

26 July 2023

hVIVO plc
("hVIVO" or the "Group")

Trading Update

Strong first half performance and record orderbook
On track to deliver full year guidance and long-term sustainable growth

hVIVO plc (AIM & Euronext: HVO), the world leader in testing infectious and respiratory disease products using human challenge clinical trials, announces a trading update for the six-month period ended 30 June 2023.

Highlights

- **First half revenue growth of 52% to £27.3 million* (H1 2022: £18.0 million)**
- **EBITDA margin c.19% (H1 2022: 12.7%)**
- **Net cash of £31.3 million as at 30 June 2023 (H1 2022: £15.9 million)**
- **Weighted contracted orderbook of £78 million as at 30 June 2023 (30 June 2022: c.£70 million) underpins revenue visibility**
- **Full year revenue and EBITDA remains in line with expectations**

** The Group will now report revenue excluding other income, such as R&D tax credits. Other income in H1 2023 was £1.4 million (H1 2022: £0.9 million).*

Strong revenue and robust cash generation

The Group expects to report half year revenues of £27.3 million excluding other income (H1 2022: £18.0 million), a 52% increase year-on-year. This growth has been driven through the delivery of a higher number of human challenge trials with continued increases in total contract value. In addition to the revenue generated, the Group also recognised other income relating to R&D tax credits of £1.4 million (H1 2022: £0.9 million). The improved EBITDA margin of c.19% is a result of enhanced operational efficiencies and concurrent execution of multiple larger trials. The Group continues to be strongly cash generative with a cash position of £31.3 million as at 30 June 2023 (H1 2022: £15.9 million) following the payment of a £3.0 million special dividend on 9 June 2023.

Growing orderbook

As at 30 June 2023, the Group's weighted contracted orderbook increased to £78 million (H1 2022: £70 million), an increase of 11%, underlining the continued growth in demand for human challenge trials from the global biopharma industry. Importantly, the orderbook is diversified across multiple clients, challenge agents and geographies, which provides a strong foundation for long term revenue growth.

Full year outlook

hVIVO is fully contracted to achieve its revenue guidance for 2023 and the Group has a record orderbook giving visibility of revenue into the second half of 2024, which will allow the management team to effectively optimise its resources, improve strategic decision making and enhance its adaptability and flexibility in managing its revenue pipeline. This coupled with its track record of excellent operational delivery provides a strong foundation for future trading.

While there have been industry wide delays in UK clinical trial approvals by the Medicines and Healthcare products Regulatory Authority (MHRA), the Board does not currently expect the MHRA delays to have a material impact on revenue. This delay in approvals has had some impact on new trials but the Company is successfully working closely with both its clients and the MHRA to ensure the timely delivery of studies and has implemented a contingency plan to mitigate any potential impact.

Based on the current guided timeline for approvals and hVIVO's contingency plans, the Company reaffirms its guidance of £53 million in revenue for 2023 and EBITDA margins in the mid to high teens. Revenue excludes £2 million of other income, such as R&D tax credits.

Yamin 'Mo' Khan, Chief Executive Officer of hVIVO, said: *"I am pleased to announce another period of excellent growth for hVIVO, delivering strong revenues, healthy EBITDA and continued cash generation. Since the end of June our weighted contracted orderbook has increased even further following the recent announcement of our new Influenza B human challenge model. This record visibility of revenue well into the second half of 2024 provides a strong basis for future trading, as well as additional flexibility and adaptability to efficiently manage our pipeline.*

"I take pride in what the team has achieved and admire their determination to continue our growth path. It has also been pleasing to see a number of our clients receive positive outcomes as a result of conducting challenge trials with us. Coupled with our current track record of operational delivery, the Board is confident that the Group will achieve its full year revenue and EBITDA expectations."

Investor presentation

Yamin 'Mo' Khan, Chief Executive Officer, and Stephen Pinkerton, Chief Financial Officer, will provide a live presentation via the Investor Meet Company platform on 26 July 2023 at 18:00 BST.

The presentation is open to all existing and potential shareholders. Investors can sign up to Investor Meet Company for free and add to meet hVIVO [here](#).

For further information please contact:

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Notes to Editors

hVIVO plc (ticker: HVO) (formerly Open Orphan plc) is a rapidly growing specialist contract research organisation (CRO) and the world leader in testing infectious and respiratory disease vaccines and therapeutics using human challenge clinical trials. The Group provides end-to-end early clinical development services to its large, established and growing repeat client base, which includes four of the top 10 largest global biopharma companies.

The Group's fast-growing services business includes a unique portfolio of 11 human challenge models, with a number of new models under development, to test a broad range of infectious and respiratory disease products. The Company has world class challenge agent manufacturing, specialist drug development and clinical consultancy services via its Venn Life Sciences brand, and a lab offering via its hLAB brand, which includes virology, immunology biomarker and

molecular testing. The Group offers additional clinical field trial services such as patient recruitment and clinical trial site services.

hVIVO runs challenge studies in London from its Whitechapel quarantine clinic, its state-of-the-art QMB clinic with its highly specialised on-site virology and immunology laboratory, and its clinic in Plumbers Row. To recruit volunteers / patients for its studies, the Company leverages its unique clinical trial recruitment capability via its [FluCamp](#) volunteer screening facilities in London and Manchester.