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

INTERIM RESULTS ANNOUNCEMENT
for the six months ended 30 June 2020

ImmuPharma PLC (LSE:IMM), (**Euronext Growth Brussels: ALIMM)** ("ImmuPharma" or the "Company"), the specialist drug discovery and development company, is pleased to announce its interim results for the six months ended 30 June 2020 (the "Period").

Key Highlights (including post Period review)

Financials

- Stable financial performance over the Period
  - Cash balance of £2.7m as at 30 June 2020 (31 December 2019: £1.4m)
  - Derivative financial asset of £2.5m as at 30 June 2020 (31 December 2019: £2.3m)
  - Incanthera financial asset of £1.2 million (£0.7 million at 31 December 2019) and warrants financial asset of £0.5 million (£Nil at 31 December 2019)
  - Convertible loan notes of £2.4 million (face value) (£Nil at 31 December 2019)
  - Loss for the period of £3m (30 June 2019: £3.9m)
  - Share based expense of £1m (30 June 2019: £1m)
  - Research and development expenses of £0.9m (30 June 2019: £1.4m)
  - Administrative expenses of £1m (30 June 2019: £0.9m)
  - Basic and diluted loss per share of 1.69p (30 June 2019: 2.80p)
  - £1.5m subscription agreement through the issue of 15,000,000 new ordinary shares - March 2020
  - Agreements with 2 specialist US healthcare investors for a total investment of up to $6.3m (£4.94m) - June 2020
  - Placing of new ordinary shares of £6.5m (gross) – September 2020

'Autoimmunity': Lupuzor™

- License and development agreement with Avion Pharmaceuticals progress
  - Avion strengthened advisory team for Lupuzor™ Phase III trial, including collaboration with leading Lupus patient group and formation of Key Opinion Leaders ("KOLs")
  - Submission to the Food and Drug Administration (FDA) for a Special Protocol Assessment (SPA) for forthcoming international Phase III trial of Lupuzor™

Other program developments

- Elro and Ureka 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: BioAMP-B (Anti-Fungal) product for lung infections
  - Metabolism: BioGlucagon product - rescue therapy for low sugar events in diabetes
  - All programs provide future partnering opportunities
- Incanthera plc oncology specialist where ImmuPharma held 11.9% shareholding at 30 June 2020, listed on Aquis Stock Exchange ("AQSE", formerly NEX Exchange) in February 2020 – 2 recent progress updates:
  - Successful study results for its skin cancer technology, Sol
  - Positive data from Sensitisation study

Commenting on the statement and outlook Tim McCarthy, Chairman, said: *"Despite the disruptions of Covid -19 pandemic, we have been focused, in collaboration with our partner Avion, on expediting Lupuzor™ into a new optimised, international Phase III study in Lupus patients. With the SPA now submitted to the FDA, we await final guidance on the protocol of the trial from the FDA, prior to commencing patient recruitment.*

"We continue to progress our other R&D programs which includes our anti-fungal Bio-AMP-B therapy, which has the potential of progressing quickly through initial bio-equivalence trials. Discussions for potential partnering opportunities continue. These initiatives create further opportunities in the medium to long term.

"In response to strong investor interest this year, we are delighted to welcome new and returning institutional and private investors as part of three successful capital raisings. This has created a robust financial position with an anticipated cash runway until the end of 2023.

"As we move our key asset, Lupuzor™ into a new international optimised Phase III trial and continue to progress our development pipeline, the investment thesis of ImmuPharma continues to strengthen and we look forward to providing further value enhancing progress updates over the next period to create long term shareholder value for our shareholders.

"In closing, the Board would like to take this opportunity to thank its shareholders, new and longstanding, for their continued support as well as its staff, corporate and scientific advisers and our partners including, CNRS and Avion."

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

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ImmuPharma plc

Chairman's Statement

INTERIM HIGHLIGHTS

Despite the global pandemic of Covid-19, the first half of 2020 saw a number of key developments for ImmuPharma including progress with our US partner Avion within our Lupuzor™ program in Lupus, expansion of the R&D pipeline within our peptide technologies and securing new global strategic investments.

Lupuzor™ and Avion Pharmaceuticals

On 28 November 2019, ImmuPharma and Avion Pharmaceuticals ("Avion") signed an exclusive "Trademark, License and Development Agreement" for Lupuzor™, with Avion agreeing to fund a new international Phase III trial and commercialising Lupuzor™ in the US. Since then, both companies have been working closely on the clinical trial design and strategy, bolstered by consultation with an eminent group of key opinion leaders. This tripartite Phase III protocol development approach provided thorough and detailed support for developing the most relevant clinical trial for Lupuzor™ in systemic lupus erythematosus ("SLE") patients. Data and results from the first Phase III clinical study were analysed and considered in detail and, as a result, a new optimised international Phase III study protocol has been finalised.

To this end, on 27 July 2020, it was announced that Avion had submitted a Special Protocol Assessment ("SPA") request to the US Food & Drug Administration ("FDA"). SPA is a process in which sponsors reach agreement with the FDA on the design and size of clinical trials such that they adequately address scientific and regulatory requirements for a study that could support marketing approval. The previous Phase III clinical trial of Lupuzor™ in SLE was also carried out under ImmuPharma's SPA. Whilst the review period for a SPA request is up to 45 days, the Company announced on 11 September 2020 that Avion has as yet not received a response from the FDA and as such the file is still in the review queue, due to the current workload at the FDA.

The new Phase III study design will be communicated to the market, once agreed with the FDA, and in due course will appear on 'clinicaltrials.gov'.

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 of 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.

Elro and Ureka combined to form Ureka Pharma SAS

On 1 January 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 is to maximise value from the combined entity whilst retaining an interest in any future commercial success. There are three therapy areas: Cancer, Metabolism and Anti-Infectives.

Cancer

ImmuPharma's Nucant cancer program, IPP-204106, is focused on combination cancer therapy approaches. 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.

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.

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.

Metabolism | 'BioGlucagon'

BioGlucagon, is 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 is lead candidate optimisation and progress towards a bioequivalence study and in parallel opening up partnering discussions.

Anti-Infectives

ImmuPharma has recently started exploring opportunities in research and development of anti-fungal, anti-viral and anti-bacterial programs.

Within anti-fungal, ImmuPharma has 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 progress towards a bioequivalence study and in parallel opening up partnering discussions.

Within anti-viral, we have been investigating the application of the Ureka peptide technologies, which suggests the potential to create effective anti-fusion peptides with the goal to prevent virus entry into the host cells, which may lead to novel peptide based anti-viral therapies. Further exploratory work continues on this program.

Within anti-bacterial, ImmuPharma has developed IPP-203101, a novel peptide-based antibiotic for the treatment of MRSA ("methicillin-resistant Staphylococcus aureus" or "superbug") and other severe and hospital acquired multi-resistant infections. MRSA infections are increasingly resistant to even the last lines of drug defence such as 'vancomycin' and 'teicoplanin', which are two commonly used antibiotics. IPP-203101 causes bacterial cell death by a two-step mechanism involving interaction with the lipid component of the membrane followed by membrane breakdown. IPP-203101's target profile is to be as efficacious as vancomycin, but with a better safety profile, weekly administration, less susceptible resistance and a better efficacy profile for certain strains. Next step is lead candidate optimisation.

Interest in Incanthera Plc

In September 2018, ImmuPharma invested £2 million to purchase 363,637 shares at £5.50 per share in Incanthera ltd ("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).

On 23 September 2020, ImmuPharma exercised its right to subscribe £250,000 for 2,631,579 ordinary shares of 2p each at a subscription price of 9.5p each. Following this subscription, ImmuPharma will hold 9,904,319 shares in Incanthera, representing a 15.35% of the enlarged share capital of Incanthera. As a major shareholder ImmuPharma remains supportive of Incanthera and its diverse oncology pipeline. Incanthera recently announced that a new refined formulation of Sol, its lead product for skin cancer and other topical indications, demonstrated statistically significant greater dermal delivery compared with four known oral delivery comparator products.

Capital Subscription

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 Capital Investors LP ("Lanstead"), an institutional investor and substantial shareholder, together with a related Sharing Agreement, to raise in aggregate £1.5 million before expenses.

The £1.3 million gross proceeds of the Lanstead subscription was followed by the sharing agreement with Lanstead (the "Sharing Agreement") for 100% of these shares with a reference price of 13.33p per share. 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.

The Company also agreed to issue Lanstead 650,000 ordinary shares in connection with entering into the Sharing Agreement.

The new subscription from "Lanstead" followed the £2.66 million investment from "Lanstead" secured in June 2019.

On 8 September 2020, as a consequence of the convertible security deeds and option deeds with L1 Capital Global Opportunities Master Fund ("L1") and Lind Global Macro Fund LP ("Lind"), the benchmark price referred to in the two Lanstead sharing agreements has increased from 13.33p to 20p. The varied benchmark price of 20p applies to 13 monthly settlements remaining under the sharing agreement dated 26 June 2019 and 22 monthly settlements under the sharing agreement dated 30 March 2020.

Investment from US healthcare investors

On 10 June 2020 ImmuPharma 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 to purchase shares in ImmuPharma Plc in the future. ImmuPharma issued $3 million (£2.35 million) in face value of Securities to L1 and Lind, managed by The Lind Partners, LLC ("the Investors") with a maturity period of 18 months.

According to the agreement, 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 9 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 ImmuPharma raise additional funds, 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.

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).

On 2 September 2020, as a consequence of the placement of new ordinary shares of £6.5m (before expenses), pursuant to the terms of the convertible security deeds ("CSD") dated 10 June 2020 with each of Lind and L1: (i) the conversion price stated in the CSD (previously 17.96p) has been adjusted downwards to the placing price of 11p, meaning that, upon conversion in full of the CSD, 21,369,354 new ordinary shares (subject to adjustment at the time of conversion by reference to the sterling – US dollar exchange rate at the time) would be issued in aggregate to L1 and Lind (compared to 13,086,619 previously); and (ii) under the terms of the option deeds, both the option exercise price and the number of shares subject to the options will vary. In aggregate, following the placing, 25,640,254 ordinary shares (compared to 15,703,942 previously) will be subject to the option deeds at an option exercise price of 11p per share.

On 3 September 2020 L1 converted in total $150,000 (plus accrued but unpaid interest) of the convertible security. The conversion price was 11p per share resulting in the issue by the Company of 1,045,046 new ordinary shares of 10p each in the Company.

On 9 September 2020 L1 converted in total $200,000 (plus accrued but unpaid interest) of the convertible security. The conversion price was 11p per share resulting in the issue by the Company of 1,429,938 new ordinary shares of 10p each in the Company.

On 10 September 2020, Lind Global Macro Fund, LP converted $150,000 of the convertible security issued pursuant to the convertible security deed dated 10 June 2020. The conversion price is 11p per share resulting in the issue by the Company of 1,026,750 new ordinary shares of 10p each in the Company.

On 22 September 2020, following the share placing by ImmuPharma plc on 2 September 2020, in accordance with the terms of the convertible security deed, Lind has requested repayment of part of its convertible security. The amount repaid amounted to $1,068,762.

Placement of £6.5m

On 2 September 2020 the Company raised £6.5 million, (before expenses of an approximate £0.6 million) via an oversubscribed placing of 59,090,909 new ordinary shares of 10p each in the Company at a price of 11p per share.

Financial Review

ImmuPharma's cash balance at 30 June 2020 was £2.7 million (£1.4 million at 31 December 2019, £2.3 million at 30 June 2019). Financial asset related to investment in Incanthera plc amounted to £1.2 million (£0.7 million at 31 December 2019, £2.0 million at 30 June 2019) and warrants granted has resulted in amount of £0.5 million (£Nil at 31 December 2019 and 30 June 2019), recognized under financial asset. As a result of the Lanstead Sharing Agreements, the Company had a derivative financial asset of £2.5 million at 30 June 2020 (£2.3 million at 31 December 2019, £1.9 million at 30 June 2019). The convertible loans liability amounted to £1.8 million (£Nil at 31 December 2019, £Nil at 30 June 2019). Basic and diluted loss per share were 1.69p and 1.69p respectively (30 June 2019: 2.80p and 2.80p). In line with the Company's current policy, no interim dividend is proposed.

Operating loss for the Period was £2.9 million (£3.3 million for the six months ended 30 June 2019). Research and development expenditure in the Period was £0.9 million (£1.4 million for the six months ended 30 June 2019). Administrative expenses were £1.0 million during the Period (£0.9 million for the six months ended 30 June 2019). The share based expense was £1.0 million (£1.0 million for the six months ended 30 June 2019). Finance costs for the Period were £0.4 million (£0.8 million for the six months ended 30 June 2019). This arose due to the calculation of fair value of the derivative financial asset – "Lanstead Sharing Agreements", which resulted in a finance loss. Finance income for the Period was £0.1 million (£4k for the six months ended 30 June 2019). It primarily arose due to foreign exchange gain in relation to intercompany receivables.

Given the stage of ImmuPharma's development, the fact that losses have continued to be made is to be expected since there is minimal revenue and business activity is concerned with significant investment in the form of clinical development expenditure, in addition to maintaining the infrastructure of the Company.

Current Activities and Outlook

Despite the disruptions of Covid -19 pandemic, we have been focused, in collaboration with our partner Avion, on expediting Lupuzor™ into a new optimised, international Phase III study in Lupus patients. With the SPA now submitted with the FDA, we await final guidance on the protocol of the trial from the FDA, prior to commencing patient recruitment.

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As we move our key asset, Lupuzor™ into a new international optimised Phase III trial and continue to progress our development pipeline, the investment thesis of ImmuPharma continues to strengthen and we look forward to providing further value enhancing progress updates over the next period to create long term shareholder value for our shareholders.

In closing, the Board would like to take this opportunity to thank its shareholders, new and longstanding, for their continued support as well as its staff, corporate and scientific advisers and our partners including, CNRS and Avion.

Tim McCarthy
Chairman

ImmuPharma plc

CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2020

	Note	Unaudited 6 months ended 30 June 2020 £	Audited Year ended 31 December 2019 £	Unaudited 6 months ended 30 June 2019 £
Continuing operations				
Revenue		62,207	77,925	11,737
Other operating income		-	119,901	-
Research and development expenses		(924,263)	(2,664,550)	(1,362,933)
Administrative expenses		(1,042,345)	(1,831,395)	(931,761)
Share based expense		(953,034)	(1,983,525)	(1,005,101)
Operating loss		(2,857,435)	(6,281,644)	(3,288,058)
Finance costs	4	(391,671)	(526,734)	(842,293)
Finance income		142,342	64,014	4,257
Loss before taxation		(3,106,764)	(6,744,364)	(4,126,094)
Tax		147,423	620,774	225,250
Loss for the period		(2,959,341)	(6,123,590)	(3,900,844)
Attributable to:				
Equity holders of the parent company		(2,959,341)	(6,123,590)	(3,900,844)
Loss per ordinary share				
Basic and diluted	2	(1.69)p	(3.99)p	(2.80)p

ImmuPharma plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2020

	Unaudited 6 months ended 30 June 2020 £	Audited Year ended 31 December 2019 £	Unaudited 6 months ended 30 June 2019 £
Loss for the financial period	(2,959,341)	(6,123,590)	(3,900,844)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain/(loss) on investment	472,728	(1,309,090)	-
Fair value gain on warrants	481,357	-	-
Total items that will not be reclassified subsequently to profit or loss	954,085	(870,280)	75,594
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	91,651	438,810	75,594
Total items that may be reclassified subsequently to profit or loss	91,651	(870,280)	75,594
Other comprehensive income/(loss) for the period	1,045,736	(870,280)	75,594
Total comprehensive loss for the period	(1,913,605)	(6,993,870)	(3,825,250)

ImmuPharma plc

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	Unaudited 30 June 2020 £	Audited 31 December 2019 £	Unaudited 30 June 2019 £
Non-current assets				
Intangible assets		502,062	478,960	500,077
Property, plant and equipment		276,302	206,744	133,714
Financial asset		1,645,483	690,910	2,000,000
Derivative financial asset	4	760,011	843,147	1,014,592
Total non-current assets		3,183,858	2,219,761	3,648,383
Current assets				
Trade and other receivables		162,125	153,609	257,216
Cash and cash equivalents		2,713,903	1,364,840	2,258,951
Current tax asset		147,882	606,157	978,921
Derivative financial asset	4	1,774,001	1,456,714	857,298
Total current assets		4,797,911	3,581,320	4,352,386
Current liabilities				
Financial liabilities – borrowings		(30,376)	(26,778)	(96,961)
Trade and other payables		(237,541)	(505,089)	(444,398)
Convertible loans		(236,647)	-	-
Total current liabilities		(504,564)	(531,867)	(541,359)
Net current assets		4,293,347	3,049,453	3,811,027
Non-current liabilities				
Convertible loans	5	(1,598,795)	-	-
Net assets		5,878,410	5,269,214	7,459,410
EQUITY				
Ordinary shares		18,301,093	16,736,093	13,946,744
Share premium		27,122,305	27,187,316	27,320,145
Merger reserve		106,148	106,148	106,148
Other reserves		2,544,800	1,430,337	2,745,217
Retained earnings		(42,195,936)	(40,190,680)	(36,658,844)
Total equity		5,878,410	5,269,214	7,459,410

ImmuPharma plc
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2020

	Share capital £	Share premium £	Merger reserve £	Other reserves - Acquisition reserve £	Other reserves - Translation Reserve £	Other reserves - Equity shares to be issued £	Other reserves- New equity shares to be issued £	Other reserves – Convertible option reserve £	Retained Earnings £	Total equity £
At 1 January 2019	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 period	-	-	-	-	-	-	-	-	(3,900,844)	(3,900,844)
Exchange differences on translation of foreign operations	-	-	-	-	75,594	-	-	-	-	75,594
Share based payments	-	-	-	-	-	1,005,101	-	-	-	1,005,101
New shares to be issued	-	-	-	-	-	-	2,656,520	-	-	2,656,520
At 30 June 2019	13,946,744	27,320,145	106,148	(3,541,203)	(1,713,903)	5,343,803	2,656,520	-	(36,658,844)	7,549,410
At 1 January 2019	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
Cost 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 & 1 January 2020	16,736,093	27,187,316	106,148	(3,541,203)	(1,350,687)	6,322,227	-	-	(40,190,680)	5,269,214
Loss for the financial period	-	-	-	-	-	-	-	-	(2,959,341)	(2,959,341)
Exchange differences on translation of foreign operations	-	-	-	-	91,651	-	-	-	-	91,651
Transactions with owners: Share based payments	-	-	-	-	-	953,034	-	-	-	953,034
New issue of equity capital	1,565,000	-	-	-	-	-	-	-	-	1,565,000
Cost of new issue of equity capital	-	(65,011)	-	-	-	-	-	-	-	(65,011)
Fair value gain on investments	-	-	-	-	-	-	-	-	472,728	472,728
Equity element of convertible debt	-	-	-	-	-	-	-	69,778	-	69,778
Fair value gain on warrants	-	-	-	-	-	-	-	-	481,357	481,357
At 30 June 2020	18,301,093	27,122,305	106,148	(3,541,203)	(1,259,036)	7,275,261	-	69,778	(42,195,936)	5,878,410
Attributable to:-										
Equity holders of the parent company	18,301,093	27,122,305	106,148	(3,541,203)	(1,259,036)	7,275,261	-	69,778	(42,195,936)	5,878,410

ImmuPharma plc

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED 30 JUNE 2020

	Note	Unaudited 6 months ended 30 June 2020 £	Audited Year ended 31 December 2019 £	Unaudited 6 months ended 30 June 2019 £
Cash flows from operating activities				
Cash used in operations	3	(2,095,047)	(4,963,710)	(2,687,173)
Tax		640,198	746,369	-
Interest paid		(1,373)	(4,045)	(1,581)
Net cash used in operating activities		(1,456,222)	(4,221,386)	(2,688,754)
Investing activities				
Purchase of property, plant and equipment		(83,239)	(107,111)	(4,502)
Interest received		100,825	5,743	4,257
Net cash generated from/(used in investing activities		17,586	(101,368)	(245)
Financing activities				
Decrease in bank overdraft		(212)	(14)	(110)
New loans/(loan repayments)		1,942	(89,205)	(23,739)
Settlements from Sharing Agreement		655,065	414,930	-
Gross proceeds from issue of new share capital		1,500,000	2,656,520	-
Funds deferred per Sharing Agreement		(1,300,000)	(2,656,520)	-
Proceeds from issue of convertible liability		1,905,220	-	-
Net cash generated from/(used in) financing activities		2,762,015	325,711	(23,849)
Net increase/(decrease) in cash and cash equivalents		1,323,379	(3,997,043)	(2,712,848)
Cash and cash equivalents at start of period		1,364,840	4,911,448	4,911,448
Effects of exchange rates on cash and cash equivalents		25,684	450,435	60,351
Cash and cash equivalents at end of period		2,713,903	1,364,840	2,258,951

ImmuPharma plc

NOTES TO THE CONSOLIDATED INTERIM ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2020

1 ACCOUNTING POLICIES

Basis of preparation

The interim financial information in this report has been prepared using accounting policies consistent with IFRS as adopted by the European Union. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee and there is an ongoing process of review and endorsement by the European Commission. The financial information has been prepared on the basis of IFRS to be adopted by the European Union and applicable as at 31 December 2020. The Group has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing the interim financial information.

The accounting policies applied are consistent with those that were applied to the financial statements for the year ending 31 December 2019.

Non-Statutory accounts

The financial information set out in this interim report does not constitute the Group's statutory accounts, within the meaning of Section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2019 have been filed with Registrar of Companies. The auditors reported on those accounts; their report was unqualified, did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006 but 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. The financial information for the 6 months ended 30 June 2020 and 30 June 2019 is unaudited.

Copies of this statement will be available on the Company's website – www.immupharma.com.

2 LOSS PER SHARE

	Unaudited 6 months ended 30 June 2020 £	Audited Year ended 31 December 2019 £	Unaudited 6 months ended 30 June 2019 £
Loss			
Loss for the purposes of basic and diluted loss per share being net loss attributable to equity shareholders	(2,272,823)	(7,206,549)	(3,900,844)
Number of shares			
Weighted average number of ordinary shares for the purposes of basic loss per share	174,969,760	153,452,385	139,467,430
Basic loss per share	(1.69)p	(3.99)p	(2.80)p
Diluted loss per share	(1.69)p	(3.99)p	(2.80)p

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

ImmuPharma plc

NOTES TO THE CONSOLIDATED INTERIM ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2020

(Continued)

3 CASH USED IN OPERATIONS

	Unaudited 6 months ended 30 June 2020 £	Audited Year ended 31 December 2019 £	Unaudited 6 months ended 30 June 2019 £
Operating loss	(2,857,435)	(6,281,644)	(3,288,058)
Depreciation & amortisation	43,903	88,038	50,946
Share based payments	953,034	1,983,525	1,005,101
Decrease/(increase) in trade & other receivables	(8,516)	177,878	72,517
(Decrease)/increase in trade & other payables	(267,550)	(408,818)	(469,509)
Gain/(loss) on foreign exchange	41,517	(522,689)	(58,170)
Cash used in operations	(2,095,047)	(4,963,710)	(2,687,173)

ImmuPharma plc

NOTES TO THE CONSOLIDATED INTERIM ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2020

(Continued)

4 DERIVATIVE FINANCIAL ASSET

In June 2019, as part of a placing that raised, in aggregate, £2.66 million (before expenses) from new and existing shareholders, the Company issued 26,565,200 new ordinary shares to Lanstead Capital 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. The Company simultaneously entered into a Sharing Agreement with Lanstead for 100% of these shares with a reference price of 13.33p per share. The Sharing Agreement is for a 24 month period.

On 2 July 2019, the Company also issued, in aggregate, a further 1,328,290 new ordinary shares to Lanstead as a value payment in connection with the Share Subscription and the Sharing Agreement.

On 30 March 2020 as part of placing that raised £1.3 million (before expenses), the company issued 13,000,000 new ordinary shares to Lanstead Capital LP ("Lanstead") at a price 10 pence per share for £1.3 million. Similarly to the Sharing Agreement entered in June 2019, the Company entered into a Sharing Agreement with Lanstead for 100% of these shares with a reference price of 13.33p per share. The Sharing Agreement is for a 24 month period.

The Company also issued, in aggregate, a further 650,000 new ordinary shares to Lanstead as a value payment in connection with the Share Subscription and the Sharing Agreement.
The actual consideration is variable depending upon the Company's share price. Both Sharing Agreements are treated as a derivative financial asset and valued at fair value through the income statement with reference to the Company's share price as at the end of the accounting period.

At the end of the accounting period the amount receivable is restated to fair value based upon the share price of the Company at that date. Any change in the fair value of the derivative financial asset is reflected in the income statement. As at 30 June 2020, the Company completed a calculation of fair value of the derivative financial asset that resulted in a fair value loss of £392k (£785k loss at 30 June 2019) which was recorded in the income statement. The restatement to fair value will be calculated at the end of each accounting period during the course of the Sharing Agreement and will vary according to the Company's share price performance.

5 CONVERTIBLE LOAN NOTES

On 10 June 2020, the Company issued £2.4m/$3.0m (face value) convertible loan notes. The proceeds received equated to £2.1m/$2.7m (before expenses of £0.2m/$0.3m).
The value of liability component and the equity conversion component were determined at the date the instrument was issued. The fair value of the liability was calculated at the rate of interest for similar debt without the conversion option of 19.90%.

On initial recognition the value of the equity amounted to £70k and the liability amounted to £1,835k.
The summary of the key terms of the loan notes is as follows.

Term	18 months
Conversion price	17.96p, which is equivalent to 120% of the Volume Weighted Average Price ("VWAP") of the ordinary shares for 09 June 2020
Conversion by the Company	During the maturity period, 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)
Security	All amounts failing due under the Convertible Loan

	Notes will be secured by debenture constituting a first-ranking fixed and floating charge over all the assets of the Company (the "Debenture")
Coupon & Payment	10% per annum, payable quarterly in arrears

6. SUBSEQUENT EVENTS

On 2 September 2020 ImmuPharma plc raised £6.5 million, (before expenses of an approximate £0.6 million) via an oversubscribed placing of 59,090,909 new ordinary shares of 10p each in the Company at a price of 11p per share with Stanford Capital Partners Limited ("SCP"), SI Capital Limited ("SI") and SPARK Advisory Partners Limited ("SPARK"). The placing price represents a 27.6% discount to the 7 day volume weighted average price of the Company's shares on AIM on 1 September 2020.
In connection with their services in relation to the placing, the Company has issued warrants over 1,213,920 ordinary shares with an exercise price of 11p per share to SCP and issued warrants over 1,213,920 ordinary shares with an exercise price of 11p per share to SI. These warrants have an exercise period expiring on 2 September 2030.
As a consequence of this placing, pursuant to the terms of the convertible security deed ("CSD") dated 10 June 2020 with Lind Global Macro Fund, LP ("Lind") and L1Capital Global Opportunities Master Fund ("L1"), (i) the conversion price stated in the CSD (previously 17.96p) has been adjusted downwards to the placing price of 11p, meaning that, upon conversion in full of the CSD, 21,369,354 new ordinary shares (subject to adjustment at the time of conversion by reference to the sterling – US dollar exchange rate at the time) would be issued in aggregate to L1 and Lind (compared to 13,086,619 previously); and (ii) under the option deed, both the option exercise price and the number of shares subject to the options will vary. In aggregate, following the placing, 25,640,254 ordinary shares (compared to 15,703,942 previously) are subject to the option deed at an option exercise price of 11p per share.

On 2 September 2020, the Company allotted 682,242 new ordinary shares to Allele Capital Partners ("Allele") at an agreed issue price of 16.57p per share.

On 3 September 2020 L1 converted in total $150,000 (plus accrued but unpaid interest) of the convertible security. The conversion price was 11p per share resulting in the issue by the Company of 1,045,046 new ordinary shares of 10p each in the Company.

On 8 September 2020, as a consequence of the convertible security deeds and option deeds with L1 Capital Global Opportunities Master Fund ("L1") and Lind Global Macro Fund LP ("Lind"), the benchmark price referred to in the two Lanstead sharing agreements has increased from 13.33p to 20p. The varied benchmark price of 20p applies to 13 monthly settlements remaining under the sharing agreement dated 26 June 2019 and 22 monthly settlements under the sharing agreement dated 30 March 2020. The future receipts under the Lanstead sharing arrangements will be 50% lower based on this variation.

On 9 September 2020 L1 converted in total $200,000 (plus accrued but unpaid interest) of the convertible security. The conversion price was 11p per share resulting in the issue by the Company of 1,429,938 new ordinary shares of 10p each in the Company.

On 10 September 2020, Lind converted $150,000 of the convertible security issued pursuant to the convertible security deed dated 10 June 2020. The conversion price is 11p per share resulting in the issue by the Company of 1,026,750 new ordinary shares of 10p each in the Company.

On 22 September 2020, following the share placing by ImmuPharma plc on 2 September 2020, in accordance with the terms of the convertible security deed, Lind has requested repayment of part of its convertible security. The amount repaid amounted to $1,068,762.