

Avacta Group PLC

19:00 29 Nov 2018

Avacta's Affimer tech gains traction as it clinches deal with "very high quality partner"

Biotech firm Avacta Group PLC (LON:AVCT) is gaining commercial traction with its Affimer technology after it inked a licensing deal for the tech with a "very high quality partner" in the form of enzyme discovery and production company New England Biolabs (NEB).

"They're a super partner, very well respected in the sector" says Avacta's chief executive Alastair Smith, adding that NEB is a "leading supplier" to the life sciences sector.

READ: Avacta rises as it secures licensing deal with New England Biolabs for Affimer technology

The company has been collaborating with NEB for a while to develop Affimers that combine with NEB's reagents (a substance used for chemical analysis).

Unlike alternative enzyme inhibitors, Affimers can be fine-tuned to switch at the right temperature without having a negative effect on the overall assay performance.

NEB is in the final stages of product testing and has agreed with Avacta the terms under which the combined product will be commercialised, with Avacta receiving royalties on sales which could begin as soon as 2019.

"It's a great validation of the technology," Smith says, adding that commercially there was "a reasonable royalty stream" expected soon that would likely clock in around six-figures.

"We've made very solid technical progress over the last few years, and now we're gradually getting these high-profile partners over the line" Smith said.

The company added that it expected to continue the collaboration with NEB to generate Affimer tools and inhibitors for other enzymes, enabling further product developments.

Affimers presented at leading biotech conference

Avacta also presented data on its Affimer technology to the Biomarkers and Precision Medicine Congress (BPMC) in mid-October.

READ: Avacta's CTO to present Affimer data at Biomarkers and Precision Medicine Congress

The BPMC gathers over 300 delegates from leading biotech companies, global pharma organisations and internationally renowned academic institutions to discuss key issues in biomarker research, companion diagnostics, personalised medicine and clinical biomarkers.

NEB follows Bach

The deal with NEB follows a major co-development agreement with another US business, Bach BioSciences, in July.

Price: 30p

Market Cap: £34.85M

1 Year Share Price Graph



June 2018 December 2018 June 2019

Share Information

Code: AVCT

Listing: AIM

52 week High Low
51.00p 21.00p

Sector: Pharma & Biotech

Website: www.avacta.com

Company Synopsis:

Avacta's principal focus is on its proprietary Affimer® platform, a novel engineered alternative to antibodies that has wide application in diagnostics, therapeutics and research. Antibodies dominate markets worth in excess of \$50bn despite their shortcomings.

Author:

Proactive Investors Australia

+61 (0)2 9280 0700

action@proactiveinvestors.com.au

In what is described as a "ground-breaking" co-invention, the two companies have developed a new class of drug conjugate for cancer.

READ: Avacta shares jump as much as 60% after it inks co-development deal with US innovator
Traditional antibody-drug conjugates, or ADCs, are designed to harness the targeting ability of monoclonal antibodies by linking them to cell-killing agents.

The newly-developed technology uses Avacta's Affimers instead of antibodies.

Its engineered proteins have several innovative and distinctive features, which could potentially make them a better tool than antibodies for therapeutic applications.

They are smaller, quicker to manufacture and easier to format than antibodies, but they maintain antibody-like biologic activity when binding a target.

With shares trading at around 22.6p, Avacta carries a market cap of £26.1mln.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The information on this Site is of a general nature only. It does not take your specific needs or circumstances into consideration, so you should look at your own financial position, objectives and requirements and seek financial advice before making any financial decisions. You acknowledge and understand that neither the Company, its related bodies corporate, the information providers or their affiliates will advise you personally about the nature, potential value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter. You should read our FSG and any other relevant disclosure documents and if necessary seek persona advice prior to making any investment decision.

You understand and agree that no Content (as defined below) published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person.

You understand that in certain circumstances the Company, its related bodies corporate, the information providers or their affiliates may have received, or be entitled to receive, financial or other consideration in connection with promoting, and providing information about, certain entities on the Site and in communications otherwise provided to you.

You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate. From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

Before you act on any general advice we provide, please consider whether it is appropriate for your personal circumstances.