

# Notice of Annual General Meeting

## SKINBIOTHERAPEUTICS PLC (the "Company")

(Registered in England and Wales with company number 09632164)

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of the above named Company will be held at CENTURION HOUSE, 129 DEANS GATE, MANCHESTER, M3 3WR on 19 December 2019 at 11:00 AM for the transaction of the following business:

### Ordinary Resolutions

To consider, and if thought fit, to pass the following resolutions 1 to 7 as ordinary resolutions:

1. **THAT** the Directors' and Auditors' reports and the financial statements for the financial year ended 30 June 2019 be received and adopted.
2. **THAT** Jeffreys Henry be re-appointed as the auditors of the Company until the next Annual General Meeting and the Directors be authorised to fix their remuneration.
3. **THAT** Stuart Ashman, be elected as a Director of the Company.
4. **THAT** Martin Hunt, be re-elected as a Director of the Company.
5. **THAT** Dr Cathy Prescott, be re-elected as a Director of the Company.
6. **THAT** Doug Quinn, be re-elected as a Director of the Company.
7. **THAT** in substitution for all existing authorities the Directors be given power under Section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights"):
  - (i) up to an aggregate nominal amount of £426,944.98 being equivalent to one-third of the Company's issued share capital; and,
  - (ii) up to a further aggregate nominal amount of £426,944.98 provided that (a) they are equity securities (within the meaning of section 560(1) of the Act) and (b) they are offered by way of a rights issue to holders of ordinary shares in the Company at such record dates as the directors may determine where the equity securities attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record date, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or any other matter whatsoever, provided that this authority shall, unless renewed, varied or revoked by the Company, expire twelve months after the date of passing of this Resolution or, if earlier, the date of the next AGM of the Company unless any offer or agreement is made before the end of that period in which case the Directors may allot shares and grant Rights pursuant to such offer or agreement as if the power granted by this resolution had not expired.

### Special Resolutions

8. **THAT**, subject to the passing of Resolution 7 and in accordance with Sections 570 and 573 of the Act, the Directors be and are hereby authorised to allot equity securities (as defined in section 560 of the Act) for cash under the authority conferred by Resolution 7 and/or to sell ordinary shares held by the Company as treasury shares as if section 561 of the Act did not apply to any such allotment or sale, provided that such authority shall be limited to:
  - (i) the allotment of equity securities in connection with rights issues, open offers or other pre-emptive offers in favour of holders of equity securities in proportion (as nearly as may be practicable) to their respective holdings or in accordance with the rights attaching thereto (but with such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements, record dates or other legal or practical problems in or under the laws of, or any requirements of, any recognised regulatory body or stock exchange, in any territory or as regards shares held by an approved depository or in issue in uncertified form or otherwise however); and
  - (ii) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to sub-paragraph (i) above) to a maximum aggregate nominal value of £64,041.75; such power shall expire at the end of the next Annual General Meeting of the Company or 30 December 2020 (whichever is the sooner) unless any offer or agreement is made which would, or might require equity securities to be allotted (and treasury shares sold) before expiry of this power in which case the Directors may allot securities pursuant to such offer or agreement as if the power granted by this resolution had not expired.

9. **THAT**, subject to the passing of Resolution 7, and in addition to the power contained in Resolution 8 above, the Directors be and are hereby authorised, pursuant to sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act) for cash, either under the authority conferred by Resolution 7 and/or to sell ordinary shares held by the Company as treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale, provided that such authority shall be limited to:
- (i) the allotment of equity securities or sale of treasury shares, up to a maximum aggregate of £64,041.75; and
  - (ii) used only for the purposes of financing (or refinancing, if the power is to be exercised within six months after the date of the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice of Annual General Meeting, such power shall expire at the end of the next Annual General Meeting of the Company or 30 December 2020 (whichever is the sooner) unless any offer or agreement is made which would, or might require equity securities to be allotted (and treasury shares sold) before expiry of this power in which case the Directors may allot securities pursuant to such offer or agreement as if the power granted by this resolution had not expired.

By Order of the Board

**Doug Quinn**  
Company Secretary

Dated 26 November 2019

Registered Office  
15 Silk House  
Park Green  
Macclesfield  
England  
SK11 7QJ

# Notes to the AGM notice

## Resolution 1 – To receive the Annual Report and Financial Statements

The Directors are required to present the financial statements, Directors' Report and Auditor's Report to the meeting. These are contained in the Company's Annual Report for the year ended 30 June 2019 (the "Annual Report"). A resolution to receive the Annual Report is proposed as an ordinary resolution.

## Resolution 2 – Re-appointment and remuneration of Auditor

At each meeting at which the Company's financial statements are presented to its shareholders, the Company is required to appoint an auditor to serve until the next such meeting. The Board, on the recommendation of the Audit Committee, recommends the re-appointment of Jeffreys Henry. The Resolution also authorises the directors to fix the auditor's remuneration.

## Resolutions 3-6 – Re-election and election of Directors

The Company's Articles of Association require that any director that has not been re-elected at either of the preceding three annual general meetings shall retire and offer themselves for re-election by shareholders. Notwithstanding this requirement, the Directors have determined that each of them will stand for re-election on an annual basis in accordance with recommended best practice and in line with the principles of the UK Corporate Governance Code. As Stuart Ashman has been appointed as a director since the last AGM, he will retire and offer himself for election by the shareholders for the first time.

## Resolution 7 – Authority to allot shares

The authority sought by this resolution is for the Directors to be authorised to allot Ordinary Shares up to two-thirds of the Company's current issued share capital at the date of this notice. Paragraph (i) of the resolution will give the Directors a general authority to allot up to an aggregate nominal value of £426,944.98 being the equivalent of one-third of the Company's issued ordinary share capital at the date of this notice. This is in accordance with the Investment Association Share Capital Management Guidelines. In addition, the guidelines permit the authority to extend to a further third of the issued share capital, where any such shares allotted using this additional authority are in connection with a rights issue. Paragraph (ii) of the resolution proposes this additional authority be granted to the Directors.

The Directors are seeking the annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources. The authorities in this Resolution will lapse at the conclusion of the next AGM or twelve months after the passing of the Resolution if earlier save for conditions set out in the Resolution.

## Resolutions 8 and 9 – Authority to disapply pre-emption rights

Resolutions 8 and 9 are special resolutions which, if passed, will enable the Directors to allot shares in the Company, or to sell any shares out of treasury, for cash, without first offering those shares to existing shareholders in proportion to their existing shareholdings. In March 2015, the Pre-Emption Group published a revision of its Statement of Principles. In addition to restating the customary 5% limit on the issuance of shares for cash on a non pre-emptive basis, the 2015 Statement of Principles introduced greater flexibility for companies to undertake non pre-emptive issues for cash in connection with acquisitions and specified capital investments. This relaxation allows companies the opportunity to finance expansion opportunities as and when they arise. The 2015 Statement of Principles provides that a company may now seek power to issue on a non pre-emptive basis for cash equity securities representing: (i) no more than 5% of the company's issued ordinary share capital in any one year; and (ii) no more than an additional 5% of the company's issued ordinary share capital provided that such additional power is only used in connection with an acquisition of specified capital investment. In line with best practice, the Company has structured its pre-emption disapplication request as two separate resolutions.

If Resolution 8 is passed, it will permit Directors to allot ordinary shares on a non-pre-emptive basis and for cash (otherwise than in connection with a rights issue or similar pre-emptive issue) up to a maximum nominal amount of £64,041.75. This amount represents 5% of the Company's issued ordinary share capital as at 25 November 2019 (being the latest practicable date prior to publication of this document). This resolution will permit the Directors to allot any such shares for cash in any circumstances (whether or not in connection with an acquisition or specified capital investment).

If Resolution 9 is passed, it will allow the Directors an additional power to allot ordinary shares on a non-pre-emptive basis and for cash up to a further maximum nominal amount of £64,041.75. This amount represents 5% of the Company's issued ordinary share capital as at 25 November 2019 (being the latest practicable date prior to publication of this document). The Directors shall use any power conferred by Resolution 9 only in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue, (or which has taken place in the preceding six-month period and is disclosed in the announcement at the time).

1. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001 and by paragraph 18(c) of The Companies Act (Consequential Amendments) (Uncertificated Securities) Order 2009, only those members entered on the Company's register of members not later than 11:00am on 17 December 2019, or if the meeting is adjourned, Shareholders entered on the Company's register of members not later than 2 days before the time fixed for the adjourned meeting (excluding non-business days) shall be entitled to attend and vote at the meeting.
2. A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy (or proxies) to attend, speak and vote in his place. A proxy need not be a member of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy.
3. To be effective, the Form of Proxy must be deposited at the office of the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, GU9 7DR so as to be received not later than 11:00am on 17 December 2019, or if the meeting is adjourned, not later than 48 hours (excluding non-business days) before the time fixed for the adjourned meeting.
4. To change your proxy instructions simply submit a new proxy appointment using the methods set out above and in the notes to the Form of Proxy. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy, and would like to change the instructions, please contact the Share Registrars Limited, The Courtyard, 17 West Street, Farnham, GU9 7DR.

5. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, GU9 7DR. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

In either case, the revocation notice must be received by the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, GU9 7DR not later than 11:00am on 17 December 2019. If you attempt to revoke your proxy appointment but the revocation is received after the time specified above, then your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by our agent Share Registrars Limited (ID 7RA36) no later than 11:00am on 17 December 2019 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (excluding any part of a day that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent, Share Registrars Limited, is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

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