RNS | 29 SEPTEMBER 2021

ImmuPharma PLC

("ImmuPharma", the "Company" or the "Group")

CORPORATE UPDATE

ImmuPharma PLC (LSE:IMM; Euronext Growth Brussels: ALIMM), the specialist drug discovery and development company, is pleased to provide an update in respect to a number of corporate and scientific activities within the business over the last period.

Introduction

Following the major change in our managerial and Board structure over the last couple of months, the new Board has conducted a full appraisal of the product development portfolio and the underlying Group corporate structure.

The purpose of this comprehensive appraisal was to recognise the limited progress of the Company's product development portfolio outside of Lupuzor™ for lupus over the last three years and identify the reasons for this. More importantly, it sought to identify how changes to the organisation and decision-making processes of the Company could lead to more positive outcomes going forward, creating in the longer term, an increase in shareholder value.

The Board acknowledges the need to reconcile past endeavors to current and more inspirational and achievable goals over the next period and to present to our shareholders the new vision for ImmuPharma.

Corporate Reorganisation

It is considered that the current corporate structure is too complicated leading to disjointed efforts on product developments, in addition to carrying a cost base which has unnecessary duplication.

It has therefore been decided to merge our two wholly owned French subsidiaries (ImmuPharma France SA and Ureka SAS) into one company, which will be based in our current R&D facility in Bordeaux, France.

The merged company will be renamed ImmuPharma Biotech SAS, reflecting its new role in leading all the R&D activities of the Group. Dr Tim Franklin (Group Chief Operating Officer) will be President of the new company with Dr Sebastien Goudreau (Directeur Generale) leading the team day to day.

One further Swiss based subsidiary (ImmuPharma AG), will be dissolved.

We believe this reorganisation will lead to a much more focused and results oriented product development portfolio (see section on Product Development Portfolio below).

We have also reviewed our dual listing on the Euronext Growth Brussels Exchange ("Euronext"). It is apparent that the vast majority of trading in the Company's shares is through our primary listing on AIM and the management time and costs associated with maintaining the Euronext listing are not considered to be in the best interests of our shareholders. Therefore, we have informed Euronext of

our intention to de-list from their market as soon as possible. We will update shareholders in due course.

In considering all of these initiatives, from 2022 we expect this to result in overall cost savings across the Group of approximately £1.1m per annum, a decrease of over 50% (compared to 2020) in our committed overhead costs (excluding specific R&D project costs). Included in this overall cost saving are reductions in the costs relating to the Board and connected parties, amounting to approximately £0.5m per annum.

Product Development Portfolio

Our review of the R&D activities across the Group has resulted in the Board having the following conclusions:

- There is a depth of scientific knowledge and innovation within the R&D team in Bordeaux and with the new scientific leadership we expect there to be a significant improvement in productivity and achievement of product development targets in the future.

- The need for a focus on those product developments (see below) which offer the highest probability of both scientific and commercial success.

- To concentrate more management time on identifying and concluding commercial collaborations and licensing deals across the product portfolio.

Having assessed our current portfolio and resources the focus will now be on Autoimmunity and Anti-infection and those product developments which offer near-term and commercially viable opportunities:

- **Autoimmunity**

  The increasing knowledge of P140's mode of action and its relevance to many autoimmune and inflammatory conditions provides a depth of disease states for ImmuPharma and its partners to explore in the near future. The therapeutic potential of P140 goes beyond just lupus, with CIDP being the next step. This expanding insight is fundamentally driven by the excellent research partnership between the Company and Prof. Sylviane Muller, inventor of P140 and director of CNRS, France.

    - Lupuzor™ (P140) – now entering a PK study prior to the optimized Phase 3 study in lupus.

    - P140 for Chronic Inflammatory Demyelinating Polyneuropathy ("CIDP"), a neurological disorder targeting the body's nerves. Active preparation for a phase 2/3 clinical study has now been initiated.

    - Further clinical applications based on preclinical investigation include asthma, Sjogrens syndrome, renal inflammation in diabetes and periodontitis.

- **Anti-Infection**

  The innovative peptide technology at ImmuPharma Biotech has recently given rise to a number of novel development programs, out of which we have identified two core programs, in pre-clinical development; BioAMB and BioCin, which we believe have the best commercial opportunity and speed to market.

  - BioAMB, a novel peptide-based drug that offers a potential improvement on the limiting side effects of current Amphotericin-B ("AMB") formulations. AMB is one of a last line of agents against serious and life-threatening fungal infections caused by the aspergillus family of fungi.

  - BioCin**,** a novel peptide-based drug based on an existing potent antibacterial used in high medical need cases. BioCin has the potential to offer improved safety and/or administration benefits.

Interim Results
ImmuPharma today, through a separate announcement, also released its Interim results for the six months ended 30 June 2021.

Commenting on this announcement, Tim McCarthy, CEO and Chairman of ImmuPharma, said:

"*The last few months have seen significant changes in the leadership of the Company and today we are announcing similarly, major changes in the way ImmuPharma will be organised and managed. We have created positive and constructive changes within the business, with a focus on delivery of product development, value added milestones and a much more commercially focused corporate strategy. The new Board, together with the excellent team and collaborators supporting us, are determined to progress the development and commercialisation of all the key assets in our portfolio and to build shareholder value."*

Dr Tim Franklin, COO of ImmuPharma, added: *"I would like to emphasise the importance of the changes made within our R&D team by consolidating all the R&D into a single focused and results driven entity, led by Dr Sebastien Goudreau and his team in Bordeaux. Within our near-term asset portfolio, we are committed to taking Lupuzor™ (P140) into a Phase 3 international study with our US partner Avion, following the completion of the PK study. We are delighted to be working with Prof. Sylviane Muller on P140 for the CIDP program. Her expertise and collaboration has been invaluable and again, with her guidance, we are confident of moving the "autoimmunity" program into other indications, whilst also developing partnering opportunities. Our earlier stage programs, including our anti-infective BioAMB, are now aligned with our internal expertise and commercial viability.*

I am confident that we have the correct balance of internal expertise, collaborators and partners to successfully move ImmuPharma into this next phase and more importantly, delivering value for shareholders."

End

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE UK VERSION OF THE MARKET ABUSE REGULATION NO 596/2014 WHICH IS PART OF ENGLISH LAW BY VIRTUE OF THE EUROPEAN (WITHDRAWAL) ACT 2018, AS AMENDED. ON PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INFORMATION IS CONSIDERED TO BE IN THE PUBLIC DOMAIN.

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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 3 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 3 trial for Lupuzor™ and commercialise in the US.

For additional information about ImmuPharma please visit www.immupharma.co.uk

ImmuPharma's LEI (Legal Entity Identifier) code: 213800VZKGHXC7VUS895.

Definitions & background

PK Study: Clinical pharmacology and pharmacokinetic characterizations of Lupuzor™, prior to commencement of the Phase 3 trial.

The PK study is a Phase I study to assess the presence of Lupuzor™ in the body after administration of a single dose. The study will be carried out in a total of up to 24 healthy male subjects. Dependent on timing of patient recruitment, we anticipate that the PK study will take between 8-12 weeks to complete, from commencement.