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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. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors (whose names and functions appear on page 8 of this document), and the Company (whose registered office appears on page 8 of this document) accept responsibility, collectively and individually, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on 2 May 2019. The New Ordinary Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared, made or paid following Admission.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the Financial Conduct Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.

This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Companies Act 2006 or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the Financial Conduct Authority or any other competent authority.

Integumen plc

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

**All Share Acquisition of Rinocloud Limited for £3 million
Proposed Placing and Subscription to raise £2.518 million**

**Additional proposals include:
Disposal of Visible Youth Limited
Settlement of outstanding legal dispute with Enhance Skin Products, Inc.,
a former Director of Integumen and others
Debt Conversion and other proposals**

Notice of General Meeting

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 8 to 18 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 30 April 2019 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 26 April 2019 (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) 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

	2019
Posting of this document and Form of Proxy	12 April
Latest time and date for receipt of Forms of Proxy and receipt of electronic appointments via the CREST system	12.00 noon on 26 April
General Meeting	12.00 noon on 30 April
Results of General Meeting announced through Regulatory Information Service	30 April
Admission and commencement of dealings in the New Ordinary Shares	8.00 a.m. on 2 May
New Ordinary Shares created to CREST stock accounts	8.00 a.m. on 2 May
Share certificates for New Ordinary Shares sent to Shareholders	by 9 May

KEY STATISTICS

Issue Price	1.4 pence
Number of Existing Ordinary Shares	476,450,802
Number of shares to be issued in respect of the Proposals:	
Placing Shares	162,061,646
Subscription Shares	17,857,142
Consideration Shares	214,285,714
Settlement Shares	23,637,429
Loan Note Conversion Shares	26,666,666
Venn Debt Shares	30,071,428
Fee Shares	2,142,857
Number of Ordinary Shares the subject of the Placing Warrants	98,214,285
Number of Ordinary Shares the subject of the Broker Warrants	8,142,857
Number of Ordinary Shares in issue immediately following Admission	953,173,684
Percentage of Enlarged Issued Share Capital represented by the New Ordinary Shares	50.0 per cent.
Market capitalisation of the Company following Admission (at the Issue Price)	£13.34 million
Estimated net proceeds of the Placing receivable by the Company	£2.31 million

DEFINITIONS

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

“Admission”	the admission to trading on AIM of the New Ordinary 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;
“Acquisition”	the conditional acquisition of the entire issued share capital of Rinocloud under the terms of the Acquisition Agreements;
“Acquisition Agreements”	the conditional agreements dated 11 April 2019 in relation to the Acquisition (i) between the Company and Fionán Murray, Colin O’Sullivan, James O’Sullivan and Jon Carroll and (ii) between the Company and all the remaining shareholders of Rinocloud;
“Articles”	the Company’s articles of association;
“Board” or “Directors”	the directors of the Company;
“Broker Warrants”	warrants issued to Turner Pope to subscribe for an aggregate of 8,142,857 new Ordinary Shares at an exercise price equal to the Issue Price per Ordinary Share at any time between Admission and 2 May 2022;
“Cellulac”	Cellulac plc, a company registered in England and Wales with registered number 08625818, or its subsidiary Cellulac Limited (as the context requires);
“Cellulac Loan Note”	the nil coupon, two year, convertible redeemable loan note issued by the Company to Cellulac Limited on 4 March 2019;
“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 Acquisition Agreements and the Settlement Agreements, respectively;
“Conditional Placing”	the conditional placing of 10,714,286 new Ordinary Shares;
“Consideration”	the consideration for the Acquisition, comprising the Consideration Shares;
“Consideration Shares”	the 214,285,714 new Ordinary Shares to be issued as consideration for the Acquisition at the Issue Price;
“CREST”	the computerised settlement system to facilitate transfer of title to or interests in securities in uncertificated form operated by Euroclear UK & Ireland Limited;
“Debt Conversion”	the conversion of the £821,000 of debt into 56,738,094 new Ordinary Shares under the Venn Debt Conversion and the Loan Note Conversion;

“Directors”	the directors of the Company at the date of this document;
“Disposal”	the disposal of Visible Youth to Enhance under the terms of the Disposal & Settlement Agreement;
“Disposal & Settlement Agreement”	the agreement dated 11 April 2019 between (1) the Company, (2) Integumen, Inc. (3) Enhance, (4) Donald Nicholson, (5) Samuel Asculai and (6) Drasko Pusejic, for the Disposal and settlement of certain liabilities of the Visible Youth Group, details of which are set out in paragraph (i) of Part II of this document;
“Enhance”	Enhance Skin Products, Inc.;
“Enhance APA”	an asset purchase agreement between, amongst others, the Company, Integumen, Inc. and Enhance and dated 2 October 2016, pursuant to which Integumen, Inc. acquired substantially all of its assets and certain liabilities relating to the Visible Youth product;
“Enlarged Issued Share Capital”	the entire issued ordinary share capital of the Company immediately following Admission;
“Existing Issued Share Capital”	the entire existing issued ordinary share capital of the Company comprising the Existing Ordinary Shares;
“Existing Ordinary Shares”	the 476,450,802 Ordinary Shares in issue at the date of this document;
“Fee Shares”	the 2,142,857 new Ordinary Shares to be issued to a creditor as part settlement of amounts outstanding;
“Firm Placing”	the firm placing of 151,347,360 new Ordinary Shares;
“Form of Proxy”	the form of proxy for use at the General Meeting which accompanies this document;
“General Meeting” or “GM”	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, its subsidiaries and subsidiary undertakings;
“Integumen, Inc.”	Integumen, Inc., a Delaware Corporation with registered number 6108396, which is a subsidiary of Visible Youth;
“Issue Price”	1.4 pence, being the issue price of the Placing Shares, the Subscription Shares, the Consideration Shares, the Fee Shares, the Settlement Shares and the Venn Debt Shares;
“Loan Note Conversion”	the exercise by Cellulac Limited of the subscription rights under the Cellulac Loan Note and the issue of the Loan Note Conversion Shares;
“Loan Note Conversion Shares”	the 26,666,666 new Ordinary Shares to be issued to Cellulac Limited following exercise of the subscription rights under the Cellulac Loan Note;
“London Stock Exchange”	London Stock Exchange plc;
“Mercuriali”	Mercuriali Limited, a company incorporated in England and Wales, with registration number 06345397;

“New Ordinary Shares”	together the Placing Shares, the Subscription Shares, the Consideration Shares, the Venn Debt Shares, the Settlement Shares, the Fee Shares and the Loan Note Conversion Shares;
“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 0.01 pence each in the capital of the Company;
“Placing”	the placing of the Placing Shares under the terms of the Placing Agreement (comprising the Conditional Placing and the Firm Placing);
“Placing Agreement”	the agreement dated 12 April 2019 between (1) the Company, (2) Turner Pope and (3) SPARK;
“Placing Shares”	together the 162,061,646 new Ordinary Shares to be issued by the Company pursuant to the Conditional Placing and the Firm Placing;
“Placing Warrants”	warrants issued to subscribers in the Placing, the Subscription and the Vendor Placing to subscribe for an aggregate of 98,214,285 new Ordinary Shares at an exercise price of 2.0 pence per Ordinary Share at any time between Admission and 2 May 2021;
“Proposals”	the Placing, the Subscription, the Acquisition, the Venn Debt Conversion, the Loan Note Conversion, the appointment of the Proposed Director and the Settlement (including the Disposal);
“Proposed Director”	Fionán Murray;
“Registrars”	Neville Registrars Limited;
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting;
“Rinocloud”	Rinocloud Limited, a company registered in Ireland with registered number 581277;
“Rinocloud Lock-In Agreement”	the lock-in agreement dated 11 April 2019 between (1) the Company, (2) SPARK (3) Turner Pope and (4) certain shareholders of Rinocloud (being Fionán Murray, Eoin Murray, Helena Dominguez Morales, Enterprise Ireland; James O’Sullivan, Colin O’Sullivan, Jon Carroll, Munster Pensioner Trustees Limited, Susan Murray, James Corcoran, Joseph Murray, Ron Immink and Shenzhen Intebribe Cambridge Technology Investment Fund LLP) (together “the Rinocloud Locked-In Persons”);
“Settlement”	the settlement of the legal dispute with Enhance, Mercuriali, Donald Nicholson and other creditors of the business of the Visible Youth Group, under the terms of the Settlement Agreements (which includes the Disposal);
“Settlement Agreements”	the various settlement agreements which collectively constitute the Settlement, details of which are set out in paragraphs i to iii of Part II of this document;
“Settlement Shares”	the 23,637,429 new Ordinary Shares to be issued in aggregate under the Settlement Agreements;

“Shareholder(s)”	holder(s) of Ordinary Shares;
“SPARK”	SPARK Advisory Partners Limited, the Company’s nominated adviser;
“Subscription”	the subscription for the Subscription Shares by investors;
“Subscription Shares”	the 17,857,142 new Ordinary Shares to be issued by the Company pursuant to the Subscription;
“Turner Pope”	Turner Pope Investments (TPI) Ltd, the Company’s broker;
“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 in uncertificated form, title to which may be transferred by means of CREST;
“Vendor Placing”	the placing by Turner Pope of 16,509,783 new Ordinary Shares on behalf of certain shareholders of Rinocloud;
“Venn”	Venn Life Sciences Limited, a company registered in Ireland with registered number 518691;
“Venn Debt”	the amount of £421,000 owed by the Company to Venn;
“Venn Debt Conversion”	the conversion of the Venn Debt into the Venn Debt Shares under the terms of the Venn Debt Conversion Agreement;
“Venn Debt Conversion Agreement”	the agreement dated 11 April 2019 between (1) the Company and (2) Venn to convert the Venn Debt into the Venn Debt Shares;
“Venn Debt Shares”	the 30,071,428 new Ordinary Shares to be issued in settlement of the Venn Debt;
“Visible Youth”	Visible Youth Limited, a company registered in England and Wales with registered number 06496564, a subsidiary of the Company;
“Visible Youth Group”	together Visible Youth, Visible Youth Ireland and Integumen, Inc.; and
“Visible Youth Ireland”	Visible Youth Ireland Limited, a company registered in Ireland with registered number 610921, and a subsidiary of Visible Youth.

PART I

Letter from the Chairman of Integumen plc

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

Directors

Anthony Richardson* (Chairman)
Gerard Brandon (Chief Executive)
Camillus Glover (Chief Finance Officer)
Ross Andrews*

Registered office:

Sand Hutton Applied Innovation Campus
Sand Hutton
York
North Yorkshire YO41 1LZ

*non-executive

12 April 2019

To Shareholders

**All Share Acquisition of Rinocloud for £3 million
Proposed Placing and Subscription to raise £2.518 million
Disposal of Visible Youth
Settlement of outstanding legal dispute with Enhance,
a former Director of Integumen and others
Debt Conversion and other proposals
Notice of General Meeting**

Introduction and background

On 12 April 2019, the Company announced that it had signed conditional Acquisition Agreements to acquire the entire issued share capital of Rinocloud for £3,000,000, to be satisfied by the issue of 214,285,714 new Ordinary Shares at an issue price of 1.4 pence per Ordinary Share. Additionally, the Company announced a firm placing, a conditional placing and a subscription to raise, in aggregate, circa £2,518,000 (before expenses) for the Company, together with the issue of warrants over new Ordinary Shares on the basis of one warrant for every two Placing Shares or Subscription Shares subscribed.

At the same time, a number of other matters were proposed:

1. Measures to reduce the indebtedness of the Company by:
 - a. the conversion of £421,000 of outstanding debt due to Venn into 30,071,428 new Ordinary Shares; and
 - b. the conversion of the £400,000 principal of the Cellulac Loan Note (at 1.5 pence per new Ordinary Share) into 26,666,666 new Ordinary Shares, the proceeds of which were recently used to acquire laboratory equipment in the enlarged Labskin laboratories in York, UK;
2. The disposal of the Company's subsidiary, Visible Youth (and its subsidiaries), in line with the Strategic Review announced on 29 August 2018, which eliminates circa £245,000 of estimated future contractual liabilities; and
3. The settlement of the legal dispute announced on 19 September 2018 with Enhance, Mercuriali, Donald Nicholson (a former Director of the Company) and others.

Collectively the Acquisition, the Placing, the Subscription, the Settlement (including the Disposal), the Venn Debt Conversion, the Loan Note Conversion and the other actions required to effect them (including the appointment of the Proposed Director), 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.

Acquisition of Rinocloud

The Company has signed conditional Acquisition Agreements with the shareholders of Rinocloud to acquire the entire issued share capital of Rinocloud for consideration of £3,000,000. The Acquisition was negotiated throughout January and early February of 2019 when the closing mid-market share price of Integumen did not exceed 1.0 pence.

The Consideration will be satisfied by the issue of 214,285,714 new Ordinary Shares at an issue price of 1.4 pence per new Ordinary Share.

Fionán Murray, the Managing Director of Rinocloud, is proposed to be employed by the Company, conditional upon Admission, as sales director. He will also be appointed as a Director of the Company and will remain as a director of Rinocloud. A letter of appointment has been agreed with the following key terms: Mr Murray's appointment is for an initial period of 12 months from Admission, and thereafter is terminable by the Company on not less than six months' written notice; the annual salary is £120,000. Mr Murray is subject to certain non-competition and non-solicitation covenants for a period of six months following the termination of his employment.

Completion of the Acquisition Agreements will be conditional upon Resolutions 1 and 2 in the Notice of General Meeting being passed without amendment, and Admission.

The Consideration Shares will comprise 44.98 per cent. of the Existing Issued Share Capital and 22.48 per cent. of the Enlarged Issued Share Capital.

Vendor Placing

Rinocloud currently has two shareholders who are based overseas and who own, in aggregate, 7.70 per cent. of Rinocloud's share capital ("Selling Shareholders"). Turner Pope has entered into an agreement with the Selling Shareholders to place their 16,509,783 Consideration Shares with placees. In order to put these placees in the same position as subscribers in the Placing and Subscription, the Company has agreed to issue to the placees of these Consideration Shares one Placing Warrant for every two Consideration Shares placed.

Rinocloud Lock-In Agreement

All but two of the vendors of Rinocloud (being the Selling Shareholders referred to above) have agreed to enter into a lock-in agreement with the Company.

Under the Rinocloud Lock-In Agreement, the Rinocloud Locked-In persons (who hold, in aggregate, 92.3 per cent. of Rinocloud's share capital, and will hold 20.75 per cent. of the Enlarged Issued Share Capital) have agreed not to, and to procure that their related parties will not, dispose of any interests in Ordinary Shares held by them for 12 months following Admission. For the following 12 month period, the Rinocloud Locked-In Persons have agreed not to, and to procure that their related parties will not, dispose of any interest in Ordinary Shares held by them unless such disposals are effected through the Company's broker so as to ensure an orderly market in the Ordinary Shares. The restrictions on the disposal of Ordinary Shares contained in the Rinocloud Lock-In Agreement do not apply in certain limited circumstances, including disposals by way of acceptance of a recommended takeover offer for the entire issued share capital of the Company. Mr Fionán Murray, who will join the Integumen board will hold 86,783,068 new Ordinary Shares which represents 9.10 per cent. of the Enlarged Issued Share Capital.

Information on Rinocloud

Background

Rinocloud technology was developed in Cambridge, UK, in 2015 by Fionán Murray, Eoin Murray and Helena Dominguez Morales to attempt to improve management of science data projects and provide technology services to curate data from generation, through to presentation to support papers, patents and prototypes.

The integrated data management service provided by the company evolved to incorporate two main activities:

- RinoLab: Science specific, hardware sensor monitoring, data ingestion, secure data store sharing and collaboration, and data analytics that support scientific research and development; and
- RinoDrive: General enterprise data management – involving data storage, sharing, and collaboration – for situations where data security is a critical requirement.

The company was incorporated in Ireland in 2016 with the backing of Enterprise Ireland. It is based in Cork, with its registered office at Unit 7, Riverside Grove, Riverstick. It manages an international R&D team of programmers and data scientists and supports early adopter clients in science, government and financial services.

Rinocloud undertook a seed financing round in December 2016 and April 2017 raising approximately €600,000 on a pre-new money valuation of €2.35 million, introducing Enterprise Ireland and other international investors as shareholders.

Background to relationship with the Company

Modern automated support from artificial intelligence technologies, has transformed the laboratory grown human skin equivalent (Labskin) test platform, into Labskin AI. This is a service that provides test results - in real-time - to skincare, wound care, pharma, health care and personal care companies. It facilitates and enables the saving of time, reduces product development lifecycles and offers the opportunity to reduce costs in overall product development.

During August to December 2018, the new Integumen management team had identified an opportunity in its Labskin business unit to convert what was then a £2,000 Labskin 'product' into a potential £25,000 to £50,000 'service offering' of tests to skincare, wound care, healthcare and pharmaceutical companies. The move was initially manual, although transformational, with the plan to automate using technology to continue the drive to increase efficiency and productivity, as well as facilitating the opportunity to offer even more services and increase the Company's sales footprint.

Scale-up

Integumen management set an objective to find an end-to-end technology solution, such that: (1) it would allow the Labskin team to set up tests and monitor, extract, manage and analyse data more efficiently; (2) it would allow clients to interact, order, provide feedback and collaborate securely with the Labskin team; and (3) it would be scalable allowing the creation of more services to more clients.

In early November 2018, management became aware of the work of Rinocloud and its vision of an end-to-end service where science data was managed - from the benchtop, to extracting value from team collaboration and smart analytics, through to delivering it as verified results to support research. In practical terms, as it applied to the Labskin transformation, Rinocloud could monitor tests, store data from the tests, extract value from that data by allowing collaboration between Labskin and client teams, and by using machine learning to analyse patterns and anomalies, and to deliver the service in a secure infrastructure.

In the final quarter of 2018, a development collaboration agreement was put in place between Integumen and Rinocloud for technology services to further support the development of Labskin's transformation, and deliver:

- Live automated monitoring of Labskin growth using bench top and mobile probes with real time data flowing to analytics;
- Software as a service (SaaS) provided over a secure private cloud infrastructure;
- Historical data from Labskin manual tests feeding analytics;
- Published data feeding into the artificial intelligence ("AI") model;
- Data ingestion from specialist equipment to further teach the AI model (to recognise odours generated by skin tests);

- An integrated front end for client teams to order, monitor and give and get feedback on tests;
- A work management system to automate the work flows of work relating to tests; and
- A secure store, share and collaborate platform which curates all data from tests and gives clients verified and verifiable data to support test results.

Labskin AI

With a modern automated lab supported by the latest technologies, the transformational Labskin AI service provides test results, in real-time, to skincare, wound care, pharma, health care and personal care companies. It facilitates and enables the saving of time, reduces product development lifecycles and offers the opportunity to reduce costs in overall product development.

Following this critical collaboration and with traction in obtaining orders and sales, the Company approached Rinocloud with a view to acquiring the business.

Financials

Rinocloud's net asset value at 31 December 2018 was €584,580 in its unaudited, filed accounts for the financial year ended 31 December 2018. It posted turnover of €26,911 and posted profit before tax of €5,123 for this period.

Over the past two years, Rinocloud has developed a range of software services dedicated to data management – its security, storage, curation and analysis – that has generated interest from large blue-chip clients in Government, Financial Services, Healthcare and Scientific Research. Beta software deployments throughout 2017 have provided:

- GDPR data management compliance for government;
- Secure data collaboration between large financial services groups and their customers/distribution channels;
- Secure data curation and collaboration for research and development groups; and
- Big science data analysis using AI.

Rinocloud sites have grown into valuable reference sites that have generated €207,000 (£178,000) in revenue for the first quarter of 2019 with a momentum that points to stronger subsequent quarters. The Directors believe that existing client partnership discussions may result in the Rinocloud range of services being extended to their very large franchises, both locally and internationally, which would rapidly grow the Rinocloud footprint.

Over the last five years, Labskin has established itself as an approved supplier of products and services into a large portfolio of blue-chip skincare, pharma, personal care, wound care and health care clients across the US, EU and Asia. These existing sales, marketing and distribution channels provide the opportunity for cross selling complementary digital and physical testing services currently being rolled out as part of the Labskin AI eco-system. This incorporates the data management and analytic services already built into Rinocloud.

Disposal of Visible Youth Group and the Settlement

Visible Youth Limited

Visible Youth Limited is a non-trading holding company and is owned 100 per cent. by the Company. It does not produce consolidated accounts, and in the latest year for which accounts have been published, the financial year ended 31 December 2017, Visible Youth had no sales, posted no profit and its net asset value at 31 December 2017 was £1.00. It is the parent company of 100 per cent. owned subsidiaries Integumen, Inc. and Visible Youth Ireland.

Integumen, Inc.

Integumen, Inc., posted a loss before interest, taxation and amortisation of US\$ 389,061 for the financial year ended 31 December 2017 on turnover of US\$ nil. At 31 December 2017 it had net liabilities of US\$ 4,846,962, primarily relating to amounts due to Integumen plc (\$4,117,004). An impairment charge of

£2.295 million was made against Integumen, Inc., in the Company's consolidated accounts for the financial year ended 31 December 2017.)

Visible Youth Ireland

This is a dormant company which has not traded since incorporation and had net assets of €2 at 31 December 2017.

Background to disposal of Visible Youth

The Company originally acquired the business and assets, which now principally constitute the Visible Youth Group, from Enhance under the Enhance APA in 2016. Donald Nicholson joined the Integumen board in April 2017 upon the Company's IPO. He was engaged, through his management company Mercuriali, as a consultant to the Visible Youth Group.

Following the IPO, it was intended that Visible Youth as a brand would launch six consumer-focused products, targeting the facial skincare segment (anti-ageing), pending the grant of additional patents.

In September 2017, Integumen signed a licence agreement for Botox Booster IP, as an addition to the Visible Youth product portfolio, for co-rights to various patents and know-how related to enhancing and extending the cosmetic benefits of botulinum toxin (commonly known as Botox) treatments as well as dermal fillers and rosacea. It was also announced that the aforementioned first six Visible Youth consumer products had completed formulation, stability and compatibility testing. At the time, it was expected that the Visible Youth consumer range would be launched in 2018.

In the Company's 2017 interim report, the continued investment in Visible Youth was re-iterated and that product launch was planned to occur in 2018. As a result of the Stoer acquisition in the final quarter of 2017, it was announced that the Stoer marketing, distribution and infrastructure channels would be used for the Visible Youth product range. Parts of the proceeds of the placing that the Group undertook in December 2017 were used to continue the commercialisation of Visible Youth.

In April 2018, the Company announced it was in talks to acquire Cellulac, and that pending further funding, development activities beyond existing products at Visible Youth were reduced, and emphasis was now targeted on maintaining the Company's patent and trademark portfolio.

In the Company's final consolidated results for the financial year ended 31 December 2017, issued on 16 July 2018, an impairment provision of £2.295 million was made in relation to the carrying value of Visible Youth, which was written down to £0.5 million.

In the interim results for the six months ended 30 June 2018 ("2018 Interim Results"), issued on 29 August 2018, it was reported that, since the appointment of new management, a strategic review of the different businesses within the Group had been completed. As a result the Board sought to divest the Group of under-performing assets or those requiring significant funding, and an impairment provision of £0.5 million was made in the accounts in anticipation of this outcome.

On 18 December 2018, the Company announced the completion of the disposal of TSPPro GmbH, in line with that strategy. This resulted in the elimination of £1.19 million of short and long-term liabilities from Integumen.

It was reported in the 2018 Interim Results that Visible Youth's sales and marketing efforts had failed to meet expectations, and that since the Company's IPO in April 2017, Visible Youth had not launched any products. Whilst the Board believed hyaluronic acid was in high demand, it also believed its exploitation required significant additional development expenditure. The decision was made to explore the divestment of Visible Youth with a number of potential buyers, who were understood to have an appetite for the intellectual property and the range of products that would be derived from further development. These potential buyers include Donald Nicholson who resigned from the Board at that time.

After two early stage discussions with US and European skin care producers, there was insufficient interest to pursue negotiations further. The options that remained were to wind down Visible Youth

Group or consider the offer from Donald Nicholson. As this latter option eliminated future committed costs within current agreements within the Visible Youth Group until the end of their full term this was deemed to be the most beneficial outcome for the Company.

The Visible Youth business is currently carried in the Company's books at a value of £441,000.

Background to the legal dispute

It was announced on 19 September 2018 that the Company had received a formal demand for immediate payment of certain amounts due, and claimed to be due, to Donald Nicholson and Mercuriali (a company of which Mr Nicholson is a director, and which is a majority shareholder in Enhance), for services provided to the Company together with debts owed by Integumen, Inc. to third parties. At the time the Company reported:

“Whilst the Board acknowledges that certain of the claimed amounts are owed to Mr Nicholson and Mercuriali, it notes that Mr Nicholson, on behalf of himself and Mercuriali, previously agreed that these amounts are not due to be paid before 9 July 2019.

In addition, the formal notice seeks payment of debts owed by Integumen, Inc., one of Integumen plc's subsidiaries, to third parties. The Company believe these demands for immediate payment are without merit, and it will strongly contest such claims if pursued.”

Discussions have been ongoing with Mr Nicholson on behalf of Mercuriali, Enhance and various creditors of the business of the Visible Youth Group since that time.

The Company has now reached a series of legal settlements with these parties. These Settlement Agreements are summarised in paragraphs i to iii of Part II of this document.

The effect of all of these agreements is to dispose of the three companies in the Visible Youth Group to Enhance for £1.00, and to discharge the Company's obligations to all known existing and contracted liabilities associated with members of the Visible Youth Group. At the time at which the Company originally acquired the assets now comprising the Visible Youth Group, it guaranteed the due and punctual performance, observance and discharge by Integumen, Inc. of all of Integumen, Inc.'s obligations.

The accounting effect of the Settlement Agreements upon Completion is that Integumen will record a book loss on disposal of circa £430,000 ostensibly representing intangible assets which had a value of £441,000 in the Group management accounts to 31 December 2018.

Financial effect of the Disposal and the Settlements

As part of the Disposal & Settlement Agreement and the other Settlement Agreements, Integumen has agreed to pay off an aggregate of £569,397 of liabilities of the Visible Youth Group, comprised as to £238,473 to be settled in cash, and £330,924 to be satisfied by the issue of 23,637,429 Settlement Shares.

A summary breakdown of these amounts is set out below:

Name	Cash (£)	Value of Settlement Shares (£)	Total (£)
Enhance	£66,800	£118,147	£184,947
Mercuriali	£31,878	-	£31,878
Donald Nicholson	£8,000	£55,000	£63,000
Other creditors	£131,795	£157,777	£289,572
Total	£238,473	£330,924	£569,397

As a consequence of the Settlement, the Company will no longer be responsible for circa £10,000 of existing liabilities which had hitherto been guaranteed by the Company, and aggregate claims made of

around £250,000 by these various creditors, notwithstanding the Company disputes certain of these claims.

In addition, as a consequence of the Settlement Agreements, the Group will remove around a further circa £245,000 of estimated future contractual liabilities. This reflects the committed costs within current agreements within the Visible Youth Group until the end of their full term.

Related Party Transaction

As Donald Nicholson was a director of the Company up until August 2018, he is deemed to be a related party under AIM Rule 13. Donald Nicholson is the major shareholder in Mercuriali (which is itself a major shareholder in Enhance) and also a director of Enhance. Enhance owns 29,488,144 shares in the Company (representing 6.19 per cent of the Existing Issued Share Capital). The disposal of the Visible Youth Group to Enhance as part of the Disposal & Settlement Agreement, and settlement of amounts due to Enhance, Mercuriali and Donald Nicholson (albeit at amounts which are less than their book value) is therefore a related party transaction under AIM Rule 13.

Having consulted with SPARK, the Company's nominated adviser, the Directors consider that the terms of the relevant Settlement Agreements are fair and reasonable insofar as Shareholders are concerned.

Placing and Subscription

The Company is proposing to raise circa £2,518,000 in aggregate (before expenses), by way of a Placing and Subscription of 179,918,788 new Ordinary Shares. This comprises a Firm Placing of 151,347,360 new Ordinary Shares (to raise £2.118 million) and a Conditional Placing of 10,714,286 new Ordinary Shares (to raise £0.15 million) and a Subscription of 17,857,142 new Ordinary Shares (to raise £0.25 million). The Placing Shares and Subscription Shares will be issued at the Issue Price. This price represents a discount of approximately 18.8 per cent. to the closing middle market price of 1.725 pence per Ordinary Share on 11 April 2019, being the business day prior to the announcement of the Placing and Subscription.

The Placing Shares and Subscription Shares will represent approximately 18.88 per cent. of the Enlarged Issued Share Capital immediately following Admission.

The Placing Shares and Subscription Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared, made or paid following Admission. The Placing and Subscription are not being underwritten.

The Company has not received any advance assurance from HMRC as regards whether the Placing Shares or Subscription Shares will be capable of being a "qualifying holding" for the purposes of investment by venture capital trusts ("VCTs") or whether placees or subscribers will be able to obtain Enterprise Investment Scheme ("EIS") reliefs in respect of the Placing Shares and Subscription Shares. However, the shares the subject of the Conditional Placing have been placed conditional upon the Company evidencing to the satisfaction of relevant placees that the Conditional Placing Shares will be capable of being a "qualifying holding" for the purposes of investment by VCTs and/or that relevant placees will be able to obtain EIS relief.

Neither the Company, the Directors nor any of the Company's advisers give any warranty, undertaking or other assurance that any tax reliefs will continue to be available and not withdrawn at a later date. The actual availability of qualifying status for VCT and EIS relief would be contingent upon certain conditions being met by both the Company and the relevant investors.

Shareholders and proposed investors must take their own professional advice in order that they may fully understand how the relief legislation may apply in their individual circumstances and rely on it.

Application will be made to the London Stock Exchange for the admission of the Placing Shares and Subscription Shares to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 2 May 2019 (or such later date, being not later than 8.00 a.m. on 9 May

2019, as the Company, Turner Pope and SPARK may agree) at which time it is also expected that the Placing Shares and Subscription Shares will be enabled for settlement in CREST.

In addition, placees in the Placing and Subscription will be issued with one warrant for every two Placing Shares or Subscription Shares subscribed. The Placing Warrants are exercisable at 2.0 pence per new Ordinary Share during the period from Admission until 2 May 2021. The Placing Warrants are freely transferable and will be issued in certificated format. It is anticipated that certificates for the Placing Warrants will be posted by 9 May 2019. No application will be made for the Placing Warrants to be admitted to trading on AIM.

Cornerstone investor

Helium Rising Stars Fund ("Helium"), which currently owns 43,762,295 Existing Ordinary Shares (representing 9.19 per cent. of the Existing Issued Share Capital), is a follow-on cornerstone investor in the Placing, investing a further £400,000 for 28,571,428 new Ordinary Shares. Following Admission, Helium will hold 72,333,723 Ordinary Shares, representing 7.59 per cent. of the Enlarged Issued Share Capital.

Placing Agreement

Turner Pope has entered into the Placing Agreement with the Company and SPARK under which Turner Pope 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 being duly passed at the GM;
- Admission becoming effective by no later than 8.00 a.m. on 2 May 2019 or such later time and/or date as the Company, Turner Pope and SPARK may agree, but in any event by no later than 8.00 a.m. on 9 May 2019;
- the Placing Agreement having become unconditional in all respects and not having been terminated in accordance with its terms;
- in the case of the Conditional Placing Shares only, the Company evidencing to the satisfaction of relevant placees that the Conditional Placing Shares will be capable of being a "qualifying holding" for the purposes of investment by VCTs; and
- the receipt of the proceeds of the Subscription by the Company.

If any of the conditions are not satisfied, the Placing Shares will not be issued.

The Placing Agreement contains warranties from the Company in favour of Turner Pope 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 Turner Pope and SPARK in relation to certain liabilities they may incur in respect of the Placing. Turner Pope and SPARK each have the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties.

In addition, under the terms of the Placing Agreement, the Broker Warrants will be issued to Turner Pope. The Broker Warrants will be exercisable at the Placing Price at any time up to the date three years following Admission. No application is being made for the Broker Warrants to be admitted to trading on AIM.

Subscription

The Subscription Shares will be issued at the Issue Price, raising £250,000 for the Company. Subscribers have subscribed directly with the Company for these shares, which are issued on the same terms and conditions as the Placing Shares.

Venn Debt Conversion

Venn is owed £421,000 by the Company. This relates to liabilities that were assumed by the Company when it acquired Innovenn (UK) Limited from Venn at the time of the Company's IPO in April 2017. It has been agreed that under the terms of the Venn Debt Conversion Agreement this debt will be converted into 30,071,428 new Ordinary Shares at the Issue Price, conditional upon Admission.

Venn currently holds 42,244,672 Ordinary Shares, comprising 8.87 per cent. of the Existing Issued Share Capital, though it has been a substantial shareholder (as defined by the AIM Rules) in the previous 12 months meaning that it has held over 10 per cent. of the Company's issued share capital. Following Admission, Venn will hold 72,316,100 Ordinary Shares comprising 7.59 per cent. of the Enlarged Issued Share Capital.

Venn has agreed that any disposal of Ordinary Shares held by them for the two years following Admission will be effected through the Company's broker so as to ensure an orderly market in the Ordinary Shares.

As Tony Richardson, Integumen's Chairman, is the Chief Executive of Venn, he is not considered to be independent for the purposes of considering and negotiating the Venn Debt Conversion Agreement. Gerard Brandon, Camillus Glover and Ross Andrews are considered to be independent directors of the Company ("Independent Directors") for the purpose of considering the Venn Debt Conversion under Rule 13 of the AIM Rules.

Having consulted with SPARK, the Company's nominated adviser, the Independent Directors consider that the terms of Venn Debt Conversion Agreement are fair and reasonable insofar as Shareholders are concerned.

Loan Note Conversion

It was announced on 5 March 2019 that the Company had acquired specialised hi-tech laboratory equipment from Cellulac in return for issuing the Cellulac Loan Note. Under the terms of the instrument constituting the Cellulac Loan Note, Cellulac has the right, prior to 26 February 2021, to convert the Cellulac Loan Note into new Ordinary Shares at the time of the next corporate transaction by the Company that involves the issue of new Ordinary Shares in the Company at no less than 1.5 pence per Ordinary Share.

Cellulac has confirmed that it will exercise its subscription rights and convert this loan note into 26,666,666 new Ordinary Shares, conditional upon Admission.

Cellulac currently holds 11,538,461 Ordinary Shares, comprising 2.42 per cent. of the Existing Issued Share Capital. Following Admission, Cellulac will hold 38,205,127 Ordinary Shares comprising 4.01 per cent. of the Enlarged Issued Share Capital.

Lock-in arrangement

The Loan Note Conversion Shares will be subject to a lock-in on the same terms as the Rinocloud vendors.

Fee Shares

The Fee Shares will be issued at the Issue Price to a creditor as part settlement of amounts owing to it.

Settlement and dealings

Application will be made to the London Stock Exchange for the Placing Shares, the Subscription Shares, the Consideration Shares, the Settlement Shares, the Loan Note Conversion Shares, the Fee Shares and the Venn Debt Shares (totalling in aggregate 476,722,882 New Ordinary Shares) to be admitted to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 2 May 2019.

Placees and subscribers who elect to receive their Placing Shares or Subscription Shares in CREST will have their CREST account credited with their Placing Shares or Subscription Shares following Admission, which is expected to be on 2 May 2019. For Placees and subscribers who elect to receive the Placing Shares or Subscription Shares in certificated form, definitive certificates in respect of the Placing Shares or Subscription Shares are expected to be sent to Shareholders by 9 May 2019.

The Placing Shares, the Subscription Shares, the Consideration Shares, the Settlement Shares, the Loan Note Conversion Shares, the Fee Shares and the Venn Debt Shares will be issued free of all liens, charges and encumbrances and will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared, made or paid following Admission.

Use of proceeds

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

- Sales and Marketing for Labskin/Rinocloud	£0.21 million
- Settlement of historic liabilities associated with Visible Youth	£0.23 million
- Legacy professional fees	£0.23 million
- General working capital purposes	<u>£1.64 million</u>
Total	<u>£2.31 million</u>

General Meeting

A notice convening the 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 30 April 2019 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 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.

Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors to: (a) allot the Placing Shares, the Subscription Shares, the Consideration Shares, the Settlement Shares, the Loan Note Conversion Shares, the Fee Shares and the Venn Debt Shares; (b) grant the Placing Warrants and the Broker Warrants; and (c) allot or grants rights to subscribe for a further 318,000,000 New Ordinary Shares up to an aggregate nominal value of £31,800.

Resolution 2, which will be proposed as a special resolution and which is subject to the passing of Resolution 1, dis-applies statutory pre-emption rights, provided that such authority shall be limited to: (a) the allotment of the Placing Shares, the Subscription Shares, the Consideration Shares, the Settlement Shares, the Loan Note Conversion Shares, the Fee Shares and the Venn Debt Shares; (b) the grant of the Placing Warrants and the Broker Warrants; and (c) the allotment or grant of rights to subscribe for a further 48,000,000 New Ordinary Shares up to an aggregate nominal value of £4,800.

Resolution 3, which will be proposed as an ordinary resolution and which is subject to the passing of Resolutions 1 and 2 and to completion of the Acquisition, proposes the appointment of Fionán Murray as a director of the Company.

The authorities contained in Resolutions 1 and 2 replace those granted to the 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 26 April 2019 (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 95,625,571 Ordinary Shares, representing approximately 20.07 per cent. of the Existing Issued Share Capital.

Yours faithfully

Tony Richardson
Chairman

PART II

The Settlement Agreements

The following agreements are collectively described as the Settlement Agreements:

(i) *Disposal & Settlement Agreement*

Pursuant to the terms of the Enhance APA, Integumen, Inc. assumed certain liabilities of Enhance ("Assumed Liabilities") and the Company guaranteed to Enhance the due and punctual performance, observance and discharge by Integumen, Inc. of all of Integumen Inc.'s obligations under the Enhance APA. Despite the terms of the Enhance APA, most of the liabilities were not formally assigned or novated from Enhance to Integumen, Inc.

On 11 April 2019, the Company entered into a debt settlement and release agreement with Enhance, Donald Nicholson, Dr Samuel S. Asculai and Drasko Puseljc (the "Releasing Parties").

Under the terms of the Disposal & Settlement Agreement, the Releasing Parties have agreed, in full and final satisfaction of the Assumed Liabilities and certain other liabilities owed to the Releasing Parties under the terms of the Enhance APA, to accept from Integumen (as guarantor of Integumen, Inc.'s obligations):

1. a total cash sum of £198,595, of which £66,800 will be paid to Enhance and £131,795 will be paid direct to other creditors of Enhance in respect of the Assumed Liabilities;
2. the issue and allotment of 19,708,858 new Ordinary Shares in satisfaction of a further £275,924 owed to Enhance and other creditors of Enhance in respect of the Assumed Liabilities, of which 8,439,072 new Ordinary Shares will be issued to Enhance and 11,269,786 new Ordinary Shares will be issued direct to the other creditors; and
3. the transfer of the entire issued share capital of Visible Youth from the Company to Enhance.

The Company has given certain warranties and undertakings to Enhance in relation to the Visible Youth Group.

Conditional on the cash payments being made and the 19,708,858 new Ordinary Shares being issued, the Releasing Parties have agreed to release Integumen, Inc. and the Company from all indebtedness, liabilities, obligations, actions, rights, causes of action, damages, claims, set-offs and demands whatsoever, whether in this jurisdiction or any other, whether or not presently known to them or to the law, and whether in law or equity, which the Releasing Parties had, now have or can, shall or may have, including but not limited to all indebtedness, liabilities, obligations, actions, rights, causes of action, damages, claims, set-offs and demands arising out of or connected with the Enhance APA or any other matter arising out of or connected with the relationship between the Company, Integumen, Inc. and the Releasing Parties.

Under the terms of the Disposal & Settlement Agreement, it has also been agreed that the right to repayment of an intercompany loan owing from Integumen, Inc. to the Company will be novated from the Company to Visible Youth in consideration for the payment of £1.00.

(ii) *Ancillary settlement agreements*

On or around 11 April 2019, the Company has also entered into a number of ancillary assignment and settlement agreements and settlement agreements with other creditors of Enhance in respect of the Assumed Liabilities but these do not result in payments or issues of new Ordinary Shares in excess of those provided for in the Disposal & Settlement Agreement.

(iii) *Debt settlement and release agreement between the Company, Mercuriali and Donald Nicholson dated 11 April 2019 ("Mercuriali and Nicholson Settlement Agreement")*

Integumen and Mercuriali are parties to a services provision agreement dated 1 December 2016 and Integumen has not paid Mercuriali certain fees and expenses ("Fees and Expenses") due under that agreement. Integumen and Donald Nicholson are parties to a letter of appointment dated 29 March 2017 appointing Donald Nicholson as a director of Integumen. The Company has not paid the fee ("Appointment Fee") under the letter of appointment since 31 December 2017.

Under the terms of the Mercuriali and Nicholson Settlement Agreement, Mercuriali and Donald Nicholson have agreed, in full and final satisfaction of the Fees and Expenses owed to Mercuriali and the Appointment Fee owed to Donald Nicholson, to accept from Integumen:

1. a cash payment to Mercuriali of £31,878;
2. the issue and allotment to Donald Nicholson of 3,928,571 new Ordinary Shares; and
3. a cash payment to Donald Nicholson of £8,000 (net of any tax and national insurance).

Conditional on the cash payments being made and the 3,928,571 new Ordinary Shares being issued, Mercuriali and Donald Nicholson have agreed to release the Company from all indebtedness, liabilities, obligations, actions, rights, causes of action, damages, claims, set-offs and demands whatsoever, whether in this jurisdiction or any other, whether or not presently known to them or to the law, and whether in law or equity, which Mercuriali and Donald Nicholson had, now have or can, shall or may have, including but not limited to all indebtedness, liabilities, obligations, actions, rights, causes of action, damages, claims, set-offs and demands arising out of or connected with the services provision agreement and the letter of appointment or any other matter arising out of or connected with the relationship between the Company, Mercuriali and Donald Nicholson.

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 Integumen plc will be held at the offices of Jeffreys Henry LLP at Finsgate, 5 – 7 Cranwood Street, London, EC1V 9EE on 30 April 2019 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 resolution 2 as a special resolution.

Words and expressions used or defined in the circular to shareholders dated 12 April 2019 (of which this Notice forms part) shall have the same meaning in this Notice.

Resolution 1

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"), such authority to be limited to:-

- (a) the allotment of up to 476,722,882 new Ordinary Shares with a maximum aggregate nominal amount of £47,672.29 (being the Placing Shares, the Subscription Shares, the Consideration Shares, the Settlement Shares, the Venn Debt Shares, the Fee Shares and the Loan Note Conversion Shares);
- (b) the grant of warrants to subscribe for up to 106,357,142 new Ordinary Shares with a maximum aggregate nominal amount of £10,636 (being the Placing Warrants and the Broker Warrants); and
- (c) the allotment of Relevant Securities (otherwise than pursuant to paragraphs (a) or (b) of this Resolution 1) up to an aggregate nominal amount of £31,800 (being approximately 33 per cent. of the Enlarged Issued Share Capital),

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 2

THAT, subject to the passing of Resolution 1, 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 allotment of up to 476,722,882 new Ordinary Shares with a maximum aggregate nominal amount of £47,672.29 (being the Placing Shares, the Subscription Shares, the Consideration Shares, the Settlement Shares, the Venn Debt Shares, the Fee Shares and the Loan Note Conversion Shares);
- (c) the grant of warrants to subscribe for up to 106,357,142 new Ordinary Shares with a maximum aggregate nominal amount of £10,636 (being the Placing Warrants and the Broker Warrants); and
- (d) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to paragraphs (a), (b) or (c) of this Resolution 2) to any person up to an aggregate nominal amount of £4,800 (being approximately 5 per cent. of the Enlarged Issued Share Capital).

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 resolution 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.

Resolution 3

THAT, subject to the passing of Resolution 1 and Resolution 2 and to the completion of the Acquisition, Fionán Murray is appointed as a director of the Company.

By order of the Board

Camillus Glover
Company Secretary

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

12 April 2019

Registered number: - 10205396

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 by no later than 12.00 noon on 26 April 2019.
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. CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so by using the procedures described in the CREST Manual. To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must be transmitted so as to be received by our agent Neville Registrars Limited (ID 7RA11) by no later than 12.00 noon on 26 April 2019.
7. 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).
8. 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.
9. 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.
10. 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.

11. 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 26 April 2019. 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.
12. 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.
13. 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 26 April 2019 (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.
14. 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.