

7th September 2018

ImmuPharma PLC
("ImmuPharma" or the "Company")

CORPORATE UPDATE

ImmuPharma PLC (LSE: IMM), the specialist drug discovery and development company today announces a corporate update.

Key highlights:

- Lupuzor™
 - Agreement signed to enter Lupuzor™ into a 'Managed Access Programme'
 - Open Label extension study completes recruitment
- Nucant (cancer) programme: Clinical Development Collaboration with Incanthera Limited
- Ureka subsidiary: Divestment process to commence

Lupuzor™

Lupuzor™ is the Company's late stage asset for Lupus, a potential life threatening auto-immune disease. Lupuzor™ concluded a pivotal Phase III trial earlier this year. Key announcements providing top line data of the results were announced on 17 April 2018 and 29 May 2018 (please see full announcements on IMM's website - www.immupharma.com).

Managed Access Programme

ImmuPharma has signed an agreement with a specialist provider to distribute Lupuzor™ via a Managed Access Programme ("MAP").

The key objectives of the MAP, based on the clinical and safety data received from the recently announced Phase III trial, are to promote the use of Lupuzor™ by allowing Lupus patients early access to Lupuzor™, whilst continuing to engage with Lupus specialists and practitioners.

This will allow Lupus patients ongoing access to Lupuzor™ prior to any regulatory filing. In addition, the Company will be collecting valuable data from these patients, which the Company believes will add significantly to the existing data package.

It's currently envisaged that up to 500 patients will be recruited for the MAP and that these patients will be granted access to Lupuzor™ for a minimum of two years. Based on these parameters, the programme will be funded from current cash resources.

Further updates will be announced as appropriate.

Extension Study

The Lupuzor™ open label extension study, initially announced on 18 January 2018, has completed enrolment with a total of 62 eligible patients from the original Phase III trial, who were recruited throughout the US and Europe. The study is anticipated to report results in Q2 2019.

Nucant Cancer Programme – Clinical Development Collaboration

A number of options have been under review to develop the Company's Nucant cancer programme, which has demonstrated promising results in two Phase I trials (safety and dose-finding studies).

In order to progress this programme, ImmuPharma has signed Heads of Terms on a clinical development collaboration for the Nucant cancer programme, with Incanthera Limited ("Incanthera"), a specialist oncology development company.

Key highlights of the Heads of Terms are summarised below:

- Incanthera, based on its positive due-diligence on the Company's Nucant technology, will licence in and take up the continued clinical development of the Nucant cancer programme as an integral part of its own cancer development portfolio.
- As an integral part of the collaboration, upon signing the Heads of Terms, ImmuPharma has invested £2m into Incanthera by subscribing for 363,637 new ordinary Incanthera shares at a price of £5.50 per share. This investment values Incanthera at a pre-money valuation of approximately £10m and is consistent with the most recent funding round that Incanthera completed in March 2018. Following this investment, ImmuPharma will have a circa 16% shareholding in Incanthera.
- ImmuPharma has granted Incanthera a period of exclusivity until 31st December 2018, during which the Company and Incanthera will finalise the terms of a Definitive Licence Agreement for the Nucant technology. These terms are expected to include, but will not be limited to the following:
 - Incanthera will pay a licence payment to ImmuPharma of £1m, with this payment to be made via the issuance of new ordinary shares in Incanthera. This payment in shares is separate and will be in addition to the shareholding which ImmuPharma currently holds as described above;
 - Incanthera will be responsible for all of the development costs for the Nucant programme; and
 - All future commercialisation revenues will be shared equally between the two companies.

Tim McCarthy, the Company's Chairman, is also Chairman and minority shareholder in Incanthera. As such, Tim McCarthy is precluded from voting on any matters relating to the Heads of Terms between ImmuPharma and Incanthera and will be precluded from voting on any matters relating to the future Definitive Licence Agreement between the two companies.

Further updates will be announced as appropriate.

Ureka : Divestment Process

Ureka, ImmuPharma's wholly owned subsidiary, based in Bordeaux, which is carrying out research into treatments for Type II diabetes and NASH (Non-Alcoholic-Steato-Hepatitis) has recently demonstrated success in recognised preclinical studies.

Following an extensive review by ImmuPharma's Board of directors, it has been decided that Ureka, whilst having exciting and innovative technologies, is not part of the ongoing strategy of ImmuPharma, which is now fully focused on utilising its resources to develop late stage assets.

Hence, ImmuPharma, with its advisors, will now commence a process of considering all opportunities to divest Ureka. The intention is to allow ImmuPharma to divest Ureka, whilst still retaining an interest in any future commercial success.

Further updates will be announced as appropriate.

Commenting, Tim McCarthy, Chairman, said:

“The Board has been focused on delivering a business strategy which provides the optimum route forward for ImmuPharma and its shareholders, based on its current assets, resources and knowhow. We believe that the strategy outlined today provides the most effective route to create shareholder value going forward.

“We are excited as a team to be progressing the MAP programme which allows Lupus patients early access to Lupuzor™. In the medium term, we remain focussed on achieving the full regulatory approval of Lupuzor™ which we believe has the potential to be a ground breaking drug for Lupus patients and in turn has blockbuster potential in commercial terms.

“Our Nucant programme and Ureka subsidiary have been part of our portfolio for a number of years. We are equally excited by the potential of both. We believe the strategy we have announced today for both, will create enhanced value for shareholders going forward.

“As part of our continued proactive investor relations communications, we look forward to further updating the market and shareholders as and when appropriate.”

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014. ("MAR")

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About Incanthera Limited

Incanthera Limited was formed in 2010 as a spin-out from the Institute of Cancer Therapeutics at Bradford University and is targeting the treatment of cancer through a portfolio of unique technologies. Having successfully commercialised its lead product in 2017, it is actively acquiring technologies to further enhance its portfolio of cancer therapeutics. Incanthera is currently preparing for an IPO on AIM.

For more information, please visit www.incanthera.com