THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to what action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised for the purposes of the Financial Services and Markets Act 2000 (as amended), if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or transferred all of your Existing Ordinary Shares, please send this document to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred part of your holding, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

THE WHOLE TEXT OF THIS DOCUMENT SHOULD BE READ AND POTENTIAL INVESTORS SHOULD BE AWARE THAT AN INVESTMENT IN THE COMPANY IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. IN PARTICULAR YOUR ATTENTION IS DRAWN TO THE SECTION ENTITLED "RISK FACTORS" SET OUT IN PART 2 OF THIS DOCUMENT.

Open Orphan Group plc (the "**Company**"), the Existing Directors and the Proposed Directors, whose names, addresses and functions appear on page 13 of this document, accept responsibility, individually and collectively, for the information contained in this document and for compliance with the AIM Rules and the Euronext Growth Rules. To the best of the knowledge and belief of the Company, the Existing Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. Neither the delivery of this document nor any investment made pursuant to it will, under any circumstances, create any implication that there has been any change in the affairs of the Company since the date of this document or that the information in it is correct at any time subsequent to its date.

This document comprises an admission document in relation to AIM, a market operated by the London Stock Exchange, and Euronext Growth, a market operated by Euronext Growth. This document has been prepared in accordance with the AIM Rules and the Euronext Growth Rules in connection with an application for admission to trading on AIM and Euronext Growth of the entire issued and to be issued ordinary shares in the capital of the Company. The Existing Ordinary Shares are admitted to trading on AIM and Euronext Growth and application will be made in accordance with the AIM Rules and the Euronext Growth Rules for the Enlarged Share Capital to be admitted to trading on AIM and Euronext Growth upon completion of the Proposals referred to in this document. It is expected that Admission will become effective and that dealings in the Enlarged Share Capital will commence on 17 January 2020. This document does not constitute an offer to the public and does not comprise a prospectus, and accordingly has not been prepared in accordance with the Prospectus Rules nor has it been approved by, or filed with, the Financial Conduct Authority or the Central Bank of Ireland.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.

Euronext Growth is a market designed primarily for growth companies to which a higher investment risk tends to be attached than to larger or more established companies. Euronext Growth securities are not admitted to the regulated market of Euronext Dublin. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial advisor. Each Euronext Growth company is required pursuant to the Euronext Growth Rules to have a Euronext Growth Advisor. The Euronext Growth Advisor is required to make a declaration to Euronext Dublin on admission in the form set out in Schedule Two to the Rules for Euronext Growth Advisors. Euronext Dublin has not itself examined or approved the contents of this document. The Euronext Growth Rules are less demanding than the listing rules of the Official List of Euronext Dublin. No application is being made for admission of the Enlarged Share Capital to the Official List of Euronext Dublin nor any other recognised investment exchange.

Open Orphan plc

(Incorporated and registered in England and Wales with registered no. 07514939)

Proposed acquisition of hVIVO plc

Proposed Placing to raise up to £10.0 million

Application for Re-Admission of the Enlarged Share Capital to trading on AIM and Euronext Growth

Nominated Adviser and Broker
Arden Partners plc

Euronext Growth Advisor and Broker

J&E Davy

Arden Partners, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the Proposed Placing and the proposed Admission of the Enlarged Share Capital to trading on AIM. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Existing Director or Proposed Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document. Arden Partners is not acting for anyone else and will not be responsible to anyone other than the Company for providing the protections afforded to their clients or for providing advice in

relation to the contents of this document or the admission of the Enlarged Share Capital to trading on AIM. No representation or warranty, express or implied, is made by Arden Partners as to the contents of this document, without limiting the statutory rights of any person to whom this document is issued. Arden Partners will not be offering advice, nor will they otherwise be responsible for providing customer protections to recipients of this document or for advising them on the contents of this document or any other matter. The information contained in this document is not intended to inform or be relied upon by any subsequent purchasers of ordinary shares in the capital of the Company (whether on or off exchange) and accordingly no duty of care is accepted in relation to them.

Davy, which is authorised and regulated in Ireland by the Central Bank of Ireland, has been appointed as Euronext Growth Advisor (pursuant to the Euronext Growth Rules) and broker to the Company. Davy is acting exclusively for the Company in connection with arrangements described in this document and is not acting for any other person and will not be responsible to any person for providing the protections afforded to customers of Davy or for advising any other person in connection with the arrangements described in this document. In accordance with the Euronext Growth Rules and Rules for Euronext Growth Advisors, Davy has confirmed to Euronext Dublin that it has satisfied itself that the Directors have received advice and guidance as to the nature of their responsibilities and obligations to ensure compliance by the Company with the Euronext Growth Rules. Davy accepts no liability whatsoever for the accuracy of any information or opinions contained in this document or for the omission of any material information, for which it is not responsible. Davy has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Davy for the accuracy of any information or opinions contained in this document or for the omission of any information from this document.

This document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or subscribe for, ordinary shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The ordinary shares in the capital of the Company have not been and will not be registered under the US Securities Act, or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of Australia, Canada, Japan or the Republic of South Africa, or any province or territory thereof. Subject to certain exceptions, the ordinary shares in the capital of the Company may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly, and this document may not be distributed by any means including electronic transmission within, into, in or from the United States, Australia, Canada, Japan, or the Republic of South Africa or to or for the account of any national, resident or citizen of the United States or any person resident in Australia, Canada, Japan or the Republic of South Africa. The ordinary shares in the capital of the Company may only be offered or sold in offshore transactions as defined in and in accordance with Regulation S promulgated under the US Securities Act. Acquirers of ordinary shares in the capital of the Company may not offer to sell, pledge or otherwise transfer such shares in the United States, or to any US Person as defined in Regulation S under the US Securities Act, including resident corporations, or other entities organised under the laws of the United States, or non-US branches or agencies of such corporations unless such offer, sale, pledge or transfer is registered under the Securities Act, or an exemption from registration is available. The Company does not currently plan to register the ordinary shares in the capital of the Company under the US Securities Act. The distribution of this document in or into other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Nothing in this document shall be effective to limit or exclude any liability for fraud or which, by law or regulation, cannot otherwise be so limited or excluded.

Notice to investors in the United Kingdom

In the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) who are high net worth companies falling within Article 49(2)(a) to (d) of the Order (or persons to whom it may otherwise be lawfully communicated) (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Notice to investors in the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") no offer of Ordinary Shares may be made to the public in that Relevant Member State other than:

a) at any time, to any legal entity which is a qualified investor as defined in the Prospectus Directive;

b) at any time, to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant underwriter or underwriters nominated by us for any such offer and subject to compliance with any additional requirements relating to offerings to non-qualified investors and/or related promotional materials in such Relevant Member State where applicable;

c) at any time, in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Ordinary Shares shall require the Company or any other person to publish a prospectus pursuant to Article 3 of the Prospectus Directive or a supplemental prospectus pursuant to Article 16 of the Prospectus Directive and each person who initially acquires any Ordinary Shares or to whom any offer is made under the Proposed Placing will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of the law of the Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

Neither the Company, Arden Partners nor Davy have authorised, nor do they authorise, the making of any offer of Ordinary Shares in circumstances in which an obligation arises for the Company, Arden Partners or Davy to publish a prospectus or a supplemental prospectus for such offer.

For the purpose of the above provisions, the expression "an offer to the public" in relation to any Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

Notice to investors in France

No prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the offering of the Ordinary Shares that has been approved by the Autorité des Marchés Financiers (the "AMF") or by the competent authority of another state that is a contracting party to the Agreement on the European Economic Area and notified to the AMF, and it has not offered or sold and will not offer or sell, directly or indirectly, the Ordinary Shares to the public in France, and it has not distributed or caused to be distributed and will not distribute or cause to be distributed, to the public in France, this document or any other offering material relating to the Ordinary Shares, and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*); and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account; and/or (c) a restricted circle of investors, comprised of fewer than 150 natural or legal persons (other than qualified investors) acting for their own account, as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French Code *monétaire et financier*.

Forward looking statements

Certain information contained in this document, including any information about the Enlarged Group's strategy, plans or future financial or operating performance, constitutes "forward looking statements" and is based on current expectations, estimates and projections about the potential returns of the Enlarged Group and the industry and markets in which the Enlarged Group will operate as well as the beliefs and assumptions made by the Existing Directors and the Proposed Directors. Words such as "expects", "anticipates", "should", "intends", "plans", "believes", "seeks", "estimates", "projects", "pipeline" and variations of such words and similar expressions are intended to identify such forward looking statements and expectations. These forward looking statements include all matters that are not historical fact. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Existing Directors and the Proposed Directors concerning, amongst other things, the Enlarged Group's business, results of operations, financial condition, prospects, growth, strategies and the industry in which it operates. These statements are not guarantees of future performance or the ability to identify and consummate investments and involve certain risks, uncertainties, outcomes of negotiations and due diligence and assumptions that are difficult to predict, qualify or quantify. Therefore, actual outcomes and results may differ materially from what is expressed in such forward looking statements or expectations. Among the factors that could cause actual results to differ materially are: the general economic climate, competition, interest rate levels, loss of key personnel, the results of legal and commercial due diligence, the availability of financing on acceptable terms and changes in the legal or regulatory environment. The forward looking statements contained in this document speak only as of the date of this document. The Company, the Existing Directors, the Proposed Directors, Arden Partners and Davy expressly disclaim any obligation or undertaking to update or revise publicly any forward looking statement, whether as a result of new information, future events or otherwise, unless required to do so by applicable law, the AIM Rules or the Euronext Growth Rules. All subsequent written and oral forward-looking statements attributable to the Enlarged Group or individuals acting on behalf of it are expressly qualified in their entirety by this paragraph. Prospective investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision.

Statements made in this document are based on the laws and practices in force in England and Wales on the date of this document and are subject to change. This document does not constitute an offer to sell, or the solicitation of an offer to acquire, ordinary shares in the capital of the Company in any jurisdiction where such an offer or solicitation is unlawful and is not for distribution in any jurisdiction in which such distribution is unlawful.

This document should be read in its entirety before making any investment in ordinary shares in the capital of the Company.

Copies of this document will be available to the public during normal business hours on any weekday (Saturdays and public holidays excepted) free of charge from the offices of Arden Partners, at 125 Old Broad Street, London EC2N 1AR and at the offices of the Company at 18 Fitzwilliam Place, Dublin 2, D02 HH29 and shall remain available for at least one month after the date of Admission. An electronic version of this document may also be downloaded from the Company's website at www.openorphan.com.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Offer	9 December 2019
Posting of the Offer Document, the Form of Acceptance and this document to hVIVO Shareholders	9 December 2019
Publication and posting of this document, the Circular and the Form of Proxy to Open Orphan Shareholders	9 December 2019
First Closing Date of the Offer	30 December 2019
Latest time and date for receipt of completed Forms of Proxy and receipt of electronic proxy appointments via the CREST system	11.00 a.m. on 2 January 2020
Time and date of the General Meeting	11.00 a.m. on 6 January 2020
Announcement of result of the General Meeting	9 January 2020
Earliest date on which the Offer is expected to become or be declared unconditional in all respects	17 January 2020
Re-Admission of the Enlarged Share Capital to trading on AIM and Euronext Growth expected to become effective and dealings expected to commence in the Enlarged Share Capital on AIM and Euronext Growth*	8.00 a.m. on 17 January 2020
CREST accounts expected to be credited in respect of New Ordinary Shares (where applicable)*	8.00 a.m. on 31 January 2020
Date by which certificates in respect of New Ordinary Shares are expected to be despatched (where applicable)*	By the week commencing on 3 February 2020

* assuming that the Offer becomes unconditional as to acceptances on the First Closing Date

Notes:

1. Unless otherwise stated, all references to time in this document and in the above timetable are to the time in London, United Kingdom.
2. Some of the times and dates above are indications only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
3. Events listed in the timetable above are conditional upon, amongst other things, on the passing at the General Meeting of the Resolutions.

ADMISSION STATISTICS

Number of Existing Ordinary Shares	254,572,567
Number of Consideration Shares[1]	205,489,715
Number of Placing Shares[2]	160,000,000
Total number of New Ordinary Shares in issue on Admission	365,489,715
Enlarged Share Capital on Admission	620,062,282
Price per Consideration Share	6.3p
Market capitalisation of the Company on Admission at the price per Consideration Share	£39.1 million
Percentage of the Enlarged Share Capital represented by the Existing Ordinary Shares	41.1 per cent.
Percentage of the Enlarged Share Capital represented by the Consideration Shares	33.1 per cent.
Percentage of the Enlarged Share Capital represented by the Placing Shares	25.8 per cent.
Gross proceeds of the Proposed Placing	Up to £10.0 million
Net proceeds of the Proposed Placing	Up to £8.3 million
ISIN Code	GB00B9275X97
SEDOL Code	B9275X9
TIDM	ORPH
LEI Number	213800VT5KBM7JLIV118

Notes:

1 Assuming 100 per cent. acceptances received for the Offer.

2 Assuming allocation of all Placing Shares for which authority has been requested.

3. Assuming Proposed Placing is fully subscribed.

DEFINITIONS

In this document, the following words and expressions have the following meanings, unless the context requires otherwise:

"Act" or **"Companies Act"**	the Companies Act 2006 (as amended or re-enacted)
"Acquisition"	the proposed acquisition by Open Orphan of the entire issued and to be issued share capital of hVIVO
"Admission"	re-admission of the Enlarged Share Capital to trading on AIM and Euronext Growth becoming effective in accordance with Rule 6 of the AIM Rules and Rule 6 of the Euronext Growth Rules respectively
"Admission Document"	this document, being an admission document, relating to the approval of the Offer, the issue of the New Ordinary Shares and Admission, to be published and sent to Open Orphan Shareholders and hVIVO Shareholders
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules" or **"AIM Rules for Companies"**	the rules applicable to companies governing their admission to AIM, and following admission their continuing obligations to AIM, as set out in the AIM Rules for Companies published by the London Stock Exchange from time to time
"AIM Rules for Nominated Advisers"	the rules setting out the eligibility requirements, ongoing obligations and certain disciplinary matters in relation to nominated advisers, as published by the London Stock Exchange from time to time
"Announcement"	the announcement of the Offer dated 9 December 2019 made by Open Orphan and hVIVO
"Arden" or **"Arden Partners"**	Arden Partners plc, the Company's nominated adviser, broker and financial adviser
"Articles"	the articles of association of the Company, a summary of certain provisions of which is set out in paragraph 5 of Part 5 of this document
"Audit and Risk Committee"	the Company's audit and risk committee, details of which are set out in paragraph 11 of Part 1 of this document
"Board"	the board of directors of the Company for the time being, including, where the context permits, the directors of the Company on or after Admission
"business day"	a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in the City of London
"certificated" or in **"certificated form"**	where a share or other security is not in uncertificated form (that is, not in CREST)
"Circular"	the circular from the Company to the Shareholders containing the Notice, dated the same date as this document
"Closing Price"	the closing middle market quotation of a hVIVO Share or an Open Orphan Share (as the case may be) as derived from the AIM Appendix of the Daily Official List

"CMA"	the Competition and Markets Authority
"Code"	the City Code on Takeovers and Mergers, issued by the Panel
"Conditions"	the conditions to the Offer which are set out in Part III of the Offer Document
"Consideration Shares"	the 205,489,715 new Ordinary Shares to be allotted and issued to the hVIVO Shareholders as consideration for the Acquisition
"Corporate Governance Code"	the Corporate Governance Code 2018 published by the Quoted Companies Alliance
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended
"CRO"	Clinical Research Organisation
"Davy"	J&E Davy, trading as Davy, the Company's Euronext Growth Advisor and Broker
"Daily Official List"	the daily official list of the London Stock Exchange
"Directors"	the Existing Directors and the Proposed Directors
"DTR" or **"Disclosure Guidance and Transparency Rules"**	the Disclosure Guidance and Transparency Rules of the FCA under FSMA and contained in the FCA's publication of the same name (as amended from time to time)
"Enlarged Group"	together, Open Orphan, hVIVO and their respective current subsidiaries following completion of the Acquisition
"Enlarged Share Capital"	the entire issued ordinary share capital of the Company immediately following Admission comprising the Existing Ordinary Shares and the New Ordinary Shares
"EU"	the European Union
"Euroclear"	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales and the operator of CREST
"Euronext Growth"	the market of that name operated by Euronext Dublin
"Euronext Growth Rules"	the Euronext Growth Rules for Companies published by Euronext Dublin from time to time
"Euros" or **"€"**	Euros, the lawful currency of the European Union
"Existing Directors"	the current directors of the Company as at the date of this document whose names are listed on page 13 of this document
"Existing Ordinary Shares" or **"Existing Share Capital"**	the 254,572,567 Ordinary Shares that are in issue at the date of this document
"FCA"	the UK Financial Conduct Authority
"First Closing Date"	30 December 2019
"Flu"	Influenza Virus
"Form of Acceptance"	the form of acceptance and authority relating to the Offer which has been sent to hVIVO Shareholders with the Offer Document

"Form of Proxy"	the form of proxy accompanying the Circular for use by Shareholders at the General Meeting
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
"GDPR"	General Data Protection Regulation (EU) 2016/679
"General Meeting" or **"GM"**	the general meeting of the Company convened pursuant to the Notice and to be held at 11.00 a.m. on 6 January 2020
"HMRC"	HM Revenue and Customs
"holder"	a registered holder of shares, including any person entitled by transmission
"hVIVO"	hVIVO plc, a public limited liability company incorporated and registered in England and Wales (with registration number 08008725) whose registered office is at Queen Mary BioEnterprises Innovation Centre, 42 New Road, London E1 2AX
"hVIVO Board" or **"hVIVO Directors"**	the board of directors of hVIVO and "**hVIVO Director**" means any member of the hVIVO Board
"hVIVO Group"	hVIVO and its subsidiaries and subsidiary undertakings
"hVIVO Options"	options, awards or other rights to acquire hVIVO Shares granted pursuant to the hVIVO Share Schemes or otherwise
"hVIVO Shares"	the ordinary shares of 5 pence each in the capital of hVIVO
"hVIVO Shareholders"	holders of hVIVO Shares
"hVIVO Share Schemes"	the option granted to Trevor Nicholls by hVIVO on 2 April 2014, the hVIVO Company Share Option Plan 2015 and the hVIVO Long Term Incentive Plan 2017
"IFRS"	International Financial Reporting Standards as adopted by the European Union
"Ireland"	the island of Ireland, excluding Northern Ireland (the counties of Antrim, Armagh, Derry, Down, Fermanagh and Tyrone), and the word "**Irish**" shall be construed accordingly
"London Stock Exchange"	London Stock Exchange plc
"Market Abuse Regulation" or **"MAR"**	the EU Market Abuse Regulation (No. 596/2014)
"MCF"	MCF Ltd, financial adviser to hVIVO
"Merger Resolutions"	the Resolutions numbered 1 and 2 (inclusive) in the Notice of General Meeting for approval of the Offer pursuant to rule 14 of the AIM Rules and allotment of the Consideration Shares
"New Ordinary Shares"	the maximum number of Ordinary Shares which are to be issued pursuant to the Offer, the Acquisition and the Proposed Placing
"Nomination Committee"	the Company's nomination committee, details of which are set out in paragraph 11 of Part 1 of this document
"Notice"	the notice of the General Meeting to Shareholders, contained in the Circular

“Offer”	the recommended offer by Open Orphan pursuant to the Offer Document for the entire issued share capital of hVIVO details of which are set out in the Offer Document
“Offer Document”	the document published by Open Orphan, dated with the date of this document and setting out the background to and reasons for, and the terms and conditions of, Open Orphan’s offer for the entire issued and to be issued share capital of hVIVO
“Official List”	the official list of the UK Listing Authority
“Open Orphan” or **“Company”**	Open Orphan plc, a public limited liability company incorporated and registered in England and Wales (with registration number 07514939) whose registered office is at Berkeley Square House, 2nd Floor, Mayfair, London W1J 6BD
“Open Orphan Board” or **“Open Orphan Directors”**	the board of directors of Open Orphan and “**Open Orphan Directors**” means any member of the Open Orphan Board
“Open Orphan Group”	Open Orphan and its subsidiaries and subsidiary undertakings
“Open Orphan Shareholders”	the registered holders of shares in Open Orphan
“Option Scheme”	the Company’s unapproved share option plan, details of which are set out in paragraph 4.7 of Part 5 of this document
“Ordinary Shares”	the ordinary shares of 1 pence each in the capital of Open Orphan
“Panel”	the UK Panel on Takeovers and Mergers
“Placee”	an investor to whom Placing Shares are issued pursuant to the Proposed Placing
“Placing Price”	the price per Placing Share, to be determined following marketing of the Proposed Placing
“Placing Shares”	the up to 160,000,000 new Ordinary Shares to be allotted and issued by the Company pursuant to the Proposed Placing
“pounds”, **“£”**, **“pence”**, **“p”** or **“Sterling”**	the lawful currency of the United Kingdom
“Proposals”	the Acquisition, the Proposed Placing and Admission
“Proposed Directors”	the proposed additional directors of the Company with effect from Admission whose names are listed on page 13 of this document
“Proposed Placing”	the conditional placing of the Placing Shares with institutional and other investors at the Placing Price pursuant to the Proposed Placing Agreement
“Proposed Placing Agreement”	the conditional agreement dated 9 December 2019 made between the Company, the Directors, the Proposed Directors and Arden relating to the Proposed Placing and which is summarised in paragraph 15 of Part 1 of this document
“Prospectus Rules”	the Prospectus Rules (in accordance with section 73A(3) of FSMA) of the FCA
“Registrar” or **“SLC”**	the Company’s registrars, being SLC Registrars, a division of Equiniti Limited a company incorporated under the laws of England and Wales with registered number 06226088
“Regulatory Information Service”	has the meaning given to it in the AIM Rules

"Remuneration Committee"	the Company's remuneration committee, details of which are set out in paragraph 11 of Part 1 of this document
"Resolutions"	the resolutions set out in the Notice which are to be proposed at the General Meeting for the purpose of giving effect to the Proposals
"Restricted Jurisdiction"	the United States, Canada, Australia, the Republic of South Africa or Japan
"Shareholders"	the registered holders of Ordinary Shares
"UK" or **"United Kingdom"**	the United Kingdom of Great Britain and Northern Ireland
"UK GAAP"	generally accepted accounting principles in the United Kingdom
"UK Listing Authority"	the FCA, acting in its capacity as the competent authority for the purposes of Part VI of FSMA
"uncertificated" or in **"uncertificated form"**	in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
"US", "USA" or **"United States"**	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction
"US person"	as defined in Regulation S, as promulgated under the US Securities Act
"US Securities Act"	the United States Securities Act 1933, as amended, and the rules and regulations promulgated under such Act
"Venn" or **"Venn Life Sciences"**	the Venn Life Sciences business of the Group

GLOSSARY OF TECHNICAL AND COMMERCIAL TERMS

AI	Artificial Intelligence
CAGR	compound annual growth rate
CMC	chemistry, manufacturing and control
CMS Agency	the Centres for Medicare and Medicaid Services
COPD	chronic obstructive pulmonary disease
CRO	Contract Research Organisation
CSR	clinical study report
CTA	clinical trial approval
CTD	common technical document
EBITDA	earnings before interest, taxation, depreciation and amortisation
EMA	European Medicines Agency
FDA	US Food and Drug Administration
Flu	Influenza
FTIM	first time in man
HRV	human rhinovirus
Indication	a symptom that suggests certain medical treatment is necessary
ODD	Orphan Drug Designation
Orphan Drug	medicinal products intended for diagnosis, prevention or treatment of life-threatening or very serious diseases or disorders that are rare
RSV	Respiratory Synctial Virus

DIRECTORS, SECRETARY AND ADVISERS

Directors	Brendan Buckley (*Non-Executive Chairman, post Admission Non-Executive Director*) Cathal Friel (*Chief Executive Officer, post Admission Executive Chairman*) David Kelly (*Non-Executive Director, post Admission resigning as a Director*) Christian Milla (*Chief Operating Officer, post Admission resigning as a Director*) Michael Ryan (*Non-Executive Director, post Admission, resigning as a Director*) Maurice Treacy (*Executive Director, post Admission, resigning as a Director*)
Proposed Directors	Dr Trevor Phillips (*Chief Executive Officer*) Dr Mark Warne (*Non-Executive Director*) Michael Meade (*Non-Executive Director*)
Registered Office	Berkeley Square House 2nd Floor Mayfair London W1J 6BD
Company Secretary	BPE Secretaries Limited
Company website	www.openorphan.com
Nominated Adviser and Broker	**Arden Partners plc** 125 Old Broad Street London EC2N 1AR
Euronext Growth Advisor and Broker	**J & E Davy (trading as Davy)** Davy House 49 Dawson Street Dublin 2 D02 PY05
Auditors and Reporting Accountants	**Jeffreys Henry LLP** Finsgate 5-7 Cranwood Street London EC1V 9EE
Solicitors to the Company	**DAC Beachcroft LLP** 25 Walbrook London EC4N 8AF
Solicitors to the Nominated Adviser and Broker	**BDB Pitmans LLP** 50 Broadway London SW1H 0BL

Registrars to the Company	**SLC Registrars** Elder House St. Georges Business Park Brooklands Road Weybridge Surrey KT13 0TS
Bankers	**Ulster Bank** Victoria Square 11 – 16 Donegall Square East Belfast BT1 5UB

PART 1

INFORMATION ON THE PROPOSALS, THE COMPANY AND hVIVO

1. Introduction

The Company announced today that:

- It has conditionally offered to acquire the entire issued and to be issued share capital of hVIVO for an aggregate consideration of £12.96 million, to be satisfied by the allotment and issue of the Consideration Shares.
- The Offer represents a reverse takeover under the AIM Rules and the Euronext Growth Rules. Accordingly, the Offer is conditional on, *inter alia*, receiving the approval of Shareholders to a reverse takeover under the AIM Rules and the Euronext Growth Rules.
- The Directors intend to undertake the Proposed Placing to raise up to a further £10.0 million. The Proposed Placing is underwritten up to minimum proceeds of £2.5 million. The net proceeds of the Proposed Placing are expected to be approximately £8.3 million (assuming gross proceeds of the Proposed Placing of £10.0 million) which will be used to support the Enlarged Group's business plan, working capital and provide consideration for future acquisitions.
- It is seeking Shareholder approval to grant the Directors authority to allot and issue the New Ordinary Shares for the purposes of, *inter alia*, the Offer and the Proposed Placing and to disapply statutory pre-emption rights for the purposes of, *inter alia*, the Proposed Placing.
- The Board has convened a general meeting of the Company to be held at 11.00 a.m. on 6 January 2020 at which the Resolutions will be put to Shareholders to approve the proposals outlined above.
- Subject to the Offer becoming unconditional in all respects (save as to Admission) and to the passing of the Resolutions, the Board proposes to seek the re-admission of the Enlarged Share Capital to trading on AIM and Euronext Growth. If the Resolutions are duly passed at the General Meeting, the Company's trading facility on AIM and Euronext Growth in respect of the Existing Ordinary Shares will be cancelled and the Company will apply for the Enlarged Share Capital to be readmitted to trading on AIM and Euronext Growth. It is expected that Admission will take place and that dealings in the Enlarged Share Capital will commence on 17 January 2020.

2. Open Orphan and its history

Open Orphan DAC was founded in July 2017, and was acquired by the Company on 28 June 2019 by way of a reverse takeover. Following completion of the reverse takeover, Venn Life Sciences Holdings plc changed its name to Open Orphan plc and has pursued a strategy to develop a market-leading European services platform for pharmaceutical and biotech companies with a focus upon orphan drugs. The Open Orphan Directors believe that the market in Europe is fragmented with half of the European pharma services sector made up of large CRO consultancies, but the remainder consisting of a dispersed group of smaller consultancies. The Directors also believe that there is an opportunity to pursue a consolidator based strategy.

The pharmaceutical services being provided by Open Orphan to its large pharma customers include initial pre-clinical consultancy services through to pre-clinical trials and Phase I and Phase II clinical trials where previously, the Venn Life Sciences business had particular expertise. In addition, Open Orphan also facilitates the obtaining of EMA approval and reimbursement for orphan and rare disease products for clients in Europe. Alongside its consulting services, Open Orphan is also developing a rare disease digital platform, aiming to become a leading broker of rare disease patient data and developing a remote pharmaceutical sales service.

Open Orphan plc is organised into three divisions: Open Orphan Services, Open Orphan Virtual Rep and Open Orphan Health Data.

Open Orphan Services

Venn Life Sciences is a Contract Research Organisation (CRO) offering drug development services and clinical trial design and management to pharmaceutical, biotechnology and medical device organisations. The Venn business previously acquired Cardinal Systems in France and Kinesis Pharma in the Netherlands, both of which have been operating for a combined total of 26 years and have relationships with many of Europe's leading pharmaceutical companies and a number of orphan drug companies.

Venn Life Sciences' consultants, scientists and operational teams are organised into Early Development Services and Clinical Research Services, and offer a broad range of services. Services range from drug candidate selection over CMC (chemistry, manufacturing, controls) and data management, statistics and medical writing, all the way through to post-market quality assurance. This enables the Open Orphan Group to create, plan and execute drug development for its clients providing consulting and clinical trial services to pharmaceutical and biotechnology organisations. It specialises in supporting European-wide pre-clinical trial and Phase I to IV clinical trials. The Open Orphan Group has a customer base of major European, Japanese and North American pharmaceutical and biotech companies, including a significant number of orphan drug companies. In addition, the Open Orphan Group has a team of 120 employees, supplemented by contractors across 14 territories with dedicated operations in Ireland, France, Germany, the Netherlands and the UK.

One of Venn's successful programmes in recent months has been a large US FDA and European EMA Phase II trial for a North American biotech company which Venn managed from start to finish. Following the successful completion of this trial, the biotech client was acquired for $1.4 billion in November 2019.

Since the reverse takeover by Venn Life Sciences Holdings plc of Open Orphan DAC on 28 June 2019, the Open Orphan Directors have undertaken a review of the existing Venn Life Sciences operations. The Open Orphan Directors have focussed on reducing the overall cost base and securing additional contracts to both generate revenue and increase staff utilisation. As part of this process, total office space has been reduced through sub-letting unused space to third parties.

Open Orphan Health Data

Open Orphan Health Data is targeting becoming one of the largest databases of rare disease patients in Europe and a leading broker of rare disease patient data. The Open Orphan Directors' plan is to build the database using a low-cost data collection model for already existing data and making extensive use of AI tools in constructing the database. Researchers at large pharma companies are looking for specific anonymised data for their drug discovery programmes and are prepared to pay to access it, to speed up their work. In return, patient advocacy groups will gain revenue that could be used to improve services for patients; this should incentivise patients to participate.

Under the GDPR, patients have a right to request a portable copy of their clinical and other healthcare data, collected by investigators and other data processors. Open Orphan Health Data is approaching more than 800 patient advocacy groups for rare diseases in Europe with an offer to host patient data and broker access to that data for pharma companies. The advocacy group will be offered, in return, a share of the revenues generated from selling access.

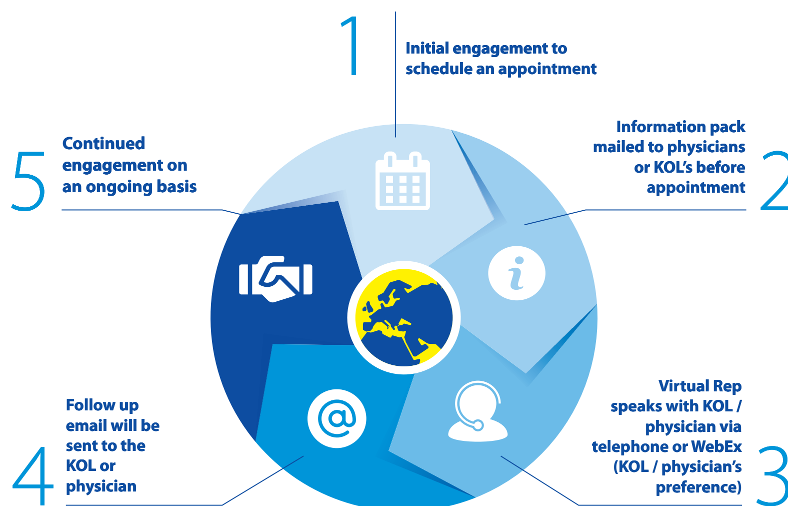
The digital platforms are leveraging Open Orphan's expertise within the sector. The Health Data Platform will be supporting the discovery and development of new drugs and treatments, with a particular focus on orphan diseases. Ahead of its expected launch during 2020, Open Orphan has signed agreements with several pharmaceutical and biotechnology companies to test the database and ensure that it meets their needs.

Open Orphan Virtual Rep

Open Orphan Virtual Rep, which is expected to launch during 2020, will offer drug companies a cost-effective sales solution, rather than an in-house sales force. The Virtual Rep Platform ("**Virtual Rep Platform**") is expected to benefit from a growth in digital marketing in place of maintaining a large physical marketing network to engage key opinion leaders and physicians remotely. The Virtual Rep Platform can be implemented at any stage of the lifecycle of a rare/orphan drug product post regulatory approval, either as a tool to support the launch of a new product, or to promote mature brands without incurring the expense of additional field representatives. Instead of having sales reps setting up their own appointments, lower-cost call centre staff are scheduling appointments, mailing information packs and speaking with physicians by telephone or video call, according to the doctor's preference. Specialist

orphan drug sales staff are contracted as needed for tailored services. Open Orphan Virtual Rep has built a database of over 4,000 physicians prescribing orphan drugs, and is using staff based in Dublin to contact doctors throughout Europe.

The Open Orphan Directors believe that the combination of the disease pathway data and experience of hVIVO will assist with the development of the Virtual Rep Platform while also providing an addition route to generate commercial revenue from the existing hVIVO assets.



Your attention is drawn to the financial information in respect of Open Orphan contained in Part 3 of this document.

3. hVIVO and its history

hVIVO was established in 1989 as a spin out from Queen Mary University, London, and is a clinical development services business pioneering human disease models based upon viral challenge. Using human challenge studies to establish early proof-of-concept, hVIVO's clinical trial platform can accelerate drug and vaccine development in respiratory and infectious diseases. hVIVO has leveraged its insights in established human disease challenge models in Flu, RSV and HRV to expand the use of viral challenge in additional respiratory indications including asthma, COPD and cough in special populations. hVIVO currently employs around 112 people.

hVIVO has over 15 years' experience conducting and analysing human models of disease, challenging both healthy volunteers and patients. Its current models include Flu, RSV and HRV. As a result, hVIVO has established extensive experience in:

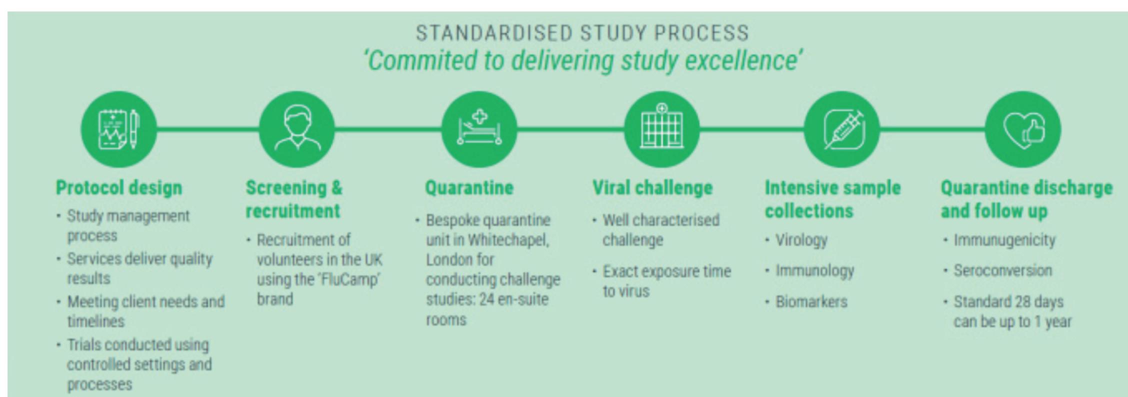
- virology; and
- virus production, viral challenge and host response related to viral insult in particular.

The hVIVO human challenge models and expertise provide disease insights enabling early indications of efficacy of new products; and identification of key biological traits of patients who respond to a novel therapy.

In addition to the full-service human challenge models in infectious and respiratory diseases, hVIVO is able to provide complementary laboratory services.

The hVIVO Group's depth of insight into the design, execution and analysis of viral challenge models has created a wealth of expertise that is invaluable to companies seeking to develop new products targeting Flu, RSV, HRV, cough, asthma and COPD.

Challenge models



Infectious Diseases

Within infectious diseases hVIVO has established challenge models for Flu, HRV and RSV. hVIVO's human challenge studies support the development of new-generation vaccines and treatments including antivirals and immunomodulators. Challenge models can provide early evidence of proof-of-principle in humans for new products, enabling companies to proceed with confidence into larger Phase II and Phase III field trials.

hVIVO has been studying influenza for over 20 years and been conducting influenza human challenge studies with its Flu disease models for more than 15 years. hVIVO has conducted numerous Flu challenge studies for a range of industry, governmental and academic customers, making the hVIVO models among the most well-used commercial Flu disease models available on the market.

hVIVO has also established one of the only validated RSV challenge models commercially available to customers and it has also been heavily utilised by companies seeking to understand if their therapy is effective against RSV.

Extended leading position in RSV; Additional new relevant disease model/successful customer study

hVIVO has established one of the only validated RSV challenge models commercially available and following successful completion of a pilot study in an older population, it is now able to offer this additional model to potential customers.

In addition, hVIVO's RSV challenge model delivered positive results in 2019 for a client study in a healthy population with the Enanta EDP-938 data demonstrating efficacy and the benefit of challenge data to companies developing novel products. This data shows a new mechanism of action positively impacting the duration and severity of a disease and increases awareness of the value of challenge studies in clinical development.

Respiratory Disease

The hVIVO Directors believe that the challenge model is not only helpful as a proof-of-concept for the effectiveness of agents directed at viruses, but also as proof-of-mechanism for novel products in diseases where respiratory viruses are known to induce exacerbations. hVIVO has expanded its offering into airways diseases such as asthma, cough and COPD and has created a viral model using HRV to induce exacerbations and acute cough. These expanded services offerings have the potential to provide hVIVO with additional revenue streams.

Laboratory Services

During the clinical trials, conducted at hVIVO's 24 bed clinical facility, many of the samples taken from volunteers, including blood and nasal swabs, will be processed in their dedicated laboratory facilities. Consolidating biomarker analysis to a single source lab can reduce time and costs throughout development programmes and is an opportunity for the expansion of services to support samples generated from field studies.

Reliable laboratory analysis underpinned by scientific expertise is essential when processing and analysing clinical samples. Robust quality processes support the team of scientists in the delivery of

submission-ready data. The specialist virology laboratory services are also be utilised by customers for analysis of samples generated independently of challenge studies undertaken with the hVIVO Group.

Development Assets

*Imutex Limited (“**Imutex**”)*

hVIVO is a minority partner in Imutex, a joint venture with SEEK Group to support the development of new vaccine candidates. The joint venture was formed in 2016 under the previous management of hVIVO and represented a departure from the historical and now current strategy of services provision for third party client product development. These vaccines remain in clinical development and accordingly there is no guarantee of future revenue. The potential total costs and time to commercialisation remains unknown at this stage. The lead candidate FLU-v has achieved positive Phase II data and is regarded as a licensable asset. Imutex continues to explore options for the FLU-v vaccine programme and has engaged in multiple business development discussions, some of which are still active. Imutex is also establishing schedules for meetings with key regulatory authorities, FDA and EMEA, where it hopes to gain further insight into some of the key areas of interest expressed by potential partners.

The historical cost of investment in Imutex is held on the balance sheet however it is not utilised in the hVIVO Group’s operations. hVIVO contributes management oversight over the future direction of the development of the vaccine candidates, but makes no capital investment to the ongoing development work undertaken by the joint venture.

*PrEP Biopharm Limited (“**PrEP Biopharm**”)*

hVIVO has an equity investment in PrEP Biopharm which holds the PrEP-001 asset, a novel pan-viral prophylactic in development. The management of PrEP Biopharm continue to plan for the future development of PrEP-001. However, in 2018 hVIVO performed an impairment assessment and determined that a full impairment of the carrying amount of the investment in PrEP Biopharm was required due to consideration of the economic performance of this asset. The impairment of hVIVO’s investment in PrEP Biopharm was not an indication or an opinion on the utility of PrEP-001 but recognising that further development will need additional investment and this was no longer part of hVIVO’s re-focussed business model.

Current Strategy and Restructuring

During the year ended 31 December 2018, there were a number of senior management changes at hVIVO following which the current senior management instigated a review of the business and strategy. This resulted in a refocussed business model centred on the provision of human challenge study services and reset strategic priorities to the provision of clinical development services. As part of the review, hVIVO undertook measures to ensure the business is better placed to operate efficiently, maximise revenue growth opportunities and begin a transition to cash-generation and sustainable profitability. This resulted in a significant reduction in administrative expenses driven by headcount reductions and process improvements, and R&D expenses primarily due to discontinuing its discovery activities and instead focussing resources on the enhancement of the hVIVO challenge services including new virus manufacture and biomarker assay development. This process continued during 2019 with the implementation of hVIVO management’s strategy expected to continue into 2020. Up to 30 June 2019, this had resulted in annualised cost savings of approximately £11 million compared to 2017.

Broadened Service Offerings

In addition to reducing the cost base, the new management have implemented a number of key actions to enhance the breadth of revenue opportunities through the addition of new services:

- *Phase I studies*
- *Extended leading position in RSV*
- *Respiratory models*
- *Laboratory services extended*

These actions are expected to increase the long term sustainability of the hVIVO Group and its growth potential.

Your attention is drawn to the financial information in respect of hVIVO contained in Part 4 of this document.

4. Offer rationale

Open Orphan and hVIVO are AIM-quoted groups that share a similar vision for the future of European Clinical Research Organisations ("**CRO**") and an entrepreneurial approach to developing further their business through a focus on operational efficiency, organic growth and targeted acquisitions to expand geographic and service capabilities.

The Open Orphan Directors believe that the European CRO sector is fragmented and following the re-admission of Open Orphan in June 2019, have been reviewing the market for opportunities to expand the Open Orphan Group's service suite and unlock cross-selling opportunities to drive revenue, EBITDA and EBITDA margin growth. The merger of Open Orphan DAC and the company previously Venn Life Sciences Holdings plc positioned the Open Orphan Group as a specialist CRO with a focus on the orphan drug sector. The Open Orphan Directors believe that the hVIVO human challenge study and laboratory services expertise will provide specialist services and expertise in respiratory and infectious diseases that complements Open Orphan's focus on the rare and orphan drug consulting services platform, bringing additional competencies and service offerings that can bring a competitive advantage with potential for cross-selling of complementary services.

Offer Synergies

The Open Orphan Directors and the hVIVO Directors believe that the combination of the businesses will result in synergies across the Enlarged Group with each business providing complementary services with limited overlap in existing capabilities and customers.

It is anticipated that the benefits to both hVIVO and Open Orphan of the merger will include:

i. *Complementary broader in-house clinical service offering*

Both hVIVO and Open Orphan supplement their primary service offerings through the use of external third party subcontractors. On completion of the Acquisition, it is expected that a significant proportion of these subcontracted services could be fulfilled by resource and expertise within the Enlarged Group.

The Open Orphan Directors and hVIVO Directors have identified a number of areas where enhanced co-operation can support each group's market position and service proposition. Complementary broader in-house clinical trial service offerings include:

- data management, statistics, medical writing, regulatory and project management, which are sub-contracted either in part, or in full, by hVIVO and where Open Orphan has significant expertise; and
- a proportion of the Phase I studies, including laboratory services, currently sub-contacted by Open Orphan but that are capable of being run at the hVIVO facility in London.

In addition to complementary services, the Directors also believe that the Enlarged Group will benefit from an enlarged sales and marketing team and a broader services base to market to both new and existing customers.

ii. *Opportunity to increase margins and service revenues*

The broader service offerings are expected to increase the overall utilisation of resources across the Enlarged Group. Both Open Orphan and hVIVO outsource certain services to third parties. Certain of these outsourced services are capable of being provided from within the Enlarged Group thereby increasing the overall operational efficiency. This could result in revenues retained by the Enlarged Group and not disbursed to subcontractors. The use of integrated resource is also expected to enhance the service proposition to be offered to customers through one-stop-shop clinical trial service solutions.

iii. *Expanded capability offering*

In addition to the complementary broader in-house service offerings provided by each group, the Open Orphan Directors and hVIVO Directors believe that there is an opportunity for the Enlarged Group to strengthen customer relationships and cross-sell an expanded capability offering. Phase two field studies are currently beyond the hVIVO capability. The commissioning of phase two field studies for vaccines and antiviral products could be undertaken by the Enlarged Group, using Open Orphan's project management and monitoring capabilities and hVIVO's laboratory services, following the successful completion of human challenge studies. Laboratory services, typically required to support Phase II clinical trials managed by Open Orphan, could also be undertaken at hVIVO's laboratory facilities.

iv. *Commercialisation of hVIVO database through the Open Orphan platform*

Open Orphan has invested significant resources in developing its health data platform to facilitate drug research and patient access to specialist drugs. The Open Orphan Directors believe the viral induced disease development data and genomic data created and owned by hVIVO can be further utilised to accelerate the commercialisation of its viral challenge models and supplement existing orphan disease genomic data being developed by Open Orphan.

v. *Operating Synergies*

The Open Orphan Directors believe that the Enlarged Group will benefit from cost savings as duplicative functions and systems are rationalised and the Enlarged Group realises benefits of increased scale. Cost synergies are expected to include:

- consolidation of central support functions into the London headquarters of hVIVO;
- consolidation of IT and enterprise systems across the two businesses;
- removal of duplicative public company and advisor costs; and
- reorganisation of management functions and roles.

5. The Enlarged Group's strategy

The Enlarged Group aims to continue to develop the existing Open Orphan strategy to build a leading, European-based clinical services business focussed on delivering specialist and differentiated offerings to a global customer base. The merger of Open Orphan DAC and the Company (then called Venn Life Sciences Holdings plc) in June 2019 positioned the Open Orphan Group to focus on the orphan drug sector and the Open Orphan Directors believe that the hVIVO human challenge study and laboratory services expertise will provide additional specialist services in respiratory and infectious diseases that will complement Open Orphan's focus on the rare and orphan drug consulting services platform bringing additional competencies and service offerings that can offer a competitive advantage. This strategy will be effected through building on existing Open Orphan and hVIVO capabilities, completing the operational restructuring already underway and the unlocking of synergies expected to result from the merger of the two businesses. In addition, the Directors and the Proposed Directors expect to further grow the operations within Europe through strategic and targeted acquisitions.

The Open Orphan Group has focussed on the development and marketing of its integrated service offering with a focus on the orphan drug and specialty sector. The Open Orphan service offerings include drug development planning and strategy, early drug development and clinical trials alongside recently developed digital platforms to support both drug development and market access. The Directors believe that the additional and complementary services of hVIVO will enhance the Enlarged Group's market position and widen the services and expertise within the Enlarged Group facilitating revenue growth from the existing business.

The Enlarged Group intends to continue to evaluate the market for opportunities, targeting a small number of pharma companies to create an organisation of large scale in the fragmented orphan and rare drug services market in Europe to add additional 'one-stop-shop' products for the development and commercialisation of drug products within Europe. Open Orphan has identified a pipeline of target acquisitions primarily in the regulatory approval, reimbursement and product launch areas where the Directors believe that pharmaceutical companies need the most help navigating the complex European market. The Directors believe that bolt-on new service offerings will enable increased cross-selling opportunities driving both revenue and margin growth and improved cash generation.

The Proposed Placing will provide additional capital for the Enlarged Group's development, including the necessary capital to realise fully the expected synergies. The Directors believe that a strong balance sheet will be important to securing new long-term contracts and in attracting potential firms with a view to completing both value and service enhancing acquisitions.

6. European rare and Orphan CRO sector

European orphan drug sector

The European market represents 30 per cent. of global pharmaceutical orphan drug sales, with over €20.3 billion in orphan drug sales in 2016. This market is expected to grow by approximately 70 per cent. over the next five years and in the USA in 2018 over 50 per cent. of all new US FDA approved drugs coming to market were orphan drugs. However, the European market is highly fragmented and complex to navigate.

In the USA, governmental reimbursement is predominately controlled by one central reimbursement agency, the CMS Agency, and on their approval, the pharmaceutical company is immediately able to begin marketing and selling a pharmaceutical product. However, in the EU, despite an orphan drug being approved by the EMA, an orphan drug holder is still required to negotiate with each of the individual 28 EU countries in order to agree reimbursement rates. Furthermore, they will be obliged to liaise with numerous agencies within most countries.

Global orphan drugs

An orphan drug is a medicinal product intended for diagnosis, prevention or treatment of life threatening or very serious diseases or disorders that are rare. This classification is defined in law in the EU as a disease with a patient population of <5 in 10,000 (<256,000 patients, based on an EU population of 512 million as at 1 January 2017). Notwithstanding the rarity of specific diseases, the National Organization for Rare Disorders in the USA currently estimates that there are as many as 7,000 rare diseases, resulting in approximately 30 million people in Europe suffering from a rare disease. Given the smaller patient populations per disease, the development of orphan drugs has been financially incentivised firstly under US law via the Orphan Drug Act of 1983 and latterly in the EU in legislation adopted in 2000, being the Orphan Regulation (No. 141/2000). Incentives include a period of marketing exclusivity during which similar medicines for the same indication cannot be placed on that market. This exclusivity period runs for seven years and ten years from approval in the USA and the EU respectively.

Worldwide, orphan drug sales are forecast to total approximately US$242 billion by 2024 with a market growing at a CAGR of 12.3 per cent. This is approximately double the expected rate of growth of the non-orphan drug market resulting in orphan drugs forecast to be 20.3 per cent. of worldwide prescription sales by 2024.

7. Market opportunity

The European CRO market is highly fragmented beyond the five largest multinationals, with specialist CROs continuing to hold significant market share within targeted areas of expertise. However, the market is also undergoing a period of consolidation through acquisitions. This has particularly focussed on both specialist CRO and data companies that complement existing larger CROs.

The Directors believe that the Enlarged Group's expanded service offering on Admission should create cross-selling opportunities to drive revenue, EBITDA and EBITDA margin growth. The Enlarged Group intends to retain acquired companies' brand names and integrate the support functions to unlock synergies and grow overall EBITDA margin following the Acquisition. Furthermore, they will be obliged to liaise with numerous agencies within most countries.

The combination of Open Orphan and hVIVO should enable the Enlarged Group to offer a wide range of complementary services supporting product development for customers developing rare and orphan drugs and those developing antivirals, vaccines and respiratory therapeutics. This should provide significant cross-selling opportunities driving revenues and enhancing the margin of the Enlarged Group. The Directors believe that, from this platform, the Enlarged Group will be able to effectively continue to acquire additional expertise towards having full-service capability from which it can effectively function as a 'one-stop-shop', allowing the Enlarged Group to have the ability to retain clients over the full life cycle of a pharmaceutical product.

Following Admission, the Enlarged Group also intends to continue the existing Open Orphan 'Buy & Build' strategy to form one of Europe's leading rare and orphan focussed pharmaceutical services company by rolling up a series of smaller, European orphan drug services companies and the Directors will review the identified pipeline. This is intended to expand upon existing services to offer a complete platform of services primarily in the areas of regulatory, reimbursement and product launch. The Directors have identified these areas as the most challenging aspects of the complex European orphan drug market. Following Admission, the Enlarged Group will continue to use its equity as an acquisition currency as the Directors anticipate that acquisitions post Admission will primarily be paid for in equity of the Company. Target segments within the orphan drug support services supply chain include:

- regulatory;
- market access and reimbursement;
- launch; and
- select other areas.

8. Financial

The following summary of the historical financial information relating to Open Orphan and hVIVO has been extracted from the historical financial information of Open Orphan and hVIVO included in Parts 3 and 4 of this document and is incorporated by reference. **In order to properly assess the financial performance of Open Orphan and hVIVO, prospective investors should read the whole of this document and not rely solely on the summary set out below.**

8.1 ***hVIVO***

	Period ended 31 December 2018 £'000	*Period ended 31 December 2017 £'000*	*Period ended 31 December 2016 £'000*
Revenue	11,025	10,878	19,850
Cost of sales	(8,901)	(7,316)	(15,629)
Gross profit	2,124	3,562	4,221
Other income	2,601	1,455	276
Research and development expertise	(4,786)	(6,059)	(6,282)
Administrative expense	(9,511)	(11,379)	(13,767)
Impairment of intangible assets	(2,632)	–	–
Impairment of investment in associate	(4,698)	–	–
Provision against virus inventory	(1,223)	–	–
Loss on provision of services to joint ventures	–	(800)	–
Share of loss of associates and joint ventures	(738)	(1,613)	(7,371)
Loss from operations	(18,863)	(14,834)	(22,923)
Finance income	58	71	310
Finance costs	(51)	(54)	(18)
Loss before taxation	(18,856)	(14,817)	(22,631)
Taxation	2,023	1,934	4,750
Loss for the year	(16,833)	(12,883)	(17,881)

8.2 ***Open Orphan***

	Period ended 31 December 2018 € '000	*Period ended 31 December 2017 € '000*	*Period ended 31 December 2016 € '000*
Revenue	14,291	17,815	18,244
Direct Project and Administrative costs	(16,658)	(17,897)	(18,805)
Operating (loss)/profit	(2,367)	(82)	(561)
Finance income	10	–	12
Share of loss of investments accounted for using the equity method	(–)	(874)	–
Impairment of fixed asset investments	(421)	(834)	(364)
Impairment of Intangible Assets	(2,232)	–	–
Loss before taxation	(5,010)	(1,799)	(913)

9. Current trading and prospects for the Enlarged Group

Open Orphan

Since its re-admission in June 2019, the Open Orphan Directors have focussed on restructuring the historical Venn Life Sciences business. Open Orphan has continued to carefully manage its cash reserves to realise the full potential of the group with the cash burn rate significantly reduced through a strategic focus on operational efficiencies to resolve staff under-utilisation and reduce overheads, including excessive office space and office facilities. The action taken to make Open Orphan more efficient is expected to result in growth and return to profitability. The Open Orphan Group recently signed a number of preferred partner agreements, such as that announced with Ipsen, that the Directors expect to deliver revenues over an extended period, with initial revenue under these contracts expected to be recognised in the current period with further revenue to be recognised into 2020. The Open Orphan Group has also focused on cross-selling its services to existing clients and has made progress as regards the same as evidenced by the recently announced contract with Carna Bioscience for First In Human Clinical pharmacology trial following several years of existing work between the Company and Carna during which both parties closely collaborated on drug development planning and pre-clinical activities services contracts.

The Open Orphan Directors believe that Open Orphan has a strong pipeline for 2020 and this pipeline will be converted into contracted work. Currently, Open Orphan has an order book of contracted work in excess of €10 million. This pipeline of work will deliver revenue growth and support the Open Orphan Group's cash position and following the ongoing restructuring, enable it to move towards profitability. However, until contracts are signed, there can be no certainty that the pipeline will convert to revenue producing contracts.

hVIVO

In the period following the results for the six months ended 30 June 2019, the hVIVO Directors have continued to implement cost savings in line with its stated intention to result in annualised savings of £11 million compared to 2017. Further, hVIVO has continued to manage the impact from an unprecedented number of cancelled contracts earlier in the current financial year. The level of cancellations was unprecedented for hVIVO as a result of some clients reprioritising their pipelines. These cancellations, which occurred after hVIVO incurred expenditure with respect to the preparation of the hVIVO facility for significant levels of occupancy, have had a negative impact on hVIVO's cash position with the hVIVO Directors expecting the business to continue to consume cash through to the year end.

The hVIVO Directors believe that hVIVO has a strong pipeline of demand into 2020 and that this pipeline will be converted into contracted work to deliver revenue growth and support the hVIVO cash position, and following the ongoing restructuring, enable it to move towards profitability. However, until contracts are signed, there can be no certainty that the pipeline will convert to revenue-producing contracts.

Over the past two months there has been a slight worsening in hVIVO's trading. hVIVO will report a modest cash balance as at the end of its financial year ending 31 December 2019. hVIVO still expects

to have a level of cash headroom through its projected cash low-point in Q1 2020. However that is dependent on management signing certain contracts in the first quarter of 2020, based on the existing pipeline.

Prospects for the Enlarged Group

The Directors believe that the Enlarged Group has considerable growth and consolidation opportunities in the CRO services market. In particular, the Enlarged Group has potential for organic growth with synergies between the capabilities of Open Orphan and hVIVO, and via selected acquisitions to further expand the scope of services and geographical reach. The expanded services will enable the Enlarged Group to reap broader revenues from existing client relationships through provision of additional services in areas such as field trials, laboratory analyses and data analysis. In the short term, the Directors will focus on unlocking the potential value and synergies from the combination of Open Orphan and hVIVO.

10. Directors and senior managers

The Open Orphan Board currently comprises Cathal Friel as Chief Executive Officer, Christian Milla as Chief Operating Officer, Brendan Buckley as Non-Executive Chairman, Maurice Treacy as Executive Director, David Kelly as Independent Non-Executive Director and Michael Ryan as Non-Executive Director. Upon Admission, Christian Milla, Michael Ryan, David Kelly and Maurice Treacy intend to resign from the Board. Maurice Treacy and Christian Milla will remain in their current roles and will continue as employees of the Enlarged Group. Conditional upon Admission, Trevor Phillips, Mark Warne and Michael Meade will be appointed as Chief Executive Officer and Non-Executive Directors respectively and Tim Sharpington will be appointed as Chief Operating Officer of Open Orphan. Leo Toole and Anesh Patel will continue as Finance Directors of Open Orphan and hVIVO respectively. Brendan Buckley will remain as a Non-Executive Director, but will step down as Chairman.

10.1 *Open Orphan Directors*

The current Open Orphan Board is as follows:

Brendan Buckley *(aged 69) – Non-Executive Chairman, post Admission Non-Executive Director*

Professor Brendan Buckley is a medical graduate of University College Cork and a doctoral graduate in Biochemistry of Oxford University. Brendan has over 30 years' experience in clinical research. He is one of the founders of Open Orphan as well as being Adjunct Professor at University College Dublin. He was the Chief Medical Officer of ICON plc until 2017. In 2009, Brendan co-founded Firecrest Clinical Ltd, a company which focussed on improving the performance of clinical trial sites. Brendan was a Director of the Health Products Regulatory Authority of Ireland between 2004 and 2011. He was also a member of the EMA's Committee for Orphan Medicinal Products (COMP) from 2000-2003 and the EMA's Scientific Advisory Committee on Diabetes and Metabolism until 2011.

Cathal Friel *(aged 55) – Chief Executive Officer, post Admission, Executive Chairman*

Cathal Friel has had over 15 years of having been a capital markets and corporate finance adviser with extensive successful M&A and fundraising experience. He is the Managing Director, founder and majority shareholder of Raglan Capital. He is also one of the founders of Open Orphan. Cathal has completed a number of successful AIM reverse takeovers, including Fastnet Equity plc and Amryt Pharma plc. He co-founded Amryt Pharma along with Joe Wiley in August 2015 and which has gone on to be one of the leading AIM listed orphan drug companies. Cathal retains the bulk of his original substantial equity investment in Amryt Pharma plc since its inception. On the 5th of November 2019 Amryt's market cap exceeded £170 million and on the same day Amryt Pharma guided the market that it had already completed $113 million in revenues in the first nine months of 2019 and was on target to generate revenues of $150 million for 31 December 2019. Before founding Raglan Capital, Cathal was one of the founding directors of Merrion Stockbrokers which he helped to establish in 2000 and which was sold for €80 million in 2006. Cathal has an MBA from the University of Ulster where he also part-time lectured International Marketing and Business Planning for 5 years from 1990 to 1995 while also running his own business.

David Kelly *(aged 58) –Non-Executive Director, to step down post Admission*

David Kelly has extensive orphan drug company experience both in Europe and in the USA. He was Executive Vice President and Managing Director of Ireland at Horizon Therapeutics plc, a biopharmaceutical company listed on Nasdaq and headquartered in Dublin. David has an excellent combination of experience having worked in larger product focussed pharmaceutical companies and also in turning around smaller pharmaceutical companies. For example, he and his colleagues transformed AGI Therapeutics before selling it to Vidara Therapeutics which in turn was acquired by Horizon Therapeutics plc, a company with a current market capitalisation of $4.5 billion. David will step down from the Open Orphan board upon Admission.

Christian Milla *(aged 57) – Chief Operating Officer, to step down post Admission*

Christian Milla holds a PhD in neuropharmacology from the University of Paris and has more than 20 years' experience in the drug development and clinical trials industry. Christian has also contributed to the foundation and development of several innovative start-up companies in the healthcare area. He joined what was then Venn Life Sciences Holdings plc from Oncodesign Biotechnology, a leader in preclinical evaluations for anticancer, based in France, where he was Chief Operating Officer. He was also a board member of Cromsource, a provider of outsourced services to the pharmaceutical, biotechnology and medical device industries between 2014 and 2016. From 2004 until 2007 Christian was CEO of OSMO Accovion SA, a niche oncology site management and CRO. Prior to this he held roles with Parexel, Staticon International and Abbott Laboratories. Christian will step down from the Open Orphan board upon Admission. He will remain an employee and member of the senior management team.

Michael Ryan *(aged 62) – Senior Non-Executive Director, to step down post Admission*

Michal Ryan holds a B Eng (Hons) and Master of Industrial Engineering (1st Class Hons) from University College Dublin. Founder investor and Board member since 2005 of Sedana Medical which listed on the (Nasdaq) First North stock exchange in June 2017. Michael was the former CEO of Sedana Medical from 2015 to 2017. He founded TecScan in 1990 and was a serial investor in early-stage technology companies. Michael has over 15 years of experience in leading positions in the medical technology industry. He was also the main shareholder and CEO of Artema Medical AB from 2003 and led the sales of Artema to Datascope Corporation in 2007. Michael will step down from the Open Orphan Board upon Admission.

Dr. Maurice Treacy *(aged 56) – Executive Director, to step down post Admission*

Dr. Maurice Treacy was most recently a founder of HiberGen and one of the founders of Genomics Medicine Ireland, which was recently acquired by WuXI NextCODE. Genomics Medicine Ireland was established in 2015 to research the role of genetics in disease, leading to new prevention strategies and treatments.

Maurice will step down from the Open Orphan Board upon Admission. He will continue to drive the development of the Group's Health Data Platforms as a member of the senior management team.

10.2 ***Proposed Directors***

Upon Admission, Dr Trevor Phillips, Dr Mark Warne and Michael Meade will be appointed to the Board:

Dr Trevor Phillips *(aged 58) – Chief Executive Officer*

Dr Trevor Phillips has over 30 years of experience within the pharmaceutical industry, including extensive international drug development and corporate development responsibilities. He was previously Chief Operations Officer and President of US Operations, as well as a member of the Board, at Vectura Group plc, a FTSE 250 company listed on the London Stock Exchange focussed on airways diseases. Subsequent to joining Vectura in 2010, Trevor played a leadership role in the company's successful development, including the acquisition of Activaero GmbH in 2014 and the merger with Skyepharma plc in 2016. Prior to joining Vectura, Trevor held the roles of Chief Executive Officer and Chief Operating Officer at Critical Therapeutics, Inc. (now Chiesi USA, Inc.), a US listed specialty pharmaceutical company, where he was involved in setting up

commercial partnerships, product in-licensing and out-licensing, managing drug development, commercial product manufacturing and M&A activity. He led the merger of Critical Therapeutics with Cornerstone BioPharma Holdings. He has also held senior management positions at Sepracor, Inc. (now Sunovion Pharmaceuticals, Inc.), Accenture plc and GlaxoWellcome plc (now GlaxoSmithKline plc). Trevor trained as a microbiologist at University of Reading, obtaining a PhD in microbial biochemistry from the University of Wales in 1986. He was awarded an MBA from Henley Management College in 1997.

Dr Mark Warne *(aged 44) – Non-Executive Director*

Dr Mark Warne was appointed to the hVIVO Board as a Non Executive Director in April 2016 and is Chairman of the Remuneration Committee. Mark previously spent almost 10 years at IP Group Plc, an intellectual property commercialisation company, where he led the Healthcare team. He managed a portfolio of £330m of net assets in 2016/2017 and represented IP Group on the boards of both listed and private companies. In 2018, concurrent with the integration of Touchstone Innovations into IP Group, Mark became a Partner in the Life Sciences division. He joined IP Group from pre-clinical drug discovery CRO, Exelgen, where he was Managing Director. Mark spent eight years at Exelgen (formerly Tripos Discovery Research) where he also held positions in licensing and strategic affairs, project management and research. He has a PhD in Computational Chemistry, an MSc in Colloid Science and a BSc in Chemistry, all from the University of Bristol. Mark is a Chartered Chemist and member of the Royal Society of Chemistry. Mark was appointed Chief Executive Officer of DeepMatter Group plc in July 2018, having joined DeepMatter as a Non-Executive Director in September 2015 and also served as its Executive Chairman between April 2017 and July 2018. He also serves as a non-executive director on the board of Ixico plc.

Michael Meade *(aged 59) – Senior Non-Executive Director*

Michael Meade holds a degree in Law from Trinity College, Dublin. He qualified as a Chartered Accountant in Ireland with KMG Reynolds McCarren prior to working with Arthur Andersen in London. He has spent the last 30 years working in investment banking in London with respectively HSBC Investment Bank, UBS Investment Bank and Numis Securities where he spent the last thirteen years. During his career he has specialised in advising small and mid-cap quoted companies with a particular focus on those in the healthcare sector. His experience extends across all forms of capital raising, mergers and acquisitions, and general strategy.

10.3 ***Senior management***

Upon Admission, the senior management of the Enlarged Group shall be Maurice Treacy alongside:

Tim Sharpington – *Chief Operating Officer*

Tim Sharpington brings more than 25 years' experience in the life sciences sector with various pharmaceutical, biotechnology and pharmaceutical service companies in Europe and the US. He has broad experience in drug development, product licensing, mergers, acquisitions and fundraisings. Tim's previous positions include Pfizer, ICON, Sequus Inc, Arakis and Vectura.

Leo Toole – *Finance Director of Open Orphan*

Leo Toole brings over 20 years' experience in senior finance roles in Pharmceuticals, Medical Technology and FMCG sectors. Through positions in multinational companies across Europe and in the venture capital space in the UK and Ireland, he has extensive experience in building finance teams, corporate development, equity and debt financing, public markets, and mergers and acquisitions. Leo is a Business graduate of Trinity College Dublin, Ireland and HEC Liège, Belgium. He also holds an MBA with Distinction from INSEAD in France and Singapore.

Anesh Patel – *Finance Director of hVIVO*

Anesh Patel joined hVIVO as Director, Corporate Finance in April 2016 before being appointed as Interim Finance Director & Company Secretary in August 2019. Prior to this he spent seven years in investment banking providing corporate finance advisory services to a range of clients, specialising in both public and private M&A transactions. Anesh started his professional career

with Ernst & Young in 2004 where he qualified as a Chartered Accountant, initially working within the Audit & Assurance division before transferring to the Transaction Advisory Services division where he provided financial due diligence services to primarily private equity firms. He graduated from University College London and holds an MSci. (Hons) degree in Mathematics with Economics.

11. Corporate Governance

The Open Orphan Directors and the Proposed Directors acknowledge the importance of the principles set out in the Corporate Governance Code.

The Open Orphan Directors have adopted the Corporate Governance Code which has become a widely recognised benchmark for corporate governance of small and mid-sized companies, particularly AIM companies.

Immediately following Admission, the Board will comprise five Directors, two of whom will be executive Directors and three of whom will be non-executive Directors, reflecting a blend of different experience and backgrounds. On Admission the Board will not include an executive finance director. The Board considers that given the current scale of operations, the existing finance function (including the Finance Directors of Open Orphan and hVIVO respectively) and the experience of the executive team that is appropriate. It is the Board's intention that a CFO be appointed to the Board in the period immediately following Admission as the Group expands the scope and scale of its operations.

Following Admission, the Board will meet at least 8 times a year to review, formulate and approve the Company's strategy, budgets, corporate actions and oversee the Company's progress towards its goals. It has established an Audit and Risk Committee and a Remuneration Committee with formally delegated duties and responsibilities and with written terms of reference. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

Board and committee independence

As of the date of this document, the Board consists of a Non-Executive Chairman, 2 Independent Non-Executive Open Orphan Directors and 3 Executive Open Orphan Directors. Following Admission, the Board is expected to consist of 3 Non-Executive Directors, and 2 Executive Directors. The Company regards 2 of the non-executive Directors as "independent non-executive directors" within the meaning of the Corporate Governance Code. Accordingly, the Board has determined that Mark Warne and Michael Meade are independent in character and judgement and that there are no relationships or circumstances which could materially affect or interfere with the exercise of their independent judgement. The Board believes this combination of executive and non-executive Directors allows it to exercise objectivity in decision making and proper control of the Group's business. The Board considers this composition is appropriate in view of the size and requirements of the Group's business. However, the Board will monitor the composition and balance of the Board following Admission.

Share dealing policy

The Company has adopted a share dealing policy regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on AIM and Euronext Growth (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing policy.

Compliance with the Corporate Governance Code

The Company has published on its AIM Rule 26 website details of how it complies with the Corporate Governance Code and where it departs from the Corporate Governance Code and explanations of the reasons for doing so. This information is also set out below. The Company will review this information annually in accordance with the requirements of AIM Rule 26.

The following summary sets out how the Company applies the key governance principles defined in the Corporate Governance Code.

The Board recognises the importance of sound corporate governance and applies the Corporate Governance Code, which it believes is the most appropriate recognised governance code for a company with shares admitted to trading on AIM. It is believed that the Corporate Governance Code provides the Company with the framework to help ensure that a strong level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all its stakeholders.

The Corporate Governance Code has ten principles of corporate governance that the Company has committed to apply within the foundations of the business. These principles are:

1. Establish a strategy and business model which promote long-term value for shareholders;
2. Seek to understand and meet shareholder needs and expectations;
3. Take into account wider stakeholder and social responsibilities and their implications for long term success;
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation;
5. Maintain the board as a well-functioning balanced team led by the Chair;
6. Ensure that between them the Directors have the necessary up to date experience, skills and capabilities;
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement;
8. Promote a corporate culture that is based on ethical values and behaviours;
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board; and
10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

The Corporate Governance Code requires the Company to apply the ten principles and publish certain disclosures in its annual report and also on its website (www.openorphan.com). The Company's disclosures are as follows:

Principle One – Establish a strategy and business model which promote long-term value for shareholders

The Company has successfully built drug development consulting capability in six countries in Europe. While this represents the operating capability of the business, its clients are global corporations. Open Orphan is a knowledge-based business and a key challenge is the attraction, development and retention of high calibre knowledge resources to the business. Currently the Company is succeeding in developing its resource base through offering staff challenging development programs to work on and structuring attractive reward systems. Open Orphan has developed a track record and deep expertise in the rare disease arena and plans to leverage this expertise to deliver further growth and give the business a premium positioning.

Principle Two – Seek to understand and meet shareholder needs and expectations. Disclosure: explain the ways in which the Company seeks to engage with shareholders. Company's Annual Report and Notice of Annual General Meetings (AGM) are sent to all shareholders and can be downloaded from the Company's website. Copies of these documents and the Interim Report and other investor presentations are also available on the Company's website.

Shareholders are kept up to date via announcements made via a Regulatory Information Service on matters of a material substance and / or a regulatory nature. Quarterly updates are provided to the market and any expected material deviations to market expectations are announced via a Regulatory Information Service. The Company's AGM is an opportunity for shareholders to meet with the Chairman and other members of the Board. The meeting is open to all shareholders, giving them the option to ask questions and raise issues during the formal business or, more informally, following the meeting and the results of the AGM are announced via a Regulatory Information Service.

The Board is keen to ensure that the voting decisions of shareholders are reviewed and monitored and that approvals sought at the Company's AGM are as much as possible within the recommended Association of British Insurers' guidelines. Chairman and CEO, where appropriate, respond to shareholder queries directly (whilst maintaining diligence on Market Abuse Regulations restrictions on inside information and within the requirements of the AIM Rules for Companies). Non-deal roadshows are arranged throughout the year to meet with existing shareholders and potential new stakeholders to maintain, as much as possible, transparency and dialogue with the market. Investor presentations and interviews can be found on the Company's website.

Shareholders with queries should email investor relations at ir@openorphan.com.

Principle Three – Take into account wider stakeholder and social responsibilities and their implications for long term success vision of the business which is to become the drug development partner of choice for micropharma and biotechnology clients. The business seeks to grow both through acquisition and organically. Delivery of the Group's business model is underpinned by its core values of:

- Integrity to be consistently open, honest, ethical and genuine.
- Passion and leadership with a commitment to engage and inspire others.
- Courage to be entrepreneurial enough to reach beyond boundaries.
- Acceptance and delegation of responsibility.

Determination to deliver a proactive customer service, the Company values the feedback it receives from its stakeholders and it takes every opportunity to ensure that where possible the wishes of stakeholders are considered. The executive team is a small and dedicated team who work hard to ensure that values of the Company are an integral part of the business. The Board works closely with the executive team with clear and open communication both within and outside of the Board room. The Company has an open-door policy from the executive team down where employees' opinions and suggestions are valued and listened to.

Principle Four – Embed effective risk management, considering both opportunities and threats, throughout the organisation.

The Company's Risk Management Policy is designed to provide the framework to identify, assess, monitor and manage the risks associated with the Company's business. The principal risks and uncertainties facing the Group are described below and are set out in the Company's latest Annual Report. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Company's objectives and activities are aligned with the risks and opportunities identified by the Board.

The risks involved and the specific uncertainties for the Company continue to be regularly monitored and the full Board of the Company formally reviews such risks at regular Board meetings. All proposals reviewed by the Board include a consideration of the issues and risks of the proposal.

The potential exposures associated with running the Company are managed by the Chief Executive and executive management who have significant broad-ranging industry experience, work together as a team and regularly share information on current activities.

Where necessary, the Board draws on the expertise of appropriate external consultants to assist in dealing with or mitigating risk.

The Company's main areas of risk include:

- Market risk – changes in economic conditions, prices and investor sentiment;
- Political risk – changes in the political situation and regulatory environment in countries in which the Company operates; and
- Operational risk – associated with continuous disclosure obligations, internal processes and systems.

Additionally, it is the responsibility of the Board to assess the adequacy of the Company's internal control systems and that its financial affairs comply with applicable laws and regulations and professional practices. Regular consideration is given to all these matters by the Board.

The Company has in place an internal control framework to assist the Board in identifying, assessing, monitoring and managing risk.

The framework can be described under the following headings:

- Continuous Disclosure/Financial Reporting
- Operations Review
- Investment Appraisal

The Company's internal control system is monitored by the Board and assessed regularly to ensure effectiveness and relevance to the Company's current and future operations. Procedures have been put into place to ensure the CEO and the Finance Directors state in writing to the Board that the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control and that the Company's risk management and internal compliance and control system is operating efficiently and effectively.

The Company is not currently of a size to justify the formation of a separate risk management committee. The full Board has the responsibility for the risk management of the Company; however, the Board will assess the need to form a committee on a regular basis.

Principle Five – Maintain the Board as a well-functioning, balanced team led by the chair

The Board currently consists of the Non-Executive chairman, three executive directors and two additional independent non-executive directors, and upon Admission will comprise of two Executive Directors and three additional Non-Executive Directors of which two are considered to be independent. Biographies are available on the Company's website (www.openorphan.com). The Board's directors have a broad range of experience and calibre to bring independent judgement on issues of strategy and performance which helps the Board to carry out its supervisory and stewardship functions effectively and to discharge its responsibilities to shareholders for the proper management of the Group.

The independent non-executive directors are as follows:

1. Mark Warne, Independent Non-Executive Director, to be appointed to the Board upon Admission.
2. Michael Meade, Independent Non-Executive Director, to be appointed to the Board upon Admission.

The Board meets formally eight times a year with ad hoc Board meetings as the business demands. There is a strong flow of communication between the directors.

The Board has not undertaken any formal training during the year. This will continue to be monitored.

Principle Six – Ensure that between them the Directors have the necessary up to date experience, skills and capabilities

Full details of the Board of Directors and their relevant experience, skills and personal qualities and capabilities are set out in paragraph 10 of Part 1 of this document.

The Board currently comprises the Non-Executive Chairman, two other non-executive director and three executive directors. Post Admission, it will comprise of the Executive Chairman, the Chief Executive Officer and three Non-Executive Directors. The Board has significant industry, financial, public markets and governance experience, possessing the necessary mix of experience, skills, personal qualities and capabilities to deliver the strategy of the Company for the benefit of shareholders over the medium to long-term.

The Board engaged external advisors including lawyers, accountants, Nominated Adviser and Brokers in accordance with fundraising and normal legal and financial processes required by a company admitted to trading on AIM and Euronext Growth.

The Board is kept abreast of developments of governance and AIM regulations by its nominated adviser and the Company's lawyers provide updates on relevant legal, MAR and governance issues with the Company's nominated adviser providing the Board with AIM Rules and refresher training as and when required.

The Board is kept abreast of developments of governance and Euronext Growth regulations by its Euronext Growth Advisor and the Company's lawyers provide updates on relevant legal and governance issues with the Company's Euronext Growth Advisor providing Board with Euronext Growth Rules refresher training as and when required. The Company Secretary also helps keep the Board up to date on areas of new governance and liaises with the Euronext Growth Advisor on areas of Euronext Growth Rules requirements.

The Company Secretary has frequent communication with the Chairman and is available to other members of the Board if required.

The Directors have access to the Company's nominated adviser, Euronext Growth Advisor, Company Secretary, lawyers and auditors as and when required and are able to obtain advice from other external bodies when necessary.

The Company is mindful of the issue of gender balance although Board appointments are made with the primary aim of ensuring that the candidate offers the required skills, knowledge and experience.

Principle Seven – Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Open Orphan Directors consider seriously the effectiveness of the Board, Committees and individual performance.

There has been regular assessment of the individual contributions of each of the members of the team to ensure that their contribution is relevant and effective, that they are committed and, where relevant, that they have maintained their independence.

The Board sets clear performance objectives in advance of each financial period and agrees key performance indicators against which progress can be clearly measured and corrective action taken as appropriate.

The Company intends to review the Board performance evaluation process and the Board's approach to succession planning and will publish the results of such review including the criteria against which Board, committee and individual effectiveness is considered on the Company's website.

Principle Eight – Promote a corporate culture that is based on ethical values and behaviours

The Open Orphan Directors are committed to ethical values and behaviours across the Board and the Company as a whole. The Open Orphan Directors are mindful of the industries that the business operates in and takes all issues of ethical behaviours seriously. These behaviours are instilled throughout the organisation. The importance of delivering success in a safe environment is not undermined.

Issues of bribery and corruption are taken seriously. The Company has a zero-tolerance approach to bribery and corruption and has an anti-bribery and corruption policy in place to protect the Company, its employees and those third parties with which the business engages. The policy is provided to staff upon joining the business and training is provided to ensure that all employees within the business are aware of the importance of preventing bribery and corruption. Each employee is required to sign an agreement to confirm that they will comply with the policies and all staff are provided with annual refresher courses.

Principle Nine – Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board retains ultimate accountability for good governance and is responsible for monitoring the activities of the executive team. Following Admission, the Board will consist of:

Cathal Friel, the Executive Chairman upon Admission, has the responsibility for ensuring that the Board discharges its responsibilities and is also responsible for facilitating full and constructive contributions from each member of the Board in determining the Group's strategy and overall commercial objectives.

Trevor Phillips, the Chief Executive Officer upon Admission, is responsible for business execution within the framework and structures defined by the Board. He engages with shareholders and other stakeholder groups to ensure a strong relationship between them and the Company.

Brendan Buckley, the Non-Executive Director chairs the Remuneration Committee and is a member of the Audit and Risk Committee.

Mark Warne, an independent Non-Executive Director upon Admission is a member of the Audit and Risk Committee, the Nomination Committee and the Remuneration Committee.

Michael Meade, a senior independent Non-Executive Director upon Admission, chairs the Audit and Risk Committee and the Nomination Committee and is a member of the Remuneration Committee.

Audit and Risk Committee

This committee currently comprises Michael Ryan as Chairman with Brendan Buckley as the other member of the Audit and Risk Committee and meets at least twice a year. Post Admission, it will comprise Michael Meade as Chairman with Brendan Buckley and Mark Warne as the other members of the Committee. The principal duties of this Committee are to review the half-yearly and annual financial statements before their submission to the Board and to consider any matters raised by the auditors. The Committee also reviews the independence and objectivity of the auditors. The terms of reference of the Committee reflect current best practice, including authority to:

- recommend the appointment, re-appointment and removal of the external auditors;
- ensure the objectivity and independence of the auditors including occasions when non-audit services are provided; and
- ensure appropriate ‘whistle-blowing’ arrangements are in place.

The Chairman may seek information from any employee of the Group and obtain external professional advice at the expense of the Company if considered necessary. Due to the relatively low number of personnel employed within the Group, the nature of the business and the current control and review systems in place, the Board has decided not to establish a separate internal audit department.

Remuneration Committee

The Company has established a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. No Director is involved in deciding his own remuneration.

Following Admission, this committee will comprise Brendan Buckley as Chairman with Mark Warne and Michael Meade as the other members of the committee. The committee considers the employment and performance of individual executive Directors and determine their terms of service and remuneration. It also has authority to grant options under the Company’s Executive Share Option Scheme. The Committee intends to meet at least twice a year.

Nomination Committee

Following Admission, the Nomination Committee will comprise Michael Meade as Chairman with Mark Warne as the other member of the committee. It identifies and nominates for the approval of the Board, candidates to fill Board vacancies as and when they arise. The Nomination Committee intends to meet at least twice a year.

The Company does not have a separate Health & Safety Committee but health and safety is of the upmost importance to the business and a health and safety report is presented and discussed in detail at every Board meeting.

All Board Committees report back to the Board following a Committee meeting.

The Board retains full and effective control over the Company and holds regular meetings at which financial, operational and other reports are considered and where appropriate voted upon. The Board is responsible for the Group’s strategy and key financial and compliance issues.

There are certain matters that are reserved for the Board, they include:

- Approval of the Group's strategic aims and objectives;
- Approval of the Group's annual operating and capital expenditure budgets and any material changes to them;
- Review of Group performance and ensuring that any necessary corrective action is taken;
- Extension on the Group's activities into new business or geographical areas;
- Any decision to cease to operate all or any part of the Group's business;
- Major changes to the Group's corporate structure and management and control structure;
- Any changes to the Company's listing;
- Changes to governance and key business policies;
- Ensuring maintenance of a sound system of internal control and risk management;
- Approval of half yearly and annual report and accounts and preliminary announcements of final year results; and
- Reviewing material contracts and contracts not in the ordinary course of business.

Principle Ten – Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board views the Annual Report and Accounts as well as its half year report as key communication channels through which progress in meeting the Group's objectives and updating its strategic targets can be given to shareholders. In addition, the Board uses the Annual General Meeting as a primary mechanism to engage with Shareholders and to both give information and receive feedback about the Company and its progress.

The Executive Chairman and the Chief Executive Officer undertake meetings with key shareholders and analysts following publication of full and half year results in order to answer questions and ensure that the key messages are properly understood and effectively communicated onwards. The Company typically shares all of our key communications with Shareholders in draft form before publication with its advisers to ensure that they are accurate and effective.

The outcome of all Company General Meeting votes is published and, at this year's AGM, there were no meaningful votes against any of the resolutions (or abstentions).

12. Implications of the Takeover Code

The following persons have been determined to constitute a "concert party" (as such term is used in the Code) in relation to Open Orphan plc: Raglan Road Capital Limited, Anthony Richardson, Pamela Iyer, Brendan Buckley, Crow Rock Capital Limited, Dairine Dempsey, Ian O'Connell, Montana Capital Limited, Clydagh Limited, Pat O'Neill, McNolan Ventures Limited, Carol Dalton, Bridget Chisholm, Ross Crocket, Dennis Jennings, Tom Tierney, Mount Amber International Limited, Francoise Richardson, Horizon Medical Technologies Limited, Cathal Friel CMF Pension Fund, Dan Cronin, Gary Duffy, Michael Fleming, Pa Nolan and Maurice Treacy (together, the "**Open Orphan Concert Party**").

In aggregate, the Open Orphan Concert Party is interested in shares in the capital of Open Orphan carrying 37.3 per cent. of the voting rights of Open Orphan and no individual member of the Open Orphan Concert Party is interested in shares in the capital of Open Orphan carrying 30 per cent. or more of the voting rights of Open Orphan.

Upon Admission occurring and before the impact of the issue of any Placing Shares, in the event that Raglan Capital Limited, a member of the Open Orphan Concert Party, subscribes for the maximum number of Placing Shares prescribed for in the underwriting agreement, it is anticipated that, in aggregate, the Open Orphan Concert Party will be interested in shares in the capital of Open Orphan carrying 15.3 per cent. of the voting rights of Open Orphan and that no individual member of the Open Orphan Concert Party will be interested in shares in the capital of Open Orphan carrying 30 per cent. or more of the voting rights of Open Orphan.

13. Principal terms of the Offer

The Company has conditionally offered to acquire the entire issued and to be issued share capital of hVIVO on the following basis:

2.47 New Ordinary Shares for every 1 hVIVO Share

The Offer values each hVIVO Share at approximately 15.56 pence and hVIVO's existing issued and to be issued share capital at approximately £12.96 million.

The Offer is conditional on, amongst other things:

a) the passing at the General Meeting of such resolution or resolutions as are necessary to approve, implement and effect the Offer and the allotment of the Consideration Shares; and

b) the Conditions and further terms not otherwise identified above to which the Offer is subject, as set out in Part III of the Offer Document, either being satisfied or (with the exception of certain conditions which are not capable of waiver) waived.

14. The Proposed Placing

Details of the Proposed Placing

The Company intends to place up to 160,000,000 New Ordinary Shares at the Placing Price to raise up to £10 million before expenses. The Proposed Placing is being underwritten up to £2.5 million by Raglan Capital pursuant to the terms of the Underwriting Agreement the terms of which are summarised in paragraph 10.1(b) of Part 5.

The Proposed Placing is expected to be conditional upon, amongst other things:

- the passing of the Resolutions at the General Meeting; and
- Admission taking place on or before 17 January 2020 (or such later date as Arden Partners and the Company may agree being not later than 28 February 2020).

The Placing Shares will be credited as fully paid and will, on Admission, rank *pari passu* in all respects with all other Ordinary Shares then in issue, including the right to receive all dividends or other distributions declared, paid or made on or after Admission.

Further announcements on the Proposed Placing will be made in due course.

Proposed Placing Agreement

Pursuant to the Proposed Placing Agreement, Arden Partners has agreed to use its reasonable endeavours as agents of the Company to procure subscribers for the Placing Shares at the Placing Price.

The Proposed Placing Agreement contains certain warranties and indemnities from the Company, the Directors and the Proposed Directors in favour of Arden Partners and is conditional, inter alia, upon:

a) Shareholder approval of the Resolutions at the General Meeting;

b) the Offer having become unconditional in all respects (save only for any condition relating to Admission occurring); and

c) Admission becoming effective not later than 8.00 a.m. on 17 January 2020 or such later time and/or date (being no later than 8.00 a.m. on 28 February 2020) as Arden Partners and the Company may agree.

Arden Partners may terminate the Proposed Placing Agreement in certain circumstances, if, *inter alia*, the Company fails to comply with its obligations under the Proposed Placing Agreement; if there is a material adverse change in the business or in the financial or trading position or prospects of the Enlarged Group or the Company; or if there is a change in the financial, political, economic or market conditions, which in the opinion of Arden Partners, acting in good faith, makes it impractical or inadvisable to proceed with the Proposed Placing.

15. Related Party Transaction

As described in paragraph 14 above, the Company proposes to enter into the following agreement with Raglan Capital Limited ("**Raglan Capital**"). Cathal Friel is a director of Raglan Capital and also a director of the Company.

The underwriting from Raglan Capital Limited is considered a related-party transaction for the purposes of Rule 13 of the AIM Rules for Companies. The directors (other than Cathal Friel) consider, having consulted with Arden Partners, the Company's nominated adviser, that the terms of the underwriting are fair and reasonable in so far as Open Orphan's shareholders are concerned.

The underwriting from Raglan Capital Limited is considered a related-party transaction for the purposes of the Euronext Growth Rules. The directors (other than Cathal Friel) consider, having consulted with Davy, the Company's Euronext Growth Adviser, that the terms of the underwriting are fair and reasonable in so far as Open Orphan's shareholders are concerned.

16. Use of proceeds of the Proposed Placing

The Enlarged Group expects to receive aggregate gross proceeds of up to £10.0 million from the Proposed Placing. The net proceeds of the Proposed Placing receivable by the Enlarged Group after the costs and expenses of the Proposed Placing and admission of the Placing Shares are expected to be approximately £8.3 million (assuming gross proceeds of the Proposed Placing of £10.0 million) and are intended to be used to strengthen the Enlarged Group's balance sheet and provide additional working capital as the Enlarged Group completes the ongoing restructuring.

17. Dividend policy

The Company has not paid a dividend and the Board does not propose to pay a dividend for the foreseeable future. The Enlarged Group will be engaged in a significant expansion plan, investing in both organic and acquired growth, which will be capital intensive. However, subject to the ongoing needs of that plan, the Directors' current intention is to adopt a progressive dividend policy within the medium term.

18. Share options and warrants

Share options

The Directors recognise the importance of ensuring that employees of the Enlarged Group are effectively and appropriately incentivised and their interests aligned with the Company. Similarly, the Directors believe that the ongoing success of the Enlarged Group depends to a high degree on retaining and incentivising the performance of key members of the senior management and Directors. Accordingly, the Company has in place the Option Scheme which allows for the grant of share options and aligns the interests of senior management and the broader employee workforce with those of the Shareholders. The Directors intend to implement a new option scheme once the Offer has become unconditional in all respects for hVIVO senior management.

As at the date of this document, there are options outstanding over, in aggregate, 11,936,964 Ordinary Shares under the Option Scheme, representing 2.2 per cent. of the Enlarged Share Capital. Of these outstanding options, options over a total of 8,686,964 Ordinary Shares have been granted to certain Open Orphan Directors, representing 1.4 per cent. of the Enlarged Share Capital.

In addition, on Admission, Trevor Phillips will be granted options over 18,402,491 Ordinary Shares. Tim Sharpington will be granted options over 9,201,246 Ordinary Shares. These options will vest on the thirty-sixth month following Admission, subject to certain performance criteria being met.

Details of the Option Scheme are set out in paragraph 4.2 of Part 5 of this document. Details of options granted to the Directors are set out in paragraph 4.3 of Part 5 of this document.

Warrants

As at the date of this document there are warrants outstanding over, in aggregate, 6,744,500 Ordinary Shares, representing 1.1 per cent. of the Enlarged Share Capital. Further details of these warrants, including their exercise price and expiry date, are set out in paragraph 4.4, 4.5 and 4.6 of Part 5 of this document. Further details of the warrant instruments constituting these warrants are set out in paragraph 10.1 of Part 5 of this document.

19. Taxation

Information regarding taxation is set out in paragraph 15 of Part 5 of this document. This information is intended only as a general guide to the current tax position under UK and Irish tax law.

If an investor is in any doubt as to his or her tax position or is subject to tax in a jurisdiction other than the UK, he or she should consult his or her own independent financial adviser immediately.

20. Settlement and dealings

Admission is conditional upon the passing of the Resolutions at the General Meeting. Subject thereto, the admission of the Company's Existing Ordinary Shares to trading on AIM and Euronext Growth will be cancelled and the Enlarged Share Capital will be re-admitted to trading on AIM and Euronext Growth.

Admission is expected to take place at 8.00 a.m. on 17 January 2020.

The New Ordinary Shares are eligible for CREST settlement. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument in accordance with the requirements of CREST. The Articles permit the holding and transfer of New Ordinary Shares to be evidenced in uncertificated form in accordance with the requirements of CREST. Accordingly, following Admission, settlement of transactions in New Ordinary Shares may take place within the CREST system if the relevant Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

21. Further information

Your attention is drawn to the further information set out in:

a) Part 2 of this document relating to risk factors;

b) Part 3 of this document which incorporates by reference historical financial information on the Open Orphan Group;

c) Part 4 of this document which incorporated by reference historical financial information on the hVIVO Group; and

d) Part 5 of this document summarising statutory and general information on the Company and the Enlarged Group.

PART 2

RISK FACTORS

Investors are referred to the risks set out below. An investment in the Company is subject to a number of risks and may not be suitable for everyone. An investment in the Enlarged Group is only suitable for investors who are capable of evaluating, or who have been advised of the risks and merits of, such investments and who have sufficient resources to bear any loss which might result from such investment. No assurance can be given that Shareholders will realise a profit or avoid a loss on their investment. The risks described below do not purport to be exhaustive and are not set out in any order of priority. Additional risks and uncertainties which are not presently known to or are currently deemed immaterial by the Directors may also have an adverse effect on the Enlarged Group's business, financial condition or results as a result of which it and its prospects could suffer and investors could lose all or part of their investment.

Investors should review this document carefully and in its entirety and are recommended to obtain independent financial advice from an adviser authorised under FSMA (or another appropriately authorised independent professional adviser) who specialises in advising upon investments before making any investment in the ordinary shares in the capital of the Company.

If any of the following risks occur, the Enlarged Group's business, financial position and/or operating results could be materially and adversely affected.

In addition to the other relevant information set out in this document, the Directors consider that the following specific risk factors, which are not set out in any particular order of priority, should be taken into account when evaluating whether to make an investment in the Company:

1. RISKS RELATING TO THE OFFER

Conditions of the Offer

The Offer is conditional upon, amongst other things, the Merger Resolutions being passed at the General Meeting. There can be no assurance that this condition and the other conditions to the Offer will be satisfied and that the Offer will complete by 28 February 2020.

If the conditions to the Offer are not satisfied by 28 February 2020, the Offer will lapse and Open Orphan will not acquire hVIVO.

The integration costs related to the Acquisition may exceed the Board's expectations

The Enlarged Group expects to incur certain costs in relation to the Acquisition, including integration and post completion costs in order to successfully combine the operations of the Company and hVIVO. The actual costs of the integration process may exceed those estimated and there may be further additional and unforeseen expenses incurred in connection with the Acquisition. In addition, the Company will incur legal, accounting, transaction fees and other costs relating to the Acquisition, some of which are payable regardless of whether or not the Acquisition completes. Although the Directors believe that the integration and Acquisition costs will be more than offset by the realisation of the synergies resulting from the Acquisition, this net benefit may not be achieved in the short-term or at all, particularly if the Acquisition does not complete or is delayed. These factors could adversely affect the Enlarged Group's operations and/or financial condition.

2. SPECIFIC RISKS TO THE ENLARGED GROUP'S BUSINESS AND THE INDUSTRY IN WHICH IT OPERATES

Realisation of synergy benefits

The Directors have identified various synergies which they expect to realise on completion of the Acquisition as set out in paragraph 4 of Part 1 of this Document. The inability to realise any expected synergy benefits, or to properly integrate hVIVO could adversely affect the future operations of the Enlarged Group including strain on working capital and/or future profitability of the Enlarged Group.

Failing to successfully implement its growth strategies

The Enlarged Group intends to carry out certain growth and expansion strategies. The Enlarged Group's growth and future success will be dependent to some extent on the successful completion of such growth and expansion strategies currently or proposed to be undertaken by the Enlarged Group and the sufficiency of demand for the Enlarged Group's services. The execution of the Enlarged Group's growth and expansion strategies may also place strain on its managerial, operational and financial reserves and the failure to implement such a strategy may adversely affect the Enlarged Group's reputation, business, prospects, results of operation and financial condition.

Commercial agreements

If customer contracts are cancelled or not renewed, this could have adverse effects on the Enlarged Group's future revenues and profitability. Generally, contract cancellation carries a penalty fee, so this risk is partially mitigated. However, in the event of a cancelled contract, the Enlarged Group is unlikely to be able to secure alternative contracts to ensure utilisation of resources that otherwise would have been deployed. Given the specialist nature of some of the Enlarged Group's services, its ability to replace contracts is further reduced by a potentially limited customer market. If the Enlarged Group is unable to fulfil the conditions of a contract, that contract is usually able to be cancelled with no penalty fee charged. Revenue for individual contracts can have peaks and troughs depending on the nature of the services provided. The Enlarged Group will need to manage its cashflow effectively to ensure the availability of working capital.

Pipeline conversion

The Enlarged Group typically signs contracts for challenge trials close to the anticipated trial commencement. This is driven by customers to mitigate potential cancellation fees in the event of undesired clinical results earlier in the products development. Therefore while the Enlarged Group is continually working to build its pipeline, there can be no guarantee that this pipeline will convert to contracted work generating positive operational cash flows over the short term. In the event that contracts are not signed, the Enlarged Group would still incur certain fixed costs and have to manage its working capital until such time as it is able to secure new commercial contracts.

The Enlarged Group may not meet its expansion and acquisition objectives

The Enlarged Group may fail to complete appropriate acquisitions, and therefore execute its strategy of consolidating small companies in the fragmented pharmaceuticals services space and extending its geographical footprint across Europe. If acquisitions are made, the Enlarged Group may fail to appropriately integrate acquisitions into the Enlarged Group, resulting in loss of service quality and ultimately lower revenues and profitability.

Limited trading history for Open Orphan DAC

Open Orphan DAC, one of the main trading subsidiaries of Open Orphan, has only a limited operating history without any revenues and therefore limited trading information upon which to consider the ability of Open Orphan and its management to deliver its business plan and generate revenues, although Open Orphan's business must be considered in light of the risks, expenses and problems frequently encountered by companies at an early stage of development.

General Data Protection Regulation ("GDPR")

The Enlarged Group receives and processes a large amount of data in its business, some of which includes data that constitutes personal data within the meaning of the GDPR, which came into force on 25 May 2018 and replaced the previous EU data protection laws.

The GDPR introduces, among other things, new obligations on data controllers and data processors, increased rights for data subjects and increased fines and penalties for a breach of its requirements.

The Enlarged Group is aware of its obligations under the GDPR and seeks to conduct its business with the highest standards of governance and data security. The Open Orphan Group has recently implemented a number of safeguards, policies and procedures, as well as training to its staff, which it believes ensures that it is, and the Enlarged Company will be, compliant with the GDPR. These systems will remain under review as the Enlarged Group expands and includes new services to ensure that they remain appropriate.

However, there is a risk that if any personal data of a data subject were to be stolen or leaked from the Enlarged Group to a third party, then there may be potential consequences for both the data subject and the Enlarged Group. The penalties for loss of personal data are extremely high reflecting the seriousness of such a breach. For example, non-compliance with the GDPR can lead to fines for serious breaches of up to the higher of four per cent. of annual worldwide turnover or €20 million and fines of up to the higher of two per cent. of annual worldwide turnover or €10 million (whichever is highest) for other specified infringements. There are also other corrective powers and sanctions available to supervisory authorities (which, in the UK, is the Information Commissioner's Office) under the GDPR including suspending data transfers to third countries, imposing a temporary or permanent ban on data processing and ordering the restriction, rectification or erasure of data. If the Enlarged Group were to experience a data breach or loss of personal data or to be in breach of the requirements of the GDPR, the Enlarged Group could face significant administrative and monetary sanctions as well as reputational damage which may have a material adverse effect on its business, revenue, profitability, operations, financial condition and future prospects and operations.

Unfavourable contract terms

The Enlarged Group has a small number of contractual relationships which include warranties and indemnities, provided in some cases on an uncapped basis. Such warranties and indemnities create an inherent risk that any liability on the Enlarged Group's part for any breach could be material, given the uncapped basis. A successful claim under such warranties or indemnities may have a significant impact on the Enlarged Group's profitability.

Guarantee and Debenture in favour of Ulster Bank

Pursuant to a guarantee dated 22 August 2016, the Company agreed to guarantee and pay the obligations (present, future, actual or contingent) of Innoven UK Limited ("**Innoven**"), an entity that no longer forms part of the Group, owing to Ulster Bank Ireland DAC ("**Ulster Bank**") up to a maximum amount of €1,000,000. In addition, the Company granted security to Ulster Bank by way of a fixed and floating charge over its assets pursuant to a debenture dated 22 August 2016. This debenture contains a negative pledge such that the Company cannot carry out certain acts without Ulster Bank's consent.

Although the Company has received verbal confirmation that the guarantee and debenture can be released, no formal release documentation has been provided. As a result, the Company could be required to pay on demand up to €1,000,000 to Ulster Bank, notwithstanding the fact that the Company has no control over whether or not the underlying obligations are satisfied. If the Company does not make this payment, Ulster Bank may enforce its security over the assets of the Company. The Company has been told by Innoven that the balance of the outstanding, underlying loan owing by Innoven to Ulster Bank is approximately €375,000 and remaining term is 21 months.

Market

Pharmaceutical companies may decide to bring clinical trial operations in house, reducing the size of the contract research market significantly. Whilst this appears unlikely, given that recent trends indicate that pharmaceutical companies are increasing their level of outsourcing, nevertheless if this happens it could have a material adverse effect on the Enlarged Group.

Intellectual property, domain knowledge and know-how

The Enlarged Group has sought to protect its proprietary know-how and other intellectual property by entering into non-disclosure agreements with employees, independent contractors and third parties in the ordinary course of its business, implementing and maintaining internal and external controls, and the laws of copyright, trade secret; and confidentiality. Any intellectual property, whether or not registered owned and/or used by the Enlarged Group in the course of its business or in respect of which the Enlarged Group believes it has rights, may be prejudiced and/or open to challenge by third parties (including where such third parties have or claim to have pre-existing rights in such intellectual property). In any such case, the Enlarged Group may be prevented from using such intellectual property or it may require the Enlarged Group to become involved in litigation to protect its intellectual property rights, each of which may have a material adverse effect on the Enlarged Group's reputation, business, prospects, results of operation and financial condition. Conversely, while the Directors believe the Enlarged Group has taken precautions, they cannot guarantee that any action or inaction by the Enlarged Group will not inadvertently infringe the intellectual property rights of others. Any infringement by the Enlarged Group of the intellectual property rights of others could have a material adverse effect

on the Enlarged Group's reputation, business, prospects, results of operation and financial condition. Despite precautions which may be taken by the Enlarged Group to protect its intellectual property rights, unauthorised parties may attempt to copy, or obtain and use, its intellectual property. This could cause the Enlarged Group to have to incur significant unbudgeted costs in defending its intellectual property rights and/or impact on the Enlarged Group's financial performance.

Reputation is important in winning contracts with both new and existing customers

The Enlarged Group's reputation, in terms of the services it provides and the way in which it conducts its business, is central to the Enlarged Group winning contracts with both new and existing customers. Failure to meet the expectations of these customers and other business partners may have a material adverse effect on the Enlarged Group's reputation, business, prospects, results of operation and financial condition. The Enlarged Group's future revenue growth and the contracts it wins depend on its ability to provide customers with a high quality of service. If the Enlarged Group is unable to provide customers with a high quality of service, it could face customer dissatisfaction, leading to decreased demand for its services, a loss of revenue and damage to the Enlarged Group's reputation.

Expansion through acquisitions entails certain risks

Part of the Enlarged Group's strategy involves expanding its business through acquisitions of other businesses. Such acquisitions will require the integration of new operations into the Enlarged Group's business. The Enlarged Group's ability to realise the expected benefits from future acquisitions will depend, in large part, upon its ability to integrate new operations with existing operations in a timely and effective manner and to manage an increasingly large business. It will also potentially depend upon the Enlarged Group's ability to recruit additional management as it cannot be assumed that management of acquired businesses will continue to work for the Enlarged Group in the longer-term, or that any of its recruiting efforts will succeed. In addition, the Enlarged Group's acquisition strategy will involve numerous risks, including the potential inability to identify appropriate acquisition opportunities, possible failures of acquisitions to be profitable or to generate anticipated cash flows, the entry into markets and geographic areas where the Enlarged Group has limited or no experience, diversion of management's time and resources from core operations and potential difficulties in integrating operations and systems with those of acquired companies.

Security breaches of the Enlarged Group's or customers' systems

The Enlarged Group is often required to, and authorised by its customers to, work with confidential information in the deployment of the Enlarged Group's software and services. Should the Enlarged Group's computer systems be breached, this could result in damage to the Enlarged Group's reputation and/or financial loss. Viruses, worms and other malicious software programmes could, among other things, jeopardise the security of information stored in a user's computer or in the Enlarged Group's computer systems or attempt to change the internet experience of users by interfering with the Enlarged Group's ability to connect with its users. If the Enlarged Group's efforts to combat these malicious applications are unsuccessful, or if its products and services have actual or perceived vulnerabilities, the Enlarged Group's reputation may be harmed, and user traffic could decline. This could impair the Enlarged Group's future ability to be granted access to customer propriety information and restrict its ability to complete contracts and develop its own products.

Government policy and legal and regulatory changes

The application or modification of existing laws or regulations, or the adoption of new laws and regulations relating to pharmaceuticals, regulatory affairs, drug safety and the capture and use of genomic data could adversely affect the manner in which the Enlarged Group currently conducts its business. Generally, it is difficult to predict the extent to which policy and regulatory changes that may come into practice might affect the Enlarged Group. Any such changes may detrimentally affect revenue and/or require increased expenditure impacting the Enlarged Group's operating margin and potentially the planned expansion. Any of these may have a materially adverse impact on the Enlarged Group's operations and financial condition.

Currency risk

Open Orphan reports its results in Euros, whilst it is expected that some of its costs and revenues will be denominated in currencies outside of its reporting currency (e.g. in Swiss Francs). This may result in additions to Open Orphan's reported costs or reductions in the Enlarged Group's reported revenues.

Given the global and European economic environment, the continued existence of the Euro as a currency is also a risk. All or any of these factors may have a negative effect on the Enlarged Group's financial results and may therefore adversely affect the Enlarged Group's financial condition. In addition, if the currencies in which the Enlarged Group earns its revenues and/or holds its cash balances weaken against the currencies in which it incurs its expenses, this could adversely affect the Enlarged Group's liquidity. The Enlarged Group does not currently undertake hedging, and were the Enlarged Group to do so, such hedging would be based on estimates of liabilities and future revenues and may not fully eliminate the impact of future foreign currency exchange fluctuations.

Dependence on key personnel

The Enlarged Group has a small management team and the loss of any key individual or the inability to attract appropriate personnel could impact upon the Enlarged Group's future performance.

Additional working capital

The Enlarged Group is currently operating at a loss and may need additional working capital as it implements its acquisition strategy and integrates these opportunities into the Enlarged Group. Such funds may not be available on acceptable terms or at all, and, without additional funds, the Enlarged Group may not be able to execute its growth strategy effectively, take advantage of future opportunities or respond to competitive pressures or unanticipated requirements.

3. GENERAL RISKS RELATING TO THE ENLARGED GROUP AND ITS BUSINESS

Economic, political, judicial, administrative, taxation or other regulatory matters

In addition to the impact of the downturn of the world's economies, the Enlarged Group may be adversely affected by other changes in economic, political, judicial, administrative, taxation or other regulatory or other unforeseen matters. Current and potential investors are strongly recommended to consult an independent financial adviser duly authorised for the purposes of FSMA who specialises in investments in shares before making any investment decision in respect of Ordinary Shares.

Force majeure

The Enlarged Group's operation may be adversely affected by risks outside of its control including acts of terrorism, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosion or other catastrophes, epidemics or quarantine restrictions.

Brexit

The extent of the impact of Brexit on the Enlarged Group will depend in part on the nature of the arrangements that are put in place between the UK and the EU following the eventual Brexit and the extent to which the UK continues to apply laws that are based on EU legislation.

The Enlarged Group may be subject to a significant period of uncertainty in the period leading up to eventual Brexit including, *inter alia*, uncertainty in relation to any potential regulatory or tax change. Brexit could also create significant UK (and potentially global) stock market uncertainty, which may have a material adverse effect on the Enlarged Group's business and the price of the Ordinary Shares. As such, it is not possible to accurately state the impact that Brexit will have on the Enlarged Group at this stage. Brexit may also make it more difficult for the Enlarged Group to raise capital in the UK and/or increase the regulatory compliance burden on the Enlarged Group. This could restrict the Enlarged Group's future activities and thereby negatively affect returns.

However, the Enlarged Group has some hedges against any adverse Brexit matters, the Enlarged Group will be listed on both the London AIM stock exchange and also on the Euro denominated Euronext stock exchange via its Dublin listing. As such, giving the company an ability to access Sterling investors in London and Euro denominated investors throughout mainland Europe. Furthermore, the bulk of Open Orphan's current revenues are generated and also delivered in Euro via its Paris and Dutch offices, Open Orphan's cost base is predominantly Euro also, thus lacking any adverse currency exposure risk. The Open Orphan directors don't foresee or expect any impact on its existing revenues regardless of the outcomes of Brexit. Furthermore, hVIVO's revenues are predominantly generated and delivered from its London based labs and clinic as such its revenues are generated in Sterling and its cost base predominantly in Sterling, thus lacking a material adverse currency fluctuation risk. The hVIVO Directors do not don't foresee or expect any impact on its existing revenues regardless of the outcomes of Brexit.

4. RISKS RELATING TO AIM, EURONEXT GROWTH AND THE NEW ORDINARY SHARES

Suitability of the Ordinary Shares

Investment in the Ordinary Shares may not be suitable for all readers of this document. Readers are accordingly advised to consult a person duly authorised under the FSMA who specialises in investments of this nature before making any investment decisions.

Volatility in the prices of Ordinary Shares

The Placing Price agreed between the Board and Arden Partners may not be indicative of the market price for the Ordinary Shares following Admission. The subsequent market price of the Ordinary Shares may be subject to wide fluctuations in response to a number of events and factors that are unrelated to the Enlarged Group's operating performance such as changes in financial estimates, recommendations by securities analysts, the share price performance of other companies that investors may deem comparable to the Enlarged Group, market perceptions of the Enlarged Group, new reports relating to trends in the Enlarged Group's markets, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, legislative or regulatory changes, national and global economic conditions and various other factors and events. These fluctuations may adversely affect the trading price of the Ordinary Shares, regardless of the Enlarged Group's trading performance. The price at which the Ordinary Shares will be traded and the price at which investors may realise these investments will be influenced by many factors, some not specific to the Enlarged Group and its operations. Furthermore, there is no guarantee that the market price of an Ordinary Share will accurately reflect its underlying value.

Liquidity of trading market for Ordinary Shares

Admission to trading on AIM and/or Euronext Growth should not be taken as implying that a liquid market for the Ordinary Shares will either develop or be sustained following Admission. The Enlarged Group cannot predict the extent to which investor interest in the Ordinary Shares will lead to the development of a trading market. The liquidity of a securities market is often a function of the volume of the underlying Ordinary Shares that are publicly held by unrelated parties. If a liquid trading market for the Ordinary Shares does not develop, the price of Ordinary Shares may become more volatile and it may be more difficult to complete a buy or sell order for Ordinary Shares.

Future issues of Ordinary Shares may result in dilution of existing Shareholders

The Enlarged Group's stated strategy involves growth by acquisition. The Enlarged Group may decide to issue additional Ordinary Shares in the future in subsequent public offerings or private placements to fund expansion and development. If existing Shareholders do not subscribe for additional Ordinary Shares on a pro rata basis in accordance with their existing shareholdings, this will dilute their existing interests in the Enlarged Group. Furthermore, the issue of additional Ordinary Shares may be on more favourable terms than the Placing Shares. The issue of additional Ordinary Shares by the Enlarged Group, or the possibility of such issue, may cause the market price of the Ordinary Shares to decline and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price. There is no guarantee that market conditions prevailing at the relevant time will allow for such a fundraising or that new investors will be prepared to subscribe for Ordinary Shares at a price which is equal to or in excess of the Placing Price.

Future performance of the Enlarged Group cannot be guaranteed

There is no certainty and no representation or warranty is given by any person that the Enlarged Group will be able to achieve any returns referred to in this document. The financial operations of the Enlarged Group may be adversely affected by general economic conditions or by the particular financial condition of other parties doing business with the Enlarged Group.

There is no guarantee that the Enlarged Group will maintain its quotation on AIM or Euronext Growth

The Enlarged Group cannot assure investors that the Enlarged Group will always retain a quotation on AIM and/or Euronext Growth. If the Enlarged Group fails to do so investors may not have a market for their Ordinary Shares, which could have an adverse impact on the value of those shares. Additionally, if in the future the Enlarged Group decides to obtain a listing on another exchange, in addition to AIM

and Euronext Growth or as an alternative, this may affect the liquidity of the Ordinary Shares traded on AIM and/or Euronext Growth.

Higher risk for shares traded on AIM and Euronext Growth than on the Official list

Application has been made for the Ordinary Shares to be admitted to trading on AIM and Euronext Growth, markets designated primarily for emerging or smaller companies. The AIM Rules and the Euronext Growth Rules are less onerous than those of the Official List and an investment in shares that are traded on AIM and/or Euronext Growth is likely to carry a higher risk than an investment in shares listed on the Official List. The future success of AIM and Euronext Growth and liquidity in the market for Ordinary Shares cannot be guaranteed. In particular, the market for Ordinary Shares may become or may be relatively illiquid and therefore, such Ordinary Shares may be or may become difficult to sell. Prospective investors should be aware that the market price of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Enlarged Group. Investors may, therefore, realise less than or lose all of their investment.

Legislation and tax status

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation or regulation and, in particular, in tax status or tax residence of the Enlarged Group or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Enlarged Group.

Taxation

The tax rules and their interpretation relating to an investment in the Enlarged Group may change during its life. Any change in the Enlarged Group's tax status or in taxation legislation or its interpretation could affect the value of the investments held in the Enlarged Group or the Enlarged Group's ability to provide returns to Shareholders or alter the post-tax returns to Shareholders. Representations in this document concerning the taxation of the Enlarged Group and its investors are based upon current tax law and practice which is, in principle, subject to change. Current and potential investors are strongly recommended to consult an independent financial adviser authorised under FSMA who specialises in investments in shares before making any investment decision in respect of Ordinary Shares.

Dividends

The Enlarged Group's ability to pay dividends (including any special dividends) in the future is affected by a number of factors, principally the generation of distributable profits within its Group and the receipt of sufficient dividends from its subsidiaries. Under English law, a company can only pay cash dividends to the extent that it has distributable reserves and cash available for this purpose. In addition, the Enlarged Group may not pay dividends if the Directors believe this would cause the Enlarged Group to be inadequately capitalised or if, for any other reason, the Directors conclude it would not be in the best interests of the Enlarged Group. Any change in the tax treatment of dividends or interest received by the Enlarged Group may reduce the amounts available for dividend distribution. Any of the foregoing could limit the payment of dividends to Shareholders or, if the Enlarged Group does pay dividends, the amount of such dividends. In addition, the Enlarged Group's ability to pay dividends will depend on the level of distributions, if any, received from its operating subsidiaries. The Enlarged Group's subsidiaries may, from time to time, be subject to restrictions on their ability to make distributions including foreign exchange limitations, and regulatory, fiscal and other restrictions.

Substantial sales of Ordinary Shares

There can be no assurance that certain Shareholders will not elect to sell their Ordinary Shares following the expiry of applicable lock-in and orderly market arrangements, details of which are set out in paragraph 17 of Part 1 and paragraphs 10.1.11 and 10.1.12 of Part 5 of this document, or otherwise. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the perception that these sales may occur. In addition, if these or any other sales were to occur, the Enlarged Group may in the future have difficulty in offering Ordinary Shares at a time or at a price it deems appropriate.

PART 3

HISTORICAL FINANCIAL INFORMATION ON THE OPEN ORPHAN GROUP

The Company's audited financial information for the financial year ended 31 December 2018, the financial year ended 31 December 2017 and the financial year ended 31 December 2016 can be viewed on the Company's website at www.openorphan.com and is incorporated by reference in this document.

Shareholders or other recipients of this document may request a hard copy of the above information incorporated by reference from the Company by emailing info@openorphan.com or by telephoning +353 1644 0007. A hard copy of the information incorporated by reference will not be sent to Shareholders or other recipients of this document unless requested.

PART 4

HISTORICAL FINANCIAL INFORMATION ON THE hVIVO GROUP

The Company's audited financial information for the financial year ended 31 December 2018, the financial year ended 31 December 2017 and the financial year ended 31 December 2016 can be viewed on the Company's website at www.hvivo.com and is incorporated by reference in this document.

Shareholders or other recipients of this document may request a hard copy of the above information incorporated by reference from the Company by emailing the company secretary at a.patel@hvivo.com or by telephoning 020 7148 1018. A hard copy of the information incorporated by reference will not be sent to Shareholders or other recipients of this document unless requested.

PART 5

ADDITIONAL INFORMATION

1. Responsibility

The Existing Directors and the Proposed Directors, whose names, addresses and functions are set out on page 13 of this document, and the Company, whose registered address is set out on page 13 of this document, accept responsibility, both individually and collectively for the information contained in this document. To the best of the knowledge and belief of the Existing Directors, the Proposed Directors and the Company (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Company and its subsidiaries

2.1 The Company is registered in England and Wales, having been incorporated under the Companies Act as a private company limited by shares with the name BCOMP 422 Limited on 2 February 2011 with registered number 07514939. The Company was renamed Armscote Investment Company Limited on 10 February 2011 and was re-registered as a public company with the name Armscote Investment Company plc on 1 July 2011. The Company was renamed Venn Life Sciences Holdings plc on 6 December 2012.The Company's issued share capital was admitted to trading on AIM on 14 December 2012. The Company's issued share capital was admitted to trading on Euronext Growth on 18 January 2016.

2.2 The liability of members is limited.

2.3 The principal legislation under which the Company operates is the Companies Act and the regulations made thereunder.

2.4 The Company operates in the clinical research sector. The Company's current principal activity is to provide a combination of drug development expertise and clinical trial design and management in Ireland, France, Germany, the Netherlands and the UK, among others.

2.5 The Company's registered office is at PO Box W1J 6BD, Berkeley Square House, 2nd Floor, Mayfair, London W1J 6BD in the United Kingdom and its principal place of business is at 19 Railway Road, Dalkey, Dublin, Ireland. The telephone number at the Company's principal place of business is +353 (0)15373269.

2.6 The Existing Ordinary Shares, and the New Ordinary Shares will be, were created pursuant to the Companies Act.

2.7 On Admission, the Company will be the holding company of the Enlarged Group and will, directly or indirectly, own the following companies:

Company	*Company Number*	*Status*	*Holding*	*Registered*
Kinesis Pharma Singapore Pte.Ltd	201010106C	Trading	100 per cent. owned by Venn Life Sciences Limited	Singapore
Open Orphan Designated Activity Company	608152	Trading	100 per cent.	Ireland
Venn Life Sciences (France) SAS	403556798	Trading	100 per cent.	France
Venn Life Sciences (Australia) Pty Ltd	629835669	Trading	100 per cent.	Australia
Venn Life Sciences B.V.	2808854	Trading	100 per cent. owned by Venn Life Sciences Limited	The Netherlands

Company	Company Number	Status	Holding	Registered
Venn Life Sciences Inc.	6106157	Dormant	100 per cent. owned by Venn Life Sciences Limited	Delaware
Venn Life Sciences Limited	518691	Trading	100 per cent.	Ireland
Venn Life Sciences ED B.V.	20120943	Trading	100 per cent. owned by Venn Life Sciences Limited	The Netherlands
Venn Life Sciences Holdings SAS	471479	Dormant	100 per cent. owned by Venn Life Sciences Limited	France
Venn Life Sciences (Germany) GmbH	20452	Trading	100 per cent.	Germany
Venn Life Sciences (Ireland) Limited	443834	Dormant	100 per cent. owned by Venn Life Sciences Limited	Ireland
Venn Life Sciences Legal Representation B.V.	63427729	Trading	100 per cent. owned by Venn Life Sciences B.V.	The Netherlands
Venn Life Sciences (NI) Limited	NI040375	Trading	100 per cent.	Northern Ireland
Venn Life Sciences UK Limited	08071621	Trading	100 per cent. owned by Venn Life Sciences Limited	England and Wales
hVIVO plc	08008725	Trading	100 per cent.*	England and Wales
hVIVO Inc	5615728	Trading	100 per cent. owned by hVIVO plc	Delaware, United States
hVIVO Services Ltd	02326557	Trading	100 per cent. owned by hVIVO plc	England and Wales
Imutex Limited	10124988	Trading	49 per cent. owned by hVIVO plc	England and Wales
PrEP Biopharm Ltd	09795234	Trading	62.62% owned by hVIVO plc	England and Wales

*Assumes full acceptance of the Offer

3. Share Capital

3.1 The following are details of the changes in the issued share capital of the Company since 1 January 2016:

(a) On 10 June 2016, 45,000 ordinary shares of 0.1 pence were issued at 26.0333 pence per share by way of a subscription;

(b) On 23 January 2018, 277,550 ordinary shares of 0.1 pence were issued at 11 pence per share as consideration for the acquisition of Venn Life Sciences France SAS;

(c) On 24 July 2018, 10,833,335 ordinary shares of 0.1 pence were issued at 6 pence per share by way of a subscription;

(d) On 28 June 2019, 80,357,142 ordinary shares of 0.1 pence were issued at 5.6 pence per share as a result of the placing;

(e) On 28 June 2019, 101,740,969 ordinary shares of 0.1 pence were issued at 5.6 pence per share in consideration for the transfer of the entire issued share capital of Open Orphan Designated Activity Company;

(f) On 30 July 2019, 191,051 ordinary shares of 0.1 pence were issued at a price of 0.1 pence per share as a result of the exercise of warrants;

(g) On 30 July 2019, 348,603 ordinary shares of 0.1 pence were issued at a price of 2.2 pence per share as a result of as a result of the exercise of warrants;

(h) On 27 September 2019, 191,051 ordinary shares of 0.1 pence were issued at a price of 0.1 pence per share as a result of the exercise of warrants; and

(i) On 27 September 2019, 348,603 ordinary shares of 0.1 pence were issued at a price of 2.2 pence per share as a result of as a result of the exercise of warrants.

3.2 Save as referred to in this paragraph 3 and in paragraph 4, no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

3.3 The Company does not have any securities in issue not representing share capital.

3.4 No shares in the capital of the Company are held by or on behalf of the Company or by any subsidiaries of the Company.

3.5 Save as referred to in paragraphs 3 and 4 of this Part 5, there are no acquisition rights or obligations over unissued capital or undertakings to increase the capital of the Company.

3.6 At the General Meeting, Resolutions are to be proposed that, *inter alia*:

(a) approve the reverse takeover pursuant to the AIM Rules and the Euronext Growth Rules;

(b) grant the Open Orphan Directors authority to allot, amongst other things, the Consideration Shares and the Placing Shares; and

(c) disapply statutory pre-emption rights in relation to, amongst other things, the issue of the Placing Shares.

3.7 The Open Orphan Directors intend to exercise the authorities described in paragraphs 3.6(b) and 3.6(c) to issue up to 365,489,715 Ordinary Shares pursuant to the Acquisition and the Placing (representing approximately 58.9 per cent. of the Enlarged Share Capital).

3.8 The Acquisition will result in the issue of 365,489,715 New Ordinary Shares on Admission. Assuming allocation of all Placing Shares, the Company's issued share capital as at the date of this document, following the allotment of the Consideration Shares and immediately upon Admission is expected to be:

	Number of Shares			*Nominal value (£)*		
	At the date of this document	*Including Consideration Shares*	*Including Placing Shares*	*At the date of this document*	*Including Consideration Shares*	*Including Placing Shares*
Ordinary Shares	254,572,567	460,062,282	620,062,282	£254,572.567 (0.1 pence per share)	£460,062.282 (0.1 pence per share)	£620,062.282 (0.1 pence per share)
Deferred shares of 0.1 pence each	62,833,339	62,833,339	62,833,339	£62,833.339 (0.1 pence per share)	£62,833.339 (0.1 pence per share)	£62,833.339 (0.1 pence per share)

3.9 The net asset value of an existing Ordinary Share (prior to the issue of the Placing Shares or the Consideration Shares), based on the net assets of Open Orphan as at 31 December 2018 is £0.01 (the "**Net Asset Value per Share**").

4. Share options and warrants

4.1 The Company has established the Option Scheme for the benefit of its employees and officers.

4.2 At the date of this document, there are options outstanding over 11,936,964 Ordinary Shares which were issued pursuant to the Option Scheme. The options vest in equal instalments when the Company's share price trades at 25 pence, 35 pence and 45 pence for 20 consecutive days.

4.3 The following options have been granted to Open Orphan Directors in relation to the Ordinary Shares and are outstanding at the date of this document or will be at the date of Admission:

Director	*Number of options*	*Grant date*	*Exercise price per share (pence)*	*Expiry date*
Christian Milla	770,000	14/09/2017	13	13/09/2027
Michael Ryan	200,000	14/09/2017	13	13/09/2027
Maurice Treacy	7,716,964	28/06/2019	5.6	27/06/2022

4.4 The following warrants have been granted by the Company and are outstanding over Ordinary Shares at the date of this document or will be at the date of Admission:

Grant date	*Number of shares*	*Exercise price per share (pence)*	*Expiry date*
07/06/2011	166,666	30	06/06/2021
11/12/2018	1,759,752	0.1	10/12/2023
11/12/2018	3,210,940	2.2	10/12/2023
27/06/2019	1,607,142	5.6	27/06/2024

4.5 The following warrants have been granted to Directors in relation to the Ordinary Shares and are outstanding at the date of this document or will be at the date of Admission:

Director	*Number of shares*	*Date granted*	*Exercise price per share (pence)*	*Expiry date*
Cathal Friel*	657,285	11/12/2018	0.1/2.2	10/12/2023

* These warrants are legally held by Cathal Friel CMF Pension Fund and are beneficially held by Cathal Friel.Cathal Friel acquired these warrants by virtue of his investment in the Company's December 2018 financing.

4.6 As at the date of this document (save as set out in this paragraph 4), no warrants or options over Ordinary Shares have been granted by the Company.

4.7 ***The Option Scheme***

The following is a summary of the rules of the Option Scheme:

Eligibility

The Open Orphan Directors have absolute discretion as to the selection of persons to whom an option is granted by the Company.

Grant of options

Options may be granted at any time at the discretion of the Company, provided that they are not granted at a time when the grant would be prohibited by or in breach of the Company's share dealing code or any law or other regulation or more than ten years after the date of adoption of the Option Scheme.

In order to grant options, the Company must execute and deliver to the relevant option holder an option certificate, which details the date of the grant of the options, the number of shares over which the options are granted, the exercise price, the earliest date that the option can be exercised (or any reason as to why it may be exercise or lapse earlier than that date) and any conditions relating to the option.

When granting options the Company may specify that the options may only be exercised and shall only vest as to specified proportions on or after specified dates.

When granting options the Company may specify, and notify to the participant, performance related conditions to be satisfied before those options can be exercised. These conditions should be measured against such objective criteria as the Remuneration Committee may determine. There are limited powers to amend a performance condition, provided that any amended condition must afford a more effective incentive for the participant and shall be no more difficult to satisfy than were the original conditions when first set.

Options granted under the Option Scheme are personal to a participant and may not be transferred (except on his death), assigned or charged.

Any option granted will not form part of the participant's contract of employment and no person is entitled to have an option granted to them due to their having a contract of employment with the Company (or a member of the Company's group).

Exercise price

The price at which participants in the Option Scheme may acquire Ordinary Shares may be such price as determined by the Open Orphan Board, provided that the exercise price must not be lower than the nominal value of the Ordinary Shares.

Exercise, lapse and exchange of options

Options may normally be exercised in whole or in part at any time after the exercise date notified to the participant at the time of grant of the option provided any conditions (including in respect of performance) specified at the date of grant have been achieved.

Options will normally lapse on cessation of employment/directorship or if the company which employs/engages the person ceases to be a member of the Open Orphan Group. However, exercise is permitted for a period of six months following cessation of employment if the Open Orphan Board, in its absolute discretion, so determines and any conditions have been satisfied. Following the death of the participant, his personal representatives are permitted to exercise options for a period of 12 months but only to the extent that, at the date of such death, the option has vested and the performance conditions have been satisfied.

Options immediately lapse if the participant attempts to transfer, assign or charge their option, if a condition relating to the whole of the option is incapable of being met, on the first anniversary of an participant's death, on the tenth anniversary of the date of grant and in the event that the participant becomes bankrupt, applies for an interim order under Part VIII of the Insolvency Act 1986 or proposes or makes a voluntary arrangement under Part VIII of the Insolvency Act 1986. If an offer is made by a person to obtain control of the Company, the Open Orphan Board should give participants a reasonable period to exercise their options, ending immediately before the change of control. In the event of a change in control of the Company, options may be exercised within six weeks of such event.

If a person is bound or entitled to acquire Ordinary Shares under Chapter 3 of Part 28 of the Companies Act, the Open Orphan Board shall notify participants that their options may be exercised within one month of the date of such person becoming so bound.

In the event of a compromise or arrangement pursuant to Part 26 and (where applicable) Part 27 of the Companies Act, options may be exercised during the period of six weeks following the person obtaining control of the Company, unless the relevant compromise or arrangement includes appropriate provisions for the replacement of the option or other compensation for the participants for the loss of options.

Unexercised options lapse at the end of the specified periods.

In the event of a voluntary winding-up of the Company, options may be exercised in the period before that resolution is withdrawn, rejected or passed.

In order to exercise an option, the participant must serve written notice on the Company which specifies the number of Ordinary Shares in respect of which the option is to be exercised, and which is accompanies by payment in respect of the exercise price and the option certificate in relation to that option. Options will be satisfied by the issue of Ordinary Shares by the Company, within 30 days of receipt of the notice, payment and option certificate from the participant.

Adjustments

The number of Ordinary Shares comprised in an option and/or exercise price may be adjusted by the Open Orphan Board in the event of a capitalisation or rights issue or sub-division, consolidation or reduction or any other variation of the Company's share capital occurs.

Rights attaching to shares

All Ordinary Shares allotted under the Option Scheme will rank equally in all respects with the Ordinary Shares for the time being in issue, save as regards any rights attaching to such Ordinary Shares by reference to a record date prior to the date of such allotment.

Administration, amendments and termination

The Company is required to keep sufficient authorised but unissued Ordinary Shares available in order to satisfy the exercise of all options to subscribe for Ordinary Shares under the Option Scheme.

The Board may at any time alter or add to any of the provisions of the Option Scheme, provided that no such alteration or addition shall take effect so as to affect the liabilities of any person other than the Company in relation any option without the prior written consent of such person.

Income tax and national insurance

The grant of an option includes an obligation on the participant to make payment to the Company (or the relevant member of its group) for any income tax liability and primary class I (employee) national insurance contributions which arise on the exercise by him of an option, or an option to enter into arrangements with the Company to secure such payment. Participants may also be required to cover any employers' secondary class I national insurance contributions which will arise for the Company (or the relevant member of its group) on gains made on the exercise of options. If a participant does not make such tax liability payments, the Company shall retain Ordinary Shares from the participant in order to sell such Ordinary Shares to cover the tax liability payment.

5. Memorandum and articles of association

The provisions of the Company's memorandum of association and articles of association are summarised as set out below:

Memorandum of association

5.1 In accordance with the Companies Act, the Company's Memorandum of Association does not set out any objects or purposes. The Company's objects are unrestricted and its purposes are therefore whatever the Directors determine.

Articles of association

5.2 ***Adoption***

The Articles were adopted by special resolution passed on 22 November 2012 and amended by special resolution passed on 27 June 2019. They contain the provisions (amongst others) set out below.

5.3 ***Meetings of members***

The Company must in each year hold a general meeting as its AGM. Not more than 15 months can elapse between AGMs. An AGM must be convened, unless all shareholders entitled to attend and vote agree to short notice, on giving 21 days' notice in writing to the members of the Company.

Other meetings can be convened by the Company from time to time referred to as general meetings. If the meeting is for the passing of an ordinary or special resolution, then 14 days' written notice to convene the general meeting is required.

Notice may be validly given where sent in electronic form (as defined in the Companies Act) or made available on the Company's website (once the Company has agreed with a member that such service shall be permitted).

General meetings can be convened on shorter notice with the agreement of shareholders being a majority in number and holding not less than 95 per cent. in nominal value of the shares giving a right to attend and vote at the meeting.

AGMs can be convened on shorter notice with the agreement of all shareholders entitled to attend and vote at that AGM.

Shareholders need not attend a meeting of the Company in person but can do so by way of a validly appointed proxy. Proxies are appointed in accordance with the Articles. In essence, to be validly appointed, details of the proxy must be lodged at the Company's registered office no later than 48 hours before the commencement of the relevant meeting (although a lesser time may be specified by the notice of the meeting) or in the case of a poll which is not taken at or on the same day as the meeting, not less than 24 hours prior to the taking of the poll. Failure to lodge details of the appointed proxy in accordance with the Articles will result in the proxy not being treated as valid.

5.4 ***Voting rights***

Subject to any rights or restrictions as to any shares, on a show of hands every member who (being an individual) is present in person (or by proxy) or (being a corporation) is present by its duly authorised representative shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share in the capital of the Company held by him. A proxy need not be a member of the Company.

5.5 ***Alteration of capital***

The Company may by ordinary resolution increase its share capital, consolidate and divide all or any of its share capital into shares of a larger amount, sub-divide all or any of its shares into shares of a smaller amount and cancel any shares not taken, or agreed to be taken, by any person.

Subject to the provisions of the Companies Act and to any special rights attaching to any shares, the Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shares.

The Company may, subject to the Companies Act, by special resolution reduce or cancel its share capital or any capital redemption reserve or share premium account in any way. Subject to and in accordance with the provisions of the Companies Act and to any rights for the time being attached to any share, the Company may purchase its own shares of any class (including any redeemable shares).

The rights attaching to shares in the Company are set out in its Articles and summarised in this paragraph 5.5. The alteration or change of these rights would require the passing of a special resolution passed at a general meeting of the Company to be convened. This would require 21 days' written notice for an AGM or 14 days' written notice for a general meeting to be given to each holder of shares of the relevant class. Each Shareholder would have the right to attend the general meeting in person or by proxy and vote on the resolution to be proposed and would require a majority of not less than three-quarters of shareholders voting in person or by proxy at such general meeting.

5.6 ***Variation of rights***

If at any time the capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class of shares in the Company may be altered or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares

of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. At every such separate general meeting, the quorum shall be not less than two persons holding or representing by proxy no less than one-third in nominal value of the issued shares of that class, unless there is from time to time only one person.

There are no conditions imposed by the Articles regarding changes in the Company's capital which are more stringent than required by the laws of England and Wales.

5.7 ***Return of capital***

Subject to any preferred, deferred or other special rights, or subject to such conditions or restrictions to which any shares in the capital of the Company may be issued, on a winding-up or other return of capital, the holders of ordinary shares are entitled to share in any surplus assets pro rata to the amount paid up on their ordinary shares.

A liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required, divide amongst the members in specie the whole or any part of the assets of the Company, those assets to be set at such value as he deems fair. A liquidator may also vest the whole or any part of the assets of the Company in trustees on trusts for the benefit of the members.

No member shall be compelled to accept any assets on which there is a liability.

5.8 ***Transfer of shares***

A member of the Company may transfer all or any of his shares (1) in the case of certificated shares by instrument in writing in any usual or common form or in such other form as the directors may approve; and (2) in the case of uncertificated shares, in accordance with the terms of the CREST Regulations and the facilities and requirements of the relevant system concerned. The instrument of transfer of a share in certificated form shall be executed by or on behalf of the transferor and, if the share is not fully paid, by or on behalf of the transferee.

The directors may in their absolute discretion refuse to register the transfer of any share which is not fully paid or on which the Company has a lien, provided that dealings in the shares are not prevented from taking place on an open and proper basis.

The directors may also refuse to register the transfer of a share which is in favour of more than four transferees, or which is in respect of more than one class of share or which has not been presented for registration duly stamped accompanied by the share certificates for the shares to which the transfer relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer. If the directors refuse to register a transfer, they shall within two months of the date on which the instrument of transfer was lodged with the Company (or in the case of uncertificated shares the operator-instruction was received by the Company), send to the transferee notice of the refusal.

The registration of transfers of shares or of any class of shares may be suspended (in accordance with the Companies Act) at such times and for such periods as the directors may determine provided that it shall not be closed for more than thirty days in any year and so that such a suspension shall only apply to uncertificated shares with the prior consent of the operator. No fee shall be payable to the Company for the registration of any transfer or any other document relating to or affecting the title to any share or for otherwise making an entry in the register of members relating to any share.

5.9 ***Dividends and other distributions***

The Company may (subject to the provision of the Companies Act) by ordinary resolution in general meeting declare dividends to be paid to members in accordance with their respective rights and their respective interests in the profits available for distribution. No dividend shall exceed the amount recommended by the directors.

Except as otherwise provided by the rights attached to or the terms of issue of shares, all dividends shall be declared on the Ordinary Share capital according to the amounts paid or

credited as paid on such shares during any portion or portions of the period in respect of which the dividend is paid.

No amount paid or credited as paid in advance of calls shall be regarded as paid on shares for this purpose.

The Company may by ordinary resolution, upon the recommendation of the Directors, direct payment or satisfaction of such dividend wholly or partly out of specific assets and, in particular, of fully paid up shares or debentures of any other company. Any difficulty with such a distribution may be settled by the directors as they think expedient and in particular they may issue fractional certificates or authorise any person to sell or transfer any fractions, or they may ignore the fractions all together.

The Directors may from time to time pay such interim dividends as appear to the Directors to be justified by the distributable profits of the Company and the position of the Company, subject to the provisions of the Companies Act. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividends as well as on shares which confer preferential rights with regard to a dividend. No interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

The Directors may also pay a dividend payable at a fixed rate at such intervals settled by them if it appears to them that the profits available justify the payment.

The Directors shall not incur any liability to the holders of shares conferring any preferential rights for any loss that they may suffer by reason of the payment of an interim dividend on any shares having deferred on non-preferential rights provided that they act in good faith.

The Company may deduct from any dividend payable all sums of money (if any) due to the Company by the member on account of calls or otherwise and use such monies to satisfy such amount payable.

All dividends unclaimed for a period of 12 years after having been declared shall if the Directors so resolve be forfeited and shall revert to the Company and the Company shall not be constituted a trustee thereof. All dividends unclaimed for a period of 12 months shall be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

There is no fixed date on which an entitlement to dividend arises. The Board may, if authorised by an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer any holders of Ordinary Shares the right to elect to receive additional Ordinary Shares, credited as fully paid, in lieu of cash in respect of any dividend or any part of any dividend specified by the ordinary resolution.

5.10 ***Suspension of rights***

If a member or any other person appearing to be interested in shares held by such shareholder has been duly served with notice under section 793 of the Companies Act and is in default in supplying to the Company within 28 days (or such other period as may be specified in such notice) the information thereby required, then (unless the directors otherwise determine) such member shall not be entitled to vote or to exercise any right conferred by membership in relation to meetings of the Company in respect of the shares which are the subject of such notice.

Where the holding represents more than 0.25 per cent. of the issued shares of that class, the payment of dividends may be withheld, and such member shall not be entitled to transfer such shares otherwise than by an arm's length sale.

5.11 ***Pre-emption rights***

There are no rights of pre-emption under the Articles of the Company in respect of transfers of issued ordinary shares.

In certain circumstances, the Company's shareholders may have statutory pre-emption rights under the Companies Act in respect of the allotment of new shares in the Company. These

statutory pre-emption rights would require the Company to offer new shares for allotment by existing shareholders on a pro rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to the Company's shareholders.

Pursuant to Resolution 5.1 of the Open Orphan General Meeting, authority is being sought to dis-apply statutory pre-emption rights in respect of the Placing Shares, with such authority to expire on the earlier of the date of the Company's next AGM or the expiry of 15 months from the date of the resolution.

5.12 ***Untraced shareholders***

The Company is entitled to sell at the best price reasonably obtainable any shares in the Company after advertising its intention in both a national daily newspaper published in the UK and in any newspaper circulating in the area in which the last known address of the member, or the address for the service of notice in accordance with the Articles, is located and waiting for three months following the newspaper advertisement during which time there has been no indication that the member can be traced, if the shares have been in issue for at least twelve years preceding such notification and during that period warrants and cheques for at least three dividends, whether interim or final, in respect of shares of the same class as the shares to be sold have been sent by the Company in a pre-paid letter to the member at his registered address shown in the register of members and remain unclaimed and uncashed or have been returned undelivered.

Upon any such sale the Company will become indebted to the former holder of the shares or the person entitled to them by transmission for an amount equal to the net proceeds of sale.

5.13 ***Directors***

The Company may appoint a director by way of ordinary resolution either to fill a vacancy or as an additional director. The number of directors shall not, unless otherwise determined by an ordinary resolution of the Company, be less than two. The Company may from time to time by way of ordinary resolution fix a maximum number of directors and vary that maximum number.

A Director need not be a member of the Company but shall be entitled to receive notice of and to attend and speak at all general meetings of the Company and all separate meetings of the holders of any class of securities of the Company.

The Directors shall be paid out of the funds of the Company by way of remuneration for their services as directors such fees at such rates as the directors may determine provided that such fees do not in aggregate exceed £250,000 per annum or such other sum as the Company in general meeting may determine. Such remuneration shall be divided among the directors in such proportion or manner as may be determined by the directors, or failing agreement, equally.

The Directors shall also be paid out of the funds of the Company all reasonable travelling, hotel and other expenses properly incurred by them in connection with the business of the Company, including expenses of travelling to and from meetings of the directors, or committee meetings or general meetings. A director may also be paid out of the funds (by way of salary, participation in profits or otherwise as the directors may determine) of the Company expenses incurred by him in performing services which in the opinion of the directors are outside the scope of his ordinary duties as a director.

The Directors may appoint any person to be a director, either to fill a casual vacancy or by way of addition to their number, but the total number of directors shall not exceed the maximum number fixed by or in accordance with the Articles. Any director so appointed shall retire from office at the next AGM of the Company but shall then be eligible for re-appointment. Such a director shall not be taken into account when determining which directors shall retire by rotation at an AGM. At each AGM any director bound to retire in this way and one third of the other directors (or if the number is not a multiple of three, this shall be rounded down to the nearest whole number) for the time being shall retire from office. A retiring director shall retain office until the close of the meeting at which he retires. Any director who is still in office at the start of the general meeting which falls nearest to the third anniversary of the AGM at which he was

appointed or last appointed shall retire by rotation. The directors to retire at each AGM will, first, be the directors who have been longest in office since their last appointment. As between directors who have been in office an equal length of time, the directors to retire shall, unless they shall otherwise agree among themselves, be selected from among them by lot. The retiring directors shall be eligible for re-appointment. If at any meeting at which an appointment of directors ought to take place the office vacated by any retiring director is not filled, the retiring directors shall, if willing, be deemed to continue in office until dissolution of the AGM in the next year, unless at the meeting it is expressly resolved to reduce the number of directors, or unless a resolution for the re-appointment of the retiring director is put to the meeting and lost. No other director other than a director retiring at the meeting shall be appointed or reappointed unless not less than seven and no more than 42 days before the date appointed for the meeting, notice executed by a member entitled to vote at the meeting (and not the person being proposed) has been given to the Company of the intention for that person to be appointed or reappointed, which must state the particulars which would be added to the Company's register of directors, together with notice executed by the person being proposed of his willingness to be appointed.

The Directors may establish and maintain or procure the establishment and maintenance of any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments or other benefits for employees, ex-employees, directors of the Company or any of the Company's subsidiaries or companies with which the Company is associated or the relatives or dependents of any such person.

A Director (including an alternate director) may hold any other office or place of profit in the Company, except that of auditor of the Company or any Subsidiary, and subject to the provisions of any statute no director shall be disqualified from entering into any contract, arrangement, transaction or proposal with the Company either in regard to such other office or place of profit or as vendor, purchaser or otherwise. A director so contracting or so interested shall not be liable to account to the Company for any profit realised by any such transaction or arrangement by reason of such director holding that office or as a result of his fiduciary relationship, but the nature of his interest shall be disclosed by him in accordance with the provisions of the Companies Act and any other act affecting the Company. The directors may use the voting powers of shares held or owned by the Company in such manner as they think fit.

The Directors may from time to time appoint any one of their number to be Managing Director or to hold any other executive office on such terms as they think fit. Such a director may receive such remuneration as the directors may determine. Such appointment shall be terminated if he ceases to be a director. The directors may entrust and empower any executive director with any of the powers exercisable by them as directors, other than the power to make calls for forfeiture of shares, upon such terms and conditions and with such restrictions as they think fit.

A Director shall not vote in respect of any contract, arrangement, transaction or proposed contract, transaction or arrangement or any other proposals whatsoever in which he (together with any person connected to him) has a material interest other than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. A director shall not be counted in the quorum at a meeting in relation to any resolution from which he is debarred from voting. The directors may authorise a director's conflict of interest pursuant to section 175 of the Companies Act.

Notwithstanding the above, a director shall be entitled to vote (and be counted in the quorum) on any resolution concerning any of the following matters:

(a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;

(b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or of any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

(c) any contract or arrangement by a director to subscribe for shares, debentures or other securities of or by the Company issued or to be issued pursuant to any offer or invitation

to members or debenture holders of the Company or any class thereof or to the public or any section thereof or in the underwriting of shares, debentures or other securities;

(d) any contract or arrangement in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;

(e) any proposal concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to both directors and employees of the Company or any subsidiary and which does not award him any privilege or benefit not awarded to the employees to whom such arrangements relate;

(f) any proposal or arrangement with another company in which he and any persons connected with him are not to his knowledge interested in shares representing one per cent. or more of the equity share capital or the voting rights of such company;

(g) an arrangement for the benefit of the employees of the Company or any of its subsidiaries which does not award him any privilege or benefit not awarded to the employees to whom such arrangements relate; or

(h) any proposal concerning the purchase or maintenance of insurance for any officer of the Company including the Directors.

The Company may suspend or relax to any extent the restrictions on a Director voting in relation to a specific matter and may ratify any transactions not duly authorised due to a breach of the Articles. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to any offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each director separately and in that case each of the directors concerned (if not debarred from voting under the Articles) shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment or the arrangement or variation of the terms thereof. If a question arises at a meeting of the directors as to the right of a director to vote, the matter shall be referred to the chairman of the meeting whose ruling shall be conclusive. Where such issue arises in respect of the chairman, the issue shall be decided by a resolution of the directors (not including the chairman).

A director shall be removed from office if:

(a) he ceases to be a director by virtue of any provisions of statute or the Articles or he becomes prohibited by law from being a director;

(b) he becomes bankrupt or he makes any arrangement or composition with his creditors generally;

(c) an order is made by a court of competent jurisdiction by reason of his mental disorder for his detention or for appointment of any person to exercise powers with respect to his property or affairs;

(d) both he and his alternate director (if any) are absent, without the permission of the Board, for Board meetings for six consecutive months and the Board resolves that his office be vacated;

(e) he is requested to resign by notice in writing signed by all the other directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company);

(f) he gives to the Company notice of his wish to resign (where no employment contract precludes resignation); or

(g) he is removed from office by notice in writing served upon him signed by all his co-directors.

5.14 ***CREST***

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. This settlement procedure is reflected in the Articles.

5.15 ***Change of Control***

There have been no public takeover bids by third parties in respect of the Company's equity in the current financial year or the previous financial year.

There are no provisions in the Articles which would have the effect of delaying, deferring or preventing a change of control of the Company.

5.16 ***Disclosure of interests in shares***

The provisions of the Disclosure Guidance and Transparency Rules govern the disclosure of interests in shares. Where a person has material interests in shares where the voting rights attaching to such shares are equal to or more than three per cent. of the total voting rights attaching to the Company's share capital then the person has an obligation to disclose such interest. To the extent that such holding increases or decreases by each percentage point above three per cent., that person is obliged to disclose such interests.

5.17 ***Compulsory acquisition of shares***

Under the Companies Act, if an offeror made an offer to acquire all the Ordinary Shares and successfully acquired 90 per cent. of the Ordinary Shares within four months of making its offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders. The consideration offered to the Shareholders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

The Companies Act also gives minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who had made a takeover offer. If a takeover offer related to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares.

The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises his/her rights, the offer or is bound to acquire those shares on the terms of the offeror on such other terms as may be agreed.

5.18 ***Borrowing powers***

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets both present and future (including uncalled capital) and, subject to the Companies Act, to issue debentures, loan stock or any other securities whether outright or as collateral security for any debt, liability or obligation of the Company or any third party subject to a limit equal to three times the Company's adjusted share capital and reserves.

6. Interests of the Existing Directors, Proposed Directors and Significant Shareholders

6.1 In addition to the warrants and options set out in paragraph 4 of this Part 5, the interests of the Existing Directors, the Proposed Directors and the persons connected with them (within the meaning of sections 252 to 255 of the Companies Act) in the share capital of the Company as at the date of this document and as they are expected to be immediately following Admission are as follows:

Existing Director/ Proposed Director	*As at the date of this document*		*On Admission*	
	Ordinary Shares	*Percentage of Existing Share Capital*	*Ordinary Shares*	*Percentage of Enlarged Share Capital*
Michael Ryan	134,586	0.2	134,586	<0.1
Brendan Buckley	7,845,860	3.1	7,845,860	1.2
Cathal Friel	41,046,981*	16.1	41,046,981*	6.6
David Kelly	–	–	–	–
Christian Milla	–	–	–	–
Maurice Treacy	–	–	–	–
Trevor Phillips	–	–	–	–
Mark Warne	2,543**	<0.1	2,543**	<0.1
Michael Meade	–	–	–	–
Total	49,029,970	19.5	49,027,427	7.8

* These Ordinary Shares are held by Raglan Road Capital Limited and Horizon Medical Technologies Limited, both companies controlled by Cathal Friel, and Cathal Friel's wife, Pamela Iyer.

•• These Ordinary Shares are held through Mark Warne's account with Interactive Investor.

6.2 So far as the Existing Directors and the Proposed Directors are aware, the only persons who are directly or indirectly interested (within the meaning of Chapter 5 of the DTR) in three per cent. or more of the Ordinary Shares in issue as at the date of this document, and are expected (based on the information available as at the date of this document) immediately following Admission (as appropriate) are as follows:

Shareholder	*As at the date of this document*		*On Admission*	
	Ordinary Shares	*Percentage of Existing Share Capital*	*Ordinary Shares*	*Percentage of Enlarged Share Capital*
Anthony Richardson	16,313,388	6.4	16,313,388	2.6
Gresham House Asset Management	13,081,337	5.1	13,081,337	2.1
Crux Asset Management	10,428,571	4.1	10,428,571	1.7

*These Ordinary Shares are held by Raglan Road Capital Limited and Horizon Medical Technologies Limited, both companies controlled by Cathal Friel, and Cathal Friel's wife, Pamela Iyer.

6.3 The Company's significant shareholders listed above do not have and on Admission will not have different voting rights to the Company's other shareholders.

6.4 As at 6 December 2019 (being the latest practicable date prior to publication of this document) and save as disclosed in this paragraph 6, the Directors are not aware of any person or persons who, directly or indirectly, jointly or severally, following the implementation of the Proposals own or exercise or could own or exercise control over the Company.

6.5 Save as disclosed in this document, the Company is not aware of any arrangements which may at a subsequent date result in a change of control in the Company.

6.6 There are no mandatory takeover bids outstanding in respect of the Company and none has been made either in the last financial year or the current financial year of the Company. No public takeover bids have been made by third parties in respect of the Company's issued share capital in the current financial year nor in the last financial year.

6.7 Save as set out in this paragraph 6, following Admission neither the Directors nor any person connected with the Directors (within the meaning of section 809 of the Companies Act) is expected to have any interest, beneficial or non-beneficial, in the share or loan capital of any member of the Enlarged Group.

6.8 Save as disclosed in this document, none of the Directors have any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, any member of the Enlarged Group and no contract or arrangement exists in which a Director is materially interested and which is significant in relation to the business of the Enlarged Group.

6.9 There are no outstanding loans granted by any member of the Enlarged Group to any of the Directors, nor are there any guarantees provided by any member of the Enlarged Group for their benefit.

6.10 Save as disclosed in this paragraph 6, none of the Directors have any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the enlarged Group taken as a whole and which was effected by any member of the Enlarged Group since its incorporation and which remains in any respect outstanding or unperformed.

6.11 None of the Directors (nor any member of their respective families), has a related financial product (as defined in the AIM Rules and the Euronext Growth Rules) referenced to the Ordinary Shares.

6.12 In respect of the Directors and the senior managers, save as set out in this document, there are no conflicts of interest between any duties they have to the Company and their private interests and/or other duties they may have.

6.13 Save as set out in this document, there are no arrangements or undertakings between the Directors or the senior managers and any major shareholder, customer or supplier of the Enlarged Group pursuant to which any Director or senior manager was selected or will be selected as a member of the administrative, management or supervisory body or member of senior management of the Company.

7. Additional Information on the Existing Directors and the Proposed Director

7.1 Other than their directorships in the Company, the Existing Directors and the Proposed Director hold or have held the following directorships or are or have been partners in the following partnerships within the five years prior to the date of this document:

Existing Directors	*Current Directorships/Partnerships*	*Past Directorships/Partnerships*
Brendan Buckley	Open Orphan DAC Afimmune Limited Fighting Blindness DS Biopharma Limited Alliance for Clinical Research Excellence and Safety, Inc Breakthrough Cancer Research	Irish Platform for Patients' Organisations, Science and Industry Company Limited
Cathal Friel	Open Orphan DAC Horizon Medical Technologies DAC Horizon Medical Technologies Limited Raglan Natural Resources Limited Raglan Capital Limited Raglan Road Capital Limited Fastnet Oil & Gas (Ireland) Limited Fastnet Hydrocarbon Limited	Amryt Pharmaceuticals DAC Amryt Pharma PLC T5 Oil & Gas UK Limited T5 Oil & Gas Limited New Horizon Oil & Gas Ireland Limited Online Fun Charity Bingo Limited Raglan Acquisitions Limited Fitzwilliam Place Capital Limited Pathfinder Hydrocarbon Ventures Limited
Christian Milla	Milla Projects Consulting	Cromsource SRL

Existing Directors	*Current Directorships/Partnerships*	*Past Directorships/Partnerships*
Michael Ryan	Sedana Medical AB Irrus Investments Limited Irrus Investments Nominee Limited TecScan Ireland Limited Salmur Limited	Sedana Medical Limited Venn Life Sciences Limited Venn Life Sciences (Ireland) Limited Wakeside Property Limited
Maurice Treacy	Open Orphan DAC	Genomics Medicine Ireland Limited
Proposed Directors	*Current Directorships/Partnerships*	*Past Directorships/Partnerships*
Dr Trevor Phillips	Hvivo Services Limited Hvivo plc Imutex Limited Morvus Technology Limited Nepesmo Ltd Prep Biopharm Limited Prostratex Ltd	Andaris (DDS) Limited Andaris Group Limited Innovata Biomed Limited Innovata Limited Microshot Limited Protosome Limited Qdose Limited Quadrant Bioresources Limited Quadrant Drug Delivery Limited Quadrant Healthcare Limited Quadrant Healthcare (UK) Limited Quadrant Holdings Cambridge Limited Quadrant Technologies Limited Quadrant Trustee Limited Vectura Delivery Devices Limited Vectura Group Investments Limited Vectura Group plc Vectura Group Services Limited Vectura Limited
Dr Mark Warne	Deepmatter Group plc Deepmatter Ltd Deepmatter Tech Limited Hvivo plc Infochem GmbH Ixico plc Openiolabs Ltd	Capsant Neurotechnologies Limited Crysalin Limited Genomics plc OM France S.à.r.l. Optimal Medicine Inc Oxford Cadd Limited
Michael Meade	None	None

7.2 Cathal Friel was a director of Pathfinder Hydrocarbon Ventures Limited which went into solvent voluntary liquidation in 2016 with nothing owed to creditors.

7.3 Dr Mark Warne was a director of Oxford Cadd Limited which went into solvent voluntary liquidation in 2017 with nothing owed to creditors. He was also a director of Capsant Neurotechnologies Limited which went into solvent voluntary liquidation in September 2019 with nothing owed to creditors.

7.4 Save as disclosed above, none of the Existing Directors or the Proposed Directors have:

(a) any unspent convictions in relation to indictable offences;

(b) any bankruptcy order made against him or entered into any individual voluntary arrangements;

(c) been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration, been subject to a company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;

(d) been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

(e) been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership; or

(f) been publicly criticised by any statutory or regulatory authority (including recognised professional bodies) or been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of any company.

8. Directors' Service Agreements, Letters of Appointment, Remuneration and Fees

8.1 The Company has entered into the following agreements with the Existing Directors and the Proposed Directors:

(a) A contract of employment dated 1 September 2019 (effective from 14 May 2019), between (1) Open Orphan DAC and (2) Cathal Friel pursuant to which Cathal Friel was appointed as a Director and Chief Executive Officer of Open Orphan DAC at an annual salary of €160,000 on a full-time basis. The employment contract is terminable on five months' notice from either party. Cathal is also eligible for an annual performance-related bonus of up to 25 per cent.of annual salary from time to time.

(b) A contract of employment dated 2 September 2019 (effective from 14 May 2019), between (1) Open Orphan DAC and (2) Maurice Treacy pursuant to which Maurice Treacy has been appointed as a Director of Open Orphan DAC at an annual salary of €150,000 on a full-time basis. It was recorded that his appointment was conditional upon completion of the Merger and re-admission of shares to trading on AIM on 28 June 2019. The employment contract is terminable on five months' notice from either party. Maurice is also eligible for an annual performance-related bonus of up to 25 per cent. of annual salary from time to time. Maurice is also granted options over Ordinary Shares up to the value of €500,000 at 5.6 pence per share subject to vesting conditions.

(c) A contract of employment dated 19 July 2017 (effective from 16 August 2017), between (1) Venn Life Sciences France SAS and (2) Christian Milla pursuant to which Christian Milla was appointed as a Chief Operating Officer of the Company at an annual salary of €160,000 on a full-time basis. The employment contract is terminable on three months' notice from either party. Christian is also eligible for an annual performance-related bonus of up to 40 per cent. of annual salary from time to time, together with an annual motoring allowance of €5,000 for use of his personal vehicle. He has the right to participate in the Option Scheme.

(d) A letter of appointment dated 14 May 2019, between (1) the Company and (2) Brendan Buckley pursuant to which Brendan Buckley was appointed as a non-executive director and Chairman of the Company at an annual fee of £50,000 on the basis of a minimum of 34 business days per annum and a day rate of £1,500 for each additional day thereafter. The agreement may be terminated by either party serving at least three months' written notice on the other. The agreement contains normal provisions for termination. Pursuant to an agreement dated on or around the date of this document, Mr Buckley's letter of appointment was amended to: (i) refer to the fact that his role would change from non-executive Chairman to non-executive Director; and (ii) amend his annual fee to £30,000 plus £15,000 in respect of his appointment to the Remuneration Committee. All other terms of his original agreement remain the same.

(e) A letter of appointment dated 14 December 2012, between (1) the Company and (2) Michael Ryan pursuant to which Michael Ryan was appointed as a non-executive director of the Company at an annual fee of £12,000 on the basis of a minimum of twelve business days per annum and a day rate of £500 for each additional day thereafter. The agreement may be terminated by either party serving at least three months' written notice on the other. The agreement contains normal provisions for termination. An amendment to

this letter of appointment has subsequently been entered into on 7 January 2013 between (1) the Company, (2) Michael Ryan and (3) TecScan Ireland Ltd, such that Mike is engaged via a service company, TecScan Ireland Ltd. An amendment dated 1 October 2016 increases the annual fee to £25,000 per annum with a day rate of £1,000 for each additional day thereafter. The parties to the agreement are amended by the amendment dated 27 August 2019. The amendment also provides for a monthly payment of the annual fee (instead of a quarterly payment) at a set exchange rate.

(f) A letter of appointment dated 30 July 2019, between (1) the Company and (2) David Kelly pursuant to which David Kelly was appointed as a non-executive director of the Company at an annual fee of £25,000 on the basis of a minimum of 24 business days per annum and a day rate of £1,000 for each additional day thereafter. The agreement may be terminated by either party serving at least three months' written notice on the other. The agreement contains normal provisions for termination.

(g) An agreement dated on or around the date of this document between (1) the Company, (2) hVIVO and (3) Dr Trevor Phillips to amend Dr Phillips' existing service agreement entered into on 18 December 2017 (as amended), conditional upon the Offer becoming unconditional in all respects, with the effect that Dr Phillips will become Chief Executive Officer of the Open Orphan Group and will be appointed as a director of Open orphan plc (with all principal terms of the existing service agreement remaining the same). Under this agreement (as amended) Dr Phillips receives an annual salary of £265,000 and a travel allowance of £12,000 per year. hVIVO agrees to contribute an amount equal to 9 per cent. of his base salary towards a pension scheme of Dr Phillips' choice. Dr Phillips is also entitled to benefits under a life assurance scheme and a private medical insurance scheme. The agreement (as amended) is terminable on six months' prior notice from either party. Dr. Phillips will be granted options over 18,402,491 ordinary shares in Open Orphan. The options will vest over several years, dependent on the achievement of certain annual targets to be determined by Open Orphan's Remuneration Committee.

(h) A letter of appointment dated on or around the date of this document between (1) the Company and (2) Dr Mark Warne, pursuant to which Dr Warne will be appointed as a nonexecutive director of Open Orphan. Under the terms of the letter of appointment, Dr Mark Warne will continue to receive an annual gross fee of £30,000 on the basis of a minimum of 24 business days per annum and a day rate of £1,500 for each additional day thereafter. The appointment is terminable on three months' notice by either party.

(i) A letter of appointment dated on or around the date of this agreement, between (1) the Company and (2) Michael Meade pursuant to which Michael Meade was appointed as a non-executive director of the Company at an annual fee of £30,000 on the basis of a minimum of 24 business days per annum and a day rate of £2,000 for each additional day thereafter. The agreement may be terminated by either party serving at least three months' written notice on the other. The agreement contains normal provisions for termination.

8.2 There are no directors' service agreements, or contracts in the nature of services, with the Company, other than those which expire or are terminable without payment of compensation on no more than 12 months' notice.

8.3 Save as set out above, there are no existing or proposed service contracts between any Existing Directors or the Proposed Directors and any member of the Enlarged Group and there are no such service contracts which have been entered into or amended within six months of the date of this document.

8.4 Other than as disclosed above:

(a) there are no existing or proposed service contracts or consultancy agreements between any of the Existing Directors, the Proposed Directors or any member of the Enlarged Group and the Company or any member of the Enlarged Group. None of the arrangements referred to in paragraph 8.1 contains a right to benefits upon termination (other than those during the notice period under the relevant contract);

(b) no sums have been set aside or accrued by the Company or any member of the Enlarged Group to provide pension, retirement, or similar benefits for the Directors or senior managers; and

(c) no incentivisation arrangements have been entered into and no proposals as to any incentivisation arrangements have reached an advanced stage between Venn Life Sciences and the Directors.

9. Significant Changes

9.1 There has been no significant change in the financial or trading position of the Open Orphan Group since 31 December 2018, being the end of the last financial period, for which audited annual financial information has been published.

9.2 There has been no significant change in the financial or trading position of the hVIVO Group since 31 December 2018, being the end of the last financial period for which audited information has been published.

10. Material Contracts

The following contracts (not being in the ordinary course of business) have been entered into by the members of the Enlarged Group in the two years preceding the date of this document and which are or may be material or contain any provision under which any member of the Open Orphan Group has an obligation or entitlement which is or may be material to such member of the Open Orphan Group as at the date of this document:

10.1 ***The Open Orphan Group***

(a) An acquisition agreement dated 1 August 2018 between (1) CRM Biometrics GmbH ("**CRM**") and (2) Venn Life Sciences (Germany) Gmbh ("**VLSG**") pursuant to which VLSG agreed to acquire various assets from CRM for the conduct of biometric evaluations of clinical studies ("**CRM Acquisition Agreement**"). The consideration payable under the CRM Agreement was €20,000 in relation to the equipment purchased (which was due upon the conclusion of the contract) and a sum for purchased business opportunities as determined pursuant to the CRM Acquisition Agreement.

VLSG took on the liabilities of the business (including the employees) and CRM gave various indemnities and guarantees in favour of VLSG associated with the part of the business being acquired. The maximum liability of CRM for all guarantees claims under the CRM Acquisition Agreement (other than claims for tax and other indemnifications) is €200,000. Under the CRM Acquisition Agreement there is also exhibited a description of business opportunities that could be realised for VLSG as a result of the acquisition in the form of two research projects from Pharming Group NV conducted in support of CRM in the estimated amount to the acquired business of €200,000 – €300,000 for each project.

(b) An agreement dated 15 February 2019 between (1) Open Orphan and (2) Arden Partners pursuant to which Arden Partners was appointed to act as nominated adviser and joint broker to Open Orphan for the purposes of the AIM Rules. Open Orphan agreed to pay Arden Partners a fee of £60,000 (plus VAT) per annum, payable quarterly in advance and all reasonable expenses incurred by Arden Partners. The agreement contains certain undertakings and indemnities including but not limited to Open Orphan's compliance with all applicable laws and regulations. The agreement is terminable after the first anniversary on notice.

(c) An agreement dated 17 May 2019 between (1) Open Orphan and (2) Davy pursuant to which Davy was appointed to act as Euronext Growth advisor and joint broker to Open Orphan for the purposes of the Euronext Growth Rules. Open Orphan agreed to pay Davy a fee of €35,000 (plus VAT) per annum, payable annually in advance to Davy for its services and all reasonable expenses by Davy. The agreement is terminable on 6 months' notice.

(d) A loan note instrument executed by Open Orphan and dated 11 December 2018, creating fixed rate secured loan notes, up to a maximum amount of £1,000,000 ("**Loan Notes**"). Interest is payable on the Loan Notes at 10 per cent. per annum. The Loan Notes, which are to be secured by way of a second charge over Open Orphan, will be repayable by

Open Orphan on 11 December 2020. The loan note instrument contains customary warranties and representations in favour of the note holders.

(e) An equity warrant instrument executed by Open Orphan in connection with the Loan Notes and dated 11 December 2018 containing provisions for warrant holders to subscribe for 6,050,000 Ordinary Shares each in the issued share capital of Open Orphan ("**Warrant Shares**"). The subscription price for the initial 2,141,854 Warrant Shares is 0.1 pence per Warrant Share. For the remaining Warrant Shares, the subscription price is the average of the volume-weighted average price of ordinary shares, as reported by Bloomberg LP on the fifth trading day prior to the commencement date of the equity warrant instrument. The equity warrant instrument contains customary obligations on Open Orphan in favour of the warrant holders.

(f) A loan note instrument executed by Open Orphan and dated 6 April 2019, creating fixed rate secured loan notes, up to a maximum amount of £250,000 ("**Second Loan Notes**"). Interest is payable on the Second Loan Notes at eight per cent. per annum. The Second Loan Notes, which are to be secured as part of the second charge over Open Orphan in respect of the Loan Notes, will be repayable by Open Orphan on 6 May 2020. The loan note instrument contains customary warranties and representations in favour of the note holders. The Second Loan Notes are to rank pari passu with the Loan Notes.

(g) A debt conversion deed ("**DC Deed**") dated 12 April 2019 between Venn Life Sciences Limited ("**VLSL**") and Integumen pursuant to which a loan of £421,000 owing from Integumen to VLSL was settled by the issue to VLSL of 30,071,4278 ordinary shares of 0.01 pence each in the capital of Integumen ("**Conversion Shares**"), which were allotted at 1.4 pence per share. In return for the issue of the Conversion Shares, Integumen was unconditionally and irrevocably released and discharged from any and all covenants, liabilities, claims, demands and obligations owed to VLSL.

(h) An orderly market deed dated 12 April 2019 between, amongst others, VLSL and Integumen ("**OM Deed**") relating to the Conversion Shares. Pursuant to the OM Deed, VLSL has agreed, subject to certain limited exceptions, not to dispose of the Conversion Shares or any interest in them for a two year period commencing on 2 May 2019 other than through Integumen's broker and with the written consent of Integumen, SPARK Advisory Partners Limited and Turner Pope Investments (TPI) Ltd.

(i) An acquisition agreement dated 9 May 2019 (as amended on 10 June 2019) and made between (1) the registered holders of shares in Open Orphan DAC ("Open Orphan Shareholders") and (2) Open Orphan pursuant to which Open Orphan agreed to acquire the entire issued and to be issued share capital of Open Orphan DAC ("**Open Orphan**") ("**Acquisition Agreement**").

The consideration payable under the Acquisition Agreement was £5,697,495 and was satisfied at admission of the enlarged share capital of Open Orphan to trading on AIM and Euronext Growth by the issue of 101,740,969 new ordinary shares allotted and issued to the Open Orphan Shareholders.

Certain of the Open Orphan Shareholders ("**Warrantors**") gave certain customary warranties (including tax warranties) in favour of the Company in relation to, amongst other things, the business of Open Orphan. The maximum liability of the Warrantors for all warranty claims and tax claims under the Acquisition Agreement (other than claims for certain fundamental warranties) is £4,557,996.

The Open Orphan Shareholders all gave fundamental warranties in relation to the shares they held in Open Orphan and their authority and capacity to enter into the Acquisition Agreement.

Open Orphan also gave certain warranties in favour of the sellers relating to, amongst other things, the audited consolidated accounts of Open Orphan for the financial year ended on 31 December 2018. Open Orphan's liability for all claims under these warranties is limited to £4,557,996.

Certain of the Shareholders are also subject to certain restrictive covenants which, for a period of 18 months from 28 June 2019, prevent them from, amongst other things, competing with the business of Open Orphan DAC, soliciting or having business dealings with certain clients or customers of Open Orphan, and soliciting key employees of Open Orphan DAC.

(j) On 10 June 2019 (1) Open Orphan, (2) Arden Partners, (3) the directors of Open Orphan at that time entered into a placing agreement pursuant to which, subject to certain conditions, Arden Partners agreed to act as agent for Open Orphan and to use its reasonable endeavours to procure placees to subscribe for placing shares at a placing price ("**Placing Agreement**").

The Placing Agreement contains warranties from Open Orphan and its directors in favour of Arden Partners in relation to, amongst other things, the accuracy of the information in the admission document posted on or around the date thereof and other matters relating to the Open Orphan Group and its business. The Placing Agreement contains customary indemnities from Open Orphan in favour of Arden Partners together with provisions which enabled Arden Partners to terminate the Placing Agreement in certain circumstances, including circumstances where any of the warranties were found to be untrue or inaccurate in any material respect.

(k) Pursuant to lock-in agreements dated 10 June 2019 between (1) Open Orphan, (2) Arden Partners and (3) certain Open Orphan Shareholders, who together held 75.2 per cent. of the issued share capital of Open Orphan DAC prior to their conversion to Shares in Open Orphan plc in June 2019. Those Open Orphan Shareholders have undertaken that they will not, except in certain limited circumstances, dispose of the consideration shares for a period of 24 months from 28 June 2019.

For a further 12 months, the relevant Open Orphan Shareholders agreed, save in certain limited circumstances, to only dispose of the consideration shares held by them through Open Orphan's broker from time to time.

(l) Pursuant to a lock-in agreement dated 10 June 2019 between (1) Open Orphan, (2) Arden Partners, (3) Maurice Treacy, Maurice has undertaken that he will not, except in certain limited circumstances, dispose of any ordinary shares in Open Orphan he acquires on the vesting of options granted to him by the Company for a period of 24 months from the date of vesting. For a further 12 months, Maurice will, save in certain limited circumstances, only dispose of any such Ordinary Shares through Open Orphan's broker from time to time.

(m) A warrant instrument dated 10 June 2019 constituting new warrants to subscribe for, in aggregate, 1,607,142 ordinary shares in the Company which were granted to Arden Partners on 28 June 2019. The warrants are exercisable at a placing price at any time during the period of five years from 28 June 2019.

(n) A convertible debt securities instrument made by Open Orphan and dated March 2018, creating €3,000,000 convertible redeemable debt securities ("**Debt Securities**"). The Debt Securities were available for subscription from the date of the instrument, in nominal amounts and integral multiples of €1,000 and shall be issued for cash or such other consideration as determined by Open Orphan's board of directors. Interest accrues on the Debt Securities at seven per cent. per annum and is payable on the six month anniversary of the issue of the Debt Securities, and every six months thereafter for four years – with the principal being repaid at the end of year four (subject to earlier redemption in the event of a sale of Open Orphan). Immediately prior to a listing or IPO of Open Orphan, the security holder had the option to continue to hold the interest bearing Debt Securities, or to convert their Debt Securities into such number of ordinary shares of €0.001 each in the capital of Open Orphan as determined by the number of Debt Securities held, plus 30 per cent. of such investment amount (subject to the determination provisions in the instrument). The instrument contains customary events of default provisions, covenants, warranties and representations in favour of the security holders. The Debt Securities are transferable by security holders.

Immediately prior to the IPO Open Orphan closed out the debt securities instrument having raised €1.06 million and of the €1.06 million, €710,000 converted into Ordinary Shares in Open Orphan plc and €350,000 elected to retain their Debt Security instrument paying 7 per cent. per annum until the end of year four. These Convertible Debt Securities do not have any further convertibility post the IPO in June 2019 and the company has no further ability to raise any further funds through this instrument other than the €1.06 million originally raised.

(o) A convertible debt securities instrument made between Open Orphan and Horizon Medical Technologies Limited dated 7 October 2017 and amended on 22 November 2018, creating a €300,000 convertible redeemable debenture security ("**Debenture Security**"). The Debenture Security is available for subscription fully paid up, from the date of the instrument and shall be issued for cash or such other consideration as determined by Open Orphan's board of directors. The Debenture Security is non-interest bearing. The Debenture Security is convertible in the event of a sale of listing of Open Orphan, with no rights of conversion or redemption in advance of such event. The number of ordinary shares of €0.001 each in the capital of Open Orphan were issued upon the conversion is to be determined in accordance with the provisions in the instrument. The debt securities were converted into Shares in Open Orphan plc at the completion of the IPO in June 2019 at the IPO price of 5.6p per share. These convertible Debt Securities do not have any further convertibility post the IPO in June 2019 and the Company has no further ability to raise any further funds through this instrument.

(p) Pursuant to a letter agreement dated 9 December 2019 (the "**Underwriting Agreement**"), Raglan Capital Limited, an Irish company which is controlled by Mr Friel and of which Mr Friel, the Company's Chief Executive Officer, is a director, has conditionally agreed to subscribe for certain Placing Shares in an aggregate amount of £2.5 million less any amount subscribed for, or agreed to be subscribed for, by third parties pursuant to the Proposed Placing. Any such subscription would be made no later than 14 February 2020 at the same price at which any third party subscribers participated in the Placing, failing which at the equivalent price of an Open Orphan Share under the terms of the Offer.

The Company has given certain representations and warranties to Raglan Capital Limited under the Underwriting Agreement.

Raglan Capital Limited's subscription commitment is conditional upon, amongst other things:

- valid acceptances of the Offer being received in respect of hVIVO Shares which, together with all other hVIVO Shares acquired by the Company, carry not less than 90% (or such lower percentage as Open Orphan may agree) of the voting rights attaching to the hVIVO Shares to which the Offer relates;
- the accuracy of the representations and warranties given by Open Orphan in the Underwriting Agreement;
- the absence of any material adverse change or force majeure event; and
- the Placing Shares to be subscribed by Raglan Capital Limited being admitted to trading on AIM as soon as practicable following their issue.

(q) On 9 December 2019 (1) Open Orphan, (2) Arden Partners, (3) the Existing Directors and (4) the Proposed Directors of Open Orphan entered into a placing agreement pursuant to which, subject to certain conditions, Arden Partners agreed to act as agent for Open Orphan and to use its reasonable endeavours to procure placees to subscribe for placing shares at a placing price (the "**Proposed Placing Agreement**").

The Proposed Placing Agreement contains warranties from Open Orphan, the Existing Directors and the Proposed Directors in favour of Arden Partners in relation to, amongst other things, the accuracy of the information in this document and other matters relating to the Open Orphan Group and its business. The Proposed Placing Agreement contains customary indemnities from Open Orphan in favour of Arden Partners together with

provisions which enabled Arden Partners to terminate the Proposed Placing Agreement in certain circumstances, including circumstances where any of the warranties were found to be untrue or inaccurate in any material respect.

10.2 ***The hVIVO Group***

(a) A contract between, amongst others, hVIVO and Goldman Sachs International ("**GSI**") dated 30 April 2018 in relation to the appointment of GSI as financial advisers in connection with the possible sale of all or a portion of Imutex Limited. The relationship between hVIVO and GSI is not currently active and GSI is not actively seeking potential buyers on hVIVO's behalf.

11. Litigation

No member of the Enlarged Group is involved in any governmental, legal or arbitration proceedings which may have or have had during the 12 months preceding the date of this document a significant effect on the Company and/or the Enlarged Group's financial position or profitability and, so far as the Directors are aware, there are no such proceedings pending or threatened against any member of the Enlarged Group.

12. Working Capital

The Directors and the Proposed Directors are of the opinion that, having made due and careful enquiry, taking into account the net proceeds of the Proposed Placing, the working capital available to the Company and the Enlarged Group will be sufficient for its present requirements that is for at least twelve months from the date of Admission.

13. Employees

13.1 ***The Group***

The average number of persons, including Directors, employed by the Company and its Group during each of the accounting reference periods set out below was as follows:

	31 December 2018	*31 December 2017*	*31 December 2016*
Administration	29	28	28
Clinical research	106	113	129
Sales and Marketing	8	8	9
Total	143	149	166

13.2 ***Open Orphan***

The average monthly number of persons, including directors, employed by Open Orphan during each of the financial period ended 31 December 2018 set out below was five.

14. Related Party Transactions

14.1 During the period covered by the financial information on the Company incorporated by reference in Part 3 of this document, neither the Company nor any member of the Enlarged Group has been a party to any related party transactions save as set out in note 31 of the financial information on the Company for the financial year ended 31 December 2018 and in paragraph 14.3 below.

14.2 During the period covered by the financial information on hVIVO in Part 4 of this document, hVIVO has not been a party to any related party transactions save as set out in note 9.16 of Part 4 of this document.

14.3 Between 1 January 2019 and the date of this document, Open Orphan DAC has paid Raglan Road Capital Limited (of which Cathal Friel is director and owner): (a) €9,708.13 (exclusive of VAT) in fees per month, commencing on 1 March 2019, for the provision of services to Open Orphan DAC by a secondee, Ian O'Connell, from Raglan Road Capital Limited. This €9,708.13

is a straight pass-through of the employees basic salary and no mark up or margin is accrued by Raglan Road Capital Limited. During the period of the Secondment, any bonus paid to the employee shall be charged on a straight pass-through basis to Open Orphan DAC with no mark up or margin accrued by Raglan Road Capital Limited; and (b) a licence fee of €5,500 (exclusive of VAT) per month, commencing on 1 March 2019, for the provision of office space, IT services, IT infrastructure and again, this is a straight pass-through of the employees cost with no mark up or margin being accrued by Raglan Road Capital Limited.

15. Taxation

United Kingdom Taxation

15.1 ***General***

The following comments do not constitute tax advice and are intended only as a general guide to the position under current United Kingdom tax law and what is understood to be the current practice (both of which are subject to change at any time, possibly with retrospective effect) of HM Revenue & Customs and may not apply to certain classes of investors, such as dealers in securities, insurance companies, collective investment schemes and persons who acquired securities in connection with their employment. Any person who is in doubt as to his tax position is strongly recommended to consult his own professional tax adviser.

15.2 ***Taxation of Dividends***

(a) *The Company*

The Company will not be required to withhold tax at source on any dividends it pays to its shareholders in respect of the Ordinary Shares.

(b) *UK resident shareholders*

Individuals resident in the UK for taxation purposes are generally liable to UK income tax on dividends to the extent that their total aggregate dividends in a tax year exceed £2,000. For UK resident individuals with aggregate dividends below this level dividends should be covered by the UK dividend allowance.

To the extent that aggregate dividend income exceeds the limits outlined above for UK resident individuals, dividends are taxed as the individual’s top slice of income which means that all other sources of income are taken in to account before determining which tax rate to apply to dividends.

The current tax rates applying to aggregate UK dividends in excess of the above limits are:

- 7.5 per cent. Basic rate taxpayers
- 32.5 per cent. Higher rate taxpayers
- 38.1 per cent. Additional rate taxpayers

Shareholders within the charge to UK corporation tax which are “small companies” (for the purposes of UK taxation of dividends) will not generally expect to be subject to UK tax on dividends from the Company. Other Shareholders within the charge to UK corporation tax will not be subject to UK tax on dividends (including dividends from the Company) so long as the dividends fall within an exempt class and certain conditions are met. In general, dividends paid on shares that are “ordinary share capital” for UK tax purposes and are not redeemable, and dividends paid to a person holding less than 10 per cent. of the issued share capital of the payer (or any class of that share capital) are examples of dividends that fall within an exempt class.

(c) *Non-UK resident shareholders*

Non-UK resident shareholders may also be subject to tax on dividend income under any law to which they are subject outside the UK. Such shareholders should consult their own tax advisers concerning their tax liabilities.

15.3 ***Taxation of Capital Chargeable Gains***

(a) *UK resident* Shareholders

A disposal of the Ordinary Shares by a shareholder who is (at any time in the relevant United Kingdom tax year) resident in the United Kingdom for tax purposes, may give rise to a chargeable gain or an allowable loss for the purposes of United Kingdom taxation of chargeable gains, depending on the shareholder's circumstances and subject to any available exemption or relief.

Disposal of the Ordinary Shares held by such a shareholder in an approved individual savings account should be exempt for the purposes of UK taxation.

(b) *Non-resident Shareholders*

A shareholder who is not resident in the United Kingdom for tax purposes but who carries on a trade, profession or vocation in the United Kingdom through a branch or agency (or, in the case of a non-UK resident corporate shareholder, a permanent establishment) to which the Ordinary Shares are attributable will be subject to the same rules which apply to United Kingdom resident shareholders.

A shareholder who is an individual and who after acquiring his Ordinary Shares, ceases to be resident for tax purposes in the United Kingdom for a period of less than five complete years of assessment and who disposes of the Ordinary Shares during that period may also be liable, on his return, to United Kingdom taxation of chargeable gains (subject to any available exemption or relief).

15.4 ***Stamp Duty and Stamp Duty Reserve Tax ("SDRT")***

The following comments are intended as a guide to the general United Kingdom stamp duty and SDRT position and (except insofar as expressly referred to below) do not relate to persons such as market makers, brokers, dealers, intermediaries, persons connected with depository receipt arrangements or clearance services or persons who enter into sale and repurchase transactions in respect of the Ordinary Shares, to whom special rules apply. No UK stamp duty or SDRT will be payable on the issue of the Ordinary Shares direct to persons acquiring those shares. Transfers of shares for value generally give rise to a liability to pay UK ad Valorem stamp duty or stamp duty reserve tax at a rate in each case of 50 pence per £100 of the amount of value or consideration. However, exemption is available if the Ordinary Shares qualify as being traded on a Recognised Growth Market. AIM currently qualifies as a Recognised Growth Market.

Any person who is in any doubt as to his or her tax position or who may be subject to tax in any jurisdiction other than the United Kingdom should consult his or her own professional adviser.

Irish Taxation

15.5 ***General***

The comments in this section are intended as a general guide for Irish resident Shareholders as to their tax position under Irish law and the current published practice of the Revenue Commissioners of Ireland as at the date of this document. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time, possibly with retrospective effect. The comments apply to shareholders who are resident (and in the case of individuals, ordinarily resident and domiciled) for tax purposes in Ireland who will hold Ordinary Shares as an investment and will be the absolute beneficial owners of them.

It does not apply to certain specific classes of shareholder, including substantial shareholders, dealers in securities, collective investment schemes, approved pension schemes and approved charities. Legislative, administrative or judicial changes may modify the tax rates, reliefs or consequences described below, possibly with retrospective effect.

The statements do not constitute tax advice and are intended only as a general summary. Any shareholder or prospective purchaser of Ordinary Shares whether resident, ordinarily resident or domiciled in Ireland or elsewhere, should consult their professional adviser on the possible tax

consequences of acquiring, owning and disposing of Ordinary Shares under the laws of their particular citizenship, residence or domicile.

15.6 ***Income tax***

Shareholders who are resident and/or ordinarily resident and domiciled in Ireland for taxation purposes will, depending on their circumstances, be liable to Irish income tax at their marginal rate plus social security and the Universal Social Charge (currently at combined rates of up to 55 per cent.) in respect of the gross amount of any dividends paid by the Company. In the event that withholding tax is deducted from any dividend payment, a credit for such withholding tax should be available against the individual's income tax liability. Currently, it is not expected that there will be any withholding tax deducted in the UK from dividend payments.

Shareholders should note that with respect to non-Euro denominated Ordinary Shares, Irish income tax will be payable by reference to the Euro equivalent of any dividends received at the relevant date.

15.7 ***Corporation tax***

Shareholders who are Irish resident companies will, prima facie, be subject to Irish corporation tax (currently at a rate of 25 per cent.) on dividends paid by the Company. In certain circumstances, dividends paid by the Company may be taxable at 12.5 per cent.

Shareholders should note that with respect to non-Euro denominated Ordinary Shares, Irish corporate tax will be payable by reference to the Euro equivalent of any dividends received at the relevant date.

Irish resident corporate Shareholders which are close companies, as defined under Irish tax law, may be subject to corporation tax surcharge on dividend income received from the Company to the extent that it is not distributed within the appropriate time frame.

15.8 ***Capital gains tax***

Individuals

Ordinary Shares in the Company will constitute chargeable assets for Irish capital gains tax purposes and accordingly shareholders who are individuals resident or ordinarily resident in Ireland will, depending on their circumstances, be liable to Irish capital gains tax on any gains derived on the disposal of their Ordinary Shares, currently at a rate of 33 per cent.

In addition, in the event that Ordinary Shares in the Company derive the greater part of their value from land or buildings in Ireland, minerals in Ireland or exploration/exploitation rights within the Irish continental shelf, shareholders who are neither resident nor ordinarily resident in Ireland may be within the charge to Irish capital gains tax.

Shareholders should note that the Irish capital gains tax liability with respect to non-Euro denominated Ordinary Shares is calculated by reference to Euro amount at the dates of acquisition and disposal.

Corporates

Ordinary Shares in the Company will constitute chargeable assets for Irish capital gains tax purposes and, accordingly Irish resident corporate shareholders will, depending on their circumstances, be liable to Irish capital gains tax on any gains derived on the disposal of their Ordinary Shares, currently at a rate of 33 per cent.. However, substantial shareholding exemption may apply to such shareholders that own more than 5 per cent. of the ordinary share capital of the Company, where certain conditions are met.

Corporate shareholders of the Company who are not resident in Ireland may be within the charge to Irish capital gains tax to the extent that they carry on a branch or trade in Ireland to which the Ordinary Shares are attributable or, the Ordinary Shares in the Company derive the greater part of their value from land or buildings in Ireland, minerals in Ireland or exploration/exploitation rights within the Irish continental shelf.

Corporate shareholders should note that the Irish capital gains tax liability with respect to non-Euro denominated Ordinary Shares is calculated by reference to Euro amount at the dates of acquisition and disposal.

15.9 ***Capital acquisitions tax***

Capital acquisitions tax ("**CAT**") applies to both gifts and inheritances of property. Irish CAT may be chargeable (currently at the rate of CAT of 33 per cent.), in particular, on a gift by, or inheritance from, the owner of the Ordinary Shares. A CAT liability arises where the disponer or beneficiary is resident or ordinarily resident in Ireland, (except where the person is not domiciled in Ireland and was not resident in Ireland for five consecutive years prior to the date of the gift/inheritance).

Shareholders should note for CAT purposes, the transfer of assets for less than full value may be treated as a gift. In addition certain exemptions may apply to gifts and inheritance depending on the relationship between the donor and recipient.

15.10 ***Stamp duty***

Irish stamp duty will not arise on the issue of Ordinary Shares in the Company.

Generally transfers of Ordinary Shares in the Company should not be subject to Irish stamp duty. However, Irish stamp duty could arise in certain circumstances, where, for instance, the consideration for the transfer relates to certain Irish property.

16. General

16.1 Arden Partners has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name and its advice to the Directors in the form and context in which they are included.

16.2 Davy has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the reference to its name and its advice to the Directors in the form and context in which they are included.

16.3 Jeffreys Henry LLP has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and reports in the form and context in which they appear and accepts responsibility for them. The report from Jeffreys Henry LLP is dated the same date as this document. Jeffreys Henry LLP is a member firm of the Institute of Chartered Accountants in England and Wales.

16.4 The Ordinary Shares are subject to the compulsory acquisition procedures set out in sections 979 to 991 of the Companies Act. If a "takeover offer" (as defined in section 974 of the Companies Act) is made and the offeror, by virtue of acceptances of such offer, acquires or contracts to acquire not less than nine tenths in value of the Ordinary Shares to which the takeover offer relates, then the offeror has the right to acquire compulsorily the remaining Ordinary Shares of the minority Shareholders for the offer price within a fixed period. It would do so by sending a notice to the outstanding minority Shareholders telling them that it will compulsorily acquire their shares. Such notice must be sent within three months of the last day on which the offer can be accepted. The notice must be made in the prescribed manner. The squeeze-out of the minority Shareholders can be completed at the end of six weeks from the date the notice has been given, following which the offeror can execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding minority Shareholders. The consideration offered to the outstanding minority Shareholders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

16.5 In certain circumstances, the Act gives minority Shareholders the right to require an offeror who has made a takeover offer for the Company to buy their Ordinary Shares, provided that at any time before the end of the period within which the offer can be accepted, the offeror has acquired (or unconditionally contracted to acquire) not less than 90 per cent. in value of the shares to which the offer relates and not less than 90 per cent. of the voting rights in the Company.

A minority Shareholder can exercise this right by a written communication to the offeror at any time until three months after the period within which the offer can be accepted or a later date specified in the notice given by the offeror. An offeror would be required to give the remaining Shareholders notice of their rights to be bought out within the one month from the end of the period in which the offer can be accepted. The offeror may impose a time limit on the rights of the minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises his/her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

16.6 There are no arrangements in force for the waiver of future dividends. There are no specified dates on which entitlement to dividends or interest thereon on Ordinary Shares arises.

16.7 The total costs and expenses relating to the Proposals payable by the Company are estimated to amount to approximately £1.7 million (excluding value added tax).

16.8 Save as disclosed in this document, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has received, directly or indirectly, from the Enlarged Group within the 12 months preceding the date of this document or has entered into any contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Enlarged Group on or after Admission fees totalling £10,000 or more or securities in the Company having a value of £10,000 or more calculated by reference to the expected opening price or any other benefit with a value of £10,000 more at the date of Admission.

16.9 Save as disclosed in this document, there have been no interruptions in the business of the Enlarged Group in the preceding 12 months from the date of this document and as far as the Directors are aware there are no known trends, uncertainties, demands, commitments or events that are reasonably expected to have a material effect on the Enlarged Group’s prospects for at least the current financial year.

16.10 As far as the Directors are aware, there are no environmental issues that may affect the Enlarged Group’s utilisation of its tangible fixed assets.

16.11 Save as disclosed in this document, as regards the Company’s three previous financial years the Company has had no principal investments,there are no principal investments in progress and there are no principal future investments on which the Directors have made a firm commitment.

16.12 Where information has been sourced from a third party this information has been accurately reproduced. So far as the Company and the Directors are aware and are able to ascertain from information provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

16.13 Save as disclosed in this document, there are no patents, intellectual property rights, licences or any industrial, commercial or financial contracts which are or may be material to the business or profitability of the Enlarged Group.

16.14 The Existing Ordinary Shares are, and the New Ordinary Shares will be, in registered form and may be held in certificated or uncertificated form. No temporary Documents of title will be issued.

16.15 The Existing Ordinary Shares have been, and the New Ordinary Shares will be, issued pursuant to the Companies Act. The Company’s registrars, SLC Registrars, are responsible for maintaining the Company’s register of members.

16.16 The financial information contained in this document does not constitute statutory accounts of the Company within the meaning of section 434 (3) of the Companies Act.

16.17 The historical financial information on the Open Orphan Group incorporated by reference into Part 3 has been Independently audited. The historical financial information on the hVIVO Group as set out in Part 4 has been Independently audited.

17. Availability of Admission Document

Copies of this Admission Document are available for download free of charge from the Company's website at http://www.openorphan.com. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this Admission Document.

Dated: 9 December 2019