

**THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or transferred all of your Ordinary Shares, please send this document and the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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## Integumen plc

*(Incorporated and registered in England and Wales with registered number 10205396)*

### **Proposals for : Placing and Subscription to raise £700,000, Sub-division of share capital, Amendment to Articles of Association, and Notice of General Meeting**

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You are recommended to read the whole of this document but your attention is drawn to the letter from the Chairman of Integumen plc (“**Company**”) which is set out on pages 5 to 9 of this document and which provides details of the Resolutions to be proposed at the General Meeting and why your Board recommends you to vote in favour of the Resolutions to be proposed at the General Meeting.

A notice convening a general meeting of the shareholders of the Company (“**General Meeting**”) to be held at the offices of Jeffreys Henry LLP at Finsgate, 5-7 Cranwood Street, London EC1V 9EE at 12.00 noon on 2 August 2018 is set out at the end of this document. The accompanying Form of Proxy for use in connection with the General Meeting should be completed by shareholders and returned as soon as possible but, in any event, so as to be received by Neville Registrars at Neville House, Steelpark Road, Halesowen B62 8HD by no later than 12.00 noon on 31 July 2018 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting). The completion and return of a Form of Proxy will not preclude shareholders from attending and voting at the General Meeting should they so wish.

In accordance with the AIM Rules, this document will be available on the Company’s website ([www.integumenplc.com](http://www.integumenplc.com)) from the date of this document, free of charge. Copies of this document will also be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of Integumen plc for a period of one month from the date of this document.

#### **INDICATIVE TIMETABLE**

Posting of the this document and Form of Proxy		17 July 2018
Latest time and date for receipt of Forms of Proxy	12.00 noon on	31 July 2018
General Meeting	12.00 noon on	2 August 2018
Results of General Meeting announced through RNS		2 August 2018
Record Date for Sub-division	6.00 p.m. on	2 August 2018
Admission and dealings in First Placing Shares, First Subscription Shares and Fee Shares	8.00 a.m. on	3 August 2018
Admission and dealings in Second Placing Shares, Second Subscription Shares and Consideration Shares	8.00 a.m. on	24 September 2018

## DEFINITIONS

The following words and expressions shall have the following meanings in this document unless the context otherwise requires:

“First Admission”	the admission to trading on AIM of the First Placing Shares, First Subscription Shares and Fee Shares, in accordance with Rule 6 of the AIM Rules;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the rules for AIM companies as published by the London Stock Exchange from time to time;
“Articles”	the Company’s articles of association;
“Board” or “Directors”	the directors of the Company;
“Cellulac”	Cellulac plc;
“certificated”/“in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST);
“Company” or “Integumen”	Integumen plc, a company registered in England and Wales with registered number 10205396;
“Completion”	completion of the Share Purchase Agreement and the Licence Agreement;
“Consideration”	the consideration for the Investment, comprising the Consideration Shares;
“Consideration Shares”	the 82,844,388 New Ordinary Shares to be issued as part consideration for the Investment, at an issue price of 0.855 pence per share;
“CREST”	the computerised settlement system to facilitate transfer of title to or interests in securities in uncertificated form operated by Euroclear UK & Ireland Limited;
“Deferred Share(s)”	new deferred share(s) of 0.99 pence each in the capital of the Company;
“Enlarged Issued Share Capital”	the entire issued ordinary share capital of the Company immediately following Second Admission;
“Existing Ordinary Shares”	223,685,232 Ordinary Shares currently in issue at the date of this document;
“Fee Shares”	4,615,384 New Ordinary Shares to be issued to a creditor in lieu of fees;
“First Admission”	the admission to trading on AIM of the First Placing Shares, First Subscription Shares and the Fee Shares, in accordance with Rule 6 of the AIM Rules;
“First Placing Shares”	the 2,153,860 New Ordinary Shares the subject of the First Placing;
“First Placing”	the placing of the First Placing Shares;
“First Subscription Shares”	the 10,769,231 New Ordinary Shares the subject of the First Subscription;
“First Subscription”	the subscription for the First Subscription Shares;
“Form of Proxy”	the form of proxy for use at the General Meeting which accompanies this document;
“General Meeting”	the general meeting of the Company, notice of which is set out at the end of this document, and any adjournment thereof;

“Group”	the Company and its subsidiaries and subsidiary undertakings;
“Hybridan”	Hybridan LLP, the Company’s broker;
“Investment”	the conditional acquisition of 9.35% of the share capital of Cellulac from the Vendors, under the Share Purchase Agreement;
“Investment Heads”	the heads of terms in relation to the proposed Investment;
“Licence Agreement”	the proposed licence agreement to be entered into between the Company and Cellulac;
“Licence Agreement Heads”	the heads of terms in relation to the proposed Licence Agreement;
“London Stock Exchange”	London Stock Exchange plc;
“New Ordinary Share(s)”	new Ordinary Share(s) of 0.01 pence each in the capital of the Company arising following the Sub-division;
“Notice of General Meeting”	the notice of the General Meeting, which is set out at the end of this document;
“Ordinary Share(s)”	ordinary share(s) of 1p each in the capital of the Company, or (following the Sub-division) 0.01p each in the capital of the Company, as the context requires;
“Placing”	the placing of the First Placing Shares and Second Placing Shares under the terms of the Placing Agreement;
“Placing Agreement”	the agreement dated 15 July 2018 between (1) the Company, (2) Hybridan and (3) SPARK;
“Placing Price”	0.65 pence being the issue price of the Placing Shares, Subscription Shares and Fee Shares;
“Placing Shares”	30,769,240 New Ordinary Shares to be issued by the Company pursuant to the Placing, comprising the First Placing Shares and the Second Placing Shares;
“Proposals”	the Placing, the Subscription, the Sub-division, the Board changes, the amendment to the Articles and the Investment;
“Registrars”	Neville Registrars Limited;
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting;
“Second Admission”	the admission to trading on AIM of the Second Placing Shares, Second Subscription Shares and Consideration Shares, in accordance with Rule 6 of the AIM Rules;
“Second Placing Shares”	the 28,615,380 New Ordinary Shares the subject of the Second Placing;
“Second Placing”	the placing of the Second Placing Shares;
“Second Subscription Shares”	the 66,153,844 New Ordinary Shares the subject of the Second Subscription;
“Second Subscription”	the subscription for the Second Subscription Shares;
“Shareholder(s)”	holder(s) of Ordinary Shares;
“Share Purchase Agreement”	the proposed agreement in relation to the Investment between (1) the Company, (2) Gerard Brandon and (3) Camillus Glover;

“SPARK”	SPARK Advisory Partners Limited, the Company’s nominated adviser;
“Sub-division”	the proposed sub-division of each Existing Ordinary Share into one New Ordinary Share and one New Deferred Share pursuant to Resolution 1 as set out in the Notice of General Meeting;
“Subscription”	the subscription for the Subscription Shares by investors (including Tony Richardson, Ross Andrews and Gerard Brandon);
“Subscription Shares”	76,923,075 New Ordinary Shares to be issued by the Company pursuant to the Subscription, comprising the First Subscription Shares and the Second Subscription Shares;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” / “in uncertificated form”	a share or security recorded in the Company’s register of members as being held in uncertificated form, title to which may be transferred by means of CREST;
“US” or “United States”	the United States of America; and
“Vendors”	Mr Gerard Brandon and Mr Camillus Glover.

## Letter from the Chairman of Integumen plc

*(Incorporated and registered in England and Wales with company number 10205396)*

Anthony Richardson\* (Chairman)  
Christopher Bell  
Ross Andrews\*  
Paul Kennedy\*  
Donald Nicholson  
Helmut Schlieper

\*non-executive

17 July 2018

To shareholders

### **Proposals for: Placing and Subscription to raise £700,000, Sub-division of share capital, Amendment to Articles of Association, and Notice of General Meeting**

#### **Introduction and Background**

On 16 July 2018 the Company announced that it had signed heads of terms with Gerard Brandon and Camillus Glover to acquire shares comprising 9.35 per cent. of the issued share capital of Cellulac plc for £708,320. Additionally the Company announced a conditional placing and subscription to raise £700,000 for the Company.

In order to effect the Placing, the Subscription and the Investment, the Company needs to effect a sub-division of its share capital, an amendment to its Articles, and an increase in its share capital authorities.

The Placing, the Subscription, the Investment, and the other actions required to effect them are referred to herein as the Proposals.

The purpose of this document is to provide information to shareholders on the Proposals, to seek Shareholders' approval for resolutions which will allow the Proposals to proceed, and to provide the Directors' recommendations in relation to the Proposals. The Resolutions are contained in the Notice of General Meeting at the end of this document.

#### **Investment in the shares of Cellulac plc**

##### *Share Purchase Agreement Heads*

The Company has signed Investment Heads with Gerard Brandon and Camillus Glover to conditionally acquire 1,472,092 shares in Cellulac (which in aggregate amount to 9.35 per cent. of the existing share capital of Cellulac), for a consideration of £708,320.

This Consideration will be satisfied by the issue of 82,844,388 New Ordinary Shares at 0.855 pence per New Ordinary Share (following the Sub-division). Further details of the Investment Heads are set out below.

It is proposed that the Share Purchase Agreement will be agreed and signed by no later than 2 August 2018, being the expected date of the GM at which resolutions will be proposed that will allow the Investment to proceed (see below). Completion of the Share Purchase Agreement will be conditional upon the Placing Agreement becoming unconditional (other than as to the Second Admission).

The Consideration Shares will comprise 27 per cent. of the issued ordinary share capital (as enlarged by the issue of the Consideration Shares), and 19.8 per cent. of the Enlarged Issued Share Capital.

##### *Licence Agreement Heads*

The Company and Cellulac have signed the Licence Agreement Heads.

Under the terms of the proposed Licence Agreement:-

- (1) Cellulac will grant Integumen an exclusive licence to sell Cellulac's Algzym-branded and white labelled products (including Omega 3 and bioplastic ingredients) and to license Cellulac's technology to third parties;
- (2) the licence will be exclusive for the territories of the United States, Canada and Mexico;
- (3) the licence will run for an initial period of five years and renew automatically thereafter unless terminated on not less than six months' notice; and
- (4) Integumen and Cellulac will share revenues equally (after production costs) from Integumen's sales and licensing activities under the Licence Agreement.

The Board believes that the Licence Agreement will:

- enable Integumen to sell wholesale volumes of human grade food supplements into the food sector, protein enriched food into the animal feed sector, biodegradable plastic ingredients, all of which are to be provided by Cellulac, in addition to Integumen's existing personal care businesses;
- drive growth through the introduction of innovative products with higher volumes;
- diversify and create opportunities to drive higher volume multiple revenue streams;
- create a complementary range of consumer products for a "Visible Youth" healthy lifestyle;
  - (internal) human grade nutraceuticals, food supplements, and diet
  - (external) topical cosmetics, over-the-counter (OTC) and professional skin care products
- allow the Company to capitalise on the shifting opinion around single-use plastics amongst consumers and policymakers by fulfilling the demand for products with biodegradable plastic packaging. Existing cosmetic packaging, oral care consumer products, and third-party products can in time be replaced with biodegradable plastic materials.

It is anticipated that a legally binding Licence Agreement will be signed by the Company and the Company by at latest the date of the General Meeting.

### **Information on Cellulac**

Cellulac is a vertically integrated group of companies with operations in Ireland and with headquarters in the United Kingdom. Activities undertaken by Cellulac range from the production of natural oils and biodegradable plastic ingredients to expertise in consumer marketing in cosmetics, food and healthcare industries. The production division capabilities include process engineering, chemical engineering, biochemistry and polymer science.

Cellulac has been privately funded since 2012 from laboratory to the commercial scale production of Omega 3 at a third party facility in the UK. A site for larger scale commercial production has been identified at Dundalk in Ireland. Permitting, development work and collaborative engineering project design in preparation for retrofitting of existing equipment at the Dundalk facility has been ongoing since 2014. US and EU approvals have been secured for the sale of human grade Omega 3, based on the existing process of Cellulac in the UK. Cellulac aims to commence production at Dundalk in 2019, subject to funding.

Under the terms of the Licence Agreement Heads, Integumen will use £75,000 of the proceeds of the Placing and Subscription to provide support to Cellulac for product approval applications to be made for goods that Integumen will be selling.

### **Placing and Subscription**

The Company is proposing to raise £700,000 in aggregate (before expenses), by way of a Placing of £200,000 and a Subscription of £500,000. The Placing Shares and Subscription Shares will be issued at a Placing Price of 0.65 pence per share. This price represents a discount of approximately 24 per cent. to the closing middle market price of 0.855 pence per Existing Ordinary Share on 13 July 2018, being the date prior to the announcement of the Placing and Subscription.

The Placing Shares and Subscription Shares represent approximately 25.7 per cent. of the Enlarged Share Capital immediately following Admission.

### **Placing and Placing Agreement**

30,769,240 Placing Shares will be issued at the Placing Price with clients of Hybridan, raising £200,000 for the Company.

Hybridan has entered into the Placing Agreement with the Company and SPARK under which it has agreed to use its reasonable endeavours, as agent for the Company, to procure placees for the Placing Shares.

The Placing is conditional upon, inter alia:

- the Resolutions (as defined below) being duly passed at the GM by 2 August 2018, and Second Admission becoming effective on or before 8:00 a.m. on 24 September 2018 or such later time and/or date as the Company, Hybridan and SPARK may agree, but in any event by no later than 8:00 a.m. on 30 September 2018;
- the Placing Agreement having become unconditional in all respects and not having been terminated;
- the Company, Gerard Brandon and Camillus Glover entering into the SPA and it becoming unconditional; and
- the Company and Cellulac entering into the Licence Agreement.

The Placing is not being underwritten.

The Placing Agreement contains warranties from the Company in favour of Hybridan and SPARK in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Hybridan and SPARK in relation to certain liabilities it may incur in respect of the Placing. Hybridan and SPARK each have the right to terminate the Placing Agreement in certain circumstances prior to Second Admission, in particular, in the event of a material breach of the warranties.

The First Placing Shares will be allotted on 2 August 2018, with First Admission on 3 August 2018.

The Second Placing Shares are expected to be allotted, conditional on completion of the Second Subscription, on or around 21 September 2018, with Second Admission on or around 24 September 2018.

### **Subscription**

The Subscription Shares will be issued at the Placing Price, raising £500,000 for the Company (before expenses).

As part of the Subscription Tony Richardson and Ross Andrews have each agreed to subscribe for 1,538,462 and 1,538,462 New Ordinary Shares respectively. In addition, proposed director Gerard Brandon has agreed to subscribe for 7,692,307 New Ordinary Shares as part of the Subscription. Each of Tony Richardson, Ross Andrews and Gerard Brandon has agreed that their Subscription Shares shall be the subject of a lock in agreement, whereby those shares cannot be disposed before the date of Second Admission.

Of the Subscription Shares:

The First Subscription Shares (£70,000) (which includes the Subscription Shares allotted to Tony Richardson, Ross Andrews and Gerard Brandon) will be allotted on 2 August 2018 and admitted to trading on AIM on 3 August 2018; and

The Second Subscription Shares (£430,000) will be allotted on or around 21 September 2018 and admitted to trading on AIM on or around 24 September 2018.

### **Fee Shares**

4,615,384 New Ordinary Shares ("Fee Shares") will be issued at the Placing Price to a creditor to settle amounts owed to it.

### **Dealings**

The First Subscription Shares, the First Placing Shares and the Fee Shares (totalling in aggregate 17,538,475 New Ordinary Shares) will be allotted following the GM. Application will be made for these to be admitted to trading on AIM, and First Admission is expected on 3 August 2018.

The Second Placing Shares, the Second Subscription Shares and the Consideration Shares (totalling in aggregate 177,613,612 New Ordinary Shares) are expected to be allotted on or around 21 September 2018. Application will be made for these to be admitted to trading on AIM thereafter, with Second Admission expected on or around 24 September 2018.

Placees and subscribers who elect to receive their First Placing Shares or First Subscription Shares in CREST will have their CREST account credited with their New Ordinary Shares following First Admission, which is expected to be

on 3 August 2018. Placees and subscribers who elect to receive their Second Placing Shares or Second Subscription Shares in CREST will have their CREST account credited with their New Ordinary Shares following Second Admission, which is expected to be on 24 September 2018.

The Placing Shares, the Subscription Shares, the Fee Shares and the Consideration Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares (following the Sub-division) including the right to receive dividends and other distributions declared following Admission.

### **Use of proceeds**

The Company plans to use the net proceeds of the Placing and the Subscription:

- to continue to promote its existing product range;
- to fund product approval applications (£75,000) (as described above); and
- for general working capital purposes.

### **Sub-division and amendment to Articles**

Under the Companies Act 2006, a company is unable to issue shares at a subscription price which is less than the par value of shares of the same class. This means that, as the par value of the Existing Ordinary Shares is currently one penny, the Company could not issue further Existing Ordinary Shares at a price of less than one penny per share. The Placing Price is 0.65 pence per share, and the Consideration Shares will be issued at 0.855 pence per share. Without a sub-division of the Existing Ordinary Shares, it will not be possible for the Company to issue new equity capital.

It is therefore proposed to sub-divide each of the 223,685,232 Existing Ordinary Shares into one New Ordinary Share and one Deferred Share. Resolutions to effect the Sub-division will be proposed at the GM.

Immediately following the Sub-division, each Shareholder will hold one New Ordinary Share and one Deferred Share in place of every one Existing Ordinary Share previously held in the capital of the Company. The rights of the New Ordinary Shares will be, in all material respects, the same as the Existing Ordinary Shares. The Deferred Shares (the rights of which will be set out in the Articles) will have no economic value. The Company does not intend to make any application for the Deferred Shares to be admitted to trading on AIM or any other public market.

Resolutions will be proposed at the GM to amend the Company's existing Articles to include provision in respect of the rights and restrictions attaching to the Deferred Shares and to effect the Sub-division. Resolution 1, which effects the Sub-division, is conditional on the passing of Resolution 2.

The Articles are proposed to be amended to allow for the issue of the Deferred Shares, which are proposed to be issued as part of the Sub-division. Resolution 2 amends the Company's existing Articles to include provision in respect of the rights and restrictions attaching to the Deferred Shares.

Existing share certificates will remain as valid following the Sub-division.

The Sub-division is conditional upon, and effected by, the approval of Resolutions 1 and 2 at the General Meeting as required by the Companies Act 2006 and the Articles. If Resolutions 1 and 2 are passed, the Sub-division will become effective immediately following close of business on the Record Date, being 2 August 2018.

### **Board Changes**

Gerard Brandon and Camillus Glover, who are, respectively, the current Chief Executive Officer and Chief Operations Officer of Cellulac, will join the Board and take over the roles of Chief Executive Officer and Chief Operations Officer, respectively. Chris Bell, the current interim Chief Executive Officer of the Company, will remain as Chief Financial Officer and director upon First Admission. Tony Richardson, the current Non-Executive Chairman of Integumen, and Ross Andrews and Donald Nicholson, also Non-Executive directors of Integumen will also remain on the Board. Paul Kennedy and Helmut Schlieper will resign from the Board upon First Admission.

Gerard Brandon is proposed to be employed, conditional upon First Admission, as Chief Executive Officer of the Company. A letter of appointment has been agreed with the following key terms:

The appointment is for an initial period of 12 months, and thereafter is terminable by Integumen on not less than six months' written notice (and by Mr Brandon on not less than three months' written notice); the annual salary is £112,500 but will not be settled in cash. Instead, on a quarterly basis Mr Brandon may elect to have his accrued salary settled by the allotment to him of New Ordinary Shares at the volume weighted average mid-market closing price



("VWAP") of New Ordinary Shares for the previous 90 days. Mr Brandon is subject to certain non-competition and non-solicitation covenants for a period of six months following the termination of his employment.

Camillus Glover is proposed to be employed, conditional upon First Admission, as Chief Operations Officer of the Company. A letter of appointment has been agreed with the following key terms:

The appointment is for an initial period of 12 months, and thereafter is terminable by Integumen on not less than six months' written notice (and by Mr Glover on not less than three months' written notice); the annual salary is £101,250 but will not be settled in cash. Instead, on a quarterly basis Mr Glover may elect to have his accrued salary settled by the allotment to him of New Ordinary Shares at the VWAP of New Ordinary Shares for the previous 90 days. Mr Glover is subject to certain non-competition and non-solicitation covenants for a period of six months following the termination of his employment.

### **General Meeting**

A notice convening the General Meeting to be held at the offices of Jeffrey's Henry LLP at Finsgate, 5-7 Cranwood Street, London EC1V 9EE at 12.00 noon on 2 August 2018 at which the Resolutions will be proposed, is set out at the end of this document.

### **Resolutions**

A summary and brief explanation of the resolutions to be proposed at the General Meeting ("**Resolutions**") is set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice of General Meeting at the end of this document. The following resolutions will be proposed at the General Meeting.

Resolution 1, which will be proposed as an ordinary resolution and which is subject to the passing of Resolution 2, is to sub-divide the Existing Ordinary Shares into New Ordinary Shares and Deferred Shares;

Resolution 2, which will be proposed as a special resolution, is to amend the Articles to allow the issue of the Deferred Shares;

Resolution 3, which will be proposed as an ordinary resolution, is to authorise the Directors to allot the Consideration Shares, the Subscription Shares, the Placing Shares and the Fee Shares, and further New Ordinary Shares up to an aggregate nominal value of £13,962; and

Resolution 4, which will be proposed as a special resolution and which is subject to the passing of Resolution 3, dis-applies statutory pre-emption rights, provided that such authority shall be limited to the Subscription Shares, the Placing Shares and the Fee Shares, and further New Ordinary Shares having an aggregate nominal value of £4,188.

The authorities contained in the Resolutions replace those granted to Directors at the most recent Annual General Meeting.

### **Action to be taken**

Whether or not you intend to be present in person at the General Meeting, you are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon so as to be received, by post or, during normal business hours only, by hand, to Neville Registrars, Neville House, Steelpark Road, Halesowen B62 8HD, as soon as possible but in any event so as to arrive by not later than 12.00 noon on 31 July 2018 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting.)

Appointing a proxy in accordance with the instructions set out above (and in the Form of Proxy) will enable your vote to be counted at the General Meeting in the event of your absence. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so.

### **Recommendation**

The Directors unanimously recommend that shareholders vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do in respect of their own beneficial holdings amounting, in aggregate, to 2,901,952 Existing Ordinary Shares, representing approximately 1.3 per cent. of the Existing Ordinary Shares.

Yours faithfully

Tony Richardson  
Chairman

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## INTEGUMEN PLC

*(Incorporated and registered in England and Wales with company number 10205396)*

### NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of Jeffrey's Henry LLP at Finsgate, 5 – 7 Cranwood Street, London, EC1V 9EE on 2 August 2018 at 12.00 noon for the purpose of considering and, if thought fit, passing the resolutions set out below, which will be proposed in the case of resolutions 1 and 3 as ordinary resolutions and in the case of resolutions 2 and 4 as special resolutions. Words and expressions used or defined in the circular to Integumen shareholders dated 17 July 2018 (of which this notice forms part) shall have the same meaning in this notice.

#### Resolution 1

THAT, subject to the passing of Resolution 2, each of the 223,685,232 issued ordinary shares of 1 pence each in the capital of the Company (the "Existing Ordinary Shares") be and is hereby sub-divided into one ordinary share of 0.01 pence having the same rights and restrictions (save as to nominal value) as each Existing Ordinary Share and one deferred share of 0.99 pence in the capital of the Company having the rights and restrictions set out in the articles of association of the Company as amended pursuant to Resolution 2 below.

#### Resolution 2

THAT a new article 185 be added to the existing articles of association of the Company as set out below:

##### "185. DEFERRED SHARES

185.1 The deferred shares of £0.0099 each in the capital of the Company ("the Deferred Shares") shall rank pari passu together as one class and shall have the rights and are subject to the restrictions set out below, namely:

185.1.1 the Deferred Shares have no right to participate in or receive any dividends declared, made or paid by the Company;

185.1.2 the Deferred Shares have no right to receive notice of or attend or vote at any general or class meeting (other than a class meeting of the Deferred Shares) of the Company;

185.1.3 the Deferred Shares are not transferable, save in accordance with 185.1.6 below ;

185.1.4 on a return of assets in a winding up the Deferred Shares shall rank pari passu with the Ordinary Shares;

185.1.5 the Company may at its option at any time purchase all or any of the Deferred Shares then in issue at a price not exceeding one pound (£1.00) for all the Deferred Shares purchased;

185.1.6 the Directors have irrevocable authority at any time to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the same , without making any payment to the holders thereof, to such person as the Directors may determine as custodian thereof and to cancel and/or purchase the Deferred Shares (in accordance with the provisions of statute) without making any payment to or obtaining the sanction of the holders thereof and, pending the transfer and/or cancellation and/or purchase of the same, to retain the certificate for such shares,

but so that none of the rights or restrictions attached to such Deferred Shares shall be or be deemed to be varied or abrogated in any way by the passing or coming into effect of any resolution of the Company to reduce its share capital and/or reduce or cancel (as the case may be) its share premium account (including a resolution to reduce the capital paid up on, and to cancel, such Deferred Shares."

#### Resolution 3

THAT, in accordance with section 551 of the Companies Act 2006 ("CA 2006"), the board of directors of the Company ("Directors") be generally and unconditionally authorised to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being "Relevant Securities");-

- (a) in respect of the Placing Shares, the Subscription Shares, the Consideration Shares and the Fee Shares; and
- (b) (otherwise than pursuant to paragraph (a) of this Resolution 3) with up to an aggregate nominal amount of £13,962

provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date falling 18 months after the date of the passing of this resolution or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

#### Resolution 4

THAT, subject to the passing of Resolution 3, the Directors be authorised to allot equity securities (as defined in section 560 of the CA 2006) for cash under the authority conferred by that resolution and/or to sell ordinary shares held by the Company as treasury shares as if section 561 of the CA 2006 did not apply to any such allotment or sale, provided that such authority shall be limited to:

- (a) the allotment of equity securities in connection with a rights issue or any other pre-emptive offer in favour of holders of equity securities (as required by the rights of those securities ) in proportion (as nearly as may be) to their respective holdings, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical difficulties in or under the laws of any territory or the requirements of any regulatory body or stock exchange;
- (b) the Placing Shares, the Subscription Shares and the Fee Shares and
- (c) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to paragraphs (a) or (b) of this Resolution 4) to any person up to an aggregate nominal amount of £4,188.

The authority granted by this resolution will expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or, if earlier, at the close of business on the date falling 18 months after the date of the passing of this resolution, save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted (or treasury shares to be sold) after the authority expires and the Directors may allot equity securities (or sell treasury shares) in pursuance of any such offer or agreement as if the authority had not expired.

This resolutions revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities or sell treasury shares as if section 561 of the CA 2006 did not apply but without prejudice to any allotment of equity securities or sale of treasury shares already made or agreed to be made pursuant to such authorities.

By order of the Board

Christopher Bell  
Company Secretary

Registered office: -  
Sand Hutton Applied Innovation Campus,  
Sand Hutton, York  
North Yorkshire, YO41 1LZ

Registered number: - 10205396

17 July 2018

## EXPLANATORY NOTES:

1. As a member of the Company, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a Form of Proxy with this notice of General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy. Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.
2. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that member. To appoint more than one proxy, you may photocopy the Form of Proxy or request additional copies of the Form of Proxy from Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD, tel: +44 121 585 1131. You will need to state clearly on each Form of Proxy the number of shares in relation to which the proxy is appointed (which, in aggregate, should not exceed the number of shares held by you).
4. To appoint a proxy using the Form of Proxy, the form must be: (i) completed and signed; (ii) sent or delivered to the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD; and (iii) received by the Company's Registrars no later than 12.00 noon on 31 July 2018.
5. In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.
6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
7. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
9. To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
10. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD, to be received by the Company's Registrars no later than 12.00 noon on 31 July 2018. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
11. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

12. Pursuant to regulation 41(1) of the Uncertificated Securities Regulations 2001 (2001 No. 3755), the Company has specified that only those members registered on the Register of Members of the Company at 6.00 p.m. on 31 July 2018 (or, if the General Meeting is adjourned, at 6.00 p.m. on the day two working days prior to the adjourned meeting) shall be entitled to attend and vote at the General Meeting in respect of the number of ordinary shares registered in their name at that time. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
13. You may not use any electronic address provided in either (a) this notice of General Meeting; or (b) any related documents (including the Form of Proxy), to communicate with the Company for any purposes other than those expressly stated.



Integumen plc

Attendance Card

>123-0  
Name  
Address 1  
Address 2  
Address 3  
Address 4  
Address 5  
Address 6

The General Meeting will start at 12 noon and is being held on 2 August 2018 at the offices of Jeffreys Henry LLP, Finsgate, 5-7 Cranwood Street, London, EC1V 9EE.

**If you plan to attend the General Meeting, please bring this card with you to ensure you gain entry as quickly as possible.**

Please present this card at the registration desk. It will be used to show that you have the right to attend, speak and vote at the General Meeting.



Business Reply Plus  
Licence Number  
RSTY-SAKX-RZSL



Neville Registrars Limited  
Neville House  
Steelpark Road  
Halesowen  
B62 8HD