

#### Stock Data

Share Price:	137.0p
Market Cap:	£340.9m
Shares in issue:	248.8m

#### 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.

#### 1-year 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 its Affimer-based rapid point-of-care ('POC') test strips to detect the SARS-COV-2 spike protein, that have been developed and evaluated by its partners at [Cytiva](#) (formerly GE Healthcare Life Sciences), have shown positive initial performance data. Following this important news, the next step will be to optimise in order to achieve the best possible limit of detection, given that this will ultimately be a key factor in determining the clinical sensitivity of the test. This is expected to be completed within weeks, whereupon the design of the final product will be transferred to UK manufacturers that are currently being put in place by Avacta in anticipation of production.**

### Planning a rapid move to production

In just over six weeks, Avacta has moved from shipping its Affimer reagents to Cytiva to discussions with manufacturers regarding the commencement of high-volume test-strip production. Having initially developed a model capable of detecting the spike protein within the clinical range that appears in patient saliva, the Group now seeks to optimise its performance in order to generate the highest sensitivity in the final rapid test product. TPI considers this is likely to be satisfactorily completed within three or so weeks and meanwhile Avacta is working and consulting with different manufacturers with a view to compressing the normal manufacturing, clinical validation and regulatory timelines in order to bring a CE-marked product to market as quickly as possible.

### Potentially perfect timing

Tentative early relaxation of lockdown conditions in parts of Asia, Europe and the US already appear to be resulting in a relatively sharp rise in reported local infections. This supports a view taken by healthcare experts and clinicians that without continuing strict enforcement, the global community may well be hit with a second wave of infection which could then remain active well into 2021 or possibly even never become fully eradicated. Reflecting also on a similar situation with the 1918 influenza outbreak or '[Spanish flu](#)' which spread across the world over 2 years and is generally believed to have infected 500 million people and killed 50 million, most fatalities actually took place in a [resurgence](#) that was sufficient to make it the deadliest pandemic of modern times. In this respect, demand for a globally available, reliable and rapid POC test strip looks set to become quite exceptional.

### Approaching a major inflection point?

**Having recently put the necessary financial resources in place, Avacta now appears positioned to reach a major inflection point. Timing of course is of the essence for all COVID-19 product developments. Today's news confirms rapid progress with the Group's key POC antigen test, which offers significant commercial opportunity given its potential to limit global progression of the disease. Having partnered with a major international development/distribution group and with advanced talks with suitable manufacturers underway, TPI considers the potential for the Group to claim a good part of this prospectively huge international opportunity to be high. Combined with development of its potential '[neutralising](#)' therapy for COVID-19 infection and its [BAMS™](#) diagnostic test being developed with its partner [Adeptrix](#) (Beverly MA, USA), along with the Group's core novel cancer immunotherapies that incorporate its two proprietary platforms, Affimer® biotherapeutics and pre|CISION™ tumour targeted chemotherapy, Avacta appears to be ideally placed for the creation of significant short and long term value for shareholders.**

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