

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised for the purposes of the Financial Services and Markets Act 2000 (as amended) ("FSMA") who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of this document should be read. You should be aware that an investment in the Company involves a high degree of risk and prospective investors should in particular carefully consider the section entitled "Risk Factors" set out in Part II of this document.

If you have sold or transferred all of your Ordinary Shares on or before the Record Date please forward this document, together with the Application Form, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other party through whom the sale or transfer was effected for transmission to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction outside of the UK if to do so would constitute a violation of the relevant law and/or regulations of such jurisdiction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold or transferred only part of your registered holding of Ordinary Shares on or before the Record Date, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

The maximum amount to be raised under the Open Offer shall be less than €8 million (or an equivalent amount in pounds sterling). The New Shares shall only be available to qualified investors for the purposes of the Prospectus Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. Neither the Placing nor the Open Offer constitutes an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Rules made by the Financial Conduct Authority of the United Kingdom ("FCA") pursuant to sections 73A(1) and (4) of FSMA and has not been approved by the FCA, the London Stock Exchange, any securities commission or any other authority or regulatory body nor has it been approved for the purposes of section 21 of FSMA. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

The Company's Ordinary Shares are currently admitted to trading on the AIM market of the London Stock Exchange ("AIM"). Applications will be made to the London Stock Exchange for the New Shares to be admitted to trading on AIM. The New Shares will not be admitted to trading on any other investment exchange. Subject to certain conditions being satisfied, it is expected that admission of the EIS/VCT Placing Shares will become effective and that dealings in the EIS/VCT Placing Shares will commence at 8.00 a.m. on 14 December 2020, and that admission of the General Placing Shares, the Subscription Shares and the Open Offer Shares will become effective and that dealings in the General Placing Shares, the Subscription Shares and the Open Offer Shares will commence at 8.00 a.m. on 15 December 2020.

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. 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. Neither the London Stock Exchange nor the FCA has examined or approved the contents of this document. The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the New Shares to the Official List.

ReNeuron Group plc

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 5474163)

Placing, Subscription and Open Offer of up to 24,970,384 New Shares at 70 pence per New Share

Nominated Adviser, Sole Bookrunner and Broker Stifel Nicolaus Europe Limited

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman of the Company explaining the background to, and reasons for, the Transaction which is set out in Part I of this document and to the Risk Factors in Part II of this document which contains a discussion of certain factors that should be considered by Shareholders when considering whether or not to make an investment in the Company.

Stifel Nicolaus Europe Limited ("Stifel"), which is authorised and regulated in the United Kingdom by the FCA, is the Company's nominated adviser, Sole Bookrunner and broker for the purposes of the AIM Rules. Stifel is acting for the Company in relation to the Transaction and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Transaction and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the contents of this document or any other matter referred to herein. Stifel's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed to the London Stock Exchange and not to any other person in respect of their decision to acquire New Shares in reliance on any part of this document.

Stifel has not authorised the contents of this document for any purpose and no liability whatsoever is accepted by Stifel nor does it make any representation or warranty, express or implied, as to the accuracy of any information or opinion contained in this document or for the omission of any information. Stifel expressly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document.

This document does not constitute an offer to sell, or the solicitation of an offer to buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful, and may not be taken, transmitted, distributed or sent, directly or indirectly, in or into any such jurisdiction. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, or under the applicable securities laws of any state or other jurisdiction of the United States or any province or territory of Canada, Japan, Australia or the Republic of South Africa. Accordingly, unless a relevant exemption from such requirements is available, the New Shares may not, subject to certain exceptions, be offered, sold, taken up, re-sold or delivered, directly or indirectly, into or within the United States, Canada, Japan, Australia, the Republic of South Africa or in any other country, territory or possession where to do so may contravene local securities laws or regulations. Shareholders who believe that they, or persons on whose behalf they hold Ordinary Shares, are eligible for an exemption from such requirements should refer to paragraph 6 of Part IV of this document to determine whether and how they may participate.

Overseas Shareholders and any person (including, without limitation, nominees, custodians and trustees) who has a contractual or other legal obligation to forward this document or an Application Form to a jurisdiction outside the UK should read paragraph 6 of Part IV of this document.

Qualifying non-CREST Shareholders will find an Application Form enclosed with this document. Applications under the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of the sale or transfer of Ordinary Shares prior to the date on which the relevant Ordinary Shares are marked "ex" the entitlement by the London Stock Exchange. Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purposes of calculating entitlements under the Open Offer. The latest time for application and payment in full under the Open Offer is 11.00 a.m. on 10 December 2020 and the procedure for application and payment is set out in Part IV of this document.

The Placing, Subscription and Open Offer are conditional, *inter alia*, on the passing of Resolutions 1 and 3 at the General Meeting. The New Shares 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 on or in respect of such Existing Ordinary Shares after the date of the relevant Admission.

Notice of the General Meeting of ReNeuron Group plc, to be held at 10.00 a.m. on 11 December 2020 at the offices of the Company at Pencoed Business Park, Pencoed, Bridgend, Wales CF35 5HY, is set out at the end of this document. A Form of Proxy is enclosed for use by Shareholders in connection with the meeting. To be valid, Forms of Proxy, completed in accordance with the instructions printed thereon, must be received by ReNeuron Group plc's registrars, Computershare Investor Services PLC at Corporate Actions Projects, Bristol, BS99 6AH, as soon as possible but in any event by no later than 10.00 a.m. on 9 December 2020.

Shareholders will not be allowed to attend the General Meeting in light of the Covid-19 situation and the Stay at Home measures that have been implemented by the UK Government. Consequently, anyone seeking to attend the General Meeting will be refused entry. The General Meeting will take place with the minimum necessary quorum of two shareholders which will be facilitated by the Company in line with the Government's social distancing advice. Shareholders are encouraged to complete and submit a Form of Proxy appointing the chairman of the General Meeting as their proxy with their voting instructions.

FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements" which includes all statements other than statements of historical fact including, without limitation those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "might", "anticipates", "would", "could", "shall", "estimate", "plans", "predicts", "continues", "assumes", "positioned", or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlements under the Open Offer	Close of business	20 November 2020
Announcement of the Proposed Placing, Subscription and Open Offer	4.30 p.m.	23 November 2020
Ex-entitlement Date of the Open Offer	7.00 a.m.	24 November 2020
Announcement of the result of the Placing, Subscription and publication and posting of the Circular (including Notice of General Meeting), Application Forms and Forms of Proxy		24 November 2020
Open Offer Entitlements and Excess Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST	As soon as possible after 8:00 a.m.	25 November 2020
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements from CREST	4:30 p.m.	4 December 2020
Latest time and date for depositing Open Offer Entitlements into CREST	3:00 p.m.	7 December 2020
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3:00 p.m.	8 December 2020
Latest time and date for receipt of Forms of Proxy and electronic appointments of proxies via CREST	10:00 a.m.	9 December 2020
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11:00 a.m.	10 December 2020
General Meeting	10:00 a.m.	11 December 2020
Announcement of the results of the General Meeting and the Open Offer		11 December 2020
First Admission and commencement of dealings in EIS/VCT Placing Shares	8:00 a.m.	14 December 2020
EIS/VCT Placing Shares in uncertificated form expected to be credited to accounts in CREST	As soon as possible after 8:00 a.m.	14 December 2020
Second Admission and commencement of dealings in General Placing Shares, Subscription Shares and Open Offer Shares	8:00 a.m.	15 December 2020
General Placing Shares, Subscription Shares and Open Offer Shares in uncertificated form expected to be credited to accounts in CREST	As soon as possible after 8:00 a.m.	15 December 2020
Despatch of definitive share certificates for the New Shares in certificated form		Within 10 business days of the relevant Admission

If any of the details contained in the timetable above should change, the revised time and dates will be notified to Shareholders by means of a Regulatory Information Service (as defined in the AIM Rules) announcement.

In this document, all references to times and dates are to time and dates in London, United Kingdom. The timetable above assumes that Resolutions 1 and 3 are passed at the General Meeting without adjournment.

In order to subscribe for Open Offer Shares under the Open Offer, Qualifying Shareholders will need to follow the procedure set out in Part IV of this document and, where relevant, complete the accompanying Application Form. If Qualifying Shareholders have any queries on the procedure for acceptance and payment, or wish to request another Application Form, they should contact Computershare Investor Services PLC on 0370 707 1272 or, if calling from outside the United Kingdom, +44 (0)370 707 1272, where relevant, quoting the allotment number of their Application Form.

If you have questions on how to complete the Form of Proxy, please contact Computershare Investor Services PLC on 0370 707 1272 or, if calling from outside the United Kingdom, +44 (0)370 707 1272. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except English and Welsh public holidays).

Calls may be recorded and monitored randomly for security and training purposes. Computershare Investor Services PLC cannot provide advice on the merits of the Transaction and cannot give any financial, legal or tax advice.

SHARE CAPITAL AND TRANSACTION STATISTICS

Issue Price for each New Share	70 pence
Number of Existing Ordinary Shares in issue as at the date of this document	31,876,324
Number of Placing Shares to be issued pursuant to the Placing	19,921,429
Number of EIS/VCT Placing Shares to be issued pursuant to the Placing	5,186,854
Number of General Placing Shares to be issued pursuant to the Placing	14,734,575
Number of Subscription Shares to be issued pursuant to the Subscription	1,507,142
Basis of Open Offer	1 New Share for every 9 Existing Ordinary Shares
Maximum number of Open Offer Shares to be issued pursuant to the Open Offer	3,541,813
Enlarged Share Capital immediately following completion of the Transaction*	56,846,708
Market capitalisation at the Issue Price*	up to £39.8 million
New Shares as a percentage of the Enlarged Share Capital*	up to 43.9 per cent.
Estimated gross proceeds of the Transaction*	up to £17.5 million
Estimated net proceeds of the Transaction*	up to £16.4 million
ISIN – Ordinary Shares	GB00BF5G6K95
ISIN – Open Offer Basic Entitlements	GB00BLD4BH94
ISIN – Open Offer Excess Entitlements	GB00BLD4BJ19

* assuming full take up of the Open Offer and no further exercise of options under the ReNeuron share option schemes.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Dr. Tim Corn, MSc FFPM FRCPsych (Non-Executive Chairman) Olav Hellebo (Chief Executive Officer) Michael Hunt, ACA (Chief Financial Officer) Professor Sir Chris Evans OBE (Non-Executive Director) Mark Evans (Non-Executive Director) Dr. Mike Owen, Ph.D (Non-Executive Director)
Company Secretary	Michael Hunt, ACA
Registered Office	Pencoed Business Park Pencoed Bridgend Wales CF35 5HY
Nominated Adviser, Sole Bookrunner and Broker to the Company	Stifel Nicolaus Europe Limited 150 Cheapside London EC2V 6ET
Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Kingsway Cardiff CF10 3PW
Legal Advisers to the Company	Covington & Burling LLP 265 Strand London WC2R 1BH
Legal Advisers to the Nominated Adviser, Sole Bookrunner and Broker	CMS Cameron McKenna Nabarro Olswang LLP Cannon Place 78 Cannon Street London EC4N 6AF
Registrars and Receiving Agent for the Open Offer	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

Act	the Companies Act 2006 (as amended)
Admission	First Admission and/or Second Admission, as the context requires
AIM	the market of that name operated by the London Stock Exchange
Advance Assurance	written confirmation from HMRC that, <i>inter alia</i> , shares in the Company will rank as “eligible shares” and will meet the requirements for relief under EIS, for the time being and in so far as the requirements relate to the Company
AIM Rules	the AIM Rules for Companies governing the admission to and operation of AIM published by the London Stock Exchange as amended from time to time
AIM Rules for Nominated Advisers	the AIM Rules for Nominated Advisers published by the London Stock Exchange as amended from time to time
Applicant	a Qualifying Shareholder or a person by virtue of a <i>bona fide</i> market claim who lodges an Application Form or relevant CREST instruction under the Open Offer
Application Form	the application form relating to the Open Offer and enclosed with this document for use by Qualifying non-CREST Shareholders
Articles	the articles of association of the Company in force at the date of this document
Basic Entitlement(s)	the <i>pro rata</i> entitlement for Qualifying Shareholders to subscribe for Open Offer Shares, pursuant to the Open Offer as described in Part IV of this document
Board or Directors	the directors of the Company, as at the date of this document, whose names are set out on page 12 of this document
business day	any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading
CCSS	the CREST Courier and Sorting Service, established by Euroclear to facilitate, <i>inter alia</i> , the deposit and withdrawal of certificated securities
certified or in certificated form	in relation to a share or other security, a share or other security that is not in uncertificated form, that is not in CREST
Circular or document	this circular, dated 24 November 2020
Closing Price	the closing middle market quotation of a share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
Company or ReNeuron	ReNeuron Group plc, a company incorporated in England and Wales with company number 5474163 whose registered office is at Pencoed Business Park, Bridgend, Wales, CF35 5HY
CREST	the relevant system (as defined in the CREST Regulations 2001) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear, in accordance with the same regulations
CREST Manual	the rules governing the operation of CREST, as published by Euroclear
CREST member	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
CREST participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)

CREST payment	shall have the meaning given in the CREST Manual issued by Euroclear
CREST Regulations	the Uncertified Securities Regulations 2001 (SI 2001 No. 3875), as amended
CREST sponsor	a CREST participant admitted to CREST as a CREST sponsor
CREST sponsored member	a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
Disclosure and Transparency Rules	the disclosure guidance and transparency rules of the FCA as amended from time to time
EEA	the European Economic Area
EIS	the Enterprise Investment Scheme as set out in Part 4 of the Income Tax Act 2007 and Schedule 5B Taxation of Chargeable Gains Act 1992, as amended from time to time
EIS Placing Shares	the 901,141 New Shares to be issued pursuant to the Placing Agreement to certain persons seeking to invest in “eligible shares”
EIS Relief	the relief available to investors under EIS
EIS/VCT Placing Shares	the EIS Placing Shares and the VCT Placing Shares
Enlarged Share Capital	the issued Ordinary Share capital of the Company immediately following the issue of the New Shares
EU	the European Union
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST
Excess Entitlement(s)	Open Offer Shares in excess of the Basic Entitlement, but not in excess of the total number of Open Offer Shares, allocated to a Qualifying Shareholder pursuant to the Open Offer as described in Part IV of this document
Excess Application Facility	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of the Basic Entitlement in accordance with the terms and conditions of the Open Offer
Excess CREST Open Offer Entitlement	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to the Basic Entitlement credited to the Qualifying CREST Shareholder’s account in CREST, pursuant to the Excess Application Facility, which is conditional on the Qualifying CREST Shareholder taking up his Basic Entitlement in full and which may be subject to scaleback in accordance with the provisions of this document
Excess Shares	the Open Offer Shares for which Qualifying Shareholders may apply under the Excess Application Facility in addition to their Basic Entitlement
Ex-entitlement Date	the date on which the Existing Ordinary Shares are marked ‘ex’ for entitlement under the Open Offer being 24 November 2020
Existing Ordinary Shares	the 31,876,324 Ordinary Shares in issue as at the date of this document being the entire issued share capital of the Company prior to the Transaction
FCA	the Financial Conduct Authority of the UK
First Admission	admission of the EIS/VCT Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
Form of Proxy	the form of proxy which accompanies this document for use in connection with the General Meeting
FSMA	the Financial Services and Markets Act 2000 (as amended)

General Meeting	the general meeting of the Company, to be held at 10.00 a.m. on 11 December 2020 at the offices of the Company at Pencoed Business Park, Pencoed, Bridgend, Wales CF35 5HY
General Placing Shares	the 14,734,575 New Shares to be issued in the Placing which are not EIS/VCT Placing Shares
Group	together the Company and its subsidiary undertakings
HMRC	Her Majesty's Revenue & Customs
ISIN	International Securities Identification Number
Issue Price	70 pence per New Share
London Stock Exchange	London Stock Exchange plc
MAR	the Market Abuse Regulation (2014/596/EU)
member account ID	the identification code or number attached to any member account in CREST
Money Laundering Regulations	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on Payer) Regulations 2017 and obligations in connection with money laundering under the Criminal Justice Act 1993 and the Proceeds of Crime Act 2002
Net Proceeds	the net cash proceeds receivable by the Company from the Placing, Subscription and Open Offer after the deduction of all fees, commissions, costs and expenses payable by the Company in relation to the Transaction
New Shares	up to 24,970,384 new Ordinary Shares to be issued pursuant to the Transaction (being the Placing Shares, the Subscription Shares and the Open Offer Shares)
Notice of General Meeting	the notice convening the General Meeting set out at the end of this document
Obotritia	Obotritia Capital KGaA
Official List	the Official List of the FCA
Open Offer	the conditional invitation to Qualifying Shareholders to apply for the Open Offer Shares at the Issue Price on the terms and conditions outlined in this document and, where relevant, in the Application Form
Open Offer Entitlements	entitlements for Qualifying Shareholders to subscribe for Open Offer Shares pursuant to the Basic Entitlement and the Excess Entitlement
Open Offer Shares	up to 3,541,813 New Shares to be issued pursuant to the Open Offer
Ordinary Shares	ordinary shares of one penny each in the capital of the Company having the rights and being subject to the restrictions contained in the Articles
Overseas Shareholders	Shareholders with registered addresses, or who are citizens or residents of, or incorporated in Restricted Jurisdictions
participant ID	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
Placees	any person who has agreed to subscribe for Placing Shares
Placing	the placing by Stifel, as agent of and on behalf of the Company, of Placing Shares at the Issue Price on the terms and subject to the conditions in the Placing Agreement
Placing Agreement	the conditional agreement dated 23 November 2020 between the Company and Stifel, a summary of which is set out in paragraph 2 of Part V of this document

Placing Shares	the 19,921,429 New Shares to be issued pursuant to the Placing, comprising the General Placing Shares and the EIS/VCT Placing Shares
Publicly Available Information	any information published by the Company using a Regulatory Information Service
Qualifying CREST Shareholders	Qualifying Shareholders holding Existing Ordinary Shares which, on the register of members of the Company on the Record Date, are in uncertificated form in CREST
Qualifying non-CREST Shareholders	Qualifying Shareholders holding Existing Ordinary Shares which, on the register of members of the Company on the Record Date, are in certificated form
Qualifying Shareholders	holders of Existing Ordinary Shares other than Overseas Shareholders, whose names appear on the register of members of the Company on the Record Date as holders of Existing Ordinary Shares and who are eligible to be offered Open Offer Shares under the Open Offer in accordance with the terms and conditions set out in this document
Receiving Agent	Computershare Investor Services PLC
Record Date	20 November 2020
Registrar	Computershare Investor Services PLC
Regulatory Information Service	a service approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the list on the website of the London Stock Exchange
Restricted Jurisdictions	the United States, Australia, Canada, Japan, the Republic of South Africa and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law
Second Admission	admission of the General Placing Shares, the Subscription Shares and the Open Offer Shares to trading on AIM becoming effective in accordance with the AIM Rules
Securities Act	the United States Securities Act of 1933, as amended
Shareholders	registered holders of Ordinary Shares
Stifel or Nominated Adviser	Stifel Nicolaus Europe Limited, the Company's Nominated Adviser, Sole Bookrunner and Broker
Subscription	the conditional subscription by the Directors for Subscription Shares at the Issue Price in accordance with the Subscription Letters
Subscription Letters	the subscription letters entered into between the Company and the Directors on 24 November 2020
Subscription Shares	the 1,507,142 New Shares to be issued pursuant to the Subscription
Transaction	together, the Placing, Subscription and Open Offer
Transaction Announcement	the announcement made by the Company after 4.30 p.m. on 23 November 2020 setting out details of the proposed Transaction
UK	the United Kingdom of Great Britain and Northern Ireland
uncertificated or in uncertificated form	a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
US or United States	the United States of America, its territories and possessions, any state of the United States and the District of Columbia

USE	unmatched stock event
VCT	a company which is, for the time being, approved as a venture capital trust as defined by Section 259 of the Income Tax Act 2007
VCT Placing Shares	the 4,285,713 new Ordinary Shares to be issued pursuant to the Placing Agreement to certain persons seeking to invest through venture capital trusts relief

A reference to £ is to pounds sterling, being the lawful currency of the UK.

A reference to \$ or US\$ is to United States dollars, being the lawful currency of the US.

A reference to € or Euro is to the lawful currency of the Euro area.

GLOSSARY

EMA	the European Medicines Agency
FDA	the U.S. Food and Drug Administration
MHRA	UK's Medicines and Healthcare Products Regulatory Agency

PART I
LETTER FROM THE CHAIRMAN
ReNeuron Group plc

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

Directors

Dr. Tim Corn (Non-Executive Chairman)
Olav Hellebo (Chief Executive Officer)
Michael Hunt, ACA (Chief Financial Officer)
Professor Sir Chris Evans OBE (Non-Executive Director)
Mark Evans (Non-Executive Director)
Dr. Mike Owen (Non-Executive Director)

Registered Office
Pencoed Business Park
Pencoed,
Bridgend,
Wales,
CF35 5HY

24 November 2020

Dear Shareholder,

**Placing, Subscription and Open Offer of up to 24,970,384 New Shares
at 70 pence per New Share**

1. Introduction

The Company has conditionally raised £13.9 million, before expenses, by way of a Placing of 19,921,429 Placing Shares at a price of 70 pence per share. In addition, the Directors have conditionally agreed to subscribe for 1,507,142 Subscription Shares at the Issue Price pursuant to the Subscription. The net proceeds of the Placing and Subscription will allow the Group, *inter alia*, to deliver extended clinical data from its ongoing retinitis pigmentosa (RP) Phase 2a study and to deliver proof-of-concept pre-clinical data from ongoing exosome collaborations which could enable potential out-licensing deals, as detailed below more fully.

In addition, in order to provide Shareholders who have not taken part in the Placing with an opportunity to participate in the proposed issue of New Shares, the Company is providing all Qualifying Shareholders with the opportunity to subscribe for an aggregate of up to 3,541,813 Open Offer Shares, to raise up to £2.5 million (before expenses), on the basis of 1 Open Offer Share for every 9 Existing Ordinary Shares held on the Record Date, at 70 pence per share. Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Shares through the Excess Application Facility.

Stifel has conditionally agreed, pursuant to the terms of the Placing Agreement, to use its reasonable endeavours to procure Places to subscribe for the Placing Shares at the Issue Price. The Placing comprises 5,186,854 EIS/VCT Placing Shares and 14,734,575 General Placing Shares. The Placing Shares are not subject to clawback and are not part of the Open Offer. The Placing and Open Offer are not underwritten.

All of the Directors are participating in the Transaction and have agreed to subscribe for 1,507,142 Subscription Shares in aggregate at the Issue Price pursuant to the Subscription Letters. The Directors have agreed not to take up any entitlements they have under the Open Offer.

Obotritia, an existing Shareholder, is also participating in the Placing and has agreed to subscribe for 1,142,857 Placing Shares in aggregate at the Issue Price.

The Placing, Subscription and the issue of the Open Offer Shares are conditional, *inter alia*, on the passing by Shareholders of Resolutions 1 and 3 at the General Meeting, which is being convened for 10.00 a.m. on 11 December 2020.

As part of the Placing, the Company is seeking to raise funds by the issue of the EIS Placing Shares to investors seeking the benefit of tax relief under the EIS and the VCT Placing Shares to investors seeking the benefit of tax relief through VCT.

Shareholders should note that although the Directors believe that the EIS Placing Shares should qualify for EIS Relief and that the issue of Ordinary Shares to a VCT should be regarded as a qualifying holding, no Advance Assurance has been received from HMRC, and consequently the availability of EIS Relief in relation to the EIS Placing Shares and whether Ordinary Shares issued to a VCT are a qualifying holding cannot be guaranteed.

Application will be made to the London Stock Exchange for the EIS/VCT Placing Shares to be admitted to trading on AIM. It is expected that First Admission will become effective and that dealings in EIS/VCT Placing Shares will commence at 8.00 a.m. on 14 December 2020 (being the business day following the General Meeting). Application will be made to the London Stock Exchange for the General Placing Shares, the Subscription Shares and the Open Offer Shares to be admitted to trading on AIM. It is expected that Second Admission will become effective and that dealings in the General Placing Shares, the Subscription Shares and the Open Offer Shares will commence at 8.00 a.m. on 15 December 2020 (being the business day following First Admission).

If the conditions relating to the issue of the Placing Shares are not satisfied, or the Placing Agreement is terminated in accordance with its terms, the Placing Shares, the Subscription Shares and the Open Offer Shares will not be issued and the Company will not receive the related funds.

Shareholders should note that it is possible that First Admission occurs but that Second Admission does not. If Second Admission does not occur then the Company will not receive the relevant net proceeds in respect of such Second Admission and the Company may not be able to finance the activities referred to in this document.

The Issue Price represents a discount of approximately 27.8 per cent. to the price of 97.0 pence per Existing Ordinary Share, being the Closing Price on 20 November 2020, the business day prior to the day of the Transaction Announcement.

The purpose of this document is to provide you with information regarding the Transaction, to explain why your Board considers the Transaction to be in the best interests of the Company and its Shareholders as a whole and why it unanimously recommends that you should 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.

Importance of the vote

Shareholders should be aware that if Resolutions 1 and 3 are not approved at the General Meeting, the Transaction will not complete and the Net Proceeds will not be received by the Company. If this were to happen, the Group would only have sufficient working capital to trade through to the end of April 2021 without taking any mitigating measures and the Directors may not be in a position to pursue further the commercial activities of the Group and in such circumstances would need to take steps to manage the Group's cash resources and protect the position of its creditors.

2. Background to and Reasons for the Transaction

Background to the Company

ReNeuron is a global leader in cell-based therapeutics, harnessing its unique stem cell technologies to develop 'off the shelf' stem cell treatments, without the need for immunosuppressive drugs. The Company's clinical-stage candidates are in development for the blindness-causing disease, retinitis pigmentosa, and, via regional partnerships, for disability as a result of stroke.

ReNeuron is also advancing its proprietary exosome technology platform as a potential delivery system for drugs that treat diseases of the brain. The Company also has the ability through its conditionally immortalised induced pluripotent stem cell (iPSC) platform to make any tissue cells of choice; in-house programmes are focused on treatments for blood cancers and diabetes.

Use of Proceeds

Pursuant to the Transaction, the Company proposes to raise a minimum of £15 million (before expenses) primarily to fund the extension of its Phase 2a clinical study of hRPC in retinitis pigmentosa, to continue to progress its exosome and iPSC programmes, and for general working capital purposes. The Company forecasts that the Net Proceeds raised from the Transaction, together with its existing resources, will extend its cash runway for at least 18 months following the date of Second Admission.

The Directors intend to use the Net Proceeds as follows:

RP Phase 2a extended clinical trial, including clinical & regulatory support	£3.4 million
RP IVT pre-clinical programme	£1.6 million
Exosome & iPSC programmes – drug delivery collaborations	£2.3 million
Manufacturing & QA/QC, including process development and technology transfer in support of RP clinical study	£4.4 million
Facilities	£1.6 million
General and administrative costs	£2.8 million
R&D tax credit, revenue from assumed crystallisation of licence milestone & working capital movements ⁽¹⁾	£(2.0) million
Total	£14.1 million

(1) Total net proceeds of £14.1 million includes assumed operational net cash inflows of £2.0 million in the period from May 2021 to the end of March 2022, based on the Company's current expectations, incorporating a R&D tax credit in respect of the 2020/21 tax year of £1.7 million, the crystallisation of a milestone from Fosun Pharma of net £0.9 million less an assumed £0.6 million working capital reduction.

Including the disclosed net operational cash inflows disclosed directly above, the Company's cash forecasts in the full period from the date of this document to the end of March 2022 include an additional net £1.0 million cash inflow, comprising a potential crystallisation of a regulatory milestone, totalling a net £0.9 million cash inflow in relation to the exclusive licence agreement signed with Shanghai Fosun Pharmaceutical Industrial Development Co., Ltd. ("**Fosun Pharma**") (the "**Fosun Licence**"), two R&D tax credits totalling £4.6 million and net negative working capital movements of £(4.5) million primarily in relation to ongoing run-off costs from legacy studies, which represent accrued expenses which will have to be paid out of the Group's existing cash balance.

3. Current Trading and Outlook

The Company has today separately announced its interim results for the six months ended 30 September 2020. Cash, cash equivalents and bank deposits at 30 September 2020 were £9.8 million (31 March 2020: £12.6 million) and ongoing operating costs have been reduced due to the Company's decision to focus its in-house activities on its retinal disease and exosome-based programmes.

During the past 20 months, the Company has continued to announce and present encouraging positive efficacy data from the ongoing US Phase 2a clinical trial of its hRPC cell therapy candidate in retinitis pigmentosa.

As previously reported, the degree of efficacy observed varies between patients. Since the last data set was announced on 29 June 2020, a further three patient data points have been observed, including two further patients at 12 months post treatment, and one further patient at 18 months post treatment. The latest mean results are set out in the table below.

Months post-treatment	Mean change from baseline in visual acuity in treated eye*	Mean change from baseline in visual acuity in untreated eye*	Difference in mean change between treated eye and untreated eye*
1	+7.9 letters (n=9)	+0.2 (n=9)	+7.7 (n=9)
2	+8.0 letters (n=9)	+1.2 (n=9)	+6.8 (n=9)
3	+10.8 letters (n=9)	+4.4 (n=9)	+6.4 (n=9)
6	+9.6 letters (n=9)	+3.4 (n=9)	+6.2 (n=9)
9	+7.1 letters (n=8)	+1.2 (n=8)	+5.9 (n=8)
12	+9.9 letters (n=7)	-2.4 (n=7)	+12.3 (n=7)

* Excluding one patient who experienced surgical complications

Two patients have so far been assessed at 18 months:

Patient One: + 17 letters in treated eye, +1 letter in untreated eye

Patient Two: +6 letters in treated eye, +22 letters in untreated eye

In addition, the Company received regulatory approvals in both the US and the UK to pursue this study in further patients at a higher dose level in those territories and expects to present further data from this extended study over the next 12 months, including six month data from the additional nine patients planned to be treated at the higher dose level. On 10 September 2020, the Company announced that patient dosing had now commenced in the US in this expanded Phase 2a clinical trial.

Additionally, the Company's exosome and iPSC cell technologies research continues to progress and the Company is targeting further collaboration agreements in the near term to complement the agreements it has already signed with major pharmaceutical/biotechnology companies regarding its exosome programme. It expects to announce initial proof of concept pre-clinical data from its exosome platform current research collaborations in H1 2021.

4. Details of the Transaction

The Company has conditionally placed 19,921,429 Placing Shares through the Placing at the Issue Price. In addition, the Directors have subscribed for the Subscription Shares at the Issue Price pursuant to the Subscription. Mark Evans has also agreed to participate in the Placing by subscribing for 285,714 Placing Shares through Partners Investment Company LLP and Albemarle Life Sciences LLP.

Alongside the Placing, the Company is making an Open Offer at the Issue Price pursuant to which it may raise up to a further £2.5 million (before expenses).

The maximum aggregate number of New Shares that may be issued pursuant to the Transaction is 24,970,384 New Shares, representing approximately 43.9 per cent. of the Enlarged Share Capital following Second Admission.

Placing

Stifel, as agent for ReNeuron, has conditionally placed the Placing Shares at the Issue Price with existing Shareholders and other institutional investors, representing gross proceeds of £13.9 million. The Placing will comprise 19,921,429 Placing Shares.

The placing of the EIS/VCT Placing Shares is conditional, *inter alia*, on the following:

- i. Resolutions 1 and 3 being passed at the General Meeting;
- ii. the Placing Agreement not being terminated prior to First Admission; and
- iii. First Admission having become effective on or before 8 a.m. on 14 December 2020 (or such later date and/or time as the Company and Stifel may agree not being later than 8.00 a.m. on 31 December 2020).

The placing of the General Placing Shares is conditional, *inter alia*, on the following:

- i. First Admission having occurred;
- ii. the Placing Agreement not being terminated prior to Second Admission; and
- iii. Second Admission having become effective on or before 8 a.m. on 15 December 2020 (or such later date and/or time as the Company and Stifel may agree not being later than 8.00 a.m. on 31 December 2020).

The Placing Shares will, when issued and fully paid, rank *pari passu* in all respects with the Ordinary Shares in issue at that time, including the right to receive all dividends and other distributions declared, made or paid after the date of the relevant Admission. The Placing Shares are not subject to clawback and are not part of the Open Offer. The Placing is not underwritten.

A summary of the Placing Agreement is set out in paragraph 2 of Part V of this document.

Details of the Subscription by the Directors

The Company has conditionally raised approximately £1.1 million (before expenses) through the issue of 1,507,142 New Shares at the Issue Price, pursuant to the Subscription.

The Subscription has not been underwritten and, pursuant to the Subscription Letters, is conditional, *inter alia*, upon:

- i. Resolutions 1 and 3 being passed at the General Meeting;
- ii. the Placing Agreement not being terminated prior to Second Admission and becoming and otherwise having become unconditional in all respects; and
- iii. Second Admission having become effective on or before 8 a.m. on 15 December 2020 (or such later date and/or time as the Company and Stifel may agree not being later than 8.00 a.m. on 31 December 2020)

All of the Directors are participating in the Transaction and have agreed to subscribe for 1,507,142 Subscription Shares in aggregate at the Issue Price. Mark Evans is also intending to participate in the Placing by subscribing for 285,714 Placing Shares through Partners Investment Company LLP and Albemarle Life Sciences LLP. The Directors have agreed not to take up any entitlements they have under the Open Offer.

Following completion of the Subscription, the Directors' interests in Ordinary Shares will be as follows:

Director	<i>On the date of this document</i>		Number of New Shares	<i>On Second Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>		<i>Number of Ordinary Shares¹</i>	<i>Percentage Enlarged Share Capital¹</i>
Dr Tim Corn	2,000	0.01	7,142	9,142	0.02%
Olav Hellebo	21,630	0.07	28,571	50,201	0.09%
Michael Hunt ACA	30,036	0.09	21,428	51,464	0.09%
Professor Sir Chris Evans OBE ²	254,605	0.80	1,428,571	1,683,176	2.96%
Dr Mike Owen	4,237	0.01	7,142	11,379	0.02%
Mark Evans ³	591,069 ⁴	1.85	299,999	891,068	1.57%
Total	903,577	2.83	1,792,853	2,696,430	4.74%

(1) Assuming full take up of all Open Offer Shares available under the Open Offer, no further exercise of options under the ReNeuron share option schemes and that the Directors (other than Mark Evans who is also participating in the Placing) only participate in the Subscription and not the Open Offer.

(2) Professor Sir Chris Evans' Subscription Shares will be subscribed for and held by Excalibur Healthcare Services Limited, which is owned by a trust, the sole beneficiary of which is Professor Sir Chris Evans OBE.

(3) Mark Evans' investment in New Shares will be through a direct investment in 14,285 Subscription Shares and an indirect subscription for 285,714 Placing Shares through Partners Investment Company LLP and Albemarle Life Sciences LLP.

(4) Of these Ordinary Shares, 46,720 are held by Mark Evans personally and 26,500 and 517,849 are held by each of Albemarle Life Sciences LLP and Partners Investment Company LLP respectively.

As a Director is a related party of the Company pursuant to the AIM Rules, the participation by the Directors in the Subscription and the Placing is a related party transaction for the purposes of AIM Rule 13. All the Directors are participating in the Subscription and, in the case of Mark Evans only, the Placing and therefore none would be considered independent in this respect. As no independent directors' recommendation in relation to the Directors' participation will be possible, in order to provide a statement as to what is fair and reasonable, Stifel in its capacity as Nominated Adviser to the Company for the purposes of the AIM Rules, considers that the Directors' participation in the Subscription and, in the case of Mark Evans only, the Placing, is fair and reasonable in so far as Shareholders of the Company are concerned.

Related Party

As Obotritia holds approximately 15.61 per cent. of the Existing Ordinary Shares, Obotritia is a related party of the Company pursuant to the AIM Rules. Consequently, Obotritia's participation in the Placing

constitutes a related party transaction for the purposes of AIM Rule 13. The Directors (other than Mark Evans who, as he is representative of Obotritia on the Board, did not participate in the Board's consideration of this matter) consider, having consulted with Stifel, the Company's nominated adviser, that the terms of Obotritia's subscription for Placing Shares in the Placing is fair and reasonable in so far as Shareholders are concerned.

	<i>On the date of this document</i>		<i>On Second Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares*</i>	<i>Percentage of Enlarged Share Capital*</i>
Obotritia Capital KGaA	4,975,757	15.61%	6,118,614	10.76%

* assuming full take up of all Open Offer Shares available under the Open Offer, no further exercise of options under the ReNeuron share option schemes and that Obotritia only participates in the Placing and not the Open Offer.

Open Offer

Subject to the fulfilment of the conditions set out below and in Part IV of this document, Qualifying Shareholders may subscribe for Open Offer Shares in proportion to their holding of Existing Ordinary Shares held on the Record Date. Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Shares as an Excess Entitlement, up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer.

The Open Offer is conditional, *inter alia*, on the following:

- i. Resolutions 1 and 3 being passed at the General Meeting;
- ii. First Admission having occurred;
- iii. the Placing Agreement not being terminated prior to Second Admission and becoming and otherwise having become unconditional in all respects; and
- iv. Second Admission becoming effective on or before 8.00 a.m. on 15 December 2020 (or such later date and/or time as the Company and Stifel may agree, being no later than 8.00 a.m. on 31 December 2020).

Basic Entitlement

On, and subject to the terms and conditions of the Open Offer, the Company invites Qualifying Shareholders to apply for their Basic Entitlement of Open Offer Shares at the Issue Price. Each Qualifying Shareholder's Basic Entitlement has been calculated on the following basis:

1 Open Offer Share for every 9 Existing Ordinary Shares held at the Record Date

Basic Entitlements will be rounded down to the nearest whole number of Ordinary Shares.

Excess Entitlement

Qualifying Shareholders are also invited to apply for additional Open Offer Shares (up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer) as an Excess Entitlement. Any Open Offer Shares not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for an Excess Entitlement at the sole discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than he or she has specified on the Application Form or through CREST.

Qualifying CREST Shareholder stock accounts will be credited as soon as possible after 8.00 a.m. on 25 November 2020 with their Basic Entitlements.

If, however, Qualifying CREST Shareholders wish to apply for more than their Basic Entitlements, the Qualifying CREST Shareholder should contact the Receiving Agent by telephone on the number stated on page 3 of this document who will arrange for the Excess Entitlements to be credited to the relevant CREST account of the Qualifying CREST Shareholder.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Ordinary Shares in issue at that time, including the right to receive all dividends and other distributions declared, made or paid after the date of Second Admission. The Open Offer is not underwritten.

Qualifying Shareholders should note that the Open Offer is not a “rights issue”. Invitations to apply under the Open Offer are not transferable unless to satisfy *bona fide* market claims. Qualifying non-CREST Shareholders should be aware that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market nor will they be placed for the benefit of Qualifying Shareholders who do not apply for Open Offer Shares under the Open Offer.

Settlement and dealings

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Second Admission will become effective and that dealings in the Open Offer Shares will commence at 8.00 a.m. on 15 December 2020 (being the business day following First Admission).

Overseas Shareholders

The Open Offer Shares have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the United Kingdom. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in, or who are resident or located in the United States or another Restricted Jurisdiction since to do so would require compliance with the relevant securities laws of that jurisdiction. The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares which appears to the Company or its agents or professional advisers to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents or professional advisers believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of share certificates for Open Offer Shares outside the UK, or in the case of a credit of Open Offer Shares in CREST, to a CREST member whose registered address would not be in the UK.

Notwithstanding the foregoing and any other provision of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder to apply for Open Offer Shares if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Part IV of this document together with the accompanying Application Form, in the case of Qualifying non-CREST Shareholders, contains the terms and conditions of the Open Offer.

If a Qualifying Shareholder does not wish to apply for Open Offer Shares he should not complete or return the Application Form or send a USE message through CREST.

Qualifying non-CREST Shareholders

If you are a Qualifying non-CREST Shareholder you will have received an Application Form, which accompanies this document and which gives details of your Basic Entitlement (as shown by the number of the Open Offer Shares allocated to you). If you wish to apply for Open Offer Shares under the Open Offer you should complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 4 of Part IV of this document and on the Application Form itself. The completed Application Form, accompanied by full payment, should be returned by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH so as to arrive as soon as possible and in any event no later than 11.00 a.m. on 10 December 2020.

Qualifying CREST Shareholders

Application will be made for the Open Offer Entitlements of Qualifying CREST Shareholders to be credited to stock accounts in CREST. It is expected that the Open Offer Entitlements will be credited to stock accounts in CREST on 25 November 2020. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. If you are a Qualifying CREST Shareholder, no Application Form is enclosed but you will receive credits to your appropriate stock account in CREST in respect of the Basic Entitlements to which you are entitled. You should refer to the procedure for application set out in paragraph 4 of Part IV of this document. The relevant CREST instruction must have settled by no later than 11.00 a.m. on 10 December 2020.

General Meeting

You will find set out at the end of this document a notice convening the General Meeting to be held at the offices of the Company at Pencoed Business Park, Pencoed, Bridgend, Wales CF35 5HY on 11 December 2020 at 10.00 a.m. where the following Resolutions will be proposed:

Resolution 1 – An ordinary resolution to authorise the Directors to allot relevant securities for the purposes of section 551 of the Act provided that such power be limited to the allotment of the New Shares in connection with the Transaction.

Resolution 2 – An ordinary resolution to authorise the Directors to:

- i. allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount which represents one third of the enlarged issued share capital of the Company immediately following Second Admission (but ignoring any Subscription Shares and Open Offer Shares); and
- ii. allot equity securities in connection with a rights issue or other pre-emptive offers in favour of (i) holders of ordinary shares in proportion to their respective holdings of ordinary shares; and (ii) to holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary up to a maximum nominal amount which represents one third of the enlarged issued share capital of the Company immediately following Second Admission (but ignoring any Subscription Shares and Open Offer Shares).

This Resolution is conditional upon Second Admission having occurred.

Resolution 3 – A special resolution to authorise the Directors to allot equity securities for cash, pursuant to the authority conferred on them by Resolution 1, and to dis-apply statutory pre-emption rights in respect of the allotment of such shares, as if section 561 of the Act did not apply to such allotment, provided that such power shall be limited to the allotment of the New Shares in connection with the Transaction. This Resolution is conditional upon the passing of Resolution 1.

Resolution 4 – A special resolution to authorise the Directors generally to allot and issue equity securities for cash pursuant to the authority conferred on them by Resolution 2, up to an aggregate nominal amount which represents 20 per cent. of the enlarged issued share capital of the Company immediately following Second Admission (but ignoring any Subscription Shares and Open Offer Shares). This Resolution is conditional upon Second Admission having occurred and the passing of Resolution 2.

The authorities and the powers described in Resolutions 1 and 3 above will (unless previously revoked or varied by the Company in general meeting) expire on the date 3 months from 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. The authorities and the powers described in Resolutions 2 and 4 above will (unless previously revoked or varied by the Company in general meeting) expire on the date 15 months from 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. The authority and the power described in Resolutions 1 and 3 above are in addition to any like authority or power previously conferred on the Directors. The authority and the power described in Resolutions 2 and 4 above are in substitution for the authority and power previously conferred on the Directors pursuant to the like resolutions (being resolutions 3 and 4) passed at the Company's annual general meeting held on 10 September 2020.

Voting Intentions

The Directors, who in aggregate hold 903,577 Existing Ordinary Shares, representing approximately 2.83 per cent. of the existing issued ordinary share capital of the Company, intend to vote in favour of the Resolutions at the General Meeting.

Risk Factors and Additional Information

The attention of Shareholders is drawn to the risk factors set out in Part II and the information contained in Parts IV and V of this document, which provide additional information on the Open Offer and the Company.

Action to be taken

In respect of the General Meeting

A Form of Proxy for use at the General Meeting is enclosed with this document. The Form of Proxy should be completed in accordance with the instructions printed thereon and returned to Computershare

Investor Services PLC at Corporate Actions Projects, Bristol, BS99 6AH as soon as possible, but in any event so as to be received by no later than 10.00 a.m. on 9 December 2020.

Shareholders will not be allowed to attend the General Meeting in light of the Covid-19 situation and the Stay at Home measures that have been implemented by the UK Government. Consequently, anyone seeking to attend the General Meeting will be refused entry. The General Meeting will take place with the minimum necessary quorum of two shareholders which will be facilitated by the Company in line with the Government's social distancing advice. Shareholders are encouraged to complete and submit a Form of Proxy appointing the chairman of the General Meeting as their proxy with their voting instructions.

In respect of the Open Offer

Qualifying non-CREST Shareholders wishing to apply for Open Offer Shares or the Excess Shares must complete the enclosed Application Form in accordance with the instructions set out in paragraph 4 of Part IV (Terms and Conditions of the Open Offer) of this document and on the accompanying Application Form and return it with the appropriate payment to Computershare Investor Services PLC at Corporate Actions Projects, Bristol, BS99 6AH, so as to arrive no later than 11.00 a.m. on 10 December 2020.

If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form. If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in paragraph 4 of Part IV (Terms and Conditions of the Open Offer) of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 4 of Part IV of this document by no later than 11.00 a.m. on 10 December 2020.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

Recommendation

Your Directors consider that the Transaction and the authorities granted by the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, your Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own shareholdings of 903,577 Ordinary Shares, representing approximately 2.83 per cent. of the Company's existing issued ordinary share capital.

Yours faithfully

Dr. Tim Corn
Chairman

PART II

RISK FACTORS

Shareholders should be aware that an investment in the Company is highly speculative and involves a high degree of risk. Before making any investment decision, prospective investors should carefully consider all the information contained in this document including, in particular, the risk factors described below, which are not presented in any order of priority and may not be exhaustive.

The following risk factors are all those known by the Directors which are considered to be material in their opinion. Additional risks and uncertainties not currently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on the Group's business, financial condition and results of operations.

An investment in the Company may not be suitable for all recipients of this document. Qualifying Shareholders are advised to consult an independent financial adviser duly authorised under FSMA who specialises in advising on the acquisition of shares and other securities before making a decision to invest.

1. General Risks

An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss that may result from the investment. A prospective investor should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. The investment opportunity offered in this document may not be suitable for all recipients of this document. Investors are therefore strongly recommended to consult an investment adviser authorised under FSMA, or such other similar body in their jurisdiction, who specialises in advising on investments of this nature before making their decision to invest.

Investment in the Company should not be regarded as short term in nature. There can be no guarantee that any appreciation in the value of the Company's investments will occur or that the commercial objectives of the Company will be achieved. Investors may not get back the full amount initially invested.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future.

2. Risks relating to the Group's Business

The Group faces significant competition from other biotechnology and pharmaceutical companies

The biotechnology and pharmaceutical industries are very competitive. The Group's competitors include major multinational pharmaceutical companies, biotechnology companies and research institutions. Many of its competitors have substantially greater financial, technical and other resources, such as larger numbers of research and development staff. The Group's competitors may succeed in developing, acquiring or licensing drug product candidates that are more effective or less costly than any product candidate which the Group is currently developing or which it may develop and may have a material adverse impact on the Group.

The Group may not be successful in its efforts to build a further pipeline of product candidates and develop marketable products

The Group is at a relatively early stage of development and may not be successful in its efforts to use and to build a pipeline of product candidates and develop approved or marketable products. Technical risk is present at each stage of the discovery and development process with challenges in both chemistry (including the ability to synthesize novel molecules) and biology (including the ability to produce candidate drugs with appropriate safety, efficacy and usability characteristics). Additionally, drug development is a highly regulated environment which itself presents technical risk through the need for study designs and data to be accepted by regulatory agencies. Furthermore, there can be no guarantee that the Group will be able to, or that it will be commercially advantageous for the Group to, develop its intellectual property through entering into licensing deals with emerging, mid-size and large pharmaceutical companies.

Clinical trials

The Company does not know whether any future clinical trials with any of its product candidates will be completed on schedule, or at all, or whether its ongoing or planned clinical trials will begin or progress on

the time schedule it anticipates. The commencement of future clinical trials could be substantially delayed or prevented by several factors, including:

- delays or failures to raise additional funding;
- results of future meetings with the MHRA, EMA, FDA and/or other regulatory bodies;
- a limited number of, and competition for, suitable patients with particular types of cancer for enrolment in its clinical trials;
- delays or failures in obtaining regulatory approval to commence a clinical trial;
- delays or failures in obtaining sufficient clinical materials;
- delays or failures in obtaining approval from independent institutional review boards to conduct a clinical trial at prospective sites; or
- delays or failures in reaching acceptable clinical trial agreement terms or clinical trial protocols with prospective sites.

The completion of the Company's clinical trials could be substantially delayed or prevented by several factors, including:

- delays or failures to raise additional funding;
- slower than expected rates of patient recruitment and enrolment (including delays arising from Covid-19);
- failure of patients to complete the clinical trial;
- delays or failures in reaching the number of events pre-specified in the trial design;
- the need to expand the clinical trial;
- delays or failures in obtaining sufficient clinical materials;
- unforeseen safety issues;
- lack of efficacy during clinical trials;
- inability or unwillingness of patients or clinical investigators to follow its clinical trial protocols; and
- inability to monitor patients adequately during or after treatment.

Additionally, the Company's clinical trials may be suspended or terminated at any time by the MHRA, other regulatory authorities, or ourselves. Any failure to complete or significant delay in completing clinical trials for the Company's product candidates could harm the Company's financial results and the commercial prospects for the Company's product candidates.

The Group's license partners may not be successful in their efforts to develop marketable products

Revenue from licensing and collaboration deals is dependent on future progression of programmes through development and into the market. Once these programmes transfer to a partner for progression, there is a risk that a licensing deal may not deliver all the indicated milestones and terms due to product failure or a partner de-prioritising a product.

The Group has incurred losses since its inception and anticipates that it may continue to incur losses for the foreseeable future

To date, the Group has no positive operating cash flow and its ultimate success will depend on the Board's ability to implement the Group's strategy, generate cash flow and access equity markets. Whilst the Board is optimistic about the Group's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved. The Group does not expect to generate any material income until its pipeline of programmes are further progressed commercially and, in the meantime, the Group will continue to expend its cash reserves. There can be no assurance that the Group's proposed operations will be profitable or produce a reasonable return, if any, on investment.

Positive results from early clinical studies of the Group's products are not necessarily predictive of the results of later clinical studies.

Positive results from early stage clinical studies may not necessarily be predictive of the results from later stage clinical studies. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in later-stage clinical trials after achieving positive results in early-stage development, and the Group cannot be certain that it will not face similar setbacks. These setbacks have been caused by, among other things, pre-clinical findings made while clinical trials were underway or safety or efficacy observations made in clinical trials, including previously unreported adverse events. Moreover, pre-clinical and clinical data is often susceptible to varying interpretations and analyses, and many companies that believed their product candidates performed satisfactorily in pre-clinical studies and clinical trials nonetheless failed to obtain regulatory approval. If the Group fails to produce positive results in future clinical trials, the development timeline and regulatory approval and commercialisation prospects for its product candidates, and, correspondingly, its business and financial prospects, would be materially adversely affected.

Technological changes could overtake the candidates being developed by the Group

The biotechnology and pharmaceutical industries are subject to rapid technological change which could affect the success of the Group's product candidates or make them obsolete. Research and discoveries by others may result in medical insights or breakthroughs which render the Group's product candidates less competitive or even obsolete before they generate revenue. The Group may be unable to successfully establish and protect their intellectual property which is significant to the Group's competitive position. The Group's success depends in part on its ability to obtain and maintain protection for its inventions and proprietary information, so that it can stop others from making, using or selling its inventions or proprietary rights. The Group owns a portfolio of patent applications and is the authorised licensee of other patents and patent applications.

In most jurisdictions, there is an 18 month statutory delay between the time of filing of a patent application and the time its contents are made public officially, and others may have filed patent applications for subject matter covered by the Group's pending patent applications without the Group being aware of those applications. Some of these may have been filed before the Group's own patent applications. Consequently, the Group's patent applications may be subject to the earlier rights of others and the Group's pending patent applications may not result in issued patents. Even if the Group obtains patents, they may not be valid or enforceable against others. Moreover, even if the Group receives patent protection for some or all of its product candidates, those patents may not give the Group an advantage over competitors with similar candidates.

To develop and maintain its competitive position, the Group also relies on unpatented trade secrets and improvements, unpatented know how and continuing technological innovation, which it protects with security measures it considers to be reasonable, including confidentiality agreements with its collaborators, consultants and employees. The Group may not have adequate remedies if these agreements are breached. The Group's competitors may also independently develop any of this proprietary information.

If the Group fails to obtain adequate access to, or protection for, the intellectual property required to prosecute its strategy, the Group's competitors may be able to take advantage of the Group's research and development efforts. The Group's success will depend, in large part, on its ability to obtain and maintain patent or other proprietary protection for its technologies in general. Legal standards relating to patents covering pharmaceutical or biotechnological inventions and the scope of claims made under these patents are continuously evolving. The policy regarding the breadth of claims allowed in biotechnology and pharmaceutical patents is subject to changes in the case law as the law evolves. The Group's patent position is therefore highly uncertain and involves complex legal and factual issues.

The Group is dependent on technology and product development

In order for the Group to be successful continued research and development of additional technologies and products will be required. There can be no assurance that any of the Group's targeted developments will be successful. The Group may encounter delays and incur additional development and production costs and expenses, over and above those expected by the Directors, in order to develop technologies and candidates suitable for partnering and licensing. If the Group's development program is curtailed due to any of the above issues, this may have a material adverse effect on the Group's business and revenues.

Product manufacturing

The ability to successfully manufacture product is vital for both the Group's ongoing clinical trials and future clinical trials but also for the commercial viability of any of the Group's products. Issues encountered in the manufacture of products or the availability of raw materials could cause delays in production which could affect the supply of product for use in the clinical trials. The Group's ability to successfully scale up production processes to viable future clinical trial or commercial levels is vital to the commercial viability of any product. Product manufacture is subject to continual regulatory control and products must be manufactured in accordance with Good Manufacturing Practice. Any changes to the approved process may require further regulatory approval. Substantial cost increases and/or delays in production could adversely impact on the Group's financial results and liquidity.

Protection of intellectual property

The Group's success and ability to compete effectively are in large part dependent upon exploitation of proprietary technologies and candidates that the Group has developed internally or has licensed, the Group's ability to protect and enforce its intellectual property rights so as to preserve its exclusive rights in respect of its technologies and candidates, and its ability to preserve the confidentiality of its knowhow. The Group relies primarily on patent laws to protect its intellectual property rights.

There can be no assurance that patents pending or future patent applications will be issued, nor that the lack of any such patents will not have a material adverse effect on the Group's ability to develop and market its proposed candidates, or that, if issued, the Group would have the resources to protect any such issued patent from infringement. Also, no assurance can be given that the Group will develop technologies or candidates which are patentable or that patents will be sufficiently broad in their scope to provide protection for the Group's intellectual property rights against third parties. Nor can there be any assurance as to the ownership, validity or scope of any patents which have been, or may in the future be, issued to the Group or that claims with respect thereto would not be asserted by other parties. Furthermore, there are some areas of technology that are important for the Group's business which cannot be patented due to the existence of prior disclosures or rights.

To date, the Group has also relied on copyright, trademark and trade secret laws, as well as confidentiality procedures, non-compete and/or work for hire invention assignment agreements and licensing arrangements with its employees, consultants, contractors, customers and vendors, to establish and protect its rights to its technology and, to the best extent possible, control the access to and distribution of its technology, software, documentation and other proprietary information. Despite these precautions, it may be possible for a third party to copy or otherwise obtain and use its technology without authorisation. Once granted, a patent can be challenged both in the patent office and in the courts by third parties. Third parties can bring material and arguments which the patent office granting the patent may not have seen. Therefore, issued patents may be found by a court of law or by the patent office to be invalid or unenforceable or in need of further restriction.

The Group may incur substantial costs as a result of disputes with a third party relating to the infringement of intellectual property

If the Group's competitors file patent applications that claim technology also claimed by the Group, the Group may have to participate in interference or opposition proceedings to determine the ownership and validity of the invention. An adverse outcome could subject the Group to significant liabilities and require the Group either to cease using a technology or to pay licence fees. The Group could incur substantial costs in any litigation or other proceedings relating to patent rights, even if it is resolved in the Group's favour. Some of the Group's competitors may be able to sustain the costs of complex litigation more effectively or for a longer time than the Group can because of their substantially greater resources. In addition, uncertainties relating to any patent, pending patent or other intellectual property litigation could have a material adverse effect on the Group's ability to market a product, enter into collaborations in respect of the affected candidates, or raise additional funds.

Policing unauthorised use of the Group's patented technologies and candidates is difficult and expensive. There can be no assurance that the steps the Group takes will prevent misappropriation of, or prevent an unauthorised third party from obtaining or using, the technologies and candidates the Group relies on. In addition, effective protection may be unavailable or limited in some jurisdictions. Any misappropriation of the Group's proprietary technology, candidates and intellectual property could have a negative impact on the Group's business and its operating results. Litigation may be necessary in the future to enforce or protect the Group's rights or to determine the validity or scope of the proprietary rights of others. Litigation could

cause the Group to incur substantial costs and divert resources and management attention away from its daily business and there can be no guarantees as to the outcome of any such litigation.

Dependence on key executives and personnel

The Group's future development and prospects depend to a significant degree on the experience, performance and continued service of its senior management team including the Directors. The Group has invested in its management team at all levels. The Directors also believe that the senior management team is appropriately structured for the Group's size and is not overly dependent upon any particular individual. The Group has entered into contractual arrangements with these individuals with the aim of securing the services of each of them. Retention of these services or the identification of suitable replacements, however, cannot be guaranteed. The loss of the services of any of the Directors or other members of the senior management team and the costs of recruiting replacements may have a material adverse effect on the Group and its commercial and financial performance and reduce the value of an investment in the Ordinary Shares.

Ability to recruit and retain skilled personnel

The ability to continue to attract and retain employees with the appropriate expertise and skills cannot be guaranteed. Finding and hiring any additional personnel and replacements could be costly and might require the Group to grant significant equity awards or other incentive compensation, which could adversely impact its financial results, and there can be no assurance that the Group will have sufficient financial resources to do so. Effective product development and innovation, upon which the Group's success is dependent, is in turn dependent upon attracting and retaining talented technical, scientific and marketing personnel, who represent a significant asset and serve as the source of the Group's technological and product innovations.

The Group may be unable to secure adequate insurance at an acceptable cost

The Group's business exposes it to potential product liability and professional indemnity and other risks which are inherent in the research, development, production and supply of its product candidates. No assurance can be made that product liability or any future necessary insurance cover will be available to the Group at an acceptable cost, if at all, or that, if there is any claim, the level of the insurance the Group carries now or in the future will be adequate or that a product liability, professional indemnity or other claim would not materially and adversely affect the Group's business. In addition, it may be necessary for the Group to secure certain levels of insurance as a condition to the conduct of clinical trials. In the event of any claim, the Group's insurance coverage may not be adequate.

The Group's counterparties may become insolvent

There is a risk that parties with whom the Group trades or has other business relationships (including partners, customers, suppliers, subcontractors and other parties) may become insolvent. This may be as a result of general economic conditions or factors specific to that company. In the event that a party with whom the Group trades becomes insolvent, this could have an adverse impact on the revenues and profitability of the Group.

The use of hazardous materials may subject the Group to additional compliance costs and/or liability in the event of a hazardous waste spill or other accident

The Group is, or may become, subject to UK, European and US environmental laws and regulations governing the use, storage, handling and disposal of hazardous materials and other waste products. Despite its precautions for handling and disposing of these materials, the Group cannot eliminate the risk of accidental contamination or injury. In the event of a hazardous waste spill or other accident, the Group could be liable for damages, penalties or other forms of censure. If the Group fails to comply with any laws or regulations, or if an accident occurs, the Group may have to pay significant penalties and may be held liable for any damages that result. This liability could exceed the Group's financial resources and could harm its reputation. The Group may also have to incur significant additional costs to comply with current or future environmental laws and regulations.

The Group's failure to comply with any government regulation applicable to its laboratory and the materials used in its laboratory may adversely affect its ability to develop, produce, market or partner any product candidates it may develop.

General legal and regulatory issues

The Group's operations are subject to laws, regulatory approvals and certain governmental directives, recommendations and guidelines relating to, *inter alia*, product health claims, occupational safety, laboratory

practice, the use and handling of hazardous materials, prevention of illness and injury and environmental protection. There can be no assurance that future legislation will not impose further government regulation, which may adversely affect the business or financial condition of the Group.

Tax risk

Any change in the Group's tax status or in taxation legislation in the UK or in other territories could affect the Group's ability to provide returns to Shareholders. Statements in this document concerning the taxation of investors in shares are based on current law and practice, which is subject to change. The taxation of an investment in the Group depends on the individual circumstances of investors.

The nature and amount of tax which members of the Group expect to pay and the reliefs expected to be available to any member of the Group are each dependent upon a number of assumptions, any one of which may change and which would, if so changed, affect the nature and amount of tax payable and reliefs available. In particular, the nature and amount of tax payable is dependent on the availability of relief under tax treaties and is subject to changes to the tax laws or practice in any of the jurisdictions affecting the Group. Any limitation in the availability of relief under these treaties, any change in the terms of any such treaty or any changes in tax law, interpretation or practice could increase the amount of tax payable by the Group.

The Company carries out research and development activities in the U.K. and seeks to benefit from the U.K. research and development tax relief schemes: either the small and medium sized enterprises R&D relief, or the SME scheme, or the Research and Development Expenditure Credit, or the RDEC. Where available, under the SME scheme, the Company may (provided the Company is loss making) be able to surrender the trading losses that arise from its qualifying research and development activities for a payable credit of up to 33.35 per cent. of the qualifying expenditure or carry forward such losses for potential offset against future profits (subject to relevant restrictions). The U.K. government is currently consulting on a proposal for credit claims in excess of £20,000, such that from 1 April, 2021 the amount of payable credit that a qualifying loss-making SME business can receive through SME R&D relief in any one year will be capped at three times the company's and certain related parties; total pay-as-you-earn and National Insurance Contributions liability for that year, unless the company actively manages its intellectual property and does not outsource more than 10 per cent. of its R&D to a related party. This proposal is currently undergoing a second round of consultation but no legislation has yet been published. Where available, under the RDEC, the Company may (provided the Company is loss making) be able to claim a taxable credit at a rate of 13 per cent. of qualifying research and development expenditure. Qualifying expenditures largely comprise employment costs for research staff who are directly and actively involved in the R&D, consumables stores directly employed by the R&D activity and certain internal overhead costs incurred as part of research projects. The majority of the Company's research and development activities are eligible for inclusion within these R&D relief claims. The Company's ability to continue to claim U.K. research and development tax relief in the future may be restricted because it may no longer qualify as a small or medium-sized company.

The Group's business is subject to operating risks

The Company's business is potentially exposed to the risks of fire, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, sabotage, labour disputes, lock-outs, potential unavailability of services of its external contractors, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly adversely impact the Group's operating results.

Requirement for further investment

The Group may require funds for expansion. There can be no guarantee that the necessary funds will be available when required or on acceptable terms. If, for whatever reason, the Group is unable to obtain additional funding, it may need to cut back its growth plans or retrench its operations. If this situation was to arise, it would be likely to have an adverse impact on the Group's business, its development, financial condition, operating results or prospects and share price. If the Group fails to generate sufficient cash through the sale of its products, it may need to raise additional capital in the future, whether from equity or debt sources, to fund expansion, development and/or the ongoing operating costs of the Group. If the Group is unable to obtain this financing on terms acceptable to it then it may be forced to curtail its planned development.

If additional funds are raised through the issue of new equity or equity-linked securities of the Company other than on a pre-emptive basis to then existing shareholders, the percentage ownership of such shareholders may be substantially diluted.

Health and safety and environmental issues (“HSE”)

The Group’s operations are, and will remain, subject to HSE requirements in the jurisdictions in which the Group conducts its business. Such HSE laws and regulations govern, among other matters, air emissions, wastewater discharges, solid and hazardous waste management and the use, composition, handling, distribution and transportation of hazardous materials. The cost of compliance with these requirements is expected to increase. Although the Directors believe that the Group’s procedures comply with applicable regulations, any failure to comply with HSE laws and regulations could result in the Group incurring costs and/or liabilities, including as a result of regulatory enforcement, personal injury, property damage and claims and litigation resulting from such events, which could adversely affect the Group’s results of operations and financial condition. Accidents or mishandling involving hazardous substances could cause severe or critical damage or injury to property and human health. Such an event could result in civil lawsuits and/or regulator enforcement proceedings, both of which could lead to significant liabilities. Any damage to persons, equipment or property or other disruption of the Group’s business could result in significant additional costs to replace, repair and insure the Group’s assets, which could negatively affect the Group’s business, prospects, operating results and financial condition. The Group cannot predict the impact of new or changed HSE laws or regulations or other concerns or changes in the ways that such laws or regulations are administered, interpreted or enforced.

To the extent that any of the requirements impose substantial costs or constrain the Group’s ability to expand or change its processes, the Group’s business, prospects, operating results and financial condition may suffer as a result.

Uninsured liabilities

The Group may be subject to substantial liability claims due to the technical nature of its business and products or for acts or omissions of its sales representatives, agents or distributors. The Group can give no assurance that the proceeds of insurance applicable to covered risks will be adequate to cover expenses relating to losses or liabilities. Accordingly, the Group may suffer material losses from uninsurable or uninsured risks or insufficient insurance coverage.

Disaster recovery

The Group depends on the performance, reliability and availability of its plant, equipment and information technology systems. Any damage to, or failure of, its equipment and/or systems could result in disruptions to the Group’s operations. The Group’s disaster recovery plans (which are currently in place for financial systems and IT systems) may not adequately address every potential event and its insurance policies may not cover any loss in full or in part (including losses resulting from business interruptions) or damage that it suffers fully or at all, which could have a material adverse effect on the Group’s business, financial position or prospects.

Internal controls

Future growth and prospects for the Company will depend on its management’s ability to manage the business of the Group and to continue to expand and improve operational, financial and management information and quality control systems on a timely basis, whilst at the same time maintaining effective cost controls. Any failure to expand and improve operational, financial and management information and quality control systems in line with the Group’s growth could have a material adverse effect on the Group’s business, financial condition and results of operations.

United Kingdom exit from the European Union

Following the United Kingdom’s exit from the European Union on 31 January 2020 (“Brexit”) and entrance into the transition period, there are still many uncertainties regarding the United Kingdom’s future relationship with the EU which could have a significant negative impact on the Group. The extent of the impact will depend in part on the nature of the arrangements if any that are put in place between the UK and the EU at the end of the transition period and, the extent to which the UK continues to apply laws that are based on EU legislation from 1 January 2021. In addition, the macroeconomic effect of Brexit on the Group’s business is unknown. As such, it is not possible to state the impact that Brexit would have on the Group. It could also potentially make it more difficult for the Group to operate its business in the EU as a

result of the increase in tariffs or taxes and/or more burdensome regulations being imposed on UK companies (such as changes in applicable legislation affecting the regulatory pathway of the Group's products, both in Europe and in the UK). This could restrict the Group's future prospects and adversely impact its financial condition.

Covid-19

The global economic outlook is facing uncertainty due to the current Covid-19 pandemic, which has been having, and will likely continue to have, a significant impact on global capital markets, commodity prices and foreign exchange.

To date, the Covid-19 pandemic has not had any material impact on the Company's operations, however, any infections occurring on the Company's premises could result in the Company's operations being suspended, which may have an adverse impact on the Company's operations as well as adverse implications on the Company's future cash flows, profitability and financial condition. Supply chain disruptions resulting from the Covid-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the Covid-19 pandemic, also adversely impact the Company's operations, financial position and prospects. The Company has implemented a Covid-19 mitigation plan in order to minimise the risk of infection for individuals and will continue to review and update its Covid-19 mitigation plan and update its plan based on the latest guidance from health professionals and the government as the situation develops.

3. Risks relating to the Transaction

Investment in AIM Securities

An investment in shares traded on AIM may be less liquid and is perceived to involve a higher degree of risk than an investment in a company whose shares are listed on the Official List. Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Group. Investors may therefore realise less than, or lose all of, their investment.

AIM Rules

The AIM Rules are less onerous than those of the Official List. Neither the FCA nor the London Stock Exchange has examined or approved the contents of this document. Shareholders and prospective investors (as appropriate) should be aware of the risks of investing in AIM quoted shares and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Dilution of ownership of Ordinary Shares

Shareholders' (who are not Placees) proportionate ownership and voting interest in the Company will be reduced pursuant to the Placing. In addition, to the extent that Shareholders do not take up the offer of Open Offer Shares under the Open Offer, their proportionate ownership and voting interest in the Company will be further reduced and the percentage that their shareholdings represent of the ordinary share capital of the Company will, following Second Admission, be reduced accordingly. Subject to certain exceptions, Shareholders with registered addresses in, or who are resident or located in, the United States and other Restricted Jurisdictions will not be able to participate in the Open Offer.

Volatility of share price

The trading price of the Ordinary Shares may be subject to wide fluctuations in response to a number of events and factors, such as variations in operating results, announcements of innovations or new services by the Group or its competitors, changes in financial estimates and recommendations by securities analysts, the share price performance of other companies that investors may deem comparable to the Group, news reports relating to trends in the Group's markets, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, currency fluctuations, legislative or regulatory changes and general economic conditions. These fluctuations may adversely affect the trading price of the Ordinary Shares, regardless of the Group's performance.

The following factors, in addition to other risks described in this document, may have a significant effect on the market price of the Ordinary Shares:

- variations in operating results;
- actual or anticipated changes in the estimates of operating results or changes in stock market analyst recommendations regarding the Ordinary Shares, other comparable companies or the industry generally;
- macro-economic conditions in the countries in which the Group may do business;
- foreign currency exchange fluctuations and the denominations in which the Group may conduct business and holds cash reserves;
- market conditions in the industry, the industries of customers and the economy as a whole;
- actual or expected changes in the Group's growth rates or competitors' growth rates;
- changes in the market valuation of similar companies;
- trading volume of the Ordinary Shares;
- sales of the Ordinary Shares by the Directors or other Shareholders; and
- adoption or modification of regulations, policies, procedures or programmes applicable to the Group's business. In addition, if the stock market in general experiences loss of investor confidence, the trading price of the Ordinary Shares could decline for reasons unrelated to the Group's business, financial condition or operating results. The trading price of the Ordinary Shares might also decline in reaction to events that affect other companies in the industry, even if such events do not directly affect the Group. Each of these factors, among others, could harm the value of the Ordinary Shares.

Future capital raisings may not be successful

If securities or industry analysts do not publish research or publish unfavourable or inaccurate research about the business, the Company's share price and trading volume of the Ordinary Shares could decline. The trading market for the Ordinary Shares will depend, in part, on the research and reports that securities or industry analysts publish about the Group or its business. The Directors may be unable to sustain coverage by well-regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of the Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for the Ordinary Shares could be negatively impacted. In the event that the Group obtains securities or industry analyst coverage, if one or more of the analysts who cover the Company downgrade the Ordinary Shares or publish inaccurate or unfavourable research about the Group's business, the share price would be likely to decline. If one or more of these analysts cease coverage of the Company or fail to publish reports regularly, demand for the Ordinary Shares could decrease, which might cause the share price and trading volume to decline.

VCT

The qualifying status for VCT purposes will be contingent upon certain conditions being met by both the Company and the relevant VCT investor throughout the relevant period (generally five years from the date of the issue of the VCT Placing Shares). Neither the Company, its directors nor the Company's advisers give any warranties, representations or undertakings that VCT qualifying status will be available or that, if initially available, such status will not be subsequently withdrawn. Should the law change, then any qualifying status previously obtained may be lost.

Circumstances may arise (which may include the sale of the Company) where the Directors believe that the interests of the Company are not best served by acting in a way that preserves VCT qualifying status. In such circumstances, the Company cannot undertake to conduct its activities in a way designed to secure or preserve any such status claimed by any Shareholder.

If the Company does not employ the proceeds of a VCT's share issue for qualifying purposes within two (2) years, the funds invested by the VCT would be apportioned *pro rata* and its qualifying holding would be equal to the VCT's funds that had been employed for qualifying trading purposes within the above time limits. Any remaining element of the VCT's investment would comprise part of its non-qualifying holdings.

The information in this document is based upon current tax law and practice and other legislation and any changes in the legislation or in the levels and bases of, and reliefs from, taxation may affect the value of an investment in the Company.

If the Company ceases to carry on the business outlined in this document or acquires or commences a business which is not insubstantial to the Company's activities and which is a non-qualifying trade for VCT purposes, this could prejudice the qualifying status of the Company (as referred to above) at any time that a

VCT is an investor in the Company. This situation will be monitored by the Directors with a view to preserving the Company's qualifying status but this cannot be guaranteed.

Any company receiving aid through any risk finance State aid investment, that would include from VCTs and under the EIS, individually or combined, that amounts to a value above the annual investment limit currently shown at section 292A(1) of the Income Tax Act 2007 (£10 million per annum for knowledge intensive companies and £5 million per annum in any other case or its lifetime limit of £20 million for knowledge intensive companies and £12 million in any other case) is at risk of the European Commission deeming the aid to be illegal, and bears the risk of sanctions imposed by the European Commission to recover that aid.

Enterprise Investment Scheme

The status of the EIS Placing Shares as qualifying for EIS purposes will be conditional on certain qualifying conditions being satisfied throughout the relevant statutory periods.

Neither the Company, the Directors nor the Company's advisers give any warranty, representation or undertaking that any investment in the Company by way of EIS Placing Shares is or will remain a qualifying investment for EIS purposes. Investors must take their own advice and rely on it. Circumstances may arise (which may include the sale of the Company) where the Directors believe that the interests of the Company are not best served by acting in a way that preserves EIS qualifying status. The Company cannot undertake to conduct its activities in a way designed to secure or preserve any such status claimed by any Shareholder.

Future payment of dividends

There can be no assurance as to the level of future dividends (if any). The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Directors and Shareholders and will depend upon, *inter alia*, the Company's earnings, financial position, cash requirements and availability of profits as well as the provisions of relevant laws and/or generally accepted accounting principles from time to time.

Valuation of shares

The Issue Price has been determined by the Company and may not relate to the Company's net asset value, net worth or any established criteria or value. There can be no guarantee that the Ordinary Shares will be able to achieve higher valuations or, if they do so, that such higher valuations can be maintained.

Market perception

Market perception of the Company may change, potentially affecting the value of investors' holdings and the ability of the Company to raise further funds by the issue of further Ordinary Shares or otherwise.

Suitability

A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances and the financial resources available to him or her. An investment in the Company involves a high degree of risk and may not be suitable for all recipients of this document. Prospective investors are advised to consult a person authorised by the FCA (or, if outside the UK, another appropriate regulatory body) before making their decision.

PART III

SOME QUESTIONS AND ANSWERS ON THE TRANSACTION

The questions and answers set out in this Part III are intended to be in general terms only and, as such, you should read Part IV of this document for full details of what action you should take. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This Part III deals with general questions relating to the Placing and the Open Offer and more specific questions relating principally to Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part IV of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlements. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.

1. What is a placing and an open offer?

A placing and an open offer are ways for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (an open offer) and providing for specifically identified investors also to acquire a certain number of shares at the same price (a placing). The fixed price is normally at a discount to the market price of the existing ordinary shares on the business day prior to the announcement of the placing and the open offer.

The Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire, in aggregate, up to 3,541,813 Open Offer Shares at a price of 70 pence per New Share. If you hold Existing Ordinary Shares on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address in, or located in, the United States or another Restricted Jurisdiction, you will be entitled to apply for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Open Offer Share for every 9 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to buy a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number.

Applications by Qualifying Shareholders will be satisfied in full up to the amount of their individual Basic Entitlements. Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlements in full, to apply for additional Open Offer Shares through the Excess Application Facility.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying non-CREST Shareholders should also note that the Application Form is not a negotiable document and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST they will have limited settlement capabilities (for the purposes of market claims only), and the Open Offer Entitlements will not be tradable or listed, and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

2. Am I eligible to participate in the Placing?

Unless you are a Placee, you will not be eligible to participate in the Placing.

3. I hold my Existing Ordinary Shares in certificated form. How do I know if I am able to apply to acquire Open Offer Shares under the Open Offer?

If you have received an Application Form and, subject to certain exceptions, are not a holder with a registered address in or resident or located in the United States or another Restricted Jurisdiction, then you should be eligible to acquire Open Offer Shares under the Open Offer, as long as you have not sold all of your Existing Ordinary Shares on or before 7.00 a.m. on 24 November 2020 (the Ex-entitlement Date for the Open Offer).

4. I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address in and are not resident or located in the United States or another Restricted Jurisdiction, you should have been sent an Application Form with this document.

That Application Form shows:

- how many Existing Ordinary Shares you held at close of business on the Record Date;
- how many Open Offer Shares are comprised in your Basic Entitlement; and
- how much you need to pay if you want to take up your right to subscribe for your Basic Entitlement to the Open Offer Shares.

If you have a registered address or are resident or located in the United States or, subject to certain exceptions, one of the Restricted Jurisdictions, you will not receive an Application Form.

If you would like to apply for any of, all of or more than the Open Offer Shares comprised in your Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque or banker's draft for the number of Open Offer Shares you want to apply for and allow at least four business days for delivery if sent by first class post from within the United Kingdom. Please also see questions 5 and 11 for further help in completing the Application Form.

5. I am a Qualifying Shareholder with a registered address in the UK and I hold my Existing Ordinary Shares in certificated form. What are my choices in relation to the Open Offer and what should I do with the Application Form?

5.1 *If you want to take up all of your Basic Entitlement?*

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is send the completed Application Form, together with your cheque or banker's draft for the amount (as indicated in Box C of your Application Form), payable to 'CIS PLC re ReNeuron Open Offer' in the reply paid envelope provided, by post, to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH to arrive by no later than 11.00 a.m. on 10 December 2020. Within the United Kingdom only, you can use the reply-paid envelope which is enclosed with the Application Form. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in Part IV of this document and in the Application Form.

5.2 *If you want to take up some but not all of your Basic Entitlement?*

If you want to take up some but not all of you Basic Entitlement, you should write the number of Open Offer Shares you want to take up in Box D of your Application Form; for example, if you are entitled to take up 1,000 shares but you only want to take up 500 shares, then you should write '500' in Box D.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example '500') by 70 pence, which is the price of each Open Offer Share (giving you an amount of £350 in this example). You should write this amount in Box G, and this should be the amount your cheque or banker's draft is made out for. You should then return your Application Form together with your cheque or banker's draft for that amount, payable to 'CIS PLC re ReNeuron Open Offer' and crossed "A/C payee only", in the reply-paid envelope provided, by post, to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, to arrive by no later than 11.00 a.m. on 10 December 2020, after which time the Application Form will not be valid. Within the

United Kingdom only, you can use the reply-paid envelope which is enclosed with the Application Form. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope.

Full instructions are set out in Part IV of this document and in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Shares that you validly take up. Your definitive share certificate for such Open Offer Shares is expected to be despatched to you by no later than 31 December 2020.

5.3 If you want to apply for more than your Basic Entitlement?

Provided that you have agreed to take up your Basic Entitlement in full, you can apply for further Excess Shares using the Excess Application Facility. You should write the number of Open Offer Shares you wish to take up in Box D which must be the number of Open Offer Shares shown in Box B. You should then write the number of Excess Shares you wish to apply for under the Excess Application Facility in Box E and then complete Box F by adding together the numbers you have entered in Boxes D and E.

To work out how much you need to pay for the Open Offer Shares you are applying for, you need to multiply the number of Open Offer Shares shown in Box F by the Issue Price, which is the price of each Open Offer Share. You should write this amount in Box G, rounding down to the nearest whole penny. You should then return your Application Form together with your cheque or banker's draft for that amount payable to 'CIS PLC re ReNeuron Open Offer' and crossed "A/C payee only", in the reply-paid envelope provided, by post, to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, to arrive by no later than 11.00 a.m. on 10 December 2020, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope.

You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in the Application Form. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. Therefore, applications under the Excess Application Facility may not be satisfied in full. In this event, Qualifying Shareholders will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allotted to, the relevant Qualifying Shareholder, multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the applicant's sole risk.

5.4 If you do not want to take up your Open Offer Entitlement

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. The Open Offer Shares you could have taken up will not be issued by the Company to you or for your benefit. You cannot sell your Application Form or your Open Offer Entitlement to anyone else.

If you are not a Placee and you do not take up any of your Open Offer Entitlement, then following the Transaction, your interest in the Company will be diluted, although you should note that even if a Qualifying Shareholder subscribes for his full entitlement to the Open Offer Shares, his proportionate interest in the Company will be diluted by the issue of New Shares pursuant to the Placing.

6. I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?

CREST members should follow the instructions set out in Part IV of this document. Persons who hold Existing Ordinary Shares through a CREST member should be informed by such CREST member of the number of Open Offer Shares they are entitled to apply for under their Open Offer Entitlement and should contact their CREST member should they not receive this information.

7. I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form?

If you do not receive an Application Form, this probably means that you are not eligible to participate in the Open Offer. Some Qualifying non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to participate in the Open Offer, namely:

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 20 November 2020 and who have converted them to certificated form;
- Qualifying non-CREST Shareholders who bought Existing Ordinary Shares before 7.00 a.m. on 24 November 2020 but were not registered as the holders of those shares at the close of business on 20 November 2020; and
- certain Overseas Shareholders.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact Computershare Investor Services PLC on 0370 707 1272 from within the UK or +44 (0)370 707 1272 if calling from outside the UK. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except English and Welsh public holidays). Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the proposals nor give any financial, legal or tax advice.

8. If I buy Existing Ordinary Shares after the Record Date will I be eligible to participate in the Open Offer?

If you buy or have bought Existing Ordinary Shares after the Record Date you are unlikely to be able to participate in the Open Offer in respect of those Existing Ordinary Shares.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

9. What if I change my mind?

If you are a Qualifying non-CREST Shareholder, once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares you have applied for, except in the very limited circumstances which are set out in paragraph 4 of Part IV of this document.

10. What if the number of Open Offer Shares to which I am entitled is not a whole number? Am I entitled to fractions of Open Offer Shares?

Your entitlement to Open Offer Shares will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Share in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number.

11. I hold my Existing Ordinary Shares in certificated form. What should I do if I want to spend more or less than the amount set out in Box C of the Application Form?

If you want to spend more than the amount set out in Box C you should divide the amount you want to spend by 70 pence (being the price in pence of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares for which you should apply. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £500 you should divide £500 by 70 pence, which comes to 714.29. You should round that down to 714 to give you the number of Open Offer Shares for which, in this example, you can apply without exceeding your chosen amount. Write the total number of Open Offer Shares (in this example 714) in Box F. To get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for (in this example 714) by 70 pence and then fill in that amount rounded down to the nearest whole penny (in this example being £499.80), in Box G and on your cheque or banker's draft accordingly.

You should note that the number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. If applications are received for more than the available number of Open Offer Shares, applications made under the Excess Application Facility will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders. Assuming that

there are no Overseas Shareholders who have registered addresses in, or are residents in or citizens of a Restricted Jurisdiction, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility. Qualifying non-CREST Shareholders whose applications under the Excess Application Facility are so scaled back will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allotted to, them multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

If you want to spend less than the amount set out in Box C, you should divide the amount you want to spend by 70 pence (being the price, in pence, of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares you should apply for. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £100 you should divide £100 by 70 pence. You should round that down to the nearest whole number (in this example, 142), to give you the number of shares you want to take up. Write that number (in this example, 142) in Box D. Then to get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for (in this example, 142) by 70 pence and then fill in that amount rounded down to the nearest whole penny (in this example being £99.40) in Box G and on your cheque or banker's draft accordingly.

12. I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Shares?

If you hold Existing Ordinary Shares directly and you sold some or all of your Existing Ordinary Shares before close of business on 23 November 2020, you should contact the buyer or the person/company through whom you sold your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer. If you sold any of your Existing Ordinary Shares on or after 7.00 a.m. on 24 November 2020, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

13. I hold my Existing Ordinary Shares in certificated form. How do I pay?

You should return your Application Form with a cheque or banker's draft drawn in pounds sterling on a bank or building society account in the UK in the reply-paid envelope enclosed (from within the United Kingdom). You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. Cheques should be drawn on a sole or joint personal account of the Qualifying Shareholder who is applying for the Open Offer Shares. The funds should be made payable to 'CIS PLC re ReNeuron Open Offer'. In each case, the cheque should be crossed "A/C Payee only". Payments via CHAPS, BACS or electronic transfer will not be accepted. Third party cheques may not be accepted with the exception of banker's drafts or building society cheques where the bank or building society has confirmed the name of the account holder (which must be the same name as appears on page 1 of the Application Form) on the back of the draft or cheque and have added their branch stamp.

14. Will the Existing Ordinary Shares that I hold now be affected by the Open Offer?

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your Open Offer Entitlement, your proportionate ownership and voting interest in the Company will be reduced (in addition to the reduction caused by the Placing).

15. I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form?

You should send your completed Application Form and monies by post in the enclosed reply paid envelope (from within the United Kingdom) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH. You should allow at least four business days for delivery if using first class post or the reply-paid envelope within the United Kingdom. If you do not want to take up or apply for Open Offer Shares then you need take no further action.

16. I hold my Existing Ordinary Shares in certificated form. When do I have to decide if I want to apply for Open Offer Shares?

The Receiving Agent must receive your completed Application Form and cheque or banker's draft by 11.00 a.m. on 10 December 2020. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the United Kingdom.

17. I hold my Existing Ordinary Shares in certificated form. If I take up my entitlements, when will I receive the certificate representing my Open Offer Shares?

It is expected that the Registrars will post all Open Offer Share certificates by 31 December 2020.

18. What should I do if I think my holding of Existing Ordinary Shares (as shown in Box A on page 1 of the Application Form) is incorrect?

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought Existing Ordinary Shares before 7.00 a.m. on 24 November 2020 but were not registered as the holder of those shares on the Record Date for the Open Offer (close of business on 20 November 2020), you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 7.00 a.m. on 24 November 2020.

19. Will the Transaction affect dividends (if any) on the Existing Ordinary Shares?

The New Shares will, when issued and fully paid, rank equally in all respects with Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.

20. Will I be taxed if I take up my entitlements?

Information on taxation in the United Kingdom with regard to the Open Offer is set out in paragraph 5 of Part V of this document. This information is intended to be only a general guide to certain UK tax considerations and Shareholders who are in any doubt as to their tax position or who may be subject to tax in any other jurisdiction are strongly recommended to consult their own professional advisers.

21. What should I do if I live outside the United Kingdom?

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Shareholders with registered addresses or who are resident or located in the United States or another Restricted Jurisdiction are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 6 of Part IV of this document.

22. How do I transfer my entitlements into the CREST system?

If you are a Qualifying non-CREST Shareholder, but are a CREST member and want your Open Offer Shares to be in uncertificated form, you should complete the CREST deposit form (Box O on page 4 of the Application Form), and ensure they are delivered to CCSS in accordance with the instructions in the Application Form. CREST sponsored members should arrange for their CREST sponsors to do this. If you have transferred your rights into the CREST system, you should refer to paragraph 4.2 of Part IV of this document for details on how to apply and pay for the Open Offer Shares.

23. Do I need to comply with the Money Laundering Regulations (as set out in paragraph 5 of Part IV of this document)?

If you are a Qualifying non-CREST Shareholder, you may not need to follow these procedures if you pay for them by a cheque drawn on an account in your own name and that account is one which is held with an EU or United Kingdom regulated bank or building society. If you are a Qualifying CREST Shareholder, you will not generally need to comply with the Money Laundering Regulations unless you apply to take up all or some of your entitlement to Open Offer Entitlements as agent for one or more persons and you are not an EU or United Kingdom regulated financial institution. Qualifying non-CREST Shareholders and Qualifying CREST Shareholders should refer to paragraph 5 of Part IV of this document for a fuller description of the requirements of the Money Laundering Regulations.

PART IV

TERMS AND CONDITIONS OF THE OPEN OFFER

1. Introduction

As explained in Part I of this document, the Company is proposing to issue 19,921,429 Placing Shares pursuant to the Placing, 1,507,142 Subscription Shares pursuant to the Subscription and up to a further 3,541,813 Open Offer Shares pursuant to the Open Offer.

Qualifying Shareholders are being offered the opportunity under the Open Offer to acquire Open Offer Shares at 70 pence per share, being the same price per share as in the Placing. The Placing Shares are not subject to clawback and do not form part of the Open Offer. The Open Offer has not been underwritten.

The Issue Price of 70 pence represents a discount of approximately 27.8 per cent. to the price of 97.0 pence per Existing Ordinary Share, being the Closing Price on 20 November 2020, the business day prior to the day of the Transaction Announcement. This document and, where relevant, the Application Form contain the formal terms and conditions of the Open Offer.

2. The Open Offer

Subject to the terms and conditions set out below and in the Application Form, the Company invites Qualifying Shareholders to apply for Open Offer Shares at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

1 Open Offer Share for every 9 Existing Ordinary Shares

held by them and registered in their names at close of business on 20 November 2020, the Record Date, and so in proportion to any other number of Existing Ordinary Shares then held.

A Qualifying Shareholder who holds Existing Ordinary Shares in certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating entitlements under the Open Offer.

Fractions of Open Offer Shares will not be allotted to Qualifying Shareholders and entitlements to apply for Open Offer Shares will be rounded down to the nearest whole number of Open Offer Shares.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their Basic Entitlement, which, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown in Box B on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements credited to their stock account in CREST. The action to be taken in relation to the Open Offer depends on whether you have received an Application Form in respect of your Open Offer Entitlement under the Open Offer or have your Open Offer Entitlement credited to your stock account in CREST.

Qualifying Shareholders are also invited to apply for additional Open Offer Shares as an Excess Entitlement, up to the total number of Open Offer Shares available under the Open Offer. Any Open Offer Shares not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for Excess Entitlements at the sole discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than he or she has specified on the Application Form or through CREST.

If you have received an Application Form with this document please refer to paragraph 4.1 of this Part IV.

If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements to your CREST stock account, please refer to paragraph 4.2 of this Part IV and also to the CREST Manual for further information on the CREST procedures referred to below.

The Open Offer is not a rights issue. Qualifying CREST Shareholders should note that although the Open Offer Entitlements (in respect of Qualifying CREST Shareholders) may be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

The Existing Ordinary Shares are admitted to AIM. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that admission of the Open Offer Shares will become effective on 15 December 2020 and that dealings in the Open Offer Shares will commence at 8.00 a.m. on that date.

The Existing Ordinary Shares are already enabled for settlement in CREST. No further application for admission to CREST is required for the Open Offer Shares; all such shares, when issued and fully paid, may be held and transferred by means of CREST as Ordinary Shares.

Application will be made for the Open Offer CREST Entitlements to be enabled for settlement in CREST. The conditions to such admission having already been met, the Open Offer Entitlements are expected to be admitted to CREST with effect from 25 November 2020. The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, the Existing Ordinary Shares and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued. Further details of the rights attaching to the Existing Ordinary Shares are set out in the Articles which are available on the Company's website (www.reneuron.com).

3. Conditions of the Open Offer

The Open Offer is conditional upon the Placing Agreement becoming unconditional in all respects. The Placing Agreement is conditional, *inter alia*, on:

- the passing of Resolutions 1 and 3 at the General Meeting;
- the Placing Agreement not being terminated prior to Second Admission and becoming and otherwise having become unconditional in all respects;
- First Admission having occurred; and
- Second Admission becoming effective on or before 8.00 a.m. on 15 December 2020 (or such later date and/or time as the Company and Stifel may agree, being no later than 8.00 a.m. on 31 December 2020).

If these and the other conditions to the Open Offer are not satisfied or waived (where capable of waiver), the Open Offer will lapse and will not proceed and any applications made by Qualifying Shareholders will be rejected. In these circumstances, application monies received by the Receiving Agent in respect of Open Offer Shares will be returned (at the applicant's sole risk), without payment of interest, as soon as reasonably practicable thereafter. Lapsing of the Open Offer cannot occur after dealings in the Open Offer Shares have begun.

No temporary documents of title will be issued in respect of Open Offer Shares.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

4. Procedure for application and payment

If you are in any doubt as to the action you should take, or the contents of this document, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other independent adviser duly authorised under FSMA who specialises in advising on the acquisition of shares and other securities.

The action to be taken by Qualifying Shareholders in respect of the Open Offer depends on whether at the relevant time they have an Application Form in respect of their entitlement under the Open Offer or they have Open Offer Entitlements credited to their CREST stock account in respect of such entitlement.

If a Qualifying CREST Shareholder is a CREST sponsored member they should refer to their CREST sponsor if they wish to apply for all or some of their entitlement under the Open Offer, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

If you do not wish to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, you should take no action and not complete or return the Application Form.

4.1 If you have an Application Form in respect of your Open Offer Entitlement

4.1.1 General

Subject as provided in paragraph 6 of this Part IV in relation to Overseas Shareholders, Qualifying non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date. It also shows the number of Open Offer Shares for which you may apply pursuant to your Basic Entitlement (on an initial *pro rata* basis) as shown by the total number of Open Offer Shares allocated to you. You may apply for less than your initial *pro rata* entitlement should you wish to do so. You may also apply for additional Open Offer Shares by completing Boxes E and F on the Application Form relating to your Excess Entitlement.

Qualifying non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim. If the total number of Open Offer Shares applied for by all Qualifying Shareholders exceeds 3,541,813, applications for Open Offer Shares will be scaled back at the discretion of the Directors. The instructions and other terms set out in the Application Form are part of the terms of the Open Offer in relation to Qualifying non-CREST Shareholders.

4.1.2 Market claims

Applications for the Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer by the London Stock Exchange, being 24 November 2020. Application Forms may be split up to 3.00 p.m. on 8 December 2020.

The Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Shareholder who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to 7.00 a.m. on 24 November 2020, being the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer by the London Stock Exchange, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the transferee pursuant to the rules of the London Stock Exchange. Qualifying non-CREST Shareholders who have sold all of their registered holdings should, if the market claim is to be settled outside CREST, complete Box J on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into the United States, Australia, Canada, Japan, the Republic of South Africa or any other Restricted Jurisdiction. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 4.2 below.

4.1.3 Application procedures

If you are a Qualifying non-CREST Shareholder and wish to apply for all or some of your entitlement to Open Offer Shares under the Open Offer you should complete and sign the Application Form in accordance with the instructions on it and send it, together with the appropriate remittance, by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, so as to arrive no later than 11.00 a.m. on 10 December 2020. A reply-paid envelope is enclosed for use by Qualifying non-CREST Shareholders in connection with the Open Offer. Please note that the Receiving Agent cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement to Open Offer Shares under the Open Offer.

If any Application Form is sent by first class post or using the reply-paid envelope within the United Kingdom, Qualifying non-CREST Shareholders are recommended to allow at least four business days for delivery. The Receiving Agent (having consulted with Stifel), on the Company’s behalf, may elect to accept Application Forms and remittances after 11.00 a.m. on 10 December 2020 in respect of those bearing a post mark of before that date and time. The Receiving Agent (having consulted with Stifel) may also (on behalf of the Company) elect to treat an Application Form as valid and

binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.

The Receiving Agent, on behalf of the Company, also reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11.00 a.m. on 10 December 2020 from an authorised person (as defined in FSMA) specifying the number of Open Offer Shares applied for, and undertaking to lodge the relevant Application Form in due course but, in any event, within two business days.

4.1.4 *Payments*

All payments must be in pounds sterling and cheques or banker's drafts should be made payable to 'CIS PLC re ReNeuron Open Offer' and crossed "A/C payee only". Cheques or banker's drafts must be drawn on an account at a branch of a bank or building society in the British Isles which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right hand corner. Eurocheques will not be accepted. Cheques should be drawn on the personal account to which you have sole or joint title to funds. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the bank or building society has confirmed the name of the account holder (which should match the name detailed on page 1 of the Application Form) and have added the branch stamp.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company and/or the Receiving Agent (on the Company's behalf) may elect in their absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured. Application monies will be paid into a separate bank account pending the Open Offer becoming unconditional. In the event that the Open Offer does not become unconditional the Open Offer will lapse and application monies will be returned to relevant applicants (at the applicants' risk) without interest either by first class post as a cheque to the address set out on the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn as soon as practicable. The interest earned on monies held in the separate bank account will be retained for the benefit of the Company. None of the Receiving Agent, Stifel or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying non-CREST Shareholders.

4.1.5 *Effect of application*

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form, you (as the applicant(s)):

- request that the Open Offer Shares to which you will become entitled be issued to you on the terms set out in this document and subject to the Articles;
- agree with the Company and Stifel that all applications, and contracts resulting therefrom, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- confirm to the Company and Stifel that in making such application you are not relying on any information or representation in relation to the Company other than that contained in this document and agree that no person responsible solely or jointly for this document or any part of it or involved in the preparation of it shall have any liability for any such other information and further agree that having had the opportunity to read this document, you will be deemed to have had notice of all the information concerning the Company contained therein; and

- represent and warrant to the Company and Stifel that you are the Qualifying non-CREST Shareholder originally entitled to the Open Offer Entitlement or that if you have received some or all of your Open Offer Entitlements from a person other than the Company, you are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- represent and warrant to the Company and Stifel that you have the right, power and authority, and have taken all action necessary, to meet your obligations under any contracts resulting therefrom and that you are not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- represent and warrant to the Company and Stifel that you are not, nor are you applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws of the United States of America, any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and you are not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States of America, any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company (having consulted with Stifel) has been provided to the Company that you, or the person you are applying on behalf of, is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion and having consulted with Stifel) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- represent and warrant to the Company and Stifel that you are not and nor are you applying as nominee or agent for a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (Depository Receipts) or Section 96 (Clearance Services) of the Finance Act 1986; and
- confirm that in making the application you are not relying and have not relied on the Company or Stifel or any person affiliated with the Company or Stifel in connection with any investigation of the accuracy of any information contained in this document or your investment decision.

If you are in doubt whether or not you should apply for any of the Open Offer Shares under the Open Offer, you should consult your independent financial adviser immediately. All enquiries in relation to completion of the Application Form by Qualifying non-CREST Shareholders under the Open Offer should be addressed to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, telephone 0370 707 1272 or, if telephoning from outside the UK, on +44 (0)370 707 1272. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except English and Welsh public holidays). Calls may be recorded and monitored randomly for security and training purposes. The helpline cannot provide advice on the merits of the proposals nor give any financial, legal or tax advice.

4.2 *If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer*

4.2.1 *General*

Subject as provided in paragraph 6 of this Part IV in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive credits to his stock account in CREST of his Open Offer Entitlements equal to the number of Open Offer Shares for which he is entitled to apply under the Open Offer. Entitlements to Open Offer Shares will be rounded down to the nearest whole number and any fractional entitlements will therefore also be rounded down. Qualifying CREST Shareholders may also apply for Open Offer Shares in excess of their Open Offer Entitlement under the Excess Application Facility.

The CREST stock account to be credited will be the account under the participant ID and member account ID which holds the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements cannot be enabled for settlement in CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 25 November 2020 or such later time as the Company (with Stifel's consent) may decide, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited (or due to be credited) to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive an Application Form.

CREST members who wish to apply for some or all of their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Computershare Investor Services PLC on 0370 707 1272 (if calling from within the UK) or +44 (0)370 702 1272 (if calling from outside the UK). Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except English and Welsh public holidays). Calls may be recorded and monitored randomly for security and training purposes. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

4.2.2 *Market claims*

Each of the Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction.

Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

4.2.3 *USE instructions*

CREST members who wish to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event ("USE") instruction to Euroclear which, on its settlement, will have the following effect:

- i. the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- ii. the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above.

4.2.4 *Content of USE instructions in respect of the Basic Entitlement*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- i. the number of Open Offer Shares for which application is being made (and hence the number of the Basic Entitlement(s) being delivered to the Receiving Agent);
- ii. the ISIN of the Basic Entitlement. This is GB00BLD4BH94;
- iii. the participant ID of the accepting CREST member;
- iv. the member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;
- v. the participant ID of the Receiving Agent. This is 8RA19;

- vi. the member account ID of the Receiving Agent. This is RENEUR01;
- vii. the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- viii. the intended settlement date. This must be on or before 11.00 a.m. on 10 December 2020; and
- ix. the corporate action number for the Open Offer. This will be available on viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 10 December 2020.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the contact name and telephone number (in the free format shared note field); and a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 10 December 2020 in order to be valid is 11.00 a.m. on that day.

4.2.5 *Content of USE instruction in respect of Excess Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- i. the number of Excess Entitlements for which application is being made;
- ii. the ISIN of the Excess Entitlements. This is GB00BLD4BJ19;
- iii. the CREST participant ID of the accepting CREST member;
- iv. the CREST member account ID of the accepting CREST member from which the Excess Entitlements are to be debited;
- v. the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 8RA19;
- vi. the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is RENEUR01;
- vii. the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Excess Entitlements referred to in (i) above;
- viii. the intended settlement date. This must be on or before 11.00 a.m. on 10 December 2020; and
- ix. the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 10 December 2020.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the contact name and telephone number (in the free format shared note field); and a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 10 December 2020 in order to be valid is 11.00 a.m. on that day.

4.2.6 *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying non-CREST Shareholder's entitlement under the Open Offer as set out in an Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Qualifying Non-CREST Shareholder is also a CREST

member. Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 10 December 2020.

In particular, having regard to normal processing times in CREST and, on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CCSS, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 7 December 2020, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 4 December 2020, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11.00 a.m. on 10 December 2020.

4.2.7 *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 10 December 2020 will constitute a valid application under the Open Offer.

4.2.8 *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 10 December 2020. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

4.2.9 *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- i. to reject the application in full and refund the payment to the CREST member in question;
- ii. in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question;
- iii. in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction(s) refunding any unutilised sum to the CREST member in question.

4.2.10 *Effect of a valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, satisfy the obligation of the CREST member to pay to the Company the amount payable on application);

- request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Articles;
- agree with the Company and Stifel that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- represent and warrant to the Company and Stifel that he or she is not and nor is he or she applying as nominee or agent for a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (Depository Receipts) or Section 96 (Clearance Services) of the Finance Act 1986;
- confirm to the Company and Stifel that in making such application he or she is not relying on any information in relation to the Company other than that contained in this document and agrees that no person responsible solely or jointly for this document or any part of it or involved in the preparation thereof shall have any liability for any such other information and further agree that having had the opportunity to read this document, he will be deemed to have had notice of all the information concerning the Company contained therein;
- represent and warrant to the Company and Stifel that he or she is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a *bona fide* market claim;
- represent and warrant to the Company and Stifel that he or she has the right, power and authority, and has taken all action necessary, to meet his or her obligations under any contracts resulting therefrom and that he or she is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis; and
- represent and warrant to the Company and Stifel that he or she is not, nor is he or she applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws of the United States of America, any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he or she is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States of America, any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company (having consulted with Stifel) has been provided to the Company that he or she, or the person he or she is applying on behalf of, is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion and having consulted with Stifel) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer.

4.2.11 *The Company's discretion as to rejection and validity of applications. The Company (having consulted with Stifel) may in their discretion:*

- treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part IV;
- accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent have received actual notice from Euroclear of any of the matters specified in regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

- accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

4.2.12 *Lapse of the Open Offer*

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 15 December 2020 or such later time and date as the Company and Stifel may agree, being not later than 31 December 2020, the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter. The interest earned on such monies, if any, will be retained for the benefit of the Company. None of the Receiving Agent, Stifel or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such CREST Qualifying Shareholders.

5. **Money Laundering Regulations**

5.1 ***Holders of Application Forms***

It is a term of the Open Offer that, to ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the “verification of identity requirements”). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent, and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent’s stamp should be inserted on the Application Form.

The person lodging the Application Form with payment, and in accordance with the other terms as described above (the “acceptor”), including any person who appears to the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of the Open Offer Shares as referred to in the Application Form (for the purposes of this paragraph 5.1 (the “relevant shares”)) shall thereby be deemed to agree to provide the Receiving Agent and/or the Company with such information and other evidence as they or either of them may require to satisfy the verification of identity requirements.

If the Receiving Agent determines that the verification of identity requirements apply to any applicant or application, and the verification of identity requirements have not been satisfied (which the Receiving Agent shall in its absolute discretion determine), the Company may, in its absolute discretion, and without prejudice to any other rights of the Company, treat the application as invalid or may confirm the allotment of the relevant shares to the applicant but (notwithstanding any other term of the Open Offer) the relevant shares will not be issued to the applicant unless and until the verification of identity requirements have been satisfied in respect of that application (which the Receiving Agent shall in its absolute discretion determine).

If the application is treated as invalid and the verification of identity requirements are not satisfied within such period, being not less than seven days after a request for evidence of identity is despatched to the applicant, the Company will be entitled to make arrangements (in its absolute discretion as to manner, timing and terms) to sell the relevant shares (and for that purpose the Company will be expressly authorised to act as agent of the applicant). Any proceeds of sale (net of expenses) of the relevant shares which shall be issued to and registered in the name of the purchasers or an amount equivalent to the original payment, whichever is the lower, will be held by the Company on trust for the applicant, subject to the requirements of the Money Laundering Regulations being satisfied. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied. Neither the Company nor the Receiving Agent will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a

result of the exercise of any such discretion or as a result of any sale of relevant shares. Submission of an Application Form with the appropriate remittance will constitute a warranty from the applicant that the Money Laundering Regulations will not be breached by application of such remittance. If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in your application being treated as invalid or in delays in the despatch of share certificates or in crediting CREST stock accounts.

The verification of identity requirements will not usually apply:

- i. if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on the prevention of the use of the financial system for the purpose of money laundering (no. 91/308/EEC));
- ii. if the applicant is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- iii. if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the name of such applicant.

Third party cheques may not be accepted with the exception of banker's drafts or building society cheques where the bank or building society has inserted details of the name of the account holder (which must be the same name as appears on page 1 of the Application Form) on the draft or cheque and have added either their branch stamp or have provided a supporting letter confirming the source of funds.

In other cases the verification of identity requirements may apply. The following guidance is provided in order to assist in satisfying the verification of identity requirements and to reduce the likelihood of difficulties or delays and potential rejection of an application (but does not limit the right of the Receiving Agent to require verification of identity as stated above). Satisfaction of the verification of identity requirements may be facilitated in the following ways:

- A. if payment is made by building society cheque (not being a cheque drawn on an account of the applicant) or banker's draft, by the building society or bank inserting details of the name of the account holder (which must be the same name as appears on page 1 of the Application Form) on the cheque or draft and adding either their branch stamp or providing a supporting letter confirming the source of funds; or
- B. if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (i) above or which is subject to anti-money laundering regulation in a country which is a member of the financial action task force (the non- European Union members of which are Argentina, Australia, Brazil, Canada, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, the Russian Federation, Singapore, South Africa, Switzerland, Turkey, the United States of America and, by virtue of their membership of the gulf co-operation council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide written confirmation that it has that status with the Application Form and written assurance that it has obtained and recorded evidence of the identity of the persons for whom it acts and that it will on demand make such evidence available to the Receiving Agent or the relevant authority. In order to confirm the acceptability of any written assurance referred to in this paragraph B or any other case, the applicant should contact the Receiving Agent;
- C. if (an) Application Form(s) is/are in respect of relevant shares is/are lodged by hand by the applicant in person, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and evidence of his address.

5.2 *Open Offer Entitlements in CREST*

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the

application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

6. Overseas Shareholders

6.1 General

The making of the Open Offer to Overseas Shareholders may be affected by the laws or regulatory requirements of the relevant jurisdiction. Overseas Shareholders who are in any doubt in this respect should consult their professional advisers. No person receiving a copy of this document and/or an Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form or credit of Open Offer Entitlements to a stock account in CREST, unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form or credit of Open Offer Entitlements to a stock account in CREST could lawfully be used without contravention of any legislation or other local regulatory requirements. Receipt of this document and/or an Application Form or the crediting of Open Offer Entitlements to a stock account in CREST does not constitute an invitation or offer to Overseas Shareholders in the territories in which it would be unlawful to make an invitation or offer and in such circumstances this document and/or any Application Forms are sent for information only.

It is the responsibility of any person receiving a copy of this document and/or an Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST outside the United Kingdom and wishing to make an application for any Open Offer Shares to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such other territory. Persons (including, without limitation, nominees and trustees) receiving an Application Form and/or receiving credits of Open Offer Entitlements to a stock account in CREST should not, in connection with the Open Offer, distribute or send the Application Form or transfer the Open Offer Entitlements into any jurisdiction when to do so would or might contravene local securities laws or regulations, including the United States and the other Restricted Jurisdictions.

If an Application Form or a credit of Open Offer Entitlements to a stock account in CREST is received by any person in any such jurisdiction or by the agent or nominee of such person, he or she must not seek to take up the Open Offer Shares except pursuant to an express agreement with the Company. Any person who does forward an Application Form or transfer the Open Offer Entitlements into any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this paragraph 6. The Company, Stifel and the Receiving Agent reserve the right to reject an Application Form or transfer of Open Offer Entitlements from or in favour of Shareholders in any such jurisdiction or persons who are acquiring Open Offer Shares for resale in any such jurisdiction.

The Company, Stifel and the Receiving Agent reserve the right in their absolute discretion to treat as invalid any application for Open Offer Shares under the Open Offer if it appears to the Company, Stifel and the Receiving Agent and their agents that such application or acceptance thereof may involve a breach of the laws or regulations of any jurisdiction or if in respect of such application the Company, Stifel and the Receiving Agent have not been given the relevant warranty concerning overseas jurisdictions set out in the Application Form or in this document, as appropriate. All payments under the Open Offer must be made in pounds sterling.

None of the Company, Stifel, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Notwithstanding any other provision of this document or the relevant Application Form, the Company and Stifel reserve the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion (having consulted with Stifel), is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

6.2 *United States*

The Open Offer Shares and the Open Offer Entitlements have not been and will not be registered under the Securities Act or under any relevant securities laws of any state or other jurisdiction of the United States and, accordingly, subject to certain exceptions, may not be offered, sold, taken up, delivered or transferred in or into the United States. Subject to certain exceptions, Qualifying Shareholders with registered addresses in, or who are resident or located in, the United States, may not participate in the Open Offer. Neither this document nor the Application Form constitutes or will constitute or form any part of an offer or an invitation to apply for or an offer or an invitation to acquire any Open Offer Entitlements or Open Offer Shares in the United States. An Application Form will not be sent to any Shareholder located in or having a registered address in the United States. Unless otherwise agreed by the Company in its sole discretion, Application Forms sent from or post-marked in the United States will be deemed to be invalid and all persons acquiring Open Offer Shares and wishing to hold such Open Offer Shares in registered form must provide an address for registration outside the United States. No Open Offer Entitlements will be credited to a stock account in CREST of any Qualifying Shareholder with a registered address in the United States. Unless otherwise agreed by the Company at its discretion, any person completing an Application Form or applying for Open Offer Shares will be required to represent that such person (i) is not resident or located in the United States or any other Restricted Jurisdiction; (ii) is not in any jurisdiction in which it is unlawful to make or accept an offer to acquire the Open Offer Shares; (iii) is not exercising for the account of any person who is located in the United States, unless (a) the instruction to exercise was received from a person outside the United States and (b) the person giving such instruction has confirmed that (x) it has the authority to give such instruction, and (y) either (A) it has investment discretion over such account or (B) it is an investment manager or investment company that it is acquiring the Open Offer Shares in an “offshore transaction” within the meaning of Regulation S (as promulgated under the Securities Act); and (iv) is not acquiring the Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into or within the United States or any of the other Restricted Jurisdictions.

6.3 *Restricted Jurisdictions*

Due to restrictions under the securities laws of the Restricted Jurisdictions, and subject to certain exceptions, persons who have registered addresses in, or who are located, resident or ordinarily resident in, or citizens of, any Restricted Jurisdictions will not qualify to participate in the Open Offer and will not be sent an Application Form, nor will their stock accounts in CREST be credited with Open Offer Entitlements. The Open Offer Shares have not been, and will not be, registered under the relevant laws of any Restricted Jurisdictions or any state, province or territory of them and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdictions or to, or for the account or benefit of, any person with a registered address in, or who is located, resident or ordinarily resident in, or a citizen of, any Restricted Jurisdictions except pursuant to an applicable exemption. Subject to certain exceptions, no offer of Open Offer Shares is being made by virtue of this document and/or the Application Form into any Restricted Jurisdictions.

6.4 *Jurisdictions other than the Restricted Jurisdictions*

Application Forms will be sent to Qualifying non-CREST Shareholders and Open Offer Entitlement(s) will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United States or any other Restricted Jurisdiction may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and, if relevant, the Application Form.

Qualifying Shareholders who have registered addresses in or who are located or resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for Open Offer Shares in respect of the Open Offer.

7. *Taxation*

If you are in any doubt about your tax position or are subject to a tax in a jurisdiction other than the United Kingdom, you should consult your professional adviser without delay.

8. Admission, settlement, dealings and publication

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM, subject to the fulfilment of the conditions of the Open Offer. It is expected that admission of the Open Offer Shares to trading on AIM will become effective and that dealings therein for normal settlement will commence at 8.00 a.m. on 15 December 2020. In the case of Qualifying Shareholders wishing to hold Open Offer Shares in certificated form, definitive certificates in respect of the Open Offer Shares will be issued free of stamp duty and are expected to be despatched by post by 31 December 2020. No temporary documents of title will be issued and, pending such despatch, transfers will be certified against the share register. Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 10 December 2020 (the latest time and date for applications under the Open Offer). If the conditions to the Open Offer described in this document are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied. On this day, the Receiving Agent will credit the appropriate stock accounts of such persons with such persons' entitlement to Open Offer Shares with effect from Second Admission (expected to be 15 December 2020). The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE instruction was given. Notwithstanding any other provision of this document, the Company (with the consent of Stifel) reserves the right to send you an Application Form instead of crediting the relevant stock account with Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying non-CREST Shareholders are referred to the Application Form. The completion and results of the Open Offer will be announced and made public through an announcement on a Regulatory Information Service as soon as possible after the results are known, expected to be on or about 11 December 2020.

9. Governing law

The terms and conditions of the Open Offer as set out in this Part IV and each Application Form shall be governed by, and construed in accordance with, English law. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document and an Application Form. By taking up their entitlements under the Open Offer in accordance with the instructions set out in this document and (where applicable) an Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

10. Other information

Your attention is drawn to the letter from your Chairman which is set out in Part I of this document which contains, *inter alia*, information on the reasons for the Placing and the Open Offer, to the Risk Factors in Part II and to the further information set out in Part V of this document.

11. Dilution

The share capital of the Company in issue at the date of this document will be increased by approximately 78.3 per cent. as a result of the Transaction. Qualifying Shareholders who do not take up any of their Basic Entitlement will suffer a reduction of approximately 43.9 per cent. in their proportionate ownership and voting interest in the ordinary share capital of the Company as represented by their holding of Ordinary Shares immediately following Second Admission. Qualifying Shareholders who take up all or part of their Open Offer Entitlement will still suffer dilution upon Second Admission due to completion of the Placing.

PART V

ADDITIONAL INFORMATION

1. Directors' and others' interests

1.1 Interests in Ordinary Shares

As at 23 November 2020 (being the latest practicable date prior to the publication of this document) and, subject to and immediately following Second Admission, the interests of the Directors, their immediate families and persons connected with the Directors (within the meaning of section 252-255 of the Act) (all of which are beneficial unless otherwise stated) in the issued share capital of the Company are as follows:

Name	At the date of this Circular		On Second Admission	
	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Shares	Number of Ordinary Shares	Percentage of Ordinary Shares ¹
Dr Tim Corn	2,000	0.01	9,142	0.02%
Olav Hellebo	21,630	0.07	50,201	0.09%
Michael Hunt, ACA	30,036	0.09	51,464	0.09%
Professor Sir Chris Evans OBE ²	254,605	0.8	1,683,176	2.96%
Dr Mike Owen	4,237	0.01	11,379	0.02%
Mark Evans ³	591,069 ⁴	1.85	891,068	1.57%

1. Assuming full take up of all Ordinary Shares available under the Open Offer, no further exercise of options under the ReNeuron share option schemes and that the Directors (other than Mark Evans who is also participating in the Placing) only participate in the Subscription and not the Open Offer
2. Professor Sir Chris Evans' Subscription Shares will be subscribed for and held by Excalibur Healthcare Services Limited, which is owned by a trust, the sole beneficiary of which is Professor Sir Chris Evans OBE
3. Mark Evans' investment in New Shares will be through a direct investment in 14,285 Subscription Shares and an indirect subscription for 285,714 Placing Shares through Partners Investment Company LLP and Albemarle Life Sciences LLP.
4. Of these Ordinary Shares, 46,720 are held by Mark Evans personally and 26,500 and 517,849 are held by each of Albemarle Life Sciences LLP and Partners Investment Company LLP respectively

Save as disclosed in this paragraph 1, none of the Directors (or persons connected with the Directors within the meaning of sections 252-255 of the Act) has any beneficial or non-beneficial interest in any securities of the Company or its subsidiaries.

2. Placing Agreement

On 23 November 2020, the Company entered into a placing agreement with Stifel, under which Stifel agreed to use its reasonable endeavours, as agents for the Company, to procure Placees for the Placing Shares at the Issue Price on the terms of the Placing Agreement. The Placing Agreement contains warranties from the Company in favour of Stifel in relation to, *inter alia*, the accuracy of the information in this and other documents and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Stifel in relation to certain liabilities it may incur in respect of the Placing. Stifel has the right to terminate the Placing Agreement in certain circumstances, in particular in the event of a breach of the warranties or the occurrence of a *force majeure* event.

The Placing Agreement, insofar as it relates to the EIS/VCT Placing, is conditional, *inter alia*, (i) upon the passing of Resolutions 1 and 3 at the General Meeting, (ii) it not being terminated prior to First Admission, and (iii) First Admission taking place no later than 8.00 a.m. on 14 December 2020 (or such later time and/or date as the Company and Stifel may agree, not being later than 8.00 a.m. on 31 December 2020).

The Placing Agreement, insofar as it relates to the General Placing, is conditional, *inter alia*, (i) upon First Admission having occurred, (ii) it not being terminated prior to Second Admission; and (iii) Second Admission taking place no later than 8.00 a.m. on 15 December 2020 (or such later time and/or date as the Company and Stifel may agree, not being later than 8.00 a.m. on 31 December 2020).

3. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which, during the 12 month period prior to the

publication of this document, may have, or have had, significant effects on the Company or the Group's financial position or profitability.

4. Taxation

Shareholders who are in any doubt as to their tax position or who may be subject to tax in any other jurisdiction are strongly recommended to consult their own professional advisers.

No UK stamp duty will be payable on the issue by the Company of New Shares.

Stamp duty and stamp duty reserve tax ("SDRT") is not chargeable on transfers of securities admitted to trading on certain recognised growth markets, which currently includes AIM, provided they are not listed on a recognised stock exchange. Accordingly, transfers of New Shares after issue should be exempt from stamp duty and SDRT.

5. Availability of this document

Copies of this document will be available free of charge at the registered office of the Company and on the Company's website at www.reneuron.com/investors/2020-fundraise/ during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the date of this document until the date of Second Admission.

ReNeuron Group plc

(Incorporated and registered in England and Wales under number 5474163)

(the “Company”)

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of the Company will be held at the offices of the Company at Pencoed Business Park, Pencoed, Bridgend, Wales CF35 5HY, on 11 December 2020 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1 and 2 will be proposed as ordinary resolutions and resolutions 3 and 4 will be proposed as special resolutions.

In this Notice, words and defined terms shall have the same meaning as words and defined terms in the Circular to which this Notice is attached.

RESOLUTIONS

Ordinary Resolutions

1. THAT the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act (in addition to all existing authorities conferred upon the Directors pursuant to section 551 of the Act which shall continue in full force and effect) to exercise all the powers of the Company to allot shares in the capital of the Company and to grant rights to subscribe for or convert any security into such shares (all of which transactions are hereafter referred to as an allotment of “Relevant Securities”) up to an aggregate nominal amount of £250,000, in connection with the Transaction, provided that such authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company or the date 3 months after the date of passing of this resolution, whichever is the earlier, but the Directors may before such expiry, revocation or variation make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry, revocation or variation and the Directors may allot Relevant Securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.
2. THAT, subject to and conditional upon Second Admission having occurred, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act and in replacement of the authorities given by resolution 3 passed at the annual general meeting of the Company held on 10 September 2020 (to the extent that the power has not already been exercised) but otherwise in addition to all other existing authorities conferred upon the Directors pursuant to section 551 of the Act which shall continue in full force and effect:
 - (a) in addition to the authority granted pursuant Resolution 1 above, to allot shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the capital of the Company (all of which transactions are hereafter referred to as an allotment of “Relevant Shares”) up to an aggregate nominal amount of £172,659; and
 - (b) in addition to the authority granted by Resolution 1 and sub-paragraph (a) of this Resolution 2, to allot equity securities (within the meaning of section 560 of the Act) in connection with an offer by way of a rights issue, open offer, scrip dividend, scheme or other pre-emptive offer in favour of (i) holders of ordinary shares in proportion (as nearly as may be) to their respective holdings of ordinary shares and (ii) holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary up to an aggregate nominal amount of £172,659,

subject only to such exclusions or other arrangements as the Directors consider necessary or expedient in connection with treasury shares, fractional entitlements or any legal or practical problems arising under the laws or regulations of, or the requirements of any regulatory body or stock exchange in, any territory, and provided that this authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company or the date 15 months from the date of passing of this resolution, whichever is the earlier, but the Directors may before such expiry, revocation or variation make an offer or agreement which would or might require Relevant Shares or equity securities (as the case

may be) to be allotted after such expiry, revocation or variation and the Directors may allot Relevant Shares or equity securities (as the case may be) in pursuance of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.

Special Resolutions

3. THAT subject to the passing of Resolution 1 above (and in addition to all existing unexercised powers of the Directors under sections 570 and 571 of the Act, which shall continue in full force and effect) the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by Resolution 1 above as if section 561 of the Act did not apply to any such allotment, provided that such power shall:

- (a) be limited to the allotment of equity securities up to an aggregate nominal amount of £250,000 in connection with the Transaction; and
- (b) expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company or the date 3 months after the date of passing of this resolution, whichever is the earlier.

4. THAT, subject to and conditional upon Second Admission having occurred and the passing of Resolution 2 above, and in replacement of the authorities given by resolution 4 passed at the annual general meeting of the Company held on 10 September 2020 (to the extent that the power has not already been exercised, but otherwise in addition to all existing unexercised powers of the Directors under sections 570, 571 and 573 of the Act which shall continue in full force and effect), the Directors be and are hereby empowered pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) and/or to sell ordinary shares held by the Company as treasury shares for cash pursuant to the authority granted by Resolution 2 above as if section 561 of the Act did not apply to any such allotment. This power shall be limited:

- (a) to the allotment of equity securities or the sale of treasury shares in connection with an offer by way of a rights issue, open offer, scrip dividend, scheme or other pre-emptive offer in favour of (i) holders of ordinary shares in proportion (as nearly as may be) to their respective holdings of ordinary shares and (ii) holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary, subject only to such exclusions or other arrangements as the Directors consider necessary or expedient in connection with treasury shares, fractional entitlements or any legal or practical problems arising under the laws or regulations of, or the requirements of any regulatory body or stock exchange in, any territory; and
- (b) to the allotment of equity securities or the sale of treasury shares (otherwise than pursuant to sub-paragraph (a) of this Resolution 4) up to an aggregate nominal amount of £103,595,

provided that this power shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company or the date 15 months after the date of passing of this resolution, whichever is the earlier, save 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 treasury shares to be sold) after such expiry, revocation or variation and the Directors may allot equity securities (and sell treasury shares) in pursuance of such offer or agreement as if this power had not expired.

24 November 2020

By order of the Board

Michael Hunt, ACA

Company Secretary

Pencoed Business Park
Pencoed
Bridgend
Wales
CF35 5HY

Registered in England and Wales No. 5474163

Notes

- 1 The following notes explain your general rights as a shareholder and your rights to attend and vote at the General Meeting or to appoint someone else to vote at the General Meeting on your behalf. In light of the **Stay-at-Home Measures** which prohibit all non-essential travel and larger public gatherings, shareholders are strongly encouraged not to try to attend the General Meeting. To ensure the safety of the limited number of people whose attendance at the meeting is essential, shareholders will not be allowed into the General Meeting. The UK Government may yet change current restrictions over the coming weeks which might then allow the Company to host a more traditional General Meeting. Any changes to the arrangements for the holding of the General Meeting will be communicated to shareholders in advance through the Company's website at www.reneuron.com. Given the degree of uncertainty, we encourage shareholders to submit a proxy vote in advance of the meeting, appointing the Chairman of the Meeting as their proxy. Forms of proxy should be submitted as soon as possible and in any event so as to be received no later than 10:00 a.m. on 9 December 2020. If you appoint someone other than the Chairman of the meeting as your proxy, they will be refused entry to the Meeting and will not therefore be able to vote.
- 2 References in these Notes to 'attend' should however be construed in light of the COVID-19 restrictions, as summarised above, which will restrict physical attendance at the General Meeting in this case.
- 3 A shareholder entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend, speak and vote on a show of hands and on a poll instead of him or her. A proxy need not be a member of the Company. Where a shareholder appoints more than one proxy, each proxy must be appointed in respect of different shares comprised in his or her shareholding which must be identified on the Form of Proxy. 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 shareholder purports to appoint a proxy in respect of the same shares, only the appointment by the most senior shareholder 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. **In light of the COVID-19 restrictions, all shareholders are strongly encouraged and requested to appoint the Chairman as their proxy or representative as any other persons so appointed will not be permitted to attend the General Meeting.**
- 4 A shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. A Form of Proxy is enclosed with this Notice. Shareholders who intend to appoint more than one proxy may photocopy the Form of Proxy prior to completion. Alternatively, additional Forms of Proxy may be obtained by contacting Computershare Investor Services PLC on 0370 707 1272. The Forms of Proxy should be returned in the same envelope and each should indicate that it is one or more than one appointments being made. Completion and return of the Form of Proxy will not preclude shareholders from attending and voting in person at the meeting. To be valid, a Form of Proxy together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Computershare Investor Services PLC, The Pavilions, Bridgewater Road, Bristol BS99 6ZY not later than 10.00 a.m. on 9 December 2020. In light of the COVID-19 restrictions, all shareholders are strongly encouraged and requested to appoint the Chairman as their sole proxy or representative as any other persons so appointed will not be permitted to attend the General Meeting.
- 5 An abstention (or "vote withheld") option has been included on the Form of Proxy. The legal effect of choosing the abstention 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.
- 6 Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- 7 The statement of rights of shareholders in relation to the appointment of proxies in paragraphs 3 and 4 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
- 8 The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at 6.30 p.m. on 9 December 2020 shall be entitled to attend or vote (whether on a show of hands or on a poll) at the General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after 6.30 p.m. on 9 December 2020 (or after 6.30 p.m. on the day which is two days before any adjourned meeting, excluding non-working days) shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- 9 Any corporation which is a member can appoint one or more corporate representatives. Each representative may exercise on behalf of the corporation the same powers as the corporation could exercise if it were an individual member of the Company provided that they do not do so in relation to the same Ordinary Shares. It is therefore no longer necessary to nominate a designated corporate representative.
- 10 A copy of this notice of meeting, is available on the Company's website at www.reneuron.com.

