

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 consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are a resident of the United Kingdom or, if not, another appropriately authorised independent professional adviser.

If you have sold or otherwise transferred all of your Ordinary Shares in Open Orphan plc you should deliver this document together with the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you sell or otherwise transfer, or have sold or otherwise transferred only part of your holding of Existing Shares, please retain these documents and consult the stockbroker, banker or other agent through whom the sale or transfer was made.

The issue of the Fundraising Shares will not constitute an offer to the public requiring an approved prospectus under section 85 of the Financial Services and Markets Act 2000 (as amended) and accordingly this document does not constitute a prospectus, nor does it constitute an admission document drawn up in accordance with the AIM Rules or the Euronext Rules. This document does not constitute or form part of any offer or invitation to sell or issue, or a solicitation of any offer to acquire, purchase or subscribe for, Ordinary Shares.

It is expected that Firm Admission in respect of the Firm Placing Shares and the Firm PrimaryBid Shares will become effective and dealings in such shares will commence on 29 May 2020 and Second Admission of the Conditional Fundraising Shares (subject to the passing of the Fundraising Resolutions) will become effective and dealings in such shares will commence on 12 June 2020. Application has been made to the London Stock Exchange and Euronext Dublin for the Firm Placing Shares to be admitted to trading on AIM and Euronext Growth and will be made (subject to the passing of the Resolutions) in respect of the Conditional Fundraising Shares. The Fundraising Shares will, when issued, rank *pari passu* in all respects with the Existing Shares, including the right to receive all dividends or other distributions declared, made or paid on or after the date that they are issued.

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 Financial Conduct Authority ('FCA'). Neither the FCA nor the London Stock Exchange has examined or approved the contents of this document. Neither the Existing Shares nor the Fundraising Shares are or will be traded on any other investment exchange except Euronext Growth and no application has been or will be made for the Existing Shares or the Fundraising Shares to be admitted to trading on any such exchange except Euronext Growth.

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 adviser.

Open Orphan plc

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

Placing of 42,724,137 Firm Placing Shares

Placing of 66,824,961 Conditional Placing Shares

Subscription for 4,545,454 PrimaryBid Shares

Subscription for 727,272 Subscription Shares

and

Notice of General Meeting

This document should be read in its entirety and in conjunction with the accompanying Form of Proxy and Notice of General Meeting. Your attention is drawn to the letter from Cathal Friel, the Executive Chairman of the Company, set out on pages 11 to 15 of this document, and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

Notice of a General Meeting of Open Orphan plc to be held at the offices of Arden Partners plc at 125 Old Broad Street, London, EC2N 1AR at 11.00 a.m. on 11 June 2020 is set out at the end of this document. For the reasons given below in relation to the conduct of the General Meeting in light of the COVID-19 pandemic, you are urged to complete and return the enclosed Form of Proxy in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event not later than 11.00 a.m. on 9 June 2020.

Shareholders who hold their Existing Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by SLC Registrars (ID 7RA01) by no later than 11.00 a.m. on 9 June 2020 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

IMPORTANT NOTICE RE COVID-19

In light of the Government's response to the COVID-19 outbreak, which includes banning all non-essential travel and gatherings of more than two people, the Company and the Executive Chairman have determined that the Resolutions to be proposed at the General Meeting shall be voted on through a poll rather than on a show of hands. The Company believes that this is the best and fairest way to ensure that the votes of all Shareholders can be taken into account, whilst also preventing the Company and Shareholders breaching applicable regulations. Accordingly, the Company encourages all Shareholders to either submit their Form of Proxy or use the CREST Proxy Voting Service, rather than attend the meeting in person. In accordance with the Company's articles of association, whilst completion and return of the Form of Proxy or using the CREST Proxy Voting Service would not preclude Shareholders from attending, speaking and voting in person at the General Meeting should they so wish, Shareholders are reminded that to do so would potentially be in breach of Government regulations in relation to the containment and control of COVID-19 and accordingly Shareholders are strongly encouraged to either submit their Form of Proxy or use the CREST Proxy Voting Service, rather than attend the meeting in person.

Arden Partners plc ("Arden"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and for no one else in connection with the matters described in this document, and accordingly will not be responsible to any person other than the Company for providing the protections afforded to customers of Arden, or for providing advice to any other person in relation to the arrangements described in this document.

finnCap Ltd ("finnCap"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and for no one else in connection with the matters described in this document, and accordingly will not be responsible to any person other than the Company for providing the protections afforded to customers of finnCap, or for providing advice to any other person in relation to the arrangements described in this document.

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 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.

The release, publication or distribution of this document into certain jurisdictions may be restricted by law, and any persons into whose possession this document comes should therefore inform themselves about and observe any applicable restrictions or requirements. No action has been taken by the Company, Arden, finnCap or Davy that would permit possession or distribution of this document in any jurisdiction where action for that purpose is required. Any failure to comply with any such restrictions or requirements may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of, issue or purchase, any security (including, without limitation, the Fundraising Shares). Copies of this document can be downloaded from the Company's website, www.openorphan.com. However, the contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this document and Shareholders should not rely on them.

The Fundraising Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States and, absent registration or an exemption therefrom, may not be offered or sold in the United States. The Fundraising Shares will not be registered under any of the relevant securities laws of Canada, Australia, Japan or the Republic of South Africa. Accordingly, unless otherwise determined by the Company and permitted by the applicable law and regulations, the Fundraising Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States, Canada, Australia, Japan or the Republic of South Africa.

This document includes statements that are, or may be deemed to be, forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the use of forward- looking terminology, including the terms “believes”, “estimates”, “plans”, “anticipates”, “targets”, “aims”, “continues”, “expects”, “intends”, “hopes”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places through this document and include statements regarding the Directors’ intentions, beliefs or current expectations concerning, amongst other things, the Company’s results of operations, financial condition, liquidity, prospects, growth and strategies. By their nature, forward-looking statements contained in this document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Subject to any requirement under the AIM Rules or other applicable legislation or regulation, neither the Company, Arden, finnCap nor Davy undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Undue reliance should not be placed on forward-looking statements, which speak only as of the date of this document. There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in expectations and assumptions used and changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

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FUNDRAISING STATISTICS

Issue Price	11 pence
Existing Shares	549,038,274
Aggregate number of Fundraising Shares to be issued	114,821,824
Number of Firm Placing Shares to be issued pursuant to the Firm Placing	42,724,137
Number of Conditional Placing Shares to be issued pursuant to the Conditional Placing	66,824,961
Number of Firm PrimaryBid Shares to be issued pursuant to the PrimaryBid Offer	1,772,727
Number of Conditional PrimaryBid Shares to be issued pursuant to the PrimaryBid Offer	2,772,727
Number of Subscription Shares to be issued pursuant to the Subscription	727,272
Enlarged Issued Share Capital following Second Admission	663,860,098 Ordinary Shares
Aggregate gross proceeds from the Fundraising	approximately £12.6 million
Estimated net proceeds from the Fundraising	approximately £12 million
Fundraising Shares as a percentage of the Enlarged Issued Share Capital	17.3 per cent.

The statistics above assume the passing of the Fundraising Resolutions at the General Meeting and therefore the Admission of all new Ordinary Shares pursuant to the Fundraising.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>2020</i>
Announcement of the Fundraising	22 May
Announcement of the results of the Fundraising	22 May
Circular and Form of Proxy posted to Shareholders	26 May
First Admission of the Firm Fundraising Shares to trading on AIM and Euronext Growth and commencement of dealings	8.00 a.m. on 29 May
Expected date for CREST accounts to be credited in respect of Firm Fundraising Shares in uncertified form	29 May
Where applicable, expected date for despatch of definitive share certificates for Firm Fundraising Shares in certificated form	Within 14 days
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 9 June
General Meeting	11.00 a.m. on 11 June
Second Admission and dealings in the Conditional Fundraising Shares	8.00 a.m. on 12 June
Expected date for CREST accounts to be credited in respect of Conditional Fundraising Shares in uncertified form	12 June
Where applicable, expected date for despatch of definitive share certificates for Conditional Fundraising Shares in certificated form	Within 14 days

Notes

1. Some of the times and dates above are indicative 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.
2. All of the above times refer to London time unless otherwise stated
3. Events listed in the above timetable following the General Meeting are conditional on the passing of the Fundraising Resolutions at the General Meeting.

DEFINITIONS

The following definitions apply throughout this document and the Form of Proxy unless the context requires otherwise:

“Admission”	the First Admission and Second Admission of the relevant Fundraising Shares to trading on AIM and Euronext Growth in accordance with Rule 6 of the AIM Rules and Rule 6 of the Euronext Growth Rules respectively
“AIM”	the AIM Market of the London Stock Exchange
“AIM Rules”	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
“Arden”	means Arden Partners plc, nominated adviser and joint broker to the Company
“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”	this circular of the Company to be posted to Shareholders on 26 May 2020 giving (amongst other things) details of the Fundraising and incorporating the Notice of General Meeting
“Companies Act”	the Companies Act 2006
“Conditional Fundraise”	the Conditional Placing, the Conditional PrimaryBid Offer and the Subscription
“Conditional Fundraising Shares”	the 70,324,960 new Ordinary Shares comprising the Conditional Placing Shares, the Conditional PrimaryBid Shares and the Subscription Shares
“Conditional Placing”	the conditional placing by the Joint Brokers (on behalf of the Company) of the Conditional Placing Shares at the Issue Price subject to, <i>inter alia</i> , the passing of the Fundraising Resolutions and Second Admission
“Conditional Placing Shares”	the 66,824,961 new Ordinary Shares to be allotted and issued pursuant to the Conditional Placing
“Conditional PrimaryBid Offer”	the conditional offer for subscription of new Ordinary Shares conducted by PrimaryBid subject to, <i>inter alia</i> , the passing of the Fundraising Resolutions and Second Admission
“Conditional PrimaryBid Shares”	the 2,772,727 new Ordinary Shares to be allotted and issued pursuant to the Conditional PrimaryBid Offer
“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)
“CRO”	Clinical Research Organisation

“Davy”	J&E Davy, trading as Davy, the Group’s Euronext Growth Adviser
“EEA”	the European Economic Area
“Enlarged Issued Share Capital”	the 663,860,098 Ordinary Shares which shall be in issue immediately following Second Admission
“Existing Shares”	the 549,038,274 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM and Euronext Growth
“Euro”, “€”	the currency adopted by those nations participating in the third stage of the economic and monetary union provisions of the Treaty on European Union, signed at Maastricht on February 7, 1992
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
“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
“FCA”	the UK Financial Conduct Authority
“finnCap”	means finnCap Ltd, joint broker to the Company
“First Admission”	the Admission of the Firm Placing Shares and the Firm PrimaryBid Shares
“Firm Fundraise”	the Firm Placing and Firm PrimaryBid Offer
“Firm Fundraising Shares”	the 44,496,864 new Ordinary Shares comprising the Firm Placing Shares and the Firm PrimaryBid Shares
“Firm Placing”	the placing of the Firm Placing Shares by the Joint Brokers (on behalf of the Company) at the Issue Price
“Firm Placing Shares”	such number of Ordinary Shares, to be allotted and issued pursuant to the Firm Placing
“Firm PrimaryBid Offer”	the offer for subscription conducted by PrimaryBid of the Firm PrimaryBid Shares at the Issue Price
“Firm PrimaryBid Shares”	the 1,772,727 Ordinary Shares, to be allotted and issued pursuant to the Firm PrimaryBid Offer
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with the Circular
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	the Placing, the PrimaryBid Offer and the Subscription
“Fundraising Resolutions”	the resolutions numbered 1 and 3 to be proposed at the General Meeting and set out in the Notice of General Meeting
“Fundraising Shares”	the Firm Fundraising Shares and the Conditional Fundraising Shares
“General Meeting”	the general meeting of the Company convened for 11 a.m. on 11 June 2020 (or any adjournment thereof) at which the Resolutions will be proposed, notice of which is set out at the end of the Circular

“General Resolutions”	the resolutions numbered 2 and 4 to be proposed at the General Meeting and set out in the Notice of General Meeting
“hVIVO”	the hVIVO business of the Group
“Issue Price”	11 pence per Fundraising Share
“Joint Brokers”	Arden and finnCap
“London Stock Exchange”	London Stock Exchange plc
“Market Abuse Regulation”	the Market Abuse Regulation (2014/596/EU) (incorporating the technical standards, delegated regulations and guidance notes, published by the European Commission, London Stock Exchange, the FCA and the European Securities and Markets Authority)
“Notice of General Meeting”	the notice of General Meeting to be sent to Shareholders
“Open Orphan” or the “Company”	Open Orphan plc
“Open Orphan Directors” or “Directors”	any member of the Company's board of directors
“Open Orphan Group” or “Group”	Open Orphan and its subsidiaries and subsidiary undertakings (each as defined in the Companies Act 2006)
“Ordinary Shares”	the ordinary shares of 0.1 pence each in the capital of the Company
“Overseas Shareholders”	Shareholders of Open Orphan who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
“Placing”	the Firm Placing and Conditional Placing to be undertaken by Open Orphan
“Placing and Subscription Agreement”	the placing and subscription agreement entered into on 22 May 2020 between the Company, Arden and finnCap
“Placing Shares”	together, the Firm Placing Shares and the Conditional Placing Shares proposed to be issued pursuant to the Placing
“PrimaryBid”	PrimaryBid Limited
“PrimaryBid Offer”	the Firm PrimaryBid Offer and the Conditional PrimaryBid Offer
“PrimaryBid Shares”	the Firm PrimaryBid Shares and the Conditional PrimaryBid Shares
“Quotient Limited”	Quotient Limited, a NASDAQ-listed company with which hVIVO has entered into a contract to support COVID-19 antibody testing in the United Kingdom
“pounds”, “£”, “penny”, “pence”, “p” or “Sterling”	the lawful currency of the United Kingdom
“Registrars”	the Company's registrars, being SLC Registrars of Elder House, St Georges Business Park, Weybridge, Surrey
“Resolutions”	the Fundraising Resolutions and the General Resolutions
“Second Admission”	the Admission of the Conditional Placing Shares, the Conditional PrimaryBid Shares and the Subscription Shares
“Securities Act”	the United States Securities Act of 1933, as amended

“Shareholders”	holders of Ordinary Shares
“Subscription”	the conditional subscription of new Ordinary Shares to be undertaken by the Company subject to, <i>inter alia</i> , the passing of the Fundraising Resolutions and Second Admission
“Subscription Shares”	the 727,272 new Ordinary Shares proposed to be issued pursuant to the Subscription
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“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
“Venn” or “Venn Life Sciences”	the Venn Life Sciences business of the Group

LETTER FROM THE EXECUTIVE CHAIRMAN

Open Orphan plc

(Incorporated in England and Wales under the Companies Act 1985 with registered no. 07514939)

Directors:

Cathal Friel (*Executive Chairman*)
Leo Toole (*Chief Financial Officer*)
Michael Meade (*Non-Executive Director*)
Mark Warne (*Non-Executive Director*)
Brendan Buckley (*Non-Executive Director*)

Registered Address:

Queen Mary BioEnterprises Innovation Centre
42 New Road
London
E1 2AX

26 May 2020

To Shareholders and for information only to holders of options over Ordinary Shares

Dear Shareholder,

Placing of 109,549,098 Placing Shares
Subscription for 4,545,454 PrimaryBid Shares
Subscription for 727,272 Subscription Shares
and
Notice of General Meeting

1. Introduction

On 22 May 2020, Open Orphan announced that it had conditionally raised approximately £12 million (net of expenses) through the Fundraising by the issue of 114,821,824 new Ordinary Shares at a price of 11 pence per share. The Fundraising consists of the Placing, the PrimaryBid Offer and the Subscription.

The Firm Fundraise is being made pursuant to existing authorities to allot shares for cash and disapply pre-emption rights under section 551 and section 571 of the Act, which the Directors were granted at the General Meeting of the Company held on 6 January 2020. Accordingly, completion of the Firm Placing is due to take place on Firm Admission, which is expected to occur at 8.00 a.m. on 29 May 2020.

The Company will require further share authorities to allot the Conditional Placing Shares, the Conditional PrimaryBid Shares and the Subscription Shares. Accordingly, the Conditional Placing, the Conditional PrimaryBid Offer and the Subscription are conditional, *inter alia*, on the passing of the Fundraising Resolutions by the Shareholders at the General Meeting, which has been convened for 11 June 2020, notice of which is set out at the end of this document. The Resolutions will be held on a poll. If the Fundraising Resolutions are passed, Admission of the Conditional Placing Shares, Conditional PrimaryBid Shares and the Subscription Shares is expected to occur at 8.00 a.m. on 12 June 2020.

The purpose of this document is to explain the background to and reasons for the Fundraising and why the Directors believe it to be in the best interests of the Company and its Shareholders as a whole and therefore recommend that you vote in favour of the Resolutions at the General Meeting, which has been convened for 11.00 a.m. on 11 June 2020 at the offices of Arden Partners plc at 125 Old Broad Street, London, EC2N 1AR. The Notice of General Meeting is set out at the end of this document.

Please see the important notice set out in paragraph 7 of this document concerning the implications that COVID-19 will have on attendance at the General Meeting and the measures that the Company is putting in place in respect of the same.

2. Background to and reasons for the Fundraising and use of Proceeds

On 31 January 2020, the World Health Organisation declared a global pandemic due to the Covid-19 virus that has spread across the globe, causing different governments and countries to enforce restrictions on people movements, a stop to international travel, and other precautionary measures. This has had a widespread impact economically and a number of industries have been heavily

impacted. As well as the challenges faced by other industries this has presented Open Orphan with some unique opportunities as a specialist provider to pharmaceutical companies.

There is now a global urgency to quickly and effectively develop and subsequently demonstrate effective Covid-19 vaccines, in May 2020 the World Health Organisation backed Covid-19 human challenge studies to speed up Covid-19 vaccine approvals. On 9 March 2020 the Group announced that it had commenced the development of a commercial human coronavirus challenge study model, also known as a Controlled Human Infection Model (CHIM) utilising seasonal coronavirus strains such as OC43 and 229E which are from the same family of viruses as the Covid-19 virus. Following this announcement, the Group has commenced development of its Covid-19 challenge study and has opened discussions with 12 of the leading Covid-19 vaccine developers around the world. hVIVO is also now developing an attenuated Covid-19 virus challenge study model. The Group has decided to self-fund the investment to develop both of these models to ensure that it retains ownership and control of the resulting challenge model. In addition to the testing of potential vaccines and antivirals, it is expected that the challenge study models will facilitate a greater understanding of the type and durability of the immune response coronavirus infections elicit. The Board believes that, based on current discussions, the Group has as potential pipeline of up to six Covid-19 related challenge study contracts in 2020 with a further potential six contracts in 2021.

Challenge Studies

Challenge studies involve, in a controlled setting, using small numbers of volunteers removed from community exposure to other infections, the inoculation of volunteers with known doses of the challenge virus and the monitoring of the disease time course. All subjects are inoculated with virus but with some receiving a placebo and others the experimental drug to test the efficacy of the drug and obtain proof of concept data much quicker than can be achieved in the field. Challenge studies can be carried out for novel therapeutics, including vaccines, immunomodulators and antivirals, as well as new diagnostics. Challenge study models can potentially speed up vaccine development and approval by 2-3 years by testing the efficacy on human volunteers over a short period of time in a quarantine clinic.

By splitting the hVIVO 24 bed quarantine clinic into 3 zones the Group is able to run up to 3 different vaccine challenge studies concurrently. The Group typically expects a complete challenge study trial to deliver project revenues of approximately £7 million with the revenue dependent in part on the size of the trial and the number of volunteers.

Open Orphan plans to have a growing, clinical trial challenge study business and also a testing capability. The challenge study business will provide third-party laboratory services whilst also providing actual testing capability of human population groups.

The Fundraising will allow the Group to provide virology and laboratory testing services to third parties, such as its recent contract with Nearmedic International Ltd. This provision of third-party laboratory services is a growth area for the Group as numerous biotechnology companies across Europe do not have their own virology laboratory. This revenue stream is in line with our strategy of becoming a leading pharma services provider to the viral, and respiratory diseases sector of the pharmaceutical industry.

3. Use of proceeds

It is as a result of the recent expansion of the Group's pipeline and other recent commercial developments that, on the 22 May 2020, the Group announced a Fundraising of approximately £12 million net of expenses. The proceeds of the Fundraising will be used to:

- a. Maximise available Covid-19 opportunities including accelerating the development of both a seasonal coronavirus and a Covid-19 virus challenge study model to capitalise upon Group's inbound demand from Covid-19 vaccine developers globally. These challenge study models have the ability to speed up the development of a vaccine by 2-3 years;
- b. Ramp up Covid-19 antiviral testing to the Group's current capacity for 3,000 tests per day;
- c. Expand existing laboratory testing services to 3rd party pharmaceutical and biotech companies in line with our strategy of becoming a leading services provider to the growing viral, and respiratory diseases sector of the pharmaceutical industry; and
- d. Strengthen the balance sheet to enable the Group to take advantage of the significant and growing opportunities the Board believes are available.

4. Current Trading and Future Prospects

All results provided are preliminary and subject to completion of the 2019 audit. The audit is substantially complete and Open Orphan's audited accounts for the year ended 31 December 2019 are expected to be published in late June 2020.

The Company confirms that on a proforma basis including the full year of Open Orphan and hVIVO, the Group generated revenue of €27.1 million for the year ended 31 December 2019, gross profit of €4.2 million and a normalized LBITDA of €10.1 million adjusting for depreciation, amortization, one-time and non-recurring expenses/charges.

The Group's cash and cash equivalents at 30 April 2020 was €2.6 million and debt at 30 April 2020 was €1.6 million which related to loans arranged previously by Raglan Capital.

Since the merger of Open Orphan and hVIVO, the group has successfully integrated hVIVO and Venn Life Sciences, has reduced the Group's cost base by an annualised €5.0 million (in an addition to the €3.8 million of savings realised in 2019). Further annualised cost savings of €2.5m are expected to be implemented by year end. We have also expanded hVIVO's laboratory services and converted the hVIVO pipeline of contracts, including:

- a new contract with a European Biotech Company for the provision of a RSV human challenge study projected to deliver £3.2m in revenue all of which is expected to be recognised in 2020. If successful, it is anticipated that an additional follow-on larger pivotal challenge study will commence end Q4 2020, delivering significant further revenue and expected to be a minimum of £7m; and
- a contract with a US Biotech company for the provision of an RSV human challenge study projected to deliver £3.5 million in revenue all of which is expected to be recognised in 2020.

The Group's pipeline of potential new contracts is now in excess of £160 million and includes c.£110 million of near-term contracts within hVIVO and Venn Life Sciences along with new opportunities arising post Covid-19. This includes the delivery of Covid-19 related challenge studies, third party testing and laboratory services, and the roll out of Covid-19 antibody testing utilising the Quotient Limited system. The MosaiQ Covid-19 Antibody Microarray machine is expected to have capability to undertake up to 3,000 tests a day once fully operational, in line with expected performance as stated by Quotient Limited. The MosaiQ COVID-19 Antibody Microarray machine has demonstrated a 100% sensitivity to detect Covid-19 antibodies and a 99.8% ability to rule out the presence of Covid-19 antibodies. The Group's plan is to develop this pipeline with channel partners to secure testing volumes.

The Directors believe that the increased investment in testing capability will result in companies, such as Open Orphan, benefitting as a provider of testing services.

The Directors believe that the recent conversion of the Group's pipeline coupled with additional annualised savings of €2.5 million referred to above, and strong pipeline of work for the second half of 2020 should allow the Company to achieve its goal of being operationally profitable by Q3 2020.

5. Details of the Fundraising

The Subscription

Under the Subscription, the Company has conditionally raised approximately £80,000 (before expenses) by way of the subscription at the Issue Price of 727,272 new Ordinary Shares.

The Subscription is conditional upon (amongst other things) the Placing and Subscription Agreement not having been terminated, the passing of the Resolutions at the General Meeting and Second Admission occurring on or before 8.00 a.m. on 12 June 2020 (or such later date and/or time as the Joint Brokers and the Company may agree, being no later than 3.00 p.m. on 30 June 2020 in respect of the Conditional Fundraise).

PrimaryBid Offer

On 22 May 2020, as part of the Fundraising, PrimaryBid launched an offer for subscription for PrimaryBid Shares on behalf of the Company, successfully raising approximately £500,000 at the Issue Price.

The Firm PrimaryBid Offer is conditional upon (amongst other things) the Placing and Subscription Agreement not having been terminated and First Admission occurring on or before 8.00 a.m. on 29 May

2020 (or such later date and/or time as the Joint Brokers and the Company may agree, being no later than 3.00 p.m. on 30 June 2020 in respect of the Firm Placing).

The Conditional PrimaryBid Offer is conditional upon (amongst other things) the Placing and Subscription Agreement not having been terminated, the passing of the Resolutions at the General Meeting and Second Admission occurring on or before 8.00 a.m. on 12 June 2020 (or such later date and/or time as the Joint Brokers and the Company may agree, being no later than 3.00 p.m. on 30 June 2020 in respect of the Conditional Fundraise).

The Placing and Subscription Agreement

Pursuant to the Placing and Subscription Agreement, the Joint Brokers, as agents for the Group, have conditionally agreed to use reasonable endeavours to procure subscribers at the Issue Price for the Placing Shares.

The Joint Brokers intend to conditionally place the Placing Shares with certain institutional and other investors at the Issue Price. The Firm Placing is conditional upon (amongst other things) the Placing and Subscription Agreement not having been terminated and First Admission occurring on or before 8.00 a.m. on 29 May 2020 (or such later date and/or time as the Joint Brokers and the Company may agree, being no later than 3.00 p.m. on 30 June 2020 in respect of the Firm Placing).

The Conditional Placing is conditional upon (amongst other things) the Placing and Subscription Agreement not having been terminated, the passing of the Resolutions at the General Meeting and Second Admission occurring on or before 8.00 a.m. on 12 June 2020 (or such later date and/or time as the Joint Brokers and the Company may agree, being no later than 3.00 p.m. on 30 June 2020 in respect of the Conditional Placing).

The Placing and Subscription Agreement contains customary warranties from the Company in favour of the Joint Brokers in relation to, *inter alia*, the accuracy of the information in the Announcement, this Circular and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify the Joint Brokers in relation to certain liabilities that they may incur in respect of the Placing, Subscription and PrimaryBid Offer.

The Joint Brokers (together acting in good faith) have the right to terminate the Placing and Subscription Agreement in certain circumstances prior to Second Admission, including (but not limited to): in the event that any of the warranties in the Placing and Subscription Agreement were untrue or inaccurate in any material respect, or were misleading in any respect when given or in the event of a material adverse change affecting the business, financial trading position or prospects of the Company. The Brokers shall also have a further right to terminate the Placing and Subscription Agreement, following consultation with the Company to the extent practicable, if, at any time before Second Admission there occurs any change, or development involving a prospective change, in national or international, military, diplomatic, monetary, economic, political, financial, industrial or market conditions or exchange rates or exchange controls, or any incident of terrorism or outbreak or escalation of hostilities or any declaration by the UK, the US or in any member or associate member of the European Union or elsewhere of a national emergency or war or pandemic, epidemic or any other calamity or crisis (including a significant worsening of the Covid-19 crisis in the United Kingdom) (amongst other things).

The Placing and Subscription Agreement also provides for the Company to pay all agreed costs, charges and expenses of, or incidental to, the Placing and Admission including all legal and other professional fees and expenses up to the specified amounts stipulated in the Placing and Subscription Agreement.

For the purposes of section 571(6)(c) of the Companies Act, the Directors determined the Issue Price after reviewing applicable market and other considerations and having taken appropriate professional advice.

6. General Meeting

A notice convening the General Meeting, to be held at the offices of Arden Partners plc at 125 Old Broad Street, London, EC2N 1AR at 11.00 a.m. on 11 June 2020 is set out at the end of this document. The Resolutions will address the matters set out below:

- **Resolution 1** – an ordinary resolution seeking authority to issue and allot the Fundraising Shares.

- **Resolution 2** – an ordinary resolution seeking general authority for the Directors to issue and allot up to a further £66,386.01 in nominal amount of Ordinary Shares from time to time when they consider it expedient for the Company to do so, being an amount equal to approximately 10 per cent. of the Enlarged Issued Share Capital.
- **Resolution 3** – a special resolution to disapply statutory pre-emption rights otherwise applicable to the Company in respect of Resolution 1.
- **Resolution 4** – a special resolution to disapply statutory pre-emption rights otherwise applicable to the Company in respect of Resolution 2.

7. Action to be taken

IMPORTANT NOTICE REGARDING THE GENERAL MEETING AND COVID-19

In light of the Government's response to the COVID-19 outbreak, which includes banning all non-essential travel and gatherings of more than two people, the Company and the Executive Chairman have determined that the Resolutions to be proposed at the General Meeting shall be voted on through a poll rather than on a show of hands.

The Company believes that this is the best and fairest way to ensure that the votes of all Shareholders can be taken into account, whilst also preventing the Company and Shareholders breaching applicable regulations.

A Form of Proxy is enclosed for use at the General Meeting.

The Company encourages all Shareholders to either submit their Form of Proxy or use the CREST Proxy Voting Service, rather than attend the meeting in person. In accordance with the Company's articles of association, whilst completion and return of the Form of Proxy or using the CREST Proxy Voting Service would not preclude Shareholders from attending, speaking and voting in person at the General Meeting should they so wish, Shareholders are reminded that to do so would potentially be in breach of Government regulations in relation to the containment and control of COVID-19.

Completed Forms of Proxy should be returned in the reply paid envelope provided to SLC Registrars as soon as possible and, in any event, by not later than 11.00 a.m. on 9 June 2020.

If you hold your Existing Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by SLC Registrars (ID 7RA01) by no later than 11.00 a.m. on 9 June 2020 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

8. Recommendation

The Directors consider the Resolutions to be proposed at the General Meeting to be in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Directors recommend that you vote in favour of the Resolutions, as they intend to do in respect of their own holdings of Ordinary Shares, totalling 54,813,414 Ordinary Shares, being approximately 10.0 per cent. of the current issued share capital of the Company.

Yours faithfully,

Cathal Friel
Executive Chairman

Open Orphan plc

(the 'Company')

(Incorporated in England and Wales under the Companies Act 1985 with registered no. 07514939)

Notice of General Meeting

NOTICE IS HEREBY GIVEN that a general meeting of the Company ("**Meeting**") will be held at 11.00 a.m. on 11 June 2020 at the offices of Arden Partners plc at 125 Old Broad Street, London, EC2N 1AR, to consider, and if thought fit, pass the following resolutions, of which resolutions numbered 1. and 2. will be proposed as ordinary resolutions and resolutions numbered 3. and 4. will be proposed as special resolutions.

In each of the resolutions below, terms defined in the circular to shareholders published by the Company dated 26 May 2020 ("**Circular**"), of which this notice forms part, shall have the same meanings:

ORDINARY RESOLUTIONS

1. In accordance with the requirements of section 551 of the Companies Act, and in addition to any existing authority (and without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authority), the directors of the Company be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company such authority to be limited to a maximum aggregate nominal amount of £70,400.00 (70,400,000 new Ordinary Shares) in connection with the Fundraising (the "**Fundraising Shares**") **PROVIDED** that such authority shall expire on 30 September 2020 unless any such authorities are renewed, varied or revoked by the Company prior to or on that date and provided also that the Company may, before such expiry, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after such expiry and the directors of the Company may allot shares in the Company or grant rights pursuant to any such offer or agreement as if the authority conferred by this Resolution had not expired.
2. In accordance with the requirements of section 551 of the Companies Act, and in addition to any existing authority (and without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authority), the directors of the Company be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company such authority to be limited to a maximum aggregate nominal amount of £66,386.01 (66,386,010 new Ordinary Shares) **PROVIDED** that such authority shall expire on the earlier of (i) the conclusion of the annual general meeting of the Company to be held in 2020; and (ii) the date falling 18 months from the date of the passing of this Resolution unless any such authorities are renewed, varied or revoked by the Company prior to or on that date and provided also that the Company may, before such expiry, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after such expiry and the directors of the Company may allot shares in the Company or grant rights pursuant to any such offer or agreement as if the authority conferred by this Resolution had not expired.

SPECIAL RESOLUTIONS

3. Subject to Resolution 1 being passed, in accordance with section 571(1) of the Companies Act, and in addition to any existing authority, the directors of the Company be and they are hereby empowered to allot equity securities (within the meaning of section 560 of the Companies Act) for cash pursuant to the authorities conferred by Resolution 1 as if section 561 of the Companies Act did not apply to such allotment, **PROVIDED** that this power shall be limited to the allotment and issue of 70,400,000 Fundraising Shares up to a maximum aggregate nominal amount of £70,400.00 and **PROVIDED ALSO** that such power may be renewed, revoked or varied by

special resolution and that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the directors of the Company may allot equity securities pursuant to any such offer or agreement as if such powers had not expired.

4. Subject to Resolution 2 being passed, in accordance with section 570(1) of the Companies Act, and in addition to any existing authority, the directors of the Company be and they are hereby empowered to allot equity securities (within the meaning of section 560 of the Companies Act) for cash pursuant to the authorities conferred by Resolution 2 as if section 561 of the Companies Act did not apply to such allotment, **PROVIDED** that this power shall be limited to the allotment and issue of new Ordinary Shares up to a maximum aggregate nominal amount of £66,386.01 and **PROVIDED ALSO** that such power may be renewed, revoked or varied by special resolution and that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the directors of the Company may allot equity securities pursuant to any such offer or agreement as if such powers had not expired.

By order of the Board
BPE Secretaries Limited
Company Secretary
26 May 2020

Registered office:
Queen Mary Bioenterprises Innovation Centre
42 New Road
London
England
E1 2AX

1. Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company as at:
 - 6.30 pm on 9 June 2020; or,
 - if this Meeting is adjourned, at 6.30 pm on the day two days prior to the adjourned meeting,shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. A member is entitled to attend, speak and vote at the above meeting and is entitled to appoint one or more proxies to attend, speak and vote in his stead. A proxy need not be a member of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. **Please see the important notice set out in paragraph 7 of this document concerning the implications that COVID-19 will have on attendance at the General Meeting and the measures that the Company is putting in place in respect of the same.**
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, each different proxy appointment form must be received by SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, KT13 0TS not less than 48 hours before the time appointed for the meeting.
4. A vote withheld is not a vote in law which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
5. A form of proxy is enclosed. To be valid any form of proxy and power of attorney or other authority under which it is signed or a notarially certified or office copy of such power of authority must be lodged with the Company's Registrars SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, KT13 0TS or by scanning a signed copy and emailing this to office@slcregistrars.com so as to be received not less than 48 hours before the time appointed

for the meeting or any adjourned meeting. The return of a form of proxy will not preclude a member from attending and voting at the meeting in person should he subsequently decide to do so.

6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the issuer's agent, SLC Registrars (ID 7RA01), not less than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

11. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

