Avacta®

Affimer®

pre|CISION™

Prelim Results for the 12 Months Period Ending 31st December 2021

April 6, 2022

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Introduction

Today's Presentation Team

Dr Alastair Smith, CEO

- Over 16 years experience as a life sciences public company CEO.
- Science background with 13 years in academia – established a leading UK biophysics group.
- Founded Avacta in 2006.
- World class scientific and technical knowledge with a highly commercial mindset.

Tony Gardiner, CFO

- Over 20 years senior financial and operational experience across multiple sectors.
- 4 years as CFO of AIM listed Fusion IP plc, 5 years as Finance Director of Aedas/AHR Architects.
- Joined Avacta in 2016.

Group Overview

Avacta®

LSE: AVCT

Therapeutics Division

- Clinical stage oncology drug company with in-house pre-clinical and clinical pipeline of novel cancer therapies based on the Affimer and preCISION technologies.
- Research and Clinical Development re-locating to Imperial College Campus, White City, London in April 2022 from Cambridge.
- Global partnerships (oncology, autoimmune, cell and gene therapy).

Affimer® pre|CISION™

Diagnostics Division

- In-vitro diagnostics company based in Wetherby, UK.
- R&D Centre and plc Headquarters.
- In-house IVD product development pipeline.
- Global technology evaluations and partnerships.

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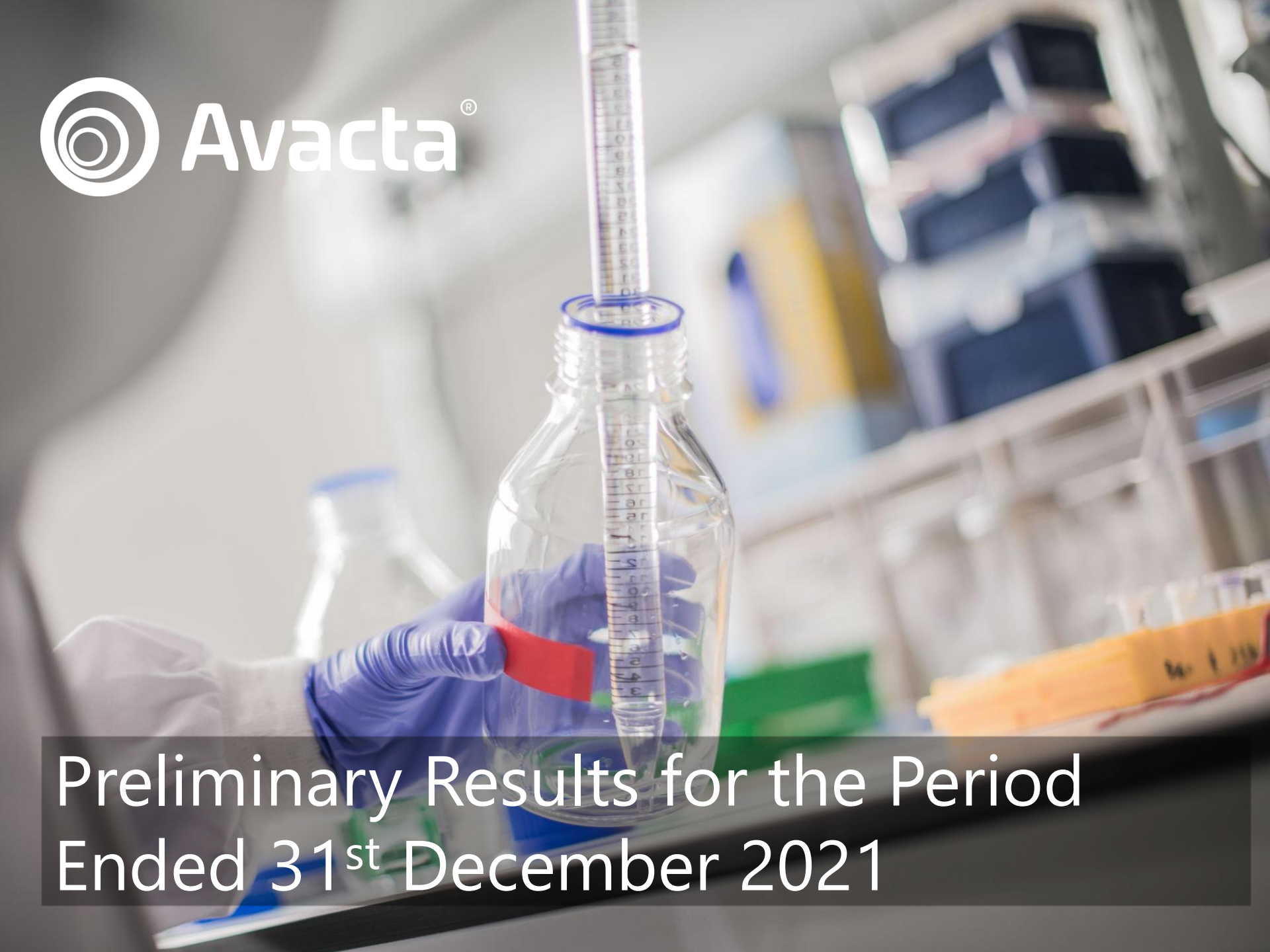

Preliminary Results for the Period Ended 31st December 2021

Preliminary Results for the Year Ending 31st December 2021: Income Statement

	2021 (£m)	2020 (£m)
Revenue	2.94	2.14
Gross profit	2.02	1.18
Research costs	(13.48)	(9.11)
Manufacturing costs	(2.14)	-
Admin costs	(8.14)	(5.93)
Amortisation/Depreciation/SBP	(7.34)	(4.95)
Operating loss	(29.08)	(18.81)
Net financial costs	(0.11)	(0.05)
Taxation	2.82	2.46
Discontinued operation	0.06	(2.49)
Retained loss	(26.31)	(18.89)
Loss per share	10.57p	7.27p

Preliminary Results for the Year Ending 31st December 2021: Segmental Analysis

	Diagnostics (£m)		Therapeutics (£m)		Animal Health (£m)	
	2021	2020	2021	2020	2021	2020
Income Statement						
Revenue	0.78	0.52	2.16	1.63	1.60	1.49
Gross profit	0.56	0.20	1.46	0.98	1.10	1.00
Research costs	(3.67)	(2.46)	(9.82)	(6.65)	(0.04)	(0.07)
Manufacturing costs	(2.14)	-	-	-	-	-
Admin costs	(2.89)	(2.52)	(1.89)	(1.70)	(0.92)	(0.97)
Amortisation/Dep'n/SBP	(2.31)	(1.82)	(3.93)	(1.59)	(0.07)	(0.28)
Impairment charge	-	-	-	-	-	(1.74)
Operating (loss)/profit	(10.45)	(6.60)	(14.18)	(8.96)	0.07	(2.06)
Investment						
Plant and equipment	0.54	0.71	0.60	0.56	0.02	0.05

Preliminary Results for the Year Ending 31st December 2021: Cash Flow and Balance Sheet

	2021 (£m)	2020 (£m)
Operating activities	(21.52)	(14.07)
Working capital	(1.13)	0.73
Tax and interest	2.15	2.70
Investment	(1.31)	(21.90)
Financing	0.23	51.65
Net cash (outflow)/inflow	(21.58)	19.11
Cash and short-term deposits	26.19	47.91
PPE *(inc. IFRS16 property leases)*	4.34	4.79
Intangible assets	7.93	9.42
Other net assets/(liabilities)	2.76	(0.19)
Net assets	41.22	61.93

Therapeutic Division Update

Improving the lives of people with cancer through tumour-targeted therapies

pre|CISION™ Tumour Targeted Activation of Cancer Therapies

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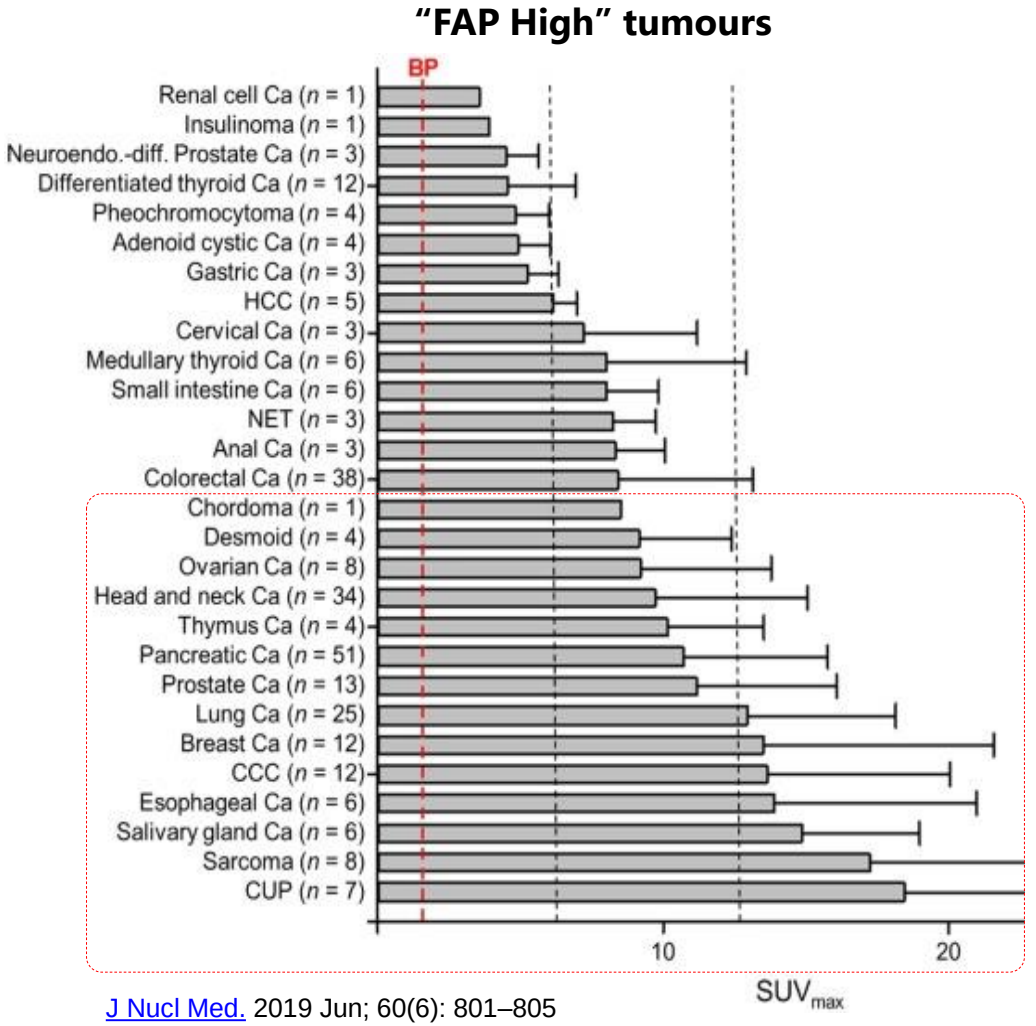
pre|CISION™

What is pre|CISION™?

- pre|CISION is a highly specific substrate for fibroblast activation protein-α (FAPα), an extracellular enzyme that is upregulated in most solid tumours.
- pre|CISION prevents chemotherapeutics from entering cells rendering them inert until it is removed in the tumour microenvironment by FAP.
- Chemotherapy market worth $56.5B with CAGR of 11.50%.
- pre|CISION can also be incorporated into a drug conjugate linker for release of the targeted warhead in the tumour microenvironment.
- pre|CISION exclusively licensed from Tufts University Medical School.

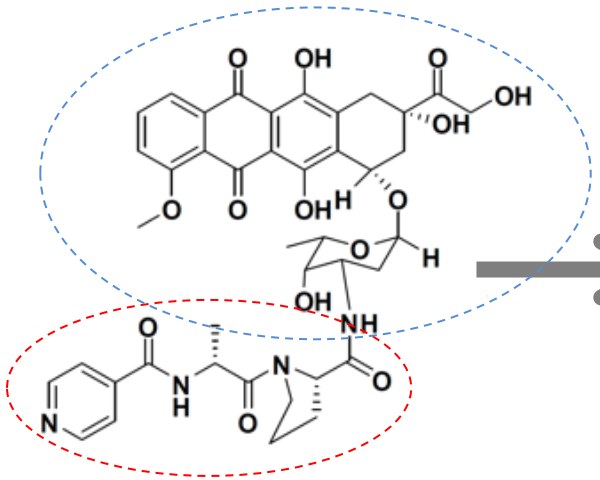


J Nucl Med. 2019 Jun; 60(6): 801–805

The pre|CISION™ Platform in Detail

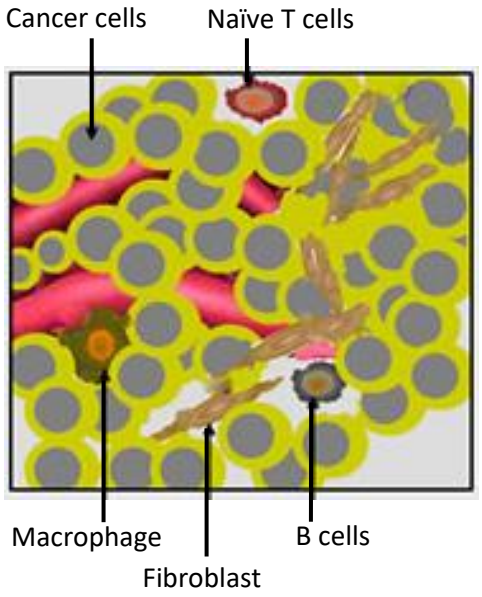
Reducing the side-effects of chemotherapy by tumour-specific activation

AVA6000



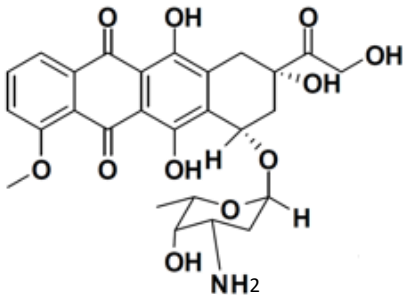
pre|CISION™

Tumour Microenvironment

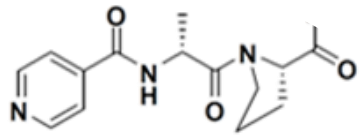


FAPα +ve fibroblasts and cancer cells

Active Doxorubicin



FAPα



AVA6000 pre|CISION™ Pro-doxorubicin

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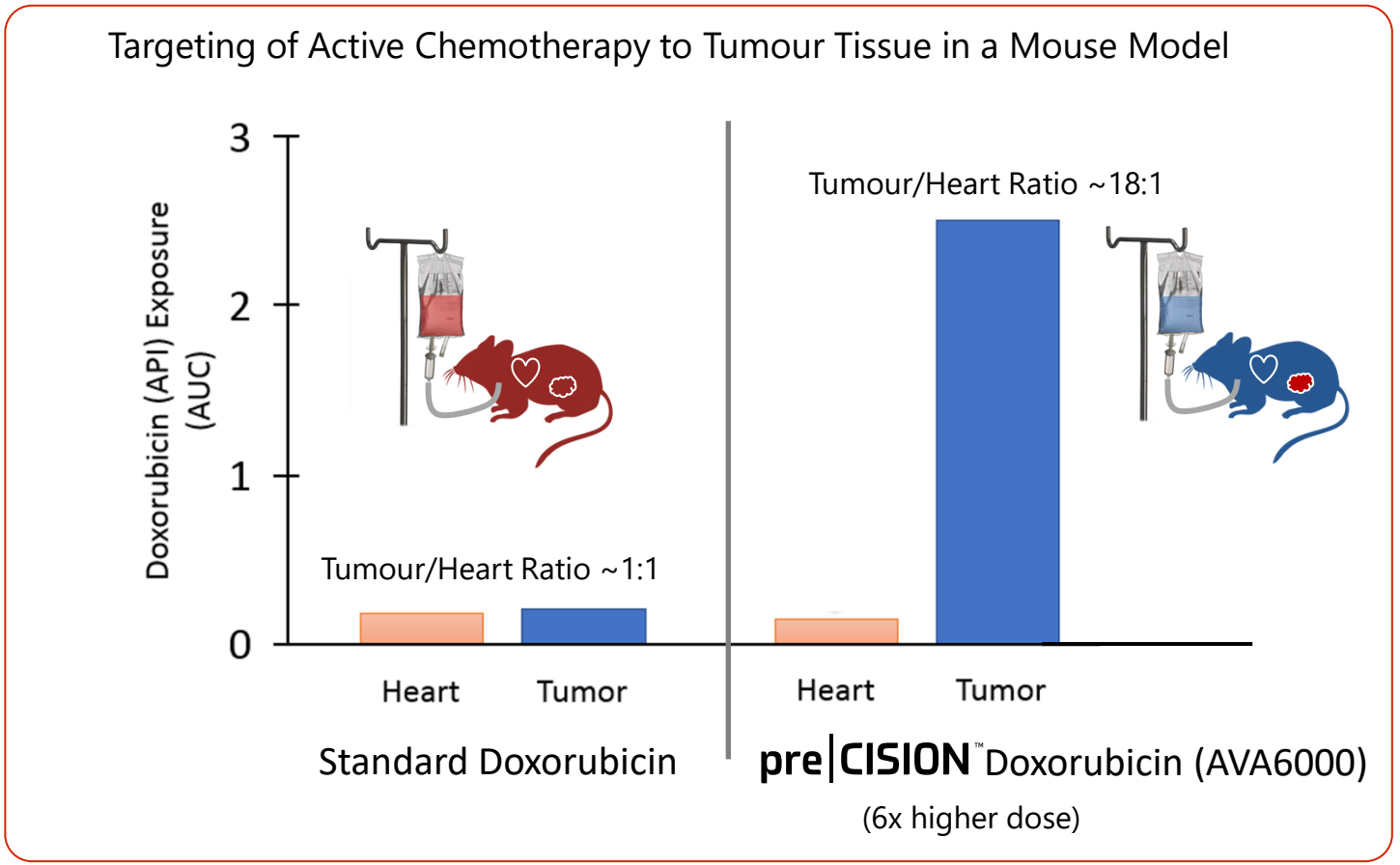
AVA6000 addresses the safety issues of a $1bn generic chemotherapy



Publication of key AVA6000 pre-clinical data at American Association of Cancer Research (AACR) New Orleans Convention Center, 11-13th April 2022. The abstract is available via the AACR annual meeting website, here: https://www.aacr.org/meeting/aacr-annual-meeting-2022/abstracts/

AVA6000 pre|CISION™ Pro-doxorubicin

AVA6000 market opportunity

- Doxorubicin has been a standard of care treatment for advanced soft tissue sarcoma (ASTS) for 40 years.
- Its use is limited by serious dose limiting toxicities such as cardio-toxicity and myelosuppression.
- Despite this the global market for this generic drug is $1bn.
- AVA6000: The estimated market size (peak sales) of a safer/more efficacious form of doxorubicin in just three indications (ASTS, breast and ovarian cancer), in the US/EU alone, is $1.5bn* pa.
- A licensing agreement with a large pharma partner should deliver 10% royalties on sales to Avacta.

(Commercial Evaluation: AVA6000, Globe Life Sciences, March 2020).

The Wider pre|CISION™ Pro-drug Opportunity

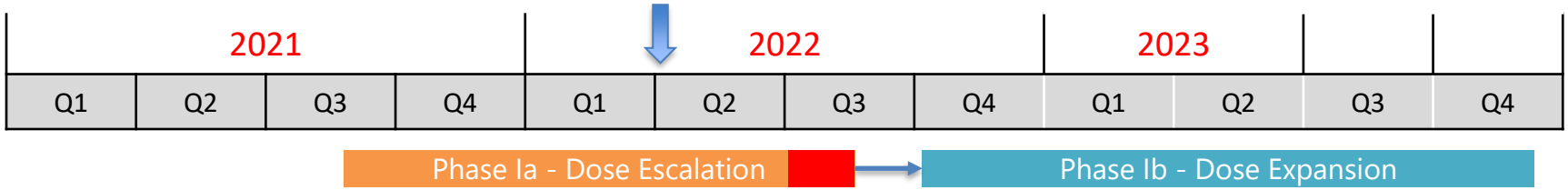
pre|CISION™ can be widely applied to a range of other chemotherapies in a market worth $56.5B with CAGR of 11.50% driven by increased cancer detection rates

Example: Velcade

- Bortezomib (Velcade, Takeda Pharmaceuticals) had annual sales of $1.2bn (2018)
- **BUT – approval limited to multiple myeloma because of dose limiting toxicities,**
- **AND - coming off patent by 2022.**
- AVA3996 is a preCISION proteasome inhibitor and an analogue of Velcade.
- AVA3996 has been selected as a candidate for preclinical development.
- Clinical Trial Authorisation (CTA) and/or Investigational New Drug (IND) filing expected H1 2023 and dosing of the first patient later in 2023.

- **Ideal for pre|CISION™ tumour activation to create safer and proprietary pro-drugs.**
- **Conservatively assume the pre|CISION™ prodrug versions of these can achieve similar market sizes delivering 5-10% royalty to Avacta plus development milestones.**
- Potential for a pipeline of pre|CISION pro-drugs, some of which have already been synthesized, with an addressable market of many $bn pa.
- Including but not limited to:
  - preCISION Velcade analogue (AVA3996)
  - preCISION Paclitaxel
  - preCISION Oxaliplatin
  - preCISION Gemcitabine
  - preCISION Capecitabine
  - preCISION PARP inhibitor
  - preCISION PD-1 Inhibitor
  - preCISION AKT inhibitor
  - preCISION Balixafortide

AVA6000 Phase I Design and Anticipated Timeline



Phase 1a

- **Objective:** Assess safety and tolerability of AVA6000; determine MTD and/or recommended dose for further development.
- **Approximately 4 Cohorts** of 3-5 patients per cohort to achieve maximum tolerated dose (MTD) - 15 to 20 patients.
- **Patient Population:** Locally advanced and/or metastatic pancreatic, colorectal, non-small cell lung, breast, head and neck (SCCHN), soft tissue sarcoma, ovarian and bladder cancer.

Phase 1b

- **Objective:** Confirm safety and tolerability of AVA6000 at the MTD (or recommended dose) determined in Part 1; explore preliminary anti-tumour activity.
- Up to 3 cohorts & 15-20 patients/cohort
- **Patient Population: S**elected on the basis of Part 1 data.

MTD - Maximum Tolerated Dose

Phase 1a Dose Escalation Study

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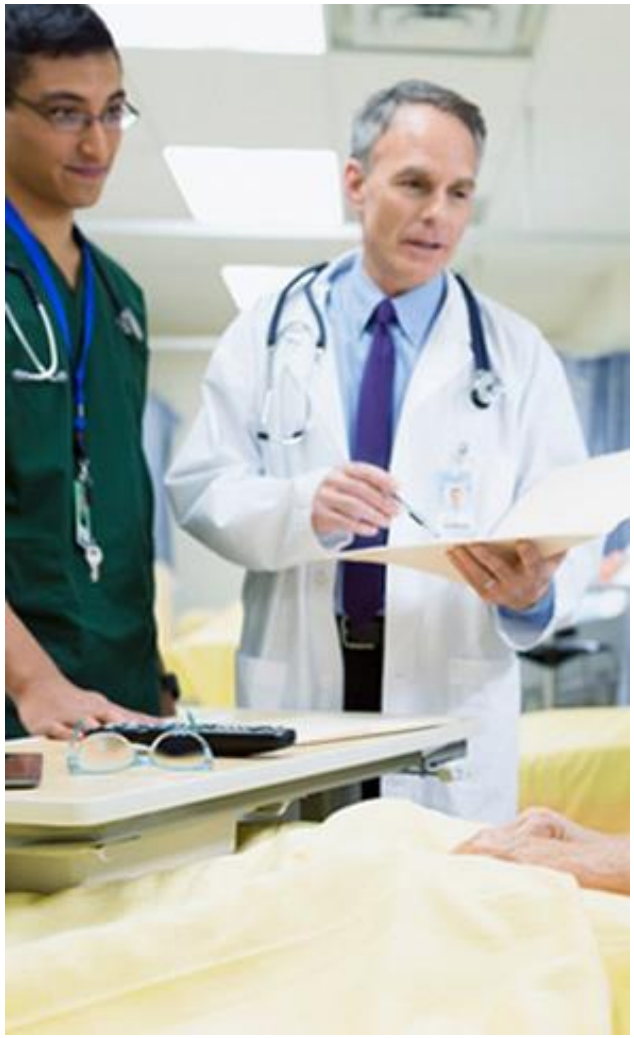
- Up to six clinical trial sites in UK:
  - Active sites: St James' Leeds, The Royal Marsden, London and The Christie, Manchester.
  - The Beatson, Glasgow now open and screening patients.
  - UK sites Q2: The Freeman, Newcastle and Western Park, Sheffield.
- Starting dose with cohort 1 was 80 mg/m^2 AVA6000 which is equivalent to 54 mg/m^2 of Doxorubicin.
- First patient dosed on 11th August 2021 at The Royal Marsden.
- Dose escalated February 2022 to 120 mg/m^2 in ongoing second cohort.
- US IND approved by FDA in November 2021:
  - Two US clinical trial sites being initiated and should contribute to the dose escalation phase in Q2.

Phase 1a Dose Escalation Study



Primary Objectives:

- To evaluate the safety and tolerability of AVA6000.
- To determine the maximum-tolerated dose (MTD) and/or the Recommended Phase 2 Dose (RP2D) for the dose expansion phase.

Secondary Objectives:

- To characterise the pharmacokinetics (PK) in plasma, urine and tumour of AVA6000, of the preCISION leaving group, and of active metabolites (doxorubicin and doxorubicinol) when given as monotherapy, after a single dose and after multiple dosing.
- To evaluate the initial anti-tumour activity of AVA6000 according to RECIST.1.1 criteria (overall response rate [ORR], duration of response [DoR], disease control rate [DCR] progression free survival [PFS] and overall survival).

Key Partnerships Update (2021)

LG Chem Life Sciences

- (2018) multi-target agreement to develop Affimer® therapeutics in several disease areas.
- (2020) partnership expanded to include Avacta's Affimer XT™ technology for serum-half life extension.
- (2021) LG has successfully carried out certain in vivo studies with a PD-L1/XT molecule and is taking that asset into pre-clinical development which triggered an undisclosed milestone payment to Avacta in September 2021.
- Successful pre-clinical development of the PD-L1/XT asset will trigger further development milestones.

DAEWOONG PHARMACEUTICAL CO.,LTD.

- (2020) JV (AffyXell) developing next generation cell and gene therapies incorporating Affimer proteins.
- The cell and gene therapy market is expected to grow from $4.39B in 2020 to $15.48B by 2025.
- (2021) AffyXell Series A funding of $7.3m to achieve key pre-clinical milestones.
- (2021) Affimer molecules successfully generated against first two targets by the Avacta Therapeutics team.
- Current focus on generating in-vitro and in-vivo data using lead Affimer molecules and engineered MSCs to support next stage in AffyXell development.

Therapeutic Division Relocation

- Co-location of Avacta's Research & Development organisations into a single location in state of the art laboratories and office space in Scale Space, White City.
- Imperial College's White City campus in West London is bringing together scientific researchers, corporate partners, entrepreneurs to turn cutting-edge scientific research into real-world benefits for society.
- White City is a focal point for West London's emerging biotech cluster.
- 5,000 sq ft of laboratory and office space.
- Improved opportunities to network with investors, partners & collaborators.
- Relocation will be completed, on schedule, by the end of April 2022.

Non-Executive Director Appointments

Mark A. Goldberg, MD

Non Executive Director

- Medical oncologist and hematologist and a biotechnology executive.
- Currently serves on the boards of ImmunoGen, Idera, Glyco-Mimetics, Blueprint Medicines, and Walden Biosciences.
- Dr. Goldberg began his career as a full-time staff physician at Dana-Farber Cancer Institute and Brigham and Women's Hospital, where he still holds an appointment.
- He is an associate professor of Medicine (part-time) at Harvard Medical School and was a member of the American Cancer Society New England Division Board from 2010-2017, and a member of the national Board of Directors of the American Cancer Society since 2019.

Christina Coughlin, MD

Non Executive Director

- Chief Executive Officer of CytoImmune Therapeutics.
- Dr. Coughlin joined CytoImmune from Rubius Therapeutics, Inc. where she served as the Chief Medical Officer.
- Prior to Rubius, Dr. Coughlin was Chief Medical Officer at Tmunity Therapeutics, Inc., and before that with Immunocore, Ltd.
- Dr. Coughlin has held other leadership roles in the pharmaceutical and biotechnology fields in her career including Oncology Asset Team Leader at Pfizer and Clinical Program Team Lead at Novartis.
- Dr. Coughlin is an oncologist and immunologist, having received her M.D. and Ph.D. from the University of Pennsylvania.

Diagnostics Division Update

Powerful diagnostics to improve health and well-being for all

Key Trends in Diagnostics

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- Decentralised ("Point-of-care") and Home-testing:
  - Chronic disease monitoring;
  - Health screening driving early intervention;
  - Health/well-being monitoring – in tandem with digital health monitoring ("wearables");
  - Increasing availability of PoC molecular and immunodiagnostic platforms;
  - Pandemic-driven familiarity with lateral flow self-testing.
- Digital connectivity:
  - Using AI to transform physiological and IVD information into actionable, trackable medical intervention.
- Companion diagnostics:
  - Identifying the sub-set of patients who will benefit from specific therapies – major focus for oncology therapies due to very high cost of treatment and limited durable response rates.

Avacta Diagnostics

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Uniquely positioned UK diagnostics company with proprietary Affimer immunodiagnostics technology to address key unmet market needs and drive competitive advantage and shareholder value

- Maintain a strong decentralised (Point of care) testing focus.
- Serve the professional use market and build the consumer home-test market.
- Primary focus on in-house development of IVD products.

AffiDX® SARS-CoV-2 Antigen Rapid Test

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Avacta® DIAGNOSTICS

AffiDX® SARS-CoV-2 Antigen Lateral Flow Test

- Consumer self-testing CE mark (in partnership with Medusa19) in December 2021 as Omicron variant emerged.
  - > 30 mutations difference between Omicron (BA.1) and Delta.
  - > 30 mutations difference between Omicron and BA.2.

- AffiDX SARS-CoV-2 antigen test is in re-development due to reduction in performance with Omicron variant to deliver a solution that is as robust to future variants.
- Timescale depends on development process and regulatory requirements.
- Avacta will update the market as soon as the timeline to product re-launch is clear.

Broader Diagnostics Product Vision

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Infectious Diseases

- Respiratory diseases (e.g. COVID19, Flu A/B)
- Sexually transmitted diseases
- Sepsis/Bloodstream infections
- Antimicrobial resistance
- Congenital infections

Chronic Disease / Treatment Monitoring

- Cardiac disease (e.g. heart failure, AMI, stroke)
- Cancer markers
- Diabetes (e.g. HbA1c)
- Neurodegeneration (e.g. Alzheimer's risk)
- Therapeutic drug monitoring

Health Screening

- Cancer markers
- Thyroid function
- Liver function
- Kidney function
- Heart function

Fitness and Well-being

- Hormones (e.g. Cortisol)
- Vitamins
- Iron
- Cholesterol

Summary

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2020/21 was a transformational period with the transition of the Therapeutics Division to clinical stage and the launch of the first Affimer® IVD product

Therapeutics – the key value driver for the Group

- AVA6000 pro-doxorubicin: Conducting Phase 1a dose escalation study (in UK and with IND approved for US sites) with expected read-out in Q3.
- Pivotal moment for the preCISION platform and the Group.
- Multiple clinical and pre-clinical development milestones anticipated through 2022/23.

Diagnostics

- ISO13485 certified IVD product development and commercialisation business.
- Development of IVDs with a focus on decentralised testing markets.
- Re-development of the antigen test as part of a much broader diagnostic product pipeline.

Strong balance sheet to support core businesses through mid-2023.

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