cedex 03), which will issue the funds deposit certificate acknowledging the completion of the Capital Increase.

The servicing of the securities (registration in the shareholder register, conversion of bearer shares) and the financial servicing of the shares will be performed by Société Générale Securities Services / Global Issuer Services (32, rue du Champ-de-tir, BP 81236, 44312 Nantes Cedex 03).

5.4.3 Underwriting

The Offer is drafted in English as a "**Placement [and Underwriting] Agreement**" signed on April 13, 2017 by Jefferies International Limited ("**Jefferies**"), Cowen Group ("Cowen") and Oddo as placement agents (together, the "Placement Agents") and the Company, to set out the relationships between the Placements Agents and the Company.

New Shares placed with investors in the United States are recorded as separate subscription agreements between each U.S. investor and the Company.

According to the Placement [and Underwriting] Agreement, the delivery/settlement of the portion of the Offer signed with investors outside the United States is underwritten by Jefferies and Oddo. This underwriting is not a guarantee of completion in the sense of Article L. 225-145 of the French Commercial Code as the portion placed with investors in the United States is not underwritten.

The Placement [and Underwriting] Agreement may be rescinded by the Placement Agents at any time until (and including) the settlement/delivery date of the entire Offer expected to be April 19, 2017 thereby impacting the success of the Offer, under certain conditions especially in the case of inaccuracies and non-adherence to the statements made by the parties in the Placement [and Underwriting] Agreement, assuming the usual conditions precedent had been met.

Should the Placement [and Underwriting] Agreement be rescinded in accordance with its terms, all investor orders placed and subscription deals signed for the Offer will be deemed void and not received. Should the Placement [and Underwriting] Agreement be rescinded, this information will be publicized in a press release issued by the Company and a notice circulated by Euronext Paris.

5.4.4 Abstention and securities holding commitments

Company's abstention commitment

In the Placement [and Underwriting] Agreement, the Company agrees not to, for a period of **90** days following the settlement/delivery of the New Shares, without the prior consent of the Placement Agents, issue, offer or sell, or agree to promise to sell, directly or indirectly (in particular as derivatives on the underlying shares), shares or securities conferring a right by conversion, exchange, redemption, presentation of a warrant or in any other way, to the allocation of existing or future securities representing Company capital or any transaction with similar economic effect, nor to publicly state an intention to undertake any of the transactions stated above in this paragraph, subject to the usual exception.

Agreement by certain Company executives to hold their existing shares

In the Placement [and Underwriting] Agreement, the key executives, directors and certain key managers holding shares of the Company agree not to, for a period of 90 days following the settlement/delivery of the New Shares, without the prior consent of the Placement Agents, issue, offer, sell, promise to sell, cancel or transfer in any other way (including publicly disclosing an intention to undertake such an issue, offer, sale of transfer) directly or indirectly, Company shares or other securities conferring a right by conversion, exchange, exercise or presentation of a warrant, to subscribe to Company shares that they currently hold, subject to the usual exceptions.

6. ADMISSION FOR TRADING AND TERMS AND CONDITIONS FOR TRADING

6.1 ADMISSION FOR TRADING

The New Shares representing the Capital Increase will be requested for listing on Euronext Paris.

They will be listed for trading on Euronext Paris from April 19, 2017. From that date, they will be immediately the same as the Company's existing shares currently traded on Euronext Paris, and will be included in the same listing line with the same ISIN Code FR0011471135.

6.2 LISTING MARKET

The Company shares will be listed on Euronext Paris.

6.3 SIMULTANEOUS COMPANY SHARE OFFERS

N/A

6.4 LIQUIDITY CONTRACT

N/A

6.5 MARKET STABILIZATION AND INTERVENTIONS

N/A

7. OWNERS OF SECURITIES WHO WANT TO SELL THEIR SECURITIES

N/A

8. ISSUE EXPENSES

Gross proceeds correspond to the number of shares to be issued multiplied by the per-share subscription price. Net proceeds correspond to the gross proceeds minus the expenses mentioned above. Expenses will be charged in full against the issue premium.

The gross proceeds and estimated net proceeds (tax excluded) of the entire Offer (as the term is defined below) are:

- Gross proceeds of the Offer: approximately €70.5 million
- Remuneration to financial intermediaries and legal and administrative fees: approximately €5.99 million
- Estimated net proceeds of the Offer: approximately €64.50 million

As of the Prospectus date, the New Shares have already been placed with investors, but the Company will not issue the New Shares or receive the proceeds until settlement/delivery is completed, which is expected to be April 19, 2017.

9. DILUTION

9.1 IMPACT OF THE ISSUE ON EXISTING SHAREHOLDINGS

Impact of the issue on existing shareholdings

For information purposes only, the impact of the issue on existing shareholdings (based on share capital on March 31, 2017 and the number of shares on April 10, 2017 excluding treasury shares), is:

(1) T(1) he calculations assume that if all the ordinary share subscription warrants (BSAs), founders' share

	Percentage of capital per share (in euros)	
	Undiluted basis	Diluted basis (1)
Before the issue of New Shares resulting from the Capital Increase	€4.08	€4.68
After the issue of 3,000,000 New Shares resulting from the Capital Increase (2)	€8.53	€8.75

subscription warrants (BSPCEs), bonus shares and share subscription or purchase warrants outstanding as of April 10, 2017 were to be exercised in full a maximum of 651,000 new shares would be issued.

(2) This calculation is based on the net proceeds from the issue.

9.2 IMPACT OF THE ISSUE ON SHAREHOLDERS' POSITIONS

For information purposes only, the impact of the issue on the relative position of a shareholder who holds 1% of Company capital prior to the issue and does not subscribe to the issue is as follows (calculation based on the number of shares comprising Company share capital on April 10, 2017 excluding treasury shares):

	Percentage holding	
	Undiluted basis	Diluted basis (1)
Before the issue of New Shares resulting from the Capital Increase	1.00 %	0.93 %
After the issue of 3,000,000 New Shares resulting from the Capital Increase	0.74 %	0.71 %

(1) The calculations assume that if all the ordinary share subscription warrants (BSAs), founders' share subscription warrants (BSPCEs), bonus shares and share subscription or purchase warrants outstanding as of April 10, 2017 were to be exercised in full a of maximum 651,000 new shares would be issued.

9.3 IMPACT OF THE ISSUE ON THE COMPOSITION OF SHAREHOLDING AND VOTING RIGHTS

		Before Issue						After issue					
		Undiluted			Diluted			Undiluted			Diluted		
	SHAREHOLDERS	Number of shares	% of capital	% of total voting rights	Number of shares	% of capital	% of total voting rights	Number of shares	% of capital	% of total voting rights	Number of shares	% of capital	% of total voting rights
REGISTERED	***MANAGEMENT***	**2,630**	**0.03%**	**0.04%**	**430,919**	**4.59%**	**3.95%**	**2,630**	**0.02%**	**0.03%**	**430,919**	**3.48%**	**3.10%**
	Gil BEYEN	*0*	*0.00%*	*0.00%*	160,629	1.71%	1.47%	0	0.00%	0.00%	160,629	1.30%	1.15%
	Jérôme BAILLY	*280*	*0.00%*	*0.00%*	38,281	0.41%	0.35%	280	0.00%	0.00%	38,281	0.31%	0.27%
	Iman EL HARIRY	*0*	*0.00%*	*0.00%*	50,999	0.54%	0.47%	0	0.00%	0.00%	50,999	0.41%	0.37%
	Eric SOYER	*0*	*0.00%*	*0.00%*	31,001	0.33%	0.28%	0	0.00%	0.00%	31,001	0.25%	0.22%
	Jean-Sébastien CLEIFTIE	*0*	*0.00%*	*0.00%*	15,000	0.16%	0.14%	0	0.00%	0.00%	15,000	0.12%	0.11%
	Alexander SCHEER	*0*	*0.00%*	*0.00%*	15,000	0.16%	0.14%	0	0.00%	0.00%	15,000	0.12%	0.11%
	Autres management	*2,350*	*0.03%*	*0.03%*	120,009	1.28%	1.11%	2,350	0.02%	0.03%	120,009	0.97%	0.87%
	FINANCIAL INVESTORS	**1,018,212**	**11.65%**	**19.76%**	**1018212**	**10.84%**	**18.59%**	**1,018,212**	**8.67%**	**15.31%**	**1,018,212**	**8.22%**	**14.59%**
	AURIGA Partners**	1,018,212	11.65%	19.76%	1,018,212	10.84%	18.59%	1,018,212	8.67%	15.31%	1,018,212	8.22%	14.59%
	RECORDATI ORPHAN DRUGS	**431,034**	**4.93%**	**8.37%**	**431,034**	**4.59%**	**7.87%**	**431,034**	**3.67%**	**6.48%**	**431,034**	**3.48%**	**6.18%**
	BOARD MEMBERS	**10,300**	**0.12%**	**0.13%**	**110,480**	**1.18%**	**1.04%**	**10,300**	**0.09%**	**0.10%**	**110,480**	**0.89%**	**0.81%**
	OTHER SHAREHOLDERS	**178,557**	**2.04%**	**2.80%**	**301,088**	**3.21%**	**3.75%**	**178,557**	**1.52%**	**2.17%**	**301,088**	**2.43%**	**2.94%**
	SUB-TOTAL REGISTERED	***1,640,733***	***18.77%***	***31.09%***	***2,291,733***	***24.40%***	***35.19%***	***1,640,733***	***13.97%***	***24.08%***	***2,291,733***	***18.49%***	***27.62%***
BEARER	**Treasury shares**	**2,500**	**0.03%**	**0.00%**	**2,500**	**0.03%**	**0.00%**	**2,500**	**0.02%**	**0.00%**	**2,500**	**0.02%**	**0.00%**
	FINANCIAL INVESTORS	**1,843,494**	**21.09%**	**17.89%**	**1843494**	**19.63%**	**16.83%**	**2,605,494**	**22.19%**	**19.58%**	**2,605,494**	**21.03%**	**18.67%**
	*Baker Bros**	1,346,268	15.40%	13.07%	1,346,268	14.33%	12.29%	1,808,268	15.40%	13.59%	1,808,268	14.59%	12.96%
	*JP Morgan**	497,226	5.69%	4.83%	497,226	5.29%	4.54%	797,226	6.79%	5.99%	797,226	6.43%	5.71%
	Free float	**5,253,921**	**60.11%**	**51.01%**	**5,253,921**	**55.94%**	**47.98%**	**7,491,921**	**63.81%**	**56.33%**	**7,491,921**	**60.46%**	**53.70%**
	SUB-TOTAL BEARER	***7,099,915***	***81.23%***	***68.91%***	***7,099,915***	***75.60%***	***64.81%***	***10,099,915***	***86.03%***	***75.92%***	***10,099,915***	***81.51%***	***72.38%***
	TOTAL	**8,740,648**	**100.00%**	**100.00%**	**9,391,648**	**100.00%**	**100.00%**	**11,740,648**	**100.00%**	**100.00%**	**12,391,648**	**100.00%**	**100.00%**

** Based on the latest information received in threshold crossing disclosures.*

*** Based on the latest information received in threshold crossing disclosures, AURIGA partners holds 129,310 bearer shares, bringing its total shareholding to 9.77% and 16.28 of voting rights.*

10. ADDITIONAL INFORMATION

10.1 ADVISORS TO THE OFFER

N/A

10.2 AUDITORS

Principal Statutory Auditors

- **KPMG S.A**

  2 Avenue Gambetta - CS 60055, Tour Eqho, Paris la Défense (92066 Cedex), France

- **RSM Rhône Alpes**

  2 bis, rue Tête d'Or, 69006 Lyon, France

Deputy Statutory Auditors

- **SALUSTRO REYDEL**

  2 Avenue Gambetta - CS 60055, Tour Eqho, Paris la Défense (92066 Cedex), France

- **Pierre-Michel Monneret**

  2 bis, rue Tête d'Or, 69006 Lyon, France

10.3 EXPERT REPORT

N/A

10.4 INFORMATION IN THE PROSPECTUS PROVIDED BY A THIRD PARTY

N/A

10.5 EQUIVALENCE OF INFORMATION

The disclosures in this Prospectus ensure that the various shareholders and investors have equal access to the information pertaining to the Company, in all material aspects and to the extent possible.

10.6 UPDATES OF INFORMATION ABOUT THE COMPANY

Chapters 1 and 4 and Section 5.3 and 5.5 are updated by paragraphs 10.6.1 and 10.6.2 of the Securities Note respectively.

10.6.1 Update of overall presentation and background (section 1.1)

At the end of Section 1.1.1, the next to last sentence of the last paragraph of page 12 is modifed as follows:

"ERYTECH has completed a Phase IIb study started in 2014 in pancreatic cancer. The primary results of this study are positive and full data is expected to be available during the second quarter of 2017."

10.6.2 Update of all financial instruments giving access to the Company's capital that have been exercised.

Table 8 of Section 4.4.2 is modified as follows:

<u>Table no. 8 : History of stock options or warrants ad other financial instruments giving access to the Company's capital (founders warrants (BSPCE), share warrants (BSA) and free share allocations)</u>

Type of securities	**BSPCE$_{2012}$**	**BSA$_{2012}$**	**BSPCE$_{2014}$**	**BSA$_{2014}$**	**BSA$_{2016}$**	**BSA$_{2017}$**	**SOP$_{2016}$**		**AGA$_{2016}$**
Number of securities the Company was authorized to issue	33,787	11,263	19,500	3,000	383,000				
Maximum number of securities allocated but not yet exercised or not yet vested	16,976	4,018	17,830	2,900	45,000	15,000	44,499	3,000	126,261
Number of shares allocated	33,787	10,760	18,500 (2)	3,000	45,000	15,000	44,499	3,000	126,261
Date of the General Shareholders' Meeting	May 21, 2012		April 2, 2013		June 24, 2016				
Subscription price of securities	€ 0								
Strike price per new share subscribed	€ 7,362		€ 12.25		€ 18.52	€ 13.60	€ 18.52	€ 15.65	N/A
Deadline for exercising options	May 20, 2020		January 22, 2024		03-oct-21	08-jan-2022	03-oct-26	08-janv-2027	N/A
Parity	1 warrant to 10 shares				1 warrant to 1 share 1 option for 1 share				N/A

Type of securities	BSPCE$_{2012}$	BSA$_{2012}$	BSPCE$_{2014}$	BSA$_{2014}$	BSA$_{2016}$	BSA$_{2017}$	SOP$_{2016}$		AGA$_{2016}$
General conditions for exercising warrants or performance conditions	In the event of a firm and final initial listing of the Company's shares to trading on a regulated or unregulated market, in France, the European Union négociations or a foreign market, owners of warrants may exercise them only: i. on a single occasion ii. on several occaisions up to two times per year and at least 100 warrants. In the event of one of the following operations: i. acceptance by at least sixty-six and sixty seven one hundredths percent (66.67%) of shareholders of shares making up the Company's share capital of a firm and final offer to acquire control of the Company in the meaning of Article L.233-3 of the French Commercial Code; ii. conclusion of a merger agreement resulting in the absorption of the Company into another entity; holders of warrants may exercise all of their warrants. The warrants give rights to ordinary shares. Each warrant can exercise ten (10) shares of the share capital of the Company. New shares arising form the exercice of BSPCE founder warrants will be submitted periodically for listing on the NYSE Euronext regulated market.		Les BSPCE$_{2014}$ may be exercisded: - On a single occaision ; - Except during a M&A, a maximum of four (4) times yearly, exercising a minimum of fifty (50) BSPCE2014. By way of exception, early exercise of warrants has been provided for if (i) a change of control occurs in the meaning of Article L. 233-3, 1° of the French Commercial Code (ii) merger-acquisition of the Company, in which case there is no minimum threshold or frequency limitation. The warrants give rights to ordinary shares. Each warrant can exercise ten (10) shares of the share capital of the Company. New shares arising form the exercice of BSPCE founder warrants will be submitted periodically for listing on the NYSE Euronext regulated market.		Regarding BSA$_{2016}$ and BSA$_{2017}$ warrants, owners must (i) occupy the position of corporate officer not subject to the tax and social scheme of employees of the Company or one of its subsidiaries, (ii) occupy the position of a member of any specific committee set up by the Board of Directors of the Company or one of its subsidiaries and not be an employee of the Company or one of its subsidiaries (iii) be under a consulting contract with the Company or one of its subsidiaries on the day warrants are exercised.				Performance objective based on increases in the price of the Company's share between the allocation and vesting date
Number of shares issued or acquired	168,110	67,240	5,800	1,000	-	-	-	-	-
Maximum number of new shares that may be issued relative to allocated warrants that have not been exercised$^{(1)}$ or shares not yet vested	169,760	40,180	178,300	29,000	45,000	15,000	44,499	3,000	126,261

Type of securities	**BSPCE$_{2012}$**	**BSA$_{2012}$**	**BSPCE$_{2014}$**	**BSA$_{2014}$**	**BSA$_{2016}$**	**BSA$_{2017}$**	**SOP$_{2016}$**		**AGA$_{2016}$**
Including the maximum number of shares that may be exercised by:									
Jérôme Bailly	3,000	-	24,000	-	-	-	-	-	11,001
Gil Beyen	78,630	-	60,000	-	-	-	-	-	21,999
Maximum dilution in shares and % arising from the exercise of warrants	651,000 shares, i.e. maximum dilution of 7.45 %[3]								

[1] After division of the par value of the Company

[2] Based on the exercise of all dilutive instruments allocated and not yet exercises or shares not yet vested, such as BSA, BSPCE, Stock-Options and free shares, and share capital of d'un € 874,064.80

Section 4.4.5 of the Reference Document is modified as follows:

The paragraph, "Since December 31, 2016, the executives and persons mentioned in Article L. 621-18-2 of the French Monetary and Finance Code have carried out no operations on the Company's shares" is modified as follows:

"Since December 31, 2016, the executives and persons mentioned in Article L. 621-18-2 of the French Monetary and Finance Code have carried out the following operations on the Company's shares:

- On April 5, 2017, Mr. Jérôme Bailly, Deputy General Manager, exercised 140 warrants to obtain 1,400 ERYTECH Pharma shares at the price of €7.362 per share, which he sold the same day at the unit price of € 30.00 euros.

- On April 5, 2017, Ms. Iman El Hariry, Chief Medical Officer, exercised 100 warrants to obtain 1,000 ERYTECH Pharma shares at the price of €12.25 per share, which she sold the same day at the unit price of € 30.03 euros."

10.6.3 Update of information relating to Nopho

The following is added to the end of section 1.5.1.2 "Clinical results obtained and clinical programs underway in acute leukemia" of the Reference Document, on p.56, the following paragraph:

"On April 4, 2017, the Company announced the launch of the Phase 2 NOPHO with eryaspase (GRASPA®), in seven Nordic and Baltic states, initiated by researchers on patients suffering from ALL who have hypersensitive reactions to PEG-asparaginase or silent inactivation. The primary objectives of the study are to evaluate pharmacodynamic and pharmacokinetic biological activity, the safety and immunogenicity profile of eryaspase, in association with the 2008 chimiotherapy protocal to multiples agents of the Nordic Society for Pediatric Hematology and Oncology (NOPHO) for ALL, administered as a second line treatment to patients aged between 1 and 45 years who suffer from ALL and have hypersensitive reactions to PEG-asparaginase or silent inactivation. Under this study, which began in April, 2017 for a period of about two years, the Company is providing doses of eryaspase and providing technical and administrative support to the promoters of this study. Erytech's collaboration with this study is part of its strategy to develop the ERYCAPS® technology on a global scale with a better safety and effectiveness profile for patients that L-asparaginase could be effective on when administered in the encapsulated in red blood cells."

Furthermore, Point 2.3 ("Primary Operational Elements") of the Notes to the Consolidated Financial Statements prepared under IFRS standards (p. 240 section 5.3 of the Reference Document) and Point 1 ("Characteristic Events of the Year) of the Notes to the Company Financial Statements for the year ended December 31, 2016 (Section 5.5 of the Reference Document) are modified as follows:

"The Company is preparing to launch the NOPHO study. This is a Phase 2 study in ALL initiated by researchers."