12 September 2023

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

Interim results
Strong first half performance and record forward visibility
Upgrade of Full Year Revenue and EBITDA Guidance

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

Financial highlights

- First half revenue growth of 52% to £27.3 million* (H1 2022: £18.0 million)
- EBITDA more than doubled to £5.2 million (H1 2022: £2.3 million)
- EBITDA margin increased to 19.1% (H1 2022: 12.6%)
- 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)

**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).*

Operational highlights

- Human metapneumovirus (hMPV) challenge model under development, funded by an end-to-end human challenge service contract with North American biopharmaceutical company
- Completed the manufacturing of Influenza H1N1 and Omicron human challenge viruses
- Asia-Pacific (APAC) region identified as a key long term growth area, underscored by the signing of first challenge trial contract signed with APAC client in over a decade
- The Group's fast growing drug development consultancy arm, Venn Life Sciences, awarded a €3.2 million contract with a major pharmaceutical client
- Value proposition for human challenge trials reinforced by positive outcomes from hVIVO challenge trials
    - Pfizer's ABRYSVO™ became one of the first RSV vaccines to receive FDA approval in May 2023 having received Breakthrough designation
    - Cidara received FDA Fast Track designation for its influenza antiviral candidate in June 2023
    - SAB Biotherapeutics received FDA Breakthrough and Fast Track designation for its influenza antiviral candidate in April 2023

Post-period end highlights

- New state-of-the-art facility, largely funded by a number of hVIVO clients and which only involves a nominal cash contribution by the Group, is due to open in H1 2024. This facility will have 50 quarantine bedrooms, with potential to expand to 70 beds, enlarged cutting-edge laboratories, an outpatient unit, and corporate office
- Flu B challenge model under development, funded by £13.1 million bespoke manufacturing and characterisation contract with existing top five global pharmaceutical client

Current trading and outlook

As at 30 June 2023, the Group's weighted contracted orderbook increased to £78 million (H1 2022: £70 million), an increase of 11%. The orderbook is diversified across multiple clients, challenge agents and geographies, allowing the management team to effectively optimise its resources and enhance its adaptability and flexibility in managing its revenue pipeline. Coupled with its track record of excellent operational delivery, this provides a strong foundation for future growth.

The Group recently announced its plan to move to a new state-of-the-art facility which is due to open in H1 2024. The move will enable the Group to increase its revenue potential by increasing its number of quarantine beds, improving its ability to conduct larger studies faster, enable multiple concurrent trials improving utilisation levels and support the development of new CRO service revenue streams. Additionally, consolidating hVIVO's clinical and laboratory operations into a single location will lead to improved operational efficiencies, further enhancing long term margins. Its current quarantine facilities will remain open until the new facility is fully operational, however by availing of break clauses in its current leases, the Group has ensured an orderly transition to its new and improved facility and as such, will not incur lease costs on any of its legacy quarantine facilities beyond Q3 2024.

The Group has minimised the impact from delays in UK clinical trial approvals by the Medicines and Healthcare products Regulatory Authority (MHRA) by working closely with its clients and the MHRA in recent months and has received all outstanding approvals. hVIVO continues to monitor the situation closely, working with its clients to ensure the timely delivery of its studies.

hVIVO increases its revenue guidance to £55 million (excluding other income) for 2023 and increases its EBITDA margin guidance for 2023 to c.19%.

Dividend

The Company intends to pay a nominal annual dividend going forward, details of which will be announced alongside publication of the Group's audited results for FY23.

Yamin 'Mo' Khan, Chief Executive Officer of hVIVO, said: *"The first half of 2023 has delivered another period of excellent growth and progress towards our goal of establishing a long-term sustainable growth model. The increasing number of trials, as well as the growing volunteer cohorts and expanding use cases, highlights that the human challenge market is experiencing a strong growth trend that we strongly believe will continue over the long term. The outlook for the business is extremely positive, as our new state-of-the-art facility sets us up to accelerate our growth over the long term. We are delighted to increase our revenue guidance and EBITDA margin guidance for 2023. Finally, I would like to thank our staff for their continued dedication and boundless enthusiasm as we progress towards our vision to transform global healthcare."*

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 12 September 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:

hVIVO plc +44 (0) 20 7756 1300
Yamin 'Mo' Khan, Chief Executive Officer
Stephen Pinkerton, Chief Financial Officer

Liberum Capital (Nominated Adviser and Joint Broker) +44 (0) 20 3100 2000
Ben Cryer, Edward Mansfield, Phil Walker, Will King

Cavendish Capital Markets Ltd (Joint Broker) +44 (0) 20 7220 0500
Geoff Nash, Charlie Beeson (Corporate Finance)
Nigel Birks, Harriet Ward (ECM)

Davy (Euronext Growth Adviser and Joint Broker) +353 (0) 1 679 6363
Anthony Farrell, Niall Gilchrist

Walbrook PR (Financial PR & IR)
Stephanie Cuthbert / Phillip Marriage /
Louis Ashe-Jepson

+44 (0) 20 7933 8780 or hvivo@walbrookpr.com
+44 (0) 7796 794 663 / +44 (0) 7867 984 082 /
+44 (0) 7747 515 393

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 Group has world class challenge agent manufacturing capabilities, 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 Group leverages its unique clinical trial recruitment capability via its FluCamp volunteer screening facilities in London and Manchester.

Establishing a long-term sustainable growth model

The first half of 2023 has seen further excellent progress towards our goal of establishing a long-term sustainable growth model. I strongly believe that human challenge trials (HCTs) remain an underutilised means of developing vaccines and antivirals, and over the past 18 months we have seen a significant increase in both the number and size of trials as a greater number of big pharma and biotech companies realise the time and cost savings of HCTs over traditional field trials. The rise in demand for HCTs was reflected in the substantial growth in first half revenues, driven by the delivery of a higher number of challenge trials and the continued growth in our orderbook, which is diversified across clients, challenge agents and geographies. The robust orderbook underpins the sustainable growth trajectory of the Group providing revenue visibility into late 2024. This has enabled management to effectively plan and strategise into the long term.

We continued to deliver improved profit margins in the period which translated to robust cash generation. The efficiency initiatives implemented to maximise quarantine bed occupancy and improve volunteer conversion rates are now beginning to deliver sustainable improvements in performance. This is the result of conducting multiple challenge model trials concurrently, with volunteers delivered by our revamped FluCamp volunteer recruitment platform.

I believe there are still greater opportunities to drive efficiencies across the Group, and our recently announced move to a larger state-of-the-art facility is a clear indicator that we are committed to further improvement in this regard over the long term. I am very proud of what the team has achieved in H1 2023 and I am inspired by their continued drive and commitment to achieve our shared mission of delivering today's healthcare by empowering tomorrow's innovation.

Optimised business model delivers record financial performance

hVIVO delivered record revenue of £27.3 million in H1 2023 (H1 2022: £18.0 million), a 52% increase on H1 2022. The Group recorded exceptional EBITDA growth of 129% to £5.2 million (H1 2022: £2.3 million), with EBITDA margin increasing to 19.1% (H1 2022: 12.6%). This is the result of our continued focus on optimising hVIVO's business model, driving operational improvements and efficiencies combined with disciplined capital allocation to deliver improved profitability.

The focus on operational excellence has enhanced cash generation with net cash of £31.3 million as at 30 June 2023 (H1 2022: £15.9 million). The Group is debt free, has a robust net working capital, and has structured its contracts to be cash flow positive for hVIVO. All of our challenge trial contracts include a non-refundable quarantine booking fee, with milestone payments that are set to forward fund the next phase of the challenge trial.

Seeing the benefits of human challenge trials ("HCTs")

The significant uptake in the use of HCTs over the past 18 months has been fuelled by increasing real-world examples of their benefits over traditional field trials. These include expedited development and regulatory review timelines, and early proof of concept data with the potential to increase the valuation of biotech companies and their assets. A few recent examples that have underlined the value proposition of HCTs include:

- Pfizer's ABRYSVO™, one of the first RSV vaccines to receive FDA approval in May 2023 having received Break-through designation
- Cidara received FDA Fast Track designation for its influenza antiviral candidate in June 2023
- SAB Biotherapeutics received FDA Breakthrough and Fast Track designation for its influenza antiviral candidate in April 2023

The growth in demand for HCTs is reflected in the increasing scope of the contracts we have signed. Our clients want to collect more information than just whether the drug is effective or not; this additional information may include determining the optimal dose, exploring various primary and secondary endpoints, defining timepoints for late-stage trials and/or comparing products developed through different technologies. A case in point is the head-to-head

comparison of a vaccine manufactured using different technologies in a single trial, the goal being the identification of the best candidate to progress to late-stage clinical development. Consequently, a larger number of volunteers are required to obtain statistically significant data.

New state-of-the-art facility

The goal to establish a long-term sustainable growth model has been reinforced by plans to move to a bigger state-of-the-art facility. Our goal has always been to increase our capacity in the future, but we have shown great agility to take full advantage of an opportune moment to expedite our expansion. The availability of the right facility at the right price, the high orderbook, the demand for standalone laboratory work, the timing of the break clauses in current quarantine facility leases, and the economic support from our customers all make it an ideal time for this move. This move has been largely funded by a number of hVIVO clients (with a nominal cash contribution by the Group), underscoring the crucial role that HCTs are increasingly playing in the development of new vaccines and antivirals. The move is a central piece of our long-term plan and will increase our number of quarantine beds to 50 with the potential to expand to 70 beds. It will also allow us to significantly enhance our lab offering and capacity with cutting-edge virology and immunology laboratories.

Ultimately, consolidating our operations into a single location will result in further operational efficiencies, further enhancing long term margins. The move is expected to be a seamless transition, completed over two phases to ensure uninterrupted service delivery for our clients as well as ensuring that the Group will not incur lease costs on any legacy quarantine facilities beyond Q3 2024. The Group's volunteer screening facilities and outpatient unit in Manchester and in East London will remain in place.

World leading diversified offering

A key cornerstone of our growth strategy has been to leverage the sustained growth in demand for challenge studies to diversify our service offering beyond challenge studies by establishing new revenue streams and increasing utilisation across our existing resources to further increase profit margins.

A main driver of this has been to develop new challenge models, paid for by our clients, in indications where they have expressed concrete interest in completing a challenge study. We have expanded our library of challenge models, having completed the manufacturing of our Omicron and H1N1 influenza challenge agents in H1 2023. We have also signed a new end-to-end human challenge service contract to develop a human metapneumovirus (hMPV) as well as a bespoke influenza B challenge model contract. Challenge agent manufacture has developed into a strong revenue source with healthy year-on-year growth. This is a service unique to hVIVO who are the only global provider with the capabilities to manufacture and characterise a new virus and subsequently conduct a full challenge trial, positioning us as the clear leader in this growing market.

Venn Life Sciences, our drug development consulting subsidiary, reported strong revenue growth of 20% in the first half of 2023. We believe there are further growth opportunities at Venn and have identified ATMP (advanced therapy medicinal products) and drug device consulting as key areas for investment. We are also seeing an increase in consultancy services at hVIVO in clinical development, regulatory affairs, and quality assurance.

In addition, we signed our first contract with a large global CRO in 2023 for volunteer repurposing. This involves redirecting FluCamp volunteers that did not meet the eligibility criteria for challenge studies to our global CRO partner for inclusion in one of their studies. Finally, we are particularly excited about the opportunity for our lab services. The new lab facilities at Canary Wharf will significantly increase our sample throughput and enhance h*LAB*, the Group's highly specialised virology and immunology laboratory service offering, to deliver industry leading lab services to HCT and other biopharma clients.

Increasing global demand for human challenge trials

The Group's weighted orderbook of signed contracts continued its long-term growth trend by increasing to £78 million as at 30 June 2023 (H1 2022: £70 million). hVIVO continued to add to its contracted orderbook in the first half of 2023, signing a bespoke human challenge model contract as well as an end-to-end human challenge service contract (influenza B and hMPV) in addition to signing its first human challenge trial contract with a client in the APAC region in over a decade. This represents an important milestone, underlining the global demand for HCTs. North America and

Europe continue to be the main sources of revenue for the Group, but we have identified APAC as a key growth region and anticipate further demand from APAC-based companies going forward.

hVIVO's potential pipeline of HCTs is continuing to increase, with the number of phase I and II clinical trials in disease indications for which hVIVO has developed a challenge model growing annually. This is also reflected in the long-term upward trend in the number of vaccine studies conducted each year. As the funding environment for biotechnology companies remains challenging, we are seeing an increasing interest in challenge trials from prospective biotech clients as they look to minimise risk, reduce costs and development timelines, and obtain crucial human efficacy data.

Positive outlook

The first half of 2023 has delivered another period of excellent growth and demonstrates further progress towards our goal of establishing a long-term sustainable growth model. The increasing number of HCTs, as well as the growing volunteer cohorts and expanding use cases, highlights that the market is experiencing a strong growth trend that we firmly believe will continue over the long term. The Group is well capitalised and in a robust financial position to develop new revenue streams and increase profitability through both organic and inorganic opportunities. This, combined with the new models under development and the Group's track record of excellent operational delivery gives the Board confidence that hVIVO will maintain its strong upward growth trend.

The Group has minimised the impact from delays in UK clinical trial approvals by the Medicines and Healthcare products Regulatory Authority (MHRA) by working closely with its clients and the MHRA in recent months and has received all outstanding approvals. hVIVO continues to monitor the situation closely, working with its clients to ensure the timely delivery of our studies.

The outlook for the business remains extremely positive, with revenue for 2023 fully contracted and our orderbook providing excellent visibility over revenue into late 2024, as well as a new state-of-the-art facility equipped to accelerate our growth over the long term. The Board has increased its revenue guidance to £55 million for 2023 as well as increasing its EBITDA margin guidance to c.19% for 2023. Furthermore, it is the Board's intention to pay a nominal annual dividend following the publication of the full year results for 2023.

Finally, I would like to thank our staff for their continued dedication and boundless enthusiasm as we progress towards our vision to transform global healthcare.

Yamin 'Mo' Khan
CEO
11 September 2023

Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2023

	Note	6 months ended 30 June 2023 Unaudited £'000	6 months ended 30 June 2022 Unaudited £'000	Year ended 31 December 2022 Audited £'000
Operations				
Revenue, from contracts with customers		**27,297**	18,010	48,477
Other operating income		**1,352**	861	2,220
Direct project and administrative costs		**(23,439)**	(16,599)	(41,625)
EBITDA before exceptional items		**5,210**	2,272	9,072
Depreciation & amortisation		**(1,340)**	(1,436)	(2,930)
Exceptional items		**(219)**	(186)	(119)
Operating profit		**3,651**	650	6,023
Net finance income/(expense)		**530**	(172)	617
Impairment of investment in associate		**-**	-	(6,957)
Share of loss of associate using equity method		**-**	(25)	(48)
Profit/(loss) before income tax		**4,181**	453	(365)
Income tax charge		**(253)**	(176)	(411)
Profit/(loss) for the year		**3,928**	277	(776)
Profit/(loss) for the year is attributable to:				
Shareholders		**3,928**	277	(776)
Other comprehensive income				
Currency translation differences		**(106)**	(173)	27
Total comprehensive income/(loss) for the year		**3,822**	104	(749)
Earnings per share attributable to shareholders during the year:				
Basic earnings per share	3	**0.58p**	0.04p	(0.12p)
Diluted earnings per share	3	**0.58p**	0.04p	(0.12p)
Adjusted earnings per share attributable to shareholders during the year:				
Basic adjusted earnings per share	3	**0.58p**	0.04p	0.90p
Diluted adjusted earnings per share	3	**0.58p**	0.04p	0.90p

Consolidated Statement of Financial Position
As at 30 June 2023

	Note	30 June 2023 Unaudited £'000	30 June 2022 Unaudited £'000	31 December 2022 Audited £'000
Assets				
Non-current assets				
Intangible assets		**5,967**	6,200	6,023
Property, plant and equipment		**1,482**	1,496	1,513
Investment in associates		**-**	6,980	-
Right of use asset		**2,393**	2,178	1,610
Total non-current assets		**9,842**	16,854	9,146
Current assets				
Inventories		**443**	687	499
Trade and other receivables	4	**9,947**	13,371	13,291
Cash and cash equivalents		**31,346**	15,932	28,444
Total current assets		**41,736**	29,990	42,234
Total assets		**51,578**	46,844	51,380
Equity attributable to owners				
Share capital		**679**	671	671
Share premium account		**428**	1	4
Merger reserves		**(6,856)**	(6,856)	(6,856)
Foreign currency reserves		**1,252**	1,158	1,358
Share based payment reserve		**590**	345	578
Retained earnings		**25,552**	25,483	24,463
Total equity		**21,645**	20,802	20,218
Liabilities				
Non-current liabilities				
Lease liabilities		**700**	752	737
Leasehold provision		**660**	40	660
Total non-current liabilities		**1,360**	792	1,397
Current liabilities				
Trade and other payables	5	**27,075**	23,729	28,869
Lease liabilities		**1,428**	1,425	826
Leasehold provision		**70**	10	70
Borrowings		**-**	86	-
Total current liabilities		**28,573**	25,250	29,765
Total liabilities		**29,933**	26,042	31,162
Total equity and liabilities		**51,578**	46,844	51,380

Consolidated Statement of Changes in Shareholders' Equity

	Share capital	Share premium	Merger reserve	Foreign currency reserve	Share option reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2022	**671**	**1**	**(6,856)**	**1,331**	**327**	**25,206**	**20,680**
Changes in equity for the 6 months ended 30 June 2022							
Profit for the period	-	-	-	-	-	277	277
Currency differences	-	-	-	(173)	-	-	(173)
Total comprehensive income for the period	**-**	**-**	**-**	**(173)**	**-**	**277**	**104**
Transactions with the owners							
Share based payment res.	-	-	-	-	18	-	18
Total contributions by and distributions to owners	**-**	**-**	**-**	**-**	**18**	**-**	**18**
At 30 June 2022	**671**	**1**	**(6,856)**	**1,158**	**345**	**25,483**	**20,802**
Changes in equity for the 6 months ended 30 June 2022							
(Loss) for the period	-	-	-	-	-	(1,053)	(1,053)
Currency differences	-	-	-	200	-	-	200
Total comprehensive (loss) for the period	**-**	**-**	**-**	**200**	**-**	**(1,053)**	**(853)**
Transactions with the owners							
Share based payment res.	-	-	-	-	233	33	266
Shares issued	-	3	-	-	-	-	3
Total contributions by and distributions to owners	**-**	**3**	**-**	**-**	**233**	**33**	**269**
At 31 December 2022	**671**	**4**	**(6,856)**	**1,358**	**578**	**24,463**	**20,218**
Changes in equity for the 6 months ended 30 Jun 2023							
Profit for the period	-	-	-	-	-	3,928	3,928
Currency differences	-	-	-	(106)	-	-	(106)
Total comprehensive income for the period	**-**	**-**	**-**	**(106)**	**-**	**3,928**	**3,822**
Transactions with the owners							
Share based payment res.	-	-	-	-	12	215	227
Shares issued	8	424	-	-	-	-	432
Dividends paid	-	-	-	-	-	(3,054)	(3,054)
Total contributions by and distributions to owners	**8**	**424**	**-**	**-**	**12**	**(2,839)**	**(2,395)**
At 30 June 2023	**679**	**428**	**(6,856)**	**1,252**	**590**	**25,552**	**21,645**

Consolidated Statement of Cash Flows
For the 6 months ended 30 June 2023

	6 months ended 30 June 2023 Unaudited £'000	6 months ended 30 June 2022 Unaudited £'000	Year ended 31 December 2022 Audited £'000
Cash used in operations			
Profit/(loss) before income tax	**4,181**	453	(365)
Adjustments for:			
- Depreciation & amortisation	**1,340**	1,436	2,930
- Exceptional items	**219**	186	119
- Net gain on disposals of fixed assets & leases	**-**	(19)	-
- Impairment of associate	**-**	-	6,957
- Net gain on disposals of PPE	**-**	-	(12)
- Net finance (income)/expense	**(530)**	172	(617)
- Share based payment charge	**227**	18	284
- R & D Credit Incl. in other income	**(1,343)**	(724)	(1,851)
- Share of Imutex loss	**-**	25	48
Changes in working capital:			
- Decrease/(increase) in trade and other receivables	**3,207**	(4,389)	(4,309)
- Decreased/(increase) in inventories	**56**	(28)	172
- (Decrease)/increase in trade and other payables	**(768)**	5,333	11,152
Net cash generated in operations	**6,589**	2,463	14,508
Income tax (R & D Credit) received	**75**	-	1,473
Net cash generated in operating activities	**6,664**	2,463	15,981
Cash flow from investing activities			
Purchase of property, plant and equipment	**(386)**	(858)	(1,275)
Purchase of intangible assets	**-**	(79)	(87)
Net cash used in investing activities	**(386)**	(937)	(1,362)
Cash flow from financing activities			
Lease payments	**(1,152)**	(1,163)	(2,178)
Dividends paid	**(3,054)**	-	-
Proceeds from issue of shares	**432**	-	3
Exceptional items (paid)	**-**	(85)	
Interest & FX gains received /(paid)	**382**	(6)	635
Repayment of convertible debenture security	**-**	(208)	(294)
Net cash used in financing activities	**(3,392)**	(1,462)	(1,834)
Net increase in cash and cash equivalents	**2,886**	64	12,785
Cash and cash equivalents at beginning of period	**28,444**	15,694	15,694
FX translation	**16**	174	(35)
Cash and cash equivalents at end of period	**31,346**	15,932	28,444

NOTES FORMING PART OF THE INTERIM FINANCIAL STATEMENTS

1. General information

hVIVO plc is a company incorporated in England and Wales. The Company is a public limited company, limited by shares, listed on the AIM market of the London Stock Exchange and on Euronext Growth in Dublin. The address of the registered office is Queen Mary Bio Enterprises, Innovation Centre, 42 New Road, London, E1 2AX, UK.

The principal activity of the Group is that of a growing specialist CRO pharmaceutical services company which is the world leader in the testing of vaccines and antivirals using human challenge clinical trials. The Group has a presence in the UK, Ireland, France and Netherlands.

The financial statements are presented in thousands of GBP ("£'000s"), except where otherwise indicated. The Group comprises hVIVO plc and its subsidiary companies.

The registered number of the Company is 07514939.

2. Basis of preparation and accounting policies

The consolidated financial statements of hVIVO plc have been prepared in accordance with UK adopted international accounting standards (IFRSs), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared under the historical cost convention.

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 2022 and which will form the basis of the 2023 financial statements.

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 2022 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 2023 and 30 June 2022 is unaudited and the twelve months to 31 December 2022 is audited.

The Interim Financial Statements were approved by the Board of Directors on 11 September 2023.

3. Earnings per share

	6 months ended 30 June 2023 Unaudited	6 months ended 30 June 2022 Unaudited	Year ended 31 December 2022 Audited
Basic earnings/(loss) per share (p)	**0.58p**	0.04p	(0.12)p
Basic adjusted earnings/(loss) per share (p)	**0.58p**	0.04p	0.92p
Diluted earnings/(loss) per share (p)	**0.58p**	0.04p	(0.12)p
Diluted adjusted earnings/(loss) per share (p)	**0.58p**	0.04p	0.90p

Basic earnings per share has been calculated by dividing the profit attributable to shareholders by the weighted average number of shares in issue during the period.

Diluted earnings per share has been calculated after adjusting the weighted average number of shares used in the basic calculation to assume the conversion of all potentially dilutive shares. A potentially dilutive share is a warrant or option where its exercise price is below the average market price of hVIVO shares during the period and any performance conditions attaching to the scheme have been met at the balance sheet date.

The adjusted profit is used in the calculation of adjusted earnings per share as reconciled below:

	6 months ended	6 months ended	Year ended
	30 June 2023	30 June 2022	31 December 2022
	Unaudited	Unaudited	Audited
	£'000	£'000	£'000
Profit/(loss) for the period	**3,928**	277	(776)
Impairment of investment in associate	**-**	-	6,957
Adjusted profit for the period	**3,928**	**277**	**6,181**

The numbers of shares used in calculating basic and diluted earnings per share are reconciled below. Where there is a loss in the period, the share options are deemed to be antidilutive and therefore not included in the calculation.

	6 months ended	6 months ended	Year ended
	30 June 2023	30 June 2022	31 December 2022
	Unaudited	Unaudited	Audited
Weighted average number of shares in issue			
Basic	**675,075,857**	670,929,314	670,943,918
Dilution for share options and warrants	**4,409,547**	6,967,997	-
Diluted	**679,485,403**	**677,897,311**	**670,943,918**

4. Trade and other receivables

	30 June 2023	30 June 2022	31 December 2022
	Unaudited	Unaudited	Audited
	£'000	£'000	£'000
Trade receivables	**4,354**	8,658	8,276
Prepayments	**948**	916	992
Accrued income	**1,495**	1,119	1,505
Other receivables (incl. R&D tax credits)	**3,150**	2,678	2,518
Total non-current assets	**9,947**	13,371	13,291

5. Trade and other payables

	30 June 2023	30 June 2022	31 December 2022
	Unaudited	Unaudited	Audited
	£'000	£'000	£'000
Trade payables	**1,318**	2,781	2,701
Social security and other taxes	**585**	797	738
Other payables	**215**	458	718
Accrued expenses	**5,554**	2,486	3,946
Deferred income	**19,403**	17,207	20,766
Total non-current assets	**27,075**	23,729	28,869

6. Share based payments

There was a share-based payment charge in the period of £227,000 (H1 2022: £18,000).

7. Dividend

A special, one off dividend of 0.45 pence per share was paid to shareholders on 9 June 2023. The total amount paid by the Company was £3,054,000.

8. Non-adjusting events after the reporting period

In August 2023, the Group agreed to enter into a lease for a state-of-the-art facility in Canary Wharf, London. The facility will serve as a comprehensive site, housing quarantine bedrooms, advanced laboratories, an outpatient unit, and corporate offices.

On 6 September 2023, the Company issued 1,607,142 shares at price of 5.6 pence per share as a result of warrants being exercised by a former nomad and corporate finance adviser.

9. Press

A copy of this announcement is available from the Company's website, being www.hvivo.com. If you would like to receive a hard copy of the interim report, please contact the hVIVO plc offices at ir@hvivo.com to request a copy.