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Fusion Antibodies PLC
18 March 2025

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014 (WHICH FORMS PART OF DOMESTIC UK LAW PURSUANT TO THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED ("EUWA")) ("UK MAR"). IN ADDITION, MARKET SOUNDINGS (AS DEFINED IN UK MAR) WERE TAKEN IN RESPECT OF CERTAIN OF THE MATTERS CONTAINED WITHIN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF INSIDE INFORMATION (AS DEFINED UNDER UK MAR). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THOSE PERSONS THAT RECEIVED INSIDE INFORMATION IN A MARKET SOUNDING ARE NO LONGER IN POSSESSION OF SUCH INSIDE INFORMATION, WHICH IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

18 March 2025

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

Placing to raise approximately £1.17 million

Fusion Antibodies plc (AIM: FAB), specialists in pre-clinical antibody discovery, engineering and supply for both therapeutic drug and diagnostic applications,announcesthat it has conditionally raised approximately £1.17million (before expenses) by way of a placing (the "**Placing**") ofa total of17,365,228newordinary shares of 4 pence each in theCompany ("**Ordinary Shares**") at aprice of 6.75 pence per new Ordinary Share(the "**Issue Price**").

Allenby Capital Limited ("**Allenby Capital**") and Shard Capital Partners LLP ("**Shard**") are acting as the Company's joint brokers in connection with the Placing.

Key highlights

- Placing to raise approximately £1.17 million (before expenses) through the issue of17,365,228new Ordinary Shares (the "**Placing Shares**") at the Issue Price, of whichapproximately £0.57million is conditional.

- The Issue Price is equal to the closing mid-market price of an Ordinary Share on17 March 2025.

- The Placing will be conducted in two tranches as to: (i) 8,949,208 Placing Shares (the "**First Tranche Placing Shares**"), being referred to as the **"First Placing"**; and ii) 8,416,020 Placing Shares (the "**Second Tranche Placing Shares**"), being referred to as the **"Second Placing"**.

  - The First Tranche Placing Shares will be allotted and issued utilising the Company's existing authorities granted at the annual general meeting of the Company held on 8 October 2024 (the "**2024 AGM**").

- The issue and allotment of the Second Tranche Placing Shares is conditional, *inter alia*, upon the passing of resolutions to authorise such issues and allotments and disapply pre-emption rights (the "**Resolutions**") to be put to holders of Ordinary Shares ("**Shareholders**") at a to be convened general meeting of the Company (the "**GeneralMeeting**").

· The General Meeting is to be held at the offices of Fusion Antibodies at 1 Springbank Road, Springbank Industrial Estate, Dunmurry, Belfast BT17 0QL at 10.00 a.m. on 7 April 2025 and a circular, including a notice of General Meeting, will be sent to Shareholders on or before 19 March 2025.

· The Placing is not being underwritten by Allenby Capital or Shard.

Adrian Kinkaid, Chief Executive Officer of Fusion Antibodies plc, commented:*"It is very pleasing to acknowledge the level of shareholder support for the Company that we currently enjoy. While we continue to work towards our goal of achieving cash flow neutrality, the Company is faced with some remarkable opportunities for growth which are worthy of additional investment. We are currently seeking to validate the OptiMAL® platform through our collaboration with the U.S. National Cancer Institute ("**NCI**") which has generated a significant number of worthy hits which we now intend to confirm. This requires additional research and development spending, which will be complemented by further investment in commercialisation activities. These exciting developments and opportunities, together with maximising the value of our grants, created the justification for the Placing, and I am delighted that our enthusiasm for the validation of our flagship platform has been matched by the participants in the Placing, and especially those from the institutional VCT funds with their inherent longer-term perspective."*

Further details of the Placing are set out below.

Background to and reasons for the Placing and current trading

The Company has enjoyed a marked improvement in sales in the current financial year as a result of a significant increase in pipeline opportunities including in newly targeted sectors, such as diagnostics. This improvement has been achieved with reduced resources, following the cost cutting exercise that took place in 2023.

On 19 November 2024, the Company announced its interim results for the six months ended 30 September 2024. In the interim results, the board of directors of Fusion (the "**Board**" or the "**Directors**") indicated that it had seen positive indications that the Company was well positioned for a significant recovery and was generating evidence to indicate an increase in the Company's prospects. It was also noted that the Board remained prudently mindful of potential market volatility and the inherent science-based risks in the work being undertaken by its clients, which impacts revenue visibility. Trading for the full year ending 31 March 2025 is expected to be broadly in line with current market expectations, with revenue of not less than £1.9 million.

On 4 December 2024, the Company announced the approval of Grant Funding to the Future Medicines Institute comprising a consortium of organisations within Northern Ireland. Work on the grant-supported project has commenced in line with the plan. The Company understands that due diligence on the consortium members by UK Research and Innovation has completed and the Company anticipates recognising its first claim in the coming weeks.

On 31 January 2025, the Company announced that it had received positive indications from the NCI that it had identified a number of hits as part of the OptiMAL® validation project and Fusion is working with the NCI to extract and sequence the DNA coding for the antibodies from these cells for verification of binding and further analyses. A positive outcome from this validation project would enable the Company to increase its promotion of OptiMAL® to potential new customers.

On 16 October 2024 the Company announced, *inter alia*, the issue of new Ordinary Shares to certain non-executive directors of the Company in satisfaction of part of their salary and fees for the six-month period ended 30 September 2024. It was also noted that, as announced on 5 September 2024, the Company's non-executive directors agreed to receive part of their salary in new Ordinary Shares until the end of the current financial year ending 31 March 2025. While the Company's non-executive directors' salaries can be settled in cash at the discretion of the Company, it is proposed that in relation to any further issuance of new Ordinary Shares to satisfy such amounts that the Company will seek further authorities at the General Meeting (as detailed below) and which shall be included in the headroom of 10 per cent. of the enlarged share capital following Second Admission that is being sought as part of the Resolutions.

Reasons for the Placing

As previously announced by the Company, it had been a key focus of the Board for the Company to achieve cash flow breakeven without needing to raise additional funds. Whilst the Company was on track to achieve this, it would have impacted its marketing capabilities due to its extremely tight control of costs. The Board considers that it is in the best interest of the Company and its shareholders to conduct the Placing in order to improve the overall cash position of the business and provide it with increased working capital to generate supporting data for its key proprietary platforms, which may then benefit from increased promotion.

Use of proceeds

The net proceeds receivable by the Company pursuant to the Placing, being approximately £1.05 million, will be used for general working capital purposes and to invest in the Company's commercial activities, focusing on increasing its presence in key geographic markets, such as North America, and promoting its proprietary offerings such as OptiMAL® through various marketing activities, including attendance at key industry conferences and follow-on sales trips. In addition, the funds raised will be used towards additional research and development commitments to, amongst other matters, validate the OptiMAL® platform and maximise the value of our grants.

Details of the Placing

The Placing will result in the issue of a total of 17,365,228Placing Shares at the Issue Price. The Placing has raised approximately £1.17 million before expenses for the Company of which approximately £0.57 million is conditional on the passing of the Resolutions at the General Meeting.

The First Tranche Placing Shares will be issued on a non-pre-emptive basis pursuant to the authorities granted to the Board at the Company's 2024 AGM. The Second Tranche Placing Shares will be issued conditional, *inter alia*, on the passing of the Resolutions at the General Meeting.

The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the existing Ordinary Shares in issue and therefore will rank equally for all dividends or other distributions declared, made or paid after the issue of the Placing Shares.

Allenby Capital and Shard have entered into a Placing Agreement with the Company pursuant to which Allenby Capital and Shard have, on the terms and subject to the conditions set out therein (including the occurrence of First Admission and Second Admission, as respectively defined below), undertaken to use their respective reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. The Placing Agreement contains certain warranties and indemnities from the Company in favour of Allenby Capital and Shard. The Placing is not being underwritten by Allenby Capital, Shard or any other person.

The Placing is conditional, *inter alia*, upon First Admission (as defined below) in respect of the First Tranche Placing Shares and upon the passing of the Resolutions and Second Admission (as defined below) in respect of the Second Tranche Placing Shares and the Placing Agreement not being terminated prior to First Admission or Second Admission.

The First Placing is not conditional on the Second Placing. Should the Resolutions not be passed at the General Meeting, the Second Placing will not proceed. However, the First Placing will not be affected by any or all of the Second Placing failing to complete for any reason.

Change to Director shareholding in the Company

As a result of the Placing, the shareholding of Colin Walsh, non-executive director of the Company, will be diluted on First Admission to approximately 2.75 per cent. and on Second Admission to approximately 2.55 per cent. (the number of Ordinary Shares he holds (directly or indirectly) will remain the same at 2,887,801).

Admission to trading on AIM

Application has been made to the London Stock Exchange plc for the First Tranche Placing Shares to be admitted to trading on AIM ("**FirstAdmission**"). It is currently anticipated that First Admission will become effective and that dealings in the First Tranche Placing Shares will commence on AIM at 8.00 a.m. on or around 21 March 2025.

Subject to, *inter alia*, the passing of the Resolutions, application will be made to the London Stock Exchange plc for the Second Tranche Placing Shares to be admitted to trading on AIM ("**SecondAdmission**"). Assuming the Resolutions are passed at the General Meeting, it is anticipated that Second Admission will become effective and that dealings in the Second Tranche Placing Shares will commence on AIM at 8.00 a.m. on or around 9 April 2025.

Notice of General Meeting

A circular including a notice convening a General Meeting of the Company, to be held at the Company's offices at 1 Springbank Road, Springbank Industrial Estate, Dunmurry, Belfast BT17 0QL at 10.00 a.m. on 7 April 2025 is expected to be sent to Shareholders on or before 19 March 2025. At the General Meeting, Shareholders will be asked to consider resolutions which, if approved, will provide the Directors with the authority and power to allot and disapply statutory pre-emption rights in relation to each of the Second Tranche Placing Sharesas well as provide the Company with additional headroom to issue and allot new Ordinary Shares free of pre-emption rights over a nominal amount equal to 10 per cent. of the enlarged share capital following Second Admission, such authority to expire on the date 12 months from the passing of the Resolutions or at the conclusion of the next annual general meeting of the Company following the passing of the Resolutions, whichever occurs first.

Total voting rights

On First Admission, the Company will have 104,902,120 Ordinary Shares in issue, each with one voting right. There are no shares held in treasury. Therefore, the Company's total number of Ordinary Shares in issue and voting rights will be 104,902,120 and this figure may be used by shareholders from First Admission as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

A further announcement will be made in relation to the total voting rights in the Company's share capital following Second Admission.

Navigate to our Interactive Investor hub here:https://investorhub.fusionantibodies.com/. Engage with us by asking questions, watching video summaries and seeing what other shareholders have to say.

Enquiries:

Investor questions on this announcement We encourage all investors to share questions on this announcement via our investor hub	Investor hub
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This announcement is made in accordance with the Company's obligations under Article 17 of UK MAR and the person responsible for arranging for the release of this announcement on behalf of Fusion is Adrian Kinkaid, Chief Executive Officer.

IMPORTANT NOTICES

Notice to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended and as this is applied in the United Kingdom ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and Regulation (EU) No 600/2014 of the European Parliament, as they form part of UK law by virtue of the European Union (Withdrawal)

Act 2018, as amended; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "*manufacturer*" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors who do not need a guaranteed income or capital protection and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). The Ordinary Shares are not appropriate for a target market of investors whose objectives include no capital loss. Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital projection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Allenby Capital and Shard will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the shares and determining appropriate distribution channels.

Forward Looking Statements

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "targets", "aims", "continues", "expects", "intends", "hopes", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places throughout this announcement and include statements regarding the Directors' beliefs or current expectations. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement.

Notice to overseas persons

This announcement does not constitute, or form part of, a prospectus relating to the Company, nor does it constitute or contain any invitation or offer to any person, or any public offer, to subscribe for, purchase or otherwise acquire any shares in the Company or advise persons to do so in any jurisdiction, nor shall it, or any part of it form the basis of or be relied on in connection with any contract or as an inducement to enter into any contract or commitment with the Company.

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General

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) or any previous announcement made by the Company is incorporated into, or forms part of, this announcement.

Allenby Capital, which is authorised and regulated by the FCA in the United Kingdom, is acting as Nominated Adviser and Joint Broker to the Company in connection with the Placing. Allenby Capital will not be responsible to any person other than the Company for providing the protections afforded to clients of Allenby Capital or for providing advice to any other person in connection with the Placing. Allenby Capital has not authorised the contents of, or any part of, this announcement, and no liability whatsoever is accepted by Allenby Capital for the accuracy of any information or opinions contained in this announcement or for the omission of any material information, save that nothing shall limit the liability of Allenby Capital for its own fraud.

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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 200 humanisation projects and has an 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 Biotech companies get to the clinic faster, with the optimal drug candidate and ultimately speed up the drug development process.

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