

ERYTECH's IPO a remarkable success, raising €17.7 million

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- **The company's capital increased by nearly €28 million through:**
 - *IPO (OPO & GP) raising €16.7 million*
 - *Subscription in compensation for debts of nearly €1 million*
 - *Conversion of convertible bonds for a total of €10 million, including the acquisition of a stake by Recordati – Orphan Europe*
- **Offer price set in the middle of the indicative range at €11.60**

Regulatory News:

ERYTECH (Paris:ERYP), a French biopharmaceutical company that designs innovative treatments for acute leukaemia and other oncology indications with unmet medical needs, **today announced the success of its IPO in compartment C of the NYSE Euronext regulated market in Paris, raising more than the target amount of €15 million.**

In view of the success of the offering, the Company elected to exercise the Extension Clause, thus taking the total amount raised in the IPO (excluding debt compensation) to €16.7 million, with a further €1 million subscribed through debt compensation.

The price for the Global Placement and the Open Price Offering was set at the middle of the indicative range, at €11.60.

All 1,524,334 new shares offered in the IPO have been subscribed and will be allocated as follows:

- **Global Placement:** 1,157,989 shares allocated to institutional investors (80.4% of total shares issued);
- **Open Price Offering** 282,595 shares allocated to institutional investors (19.6% of total shares issued);
- **Compensation for debts:** creation of a further 83,750 shares.

On the basis of 5,539,952 shares to be admitted for trading and a value of €11.60 per share, ERYTECH had a market capitalisation of approximately €64.3 million at the conclusion of the IPO.

Settlement and delivery of the shares newly issued under the OPO, Global Placement and debt compensation will take place on 6 May 2013. Trading in the shares will begin on May 7, 2013. The shares will be traded on Compartment C of the NYSE Euronext regulated market in Paris with ISIN Code **FR0011471135** and Ticker **ERYP**.

“We are delighted to announce the success of our Initial Public Offering in Compartment C of NYSE Euronext in Paris. We would like to thank all our shareholders, both new and existing, for their confidence and for their decision to support the development of a unique biopharmaceutical company in France, both in terms of the innovative nature of its technology and its high degree of progress,” noted Gil Beyen, Chairman and CEO of ERYTECH.

“We are proud of the success of this important stage of ERYTECH's development. This success is the fruit of a remarkable process achieved in cooperation with co-founder Yann Godfrin and with all our staff, shareholders and partners, whose belief and expertise has allowed us, in just 8 years, to make major advances in the treatment of cancer and orphan diseases. This IPO will help accelerate our expansion in Europe and the USA and also our work on new cancer indications,” added Pierre-Olivier Goineau, Vice President, COO and co-founder of ERYTECH.

ERYTECH, a unique biopharmaceutical company in France:

- Major innovation: “Tumor starvation”
- A first targeted market estimated at €1 billion¹: Acute leukaemia

- A product in final clinical development phase
- Major partnerships with global pharmaceutical companies

ERYTECH is listing on the stock market to:

- **Establish its leading acute leukaemia product across Europe** through strategic partnerships with major world pharmaceutical companies.
- **Build a position in the United States**, a substantial market as large as Europe, with the possibility of strongly value-creating partnerships.
- **Develop new cancer indications** to increase its leading product's sales potential.

TERMS OF THE IPO

Offering price

- The price of the open price offering and the global placement was set at €11.60 per share.
- This price means that ERYTECH has a market capitalisation of approximately €64.3 million following the issue of new shares and after (i) conversion of convertible bonds, (ii) debt compensation and (iii) full exercise of the extension clause as well as partial and definitive exercise of the overallotment clause.

Size and gross proceeds of the offering

- 1,524,334 new shares were issued in the OPO, Global Placement and debt compensation.
- Gross issue proceeds after full exercise of the extension clause as well as partial and definitive exercise of the overallotment clause were approximately €17.7 million.
- No additional exercise of the overallotment clause is expected.

Allocation of the public offering (excluding debt compensation)

- Global Placement: 1,157,989 new shares allocated to institutional investors (equivalent to approximately €13.4 million and 80.4% of all shares offered).
- Open Price Offering: 282,595 new shares allocated to institutional investors (equivalent to approximately €3.3 million and 19.6% of all shares offered).
- A1 and A2 orders in the OPO were fully satisfied.

Lock-up commitments from the Company and shareholders

- Company lock-up commitment: 180 days
- Main financial shareholders lock-up commitment: 540 days on a sliding scale²
- Seed shareholders lock-up commitment: 360 days on a sliding scale³
- Main executives lock-up commitment: 540 days on a sliding scale⁴

Shareholder structure following the IPO

Shareholders	Post-IPO (before exercise of warrants)		Post-IPO (assuming all warrants exercised)	
	Number of shares	% of capital and voting rights	Number of shares	% of capital and voting rights
Management	556 480	10,0%	894 350	14,9%
<i>Pierre-Olivier GOINEAU</i>	<i>263 490</i>	<i>4.8%</i>	<i>338 570</i>	<i>5.7%</i>
<i>Yann GODFRIN</i>	<i>292 990</i>	<i>5.3%</i>	<i>368 070</i>	<i>6.1%</i>
<i>Gil Beyen</i>	-	-	<i>112 630</i>	<i>1.9%</i>

<i>Autre management</i>	-	-	75 080	1.3%
Investisseurs financiers/PE Funds	3 027 464	54.6%	3 027 464	50.5%
<i>CAP DECISIF</i>	199 180	3.6%	199 180	3.3%
<i>AMORCAGE RHONE ALPES</i>	110 200	2.0%	110 200	1.8%
<i>IDINVEST</i>	1 221 392	22.0%	1 221 392	20.4%
<i>AURIGA</i>	1 018 212	18.4%	1 018 212	17.0%
<i>AXA</i>	478 480	8.6%	478 480	8.0%
Recordati Orphan Drugs	431 034	7.8%	431 034	7.2%
Membres du Conseil	-	-	112 630	1.9%
Autres (Business Angels)	84 390	1.5%	84 390	1.4%
Public	1 440 584	26.0%	1 440 584	24.0%
Total	5 539 952	100.0%	5 990 452	100.0%

Planned timetable

- May 6, 2013** • Settlement and delivery of shares under the Offering
- May 7, 2013** • ERYTECH shares start trading on NYSE Euronext Paris

ERYTECH codes

- **Name:** ERYTECH PHARMA
- **ISIN code:** FR0011471135
- **Mnemonic:** ERYP
- **Section:** Compartment C
- **Business sector:** 4577 Pharmaceuticals (ICB classification)

Availability of Prospectus – Copies of the Prospectus, approved on April 17, 2013 and numbered 13-166 by the Autorité des Marchés Financiers, may be requested free of charge from ERYTECH, Bâtiment Adénine – 60, Avenue Rockefeller 69008 Lyon (France), or on the websites of the AMF (www.amf-france.org) and the Company (www.erytech.com).

Risk factors - ERYTECH draws the public’s attention to the business-related risks described in Chapter 4 ‘Risk Factors’ in the first part of the Prospectus and the offer-related risks described in Chapter 2 ‘Offer-related Risk Factors’ in the second part of the Prospectus.

About ERYTECH: www.erytech.com

Created in Lyon in 2004, ERYTECH is a French biopharmaceuticals company that opens new prospects for cancer patients, particularly those with acute leukaemia. By encapsulating the asparaginase enzyme in red blood cells, ERYTECH has developed GRASPA®, an original and effective treatment that kills leukaemia cells through “starvation” while significantly reducing the side effects for patients. GRASPA® is currently completing clinical development and is already covered by distribution partnership agreements in Europe with the Recordati-Orphan Europe group, one of the key players in orphan drugs, and in Israel with TEVA. In the United States, ERYTECH has received approval from the USFDA to launch its first clinical trial in acute leukaemia from 2013. The company has its own production facilities that are already in operation, and a team of nearly 40 employees.

Warning

This press release, and the information that it contains, constitute neither an offer to sell or subscribe nor a solicitation to purchase or subscribe for ERYTECH shares in any countries.

This press release does not constitute or form a part of any offer to sell or subscribe or solicitation to purchase or subscribe for securities in the United States. The shares or any other securities of ERYTECH may not be offered or sold in the United States unless they are registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or exempt from registration. The shares of ERYTECH have not been and will not be registered under the U.S. Securities Act and ERYTECH does not intend to make any public offer of its shares in the United States.

The distribution of this press release in certain countries may be subject to specific regulations. The persons in possession of this press release shall then get knowledge of any local restrictions and shall comply with these restrictions.

This press release is a translation in English of the French press release. The document de base and the securities note (*note d'opération*) to be approved and registered by the AMF will be drafted in French.

This press release is solely an advertisement and does not constitute a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4th, 2003, as amended, in particular by Directive 2010/73/EC of the European Parliament and of the Council of November 24, 2010, to the extent such Directive has been transposed in the relevant member State of the European Economic Area (the "Prospectus Directive").

With respect to the member States of the European Economic Area which have implemented the Prospectus Directive, no action has been undertaken or will be undertaken to make an offer to the public of the securities requiring a publication of a prospectus in any member State, other than France. As a result, the shares of ERYTECH may not be offered or will not be offered in any member State other than France, except, pursuant to the exemptions described in article 3(2) of the Prospectus Directive, if they have been transposed by this member State or in any other circumstances not requiring ERYTECH to publish a prospectus as provided under article 3(2) of the Prospectus Directive and/or regulations applicable in this member State.

This press release does not constitute and shall not be considered as constituting a public offer, an offer to purchase or as an intention to solicit the interest of the public for a public offering.

This press release is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This press release is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this press release relates is available only to relevant persons and will be engaged in only with relevant persons.

This press release contains forward-looking statements. No guarantee is given as to these forecasts being achieved, which are subject to risks including, in particular, those described in the Prospectus filed with the AMF under number 13-166 on April 17, 2013, and to the development of economic conditions, the financial markets and the markets in which ERYTECH operates.

1 Source: Erytech / see Chapters VI.4.4. and VI.5.5 of the Prospectus.

2 Lock-up commitment in respect of (i) 100% of the shares for a period of 180 days after the settlement and delivery date, (ii) 75% of the shares held for a period of 270 days following the settlement and delivery date, (iii) 50% of the shares held for a period of 360 days following the settlement and delivery date and (iv) 25% of the shares (excluding those arising

from convertible bonds for this period) held for a period of 540 days.

3 Lock-up commitment in respect of (i) 100% of the shares for a period of 180 days after the settlement and delivery date, (ii) 50% of the shares held for a period of 270 days after the settlement and delivery date and (iii) 25% of the shares held for a period of 360 days.

4 Lock-up commitment in respect of (i) 100% of the shares for a period of 360 days from the settlement and delivery date and (ii) 25% of the shares for a period of 540 days from the settlement and delivery date.

ERYTECH

Gil Beyen

Chairman and CEO

or

Pierre-Olivier Goineau, +33 4 78 74 44 38 / Fax: +33 4 78 75 56 29

Vice President and COO

investors@erytech.com

or

NewCap.

Investor and press relations

Julien Perez / Emmanuel Huynh, +33 1 44 71 98 52

erytech@newcap.fr