

PRESS RELEASE:

9th January, 2017

Macrophage Pharma raises £9 million in Series A financing and acquires immune-oncology technology platform

Windsor, UK – Macrophage Pharma Limited, a newly formed immune-oncology company, today announced that it has successfully raised £9 million in a Series A equity financing round. The Company has also acquired global rights to a novel technology platform, Esterase Sensitive Motif (ESM), from Chroma Therapeutics Limited (Oxford, UK) together with discovery stage therapeutic assets.

Macrophage Pharma was founded by the CRT Pioneer Fund ('CPF') to discover and develop novel therapies designed to enhance anti-tumour immune responses. The Series A investment round was led by CPF and joined by two specialist investors; Novo Seeds, part of Novo A/S, and Aglaia Biomedical Ventures. The proceeds of the financing round will enable the Company to complete the preclinical development of its lead development candidate, a p38MAP kinase inhibitor, and advance two additional discovery candidates into pre-clinical development.

The newly acquired ESM technology platform delivers small molecule drugs to tumour associated macrophages in a highly selective manner, thus activating the body's natural immune system to fight cancer. The platform has the ability to provide next-generation immunotherapies for a number of different cancers.

The Company's lead p38MAPi programme is focused on a novel macrophage-targeting p38 MAPK inhibitor. Clinical trials are scheduled to start in 2018. The Company is also developing discovery stage programmes centred on a number of proprietary, candidate compounds.

Commenting on the completion of the financing round, **Ian Miscampbell of Sixth Element Capital and Interim Chair of Macrophage Pharma, said:** "We are very excited with the initial data generated over the last 18 months and this financing is an important milestone in the development of Macrophage Pharma. We are delighted to be joined by Novo and Aglaia and look forward to benefitting from their expertise in oncology and early stage development as we continue to develop the Company. We have assembled an experienced leadership team to further advance the immune-oncology programmes towards the clinic."

Dr. Stephan Christgau, Partner at Novo Seeds, added: "Macrophage Pharma represents a very compelling and differentiated approach within immune oncology. We are excited to be part of building this unique opportunity and to be working with an experienced team as well as two specialist investors with a strong track record in oncology."

Dr. Mark Krul of Aglaia commented: "Despite the fact that good progress is being made with respect to immunotherapy for cancer, one of the key hurdles remains the hostile tumour microenvironment. We believe Macrophage's ESM technology offers a unique possibility to transform "bad" macrophages into "good" macrophages and hence make tumours far more susceptible to many immunotherapeutic approaches."

Notes to Editors:

About Macrophage Pharma Limited

Macrophage Pharma is an immuno-oncology company focused on the discovery and development of novel therapies designed to enhance anti-tumour immune responses. The Company's technology platform is designed to deliver small molecule drugs to tumour associated macrophages in a highly selective manner to activate the body's natural immune system to fight cancer.

About Aglaia Biomedical Ventures and Aglaia Oncology Fund II

The Dutch venture capital firm Aglaia - through its Oncology Funds I and II - invests in ground-breaking technologies that have the potential to translate into solutions for the prevention and treatment of cancer. Aglaia is actively involved in the companies that it invests in and works closely with scientists and management teams in the early stages of technological development. By translating high-potential research into commercially and clinically successful products, Aglaia gives meaning to the concept of impact investing by combining financial and social returns. For further information visit www.aglaia-biomedical.com

About Novo A/S and Novo Seeds

Novo Seeds is the early stage investment arm of Novo A/S. Novo Seeds invests in European life science companies with transformative potential and takes an active role as investor, with a proven track record to create and build new companies. Novo A/S is a private limited liability company wholly owned by the Novo Nordisk Foundation. The company is the holding company in the Novo Group and is responsible for managing the assets of the Foundation. Besides being the major shareholder in the Novo Group companies, including Novo Nordisk A/S and Novozymes A/S, Novo A/S provides seed and venture capital to development-stage companies, takes significant ownership positions in well-established companies within the life sciences and manages a broad portfolio of financial assets. It has offices in Copenhagen, San Francisco, Boston and London with a team of scientific and commercial experts actively supporting a portfolio of projects and companies. For further information visit www.novo.dk.

About CRT Pioneer Fund LP

CRT Pioneer Fund is a specialist oncology investment fund established in 2012 by Sixth Element Capital LLP (6EC), CRT, BACIT and the European Investment Fund and is managed by 6EC. The CRT Pioneer Fund is dedicated to investment in oncology development programmes in Europe. The focus for investment is pre-lead optimization through to early clinical trials in man. The Fund is dedicated to asset financing projects emanating from Europe and expects to commit two-thirds of its investment to projects derived from Cancer Research UK's oncology drug discovery portfolio with the remainder being invested in projects from outside Cancer Research UK.

About Sixth Element Capital LLP

Sixth Element Capital LLP (6EC) is a finance partnership based in London. 6EC's experienced partners focus on creative and collaborative novel financing solutions designed to fund and manage innovative science in order to bring new therapeutic products and technologies to market, creating long term value and benefit to stakeholders.

In drug development, the challenge of translating academic opportunities into commercial products has become more acute in recent years. A real funding gap has emerged at the interface between academia and industry as the number of venture investors active in the space has diminished. Working in partnership with the funders of fundamental research as well as providers of finance who remain active in the space, Sixth Element Capital intends to bridge the funding gap through new partnerships that will accelerate the flow of projects from the research bench to patients and eventual commercial

exploitation. The Cancer Research Technology (CRT) Pioneer Fund is an example of these efforts. The Pioneer Fund now has a portfolio of 9 investments. For more information please visit www.sixthelementcapital.com

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