



Pherecydes Pharma announces its 2021 annual financial results and confirms its 2022 outlook

- Cash position of €5.4 million at December 31, 2021
- Significant acceleration in compassionate treatment, taking the number of patients treated with Pherecydes Pharma phages thus far to 50
- Approval granted to initiate the PhagoDAIR phase I/II clinical trial, enrollment of the first patient in the coming weeks
- AAC Early Access Program approval expected during Q2 2022

Nantes (France), April 14, 2022 – 7.00 am CEST – Pherecydes Pharma (FR0011651694 - ALPHE), a biotechnology company specializing in precision phage therapy to treat resistant and/or complicated bacterial infections, today announces its annual results for the year to December 31, 2021 and confirms its development prospects for 2022.

*“2021 was a pivotal year for Pherecydes. Firstly, the resounding success of our IPO in February 2021 provided us with the necessary resources to strengthen our teams, with the recruitment of more than 10 people during the year and the strengthening of our management. These new financial resources also allowed us to support and respond to the substantial growth in requests and need for treatment within the framework of compassionate use, with more than 25 additional patients treated with our phages since the start of 2021. They have also enabled us to meet regulatory milestones and put in place the PhagoDAIR clinical trial, for which we have received the approval of the competent authorities and in which the first patient should be enrolled in the coming weeks. We expect to receive AAC early access program authorization for our anti-S. aureus phages in Q2 2022 and for our anti-Pseudomonas aeruginosa phages before the end of 2022. At the same time, we have continued our strategy of strengthening our asset protection with the granting of the first patents for our anti-S. aureus phages, our first patents in China and new patents notably in the United States. This development should also be supported by the implementation of Programmes Hospitaliers de Recherche Clinique (PHRC, hospital clinical research programs) and the diversification of targeted indications, via our recent preclinical collaboration with BIOASTER in bacteremia and Navarrabiomed in infectious endocarditis”, commented **Guy-Charles Fanneau de La Horie, Chairman of the Executive Board of Pherecydes Pharma**, adding “Given these achievements and the clinical potential of our three classes of phages targeting some of the most resistant and deadly bacteria¹, Pherecydes is reaffirming the many strengths it has to establish itself as a key player in precision phage therapy. 2022 will be a structuring year and an inflection point for Pherecydes!”*

¹ [Global burden of bacterial antimicrobial resistance in 2019: a systematic analysis](#); The Lancet, January 19, 2022



2021 annual results

Simplified income statement ² (in euros)	2021	2020
Operating income	2,200,380	1,863,286
Operating expenses	6,521,075	5,289,693
Operating profit/loss	- 4,320,694	- 3,426,407
Financial result	- 46,346	- 3,517
Exceptional income	189,470	1,620,852
Net profit/loss	- 3,189,057	- 1,395,340

At December 31, 2021, total operating income, essentially consisting of capitalized production associated with the *Staphylococcus aureus* (*S. aureus*) and *Pseudomonas aeruginosa* (*P. aeruginosa*) programs, was €2,200 thousand compared with €1,863 thousand in 2020, an increase of 18% as a result of the intensification in R&D activity relating to these programs between 2020 and 2021.

Operating expenses totaled €6,521 thousand over the year to December 31, 2021, up 23% on the 2020 figure of €5,290 thousand. This increase was essentially due to the 51% increase in personnel costs to €2,909 thousand in 2021, reflecting the hiring of additional staff to strengthen the Company's teams.

The annual operating loss was €4,320 thousand in 2021, versus a loss of €3,426 thousand in 2020, an increase of 26% in the annual loss primarily as a result of the increase in operating expenses from one year to the next.

Exceptional income totaled €189 thousand in 2021, versus €1,621 thousand in 2020, reflecting the end of certain grant contracts, and notably the one associated with the PhagoProd project financed by the European Commission.

Research Tax Credit amounted to €989 thousand in 2021 versus €414 thousand the previous year.

The net loss was thus €3,189 thousand in 2021, compared with a net loss of €1,395 thousand in 2020.

Financial structure and cash position

At December 31, 2021, the Company had a cash position of €5,357 thousand, versus €1,652 thousand at December 31, 2020. Shareholders' equity stood at €9,228 thousand at the end of 2021 compared with €5,285 thousand at the end of 2020.

As a reminder, Pherecydes Pharma's financial structure was strengthened in February 2021 thanks to the net proceeds of €7 million resulting from the capital increase carried out at the time of the Company's listing on Euronext Growth in Paris. The operation was a resounding success with investors, and the offer was more than four times oversubscribed.

In 2021, the consumption of cash was around €4.2 million. The Company anticipates a higher consumption in 2022, associated in particular with the launch of the PhagoDAIR study and the strengthening of the management team.

² Annual accounts were approved by the Board on April 13, 2022. Audit procedures relative to these accounts have been carried out, and the statutory auditor's certification report is pending.



The Company's current cash position will allow Pherecydes Pharma to finance its development in accordance with the strategy presented at the time of the IPO through to the end of 2022.

The Supervisory Board, chaired by Didier Hoch, met on April 13, 2022 and approved the annual accounts published today. The financial statements have been examined by the statutory auditor and the certification report is pending. The full annual financial report included in the universal registration document will be made available on Pherecydes's website (www.pherecydes-pharma.com) within the statutory timeframe.

2021 highlights and recent developments

- **Significant acceleration in compassionate treatment, with 50 patients treated thus far**

In accordance with the approvals of the ANSM (*Agence Nationale de Sécurité du Médicament*, the French National Agency for the Safety of Medicines), more than 25 new patients have been able to benefit from Pherecydes Pharma's precision phage therapy since the beginning of 2021, taking the total number of patients treated so far within this framework to 50. This treatment was provided in 9 hospitals and mostly concerned *S. aureus* infections (28 treatments) and *P. aeruginosa* infections (19 treatments). A number of indications were targeted, albeit with a high proportion (50%) of osteoarticular infections of prostheses. Pherecydes Pharma's phages, administered via various routes (intra-articular, intravenous, bronchoalveolar nebulization, etc.), have demonstrated good tolerance with no reported side effects.

- **Approval to initiate the PhagoDAIR study**

In December 2021, Pherecydes Pharma obtained ANSM approval for its PhagoDAIR program, the world's first study with anti-*Staphylococcus aureus* phages in the treatment of osteoarticular infections of prosthetic joints caused by *Staphylococcus aureus* bacteria.

This approval was followed, in February 2022, by that received from the Ethics Committee authorizing Pherecydes to initiate this study in France.

- **Granting of 5 more patents**

Thanks to its active intellectual property policy, Pherecydes is developing a portfolio of four patents, covering each of its phages and their variants, some of which have already been granted in major regions such as the United States, Europe, Japan, Australia, Hong Kong, Israel and China.

In 2021, the Company considerably strengthened its intellectual property, notably with two patents being granted for its anti-*E. Coli* and anti-*P. aeruginosa* phages in the United States and the first patents being granted for its anti-*S. aureus* phages in China and Israel. This momentum has continued in early 2022, with two more patents granted for its anti-*P. aeruginosa* phages in Europe and China.

- **"State-Guaranteed Loan – Innovation Support" of €2 million received from Bpifrance**

In April 2021, the Company strengthened its financial resources by securing a €2 million State-Guaranteed Loan. This contract was amended in January 2022 in order to benefit from a one-year grace period followed by a 4-year reimbursement period.

- **€2.1 million grant for the PhagECOLI project**

In January 2022, Pherecydes Pharma announced that the PhagECOLI project, undertaken in partnership with the CEA, had won the "Emerging Infectious Diseases and New Radiological, Biological



and Chemical Threats” Call for Expressions of Interest. The project will receive financing of €2.1 million from Bpifrance, including €1.7 million for Pherecydes Pharma.

The aim of this 3-year project is to develop Pherecydes’s anti-*E. Coli* phages through to the clinical study stage while developing, with the CEA, a brand-new phagogram tool dedicated to these phages that is faster, more automated and more scalable.

- **Strengthening of the management team**

To support the deployment of precision phage therapy on a larger scale, Pherecydes Pharma has expanded its management team with the appointment of Céline Breda as Director of Industrial Operations in March 2021, Dr. Pascal Birman as Medical Director in October 2021 and, most recently, Thibaut du Fayet as Chief Operating Officer and member of the Executive Board.

Strategy and 2022 Outlook

In 2022, the Company intends to continue the development of its research portfolio’s various assets and accelerate the ramping up of precision phage therapy.

- **Delivery of the first AAC Early Access Program approvals expected in Q2 2022**

Pherecydes is targeting the delivery of Early Access Program approval by the ANSM (French National Agency for the Safety of Medicines) in Q2 2022 for its anti-*S. aureus* phages and by the end of 2022 for its anti-*P. Aeruginosa* phages.

The AAC system (formerly ATU) allows certain categories of sick patients in France with no therapeutic solutions to benefit from drugs yet to receive marketing authorization. The Company is thus aiming to start generating revenue later this year, enabling it to develop precision phage therapy on a broader scale. Generating revenue in 2022 will mark a major inflection point for Pherecydes’ business model.

- **Clinical development of anti-*S. aureus* phages**

The PhagoDAIR phase I/II clinical study in bone-joint infections on prosthesis has received all the necessary approvals in France, and the enrollment of the first patient is expected in Q2 2022. The Company also expects to receive the validation of regulatory authorities and hospitals in Spain and Belgium, which will allow it to extend enrollment to these two countries. The first results are anticipated during the summer of 2023.

Two other studies, funded by public programs (PHRC hospital clinical research program), should be launched in 2022 with Pherecydes Pharma’s phages, one at the initiative of the Bordeaux University Hospital in bone and joint infections (PhagoOS), the other at the initiative of the Nîmes University Hospital in diabetic foot ulcers (PhagoPied), these two institutions being the sponsors of these studies. It will help generate additional clinical data and strengthen the first candidate’s clinical Proof of Concept.

Development of anti-*E. Coli* phages

Pherecydes will continue its research programs in order to launch, within 2 years, a phase I/II study with its anti-*E. Coli* phages in complex urinary tract infections. This research is part of the PhagECOLI project.

At the same time, Pherecydes will continue to work on implementing the GMP (Good Manufacturing Practices) production of anti-*E. Coli* phages.



- **Development of the Phagogram**

Beyond the first certification of the Phagogram expected before the summer of 2022, Pherecydes has partnered with the CEA to develop a brand-new generation of Phagogram within the framework of the PhagECOLI project.

- **Expansion of the chosen phages' fields of application**

Pherecydes will continue collaborating with various teams to broaden its phages' fields of application.

The agreement signed with BIOASTER in February 2022 is in keeping with this strategy. It intends to demonstrate *in vivo* the pertinence of using phage therapy to treat bacteremia (blood infections).

At the end of March 2022, Pherecydes Pharma also signed a partnership agreement with Navarrabiomed, a Spanish biomedical research center, to evaluate its anti-*S. aureus* phages in the treatment of endocarditis (a heart infection). The Company will continue to collaborate with other research or clinical research teams to this end.

About Pherecydes Pharma

Founded in 2006, Pherecydes Pharma is a biotechnology company that develops treatments against resistant bacterial infections, responsible for many serious infections. The Company has developed an innovative approach, precision phage therapy, based on the use of phages, natural bacteria-killing viruses. Pherecydes Pharma is developing a portfolio of phages targeting 3 of the most resistant and dangerous bacteria, which alone account for more than two thirds of hospital-acquired resistant infections: *Staphylococcus aureus*, *Escherichia coli* and *Pseudomonas aeruginosa*. The concept of precision phage therapy has been successfully applied in several dozen patients in the context of compassionate use, under the supervision of the French National Agency for the Safety of Medicines (ANSM). Headquartered in Nantes, Pherecydes Pharma has a team of around twenty experts from the pharmaceutical industry, biotechnology sector and academic research.

For more information, www.pherecydes-pharma.com

Contacts

Pherecydes Pharma

Guy-Charles Fanneau de La Horie
Chairman of the Executive Board
investors@pherecydes-pharma.com

NewCap

Dusan Oresansky / Olivier Bricaud
Investor Relations
pherecydes@newcap.eu

NewCap

Arthur Rouillé
Media Relations
pherecydes@newcap.eu

T.: +33 1 44 71 94 92

T.: +33 1 44 71 00 15

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