Unifying the care experience

Interim Financial Report
6 Months ended 30 June 2020

Corporate Information

Directors	Michael Kaminski (Chairman - American) Joseph Patrick Rooney (Irish) Mark McCloskey (Irish) James Fitter (Australian) Dr. Lyle Berkowitz (American)	
Company secretary	John Kelly (Irish) – resigned 4 August 2020 Helena D'Arcy (Irish) – appointed 4 August 2020	
Registered office	Block 2 Blackrock Business Park Carysfort Avenue Blackrock Co. Dublin Ireland	
Independent auditor	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2 Ireland	
Solicitors	<u>Ireland</u> A&L Goodbody 25-28 North Wall Quay Dublin 1 Ireland	<u>Australia</u> Clayton Utz Level 15 1 Bligh Street Sydney NSW 2000 Australia
Bankers	HSBC Bank Ltd Guildford and Weybridge Commercial Centre Edgeborough Road Guildford Surrey GU12BJ United Kingdom	
Share registrar	Computershare Investor Services Pty Ltd Level 4 60 Carrington Street Sydney NSW 2000 Australia	
Company number	513842	
ARBN	610 611 768	

Directors' Report

The directors present their report and the condensed consolidated interim financial statements of Oneview Healthcare PLC and Subsidiaries (the "Group") for the 6 month period ended 30 June 2020.

Principal activity, business review and future developments

The principal activity of the Group is the development and sale of software for the healthcare sector along with the provision of related consultancy services.

As at 30 June 2020, the Oneview system was live in 9,068 beds (30 June 2019: 6,976) with a further 1,796 beds contracted but not yet installed (30 June 2019: 3,775). There were a further 15,030 beds in a formal tender process (30 June 2019: 13,376).

Like most healthcare companies, the Company has been impacted by Covid-19 uncertainty. While Covid-19 has had an impact on the Company's abilities to deploy the Oneview solution in a number of hospitals that remain inaccessible to healthcare IT vendors, it has served to highlight the importance of in-room technology to allow for seamless and risk-free communication between patients and their care-teams. Oneview quickly recognised the limitations restricted access to customer sites would have on the business and developed and delivered our cloud solution, "Cloud for Covid-19", in record time. The solution was then deployed in 4 hospitals for NYU Langone Health in April 2020, during the midst of the crisis in New York. This has enabled Oneview to keep its recurring revenue and installed base relatively unaffected by Covid-19.

During the period, Oneview announced several contract successes:

- During the period, two of our customers renewed their contracts (University of Iowa Hospitals and Epworth HealthCare) and one extended their contract.
- Following positive customer feedback, NYU Langone Health extended their contract for our new cloud-based solution, "Cloud for Covid-19", for an additional three months and are currently in contract negotiations to expand Oneview's core platform across their enterprise.
- Oklahoma University Hospital signed a 5 year contract for 213 beds for its new state-of-the-art medical tower at OU Medical Center.

Oneview officially launched a cloud-based tablet solution to help healthcare systems and providers better manage hospitalised patients during and after the Covid-19 crisis. Oneview Cloud for Covid-19 enables virtual rounds; virtual visitations (allows patients to call friends and family); and virtual interpretation services. The tablet also provides patients with up-to-date information on Covid-19, as well as education and entertainment content. Other Android apps can be added as and when required.

Directors' Report *(continued)*

Oneview signed a development agreement with WeTek, a Portuguese company that develops media distribution solutions for businesses worldwide, to create a purpose-built set-top-box and TV software solution, which will bring WeTek's media entertainment technology and Oneview's Care Experience Platform together. This solution is central to Oneview's strategy to expand its addressable market as it will cater to a much broader segment of the hospital market, with solutions to support both IP and legacy coaxial technology infrastructure at a lower capital cost than the equivalent Windows solution. With Android set-top-boxes, customers will be able to unify the experience of care across their enterprise, turning existing televisions into a tool for engagement, control and communication, by delivering digital content, apps and services at the bedside.

Oneview is partnering with Caregility, a clinical collaboration and communications company focused on providing secure, reliable two-way audio and video communications for any device, and clinical workflow in both inpatient and outpatient settings. Caregility operate in the US and are expanding to other markets including Australia. Under this partnership, we will be offering Caregility's iConsult bedside app on Oneview Samsung tablets, and in the future, bringing the iConsult and iObserver solutions to the Oneview TV. Whereas our Cloud for Covid-19 solution enabled hospitals to use third-party enterprise video platforms at the bedside, this partnership enables Oneview to provide a fully bundled, end-to-end solution for virtual care, including virtual rounding (with auto-answer), as well as virtual visitation and virtual consults at the bedside. This solution is better than enterprise video platforms as it is specifically designed for healthcare, making it easy, secure and scalable for clinicians and families to connect with patients. It is an important step in our strategy to enhance our value proposition at a time when virtual care is a top priority for healthcare systems. Partnering with Caregility enables us to deliver this value without having to build this capability in-house.

Oneview hosted an investor webinar in early August. NYU Langone Health's Senior Director, Digital Strategy & Innovation, Michael (Mike) Mainiero, shared his experience deploying Oneview's cloud solution at the height of the pandemic and explained how digital technology is helping to improve the patient experience. Niall O'Neill, Chief Strategy & Product Officer, Oneview Healthcare, discussed how Covid-19 has made digital infrastructure at the bedside more important than ever and shared Oneview's strategy for growth and product vision. Mike shared that NYU Langone Health selected Oneview "because of their openness to change and their desire to partner up and really not just create a one-off for us, but have us as influencers, as well as their other customers". He explained that the Oneview platform, which NYU brand as "MyWall", is "not a nice to have" but has proven "essential in [patient] care and treatment". Niall outlined Oneview's strategy and the roadmap to cloud, building on the work already done with the cloud-based solution for Covid-19 in order to deliver faster, easier, lower cost solutions for customers.

Oneview's Chief Financial Officer, John Kelly, is taking a period of extended leave for medical reasons and has temporarily relinquished all duties with the Company. John has been an instrumental and highly respected colleague for the past 8 years and the Company looks forward to his recovery and return to work. Helena D'Arcy has been appointed as acting Chief Financial Officer and Company Secretary. Helena joined Oneview in 2018 as Group Financial Controller.

Directors' Report *(continued)*

Results and dividends

The loss for the six month period to 30 June 2020 from continuing operations amounted to €5,609,714 (30 June 2019: loss of €8,667,882).

Revenue for the period amounted to €3,014,002 (30 June 2019: €3,550,726). Recurring revenue for the period amounted to €2,568,075 (30 June 2019: €2,115,108) and continues to grow as the Company deploys across its increasing customer base. Non-recurring revenue for the period was €445,927 (30 June 2019: €1,435,618).

The Group continues to aggressively manage its cost base and completed an organisational restructuring program, which is forecast to reduce the cost base by approximately €8 million in 2020 compared to 2019. Full time headcount at 30 June 2020 was 75 (June 2019: 127).

Exceptional restructuring costs were incurred during the period, primarily due to the Board decision announced in January 2020 to restructure the Group to ensure its cost base is better aligned with expected levels of recurring revenue and gross margin. The reorganisation included a reduction in headcount. This followed the announcement on 11 November 2019 that commercial negotiations with a major Senior Living operator in the Australian market for the development of a care management solution had reached an impasse.

The directors do not recommend payment of an interim dividend.

The delay in new installations as a direct result of Covid-19 has placed some pressure on the Company's ability to recognise revenue in the medium term. While the Company's cash outflow has decreased quarter on quarter, in line with its restructuring program to reduce the cost base by approximately €8 million in 2020, we are mindful of the potential risk of a shortened cash runway as a result of these medium-term pressures and have begun the process of exploring new funding initiatives. Management is continuing to examine the cost base with the objective of more closely aligning fixed costs with 2021 expected recurring revenues.

Directors

The current directors are as set out on page 1. The directors' interests held at 30 June 2020 are disclosed in note 18.

Post balance sheet events

There are no post balance sheet events that would require disclosure in or adjustment to the financial statements.

On behalf of the board

James Fitter
Director

Mark McCloskey
Director

30 August 2020

Independent Review Report

Independent Review Report to Oneview Healthcare PLC

Introduction

We have been engaged by the Entity to review the condensed set of consolidated financial statements in the half-yearly financial report as at and for the six months ended 30 June 2020 which comprises the Condensed Consolidated Interim Statement of Comprehensive Income, Condensed Consolidated Interim Statement of Financial Position, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Interim Statement of Cash Flows and the related explanatory notes. Our review was conducted having regard to the Financial Reporting Council's International Standard on Review Engagements (UK and Ireland) 2410, *'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.*

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2020 is not prepared in accordance with IAS 34 '*Interim Financial Reporting'* as adopted by the EU.

Material uncertainty relating to going concern

We draw your attention to note 2 of the condensed set of consolidated financial statements which indicates that the Group is expected to continue to have negative cashflows from its operating activities and therefore, the Group may be unable to continue to realise its assets and discharge its liabilities in the normal course of business. These events and conditions, along with the other matters explained in note 2, constitute a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the EU. The directors are responsible for ensuring that the condensed set of consolidated financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

Our responsibility is to express to the Entity a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

Independent Review Report *(continued)*

Scope of review

We conducted our review having regard to the Financial Reporting Council's International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We read the other information contained in the half-yearly financial report to identify material inconsistencies with the information in the condensed set of consolidated financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the review. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Entity in accordance with the terms of our engagement. Our review has been undertaken so that we might state to the Entity those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entity for our review work, for this report, or for the conclusions we have reached.

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

30 August 2020

Condensed Consolidated Interim Statement of Comprehensive Income

For the six month period ended 30 June 2020

	Note	6 Months ended 30 June 2020 Unaudited Total €	6 Months ended 30 June 2019 Unaudited Total €
Revenue	3	3,014,002	3,550,726
Cost of sales		(913,961)	(1,650,618)
Gross profit		2,100,041	1,900,108
Sales and marketing expenses	4	(973,939)	(2,540,307)
Product development and delivery expenses	4	(4,477,249)	(6,196,189)
General and administrative expenses	4	(1,253,846)	(1,672,634)
Restructuring expenses	6	(656,212)	-
Operating loss		(5,261,205)	(8,509,022)
Finance charges	8	(347,440)	(108,600)
Finance income	8	219	415
Loss before tax		(5,608,426)	(8,617,207)
Income tax	7	(1,288)	(50,675)
Loss for the period		(5,609,714)	(8,667,882)
Other comprehensive gain			
Foreign currency translation differences on foreign operations (no tax impact)		21,001	39,153
Other comprehensive gain, net of tax		21,001	39,153
Total comprehensive loss for the period		(5,588,713)	(8,628,729)
Loss per share			
Basic		(0.03)	(0.09)
Diluted		(0.03)	(0.09)

The notes on pages 12 to 30 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Financial Position

As at 30 June 2020

	Note	30 June 2020 Unaudited €	31 Dec 2019 Audited €
Non-current assets			
Intangible assets	9	795,051	768,822
Property, plant and equipment	10	1,930,523	1,993,345
Research and development tax credit	11	1,083,630	620,479
		3,809,204	3,382,646
Current assets			
Inventories		317,405	235,319
Trade and other receivables	11	2,155,711	3,519,224
Contract assets		205,763	348,666
Current income tax receivable		31,108	18,180
Cash and cash equivalents		5,067,565	10,262,820
Total current assets		7,777,552	14,384,209
Total assets		11,586,756	17,766,855
Equity			
Issued share capital	15	175,288	175,288
Share premium	15	101,630,025	101,630,025
Treasury reserve	15	(2,586)	(2,586)
Other undenominated capital	15	4,200	4,200
Translation reserve	15	(26,896)	(47,897)
Reorganisation reserve	15	(1,351,842)	(1,351,842)
Share based payments reserve	16	3,760,034	3,467,957
Retained earnings		(101,805,720)	(96,196,006)
Total equity		2,382,503	7,679,139
Non-current liabilities			
Lease liabilities	13	1,285,832	1,499,310
Deferred income		223,682	394,518
Borrowings	14	223,112	-
Total non-current liabilities		1,732,626	1,893,828
Current liabilities			
Trade and other payables	12	4,252,922	4,393,598
Deferred income		2,610,575	3,558,573
Lease liabilities	13	430,509	241,717
Current income tax liabilities		13,904	-
Borrowings	14	163,717	-
Total current liabilities		7,471,627	8,193,888
Total liabilities		9,204,253	10,087,716
Total equity and liabilities		11,586,756	17,766,855

The notes on pages 12 to 30 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Changes in Equity

For the six month period ended 30 June 2020

	Share capital	Share premium	Treasury reserve	Other undenominated capital	Reorganisation reserve	Shared based payment reserve	Translation reserve	Retained loss	Total equity
	€	€	€	€	€	€	€	€	€
Balance at 1 January 2019	**69,546**	**85,828,481**	**(2,586)**	**4,200**	**(1,351,842)**	**5,911,172**	**(42,466)**	**(80,489,997)**	**9,926,508**
Total comprehensive loss for the period	-	-	-	-	-	-	-	(8,667,882)	**(8,667,882)**
Foreign currency translation	-	-	-	-	-	-	39,153	-	**39,153**
Transactions with shareholders									
Issue of ordinary shares	103,350	15,801,544	-	-	-	-	-	(1,226,159)	**14,678,735**
Share based payment compensation	-	-	-	-	-	115,895	-	-	**115,895**
Exercise of share options	2,067	-	-	-	-	(2,084,453)	-	2,084,453	**2,067**
Transfer to retained earnings in respect of expired options	-	-	-	-	-	(116,502)	-	116,502	**-**
Balance as at 30 June 2019 (unaudited)	**174,963**	**101,630,025**	**(2,586)**	**4,200**	**(1,351,842)**	**3,826,112**	**(3,313)**	**(88,183,083)**	**16,094,476**
Balance at 1 January 2019	**69,546**	**85,828,481**	**(2,586)**	**4,200**	**(1,351,842)**	**5,911,172**	**(42,466)**	**(80,489,997)**	**9,926,508**
Total comprehensive loss for the year	-	-	-	-	-	-	-	(16,941,155)	**(16,941,155)**
Foreign currency translation	-	-	-	-	-	-	(5,431)	-	**(5,431)**
Transactions with shareholders									
Issue of Ordinary Shares	103,350	15,801,544	-	-	-	-	-	(1,226,159)	**14,678,735**
Share based payment compensation	-	-	-	-	-	18,090	-	-	**18,090**
Exercise of share options	2,392	-	-	-	-	(2,259,733)	-	2,259,733	**2,392**
Transfer to retained earnings in respect of expired options	-	-	-	-	-	(201,572)	-	201,572	**-**
Balance at 31 December 2019 (audited)	**175,288**	**101,630,025**	**(2,586)**	**4,200**	**(1,351,842)**	**3,467,957**	**(47,897)**	**(96,196,006)**	**7,679,139**

Condensed Consolidated Interim Statement of Changes in Equity *(continued)*

For the six month period ended 30 June 2020

	Share capital	Share premium	Treasury reserve	Other undenominated capital	Reorganisation reserve	Shared based payment reserve	Translation reserve	Retained loss	Total equity
	€	€	€	€	€	€	€	€	€
Balance at 1 January 2020	**175,288**	**101,630,025**	**(2,586)**	**4,200**	**(1,351,842)**	**3,467,957**	**(47,897)**	**(96,196,006)**	**7,679,139**
Total comprehensive loss for the period	-	-	-	-	-	-	-	(5,609,714)	**(5,609,714)**
Foreign currency translation	-	-	-	-	-	-	21,001	-	**21,001**
Transactions with shareholders									
Share based payment compensation	-	-	-	-	-	292,077	-	-	**292,077**
Balance as at 30 June 2020 (unaudited)	**175,288**	**101,630,025**	**(2,586)**	**4,200**	**(1,351,842)**	**3,760,034**	**(26,896)**	**(101,805,720)**	**2,382,503**

The notes on pages 12 to 30 are an integral part of these condensed consolidated interim financial statements.

Oneview Healthcare PLC and Subsidiaries

Condensed Consolidated Interim Statement of Cash Flows

For the six month period ended 30 June 2020

	Note	6 months ended 30 June 2020 Unaudited €	30 June 2019 Unaudited €
Cash flows from/(used in) operating activities			
Receipts from customers		2,982,023	5,811,089
Payments to suppliers and staff		(8,079,745)	(11,319,276)
Finance charges		(5,330)	(8,339)
Income tax paid		(6,251)	(44,791)
Net cash used in operating activities	17	(5,109,303)	(5,561,317)
Cash flows used in investing activities			
Purchase of property, plant and equipment		(33,182)	(42,003)
Proceeds on disposal of property, plant and equipment		-	5,750
Acquisition of intangible assets		(157,248)	(243,998)
Net cash used in investing activities		(190,430)	(280,251)
Cash flows from financing activities			
Proceeds from issue of shares		-	15,906,961
Transaction costs		-	(1,226,159)
Drawdown of borrowings		386,829	-
Repayment of lease liabilities		(161,909)	(130,654)
Net cash flows from financing activities		224,920	14,550,148
Net (decrease)/increase in cash held		(5,074,813)	8,708,580
Foreign exchange impact on cash and cash equivalents		(120,442)	38,189
Cash and cash equivalents at beginning of financial period		10,262,820	9,330,948
Cash and cash equivalents at end of financial period		5,067,565	18,077,717

The notes on pages 12 to 30 are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

1. Reporting entity

Oneview Healthcare PLC ("OHP") is domiciled in Ireland with its registered office at Block 2, Blackrock Business Park, Blackrock, County Dublin (company registration number 513842). The condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2020 comprise OHP and its subsidiary undertakings (together referred to as the "Group").

2. Accounting policies

Basis of Accounting

These unaudited condensed interim consolidated financial statements and the information set out in this report cover the six month period ended 30 June 2020 and have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements prepared in accordance with IFRS as adopted by the European Union. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since 31 December 2019. They should be read in conjunction with the statutory consolidated financial statements of the Group, which were prepared in accordance with IFRS as adopted by the European Union, as at and for the year ended 31 December 2019. The accounting policies applied within are consistent with the accounting policies applied at year end. Those statutory financial statements have been filed with the Registrar of Companies and are available at www.oneviewhealthcare.com. The audit opinion on those statutory financial statements was unqualified and did not contain any matters to which attention was drawn by way of emphasis, with the exception of the material uncertainty related to going concern.

Judgements and estimates

The preparation of these condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing this interim financial report, 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.

These condensed consolidated interim financial statements were authorised for issue by the Company's Board of Directors on 30 August 2020.

Going concern

Since its inception, the Group has incurred net losses and generated negative cash flows from its operations. To date, it has financed its operations through the sale of equity securities, including its initial public offering of Oneview Healthcare PLC in March 2016 and equity raisings in May 2019. The Group incurred losses of €5.6 million for the period ended 30 June 2020.

As at 30 June 2020, the Group had cash reserves of €5.1 million. At the date of signing of the interim condensed financial statements, management assessed the Group's ability to continue as a going concern considering a number of factors including the Group's restructuring efforts, the impact of the Coronavirus Covid-19 pandemic (Covid-19) and that the Group is in discussions with a number of parties relating to a fundraising transaction.

Notes *(continued)*

2. Accounting policies *(continued)*

Going concern (continued)

The Group entered into a strategic reorganisation at the beginning of 2020, with the objective of realigning the Group's operating expenses with the predicable recurring revenue expectations and managing costs more effectively through the careful monitoring of its cashflows. The Group's reorganisation efforts have resulted in a significant reduction in the Group's expenses.

Covid-19, and the restrictions imposed by a number of governments worldwide, have had a significant impact on the Group's ability to implement software projects at healthcare facilities and hospitals. This has resulted in a significant reduction in non-recurring revenue for the Group. However, the Group's recurring revenue was not as significantly impacted, with recurring revenues meeting forecasted levels due to a high client retention rate. In addition, the Group developed and launched a new software product, 'Cloud for Covid', and are in discussions with a number of potential customers which may result in additional revenues before the year end.

As at the date of signing of the interim condensed financial statements, the restrictions imposed by governments are being lifted. This may positively impact on the Group's ability to implement software projects at healthcare and other facilities. However, the situation is still uncertain and there may be other future impacts which the Group cannot control or foresee. The Directors and management are closely monitoring the situation, paying particular attention to any change which may impact on the Group's ability to fulfil its client facing service obligations.

The Group is currently in discussions with a number of parties relating to a fundraising transaction. The Directors do not expect for the fundraising transaction to be completed prior to the date of signing of the interim condensed financial statements, and therefore have concluded that the Group does not have sufficient financial resources available to enable the Group to meet its obligations as they fall due, covering a period of not less than 12 months from the date of approval of the interim condensed financial statements. However, at this time, the Directors do expect the transaction to be completed prior to the financial year end and believe that it will result in sufficient financial resources available to enable the Group to meet its obligations as they fall due, covering a period of not less than 12 months from the date of approval of the year end financial statements. The Group has based this estimate on assumptions that may prove to be wrong, and there is a possibility that the Group may not obtain sufficient capital resources from the fundraising transaction or utilise its capital resources sooner than it currently expects. The Group has appointed financial advisors in Australia and the United States to assist with a potential fundraising transaction and is in active discussions with potential investors.

The Directors have concluded that these circumstances represent a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern and that, therefore the Group may be unable to continue realising its assets and discharging its liabilities in the normal course of business.

Nevertheless, based on the Group's consideration of the above factors, the Directors have a reasonable expectation that that the Group will have adequate resources to continue in operational existence for the foreseeable future based on its existing cash resources, coupled with the expected increases in future working capital and continued cost management. For these reasons, they continue to adopt the going concern basis in preparing the interim condensed financial statements.

Notes *(continued)*

2. Accounting policies (*continued*)

New and upcoming standards

The accounting policies applied by the Group in the consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2019, except for the adoption of new standards or interpretations. Comparative figures have not been re-stated for the adoption of new standards.

The adoption of new IFRS or IRFIC interpretations that are effective for the first time for the financial period beginning on or after 1 January 2020 did not have a material impact on the Group.

A number of new standards, amendments to standards and interpretations are effective for financial periods beginning on various dates after 1 January 2020 and have not been adopted early in preparing these interim financial information as at 30 June 2020. The potential impact of these standards on the Group is under review.

Notes *(continued)*

3. Segment information

The Group is managed as a single business unit engaged in the provision of interactive patient care and operates in one reportable segment which provides a patient engagement solution for the healthcare sector.

The operating segment is reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM has been identified as the executive management team. The executive management team is comprised of the Chief Executive Officer, Chief Revenue Officer, Chief Financial Officer and Chief Strategy Officer. The CODM assesses the performance of the business and allocates resources based on the consolidated results of the Group.

Revenue by type and geographical region is as follows:

	30 June 2020 €	30 June 2019 €
Revenue by type:		
Contracted subscription revenue		
Software usage and content	1,640,994	1,304,721
Support income	686,849	609,841
Licence fee	240,232	200,546
	2,568,075	2,115,108
Hardware, services and other income		
Hardware	219,581	824,232
Services income	226,346	611,386
	445,927	1,435,618
	3,014,002	3,550,726
Revenue by geographic region:		
Ireland	2,329	2,329
Europe (excluding Ireland)	-	17,515
United States	1,516,040	1,596,607
Australia	1,171,674	1,785,821
Asia	228,466	72,668
Middle East and North Africa	95,493	75,786
	3,014,002	3,550,726

Major customers

Revenues from customer A, B and C represented 22% (June 2019: 17%), 16% (June 2019: 6%) and 11% (June 2019: 7%) respectively, of the Group's total revenue in the six month period.

Notes *(continued)*

4. Expenses by nature

	Note	30 June 2020 €	30 June 2019 €
Employee benefit expenses, net of capitalised development costs	5	4,804,297	6,651,527
Consultants and contractors' costs		659,406	872,215
Depreciation	10	183,110	254,073
Amortisation – Development costs	9	122,604	205,873
Amortisation – Software	9	10,976	33,308
Premises costs		138,831	399,037
Insurance costs		243,636	121,707
Professional fees		262,875	270,979
Travel		108,083	471,186
Communications		69,844	85,417
Marketing		146,352	237,269
Other		611,232	806,539
		7,361,246	10,409,130
Disclosed as:			
Sales and marketing expenses		973,939	2,540,307
Product development and delivery expenses		4,477,249	6,196,189
General and administrative expenses		1,253,846	1,672,634
Restructuring expenses		656,212	-
		7,361,246	10,409,130

Notes *(continued)*

5. Employee benefits expense

	30 June 2020 €	30 June 2019 €
Employee benefits expense (inclusive of directors' salaries) comprises:		
Wages and salaries	3,977,771	5,841,784
Social welfare costs	548,237	697,730
Pension costs	143,460	240,116
Share based payments	292,077	115,895
	4,961,545	6,895,525
Less capitalised development costs	(157,248)	(243,998)
	4,804,297	6,651,527

The number of permanent full-time persons (including executive directors) employed by the Group at the end of the period was 75 (2019: 127).

	30 June 2020 Number	30 June 2019 Number
Administrative	13	21
Product development and delivery	53	85
Sales and marketing	9	21
	75	127

6. Restructuring expenses

The restructuring expenses arise primarily due to the Board decision announced in January 2020 to restructure the Group to ensure its cost base is better aligned with expected levels of recurring revenue and gross margin. The reorganisation included a reduction in headcount. This followed the announcement on 11 November 2019 that commercial negotiations with a major Senior Living operator in the Australian market for the development of a care management solution had reached an impasse.

Notes *(continued)*

7. Income tax

The components of the current tax charge are as follows:

	30 June 2020	30 June 2019
	€	€
Current tax charge		
Overprovision in prior period	(21,953)	-
Foreign tax for the period	23,241	50,675
Total tax charge in income statement	1,288	50,675

The Group has an unrecognised deferred tax asset carried forward of €11,699,813 (31 December 2019: €11,175,211). As the relevant group companies have a history of losses, a deferred tax asset will not be recognised until these companies can predict future taxable profits with sufficient certainty.

8. Finance income/(charges)

	30 June 2020	30 June 2019
Finance income	€	€
Interest income	219	415
Finance income	219	415
Finance charges		
Bank charges	(5,549)	(8,754)
Interest charge on lease liabilities	(67,739)	(42,336)
Interest charge on borrowings	(290)	-
Foreign exchange loss	(273,862)	(57,510)
Finance charges	(347,440)	(108,600)

Notes *(continued)*

9. Intangible assets

	Software	Development Costs	Total
	€	€	€
Cost			
At 1 January 2020	211,562	5,013,976	5,225,538
Additions	-	157,248	157,248
Foreign currency translation differences	4,758	-	4,758
At 30 June 2020	**216,320**	**5,171,224**	**5,387,544**
Amortisation			
At 1 January 2020	197,942	4,258,774	4,456,716
Amortisation	10,976	122,604	133,580
Foreign currency translation differences	2,197	-	2,197
At 30 June 2020	**211,115**	**4,381,378**	**4,592,493**
Carrying amount			
At 30 June 2020	**5,205**	**789,846**	**795,051**
At 31 December 2019	13,620	755,202	768,822

Notes *(continued)*

10. Property, plant and equipment

	Fixtures, fittings and equipment	Land and Buildings *	Total
	€	€	€
Cost			
At 1 January 2020	1,390,325	1,951,195	3,341,520
Additions	33,182	95,601	128,783
Foreign currency translation differences	(5,668)	(12,944)	(18,612)
At 30 June 2020	**1,417,839**	**2,033,852**	**3,451,691**
Depreciation			
At 1 January 2020	1,006,677	341,498	1,348,175
Charge for the period	90,241	92,869	183,110
Foreign currency translation differences	(6,253)	(3,864)	(10,117)
At 30 June 2020	**1,090,665**	**430,503**	**1,521,168**
Net book value			
At 30 June 2020	**327,174**	**1,603,349**	**1,930,523**
At 31 December 2019	383,648	1,609,697	1,993,345

* Land and Buildings is comprised of Right of Use assets, held under leases. Additions to Right of Use assets comprise a new office premises lease arrangement.

11. Trade receivables and other receivables

	30 June 2020	31 Dec 2019
	€	€
Amounts falling due within one year:		
Trade receivables	714,744	1,226,417
Prepaid expenses and other current assets	1,147,956	853,259
Research and development tax credit	-	1,029,850
Sales tax recoverable	40,542	157,229
Loan to key management personnel	252,469	252,469
	2,155,711	3,519,224

Notes *(continued)*

11. Trade receivables and other receivables *(continued)*

	30 June 2020	31 Dec 2019
	€	€
Amounts falling due after more than one year:		
Research and development tax credit receivable	1,083,630	620,479

The fair value of trade receivables approximates to the carrying value. The maximum exposure to credit risk at the reporting date on these assets is the carrying value of each class of receivable mentioned above.

The euro equivalent amount of the Group's trade receivables is denominated in the following currencies:

Trade receivables	30 June 2020	31 Dec 2019
	€	€
US Dollar	287,085	386,376
Australian Dollar	190,144	774,252
AED	27,169	41,989
Euro	-	6,801
Thai Baht	193,910	-
GBP	16,436	16,999
	714,744	1,226,417

12. Trade and other payables (current)

Amounts falling due within one year	30 June 2020	31 Dec 2019
	€	€
Trade payables	1,096,452	1,639,488
Payroll related taxes	277,944	222,113
Superannuation	22,034	67,612
Other payables and accruals	2,506,725	2,122,165
R&D tax credit – deferred grant income	342,236	278,626
Sales tax payable	7,531	63,594
	4,252,922	4,393,598

Notes *(continued)*

13. Lease liabilities

	30 June 2020	31 Dec 2019
	€	€
Current	430,509	241,717
Non-current	1,285,832	1,499,310
	1,716,341	1,741,027

14. Borrowings

	30 June 2020	31 Dec 2019
	€	€
Current	163,717	-
Non-current	223,112	-
	386,829	-

The Group's US subsidiary was in receipt of a Paycheck Protection Programme Loan during the period. Some or all of this loan may be forgiven, pursuant to Section 1106 of the Coronavirus Aid, Relief, and Economic Security Act (as amended, the "CARES Act"), its implementing regulations and Small Business Administration ("SBA") rules. However, no application for loan forgiveness had been made as at 30 June 2020. The loan bears an interest rate of 1% p.a., has a maturity date of 29 May 2022 and is unsecured.

15. Share capital and other reserves

	30 June 2020	31 Dec 2019
Authorised Share Capital		
Ordinary shares		
No. of shares	600,000,000	600,000,000
Nominal value	€0.001	€0.001
"B" Ordinary shares		
No. of shares	420,000	420,000
Nominal value	€0.01	€0.01
	€	€
Authorised Ordinary Share Capital	600,000	600,000
Authorised "B" Ordinary Share Capital	4,200	4,200
Authorised Share Capital	604,200	604,200

Notes *(continued)*

15. Share capital and other reserves *(continued)*

Issued Share Capital	No. of shares	Nominal Value	Share Capital €	Share Premium €	Total €
Balance – 1 Jan 2019	**69,545,563**	**€0.001**	**69,546**	**85,828,481**	**85,898,027**
Share issue – 14 May 2019	3,350,000	€0.001	3,350	512,193	515,543
Share issue – 16 May 2019	100,000,000	€0.001	100,000	15,289,351	15,389,351
Exercise of options – 22 May 2019	2,066,660	€0.001	2,067	-	2,067
Exercise of options – 12 Nov 2019	325,000	€0.001	325	-	325
Balance – 31 Dec 2019 and 30 June 2020	**175,287,223**	**€0.001**	**175,288**	**101,630,025**	**101,805,313**

The Company increased its Authorised Share Capital to 600,000,000 shares by Special Resolution at an Extraordinary General Meeting held on 10 May 2019.

On 11 April 2019, the Company announced to the ASX that it had successfully conducted a conditional placement ("Placement") to raise A$25 million (equivalent to approximately €15.4 million), before costs, through the issue of 100 million CHESS depository interests ("CDIs") over new fully paid ordinary shares, subject to the Company obtaining securityholder approval. On the same date, the Company also announced its intention to raise up to A$2 million by way of a conditional security purchase plan ("SPP"), through the issue of up to 8 million CDIs over new fully paid ordinary shares, subject to the Company obtaining securityholder approval.

On 10 May 2019, the Directors held an Extraordinary General Meeting of the Company where, by special resolution, shareholders voted overwhelmingly to support both the Placement and the SPP. On the same date, the Company also announced to the ASX that subscriptions had been received from investors for 3,350,000 securities under the SPP. Pursuant to this, on 14 May 2019, the Company issued 3,350,000 new shares of €0.001 each at a price per share of A$0.25 (equivalent to €0.1539) and on 16 May 2019, the Company issued 100,000,000 new shares of €0.001 each at a price per share of A$0.25 (equivalent to €0.1539). The Company incurred costs of €1,226,159 associated with the raising of these funds, which have been recorded against retained earnings.

On 22 May 2019, 2,066,660 ordinary shares were issued in respect of 2,066,660 outstanding share options which were exercised on that date at a strike price of €0.001 per share.

On 12 November 2019, 325,000 ordinary shares were issued in respect of 325,000 outstanding share options which were exercised on that date at a strike price of €0.001 per share.

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. On winding up, the holders of ordinary shares shall be entitled to receive the nominal value in respect of each ordinary share held, together with any residual value of the entity.

Notes *(continued)*

15. Share capital and other reserves *(continued)*

The holders of B ordinary shares are not entitled to receive dividends as declared and are not entitled to vote at meetings of the Company; however, they are entitled to attend all meetings. On winding up, the holders of B ordinary shares shall be entitled to receive the nominal value in respect of each B ordinary share held.

Treasury reserve

The reserve for the Company's shares comprises the cost of the Company's shares held by the Group. At 30 June 2020, the Group held 2,585,560 (31 December 2019: 2,585,560) of the Company's shares.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Reorganisation reserve

During 2012, Oneview Healthcare PLC ("OHP") was incorporated for the purpose of implementing a holding company structure. This resulted in a group reorganisation with OHP becoming the new parent company of Oneview Limited ("OL") by way of share for share swap with the existing shareholders of OL. This has been accounted for as a continuation of the original OL business via the new OHP entity resulting in the creation of a reorganisation reserve in the consolidated financial statements in the amount of €1,347,642, (increased by €4,200 to €1,351,842 in 2013 due to the issue of B shares). No reorganisation reserve was created at OHP company level as the fair value was equal to the carrying value on the date of the reorganisation.

Notes *(continued)*

16. Share based payments

At 30 June 2020, the Group had the following share based payment arrangements:

Employee Share Option Plan

In July 2013, the Company established a share option program that entitles certain employees to purchase shares in the Company. Options vest over a service period and are settled in shares. The key terms and conditions related to grants under this programme are as follows:

Grant date	Weighted average exercise price	Number of instruments
Outstanding Options – 1 January 2019	**€0.884**	**4,192,910**
Forfeited during the year	€0.845	(713,250)
Cancelled by way of modification during the year	€2.447	(1,280,250)
Granted by way of modification during the year	€0.160	1,280,250
Granted during the year	€0.161	738,000
Exercised during the year	€0.001	(2,391,660)
Outstanding Options – 31 December 2019	**€0.137**	**1,826,000**
Forfeited during the period	€0.162	(396,750)
Outstanding Options – 30 June 2020	**€0.130**	**1,429,250**

During the prior year, 1,280,250 share options were modified. This gave rise to an incremental fair value charge as a result of these modifications of €47,124. The incremental fair value charge was calculated by measuring the fair value of the share options immediately before and after the modification. The incremental fair value granted is the difference between the fair value of the modified equity instrument and that of the original equity instrument, both calculated at the date of modification. These fair values were measured using the Black-Scholes model. The incremental fair value granted is recognised for employee services received over the period from the modification date until the date when the modified equity instruments vest, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognised over the remainder of the original vesting period.

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using the Black-Scholes model.

16. Share based payments *(continued)*

Restricted Stock Share Plan

On 16 March 2016, the Company adopted the Restricted Share Unit Plan pursuant to which the Remuneration Committee of the Company's Board of Directors may make an award under the plan to certain executive directors. On 16 March 2016, an aggregate of 2,585,560 new shares of €0.001 each were issued to Goodbody Trustees Ltd as restricted stock units on behalf of certain directors, with a range of performance conditions attaching to their vesting. The shares were awarded at a price of €0.001 and vest over a service period as follows:

Award Date	Number of instruments	Vesting Term	Vesting condition
16 March 2016	500,000	3 Years	Continued employment
16 March 2016	187,280	3 Years	Compliance with listing rules
16 March 2016	525,510	5 Years	CAGR in TSR*
16 March 2016	411,820	3 Years	CAGR in TSR*
16 March 2016	549,120	3 Years	Recurring revenue growth targets
16 March 2016	205,920	3 Years	Hospital beds targets
16 March 2016	205,910	3 Years	Assisted living beds targets
Total RSUs	**2,585,560**		
Total outstanding RSUs 30 June 2020	**2,075,740**		

* Compound Annual Growth Rate in Total Shareholder Return

The fair value of the CAGR in TSR awards is based on a Monte Carlo model using the following key assumptions: -

- No dividends will be paid over the expected life of the restricted stock units.
- The expected life is 3 and 5 years.
- Threshold testing levels are set by the Remuneration Committee on or around 31 December each year for the following year.
- A historic volatility approach has been assumed using comparable companies of 33.3% for the three-year TSR rewards and 33.9% for the five-year TSR rewards.
- The risk-free rate has been sourced from the AUD swap rate curve, 3 years, 2.06% and for 5 years, 2.13%.
- The model has run 10,000 simulations.

The fair value of non-market performance conditions is based on the share price at the date of grant. The accounting charge is adjusted at each reporting period to reflect management's estimate of the achievement of the relevant targets.

Notes (*continued*)

16. Share based payments *(continued)*

Restricted Stock Share Unit Plan (RSU)

On 2 July 2019, the Company adopted a new Restricted Share Unit Plan ("RSU") to replace the existing Restricted Stock Share Plan ("RSP"). The scheme was subsequently approved by shareholders at the Company's Annual General Meeting on 1 August 2019.

Pursuant to the scheme, the Remuneration and Nominations Committee of the Company's board of directors may make an award under the plan to certain directors, non-executive directors, consultants, senior executives and employees. The purpose of the Plan is to attract, retain, and motivate directors and employees of Oneview Healthcare plc, its subsidiaries and affiliates, to provide for competitive compensation opportunities, to encourage long term service, to recognise individual contributions and reward achievement of performance goals, and to promote the creation of long term value for shareholders by aligning the interests of such persons with those of shareholders.

The RSUs are contracts to issue shares at future vesting periods ranging between 1 year and 3 years, at an award price of €0.001, and are dependent on achievement of performance conditions which are set periodically by the Remuneration and Nominations Committee. All awards to directors and non-executive directors are subject to shareholder approval annually at the Annual General Meeting.

As at 30 June 2020, 9,501,471 RSU's were outstanding.

Recipients	**Number of instruments**	**Vesting Term**	**Vesting condition**
Non-Executive Directors	1,176,471	1 Year	Continued board appointment
Executive Directors & Senior Management	2,700,000	3 Years	3 successive quarters of positive EBITDA & continuing employment
Employees	5,625,000	1 Year	Continued employment
	9,501,471		

Notes *(continued)*

17. Cash flow reconciliation for the period

	30 June 2020	30 June 2019
	€	€
Reconciliation of net cash used in operating activities with loss for the period after income tax		
Loss for the period after income tax	(5,609,714)	(8,667,882)
Non-cash items		
Depreciation	183,110	254,073
Loss on disposal of property, plant and equipment	-	325
Amortisation	133,580	239,181
Share based payment expense	292,077	115,895
Taxation	1,288	50,675
Net finance costs	73,359	50,675
R&D credit recognised, net of refunds	630,309	(218,670)
Foreign exchange loss	273,862	57,510
Changes in assets and liabilities		
(Increase)/decrease in inventories	(82,086)	35,314
Decrease/(increase) in trade and other receivables	333,663	(47,049)
Decrease in contract assets	142,903	391,564
(Decrease)/increase in deferred income	(1,118,834)	827,529
(Decrease)/(increase) in trade and other payables	(351,239)	1,402,673
Cash used in operating activities	(5,097,722)	(5,508,187)
Finance costs paid, net	(5,330)	(8,339)
Taxation paid	(6,251)	(44,791)
Net cash used in operating activities	(5,109,303)	(5,561,317)

Notes *(continued)*

18. Related party transactions

The Company considers directors, officers and group undertakings as defined in the 2019 Group Financial Statements as being related parties. Transactions with directors are disclosed in the table below. The current directors are as set out on page 1. The directors held the following interests at 30 June 2020:

		Interest at 30 June 2020		Interest at 30 June 2019		Interest at 31 Dec 2019	
Name	Name of Company	Number of Shares	Options	Number of Shares*	Options	Number of Shares*	Options
Mark McCloskey	Oneview Healthcare PLC						
	Ordinary shares €0.001	7,570,560	-	6,844,286	-	7,570,560	-
	Oneview Healthcare PLC						
	Restricted Stock Units	1,484,430	-	734,430	-	1,484,430	-
James Fitter	Oneview Healthcare PLC						
	Ordinary shares €0.001	3,159,721	-	3,159,721	-	3,159,721	-
	Oneview Healthcare PLC						
	Restricted Stock Units	2,054,030	-	1,054,030	-	2,054,030	-
John Kelly	Oneview Healthcare PLC						
	Ordinary shares €0.001	349,480	-	349,480	-	349,480	-
	Oneview Healthcare PLC						
	Restricted Stock Units	728,280	-	287,280	-	728,280	-
Joseph Patrick Rooney	Oneview Healthcare PLC						
	Ordinary shares €0.001	1,207,514	-	1,207,514	-	1,207,514	-
	Restricted Stock Units	588,235	-	-	-	588,235	-
Lyle Berkowitz	Oneview Healthcare PLC						
	Ordinary shares €0.001	34,000	50,000	34,000	50,000	34,000	50,000
	Restricted Stock Units	294,118	-	-	-	294,118	-
Michael Kaminski	Oneview Healthcare PLC						
	Ordinary shares €0.001	280,000	-	280,000	-	280,000	-
	Restricted Stock Units	294,118	-	-	-	294,118	-
OV No.1 PTY Ltd **	Oneview Healthcare PLC						
	Ordinary shares €0.001	1,871,466	-	1,871,466	-	1,871,466	-

* James William Vicars and Mark McCloskey (and their families) are the beneficiaries of OV No.1 Pty Ltd (ATF the OV Trust). James William Vicars and Mark McCloskey are the directors of the trustee of the discretionary trust and James William Vicars is the sole shareholder of the trustee.

Notes *(continued)*

18. Related party transactions *(continued)*

In accordance with the Articles of Association, at least one third of the directors are required to retire annually by rotation.

No other members of management are considered key. Unless otherwise stated, all transactions between related parties are carried out on an arm's length basis.

19. Events after the reporting period end

There were no material events that occurred after 30 June 2020.

Directors' Declaration

In the opinion of the Directors:

(a) The financial statements and notes set out on pages 7 to 30:

I. Comply with Accounting Standards IAS 34 Interim Financial Reporting;

II. Give a true and fair view of the consolidated entity's financial position as at 30 June 2020 and of its performance for the six months ended on that date; and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Directors

James Fitter	Mark McCloskey	31 August 2020
Director	*Director*	