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ValiRx PLC
14 June 2023

ValiRx PLC ("ValiRx" or the "Company")

Asset Purchase - Imagen Therapeutics

London, UK - ValiRx Plc (AIM: VAL), a life science company focusing on early-stage cancer therapeutics and women's health, is pleased to announce it has acquired the scientific assets of Imagen Therapeutics Limited ("Imagen") from its appointed liquidators.

Imagen was a pharma services company offering a patient-derived screening platform suitable for large global clients. Total consideration paid for the Imagen assets was a single cash payment of £170,000, paid to the liquidators on signature of the purchase agreement from the Company's existing resources. This represents a significant discount to the original commercial value of the assets acquired, which comprises:

- an extensive biobank of patient derived cells;
- a comprehensive range of laboratory equipment required for analysis and application of the cells, including several high value items already in the financial plan for Inaphaea BioLabs Limited ("Inaphaea");
- all Intellectual Property, including a granted patent covering the use of specific methods of growing and testing patient derived cell lines;
- trademarks, trade names and logos associated with Imagen; and
- data from Imagen's in-house screening programme which studied the activity of non-oncology drugs against cancer cells.

UK-based Imagen's primary business was aimed at personalising treatment for cancer through the collection and use of well-characterised, patient-derived cancer cells. Samples, collected from patients over a number of years across a wide variety of cancers, enabled Imagen to create a unique 'biobank' of human derived cells and provide services to the pharmaceutical industry for pre-clinical screening of drug candidates. By directly collecting and processing a large number of samples, Imagen was able to build up a collection of cancer cells to attract global clients for its pre-clinical screening business.

It is expected that the biobank and relevant equipment will be transferred and integrated into Inaphaea in MediCity, Nottingham over the next few months.

The Directors believe that the acquisition and rapid assimilation of the Imagen assets will transform the service offering of Inaphaea, broadening the market opportunity, and is expected to attract interest from a wide range of pharmaceutical, biotechnology and medical technology companies.

Additionally, the Company has secured the consultancy services of co-founder and Chief Scientific Officer of Imagen, Dr Gareth Griffiths, in order to assist with the establishment of the patient-derived cell line services in the Inaphaea facility.

The Company was able to take part in the time-limited competitive bidding process with the liquidators and to exploit this opportunity efficiently utilising cash from its last equity raise. Without the available funds on the balance sheet, the Company would not have been able to participate in this process which has been run over a matter of weeks.

Dr Suzy Dilly, CEO of ValiRx commented: "We are delighted to have completed the acquisition of the Imagen assets. In particular, the biobank of patient derived cell lines is a valuable resource as it enables Inaphaea to offer screening of a wide-range of oncology drug candidates against patient derived cell lines. This is an important step towards our ambition to make our assays more closely aligned to a complex human system, rather than rely on commercially available immortalised cell lines. This transaction gives us significant lab equipment at a substantial discount to our budgeted cost for these items had we purchased new, with the cell lines and other IP acquired at modest additional cost. The team did brilliantly to complete this on a rapid timescale, at excellent value for the Company. We believe these services will generate near-term market interest and differentiate Inaphaea's offering. Furthermore, the equipment, acquired at a fraction of market prices, will support both the new cancer drug screening services and Inaphaea's wider business interests."

Dr Kevin Cox, Chair of ValiRx commented: "The acquisition of Imagen's assets illustrates our intent to build the tCRO® in the most capital efficient way. Suzy and Stella Panu, Non-Executive Director, have achieved a significant goal for the Company in identifying, negotiating and completing the deal in a timescale and at a cost that would be unthinkable for a business acquisition of this nature. Indeed, building our own Imagen-like biobank would have taken years and at a cost likely to be an order of magnitude higher. We believe this approach will significantly enhance value in ValiRx, and we expect integration of these assets into our business will be rapid and increase our revenue earning potential in the near term."

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic

Law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR"). The Directors of the Company take responsibility for this announcement.

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Notes for Editors

About ValiRx

ValiRx is a life science company focused on early-stage cancer therapeutics and women's health, accelerating the translation of innovative science into impactful medicines to improve patient lives.

ValiRx provides the scientific, financial, and commercial framework for enabling rapid translation of innovative science into clinical development.

Using its extensive and proven experience in research and drug development, the team at ValiRx selects and incubates promising novel drug candidates and guides them through an optimised process of development, from pre-clinical studies to clinic and investor-ready assets.

ValiRx connects diverse disciplines across scientific, technical, and commercial domains, with the aim of achieving a more streamlined, less costly, drug development process. The team works closely with carefully selected collaborators and leverages the combined expertise required for science to advance.

Lead candidates from ValiRx's portfolio are outlicensed or partnered with investors through ValiRx subsidiary companies for further clinical development and commercialisation.

ValiRx listed on the AIM Market of the London Stock Exchange in October 2006 and trades under the ticker symbol: VAL.

For further information, visit: www.valirx.com

About Patient-derived Cells

Long-established immortalised cancer cells, although used frequently in early stage cancer research, are known to have limitations when considering the translation of research from preclinical to clinical studies. Patient-derived cells enable the research to be a step closer to studying a human clinical system, by more closely resembling the cells within the patient. The patient-derived cells are maintained at a low passage number, that it they have not been replicated excessively, to minimise mutations. Typically these cells will be grown as 2D monolayers for study, however, they may also be developed into spheroids, to enable 3D study.

Known characteristics of the patient from which the cells are derived are whether the patient had received cancer treatment, the type of cancer the patient was suffering and a broad demographic group.

Cautionary statement

Certain statements made in this announcement are forward-looking statements. Such statements are based on current expectations and assumptions and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results expressed or implied in these forward-looking statements. Persons receiving this announcement should not place undue reliance on forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, the Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

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