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ImmuPharma PLC

("ImmuPharma" or the "Company")

CORPORATE UPDATE
The Evolution of ImmuPharma

ImmuPharma PLC (LSE:IMM), the specialist drug discovery and development company, is pleased to present a comprehensive and detailed update of the significant positive progress achieved since major changes in the Board and Senior Management re-structuring in August 2021.

Key highlights

- Lupuzor™ PK study on track to deliver results in Q1 2022 and to move into Phase 3 thereafter
- P140/Lupuzor™: new proprietary synthesis of P140 giving greater IP protection and cost efficiencies
- P140-CIDP moving into a Phase 2/3 adaptive registration clinical trial in 2022 with anticipated 'orphan drug' designation. Commercial partnering discussions ongoing
- Professor Sylviane Muller & CNRS relationship strengthened to exploit P140 opportunities
- BioAMB: Excellent results from pre-clinical study, with further significant updates anticipated in H1 2022. Commercial partnering discussions ongoing

Introduction

Shortly after the Board and Senior Management re-structuring in August 2021, we published a Corporate Update on 29 September 2021, which detailed our intention to carry out a comprehensive corporate reorganisation of our French and Swiss subsidiaries and to cancel our dual listing on Euronext. We are pleased to confirm that this reorganisation is now largely completed, with our new merged company ImmuPharma Biotech SAS being the Company's only overseas subsidiary, and the cancellation of our Euronext listing occurred on 18 October 2021.

This reorganisation has resulted in achieving our objective of creating a slimmer and more cost effective Company, with the emphasis firmly on a more focused, results orientated product development portfolio. As the next step, we now fully intend to drive ImmuPharma forward with the objective of reaching value inflection milestones in all our key assets as quickly as possible, and to enter into collaborative commercial partnerships, as early as possible, with each product in the portfolio.

Product Development Portfolio

Autoimmunity & Inflammation

P140 is the technology platform, invented by Professor Sylviane Muller and licensed to the Company by our longstanding collaboration partner, the Centre National de la Recherche Scientifique ("CNRS"). The Company has been developing P140 for the treatment of Lupus ("Lupuzor™"), with the underlying hypothesis that P140's mode of action is relevant to many autoimmune and inflammatory conditions.

In the last three months we have made significant positive progress across the whole P140 platform.

- **Lupuzor™**: on 12 August 2021, we announced that the US Food & Drug Administration ("FDA") had approved the commencement of the pharmacokinetic ("PK") study as part of the preparation for the new optimised international Phase 3 trial of Lupuzor™. Since then, we have been working with Avion Pharmaceuticals ("Avion"), our exclusive US partner, our specialist Contract Research Organisation ("CRO"), Simbec Orion together with our three service providers, to prepare for commencement of the study. This has progressed well and in preparing the study drug material, we have taken the opportunity to greatly improve the product characterisation and analytical method validations. This has resulted in a new proprietary synthesis of P140 which gives greater IP protection and lowers the cost of production. Final preparations are now being actioned including updating the Investigational Medicinal Product Dossier ("IMPD").

  Ethics committee approval has been granted and volunteer screening and selection is expected to begin in December 2021, with dosing of volunteers in January 2022. Guided by our CRO, study results are anticipated to be available around the end of Q1 2022. Throughout all these preparations we have been liaising closely with Avion, and on successful completion of the PK study we will be actively moving forward together to commence the international Phase 3 trial of Lupuzor™.

- **P140-CIDP** (Chronic Inflammatory Demyelinating Polyneuropathy): this programme is particularly exciting, as current therapies for CIDP involve patients receiving regular infusions of intravenous immunoglobulin G, which involves long and arduous visits to hospitals or specialist centres and is very expensive. The administration of P140-CIDP would be a simple monthly injection, which could be delivered by the patients' general practitioner or self-administered using an autoinjector pen.

  We have appointed a specialist CRO, who has completed the protocol for a pivotal adaptive Phase 2/3 clinical trial suitable for registration. This will shortly be presented to regulatory authorities for review and approval. We would expect to commence this Phase 2/3 clinical trial in 2022, on successful completion of the current PK study.

  Alongside this CRO, we have appointed Professor Jerome de Seze, a Professor in Neurology and PhD in Immunology and Head of the Neuroimmunological department of Strasbourg hospital. He is a recognised specialist in CIDP and principal investigator for our forthcoming CIDP trial and has been involved in many CIDP trials. Professor Sylviane Muller, who has a longstanding relationship with Professor de Seze and his work within CIDP, will provide any necessary support for this programme.

  This CIDP programme is also expected to be designated as an orphan drug indication, which has many advantages in terms of its regulatory pathway to market and subsequent market exclusivity. In addition, this programme has much shorter clinical timelines than our Lupus programme, meaning that this clinical trial could complete ahead of our Lupuzor™ Phase 3 trial and potentially reach registration and commercialisation up to a year earlier than the Lupus indication.

The CIDP programme is gaining a lot of interest from pharmaceutical companies who are attracted to orphan indications and who specialise in the Neuropathy area. We are currently in active discussions with two potential commercial partners on this programme.

- **P140 - Other indications**

  As part of the ongoing research into P140 a number of new indications have been revealed. They all share the same common cause at the mechanistic level of the cell. Pre-clinical studies have now confirmed P140 activity in asthma (acute and chronic), gout and periodontitis. There have been no new significant drug classes addressing these indications for many years.

- **P140 - Second generation**

  Our pre-clinical team in Bordeaux, 'ImmuPharma Biotech' headed up by Dr Sebastien Goudreau, has commenced work to develop a pharmacologically improved version of P140, a second generation product that aims to further strengthen the IP position and provide therapies with different improved administration modalities, yet still maintaining P140 as the active moiety.

- **CNRS & Professor Sylviane Muller collaboration**

  Given the exciting new P140 platform of opportunities created by Professor Muller's work, we are establishing a new broad agreement with the CNRS, in order to support this important research, provide therapies for other conditions, outside of Lupus and CIDP and to maximise commercial opportunities.

Anti-Infectives

Anti-infectives was chosen as a core therapy focus because of the ever-looming threat of new and resistant organisms, with few significant new products or even classes having been discovered or developed now for many years. Our proprietary peptide technology lends itself well to taking established products and greatly improving their pharmacology.

- **BioAMB**

  BioAMB is our most advanced anti-infective candidate. It is an improved form of amphotericin-B ("AMB"), a well-established systemic antifungal drug. It is usually reserved for 3rd line therapy due to the severe side effects associated with most AMB formulations. The toxicity associated with AMB, especially nephrotoxicity, has always been a key challenge for this group of drugs. Pre-clinical studies on BioAMB have demonstrated both efficacy and none of the usual toxicity side effects associated with existing AMB formulations. We expect further significant updates in the first half of 2022 as we complete further pre-clinical studies.

  Similar to the P140-CIDP programme, BioAMB has attracted a lot of attention from pharmaceutical companies who recognise the obvious competitive profile that BioAMB offers and we are currently in active discussions with two potential commercial partners on this programme.

- **BioCin**

BioCin is an improved form of vancomycin, a systemic antibacterial which is highly effective against Methicillin Resistant Staphylococcus Aureus (MRSA) and orally against Clostridium Difficile infections. However, Vancomycin is not absorbed from the gut and so requires administration by infusion which is a very challenging and expensive regimen for patients and their healthcare providers.

We have identified where we can improve a number of aspects of the drug's pharmacology with BioCin. Whilst this programme is at an earlier stage of development than BioAMB, we expect to gain further insights from pre-clinical studies (PK, pharmacodynamics, efficacy and toxicity) in 2022.

Commenting on the new corporate focus, Tim McCarthy, Chief Executive Officer said: *"The evolvement and transition of ImmuPharma over the last few months can probably be summed up as one of the most challenging and yet exciting periods in its history. An enormous amount of collaborative teamwork has been involved to achieve the vastly improved position we have presented today.*

As a Board, supported by our excellent pre-clinical team in Bordeaux and our collaboration partners, we are all unified in our belief that ImmuPharma is now positioned to be able to deliver on the key objectives and timetable outlined in this announcement and we are excited by this new phase in the evolution of ImmuPharma.

As CEO, I am committed to delivering key value inflexion points, as we progress through major milestones over the next 12 months."

Dr Tim Franklin, Chief Operating Officer of ImmuPharma, added: *"As a newly formed Board, our first priority is to create long term value for our shareholders and to enhance and protect the key assets within our portfolio.*

I am delighted with the positive progress, as outlined today with the PK study and look forward to continuing to work closely with Avion, as Lupuzor™ moves through its Phase 3 trial and towards the market.

We are also extremely pleased to be finalising a new expanded collaboration agreement with Professor Muller and her team at the CNRS to support the P140 franchise, and the development of the new proprietary synthesis of the P140 molecule, is a significant step in this direction.

Professor Sylviane Muller, Director at CNRS further said: *"Myself and the team at the CNRS have been working, over many years, on a number of projects associated with the P140 mechanism of action and as such, are convinced of the enormous potential of the P140 platform and its diverse role within the whole spectrum of autoimmunity and inflammation.*

I am particularly excited to see Lupuzor™ moving forward towards its next Phase 3 trial, as this drug will be literally life changing for many Lupus patients worldwide.

I also strongly believe that the new propriety synthesis for P140 being developed by ImmuPharma is absolutely the correct strategy, as it creates a more protected and valuable asset. Working in collaboration with ImmuPharma and its excellent pre-clinical team in Bordeaux, we are confident that we will be able to develop a number of new and innovative therapeutic opportunities moving forward."

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.

For further information please contact:

ImmuPharma PLC (www.immupharma.com**)**	+ 44 (0) 207 152 4080
Tim McCarthy, Chairman and Chief Executive Officer	
Dr Tim Franklin, Chief Operating Officer	
Lisa Baderoon, Head of Investor Relations & Non-Executive Director	+ 44 (0) 7721 413496
SPARK Advisory Partners Limited (NOMAD)	+44 (0) 203 368 3550
Neil Baldwin	
Stanford Capital Partners (Joint Broker)	+44 (0) 20 3650 3650
Patrick Claridge	
John Howes	
Bob Pountney	
SI Capital (Joint Broker)	+44 (0) 1483 413500
Nick Emerson	

Notes to Editors

About ImmuPharma PLC

ImmuPharma PLC (LSE AIM: IMM) 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.

About Simbec-Orion

Simbec-Orion, for the last four decades, has been providing clinical trial management services across a wide range of therapeutic indications and phases. The clinical research organisation with a flexible, specialist approach, they strive to become a trusted partner for their clients. Their passion as a CRO is rare diseases and oncology.

Responding to the evolving needs of its clients has made them the contract research organisation they are today. Offering a full-service clinical development portfolio, but with the size, agility, and structure to respond rapidly when needed. With a team of experienced management, clinical research and scientific advisory specialists, they deliver precise clinical research with expertise.

From Phase I clinical pharmacology studies through to Phase III rescue studies, central laboratory services, and post-marketing, they are the CRO ready to take on the challenge – whatever the indication or compound you are passionate about, wherever you are in your clinical development journey. They will manage every element of your clinical development, so you can focus on the science. For more information go to: www.simbecorion.com

About Lupus (Systemic Lupus Erythematosus / SLE)

Lupus is a chronic inflammatory disease which is thought to affect some 5 million individuals worldwide. The current standard of care still consists of drugs which have many side-effects and limited efficacy. Despite the need for an effective treatment, only two therapies, namely GlaxoSmithKline's Benlysta and more recently, Astra Zeneca's Saphnelo, have been approved to treat the condition over the past 50 years. As such, there clearly exists an unmet medical need for a drug that has a strong efficacy and safety profile.

About CNRS

The Centre National de la Recherche Scientifique (National Center for Scientific Research) is one of the most important research institutions in the world. To meet the major present and future challenges, its scientists are exploring living things, matter, the Universe and the functioning of human societies. Internationally recognized for the excellence of its scientific work, the CNRS is a benchmark both in the world of research and development and for the general public. Founded in 1939 the CNRS is a government-funded research organization, under the administrative authority of France's Ministry of Research and has over 30,000 employees and an annual budget of over €3 billion.

The CNRS has received many prestigious awards and has produced 17 Nobel laureates and 11 Fields Medal award winners. For more information go to: www.cnrs.fr

Professor Sylviane MULLER, CNRS/Strasbourg University, France

Professor Muller earned her doctorate in sciences at the University of Strasbourg (France) and focused on immune responses as a postdoctoral researcher at the Max Planck Institute for Immunobiology in Freiburg (Germany). She is Professor at the Institute of Advanced Studies of the Strasbourg University where she holds the chair in Therapeutic immunology; emeritus Research Director at the Centre National de la Recherche Scientifique; former Director of the CNRS Unit Immunopathology and therapeutic chemistry (2001-2017) and Director of the CNRS Institute of Molecular and Cellular Biology (2016-2017). She was the former Director of the Drug Discovery Center for cancer and inflammation Medalis awarded 'Laboratory of Excellence' (2011-2020) and now, of the Strasbourg Institute for drug development and discovery (2021-2028; 250 persons). She received several national and international awards (CNRS Silver Medal, CNRS Innovation Award, Léon Velluz Prize from the French Academy of Sciences, finalist of the 2017 European Inventor Award). She is a fellow of the European Academy of Sciences and Member of the Academia Europaea. Her expertise in peptide immunochemistry, combined with insights into the molecular and cellular pathways behind autoimmune diseases, led to the discovery of Lupuzor™, a therapeutic peptide currently evaluated in phase III-clinical trials for Lupus. Using synthetic peptides as tools, she published numerous papers describing the fine characterization of autoantibodies and autoreactive T lymphocytes, especially in human lupus, and the design of innovative vaccines. Professor Muller has filed over 30 patents and published 395 papers and reviews in peer-reviewed journals.

In September 2021, Professor Muller was awarded the highly prestigious Legion d'honneur Award.