



ERYTECH Announces Launch of Proposed Global Offering and NASDAQ Listing

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LYON, France--(BUSINESS WIRE)--Nov. 6, 2017-- Regulatory News:

ERYTECH Pharma (Euronext Paris: ERYP) (ADR: EYRY) ("ERYTECH" or the "Company") (Paris:ERYP) (ADR:EYRY) , a clinical-stage biopharmaceutical company developing innovative therapies by encapsulating therapeutic drug substances inside red blood cells, today announced its intention to issue and sell, subject to market and other conditions, approximately \$125 million corresponding to an aggregate of up to 5,319,148 of its ordinary shares in a global offering to specified categories of investors, including an offer of American Depositary Shares, each representing one ordinary share ("ADSs"), in the United States and a concurrent private placement of ordinary shares in Europe (including France) and other countries outside of the United States and Canada (together, the "Global Offering"). ERYTECH intends to grant the underwriters a 30-day over-allotment option to purchase additional ADSs and/or ordinary shares in an aggregate amount of up to 15% of the total number of ADSs and ordinary shares proposed to be sold in the Global Offering.

All securities to be sold in the Global Offering will be offered by ERYTECH. ERYTECH's ordinary shares are listed on Euronext Paris under the symbol "ERYP". ERYTECH has applied to list its ADSs on the Nasdaq Global Market under the ticker symbol "ERYP".

Jefferies LLC is acting as global coordinator and joint book-runner for the Global Offering. Cowen and Company, LLC is acting as joint book-runner and JMP Securities LLC is acting as lead manager for the offering of ADSs in the United States. Oddo BHF SCA is acting as joint book-runner for the private placement of the Company's ordinary shares in Europe.

The offering price is expected to be between \$23.00 and \$24.00 per ADS, or between €19.75 and €20.50 per ordinary share. The final offering price per ADS in U.S. dollars and the corresponding offering price per ordinary share in euros as well as the final number of ADSs and/or ordinary shares sold in the Global Offering will be determined following a bookbuilding process commencing immediately. The final offering price per ADS and per ordinary share will be at least equal to the volume weighted average price of the Company's ordinary shares on Euronext Paris for the three trading days preceding the day on which the offering price will be determined, reduced by a maximum discount of 20%. On an indicative basis, the completion of the Global Offering would, on the basis of a maximum number of 5,319,148 new ADSs and/or ordinary shares, result in a dilution of approximately 31% of the Company's outstanding share capital on a non-diluted basis.

The ADSs and/or ordinary shares will be issued through a capital increase without shareholders' preferential subscription rights under the provisions of Article L. 225-138 of the French Commercial Code (*Code de Commerce*) and pursuant to the twenty-ninth and thirtieth resolutions of the Company's combined general shareholders' meeting held on June 27, 2017. The Global Offering will be open only to investors who fall within the categories defined in the above-mentioned thirtieth resolution, including natural or legal entities, including companies, trusts or investment funds or other investment vehicles whatever their form, governed by French or foreign law and investing on a regular basis in the pharmaceutical, biotechnological or medical technology sector, and/or companies, institutions or entities, whatever their form, governed by French or foreign law, that carry out a significant part of their activities in the pharmaceutical, cosmetic or chemical sectors or in medical devices, and/or technology or in research in these sectors.

Certain of ERYTECH's existing shareholders have expressed an interest in purchasing ADSs and/or ordinary shares in the Global Offering. Indications of interest are not binding agreements or commitments to purchase and the underwriters in the Global Offering may therefore determine to sell more, fewer or no ADSs and/or ordinary shares in the Global Offering to any of these investors. Similarly, any of these investors may eventually determine, including depending on the offering price, to purchase more, fewer or no ADSs and/or ordinary shares in the Global Offering. It is possible that, as a result of the foregoing, these investors may end up purchasing a number of ADSs and ordinary shares representing significantly more than half of the total number of ADSs and/or ordinary shares being offered. The underwriters for the Global Offering will receive the same commissions on any ADSs and/or ordinary shares purchased by these investors as they will on any other ADSs and/or ordinary shares sold to other investors in the Global Offering.

The closing of the offer of ADSs and the private placement of ordinary shares comprising the Global Offering will occur simultaneously, and is expected to occur on or about two trading days after the pricing and allocation of the Global Offering.

The Company expects to use the net proceeds from the Global Offering as follows :

- approximately €42 (\$50) million to conduct its planned pivotal Phase 3 clinical trial of eryaspase for the treatment of second-line metastatic pancreatic cancer in the United States and Europe;
- approximately €17 (\$20) million to conduct its planned pivotal Phase 3 clinical trial of eryaspase as a first-line treatment of Acute Lymphoblastic Leukemia ("ALL");
- approximately €17 (\$20) million to advance the development of eryaspase and potential follow-on products for other indications;
- approximately €4 (\$5) million to fund overall development of its ERYCAPS platform technology and other preclinical development programs; and
- the remainder, if any, for working capital and other general corporate purposes.

The securities referred to in this release are to be offered only by means of a prospectus. When available, copies of the preliminary prospectus relating to and describing the terms of the Global Offering may be obtained from Jefferies LLC, Attention: Equity Syndicate Prospectus Department, 520 Madison Avenue, 2nd Floor, New York, NY 10022, or by telephone at (877) 821-7388, or by email at Prospectus_Department@Jefferies.com; or from Cowen and Company, LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, Attention: Prospectus Department, or by telephone at (631) 274-2806.

A registration statement on Form F-1 relating to these securities has been filed with the U.S. Securities and Exchange Commission but has not yet become effective. These securities may not be sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective.

Application will be made to list the new ordinary shares to be issued pursuant to the Global Offering on the regulated market of Euronext Paris pursuant to a listing prospectus subject to a visa application with the Autorité des Marchés Financiers ("AMF") and comprising the 2016 Reference Document (*Document de Référence*) of the Company registered with the AMF on March 31, 2017 under number D. 17-0283, the Actualization of the 2016 Reference Document registered with the AMF on October 6, 2017 under number D. 17-0283-A01 (*Actualisation du Document de Référence*) and a Securities Note (*Note d'opération*), including a summary of the prospectus. Copies of the 2016 Reference Document and in its Actualization are available free of charge at the Company's head office located at Bâtiment Adénine, 60 Avenue Rockefeller, 69008 Lyon, France, on the Company's website and on the website of the AMF.

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

Forward-looking information

This press release contains forward-looking statements, forecasts and estimates with respect to the proposed Global Offering, ERYTECH's clinical development plans, business and regulatory strategy, and anticipated future performance of ERYTECH and of the market in which it operates. Certain of these statements, forecasts and estimates can be recognized by the use of words such as, without limitation, "believes", "anticipates", "expects", "intends", "plans", "seeks", "estimates", "may", "will" and "continue" and similar expressions. They include all matters that are not historical facts. Such statements, forecasts and estimates are based on various assumptions and assessments of known and unknown risks, uncertainties and other factors, which were deemed reasonable when made but may or may not prove to be correct. Actual events are difficult to predict and may depend upon factors that are beyond ERYTECH's control. There can be no guarantees with respect to pipeline product candidates that the candidates will receive the necessary regulatory approvals or that they will prove to be commercially successful. Therefore, actual results may turn out to be materially different from the anticipated future results, performance or achievements expressed or implied by such statements, forecasts and estimates. Documents filed by ERYTECH with the French Autorité des Marchés Financiers and the U.S. Securities and Exchange Commission, also available on ERYTECH's website, describe such risks and uncertainties. Given these uncertainties, no representations are made as to the accuracy or fairness of such forward-looking statements, forecasts and estimates. Furthermore, forward-looking statements, forecasts and estimates only speak as of the date of this press release. Readers are cautioned not to place undue reliance on any of these forward-looking statements. ERYTECH disclaims any obligation to update any such forward-looking statement, forecast or estimates to reflect any change in ERYTECH's expectations with regard thereto, or any change in events, conditions or circumstances on which any such statement, forecast or estimate is based, except to the extent required by law.

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ERYTECH

Naomi Eichenbaum

+33 4 78 74 44 38

+1 917 312 5151

Director of Investor Relations

naomi.eichenbaum@erytech.com

or

The Ruth Group

Lee Roth, +1 646 536 7012

Investor relations

lroth@theruthgroup.com

or

Kirsten Thomas, +1 508 280 6592

Media relations

kthomas@theruthgroup.com

or

NewCap

Julien Perez

Investor relations

or

Nicolas Merigeau

Media relations

+33 1 44 71 98 52

erytech@newcap.eu