

For immediate release: 10am – 28th September 2007

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

Interim Results for the Six Months ended 30 June 2007

ValiRx Plc (AIM: VAL), the cancer therapeutics company, today announces its unaudited interim results for the six month period ended 30 June 2007.

CHAIRMAN'S REPORT

For the Period Ended 30 June 2007

I am pleased to report that during the six month period ended 30 June 2007 and the subsequent period to date, the business has continued to develop steadily across its three chosen areas of focus.

Science

We believe that excellent progress has been made in our core science focus where we look to acquire and develop new and innovative R&D programmes in the epigenomic and diagnostic fields. In April, Cronos Therapeutics Limited ("Cronos") signed an agreement with the University of Surrey's Postgraduate Medical School to co-develop prostate and bladder cancer diagnostics based on Cronos' proprietary HyperGenomics technology. At the same time, Cronos and ATDBio Ltd completed their initial experiments involving GeneICE (the gene-silencing technology) with confirmation that the GeneICE drug binds to its predicted genetic target under model physiological conditions. Post the period end, the efficacy of the GeneICE compound to arrest the development and terminate the existence of cancer cells received further support through the positive findings from Cancer Research Technology ("CRT"), as announced to the market earlier this month.

During the period, we have also progressed in the protection of our portfolio of intellectual property ("IP") in the world's major life science markets. In April, we received patent approval from the United States Patent and Trademark Office covering all 50 US states for GeneICE; then in August, we received patent approval by the European Patent Office covering 23 European states.

To further support the commercialisation of our portfolio of gene regulation and epigenetic diagnostic technologies, the Company has signed two strategic alliances with US companies. The first agreement with Bridgetech, a company focused on healthcare products and services in the US & Asia, governs cooperative efforts in creating and exploiting market technology transfer initiatives between Europe and China. The second is with Clarity Imaging International, a company that offers emerging technologies to the medical community and where both parties will cooperate and agree terms to exploit technology transfer initiatives between the US and Europe in the future. Through these agreements, we aim to bring our therapeutic and diagnostic technologies to the Asian and US markets.

Disease Focus (Oncology)

In February 2007, the Company announced it had put in place an agreement with Physiomics Plc, the European systems biology simulation company, to use its *In Silico* simulation of cellular processes to reduce the development time and costs associated in identifying new therapeutic

compounds for the treatment of cancers. The primary concentration of the initial program is to investigate the process of Apoptosis (the natural process of programmed cell death and turnover), a process that is frequently disrupted in cancers.

Diagnostics Product & Development

The main development to report happened post the period end. In July, the Company announced the signing of a Memorandum of Understanding with BIO.be, a Belgian company of the Institute of Pathology and Genetics ("IPG"), to establish a joint-venture focused on the development and commercialisation of products in the epigenomics sector.

The newly created oncology diagnostics company, ValiBIO S.A. ("ValiBIO"), will be based in Gossellies, Belgium and ValiRx will invest cash and equity in return for 77% of the equity in ValiBIO. With the additional funds that we expect to be made available from government grants and loans, we aim to build a team and laboratory facilities to utilise the scientific and material resources at IPG and patient materials from European cancer biobanks, to develop HyperGenomics-based cancer diagnostic products.

Meanwhile Morphogenesis, where ValiRx holds an 8.517% stake, continues to progress the development of its core products: the ImmuneFx cancer vaccine, the Stem Cell Proliferation Factor, and the Polymer Cell Separation System.

With regards to its most developed product, ImmuneFx, I can confirm preclinical trials have been completed and investigations are now ongoing to find the best venue for a Phase I human trial.

Financial Overview

During the period under the review, the administrative charges have been in line with budget, their increase primarily relating to the creation of ValiBIO. The Company has also recently announced the completion of a placing to raise an additional £300,000 for working capital purposes.

Strategic Summary

In summary, I am pleased with the progress the Company has made in the period. This has been underpinned by the excellent results received post the period end from CRT on GeneICE. This progress on our science front, when combined with the strengthening of our IP and the widening of our strategic agreements and collaborations, has, in the opinion of the board, created a sound foundation on which we can continue to build.

Tony Moore
Chairman
28th September 2007

Valirx Plc
Income statement
for the six months ended 30 June 2007

	Notes	Six months ended 30-Jun	Three months ended 30-Jun	Nine months 31-Dec
		2007 (<i>unaudited</i>) £	2006 (<i>unaudited</i>) £	2006 (<i>audited</i>) £
Revenue		5,741	-	9,577
Administrative expenses		<u>-426,385</u>	<u>-23,197</u>	<u>-273,292</u>
Operating loss		-420,644	-23,197	-263,715
Loss on deemed disposal of shares in subsidiary		<u>-</u>	<u>-</u>	<u>-60,133</u>
Loss before interest		-420,644	-23,197	-323,848
Other interest receivable and similar income		9,583	-	7,828
Interest payable and similar charges		<u>-12</u>	<u>-</u>	<u>-49</u>
Loss before taxation		-411,073	-23,197	-316,069
Taxation	3	<u>-</u>	<u>-</u>	<u>-</u>
Loss after taxation		-411,073	-23,197	-316,069
Minority interest		<u>60,704</u>	<u>-</u>	<u>29,112</u>
Loss for the period		<u>-350,369</u>	<u>-23,197</u>	<u>-286,957</u>
Loss per share - basic and diluted	4	<u>(0.04)p</u>	<u>(0.05)p</u>	<u>(0.11)p</u>

Statement of changes in shareholders' equity
for the six months ended 30 June 2007

	Notes	Six months ended 30-Jun	Three months ended 30-Jun	Nine months 31-Dec
		2007 (<i>unaudited</i>) £	2006 (<i>unaudited</i>) £	2006 (<i>audited</i>) £
Opening shareholders' equity		2,655,305	161,197	161,197
Issue of shares		2,800	-	4,381,054

Other movements	-28,584	-	-1,599,989
Loss for the period	-350,369	-23,197	-286,957
Closing shareholders' equity	<u>2,279,152</u>	<u>138,000</u>	<u>2,655,305</u>

**Balance sheet
as at 30 June 2007**

	As at 30 June		31-Dec
	2007 (<i>unaudited</i>) £	2006 (<i>unaudited</i>) £	2006 (<i>audited</i>) £
ASSETS			
Non current assets			
Intangible assets	576,187	63,650	488,027
Property, plant and equipment	4,233	1,100	4,833
Investments	<u>1,333,770</u>	<u>-</u>	<u>1,333,770</u>
	<u>1,914,190</u>	<u>64,750</u>	<u>1,826,630</u>
Current assets			
Trade and other receivables	79,108	75,257	154,479
Cash and cash equivalents	<u>413,433</u>	<u>13,051</u>	<u>810,639</u>
	492,541	88,308	965,118
LIABILITIES			
Current liabilities			
Trade and other payables	<u>-157,262</u>	<u>-15,058</u>	<u>-105,422</u>
Net current assets	<u>335,279</u>	<u>73,250</u>	<u>859,696</u>
Total assets less current liabilities	<u>2,249,469</u>	<u>138,000</u>	<u>2,686,326</u>
SHAREHOLDERS' EQUITY			
Called up share capital	11,155,855	5,474,902	11,153,055
Share premium	6,951,186	10,279,042	6,979,770
Merger reserve	637,500	-	637,500
	-	-	-
Reverse acquisition	<u>15,760,591</u>	<u>-15,525,275</u>	<u>15,760,591</u>
Retained earnings	<u>-704,798</u>	<u>-90,669</u>	<u>-354,429</u>
Total shareholders' equity	2,279,152	138,000	2,655,305
Minority interest	<u>-29,683</u>	<u>-</u>	<u>31,021</u>
	<u>2,249,469</u>	<u>138,000</u>	<u>2,686,326</u>

**Cash flow statement
for the six months ended 30 June 2007**

	Six months ended 30-Jun	Three months ended 30-Jun	Nine months 31-Dec
	2007 <i>(unaudited)</i> £	2006 <i>(unaudited)</i> £	2006 <i>(audited)</i> £
Operating activities			
Operating loss	-420,644	-23,197	-263,715
Depreciation of tangible assets	600	18	1,310
Amortisation of intangible assets	2,400	1,025	3,211
Decrease/(increase) in debtors	75,371	-37	-176,191
Increase in creditors within one year	51,840	6,286	381,840
Cash outflows from operating activities	-290,433	-15,905	-53,545
Investing activities			
Interest received	9,583	-	7,828
Interest paid	-12	-	-49
Payments to acquire intangible assets	-90,560	-4,879	-7,868
Payments to acquire tangible assets	-	-	-5,025
Payments to acquire investments	-	-	-190,770
Purchase of subsidiary undertaking, net of cash acquired	-	-	1,290,767
Net cash generated from (used in) investing activities	-80,989	-4,879	1,094,883
Financing activities			
Issue of ordinary share capital	2,800	-	127,500
Cost of share issue	-28,584	-	-392,034
Net cash used in financing activities	-25,784	-	-264,534
Net (decrease)/increase in cash and cash equivalents	-397,206	-20,784	776,804
Cash and cash equivalents at start of period	810,639	33,835	33,835
Cash and cash equivalents at end of period	413,433	13,051	810,639

Notes to the interim accounts

1. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2007 have been prepared under applicable International Financial Reporting Standards adopted by the European

Union ("IFRS").

The interim financial information for the six months ended 30 June 2007 have been prepared on the basis of the accounting policies set out on pages 13 to 17 of the 2006 Annual Report and Accounts.

The financial information included in this document is unaudited and does not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985. The comparative figures for the period ended 31 December 2006, are extracted from the statutory financial statements for that period which have been filed with the Registrars of Companies and on which the auditor gave an unqualified report, without any statement under Section 237(2) or (3) of the Companies Act 1985.

2. Comparative figures for the three months ended 30 June 2006

On 3 October 2006, Valirx Bioinnovations Limited ('Bioinnovations') acquired 60.28% of the issued share capital of Cronos Therapeutics Limited ('Cronos') in exchange for shares in Bioinnovations. Concurrently, the Company, then called Azure Holdings plc ('Azure'), acquired the entire issued share capital of Bioinnovations in a share for share transaction. As a result of these transactions, the former shareholders of Cronos became the majority shareholders in Azure. Accordingly the substance of the transaction was that Cronos acquired Azure in a reverse acquisition. As part of the business combination, Azure changed its name to Valirx Plc ('Valirx').

Under IFRS 3 'Business Combinations', the acquisition of Cronos has been accounted for as a reverse acquisition. As a consequence of applying reverse acquisition accounting, the results for the period ended 31 December 2006 comprise those of Cronos plus those of Valirx and Bioinnovations from 3 October 2006. The comparative figures for the period ended 30 June 2006 are those of Cronos only for that period. The consolidated balance sheet comprises the combined balances of Cronos, Valirx and Bioinnovations at 31 December 2006. The comparative balance sheet is that of Cronos at 30 June 2006.

3. Taxation

On the basis of these financial statements there is no tax charge for the period.

4. Earnings per ordinary share

The earnings and number of shares used in the calculation of earnings per ordinary share are set out below.

	Six months ended 30-Jun	Three months ended 30-Jun	Nine months 31-Dec
	2007 <i>(unaudited)</i>	2006 <i>(unaudited)</i>	2006 <i>(audited)</i>
Basic:			
Loss for the financial period	350,369	23,197	286,957
Weighted average number of shares	885,891,389	48,317,569	264,684,539
Loss per share	<u>0.04p</u>	<u>0.05p</u>	<u>0.11p</u>

There was no dilutive effect from the share options outstanding during the period.

5. Dividend

The directors do not propose to declare a dividend in respect of the period.

6. Additional information

Copies of this report may be obtained from the Company's registered office, 24 Greville Street, London EC1N 8SS. Our website address is www.valirx.com. From this site you may access our financial reports and presentations, recent press releases and details about the company and its operations.

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Information on ValiRx plc

ValiRx is a biopharmaceutical development company that is building a portfolio of complementary cancer-related therapeutic and diagnostic technologies. It currently holds stakes in Cronos and Morphogenesis Inc:

- Cronos holds licenses to two innovative and potentially market changing technologies, GeneICE and HyperGenomics;
- Morphogenesis Inc. is developing a portfolio of cell therapy products for the treatment of chronic disorders. Its most advanced product, being ImmuneFx™ for which it recently received a patent from the US patent office.

ValiRx is headquartered in London, England. Please visit www.valirx.com for further information.

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