



22 April 2024

## Avacta Group plc

("Avacta" or the "Group" or the "Company")

### Issue of Equity and Total Voting Rights

Avacta Group plc (AIM: AVCT), a life sciences company developing innovative, targeted oncology drugs and powerful diagnostics today announces it has issued and allotted a total of 7,529,825 new ordinary shares of 10 pence each in the Company ("New Ordinary Shares"). The New Ordinary Shares are being issued in settlement of the quarterly principal of £2.55 million and interest repayment of £0.62 million in respect of the Company's unsecured convertible bonds (the "Convertible Bonds"), as detailed in Avacta's announcement on 18 October 2022.

The Board carefully considered the difficult balance between further dilution and the Group's cash resources to deliver key value adding milestones from the upcoming AVA6000 efficacy studies. On this occasion the Board has decided to settle the quarterly repayment in shares but will continue to review this on a quarterly basis and, if it considers that conditions allow, the repayment will be settled in cash.

After settlement of the quarterly repayment, the principal remaining under the Convertible Bonds will be reduced by £2.55 million to £35.70 million.

Under the terms and conditions of the Convertible Bonds, there is a reset of the conversion price on the date falling 18 months after their date of issue (i.e. on 20 April 2024, the "Reset Date") should the average Avacta share price over the 15-dealing-day period preceding the Reset Date<sup>(1)</sup> (the "15-Day Reset Average Market Price") be below the conversion price in effect on the Reset Date<sup>(2)</sup>. In which case, the conversion price resets to the greater of (i) such 15-Day Reset Average Market Price and (ii) the reset price floor in effect on the Reset Date<sup>(3)</sup>. The 15-Day Reset Average Market Price is 50.83 pence and, as such, with effect from the Reset Date of 20 April 2024, the conversion price was reset to 88.72 pence<sup>(4)</sup>, subject as provided below.

If, during the 9-month period commencing on the Reset Date (i.e. during the period from 20 April 2024 to 20 January 2025, the "Reset Clawback Period"), the volume-weighted average price ("VWAP") of the Company's Ordinary Shares on each of at least 20 dealing days in any period of 30 consecutive dealing days is greater than 130% of the pre-reset conversion price<sup>(5)</sup> (the "Reference Conversion Price"), then the conversion price will be restored at such time to be equal to such Reference Conversion Price<sup>(5)</sup>, thereby reversing the effect of the reset made on 20 April 2024.

Application has been made to AIM for the admission to trading of the 7,529,825 New Ordinary Shares resulting from the conversion, which is expected to occur at or around 8.00 am on 23 April 2024 ("Admission"). The New Ordinary Shares will rank pari passu with the existing Ordinary Shares of the Company.

Following Admission, the Company's enlarged issued share capital will be 359,042,104. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

<sup>(1)</sup> being calculated as the arithmetic average of the daily VWAPs of the Ordinary Shares during such 15-dealing-day period as aforesaid

<sup>(2)</sup> being 110.91 pence since the adjustment performed in accordance with the customary anti-dilution provisions contained in the terms and conditions of the Convertible Bonds following the Company's fundraising announced on 28

*February 2024 (the conversion price was initially set at 118.75 pence at the time of issue of the Convertible Bonds)*

*(3) being 88.72 pence since the adjustment referred to in note (1) above (the reset price floor was initially set at 95 pence at the time of issue of the Convertible Bonds)*

*(4) from 110.91 pence immediately prior to the Reset Date*

*(5) being 110.91 pence, as may be adjusted during the Reset Clawback Period in accordance with the customary anti-dilution provisions contained in the terms and conditions of the Convertible Bonds*

**-Ends-**

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**About Avacta Group plc - <https://www.avacta.com>**

Avacta Group is a UK-based life sciences company focused on improving healthcare outcomes through targeted cancer treatments and diagnostics.

Avacta has two divisions focused on therapeutics and diagnostics.

Avacta Therapeutics: a clinical stage oncology biotech division harnessing proprietary therapeutic platforms to develop novel, highly targeted cancer drugs.

Avacta Diagnostics: focused on supporting healthcare professionals and broadening access to diagnostics.

Avacta has two proprietary platforms, pre|CISION™ and Affimer®.

The pre|CISION™ platform is a highly specific substrate for fibroblast activation protein (FAP) which is upregulated in most solid tumours compared with healthy tissues. The pre|CISION™ platform harnesses this tumour specific protease to activate pre|CISION™ peptide drug conjugates and pre|CISION™ antibody/Affimer® drug conjugates in the tumour microenvironment, reducing systemic exposure and toxicity, allowing dosing to be optimised to deliver the best outcomes for patients.

The lead pre|CISION™ programme AVA6000, a peptide drug conjugate form of doxorubicin, is in Phase 1 studies. It has shown a dramatic improvement in safety and tolerability in clinical trials to date compared with standard doxorubicin and preliminary signs of clinical activity in multiple patients.

To register for news alerts by email go to <https://avacta.com/investors/investor-news-email-alerts/>

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