



Pherecydes Pharma announces its 2020 annual financial results and confirms its 2021 outlook

- Further compassionate use taking the number of patients treated with Pherecydes Pharma phages to 26 thus far
- The resounding success of the IPO in early 2021, which raised approx. €8 million, is enabling the Company to finance the ramping up of precision phage therapy
- Availability of phages within the framework of the EAP expected in the second half of 2021, in line with the roadmap

Nantes, France, April 15, 2021 – 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, 2020 and confirms its development prospects for 2021.

Guy-Charles Fanneau de La Horie, Chairman of the Executive Board of Pherecydes Pharma, states: *“Thanks to the resounding success of our Initial Public Offering, we are accelerating the strategic investments in our R&D and clinical programs. This ramping up is being accompanied by an ongoing very active intellectual property policy that has recently led to the granting of two new strategic patents in the United States. At the same time, our phages are continuing to be used within the framework of compassionate use by additional hospitals in France, and we are eager to provide a broader response to this growing medical need once we are granted an Early Access Program, which is expected during the second half of this year. Given these achievements and the clinical potential of our three classes of phages targeting some of the most resistant bacteria, Pherecydes has numerous assets that should enable us to establish ourselves as a key player in precision phage therapy”.*

2020 annual results

Simplified income statement ¹ (in euros)	2020	2019
Operating income	1,863,286	2,327,798
Operating expenses	5,289,693	5,018,850
Operating profit/loss	- 3,426,407	- 2,691,051
Financial result	- 3,517	- 1,625
Exceptional income	1,620,852	442,670
Net profit/loss	- 1,395,340	- 1,221,868

¹ Annual accounts were approved by the Board on April 14, 2021. Audit procedures relative to these accounts have been carried out, and the statutory auditor’s certification report is pending.



At December 31, 2020, total operating income, essentially consisting of capitalized production associated with the *Staphylococcus aureus* (*S. aureus*) and *Pseudomonas aeruginosa* (*P. aeruginosa*) programs, was €1,863 thousand, versus €2,328 thousand in 2019, down 20% due to differences in the allocation of the projects on which the Company worked in 2020 compared to 2019, as the costs of all Pherecydes projects are not capitalised.

Operating expenses totaled €5,290 thousand over the year to December 31, 2020, up 5% on the 2019 figure of €5,019 thousand. This increase was a result of the €770 thousand rise in Other purchases and external expenses, partly offset by the fall in Other operating expenses and to good control over personnel costs.

The operating loss for the year to December 31, 2020 was €3,426 thousand, compared with a loss of €2,691 thousand in 2019. This change was primarily due to a decrease in operating income between 2019 and 2020.

Exceptional income totaled €1,206 thousand at December 31, 2020, versus €443 thousand in 2019, reflecting the progress made within the progress of the PhagoProd project financed by the European Commission.

The net loss was €1,395 thousand in 2020, compared with a loss of €1,222 thousand the previous year.

Financial Structure

At December 31, 2020, the Company had a cash position of €1,652 thousand, versus €1,754 thousand at December 31, 2019. Shareholders' equity stood at €5,285 thousand at December 31, 2020, compared with €4,136 thousand at December 31, 2019.

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 undertaken within the framework of the Company's floating on the Euronext Growth market in Paris. The operation was a resounding success with investors, with the offer oversubscribed four times.

The current cash position enables Pherecydes Pharma to finance its development in accordance with the strategy presented at the time of the IPO.

Recent highlights

- **Two patents granted in the United States**

On February 16, 2021, the Company announced that the United States Patent and Trademark Office (USPTO) had agreed to grant two patents for its anti-*P. Aeruginosa* and anti-*E. Coli* phages in the United States.

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 and Israel.

- **Further compassionate use, with 4 more patients being treated**

In accordance with the approvals of the ANSM (*Agence Nationale de Sécurité du Médicament*, the French National Agency for the Safety of Medicines), 4 more patients have been able to benefit from Pherecydes' precision phage therapy in 2021, taking the number of patients treated so far within this framework to 26. These treatments were notably provided in additional hospitals.



- **Publications and scientific conferences**

In March 2021, PhagoPROD, Pherecydes Pharma's phage production project, was the subject of an article in CORDIS, the European Commission magazine that highlights the most strategic Research & Development projects financed by the European Union.

In April 2021, Pherecydes announced that a preclinical study in reference animal models has demonstrated the benefit of its anti-*P. Aeruginosa* phages delivered by inhalation in treating Ventilation-Associated Pneumonia. These results will be presented at the **6th Annual Inhalation and Respiratory Drug Delivery Congress**, a virtual conference, on April 20-21, 2021.

- **Strengthening of the Management Committee**

The Company recently recruited Céline Breda as Director of Industrial Operations to strengthen its Management team and prepare for the deployment of precision phage therapy on a broader scale. Céline is bringing to the Company 25 years of experience in the quality control, development and production of biological products, including eight years at Valneva as Director of Pharmaceutical Operations.

Strategy & Outlook

In 2021, the Company intends to continue the development of its various assets and accelerate the ramping up of precision phage therapy. The funds raised through the IPO will notably be allocated to achieving the following strategic objectives:

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

Pherecydes is preparing the setting up of a phase I/II clinical study in bone-joint infections on prosthesis. This study is scheduled to start in the second half of 2021 with the initial results expected in late 2022.

Two other studies, funded by public programs (*Programme Hospitalier de Recherche Clinique* – PHRC hospital clinical research program), will be launched in 2021 and 2022 with Pherecydes' phages; one at the initiative of the Bordeaux University Hospital in bone and joint infections, the other at the initiative of the Nîmes University Hospital in diabetic foot ulcers, these two facilities being the sponsors of these studies.

- 2. Preclinical development of anti-*E. Coli* phages**

Pherecydes will continue its research programs to be in a position to launch, within the next 2 years, a phase I/II study with its anti-*E. Coli* phages in complex urinary tract infections.

- 3. Delivery of EAP status expected during the second half of 2021**

Pherecydes is targeting the granting of an Early Access Program (EAP) by the ANSM during the second half of 2021, following the availability of batches of anti-*S. aureus* and anti-*P. Aeruginosa* phages produced in accordance with GMP standards. The EAP system allows certain categories of sick patients in France to use drugs yet to receive marketing authorization (MA). The Company is thus aiming to generate revenue from this year and to begin the development of precision phage therapy on a wider scale.



4. Development of Phagogram

Pherecydes will undertake work on its platform that allows the sensitivity of a patient's bacterial strain to a number of phages to be tested, in order to increase the speed, reliability, reproducibility and sensitivity of the tests undertaken.

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 26 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

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