



Pherecydes Pharma publishes its half-year 2021 financial results and assesses its positive development momentum

- Ramping up of compassionate treatments, with 36 patients treated with Pherecydes Pharma phages in 12 hospitals to date
- Availability of anti-*S. aureus* phages within the framework of early access program expected by end-2021, in line with the roadmap announced by the Company
- Resounding success of the IPO carried out at the start of the first half of the year: cash position of €7.7 million at June 30, 2021
- Videoconference with Guy-Charles Fanneau de La Horie at 10 am CEST today

Nantes, October 13, 2021 – 7.00 am CEST – Pherecydes Pharma (FRO011651694 - ALPHE), a biotechnology company specializing in precision phage therapy to treat resistant and/or complicated bacterial infections, today announces its financial results for the first half of the year to June 30, 2021 and assesses its activities and development prospects.

Guy-Charles Fanneau de La Horie, Chairman of the Executive Board of Pherecydes Pharma, says: “*The first half of 2021 was marked by the strengthening of our financial capabilities following our IPO, the granting of a €2 million State-Guaranteed Loan by Bpifrance and the renegotiation of our PhagoProd subsidy with the European Commission. We have thus accelerated our development plan and strengthened our teams with the recruitment of 10 new members of staff. This structuring of the company has enabled us to provide a response to the growing demand for our products within the framework of compassionate treatment, to prepare our PhagoDAIR clinical study, to file a dossier requesting early access program (AAC)¹ for our anti-Staphylococcus aureus phages and to accompany the PhagoPied (treatment of S. aureus infection of diabetic foot ulcers) and PhagoOS (treatment of S. aureus osteoarticular infection of hips and knee prostheses) clinical studies. To date, 36 patients have benefited from compassionate treatment approved by the ANSM (French Health authorities) with our anti-Staphylococcus aureus or anti-Pseudomonas aeruginosa phages, in various indications and with different routes of administration. We have also been able to ensure the production, in accordance with GMP (Good Manufacturing Practice), of several batches of phages that can be used within the framework of AAC and clinical studies*”.

¹ AAC (Autorisation d'Accès Compassionnels) is a new French system replacing the ATU (old Early Access Program)



Half-year 2021 results

Simplified income statement ² (in euros)	H1 2021	H1 2020
Operating income	1,328,136	422,132
Operating expenses	3,257,063	2,567,728
Operating profit/loss	- 1,928,927	- 2,145,597
Financial result	- 3,909	- 263
Exceptional income	224,674	546,472
Net profit/loss	- 1,453,918	- 1,526,696

In the first half of 2021, total operating income, essentially consisting of capitalized production associated with the *Staphylococcus aureus* (*S. aureus*) and *Pseudomonas aeruginosa* (*P. aeruginosa*) programs, was €1,328 thousand compared with €422 thousand in the first half of 2020, an increase of 215%. This difference was a result of the substantial work undertaken in 2021 on these two assets, while in the first half of 2020 activity had been impacted by the COVID-19 pandemic and more cross-business work not attributable to these two assets.

Operating expenses totaled €3,257 thousand in the first half of 2021, up 27% compared with the figure of €2,568 thousand recorded a year earlier. This increase was due to a 24% rise in other purchases and external expenses and a 35% rise in personnel costs following the strengthening of the teams at the Romainville and Nantes sites.

The operating loss was €1,929 thousand in the first half of 2021 versus €2,146 thousand in the first half of 2020, there was thus a 10% reduction in the operating loss. This improvement was primarily due to the substantial increase in operating income between these two periods more than offsetting the increase in operating expenses.

Exceptional income totaled €225 thousand in the first half of 2021 versus €546 thousand in the same half of the previous year, reflecting the leveling out of spending within the framework of the PhagoProd project financed by the European Commission, which will soon be completed, and an exceptional provision booked for equipment the Company no longer uses.

The net loss was €1,454 thousand for the first six months of 2021, a slight decrease compared with the loss of €1,527 thousand recorded over the same period of 2020.

Financial structure

At June 30, 2021, the Company had a cash position of €7,675 thousand (versus €1,652 thousand at December 31, 2020), a figure that notably includes the €7 million net proceeds of the IPO carried out in February 2021. Shareholders' equity was €10,942 thousand at June 30, 2021 versus €5,285 thousand at December 31, 2020.

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

² First-half accounts were approved by the Board on October 12, 2021. Limited review procedures relative to these accounts have been carried out.



H1 2021 highlights and recent developments

- **Granting of a €2 million State-Guaranteed Loan**

On April 29, 2021, the Company announced that it had obtained, within the framework of the “State-Guaranteed Loan – Innovation Support” scheme, a €2 million loan from Bpifrance.

Pherecydes Pharma has also received the “*Les Excellence*” award from Bpifrance for the growth path it has achieved in 2021, illustrating Bpifrance’s clear support for the Company.

- **Granting of a new patent in Hong Kong**

On May 11, 2021, the Company announced that the Hong Kong authorities had granted it a patent for its anti-*Pseudomonas aeruginosa* phages.

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

- **Further compassionate treatment, with 13 more patients treated in 2021**

In accordance with the approvals of the ANSM (*Agence Nationale de Sécurité du Médicament*, the French National Agency for the Safety of Medicines), 13 more patients have been able to benefit from Pherecydes Pharma’s precision phage therapy in 2021, taking the number of patients treated so far in this setting to 36. More patients were treated during the first nine months of 2021 as were treated in 2020 and 2019 combined. This treatment was notably provided in additional hospitals and in promising new indications. 12 different hospitals have now used the phages developed and produced by Pherecydes Pharma.

Testimony from a number of treated patients illustrates the genuine need for precision phage therapy, Pherecydes Pharma’s *raison d’être* and struggle, including the testimony published in the *Hospices Civils de Lyon* newsletter.

[Click here to read this testimony \(in French\)](#)

- **Publications and scientific conferences**

On May 6, 2021, the Company announced the publication, in *Frontiers in Medicine* by Prof. Tristan Ferry of *Hospices Civils de Lyon*, of an article highlighting the beneficial effect of the anti-*Pseudomonas aeruginosa* phages developed by Pherecydes Pharma in treating a case of prosthetic knee infection.

On June 7, 2021, the Company announced the publication, in the prestigious *British Journal of Pharmacology*, of the results of a preclinical trial, in pigs, showing the benefits of inhaled Pherecydes Pharma anti-*Pseudomonas aeruginosa* phages in treating ventilation-associated pneumonia.

This data opens a new scope of application for the assets developed by the Company.

- **Production of GMP batches**

Pherecydes Pharma has continued the GMP (Good Manufacturing Practices) production of batches of phages with its various subcontractors. The Company now has GMP batches of anti-*S. aureus* and anti-*P. aeruginosa* phages.



Strategy & Outlook

Over the coming months, the Company intends to continue the development of its various assets and accelerate the ramping up of precision phage therapy. The Company's financial resources will notably be allocated to achieving the following strategic objectives:

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

Pherecydes Pharma is preparing the setting up of a phase I/II clinical study (PhagoDAIR) in bone-joint infections on prosthesis. The study is scheduled to start before the end of this year.

Two other studies, funded by public programs (*Programme Hospitalier de Recherche Clinique* – PHRC hospital clinical research program), should be launched in the first half of 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.

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

Pherecydes Pharma will continue its research programs in order 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 AAC Early Access Program (formerly ATU) before end-2021

The ATU system has been entirely overhauled and the implementing decrees were published on July 1, 2021. Pherecydes Pharma has taken this new regulatory framework into account, filed a request for its anti-*S. aureus* phages and is targeting the granting of the AAC before the end of this year for its anti-*S. aureus* phages and early next year for its anti-*P. Aeruginosa* phages. The AAC system (formerly ATU) allows certain categories of sick patients in France to use drugs yet to receive marketing authorization (MA). The Company is aiming to start generating revenue in the coming months and to begin the development of precision phage therapy on a wider scale.

4. Development of the Phagogram

Work has been ongoing since the start of 2021 to make the Phagogram developed by Pherecydes Pharma a robust tool for analyzing the sensitivity of a patient's bacterial strain to phages. A team and dedicated premises have been put in place to be able to meet the various trial and compassionate access requirements that should emerge over the coming months.

Join a video conference with Guy-Charles Fanneau de La Horie, Chairman of the Executive Board of Pherecydes Pharma, at 10 am CEST today (in French)

Log in by clicking on this link:

https://us02web.zoom.us/webinar/register/WN_0VJ4JCUjSJKQBEEgSg4SjQ

- The link above allows you to register for the virtual meeting via Zoom.
- You will then receive a confirmation email containing the link to access the meeting.
- If you do not have the Zoom application, it will automatically download when you log in to the webinar.
- At any time during the presentation, you can submit your question via the webinar platform. It will be queued for the Q&A session.



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

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