Stock Data	
Share Price:	6.05p
Market Cap:	£5.96m
Shares in issue:	98.49m
52 week high/low:	24.59p – 6.05p

Company Profile	
Sector:	Biotechnology
Ticker:	MTPH
Exchanges:	AIM, Nasdaq[1]

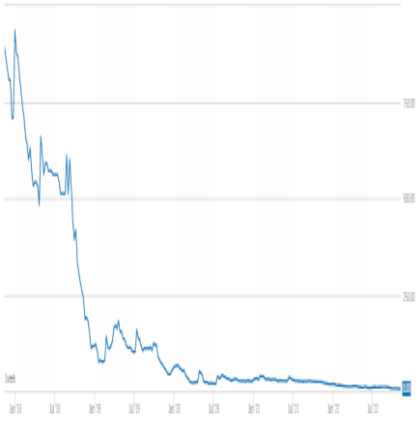
[1]Note: Ratio 1 ADS : 25 Ord. Shares

Activities

Midatech Pharma plc ('Midatech', 'MTPH', 'the Group') is a developer of therapeutic platform technologies and also focuses on the Research and Development ('R&D') of medicines for the treatment of rare cancers and other lethal diseases through in-house as well as partnered programmes while seeking to license its technologies.

www.midatechpharma.com/

5-year share price performance chart



Source: LSE

Past performance is not an indication of future performance.

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Midatech Pharma plc

Midatech has enrolled the first patient into its Phase 1 study of MTX110 ('MAGIC-G1 Study') in recurrent glioblastoma ('rGBM') (National Clinical Trial ('NCT') ID: 05324501) at the Preston Robert Tisch Brain Tumor Center at Duke University, USA. This represents a significant step towards developing a potential new treatment paradigm for patients with this serious disease that currently has limited effective treatment options. MTX110 has already been granted Orphan Drug and Fast Track designations by the FDA and Orphan Medicinal Product designation by EMA. Sustaining its 'multiple shots on goal' strategy, this represents just one of Midatech's pipeline of eight different programmes targeting improvements in bio-delivery/ biodistribution of existing drugs. Along with expectation of moving its two indications for MTX110 forward, there is also realistic potential for delivery of senior partnership agreements both for its ground-breaking early-stage work in therapeutic monoclonal antibodies ('mAb') and later-stage Q-Sphera small molecule programmes (MTD211 & MTD219), suggesting the Group could deliver heavier news flow in the coming months. Cash burn of £3.63m during its first half to 30 June 2022 (H1 2021: £3.34m), however, left the Group with a balance of £6.42m which, on 14 September 2022 the Board considered only sufficient to fund operations into Q1 2023, while also noting that it was actively assessing options to extend this runway. With this in mind and in anticipation of steps being taken to improve visibility/bolster its balance sheet, TPI has chosen to temporarily suspend its price target for Midatech while awaiting such news.

MTX110 – First Patient Enrolled in Phase 1 Study of rGBM

The MAGIC-G1 study is looking to overcome the limited penetration of panobinostat through the blood-brain barrier by its direct administration into the tumour, thus also potentially avoiding systemic toxicity. MTX110 is a water-soluble novel formulation of panobinostat free base, achieved through complexation with hydroxypropyl-β-cyclodextrin ('HPBCD'), as a clinical development is for intractable brain cancers, including rGBM and Diffuse Intrinsic Pontine Glioma ('DIPG'). The Phase I study being started now is an open-label, dose escalation study designed to assess the feasibility and safety of intermittent infusions of MTX110 administered by convection enhanced delivery ('CED') via implanted refillable pump and catheter. The study aims to recruit two cohorts, each with a minimum of four patients; the first will receive MTX110 only and the second will receive MTX110 in combination with lomustine.

Both rGBM and DIPG are incurable conditions marked by short survival rates and universal recurrence, although GBM is the most common and devastating primary malignant brain tumour in adults encompassing 14.3% of all primary brain and central nervous system neoplasms. With an incidence of approximately 3.2 per 100,000 population in the USA, approximately 12,300 people in the USA are diagnosed with GBM per annum. Having already achieved Orphan Drug status in the US, following the submission of a similar application to the European Medicines Agency ('EMA'), on 21 June 2022 Midatech's development programme of MTX110 for the treatment of glioma was granted Orphan Medicinal Product designation by the agency.

Building on the *in vivo* data that Midatech presented at the 2020 annual meeting of The Society of Neuro-Oncology, which demonstrated the efficacy of MTX110 against two GBM cell lines in an ectopic tumour model and subsequent *in vitro* which demonstrated the potency, at therapeutic concentrations, of MTX110 against a further four patient-derived GBM cell, Midatech began planning a Phase I pilot study in rGBM patients.

Having completed all preparations for the study, today's enrolment of the first patient at the Preston Robert Tisch Brain Tumor Center, Duke University, remains on management's anticipated schedule. Standard of care for treatment of GBM is typically maximal surgical resection followed by radiotherapy plus concomitant and maintenance temozolomide chemotherapy with or without the wearable, portable, FDA-approved Optune® device. Notwithstanding, the multidisciplinary approach, almost all patients experience tumour progression with universal mortality. Median survival from initial diagnosis is less than 21 months*.

Meanwhile, the Group's second Phase I study in DIPG at Columbia University remains in the process of recruiting the last of 10 patients. Panobinostat has already demonstrated high potency against DIPG tumour cells in *in vitro* and *in vivo* models, and in a key study was found to be the most promising of 83 anticancer agents tested in 14 patient-derived DIPG cell lines *(Grasso et al, 2015. Nature Medicine 21(6), 555-559).*

Midatech Pharma plc – Development Pipeline

ID	Technology	API	Therapeutic Area	Administration	Formulation	Pre-clinical	Phase 1	Phase 2	Partner
MTX110	MidaSolve	Panobinostat	Glioblastoma	Direct to tumour via CED					—
MTX110	MidaSolve	Panobinostat	Brain Cancer in Children (DIPG)	Direct to tumour via CED					—
MTX110	MidaSolve	Panobinostat	Medulloblastoma	Direct to tumour					—
MTX114	MidaCore™	Methotrexate	Psoriasis	Topical					—
MTD211	Q-Sphera™	Brexpiprazole	Schizophrenia, MDD	Long Acting Injectable					—
MTD219	Q-Sphera™	Tacrolimus	Prophylaxis, transplant rejection	Long Acting injectable					—
MTX213	Q-Sphera™	undisclosed	undisclosed	Long Acting Injectable					Janssen
MTX223	Q-Sphera™	undisclosed	undisclosed	Long Acting Injectable					Janssen

Source: Midatech

Anticipating more significant news flow in coming months

TPI last updated its valuation for Midatech following two significant news announcements released in June 2021, along with continuing progress across its development pipeline. Back then, an exceptional level of international interest had been expressed following the Group's release of 17 June 2021, detailing breakthrough data that indicated protein loading up to 15% w/w with it retaining functional integrity throughout encapsulation and release, as demonstrated in an *in vitro* antigen binding assay. Given that the industry has long sought long-acting formulations for monoclonal antibodies in a market for which the top 10 drugs account for c.US$75 billion in annual sales, TPI apportioned additional prudent value to this early-stage discovery which might be expected to multiply once a senior development partner has been formally identified. On 29 June 2021, Midatech raised £10m new equity funding, which the Board now considers will continue to it with a runway out to Q1 2023. Although TPI retains its confidence in Midatech's portfolio of internal and external programmes to create significant value (and for which its original sum-of-parts assessment amounted to £97.5m), right now it is important not only to recognise the indeterminate timing for any such prospective realisations but also the likely extent of the Group's forward cash burn. While TPI sees opportunity for more significant news flow in coming months, possibly even confirming potential within its development pipeline, it also expects the Board to be considering various different options, including equity fundraising and/or sale or partnering of all or any of the Group's assets and technologies in order to improve visibility/extend its cash runway beyond the first quarter of next year. In anticipation of this, TPI is suspending its price target for Midatech while awaiting developments.

(Please note that TPI's valuation is based on financial modelling and there is no guarantee that such a valuation will ever be realised, therefore please do not base investment decisions on this valuation alone. Also please note that past performance, future performance and forecasts are not reliable indicators of future results.)

**Stupp R, Taillibert S, Kanner AA, et al. Maintenance Therapy with Tumor-Treating Fields Plus Temozolomide vs Temozolomide Alone for Glioblastoma: A Randomized Clinical Trial. JAMA: the journal of the American Medical Association. 2015;314(23):2535-2543. Chinot OL, Wick W, Mason W, et al. Bevacizumab plus radiotherapy-temozolomide for newly diagnosed glioblastoma. N Engl J Med. 2014;370(8):709-722.*

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