

**ImmuPharma PLC**

("ImmuPharma" or the "Company")

**STRATEGIC INVESTMENTS FROM TWO SPECIALIST US HEALTHCARE INVESTORS****for continued development of ImmuPharma's therapeutic pipeline**

ImmuPharma PLC (LSE AIM: IMM – Euronext Growth: ALIMM), the specialist drug discovery and development company, is pleased to announce that it has entered into agreements with two specialist US healthcare investors for a total investment of up to \$6.30 million (£4.94 million) comprising an issue of unsecured convertible securities ("Securities") and associated options ("Options").

**Highlights**

- ImmuPharma is to issue \$3 million (£2.35 million) in face value of Securities to two US specialist healthcare investors, L1 Capital Global Opportunities Master Fund and Lind Global Macro Fund LP, managed by The Lind Partners, LLC ("the Investors") with a maturity period of 18 months.
- At any time, during the maturity period, the Investors may convert their Securities (in whole or in part) to 13,086,619 ordinary shares in the Company, in aggregate, at a price of 17.96p ("Conversion Price") which is equivalent to 120% of the Volume Weighted Average Price ("VWAP") of the ordinary shares for 09 June 2020.
- During the maturity period, the Company may require the investors to convert their securities to ordinary shares, if the VWAP on each of at least 20 consecutive trading days shall be equal to or have exceeded 35.92p (200% of the Conversion Price).
- Should any securities remain unconverted on 10 December 2021 the Company will repurchase, from the Investors, the outstanding face value of the unconverted Securities.
- In addition, the Investors have been granted 15,703,942 Options in the Company, which may be exercised at any time up to 3 years, with an exercise price the same as the Conversion Price, which, if all exercised, would amount to \$3.60 million (£2.82 million).
- The initial net proceeds of the Securities (after subscription and expenses) received by the Company of \$2.39 million (£1.87 million) and any additional funds received of up to \$3.60 million (£2.82 million), following exercise of the Options, will be used primarily to fund:
  - Continued expansion of the Company's R&D programmes; and
  - General working capital.

**Commenting, ImmuPharma's Chairman, Tim McCarthy, said:**

*"We are delighted to welcome L1 Capital Global Opportunities Master Fund and Lind Global Macro Fund LP as new investors into ImmuPharma. This is the first significant investment from specialist US healthcare funds and illustrates the attention we are now receiving from knowledgeable global investors. It particularly exemplifies the strengthened investment thesis of ImmuPharma, as we continue to strengthen and progress our recently expanded development pipeline to value inflexion points, including Lupuzor™ and the partnership with Avion Pharmaceuticals, as we prepare for the start of a new international optimised Phase III trial, in lupus patients".*

***This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 ("MAR"). In addition, market soundings (as defined in MAR) were taken in respect of the Subscription with the result that certain persons became aware of inside information (as defined in MAR), as permitted by MAR. This inside information is set out in this Announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to the Company and its securities.***

For further information please contact:

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## **Further information on the Securities**

**Subscription Price:** The Securities will be subscribed at 90% of face value.

**Fee:** 3% of the face value of the Securities, payable in cash.

**Interest:** 10% p.a., payable quarterly in arrears.

**Legal Fees:** The Company has paid the Investors' legal fees of \$35k.

**Financial Advisor Fee:** 7% of the net receipts of the Securities equalling \$189k.

**Maturity:** Unless converted, the Securities are repayable at face value on 10 December 2021.

**Right of Participation:** The Investors have a right of participation of 30% in any subsequent financings conducted by the Company for a period of 18 months to 10 December 2021.

**Early Repurchase Event:** Should the Company conduct any subsequent equity or debt financing, the Investors may require the Company to repurchase any unconverted Securities, to the value of up to 25% of the gross proceeds of the financing, at 105% of face value. In the event that the Investors have not converted their Securities or have had their Securities repurchased up to a cumulative amount of \$500,000 by 10 December 2020, then the Investors may require the repurchase of any outstanding amount up to \$500,000 in aggregate.

**Early Repurchase Event:** As a provision in the agreements, in the event that the Company completes a Nasdaq listing during the maturity period, the Investors may require the Company to repurchase any unconverted Securities at 105% of face value. Alternatively, the Investors may effect a conversion of any unconverted Securities at a 10% discount to the Nasdaq listing price.

## **Additional Information**

- Tribal Capital Markets, LLC acted as financial advisor for the transaction. Allele Capital Partners through Tribal Capital Markets, LLC was responsible for sourcing and executing the offering.
- Following on from entering into these agreements, the Company will be entering into a Strategic Advisory agreement with Allele Capital Partners ("Allele"), under the terms of which their compensation will include the issuance to Allele of ordinary shares to the value of \$140k, calculated on the VWAP of the ordinary shares for the 30 days prior to signature. Once allotted a further announcement will be made and an application will be made for those shares to be admitted to trading on AIM.
- As of today's date, (prior to any conversion of the Securities or the exercise of the Options) the number of ordinary shares in issue remains unchanged at 183,010,920 Ordinary Shares (nominal value £18,301,092).
- There will be no changes or amendments to the two existing Sharing Agreements with Lanstead Capital Investors L.P. as a result of entering into these agreements announced today.

## **Notes to Editors**

### **About ImmuPharma PLC**

ImmuPharma PLC (LSE AIM: IMM – Euronext Growth: ALIMM) is a specialty biopharmaceutical company that discovers and develops peptide-based therapeutics. The Company's portfolio includes novel peptide therapeutics for autoimmune diseases, metabolic diseases, anti-infectives and cancer. The lead program, Lupuzor™, is a first-in class autophagy immunomodulator which is in Phase III for the treatment of lupus and preclinical analysis suggest therapeutic activity for many other autoimmune diseases that share the same autophagy mechanism of action. ImmuPharma and Avion Pharmaceuticals signed on 28 November 2019, an exclusive licence and development agreement and trademark agreement for Lupuzor™ to fund a new international Phase III trial for Lupuzor™ and commercialise in the US. For additional information about ImmuPharma please visit [www.immupharma.com](http://www.immupharma.com). ImmuPharma's LEI (Legal Entity Identifier) code: 213800VZKGHXC7VUS895.

### **About L1 Capital Global Opportunities Master Fund**

The L1 Capital Global Opportunities Master Fund invests in small and mid-cap companies around the world and is a prominent investor in US listed healthcare companies.

### **About The Lind Partners, LLC**

The Lind Partners is an institutional fund manager and leading provider of growth capital to small- and mid-cap companies publicly traded in the US, Canada, Australia and the UK. Lind targets high growth sectors such as technology, biotech, clean-tech, mining and oil & gas. Founded in 2011, Lind has completed over 70 direct investments for more than \$850 million in total value and has an established reputation as a flexible and supportive capital partner to investee companies.