

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or what action you should take, you should immediately consult your stockbroker, bank manager, solicitor or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your existing holding of Ordinary Shares in ReNeuron Group plc, please forward this Document and the enclosed Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee, except that such documentation should not be sent into a Restricted Jurisdiction or other jurisdiction where doing so may constitute a violation of local securities laws or regulations.

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITY, NOR SHALL THERE BE ANY SALE, ISSUANCE OR TRANSFER OF THE SECURITIES REFERRED TO IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW. This Document does not constitute a prospectus for the purpose of the Prospectus Rules of the UK Financial Conduct Authority or an admission document for the purpose of the AIM Rules. Accordingly, this Document has not been, and will not be, reviewed or approved by the UK Financial Conduct Authority (in its capacity as UK Listing Authority or otherwise) pursuant to Sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body and has not been approved for the purposes of Section 21 of FSMA.

Application will be made for the New Consolidated Ordinary Shares to be admitted to trading on the AIM market of the London Stock Exchange. Subject to certain conditions being satisfied, including the passing of the Resolutions at the General Meeting, it is expected that admission to trading on AIM and dealings in the New Consolidated Ordinary Shares will commence on or around 24 January 2018.

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## **RENEURON GROUP PLC**

*(incorporated and registered in England and Wales with registered number 5474163)*

### **Proposed Share Capital Reorganisation, amendment of Articles of Association, authority to allot, disapplication of pre-emption rights and Notice of General Meeting**

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A notice convening a General Meeting of ReNeuron Group Plc (the “**Company**”) to be held at 10.00 a.m. on 23 January 2018 at the offices of Covington & Burling LLP, 265 Strand, London WC2R 1BH is set out at the end of this Document.

Shareholders will find accompanying this Document a Form of Proxy for use at the General Meeting. The Form of Proxy should be completed and returned to the Company’s registrars, by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 10.00 a.m. on 19 January 2018. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

Stifel Nicolaus Europe Limited (“**Stifel**”) is authorised and regulated by the UK Financial Conduct Authority and is acting as nominated adviser to the Company and is not acting for any other person and will not be responsible to anyone other than the Company for providing the protections afforded to its customers or for affording advice in relation to the matters referred to herein. Stifel’s responsibilities as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person. Stifel does not accept any liability whatsoever for the accuracy of, or opinions contained in, this Document (or for the omission of any material information) and shall not be responsible for the contents of this Document.

The Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Consolidated Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence at 8.00 a.m. on 24 January 2018.

Copies of this Document are available from the Company's registered office at Pencoed Business Park, Pencoed, Bridgend, Wales, CF35 5HY from the date of this Document to the date of the General Meeting and also from the Company's web site: [www.reneuron.com](http://www.reneuron.com)

## **IMPORTANT NOTICE**

### **Cautionary note regarding forward-looking statements**

This Document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this Document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this Document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth, strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this Document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this Document.

### **Important Information to Overseas Shareholders**

It is the responsibility of any person receiving a copy of this Document outside the United Kingdom to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith. Persons (including, without limitation, nominees and trustees) receiving this Document should not, in connection with the Share Capital Reorganisation, distribute or send it into any jurisdiction when to do so would, or might, contravene local securities laws or regulations.

### **References to defined terms**

Certain terms used in this Document are defined in the Section of this Document headed "Definitions". In the Document, references to "pounds sterling", "£", "pence" and "p" are to the lawful currency of the United Kingdom. All times referred to in this Document are references to London time.

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## INDICATIVE TIMETABLE

Posting of the Circular and Form of Proxy	5 January 2018
Additional Ordinary Shares issued to the Company Secretary	11 January 2018
Additional Ordinary Shares admitted to trading on AIM	11 January 2018
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 19 January 2018
General Meeting	10.00 a.m. on 23 January 2018
Record Date	6.00 p.m. on 23 January 2018
Results of General Meeting announced through RNS	23 January 2018
Admission and dealings in New Consolidated Ordinary Shares expected to commence on AIM	8.00 a.m. on 24 January 2018
CREST accounts credited with New Consolidated Ordinary Shares	24 January 2018
Anticipated date of dispatch of definitive share certificates in respect of New Consolidated Ordinary Shares	Within 10 Business Days of Admission
Anticipated date of dispatch of cheques following sale and purchase of Fractional Entitlements	Within 10 Business Days of Admission

## TRANSACTION STATISTICS

Conversion ratio of Existing Ordinary Shares to New Consolidated Ordinary Shares	100 Existing Ordinary Shares to one New Consolidated Ordinary Share
Number of Existing Ordinary Shares in issue at the date of this Document	3,164,618,541
Number of Existing Ordinary Shares expected to be in issue immediately prior to the General Meeting <sup>1</sup>	3,164,618,600
Expected number of New Consolidated Ordinary Shares in issue immediately following the Share Capital Reorganisation and Buy-Back	31,646,186
Expected number of New Deferred Shares of 0.99 pence nominal value to be cancelled immediately following the Share Capital Reorganisation and Buy-Back	3,164,618,600
Nominal share value following the Share Capital Reorganisation	1 pence
Proposed new ISIN	GB00BF5G6K95

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<sup>1</sup> This assumes no Ordinary Shares are issued between the date of this Document and the Record Date, other than the additional 59 Ordinary Shares to be issued for the purposes of facilitating the Share Capital Reorganisation.

## DEFINITIONS

The following definitions apply throughout this Document and in the accompanying Form of Proxy unless the context requires otherwise:

<b>“Admission”</b>	the admission of the New Consolidated Ordinary Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules;
<b>“AIM”</b>	AIM, a market of the London Stock Exchange;
<b>“AIM Rules”</b>	the AIM rules for companies and their nominated advisers, published by the London Stock Exchange (as amended from time to time);
<b>“Articles of Association”</b>	the articles of association of the Company from time to time;
<b>“Board” or “Directors”</b>	the directors of ReNeuron whose names are set out on page 8 of this Document;
<b>“Business Day”</b>	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England;
<b>“Buy-Back”</b>	the buy-back by the Company of the New Deferred Shares pursuant to the terms of the Buy-Back Agreement;
<b>“Buy-Back Agreement”</b>	the agreement to be entered into between the Shareholders (acting by a Director as their attorney), the Company and the Company Secretary for the repurchase of the Company’s New Deferred Shares;
<b>“Cancellation”</b>	the proposed cancellation of all of the New Deferred Shares following completion of the Buy-Back;
<b>“Company” or “ReNeuron”</b>	ReNeuron Group plc;
<b>“Companies Act”</b>	the Companies Act 2006, as amended;
<b>“Computershare”</b>	Computershare Investor Services plc;
<b>“Consolidation”</b>	the proposed consolidation of the Company’s ordinary share capital pursuant to which every 100 Interim Ordinary Shares will be consolidated into 1 New Consolidated Ordinary Share pursuant to Resolution 3 as set out in the Notice of General Meeting;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3775) as amended and any applicable rules made thereunder;
<b>“Disclosure and Transparency Rules”</b>	the disclosure and transparency rules made by the FCA in exercise of its functions as competent authority pursuant to Part IV of FSMA;
<b>“Document”</b>	this Document which, for the avoidance of doubt, does not comprise a prospectus (under the Prospectus Rules) nor an admission document (under the AIM Rules);
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, the operator of CREST;

<b>“Existing Authorities”</b>	the authorities granted to the Directors to allot Ordinary Shares (including on a non-pre-emptive basis) pursuant to certain of the resolutions passed at the 2017 annual general meeting of the Company;
<b>“Existing Ordinary Shares”</b>	the 3,164,618,541 existing Ordinary Shares in issue as at the date of this Document;
<b>“FCA”</b>	the UK Financial Conduct Authority;
<b>“Form of Proxy”</b>	the form of proxy enclosed with this Document for use by Shareholders in connection with the General Meeting;
<b>“Fractional Entitlement”</b>	a fractional entitlement to a New Consolidated Ordinary Share arising on the Consolidation;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended);
<b>“General Meeting”</b>	the general meeting of ReNeuron convened by the notice set out in this Document to be held at 10.00 a.m. on 23 January 2018 at the offices of Covington & Burling LLP, 265 Strand, London, WC2R 1BH;
<b>“Group”</b>	the Company and its subsidiaries;
<b>“Interim Ordinary Shares”</b>	the interim ordinary shares of 0.01 pence each arising on completion of the Sub-Division;
<b>“ISIN”</b>	International Security Identification Number;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“New Consolidated Ordinary Shares”</b>	the new consolidated ordinary shares of 1 pence each arising on completion of the Consolidation;
<b>“New Deferred Shares”</b>	the new deferred shares of 0.99 pence each arising on completion of the Sub-Division;
<b>“Notice of General Meeting”</b>	the notice of the General Meeting, which is set out at the end of this Document;
<b>“Official List”</b>	the Official List of the FCA;
<b>“Ordinary Shares”</b>	ordinary shares of 1 pence each in nominal value in the capital of the Company;
<b>“Overseas Shareholders”</b>	Shareholders with registered addresses in, or who are citizens, residents or nationals of, jurisdictions outside the UK;
<b>“Proposals”</b>	the Share Capital Reorganisation and the Resolutions;
<b>“Prospectus Rules”</b>	the Prospectus Rules made in accordance with EU Prospectus Directive 2003/71/EC;
<b>“Record Date”</b>	6.00 p.m. on 23 January 2018 (or such other time and date as the Directors may determine);
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting included in this Document;
<b>“Restricted Jurisdiction”</b>	each of Canada, Japan, New Zealand and the Republic of South Africa and any other jurisdiction where the circulation or

	transmission of this Document would breach any applicable law of such jurisdiction;
<b>“RNS”</b>	a regulatory news service operated by the London Stock Exchange as defined by the AIM Rules;
<b>“Shareholders”</b>	holders of Ordinary Shares whose names appear on the register of members of the Company;
<b>“Share Capital Reorganisation”</b>	the proposed Sub-Division, Consolidation, Buy-Back and Cancellation, together with the passing of the Resolutions and such other matters necessary to give effect to the same;
<b>“Small Shareholders”</b>	Shareholders who hold fewer than 100 Existing Ordinary Shares at the Record Date;
<b>“Sterling” or “£”</b>	the lawful currency of the United Kingdom;
<b>“Sub-Division”</b>	the proposed sub-division of each Existing Ordinary Share into one Interim Ordinary Share and one New Deferred Share pursuant to Resolution 2 as set out in the Notice of General Meeting;
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“UK Listing Authority”</b>	the UK Listing Authority, being the FCA acting as competent authority for the purposes of Part V of FSMA;
<b>“United States”</b>	the United States of America, each state thereof, its territories and possessions, and all areas subject to its jurisdiction; and
<b>“uncertificated form”</b>	Ordinary Shares recorded on the share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred within the CREST settlement system.

## PART I

### LETTER FROM THE CHAIRMAN OF RENEURON GROUP PLC

*(Incorporated and registered in England and Wales with registered number 5474163)*

*Directors:*

John Berriman, *(Non-Executive Chairman)*  
Olav Hellebø, *(Chief Executive Officer)*  
Michael Hunt, *(Chief Financial Officer)*  
Simon Cartmell OBE, *(Non-Executive Director)*  
Prof. Sir Chris Evans OBE, *(Non-Executive Director)*  
Dr. Tim Corn, *(Non-Executive Director)*  
Dr. Claudia D'Augusta, *(Non-Executive Director)*  
Dr. Michael Owen, *(Non-Executive Director)*

*Registered Office:*

Pencoed Business Park  
Pencoed  
Bridgend  
Wales, CF35 5HY

5 January 2018

*To Shareholders and, for information purposes only, to the holders of options over Ordinary Shares*

Dear Shareholders and option holders,

**Proposed Share Capital Reorganisation, amendment of the Articles of Association of the Company,  
authority to allot, disapplication of pre-emption rights**

**and**

**Notice of General Meeting**

#### **1. Introduction**

I am writing in connection with the Proposals announced today, to reorganise the share capital of the Company, in order to increase the trading price of each Ordinary Share while reducing the number of Ordinary Shares in issue.

The Company currently has 3,164,618,541 Existing Ordinary Shares in issue, which are publicly traded on AIM, a market of the London Stock Exchange. This is a significant number of shares for a Company with a market capitalisation of approximately £57.8 million (as at 4 January 2018, being the latest practicable date prior to the publication of this Document). The market price of the Existing Ordinary Shares has, for the last 12 months, been less than 3 pence. The nominal value of such shares is 1 pence.

The effect of the proposed Consolidation will be to reduce the number of Ordinary Shares in issue by a factor of 100, whilst increasing the trading price of the Company's New Consolidated Ordinary Shares. The Sub-Division of the Existing Ordinary Shares, prior to Consolidation of the Interim Ordinary Shares, will ensure that the nominal value of each New Consolidated Ordinary Share is 1 pence. The Board considers the Share Capital Reorganisation to be in the best interests of the Company and its Shareholders, as it believes that the effect of the Share Capital Reorganisation will be to improve the market liquidity of and trading activity in the Company's New Consolidated Ordinary Shares.

The purpose of this Document is to provide you with information about the background to and the reasons for the Proposals, to explain why the Board considers the Proposals to be in the best interests of the Company and its Shareholders as a whole, and why the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this Document.

Implementation of the Proposals is conditional upon the approval of the Resolutions by Shareholders at the General Meeting which is being convened for 10.00 a.m. on 23 January 2018 at the offices of Covington & Burling LLP, 265 Strand, London, WC2R 1BH. The Resolutions will be put to approve, *inter alia*, the restructuring of the Company's share capital, the amendment of its Articles of Association, the buy-back of the New Deferred Shares and to authorise the Directors to allot shares. The Notice of the General Meeting is set out at the end of this Document. If the Resolutions are passed at the General Meeting, Admission of the New Consolidated Ordinary Shares is expected to occur on or around 24 January 2018.

**It is important that you complete, sign and return the Form of Proxy for use at the General Meeting enclosed with this Document whether or not you intend to attend the meeting.**

## **2. The Consolidation, Sub-Division and Buy-Back**

### ***Background***

As at 4 January 2018 (being the latest practicable date prior to the publication of this Document), the Company had 3,164,618,541 Existing Ordinary Shares in issue, having a mid-market price per Existing Ordinary Share at the close of business on such date of 1.825 pence. This is a significant number of shares for a Company with a market capitalisation of approximately £57.8 million (as of 4 January, 2018, being the latest practicable date prior to the publication of this Document). The Board believes that the Consolidation is necessary in order to increase the marketability of the Company's Ordinary Shares through the creation of a higher price per Ordinary Share.

The Board believes that the Share Capital Reorganisation will result in a capital structure more conducive to attracting new institutional investors based both in the UK and in other overseas jurisdictions. The Board also believes that the Share Capital Reorganisation will increase the marketability of the Company's shares and will make trading in the Company's shares more attractive to a broader range of institutional and professional investors and other members of the investing public, both in the UK and abroad.

The Share Capital Reorganisation will consist of the following steps:

1. a subscription for 59 new Ordinary Shares by the Company Secretary, such shares to be issued to ensure the Company's issued share capital is exactly divisible by 100 and to finance the Buy-Back of the New Deferred Shares;
2. the amendment of the Company's Articles of Association to, amongst other matters, set out the rights and restrictions attaching to the New Deferred Shares and to remove references to the Deferred Shares of 9 pence each (all of which have previously been re-purchased by the Company and cancelled);
3. a sub-division of each Existing Ordinary Share of 1 pence each into one Interim Ordinary Share of 0.01 pence each and one New Deferred Share of 0.99 pence each;
4. a consolidation of every 100 Interim Ordinary Shares of 0.01 pence each into one New Consolidated Ordinary Share of 1 pence each;
5. the sale of all fractional entitlements arising on the Consolidation; and
6. a buy-back of all of the Company's New Deferred Shares of 0.99 pence each, which will then be cancelled.

### ***Step 1. Subscription***

To facilitate the Buy-Back, it will be necessary to first issue a single Ordinary Share for the purpose of financing the Buy-Back. In addition to the Ordinary Share to be issued to finance the Buy-Back, the Company also intends to issue a further number of Ordinary Shares (anticipated to be 59 additional Ordinary Shares in aggregate) prior to the Record Date, so as to ensure that the total number of Ordinary Shares in issue immediately prior to the completion of the Share Capital Reorganisation is exactly divisible by 100. These additional Ordinary Shares will be issued to the Company Secretary on 11 January 2018 at a subscription price per Ordinary Share of 1.825 pence (being the closing middle market price of an Ordinary

Share on 4 January 2018, being the latest practicable date prior to publication of this Document). The additional Ordinary Shares will then be admitted to trading on AIM on 11 January 2018.

### ***Step 2. Amendment of Articles of Association***

The Company's Articles of Association will need to be amended to set out the rights and restrictions attaching to the New Deferred Shares. The Company also proposes to: (i) amend Article 19.1 of the existing Articles of Association to provide that the Buy-Back Agreement only requires the approval of an ordinary resolution by the Shareholders in accordance with the Companies Act; and (ii) amend Articles 225.2(b), 225.2(c) and 225.2(d) of the existing Articles of Association to make certain clarificatory revisions to the process for transferring and repurchasing the New Deferred Shares.

The rights attaching to the New Deferred Shares will be minimal and such shares will not carry any voting or dividend rights and will only be entitled to a payment on a return of capital (whether by winding up or otherwise) after an amount of £30,000,000 has been paid in respect of each New Consolidated Ordinary Share (an extremely remote possibility). The New Deferred Shares will not be listed or admitted to trading on AIM (nor any other stock market) and will not be transferable without the prior written consent of the Company.

The holders of the New Deferred Shares shall be deemed to have conferred the irrevocable authority on the Company at any time to: (i) appoint any person, for and on behalf of such holder, to, *inter alia*, transfer some or all of the New Deferred Shares (without making any payment therefor) to such person(s) as the Company may determine (including without limitation the Company itself); and (ii) repurchase or cancel such New Deferred Shares without obtaining the consent of the holders thereof. In addition, the Company may repurchase all of the New Deferred Shares, at a price not exceeding one pence in aggregate.

A copy of the new Articles of Association, marked up to show the changes being proposed, will be available for inspection free of charge during normal business hours on any Business Day at the Company's registered office, Pencoed Business Park, Pencoed, Bridgend, Wales, CF35 5HY and at the offices of Covington & Burling LLP, 265 Strand, London WC2R 1BH from the date of this Document until the time of the General Meeting and at the place of General Meeting for at least 15 minutes prior to and during the General Meeting.

Resolution 1 in the Notice of General Meeting, a special resolution, proposes the necessary amendments to the Company's Articles of Association, details of which are set out in Schedule I hereto.

### ***Step 3. The Sub-Division***

It is proposed to sub-divide each Ordinary Share in issue into 1 Interim Ordinary Share of 0.01 pence each in nominal value and 1 New Deferred Share of 0.99 pence in nominal value. Assuming an issued share capital immediately prior to the General Meeting of 3,164,618,600 Ordinary Shares of 1 pence each in nominal value, this will result in 3,164,618,600 Interim Ordinary Shares and 3,164,618,600 New Deferred Shares being in issue immediately following the Sub-Division. The Sub-Division of the issued Ordinary Shares will not, of itself, affect the value of any shareholding, as the number of Interim Ordinary Shares held by each Shareholder will be equal to the number of Ordinary Shares held by each Shareholder immediately prior to the Sub-Division.

No certificates will be issued in respect of the Interim Ordinary Shares, which will be consolidated by the Company (see Step 4 below) or the Deferred Shares, which will be bought back by the Company and cancelled (see Step 6 below).

Assuming an issued share capital immediately prior to the General Meeting of 3,164,618,600 Ordinary Shares of 1 pence each in nominal value, the effect of the Sub-Division will be as follows:

#### ***Sub-Division:***

- 3,164,618,600 Interim Ordinary Shares of 0.01 pence each in nominal value; and
- 3,164,618,600 New Deferred Shares of 0.99 pence each in nominal value.

Resolution 2, an ordinary resolution, proposes the Sub-Division of all of the Company's Existing Ordinary Shares.

#### ***Step 4. The Consolidation***

In order to avoid the Share Capital Reorganisation having an effect on the nominal value of the Company's Ordinary Shares, the Board is proposing that, immediately following the Sub-Division, the Interim Ordinary Shares of 0.01 pence each in nominal value are consolidated on a 100-for-1 basis such that every 100 Interim Ordinary Shares are consolidated into and redesignated as 1 New Consolidated Ordinary Share of 1 pence each in nominal value.

Unless your holding of Existing Ordinary Shares is exactly divisible by 100 you will be left with a Fractional Entitlement to the redesignated New Consolidated Ordinary Shares if Resolution 3 is approved (see Step 5 below).

Assuming an issued share capital immediately prior to the General Meeting of 3,164,618,600 Ordinary Shares of 1 pence each in nominal value, following completion of the Sub-Division, the effect of the Consolidation will be as follows:

##### *Consolidation:*

- 31,646,186 New Consolidated Ordinary Shares of 1 pence each in nominal value; and
- 3,164,618,600 New Deferred Shares of 0.99 pence each in nominal value (so an aggregate nominal value of deferred shares of £31,329,724.14).

Resolution 3, an ordinary resolution, makes provision for the Consolidation.

#### ***Step 5. Sale of Fractional Entitlements***

No Shareholder will be entitled to a fraction of a New Consolidated Ordinary Share. Instead, their entitlement will be rounded down to the nearest whole number of New Consolidated Ordinary Shares. Fractional Entitlements to a New Consolidated Ordinary Share will be aggregated and the whole number of shares will be sold on behalf of the Company for the best price reasonably obtainable. Shareholders holding Fractional Entitlements will receive the net proceeds, after deduction of costs, of their individual fractional entitlement via Computershare (the Company's registrar) subject to retention by the Company of amounts not exceeding £3.00 for each Shareholder.

If a Shareholder holds fewer than 100 Ordinary Shares as at the Record Date, such that the rounding down process results in a Shareholder being entitled to zero New Consolidated Ordinary Shares, then they will cease to hold any Ordinary Shares (of any description) in the Company. Accordingly Shareholders currently holding less than 100 Ordinary Shares who wish to remain a Shareholder of the Company following the Share Capital Reorganisation would need to increase their shareholding to at least 100 Ordinary Shares prior to the Record Date. Shareholders in this position are encouraged to obtain independent financial advice before taking any action.

Resolution 3, an ordinary resolution, makes provision for the sale of the Fractional Entitlements.

#### ***Step 6. The Buy-Back and Cancellation of New Deferred Shares***

Subject to completion of the Share Capital Reorganisation, the New Deferred Shares will be bought back by the Company and cancelled. As the Company lacks distributable reserves, the Buy-Back will be funded out of the proceeds of the new issue of one Ordinary Share to the Company Secretary which is being issued for the purpose of financing the Buy-Back of the New Deferred Shares.

The New Deferred Shares will not entitle holders to receive notice of or attend and vote at any general meeting of the Company or to receive a dividend or other distribution or to participate in any return of capital on a winding up (other than the nominal amount paid on such shares following a very substantial distribution to the holders of New Ordinary Shares). Accordingly, the New Deferred Shares will, for all practical

purposes, be valueless. No application will be made to the London Stock Exchange for admission of the New Deferred Shares to trading on AIM nor will any such application be made to any other exchange.

The Board can see no reason for the New Deferred Shares (assuming implementation of the proposed Share Capital Reorganisation) to remain on the balance sheet and recommends that the New Deferred Shares are purchased by the Company following completion of the Share Capital Reorganisation.

Under the provisions of the new Articles of Association, as amended pursuant to Step 2 above, the Company has the power to buy back all the New Deferred Shares for 1 pence in aggregate. In addition, the Company has the power to appoint anyone to sign the Buy-Back Agreement on behalf of all the holders of the New Deferred Shares and the Company proposes that any one of its Directors be authorised to carry out this function.

The Buy-Back Agreement between the holders of the New Deferred Shares (acting by a Director as their attorney), the Company and the Company Secretary provides for the purchase of the New Deferred Shares by the Company and the New Deferred Shares will then be cancelled. Pursuant to the provisions of the Companies Act, a copy of the Buy-Back Agreement will, from the date of this Document, be available for inspection free of charge during normal business hours on any Business Day at the Company's registered office, Pencoed Business Park, Pencoed, Bridgend, Wales, CF35 5HY and at the offices of Covington & Burling LLP, 265 Strand, London WC2R 1BH until the date of the General Meeting. A copy of the Buy-Back Agreement will also be available for inspection at the General Meeting.

Resolution 1, a special resolution, proposes the necessary amendments to the Company's Articles of Association to provide that a share buy-back agreement only requires the sanction of an ordinary resolution and not a special resolution. The Buy-Back is conditional upon Shareholder approval. At the General Meeting, Shareholders will be asked to approve, if thought fit, the Buy-Back Agreement pursuant to Resolution 4, an ordinary resolution.

#### ***Renewal of existing authorities***

In order to reflect the effects of the Share Capital Reorganisation, we propose to renew the authority of the Directors at the General Meeting in accordance with Section 551 of the Companies Act to allot shares and to empower the Directors pursuant to Section 570 of the Companies Act to allot shares as if Section 561 of the Companies Act did not apply to such allotment, in certain circumstances.

Resolution 5, to be proposed at the forthcoming General Meeting, would give the Directors authority until the end of the 2018 annual general meeting of the Company or, if earlier, for the period ending 15 months after the date of the passing of such Resolution, to allot additional shares up to an aggregate nominal amount of £105,487.00, representing 10,548,700 New Consolidated Ordinary Shares or approximately a third of the issued share capital of the Company excluding treasury shares, together with the authority to allot up to a further third of the issued share capital, provided such additional third is reserved for fully pre-emptive offers. The Directors have no present intention to exercise this authority.

Section 561 of the Companies Act gives holders of equity securities, with limited but important exceptions, certain rights of pre-emption on the issue for cash of new equity securities. The Board believes that it is in the best interests of Shareholders that the Directors should have limited authority to allot equity shares for cash without first having to offer such shares to existing Shareholders. It is proposed that this authority will expire at the end of the 2018 annual general meeting of the Company or, if earlier, the period ending 15 months after the date of the passing of such Resolution. The authority proposed in Resolution 6 will relate to allotments of equity securities having an aggregate nominal amount not exceeding £31,646.00, representing 3,164,600 New Consolidated Ordinary Shares or ten per cent. of the issued equity share capital of the Company. Resolution 6 also provides for the disapplication of pre-emption rights to allow the issue of shares to existing Shareholders, for example, by way of a rights issue or open offer.

The authorities to be granted pursuant to Resolution 5 and Resolution 6 are in substitution for the Existing Authorities obtained at the 2017 annual general meeting of the Company and follow the same form and provide the Directors with the same authorities as the equivalent Resolutions passed at such meeting, save for amendments made to reflect the effects of the Share Capital Reorganisation.

### ***Resulting share capital***

The New Consolidated Ordinary Shares created by the Share Capital Reorganisation will have the same rights as the Ordinary Shares. Immediately following the proposed Share Capital Reorganisation the Company will apply for the Admission of the New Consolidated Ordinary Shares to trading on AIM. It is anticipated that dealings in the Ordinary Shares will continue until the close of business on 23 January 2018 and that dealings in the New Consolidated Ordinary Shares will commence at 8.00 a.m. on 24 January 2018, being the next Business Day after the General Meeting.

The issued share capital of the Company on Admission immediately following the Consolidation and the Sub-Division and the Buy-Back is expected to comprise 31,646,186 New Consolidated Ordinary Shares of 1 pence each in nominal value, which will be equal to the number of issued Ordinary Shares immediately prior to the Consolidation and Sub-Division divided by 100.

Examples of the effect that the Share Capital Reorganisation could have on a Shareholder's holding of Ordinary Shares are set out below:

#### *Example 1 – Small Shareholders*

If a Small Shareholder holds 50 Existing Ordinary Shares at the Record Date, such Small Shareholder will, following the implementation of the Consolidation, hold a Fractional Entitlement (half) to a New Consolidated Ordinary Share.

#### *Example 2 – other Shareholders*

If a Shareholder holds 110 Existing Ordinary Shares at the Record Date, such Shareholder will, following the implementation of the Consolidation, hold 1 New Consolidated Ordinary Share derived from 100 Existing Ordinary Shares with the remaining 10 Existing Ordinary Shares forming a Fractional Entitlement of a New Consolidated Ordinary Share (one tenth).

### ***Rights attaching to the New Consolidated Ordinary Shares***

The New Consolidated Ordinary Shares arising on implementation of the Consolidation and Sub-Division will have the same rights as the Existing Ordinary Shares, including voting, dividend and other rights.

### ***Effect on options etc.***

The entitlements to Existing Ordinary Shares of holders of options over Existing Ordinary Shares will, conditional upon, and with immediate effect from, completion of the Share Capital Reorganisation, be adjusted in accordance with the terms of such options in order to reflect the effect of the Share Capital Reorganisation. The Company will separately write to the holders of options to confirm the effect of the Share Capital Reorganisation, including the number of options they will hold over New Consolidated Ordinary Shares and the adjustment to the exercise price of such options.

## **3. Resolutions**

The Resolutions to be proposed at the General Meeting are, in summary, as follows:

1. a special resolution to amend the Company's existing Articles of Association including to remove the current class of Deferred Shares and create the class of New Deferred Shares with the rights detailed therein and to update the provisions relating to transfer and/or repurchase of the New Deferred Shares;
2. an ordinary resolution to approve the Sub-Division of each issued Ordinary Share of 1 pence each in the capital of the Company into one Interim Ordinary Share of 0.01 pence and one New Deferred Share of 0.99 pence. This resolution is conditional upon the passing of Resolution 1 and will take effect from the Record Date;
3. an ordinary resolution to approve the Consolidation of every 100 Interim Ordinary Shares of 0.01 pence each into 1 New Consolidated Ordinary Share of 1 pence each. This resolution is conditional

upon the passing of Resolutions 1 and 2 and upon Resolution 2 becoming effective and will take effect from the Record Date;

4. an ordinary resolution to approve the repurchase of the New Deferred Shares pursuant to the terms of a Buy-Back Agreement laid before the General Meeting and pursuant to which the Company will buy back all of the New Deferred Shares. This resolution is conditional upon the passing of Resolutions 1, 2 and 3 and upon Resolutions 2 and 3 becoming effective and will take effect from the Record Date;
5. an ordinary resolution to authorise the Directors to allot up to a certain number of New Consolidated Ordinary Shares This resolution is conditional upon the passing of Resolutions 1, 2 and 3 and upon Resolutions 2 and 3 becoming effective and will take effect from the Record Date; and
6. a special resolution to authorise the Directors to allot up to a certain number of New Consolidated Ordinary Shares for cash otherwise than on a pre-emptive basis This resolution is conditional upon the passing of Resolutions 1, 2, 3 and 5 and upon Resolutions 2, 3 and 5 becoming effective and will take effect from the Record Date.

The authorities set out in Resolutions 5 and 6 are in substitution for the Existing Authorities conferred on the Directors by Shareholders at the 2017 annual general meeting of the Company and the authority and power described therein will (unless previously revoked or varied by the Company in general meeting) expire 15 months after the passing of such Resolutions, or at the conclusion of the next annual general meeting of the Company following the passing of the Resolutions, whichever occurs first.

Resolutions 2, 3, 4 and 5 are ordinary resolutions and require a simple majority of the votes cast on those resolutions to be in favour of the Resolutions. Resolutions 1 and 6 are special resolutions and require approval by not less than 75 per cent. of the votes cast on those resolutions.

#### **4. Application and Admission to trading on AIM**

Conditional upon the Resolutions being passed and the Consolidation and Sub-Division being approved by Shareholders at the General Meeting, application will be made to the London Stock Exchange for the New Consolidated Ordinary Shares to be admitted to trading on the AIM market of the London Stock Exchange.

Following the Consolidation, the Company's new ISIN will be GB00BF5G6K95 and its new SEDOL will be BF5G6K9.

Subject to the Resolutions being passed, dealings in the Existing Ordinary Shares will cease at the close of business on the date of the General Meeting. Admission and dealings in the New Consolidated Ordinary Shares are expected to commence on the following Business Day. Shareholders will be able to trade in the New Consolidated Ordinary Shares during the period between Admission and the date on which Shareholders receive share certificates in respect of the New Consolidated Ordinary Shares. During this period and pending the issue of certificates, transfers will be certified against the Company's share register.

Immediately following Admission, the Company will have 31,646,186 New Consolidated Ordinary Shares in issue (assuming 3,164,618,600 Ordinary Shares are in issue immediately prior to the Sub-Division and Consolidation).

If you are in any doubt with regard to your current shareholding in Existing Ordinary Shares or the Share Capital Reorganisation, you should contact our registrar, Computershare Investor Services PLC, on: +44 (0) 370 707 1272 between 8.30 a.m. and 5.30 p.m. on any Business Day.

#### **5. Share Certificates and CREST**

If you hold a share certificate in respect of your Existing Ordinary Shares it will no longer be valid from the time the proposed Share Capital Reorganisation takes effect. You will be sent a new share certificate within 10 Business Days of Admission and upon receipt thereof should destroy the old certificate(s). If you hold your Existing Ordinary Shares in uncertificated form (that is, in CREST), you should expect to have your CREST account adjusted to reflect your entitlement to New Consolidated Ordinary Shares on 24 January 2018 or as soon as practicable after the Share Capital Reorganisation takes effect. Existing Ordinary Shares

credited to any stock account in CREST will be disabled and all Existing Ordinary Shares will be removed from CREST in due course.

## **6. United Kingdom Taxation**

The following summary is intended as a general guide only and relates to the UK taxation treatment of the Share Capital Reorganisation. It is based on current UK tax law and the current published HM Revenue and Customs practice applying in the case of those holders of Existing Ordinary Shares who are residents of the UK for tax purposes, are the beneficial owners of those shares and hold them as investments. Certain holders of Ordinary Shares, such as dealers in securities, insurance companies, collective investment schemes and persons who have acquired their shares by reason of their or another's employment, may be taxed differently and are not considered here.

**Any person who is in any doubt as to his or her tax position, or who is resident, domiciled or otherwise subject to taxation in any jurisdiction other than the UK, should consult his or her financial adviser immediately.**

It is expected that for the purposes of UK taxation on chargeable gains the Share Capital Reorganisation will be treated as follows:

The Sub-Division and the Consolidation should be treated as a reorganisation of the share capital of the Company. Accordingly, holders of Existing Ordinary Shares should not normally be treated as making a disposal of all or part of their holding of Existing Ordinary Shares by reason of the Sub-Division and the Consolidation being implemented. The Interim Ordinary Shares, the New Deferred Shares and the New Consolidated Ordinary Shares which replace their holding of Existing Ordinary Shares as a result of the Share Capital Reorganisation should be treated as being acquired at the same time as their holding of Existing Ordinary Shares was acquired.

Holders of New Deferred Shares will be treated as making a disposal of their New Deferred Shares as a result of the Buy-Back and Cancellation of the New Deferred Shares. The base cost that will be apportioned to the New Deferred Shares as a result of the Sub-Division and Consolidation will be made by reference to the market value of the New Deferred Shares and the market value of the New Consolidated Ordinary Shares on the date of disposal. Since the holders of New Deferred Shares will not receive any consideration as a result of the Buy-Back and Cancellation, no chargeable gain should arise.

To the extent that a Shareholder receives cash by virtue of a sale on his behalf of any New Ordinary Shares to which he or she has a Fractional Entitlement, the Shareholder will not in practice normally be treated as making a part disposal of the Shareholder's holding of Existing Ordinary Shares if the proceeds are "small" as compared with the value of the Existing Ordinary Shares in respect of which such payment arises. However the proceeds will, provided that they do not exceed the acquisition cost of the Shareholder's Existing Ordinary Shares, be deducted from the base cost of the Shareholder's new holding. If those proceeds exceed that base cost, however, the Shareholder will be treated as disposing of part or all of his holding of Existing Ordinary Shares and may, depending on his circumstances, be subject to tax in respect of any chargeable gain thereby realised. HM Revenue and Customs normally treats proceeds as "small" if the amount of the proceeds does not exceed five per cent. of the market value of that Shareholder's Existing Ordinary Shares, or £3,000 (regardless of whether the value of the disposal also passes the five per cent. test).

## **7. Action to be taken**

A notice convening the General Meeting to be held at the offices of Covington & Burling LLP, 265 Strand, London, WC2R 1BH at 10.00 a.m. on 23 January 2018 is set out at the end of this Document. A Form of Proxy for use by Shareholders in connection with the General Meeting is also enclosed with this Document.

Whether or not you propose to attend the General Meeting in person, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it to the Company's registrars, by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater

Road, Bristol BS13 8AE, as soon as possible and in any event so as to arrive no later than 10.00 a.m. on 19 January 2018. Completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you so wish.

#### **8. Directors' Recommendation and voting intentions**

The Directors believe that the Proposals are fair and reasonable as far as the Shareholders are concerned and are in the best interests of the Company and the Shareholders as a whole. Accordingly, 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 holdings of Existing Ordinary Shares.

The Company has also received an irrevocable undertaking from each of Woodford Investment Management Ltd (acting as discretionary investment manager and agent for and on behalf of the investment funds managed by it) and the Wales Life Sciences Investment Fund LP in respect of, in aggregate, 1,419,883,005 Existing Ordinary Shares representing, in aggregate, approximately 44.87 per cent. of the Existing Ordinary Shares to vote in favour, or procure the vote in favour, of the Resolutions in respect of each of their own shareholdings in the Company.

Copies of this Document, the proposed new Articles of Association of the Company and the Buy-Back Agreement will be available for inspection free of charge during normal business hours on any Business Day at the Company's registered office, Pencoed Business Park, Pencoed, Bridgend, Wales, CF35 5HY and at the offices of Covington & Burling LLP, 265 Strand, London WC2R 1BH from the date of this Document up to and including the date of the General Meeting.

Yours faithfully

**John Berriman**  
*Chairman*

5 January 2018

## SCHEDULE I

### PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF RENEURON GROUP PLC

#### DEFINITIONS

“Deferred Shares” deferred shares of 90.99 pence each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

#### SHARE CAPITAL

##### 4 Share Capital

The authorised share capital of the Company is divided into Ordinary Shares of 1 pence each and Deferred Shares of 90.99 pence each.

#### ALTERATION OF CAPITAL

##### 19 Purchase of own shares

19.1 Subject to the provisions of the Statutes and the AIM Rules and to the rights attaching to existing shares, the Company may purchase, or enter into a contract under which it will or may purchase its own shares, but not unless the purchase or the entering into of such contract has been sanctioned by ~~a special~~ an ordinary resolution of the members of the Company.

19.2 In relation to any such purchase as is referred to in Article 19.1 above, neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any particular manner as between the holders of the shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital attached to any class of shares.

#### DEFERRED SHARES

##### 225. Deferred Shares

225.1 Notwithstanding any other provision of these Articles to the contrary, Deferred Shares (i) carry no right to payment of any dividend or to receive notice of or to attend, speak or vote at any general meeting of the Company or on a return of capital (whether on a winding up or otherwise) to the repayment of the amount paid up on such Deferred Shares until after the repayment in full of the amount paid up on the Ordinary Shares together with the payment of £30,000,000 on each such Ordinary Share whereupon the Deferred Shares shall carry the right to repayment of the nominal capital paid up thereon and no more; and (ii) shall not be transferable without the consent of the Company.

225.2 Each holder of Deferred Shares shall be deemed to have conferred irrevocable authority on the Company at any time to appoint any person, for and on behalf of such holder, to:

- (a) receive notice of, attend, vote and sign any written resolution of any meeting of the class of Deferred Shares;
- (b) agree and execute any transfer of ~~(some or all of the Deferred Shares (without making any payment therefor))~~ and/or agree and execute any agreement to re-purchase ~~transfer~~ or otherwise dispose of) some or all of the Deferred Shares, in each case to such person(s) as the Company may determine (including, without limitation, the Company itself);

- (c) purchase or cancel all or any of the Deferred Shares then in issue without obtaining the consent of the holders thereof for not more than one penny for all such Deferred Shares; and/or
- (d) receive any consideration payable upon a transfer or re-purchase made pursuant to (c) above, in each case without obtaining the sanction of the holder, or holders, of such Deferred Shares, and in respect of any transfer and/or purchase; ~~and~~ to retain the certificate(s) for such Deferred Shares.

225.3 The Company may at its option re-purchase all of the Deferred Shares then in issue, at a price not exceeding one penny (in aggregate) for all such Deferred Shares redeemed at any one time.

225.4 Notwithstanding the provisions of Article 19, the entering into a contract to purchase, and the purchase of, Deferred Shares shall not require the sanction of an extraordinary resolution passed at a meeting of the holders of the Deferred Shares.

225.5 In the event of any conflict or inconsistency between this article 225 and any other provision of these Articles, this article 225 shall prevail in respect of any matter relating to the Deferred Shares.

## NOTICE OF GENERAL MEETING

### RENEURON GROUP PLC

*(Incorporated and registered in England and Wales with registered number 5474163)*

NOTICE IS HEREBY GIVEN that a General Meeting of ReNeuron Group plc (incorporated and registered in England and Wales with registered no. 5474163) (the “**Company**”) will be held at the offices of Covington & Burling LLP, 265 Strand, London WC2R 1BH on 23 January 2018 at 10.00 a.m. to consider and, if thought fit, pass the following resolutions, of which Resolutions 1 and 6 will be proposed as special resolutions and Resolutions 2, 3, 4 and 5 will be proposed as ordinary resolutions.

In this Notice of General Meeting words and defined terms shall have the same meanings as words and defined terms in the Document to which this Notice of General Meeting is attached.

#### SPECIAL RESOLUTION

1. THAT the Company’s Articles of Association are hereby amended by:
  - (a) the deletion of the existing definition of “Deferred Shares” and its substitution with a new definition of “Deferred Shares” as follows: “deferred shares of 0.99 pence each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;”; and
  - (b) the deletion of the existing Article 4 (Share Capital) of the Articles of Association and its substitution with a new Article 4 (Share Capital) as follows: “The authorised share capital of the Company is divided into Ordinary Shares of 1 pence each and Deferred Shares of 0.99 pence each.”; and
  - (c) the deletion of the existing Article 19.1 (Purchase of own shares) of the Articles of Association and its substitution with a new Article 19.1 (Purchase of own shares) as follows: “Subject to the provisions of the Statutes and the AIM Rules and to the rights attaching to existing shares, the Company may purchase, or enter into a contract under which it will or may purchase its own shares, but not unless the purchase or the entering into of such contract has been sanctioned by an ordinary resolution of the members of the Company.”; and
  - (d) the deletion of the existing Article 225.2(b) (Deferred Shares) of the Articles of Association and its substitution with a new Article 225.2(b) (Deferred Shares) as follows: “agree and execute any transfer of some or all of the Deferred Shares (without making any payment therefor) and/or agree and execute any agreement to re-purchase or otherwise dispose of some or all of the Deferred Shares, in each case to such person(s) as the Company may determine (including, without limitation, the Company itself);”; and
  - (e) the deletion of the existing Article 225.2(c) (Deferred Shares) of the Articles of Association and its substitution with a new Article 225.2(c) (Deferred Shares) as follows: “purchase or cancel all or any of the Deferred Shares then in issue without obtaining the consent of the holders thereof for not more than one penny for all such Deferred Shares; and/or”; and
  - (f) the deletion of the existing Article 225.2(d) (Deferred Shares) of the Articles of Association and its substitution with a new Article 225.2(d) (Deferred Shares) as follows: “receive any consideration payable upon a transfer or re-purchase made pursuant to (c) above, in each case without obtaining the sanction of the holder, or holders, of such Deferred Shares, and in respect of any transfer and/or purchase to retain the certificate(s) for such Deferred Shares.”

#### ORDINARY RESOLUTIONS

2. THAT, with effect from the Record Date and conditional upon the passing of Resolution 1, each of the existing ordinary shares in issue as at the Record Date of 1 pence each in nominal value (the

“**Existing Ordinary Shares**”) be subdivided into 1 interim ordinary share of 0.01 pence each in nominal value (the “**Interim Ordinary Shares**”) having the same rights and ranking *pari passu* in all respects with the Existing Ordinary Shares and one new deferred share of 0.99 pence each in nominal value (the “**New Deferred Shares**”) having the rights and restrictions as set out in the Articles of Association of the Company (as amended by Resolution 1).

3. THAT, with effect from the Record Date and conditional upon the passing of Resolutions 1 and 2 and upon Resolution 2 becoming effective, every 100 Interim Ordinary Shares in the capital of the Company arising from the sub-division effected by Resolution 2 and then in issue, be consolidated into one new consolidated ordinary share of 1 pence each in nominal value (the “**New Consolidated Ordinary Shares**”) having the same rights and ranking *pari passu* in all respects with the Existing Ordinary Shares, provided that where such consolidation results in any member being entitled to a fraction of a New Consolidated Ordinary Share, such fraction shall be aggregated and the directors of the Company be and are hereby authorised to sell (or appoint another person to sell) such fraction on behalf of the relevant member, save that, where the net proceeds of such sale are less than £3.00, the net proceeds of such sale will be retained for the benefit of the Company.
4. THAT, with effect from the Record Date and conditional upon the passing of Resolutions 1, 2 and 3 and upon Resolutions 2 and 3 becoming effective, the Company be and is hereby generally and unconditionally authorised in accordance with its Articles of Association and generally to make off-market purchases (within the meaning of Section 693 of the Companies Act 2006 (the “**2006 Act**”)) of all of the New Deferred Shares in the capital of the Company on the terms of the draft agreement produced to the meeting and initialled by the Chairman for the purposes of identification (the “**Buy-Back Agreement**”) the terms of which Buy-Back Agreement are hereby approved for the purposes of Section 694 of the 2006 Act and generally. The authority conferred hereby shall expire 12 months after the passing of this Resolution.
5. THAT, with effect from the Record Date and conditional upon the passing of Resolutions 1, 2 and 3 and upon Resolutions 2 and 3 becoming effective, the Directors of the Company be and are hereby generally and unconditionally authorised, pursuant to Section 551 of the 2006 Act (and in substitution for all existing authorities conferred on the Directors pursuant to Section 551 of the 2006 Act which upon the passing of this Resolution are revoked) to:
  - (a) allot New Consolidated Ordinary Shares and to grant rights to subscribe for or to convert any security into New Consolidated Ordinary Shares in the Company (all of which shares and rights are hereafter referred to as “**Relevant Securities**”) representing up to £105,487.00, in nominal value in aggregate of shares; and
  - (b) allot Relevant Securities (other than pursuant to paragraph (a) above) representing up to £105,487.00, in nominal value in aggregate of shares in connection with a rights issue, open offer, scrip dividend, scheme or other pre-emptive offer to holders of New Consolidated Ordinary Shares where such issue, offer, dividend, scheme or other allotment is proportionate (as nearly as may be) to the respective number of New Consolidated Ordinary Shares held by them on a fixed record date (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with legal or practical problems under the laws of any overseas territory, the requirements of any regulatory body or any stock exchange in any territory, in relation to fractional entitlements, or any other matter which the Directors consider merits any such exclusion or other arrangements),

provided that in each case such authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of the passing of this Resolution or at the conclusion of the next annual general meeting of the Company following the passing of this Resolution, whichever occurs first, save that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such Relevant Securities to be allotted after such expiry, variation or revocation and the Directors may allot relevant securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked.

## SPECIAL RESOLUTION

6. THAT, with effect from the Record Date and conditional upon the passing of Resolutions 1, 2, 3 and 5 and upon Resolutions 2, 3 and 5 becoming effective, the Directors are hereby empowered pursuant to Section 570 of the 2006 Act (and in substitution for all other existing powers of the Directors under Section 570 of the 2006 Act which upon the passing of this Resolution are revoked):
- (a) to allot equity securities (as defined by Section 560 of the 2006 Act) for cash pursuant to the authority conferred by Resolution 5 as if Section 561 of the 2006 Act did not apply to such allotment; and
  - (b) to sell New Consolidated Ordinary Shares if, immediately before such sale, such shares are held as treasury shares (within the meaning of Section 724 of the 2006 Act) as if Section 561 of the 2006 Act did not apply to such sale,

provided that such powers:

- (1) shall be limited to:
  - (i) the allotment of equity securities (or sale of New Consolidated Ordinary Shares) representing up to £105,487.00 in nominal value in aggregate of shares pursuant to the authority conferred by paragraph (b) of Resolution 5; and
  - (ii) the allotment of equity securities (or sale of New Consolidated Ordinary Shares), otherwise than pursuant to sub-paragraph (i) above, representing up to £31,646.00 in nominal value in aggregate of shares (and including, for the avoidance of doubt, in connection with the grant of options (or other rights to acquire New Consolidated Ordinary Shares in accordance with the rules of the Company's share option schemes (as varied from time to time) or otherwise to employees, consultants and/or Directors of the Company and/or any of its subsidiaries); and
- (2) shall expire (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of the passing of this Resolution or at the conclusion of the next annual general meeting of the Company following the passing of this Resolution, whichever occurs first, but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted (or New Consolidated Ordinary Shares to be sold) after such expiry, revocation or variation and the Directors may allot equity securities (or sell New Consolidated Ordinary Shares) in pursuance of such offer or agreement as if such powers had not expired or been revoked or varied.

BY ORDER OF THE BOARD

**Michael Hunt**  
*Company Secretary*

*Registered office:*  
Pencoed Business Park  
Pencoed  
Bridgend  
Wales, CF35 5HY

Dated: 5 January 2018

## Notes

1. A form of proxy is enclosed for your use.
2. A member of the Company entitled to attend and vote at the General Meeting may appoint one or more proxies to exercise all or any of his rights to attend, to speak and to vote on his/her behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. Each such proxy will have the right to vote on a poll in respect of the number of votes attaching to the number of shares in respect of which the proxy has been appointed. Where more than one joint member purports to appoint a proxy in respect of the same shares, only the appointment by the most senior member will be accepted, as determined by the order in which their names appear in the Company's register of members. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the chairman of the meeting and give your instructions to that proxy. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or other authority (if any), must be completed, signed and deposited with the Company's registrars, Computershare Investor Services PLC, in the envelope provided to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, by no later than 10.00 a.m. on 19 January 2018 (or not less than 48 hours before the time of any adjourned meeting), or, in the case of a poll taken more than 48 hours after the date of the meeting (or adjourned meeting), not less than 24 hours before the time appointed for the taking of the poll. Members who intend to appoint more than one proxy can obtain additional forms of proxy from Computershare Investor Services PLC. Alternatively, the form provided may be photocopied prior to completion. The forms of proxy should be returned in the same envelope and each should indicate that it is one of more than one appointments being made. If you are a CREST member, see note 6 below.
3. A "vote withheld" option has been included on the form of proxy. The legal effect of choosing the "vote withheld" option on any resolution is that the member concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
4. Completion of a form of proxy or any CREST Proxy Instruction (as defined below) will not preclude a member from attending and voting in person at the meeting or any adjournment thereof should he/she wish to do so.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those Shareholders registered in the register of members of the Company as at 6.00 p.m. on 19 January 2018 or, in the event that the meeting is adjourned, in the register of members of the Company not less than 48 hours before the time of the adjourned meeting, shall be entitled to attend and vote (whether in person or by proxy) at the General Meeting in respect of the number of shares registered in their name at the relevant time. Subsequent changes to entries in the register of members will be disregarded in determining the rights of any person to attend or vote at the meeting or any adjourned meeting (as the case may be).
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held at 10.00 a.m. on 23 January 2018 at the offices of Covington & Burling LLP, 265 Strand, London, WC2R 1BH and any adjournment(s) thereof by using the procedures described in the CREST Manual available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must be transmitted so as to be received by the Company's agent, Computershare Investor Services PLC (CREST Participant ID: 3RA50), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those Sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

7. Any corporation that is a member can appoint one or more corporate representatives who have one vote each on a show of hands and otherwise may exercise on its behalf all of its powers as a member provided that they do not do so in different ways in relation to the same shares.

8. Members, proxies and authorised representatives will be required to provide their names and addresses for verification against the register of members and proxy appointments received by the Company before entering the meeting. Each authorised representative must produce proof of his or her appointment, in the form of the actual appointment or a certified copy. Other than this, there are no procedures with which any such persons must comply in order to attend and vote at the meeting.
9. Members, proxies and authorised representatives may raise questions at the meeting concerning the business being dealt with at the meeting and will receive answers, except that a question need not be answered where it would interfere unduly with the conduct of the meeting, would involve the disclosure of confidential information, where the answer has already been given on a website in the form of an answer to a question or where it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

**Communication**

10. You may not use any electronic address (within the meaning of Section 333(4) of the Act) provided in this Notice of Meeting (or in any related documents including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

