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hVIVO PLC
25 January 2023

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE UK VERSION OF THE MARKET ABUSE REGULATION (EU) NO.596/2014, WHICH FORMS PART OF UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("UK MAR").



Trading Update

EBITDA significantly ahead of expectations

Orderbook growth and improved operational delivery lays strong foundations for future growth

- **Record revenue, up 30% year-on-year to £50.6 million**
- **EBITDA margins of no less than 17%, significantly ahead of guidance**
- **Cash of £28.4 million as at 31 December 2022**
- **Strong contracted orderbook of £76m, up 65% year-on-year**
- **Board intention to declare shareholder distribution on publication of full audited accounts**
- **Over 95% of 2023 revenue guidance contracted and visibility into 2024**

hVIVO plc (AIM & Euronext: HVO) (formerly Open Orphan plc), a rapidly growing specialist contract research organisation (CRO) and world leader in testing infectious and respiratory disease products using human challenge clinical trials, announces a trading update for the period ended 31 December 2022.

Significant double-digit revenue growth

The Group expects to report record full year revenues of £50.6 million (2021: £39 million), a 30% increase year-on-year. The significant growth in revenue provides further validation of the long-term sustainable growth in the human challenge trial market, for which hVIVO is the world leader.

EBITDA margins and cash ahead of expectations

The Group expects to report EBITDA margins of not less than 17% (2021: 7.4%), significantly ahead of previous guidance of 13-15%. The increase in EBITDA is driven by strong trading in H2 2022 and operational efficiencies leveraged on the concurrent conduct of multiple challenge trials. In addition, recognition of postponement and cancellation fees for an aggregate of over £1 million had a one-time positive impact on EBITDA. The advanced fees from orderbook growth and efficient operational delivery has resulted in a cash position of £28.4 million as at 31 December 2022 (2021: £15.7 million).

Capital distribution

The Board intends to make a shareholder distribution in respect of the financial performance achieved in FY22, details of which will be announced alongside publication of the Group's audited results for FY22. The distribution reflects the Group's

exceptional cash generation in the year, in addition to its robust balance sheet.

Further contracted orderbook growth enhances revenue visibility

In 2022, the trend of larger contracts with biopharma clients continued, increasing the size of the Group's orderbook to £76 million as at 31 December 2022, up 65% year-on-year (2021: £46 million), and over sixfold since 2020 (2020: £12 million).

There has been increased demand for hVIVO's unique full-service human challenge offering (with three contracts signed in 2022) which also involves the manufacture of bespoke challenge agents to test products against specific infectious disease variants, including subvariants that are circulating in the population. There has also been an increase in average challenge trial contract value driven by client demand for larger volunteer cohorts as the biopharma market increasingly recognises the value of human challenge data to accelerate drug development timelines and de-risk later stage clinical trial programmes.

Current year outlook

The Group has entered 2023 well capitalised, debt free, and with record visibility into the current financial year. hVIVO is firmly placed to build on the growth in the human challenge trial market and further strengthen its position as the world leader in the field. The growing orderbook from new and existing Big Pharma and biotech clients provides excellent forward visibility with over 95% of forecasted revenue for 2023 contracted, and further revenue visibility into 2024. The Board is confident that the Group will continue to leverage its competitive position amidst favourable market dynamics and maintain its strong operational execution, orderbook revenue conversion and focus on profit generation into 2023 and beyond.

Yamin 'Mo' Khan, Chief Executive Officer of hVIVO, said: *"The record numbers we have been able to announce today is the result of the hard work by everyone at hVIVO over the last 12 months. The goal for hVIVO has always been to establish a long-term sustainable growth model. We now have excellent profitable momentum, with full year 2022 EBITDA margin and cash significantly ahead of market expectations, while revenue shows substantial year-on-year growth. These results signify our successes of 2022 and also lay the foundations for FY23 and beyond. The record contracted orderbook not only covers over 95% of the FY23 revenue targets but also gives us visibility well into 2024.*

"With the increasing prevalence and severity of infectious and respiratory diseases, there is a vital need for new vaccines and antivirals; as the human challenge partner of choice to the global biopharma industry, hVIVO is well placed to continue to help accelerate the development of these important new medicines."

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 25 January 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](#).

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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 10+ human challenge models to test a broad range of infectious and respiratory disease products, 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 capacity via its [FluCamp](#) volunteer screening facilities in London and Manchester.

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