

**Stock Data**

Share Price:	140.0p
Market Cap:	£291.2m
Shares in issue:	208.0m

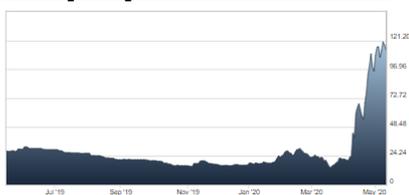
**Company Profile**

Sector:	Healthcare
Ticker:	AVCT
Exchange:	AIM

**Activities**

Avacta Group plc ('Avacta', 'the Group') is a biotechnology company which has developed the proprietary Affimer® technology platform, a unique engineered alternative to antibodies. Affimer proteins can be developed quickly for drug development and a wide range of life sciences applications in the diagnostics and research sectors.

**Share price performance**



Source: [LSE](#)

**Past performance is not an indication of future performance.**

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# Avacta Group plc

**Avacta has announced that several of the Affimer reagents recently generated for development of a point-of-care COVID-19 antigen saliva test, have now also been shown to block the interaction between the virus' spike protein and [ACE-2](#), a receptor on human cells that is key to the virus [infection pathway](#). This is a quite exceptional development against a rapidly moving background, offering significant new and unique potential for a therapy that could help prevent infection and limit the progression of the disease, thereby providing immediate benefit to patients. Given the global urgency, it is quite possible that this will quickly attract a large and well-resourced Big Pharma partner, with a view to participating in the development of a neutralising Affimer therapy that potentially could be created and approved more rapidly than a vaccine. Avacta's Board considers the likelihood of success of such a therapy to be high. Understanding also that Avacta retains all rights to its Affimer reagents, investors stand to significantly benefit from any such outcome.**

## Potential to develop coronavirus neutralising therapies

Avacta has already successfully generated a large number of Affimer reagents that bind to the SARS-COV-2 virus' spike protein as part of its partnership with Cytiva (formerly GE Healthcare Life Sciences and now part of Danaher Corp). As previously announced, Avacta and Cytiva are working together to develop a rapid point-of-care COVID-19 antigen saliva test to be mass produced for large-scale population screening and for self-testing by consumers.

Further work Avacta has carried out using ELISA measurements (enzyme linked immunosorbent assay) demonstrates that several Affimer reagents disrupt the binding of ACE-2 to the SARS-COV-2 S1 spike protein across a range of different potencies. These reagents block the interaction between the virus' spike protein and the receptor found on human cells, to which the virus spike protein then binds in order to infect cells. These Affimer reagents therefore have the potential to prevent infection and effectively act as 'neutralising' therapies.

Such neutralising therapies could be given to those exposed to the virus (such as health and social-care workers) to prevent infection, as well as to patients already infected by the virus, to help treat and prevent disease progression.

Large pharmaceutical companies, such as [AstraZeneca and GSK](#), are now starting programmes to develop neutralising antibodies in an attempt to block the SARS-COV-2 spike protein's interaction with ACE-2. Recently, for example, GSK invested US\$250 million in [Vir Biotechnology Inc.](#) to develop potential antibody treatments for COVID-19 by selecting antibodies from recovered patients; AstraZeneca also recently announced that it would start a programme to find new monoclonal antibodies that block the [spike/ACE-2 interaction](#). Given that Avacta has now demonstrated that several Affimer reagents also perform this blocking function, the Group is now urgently seeking a partner that has the resources available to co-develop a neutralising Affimer therapy as quickly as possible.

## Another major inflection point?

**Beyond the obvious reputational and commercial, albeit presently wholly unquantifiable, short and longer-term opportunities that could emerge from Avacta's partnerships with Cytiva and Adeptrix, potential now to also collaborate with Big Pharma in an effort to develop a globally significant coronavirus neutralising technology, suggests a further major inflection point along with opportunity for the creation of significant further near-term value for shareholders, while it also continues to forward its other development and partnered programmes plus licensing relationships for its diagnostics reagents.**

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