RNS Number : 2945B
Avacta Group PLC
30 September 2025

**Avacta Group plc**

("Avacta" or the "Company")

**Interim Results for the six months to June 30, 2025**

**LONDON and PHILADELPHIA**–September 30, 2025 - Avacta Therapeutics (AIM: AVCT), a life sciences company developing innovative, targeted oncology drugs, announces the publication of the interim results for the six months ended June 30, 2025 ("H1 25").

## Highlights - pre|CISION® medicine pipeline

- Clinical stage programs continue to advance with enrolment ongoing in Phase 1b expansion cohorts in the faridoxorubicin[1] (FAP-Dox, AVA6000) program. The initial clinical activity observed in Phase 1b is highly encouraging.

- FAP-EXd (AVA6103) remains on track to dose the first patient in Q1 2026.
- Clinical data with faridoxorubicin (FAP-Dox, AVA6000), FAP-EXd (AVA6103) and translational work in FAP pre|CISION® programs was presented in April 2025 at American Association of Cancer Research Annual Meeting (AACR, 2025).
- Avacta to present the final faridoxorubicin Phase 1a dose escalation data at ESMO 2025 in Berlin, October 2025, with longer term cardiac safety data and updated efficacy data.

## Financial and operational - including post period end

- Period end cash and cash-equivalent balances were £12.65 million (30 June 2024: £28.56 million; 31 December 2024: £12.87 million).
- Cash outflow from operations and working capital movements were £12.14 million (H1 2024: £12.60 million; FY 2024: £26.05 million) and cash inflow from investing activities were £8.77 million reflecting the proceeds of the sale of Launch Diagnostics (H1 2024: outflow of £0.80 million; FY 2024: outflow of £1.43 million).

- Renegotiated terms of Heights Convertible Bond (the "Bond") and raised £6.5 million (gross) to fund two quarterly cash payments of the Bond. Year to date bond settlement was £5.1 million, 30 June 2025 bond balance is £25.5 million reducing to £22.95 million by 30 September 2025.

**Christina Coughlin, MD, PhD, CEO of Avacta, said,**

*"We have continued to make strong progress with our R&D pipeline, seeing a number of advances in our clinical programs. Notably the activity we are seeing in the faridoxorubicin Phase 1b trial has*

*further increased our confidence in the value and utility of the pre|CISION® platform. Further, we continue to see increasing industry interest in our innovative platform.*

*"Raising £6.5 million to fund the July and October bond payments and renegotiating the terms of the convertible bond reflect the progress and growing confidence in our R&D pipeline.*

*"We anticipate multiple pipeline updates in the last quarter of 2025, including the data from the first expansion cohort (salivary gland cancer) in the faridoxorubicin program. We look forward to continuing to update on our progress across our programs and exploiting our unique technology."*

[1]*faridoxorubicin: generic nomenclature assigned to the AVA6000 program by the World Health Organization (WHO)*

**-Ends-**

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|---|---|
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**About Avacta** - www.avacta.com

Avacta Therapeutics is a clinical-stage life sciences company expanding the reach of highly potent cancer therapies with the pre|CISION® platform. pre|CISION® is a proprietary payload delivery system based on a tumor-specific protease (fibroblast activation protein or FAP) that is designed to concentrate highly potent payloads in the tumor microenvironment while sparing normal tissues. Our innovative pipeline consists of pre|CISION® peptide drug conjugates (PDC) or Affimer® drug conjugates (AffDC) that leverage the tumor-specific release mechanism, providing unique benefits over traditional antibody drug conjugates.

**About the pre|CISION® Platform**

The pre|CISION® platform comprises an anticancer payload conjugated to a proprietary peptide that is a highly specific substrate for fibroblast activation protein (FAP) which is upregulated in most solid tumors compared with healthy tissues. The pre|CISION® platform harnesses this tumor specific protease to cleave pre|CISION® peptide drug conjugates and pre|CISION® antibody/Affimer® drug conjugates in the tumor microenvironment, thus releasing active payload in the tumor and reducing systemic exposure and toxicity, allowing dosing to be optimized to deliver the best outcomes for patients.

**Interim report**

## Strategic overview

We are making excellent progress in the development of our unique pre|CISION® technology platform, pioneering a novel, differentiated class of pre|CISION®-based medicines to revolutionize drug delivery.

Our platform technology demonstrates multiple advantages over conventional therapeutics by addressing one of the primary challenges of effective treatment of diseases, specifically the balance between efficacy and safety. pre|CISION®-based medicines are specifically designed to be silent (inert) in the bloodstream and in the tissues, and to only activate once in the tumor.

Post period end we renegotiated the terms of the Heights Convertible Bond to include a nine-month period without conversions (subject to raising a minimum of £13.0 million by 15 January 2026), and successfully raised £6.5 million to fund two quarterly cash payments.

We are confident in Avacta's ability to partner preCISION® across a number of modalities and in the management team's ability to secure the requisite funding to progress the pre|CISION® platform through multiple value driving events.

## pre|CISION® - our proprietary technology

The challenge in oncology is that the most effective therapies cause the most toxicity in normal tissues. The ability to deliver the active drug directly to the tumor is the promise of our proprietary pre|CISION® platform.

The key aspect of pre|CISION® peptide drug conjugate (PDC) technology is that the conjugated drug (the combination of the oncology drug and our peptide) is inert. It is incapable of entering cells and killing until the peptide is specifically released when it comes into contact with common tumor-associated protein, known as fibroblast activation protein or FAP, in the tumor.

When a pre|CISION® PDC encounters FAP in the tumor, the peptide is cleaved and the active payload is released. The release of the payload from the pre|CISION® compound in the tumor results in higher concentration of the drug at the tumor and lower blood and healthy tissue levels than would be achievable with standard systemic administration. Importantly, the increased toxicities (payload) at the tumor are directly associated with the pre|CISION® medicines.

Two factors that dictate the antitumor potential of pre|CISION® medicines are (1) the expression of FAP in the tumor to cleave the peptide (the amount of the FAP protein that exists in the tumor) and (2) the inherent susceptibility of the associated tumors to the chemotherapy (chemicals in the drug) that is released.

We believe that pre|CISION® can deliver higher drug levels within tumors which will lead to improved antitumor activity while reducing systemic toxicities. This will dramatically impact the therapeutic index and efficacy of a given anticancer drug. We have observed this with our first clinical program, faridoxorubicin. This program has demonstrated a dramatic reduction in the toxicities associated with conventional doxorubicin and is delivering exciting preliminary efficacy data.

## Programs

Faridoxorubicin (AVA6000) is our lead clinical program. We have advanced from the dose escalation Phase 1a portion of the trial to the expansion cohorts, Phase 1b, that are designed to allow a data-driven transition to Phase 2 development.

We remain focused on the execution of this trial and anticipate presenting data in October, 2025, at the European Society for Medical Oncology (ESMO) meeting from the Phase 1a part of the trial, focusing on early evidence of efficacy as well as the longer-term cardiac safety data. In 4Q 2025, we expect to present the first of the Phase 1b data from the salivary gland cancer cohort. In 1H 2026, data from the cohort of triple negative breast cancer will be presented.

FAP-EXd (AVA6103) is on track for the first patient expected to be dosed in the trial in the first quarter of 2026. Preclinical data in multiple animal models of various solid tumors continues to demonstrate the activity of the exatecan payload in the sustained release mechanism. We are looking forward to initiating our second clinical program next year with the first patient planned for 1Q 2026.

## Outlook

We now have a clear value proposition and unique world-class scientific capabilities. Our data are robust and building and industry interest in our innovative platform continues to increase. We are very excited about the next stages of Avacta's journey. Our upcoming data catalysts demonstrate the progress made in the programs, including the presentation of the Phase 1a data at ESMO, the Phase 1b data in salivary gland cancers and our upcoming study start for FAP-EXd (AVA6103).

## Financial Review

***Revenue***

Revenues from continuing operations for the six months ended 30 June 2025 were £0.06 million (H1 2024: £0.06 million; FY 2024: £0.113 million).

Revenues from discontinued operations for the six months ended 30 June 2025 were £6.10 million (H1 2024: £11.21 million; FY 2024: £24.31 million).

***Research costs and selling, general and administrative costs***

Research costs relate predominantly to the clinical and pre-clinical development work of the pre|CISION® therapeutics programs as planned increased to £7.20 million (H1 2024: £6.55 million; FY 2024: £14.27 million).

Selling, general and administrative costs for the continuing operations decreased to £4.47 million (H1 2024: £4.69 million; FY 2024: £12.05 million). Expenses from discontinuing operations were to £3.47 million (H1 2024: £4.69 million; FY 2024: £10.34 million).

***Other costs and charges***

Depreciation from continuing operations increased to £0.73 million (H1 2024: £0.63 million; FY 2024: £1.49 million). Amortization expense increased to £0.01 million (H1 2024: £0.07 million; FY 2024: £0.016 million).

The share of the costs from the AffyXell joint venture was £0.19 million (H1 2024: £0.40 million; FY 2024: £0.75 million). The share of losses reflects the Group's 21% ownership share of the losses accumulated in the year. The Group investment decreased from 25% to 21% at 31 December 2024 as a result of a dilution in shares.

Share-based payment charges were £0.74 million (H1 2024: £2.14 million; FY 2024: £4.11 million).

***Operating loss***

The Group's operating loss from continuing operations decreased to £14.18 million (H1 2024: £14.86 million; FY 2024: £32.56 million).

***Convertible bond costs***

During the reporting period there have been two quarterly amortization repayments (of £2.55 million each in equity) which reduces the original £55.00 million senior unsecured convertible bonds issued in October 2022 at par value to £25.50 million.

The Board carefully considers each payment separately as it arises, taking into account a range of factors including the Company's cash runway, shareholder dilution and broader business prospects.

The bond agreement contains embedded derivatives in conjunction with an ordinary host debt liability. As a

result, the convertible bonds are shown in the Consolidated Statement of Financial Position in two separate components, being 'Convertible bond - debt' and 'Convertible bond - derivative'. The derivative element has been measured at fair value using a Monte-Carlo option pricing model, which estimates the fair value based on the probability-weighted present value of expected future investment returns, considering each of the possible outcomes available to the bondholders.

The derivative element, taking into account the amortizations in the period, was revalued as at 30 June 2025 at £0.27 million (30 June 2024: £1.60 million; 31 December 2024: £1.28 million), which has resulted in a credit to the statement of profit or loss on revaluation of derivative within the period of £1.01 million (H1 2024: £13.40 million; FY 2024: £13.72 million).

The debt element of the bond has reduced to £18.17 million (H1 2024: £22.50 million; 31 December 2024: £20.50 million), with an associated non-cash interest expense of £3.87 million (H1 2024: £5.28 million; FY 2024: £9.85 million).

***Loss for the period***

The reported loss from continuing operations after taxation was £16.13 million (H1 2024: £5.70 million; FY 2024: £29.43 million).

The basic loss per share from continuing operations was 4.23p (H1 2024: 1.74p; FY 2024: 8.54p).

The basic loss per share from discontinued operations was 3.82p (H1 2024: 2.44p; FY 2024: 6.79p).

***Cash flow***

The Group reported cash and cash-equivalent balances of £12.65 million (30 June 2024: £28.56 million; 31 December 2024: £12.87 million).

There was a cash outflow from operations and working capital movements of £12.13 million (H1 2024: £12.60 million; FY 2024: £26.05 million) and an inflow from investing activities of £8.77 million from the proceeds of the sale of Launch Diagnostics (H1 2024: outflow of £0.80 million; FY 2024: outflow of £1.43 million).

Cash inflow from financing activities, being net proceeds from the issue of share capital and share options, net of the principal elements of lease payments amounted to £0.67 million (H1 2024: inflow of £29.09 million; FY 2024: inflow of £26.10 million). The cash inflow in the prior period related to the equity fundraise in March 2024 which generated a net inflow of £29.40 million.

***Financial position***

Net assets as at 30 June 2025 were £0.14 million (30 June 2024: £47.77 million; 31 December 2024: £9.28 million) of which cash and cash equivalents amounted to £12.65 million (30 June 2024: £28.56 million; 31 December 2024: £12.87 million).

Right-of-use assets amounting to £1.77 million (30 June 2024: £2.72 million; 31 December 2024: £2.24 million) are recognized in relation to the Group's leasehold properties and other leased assets, together with a corresponding lease liability of £0.99 million (30 June 2024: £1.97 million; 31 December 2024: £1.48 million).

Intangible assets decreased to £1.83 million (30 June 2024: £1.86 million; 31 December 2024: £1.84 million) due to amortization of intangible assets acquired through the Launch and Coris acquisitions.

Liabilities in relation to the unsecured senior convertible bonds issued in October 2022 result in a fair value of the derivative element of £0.27 million (30 June 2024: £1.60 million; 31 December 2024: £1.28 million). The convertible bond debt element at 30 June 2025 was £18.17 million (30 June 2024: £22.50 million; 31 December 2024: £20.50 million).

With current committed expenses, current cash runway takes the Group into the first quarter of 2026.

Subsequent to the period end, the Group completed two equity raises of £6.5 million to fund the next two unsecured senior bond payments.

**Events after the reporting period**

In July 2025, settlement in cash of the quarterly amortization payment in respect of the unsecured convertible bonds, comprising principal of £2.55 million and interest of £0.41 million.

The remaining balance of bonds at par value of £22.95 million as at 30 September 2025.

The Group has announced in September that the Coris divestment had closed, for £2.15 million in upfront cash and an additional £0.65 million depending on certain sales thresholds being met.

**Condensed Consolidated Statement of Profit or Loss**
**for the 6 months ended 30 June 2025**

| | Notes | **Unaudited 6 months ended 30 June 2025 £000** | Unaudited 6 months ended 30 June 2024 £000 | Audited Year ended 31 December 2024 £000 |
|---|---|---|---|---|
| Revenue | 4 | **56** | 56 | 113 |
| Cost of sales | | **-** | - | - |
| **Gross profit** | | **56** | 56 | 113 |
| Research costs | | **(7,200)** | (6,549) | (14,266) |
| Selling, general and administrative expenses | | **(4,470)** | (4,687) | (10,061) |
| **Adjusted EBITDA** | | **(11,614)** | (11,180) | (24,214) |
| Exceptional expenses | | **(899)** | (493) | (1,985) |
| Amortization expense | | **(10)** | (7) | (16) |
| Impairment charge | | **-** | - | - |
| Share of loss of associate | | **(189)** | (404) | (747) |
| Acquisition related expenses | | **-** | - | - |
| Depreciation expense | | **(728)** | (631) | (1,489) |
| Share-based payment charge | | **(740)** | (2,141) | (4,107) |
| **Operating loss** | | **(14,180)** | (14,856) | (32,558) |
| Convertible bond - interest expense | 6 | **(3,865)** | (5,283) | (9,854) |
| Convertible bond - revaluation of derivative | 6 | **1,009** | 13,400 | 13,719 |
| Loss on earnout receivable | | **-** | - | (717) |
| Finance income | | **217** | 338 | 663 |
| Finance costs | | **(53)** | (82) | (237) |
| **Loss before tax** | | **(16,872)** | (6,483) | (28,983) |
| Taxation | | **738** | 780 | (444) |
| **Loss from continuing operations** | | **(16,134)** | (5,702) | (29,427) |
| Discontinued operation | | | | |
| (Profit)/loss on disposal of subsidiary | | **(705)** | - | - |
| Loss from discontinued operation, net of tax | | **(889)** | (2,263) | (23,414) |
| **Loss for the** period | | **(17,728)** | (7,965) | (52,841) |
| Foreign operations - foreign currency translation differences | | **711** | (349) | (442) |
| **Other comprehensive income** | | **(17,017)** | (8,314) | (53,283) |
| **Total comprehensive loss for the period** | | **(17,017)** | (8,314) | (53,283) |
| **Loss per share:** | | | | |
| Basic and diluted | | **(4.46p)** | (3.82p) | (8.54p) |

**Condensed Consolidated Statement of Financial Position**
**as at 30 June 2025**

| | | **Unaudited as at 30 June 2025** | **Unaudited as at 30 June 2024** | Audited as at 31 December 2024 |
|---|---|---|---|---|
| | | **£000** | **£000** | £000 |
| **Assets** | | | | |
| Property, plant and equipment | | **335** | 1,201 | 543 |
| Right-of-use assets | | **1,765** | 2,720 | 2,242 |
| Investment in associate | | **3,312** | 3,731 | 3,445 |
| Intangible assets | | **1,834** | 1,858 | 1,844 |
| Deferred tax asset | | **-** | - | - |
| **Non-current assets** | | **7,246** | 9,509 | 8,074 |
| Inventories | | **-** | - | - |
| Trade and other receivables | | **3,006** | 701 | 1,960 |
| Income tax receivable | | **2,400** | 2,709 | 2,447 |
| Cash and cash equivalents | | **12,645** | 28,563 | 12,873 |
| | | **18,051** | 31,973 | 17,280 |
| Assets directly associated with the assts held for sale | | **3,940** | 47,818 | 22,916 |
| **Current assets** | | **21,991** | 79,785 | 40,196 |
| **Total assets** | | **29,237** | 89,294 | 48,270 |
| **Liabilities** | | | | |
| Lease liabilities | | **(987)** | (1,966) | (1,482) |
| Financing liabilities | | **-** | - | - |
| Provisions | | **(208)** | (80) | (208) |
| Deferred tax | | **-** | - | - |
| **Non-current liabilities** | | **(1,195)** | (2,046) | (1,690) |
| Trade and other payables | | **(6,600)** | (5,393) | (5,877) |
| Lease liabilities | | **(978)** | (934) | (956) |
| Financing liabilities | | **-** | - | - |
| Convertible bond - debt | 6 | **(18,165)** | (22,497) | (20,497) |
| Convertible bond - derivative | 6 | **(273)** | (1,600) | (1,281) |
| | | **(26,016)** | (30,424) | (28,611) |
| Liabilities directly associated with the assts held for sale | | **(1,882)** | (9,058) | (8,688) |
| **Current liabilities** | | **(27,898)** | (39,482) | (37,299) |
| **Total liabilities** | | **(29,093)** | (41,528) | (38,989) |
| **Net assets** | | **144** | 47,766 | 9,281 |
| **Equity attributable to equity holders of the Company** | | | | |
| Share capital | 7 | **39,446** | 36,185 | 37,018 |
| Share premium | | **120,297** | 112,651 | 115,585 |
| Reserves | | **(1,506)** | (4,321) | (4,493) |
| Retained earnings | | **(158,093)** | (96,749) | (138,829) |
| **Total equity** | | **144** | 47,766 | 9,281 |

Total equity is wholly attributable to equity holders of the parent Company.

Approved by the Board and authorized for issue on 30 September 2025.

**Condensed Consolidated Statement of Changes in Equity**
**for the 6 months ended 30 June 2025**

| | Unaudited Share Capital | Unaudited Share premium | Unaudited Other reserve | Unaudited Translation reserve | Unaudited Reserve for own shares | Unaudited Retained earnings | **Unaudited Total Equity** |
|---|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 | **£000** |
| **At 1 January 2024** | 28,501 | 83,408 | (1,729) | 51 | (2,485) | (90,843) | 16,903 |
| Loss for the period | - | - | - | | - | (7,966) | **(7,966)** |
| Other comprehensive income for the period | - | - | - | (349) | - | - | **(349)** |
| **Total comprehensive loss for the period** | - | - | - | (349) | - | (7,966) | **(8,314)** |
| *Transactions with owners of the company:* | | | | | | | |
| Issue of shares | 6,230 | 23,174 | - | - | - | - | **29,404** |
| Exercise of options | 357 | 43 | - | - | - | - | **400** |
| Transfer of own shares | - | - | - | - | 200 | (200) | **-** |
| Convertible bond - issue of shares | 1,096 | 6,016 | - | - | - | - | **7,112** |
| Own shares acquired | 1 | 9 | - | - | (10) | - | **-** |
| Equity-settled share based payment | - | - | - | - | - | 2,262 | **2,262** |
| **At 30 June 2024** | **36,185** | **112,651** | **(1,729)** | **(298)** | **(2,294)** | **(96,748)** | **47,767** |
| Loss for the period | - | - | - | - | - | (44,876) | **(44,876)** |
| Other comprehensive income for the period | - | - | - | (93) | - | - | **(93)** |
| **Total comprehensive loss for the period** | - | - | - | (93) | - | (44,876) | **(44,969)** |
| *Transactions with owners of the company:* | | | | | | | |
| Convertible bond - issue of shares | 593 | 2,847 | - | - | - | - | **3,440** |
| Exercise of options | 240 | 87 | - | - | - | - | **327** |
| Transfer of own shares | - | - | - | - | (78) | 78 | **-** |
| Equity-settled share based payment | - | - | - | - | - | 2,715 | **2,715** |
| **At 31 December 2024** | 37,018 | 115,585 | (1,729) | (391) | (2,373) | (138,829) | 9,281 |
| Loss for the period | - | - | - | | - | (17,728) | **(17,728)** |
| Other comprehensive income for the period | - | - | - | 711 | - | - | **711** |
| **Total comprehensive loss for the period** | - | - | - | 711 | - | (17,728) | **(17,017)** |
| *Transactions with owners of the company:* | | | | | | | |
| Issue of shares | - | - | - | - | - | - | **-** |
| Exercise of options | 823 | 120 | - | - | - | - | **943** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Transfer of own shares | - | - | - | - | 2,276 | (2,276) | **-** |
| Convertible bond - issue of shares | 1,605 | 4,592 | - | - | - | - | **6,197** |
| Own shares acquired | - | - | - | - | - | - | **-** |
| Equity-settled share based payment | - | - | - | - | - | 740 | **740** |
| **At 30 June 2025** | **39,446** | **120,297** | **(1,729)** | **320** | **(97)** | **(158,093)** | **144** |

## Condensed Consolidated Statement of Cash Flows for the 6 months ended 30 June 2025

| Note | **Unaudited 6 months ended 30 June 2025** | Unaudited 6 months ended 30 June 2024 | Audited Year ended 31 December 2024 |
|---|---|---|---|
| | **£000** | £000 | £000 |
| **Operating cash outflow from continuing operations** **8** | **(12,331)** | (12,597) | (26,051) |
| Interest received | **204** | 338 | 83 |
| Interest elements of lease payments | **(54)** | (62) | (138) |
| Interest elements of financing liabilities | **-** | - | - |
| Income tax received | **784** | (13) | 1,170 |
| Net cash used in continuing operating activities | **(11,397)** | (12,334) | (24,936) |
| Net cash from/(used in) discontinued operating activities | **(2,111)** | 12 | 1,339 |
| **Net cash used in operating activities** | **(13,508)** | (12,322) | (23,597) |
| **Cash flows from investing activities** | | | |
| Purchase of plant and equipment | **(43)** | (287) | (323) |
| Proceeds from sale of plant and equipment | **-** | - | - |
| Acquisition of right of use asset | **-** | - | - |
| Sale of subsidiary, net of cash disposed of | **9,517** | - | - |
| Purchase of intangible assets | **-** | (21) | (16) |
| Payment of deferred consideration on past acquisition | **-** | - | - |
| Net cash used in continuing investing activities | **9,474** | (308) | (339) |
| Net cash from/(used in) discontinued investing activities | **(701)** | (487) | (1,092) |
| **Net cash used in investing activities** | **8,773** | (795) | (1,431) |
| **Cash flows from financing activities** | | | |
| Proceeds from exercise of share options | **944** | 401 | 728 |
| Repayment of financing liabilities | **-** | - | - |
| Cash repayment of convertible bonds | **-** | - | (2,550) |
| Principal elements of lease payments | **(472)** | (434) | (913) |
| Proceeds from issue of share capital | **-** | 31,148 | 31,148 |
| Transaction costs relating to the issue of share capital | **-** | (1,744) | (1,744) |
| Net cash used in continuing financing activities | **472** | 29,372 | 26,669 |
| Net cash from/(used in) discontinued financing activities | **194** | (280) | (574) |
| **Net cash flow from financing activities** | **666** | 29,092 | 26,095 |
| Net increase/(decrease) in cash and cash equivalents | **(4,147)** | 15,975 | 1,067 |
| Cash and cash equivalents at the beginning of the period | **17,778** | 16,627 | 16,627 |
| Effect of movements in exchange rates on cash held | **78** | (70) | 84 |
| **Cash and cash equivalents at the end of period, including held in disposal group** | **13,709** | 32,532 | 17,778 |
| **Cash held by disposal group** | **(1,064)** | (3,969) | (4,905) |
| **Cash and cash equivalents at end of year** | **12,645** | 28,563 | 12,873 |

**Notes to the unaudited condensed consolidated financial statements**
**for the 6 months ended 30 June 2025**

## 1) Basis of preparation

Avacta Group plc ('the Company') is a company incorporated in England and Wales under the Companies Act 2006. These condensed consolidated interim financial statements ('interim financial statements') as at and for the 6 months ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as 'the Group').

The interim financial statements for the 6 months ended 30 June 2025 are unaudited. This information does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial figures for the year ended 31 December 2024, as set out in this report, do not constitute statutory accounts but are derived from the statutory accounts for that financial year. The statutory accounts for the year ended 31 December 2024 were prepared under IFRS and have been delivered to the Registrar of Companies. The auditors reported on those accounts. Their report was unqualified, did not draw attention to any matters by way of emphasis and did not include a statement under Section 498 of the Companies Act 2006.

The Board confirms that, to the best of its knowledge, these condensed financial statements have been prepared in accordance with IAS34 *Interim Financial Reporting* and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2024 ('last annual financial statements'). They do not include all of the financial information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The Group's operations and results are not impacted by seasonal fluctuations.

The Board approved these interim financial statements for issue on 30 September 2025.

## 2) Use of judgements and estimates and significant accounting policies

The preparation of the interim financial statements requires management to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Although these estimates are based on management's best knowledge of the amount, events or actions, actual events ultimately may differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies, and the key sources of estimation uncertainty were the same as those described in the last annual financial statements with the exception of those discussed below:

- Presentation of discontinued operations - a judgement exists in relation to whether the Diagnostics division should be presented as a discontinued operation and a held for sale asset, given the announced divestment process. A sale must be deemed highly probable for an operation to be disclosed as such. Given the early stage of the divestment process this was not judged to be the case at 30 June 2025, but had been judged to have become so by 30 September 2025 and as such has been disclosed as a subsequent event. A similar judgement must also be made in relation to whether the Wetherby diagnostics laboratory, closed during the period, represented a separate major line of business or geographical area of operations and as such should be presented as a discontinued operation rather than as an exceptional expense. Due to the close interactions between the laboratory and other product development operations within the wider Diagnostics division, it has

been judged that the Wetherby laboratory is not significantly distinct enough to warrant presentation as a discontinued operation.

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2024. A number of new standards were effective from 1 January 2025 but they do not have a material effect on the Group's financial statements.

## 3) Segmental reporting

***Operating segments - continuing operations***

In the view of the Board of Directors, the Group has one (2023: one) reportable segment in continuing operations: Therapeutics. Segment reporting has been presented on this basis for continuing operations. The Directors recognise that the operations of the Group are dynamic and therefore this position will be monitored as the Group develops.

The principal activity of Therapeutics is the development of novel cancer therapies harnessing proprietary technology

The previous second reportable segment as the diagnostics division which is currently under a divestment strategy and being held for sale. All reporting for this segment will be presented as discontinuing operations.

Segment revenue represents revenue from external customers arising from sale of goods and services, plus inter-segment revenues. Inter-segment transactions are priced on an arm's length basis. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group's revenue to destinations outside the UK amounted to 100% (2023: 100%) of total revenue. The revenue analysis below is based on the country of registration of the customer:

| | **6 months ended 30 June 2025** | 6 months ended 30 June 2024 | Year ended 31 December 2024 |
|---|---|---|---|
| **£000** | | | |
| South Korea | **56** | 56 | 113 |
| | **56** | 56 | **113** |

During the six month period ended 30 June 2025, there were no transactions with a single external customer that exceeded 10% of the Group's revenue, being £56,000.

During the six month period ended 30 June 2024, transaction with one external customer in the Therapeutics segment, amounted individually to 10% or more of the Group's revenue, being £156,000.

During the year 31 December 2024, transactions with one external customer in the Therapeutics segment amounted individually to 10% or more of the Group's revenues from continuing operations, being £113,000.

**Operating segment analysis for the six months ended 30 June 2025**

| | Therapeutics | Central overheads[1] | **Total (continuing)** | **Diagnostics (discontinued)** |
|---|---|---|---|---|
| | £000 | £000 | **£000** | £000 |
| Revenue | 56 | - | **56** | 6,102 |
| Cost of goods sold | - | - | **-** | (3,285) |
| **Gross profit** | **56** | **-** | **56** | **2,817** |
| Research costs | (7,200) | - | **(7,200)** | - |
| Selling, general and administrative expenses | (1,493) | (2,977) | **(4,421)** | (3,465) |

| | | | | |
|---|---|---|---|---|
| **Adjusted EBITDA** | **(8,637)** | **(2,977)** | **(11,614)** | **(648)** |
| Exceptional Expenses | - | (899) | **(899)** | - |
| Depreciation expense | (609) | (119) | **(728)** | (233) |
| Amortization expense | (3) | (7) | **(10)** | (31) |
| Share of loss of associate | - | (189) | **(189)** | - |
| Share-based payment expense | (365) | (375) | **(740)** | - |
| **Segment operating loss** | **(9,614)** | **(4,566)** | **(14,180)** | **(912)** |

[1]Central overheads, which relate to operations of the Group functions, are not allocated to the operating segments.

Operating profit/loss is the measure of profit or loss regularly reviewed by the Board. Other items comprising the Group's loss before tax are not monitored on a segmental basis.

The information reported to the Board does not include balance sheet information at the segment level.

**Operating segment analysis for the six months ended 30 June 2024**

| | Therapeutics | Central overheads[1] | **Total (continuing)** | **Diagnostics (discontinued)** |
|---|---|---|---|---|
| | £000 | £000 | **£000** | £000 |
| Revenue | 56 | - | **56** | 11,205 |
| Cost of goods sold | - | - | **-** | (6,240) |
| **Gross profit** | **56** | **-** | **113** | **4,965** |
| Research costs | (6,549) | - | **(6,549)** | (197) |
| Selling, general and administrative expenses | (1,330) | (3,354) | **(4,687)** | (4,689) |
| **Adjusted EBITDA** | **(7,823)** | **(3,354)** | **(11,180)** | **79** |
| Exceptional Expenses | - | (493) | **(493)** | (1,028) |
| Depreciation expense | (617) | (13) | **(631)** | (763) |
| Amortization expense | (5) | (1) | **(7)** | (569) |
| Share of loss of associate | (404) | - | **(404)** | - |
| Share-based payment expense | (577) | (1,565) | **(2,141)** | (120) |
| **Segment operating loss** | **(9,426)** | **(5,426)** | **(14,856)** | **(2,401)** |

[1]Central overheads, which relate to operations of the Group functions, are not allocated to the operating segments.

Operating profit/loss is the measure of profit or loss regularly reviewed by the Board. Other items comprising the Group's loss before tax are not monitored on a segmental basis.

The information reported to the Board does not include balance sheet information at the segment level.

**Operating segment analysis for the year ended 31 December 2024**

| | Therapeutics | Central overheads[1] | **Total (continuing)** | **Diagnostics (discontinued)** |
|---|---|---|---|---|
| | £000 | £000 | **£000** | £000 |
| Revenue | 113 | - | **113** | 24,311 |
| Cost of goods sold | - | - | **-** | (13,134) |
| **Gross profit** | **113** | **-** | **113** | **11,177** |
| Research costs | (14,266) | - | **(14,266)** | (280) |

| | | | | |
|---|---|---|---|---|
| Selling, general and administrative expenses | (3,135) | (8,910) | **(12,045)** | (10,336) |
| **Adjusted EBITDA** | **(17,288)** | **(8,910)** | **(26,198)** | **561** |
| Impairment charge | - | - | **-** | (23,388) |
| Depreciation expense | (1,238) | (251) | **(1,489)** | (991) |
| Amortization expense | (11) | (5) | **(16)** | (870) |
| Share of loss of associate | (747) | - | **(747)** | - |
| Share-based payment expense | (707) | (3,400) | **(4,107)** | (871) |
| **Segment operating loss** | **(19,991)** | **(12,566)** | **(32,557)** | **(25,559)** |

[1]Central overheads, which relate to operations of the Group functions, are not allocated to the operating segments.

Operating profit/loss is the measure of profit or loss regularly reviewed by the Board. Other items comprising the Group's loss before tax are not monitored on a segmental basis.

The information reported to the Board does not include balance sheet information at the segment level.

## 4) Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is all derived from contracts with customers.

### Disaggregation of revenue

In the following table, revenue is disaggregated by its nature. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 3).

**Six months ended 30 June 2025**

| **£'000** | **Therapeutics** | **Continuing operations** | **Diagnostics (discontinued)** | **Total** |
|---|---|---|---|---|
| **Nature of revenue** | | | | |
| Sale of goods | - | - | 5,807 | **5,807** |
| Provision of services | - | - | 294 | **294** |
| Licence-related income | 56 | 56 | - | **56** |
| | **56** | **56** | **6,102** | **6,158** |

**Six months ended 30 June 2024**

| **£'000** | **Therapeutics** | **Continuing operations** | **Diagnostics (discontinued)** | **Total** |
|---|---|---|---|---|
| **Nature of revenue** | | | | |
| Sale of goods | - | - | 10,506 | **10,506** |
| Provision of services | - | - | 652 | **652** |
| Licence-related income | 56 | 56 | 47 | **103** |
| | **56** | **56** | **11,205** | **11,261** |

**Year ended 31 December 2024**

| **£'000** | **Therapeutics** | **Continuing operations** | **Diagnostics (discontinued)** | **Total** |
|---|---|---|---|---|
| **Nature of revenue** | | | | |
| Sale of goods | - | - | 22,849 | **20,019** |
| Provision of services | - | - | 1,462 | **1,462** |
| License-related income | 113 | 113 | - | **113** |
| | **113** | **113** | **24,311** | **24,424** |

## 5) Earnings per share

| **Total Earnings Per Shares £'000** | **Unaudited 6 months ended 30** | Unaudited 6 months ended 30 June 2024 | Audited Year ended 31 December 2024 |
|---|---|---|---|

| | June 2025 | | |
|---|---|---|---|
| Loss for the period | **(17,728)** | (7,965) | (52,841) |
| Weighted average number of shares (number) | **381,243,598** | 326,900,635 | 344,577,451 |
| - Basic and diluted loss per ordinary share | **(4.65)** | (2.44) | (15,34) |

| **Continuing Earnings Per Share £'000** | **Unaudited 6 months ended 30 June 2025** | Unaudited 6 months ended 30 June 2024 | Audited Year ended 31 December 2024 |
|---|---|---|---|
| Loss for the period | **(16,134)** | (5,702) | (29,427) |
| - Basic and diluted loss per ordinary share | **(4.23)** | (1.74) | (8.54) |

| **Discontinued Earnings Per Share £'000** | **Unaudited 6 months ended 30 June 2025** | Unaudited 6 months ended 30 June 2024 | Audited Year ended 31 December 2024 |
|---|---|---|---|
| Loss for the period | **(1,594)** | (2,263) | (23,414) |
| - Basic and diluted loss per ordinary share | **(3.82)** | (2.44) | (6.79) |

## 6) Convertible bond

In October 2022, the Group issued senior unsecured convertible bonds ('the Bonds') of £55.00 million to a fund advised by Heights Capital Ireland LLC, a global equity and equity-linked focussed investor. The Bonds were issued at 95% par value with total net proceeds of £52.25 million, (net of transaction costs of £3.5 million) and accrue interest at an annual rate of 6.5% payable quarterly in arrears.

The Bonds contain various conversion and redemption features. The Bonds have a maturity of five years, and are repayable in 20 quarterly amortisation repayments, of principal and interest over the five-year term, in either cash or in new ordinary shares at the Group's option. If in shares, the repayment is at the lower of the conversion price (88.72p) or a 10% discount to the volume weighted average price ('VWAP') in the five- or ten-day trading period prior to election date. The conversion price reset downwards from the original 118.75p at the Reset Date on 20 April 2024. There is a Reset Clawback Period in place until 20 January 2025 during which, if the 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, then the conversion price will be restored, thereby reversing the effect of the reset made on 20 April 2024. Additionally, the bondholder has the option to partially convert the convertible bonds at their discretion which has occurred twice to date, on 10 February 2023 and 20 September 2023 where £2.85 million and £0.85 million of principal was settled respectively

The bond agreement contains embedded derivatives in conjunction with an ordinary host debt liability. The derivative element is measured at fair value using a Monte-Carlo option pricing model, which estimates the fair value based on the probability-weighted present value of expected future investment returns, considering each of the possible outcomes available to the bondholders. The fair value of the derivative liability has reduced during the year to £1.28 million (2023: £15.00 million) as a result of fluctuations in the share price during the period and a reduction in the principal amount remaining from £40.80 million to £30.60 million. This has resulted in a gain on revaluation of derivative of £13.72 million (2023, restated: gain of £6.33 million).

The host debt liability is measured at amortised cost, being adjusted to reflect revisions in estimated cashflows arising from early conversion events, resulting in an implied interest charge of £9.85 million (2023: £14.48 million) and a liability at year-end of £20.50 million (2023, restated: £24.33 million).

An error arose from changes in the measurement of the convertible bond derivative valuation at inception and subsequent reporting date. The convertible debt liability for 2023 has been reduced by £3.33 million (restated: £15.0 million) due to a valuation error resulting in a change to the carrying amount at inception, and subsequent amortization. There is also an increased impact on a share premium for 2023 by £0.19 million (restated: £83.41 million) due to share premium recognized on conversion changes.

During the 6 month period ended 30 June 2025, the following conversion events occurred:

- On 21 January 2025, 6,663,568 new ordinary shares were issued in settlement of the quarterly principal of £2.55 million and interest repayment of £0.50 million.
- On 23 April 2025, 9,384,366 new ordinary shares were issued in settlement of the quarterly principal of £2.55 million and interest repayment of £0.46 million, reducing the principal remaining to £25.50 million.

| | **Convertible bond - derivative** | **Convertible bond - debt** |
|---|---|---|

| | £000 | £000 |
|---|---|---|
| At 1 January 2024 | 15,000 | 24,325 |
| Repayments (equity settled) | **-** | (7,111) |
| Interest expense | - | 5,283 |
| Revaluation of derivative | (13,400) | - |
| | --- | --- |
| **At 30 June 2024** | **1,600** | **22,497** |
| Repayments (equity settled) | | (3,441) |
| Repayments (cash settled) | - | (3,130) |
| Interest expense | - | 4,571 |
| Revaluation of derivative | (319) | - |
| | --- | --- |
| **At 31 December 2024** | **1,281** | **20,497** |
| Repayments (equity settled) | **-** | (6,436) |
| Interest expense | - | 4,104 |
| Revaluation of derivative | (1,008) | - |
| | --- | --- |
| **At 30 June 2025** | **273** | **18,165** |
| | --- | --- |

## 7) Share capital

| | **Unaudited Six months ended 30 June 2025** | **Unaudited Six months ended 30 June 2024** | **Audited Year ended 31 December 2024** |
|---|---|---|---|
| | £000 | £000 | £000 |
| Allotted, called up and fully paid: | | | |
| - 393,690,542,078,622 (H1 2024: 361,078,622, 2024: 369,406,389 ordinary shares of 10p each | 39,369 | 36,108 | 36,941 |
| - 19,327,344 deferred shares of 0.4p each | 77 | 77 | 77 |
| | --- | --- | --- |
| | **39,446** | **36,185** | **37,018** |
| | --- | --- | --- |

During the period, the following ordinary share issues occurred:

- On 21 January 2025, 6,663,568 new ordinary shares were issued in settlement of the quarterly principal of £2,550,000 and interest repayment of £497,250 of the convertible bond.
- On 21 April 2025, 9,384,366 new ordinary shares were issued in settlement of the quarterly principal of £2,550,000 and interest repayment of £455,813, reducing the principal remaining to £25,500,000 of the convertible bond.

Additionally, during the year a total of 8,236,219 ordinary shares of 10p each were allotted and issued following the exercise of vested EMI and unapproved options.

## 8) Operating cash outflow from operations

| | **Unaudited 6 months ended 30 June 2025 £000** | Unaudited 6 months ended 30 June 2024 £000 | Audited Year ended 31 December 2024 £000 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| Loss for the period | **(17,017)** | (7,965) | (52,841) |
| Adjustments for: | | | |
| Loss from discontinued operations | **889** | 2,263 | 23,414 |
| Amortization | **10** | 7 | 16 |
| Impairment losses | **-** | - | - |
| Depreciation | **728** | 631 | 1,428 |

| | | | |
|---|---|---|---|
| Depreciation | **720** | 661 | 1,428 |
| Net (gain) / loss on disposal of property, plant and equipment | **-** | - | 9 |
| Net (gain) / loss on disposal of Subsidiary | **705** | - | - |
| Deferred income movement | **-** | - | - |
| Movement in contingent consideration | **-** | | 717 |
| Share of loss of associate | **189** | 404 | 747 |
| Profit on lease modification | **-** | - | - |
| Equity-settled share-based payment charges | **740** | 2,421 | 4,107 |
| Loss on fair value of convertible bond | **(1,009)** | (13,400) | (13,719) |
| Increase in investment in associate | **(56)** | (56) | (113) |
| Net finance costs | **3,947** | 5,027 | 9,427 |
| Taxation | **(737)** | (780) | 444 |
| **Operating cash outflow before changes in working capital** | **(11,732)** | (11,729) | (26,364) |
| | | | |
| (Increase) / decrease in inventories | **-** | - | - |
| (Increase) / decrease in trade and other receivables | **(1,127)** | (538) | (244) |
| Increase / (decrease) in trade and other payables | **723** | (330) | 557 |
| **Operating cash outflow from operations** | **(12,136)** | (12,597) | (26,051) |

**9) Events after the reporting period**

In July 2025, there was a settlement in cash of the quarterly amortization payment in respect of the unsecured convertible bonds, comprising principal of £2.55 million and interest of £0.41 million.

In July 2025, 10,833,333 ordinary shares of 10p each were allotted and issued at 30p for gross proceeds of £3.25 million to be used to service the cash settlement of the unsecured convertible bond, reducing the principal balance to £22.95 million.

In August 2025, the company announced amendments to the Convertible Bond; the October 2025 quarterly repayment and interest on the Convertible Bond will be paid in cash; Quarterly Convertible Bond repayments and interest in respect of 20 January 2026 and 20 April 2026 payment dates will be deferred until 20 October 2027 (together, the "Deferred Repayments"). Upon the earlier of (i) the date on which the Company publishes the data readouts of its Phase 1b trials of FAP-Dox (AVA6000) in triple negative breast cancer and (ii) 30 June 2026, the Bondholder will have the right to accelerate the satisfaction (in cash or shares) of one of both the Deferred Repayments and in addition, from 1 October 2026, at any time accelerate the satisfaction of the quarterly repayments on the Convertible Bond, subject to a maximum of one acceleration per quarter. The conversion price of the Convertible Bond is to be set at 75.0 pence, previously set at 88.72 pence under the terms of the reset conversion price as announced on 22 April 2024. The relevant share settlement price in relation to the quarterly repayments and interest remains calculatable based on the then prevailing VWAP.

in September 2025, 6,500,00 ordinary shares of 10p each were allotted and issued at 50p for gross proceeds of £3.25 million to be used to service the cash settlement of the unsecured convertible bond.

In September 2025, the sale of Coris Diagnostics was completed, £2.15 million in gross initial proceeds was received. An additional £0.65 million could potentially be earned based on certain sales thresholds over the next 12 months.