30 September 2020

Hemogenyx Pharmaceuticals plc
("Hemogenyx Pharmaceuticals" or "the Company")

Half-year Report
Interim Results for the period ended 30 June 2020

Hemogenyx Pharmaceuticals plc (LSE: HEMO), the Standard Listed biopharmaceutical group developing therapies designed to transform blood disease treatment, announces unaudited interim results for the six-month period ended 30 June 2020.

All financial amounts are stated in GBP British pounds unless otherwise indicated.

Key highlights

CAR-T cells

- Successfully constructed Chimeric Antigen Receptor (CAR) programmed T cells ("HEMO-CAR-T") for the potential treatment of Acute Myeloid Leukemia (AML) and tested *in vitro* and *in vivo*
- Post period end, entered into a Sponsored Research Agreement with the University of Pennsylvania to advance HEMO-CAR-T toward clinical trials; the agreement is envisaged as the first step of a larger programme that aims to achieve clinical proof of concept for HEMO-CAR-T for the treatment of AML

CDX bi-specific antibodies

- Extended development agreement with a leading global pharmaceutical company ("GlobalCo") to finalise manufacturability work and successfully bring CDX bi-specific antibody to a state of readiness for pre-clinical development
- Discussions regarding a potential licensing deal are continuing with GlobalCo following the extension of the Development Agreement

COVID-19 Project

- Deployment of groundbreaking research capabilities and technologies to develop treatments for COVID-19: using its humanised mice the Company seeks to discover human neutralising antibodies that could be used to fight SARS-CoV-2 infections, the virus that causes COVID-19

Autoimmune diseases

- Entered into an agreement with Eli Lilly and Company in June 2020 to perform research and development activities aimed at the discovery and validation of novel materials to be used for the treatment of Lupus

Human Postnatal Hemogenic Endothelial Cell ("Hu-PHEC") cell therapy

- A patent application entitled *Post-Natal Hemogenic Endothelial Cells and Their Isolation and Use* was approved by the United States Patent and Trademark Office and a corresponding patent was granted by the European Patent Office

Funding

- Raised a total of £3.15 million through the issue of equity in January and June to support the Company's drug development programmes and for working capital

Fuller details on these developments are contained in the Interim Management Report below.

Commenting on the Outlook for Hemogenyx Pharmaceuticals, Sir Marc Feldmann, Chairman, said:

"The Board is very pleased with the progress being made with the development of CDX bi-specific antibodies and the development of CAR-T technology for the treatment of leukaemia, as well as the potential value that can be created through the Company's updated humanised mouse model. The Company's efforts to combat the COVID-19 global pandemic and other viral pathogens are of special importance. The Board believes that the Company is well advanced on the planned development steps for its CDX antibodies, and will provide further updates to shareholders as we progress toward the completion of our collaboration with GlobalCo and enter pre-clinical development. In all, the Company is on track to achieve the inflection point in its development to which I referred in the 2019 annual report."

Concert Party Update

At the time of the Company's admission to the Standard Listing segment of the Official List in October 2017, various shareholders were deemed to be acting in concert, further details of which are provided in the Silver Falcon plc prospectus which can be viewed on the Company's website. It has now been agreed with the Takeover Panel that this original concert party can be broken up into two smaller concert parties and several individual shareholders, none of which are interested in shares carrying 30% or more of the voting rights of the Company.

Interim Management Report

Hemogenyx Pharmaceuticals presents an update on the Company's activities for the six months ended 30 June 2020.

Hemogenyx Pharmaceuticals plc is the holding company for Hemogenyx LLC, a US-based biotechnology company developing new medicines and treatments to treat blood and autoimmune disease and to bring the curative power of bone marrow transplantation to a greater number of patients suffering from otherwise incurable life-threatening diseases.

The Company is developing several distinct and complementary product candidates, as well as a platform technology that it uses as an engine for novel product development. These products are:

CDX antibodies – CDX bi-specific antibodies for the treatment of AML and conditioning for bone marrow transplants. CDX antibodies act by redirecting a patient's own immune cells to eliminate unwanted leukaemic and blood stem cells, preparing a patient for bone marrow transplantation;

HEMO-CAR-T – CAR-T* cells for the treatment of AML and conditioning for bone marrow transplants;

Hu-PHEC – a cell replacement product using Human Postnatal Hemogenic Endothelial Cells to generate cancer-free, patient-matched blood stem cells after transplant into the patient;

Anti-SARS-CoV-2 – a neutralising antibody based treatment for COVID-19.

*CAR-T therapy is a treatment in which a patient's own T cells, a type of immune cell, are modified to recognise and kill the patient's cancer cells. The procedure involves: isolating T cells from the patient; modifying the isolated T cells in a laboratory using a CAR (Chimeric Antigen Receptor) gene construct (which allows the cells to recognise the patient's cancer); amplifying (growing to large numbers) the newly modified cells; and re-introducing the cells back into the patient.

The Company has also developed a platform technology for disease modelling and drug discovery:

Advanced Hematopoietic Chimeras ("AHC") – The Company has developed a new type of humanised mice to advance the development of its CDX antibodies. The unique properties of the AHC give them a functional human immune system that converts them into a platform technology that is opening up exciting opportunities for the Company. These include disease modelling (blood cancers and severe autoimmune diseases) and pre-clinical testing of novel drugs and treatments. AHC are a source of revenue for the Company via paid collaborations with biopharmaceutical companies and research institutions. In addition, the Company's wholly owned subsidiary Immugenyx, LLC has developed Advanced peripheral blood Hematopoietic Chimeras ("ApbHC"), a novel type of humanised mouse that presents several advantages over other mouse models. Immugenyx was established by the Company to develop and commercialise the Company's humanised mice, and the new ApbHC represents a significant further development in that direction.

To date, Hemogenyx Pharmaceuticals has made impressive progress on its products whilst efficiently using the Company's limited financial resources. The Company's main areas of focus are to progress its CDX antibodies to readiness for clinical trials, to advance HEMO-CAR-T through pre-clinical development toward clinical trials, and to develop a novel treatment for COVID-19.

H1 progress update

During the first half of the year, Hemogenyx Pharmaceuticals made significant progress on several fronts:

CAR-T cells

Hemogenyx Pharmaceuticals successfully constructed and tested Chimeric Antigen Receptor (CAR) programmed T cells ("HEMO-CAR-T") for the potential treatment of Acute Myeloid Leukemia (AML). HEMO-CAR-T was constructed using Hemogenyx Pharmaceuticals' proprietary humanised monoclonal antibody against a target on the surface of AML cells. The Company has demonstrated that HEMO-CAR-T is able to programme human T cells (convert them into HEMO-CAR-T) to identify and destroy human AML-derived cells *in vitro* and *in vivo*.

Following the period end, the company entered into a Sponsored Research Agreement with the University of Pennsylvania ("Penn") designed to advance HEMO-CAR-T toward clinical trials. The agreement is envisaged as the first step of a larger programme that aims to achieve clinical proof of concept for HEMO-CAR-T for the treatment of AML.

Dr Saar Gill, Assistant Professor of Medicine, a hematologist-oncologist physician scientist and Scientific co-Director of the Cell Therapy and Transplantation programme at the University of Pennsylvania, serves as Principal Investigator on behalf of Penn. Dr Gill's laboratory is part of the Center for Cellular Immunotherapies ("CCI") whose Director, Dr Carl H. June, conducted pioneering clinical trials of genetically engineered cells including CAR-T cells in patients with HIV and diverse forms of cancer. This work will significantly accelerate the development of the Company's CAR-T product candidate, putting it on a direct path to clinical trials and a possible new treatment for AML, for which there is currently no real effective treatment.

CDX bi-specific antibodies

Hemogenyx Pharmaceuticals extended its development agreement with a leading global pharmaceutical

company (“GlobalCo”) to finalise manufacturability work and successfully bring its CDX bi-specific antibody to a state of readiness for pre-clinical development. Preliminary discussions regarding a potential licensing deal are continuing with GlobalCo following the extension of the Development Agreement.

Humanised mice

The collaboration agreement with Janssen Research & Development, LLC, one of the Janssen Pharmaceutical Companies of Johnson & Johnson, on the development of a model of systemic lupus erythematosus (SLE) is progressing.

Autoimmune diseases

The Company entered into a Biological Investigation and Material Supply Agreement with Eli Lilly and Company in June 2020 to perform research and development activities aimed at the discovery and validation of novel materials to be used for the treatment of systemic lupus erythematosus (“Lupus”) and possibly other autoimmune diseases. This work complements the Company’s own development efforts in these areas.

COVID-19 project

As announced in April 2020, Hemogenyx Pharmaceuticals is deploying its groundbreaking research capabilities and technologies to develop treatments for COVID-19. Using the exceptional characteristics of its ApbHC humanised mice, the Company seeks to discover human neutralising antibodies – antibodies that are typically developed by the human immune system to neutralise invading viral pathogens – that could be used to fight infections of SARS-CoV-2, the virus that causes COVID-19.

The Company had already been developing treatments to be deployed against other viral pathogens prior to the onset of COVID-19, both independently and with a number of pharmaceutical company partners. The Company’s ApbHC mice were developed in part as a discovery platform for the development of such treatments. Hemogenyx Pharmaceuticals’ scientists have been transplanting cells from blood samples from convalescent COVID-19 patients into its mice, with the goal of recreating and isolating a set of anti-SARS-CoV-2 virus antibodies.

In addition to the COVID-19 work, this initiative aims to demonstrate how the Company’s technology can be deployed rapidly in emergencies in order to discover human neutralising antibodies against a host of viral pathogens, including mutations into possible new strains of COVID-19 and also what infectious disease experts in the bioprotection and biodefence sectors call “Disease X”, meaning as-yet unknown viruses that may may break out and that may represent a similar or greater threat than the one presented by COVID-19.

Human Postnatal Hemogenic Endothelial Cell (“Hu-PHEC”) cell therapy

The Company is developing Hu-PHEC, a cell replacement product candidate that aims to generate cancer-free, patient-matched blood stem cells after transplantation into the patient.

A patent application entitled *Post-Natal Hemogenic Endothelial Cells and Their Isolation and Use* was approved by the United States Patent and Trademark Office and issued on 25 February 2020 as Patent Number 10,570,373. A corresponding patent was granted by the European Patent Office on 13 May 2020 as Patent Number 3068875.

Financial Results

During the six months ended 30 June 2020 the Company recorded a loss of £835,189 (H1 2019: £706,670 loss). The increase in loss from the comparable period in 2019 reflects a continued increase in operational development, and in particular diversification of activities, made possible by the fundraisings completed in January and June 2020.

The Company recorded consultancy income of £82,880 during the period ended 30 June 2020 (H1 2019: £82,763) which relates to funds received from a third party under a research collaboration programme associated with humanised mice.

The Company continued to draw on the cash provided by convertible loan facilities from Orgenesis Inc. for a maximum of US$2,000,000. As at 31 December 2019 a total of US$1,500,000 of the total facilities available had been drawn down, and the remaining US$500,000 was drawn down in February 2020.

On 30 January 2020 the Company announced that it had raised £648,200 before expenses through a placing and subscription of 36,011,116 ordinary shares at a price of 1.8p per share. An exercise of warrants at 5.25p per share resulted in the allotment and admission to trading on 22 May 2020 of 668,000 ordinary shares for a consideration of £35,070. The Company raised a further £2,500,000 before expenses on 5 June 2020 through an oversubscribed placing of 35,714,286 ordinary shares at a price of 7p per share.

Outlook

The Board remains very pleased with progress, in particular the rapid advances in the Company's new CAR-T project and its very significant partnership with the University of Pennsylvania that promise to accelerate the Company towards clinical trial stage. The finalisation of the CDX antibody research agreement with GlobalCo is also greatly anticipated, along with the outcome of commercial discussions with GlobalCo. The Company has been able to make strong progress across its main developments thanks to the exceptional productivity of its team of scientists. The Board believes that the Company is well advanced on the planned development steps that were described in the 2019 annual report and the goals set out for the use of funds raised this year, and will provide further updates to shareholders as the Company progresses. The Company looks forward to the future with confidence.

Responsibility Statement

We confirm that to the best of our knowledge:

- the Half Year Report has been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting, as adopted by the EU; and
- gives a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- the Half Year Report includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
- the Half Year Report includes a fair review of the information required by DTR 4.2.8R of the Disclosure and Transparency Rules, being the information required on related party transactions.

The Half Year Report was approved by the Board of Directors and the above responsibility statement was signed on its behalf by:

Dr Vladislav Sandler
CEO

30 September 2020

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

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Condensed Consolidated Interim Statement of Comprehensive Loss
For the six months ended 30 June 2020

Continuing Operations	**Note**	**6 months to 30 June 2020 Unaudited** £	6 months to 30 June 2019 Unaudited £
Revenue		**-**	-
Administrative Expenses		**861,034**	759,598
Depreciation		**48,566**	27,554
Operating Loss		**(909,600)**	(787,152)
Other Income	5	**90,273**	82,763
Finance Income		**1,895**	9,220
Finance Costs		**(17,757)**	(11,501)
Loss before Taxation		**(835,189)**	(706,670)
Loss attributable to:			
- Equity owners		**(832,314)**	(706,670)
- Non-controlling interests		**(2,875)**	-
Loss for the period		**(835,189)**	(706,670)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Translation of foreign operations		**(34,412)**	(3,137)
Total comprehensive income for the period		**(869,601)**	(709,807)
Total comprehensive income attributable to:			
- Equity owners		**(869,601)**	(709,807)
- Non-controlling interests		**(2,875)**	-
Basic and diluted earnings (per share)	6	**(0.002)**	(0.002)

Condensed Consolidated Interim Statement of Financial Position
As at 30 June 2020

	Note	30 June 2020 Unaudited	Year Ended 31 December 2019 Audited
Assets		**£**	£
Non-current assets			
Property, plant and equipment	7	**102,776**	123,922
Right of use asset		**97,625**	109,442
Intangible asset		**280,507**	262,050
Total non-current assets		**480,908**	495,414
Current assets			
Trade and other receivables		**34,442**	55,804
Cash and cash equivalents		**3,360,173**	498,679
Total current assets		**3,394,615**	554,483
Total assets		**3,875,523**	1,049,897
Equity and Liabilities			
Equity attributable to shareholders			
Paid-in Capital			
Called up share capital	8	**4,336,363**	3,612,429
Share premium		**10,125,965**	7,699,789
Other reserves		**419,976**	399,229
Reverse asset acquisition reserve		**(6,157,894)**	(6,157,894)
Foreign currency translation reserve		**18,811**	53,223
Retained Earnings		**(6,785,608)**	(5,953,294)
Equity attributable to owners of the Company		**1,957,613**	(346,518)
Non-controlling interests		**(5,304)**	(2,517)
Total Equity		**1,952,309**	(349,035)
Liabilities			
Non-current liabilities			
Lease liabilities		**56,994**	73,192
Borrowings	9	**1,650,626**	1,144,167
Total non-current liabilities		**1,707,620**	1,217,359
Current liabilities			
Trade and other payables		**170,054**	141,677
Lease liabilities		**45,540**	39,896
Total Current Liabilities		**215,594**	181,573
Total Liabilities		**1,923,214**	1,398,932
Total equity and liabilities		**3,875,523**	1,049,897

The 2019 comparatives are the audited consolidated group for the year ended 31 December, 2019 as published on 30 April 2020.

Condensed Consolidated Interim Statement of Changes in Equity
For the six months ended 30 June 2020

	Called up Share Capital £	Share Premium £	Other reserves £	Reverse acquisition reserve £	Foreign currency translation reserve £	Retained losses £	Non-Controlling interests £	Total Equity £
As at 1 January 2019	3,601,762	7,340,267	620,059	(6,157,894)	37,047	(4,482,075)	-	959,166
Loss in period	-	-	-	-		(706,670)		(706,670)
Other comprehensive income	-	-	-	-	(3,137)	-	-	(3,137)
Total comprehensive income for the period	-	-	-	-	(3,137)	(706,670)	-	(709,807)
Embedded derivative – Convertible loans	-	-	6,280	-	-	-	-	6,280
Issue of options (Note 8)	-	-	27,516	-	-	-	-	27,516
Market value of warrants	-	37,658	(37,658)	-	-	-	-	-
As at 30 June 2019 (unaudited)	3,601,762	7,377,925	616,197	(6,157,894)	33,910	(5,188,745)	-	283,155
As at 1 January 2020	**3,612,429**	**7,699,789**	**399,229**	**(6,157,894)**	**53,223**	**(5,953,294)**	**(2,517)**	**(349,035)**
Loss in period	-	-	-	-		(832,314)	(2,875)	(835,189)
Other comprehensive income	-	-	-	-	(34,412)	-	-	(34,412)
Total comprehensive income for the period	-	-	-	-	(34,412)	(832,314)	(2,875)	(869,601)
Issue of share capital	723,934	2,459,336	-	-	-	-	88	3,183,358
Issue of options (Note 8)	-	-	20,747	-	-	-	-	20,747
Share issue costs	-	(33,160)	-	-	-	-	-	(33,160)
As at 30 June 2020 (unaudited)	**4,336,363**	**10,125,965**	**419,976**	**(6,157,894)**	**18,811**	**(6,785,608)**	**(5,304)**	**1,952,309**

Condensed Consolidated Interim Statement of Cash Flows
For the six months ended 30 June 2020

Group	Note	**6 months to 30 June 2020 Unaudited**	6 months to 30 June 2019 Unaudited
		£	£
Cash flows generated from operating activities			
Loss for the period		**(835,189)**	(706,670)
Depreciation		**48,567**	27,554
Other non-cash items interest/professional fees (shares issued)		**88**	-
Foreign exchange gain		**1,827**	(6,920)
Interest income		**(1,895)**	(9,220)
Interest expense		**17,757**	11,501
Share based payments	10	**20,747**	27,516
Decrease in trade and other payables		**(55,281)**	(75,039)
Increase in trade and other receivables		**25,246**	58,477
Net cash outflow used in operating activities		**(778,133)**	(672,801)
Cash flows generated from financing activities			
Proceeds from issuance of equity securities		**3,183,270**	-
Share issue costs		**(33,160)**	-
Proceeds from borrowings		**484,215**	-
Payment of lease liabilities		**(21,096)**	-
Net cash flow generated from financing activities		**3,613,229**	-
Cash flows generated from investing activities			
Interest income		**1,895**	9,220
Purchase of property, plant & equipment		**-**	(7,098)
Net cash flow generated from investing activities		**1,895**	2,122
Net increase / (decrease) in cash and cash equivalents		**2,836,991**	(670,679)
Effect of exchange rates on cash		**24,503**	953
Cash and cash equivalents at the beginning of the period		**498,679**	1,762,428
Cash and cash equivalents at the end of the period		**3,360,173**	1,092,702

Major non-cash transactions
There were no major non-cash transactions during the period.

Notes to the Condensed Consolidated Interim Financial Statements

1. General Information

The Group's business is preclinical-stage biotechnology focused on the discovery, development and commercialisation of innovative treatments relating to bone marrow/hematopoietic (blood-forming) stem cell (BM/HSC) transplants for blood diseases, including leukaemia, lymphoma and bone marrow failure. The products under development are designed to address a range of problems that occur with current standard of care treatments.

The Company's registered office is located at 5 Fleet Place, London EC4M 7RD, and it is listed on the London Stock Exchange.

2. Interim financial information

The condensed consolidated interim financial statements are for the six months period ended 30 June 2020. The condensed consolidated interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2019, which were prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The condensed consolidated interim financial statements have not been audited nor have they been reviewed by the Group's auditors under ISRE 2410 of the Auditing Practices Board. These condensed consolidated interim financial statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2019 prepared under IFRS have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498(2) of the Companies Act 2006.

3. Basis of preparation and changes to the Group's Accounting Policies

The principal accounting policies applied in the preparation of these consolidated interim condensed financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The accounting policies adopted in this report are consistent with those of the annual financial statements for the year to 31 December 2019 as described in those financial statements. A number of new or amended standards became applicable for the current reporting period, but they did not have any impact on the group's accounting policies and did not require retrospective adjustments.

Going Concern

The preparation of interim financial statements requires an assessment on the validity of the going concern assumption.

The Directors have given particular thought to the impact on the Group that may result from the novel coronavirus and any other potential pandemics that may arise. The Group's New York operations are classed as an essential business and are not subject to closure, and so work continues with prudent hygiene and distancing measures in place including limited work in the laboratory on rota and work from home. The Group is allowing for extended delivery times for some supplies, and for slower progress with collaboration partners. The Board and UK management continue to operate remotely, as usual. At present the Group believes that there should be no material disruption to its work, but the Board continues to monitor these risks and the Group's business continuity plans.

The Company raised £648,200 and £2,500,000 before expenses through equity placings during the period and further funds were received following the exercise of warrants. The Group had cash and cash equivalents totalling £3,360,173 as at 30 June 2020.

Notwithstanding the Company's cash balance at reporting date, Hemogenyx Pharmaceuticals may elect to raise additional capital within the next year to further the development and commercialisation of current product candidates. The Company cannot be certain that additional funding will be available on acceptable terms, or at all. To the extent that the Company raises additional funds by issuing equity securities, the Company's stockholders may experience dilution. Any debt financing, if available, may involve restrictive covenants. If the Company is unable to raise additional capital when required or on acceptable terms, it may have to (i) significantly delay, scale back or discontinue the development and/or commercialisation of one or more product candidates; (ii) seek collaborators for product candidates at an earlier stage than otherwise would be desirable and on terms that are less favorable than might otherwise be available; or (iii) relinquish or otherwise dispose of rights to technologies, product candidates or products that it would otherwise seek to develop or commercialise on unfavorable terms.

Segmental Reporting

The Group's operations are located in New York, USA, with the head office located in the United Kingdom. The main assets of the Group, cash and cash equivalents, are held in United Kingdom and adequate amounts are transferred to the USA operating business on approval from the board.

The Group currently has one reportable segment: a biotechnology business focused on the discovery, development and commercialisation of innovative treatments relating to bone marrow/hematopoietic (blood-forming) stem cell (BM/HSC) transplants for blood disease and treatment of blood diseases such as AML and autoimmune diseases.

Accounting Policies

The accounting policies applied by the Group in these half-yearly results are the same as those applied by the Group in its consolidated financial information in its 2019 Annual Report and Accounts, with the exception of the new standards the Group adopted as of 1 January 2020, included below.

The same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2019 except for the impact of the adoption of the Standards and interpretations described below.

Changes in accounting policy and disclosures

(a) *Accounting developments during 2020*

- Amendments to References to the Conceptual Framework in IFRS Standards – effective 1 January 2020.
- Amendments to IAS 1 and IAS 8: Definition of Material – effective 1 January 2020

(b) *New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted*

- Amendments to IFRS 3: Business Combinations Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

4. Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with International Financial Reporting Standards

requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2019.

5. Other income

Other income during the period ended 30 June 2020 consists of £82,880 (H1 2019: £82,763) received from a third party under a research collaboration programme relating to humanised mice, and a £7,393 (H1 2019: £nil) tax credit received from US Inland Revenue.

6. Earnings per share

The calculation of the Basic and fully diluted earnings per share is calculated by dividing the loss for the six months from continuing operations of £832,314 (six months to 30 June 2019: £706,670) attributable to equity owners of the Group by the weighted average number of ordinary shares in issue during those periods of 396,250,052 and 360,176,186 respectively.

Dilutive loss per Ordinary Share equals basic loss per Ordinary Share as, due to the losses incurred in the six months to 30 June 2020 and six months to 30 June 2019, there is no dilutive effect from the subsisting share options.

7. Property, Plant and Equipment

During the six months ended 30 June 2020, the Group acquired assets with a cost of £Nil (the six months ended 30 June 2019: £7,098).

8. Called up Share Capital

Group	**Ordinary shares Number**	**£**
As at 1 January 2019 and 30 June 2019	360,176,184	3,601,762
As at 1 January 2020	361,242,853	3,612,429
Issue of shares – placement 30 Jan 2020	36,011,116	360,111
Issue of shares for exercise of warrants 18 May 2020	668,000	6,680
Issue of shares – placement 4 Jun 2020	35,714,286	357,143
As at 30 June 2020	**433,636,255**	**4,336,363**

9. Borrowings

Included in borrowings is an amount of £79,871 (US$98,947) received during the period under the United States Government's Paycheck Protection Program in response to the COVID-19 pandemic. The loan can be converted into a grant at the election of the Company as long as at least 60% of the amount is applied to payroll expenditure and there is no reduction in employee headcount.

10. Share-based payments

Options

During the six months to 30 June 2020 no options were issued to directors or employees and no options were cancelled.

A schedule of options granted is below:

	Number options
Employees, including directors	**21,206,951**
Members of the Scientific Advisory Board	**9,346,125**
Total	**30,553,076**

The weighted average fair value of the options granted during the six months ended 30 June 2020 was £Nil (30 June 2019: £0.0078).

There were no options issued for the six months ended 30 June 2020. The following table lists the inputs to the models used for the plan for the six months ended 30 June 2019:

	January 2019 (EMP)
Expected volatility %	52.12
Risk-free interest rate %	0.956
Expected life of options (years)	5
Weighted average exercise price - pence	3.5
Expected dividend yield	-
Model used	Black Scholes

For the six months ended 30 June 2020, the Group has recognised £20,747 of share-based payment expense in the statement of profit or loss (30 June 2019: £27,516).

11. Events after the reporting period

Following the period end, Hemogenyx Pharmaceuticals entered into a Sponsored Research Agreement with the University of Pennsylvania to advance HEMO-CAR-T toward clinical trials. The agreement is envisaged as the first step of a larger programme that aims to achieve clinical proof of concept for HEMO-CAR-T for the treatment of AML.