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Fusion Antibodies PLC
22 October 2019

Fusion Antibodies plc
("**Fusion**" **or the "Company**")

Half year trading update

Fusion Antibodies plc (AIM: FAB), specialists in pre-clinical antibody discovery, engineering and supply for both therapeutic drug and diagnostic applications, provides a business and unaudited trading update for the six months ended 30 September 2019 ("H1 FY2020"), confirming continued revenue growth and the commercial roll out of new services.

Operational highlights

- Increase in orders and revenues in H1 FY2020 over H2 FY2019
- First commercial projects for customers of the new Rational Affinity Maturation Platform ("RAMP^{TM}") service
- Continuing development of Mammalian Antibody Library for delivery in 2020

Financial highlights

- Continued improvement in revenues for H1 FY2020 of £1.7m (H1 FY2019: £0.7m; H2 FY2019: £1.5m)
- Trading for the year ending 31 March 2020 to date has been in line with market expectations
- Additional results-dependent customer milestones agreed
- Cash position at 30 September 2019 was £1.3m (31 March 2019: £2.0m)

Business update

The growth in revenues and orders seen in H2 FY2019 continued in H1 FY2020 with unaudited revenues of £1.7m, resulting in the Company's strongest six month period to date.

This continued improvement includes the first commercial revenues from RAMP^{TM}, augmented by the expansion of the laboratory capacity and increased business development and marketing efforts as previously announced.

RAMP^{TM} is the innovative service designed to provide customers with improvements to antibody affinity and reduce of other unwanted characteristics. This service is available either as part of the suite of Fusion services or as a stand-alone service to companies with existing antibodies with sub-optimal performance.

In the period we received our first revenues from early adopters of RAMP™. Initial results from these customers are very promising and the full commercial roll out of the service will continue throughout the remainder of the year, with presentations at scientific conferences and targeted marketing.

The Company is able to fulfil the majority of orders received with a short turnaround which reduces the visibility of future earnings. However, the Directors continue to be confident that growth in order levels for existing and new services will continue.

The Company principally charges for its services on a fee for service basis and in certain cases has an additional royalty or results-dependent milestone based on progress of the customer's project into clinical trials or commercialisation. The Company has continued to add to its portfolio of milestones in H1 FY2020. The Company has not recognised any such revenues from the portfolio in H1 FY2020 and does not factor in these potential milestone revenues in its growth expectations, due to the reliance on customers to progress projects to the point where such revenues are triggered and therefore the uncertainty over the potential timings or realization of any such revenues.

Investor presentation at ShareSoc

The Company will be presenting at a ShareSoc meeting in London on Wednesday 13 November 2019. If you wish to attend, please register at https://www.sharesoc.org/events/

Paul Kerr, CEO of Fusion Antibodies plc, commented: *We continued to see good revenue growth during this first six months and have had a strong improvement in the previous six months. We are continuing the rollout of RAMP™, which has been well received, and are on track to deliver our Mammalian Antibody Library in 2020 as planned. We remain confident of an encouraging second half and that the Company will achieve significant revenue growth for the full year. I would like to thank our shareholders for their valued support and I look forward to updating the market further when we announce our interim results later in the year."*

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About Fusion Antibodies plc

Fusion is a Belfast based contract research organisation ("CRO") providing a range of antibody engineering services for the development of antibodies for both therapeutic drug and diagnostic applications.

The Company's ordinary shares were admitted to trading on AIM on 18 December 2017. Fusion provides a broad range of services in antibody generation, development, production, characterisation and optimisation. These services include antigen expression, antibody production, purification and sequencing, antibody humanisation using Fusion's proprietary CDRx^{TM} platform and the production of antibody generating stable cell lines to provide material for use in clinical trials. Since 2012, the Company has successfully sequenced and expressed over 250 antibodies and successfully completed over 150 humanisation projects for its international, blue-chip client base, which has included eight of the top 10 global pharmaceutical companies by revenue.

The Company was established in 2001 as a spin out from Queen's University Belfast. The Company's mission is to enable pharmaceutical and diagnostic companies to develop innovative products in a timely and cost-effective manner for the benefit of the global healthcare industry. Fusion Antibodies provides a broad range of services in antibody generation, development, production, characterisation and optimisation.
Fusion Antibodies growth strategy is based on combining the latest technological advances with cutting edge science to deliver new platforms that will enable Pharma and Biotechs get to the clinic faster and ultimately speed up the drug development process.

The global monoclonal antibody therapeutics market was valued at $95.5 billion in 2017 and is forecast to surpass $174.2 billion in 2026, an increase at a CAGR of between 6.9 per cent. for the period 2018 to 2026. In 2018, seven of the world's ten top selling drugs were antibody-based therapeutics with the combined annual sales of these drugs exceeding $62 billion.

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