



30 September 2020

**Open Orphan Plc
("Open Orphan" or the "Company")
Interim Results for 6 months ended 30 June 2020**

Open Orphan Plc, a rapidly growing specialist CRO pharmaceutical services company which is the world leader in the testing of vaccines and antivirals using human challenge clinical studies is pleased to announce its interim results for the six months ended 30 June 2020. The interim results include the first six months of hVIVO group ("hVIVO") following its acquisition by Open Orphan Plc on the 17 January 2020.

Operational Highlights:

- Completed the acquisition of hVIVO plc for an aggregate consideration of approximately GBP£13 million in equity on 17 January 2020
- Implemented a major restructuring and integration of our operations to drive efficiency and competitiveness which is now substantially completed
- Successfully secured a number of RSV human challenge studies in the period including:
 - £3.4m contract with a major European biotech company, with anticipated £7m follow-on study
 - £3.7m contract with a US biotechnology company
- Driving growth of Dutch early clinical development services while refocussing French operations towards biometry services
- Large contract signed with a global leader in vaccine development
- Launch of COVID-19 Antibody testing partnership with Quotient Ltd
- Appointment of Leo Toole as Group Chief Financial Officer enhancing the executive management team

Financial Highlights:

- Cash and cash equivalents at half year end of GBP £14.7m following two successful placings:
 - Executed a fundraise on 31 January 2020 raising GBP £5.3 million at 6.1p per share (before expenses)
 - Executed a fundraise on 22 May 2020 raising GBP £12.6 million at 11p per share (before expenses)
- Reported Interim Results
 - Revenue of GBP £7.1 m for H1 2020 – continued focus on delivering larger contracts
 - EBITDA loss of GBP £4.1m for H1 2020
 - Operating Loss of GBP £5.0m for H1 2020
- Pro-forma Interim Results
 - Revenue of GBP £7.4m (H1 2019 Revenue of GBP £11.6m)
 - EBITDA Loss of GBP £4.7m (H1 2019 EBITDA loss of GBP £4.7m)
 - Operating Loss of GBP £5.6m (H1 2019 Operating Loss of GBP £6.3m)
- Post completion of Merger, reduction in overheads on target to deliver annualized cost efficiencies of GBP £10.1m by end of 2020

Post Period End:

- Acquired the CHIMagents team in July, reinforcing hVIVO's position as the world leading services company in the testing of vaccines and antivirals through human challenge study clinical trials.
- Integrated hVIVO's unparalleled database of infectious diseases progression data into the Open Orphan data platform – expecting potential commercialisation in Q4, with some of the world's largest wearable companies for this disease progression data.
- Progressing as planned to monetise two of our non-core assets, the 49% stake in Imutex and the 62.6% stake in PrEP.
- The Company continues to provide testing to large commercial employers in the UK and Ireland as part of a combined COVID-19 antibody and COVID-19 PCR (swab) testing offering.
- Contracts signed post period end include:
 - Laboratory services contracts signed with a number of parties – a key strategic growth area for Open Orphan taking advantage of our laboratory expertise.
 - Contract signed with Codagenix Inc. for a first-in-human Phase I COVID-19 vaccine study, demonstrating that hVIVO's quarantine facility is uniquely suited to conducting Phase I studies for infectious disease vaccines such as this.
 - Further RSV human challenge study contract for £4m signed with a Top 3 global pharma company with hVIVO acting as sponsor for this study.
 - First-in-human clinical pharmacology trial signed with Carna BioSciences.
 - Contract signed with a major European pharmaceutical company for data management, statistics and medical writing to support a 750 subject oncology study.
 - Contract signed for a further £4.3m human challenge study with a top 10 global vaccine company.

Outlook:

- The Group has a strong pipeline of contracted work and new projects at an advanced stage of negotiation and is targeting growth with strong operating cash flow in the second half of 2020 and is on target to be operationally profitable in Q4.
- As of September 2020, we are close to having the hVIVO quarantine clinic block booked with conventional challenge studies until December 2021. Quarantine clinic block expected to shortly be booked out for the next 18 months to two years with conventional challenge study contracts.
- Further to its announcements of 9 March 2020 and 22 May 2020, the Company is well progressed in developing the world's first Coronavirus human challenge study model to test a range of COVID-19 vaccines, complementing existing human challenge study models. We are in advanced discussions and negotiations with a range of potential customers, including the UK Government to test COVID-19 vaccines.

Cathal Friel, Executive Chairman of Open Orphan, said:

“Since we acquired hVIVO in January 2020, we have achieved what we set out to do. We have created a leaner more efficient businesses, removed excess costs and we are now a truly unique clinical research organisation (CRO) that is the world leader in the testing of vaccines and antivirals through the use of human challenge clinical trials. We have secured larger, more profitable contracts with both large pharma and the leading vaccine developers globally. We have delivered upon our aim of improving revenue streams through the delivery of several new revenue lines including the provision of laboratory services to third parties. We have reinvigorated both the Venn Life Sciences business and the hVIVO business during the first half of 2020 and have created a strong foundation for future growth.

Looking ahead, I am extremely excited by the potential for this business, we have entered a decade of significant spending on vaccines and antivirals by both governments and pharma companies around the world. The Open Orphan Group including hVIVO and Venn Life Sciences is ideally positioned to capitalise on this increase in vaccine development expenditure. Earlier this year we set ourselves the target of being profitable in the second half of 2020 and I am delighted to confirm that, despite profitability taking a few months longer than expected, we are on target to be operationally profitable in Q4 2020.

None of the above would have been possible without the exceptional effort, dedication and professionalism shown by all hVIVO, Venn and Open Orphan team members. They have worked diligently through the past 6 months, despite the added difficulty of the pandemic, to ensure that we have delivered an excellent performance. The teams are really well positioned to thrive as the world leaders in the testing of vaccines and antivirals for the decade ahead.”

Conference call for sell-side analysts and investors

The Company will hold a conference call for sell-side analysts and investors at 10:30 today.

Details for the conference call can be found at: <https://www.speakservecloud.com/register-for-call/254ba4b5-e780-48fb-9142-c5762f4ef8ef>

A corporate presentation is available to shareholders on the Group's website at: <https://www.openorphan.com/investors/reports-and-presentations/year/2020>

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Notes to Editors - Open Orphan:

Open Orphan is a rapidly growing niche CRO pharmaceutical services company which is a world leader in the testing of vaccines and antivirals through the use of human challenge clinical trials. Conducted from Europe's only 24-bedroom quarantine clinic with onsite virology providing individually isolated rooms and connected to our specialist laboratory facility. hVIVO's challenge studies require healthy volunteers to take part, volunteers are recruited through FluCamp, learn more at www.FluCamp.com. The hVIVO facility offers highly specialised virology and immunology laboratory services to support pre-clinical and clinical respiratory drug, antiviral, and vaccine discovery and development. Reliable laboratory analysis underpinned by scientific expertise is essential when processing and analysing clinical samples. Robust quality processes support our team of scientists in the delivery of submission ready data.

The Company has a leading portfolio of 8 viral challenge study models which are: 2 FLU, 2 RSV, 1 HRV, 1 Asthma, 1 cough and 1 COPD viral challenge models. As announced in early March, Open Orphan is rapidly advancing a number of Coronavirus challenge study models and expects to be helping many COVID-19 vaccine development companies to test their vaccines. No other company in the world has such a portfolio, with only two competitors globally having 1 challenge study model each. hVIVO also works with companies in the UK and Ireland to provide COVID-19 testing to staff to protect staff and customers from a workplace COVID-19 outbreak through its COVID Clear offering.

Open Orphan comprises of two commercial specialist CRO services businesses, hVIVO and Venn Life Sciences and is also building out a valuable data platform business. hVIVO has built up one of the world's largest databases of infectious disease progression data and we are populating our Open Orphan Health Data platform with this historical hVIVO data. In our clinical trials going forward, we are also planning to collect data on volunteer's via wearables during clinical trials. Therefore, Open Orphan's data, which may yield valuable digital biomarkers, could be one of the more sought-after datasets by many of the large wearables /smart watch wearables providers around the world. In June 2019, Open Orphan acquired AIM-listed Venn Life Sciences Holdings plc in a reverse take-over and in January 2020 it completed the merger with hVIVO plc in January 2020. Venn is an integrated drug development consultancy firm which offers CMC (chemistry, manufacturing and controls), preclinical, Phase I & II clinical trials design and execution. The merger with hVIVO created a European full pharma services company broadening the Company's customer base and with complementary specialist CRO services, widened the range of the Company's service offerings.

Executive Chairman's Statement

Dear Shareholder,

As Executive Chairman, I am very happy to report the first set of combined results since Open Orphan plc's (formerly Venn Life Sciences Holdings plc) acquisition of hVIVO plc (now hVIVO Limited) in January 2020.

Summary

The 6 months to the end June 2020 have been a period of significant change initially focussed on progressing our strategy to sign contracts for our world leading human challenge studies clinical trials which are used to test vaccines and anti-virals. We are also signing new contracts for biometry services from our Paris office and early clinical development services from our Breda, Netherlands office while at the same time developing further new revenue streams such as laboratory services to complement our existing London business. This has all been done while at the same time we implemented a major restructuring and integration of our operations to drive efficiency and competitiveness which is now substantially completed.

Also, in this period, the Company addressed the rapidly evolving COVID-19 pandemic event by enabling a safe and efficient working environment for our staff at home and in our clinic and laboratory facilities. We have worked proactively with our clients to manage project timetables to minimize the impact of Covid-19 on our revenues streams while continuing to build new relationships to expand our confirmed project pipeline well into 2021 and beyond.

Other highlights include the completion of a placing of £12.6m (before expenses) at 11p per share in May 2020 allowing us to invest to accelerate the development of a world-first coronavirus challenge study model to test COVID-19 vaccines and antivirals. This was all done while also expanding our laboratory service offerings to offer enhanced external laboratory services and to develop testing services to support the nascent testing environment for Covid-19.

Interim Results

Reported results for Open Orphan plc are summarized below and are covered by the schedules and notes from pages 6 to 14 of these Interim Financial Statements (and in particular reflect reverse merger accounting treatment under IFRS 3 and IFRS 10 of the combination of Venn Life Sciences Holdings plc and Open Orphan DAC as of 28 June 2019). We also share for reference the results for hVIVO plc (now hVIVO Limited), Open Orphan plc (formerly Venn Life Sciences Holdings plc) and Open Orphan DAC on a stand-alone basis.

	Open Orphan plc (As reported)		hVIVO plc (Proforma results on standalone basis)		Open Orphan plc (formerly Venn Life Sciences Holdings plc - proforma results on a stand-alone basis)		Open Orphan DAC (proforma results on a stand-alone basis)		Open Orphan plc (proforma results on a combined basis and including the impact of the 28 June 2019 and 17 January 2020 combinations)	
	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000
Revenue (incl. Other income)	7,078	-	3,379	6,409	4,062	5,179	-	-	7,441	11,588
Operating (Loss)	(5,005)	(156)	(3,067)	(4,224)	(2,128)	(1,965)	(447)	(159)	(5,642)	(6,348)
EBITDA before exceptional items	(4,145)	(156)	(2,478)	(3,192)	(1,811)	(1,340)	(445)	(159)	(4,734)	(4,691)
Loss for the period	(6,490)	(1,070)	(2,934)	(3,833)	(2,408)	(1,809)	(458)	(1,091)	(7,136)	(6,733)
	As at 30 June 2020 €'000	As at 30 June 2019 €'000								
Non-current assets	17,721	5,250								
Current assets (excl. cash)	3,602	5,714								
Cash	14,651	4,540								
Total Assets	35,974	15,504								
Equity attributable to owners	26,994	7,576								

Non-current liabilities	2,271	3,304
Current liabilities	6,709	4,624
Total equity and liabilities	35,974	15,504

Governance

The Board continues to recognise the importance of the high standards of corporate governance and considers that the Group's success is enhanced by the imposition of a strong corporate governance framework. I am grateful for the contributions of the new Board formed after the acquisition in January 2020 and want to acknowledge the important service of Trevor Philips during his tenure on the Boards of hVIVO plc (now hVIVO Limited) and Open Orphan plc until he stepped down in May 2020.

Outlook

Our business outlook has never been stronger. Demand and interest to complete Challenge studies in our 24-bed quarantine facilities in the UK is translating into a steady flow of signed new contracts and new customer engagement. As a result of the fundraise at the end of May, Open Orphan now has a large, healthy cash balance and, as such, is very well capitalised and we are ideally placed to be providing such services to governments and pharma companies around the world who seek to address the current pandemic and mitigate the risk of future such events. We are progressing a number of encouraging avenues to rapidly develop a human challenge model specific to SARS CoV-2 to fast track the identification of efficacious vaccines and treatments for Covid-19.

Our early clinical development business based out of Breda in the Netherlands is showing strong year on year growth while our biometry services based out of our Paris office, now focussing on data management, biostatistics, medical writing and randomisation, are contributing strongly to generate synergies for our viral challenge studies and expand their pipelines.

Across the second half of 2020, we will see the impact of the major efforts undertaken across the Group to divest from underperforming businesses, reduce overheads, deliver merger integration savings and right-size the management team including combining senior roles in both Venn and hVIVO leading to operational profitability in Q4. Our renewed focus on reducing hierarchy has increased the speed of decision making while empowering our teams to deliver our ambitious goals.

In addition, data is an important upstream area of development for the Group where we believe there will be an important convergence of hVIVO's global infectious disease progression data with the digitization of other vital signs and biomarkers available through our challenge studies, all with the goal of creating a ground-breaking Open Orphan Health Data platform that can be monetized with major pharma players.

I am very encouraged for the remainder of 2020 and our prospects in 2021. We have a world leading team, focused on ground-breaking work which will create sustainable value for all our stakeholders.

Cathal Friel

Executive Chairman

30 September 2020

Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2020

	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000	Audited Year Ended 31 December 2019 £'000
Continuing operations			
Revenue and other income	7,078	-	3,543
Direct Project and Administrative costs	(12,083)	(156)	(7,951)
Operating (loss)	(5,005)	(156)	(4,408)
Depreciation and amortisation	(860)	-	(627)
EBITDA before exceptional items	(4,145)	(156)	(3,781)
Finance Income/(Expense)	(200)	(218)	(350)
Share Options/Warrants Charge	(176)	-	(106)
Loss on sale/impairment of Investments	-	-	(231)
Transaction costs re acquisition	(1,335)	(696)	(711)
Share of loss of Associate and JV	(38)	-	-
Loss before income tax	(6,754)	(1,070)	(5,806)
Income tax credit	264	-	67
Loss for the period	(6,490)	(1,070)	(5,739)
Loss attributable			
Owners of the parent	(6,452)	(1,070)	(5,739)
Non-controlling interest	(38)	-	-
Loss for the period	(6,490)	(1,070)	(5,739)
Currency translation differences	562	1,290	1,123
Total comprehensive loss for the period	(5,928)	220	(4,616)

Earnings per share from continuing operations attributable to the owners of the parent during the period

Basic and diluted (loss) per ordinary share	Note	£ Pence	£ Pence	£ Pence
From continuing operations	3	(1.46)	(1.44)	(3.48)
From (loss) for the year		(1.46)	(1.44)	(3.48)

Consolidated Statement of Financial Position

As at 30 June 2020

	Unaudited As at 30 June 2020 £'000	Unaudited As at 30 June 2019 £'000	Audited As at 31 December 2019 £'000
Assets			
Non-current assets			
Property, plant and equipment	591	238	190
Intangible assets	5,832	3,365	2,875
Right-of-use leased assets	3,873	1,619	1,311
Investments	7,145	28	-
Total non-current assets	17,441	5,250	4,376
Current assets			
Trade and other receivables	2,612	5,076	3,615
Inventories	982	-	-
Income tax recoverable	8	9	12
Assets held for sale	-	629	-
Cash and cash equivalents	14,651	4,540	1,037
Total current assets	18,253	10,254	4,664
Total assets	35,694	15,504	9,040
Equity attributable to owners			
Share capital	728	316	317
Share premium account	44,420	15,200	15,215
Group re-organisation reserve	(6,856)	(6,856)	(6,856)
Share Option and Warrant Reserve	429	159	253
Foreign currency reserves	1,685	1,290	1,123
Retained earnings	(13,692)	(2,533)	(7,202)
Total equity	26,714	7,576	2,850
Liabilities			
Non-current liabilities			
Trade and other payables	24	-	42
Lease Liabilities	2,247	1,739	983
Borrowings	-	1,565	-
Total non-current liabilities	2,271	3,304	1,025
Current liabilities			
Trade and other payables	3,480	4,259	2,977
Deferred taxation	38	180	41
Lease Liabilities	1,873	-	444
Borrowings	1,318	185	1,703
Total current liabilities	6,709	4,624	5,165
Total liabilities	8,980	7,928	6,190
Total equity and liabilities	35,694	15,504	9,040

Consolidated Statement of Cash Flows

For the 6 months ended 30 June 2020

	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000	Audited Year Ended 31 December 2019 £'000
Cash Flow from operations			
Loss before income tax – continuing operations	(6,754)	(1,070)	(5,806)
Adjustments:			
- Depreciation & Amortisation	860	-	627
- For. Currency translation	(463)	(27)	75
- Transaction costs	1,335	696	711
- Net finance costs	200	218	350
- Share Option reserve	176	-	106
- Share of loss of Imutex	38	-	-
Changes in working capital			
- Losses/Impairments on Investments	-	-	231
- Lease Payments	(889)	-	(279)
- (Increase)/Decrease Trade and other receivables	477	(20)	1,859
- (Increase)/Decrease Inventories	(982)	-	-
- (Decrease)/Increase Trade and other payables	1,025	(218)	(637)
Cash used in operations	(4,977)	(421)	(2,763)
Income tax received/(paid)	1,395	-	-
Net cash (used) in operating activities	(3,582)	(421)	(2,763)
Cash flow from investing activities			
Investment in subsidiary	2,276	38	36
Sale of Shares in Integumen Plc	-	-	531
Purchase of property, plant and equipment (PPE)	(93)	-	(24)
Net Interest paid	(100)	(218)	(117)
Net cash used in investing activities	2,083	(180)	426
Cash flow from financing activities			
Net Proceeds from public placing in Jan and May 2020	16,603	5,211	3,685
Issuance of ordinary shares for CDSs	-	1,382	-
CDS Issued or converted	-	(904)	-
Premium on conversion of CDs to shares	-	-	273
Transaction costs	(1,335)	(696)	(711)
Repayment of invoice discounting	(155)	-	(21)
Net cash flow from financing activities	15,113	4,993	3,226
Net increase in cash and cash equivalents	13,614	4,392	889
Cash and cash equivalents at beginning of period	1,037	148	148
Cash and cash equivalents at end of period	14,651	4,540	1,037

Consolidated Statement of Changes in Shareholders' Equity

	Share capital £'000	Share premium £'000	Merger reserves £'000	Share Option reserve £'000	Foreign Currency reserve £'000	Retained earnings £'000	Total £'000
At 1 January 2019	-	-	-	-	-	(1,463)	(1,463)
Changes in equity for 6 months ended 30 June 2019							
Total loss for the period					-	(1,070)	(1,070)
Currency translation differences					1,290	-	1,290
Total comprehensive loss for the period	-	-	-	-	1,290	(1,070)	220
Transactions with the owners							
Shares issued to Public	80	3,809	-	-			3,889
Investment In subsidiary	236	11,391	(6,856)	159			4,930
At 30 June 2019	316	15,200	(6,856)	159	-	(2,533)	7,576
Changes in equity for 6 months ended 31 December 2019							
Total loss for the period					-	(4,669)	(4,669)
Currency translation differences					(167)	-	(167)
Total comprehensive loss for the period	-	-	-	-	(167)	(4,669)	(4,836)
Transactions with the owners							
Shares issued to Public	1	15	-	-			16
Share Option provision reserve	-	-	-	94			94
At 31 December 2019	317	15,215	(6,856)	253	1,123	(7,202)	2,850
Changes in equity for 6 months ended 30 June 2020							
Total loss for the period					-	(6,490)	(6,490)
Currency translation differences					562	-	562
Total comprehensive loss for the period	-	-	-	-	562	(6,490)	(5,928)
Transactions with the owners							
Shares issued to Public	204	15,631	-	-			15,835
Share Option provision reserve	-	-	-	176			176
Investment In subsidiary	207	13,574	-	-			13,781
At 30 June 2020	728	44,420	(6,856)	429	1,685	(13,692)	26,714

NOTES FORMING PART OF THE INTERIM FINANCIAL STATEMENTS

1. General information

Open Orphan Plc is a company incorporated in England and Wales. The Company is a public limited company, listed on the AIM market of the London Stock Exchange. The address of the registered office is QMB Innovation Centre, 42 New Road, London E1 2AX, UK.

The Group is a specialist CRO pharmaceutical services company which is the world leader in the testing of vaccines and antivirals using human challenge study models.

On 28th June 2019, Open Orphan Plc (formerly Venn Life Sciences Holdings Plc) completed an IPO on the London AIM Exchange and the Dublin Euronext exchange through a reverse merger of Open Orphan DAC, an Irish Company, into Venn Life Sciences holdings Plc, a UK company.

On 17th January 2020, the Open Orphan Group completed a merger to acquire the entire issued and to be issued share capital of hVIVO plc for an aggregate consideration of approximately GBP£13 million in equity. As part of this transaction, the Enlarged Share Capital of the Group was readmitted to trading on AIM and Euronext Growth on 17th January 2020.

The Group executed a placing on 31st January 2020 raising GBP £5.3 million (before expenses) and a placing on 22 May 2020 raising GBP £12.6 million (before expenses).

During the period ended 30 June 2020, the following Board changes occurred

- On 17th January 2020, Cathal Friel, became Executive Chairman; Brendan Buckley became Non-Executive director and Trevor Philips, CEO of hVIVO Plc became CEO of Open Orphan Plc Group and was appointed to the board. Christian Milla, Michael Ryan, Maurice Treacy and David Kelly resigned from the board on 17th January 2020.
- Michael Meade and Mark Warne were appointed to the board on the same date.
- Leo Toole was appointed Chief Financial Officer on 13th February and subsequently appointed to the board on 27th February 2020.
- Trevor Philips resigned as a Director on 4th May 2020

On 1 April 2020, hVIVO plc was re-registered as a private company, hVIVO Limited, to reflect its status as a wholly owned subsidiary of Open Orphan plc. hVIVO Limited and its subsidiaries are fully consolidated in line with the Group's accounting policy as of 17th January 2020

2. Accounting policies and Basis of Preparation

The accounting policies applied by the Group in this financial information are the same as those applied by the Group in its financial statements for the year ended 31 December 2019 and which will form the basis of the 2020 financial statements with the exception of the following:

- Based on the accounting standards under IFRS 3 and IFRS 10, the Group has determined that the entity with control of the combined group after the 17 January 2020 combination is Open Orphan plc. It was therefore determined that acquisition accounting is to be applied for presentation of the financial statements of the Company. This means that results reported for the period and comparable periods reflect those of Open Orphan plc while the Balance Sheet reported for the period and comparable periods reflect those of the combined group with share capital reflecting the position of the ultimate parent Company Open Orphan Plc.

- The Board has decided to change the presentational currency of the Group from Euro (€) to pounds Sterling (£) given the increased weighting of our UK operations on our Financial Statements as a result of the merger between Open Orphan plc and hVIVO plc in January 2020. All values are rounded to the nearest thousand (£'000) except where indicated otherwise.

The financial information presented herein does not constitute full statutory accounts under Section 434 of the Companies Act 2006 and was not subject to a formal review by the auditors. The financial information in respect of the year ended 31 December 2019 has been extracted from the statutory accounts which have been delivered to the Registrar of Companies. The Group's Independent Auditor's report on those accounts was unqualified, did not include references to any matters to which the auditor drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006. The financial information for the half years ended 30 June 2020 and 30 June 2019 is unaudited and the twelve months to 31 December 2019 is audited.

There are no material events to report after the end of the reporting period.

The Interim Financial Statements were approved by the Board of Directors on 29 September 2020.

3. Loss per share

(a) Basic

Basic earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000	Audited Year ended 31 December 2019 £'000
Loss from continuing operations attributable to equity holders of the Company (£'000)	(6,490)	(1,070)	(5,739)
Total	(6,490)	(1,070)	(5,739)
Weighted-average Ordinary Shares in issue	442,824,141	74,413,349	165,081,000

(b) Diluted

Due to the losses in the periods the effect of the share options and warrants noted below were considered to be anti-dilutive.

	6 Months ended 30 Jun 2019 Unaudited £'000	6 Months ended 30 Jun 2019 Unaudited £'000	Year ended 31 Dec 2018 Audited £'000
Potential dilutive ordinary shares:			
Weighted Options	16,120,131	5,324,569	9,131,123
Weighted Warrants	<u>5,854,796</u>	<u>6,234,278</u>	<u>6,651,204</u>
	<u>21,974,927</u>	<u>11,558,847</u>	<u>15,782,327</u>

4. Dividends

There were no dividends provided or paid during the six months.

5. Proforma Statement of Comprehensive Income - Open Orphan Plc (including OO DAC, Venn Life Sciences Group and hVIVO Group)

The schedule below reflects normalized Comprehensive Income for Open Orphan Plc including OO DAC, Venn Life Sciences Group and hVIVO Group as if they had been a single group across all 3 time periods.

	Unaudited 6 months ended 30 June 2020 £'000	Unaudited 6 months ended 30 June 2019 £'000	Audited Year ended 31 December 2019 £'000
Continuing operations			
Revenue and other income	7,441	11,588	23,735
Direct Project and Administrative expenses	(13,083)	(17,936)	(35,748)
Operating (loss)/profit	(5,642)	(6,348)	(12,013)
Depreciation and amortisation	(908)	(1,093)	(2,302)
Provision against virus inventory	(-)	(564)	(825)
EBITDA before exceptional items	(4,734)	(4,691)	(8,886)
Finance Income/(costs)	(208)	(442)	(681)
Gain/(Impairment) of Financial Asset Investments	-	395	(1,563)
Share Options and Warrants Reserve	(176)	(159)	(261)
Transaction costs re acquisitions and mergers	(1,336)	(709)	(934)
Share of loss of Associate and JV	(38)	(24)	(33)
Loss before income tax	(7,400)	(7,287)	(15,485)
Income tax credit	264	554	993
Loss for the period	(7,136)	(6,733)	(14,492)
Loss attributable			
Owners of the parent	(7,098)	(6,709)	(14,459)
Non-controlling interest	(38)	(24)	(33)
Loss for the period	(7,136)	(6,733)	(14,492)

6. Share of loss of associates and joint ventures

hVIVO Limited holds equity investments in development stage biopharmaceutical companies. As the invested companies are incurring research and development expenditure to develop products no revenue will be generated, and losses will be presented, until the products are successfully commercialised.

At 30 June 2020, the Group held an investment in one associate, PrEP Biopharm Limited, and one joint venture, Imutex Limited (see Note 7). The carrying amount of PrEP Biopharm Limited was fully impaired to £nil as at 31 December 2018. The carrying amount of the other investment is considered to be fully recoverable.

The Group's share of after- tax losses of its joint venture is set out below:

6. Share of loss of associates and joint ventures (Cont'd)

	6 Months ended 30 Jun 2020 Unaudited £'000	6 Months ended 30 Jun 2019 Unaudited €'000	Year ended 31 Dec 2019 Audited €'000
Share of loss of joint venture	(38)	-	-
Share of total comprehensive loss	(38)	-	-

7. Investment in associates and joint ventures

A reconciliation of the carrying value of the Group's investments in joint ventures and associates is as follows:

	2020
	€'000
At 17 January on acquisition	7,183
Loss after tax recognised in the consolidated statement of comprehensive income	(38)
At 30 June	<u>7,145</u>

8. Share based payments

As a result of the acquisition of hVIVO Plc on 17 January 2020, hVIVO employees holding hVIVO LTIP options had the choice of either exercising their options and receiving Open Orphan shares immediately (Choice 1), or, exchanging them for equivalent Open Orphan share options with the same vesting date (Choice 2). In total there were 1,672,961 hVIVO share options in existence at the merger date. 157,920 option holders selected Choice 1, resulting in 390,061 Open Orphan shares being issued on 26th Feb 2020. The remaining 1,515,041 hVIVO option holders selected Choice 2 and exchanged to 3,742,147 Open Orphan share options. There have been no further share options granted during the period to 30 June 2020. In addition, hVIVO employees were granted free shares held in trust pursuant to a Share Incentive Plan ("SIP") introduced by hVIVO on 21st January 2019, which are subject to a 3-year forfeiture period. As a result of the acquisition of hVIVO plc these shares were exchanged for Open Orphan shares and will be held in the SIP on the same basis as the original hVIVO SIP shares. A share option charge in relation to these new Open Orphan share options and SIP shares of £176,000 (H1 2019: Nil) has been recorded in the income statement for the period.

9. Press

A copy of this announcement is available from the Company's website, being www.openorphan.com. If you would like to receive a hard copy of the interim report, please contact the Open Orphan Plc offices on +353 1 644 0007 to request a copy.