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

FINAL RESULTS ANNOUNCEMENT
for the twelve months ended 31 December 2019

ImmuPharma plc (LSE:IMM), **(Euronext Growth Brussels: ALIMM)**, ("ImmuPharma" or the "Company"), the specialist drug discovery and development company, is pleased to announce its final results for the twelve months ended 31 December 2019 (the "Period").

Key Highlights (including post Period review)

- Stable financial performance over the Period
  - Cash balance of £1.4 million (31 December 2018: £4.9 million)
  - Loss for the period of £6.1 million (31 December 2018: £7.2 million)
  - Research and development expenses of £2.7 million (31 December 2018: £4.7 million)
  - Administrative expenses of £1.8 million (31 December 2018: £1.7 million)
  - Share based expense of £2 million (31 December 2018: £1.8 million)
  - Basic and diluted loss per share of 3.99p (31 December 2018: 5.19p)
  - 2 successful fundraisings, completed in June 2019 and March 2020, securing in total approximately £4.2 million spread over 24 months

- Dual listing on Euronext Growth Brussels in December 2019

'Autoimmunity': Lupuzor™

- Open label extension study – following completion of Lupuzor™'s Phase III trial, an open label extension study undertaken. Analysis of results announced on 28 June 2019
  - 62 eligible patients enrolled throughout the US/EU completing 24-week treatment period
  - Primary endpoint successfully achieved confirming safety profile of Lupuzor™
  - No 'serious adverse events' related to Lupuzor™ reported
  - Insights into the Phase III data allow optimised Lupuzor™ phase III design to progress

- Licence and development agreement signed in November 2019 with Avion Pharmaceuticals
  - Exclusive rights for US with Avion
  - Avion to fund new 'optimized' international Phase III trial, up to $25m
  - Milestones up to $70m & tiered double-digit royalties up to 17%
  - Data from Phase III trial allows approvals in key ex-US markets
  - Avion to explore peptide's potential in other auto-immune diseases for US market
  - Discussions continue with potential partners for Lupuzor™ outside of US in key territories

- Post review period
  - Avion strengthened advisory team for Lupuzor™ Phase III trial, including collaboration with leading lupus patient group and formation of KOLs – all senior respected consultants within lupus and autoimmune community in US/EU
- Proof of Concept study planned for Lupuzor™ in CIDP patients – potential Orphan Drug designation

Other program developments: Nucant and Peptide program combined to form Ureka Pharma SAS

- Three therapy areas: Cancer, Metabolism and (new) Anti-Infectives (*Anti-Viral, Anti-Bacterial, Anti-Fungal*) – these programs include:
  - Anti-Infective: new BioAMP-B (Anti-Fungal) product for lung infections
  - Metabolism: new BioGlucagon product - rescue therapy for low sugar events in diabetes
  - All programs provide future partnering opportunities
- Incanthera plc oncology specialist in which ImmuPharma retains 11.9% shareholding, listed on Aquis Stock Exchange ("AQSE", formerly NEX Exchange) in February 2020

Commenting on the statement and outlook 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, knowhow, collaborations and funding. In the medium term, we remain focussed on achieving the full regulatory approval of Lupuzor™ in conjunction with our US partner, Avion, which we believe has the potential to be a ground breaking drug for lupus patients with blockbuster potential in commercial terms. Both companies are focused on expediting Lupuzor™ into a new optimised international Phase III study. Avion's strengthening of its team of advisors to include a collaboration with a leading lupus patient group and the formation of KOLs, all of whom are senior respected consultants within the lupus and autoimmune community in the US and Europe, only enhances this strategy. In parallel, discussions are continuing with a number of potential commercial partners for Lupuzor™ outside of the US.*

"Within the P140 Lupuzor™ platform and having confidence in the data gained from the lupus trials already completed, we can see real opportunities by expanding the disease targets and are now focussing our efforts on a Proof of Concept study in CIDP patients.

"In also broadening our R&D programs we are excited by the potential of our anti-fungal Bio-AMP-B therapy and our new BioGlucagon program, both have the potential of progressing quickly through initial bio-equivalence trials whilst in parallel opening up discussions for potential partnering opportunities. These initiatives continuing to create further opportunities in the medium to long term to enhance shareholder value.

"We are in a new chapter within ImmuPharma's history, with the investment thesis for the Company and specifically Lupuzor™ being repositioned and we look forward to providing further updates on progress with shareholders over the next period.

"Lastly, the Board would like to thank its shareholders including Lanstead for their support as well as its staff, corporate and scientific advisers and our partners including Simbec-Orion, CNRS and our new partner for Lupuzor™, Avion, for their continued efforts and collaborative expertise."

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

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Chairman's Report

The first half of 2019 saw the successful completion of the analysis of the results from the Open Label Extension six month study from its original Phase III trial of Lupuzor™, ImmuPharma's lead program for lupus, a potential life threatening auto immune disease. The key finding from this study confirmed the robust safety profile of Lupuzor™ whilst also reporting no serious adverse events. Furthermore, we announced the successful completion of a subscription and Sharing Agreement ("Sharing Agreement") raising approximately £2.66 million with an institutional investor Lanstead Capital Investors LP ("Lanstead").

During the second half of 2019, we continued discussions with potential commercial partners for Lupuzor™, resulting in the signed Trademark, License and Development Agreement ("Agreement") with Avion Pharmaceuticals LLC ("Avion"), for the exclusive rights to Lupuzor™ in North America (United States). The Agreement allows completion of a new optimised international Phase III trial, which will be fully funded by Avion. Outside of lupus, the Agreement also includes the option for Avion to explore the peptide's potential in other auto-immune diseases for the US market.

ImmuPharma retains the rights to Lupuzor™ for all territories outside of the US and positive discussions with a number of potential commercial partners of Lupuzor™ in other key territories outside of the US are continuing.

In light of the recently emerged Covid-19 outbreak, the Company has put in place the following mitigating measures against medium term plans, detailed in the Note 4.

Lupuzor™ Phase III open label extension results

Following requests from both investigators and patients involved in the Phase III trial completed in 2018, ImmuPharma initiated an additional clinical trial permitting patients who participated in the Phase III study, to receive Lupuzor™ plus Standard of Care for six months in an open label study. The results were gathered as an "extension" open label study, independent of the pivotal Phase III trial. The study results announced in June 2019, confirmed that the primary endpoint, which was the safety and tolerability of Lupuzor™, were successfully met.

The open label extension study followed the pivotal Phase III clinical trial for Lupuzor™, the results of which were announced in April 2018. The data showed that Lupuzor™ demonstrated a superior response rate over the placebo (52.5% vs 44.6% "responders") in the primary analysis on the Full Analysis Set of all 202 patients. However, due to the high response rate in the placebo group, this superior response did not allow statistical significance to be reached ($p = 0.2631$) and the trial's primary end point was not met. However, importantly, in patients who were anti-dsDNA autoantibody positive (a recognised biomarker for Systemic Lupus Erythematosus ('SLE'), Lupuzor™ plus Standard of Care demonstrated a higher superior response rate over placebo plus Standard of Care (61.5% vs 47.3%). In the European cohort (Europe and Mauritius), the difference was higher (71.1% vs 48.8%) and reached statistical significance ($p=0.0218$). In addition, 7.5% of the patients in the Lupuzor™ plus Standard of Care group went into full remission versus none in the placebo plus Standard of Care group. The study confirmed the outstanding safety profile of Lupuzor™, with zero drug-related serious adverse events reported in the Lupuzor™ plus Standard of Care group.

Scientific literature indicates that approximately 60% - 70% of patients diagnosed for lupus are anti-dsDNA autoantibody positive. These proportions were seen in the Europe cohort (60.8% of patients) and could therefore be considered as representative of the overall lupus population. In those patients who were anti-dsDNA autoantibody negative, there was almost no difference in disease activity reduction between the active group and the comparator group. Anti-dsDNA autoantibodies are a recognised biomarker for Systemic Lupus Erythematosus.

This finding indicates that the activity of Lupuzor™ could be correlated with the presence of anti-dsDNA autoantibodies in lupus patients. ImmuPharma believes that predictive biomarkers, such as anti-dsDNA autoantibodies, could allow identification of patients that are more likely to respond positively to treatment with Lupuzor™.

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Chairman's Report (continued)

Lupuzor™ – Opportunity and next steps

There are an estimated five million people globally suffering from lupus, with approximately 1.5 million patients in the US, Europe and Japan (Source: Lupus Foundation of America). Current 'standard of care' treatments, including steroids and immunosuppressants, can potentially have either serious side effects for patients or limited effectiveness, with over 60 per cent of patients not adequately treated.

ImmuPharma believes Lupuzor™ has the potential to be a novel specific drug therapy for the treatment of Lupus by specifically modulating the immune system and halting disease progression in a substantial proportion of patients. Lupuzor™ has a unique mechanism of action that modulates the activity of CD4 T-cells which are involved in the cell-mediated immune response which leads to the lupus disease. Lupuzor™, taken over the long term, as indicated in earlier stage clinical trials, has the potential to prevent the progression of lupus rather than just treating its symptoms, with the rest of the immune system retaining the ability to work normally.

The Board is confident that there are a number of routes to market for Lupuzor™, including corporate collaborations. Such a collaboration was successfully completed at the end of November 2019, resulting in a signed exclusive Trademark, License and Development Agreement with Avion Pharmaceuticals LLC ("Avion") in North America. Positive discussions with a number of potential commercial partners for Lupuzor™ in key territories outside of the US are continuing.

Agreement with Avion Pharmaceuticals LLC

On 28 November 2019 Avion Pharmaceuticals LLC ("Avion") and ImmuPharma signed a Trademark, License and Development Agreement ("Agreement") for the exclusive rights to Lupuzor™ in North America (United States).

With important insights gained from the initial pivotal Phase III Lupuzor™ trial concluded by ImmuPharma in 2018, a new Phase III clinical trial design with Avion has been identified. The ability to select the most responsive patients by biomarker profile has enabled Avion and ImmuPharma to agree the most robust way forward for Lupuzor™ in lupus patients. The Agreement allows completion of this new optimised international Phase III trial. Avion and ImmuPharma have assessed and agreed an expected level of funding required to complete the international Phase III trial, which Avion has agreed to fund in full up to $25 million, in return for full licensing rights over the drug within the US. ImmuPharma will receive milestone payments of up to $70 million, of which $5 million payment will be paid on regulatory approval and a further $65 million will be based on achievement of overall sales targets. Additionally, ImmuPharma will receive from Avion double-digit royalties up to 17%, according to pre-specified annual US sales targets. Avion and ImmuPharma will co-develop Lupuzor™ to allow registration for marketing in the United States, Europe and elsewhere. Avion will commercialise Lupuzor™ in the United States exclusively.

Avion also has the right to explore clinical development for other auto-immune indications within US territories. Additional milestone payments of $5 million will be paid to ImmuPharma for each disease indication, outside of lupus, receiving regulatory approval. All existing clinical data and any future joint Intellectual Property will be shared between the two parties for their respective regions. ImmuPharma retains all rights to commercialise Lupuzor™ outside of the US, either through commercial partnerships or directly by ImmuPharma.

Avion Pharmaceuticals LLC

Established in 2007, Avion is a US-based speciality pharmaceutical company formed to develop, acquire and market a portfolio of innovative pharmaceutical products in Women's Health and other therapeutic categories. Avion has a deep in-house expertise within medical and regulatory affairs and late-stage clinical development, together with a strong marketing and commercialisation operation. Avion's sales team reaches throughout North America with more than 100 sales representatives with significant specialist therapeutic experience. Since 2012, Avion has launched more than 55 New Drug Candidates (NDCs) and 20+ generic product extensions. Avion's launch earlier this year of a new gout product (Gloperba®) for adults is an excellent sales and marketing fit for the

future commercialisation of Lupuzor™, as rheumatologists are the core prescribers and therapeutic influencers in both gout and lupus.

Post review period

On 30 March 2020 ImmuPharma confirmed that its partner Avion had strengthened its team of advisors for the Phase III trial, entering into a collaboration with a leading lupus patient group and the formation of a Board of Key Opinion Leaders all of whom are senior respected consultants within the lupus and autoimmune community in the US and Europe.

Centre National de la Recherche Scientifique (CNRS)

ImmuPharma continues to have important collaboration arrangements with the Centre National de la Recherche Scientifique (CNRS), the French National Council for Scientific Research and the largest basic research organisation in Europe. This is where Lupuzor™ was invented by Prof. Sylviane Muller, Research Director at the CNRS. Through this partnership, CNRS will be entitled to receive from ImmuPharma, low double-digit royalty payments of funds received by ImmuPharma from Avion through the Licence and Development Agreement.

Pipeline Overview

ImmuPharma's pipeline includes novel peptide-based therapeutics within four therapy areas: Autoimmunity; Anti-Infectives; Metabolism and Cancer.

Autoimmunity / Lupuzor™ / Forigerimod / P140 Platform

Lupuzor™, is also known by its chemical name *'Forigerimod' or 'P140'*. Outside of Lupuzor™ for lupus, ImmuPharma in conjunction with the CNRS are exploring opportunities on expanding into other autoimmune indications, as demonstrated by Lupuzor's™, strong efficacy and safety profile and by its mechanism of action.

Certain autoimmune indications, outside of lupus, have the potential for Orphan Drug designation. One disease of key interest to ImmuPharma's team is Chronic Inflammatory Demyelinating Polyneuropathy ("CIDP"). CIDP is a neurological disorder targeting the body's nerves. Further assessment continues with the objective of moving CIDP forward into a Proof of Concept study, based on the strong data already gained within ImmuPharma's lupus dossier.

Nucant and Peptide program combined to form Ureka Pharma SAS

On 15 February 2020, the Company combined its two subsidiaries, Ureka Pharma SAS ('Ureka') and Elro Pharma SARL ('Elro') into one entity Ureka Pharma SAS ("Ureka Pharma"). The intention of this is to maximise value from the combined entity whilst retaining an interest in any future commercial success. Within this newly formed entity, and as further announced in a R&D update on 30 March 2020, there are three therapy areas: Cancer, Metabolism and Anti-Infectives.

Cancer

Within this therapy area is ImmuPharma's Nucant cancer program, IPP-204106, which is focused on combination cancer therapy approaches. A grant was awarded by the EU to different EU partners (€7 million total with €430k awarded to ImmuPharma) to develop the Nucants in combination with cytotoxic drugs linked to a solid support. The molecule has also shown promising results in ophthalmology (age-related macular degeneration) models.

Metabolism & Urelix™ technology

This therapy area has been developing lead compounds from its novel and patented peptide technology platform Urelix™. The laboratories are based at the Institut Europeen de Chimie et Biologie (IECB) in Bordeaux, France, which is under the joint authority of the CNRS, Inserm and the University of Bordeaux.

ImmuPharma plc

Chairman's Report (continued)

Urelix™ is focusing on oligourea foldamers as a tool to improve the pharmaceutical properties of peptides. One of the first focus areas has been GLP-1 analogues for the treatment of Type II diabetes and NASH (Non-Alcoholic-Steato-Hepatitis) as proof of concept for its technology. In February 2019, the peer reviewed scientific research journal 'Nature Communications' published a paper on this technology.

Further applications of the Urelix™ technology include protein/protein interactions, notably in cancer, and improvement of marketed efficacious peptides allowing additional long lasting patent protection, paving the way for a life cycle management franchise. Novel patented technologies are also currently implemented to cover other aspects of the improvement of peptides including potential oral delivery. Peptides have gained so much attention in the last decade that they are now part of the main strategies, along with small molecules and biologics, for developing new medicines.

Metabolism | 'BioGlucagon' (new program)

ImmuPharma announced on 30 March 2020 that it has developed a new product, BioGlucagon, as a potential new rescue therapy for low sugar events in diabetes. Existing glucagon products have poor solubility and are inconvenient with variable dosing due to poor solubility creating risks for patients. BioGlucagon has 100% solubility, can be formulated in pre-filled syringe pens and could be used in insulin pumps. The next step will be to progress towards a bio equivalence study for BioGlucagon, which if successful could result with a potential market launch date in 2022. Partnering discussions will now progress in parallel.

Anti-Infectives (new therapy area)

As also announced on 30 March 2020, ImmuPharma has recently started exploring opportunities in research and development of anti-viral, anti-fungal and anti-bacterial programs.

Of specific interest is within anti-fungal. ImmuPharma has recently developed BioAMP-B, a novel peptide-based drug that offers a potential improvement on Amphotericin-B ("Amp-B"). Amp-B is one of the few effective treatments for many serious and life threatening fungal infections such as aspergillosis (lung infection). However, the leading AMP-B, 'Ambisome' is known to cause serious kidney toxicity in 14-15% of patients. ImmuPharma's BioAMP-B's target profile has a superior safety profile to Ambisome. Sales of Ambisome in 2019 were $407 million. The next step is lead candidate optimisation and in parallel opening up partnering discussions.

Capital Subscription

In June 2019, as part of a placing that raised, in aggregate, £2.66 million (before expenses) ImmuPharma issued 26,565,200 new ordinary shares to Lanstead Capital Investors LP ('Lanstead') at a price of 10p per share for £2.66 million. All of the shares with full voting rights were allotted to Lanstead on 2 July 2019. ImmuPharma simultaneously entered into a Sharing Agreement with Lanstead for 100% of these shares with a reference price of 13.33p per share price. The Sharing Agreement is for a 24 month period. The actual consideration is variable depending upon ImmuPharma's share price and provides the opportunity for ImmuPharma to benefit from a positive future share price performance. On 2 July 2019, ImmuPharma also issued, in aggregate, a further 1,328,290 new ordinary shares to Lanstead as a value payment in connection with entering into the Sharing Agreement. At the end of financial year 2019, the fair value of Lanstead derivative financial asset was recalculated, resulting in finance gain of £58k.

Post review period

On 30 March 2020 ImmuPharma announced subscriptions to raise £1.5 million (the "Subscriptions") through the issue of 15,000,000 new ordinary shares of 10 pence each in ImmuPharma ("Ordinary Shares") (the "Subscription Shares") at a price of 10p per Ordinary Share ("Issue Price"). The Subscriptions comprise a £200,000 subscription from Dr Robert Zimmer, (Director, President & Chief Scientific Officer of ImmuPharma) through Luca and Associates AG ("Luca") (a company to which he is connected) and a further £1.3 million subscription with Lanstead", an institutional investor and substantial shareholder, together with a related Sharing Agreement, to raise in aggregate £1.5 million before expenses.

The subscriptions from Lanstead represent further supportive investments in the Company by Lanstead following the £4.43 million investment in February 2016, from which the Company ultimately received just over £5.0 million from Lanstead including the additional funds received through the Sharing Agreement over time.

These funding initiatives had been undertaken in order to further strengthen the Company's financial position and to support further investment in ImmuPharma's research and development "R&D" programs.

Dual Listing on Euronext Growth Brussels

On 19 December 2019 ImmuPharma's shares were admitted to trading on Euronext Growth Brussels ("Euronext") under ticker 'ALIMM'. The intention of this listing was to further increase the visibility of ImmuPharma's shares in continental Europe where the Company is conducting its operational activities in France and Switzerland. It also allowed ImmuPharma to join the number one European stock exchange for Life Sciences and the world's second biggest for biotech companies after the United States.

Interest in Incanthera plc

In September 2018, ImmuPharma signed a Heads of Terms agreement with Incanthera Ltd "Incanthera" regarding a potential collaboration on the Nucant program. Discussions were ultimately terminated. At the same time, ImmuPharma invested £2 million to purchase 363,637 shares at £5.50 per share in Incanthera and received warrants for a further 363,637 shares at £5.50. This investment represented a holding of approximately 15% in Incanthera in 2018.

On 26 February 2020 Incanthera entered into Share Exchange Agreement with its shareholders, whereby each shareholder in Incanthera agreed to exchange their original shares for shares in the new Company – Incanthera Plc, resulting in the allotment of 48,564,280 ordinary shares.

On 28 February 2020 Incanthera's shares were admitted to trading on Aquis Stock Exchange ("AQSE", formerly NEX Exchange) under the ticker (TIDM: INC). Following Admission to trading, ImmuPharma retains 7,272,740 (from 363,637 held previously, subject of 1:20 sub-division) ordinary shares in Incanthera, representing 11.9% of Incanthera's enlarged issued ordinary share capital. As for all Incanthera's major shareholders, ImmuPharma has entered a standard "lock-in" agreement for these shares, for a period up to 12 months following Admission.

ImmuPharma also has 7,272,740 warrants at an exercise price of 9.5p pence, being the price at which new shares have been issued in the Placing accompanying Incanthera's listing ("Issue Price").

In addition, ImmuPharma has entered into a Subscription Agreement with Incanthera. Under the Subscription Agreement, ImmuPharma has the right, at any time prior to 31 October 2020, to subscribe for 2,631,579 new Ordinary Shares in Incanthera at the Issue Price (an amount of £250,000). Should ImmuPharma not exercise their right to subscribe by 31 October 2020, Incanthera may serve notice to ImmuPharma requiring exercise within 10 business days.

As a major shareholder ImmuPharma remains supportive of Incanthera and its diverse oncology pipeline but is especially excited of the potential near term commercialisation of Incanthera's lead product Sol, for skin cancer and other topical indications.

Current Activities and Outlook

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, knowhow, collaborations and funding, including taking into account risks related to Covid-19 outbreak. In the medium term, we remain focussed on achieving the full regulatory approval of Lupuzor™ in conjunction with our US partner, Avion, which we believe has the potential to be a ground breaking drug for lupus patients with blockbuster potential in commercial terms. Both companies are focused on expediting Lupuzor™ into a new optimised

international Phase III study. Avion's strengthening of its team of advisors to include a collaboration with a leading lupus patient group and the formation of KOLs, all of whom are senior respected consultants within the lupus and autoimmune community in the US and Europe, only enhances this strategy. In parallel, discussions are continuing with a number of potential commercial partners for Lupuzor™ outside of the US.

"Within the P140 Lupuzor™ platform and having confidence in the data gained from the lupus trials already completed, we can see real opportunities by expanding the disease targets and are now focussing our efforts on a Proof of Concept study in CIDP patients."

"In also broadening our R&D programs (with additional investment from Lanstead and Dr Robert Zimmer), through newly formed entity Ureka Pharma SAS, we are excited by the potential of our anti-fungal Bio-AMP-B therapy and our new BioGlucagon program, both have the potential of progressing quickly through initial bio-equivalence trials whilst in parallel opening up discussions for potential partnering opportunities. These initiatives continue to create further opportunities in the medium to long term to enhance shareholder value."

"We are in a new chapter within ImmuPharma's history, with the investment thesis for the Company and specifically Lupuzor™ being repositioned and we look forward to providing further updates on progress with shareholders over the next period."

"Lastly, the Board would like to thank its shareholders, including Lanstead for their support as well as its staff, corporate and scientific advisers and our partners including Simbec-Orion, CNRS and our new partner for Lupuzor™, Avion for their continued efforts and collaborative expertise."

Tim McCarthy
Non-Executive Chairman

Financial Review

The financial results of the ImmuPharma plc Group in this report cover the year ended 31 December 2019. The Group principal activity is that of research and development of novel drugs to treat serious medical conditions.

Income Statement

The operating loss for the year ended 31 December 2019 was £6.3 million, down from £8.1 million for the year ended 31 December 2018. The research and development expenditure was £2.7 million, substantially down from £4.7 million in 2018. Administrative expenses were £1.8 million (2018: £1.7 million). Fair value loss of £1.3 million (2018: Nil) on investment in Incanthera has been charged to Statement of Comprehensive Income. Finance income has decreased from £130k in 2018 to £64k in 2019. Finance costs amounted to £527k, up from £5k in 2018. Total comprehensive loss for the year was £7.0 million, a decrease from £7.3 million in 2018.

Statement of Financial Position

The Group cash and cash equivalents at 31 December 2019 amounted to £1.4 million (2018: £4.9 million). Financial borrowings were £27k (2018: £121k). This balance is primarily the conditional advance from the French Government for use in the development of our cancer program. No interest is payable.

In June 2019, ImmuPharma signed a subscription agreement with Lanstead, raising approximately £2.66 million, spread over 24 months. At 31 December 2019 Lanstead derivative financial asset amounted to £2.3 million (2018: £Nil). Investment in Incanthera amounted to £691k (2018: £2.0 million).

Results

The Group recorded a loss for the year of £6.1 million (2018: £7.2 million). Basic and diluted loss per share was 3.99p (2018: 5.19p). In accordance with the Group's loss making position no dividend is proposed.

Total Voting Rights

The Company has a total of 167,360,920 ordinary shares in issue at 31 December 2019 with each share carrying the right of one vote.

Treasury Policy

The policy continues to be that surplus funds of the Group are held in interest-bearing bank accounts on short or medium maturities, until commitments to future expenditure are made, when adequate funds are released to enable future expenditure to be incurred. The Group's Treasury Policy and controls are straightforward and approved by the Board.

Financial Strategy

The overall strategy is to maintain a tight control over cash resources whilst enabling continued progress of the Company's development assets.

Company Secretary Role

In April 2020, ImmuPharma appointed Orana Corporate LLP "Orana" as Company Secretary. Orana is a boutique corporate advisory and service practice. Their team consists of Chartered Accountants and Corporate Finance professionals (FINSIA), all of whom have extensive experience dealing with quoted and private companies operating in variety sectors and jurisdictions.

On behalf of the Board
Dimitri Dimitriou
Director

ImmuPharma plc

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Continuing operations			
Revenue		77,925	81,281
Other operating income		119,901	-
Research and development expenses		(2,664,550)	(4,697,284)
Administrative expenses		(1,831,395)	(1,660,408)
Share based expense		(1,983,525)	(1,803,769)
Operating loss		(6,281,644)	(8,080,180)
Finance costs		(526,734)	(4,783)
Finance income		64,014	129,808
Loss before taxation		(6,744,364)	(7,955,155)
Tax		620,774	748,606
Loss for the year		(6,123,590)	(7,206,549)
Attributable to:			
Equity holders of the parent company		(6,123,590)	(7,206,549)
Loss per ordinary share			
Basic and diluted	2	(3.99)p	(5.19)p

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Loss for the financial year	(6,123,590)	(7,206,549)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Fair value loss on investments	(1,309,090)	-
Exchange differences on translation of foreign operations	438,810	(88,256)
Other comprehensive loss for the year, net of tax	(870,280)	(88,256)
Total comprehensive loss for the year	(6,993,870)	(7,294,805)

ImmuPharma plc

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Notes	31 December 2019 £	31 December 2018 £
Non-current assets			
Intangible assets		478,960	483,039
Property, plant and equipment		206,744	164,661
Derivative financial asset		843,147	-
Financial asset		690,910	2,000,000
Total non-current assets		2,219,761	2,647,700
Current assets			
Trade and other receivables		153,609	331,487
Derivative financial asset		1,456,714	-
Cash and cash equivalents		1,364,840	4,911,448
Current tax asset		606,157	767,121
Total current assets		3,581,320	6,010,056
Current liabilities			
Financial liabilities - borrowings		(26,778)	(98,340)
Trade and other payables		(505,089)	(913,907)
Total current liabilities		(531,867)	(1,012,247)
Net current assets		3,049,453	4,997,809
Non-current liabilities			
Financial liabilities - borrowings		-	(22,470)
Net assets		5,269,214	7,623,039
EQUITY			
Ordinary shares		16,736,093	13,946,744
Share premium		27,187,316	27,320,145
Merger reserve		106,148	106,148
Other reserves		1,430,337	(991,998)
Retained earnings		(40,190,680)	(32,758,000)
Total equity		5,269,214	7,623,039

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital £	Share premium £	Merger reserve £	Other reserves - Acquisition reserve £	Other reserves - Translation reserve £	Other reserves - Equity shares to be issued £	Retained earnings £	Total equity £
At 1 January 2018	13,252,299	18,728,519	106,148	(3,541,203)	(1,701,241)	2,281,427	(25,551,451)	3,574,498
Loss for the financial year	-	-	-	-	-	-	(7,206,549)	(7,206,549)
Exchange differences on translation of foreign operation	-	-	-	-	(88,256)	-	-	(88,256)
Transactions with owners:								
Share based payments	-	-	-	-	-	2,057,275	-	2,057,275
New issue of equity capital	694,445	9,305,555	-	-	-	-	-	10,000,000
Costs of new issue of equity capital	-	(713,929)	-	-	-	-	-	(713,929)
At 31 December 2018	13,946,744	27,320,145	106,148	(3,541,203)	(1,789,497)	4,338,702	(32,758,000)	7,623,039
Loss for the financial year	-	-	-	-	-	-	(6,123,590)	(6,123,590)
Exchange differences on translation of foreign operations	-	-	-	-	438,810	-	-	438,810
Transactions with owners:								
Share based payments	-	-	-	-	-	1,983,525	-	1,983,525
New issue of equity capital	2,789,349	-	-	-	-	-	-	2,789,349
Costs of new issue of equity capital	-	(132,829)	-	-	-	-	-	(132,829)
Fair value loss on investments	-	-	-	-	-	-	(1,309,090)	(1,309,090)
At 31 December 2019	16,736,093	27,187,316	106,148	(3,541,203)	(1,350,687)	6,322,227	(40,190,680)	5,269,214
Attributable to:-								
Equity holders of the parent company	16,736,093	27,187,316	106,148	(3,541,203)	(1,350,687)	6,322,227	(40,190,680)	5,269,214

ImmuPharma plc

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Cash flows from operating activities			
Cash used in operations	3	(4,963,710)	(5,606,138)
Tax received		746,369	889,787
Interest paid		(4,045)	(4,783)
Net cash used in operating activities		(4,221,386)	(4,721,134)
Investing activities			
Purchase of property, plant and equipment		(107,111)	(102,880)
Purchase of investments		-	(2,000,000)
Interest received		5,743	12,491
Net cash generated/(used) in investing activities		(101,368)	(2,090,389)
Financing activities			
Decrease in bank overdraft		(14)	(72)
Loan repayments		(89,205)	(138,809)
Settlements from Sharing Agreement		414,930	-
Gross proceeds from issue of new share capital		2,656,520	10,000,000
Share capital issue costs		-	(713,929)
Funds deferred per Sharing Agreement		(2,656,520)	-
Net cash generated from financing activities		325,711	9,147,190
Net (decrease)/increase in cash and cash equivalents		(3,997,043)	2,335,667
Cash and cash equivalents at beginning of year		4,911,448	2,729,468
Effects of exchange rates on cash and cash equivalents		450,435	(153,687)
Cash and cash equivalents at end of year		1,364,840	4,911,448

ImmuPharma plc

1 BASIS OF PREPARATION

The financial information set out in this announcement does not comprise the Group's statutory accounts as defined in section 434 of the Companies Act 2006 for the year ended 31 December 2019 or 31 December 2018.

The financial information has been extracted from the statutory accounts for the years ended 31 December 2019 and 31 December 2018. The auditors reported on those accounts; their reports were unqualified and did not contain a statement under either Section 498(2) or Section 498(3) of the Companies Act 2006 in respect of the years ended 31 December 2019 and 31 December 2018. For the year ended 31 December 2019 it did include emphasis of matter paragraphs relating to going concern and the carrying value of Parent Company's investment in subsidiaries and receivables due from group undertakings. For the year ended 31 December 2018, it did include an emphasis of matter paragraph relating to the uncertainty over Investment in Incanthera and carrying value of Parent Company's investment in subsidiaries and Parent Company's receivables due from group undertakings. The Group's statutory accounts for the year ended 31 December 2018 have been delivered to the Registrar of Companies, whereas those for the year ended 31 December 2019 will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

The accounting policies are consistent with those applied in the preparation of the interim results for the period ended 30 June 2019, which have been prepared in accordance with International Financial Reporting Standards ('IFRS'). The accounting policies are also consistent with the statutory accounts for the year ended 31 December 2018, with the exception of IFRS 16 Leases, which is a new standard applicable and mandatory for the year ended 31 December 2019. The new standard did not have a material impact on the statutory accounts for the year ended 31 December 2019.

The financial information is for the year ended 31 December 2019 and the comparatives are for the year ended 31 December 2018.

The Group's statutory accounts incorporate the financial statements of ImmuPharma plc and other entities controlled by the company ("the subsidiaries"). The control principle in IFRS 10 sets out the following three elements of control: power over the investee; exposure, or rights, to variable returns from involvement with the investee; and. the ability to use power over the investee to affect the amount of those returns. The financial statements of these other entities cease to be included in the Group financial statements from the date that control ceases.

2	LOSS PER SHARE - Group	Year ended 31 December 2019 £	Year ended 31 December 2018 £
	Loss		
	Loss for the purposes of basic loss per share being net loss after tax attributable to equity shareholders	(6,123,590)	(7,206,549)
	Number of shares		
	Weighted average number of ordinary shares for the purposes of basic earnings per share	153,452,385	138,839,576
	Basic loss per share	(3.99)p	(5.19)p
	Diluted loss per share	(3.99)p	(5.19)p

There is no difference between basic loss per share and diluted loss per share as the share options are anti-dilutive.

3 CASH USED IN OPERATIONS

	Group 31 December 2019 £	Group 31 December 2018 £
Operating loss	(6,281,644)	(8,080,180)
Depreciation and amortisation	88,038	133,080
Share-based payments	1,983,525	2,057,275
(Increase)/decrease in trade and other receivables	177,878	404,725
Increase/(decrease) in trade and other payables	(408,818)	15,151
Increase/(decrease) in provisions	-	(253,506)
(Gain)/loss on foreign exchange	(522,689)	117,317
Cash used in operations	(4,963,710)	(5,606,138)

4 SUBSEQUENT EVENTS

On 15 February 2020, following a review of options for progressing other ImmuPharma programs, the Company combined its two subsidiaries, Ureka Pharma SAS ('Ureka') and Elro SARL ('Elro') into one entity Ureka Pharma SAS. The intention of this is to maximise value from the combined entity whilst retaining an interest in any future commercial success.

On 28 February 2020 Incanthera's shares were admitted to trading on AQSE under the ticker (TIDM: INC). Following Admission to trading, ImmuPharma retains 7,272,740 (from 363,637 held previously) ordinary shares in Incanthera, representing 11.9% of Incanthera's enlarged issued ordinary share capital. As for all Incanthera's major shareholders, ImmuPharma has entered a standard "lock-in" agreement for these shares, for a period up to 12 months following Admission.

ImmuPharma also has 7,272,740 warrants at an exercise price of 9.5p pence, being the price at which new shares have been issued in the Placing accompanying Incanthera's listing ("Issue Price").

In addition, ImmuPharma has entered into a Subscription Agreement with Incanthera. Under the Subscription Agreement, ImmuPharma has the right, at any time prior to 31 October 2020, to subscribe for 2,631,579 new Ordinary Shares in Incanthera at the Issue Price (an amount of £250,000). Should ImmuPharma not exercise their right to subscribe by 31 October 2020, Incanthera may serve notice to ImmuPharma requiring exercise within 10 business days.

Due to this post balance sheet event, the Company' investment in Incanthera has been reassessed and the Company concluded that the fair value of this investment has decreased from £2m to £691k with the loss of £1.3m recorded in other comprehensive income.

On 30 March 2020 the Company announced subscriptions to raise £1.5 million (the "Subscriptions") through the issue of 15,000,000 new ordinary shares of 10 pence each in the Company ("Ordinary Shares") (the "Subscription Shares") at a price of 10p per Ordinary Share ("Issue Price"). The Subscriptions comprise a £200,000 subscription from Dr Robert Zimmer, (Director, President & Chief Scientific Officer of ImmuPharma) through Luca and Associates AG ("Luca") (a company to which he is connected) and a £1.3 million subscription with Lanstead"), an institutional investor and substantial shareholder, together with a related Sharing Agreement, to raise in aggregate £1.5 million before expenses.

The Covid-19 outbreak can cause some short term disruptions to ImmuPharma operations. The Group assessed its impact, (including going concern) taking into account its cash reserves, secured phase III trial funding for Lupuzor™ and its product expansion into anti-infective therapies. As the outbreak happened after the year end, the Group concluded that Covid-19 is not being treated as an adjusting event.