

ImmuPharma

55p

£3.4m fund raising supports Lupuzor™'s pivotal Phase III trials

■ ImmuPharma has announced that it has raised c£3.4million, principally from its long standing shareholder Aviva. The placing was at a price of 53 pence, a premium to Monday's closing price. This is further good news for the group following the recent announcement that Phase III clinical trials for Lupuzor™ are to commence with an as yet un-disclosed partner that is believed to have strong credentials and expertise in late stage development. The group has a strong cash position, which will be bolstered by the proceeds from this fund raising, along with a £50m equity finance facility with Darwin Strategic. Importantly - this provides significant financial flexibility to assist in the funding of the Phase III trials. The company has already manufactured the drug product for the trial and established a world class Scientific Advisory Board to provide guidance and support for the Phase III programme. Lupuzor™ has a new and unique mechanism of action aimed at modulating the body's immune system and has a strong safety and efficacy profile. This has supported the FDA's granting of Fast Track status and approval to commence Phase III trials under an amended Special Protocol Assessment (SPA), which allows for a reduced number of patients in the trial, thereby reducing the development time and cost.

■ Lupuzor™ has a unique mechanism of action and a strong safety and efficacy profile.

Lupuzor™ is targeted at the treatment of lupus, a chronic, potentially life-threatening auto-immune disease. The drug has a unique mechanism that modulates the immune system, without attacking healthy cells or causing side effects. The drug has a strong safety and efficacy profile and has received a number of strong endorsements relating to its superiority/mode of action compared to conventional treatment. This is further supported by the FDA, which has granted the drug Fast Track status and approved the Phase III trials to commence under an updated Special Protocol Assessment (SPA), which will reduce the number of patients required to complete the pivotal Phase III trial to a number below any other lupus candidates currently in clinical trials. The group has started the preparatory stages of the trial and already has the building blocks and funding in place to enable it to progress the trials expediently. Further value enhancing newsflow can be expected over the coming weeks.

■ Pivotal stage in Lupuzor™'s development could produce significant uplift in shareholder value

The fund raising announced today strengthens the group's financial capacity to assist with the funding of the Phase III trials, which we expect to be joint funded by ImmuPharma and its development partner. The Phase III trials are pivotal for Lupuzor™ taking the drug through the next important step towards commercialisation. If successful, the drug has a multi-billion dollar sales potential in a market of unmet needs, which could produce a significant uplift in shareholder value.

	Sales (£m)	PBT (£m)	EPS (p)	Net Cash (£m)	P/E (x)	EV/EBITDA (x)	Yield (%)
FY13a	0.0	-4.4	-4.5	5.4	0.0	0.0	0.0
FY14e	0.0	-4.5	-4.8	4.8	0.0	0.0	0.0
FY15e	0.0	-4.5	-4.5	0.8	0.0	0.0	0.0



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TDIM	IMM
Market cap (£m)	42.0
Net Cash (£m)	4.8
Free Float (%)	63
Avg daily volume (3m)	65k
Broker	Panmure Gordon
Listing	AIM

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