

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

**InnovaDerma plc**

(incorporated and registered in England and Wales under number 09226823)

**NOTICE OF ANNUAL GENERAL MEETING**

Notice of the Annual General Meeting of the Company to be held at finnCap, 60 New Broad Street, London EC2M 1JJ on the 7<sup>th</sup> November 2018 at 10am (GMT) is set out at the end of this circular.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not less than 48 hours before the time of the holding of the Annual General Meeting.

**PART I**

**InnovaDerma plc**

(incorporated and registered in England and Wales under number 09226823)

**Registered Office:**

27 Old Gloucester Street  
London  
WC1N 3AX  
United Kingdom

8<sup>th</sup> October 2018

To the holders of the Ordinary Shares in InnovaDerma plc

**Notice of Annual General Meeting**

Dear Shareholder,

I am pleased to be writing to you with details of our Annual General Meeting (**AGM**) which we are holding at finnCap, 60 New Broad Street, London EC2M 1JJ on the 7<sup>th</sup> November 2018 at 10 am GMT. The formal notice of Annual General Meeting is set out on page 3 of this document.

If you would like to vote on the resolutions but cannot come to the AGM, please fill in the proxy form sent to you with this notice and return it to our registrars as soon as possible. Alternatively, you may appoint a proxy electronically, if you hold your shares in CREST, through the CREST system. The registrars must receive your proxy appointment by 10am (GMT) on the 5<sup>th</sup> November 2018

**Business of the meeting**

Explanatory notes on all the business to be considered at this year's AGM appear on pages 8 and 9 of this document.

**Recommendation**

The Board considers that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you do so as well.

Yours sincerely,

Haris Chaudhry  
Executive Chairman

## PART II

# InnovaDerma plc

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of InnovaDerma Plc (the **Company**) will be held at finnCap, 60 New Broad Street, London EC2M 1JJ on the 7<sup>th</sup> November 2018 at 10am (GMT) to consider and, if thought fit, pass the resolutions below. Resolutions 11 and 12 will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

#### ORDINARY RESOLUTIONS

1. To receive the Company's annual accounts for the financial year ended 30 June 2018, together with the directors' report and the auditors' report on those accounts.
2. To receive and approve the directors' remuneration report for the financial year ended 30 June 2018 together with the auditor's report on it.
3. To reappoint Greenwich & Co UK of Level 2, 35 Outram St, West Perth WA 6005 Australia as auditors to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid.
4. To authorise the directors to fix the remuneration of the auditors.
5. To reappoint Haris Chaudhry as a director.
6. To reappoint Joseph Bayer as a director
7. To reappoint Kieran Callan as a director.
8. To reappoint Rodney Turner as a director.
9. To reappoint Ross Andrews as a director.
10. THAT:
  - 10.1 the directors of the Company be generally and unconditionally authorised under section 551 of the Companies Act 2006 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**"):
    - 10.1.1 up to an aggregate nominal amount of €724,831.65; and
    - 10.1.2 comprising equity securities (as defined in section 560(1) of the Companies Act 2006), up to a further aggregate nominal amount of €724,831.65 in connection with an offer by way of a rights issue to:

10.1.2.1 ordinary shareholders in proportion (as nearly as may be) to their existing holdings; and

10.1.2.2 of other equity securities, if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities,

but subject to such exclusions and other arrangements as the directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and

10.2 such authority shall expire (unless previously revoked by the Company) on the earlier of 31 December 2019 and the conclusion of the next Annual General Meeting of the Company and in each case the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after the authority has expired and the directors may allot shares or grant Rights in pursuance of any such offer or agreement notwithstanding that this authority has expired; and

10.3 all previous authorities to allot shares or grant Rights, to the extent unused, shall be revoked.

## **SPECIAL RESOLUTIONS**

### **11. THAT:**

11.1 subject to the passing of resolution 10, the directors of the Company shall have the power to allot equity securities (within the meaning of section 560 of the Companies Act 2006) for cash under the authority conferred by resolution 10 as if section 561 of the Companies Act 2006 did not apply to the allotment and this power shall be limited to:

11.1.1 the allotment of equity securities in connection with an offer or issue of equity securities (but in the case of the authority granted under paragraph 0 of resolution 10, by way of a rights issue only) to or in favour of:

11.1.1.1 ordinary shareholders in proportion (as nearly as may be) to their existing holdings; and

11.1.1.2 holders of other equity securities, if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities,

but subject to such exclusions and other arrangements as the directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and

11.1.2 the allotment of equity securities (otherwise than under paragraph 0 of this resolution) up to an aggregate nominal amount of €362,415.82; and

11.2 this power shall expire when the authority given by resolution 10 is revoked or expires but the Company may before expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of that offer or agreement notwithstanding that the power has expired; and

11.3 this power applies in relation to a sale of treasury shares which constitutes an allotment of equity securities by virtue of section 560(3) of the Companies Act 2006 as if the words "under the authority conferred by resolution 10" were omitted from the introductory wording to resolution 11.1.

## **12. THAT:**

12.1 the Company be, and it is hereby, generally and unconditionally authorised for the purpose of sections 693 and 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of €0.10 each in the capital of the Company upon such terms and in such manner as the directors of the Company shall determine, provided that:

12.1.1 the maximum aggregate number of ordinary shares authorised to be purchased is 2,500,000;

12.1.2 the minimum price which may be paid for such ordinary shares is €0.10 per share (exclusive of expenses);

12.1.3 the maximum price (exclusive of expenses) which may be paid for an ordinary share cannot be more than an amount equal to 105 per cent of the average market value of the ordinary shares for the five business days immediately prior to the day the purchase is made;

12.1.4 unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or 31 December 2019, whichever is the earlier; and that

12.1.5 the Company may make a contract or contracts to purchase ordinary shares under this authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

8<sup>th</sup> October 2018

By order of the Board

**Haris Chaudhry**

Chairman

Registered Office: 27 Old Gloucester Street, London WC1N 3AX

Registered in England and Wales No. 09226823

## Notes

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, by no later than 10 am (GMT) on the 5<sup>th</sup> November 2018.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 6 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
4. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.30pm (GMT) on the 5<sup>th</sup> November 2018 (or, in the event of any adjournment, at 6.30 pm (GMT) on the date which is two days before the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. As at 8<sup>th</sup> October 2018, being the last practicable date prior to issuing this notice, the Company's issued share capital consists of 14,496,633 ordinary shares of €0.10 each, carrying one vote each.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual, which can be viewed at [www.euroclear.com](http://www.euroclear.com). 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.
7. In order for a proxy appointment or instruction made using the CREST service 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 instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 the issuer's agent (ID 7RA01) by 10am on the 5<sup>th</sup> November 2018. 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 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.

8. 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, 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. 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.
10. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
11. Any shareholder attending the meeting has the right to ask questions. The company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
12. A copy of this notice, and other information required by s.311A of the Companies Act 2006, can be found at <https://www.innovaderma.com/company-publications/>.
13. Shareholders may not use any electronic address provided in either this notice of meeting or any related documents (including the chairman's letter and the proxy form) to communicate with the Company for any purposes other than those expressly stated.



## **EXPLANATORY NOTES TO RESOLUTIONS**

Resolutions 1 to 10 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 11 to 12 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

### **Resolution 1 (annual report and accounts)**

The directors of the Company must present to the meeting the audited annual accounts and the directors' and auditors' report for the financial year ended 30 June 2018.

### **Resolution 2 (remuneration report)**

The Company's shareholders will be asked to approve the remuneration report at the Annual General Meeting.

### **Resolutions 3 and 4 (appointment and remuneration of auditors)**

The Company must appoint auditors at each general meeting at which accounts are presented to shareholders to hold office until the conclusion of the next such meeting. Resolution 3 seeks shareholder approval to re-appoint Greenwich & Co UK of Level 2, 35 Outram St, West Perth WA 6005 Australia as the Company's auditors. In accordance with normal practice, Resolution 4 seeks authority for the Company's directors to fix their remuneration.

### **Resolutions 5 to 9 (re-appointment of directors)**

The Company's articles of association do not require the directors to retire by rotation. However, all directors are standing for re-appointment as directors, in accordance with industry best practice and investor guidance.

Haris Chaudhry, Joseph Bayer and Kieran Callan are standing for re-appointment as executive directors by resolutions 5 to 7.

Rodney Turner and Ross Andrews are standing for re-appointment as non-executive directors by resolutions 8 and 9.

### **Resolution 10 (authority to allot)**

Resolution 10 would give the directors the authority to allot shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal value of €724,831.65. This represents approximately 50% of the ordinary share capital of the Company in issue at the 8<sup>th</sup> October 2018.

Paragraph 10.1.2 of resolution 10 would give the directors the authority to allot shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to a further aggregate nominal value of €724,831.65 in connection with a rights issue. This amount represents approximately 50% of the ordinary share capital of the Company in issue at the 8<sup>th</sup> October 2018 (being the latest practicable date prior to the publication of this notice).

The directors' authority will expire on the earlier of 31<sup>st</sup> December 2019 and the conclusion of the next Annual General Meeting. This authority is requested by the directors to facilitate potential fundraising by the Company.

Please also see the explanatory notes to proposed resolution 11 relating to the disapplication of statutory pre-emption rights.

**Resolution 11 (statutory pre-emption rights)**

Under company law, when new shares are allotted or treasury shares are sold for cash, they must generally first be offered to existing shareholders pro rata to their holdings. This special resolution gives the directors authority, for the period ending on 31<sup>st</sup> December 2019 or, if earlier, the date of the next Annual General Meeting, to allot shares of the Company, or sell treasury shares, for cash up to an aggregate nominal value of €362,415.82 (representing approximately 25% of the total share capital in issue as at the 8<sup>th</sup> October 2018 as if the pre-emption rights in company law did not apply.

**Resolution 12 (authority for market purchases of own shares)**

Resolution 12 grants the Company authority to make limited market purchases of the Company's ordinary shares. The authority is limited to a maximum aggregate number of 2,500,000 ordinary shares) and sets out the minimum and maximum prices that can be paid, exclusive of expenses. The authority conferred by this resolution will expire at the conclusion of the Company's next Annual General Meeting or 31<sup>st</sup> December 2019, whichever is the earlier.