



Affimer[®] Technology:
Shaping the future of medicines

Dr. Alastair Smith
Chief Executive, Avacta Group plc

Disclaimer: Important Notice



No representation or warranty, expressed or implied, is made or given by or on behalf of Avacta Group plc (the "Company" and, together with its subsidiaries and subsidiary undertakings, the "Group") or any of its directors or any other person as to the accuracy, completeness or fairness of the information contained in this presentation and no responsibility or liability is accepted for any such information. This presentation does not constitute an offer of securities by the Company and no investment decision or transaction in the securities of the Company should be made solely on the basis of the information contained in this presentation.

This presentation contains certain information which the Company's management believes is required to understand the performance of the Group. However, not all of the information in this presentation has been audited. Further, this presentation includes or implies statements or information that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may use forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should". By their nature, forward-looking statements involve risks and uncertainties and recipients are cautioned that any such forward-looking statements are not guarantees of future performance. The Company's or the Group's actual results and performance may differ materially from the impression created by the forward-looking statements or any other information in this presentation.

The Company undertakes no obligation to update or revise any information contained in this presentation, except as may be required by applicable law or regulation. Nothing in this presentation is intended to be, or intended to be construed as, a profit forecast or a guide as to the performance, financial or otherwise, of the Company or the Group whether in the current or any future financial year.

This presentation and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person.

Certain information in this presentation has been extracted from announcements made by the Company and this presentation is not a substitute for reading the Company's announcements in full.

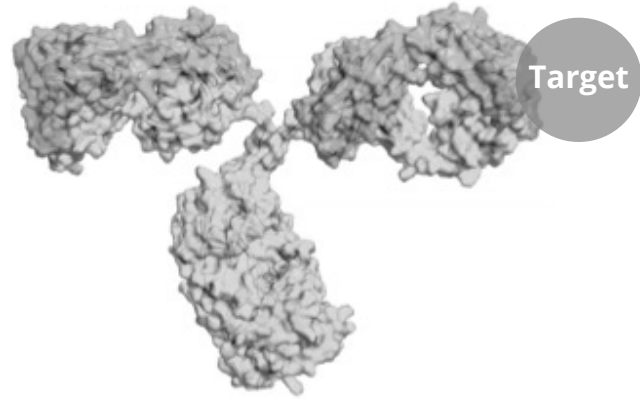
Affimer® Technology



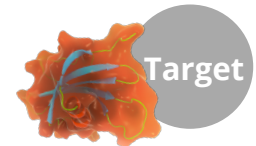
Avacta's proprietary alternative to antibodies

Antibodies are able to bind a target molecule and this has been harnessed to make new medicines, diagnostics and research tools.

However, they are large and complex, take a long time to develop, can be challenging to modify and produce, and their quality can be variable.



Affimer® proteins have the same ability to bind a target molecule but are small and simple, quick to create, easy to modify and simple to produce.



The Opportunity



Antibodies dominate very large life sciences markets despite their limitations

Research Reagents

\$2bn



Diagnostics

\$11bn



Therapeutics

\$75bn

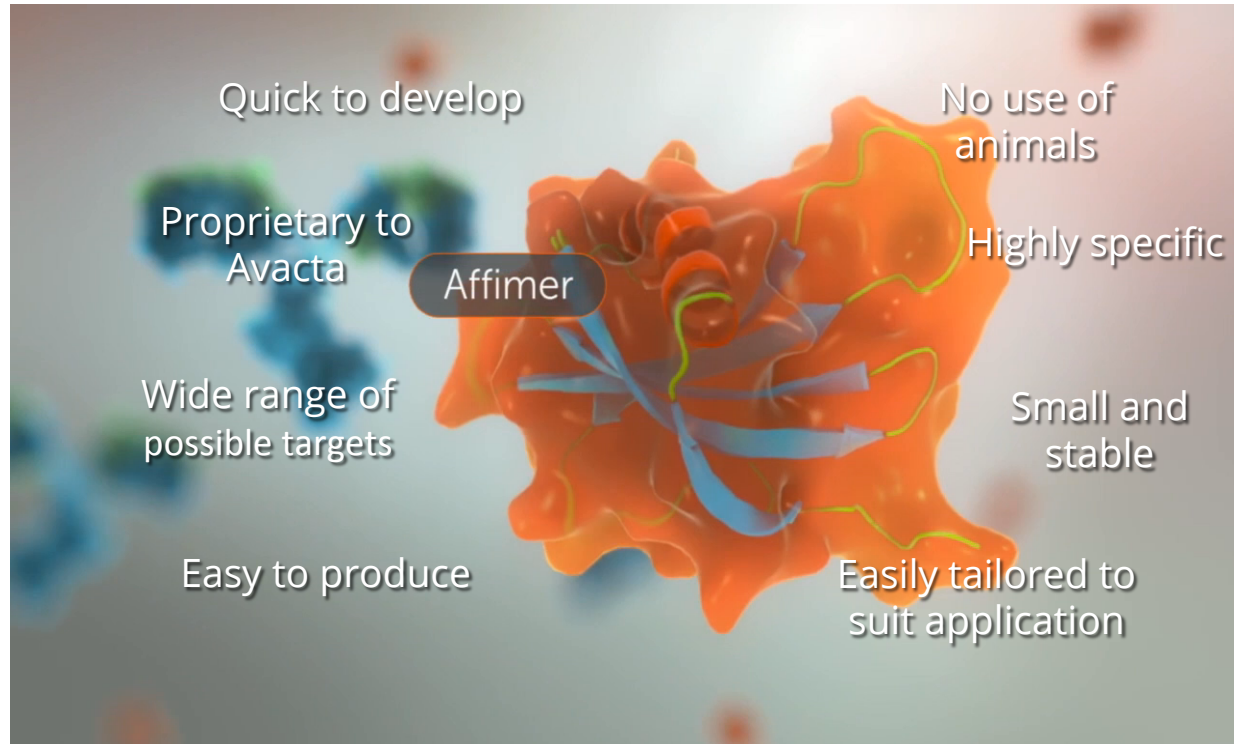


Shaping the future of medicines

Affimer Competitive Advantages



Avacta's proprietary alternative to antibodies



Business Model



Low down-side risk of Affimer research reagents with significant up-side potential of therapeutics

1 Reagents

Building a **profitable** reagents business **by licensing** Affimers into high value applications in **diagnostics and research**



2 Therapeutics

Building a **risk-balanced** pipeline of Affimer drug candidates in immuno-oncology **for partnering**



Affimer Reagents



Early revenues from commercialisation for diagnostics and research

Technology evaluations and collaborations with:

- 4 out of the top 10 **global large pharma**
- more than 10 other **biotech and pharma** companies
- 8 **research tools** companies
- Several **diagnostics** companies including 1 of the top 3

What is the potential value of the reagents business?

If we assume 20 reagents license agreements are put in place in the next few years each delivering an average of £200k royalty revenues pa. A PE ratio of 25 would value this revenue stream at £100m – approximately double today's market capitalisation, and before any value is ascribed to the therapeutic opportunity of Affimer technology.

Affimer Therapeutics



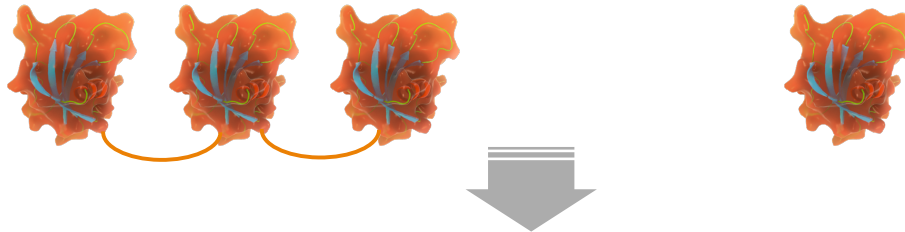
Generating differentiated medicines in immuno-oncology by building on Affimer technology's key benefits

Key Technology Benefits

(Compared to Antibodies and other Alternatives)

Ease of creating and producing multimers

Small size, stability and ease of expression*



Differentiated Medicines

- T-cell recruitment
- Agonism
- Drug conjugates
- Gene delivery
- CAR-T

* "expression" means how easily a human cell can make an Affimer

Why Immuno-oncology?



\$10bn of immuno-oncology deals in 2015 and this frenzy continued into 2016



(Apr 2016) \$685m with
\$40m upfront in deal
for ARG-115X asset



(Jan 2017) \$31 m upfront
and up to \$338 m in
success-based payments
for checkpoint inhibitor plus
4 other programs



(Jan 2015) CAR-T
and IO tech in \$60m
upfront deal



(Jul 2015) €13m
upfront deal to
expand collaboration



(Jan 2016) \$170m in
upfront and near term
milestone for access to
next gen platform

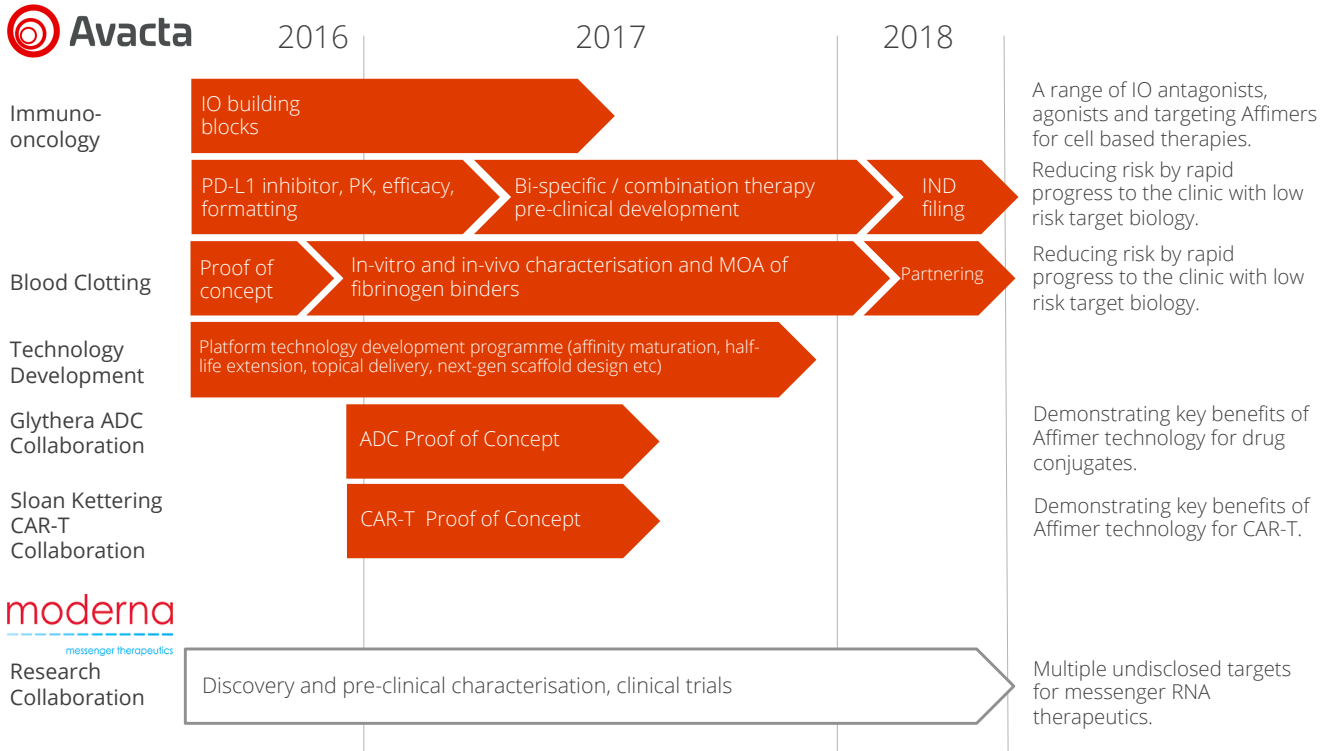


(May 2015) \$0.5m upfront,
tens \$m in milestone
payments for mRNA
therapeutic Affimers

Affimer Therapeutics Programmes



Focus on rapid clinical progression to de-risk the platform whilst building value through an in-house pipeline and partnerships



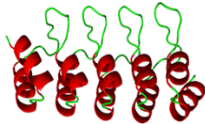
Therapeutic Comparators



Platform technologies that offer alternatives to traditional antibodies attract significant valuations



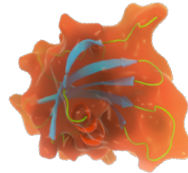
€380m



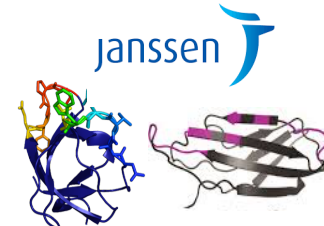
DARPin



€60m



Affimer®

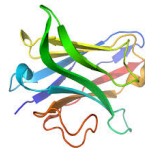


Fynomer/Centyrin
(acquired by Janssen)



€1.4bn

In-vitro antibody
discovery technology
(HuCal) - 100% human
antibodies



Camelid "Nanobody"



€640m



€9.4bn

Duobody and
Hexabody multi-specific
antibody platform

Senior Leadership Team



Dr Alastair Smith, CEO

- A leading UK biophysicist - founded Avacta in 2006.
- World class scientific and technical knowledge with a highly commercial mindset.



Dr Matt Johnson, CTO

- Genetics & Microbiology Molecular Biology.
- 8 years at Abcam becoming global Head of R&D.
- Joined Avacta in 2014.



Mr Tony Gardiner, CFO

- Joined Avacta from AHR, an international architecture practice.
- Chief Financial Officer of AIM listed Fusion IP plc 2007 – 2011 which was acquired by IP Group plc in 2014.
- Joined Avacta in 2016.



Dr Philippe Cotrel, CCO

- Over 20 years' commercial experience in sales, marketing and customer support.
- Senior positions in Amersham Pharmacia Biotech, Oxford Glycosciences, Affymetrix and Abcam.
- Commercial Director of Abcam since 2008 successfully growing revenue from £36.7m to £144m over a 7-year period.
- Joined Avacta in 2016.



Dr Amrik Basran, CSO

- Over 10 years' experience of both the biotech and pharma industries.
- Head of Topical Delivery (Biopharm) at GSK.
- Director of Protein Biosciences at Domantis, before the company was acquired by GSK in 2006.
- Joined Avacta in 2013.

Summary



Affimer®: a proprietary, disruptive technology addressing high value diagnostic and therapeutic applications

- Strategy to build a profitable business unit as quickly as possible by licensing Affimer reagents into non-therapeutic applications whilst building a therapeutic pipeline of assets for partnering.
- Down-side risk is low (current market capitalisation arguably supported by diagnostic and research reagents opportunity) with significant therapeutic up-side valuation.
- Currently “under the radar”: therapeutic value not yet reflected in share price.
- Experienced management team with interests aligned to shareholders.
- Early revenues being generated, a strong balance sheet to support existing plans and a supportive institutional base.



Please come and meet us on stand 18