**RNS: | 5 June 2024**

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

**FINAL RESULTS**
**for the twelve months ended 31 December 2023**

**ImmuPharma PLC (LSE:IMM)**, ("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 2023 (the "Period").

## Key Highlights (including post Period review)

### Financials

- Loss for the Period of £2.9m (2022: £3.8m)
- Research and development expenses of £2.0m (2022: £2.0m)
- Administrative expenses of £1.0m (2022: £0.8m)
- Share based expense of £0.14m (2022: £0.16m)
- Cash balance of £0.2m at 31 December 2023 (31 December 2022: £0.7m)
- Lanstead derivative financial asset of £0.6m (2022: £0.3m)
- Basic and diluted loss per share of 0.81p ( 2022: 1.26p)
- Incanthera financial asset: shares of £0.6m (2022: £0.7m) - warrants of £1 (2022: £1k)
- Fundraising in September 2023, comprising gross proceeds of £130,683 in addition to £1.35 million being raised in a Subscription and Direct Subscription

### Portfolio

**SLE/Lupus**

- A Phase 3 dose-range study of P140, rather than a Phase 2/3 adaptive study, is the preferred design.
- Importantly, the direct Phase 3 route is faster to filing for approval whilst also incorporating the FDA's request for demonstration of a dose-ranging in the pivotal program
- The international SLE Phase 3 dose-range study design and protocol is substantially different from the previous Phase 3 clinical trial completed by ImmuPharma in 2018
- Dosing will be significantly higher and subcutaneous injection, once a month, will be administered with a highly convenient and patient friendly autoinjector. The doses are safe and well tolerated.
- Two planned interim analyses during the study will allow early detection of the effectiveness of P140
- Simbec-Orion appointed as the Contract Research Organisation ("CRO")

**CIDP**

- In May 2023, ImmuPharma received positive guidance from FDA following the PIND meeting that confirms the route for a Phase 2/3 adaptive clinical study of P140 in CIDP
- This will be the first pivotal stage study of P140 in patients with CIDP: a rare neurological disease with high medical need
- An IND application is now close to submission to the FDA, incorporating all guidance points
- An application for Orphan Drug status for CIDP will be also submitted in parallel
- Simbec-Orion, has been appointed as the CRO for this program

**P140 technology platform**

- Recent further insights into P140's mechanism of action ("MOA") confirms its position as the only non-immunosuppressing molecule in clinical development in the industry
- The favourable impact of P140 on immune system homeostasis also support P140 as a new potential standard of care not only for SLE sufferers, but for patients suffering from a multitude of autoimmune diseases that are caused by the same underlying malfunction
- In April 2024, the Company announced that it has initiated a new intellectual property strategy to significantly enhance the patent life and commercial value for its P140 technology platform

**Anti-infectives | Bio-AMB**

- After multiple in vivo studies assessing the Pharmacokinetic/Pharmacodynamic ("PK/PD") and safety profile of BioAMB, the dose-effect relationship has now been assessed in Part 1 of a new dose-range pharmacodynamic study in an aspergillosis rat model. Part 1 has now been completed - no toxicity related to BioAMB was observed at the active dose
- Part 2 of the study will further evaluate the safety of BioAMB at the active dose and confirm the advantage of BioAMB over the other forms of AMB

**Cancer**

- In March 2023 a collaboration with Orano SA on ImmuPharma's peptide technology was established

**Partnering**

- Active discussions are ongoing with new potential corporate partners across the P140 platform and anti-infective programs.

**Corporate**

- In August 2023, the Board was strengthened with two NED appointments: Dr Laurence Reilly & Dr Sébastien Goudreau

**Incanthera**

- On 3 June 2024 the Company sold its investment in shares in Incanthera plc. All of the 9,904,319 shares held at the year end were sold at 15p per share realising gross proceeds of £1.4 million. ImmuPharma continues to hold 7,272,740 warrants in Incanthera plc.

## Commenting on the statement and outlook Tim McCarthy, CEO and Chairman, said:

*"As a Board, we remain focused on the development of our two key late stage clinical assets, P140 (SLE) and P140 (CIDP), and on securing additional partnering deals for each. .We have made significant scientific progress over the last year, including further refinement of the protocol for the P140 (SLE) study and new insights into the MOA of P140, and as a result, we have a high level of confidence of the success of the new study.*

*We look forward to providing further updates on the progress of this study, together with progress on P140 (CIDP) and our earlier stage programs throughout 2024.*

*We will also continue to concentrate on further commercial and partnering opportunities. In conjunction with the above objectives, we continue to take prudent measures on managing our cost base.*

*In closing, we would like to thank our shareholders for their support as well as our staff, corporate and scientific advisers and our partners including CNRS and Avion."*

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A copy of the interim report is available on the Company's website www.immupharma.co.uk

## Chairman's Report

The first part of 2023 was a period of further progress for ImmuPharma, as we continued to focus on progressing our late-stage pipeline assets specifically, within our P140 autoimmune technology platform. The end of 2023 culminated in a significant update which centred on progressing the systemic lupus erythematosus ("SLE") international Phase 3 study. It was confirmed that Simbec-Orion has been appointed as the Contract Research Organisation ("CRO") to carry out the study, following extensive due-diligence and a six-month tender process, involving three different CROs.

In addition, a Phase 3 dose-range study, rather than a Phase 2/3 adaptive study, is the preferred design. Importantly, the direct Phase 3 route is faster to filing for approval whilst also incorporating the Food and Drug Administration (FDA's) request for demonstration of a dose-ranging in the pivotal program.

The international SLE Phase 3 dose-range study design and protocol is substantially different from the previous Phase 3 clinical trials completed by ImmuPharma in 2018. Dosing will be significantly higher and subcutaneous injection, once a month, will be administered with a highly convenient and patient friendly autoinjector. The doses are safe and well. Two planned interim analyses during the study will allow early detection of the effectiveness of P140.

Recent further insights into P140's mechanism of action ("MOA") confirms its position as the only non-immunosuppressing molecule in clinical development in the industry. The favourable impact of P140 on immune system homeostasis also support P140 as a new potential standard of care not only for SLE sufferers, but for patients suffering from a multitude of autoimmune diseases that are caused by the same underlying malfunction. This also agrees with many preclinical animal models of autoimmune diseases where P140 has clearly demonstrated efficacy.

Positive progress with P140 was also announced in May 2023 for another autoimmune disease with high medical need disease, chronic idiopathic demyelinating polyneuropathy ("CIDP"). The Company received positive feedback from the Food and Drug Administration (FDA) at a Pre-Investigational New Drug Application (pre-IND) meeting for a late-stage Phase 2/3 adaptive clinical program. CIDP is a rare disease and will qualify as orphan indication following full-IND submission.

Based on the progress of the clinical programs the Company is also actively in discussions with a number of potential commercial partners for programmes across the Company's development portfolio.

In September 2023, ImmuPharma also completed a successful fundraising comprising gross proceeds of £130,683 via the Winterflood Retail Access Platform ("WRAP"), in addition to £1.35 million being raised in a Subscription and Direct Subscription in August 2023.

**SLE/P140 New dose strategy, study design and MOA clarity**

There are an estimated 1.5 million people suffering from SLE in the US (Source: SLE Foundation of America), 5 million in the US/Europe but 16 million globally. The prevalence in China may be 3-4 times that seen in the US. Current 'standard of care' treatments, including steroids and immunosuppressants, can potentially have either serious side effects for patients or limited efficacy, with over 60 per cent of patients not adequately treated.

ImmuPharma believes P140 has the potential to be a novel specific drug therapy for the treatment of SLE by specifically restoring an imbalanced immune system and halting disease progression in many autoimmune diseases, of which SLE is a well-known example.

To this end, the whole P140 program was re-examined in 2021/22, and the Board decided that it required a completely different approach, not only to commence a new Phase 3 study in SLE, but also to be clear on the product offering and target product profile. The three pillars of strength and confidence in our new program are dose, design and MOA.

After three FDA guidance meetings, further human and animal pharmacokinetics studies and reconciliation with efficacy demonstrated in the animal models, it was concluded that the previous dose used in clinical studies was significantly too low. The new Phase 3 study will include a dose-range over 20 times higher than the previous Phases 3 which used 200 micrograms.

The design of the pivotal Phase 3 study includes a dose-range. This design is faster to complete than a Phase 2/3 adaptive study, while at the same time incorporating all the key objectives. We confidently expect the efficacious dose to be within this dose-range and we expect no adverse events that could lead to product label warnings seen

with all other approved drugs and standard of care, which are all immunosuppressants. The study design allows two interim analyses, so there will be short term updates on clinical activity of the drug. P140 is not an immunosuppressant, so a key objective will be to taper the use of steroids which are currently the standard of care. The study will also include analysis of certain biomarkers in relation to efficacy.

The lack of immunosuppression is explained by our refined MOA. All other molecules currently in development possess varying degrees of immunosuppression, which give rise to side effects and limit the dose that can be used to achieve efficacy.

New MOA evidence shows that P140 restores the tolerance systems by enabling tolerogenic antigen presenting cells (like dendritic cells) to function properly. As malfunction of the tolerance systems seems to be the root cause of most if not all autoimmune diseases, it explains why P140 is so broadly efficient across most autoimmune indications in animal models. P140 is the only non-immunosuppressive molecule in the industry in clinical development for the treatment of SLE. These insights and new internal data will provide the potential to significantly fortify the intellectual property position of P140.

This target product profile of P140 is a new gold standard therapy, conveniently self-administered by the patient with the autoinjector, once a month, which is safe and well tolerated unlike standard of care or any other molecule in development which are all immunosuppressants with significant safety warnings and quality of life impacts. The new Phase 3 design will aim to study the ability to significantly reduce or remove the need or harmful standard of care therapy i.e. oral steroids or other immunosuppressants.

**Simbec-Orion**

Simbec-Orion is an experienced, full-service Contract Research Organisation, with offices across the UK, Europe, and the United States, specialising in Rare & Orphan conditions. Simbec-Orion has previous direct experience in SLE trials including conducting ImmuPharma's last Phase 3 study completed in 2018 and more recently conducted ImmuPharma's Pharmacokinetics ("PK") study completed in 2022.

**P140 and Avion Pharmaceuticals | Background**

On 28 November 2019, ImmuPharma and Avion signed an exclusive Trademark, License and Development Agreement for P140 (P140/Lupuzor™), with Avion agreeing to fund a new international Phase 3 trial and commercialising in the US. The agreement also provides Avion an option on any other P140 indications.

Since then, there have been three guidance meetings with the FDA on the SLE program. At the first meeting the FDA requested ImmuPharma complete a clinical PK study of P140.

The study was a Phase 1, open-label, single dose pharmacokinetic study of P140 after subcutaneous and intravenous administration in healthy male volunteers. Patients received a single subcutaneous injection of 200µg or 800µg P140 or a single intravenous injection of 800µg P140. There was a clear time and dose-related PK profile, which is detectable in the blood of human volunteers and applicable for all potential clinical dosing regimens of P140. In-line with all human dosing to date, P140 was safe and well tolerated across all doses and in all subjects.

Following successful completion of the clinical PK study in 2022 the FDA guided on a new dosing regimen and following the receipt of comprehensive guidance from the FDA in June 2023, in conjunction with our US partner Avion, a Phase 2/3 adaptive clinical trial of P140 (Lupuzor™) in patients with SLE was agreed.

Importantly however, after further deliberation between our clinical team, Avion and our CRO, Simbec-Orion, taking into account the further positive findings within the MOA of P140 (Lupuzor™), a Phase 3 study is the optimum route forward.

The new design of the international Phase 3 study includes a dose-range. We confidently expect the efficacious dose to be within this dose-range and we expect no adverse events that could lead to product label warnings seen with all other approved drugs and standard of care, which are all immunosuppressants. The study design allows two interim analyses, so there will be short term updates on clinical activity of the drug. P140 is not an immunosuppressant, so a key objective will be to taper the use of steroids which are currently standard of care. The study will also include analysis of certain biomarkers in relation to efficacy.

**Chronic inflammatory demyelinating polyradiculoneuropathy (CIDP) / P140**

A new major opportunity for P140 is for the treatment of CIDP, a rare acquired autoimmune disorder of peripheral nerves with high medical need. It is a neurological disorder characterised by progressive weakness and impaired sensory function in the legs and arms. CIDP is a potential orphan drug indication which would provide patent life extension of 7 years post-approval.

For P140 in CIDP, we announced in April 2023 that we had received confirmation from the FDA for a pre-Investigational New Drug ("PIND") meeting date of 16 May 2023, to consider a Phase 2/3 adaptive trial study protocol.

In May 2023, ImmuPharma received positive guidance from FDA following the PIND meeting that confirms the route for a Phase 2/3 adaptive clinical study of P140 in CIDP.

The FDA feedback recognises that P140 is suitable to be studied in another disease indication in addition to SLE and this strongly supports the underlying science and mechanism of action of P140 across several auto-immune/inflammatory diseases and is a significant breakthrough for the P140 platform.

The Phase 2/3 adaptive clinical trial will be the first pivotal stage study of P140 in patients with CIDP: a rare neurological disease with high medical need.

An IND application is now being prepared for submission to the FDA, incorporating all guidance points. An application for Orphan Drug status for CIDP will be also submitted in parallel to the full IND application.

Simbec-Orion has been appointed as the CRO for this program.

The CIDP market is expected to reach global sales of US$2.7bn by 2029.

**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™ /P140 platform was invented by Prof. Sylviane Muller, Emeritus Research Director at the CNRS. Through this partnership, the 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 and through further commercialisation deals for territories outside of the US.

**Pipeline Overview**

ImmuPharma is a biopharmaceutical company that specialises in the usage and development of biopolymers, specifically peptides.

Our research strategy is based on two strategic axes: research based on external collaboration aimed at discovering new active ingredients, which has led to the development of our most advanced project in terms of clinical development: P140, an active peptide against the auto-immune disease, SLE and internal research based on the use of molecular programming technologies, which has notably led to the development of the BioAMB (antifungal) and BioCIN (antibacterial) projects.

**Pipeline Overview (continued)**

This research, for original biopolymer-based active compounds, has led us to collaborate with the world-renowned Centre National de la Recherche Scientifique, (CNRS) in France and Imperial College London. These collaborations enable us to access innovative research with substantial embedded value and to work with many leading scientists and clinicians.

ImmuPharma has exclusive rights to all of its intellectual property assets. Since a major Board and management restructuring, the team has refocused its key pipeline portfolio to maximise long-term shareholder value.

Our late-stage to preclinical pipeline is focused on two core therapeutic areas; autoimmunity & inflammation and anti-infectives.

We also look for valuable deals for non-core assets as evidenced by a collaborative deal, signed in March 2023, with Orano on ImmuPharma's peptide technology as a vector for cancer radiotherapy. The initial collaboration is for 12 months and a small undisclosed upfront payment was paid to ImmuPharma.

**Autoimmunity & Inflammation**

P140 is a peptide discovered by Professor Sylviane Muller and licensed to the Company by our long standing collaboration partner, the CNRS.

Due to its "restorative" action on the immune system, P140 is a technology platform that can be applied across many autoimmune and inflammatory conditions. The Company is currently in clinical development of P140 for the treatment of SLE and CIDP.

**P140 (Lupuzor™) for SLE**

Lupuzor™, (forigerimod or P140) has commenced an international, Phase 3, dose-range pivotal study for systemic lupus erythematosus (SLE).

P140 is a peptide technology platform that targets autoimmune diseases such as SLE. Like all autoimmune diseases there is currently no cure against SLE. There are 2 approved monoclonal antibody treatments that are prescribed, but in only 3% of SLE patients, otherwise, treatments are mostly steroids. Overall, the treatments are mainly immunosuppressants which can have significant side effects.

- P140 has the potential to be a new standard of care therapy for the treatment of SLE.
- P140 binds to heat shock protein 8 (HSPA8), which is over-expressed in abnormal antigen presenting cells.
- P140 "restores" the immune system back to normal, by enabling tolerogenic antigen presenting cells to function properly. P140 is not an immunosuppressant unlike other molecules in development.
- P140 is extremely safe, well-tolerated and patient friendly, and potentially can be self-administered through a subcutaneous injection, once a month for SLE.

**P140 for CIDP**

P140 (forigerimod) shows compelling pre-clinical data in Chronic Inflammatory Demyelinating Polyneuropathy ("CIDP"), a progressive inflammatory condition of the nerves.

P140's efficacy has been proven in early pre-clinical models of CIDP.

A phase 2/3 adaptive trial is planned in 2024. Applications for full FDA IND and orphan drug designation are being prepared for submission. Full FDA IND approval and orphan drug designation is expected following the result of the Pre IND meeting.

P140 offers the potential to:

- reduce the frequency of CIDP disease flares
- reduce the need for hospital Intravenous Immunoglobulin Therapy (IVIg) therapy
- simple auto-injection 1/month by patient at home
- reduce costs for patient and healthcare system

**P140 - Other indications**

A number of additional autoimmune-related indications have been identified within the P140 platform. 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, periodontitis and IBD. There have been no new significant drug classes addressing these indications for many years.

**What next?...**

ImmuPharma has built up invaluable scientific knowledge by developing a peptide compound which can potentially treat a range of auto-immune diseases. Building on this experience, we are developing a new active peptide, targeting specific autoimmune pathologies. This new research programme is perfectly aligned with our strategic priorities. It's a very exciting project that should create further opportunities for the Company.

**Anti-Infection**

Anti-infectives were 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.

The innovative peptide technology at ImmuPharma Biotech has been a huge success and very recently has 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. Despite the preclinical stage, these programs are based on existing drugs that have been used for decades so the PK, efficacy and safety of those drugs is well understood. They will also be patent protected.

**BioAMB | for systemic fungal infections**

BioAMB is a groundbreaking amphotericin-B variant that promises both efficiency and safety.

Although AMB is highly effective, currently marketed AMB formulations may cause serious kidney toxicity and other severe reactions. BioAMB is not a typical reformulation but a Bio-drug entity which releases AMB as the active agent.

BioAMB aims to:

- Significantly reduce toxicity and improve tolerance to amphotericin-B therapy
- Use a simple injection vs IV infusion
- Improve the frequency & duration of therapy
- Provide a more powerful alternative to existing 1st line azole antifungal therapy where there is increasing resistance.

**BioCIN | for severe bacterial infections**

BioCIN is an innovative vancomycin-based treatment for efficient, safe, anti-infection treatment.

Vancomycin, a generic drug, is a last resort therapy for the treatment of sepsis and lower respiratory tract, skin, and bone infections caused by Gram-positive bacteria and the killer bug methicillin-resistant Staphylococcus aureus (MRSA).

Marketed since 1954, it is poorly absorbed from the gut and currently requires carefully controlled IV therapy over many hours.

BioCIN aims to:

- Significantly reduce toxicity and improve tolerance to vancomycin therapy
- Use a simple injection &/or oral admin vs IV infusion
- Improve the frequency & duration of therapy
- Improve efficacy through improved tolerance

**Interest in Incanthera Plc**

As at 31 December 2023, ImmuPharma had a 12.73% interest in Oncology specialist, Incanthera plc, which trades on Aquis Stock Exchange ("AQSE") under the ticker (TIDM:INC).

ImmuPharma also has 7,272,740 warrants options in Incanthera at an exercise price of 9.5p pence. As announced in August 2023, the term of these Warrants has been extended by 12 months to 6 September 2024, being the same price at which new shares were issued in the Placing accompanying Incanthera's listing in 2020.

On 18 December 2023, Incanthera announced a significant commercial skincare deal with Marionnaud (part of the A.S. Watson Group) initially across Europe and further roll outs in Asia. It confirmed that this deal is expected to generate significant revenues and profitability for Incanthera, in 2024 and beyond.

In conjunction, Incanthera announced that it had concluded a successful fundraise of £1,000,000, with new and existing institutional investors, which was oversubscribed, and was priced at £0.07, a premium of 11.1% to the mid-market price at the close of trading on Friday 15 December 2023.

As a major shareholder in Incanthera during the year, we believe this is a significant milestone, which highlights the enormous opportunities within Incanthera's revolutionary skincare range and as such ImmuPharma remains supportive of Incanthera.

More recently in April 2024, Incanthera provided an update to the agreement with Marionnaud.

Under the terms of the deal, Skin + CELL, the brand name of Incanthera's luxury skin care range, will be initially launched in c. 100 of Marionnaud's stores in Switzerland and Austria, followed by a planned roll out into the remaining 1,100 European stores, with subsequent anticipated roll outs into major Asian markets.

Incanthera has announced that the first order from Marionnaud has now doubled from 25,000 units to 50,000 units due to the strong demand anticipated by Marionnaud's management and that this first order, on track to be delivered during Q2 2024, will generate c. £2m revenue for Incanthera.

Incanthera also confirms that it projects revenues of £10m and profitability, for the financial year ("FY") to 31 March 2025, growing to revenues of £33m and increased profitability, in the following FY to 31 March 2026.

More insight into Incanthera's technology and deal with Marionnaud is illustrated through the initiation of a Research Note by Stanford Capital Partners, which will shortly be available on the Incanthera plc website www.incanthera.com.

On 3rd June 2024 the Company sold its investment in shares in Incanthera plc. All of the 9,904,319 shares held at the year end were sold at 15p per share realising gross proceeds of £1.5 million. ImmuPharma continues to hold 7,272,740 warrants in Incanthera plc.

**Capital subscription**

On 31 August 2023, ImmuPharma announced subscriptions to raise £1.44 million through the issue of 76,500,000 new ordinary shares of 1 pence each in the Company ("Ordinary Shares") at a price of 2 pence per Ordinary Share ("Issue Price") utilising existing authorities to allot shares. This comprised a subscription subject to a Sharing Agreement of £1.0 million ("Subscription") and Direct Subscriptions of £0.44 million. The Company also entered into a sharing agreement ("Sharing Agreement") with finance provider and existing shareholder, Lanstead Capital Investors L.P. ("Lanstead") in relation to £1.0 million of the amount subscribed by them under the Subscription.

Further on 7 September 2023, the Company confirmed that it had conditionally raised gross proceeds of £130,683 through the issue of 6,534,150 New Ordinary Shares at a price of 2 pence to existing retail investors of the Company, via the Winterflood Retail Access Platform ("WRAP"), in addition to the £1.44 million raised in the Subscription and Direct Subscription.

Following admission of shares on 12 September 2023, the Company currently has 416,437,265 Ordinary Shares in issue. Since the Company currently holds no shares in treasury, the total number of voting rights in the Company will therefore be 416,437,265.

**Variation of terms of the 2021 Warrants and the 2022 Warrants**

In August 2023, there were a total of 101,042,350 warrants in issue. Of these, 64,545,455 warrants, with an exercise price of 11p and an exercise period ending 23 December 2031 ("2021 Warrants"), were issued under a warrant deed in December 2021 (see RNS notification headed "Subscription and Placing to raise £3.55million" dated 20 December 2021). The holders of these 2021 Warrants are Lanstead (40,000,000), Alora Pharmaceuticals, LLC (21,818,182) and an Institutional shareholder (2,727,273).

A further 30,000,000 warrants, with an exercise price of 5.5p and an exercise period ending 15 August 2032 ("2022 Warrants") were issued under a warrant deed in August 2022 (see RNS notification headed "Subscription/Placing to raise £1.1m; Broker Option" dated 3 August 2022). The holder of these 2022 Warrants is Lanstead (30,000,000).

These warrants are currently significantly "out of the money".

The warrant deeds (between the Company and the respective counter-parties – the holders of warrants) have been varied, such that the exercise price of the 2021 Warrants and 2022 Warrants is reduced from 11 pence and 5.5 pence respectively to 2 pence.

The 2021 Warrants and 2022 Warrants will then be exercisable at the earlier of (i) the five day volume weighted average price of Ordinary Shares attaining 4 pence or (ii) 12 months following First Admission or (iii) a takeover offer is announced for the Company. The reduction in the warrant exercise prices was agreed with all the warrant holders and from the Company's perspective, there will be a higher probability of receiving additional funding from the exercise of these warrants as the share price appreciates and the warrants are 'in the money'.

Following Second Admission the 101,042,350 warrants in issue represent 18.29 per cent of the fully diluted share capital (as enlarged following full exercise of these warrants and outstanding options and assuming full take up of the Retail Offer).

The Company issued 500,000 new Ordinary Shares to SPARK, and 3,750,000 new Ordinary Shares to SCP at an issue price of 2 pence per share in lieu of fees ("Fee Shares"). The Fee Shares were issued credited as fully paid and will rank pari passu in all respects with the Company's existing issued Ordinary Shares.

**Current Activities and Outlook**

As a Board, we remain focused on bringing our two key late stage clinical assets, P140 (Lupuzor™) and CIDP, closer to the market, as well as securing partnering deals for our earlier stage assets, specifically within our anti-infectives program.

It has however taken longer than we anticipated to be at this crucial stage of development as we are now, particularly within our late stage asset of P140 (Lupuzor™) for SLE.

We however have made significant scientific progress over the last year and most importantly, following further detailed analysis of the protocol of the P140 (Lupuzor™) study; new insights into the MOA of P140, combined with the outstanding safety profile of the drug, we have compelling evidence that moving directly into a pivotal Phase 3 study for P140 (Lupuzor™), is the most appropriate route forward and as a result, we have a high level of confidence of the success of this study.

The second half of 2023 was an extremely busy but focused period for the team and I acknowledge the frustration of shareholders for the protracted period of time to reach decisions, including the appointment of the CRO Simbec-Orion for the P140 (Lupuzor™) Phase 3 study.

I thank everyone for their continued patience. We look forward to providing further updates on the progress of this study, together with progress on CIDP and our earlier stage programs throughout 2024.

We will also continue to concentrate on further commercial and partnering opportunities. In conjunction with the above objectives, we continue to take prudent measures on managing our cost base.

As a major shareholder in Incanthera, we are delighted with its progress over the last year and in particular its deal with Marionnaud, for its innovative luxury skincare product range.

In closing, we would like to thank our shareholders for their support as well as our staff, corporate and scientific advisers and our partners including CNRS and Avion.

**Tim McCarthy**
Chairman & CEO

## Financial Review

The financial results of the ImmuPharma Group in this report cover the year ended 31 December 2023. The Group's principal activity is that of research and development of novel drugs to treat serious medical conditions.

**Income Statement and Statement of Comprehensive Income**

The operating loss for the year ended 31 December 2023 was £3.2 million, up from £3.0 million for the year ended 31 December 2022. The research and development expenditure was £2.0 million, in line with £2.0 million in 2022. Administrative expenses were £1.0 million (2022: £0.8 million).

Finance income has increased from £28k in 2022 to £122k in 2023. Finance costs amounted to £0.4 million, down from £1.5 million in 2022, caused largely by the comparative fair value calculations on the Lanstead derivative financial asset. The loss after tax for the year was £2.9 million, a decrease from £3.8 million in 2022.

The amounts recognised directly in the Statement of Comprehensive Income include the total fair value loss of £46k (2022: fair value loss of £726k) which comprises the following components: fair value loss on shares held in Incanthera plc of £45k (2022: fair value loss of £520k) and fair value loss on Incanthera's warrants of £1k (2022: fair value loss of £206k). Total comprehensive loss for the year was £3.0 million, a decrease from £4.5 million in 2022.

**Statement of Financial Position**

The Group cash and cash equivalents at 31 December 2023 amounted to £0.2 million (2022: £0.7 million) with the decrease caused by the cash used in operating activities including research and development expenditure related to PK study offset by cash inflows from financing and investing activities. Trade and other payables increased to £1.7 million (2022: £1.5 million) and was largely due to PK study related expenditure. The total value of the financial asset equated to £0.6 million, comprising of shares in Incanthera of £0.6 million (2022: £0.7 million) and warrants in Incanthera of £1 (2022: £1k). At 31 December 2023 the Lanstead derivative financial asset amounted to £0.6 million (2022: £0.3 million). The increase was a result of the fair value calculation performed at year end, reflecting the new sharing agreement in the period offset by amounts received and losses recognised.

**Results**

The Group recorded a loss for the year of £2.9 million (2022: £3.8 million). Basic and diluted loss per share was 0.81p (2022: 1.26p). In accordance with the Group's loss making position, no dividend is proposed.

**Total Voting Rights & Warrants**

The Company had a total of 701,422,198 ordinary shares in issue at 31 December 2023. The Company's issued share capital now comprises 416,437,265 Ordinary Shares with one voting right each and 284,984,933 deferred shares with no rights to vote. Total warrants outstanding equal: 101,042,908.

**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.

**On behalf of the Board**

**Tim McCarthy**
Director

## CONSOLIDATED INCOME STATEMENT
## FOR THE YEAR ENDED 31 DECEMBER 2023

| | Year ended 31 December 2023 £ | Year ended 31 December 2022 £ |
|---|---|---|
| **Continuing operations** | | |
| Revenue | - | - |
| Research and development expenses | (2,022,305) | (2,022,507) |
| Administrative expenses | (1,020,345) | (846,571) |
| Share based payment expense | (140,238) | (159,874) |
| Other operating income | 119,881 | - |
| **Operating loss** | (3,063,007) | (3,028,952) |
| Finance costs | (358,915) | (1,455,966) |
| Finance income | 3,025 | 28,585 |
| **Loss before taxation** | (3,418,897) | (4,456,333) |
| Tax | 497,102 | 648,902 |
| **Loss for the year** | (2,921,795) | (3,807,431) |
| **Attributable to:** | | |
| Equity holders of the parent company | (2,921,795) | (3,807,431) |
| **Loss per ordinary share** | | |
| Basic and diluted | (0.81)p | (1.26)p |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

| | Year ended 31 December 2023 | Year ended 31 December 2022 |
|---|---|---|
| | £ | £ |
| **Loss for the financial period** | (2,921,795) | (3,807,431) |
| **Other comprehensive income** | | |
| Items that will not be reclassified subsequently to profit or loss: | | |
| Fair value loss on investment | (44,569) | (519,977) |
| Fair value loss on warrants owned | (1,228) | (206,279) |
| Total items that will not be reclassified subsequently to profit or loss | (45,797) | (726,256) |
| Items that may be reclassified subsequently to profit or loss: | | |
| Exchange differences on translation of foreign operations | 857 | 79,104 |
| Total items that may be reclassified subsequently to profit or loss | 857 | 79,104 |
| Other comprehensive loss for the period | (44,940) | (647,152) |
| Total comprehensive loss for the period | (2,966,735) | (4,454,583) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT 31 DECEMBER 2023

| | 31 December 2023 £ | 31 December 2022 £ |
|---|---|---|
| **Non-current assets** | | |
| Intangible assets | 447,571 | 473,892 |
| Property, plant and equipment | 102,075 | 389,716 |
| Derivative financial asset | 184,784 | 82,563 |
| Financial assets | 643,782 | 689,579 |
| Total non-current assets | 1,378,212 | 1,635,750 |
| **Current assets** | | |
| Trade and other receivables | 467,780 | 723,583 |
| Derivative financial asset | 432,797 | 252,258 |
| Cash and cash equivalents | 208,481 | 667,813 |
| Current tax asset | 234,141 | 695,297 |
| Total current assets | 1,343,199 | 2,338,951 |
| **Current liabilities** | | |
| Financial liabilities - borrowings | - | (111) |
| Trade and other payables | (1,665,122) | (1,451,213) |
| Total current liabilities | (1,665,122) | (1,451,324) |
| **Net current (liabilities)/assets** | (321,923) | 887,627 |
| **Net assets** | 1,056,289 | 2,523,377 |
| **EQUITY** | | |
| Ordinary shares | 29,813,018 | 28,982,676 |
| Share premium | 29,317,444 | 28,788,377 |
| Merger reserve | 106,148 | 106,148 |
| Other reserves | 5,902,591 | 5,761,496 |
| Retained earnings | (64,082,912) | (61,115,320) |
| **Total equity** | 1,056,289 | 2,523,377 |

The financial statements were approved by the Board of Directors and authorised for issue on 4th June 2024
They were signed on its behalf by:

Tim McCarthy
**Director**

Tim Franklin
**Director**

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
# FOR THE YEAR ENDED 31 DECEMBER 2023

| | Share capital £ | Share premium £ | Merger reserve £ | Other reserves – Acquisition reserve £ | Other reserves – Translation reserve £ | Other reserves – Share based payment reserve £ | Other reserves – Warrant reserve £ | Retained earnings £ | Total equity £ |
|---|---|---|---|---|---|---|---|---|---|
| At 1 January 2022 | 28,498,494 | 27,237,329 | 106,148 | (3,541,203) | (1,344,657) | 8,690,019 | 1,349,000 | (56,581,633) | 4,413,497 |
| Loss for the financial year | - | - | - | - | - | - | - | (3,807,431) | (3,807,431) |
| Exchange differences on translation of foreign operations | - | - | - | - | 79,104 | - | - | - | 79,104 |
| Transactions with owners: | | | | | | | | | |
| Share based payments | - | - | - | - | - | 159,874 | - | - | 159,874 |
| New issue of equity capital | 484,182 | 1,866,727 | - | - | - | - | - | - | 2,350,909 |
| Costs of new issue of equity capital | - | (165,679) | - | - | - | - | - | - | (165,679) |
| Fair value loss on investments | - | - | - | - | - | - | - | (519,977) | (519,977) |
| Fair value loss on share warrants | - | - | - | - | - | - | - | (206,279) | (206,279) |
| Issue of warrants | - | (150,000) | - | - | - | - | 369,359 | - | 219,359 |
| At 31 December 2022 | 28,982,676 | 28,788,377 | 106,148 | (3,541,203) | (1,265,553) | 8,849,893 | 1,718,359 | (61,115,320) | 2,523,377 |
| Loss for the financial year | - | - | - | - | - | - | - | (2,921,795) | (2,921,795) |
| Exchange differences on translation of foreign operations | - | - | - | - | 857 | - | - | - | 857 |
| Transactions with owners: | | | | | | | | | |
| Share based payments | - | - | - | - | - | 140,238 | - | - | 140,238 |
| New issue of equity capital | 830,342 | 782,842 | - | - | - | - | - | - | 1,613,184 |
| Costs of new issue of equity capital | - | (253,775) | - | - | - | - | - | - | (253,775) |
| Fair value loss on investments | - | - | - | - | - | - | - | (44,569) | (44,569) |
| Fair value loss on share warrants | - | - | - | - | - | - | - | (1,228) | (1,228) |
| At 31 December 2023 | 29,813,018 | 29,317,444 | 106,148 | (3,541,203) | (1,264,696) | 8,990,131 | 1,718,359 | (64,082,912) | 1,056,289 |
| Equity holders of the parent company | 29,813,018 | 29,317,444 | 106,148 | (3,541,203) | (1,264,696) | 8,990,131 | 1,718,359 | (64,082,912) | 1,056,289 |

## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 DECEMBER 2023

| | Year ended 31 December 2023 £ | Year ended 31 December 2022 £ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Cash used in operations (note 3) | (2,320,679) | (3,224,906) |
| Tax received | 958,258 | 879,877 |
| Interest paid | (1,986) | (2,036) |
| Net cash used in operating activities | (1,364,407) | (2,347,065) |
| **Investing activities** | | |
| Purchase of property, plant and equipment | - | (106,009) |
| Proceeds from sale of property, plant and equipment | 185,737 | - |
| Interest received | 3,025 | 28,585 |
| Net cash generated from/(used in) investing activities | 188,762 | (77,424) |
| **Financing activities** | | |
| Settlements from Sharing Agreement | 362,688 | 362,500 |
| Gross proceeds from issue of new share capital | 1,480,683 | 2,350,909 |
| Share capital issue costs | (121,275) | (165,679) |
| Funds deferred per Sharing Agreement | (1,000,000) | (1,000,000) |
| Net cash generated from financing activities | 722,096 | 1,547,730 |
| Net decrease in cash and cash equivalents | (453,549) | (876,759) |
| Cash and cash equivalents at beginning of year | 667,813 | 1,649,374 |
| Effects of exchange rates on cash and cash equivalents | (5,783) | (104,802) |
| **Cash and cash equivalents at end of year (excluding overdraft)** | 208,481 | 667,813 |

## 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 2023 or 31 December 2022.

The financial information has been extracted from the statutory accounts for the years ended 31 December 2023 and 31 December 2022. 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 2023 and 31 December 2022. For the year ended 31 December 2023 and 31 December 2022 it did include an emphasis of matter paragraph relating to the carrying value of Parent Company's investment in subsidiaries and receivables due from group undertakings, and a reference to which the auditor drew attention by way of emphasis without qualifying their report in respect of going concern.

The Group's statutory accounts for the year ended 31 December 2022 have been delivered to the Registrar of Companies, whereas those for the year ended 31 December 2023 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 statutory accounts for the year ended 31 December 2022 and interim results for the period ended 30 June 2023, which have been prepared in accordance with International Financial Reporting Standards ('IFRS').

The financial information is for the year ended 31 December 2023 and the comparatives are for the year ended 31 December 2022.

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 2023 £** | **Year ended 31 December 2022 £** |
|---|---|---|
| **Loss** | | |
| Loss for the purposes of basic loss per share being net loss after tax attributable to equity shareholders | (2,921,795) | (3,807,431) |
| **Number of shares** | | |
| Weighted average number of ordinary shares for the purposes of basic earnings per share | 362,004,551 | 302,912,903 |
| **Basic loss per share** | (0.81)p | (1.26)p |
| **Diluted loss per share** | (0.81)p | (1.26)p |

The Group has granted share options in respect of equity shares to be issued, the details of which are disclosed in note 20.

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

**3. CASH USED IN OPERATIONS**

| | Group 31 December 2023 £ | Group 31 December 2022 £ | Company 31 December 2023 £ | Company 31 December 2022 £ |
|---|---|---|---|---|
| Operating loss | (3,063,007) | (3,028,952) | (1,763,564) | (1,567,079) |
| Depreciation and amortisation | 37,607 | 117,563 | 3,050 | 4,312 |
| Loss on sale of fixed assets | 94,882 | 939 | - | 939 |
| Share-based payments | 140,238 | 159,874 | 112,676 | 129,799 |
| Decrease/(increase) in trade and other receivables | 255,803 | (296,384) | 183,155 | 37,900 |
| Increase/(decrease) in trade and other payables | 213,798 | (132,392) | 775,093 | (505,554) |
| Gain on foreign exchange | - | (45,554) | (318,015) | - |
| **Cash used in operations** | (2,320,679) | (3,224,906) | (1,007,605) | (1,899,683) |

**4. POST BALANCE SHEET EVENTS**

On 3rd June 2024 the company sold its investment in shares in Incanthera plc. The 9,904,319 shares held at the year end were sold at 15p per share realising gross proceeds of £1.5million.

**5. ANNUAL REPORT**

The annual report for the year ended 31 December 2023 will be posted to shareholders shortly and will be made available on the Company's website www.immupharma.co.uk.