

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse (amendment) (EU Exit) Regulations 2019/310 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

**Fusion Antibodies plc  
("Fusion" or the "Company")**

**Year-end trading statement**

Fusion Antibodies plc (AIM: FAB), specialists in pre-clinical antibody discovery, engineering and supply for both therapeutic drug and diagnostic applications, provides an unaudited trading update for the financial year ended 31 March 2025 ("FY2025").

**Highlights**

- Unaudited revenues for FY2025 of £1.96m (FY2024: £1.14m).
- Achievements in the second half of FY2025 included:
  - Future Medicines Institute ("FMI") grant funding was announced on 4 December 2024 providing access to approximately £1m of direct non-dilutive funding for the Company and access to other FMI assets including facilities and staff and access to up to £5m of new capital equipment;
  - Further purchase orders received under a master services agreement ("MSA") with a leading diagnostics company;
  - Cell line development project received with a US based biotechnology client announced on 27 February 2025;
  - Positive momentum in the ongoing collaboration agreement with the National Cancer Institute ("NCI"):
    - The collaboration agreement was extended to include the humanisation by Fusion of several of the NCI's existing camelid nanobodies;
    - Receipt of positive cells ("hits") from the NCI for the use of OptiMAL®;
    - The Company reproduced the evaluation of the initial hits confirming their positive nature with regard to the OptiMAL® platform; and
    - The resynthesis of OptiMAL® antibodies encoded by DNA from hit cells, which has shown positive binding in multiple established assay formats. Validation work is continuing.
- Equity fundraise announced on 18 March 2025, raising approximately £1.17m (before expenses) for additional research and development ("R&D") work primarily related to the validation of the hits from the studies with the NCI, general working capital and to invest into commercial activities, especially to support OptiMAL® should the validation prove successful.
- Cash position as at 31 March 2025 of £0.4m\* (31 March 2024: £1.2m).

*\*£0.57 million of the 18 March 2025 placing proceeds, as well as the initial FMI grant payment, were received after the period end and are therefore not reflected in this figure.*

While the broader economic environment continued to present Fusion with headwinds in FY2025, the Company's new commercial strategy delivered a positive outcome with unaudited revenues for FY2025 of £1.96m. This is broadly in line with consensus market expectations and represents a 71% increase on the previous financial year.

The significant growth seen in the Diagnostics sector was particularly pleasing, along with the increasing interest from early-stage smaller-scale prospects in the Veterinary sector, which suggests that there is potential for further growth in this sector. Moreover, the approval of the FMI grant is both positive in terms of non-dilutive cash income for the Company but is also an acknowledgement of our scientific experience being recognised independently as well as being viewed as strong and valuable.

While we are very encouraged by the turnaround in revenue in FY2025, we must remain cognisant of recent challenging market conditions, most notably the downturn in venture capital investment into biotechnology companies that was seen in FY2024, which appears to now be easing slowly. This has continued to affect a significant proportion of the Company's prospective client base. This also affected their projects for therapeutic antibody development programmes which is Fusion's current primary customer type.

The Company has since taken steps to overcome the aforementioned challenges. For example, through focused business development activities targeting Diagnostics, Veterinary Medicine and Research Antibody markets, the Company has made the sales pipeline more resilient with less exposure to individual sectors.

In addition, scientific attrition, caused by the natural risk in the development of highly sophisticated targeted biological systems, also impacted the business with some pipeline projects yet to convert and other projects being received later than originally anticipated. In one instance, a project, details of which were announced on 6 February 2024, was paused part

way through the project. Fusion understands that it has may now have been entirely stopped. Accordingly, the Company does not anticipate recognising all the project's full revenue potential, although US 293k has been recognised to date. This type of scientific attrition is an ever-present risk faced by Fusion's clients and in no way reflects poorly on the Company but rather reflects the inherent challenges of harnessing biology to fight disease. The Company continues to work with the client on other projects which were unaffected.

#### **FMI**

The establishment of the FMI in Belfast as part of a multi-million grant initiative was announced by the Company on 4 December 2024. The Company plays a central part in the consortium behind this project and stands to benefit in many ways, including through direct non-dilutive funding, access to up to £5m of capital equipment, access to the FMI laboratories at Queen's University Belfast as well as the 20 expert FMI staff and a similar number of PhD students.

The FMI project has been brilliantly designed and coordinated by the lead applicants to support platform development in diagnostics and therapeutics and so maps very closely to the ambitions of the Company. Specifically, this grant allows Fusion to allocate more resources to the R&D of our platform technologies whilst contributing to the labour and consumables costs of this effort. The initial draw down payment available to Fusion from this grant was received on 2 May 2025 and is therefore not reflected in the year end cash position.

#### **OptiMAL® validation project**

Positive progress has been made on the Company's OptiMAL® validation project with the NCI. Fusion received positive hits from the NCI for the use of OptiMAL® in the discovery of novel antibodies against targets selected by NCI. The Company has since sequenced the relevant DNA from those cells, which codes for the expressed antibody, and has resynthesized the antibody through an independent transient gene expression process. The resynthesized antibody has been shown to bind to the target protein in two separate assay formats. Further work is ongoing.

Other exciting developments achieved in FY2025 included:

- securing a substantial cell line development project under a collaborative R&D agreement with a US based biotechnology company;
- the receipt of further purchase orders under the MSA with a leading diagnostics company; and
- our first OptiPhage™ contract, whereby Fusion designed a phage display library using the diversity principles behind the OptiMAL® library. The client has an option to license the library on an exclusive basis.

The board of directors of Fusion (the "Board" or the "Directors") believe that the above developments provide strong evidence that the Company's diversification strategy, together with the recovering economic climate, provides confidence for continued growth into FY2026. However, we remain conscious that the market is not yet fully recovered and, whilst tariffs do not normally apply to service-based transactions which constitute the vast bulk of Fusion's revenues, additional macro-economic and political factors may also have an impact on the overall marketplace.

To support Fusion's new commercial and sales strategy, the Company successfully raised approximately £1.17m in March 2025. The Placing was very well supported by existing institutional investors and VCT funds. The issue price of the Placing was not discounted and represented approximately the prevailing share price of an ordinary share at the time. The Company has since begun to apply the proceeds towards increasing its R&D activities supporting the OptiMAL® validation and positioning for a commercial launch in the future.

The Company's cash position as at 31 March 2025 was £0.4 million, with £0.57 million from the March fundraising and the initial FMI grant payment being received after the period end and therefore not reflected in this figure. This, with the expected grant monies still to be received, positions the Company well considering the current economic environment and the additional activities described above.

**Adrian Kinkaid, CEO of Fusion, commented:** *"It is a testament to all our staff, from the bench to the Board, that we have effectively and efficiently guided the Company through some very challenging times for the industry, met our revenue targets and have securely positioned the Company on a sound footing for growth."*

*"We believe that recovery and growth will continue into FY2026 and beyond. Our diversification strategy to target adjacent markets such as the Diagnostics sector has proven to be effective, and we will continue to address these additional markets as well as our core markets in order to grow the business beyond its previous boundaries and do so through all three of our primary offerings: Discovery, Engineering and Supply."*

*"Our R&D efforts have played an important part in our recovery with technological developments such as Fusion's proprietary Mammalian Display and OptiPhage™ being derived from our flagship OptiMAL® research project. The OptiMAL® platform itself has the potential to markedly change our traction in the therapeutics space, particularly with larger pharmaceutical and biotech clients, so it is particularly pleasing to be able to report on the positive progress made to date. We intend to commit further resources to this important platform now that we have the additional funds to do so, while continuing to manage capital in a cautious and conservative manner."*

#### **InvestorHub**

We encourage all investors to share questions on this announcement via our investor hub. You can view it here: <https://investorhub.fusionantibodies.com/link/YeNjZe>

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#### **About Fusion Antibodies plc**

Fusion is a Belfast based contract research organisation ("CRO") providing a range of antibody engineering services for the development of antibodies for both therapeutic drug and diagnostic applications.

The Company's ordinary shares were admitted to trading on AIM on 18 December 2017. Fusion provides a broad range of services in antibody generation, development, production, characterisation and optimisation. These services include antigen expression, antibody production, purification and sequencing, antibody humanisation using Fusion's proprietary CDRx™ platform and the production of antibody generating stable cell lines to provide material for use in clinical trials. Since 2012, the Company has successfully sequenced and expressed over 250 antibodies and successfully completed over 200 humanisation projects and has an international, blue-chip client base, which has included eight of the top 10 global pharmaceutical companies by revenue.

The Company was established in 2001 as a spin out from Queen's University Belfast. The Company's mission is to enable pharmaceutical and diagnostic companies to develop innovative products in a timely and cost-effective manner for the benefit of the global healthcare industry. Fusion Antibodies provides a broad range of services in antibody generation, development, production, characterisation and optimisation.

Fusion Antibodies growth strategy is based on combining the latest technological advances with cutting edge science to deliver new platforms that will enable Pharma and Biotech companies get to the clinic faster, with the optimal drug candidate and ultimately speed up the drug development process.

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