Stock Data

Share Price:	44.50p
Market Cap:	£161.16m
Shares in issue:	362.16m
52 week high/low:	166.98p/39.50p

Company Profile

Sector:	Health Care
Ticker:	AVCT
Exchange:	AIM

Activities

Avacta Group plc ('Avacta,' 'the Group,' 'AVCT') is a life sciences company working to improve people's health and well-being through innovative oncology drugs and powerful diagnostics. Operating through two divisions, Diagnostics & Therapeutics.

Website: https://avacta.com/

5-year Share price performance

Source: LSE

Past performance is not an indication of future performance.

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TPI provides research and marketing services to Avacta Group plc.

Attention is drawn to the disclaimers and risk warnings at the end of this document.

Retail clients (as defined by the rules of the FCA) must not rely on this document.

Avacta Group plc

Unaudited interim results for the six months ended 30 June 2024 have been released. In terms of financials these provided little in the way of surprises, while the Board continued to stress the exceptional progress being made with its drug development candidate AVA6000, along with a high level of confidence in the capabilities of its pre|CISION™ platform. Second and third generation programs have already been designed to leverage the platform as a foundation for other tumour-specific warhead delivery systems across an innovative pipeline. More details on these will be provided when the Group hosts a live R&D Spotlight: Next Generation of pre|CISION™ Medicines in London on 30 October 2024.

Runway sufficient to support AVA6000's planned progression

Final selection of Phase 2 indications (based on FAP positive disease and anthracycline sensitivity) is anticipated shortly after presentation of preliminary data in AVA6000's ongoing Phase 1b expansion cohorts in 2Q 2025. This should enable the study to commence in 2H 2025. While this can be expected to accelerate operating cash outflow for the Therapeutics division quite sharply as the trial progresses, c.£32.5m cash-in-hand at end-June 2024 stage, together with expected net proceeds from disposal of the Diagnostics division (for which credible indicative offers have already started to be received with further bids anticipated), should provide sufficient runway to complete AVA6000's Ph.2 study along with development of pre|CISION™'s next generation programmes. Market introduction of the Group's first targeted chemotherapy could be within three or four years from now.

Avacta now seeks a sustainable long-term funding strategy

AVA6000's clinical data has led to a growing confidence in the capabilities of the pre|CISION™ platform, which now underpins Avacta's wider clinical strategy. Next generation programs will leverage it as a foundation for other tumour-specific warhead delivery systems. This ambitious approach will be achieved through incorporation of more complex chemistries with added caps/linkers capable of modifying delivery/release in the tumour microenvironment ('TME') or by the creation of biologic drug conjugates. While this clearly offers significant potential for value creation, the cost of timely execution will undoubtedly be very high. Accordingly, the Group confirmed it has already begun to explore available pathways to provide longer-term financing optionality for its individual clinical therapeutics programs, including attracting specialist global biotech investors and partnering, while also potentially considering a NASDAQ dual-listing.

Pipeline reveal to initiate multiple licensing discussions

The projected reveal of the pipeline is expected to initiate multiple licensing and partnerships discussions with international pharmaceutical groups upon demonstration of significant improvement of an existing drug's therapeutic index. In tandem with Avacta's own ongoing in-house developments, such partnerships could dramatically accelerate roll-out of its highly protected technology to a broad range of solid tumour candidates. Avacta will seek to retain 100% ownership of pre|CISION™ technologies, understanding such a 'holy grail' of next generation cancer medication will ensure substantial medium/long-term rewards for shareholders.

Financial highlights for the six months ended 30 June 2024

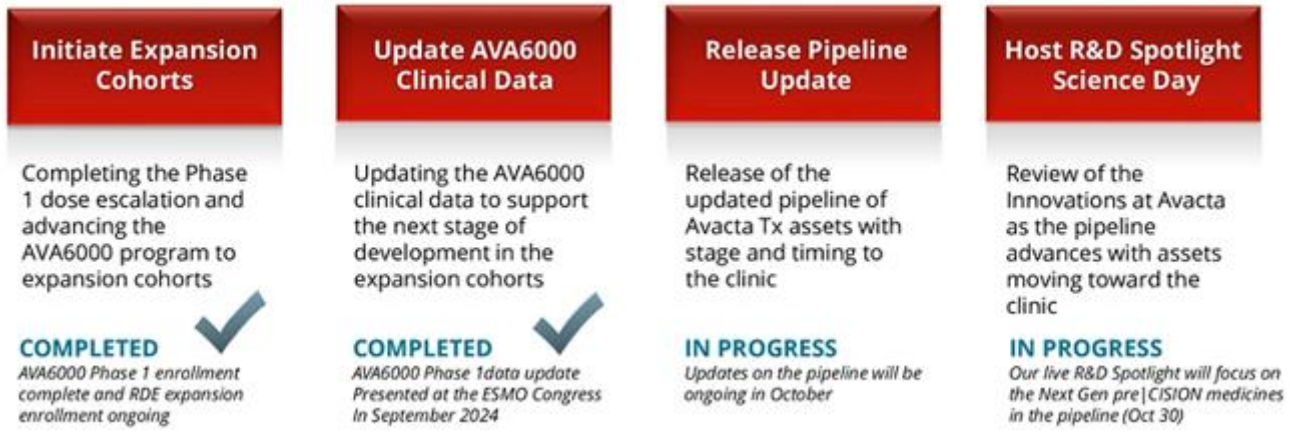
- Financial performance of the Group in line with the Board's expectations
- Revenues of £11.3 million (H1 2023: £11.9 million; FY 2023: £23.3 million)
- R&D expenditure of £6.7 million (H1 2023: £6.0 million; FY 2023: £14.5 million)
- Adjusted EBITDA loss (before non-cash and non-recurring items) of £11.1 million (H1 2023: £7.9 million; FY 2023: £20.1 million)
- Reported loss of £12.5 million (H1 2023: £11.5 million; FY 2023: £25.0 million)
- Loss per ordinary share of 3.8p (H1 2023: loss 4.3p; FY 2023: loss 9.2p)
- Fundraise completed in March 2024 raising £31.1 million (gross), £29.1m million (net)
- Cash and cash equivalents of £32.5 million (30 June 2023: £26.0 million; 31 December 2023: £16.6 million)
- Events after the reporting period:
  - In July 2024, settlement in cash of the quarterly amortization payment of £3.08 million in connection with the Group's convertible bond
  - Diagnostics division revenue grew to £11.2 million (H1 2023: £9.9 million; year ended 31 December 2023, FY 2023: £21.2 million). Adjusted EBITDA improved to a profit of £0.1 million (H1 2023: loss of £0.4 million; FY 2023: loss of £1.2 million)

Note that Avacta expects the Diagnostics division to remain adjusted EBITDA positive in H2 2024 and be cash flow positive in 2025. The Therapeutics division's investment in AVA6000 included both acceleration of enrolment in the trial to complete Phase 1a and drug supply manufacturing costs, to move into Phase 2 development in 2025. Other costs have been controlled as the research team focus remained on the Next Generation of pre|CISION medicines. Operating cash outflow on Therapeutics is expected to accelerate as the clinical trial progresses.

Upcoming milestones and goal setting for pipeline into 2025

Updated data from the Phase 1a trial of pre|CISION™-enabled PDC AVA6000 was presented at the 2024 European Society for Medical Oncology ('ESMO') Congress, in Barcelona, Spain from 13-17 September 2024. It achieved clinical proof-of-concept in the dose escalation trial with multiple response evaluation criteria in solid tumours ('RECIST') responses observed in patients with high grade soft tissue sarcomas and salivary gland cancers. Demonstrating a highly encouraging tolerability profile with robust preliminary efficacy signals in both study arms, this continues to support the next stage of development in expansion cohorts, while further raising confidence in the platform and its potential for patients. Upcoming milestones anticipated during the remainder of 2H 2024, include release of Avacta Therapeutics's updated pipeline of assets with details of stage and possible timing to clinic. This will be further expanded upon at a hosted R&D Spotlight Science Day for both investors and scientists that is scheduled for 30 October 2024 with focus on the Next Generations of the pre|CISION™ platform.

Avacta – Completed and Upcoming Milestone in 2H 2024



Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Selection of the clinical candidate for the next generation pre|CISION™ medicine is targeted for 2H 2024. Data from the ongoing expansion cohorts will be used to refine understanding of safety and efficacy with preliminary data due to be presented in 2Q 2025, in turn supporting the planned commencement of AVA6000's Phase 2 trial in 2H 2025.

Avacta – Setting Goals for the Pipeline into 2025

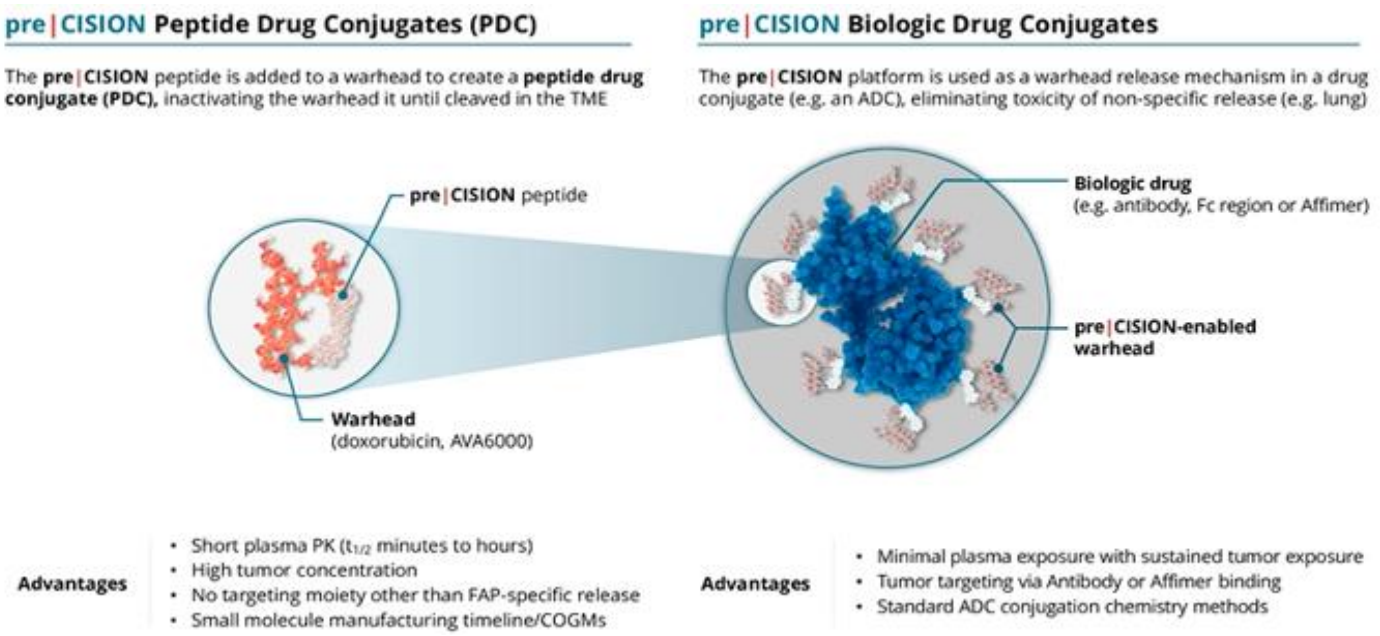
Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Next generation programs to leverage the pre|CISION™ platform

The Group's **First Generation** pre|CISION™ PDC, AVA6000, utilises relatively elementary chemistries in the form of doxorubicin conjugated directly with a peptide moiety cleaved by the tumour specific enzyme Fibroblast Activation Protein ('FAP'). The peptide is cleaved in the TME (leading to a distinctly favourable safety profile) to release active doxorubicin which is then capable of killing either FAP+ cancer associated fibroblasts ('CAFs') or FAP-negative tumour cells. The outcome is a robust widening of the therapeutic index and fundamental changes in the kinetics of released doxorubicin.

Next generation programs will leverage the platform as a foundation for other tumour-specific warhead delivery systems and underpin the Group's wider clinical strategy/ambition to advance its novel cancer medicines

pre|CISION™-Enabled Warheads are Released Specifically in the TME to Optimise Delivery



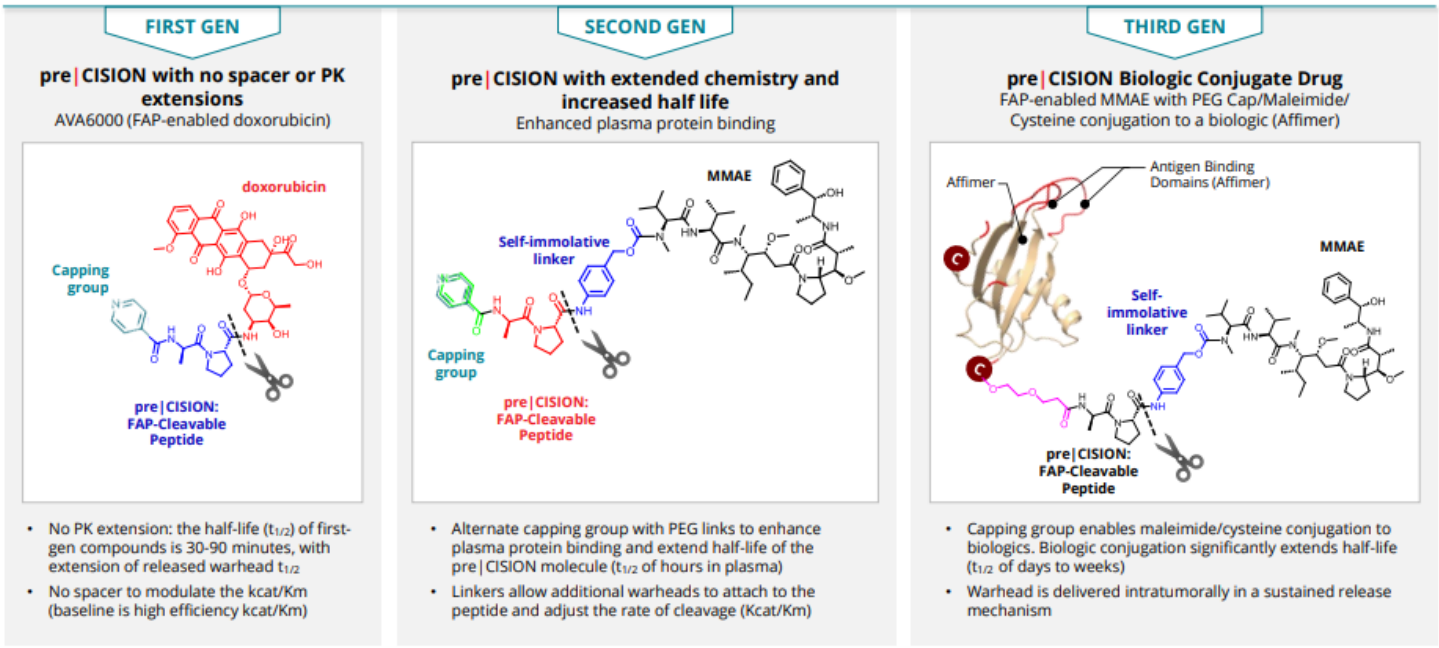
Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Second Generation pre|CISION™ PDCs are FAP-enabled warheads with two advances over the First Generation: (1)

Pharmacokinetics/pharmacodynamic ('PK/PD') extension capabilities with an added capping group and; (2) Additional linkers inserted between the warhead and pre|CISION™ peptide allowing an adjustment to the rate of warhead cleavage (kcat/Km). These advances in the pre|CISION™ pipeline allow tailored delivery of warheads to the tumour microenvironment.

The Group's **Third Generation** pre|CISION™ biologic conjugate drug is a FAP-enabled maleimide/cysteine conjugation to a biologic, in this case Avacta's proprietary Affimer® molecule (AffyDC) or a selected traditional antibody conjugates ('ADC'). The warhead is delivered intratumorally in a sustained release mechanism.

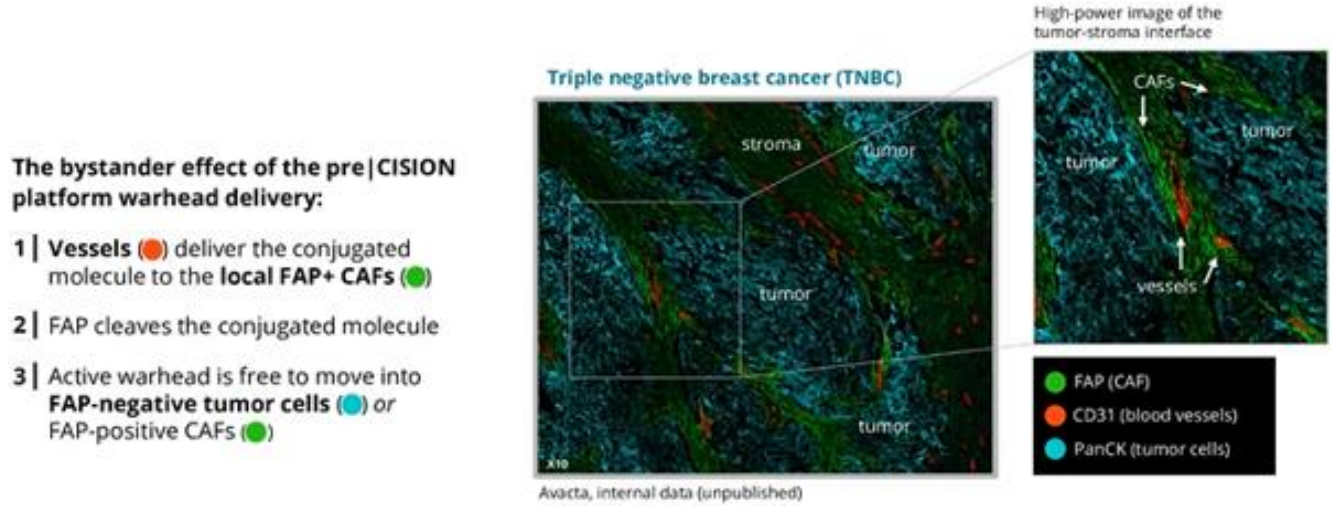
Avacta – Evolution of pre|CISION™ Chemistry Results in Optimised Kcat/Km and Tumour PK



Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Avacta has set a specific ambition to gain a deep understanding of the mechanism and process of the so called therapeutic 'bystander effect'. This is a process whereby cancer cells that have received a specific therapy are able to bring about growth inhibition in untreated cells in the same tumour population. It notes that, in the TME, CAFs with the highest expression of FAP are concentrated at the tumour-stroma interface and co-located with the blood vessels which delineate the 'bystander effect' delivery.

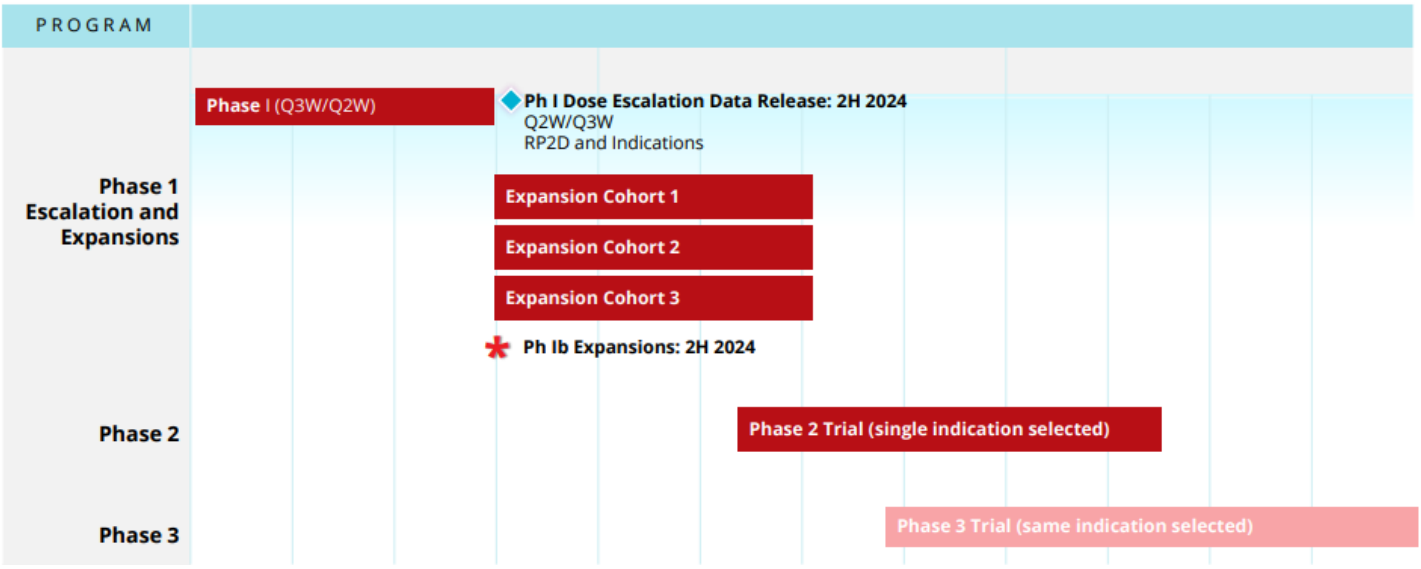
The Spatial Organisation of the TME Supports the pre|CISION™ Bystander Effect Delivery



Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

AVA6000 – Planning now in place out to Phase 3 clinical trial

AVA6000- Clinical Development Strategy and Planning

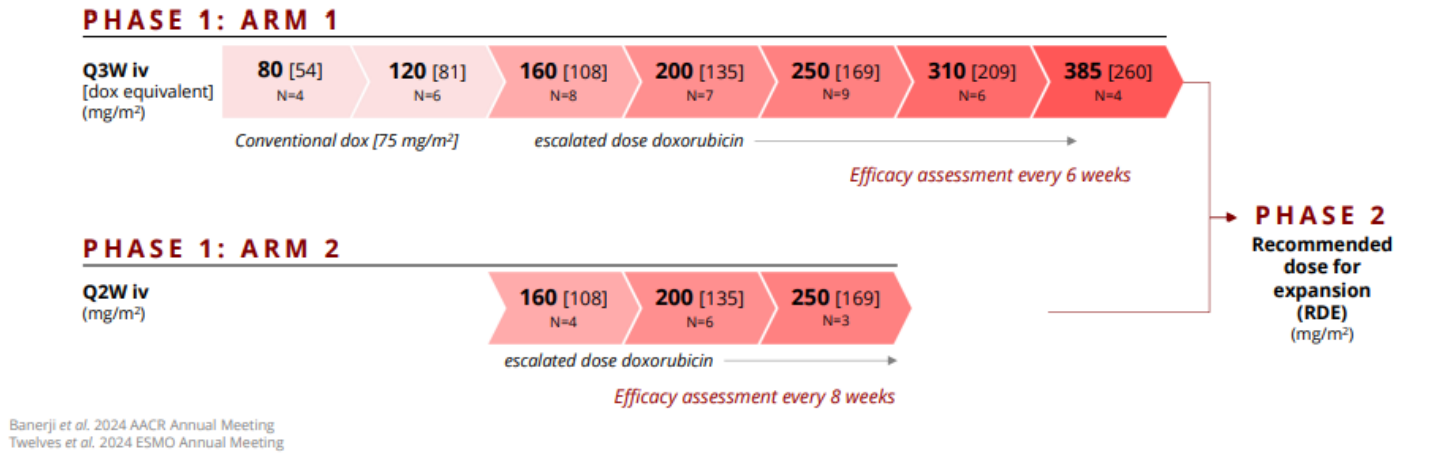


Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

AVA6000 recommended dose expansion ('RDE') cohorts enrolment underway

The Phase 1a enrolment has completed with results indicating that AVA6000 is safe and well-tolerated in both the Q3W and Q2W schedules, with preliminary evidence of efficacy and early limited cardiac safety signal. No maximum tolerated dose ('MTD') was determined in the trial despite dosing up to 385 mg/m^2 every 3 weeks (~4x conventional dose doxorubicin).

AVA6000 Trial Design and Patient Population



Banerji *et al.* 2024 AACR Annual Meeting
Twelves *et al.* 2024 ESMO Annual Meeting

PATIENT POPULATION AND METHODS

- Patients with a diagnosis of known FAP-positive cancers, including sarcoma, pancreatic cancer, colorectal cancer, head and neck cancers
- Acceptable performance status (ECOG 0 or 1), adequate organ function and recovery from prior therapy
- Prior therapy with any anthracycline was limited to total cumulative dose of less than 350 mg/m^2
- Trial analyzed for safety (primary endpoint) and efficacy (secondary endpoint by FAP^{high} and FAP^{mid} cancer types)

Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Multiple durable RECIST responses were observed in patients with high-grade sarcoma and salivary gland cancers, indicating that tumour cell expression of FAP is not required for the release of doxorubicin, with even lower levels of stroma-only expression being sufficient. pre|CISION™-enabling of doxorubicin (AVA6000) results in multiple

fundamental changes in the PK of released doxorubicin (compared to conventional doxorubicin administration) including extended half-life and reduction in the maximal concentration/volume of distribution.

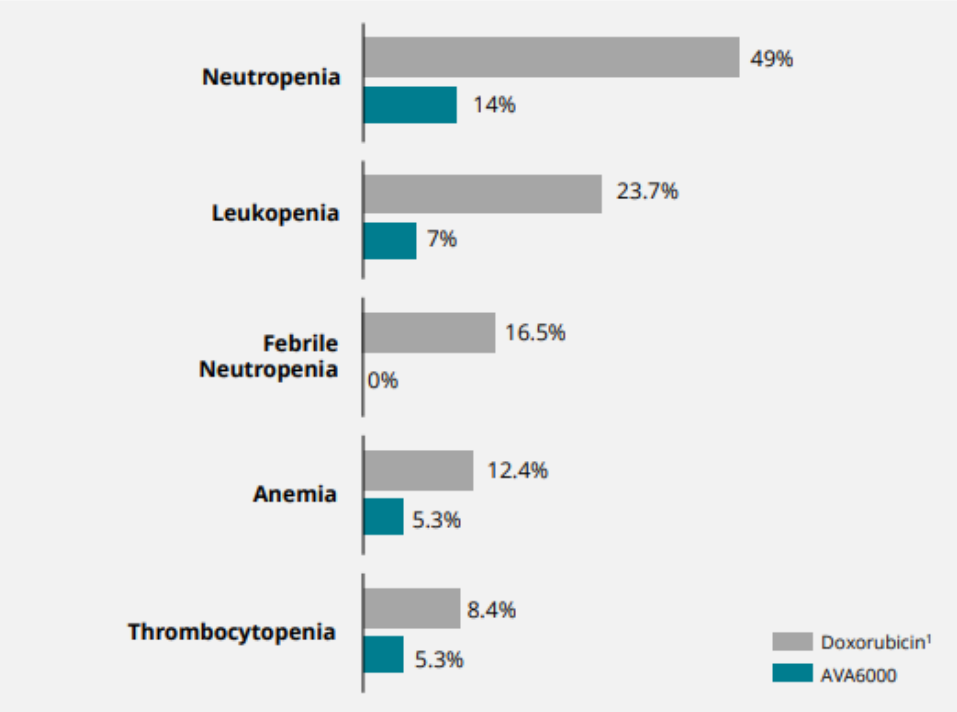
AVA6000 - Compelling data strengthen the clinical validation

Avacta reported updated Phase 1 Clinical Data for AVA6000 at the ESMO Annual Congress on 14 September 2024, demonstrating multiple ongoing, durable responses in solid tumours. With almost six months of added follow-up, this further data strengthens the clinical validation for AVA6000 and the pre|CISION™ drug delivery platform sufficiently to challenge current drug delivery methods with a goal to expand the reach of highly potent therapeutics using peptide drug conjugates. The drug's safety, efficacy and PK readouts make a compelling case compared to conventional doxorubicin.

Bone marrow toxicity

Severe hematologic toxicities limit the dosing of cytotoxic drugs in the clinic. AVA6000 is capable of significantly reducing peripheral exposure to released doxorubicin which translates to a reduction in multiple severe (CTCAE Grade 3/4) bone marrow toxicities compared to conventional doxorubicin.[1] Neutropenia was observed in 14% of AVA6000 patients vs 49% treated with conventional dose doxorubicin (comparison made to a Ph 3 trial where doxorubicin monotherapy is the comparator arm in a similar patient population).[1] There were no cases of febrile neutropenia in the AVA6000 trial compared to 16.5% of patients receiving conventional doxorubicin alone in a similar patient population.[1]

AVA6000 Has Reduced Severe Hematologic Toxicities Compared to Conventional Doxorubicin



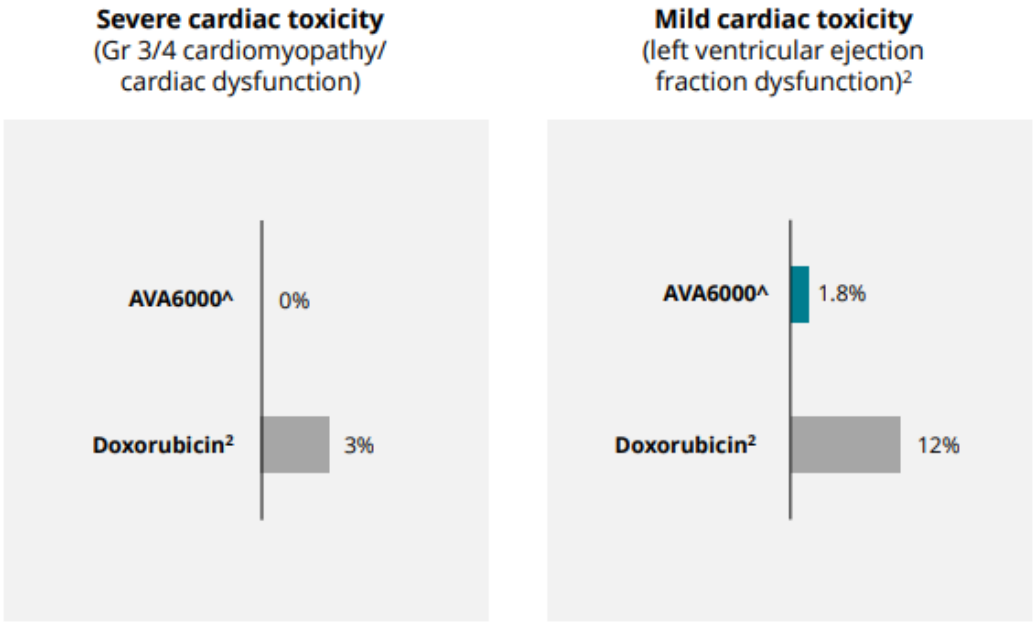
Data cutoff 19 AUG 2024
[1]Tap, WD et al. 2020. Phase 3 trial of olaratumumab/doxorubicin in patients with STS. Data reported from doxorubicin mono arm Grade 3-4 events
Twelves et al. 2024 ESMO Annual Meeting

Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Cardiac toxicity

Severe cardiac toxicity (cardiomyopathy) associated with conventional Doxorubicin is not observed with AVA6000, but reported in 6-20% of patients treated above a cumulative dose of 500 mg/m^2 per the doxorubicin label[1,3] The observed cardiac safety profile of AVA6000 compares favourably to conventional dose doxorubicin, with low incidence of left ventricular ejection fraction ('LVEF') changes (LVEF dysfunction 12.3% v. 48.4% with conventional doxorubicin[1,2]) and no grade 3 or 4 severe cardiac events reported.

AVA6000 Lacks Severe Cardiac Toxicity Associated with Conventional Doxorubicin



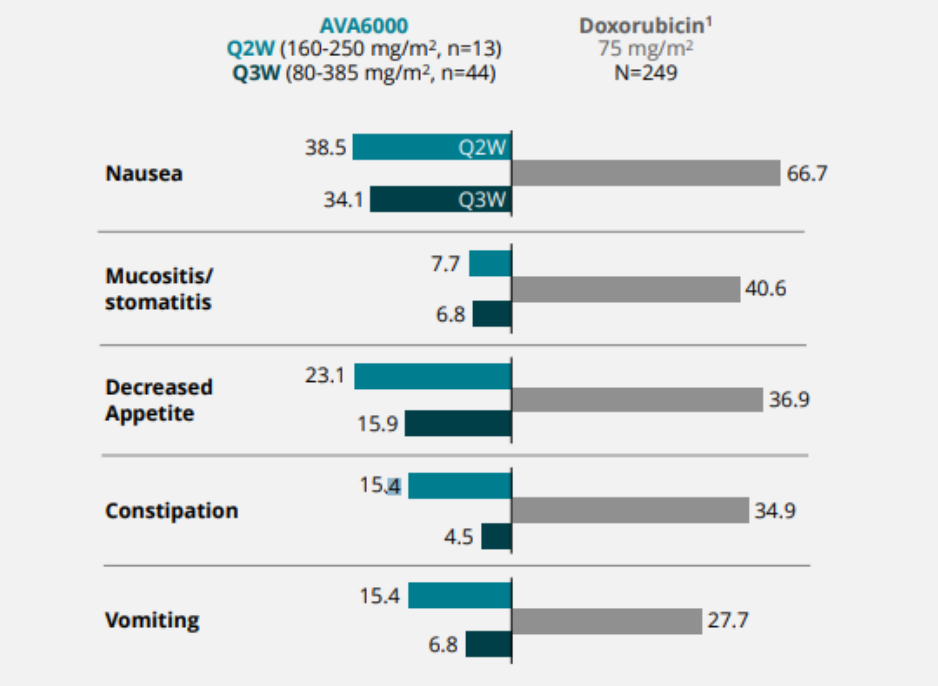
Data cutoff 19 AUG 2024 ^Maximum anthracycline exposure in the AVA6000 Ph I trial is 550 mg/m²
¹ Doxorubicin label: Severe cardiac toxicity defined per doxorubicin label as severe cardiomyopathy, cardiac failure
² Jones et al. Clin Ca Res (2021). Phase 3 ANNOUCE trial cardiac data analysis based on Tap, WD et al. 2020, excepted table
³ Doxorubicin label (at max cumulative dose 500 mg/m² compared to AVA6000 max cumulative dose of 550 mg/m²)
Twelves *et al.* 2024 ESMO Annual Meeting | Data cut off 19 August 2024

Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Quality-of- Life

Multiple toxicities that impact the quality-of-life for patients are reduced with AVA6000 compared with patients dosed with conventional doxorubicin[1]. Reductions were observed in toxicities that impact similarly, including nausea, mouth sores, decreased appetite, constipation and vomiting and associated reductions were observed with both the Q3W and Q2W dosing schedules.as compared to conventional doxorubicin dosing[1].

AVA6000 Reduces Toxicities that Impact the Quality-of-Life v. Conventional Doxorubicin



Data cutoff 19 AUG 2024. ¹Tap, WD et al. 2020. JAMA 323:1266. Phase 3 trial of olaratumumab/doxorubicin in patients with STS, (mixed 1L/2L population).
Twelves *et al.* 2024 ESMO Annual Meeting

Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Efficacy data

Cancer indications have been categorised based on published data regarding both immunohistochemistry and FAPI-PET studies as FAP^{high} (soft tissue sarcoma and salivary gland cancer) or FAP^{mid} (pancreatic cancer, colorectal cancer, lung cancer and other malignancies). Patients with indications considered FAP^{low} were excluded from the trial. Patients had a median of two prior systemic cancer therapies (range 0-7) with 65% including cytotoxic exposure. Reduction in the sum of longest diameters ('SLD') is used to measure response per RECIST 1.1 with partial responses of >30% reduction and minor responses of between >10% and <30% reduction.

AVA6000: Best Response on Study in Patients with FAP high Indications

Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

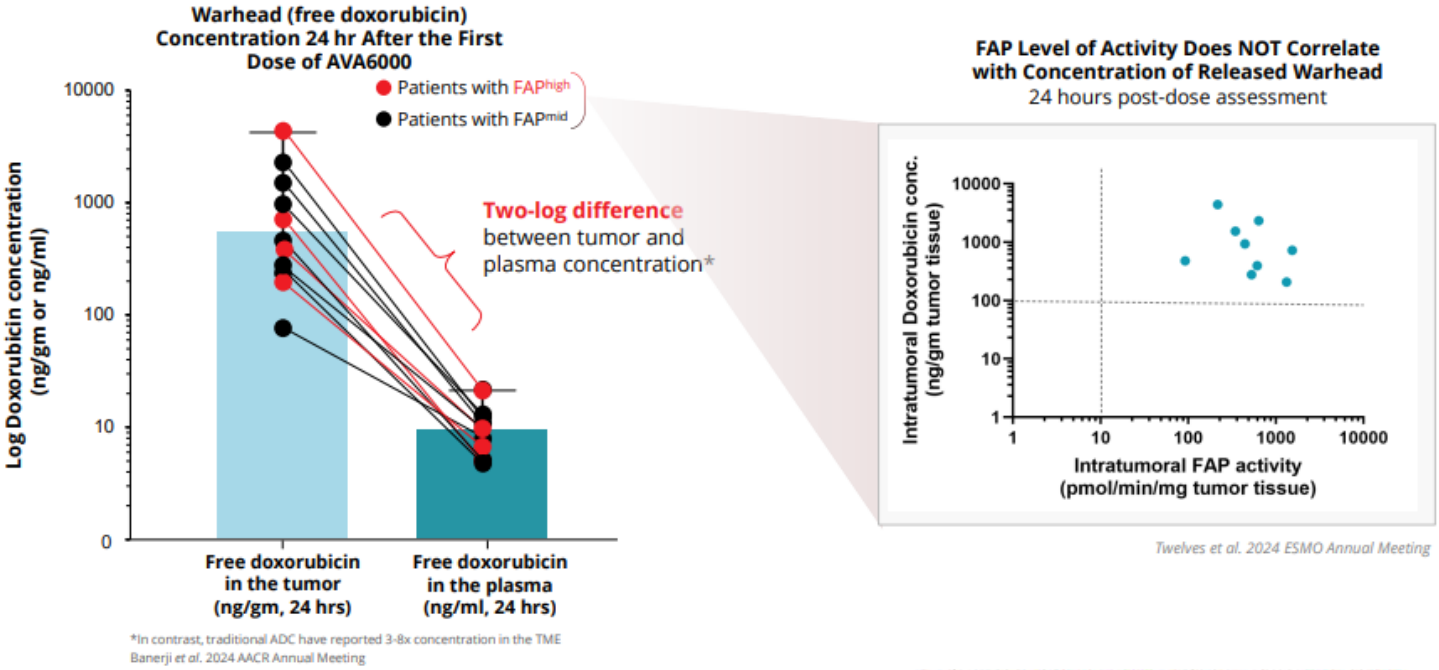
As can be seen above, among patients with FAP^{high} cancers (n=23), three partial responses and four minor responses were observed, including:

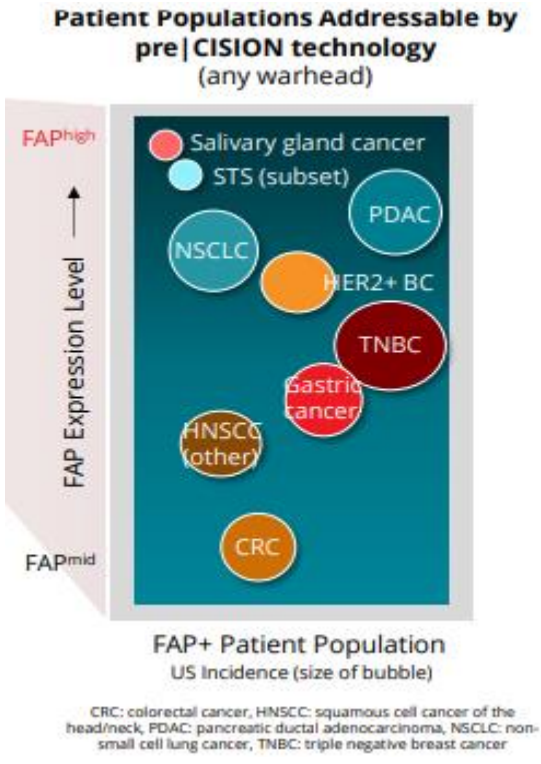
1. A durable, confirmed partial response at 12 weeks in a 79-year-old male patient with progressive salivary gland cancer ('SGC'). After an initial minor response (22% reduction in SLD), the observed durable PR is ongoing despite patient discontinuation due to lifetime maximum dosing (duration of response >18 weeks, with 46.2% reduction in SLD). Tumour histology demonstrates no expression of FAP in tumour cells with only stromal cell expression noted.
2. A minor response (14.6% reduction in SLD at first 8-week scan) in a 65-year-old female patient with SGC who remains on the trial. This patient was dosed in the 250 mg/m2 Q2W cohort of the trial and had progression on a prior line of therapy. This patient continues on study. Similarly, the histology shows FAP-negative tumour cells and FAP expression only in the stromal compartment.
3. A partial response (40.5% reduction in SLD) in a 55-year-old male patient with dedifferentiated liposarcoma who had progressed on two prior lines of therapy in the metastatic setting. After an initial minor response this patient experienced a partial response with SLD change of -40.6%. The patient experienced new lesions at their latest follow-up scan.

Treatment with AVA6000 results in multiple fundamental changes in the PK of released doxorubicin (compared to conventional doxorubicin administration3) including: (i) Extension of the plasma half-life by ~40% and; (ii) Reduction of approximately 40-50% in both C_{max} and the peripheral volume of distribution, suggesting AVA6000-released doxorubicin demonstrates a more limited distribution into normal tissues versus conventional doxorubicin[4,5].

Tumour biopsies taken 24 hours after the first dose of AVA6000 reveal additional insights regarding the role of FAP, in that the level of FAP positivity in the tumour appears not to correlate with the level of released doxorubicin in the TME (n=9). This lack of correlation indicates that lower levels of FAP activity are sufficient for warhead release. These data provide evidence for targeting of the FAP^{mid} tumour types with novel warheads.

AVA6000 Results in Concentration of Doxorubicin in the Tumor Regardless of FAP Level





References:

1Tap WD, et al. Effect of Doxorubicin Plus Olaratumab vs Doxorubicin Plus Placebo on Survival in Patients with Advanced Soft Tissue Sarcomas: The ANNOUNCE Randomized Clinical Trial. JAMA. 2020;323(13):1266-1276. doi: 10.1001/jama.2020.1707

2Jones, RL et al. Prospective evaluation of doxorubicin cardiotoxicity in patients with advanced soft tissue sarcoma in the ANNOUNCE Phase III randomized trial. Clin Ca Res 2021;27:3751-66. doi: 0.1158/1078-0432.CCR-20-4592

3Villalobos VM, et al. Pharmacokinetics of doxorubicin following concomitant intravenous administration of olaratumab (IMC-3G3) to patients with advanced soft tissue sarcoma. Cancer Med. 2020;9(3):882-893. doi: 10.1002/cam4.2728

4Kontny N et al, Population pharmacokinetics of doxorubicin: establishment of a NONMEM model for adults and children older than 3 years, Cancer Chemother Pharmacol 2013;71(3):749-63. doi: 10.1007/s00280-013-2069-1

5Pérez-Blanco JS et al, Population pharmacokinetics of doxorubicin and doxorubicinol in patients diagnosed with non-Hodgkin's lymphoma, Br J Clin Pharmacol. 2016; 82(6): 1517-1527

Source: Avacta, Interim Results and Business Update Presentation of 30 September 2024

Condensed Consolidated Statement of Profit or Loss for the 6 months ended 30 June 2024

	Unaudited 6 months ended 30 June 2024	Unaudited 6 months ended 30 June 2023	Audited Year ended 31 December 2023
	£000	£000	£000
Revenue*	**11,261**	11,889	23,247
Cost of sales	**(6,240)**	(5,141)	(12,003)
Gross profit	**5,021**	6,748	11,244
Research costs	**(6,746)**	(6,009)	(14,529)
Selling, general and administrative expenses	**(9,373)**	(8,646)	(16,855)
Adjusted EBITDA**	**(11,098)**	(7,907)	(20,140)
Exceptional expenses	**(1,521)**	-	-
Amortization expense	**(575)**	(437)	(1,033)
Impairment charge	**-**	-	(512)
Share of loss of associate	**(404)**	(424)	(847)
Acquisition related expenses	**-**	(282)	(282)
Depreciation expense	**(1,393)**	(1,276)	(2,638)
Share-based payment charge	**(2,262)**	(1,553)	(2,906)
Operating loss	**(17,253)**	(11,879)	(28,358)
Convertible bond - interest expense	**(6,345)**	(6,847)	(14,730)
Convertible bond - revaluation of derivative	**9,955**	5,862	15,684
Finance income	**420**	331	655
Finance costs	**(213)**	(268)	(568)
Loss before tax	**(13,436)**	(12,801)	(27,317)
Taxation	**964**	1,269	2,370
Loss for the period	**(12,472)**	(11,532)	(24,947)
Foreign operations - foreign currency translation differences	**(349)**	(179)	1
Other comprehensive income	**(12,821)**	(11,711)	(24,946)
Total comprehensive loss for the period	**(12,821)**	(11,711)	(24,946)
Loss per share:			
Basic and diluted	**(3.82p)**	(4.28p)	(9.15p)

**Revenue contributions for the period ended 30 June 2024 breaks down as Therapeutics £0.1m, Diagnostics £11.2m (30 June 2023: £2.0m, £9.9m).*

***Adjusted EBITDA contributions for the period ended 30 June 2024 breaks down as Therapeutics loss £7.8m Diagnostics profit £0.1m, Central Costs loss £3.4m (30 June 2023: loss £4.5m, loss £0.4m, loss £2.9m)*

Condensed Consolidated Statement of Financial Position as at 30 June 2024

	Unaudited as at 30 June 2024 £000	Unaudited as at 30 June 2023 £000	Audited as at 31 December 2023 £000
Assets			
Property, plant and equipment	**3,415**	2,814	2,921
Right-of-use assets	**6,270**	6,175	7,065
Investment in associate	**3,731**	4,539	4,079
Intangible assets	**30,181**	33,455	30,837
Deferred tax asset	**247**	-	253
Non-current assets	**43,844**	46,983	45,155
Inventories	**2,612**	3,052	2,585
Trade and other receivables	**7,589**	6,770	6,585
Income tax receivable	**2,717**	4,975	2,239
Cash and cash equivalents	**32,532**	25,968	16,627
Current assets	**45,450**	40,765	28,036
Total assets	**89,294**	87,748	73,191
Liabilities			
Lease liabilities	**(5,299)**	(4,703)	(5,735)
Financing liabilities	**(166)**	(238)	(219)
Provisions	**(272)**	-	-
Deferred tax	**(128)**	(2,952)	(323)
Non-current liabilities	**(5,865)**	(7,893)	(6,277)
Trade and other payables	**(10,132)**	(10,805)	(9,225)
Lease liabilities	**(1,300)**	(1,394)	(1,295)
Financing liabilities	**(134)**	(339)	(166)
Convertible bond – debt*	**(15,331)**	(15,679)	(16,098)
Convertible bond – derivative*	**(8,370)**	(28,900)	(18,325)
Current liabilities	**(35,267)**	(57,117)	(45,109)
Total liabilities	**(41,132)**	(65,010)	(51,386)
Net assets	**48,162**	22,738	21,805
Equity attributable to equity holders of the Company			
Share capital	**36,185**	27,629	28,501
Share premium	**112,462**	75,698	83,220
Reserves	**(4,322)**	(4,371)	(4,163)
Retained earnings	**(96,163)**	(76,218)	(85,753)
Total equity	**48,162**	22,738	21,805

**Note that in July 2024 a third quarterly amortization of the Convertible Bond amounting to £2.55 million (in addition to £0.58 million of interest) was settled in cash leaving the remaining balance of bonds at par value of £33.15 million. Avacta's 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.*

Condensed Consolidated Statement of Cash Flows for the 6 months ended 30 June 2024

	Unaudited 6 months ended 30 June 2024 £000	Unaudited 6 months ended 30 June 2023 £000	Audited Year ended 31 December 2023 £000
Operating cash outflow from operations	**(12,839)**	(11,194)	**(21,845)**
Interest received	**420**	331	655
Interest elements of lease payments	**(193)**	(128)	(304)
Interest elements of financing liabilities	**(6)**	-	(11)
Income tax received	**296**	2,942	6,633
Net cash used in operating activities*	**(12,322)**	(8,049)	**(14,872)**
Cash flows from investing activities			
Purchase of plant and equipment	**(702)**	(406)	(1,124)
Proceeds from sale of plant and equipment	**86**	-	60
Acquisition of right of use asset	**(6)**	-	(42)
Acquisition of subsidiary, net of cash disposed of	**-**	(6,896)	(6,931)
Purchase of intangible assets	**(173)**	(49)	(96)
Payment of deferred consideration on past acquisition	**-**	-	(868)
Net cash used in investing activities	**(795)**	(7,351)	**(9,001)**
Cash flows from financing activities			
Proceeds from exercise of share options	**401**	224	398
Repayment of financing liabilities	**(77)**	(49)	(246)
Principal elements of lease payments	**(636)**	(736)	(1,450)
Proceeds from issue of share capital	**31,148**	-	-
Transaction costs relating to the issue of share capital	**(1,744)**	-	-
Net cash flow from financing activities	**29,092**	(561)	**(1,298)**
Net increase/(decrease) in cash and cash equivalents	**15,975**	(15,961)	(25,171)
Cash and cash equivalents at the beginning of the period	**16,627**	41,781	41,781
Effect of movements in exchange rates on cash held	**(70)**	148	17
Cash and cash equivalents at the end of the period	**32,532**	25,968	**16,627**

**Note that net cash from/(used in) operating activities for the period ended 30 June 2024 breaks down as Diagnostics £1.0m, Therapeutics (£8.0m), Central costs (£3.9m) and Exceptionals (£1.5m).*

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