THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you should consult an independent professional adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities.

This document constitutes an AIM admission document relating to Verici Dx plc and has been drawn up in accordance with the AIM Rules for Companies. This document does not contain an offer of transferable securities to the public in the United Kingdom within the meaning of section 102B of FSMA and is not required to be issued as, nor is it, a prospectus for the purposes of the Prospectus Regulation Rules. Accordingly, this document has not been drawn up in accordance with the Prospectus Regulation Rules and has not been approved by, or filed with, the FCA pursuant to section 85 of FSMA or any other authority which would be a competent authority for the purposes of the Prospectus Regulation.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.

Application will be made for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on AIM at 8.00 a.m. on 3 November 2020. The Ordinary Shares are not dealt in on any other recognised investment exchange and no application has been, or is intended to be, made for the Ordinary Shares to be admitted to trading on any other such exchange. It is emphasised that no application is being made for the admission of the Ordinary Shares to the Official List.

The Directors, whose names appear on page 10 of this document, and the Company accept responsibility, both individually and collectively, for the information contained in this document and for compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors and the Company (having taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Prospective investors should read the whole text of this document and should be aware that an investment in the Company involves a high degree of risk. In particular, the attention of prospective investors is drawn to Part 2 of this document which sets out certain risk factors relating to any investment in Ordinary Shares. All statements regarding the Group's business, financial position and prospects should be viewed in light of these risk factors.

Verici Dx plc

(incorporated and registered in England and Wales with registered no. 12567827)

Issue of New Ordinary Shares in aggregate
by way of Placing, Restricted Offer and Subscription
at an Issue Price of 20 pence each

Conversion of Loan Notes

and

Admission of the Enlarged Share Capital to trading on AIM

Nominated Adviser & Sole Bookrunner

N+1 SINGER

The Fundraising is conditional, amongst other things, on Admission taking place on or before 3 November 2020 (or such later date as the Company and Nplus1 Singer Advisory LLP ("**N+1 Singer**") may agree, but in any event not later than 17 November 2020). The New Ordinary Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends or other distributions declared, made or paid after Admission.

N+1 Singer, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and sole bookrunner to the Company in connection with the Placing and Admission. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document. N+1 Singer is acting exclusively for the Company and for no one else in connection with the Placing and Admission. N+1 Singer will not regard any other person (whether or not a recipient of this document) as its customer in relation to

the Placing and Admission and will not be responsible to any other person for providing the protections afforded to customers of N+1 Singer or for providing advice in relation to the Placing, Admission or any transaction or arrangement referred to in this document.

This document does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe, any Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful and, in particular, this document is not for distribution in or into the United States of America, Australia, Canada, Hong Kong, Japan, New Zealand or the Republic of South Africa (each, a "**Restricted Jurisdiction**"). The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. The Ordinary Shares have not been and will not be registered under the applicable securities laws of any Restricted Jurisdiction, and, subject to certain exceptions, may not be offered, sold, resold, renounced, taken up or delivered, directly or indirectly, in, into or from and Restricted Jurisdiction or to any national of any Restricted Jurisdiction. This document should not be distributed, published, reproduced or otherwise made available in whole or in part, or disclosed by recipients to any other person, in, and in particular, should not be distributed to persons with addresses in, any Restricted Jurisdiction. No action has been taken by the Company or N+1 Singer that would permit an offer of any Ordinary Shares or possession or distributions of this document where action for that purpose is required. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law or other laws of any such jurisdictions.

Prospective investors should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Directors or N+1 Singer. Without prejudice to the Company's obligations under the AIM Rules, neither the delivery of this document nor any subscription made under this document shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Group since the date of this document or that the information contained in this document is correct as of any time subsequent to the date of this document. N+1 Singer has not authorised the contents of this document and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by N+1 Singer as to the contents of this document and no responsibility or liability whatsoever is accepted by N+1 Singer for the accuracy of any information or opinions contained in this document or for the omission of any material information from this document, for which the Company and the Directors are solely responsible.

Neither the Company, nor the Directors are providing prospective investors with any representations or warranties or any legal, financial, business, tax or other advice. Prospective investors should consult with their own advisers as needed to assist them in making their investment decision and to advise them whether they are legally permitted to purchase Ordinary Shares. The contents of this document are not to be construed as legal, business or tax advice. Prospective investors should consult their own professional advisers for legal, financial or tax advice in relation to an investment or proposed investment in Ordinary Shares.

Copies of this document will be available free of charge to the public during normal business hours on any day (except Saturdays, Sundays and public holidays) from the date of this document until the date which is one month after the date of Admission at the offices of Avon House, 19 Stanwell Road, Penarth, Cardiff, CF64 2EZ and from the Company's website (www.VericiDx.com), except that this document will not be available to residents in, and should not be forwarded or transmitted into any jurisdiction where doing so may constitute a violation of local securities law.

Information for Distributors

Solely for the purposes of the product governance requirements contained within the MiFID II Product Governance Requirements (the "**Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (as defined in the Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution to professional clients and eligible counterparties through all distribution channels as are permitted by MiFID II, or the "Target Market Assessment" (as defined in the Requirements). Notwithstanding the Target Market Assessment, Distributors should note that: the price of Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Fundraising. Furthermore, it is noted that, notwithstanding the Target Market Assessment, N+1 Singer will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Placing Shares and determining appropriate distribution channels.

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IMPORTANT INFORMATION

1. Overview

The contents of this document and any subsequent communications from the Company are not to be construed as legal, business, financial or tax advice. Neither the Company, the Directors, N+1 Singer nor any of their representatives is making any representation to any offeree, subscriber for or purchaser of any Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree, subscriber or purchaser under the laws applicable to such offeree, subscriber or purchaser. Each prospective investor should consult their own legal adviser, business adviser, financial adviser or tax adviser for legal, business, financial or tax advice respectively, in connection with the purchase or subscription of any Ordinary Shares. In making an investment decision, each prospective investor must rely on their own examination, analysis and enquiry of the Company and the terms of the Fundraising, including the merits and risks involved and whether an investment in any Ordinary Shares is suitable for them in light of their circumstances and financial resources and ability to withstand the loss of their entire investment.

Neither the delivery of this document nor any sale or subscription made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct as at any time after its date.

As required by the AIM Rules for Companies, the Company will update the information provided in this document by means of a supplement to it if a significant new factor that may affect the evaluation by prospective investors in the Fundraising occurs prior to Admission or if it is noted that this document contains any substantial mistake or inaccuracy. This document and any supplement thereto will be made public in accordance with the AIM Rules for Companies.

Neither the Company, nor the Directors accept any responsibility for the appropriateness, accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media or any other person regarding the Fundraising or the Company. Neither the Company, nor the Directors make any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

2. Notice to prospective investors

2.1 *Placing*

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Members of the public are not eligible to take part in the Placing. This document and the Placing Terms set out in Part 6 (*Placing Terms*) are for information purposes only and are being distributed only to and directed at persons in member states of the European Economic Area (the "**EEA**"), who are "qualified investors" within the meaning of Article 2(E) of the Prospectus Regulation (Regulation 2017/1129 as amended from time to time) ("**Qualified Investors**").

In addition, in the United Kingdom, this document is addressed to, and directed only at, Qualified Investors who (i) are persons who have professional experience in matters relating to investments falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (ii) are persons who are high net worth entities falling within article 49(2)(a) to (d) of the Order, or (iii) are other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**Relevant Persons**").

Any Placee who is an Existing Shareholder will not be eligible to claim EIS Relief.

2.2 *Subscription*

In addition to the Placing, the Company has entered into Subscription Agreements with a limited number of entities and individuals who are outside of the United Kingdom who have agreed to

subscribe an aggregate of 10,323,790 New Ordinary Shares at the Issue Price (the "**Subscription**"). The Subscription includes Subscribers based in the US who are qualified to subscribe under an available exemption from the registration requirements of the Securities Act and other applicable US state securities laws.

2.3 ***Restricted Offer***

Please note: A Print-Proof Admission Document was made available to Qualifying Shareholders for the purposes of the Restricted Offer in advance of the final Admission Document. The Restricted Offer opened for applications following the availability of the P-Proof which was notified via regulatory announcement and by email to those investors who had registered their interest and closed to further applications promptly at 11.00 a.m. on 28 October 2020 and any information in this document relating to the Restricted Offer is provided for information only.

Members of the public were not eligible to take part in the Restricted Offer. This document, the Restricted Offer Terms set out in Part 7 (*Restricted Offer Terms*) and the accompanying Q&A in Part 8 (*Restricted Offer Q&A*) are for information purposes only and were directed only at persons who held the beneficial to title to any A ordinary shares of £0.001 each in the capital of the Company as at close of business on 10 July 2020 the ("**Record Date**") whose registered address is in the United Kingdom ("**Qualifying Shareholders**"). Only Qualifying Shareholders may apply for Restricted Offer Shares.

The latest time for acceptance and payment under the Restricted Offer was 11.00 a.m. on 28 October 2020.

Any Qualifying Shareholder who is an Existing Shareholder will not be eligible to claim EIS Relief.

2.4 ***General***

Other than Relevant Persons, Subscribers, and Qualifying Shareholders, no other person should act or rely on this document and persons distributing this document must satisfy themselves that it is lawful to do so. Any investment or investment activity to which this document, the Placing Terms, or the Restricted Offer Terms relate is available only to, in each case as applicable, Relevant Persons or Qualifying Shareholders and will be engaged in only with Relevant Persons or Qualifying Shareholders. This document does not itself constitute an offer for sale or subscription of any Ordinary Shares.

3. Restriction on sale in the United States of America

The Ordinary Shares have not been, and will not be, registered under the Securities Act of 1933 (the "**Securities Act**"), or the securities laws of any other jurisdiction of the US. The Ordinary Shares may not be offered or sold, directly or indirectly, in or into the US (except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and other applicable US state securities laws). No public offering of the Ordinary Shares is being made in the US.

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**SEC**"), any state securities commission in the US or any other regulatory authority in the US, nor have any of the foregoing authorities passed on or endorsed the merits of the Fundraising or the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

This document does not constitute an offer of, or the solicitation of an offer to subscribe for or to buy, or to sell or transfer, any Ordinary Shares of the Company to any person in the United States or any US Person or to any person whom it is unlawful to make such offer or which may result in the requirement to register the Ordinary Shares under the Securities Act or qualify the Ordinary Shares under applicable US state securities laws. The Ordinary Shares are being offered only to (i) non-US Persons outside the US in transactions exempt from the registration requirements of the Securities Act in reliance on Regulation S or (ii) pursuant to another available exemption from, or transaction not subject to, the Securities Act and applicable US state securities laws.

In addition certain additional restrictions are imposed on resales of Ordinary Shares. The Ordinary Shares are "restricted securities" as defined in Rule 144 under the Securities Act.

Each subscriber for Ordinary Shares, by subscribing for such Ordinary Shares, agrees to reoffer or resell the Ordinary Shares only pursuant to registration under the Securities Act or in accordance with the provisions of Regulation S or pursuant to another available exemption from registration and qualification under applicable state securities laws.

The above restrictions restrict purchasers of Ordinary Shares from reselling the Ordinary Shares in the US or to a US Person. These restrictions may remain in place or be reintroduced following the expiry of the forty days distribution compliance period following the date of Admission (under Regulation S) in relation to the Ordinary Shares, at the discretion of the Company for example in the event the Company issues additional Ordinary Shares under the same ISIN as the Existing Ordinary Shares.

4. Investment considerations

In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company, this document and the Placing Terms and of the Restricted Offer Terms, as applicable, including the merits and risks involved. The contents of this document is not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own jurisdictions for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own jurisdictions as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective will be achieved.

It should be remembered that the price of the Ordinary Shares, and any income from such Ordinary Shares, can go down as well as up.

This document and any accompanying documents should be read in their entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Memorandum of Association and Articles of Association of the Company (the "**Articles**"), which are available at www.VericiDx.com and which prospective investors should review.

5. Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "plans", "may", "will", "could", "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the document and include statements regarding the intentions, beliefs or current expectations of the Company and the Directors concerning, among other things: (i) the Company's objective, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future implementation of active management strategies.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this document. In addition, even if the Company's actual

performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review Part 2 (*Risk Factors*) for a discussion of certain factors that could cause the Company's actual results to differ materially, before making an investment decision. These factors should be read in conjunction with the other cautionary statements that are included in this document. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 16 of Part 9 (*Additional Information*).

Forward-looking statements contained in this document apply only as at the date of this document. Subject to any obligations under the AIM Rules for Companies or any other applicable legal or regulatory requirements, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

6. Presentation of financial and other information

The financial information contained in this document, including that financial information presented in a number of tables in this document, has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

7. Currency presentation

Unless otherwise indicated in this document, all references to:

- "**Pounds Sterling**" or "**£**" are to the lawful currency of the UK;
- "**US Dollars**" or "**$**" are to the lawful currency of the US; and
- "**€**" are to the lawful currency of the member states of the EU that adopt the single currency in accordance with the Treaty establishing the European Community.

Unless otherwise indicated, the financial information contained in this document has been expressed in US Dollars. The functional currency of the Company is US Dollars and the Company presents its financial statements in US Dollars.

8. Research and market data

Where information contained in this document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

9. No incorporation of website information

Without limitation, the contents of the Company's website, www.VericiDx.com, or any website directly or indirectly linked to the Company's website do not form part of this document and prospective investors should not rely on such information.

10. Definitions

Capitalised terms in this document have the meanings ascribed to them in the Definitions section of this document.

FUNDRAISING AND ADMISSION STATISTICS

Issue Price per Ordinary Share	20 pence
Number of Existing Ordinary Shares	59,416,135
Number of Placing Shares	60,275,000
Number of Subscription Shares	10,323,790
Number of Restricted Offer Shares	1,901,210
Number of Conversion Shares	9,831,681
Total New Ordinary Shares	82,331,681
Enlarged Share Capital	141,747,816
Placing Shares as a percentage of Enlarged Share Capital	42.5%
Subscription Shares as a percentage of Enlarged Share Capital	7.3%
Restricted Offer Shares as a percentage of Enlarged Share Capital	1.3%
Gross proceeds of the Placing	£12,055,000
Gross proceeds of the Subscription	£2,064,758
Gross proceeds of the Restricted Offer	£380,242
Estimated gross proceeds of the Fundraising	£14,500,000
Estimated net proceeds of the Fundraising	£13,507,000
Estimated expenses of the Fundraising	£993,000
Number of Ordinary Shares in issue at Admission	141,747,816
Market capitalisation of the Company on Admission	£28,349,563
ISIN	GB00BM8HZD43
SEDOL code	BM8HZD4
LEI	213800FI5WE4FVQ3G645
TIDM	"VRCI"
Website	www.VericiDx.com

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for the Restricted Offer	9 July 2020
Deadline for submission of Restricted Offer Application Forms	28 October 2020
Publication of this document	2 November 2020
Issue of EIS/ VCT Shares	2 November 2020
Issue of New Ordinary Shares (other than EIS/VCT Shares)	3 November 2020
Admission to AIM and expected commencement of dealings in the Existing Ordinary Shares and the New Ordinary Shares	8.00 a.m. on 3 November 2020
CREST accounts credited (where applicable)	3 November 2020
Despatch of definitive share certificates (where applicable)	Within 14 days of Admission

Notes:

Reference to time are to Greenwich Mean Time (GMT) unless otherwise stated. Each of these dates is subject to change at the absolute discretion of the Company and N+1 Singer. If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement in a Regulatory Information Service.

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	Julian Baines, MBE *(Non-Executive Chairman)* Sir Ian Carruthers, OBE *(Senior Independent Non-Executive Director)* Dr Erik Lium *(Non-Executive Director)* James McCullough *(Non-Executive Director)* Dr Barbara Murphy *(Non-Executive Director)* Sara Barrington *(Chief Executive Officer)*
Company Secretary	Salim Hamir
Registered Office	Avon House 19 Stanwell Road Penarth Cardiff, CF64 2EZ
Registered Number	12567827
Nominated Adviser and Sole Bookrunner	N+1 Singer 1 Bartholomew Lane London, EC2N 2AX
Legal Adviser to the Company	BDB Pitmans LLP One Bartholomew Close London, EC1A 7BL
Legal Adviser to the Nominated Adviser and Sole Bookrunner	Brown Rudnick LLP 8 Clifford Street London W1S 2LQ
Auditor and reporting accountants	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW United Kingdom
Registrar	Link Group The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Receiving Agent for the Restricted Offer	Link Group Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Financial PR	Walbrook PR Limited 4 Lombard Street London, EC3V 9HD
Website	www.VericiDx.com

DEFINITIONS

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

"Admission"	admission of the Enlarged Share Capital to trading on AIM becoming effective in accordance with the AIM Rules
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules for Companies" or **"AIM Rules"**	the rules for companies whose securities are admitted to trading on AIM, as published by the London Stock Exchange from time to time
"AIM Rules for Nominated Advisers"	the rules setting out the eligibility requirements, ongoing obligations and certain disciplinary matters in relation to nominated advisers, as published by the London Stock Exchange from time to time
"Application Form"	the application form for use by Qualifying Shareholders to apply for Restricted Offer Shares pursuant to the Restricted Offer which will only be available to Qualifying Shareholders via the Company's website (www.VericiDx.com)
"Articles of Association" or **"Articles"**	the articles of association of the Company adopted on 28 October 2020, a summary of certain provisions of which is set out in paragraph 5 of Part 9 of this Document
"Board"	the board of directors of the Company
"certificated" or **"in certificated form"**	in relation to an Ordinary Share, recorded on the Company's register as being held in certificated form (that is not in CREST)
"CLNs" or **"Convertible Loan Notes"**	the convertible loan notes issued by the Company to Renalytix on 4 May 2020 plus subsequent issue totalling $2,500,000
"Companies Act"	the Companies Act 2006, as amended
"Company" or **"Verici Dx"**	Verici Dx plc, company incorporated in England and Wales with company number 12567827 and having its registered office Avon House, 19 Stanwell Road, Penarth, Cardiff, United Kingdom, CF64 2EZ
"Covid-19"	a new strain of coronavirus that lead to a global pandemic in 2020 (also known as "2019 novel coronavirus", "Covid" or "2019-nCoV")
"Concert Parties"	together those certain groups of shareholders in the Company deemed to be acting in concert in accordance with the Takeover Code, further details of which can be found in paragraph 2 of Part 9
"Conversion Shares"	Ordinary Shares arising from the conversion of CLNs
"CREST"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations
"CREST Regulations" or **"Regulations"**	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
"Directors"	the directors of the Company whose names are set out on page 10 of this Document or the directors of the Company from time to time as the context may require

"Document"	this AIM admission document
"Disclosure Guidance and Transparency Rules"	the disclosure guidance and transparency rules made by the FCA under Part 6 of FSMA
"EIS"	Enterprise Investment Scheme
"EIS Legislation"	Part 5 of the Income Tax Act 2007 and any provisions of UK or European law referred to therein
"EIS Relief"	relief from UK tax under the EIS Legislation
"EIS Shares"	the new shares intended to qualify for EIS Relief
"EIS/VCT Placing"	the conditional placing of the EIS/VCT Placing Shares by the N+1 Singer pursuant to the Placing Agreement
"EIS/VCT Placing Shares"	the 25,000,000 New Ordinary Shares to be issued and allotted at the Issue Price at the time of the first tranche of the Placing to certain Placees
"EIS/VCT Shares"	means the EIS/VCT Placing Shares
"Enlarged Share Capital"	the entire issued ordinary share capital of the Company immediately following Admission comprising the Existing Ordinary Shares and the New Ordinary Shares
"EU"	the European Union
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST
"Existing Ordinary Shares"	the 59,416,135 ordinary shares of £0.001 each in the capital of the Company which were converted from 59,416,134 A shares of £0.001 each and 1 Golden Share of £0.001 each on a one for one basis on 28 October 2020
"Existing Shareholder"	a person who, on the day immediately prior to Admission, holds the beneficial title to any shares of any class in the capital of the Company
"FCA"	the UK Financial Conduct Authority
"FractalDx"	the business of diagnostics and prognostics for kidney transplant
"Fundraising"	the Placing, the Subscription and the Restricted Offer
"FSMA"	the Financial Services and Markets Act 2000, as amended
"GDPR"	the EU General Data Protection Regulation (EU) 2016/679
"Golden Share"	the single 'golden' share of £0.001 carrying the voting rights in the Company until its conversion on Admission to a single Existing Ordinary Share
"Group"	the Company and its subsidiaries (as defined in the Companies Act)
"HMRC"	Her Majesty's Revenue & Customs
"Issue Price"	20 pence per New Ordinary Share
"IP"	Intellectual Property

"Lock-in and Orderly Market Agreements"	the lock-in and orderly market agreements described in paragraph 19 of Part 1
"Lock-in Shareholders"	Julian Baines, Sir Ian Carruthers, James McCullough, Barbara Murphy, Sara Barrington, David Anderson, Patricia Connolly, Fergus Fleming, Richard Evans, Christopher Mills, EKF Diagnostics Holdings plc, Dr. Erik Lium, Mount Sinai and Renalytix who are restricted from selling their Ordinary Shares for a predetermined amount of time following Admission
"London Stock Exchange"	London Stock Exchange plc
"Longstop Date"	17 November 2020
"MAR"	Market Abuse Regulation (EU) 596/2014
"MiFID II"	Markets in Financial Instruments Directive 2004/39/EC
"Mount Sinai"	the Icahn School of Medicine at Mount Sinai
"Mount Sinai Relationship Agreement"	the relationship agreement dated 2 November 2020, between the Company, N+1 Singer and Mount Sinai, details of which can be found in paragraph 13 of Part 9 of this Document
"N+1 Singer"	NPlus1 Singer Advisory LLP, a partnership incorporated in England and Wales with company number OC364131 and having its registered office at One, Bartholomew Lane, London, EC2N 2AX, acting, together with its associates, as nominated adviser and sole bookrunner to the Company
"New Ordinary Shares"	the Placing Shares, the Subscription Shares and the Restricted Offer Shares to be issued in connection with the Fundraising
"Non-UK Jurisdiction"	a jurisdiction other than the United Kingdom
"Official List"	the Official List of the UK Listing Authority
"Option"	the options outstanding over 12,048,564 Ordinary Shares
"Ordinary Shares"	ordinary shares with a nominal value of £0.001 each in the capital of the Company, including the Existing Ordinary Shares, the New Ordinary Shares and (and, if applicable, any Conversion Shares
"Overseas Verici Shareholder"	a holder of Qualifying Shares with a registered address outside of the United Kingdom
"Panel"	the UK Panel on Takeovers and Mergers
"Placee(s)"	the investors acquiring Placing Shares at the Issue Price pursuant to the Placing
"Placing"	the conditional placing of the Placing Shares by N+1 Singer on behalf of the Company with institutional and other investors at the Issue Price pursuant to the terms of the Placing Agreement
"Placing Agreement"	the conditional agreement dated 2 November 2020 made between the Company, the Directors and N+1 Singer relating to the Placing and which is summarised in Part 6 of this Document

"Placing Participation"	acceptance of any offer incorporating the Placing Terms (whether orally or in writing or evidenced by way of a contract note) to subscribe and pay for the relevant number of Placing Shares
"Placing Shares"	60,275,000 New Ordinary Shares to be issued by the Company pursuant to the Placing
"Prospectus Regulation"	EU Prospectus Regulation (Regulation (EU) No.2017/1129)
"Prospectus Regulation Rules"	the prospectus regulation rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time
"QCA Code"	the corporate governance code published by the he Quoted Companies Alliance as in effect from time to time
"Qualifying Shareholders"	persons who held the beneficial title to any A ordinary shares of £0.001 each in the capital of the Company whose registered address is in the United Kingdom (excluding any US Person)
"Qualifying Shares"	the beneficial title to any A ordinary shares of £0.001 each in the Company
"Qualified Investors"	Qualified Investors who (i) are persons who have professional experience in matters relating to investments falling within article 19(5) of the Order, (ii) are persons who are high net worth entities falling within article 49(2)(a) to (d) of the Order, or (iii) are other persons to whom it may otherwise lawfully be communicated
"Receiving Agent"	Link Group of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU
"Regulation S"	Regulation S promulgated under the Securities Act
"Relevant Persons"	Qualified Investors who (i) are persons who have professional experience in matters relating to investments falling within article 19(5) of the Order, (ii) are persons who are high net worth entities falling within article 49(2)(a) to (d) of the Order, or (iii) are other persons to whom it may otherwise lawfully be communicated
"RENX" or **"Renalytix"**	Renalytix AI Plc a company incorporated in England and Wales with company number 11257655 and having its registered office at Avon House, 19 Stanwell Road, Penarth Cardiff CF64 2EZ
"Renalytix Relationship Agreement"	the relationship agreement dated 2 November 2020, between the Company, N+1 Singer and Renalytix, details of which can be found in paragraph 13 of Part 9 of this Document
"Requirements"	MiFID II Product Governance Requirements
"Restricted Jurisdiction"	each and any of the US, Australia, Canada, Hong Kong, Japan, New Zealand and the Republic of South Africa and any other jurisdiction where the extension or the availability of the Restricted Offer would breach any applicable law
"Restricted Offer"	the offer made to Qualifying Shareholders to subscribe for New Ordinary Shares
"Restricted Offer Close Date"	28 October 2020

"Restricted Offer Shares"	the 1,901,210 New Ordinary Shares being offered for investment pursuant to the Restricted Offer
"Restricted Offer Terms"	the terms of the Restricted Offer described in Part 7
"RIS"	Regulatory Information Service, an incoming information society service that disseminates regulated information in accordance with the applicable minimum standards
"Scientific Advisory Board"	the scientific advisory board of the Company, as comprised of the individuals described in paragraph 5 in Part 1
"SEC"	US Securities and Exchange Commission
"Securities Act"	Securities Act of 1933, as amended
"Share Dealing Code"	the code to be adopted by the Company from Admission which governs the restrictions imposed on persons discharging managerial responsibility and persons closely associated with them (as defined in MAR) in relation to dealings in the Company's securities
"Shareholders"	holders of Existing Ordinary Shares
"Share Option Plan"	Verici Dx PLC Employee Share Option Plan, details of which are set out in paragraph 9 of Part 9 of this Document
"Subscribers"	a subscriber for Subscription Shares pursuant to the Subscription
"Subscription"	the conditional subscription for Subscription Shares by the Subscribers at the Issue Price
"Subscription Agreements"	the conditional agreements made between (1) the Company; and (2) the Subscribers, further details of which are set out in paragraph 13 of Part 9
"Subscription Shares"	the 10,323,790 New Ordinary Shares to be issued at the Issue Price by the Company pursuant to the Subscription
"TIDM"	Tradable Instrument Display Mnemonic, a short, unique code used to identify UK-listed shares
"Takeover Code"	the City Code on Takeovers and Mergers issued by the Takeover Panel, as amended from time to time
"United Kingdom" or **"UK"**	the United Kingdom of Great Britain and Northern Ireland
"UK Listing Authority"	the FCA acting in its capacity as the competent authority for the purposes of Part 6 of FSMA
"uncertificated" or **"in uncertificated form"**	in relation to an Ordinary Share, recorded on the Company's register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
"US" or "**United States"**	United States of America, its territories and possession, any state in the United States, the District of Colombia and all other areas subject to its jurisdiction
"US Person"	a US person for the purposes of Regulation S under the Securities Act
"US Subsidiary"	Verici Dx Inc

"VAT"	value added tax
"VCT"	venture capital trust
"VCT Legislation"	Part 6 of the Income Tax Act 2007 and any provisions of UK or European law referred to therein
"VCT Relief"	relief from UK tax under the VCT Legislation
"$" or **"dollars"**	US dollars, the lawful currency of the United States of America
"£" or **"sterling"**	UK pounds sterling, the lawful currency of the United Kingdom

References to a "company" in this document shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established. All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof. Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender. For the purpose of this document, "subsidiary" and "subsidiary undertaking" have the meanings given by the Companies Act.

GLOSSARY OF TECHNICAL TERMS

"alloimmunity"	The reactionary response of the organ recipient's immune system directed at the transplanted organ, which is recognised as being foreign; more broadly applies beyond organ transplantation such as in blood types and blood transfusions
"cAR"	Clinical Acute Rejection, refers to a rejection episode that is able to be determined through clinical information, most commonly through rising elevations in serum creatinine
"CE"	The Conformitè Europëenne (**CE**) Mark is defined as the European Union's (EU) mandatory conformity marking for regulating the goods sold within the European Economic Area (EEA). The CE marking is the manufacturer's declaration that the product meets EU standards for health, safety, and environmental protection
"cfDNA"	Cell free DNA (deoxyribonucleic acid); this is DNA from the organ donor that is released into the organ recipient's blood stream upon the death of cells in the kidney
"Clarava™"	A test for pre-transplant prognosis for the risk of early acute rejection ("**EAR**")
"CLIA"	Clinical Laboratory Improvement Amendments, federal regulations applicable to all U.S. facilities or sites that test human specimens for health assessment or to diagnose, prevent, or treat disease
"clinico-pathologic"	Pertaining to the signs and symptoms manifested by a patient, and the results of laboratory studies, as they relate to the findings in the examination of tissue by means of biopsy
"CMS"	Centers for Medicare and Medicaid Services
"gene expression immune-phenotyping signatures"	Measures relative mRNA levels, showing the pattern of genes expressed at the transcription level, used to assess conditions which result in specific genes being over or under expressed. Also see immune-phenotyping and gene signatures
"gene signatures"	A single or group of genes that represent a unique characteristic pattern of gene expression that occurs in association with a biological process or pathogenic medical condition
"genomic technologies"	A field of science that leverages the knowledge from the study of structure, function, evolution and editing of genomes to create tools or manipulate and analyse genomic information
"immune–diagnostics"	A diagnostic methodology that leverages immune system elements or immune response in the diagnosis of infectious, acute and chronic diseases
"immune phenotyping"	A technique used in research and laboratory diagnostics that allows for the study of cellular protein expression
"immuno-profile"	A way to measure the state of an individual's immune system at a given point in time. Immune responses arise from many exposures that an individual has experienced including transplanted organ, allergens, infectious agents, chemicals, or emerging cancers
"immunosuppressive"	Suppressing the immune response of an individual

"immunosuppressive therapy"	Drug therapy used for suppressing the immune response
"IVDR"	*In vitro* diagnostic regulation, the new regulatory basis for placing on the market, making available and putting into service in vitro diagnostic medical devices on the European market. It will replace the EU's current Directive on in vitro diagnostic medical devices
"IVD"	*In vitro* diagnostic; tests done on samples such as blood or tissue that have been taken from the human body. In vitro diagnostics can detect diseases or other conditions and can be used to monitor a person's overall health to help cure, treat, or prevent diseases
"Lab Developed Tests" or **"LDT"**	A laboratory developed test (**LDT**) is a type of in vitro diagnostic test that is designed, manufactured and used within a single laboratory
"Medicare"	Medicare is the US federal health insurance program for: people who are 65 or older, certain younger people with disabilities, people with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant, sometimes called ESRD)
"MEDDEV"	MEDical DEVices Documents. The **MEDDEV** Guidance Documents are developed by various working groups on behalf of the European Commission to assist stakeholders in implementing directives related to medical devices
"MolDx"	Molecular Diagnostic Services, the MolDx Program facilitates detailed and unique identification through registration of molecular diagnostic tests to facilitate claims processing and to track utilisation. Establishes clinical utility expectations
"MHRA"	Medicines and Healthcare products Regulatory Agency
"next generation sequencing" or **"NGS"**	Next-generation sequencing (NGS) refers to the deep, high-throughput, massively parallel DNA sequencing technology. NGS allows for sequencing of DNA and RNA much more quickly and cheaply than the previously used Sanger sequencing, and as such has revolutionised the study of genomics and molecular biology
"principal Investigator"	Individual responsible for the management and integrity of the design, conduct, and reporting of a research project and for oversight of compliance, financial, personnel, and other related aspects and to assure research is conducted in accordance with federal regulations
"reimbursement coding"	Reimbursement for procedures and services performed by providers is made by commercial payers or federal intermediaries acting on behalf of healthcare programs. Reimbursement is based on claims and documentation filed by providers using medical diagnosis and procedure codes
"RNA"	Ribonucleic acid, a nucleic acid present in all living cells, a polymeric molecule essential in various biological roles in coding, decoding, regulation and expression of genes
"serum creatinine"	Creatinine is a waste product formed by the breakdown of creatine phosphate from muscle and protein metabolism. A measure of creatinine in the blood provides an estimate of the glomerular filtration rate in the kidneys, indicating how well the kidneys are functioning

"subAR"	Subclinical acute rejection is defined by the presence of histological lesions of acute rejection identified from a biopsy specimen, but without clinical signs and symptoms of rejection. It is distinct from clinical acute rejection, which is characterised by acute functional renal impairment
"transcriptome"	The complete set of coding and non-coding RNA molecules expressed from the genome
"Tuteva™"	A post-transplant diagnostic focused upon acute cellular rejection ("**ACR**") including sub-clinical rejection not being diagnosed through the current standard of care of rising serum creatine levels

PART 1

INFORMATION ON THE COMPANY, MARKET OPPORTUNITY AND STRATEGY

1. SUMMARY

OVERVIEW

The Company is an immuno-diagnostics development company, initially focused on the kidney transplantation market. The Company's kidney transplant assays use advanced next-generation sequencing that may define a personalised, risk-profile of each patient over the course of their transplant journey, as well as may detect injury in advance of currently available clinical tests.

The Company develops tests to understand how a patient is likely and may be responding to organ transplant. The recipient's immune system poses a threat to the transplanted kidney, or graft. Patients' immune systems vary in their response to the presence of the transplanted organ; characterising this immune response is called immuno phenotyping. The Company's products and solutions are underpinned by extensive scientific research into how the recipient's immune phenotype is likely to respond to the transplanted organ and how that response further influences acute rejection, chronic injury and, ultimately, failure of the transplant. These immuno-profile signatures may also assist clinicians as their assessment as to the optimal strategy for immunosuppressive and other therapies to enable successful graft acceptance at the lowest compatible level of treatment-induced side effects.

The research underpinning our technology was driven by a deep understanding of cell-mediated immunity and is facilitated by access to expertly curated, collaborative studies in highly informative cohorts in organ transplant. The Company has an exclusive worldwide patent and a non-exclusive technical information licence with Mount Sinai derived from Professor Murphy's work and collaborators in transplant immunology, focusing on the use of high throughput genomic technologies to understand better the immune mechanisms that lead to graft injury and loss. The Company's current and planned clinical development programmes are not only directed by an extensive Science Advisory Board of Key Opinion Leaders in the fields of clinical transplant and transplant immunology, but also will be conducted at an expanding list of key transplant centres for the multi-centre validation trials being funded.

There are two leading products for clinical validation and commercialisation:

- Clarava™, which is a pre-transplant prognosis for the risk of early acute rejection ("**EAR**"); and
- Tuteva™", a post-transplant diagnostic focused upon acute cellular rejection ("**ACR**") including sub-clinical rejection not being diagnosed through the current standard of care of rising serum creatine levels.

These products are planned to be offered as laboratory developed tests ("**LDT**") in the US, taking advantage of the lighter regulatory burden of authorisation under the CLIA regime which is administered by CMS, in partnership with state health departments, rather than seeking clearance from the FDA. In Europe the company will be seeking CE marking. CE marking issued by an EEA Notified Body will remain valid in the UK market until 30 June 2023. To address the UK market post-Brexit, the company will be seeking for UKCA (UK Conformity Assessed) mark as well. In addition to obtaining CE and UKCA markings, the products (the devices) will be registered with MHRA as required by MHRA after 1 January 2021. The Company is planning on complementing this commercial path with an efficient route through reimbursement coding, pricing and coverage determinations in the US. For inclusion into NICE guidelines in the UK, evidence-based data (such as health economic cost-effectiveness and patient outcome/clinical-effectiveness data, along with diagnostic test accuracy data), shall be applied for review by NICE Diagnostic Assessment Programme.

KEY INVESTMENT HIGHLIGHTS

Clearly differentiated product for competitive advantage

The use of gene signatures may enable the diagnostic or prognostic information for the clinician to be specific and directly measure the pathways of interest in assessing the immune response and the graft rejection status in real time. Competing technologies either miss the damage altogether (sub-clinical rejection) or use cfDNA based techniques which are non-specific and give the clinician information after the damage has

occurred. This addresses what is still largely an unmet need of more patient-centric and timely information on not only the pre transplant risk profile but also acute clinical rejection diagnosis. This immune phenotyping approach was developed over the past ten years and has been presented in three peer-reviewed publications to date.

Clinical utility

Information that is specific and timely is likely to inform the clinician's decision for a more efficient dosing regime for the individual patient. This is likely to not only improve outcomes for graft survival but also improve health economics by safeguarding the investment in the original transplant costs and protect against the need for a return to dialysis which is not only a poor quality of life but a high cost burden on the healthcare system.

Efficient regulatory path

In the US the Company seeks to commercialise its products as laboratory developed tests ("**LDT**") a pathway that is under the regulatory oversight of CLIA as administered by CMS, in partnership with state health departments. The review burden and timelines are less than seeking approvals through the FDA, although the Company in the future may also seek this pathway should commercial adoption demand a manufactured kit approach rather than a service-based offering.

Accelerated reimbursement pathway

A higher performing test with a target price lower than the current kidney transplant diagnostics should be attractive to both the private payors and meet the utility proof burden for Medicare and other public healthcare organisations worldwide. As a spin out technology from Renalytix it is expected that this technology will be able to leverage the current interest and network of private payors as well as benefit from the strategic input of Renalytix management.

Experience leadership and influential science advisory board

Leadership in both management and at the Board level are highly experienced in diagnostics development and commercialisation. Transplant expertise is reflected in the key opinion leaders that have joined the science advisory board from both research and from clinicians from centres that process approximately 2,000 transplants annually. There are five past presidents of international recognised societies of transplantation and one current president of American Society of Transplants (AST).

2. BUSINESS OVERVIEW

Unmet medical need re: transplant rejection and damage

Kidney transplantation is the treatment of choice for subjects with end stage renal disease ("**ESRD**"). An estimated 37 to 50 per cent. of recipients have evidence of a rejection event which can be sub-divided into:

- Clinical Acute Rejection ("**cAR**") occuring in approximately 10 per cent. to 15 per cent. of kidney transplant recipients in the first year post transplant. Usually indicated by a rise in serum creatinine over baseline and determined by a for-cause biopsy. It is usually alleviated with a change in immunosuppressive therapy.
- Subclinical Acute Rejection ("**subAR**") occurring in 27 to 40 per cent. of patients with stable serum creatine in the first 1 year post- transplant. It can be referred to as silent rejection because it often goes undetected. The only way to identify subAR is through a surveillance biopsy. However only 17 per cent. of transplant centres in the U.S. employ a surveillance biopsy program.

It is now well established that the recipient's immune response directed toward the transplanted kidney drives acute rejection, leading to chronic injury and failure of the transplant, thus necessitating lifelong immunosuppression drug therapy. One of the major issues with current immunosuppressive protocols is that they are not tailored to the individual patient needs. In clinical practice, immunosuppressive therapy is often decided based on broad clinical criteria including anti-HLA antibodies, race, prior transplantations and recipient age. However, these indicators perform poorly in predicting individual risk for development of acute rejection. As a result, most patients receive a standardised immunosuppressive protocol resulting in some individuals being exposed to either insufficient or excessive immunosuppression, leading to acute rejection

or complications associated with over-immunosuppression, respectively. These complications include infections, malignancy, diabetes, hypertension and heart disease. The number of patients receiving higher doses of immunosuppression around the time of a transplant continues to increase in an attempt to minimise rejection and protect the transplanted kidney. There is no current mechanism to determine the optimal approach to immunosuppressive therapy for a given patient beyond the presence of recipient antibodies directed toward the donor tissue, which can be found in only approx. 10 per cent. of patients. Early identification of individuals at high risk of acute rejection could allow targeted therapies aimed at improving long-term outcomes. Evidence exists that the phenotype and function of the immune system in patients before kidney transplantation affects the risk for subsequent acute rejection after transplantation, but no biomarker has been identified to quantify or otherwise assess this risk. Following transplant, clinicians use a standardised approach to management of immunosuppression, slowly reducing drug levels to a maintenance level over the first 3 to 6 months. There are currently no biomarkers available to indicate if a patient is under or over immunosuppressed. Manifestation of clinical acute rejection is the current indicator used to determine that a patient is under-immunosuppressed, which means measuring the damage to the kidney by observing the effects of the damage after it has happened. There is no generally accepted mechanism to identify patients with subclinical acute rejection, except to find evidence of rejection on a surveillance biopsy. Furthermore, there is no clinically available mechanism to identify a patient that is at risk of developing graft injury, either inflammation or fibrosis or both, and therefore at risk of long-term graft failure.

Use of proprietary genetic signatures

The Company's products are RNA gene expression signatures used as indicators of alloimmunity in the transplant recipient. The body's DNA codes for thousands of genes that are responsible for all aspects of health and disease. Genes are expressed at different levels of abundance depending on which processes need to be performed (i.e. growth, digestion after meals, fighting an infection, repairing UV damage, etc). The Company looks at gene signatures found in blood, called an "immune profile," because the immune system is the main driver of graft rejection. These immune profiles may be utilised to predict and diagnose the recipient's immunological and cellular response to the transplanted organ including graft injury and graft rejection.

Competing technology to measure graft rejection includes measuring donor-specific circulating free DNA ("**cfDNA**"). This technique involves measuring the abundance of small parts of dead kidney cells circulating in blood; however, by the time cfDNA is abundant the damage has already been done. Additionally the information is non-specific meaning that it does not assist the clinician to distinguish between graft rejection and cell death as a result of infections such as the BK virus that would require a reduction in immunotherapy not an increase as would be required for rejection. Gene expression immune profiles may be ideal in the transplant setting because they may provide earlier indications and are more highly specific of graft failure than cfDNA and thereby allow additional time for the doctor to alter care and improve graft survival. Currently the Company's products utilise a 17-gene and a 23-gene panel with an algorithm for the weighting for the final result, but as part of ongoing development both the genes and the algorithm may be improved over time. The 23-gene signature identified in the Clarava™ test reflects the potential a graft recipient's immune system has to have an inflammatory response to the donated kidney. If the immune system has a high propensity for attack, the kidney may fail sooner. Conversely, if the immune system has a low propensity for attack, the kidney may be at lower risk of failure. This information can be used by a doctor to aid in decisions regarding therapy used to subdue the immune system, as well as modify the duration that the drugs are given.

The 17-gene signature identified in the Tuteva™ test reflect stress response and cell repair pathways. These signatures may work to describe how well the host environment is adapting to the donated kidney. This information can be used by a doctor to prescribe different types and amounts of drugs used to subdue the immune system, as well as modify the duration that the drugs are given.

Novel approach to transplant testing products – Clarava™ and Tuteva™

The two leading products for commercialisation are branded the Clarava™ (the pre-transplant prognostic) and Tuteva™ (the ACR diagnostic) products. These are respectively identified in the Company's licence with Mount Sinai as

- Method for Identifying 'Baseline Acute Rejection' in recipient blood prior to transplant and predicts the likelihood of acute rejection (blood-based, HiSeq, Baseline Acute Rejection Assay, 23-genes); and

- Method for diagnosing 'Subclinical Acute Rejection' at 3 months in post- transplant recipient blood (blood-based, MiSeq, ACR, 17-genes).

The Clarava™ gene expression signature could give prognostic information to clinicians likely to yield a high, moderate and low risk score giving clinicians valuable information on the degree of risk in the nature of the likely immune response to the graft.

The Tuteva™ gene panel test reviews the cell repair and metabolism pathways as well as immune response to give clinicians a tool that directly correlates with active rejection of the graft, rather than the indirect measurements currently available from other technologies which measure the resulting "debris" from attacked cells.

Both tests only require a simple blood draw at the transplant centre using a test tube that stabilises the sample and enables a benign transfer to the company's testing laboratory. The sample is processed, and the result is then sent back to the requesting clinician. Sample processing is expected to take 3-5 days.

Exclusive licence with Mount Sinai

On 21 December 2018, to Mount Sinai granted Renalytix, for an initial upfront $1,000,000 licence fee, a worldwide exclusive licence to four patents relating to the underlying technology, and a non-exclusive licence to the related technical information and materials in respect of diagnostics and prognostics for kidney transplant rejection. The licence was subsequently assigned to the Company on 4 May 2020 as part of the transfer of the business and assets of the FractalDx portfolio from Renalytix. The purchase price of $2,000,000 was satisfied by the issuance of loan notes by the Company to Renalytix. There are obligations in the licence to pay a combination of maintenance fees and milestone payments in the licence as outlined in paragraph 13 of Part 9 of this document. Upon commercialisation of the products it is expected that the Company will be pay Mount Sinai an 8 per cent. royalty on products it sells which are covered by the licensed patents (and 6 per cent. on products not so covered but which use the licensed technical information and materials). The assays which form the technology which is defined by and subject to the licence is described in the Mount Sinai licence agreement as:

- Method for diagnosing 'Subclinical Acute Rejection' at 3 months in post-transplant recipient blood (blood-based, MiSeq, ACR, 17-genes).
- Method for Identifying 'Baseline Acute Rejection' in recipient blood prior to transplant and predicts likelihood of acute rejection (blood-based, HiSeq, Baseline Acute Rejection Assay, 23-genes).
- Method for predicting likelihood of fibrosis and graft loss at 12 and 24 months, using a post-transplant recipient kidney biopsy tissue at 3 months (tissue-based, Affymetrix microarray, Fibrosis Detector, 13-gene assay).
- Methods and Kits for monitoring fibrosis risk at 3 months in post-transplant recipient blood. (blood-based, 4 MiRNA, under development).
- Methods for predicting 'baseline Risk for Renal Allograft Fibrosis and chronic rejection' in recipient blood prior to transplant (blood-based, under development).

Collaboration with Mount Sinai

The Company believes that it and Mount Sinai will negotiate terms of participating in the utility studies to assess the impact of both products on patient outcomes and health economics.

Validation trials

The Company is preparing to initiate a comprehensive multi-centre observational clinical study, commencing shortly after receipt of the net proceeds from the Fundraising to validate the clinical performance of gene expression immune-phenotyping signatures and associated algorithms for the two flagship in vitro diagnostic assays, Clarava™ and Tuteva™. The study will allow clinico-pathologic data to be collected and studied

while validating based on biopsy findings in central pathology and clinical outcomes. The clinical research objectives include the following:

- Correlate the blood-based gene expression signatures of the organ recipient with outcomes related to kidney injury, acute rejection, fibrosis, or organ loss.
- Examine the ability of analytical algorithms and machine learning to enhance the utility of gene expression signatures in guiding the interpretation of risk results.
- Confirm the ability of gene expression profiling to differentiate acute graft rejection from other causes of graft dysfunction, such as BK nephropathy and pyelonephritis.
- Interrogate urine samples for RNA, DNA and proteins through various techniques, including exosome isolation, cfDNA and mass spectroscopy; comparing results with blood and tissue-based profiles for future diagnostics / prognostics in overall graft health.

The study is planned for 10 transplant centres with the expectation to enroll approximately 150 subjects for the Clarava™ and Tuteva™ validation. Data and specimen collections will occur pre-transplant and at 1, 3 and 6 months post-transplant, including a biopsy of the kidney at 3 months. The findings in this period will support the clinical performance validation of both laboratory developed tests ("**LDTs**"). The Company's laboratory may perform next generation sequencing, while remaining blind to outcomes and comparator testing in preparation to use data in assay and algorithm validation. The company is forecasting to complete these elements by year end 2021. In addition to the validation of the Clarava™ and the Tuteva™ products, the patients will continue be followed within the study for a period of two years in order to collect additional data for pipeline product development, including tests to predict risk of fibrosis.

Regulatory process

For diagnostics in the US all laboratories performing clinical testing must achieve compliance with federal regulations under CLIA. These regulations are administered at the state level through the individual state departments of health where states may add further regulation alongside the federal. There are two states, New York and Washington, where the state level regulations are considered at least or more rigorous than the federal, and in those two states, the state level credentialing is allowed to show compliance at the federal level exempting from the need to achieve direct CLIA certification.

Companies which create a test and offer the diagnostic product as a service (returning results to individuals/Clinicians) as a laboratory developed test ("**LDT**") under the CLIA process or obtain clearance from the FDA for that LDT. Performing the LDT in a CLIA compliant laboratory without first clearing the test though FDA is more simple and faster but does necessitate both the laboratory and the product being certificated and require specialist staff and approval processes. Should the tests ever be required to be distilled into a kit format for wider distribution then the FDA pathway would be required. This is not anticipated as a need in the short to medium timeframe.

CLIA is administered by CMS, in partnership with state health departments. CLIA requires that laboratories demonstrate or verify the analytical validity of all tests they perform. Where a clinical laboratory analyses specimens based on a proprietary test method (i.e., an LDT), the laboratory must, among other things, document the accuracy, precision, specificity, sensitivity of, and establish a reference range for, such test.

CMS provides for exemption from CLIA for states that develop clinical laboratory standards that are at least as stringent as federal requirements. Both New York and Washington State are exempt from CLIA. The NYS CLEP requires all independent clinical laboratories operating in, or testing specimens from, NYS to obtain a laboratory permit prior to commencing operations. NYS CLEP requires clinical laboratories performing LDTs to submit test validation documentation demonstrating the tests' analytical and clinical validity.

Commercialisation

The Company intends to continue building its collaborative, multi-centre working group to further develop, validate and commercialise its products and technology platform. The Company intends to conduct both its validation and utility studies under strict quality assurance procedures with the intention of filing for regulatory review under the CLIA system and reimbursement review by CMS. The Company expects to pursue a strategy to achieve appropriate regulatory review with European and Asian regulatory agencies to expand the addressable market for its products.

Reimbursement

The Company intends to seek coverage and reimbursement for Clarava™ and Tuteva™ products with Medicare Administrative Contractors of the Centers for Medicare & Medicaid Services ("**CMS**") and major third-party private payors in the US. The Company continues to assess several of the key factors involved in establishing appropriate levels of reimbursement for its products including its clinical studies demonstrating short and long-term clinical utility, regulatory approval pathways, achievable health economics, clinical work-flow impacts, potential pathways for guidelines inclusion, publication of results in recognised peer-reviewed journals, as well as other factors. The Company believes that emphasising a coverage and reimbursement strategy at the beginning of the product development and clinical validation process can help to mitigate some of the timeline risk associated with achieving regional and national coverage and reimbursement.

Coverage determination for Medicare is planned to be under the MolDx system where in transplant testing there is some precedence for using "Vignette" studies (clinical utility case studies) to start the coverage review process. This, and the results of clinical utility studies, could lead to a Medicare coverage determination by Q2 2023.

Private payer determination will benefit from the prior coverage of competitor testing and so only the need to demonstrate superior performance and improved health economics. Private payors require that contract relationships are put in place prior to test assessment and there may be some efficiencies from leveraging existing arrangements in place for Renalytix for its KidneyIntelX IVD product.

Revenue strategy

The Company's revenue is expected to be derived from different sources including:

- standard private third-party and government medical insurance coverage and reimbursement models for Company-developed products, such as Clarava™ and Tuteva™; and
- program development and ongoing contract fees for Company-developed proprietary products to support pharmaceutical companies with clinical trials and drug target discovery.

Transplant care is focused upon transplant centres and offers efficiencies in commercial expansion. There are 236 transplant centres in the US and 227 in Europe (through 3 cooperation organisations comprising 72 Eurotransplant, 10 Scandiatransplant and 145 Sound Alliance for Transplants (SAT) centres). The concentration of testing into a relatively small number of centres offers an opportunity that can be addressed efficiently by a relatively small sales force, enabling a more capital-efficient route to market and operating structure.

Prior to full commercial scaling, the Company expects to focus its first revenues from a small number of early adopting sites. This is expected to be within 24 months of the fundraising, subject to successful validation trials and approvals under the CLIA certification.

Data depository

Next generation sequencing enables the Company to obtain data from each patient's transcriptome, from a simple blood draw which is about 20,000 to 25,000 genes. Initially only the data on the gene signatures will be analysed but the rest of the data will be banked. This will enable future discovery and may offer opportunities for retrospective studies accelerating the pace future development.

Additionally, the Company is extending the validation trial timeline, from the minimum needed for the current products of 6 months, to a full 24 month period of blood collections and matching patient information and outcomes.

The Company believes that this will be a pivotal resource not only for the diagnostic and prognostic continuum but enabling valuable partnership opportunities enabling a more targeted approach to drug discovery.

Intellectual Property

The Company has been licensed by Mount Sinai to use certain of its intellectual property rights to several inventions related to in vitro diagnostic testing and treatment of kidney transplant recipients. The intellectual property (IP) involves analysis of gene expression in transplant recipients, paired with a bioinformatics algorithm to produce a diagnosis or a risk score related to graft injury or graft loss as part of various processes involved in transplant rejection.

Patent applications have been filed in several jurisdictions including the United States, Europe, Canada, Australia, Brazil and China, and some have been granted. The first patent application is directed to the analysis of gene expression in a tissue biopsy of the kidney to predict risk of fibrosis (graft tissue scarring). This application has been issued as a patent in China and has received a decision to grant in Europe. A second patent application is directed to the analysis of gene expression in a blood sample from a transplant recipient to identify risk of acute cellular rejection. This patent application has also received an intention to grant in Europe. A third patent application is directed to the use of miRNA from blood to predict risk of fibrosis and rejection of the graft and provides methods of treatment. This patent application has been issued as two patents in the United States. A fourth patent application is directed to a method that uses blood collected pre-transplant to estimate risk of experiencing an early acute rejection following transplant. This patent application has been published as a PCT application and will soon enter national phase prosecution. The Company is seeking to expand the scope of its licence to include rights to a new invention directed to a blood-based test for risk of fibrosis by measuring gene expression and has planned a number of new improvements that will add to the current patent portfolio.

Set out below is a table setting out public information relating to the patents and patent applications which have been exclusively licensed to the Company under the licence granted by Mount Sinai for diagnostics and prognostics for kidney transplant rejection:

Title	*Numbers*	*Applicant*	*Inventors*	*Brief Description of invention*
METHOD AND KITS FOR PREDICTION OF ACUTE REJECTION AND RENAL ALLOGRAFT LOSS USING PRE-TRANSPLANT TRANSCRIPTOMIC SIGNATURES IN RECIPIENT BLOOD	WO 2019/204267	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	MURPHY, Barbara; ZHANG, Weijia	Gene signature sets expressed by kidney allograft recipients prior to transplant that determine the risk for acute rejection (AR) post-transplant and methods of using the gene signature sets for identifying renal allograft recipients at risk for acute rejection. Also disclosed herein are kits for use in the invention which comprise primer pairs for the gene signature sets.
METHOD FOR DIAGNOSING SUBCLINICAL AND CLINICAL ACUTE REJECTION BY ANALYSIS OF PREDICTIVE GENE SETS	US 2017/0137883 AU 2015279542 EP 3161165 BR112016030313 CA2953369 CN106661635 WO2015200887	Icahn School of Medicine at Mount Sinai	Barbara Murphy; Weijia Zhang	Methods for diagnosing acute cellular rejection (ACR) of an allograft by analysis of predictive gene sets and kits for practicing these methods.

Title	*Numbers*	*Applicant*	*Inventors*	*Brief Description of invention*
METHOD FOR IDENTIFYING KIDNEY ALLOGRAFT RECIPIENTS AT RISK FOR CHRONIC INJURY	US 2017/0114407 EP 3117220 AU2015229270 CA2942384 CN106461679 CN109207580 HK 19126814.3 WO2015/138803	Icahn School of Medicine At Mount Sinai; WESTERN SYDNEY LOCAL HEALTH DISTRICT	Barbara Murphy; Weijia Zhang; Philip J. J. O'Connell	A method for identifying a renal allograft recipient at risk for chronic allograft damage or interstitial fibrosis and tubular atrophy (IF/TA) by comparing the transcription level of a pre¬selected gene signature set with the transcription level of a comparison standard, and diagnosing the recipient as being at risk for chronic allograft damage if the transcription level of the preselected gene signature set is significantly higher than the transcription level of the comparison standard.
METHODS FOR DIAGNOSING RISK OF RENAL ALLOGRAFT FIBROSIS AND REJECTION	US 10,308,985 EP3161158 US10787709 US2017/152560 US2019/345556 AU2015279621 CA 2953368 CN106661634 WO2015/200873	Icahn School of Medicine At Mount Sinai	Barbara Murphy; Weijia Zhang	A method for diagnosing a renal allograft recipient's risk for developing fibrosis of the allograft and allograft loss. The method includes determining the expression levels of certain microRNAs, which have been determined to be predictive of an allograft recipient's risk. Also disclosed herein is a method of treating a renal allograft recipient to inhibit fibrosis of the allograft and allograft loss, as well as kits for use in the methods disclosed herein.

Other Intellectual Property of, or licensed to, the Company includes, technical information and materials relating to the licensed patents which has been non-exclusively licensed to it by Mount Sinai; copyright, being copyright that it owns, such as the Company's own study and research data, its business and technological know-how, its test data Intellectual Property attached to the results of services provided to the Company that the Company will own (for example bioinformatics service providers such as BioLizard) and copyright and other Intellectual Property that has been licensed to the Company under contract for provision of services to enable the use of such results (as in the Company's agreement with BioLizard).

The Company does not own any trade mark applications or registration in its name, its technology or its products. The trade mark 'VERICI DX' has been filed in the U.S. on 7 July 2020 (serial number 90038781) in the name of Renalytix AI, Inc., being a fully owned subsidiary of Renalytix), this application is still going through the registration process, and it is the intention that the application (or registration if granted sooner) will be assigned to the Company. The application is currently held on trust for the Company by Renalytix pursuant to the Asset Purchase Agreement between Renalytix and the Company dated 4 May 2020.

Group history

The Company was incorporated in England and Wales on 22 April 2020 as a wholly owned subsidiary of Renalytix. One ordinary share of £1.00 was in issue.

On 4 May 2020 the Company was party to an asset purchase agreement with Renalytix for the purchase of the assets attached to the Fractal DX portfolio of patents previously licensed to Renalytix by Mount Sinai, for a consideration of $2,000,000. The consideration was satisfied by the issuance of a non-interest-bearing

Convertible Loan Notes from the Company to Renalytix. The total amount available to the Company under the convertible loan note instrument made available to the Company was up to $3,000,000.

Pursuant to the terms of the Convertible Loan Notes, notice was given by Renalytix on 28 October 2020 to convert all of its existing debt of $2,500,000 by the Company into 9,831,681 Ordinary Shares at the Issue Price.

In anticipation of a distribution in specie by Renalytix of its entire shareholding in the Company, on 7 July 2020 the entire issued share capital was sub divided to create 1,000 ordinary shares of £0.001 each. Additionally, 59,415,135 ordinary shares of £0.001 each were allotted. Those 59,416,135 shares were then immediately reclassified as 59,416,134 A shares and 1 Golden Share.

On 7 July 2020, the Board of Renalytix convened and declared a distribution in specie of its shares held in the Company to trustees on trust for the Renalytix shareholders. The Golden Share is the only voting share in the capital of the Company. It is held by Renalytix as nominee on trust for the directors of Renalytix and Renalytix no longer has any beneficial interest in the Company.

The shareholders of Renalytix on the register as at close of business on 9 July 2020 received one A Share in the Company for every 1 ordinary share held in Renalytix.

On 17 January 2020, ResolveDx Inc was incorporated in the state of Delaware, USA as a wholly owned subsidiary of Renalytix. On 14 August 2020, ownership of ResolveDx Inc was transferred to the Company and, on 21 August 2020 ResolveDx Inc changed its name to Verici Dx Inc.

3. MARKET OPPORTUNITY

Globally there are approximately 95,000 transplants performed each year of which about 24,000 are performed in the US and 25,000 in Europe. The comparatively low number in comparison to the waiting list in the US was recognised as an issue for patients waiting for a transplant for on average 3 to 5 years, even longer in some geographical locations. It also formed part of the policy in the US Executive Order, Advancing American Kidney Health where the agency was required to improve efficiencies in the transplant network and expand support for living donors with the goal of doubling the number of available transplants by 2030.

In the US the average cost of a transplant is $443,000 per transplant and the average annual cost of dialysis is $88,000 with patients faced with being on dialysis from 3 to 5 years. The cost of failure of a graft is not only devastating to the patient but places a high cost burden on the health system.

It is estimated that about 37 to 50 per cent. of all grafts will experience a clinical (10 to 15 per cent.) or subclinical (27 to 40 per cent.) rejection condition in the first year following transplant and the clinicians use immunosuppression therapy to try to manage the rejection risk. Despite that, the failure rate in the US has remained largely unchanged and is 16 per cent. (live donor) to 28 per cent. cadaver at 5 years. In the EU this is 13 to 21 per cent. respectively.

Part of the problem is that the standard of care which, by monitoring a rising serum creatinine level, identifies only 10 to 15 per cent. of transplant patients as having an acute rejection during the first year after transplant. However, surveillance biopsy studies show that 27 to 40 per cent. of patients with normal kidney function as defined by serum creatinine measurement will in fact have evidence of acute rejection, also called a sub clinical acute rejection rate.

Additionally, clinicians have minimal risk stratification tools to help assist in predicting how a patient is likely to react to a transplant. How aggressive or benign a patient's immune system is likely to react is an important piece of information for the clinician in assessing overall risk and helping to assist in choice of dosing regimens. The current information from clinical factors which can be as general as age and gender are not found to be particularly helpful in predicting risk of rejection. There are no specific prognostic tests available to clinicians at the current time which would give the company first mover advantage. Estimates on the annual addressable market by the Company are based upon a number of times the tests may be used applied to the global annual transplants performed at the estimated price point of $1,500 per test.

Application of testing:

(i) Clarava™ is performed on recipients pre-transplant. The frequency with which it may be performed will differ between recipients of living and deceased donor kidneys. In living donors the assay may be performed at a minimum at the time of the initial recipient evaluation and when labs are performed before the transplant. In recipients of deceased donor kidneys Clarava™ will likely be performed at initial evaluation and immediately before the transplant. Recipients awaiting a deceased donor transplant are on the transplant waiting list for many years, the duration of which varies depending on the area that they are listed and may be 3 to 5 years, even longer in some geographical locations. Since their health status can change during this time they usually undergo re-evaluation on a regular bases, usually every 2 -3 years. These re-evaluation visits would also serve as an opportunity to repeat Clarava™ to determine if there has been a chance in the recipients' status; and

(ii) Tuteva™ is a post-transplant test. At a minimum we would propose that Tuteva™ be performed 3 times over 1 – 6 months post-transplant. Patients are seen very regularly post-transplant. Tuteva™ may be used regularly during these visits to identify patients that have underlying subclinical rejection. In addition, Tuteva™ can be used in the case of a patient that has an increased creatinine to identify which patient has a clinical acute rejection. Therefore, the Company estimates that the Tuteva™ may be used at a minimum of 3 times in the first 6 months but this could be substantially more.

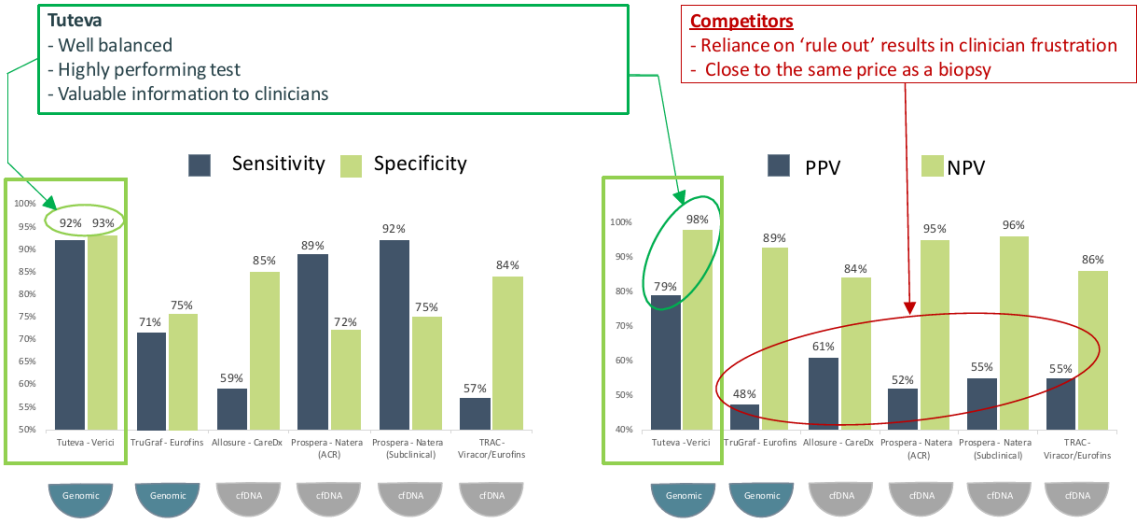
4. COMPETITION

Currently there is no approved pre-transplant prognostic test commercially available to assess the recipient's likely immune response and so the risk of kidney transplant rejection. In the absence of prognostic information, clinicians typically rely on a 'one size fits all' approach whereby patients often receive a standardised immunosuppressive therapy. This standardised approach will often result in kidney transplant patients being under-treated or over-treated through immune system modulation therapy and ultimately lead to early acute rejection or to serious side effects such as infections or malignancies. The Company intends for Clarava™ to become the first prognostic test available that gives a risk score for early acute rejection within the first six months post- transplant for a potential kidney transplant recipient. The current performance of the test with PPV/NPV of 70 per cent. to 88 per cent. is expected to give clinicians actionable insights into balancing immunotherapy and to reduce complications and costs.

A number of competitors exist within the post-transplant diagnostic testing environment for acute cellular rejection. Current post-transplant diagnostic testing largely uses cfDNA which is non-specific and only detects acute cellular rejection after the damage has already occurred. There are at least three tests currently approved on the market which rely on cfDNA detection as an indicator of damage, including Allosure (CareDx), TRAC (Eurofins) and Prospera (Natera). Eurofins also offers another product called TruGraf, which is a genomic expression microarray test that gives a risk score for subclinical kidney acute cellular rejection. A review of published literature by the Company indicates that microarrays continue to show a lack of reproducibility which is problematic for a commercial product. This may be connected with their requirement to extract cellular material for testing, which can result in other information being included in the sample. Microarray test results can also be less accurate due to the low quantity and quality of material being analysed.

The Company's Tuteva™ is a 17-gene diagnostic test that identifies an immune response that is directly indicative of acute cellular rejection. Tuteva™ is a well-balanced test meaning that it performs highly on both sensitivity and specificity. It is a superior performing test, as measured on conventional metrics and shown below, that provides clinicians with real time diagnostic information that is able to assess the immune activation and inflammatory response enabling clinicians to take action before damage is irreversible rather than indirectly measuring damage after it has already occurred. This timely and superior measurement should therefore improve patient outcomes. The Company intends to pursue a reimbursement price of $1,500 per test which would enable a repeat number of tests to be performed within a comparable budget to other tests, whilst meeting clinicians' needs by providing a higher performing test able with more clinically relevant insights.

Figure I: Performance metrics for Tuteva™ compared to competition:



5. DIRECTORS

Julian Baines, MBE (aged 56) – *Non-Executive Chairman*

Julian is the Company's Non-Executive Chairman and member of the remuneration committee.

Julian is the chief executive officer of EKF Diagnostics Holdings plc ("**EKF**"), having assumed the role in December 2009. During his tenure at EKF, he has successfully completed multiple fundraisings and the acquisition and subsequent integration of eight businesses in seven countries, building revenue from zero to over £40,000,000. Prior to joining EKF, Julian was group chief executive officer of BBI Holdings plc, where he undertook a management buyout in 2000, its AIM flotation in 2004 and was responsible for selling the business to Alere, Inc. (now part of Abbott Laboratories) in 2008 for c. £85,000,000.

In 2016, Julian was awarded an MBE (Member of the British Empire) for services to the life sciences industry.

Julian was appointed a director of the Company on 22 April 2020.

Sir Ian Carruthers, OBE (aged 69) – *Senior Independent Non-Executive Director and chair of the audit committee and nomination committee.*

Sir Ian Carruthers holds a number of chair and non-executive board and advisory roles in the public and private sectors. He was previously Chief Executive of NHS South of England, comprising three health bodies: South West, South Central and South East and his career in the National Health Services spans over 40 years. He was awarded the Order of the British Empire for services to health in 1997 and a Knighthood in 2003 for services to the NHS and in 2006 he took over as Interim Chief Executive of NHS England, amongst the largest organisations in the world with over 1.3 million employees and a budget in excess of £100 billion. He has been the lead author on several papers on reviewing and improving the NHS and is seen as an international expert on healthcare systems and service delivery.

He is currently Chancellor of the University of the West of England, and was formerly Chair of Healthcare UK, Chair of the Innovation Health and Wealth Implementation Board, Co-Chair of the Prime Minister's Challenge on Dementia and Non-Executive Director of Bioquell plc.

Sir Ian Carruthers was appointed as a director of the Company on 19 August 2020.

James McCullough (aged 53) – *Non-Executive Director and member of the remuneration committee and the nomination committee*

James is a Non-Executive Director and the CEO of Renalytix.

James has experience building emerging technology companies in both the public and private sectors with specific expertise in the life-sciences industry. His skills include equity and debt capital formation, strategic development and partnerships, executive team structuring, regulatory issues and marketing. The Renalytix IPO was completed in November 2018, raising over £22,000,000 for the company. Following successful progress in validatory development, regulatory discussions, reimbursement, pricing and insurance coverage determinations, a follow-on fundraise was arranged in July 2019 at over double the IPO price, enabling expansion of the team and acceleration of key workstreams. In July 2020, Renalytix successfully dual-listed on Nasdaq with a market capitalisation of £378,130,000 after raising a further $85,000,000 (approximately £68,000,000).

Prior to his role at Renalytix, James was Chief Executive Officer of Exosome Diagnostics, a venture backed personalised medicine company developing non-invasive liquid biopsy diagnostics in cancer. Exosome Diagnostics was acquired by Bio-Techne Corporation (NASDAQ: TECH) in 2018. James is also a managing partner of Renwick Capital, LLC ("**Renwick**"), a management consulting firm specialising in assisting emerging healthcare technology companies with strategic planning and business execution.

James received his B.A. from Boston University and an M.B.A. from Columbia Business School. James is currently Chairman of BalletNext, a performing arts company in New York City. He currently holds Series 79 and Series 63 securities licenses from the Financial Industry Regulatory Authority ("**FINRA**") in the US.

James was appointed a director of the Company on 22 April 2020.

Sara Barrington (aged 53) – *Chief Executive Officer*

Sara is an Executive Director.

Sara has leadership experience both financially and operationally with a focus upon developing and commercialising life science products. She was the CEO of LungLife AI a diagnostic company for early stage lung cancer. Prior to that she was with Bruin Biometrics, a LA-based medical device company as EVP Business Operations and previously CFO. In her role at Exosome Diagnostics, a venture-backed personalised medicine company the focus was upon the development of non-invasive liquid biopsy diagnostics in cancer and the company was successfully sold to Bio-Techne Corporation in 2018. She was previously CFO at AusAm Biotechnologies developing diagnostics in kidney disease. Sara is also CCO of Kantaro Biosciences, a joint venture between Renalytix and Mount Sinai for the commercialisation of COVID-19 antibody testing.Prior to working in the US, she worked for British Telecom in London in business development and strategy.

Sara received her B.A. from Lancaster University and she is qualified as a Chartered Accountant with the Institute of Chartered Accountants in England and Wales. She has also qualified with Chartered Institute of Marketing.

Sara's previous surnames are Wadeson and Scates.

Sara was appointed a director of the Company on 19 August 2020.

Dr. Erik Lium (aged 52) – *Non-Executive Director and chair of the remuneration committee.*

Erik will represent Mount Sinai on the Board as part of the ongoing relationship between the Company and Mount Sinai.

Dr. Lium is President of Mount Sinai Innovation Partners (MSIP) and Executive Vice President and Chief Commercial Innovation Officer, Mount Sinai Health System. He is also Non-Executive Director of Renalytix. Dr Lium represents Mount Sinai on several private company boards and previously served as a member of the investment review committee for the Accelerate NY Seed Fund. Dr Lium also serves as chairman of the board of managers of Kantaro.

Prior to joining Mount Sinai, Dr. Lium served as the Assistant Vice Chancellor of Innovation, Technology & Alliances at the University of California, San Francisco (UCSF), and the UCSF Principal Investigator for the Bay area National Science Foundation I-Corps node and Assistant Vice Chancellor of. Dr. Lium served as President of LabVelocity Inc. prior to its acquisition in 2004. He pursued post-doctoral research at UCSF in the laboratory of J. Michael Bishop, MD, and earned a PhD with honours from the Integrated Program in Cellular, Molecular and Biophysical Studies at Columbia University in the laboratory of Dr. Saul J. Silverstein. Dr. Lium holds a BS in Biology from Gonzaga University.

Dr. Lium was appointed a director of the Company on the 19 August 2020.

Dr. Barbara Murphy (aged 55) – *Non-Executive Director and member of the audit committee*

Dr. Murphy is the Murray M. Rosenberg Professor of Medicine, chair of the Department of Medicine for Mount Sinai and Dean for Clinical Integration and Population Health. Her area of interest is transplant immunology, focusing on the use of high throughput genomic technologies as a means to understand the immune mechanisms that lead to graft injury and loss, with the aim of identifying gene expression profiles and or genetic variants that may be used to predict those at greatest risk.

Dr. Murphy earned her M.B. B.A.O. B.Ch. from The Royal College of Surgeons in Ireland and went on to do an internship at Beaumont Hospital in Dublin. She completed a residency rotation at Beaumont Hospital followed by a fellowship in Clinical Nephrology also at Beaumont Hospital. Dr. Murphy completed her postdoctoral training with a fellowship in Nephrology at Brigham and Women's Hospital, Harvard Medical School. As part of this she trained in transplant immunology at the Laboratory of Immunogenetics and Transplantation, Renal Division, Brigham and Women's Hospital, Harvard Medical School. Among her many honours, Dr. Murphy was awarded the Young Investigator Award in Basic Science by the American Society of Transplantation in 2003. In 2005, Dr. Murphy was awarded the Irene and Dr. Arthur M. Fishberg Professor of Medicine at The Mount Sinai Hospital. Then, in 2011, she was named Nephrologist of the Year by the American Kidney Fund. She received the distinguished Jacobi Medallion in 2014. She also received an honorary degree from University College, Dublin, Ireland. In 2016, Dr. Murphy was honoured by The Annual Irish America Healthcare & Life Science 50.

Dr. Murphy belongs to a number of professional societies including the American Society of Transplantation and the American Society of Nephrology. Among her numerous achievements, she has held many leadership roles at a national level, including being a member of the board of the American Society of Transplantation, the executive committee of the American Transplant Congress, and chair of Education Committee of the American Society of Transplantation. In 2009 Dr. Murphy was the president of the American Society of Transplantation and in 2016 was elected to council for the American Society of Nephrology.

Dr. Murphy was appointed a director of the Company on 22 April 2020.

6. BUSINESS STRUCTURE

The Company is led by a team highly experienced in clinical, regulatory, product development and data management. Professional organisations and expert consultants have also been retained to advise on a range of activities throughout development and commercial execution phases. The Directors have been involved in numerous fundraisings and exit events including in the healthcare space.

Senior Management

Sara Barrington – *Chief Executive Officer*

Sara Barrington Chief Executive Officer, whose biography is detailed above.

David Anderson – *Chief Financial Officer*

David is a chartered accountant and member of the Institute of Chartered Accountants of England and Wales with over 25 years' experience of senior finance roles. He qualified with Stoy Hayward (now BDO LLP) and from 1998 to 2009 was an audit partner in their London office before becoming an audit partner with Crowe Clark Whitehill (now Crowe UK LLP) from 2010 to 2012. Since then he has held senior finance roles with Strategic Minerals Plc, Hakkasan and C|T Group. He is currently CFO of LungLife AI, Inc.

Patricia Connolly – *Executive Vice President, Product Development*

Patricia started her career as a research scientist in 1987 before becoming Coordinator of Research for the Division of Infectious Diseases at the University of Indiana, Department of Medicine. She subsequently held the positions of Director at MiraVista Diagnostics and Clinical Director at Pearl Pathways and most recently EVP of Product Development at Renalytix. She is a member of the Association of Clinical Research Professionals and co-authored many clinical publications.

Michael J. Donovan, PhD, MD – *Chief Medical Officer*

Dr. Donovan has served as Chief Medical Officer of Renalytix since its inception. Dr. Donovan is also an adjunct Professor in the Department of Pathology at the Icahn School of Medicine at Mount Sinai and Vice Chair of Translational Research and Professor Pathology at the University of Miami.

In addition to an academic career at Harvard Medical School and Boston Children's Hospital, Dr. Donovan has over 20 years' experience in the biotechnology industry, serving in various senior management roles at Millennium Pharmaceuticals and Incyte Pharmaceuticals. He most recently served as Chief Clinical Officer of Vigilant Biosciences, Inc., Chief Medical Officer of MetaStat, Inc. and Chief Medical Officer of Exosome Diagnostics, Inc. Dr. Donovan received a B.S. in Zoology, an M.S. in Endocrinology and a Ph.D. in Cell and Developmental Biology from Rutgers University. He received his M.D. from the University of Medicine and Dentistry of New Jersey.

Scientific Advisory Board

Professor Barbara Murphy

Barbara Murphy Chair of the Scientific Advisory Board, whose Non-Executive Director biography is detailed above.

Professor Anthony Dorling

Professor Dorling qualified in Medicine from the University of London in 1987 and gained membership of the Royal College of Physicians in 1990. He gained his PhD in Immunology from the Royal Postgraduate Medical School in 1996 before finishing specialist training in nephrology prior to being appointed Senior Lecturer in Immunology at Imperial College in 2000. He moved to King's College London in 2009.

Professor Dorling's area of research is vascular inflammation, focusing on the cellular and molecular mechanisms involved in vascular rejection. He is co-inventor of several novel therapeutics, targeting coagulation proteases that are undergoing pre-clinical testing. Clinically, he focuses on patients undergoing antibody-incompatible transplantation and in those with chronic rejection. Professor Dorling is CI of the large UK RCT OuTSMART trial, a combined screening/treatment program to prevent premature failure of renal transplants due to chronic rejection in patients with HLA antibodies, and CI of the early phase 2 study 'GAMECHANgER-1', to assess whether adoptively transferred regulatory T cells can suppress cellular immunity in sensitised patients prior to transplantation.

Professor Richard Formica

Professor Formica is Professor of Medicine (Nephrology) and Professor of Surgery (Transplant); Director of Transplant Medicine; Director Outpatient Transplantation Service and Medical Director AdultTransplantation at Yale University School of Medicine. He received his medical education at Boston University School of Medicine and completed his training in internal medicine at Boston City Hospital before arriving at Yale to train in nephrology in 1997.

In addition to treating patients, Professor Formica is involved in public policy work related to kidney transplantation. He helped develop the kidney allocation system for the country that went into effect in 2014 having served as the Chairman of the OPTN/UNOS Kidney transplantation Committee. In addition, he developed and implemented the simultaneous liver kidney allocation policy. He is also an active member in the Clinical Trials in Transplantation consortium, having participated in CTOT 01, 09, 17 and 19. Currently he is the President of the American Society of Transplantation, the Associate Regional Councilor for the OPTN/UOS region 1, a member of the OPTN UNOS Membership and Professional Standards Committee and a member of the Visiting Committee for the Scientific Registry of Transplant Recipients.

Professor Christian P. Larsen

Professor Larsen completed his MD at Emory University where he went on to complete his general surgery residency. He was Livingston Surgical Research Fellow at University of Oxford where he also completed his PhD in transplantation immunology. Professor Larsen returned to Emory to complete a fellowship in transplantation surgery. He is currently Professor of Surgery in the Division of Transplantation at Emory University School of Medicine.

Professor Larsen began serving as executive director of the Emory Transplant Center in 2008 and chair of the Department of Surgery at Emory in 2009. He left both positions in January 2013 to serve as Dean of the Emory University School of Medicine. In November 2016, Professor Larsen returned to full-time pursuit of his clinical practice and research endeavors at the Department of Surgery and Emory Transplant Center. In this regard, Professor Larsen and colleagues initiated a transplant immunology research program that played a pivotal role in developing a new class of immunosuppressive drugs known as costimulation blockers, such as belatacept,

Professor Larsen received the Thomas E. Starzl Prize in Surgery and Immunology, University of Pittsburgh in 2007 and was inducted into the National Academy of Medicine in 2014.

Professor Roslyn Mannon

Professor Mannon completed her undergraduate studies in biology at The Johns Hopkins Hospital and then went on to complete her MD at Duke University where she also completed her residency and nephrology fellowship. Professor Mannon previously served as Director of Research for the Comprehensive Transplant Institute at University of Alabama at Birmingham. She is currently Professor of Internal Medicine, the Vice Chair of Research Mentoring and Academic Development in Internal Medicine and Associate Chief of Research, Division of Nephrology at University of Nebraska.

Professor Mannon's research focuses on mechanisms of chronic graft injury using *in vitro* and *in vivo* models of drug toxicity and kidney transplantation.

Professor Peter Nickerson

Professor Nickerson is a Distinguished Professor of Internal Medicine and Immunology and the Vice-Dean for Research, Rady Faculty of Health Sciences at the University of Manitoba. He is the Medical Director of Transplant Manitoba and the Medical Advisor, Organ Donation and Transplantation Division, Canadian Blood Services (CBS). Professor Nickerson holds the Flynn Family Chair in Renal Transplantation at the University of Manitoba.

Professor Nickerson's research focuses on mechanisms underlying acute and chronic transplant rejection; developing non-invasive techniques for the diagnosis of renal allograft rejection; and health care system design to enhance access to transplant.

Professor Kathryn Wood

Professor Wood completed her undergraduate in Biochemistry at the University of Birmingham and received a DPhil from the University of Oxford, focusing her research on the complement system. She was elected as a Fellow of the Academy of Medical Sciences in 2002. Professor Wood is currently Professor of Immunology Emerita in the Nuffield Department of Surgical Sciences at University of Oxford where her research focuses on transplantation, particularly the immune response that leads to rejection and immune regulation as a strategy to achieve immunological tolerance. She holds a Khoo Oon Teik Visiting Professorship at the National University of Singapore School of Medicine.

Professor Wood is the former President of The Transplantation Society and served as a Councilor for The British Transplantation Society, The British Society for Immunology, and European Society of Organ Transplantation. She is a recent Past President of The Transplantation Society (International), a former editor of *Transplantation* and a former Trustee of Kidney Research UK. Professor Wood is a member of the Network Steering Committee for the Immune Tolerance Network and served on the NIH Expert Panel on Transplantation Research and the Better Biomarkers in Transplantation Advisory Board.

Professor Philip O'Connell

Professor O'Connell completed his undergraduate degree at University of New South Wales and his PhD in experimental transplantation at the University of Melbourne. He went on to complete a postdoctoral research fellowship in transplant immunology at Harvard Medical School. Professor O'Connell is a Fellow of the Royal Australasian College of Physicians and a Fellow of the Australian Academy of Health and Medical Sciences.

Professor O'Connell is a Professor in the Faculty of Medicine and Heath, University of Sydney. Recently he was appointed the Executive Director of the Westmead Institute for Medical Research and is the Director of the Centre for Transplant and Renal Research. He is a trained nephrologist and formerly was Director of Transplant Medicine and the Clinical Islet Transplant Program at Westmead Hospital. He is also past President of The Transplantation Society. He has formerly served as President of the Transplantation Society of Australia and New Zealand; Chairman, Program Committee of the World Congress of the Transplantation Society; Councilor, The Transplantation Society.

Professor O'Connell established Australia's first successful clinical transplant program and has been involved in research in developing biomarkers for transplantation and precision medicine. He is internationally acknowledged as a pioneer in the fields of islet and kidney transplantation, and has been instrumental in developing an effective procedure to transplant pancreatic islets into patients living with type 1 diabetes.

Professor David M. Rothstein

Professor Rothstein received his BA from the University at Buffalo and his MD from The University of Pennsylvania School of Medicine where he also completed his Internal Medicine residency. Professor Rothstein went on to complete his renal fellowship at Brigham and Women's Hospital, Harvard Medical School. Professor Rothstein completed a research fellowship at Dana Farber Cancer Institute. He is currently the Pittsburgh Steelers Chair in Transplantation at University Pittsburgh where he holds professorships in the Department of Surgery, Department of Medicine, and Department of Immunology.

Professor Rothstein studies immunoregulation and tolerance in allograft and autoimmune models. He received the Fujisawa Achievement Award in Transplantation in 2013 and the AST Basic Science Established Investigator Award in 2020, from the American Society of Transplantation.

Professor Emilio Poggio

Professor Poggio completed medical school at University Del Salvador in Buenos Aires, Argentina, and clinical training in Nephrology and Hypertension at Cleveland Clinic. Professor Poggio is a physician in the Department of Nephrology and Hypertension of the Glickman Urological and Kidney Institute at Cleveland Clinic and a Professor of Medicine at the Cleveland Clinic Lerner College of Medicine of CWRU. He also has a joint appointment with the Transplant Center and the Department of Immunology at the Lerner Research Institute and he is currently the Medical Director of the Kidney Transplant Program at the Cleveland Clinic.

Professor Poggio is interested in the development of tools to risk-stratify transplant subjects and the development of tools to risk-stratify transplant subjects and the development of non-invasive cellular immune monitoring techniques that permits the clinician to more accurately risk-stratify prospective kidney transplant recipients.

Dr. Weiija Zhang

Dr. Zhang received his Ph.D. in Immunology from Albert Einstein College of Medicine and MS in Computer Science from City University of New York. He is a professor or bioinformatics and the Director of Bioinformatics Centre of the Department of Medicine of the Icahn School of Medicine at Mount Sinai. He has extensive experience in genomic analysis of high-throughput data including gene expression, copy number and SNP. He is actively engaged in clinical investigations of kidney transplant using cutting-edge genechip and deep-sequencing technologies and AI deep learning computational skills.

7. REGULATORY OVERVIEW

US health regulatory overview

The following provides an overview of key aspects of laboratory service and medical device regulation within the US. It should be noted this overview does not address every facet of regulation at the federal and state level, but only those that would generally be most relevant to the activities described in this document.

Federal and state clinical laboratory licensing requirements

The CLIA, governs the operations of all clinical laboratories operating in or returning results to individuals in the US. CLIA is administered by CMS, in partnership with state health departments. A clinical laboratory is defined as a laboratory that performs testing on specimens derived from humans for the purpose of providing information for the diagnosis, prevention or treatment of disease, or the assessment of health. Clinical laboratories must hold a certificate applicable to the type of laboratory examinations they perform and must demonstrate compliance with regulations addressing, among other things, personnel qualification and training, record keeping, quality control, and proficiency testing, all of which are intended to ensure the timeliness, reliability, and accuracy of clinical laboratory testing services. CLIA requires that laboratories demonstrate or verify the analytical validity of all tests they perform. Where a clinical laboratory analyses specimens based on a proprietary test method (i.e., an LDT), the laboratory must, among other things, document the accuracy, precision, specificity, sensitivity of, and establish a reference range for, such test.

CMS provides for exemption from CLIA for states that develop clinical laboratory standards that are at least as stringent as federal requirements. Both New York and Washington State are exempt from CLIA. The NYS CLEP requires all independent clinical laboratories operating in, or testing specimens from, NYS to obtain a laboratory permit prior to commencing operations. NYS CLEP requires clinical laboratories performing LDTs to submit test validation documentation demonstrating the tests' analytical and clinical validity.

Failure to comply with CLIA certification and state clinical laboratory licensure requirements may result in a range of enforcement actions, including certificate or licence suspension, limitation, or revocation, directed plan of action, onsite monitoring, civil monetary penalties, criminal sanctions, and revocation of the laboratory's approval to receive Medicare and Medicaid payment for its services, as well as significant adverse publicity.

FDA

The FDA regulates, among other medical products, "medical devices" which include certain articles intended for use in the diagnosis, prevention, cure, mitigation, or treatment of disease or intended to effect the structure or function of the body. Whether a product is intended for use as a medical device is generally determined, in the first instance, based on the manufacturer's product labelling, which includes the label affixed to the product, materials distributed with the product, and promotional communications concerning the product.

Devices classified as Class I (low risk), generally may be marketed without FDA pre-market review, but are subject to "general controls", including establishment registration, device listing, record keeping, medical device reporting, and quality system regulations, including design controls. Devices classified as Class II (moderate risk), may, in addition to general controls, also be subject to "special controls" (e.g., performance standards / manufacturing standards, post-market surveillance, patient registries, special labelling requirements, pre-market data requirements and guidelines), and also generally must obtain 510(k) pre-market clearance or DeNovo authorisation from FDA. Class III (high risk) devices must, in addition to general controls, obtain FDA pre-market approval through the submission of a pre- market approval application that contains evidence, including data from adequate and well- controlled clinical studies, demonstrating that the device is safe and effective for its intended use. In general, devices that require FDA pre-market clearance or DeNovo authorisation may not be commercially distributed or promoted prior to obtaining such authorisation, although they may be distributed and used for the purpose of developing the clinical data necessary to support FDA marketing applications, subject to certain limitations. Post-market changes to a cleared / authorised or approved device also may be subject to prior review by FDA, depending on the scope of the change and its potential impact on device safety and effectiveness.

It should also be emphasised that this pre-market review process is only one facet of FDA's regulation. For example, FDA regulates product labelling, including promotional claims; the manufacturing of medical devices, including their design, under FDA quality system requirements; clinical trials with new or modified products; and post-market monitoring for, reporting of, and action related to, safety concerns. Failure to comply with applicable pre- and post-market device requirements can result in a determination by FDA that a device is "adulterated" (Section 501) or "misbranded" (Section 502) in violation of the US Federal Food, Drug, and Cosmetics Act. The statute provides for a number of penalties, including seizure, injunction, criminal, and civil monetary penalties, for the sale or distribution of adulterated or misbranded devices. In general, prior to undertaking enforcement action, FDA will notify a regulated entity of a violation or suspected

violation through a communication, such as a "Warning Letter" or "Untitled Letter". If FDA identifies violations during inspection of a manufacturer's facility, the agency will issue a Form 483 listing the identified violation and directing the manufacturer to make the necessary corrections.

FDA regulation of software

Commercially distributed software applications that meet the definition of a medical device may be subject to FDA pre-market authorisation, depending on their classification and software function. These include both applications that are components of a hardware medical device and certain "stand-alone" software. In 2017, FDA issued final guidance adopting international principles established by the International Medical Device Regulators Forum for the clinical evaluation of software as a medical device ("**SaMD**"), which refers to software that is intended to be used for one or more medical purposes that perform these purposes without being part of a hardware medical device. In 2019, FDA issued a guidance that provides guidance on FDA's oversight of device software functions including mobile medical apps ("**MMAs**") that meet the definition of a device. While the guidance is not binding on either FDA or regulated industry, FDA intends to consider the principles in developing regulatory approaches for SaMD as well as for digital health technologies.

FDA regulation of LDTs

FDA regulates a category of medical devices, called in vitro diagnostic medical devices, or IVDs, that are used in the collection, preparation, and examination of specimens from the human body. IVDs include reagents, instruments, and systems that are intended for use in diagnosis of disease or other conditions, including the state of health, in order to cure, mitigate, treat, or prevention disease or its sequelae. FDA historically has taken the position that tests developed in-house by a clinical laboratory and used to analyse patient specimens meet the definition of an IVD and fall within the agency's regulatory jurisdiction. At the same time, FDA historically has for the most part exercised "enforcement discretion," i.e., has not required clinical laboratories performing LDTs to comply with IVD device requirements.

In the past, FDA has signalled intent to modify its enforcement discretion policy with regard to LDT regulation, and in 2014 proposed a regulatory framework for LDTs, which it abandoned before implementation in 2016. As of August 19, 2020, the US Department of Health and Human Services (HHS) determined that LDTs will not require a premarket review with FDA, but rather an applicant may voluntarily submit a premarket notification or premarket approval (or an Emergency Use Authorization in the case of COVID-19 tests) for their LDT. It is possible that Congress will enact legislation directing FDA to regulate LDTs.

The US Federal Trade Commission and Consumer Protection Laws

Within the US, the US Federal Trade Commission ("**FTC**"), has authority to regulate advertising for most medical devices and for laboratory services. In addition, various state consumer protection laws exist which can similarly regulate claims that are being made by entities with respect to what benefits their products or services can provide to consumers. In some instances, FTC or US states have taken action with respect to medical products based on claims being made with respect to, e.g., their benefits to patients, seeking various penalties, such as injunctions and substantial fines. Activities have focused more, to date, on products that are sold directly to consumers, such as dietary supplements, as opposed to prescription products ordered by physicians, although the possibility exists that FTC or other consumer protection bodies could take steps to regulate claims with respect to IVDs or LDTs.

Fraud and Abuse

The significant US fraud and abuse laws include the:

- Anti-Kickback Statute. The federal US Anti-Kickback Statute imposes criminal penalties on persons and entities for, among other things, knowingly and wilfully soliciting, offering, receiving or providing remuneration (including any kickback, bribe or rebate), directly or indirectly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, lease or order of a good, facility, item or service for which payment may be made under a government healthcare program such as Medicare and Medicaid.

- False Claims Act. The US federal false claims and civil monetary penalties laws, including the federal civil US False Claims Act, impose criminal and civil penalties, including through civil whistleblower or qui tam actions against individuals or entities for, among other things, knowingly presenting or causing to be presented false or fraudulent claims for payment by a federal healthcare program or making a false statement or record material to payment of a false claim or avoiding, decreasing, or concealing an obligation to pay money to the federal government, with potential liability including mandatory treble damages, significant per-claim penalties, and administrative penalties.
- Transparency requirements. The US Physician Payments Sunshine Act (known as Affordable Care Act Section 6002: Transparency Reports and Reporting of Physician Ownership or Investment Interests) requires certain manufacturers of drugs, devices, biologics, and medical supplies for which payment is available under Medicare, Medicaid, or the Children's Health Insurance Program, with specific exceptions, to report annually to the CMS information related to payments or transfers of value made to physicians and teaching hospitals, as well as information regarding ownership and investment interests held by physicians and their immediate family members. Any failure to report or providing incomplete or misleading information may subject the Company to penalties.

Analogous state laws. Analogous state fraud and abuse laws and regulations, such as US state anti-kickback and false claims laws, can apply to sales or marketing arrangements, and claims involving healthcare items or services reimbursed by governmental or non-governmental third- party payors. These laws are generally broad and are enforced by many different US federal and state agencies as well as through private actions. Some state laws require adherence to compliance guidelines promulgated by the US federal government and require device and drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures.

Data privacy and security

HIPAA. The HIPAA imposes criminal and civil liability for, among other things, failing to protect the privacy of patient and security of patient data. Additionally, the HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations, also imposes obligations on covered entities and their business associates that perform certain functions or activities that involve the use or disclosure of protected health information on their behalf, including mandatory contractual terms as well as implementing reasonable and appropriate administrative, physical and technical safeguards with respect to maintaining the privacy, security and transmission of protected health information.

FTC. The FTC has taken an active role with regard to protection of personal information, relying on its broad consumer protection powers to seek substantial penalties where companies that have made deceptive or misleading statements regarding practices of collecting and safeguarding data or did not have adequate safeguards to protect information consistent with their claims regarding data security.

State laws also govern the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not pre-empted by HIPAA, thus complicating compliance efforts.

EU and UK regulatory overview

The following provides an overview of key aspects of medical device regulation within the EU and UK. It should be noted this overview does not address every facet of regulation but only those that would generally be most relevant to the activities discussed in this document.

The Company operates and intends to operate in a highly regulated industry that is subject to a changing political, economic and regulatory landscape across many countries. The Company's products will be subject to national and supra-national EU laws and regulations. The Company's products will also be subject to UK laws and regulations.

Current EU and UK regulatory framework

Software applications (whether stand-alone or components of a larger system) qualify as medical devices or medical device accessories under EU rules if they meet the relevant definition under the EU Medical Device Directive 93/42/EEC (the "**Medical Device Directive**") or they may be classified as in vitro medical

devices and governed by the In Vitro Diagnostic Medical Device Directive 98/79/EC (the "**IVD Directive**") as the regulatory route to bear CE marking. Which directive is applicable to the company's products will depend on a number of factors, including whether or not the Company's software interprets data derived from human tissue or blood samples, or data which itself has been derived from an in vitro medical device. Given that the data the Company's software may analyse may come from multiple sources and may change over time, the Company has set out below an overview of both the Medical Device Directive and the IVD Directive. Included in discussion below is the upcoming change to meet EU Medical Device Regulation (Regulation EU, 2017/745; "**MDR**") and EU In-Vitro Diagnostic Regulation (Regulation EU, 2017/746; "**IVDR**").

As published on 1 September 2020 guidance document, the MHRA will continue to recognise CE marks and certificates issued by EEA-based notified bodies until 30 June 2023 and then medical devices and IVDs distributed in Great Britain will be required to bear the new UKCA mark from 1 July 2023. Commercialisation of products in Northern Ireland will continue to require a CE Mark as achieved through the MDD or IVDD regime (or MDR by 26 May 2021 and IVDR by 26 May 2022).

As a result of Brexit, the transition period with the EU will end by December 2020 and due to the delay with MDR and IVDR taking effect after Brexit, IVDR and MDR will not automatically apply in Great Britain. It is anticipated that additional changes to requirements for commercialising medical devices and IVDs in Great Britain may be forthcoming as suggested in MHRA's guidance document. Until then, under UK law, Medical Devices Regulations 2002 (UK MDR 2002, and as amended 2019 No. 791), as transposed from MDD and IVDD into UK law will continue to apply post-Brexit.

The Medical Device Directive

Under the Medical Device Directive, a software medical device may be placed on the EU market only if it conforms with the "essential requirements" set out in Annex I to the Medical Device Directive. To assist manufacturers in satisfying the essential requirements, the European standards organisations have prepared European standards applicable to medical devices. These include harmonised international quality standards (including ISO and IEC standards) aimed at ensuring that medical devices are correctly designed and manufactured. While not mandatory, compliance with these standards entitles the manufacturer to a presumption of conformity with the essential requirement that is covered by the standards concerned.

The manufacturer is obliged to demonstrate that the device conforms to the relevant essential requirements through a conformity assessment procedure. For Class I non-sterile and non-measuring medical devices, the manufacturer is responsible for performing the conformity assessment procedure. For Class II and III devices, as well as the sterility/measuring aspects of Class I devices, the manufacturer declares conformity with the essential requirements, but this must be backed up with a conformity assessment by a notified body resulting in a CE certificate. Depending on the conformity assessment route agreed with the notified body, separate certificates may be issued for the device and the underlying quality assurance system against harmonised standard EN ISO 13485.

EU government regulatory bodies are not involved in the pre-market approval of medical devices. The onus of ensuring a device is safe enough to be placed on the market is ultimately the responsibility of the manufacturer and, where relevant, the notified body. Notified bodies are entities licensed by the individual member states to provide independent certification of certain classes of medical device. They apply for and are designated to carry out this function by the relevant national competent authorities, which carry out periodic assessment audits to determine whether the notified bodies continue to satisfy the requirements set out in the Medical Device Directive and the guidance developed by the Notified Body Oversight Group ("**NBOG**"). Amongst other things, a notified body must possess the resources (e.g. facilities and staff) for the conformity assessment of medical devices for which it is designated and must conduct such assessments in a competent, transparent, independent and impartial manner.

Once the appropriate conformity assessment procedure for a medical device has been completed, the manufacturer must draw up a written declaration of conformity and affix the CE mark to the device. The device can then be marketed throughout the EEA. Notified bodies perform surveillance and unannounced audits at the manufacturer and critical suppliers with respect to the devices covered by the certificates issued by them. If non-conformities raised during the audits are not timely remedied by the manufacturer, the notified body may (partially or wholly) suspend or withdraw the certificate concerned.

Manufacturers of medical devices are subject to post-market requirements, notably device vigilance and safety reporting obligations. EU member states are responsible for enforcing the EU's medical device rules and for ensuring that only compliant medical devices are placed on the market or put into service in their jurisdictions. They have powers to suspend the marketing and use, or demand the recall, of unsafe or non-compliant devices. They also have the power to bring enforcement action against companies or individuals for breaches of the device rules, but this is extremely rare absent a public health risk. Non-compliance may also result in notified bodies revoking any certificate of conformity that they have issued for a device or the manufacturer's quality system.

The IVD Directive

The EU regulates in vitro medical devices ("**IVDs**") as a specific category of medical devices with particular differences, which means they are regulated under a separate regime. The Company's software application is envisaged to process input data from EHRs and from 'wet' samples and is envisaged to be installed as a local software layer in clinical institutions that will communicate with the cloud. The EU Guidance document "Qualification and Classification of standalone software" provides that stand alone software fulfilling the definition of medical device and intended to be used for the purpose of providing information derived from in vitro examination of a specimen derived from the human body falls under the IVD Directive. The software may therefore qualify as 'expert function software' for the purposes of the applicable guidance, in which case it would therefore be regulated under the IVD Directive.

The IVD Directive sets out certain "essential requirements" set out in Annex I of the IVD Directive and with which IVDs must comply before being placed on the market in the EU. Not all the essential requirements will apply to all devices and it is up to the manufacturer of the device to assess which are appropriate for that particular product. As for the Medical Device Directive, one way in which manufacturers can demonstrate that they have met the essential requirements is to comply with the relevant national standards that transpose harmonised standards.

There are four categories of IVDs, reflecting the perceived risk. Annex II of the IVD Directive sets out specific device types that are categorised as either high risk ("**List A**") or moderate risk ("**List B**"). There are also self-test IVDs, which are those devices intended by the manufacturer to be able to be used by lay persons in a home environment, and then the final category covers all IVDs which are not classified as List A, List B or Self-test IVDs, known as general IVDs. As for other medical devices, pre-market approval is delegated to notified bodies. For List A, List B and Self-Test IVDs this means that the manufacturer must gain independent certification by a notified body in order to complete the conformity route process, apply for CE marking and be able to place the device on the European market.

Manufacturers of IVDs are subject to post-market requirements, including setting up an on-going systematic process to review experience gained for their device on the market and to have a vigilance procedure to immediately inform relevant competent authorities. Each competent authority has the right to remove a device that they believe is unsafe from their national market.

The EU Medical Device Regulation

In May 2017, the European Commission finalised and adopted the text of the Medical Device Regulation (EU) 2017/745 (the "**EU Medical Device Regulation**"), which will repeal and replace the EU Medical Device Directive. Due to COVID-19 pandemic, implementation of the EU Medical Device Regulation will take effect 26 May 2021. The Company will need to ensure compliance with the EU Medical Device Regulation in the future if it is to place software that is a medical device on the EU market.

The EU Medical Device Regulation contains a new classification rule specific to software in Annex VIII (rule 11). All software intended to provide information used to make diagnostic or therapeutic decisions will be in Class IIa, except if the decisions may cause death or an irreversible deterioration in health, in which case it will be in Class III. Where decisions could result in a serious deterioration in a person's state of health or a surgical intervention, they will be in Class IIb. Software intended to monitor physiological processes will be in Class IIa, except if it is intended to monitor vital physiological parameters and variations in those parameters could result in immediate danger to the patient, in which case it is classified as Class IIb. All other software will be in Class I. Software that currently qualifies as a Class I device under the EU Medical Device Directive may therefore need to be reclassified as Class IIa or higher once the EU Medical Device

Regulation becomes applicable. This will require a notified body conformity assessment in accordance with the requirements of the EU Medical Device Regulation.

The Medical Devices Regulation will require significantly more clinical data for CE marking than is currently required by the Medical Device Directive. It also promulgates new design requirements for software, and will not grandfather any previous CE mark under the Medical Devices Directive. The Company will need to obtain timely CE marking under the new regulation.

The EU *In Vitro* Diagnostic Medical Devices Regulation

The EU *In Vitro* Diagnostic Medical Devices Regulation ("**IVDR**") was adopted in May 2017 and will repeal the existing *In Vitro* Diagnostic Medical Devices Directive (98/79/EC). The majority of the provisions of the IVDR apply from 26 May 2022 and will harmonise the law on *in vitro* medical devices across the EU. The Company will need to ensure compliance with the IVDR in the future if it is to place software that is a medical device which is used as an *in vitro* diagnostic on the EU market after this regulation comes into force. The IVDR will require significantly more clinical data for CE marking than is currently required by the IVD Directive. It also promulgates new design requirements for software, and will not grandfather any previous CE mark under the IVD Directive.

As a result, should the IVDR apply to the Company's products, the Company will need to obtain timely CE marking under the new regulation.

The IVDR contains a new classification regime for all IVDs, including software that qualifies as an IVD, in Annex VIII. The new classification regime groups all IVDs in four risk classes A, B, C, and D, of which only risk class A remains subject to self-declaration for CE marking. Because the software is intended to work with blood-based biomarkers it is likely that, if it is regulated by the IVDR, it will be classified in the highest risk class (D) and will be subject to notified body conformity assessment. Depending on the intended use and inherent risks of the devices, it may alternatively be classified in risk Class C per Rule 2 or Rule 3 as defined in Annex VIII of the IVDR. Class C devices per IVDR are also subject to notified body conformity assessment.

With implementation of IVDR and MDR, Medical Device Coordination Group (MDCG) have established a set of guidelines. The MDCG guidances are specific to IVDR and MDR and therefore replaces prior MEDEV guidances that are specific to IVDD and MDD.

UK MDR 2002 (as amended per 2019 No.791, MDR 2019)

At this time, essential requirements and conformity assessments follow similarly to those described per MDD and IVDD with specific modifications as transposed into UK MDR 2002 and their respective amendments. Process by which requirements for conformity assessments as specified in UK MDR 2002 (and amendments) are supplemented by guidance issued by the MHRA. With respect to software as the medical device defined by UK MDR 2002, similar definitions to MDD and IVDD applied. Guidance to medical device stand-alone software including apps and in-vitro diagnostic medical device provides an interim guide until such time as the MHRA publishes a new set of guidance.

Other Healthcare Standards

Development, clinical evaluation and marketing of digital health software products are subject to significant global regulation by governments and global regulatory agencies. Many approvals require clinical evaluation data relating to safety, quality and efficacy of a product. Many countries, including the US (510(k) clearance), Europe (CE marking), China (CFDA), and Japan (PMDA) have high standards of technical appraisal and have a risk of delays in the approval process.

Data Protection Legislation

On 25 May 2018, the GDPR came into effect in the European Union which regulation continued to apply in the UK for the Brexit transition period with effect from 31 January 2020 to 31 December 2020-alongside, the Data Protection Act 2018 ("**DPA 2018**") which is and will, post Brexit, be the domestic UK law governing the processing of personal data in the UK. The obligations in the DPA 2018 are for all practical purposes

the same as those set out in the GDPR. The GDPR imposes an enhanced data protection regulatory regime with potentially significant sanctions for non-compliance. To the extent the Company processes personal data that is subject to the GDPR, in the future, the Company will need to comply with the GDPR and the DPA 2018, and any other applicable laws with respect to the handling of personal data respectively for EU and UK. UK and European hospitals which may, in the future, provide patient data to the Company for the Company to analyse using its artificial intelligence technology will also be responsible for ensuring that there is a legal basis on which they may collect the data and anonymise it effectively so that it can be transferred to the Company as anonymous data to which GDPR and the DPA 2018 do not apply (because once anonymised effectively it will no long be personal data). In vitro diagnostic kit development will include, at a minimum, compliance to ISO 13485:2016 – Medical devices – Quality management systems – Requirements for regulatory purposes, 21CFR820 (US Quality Systems Regulations) and other product design and manufacturing standards as identified to support the Company's commercial plan.

8. PRE-ADMISSION RE-ORGANISATION

Prior to Admission, the Company and Renalytix completed a series of transactions to transfer the FractalDX portfolio and certain other intellectual property and contracts to the Group, as follows:

- the Company purchased the FractalDX and associated business from Renalytix (the "**Fractal Business Purchase**");
- the Company acquired the US Subsidiary from Renalytix (the "**Acquisition**"), (the "**Pre-Admission Reorganisation**");
- on 7 July 2020 the entire issued share capital of Renalytix was sub divided to create 1,000 ordinary shares of £0.001 each. Additionally, 59,415,135 ordinary shares of £0.001 each were allotted. Those 59,416,135 shares were then immediately reclassified as 59,416,134 A shares and one Golden Share;
- on 7 July 2020 Renalytix declared a distribution in specie of its 59,416,134 A shares in the Company to Broadway Nominees Limited, to be held on trust for the shareholders of Renalytix on 9 July 2020, on the basis of one A share for every ordinary share held in Renalytix;
- the one Golden Share was retained by Renalytix and later a declaration of trust over the Golden Share was entered into in favour of the existing directors of Renalytix; and
- all of the existing A shares and the one Golden Share have been converted into Ordinary Shares in the Company.

Convertible Loan Notes

Pursuant to an amendment to the Convertible Loan Note entered into on 28 October 2020 and subsequent notice provided to Renalytix of the proposed conversion event (whereby it can convert all of Convertible Loan Notes on the same date into Ordinary Shares), the Company gave the noteholders (Renalytix) a days' notice of the proposed conversion event specifying the terms and details of the conversion mechanics. Renalytix then served a conversion notice on the same day converting all of its outstanding notes of $2,500,000 into 9,831,681 Ordinary Shares at the Issue Price.

Alteration of share capital

In preparation for Admission, the Company completed a series of transactions in relation to its share capital.

Further information on the agreements by which the Pre-Admission Reorganisation was effected is set out in Part 9 (Additional Information) .

9. USE OF PROCEEDS AND REASONS FOR ADMISSION

The Company believes that raising money in a public market context provides a signal of quality to prospective partners and customers, raises the profile of the business and its products and provides a supportive platform on which to grow the business further through in-licensing of additional technologies or selective acquisition as appropriate.

The Directors also believe that the Fundraising and Admission will also provide an opportunity to align the interests of key stakeholders in the business. The net proceeds of the Fundraising, after the payment of Admission and Fundraising-related fees and expenses of approximately £0.99 million, in the first 21 months post Admission, will be used by the Company as follows:

- An estimated £2.41 million to undertake clinical utility and validation studies for the Clarava™ and Tuteva™ products, which are expected to begin in late 2020;
- An estimated £1.11 million on bioinformatics and health economic studies;
- An estimated £2.50 million on staff and related benefits;
- An estimated £1.88 million for general corporate overheads, including marketing and business development and for general working capital purposes; and
- An estimated £1.44 million on licence and royalties and capital expenditure (including to build additional testing capacity) and resourcing potential strategic partnerships.

With the balance of approximately £4.17 million being available as a contingency against delays in revenue or increased costs and providing additional working capital beyond the 21 month period following Admission.

10. SELECTED HISTORICAL FINANCIAL INFORMATION

The historical financial information relating to the Company is set out in Section B of Part 3 (Special purpose historical financial information) and should be read in conjunction with the full text of this document.

11. DETAILS OF THE PLACING

The Placing comprises the issue of 60,275,000 New Ordinary Shares at the Issue Price representing approximately, 42.5 per cent. of the Enlarged Share Capital and will raise approximately £12,055,000 gross. The Placing Terms are set out in Part 6 (Placing Terms).

Pursuant to the Placing Agreement entered into between the Company, the Directors, Renalytix, Mount Sinai and N+1 Singer, N+1 Singer has conditionally agreed, as agent for the Company, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. The Placing Shares are being placed with institutional and other investors. The Placing has not been underwritten and is conditional upon, among other things: the fulfilment by the Company of its obligations under the Placing Agreement; an AIM application in respect of the Enlarged Share Capital signed on behalf of the Company and all other documents submitted therewith having been delivered to the London Stock Exchange before publication of the Admission Document; the Company having allotted the Placing Shares; N+1 Singer not having exercised its right to terminate the Placing Agreement; and Admission occurring not later than 8.00 a.m. on 3 November 2020 or such later date as the Company and N+1 Singer may agree, but in any event not later than 8.00 a.m. on 17 November 2020.

The Placing will be conducted in two tranches over two Business Days to assist investors in the EIS/VCT Placing to claim EIS Relief or VCT Relief (as applicable). The EIS/VCT Placing Shares will be issued to the relevant Placees on 2 November 2020, being one business day prior to the issue of the balance of the Placing Shares on the anticipated date of Admission. The EIS/VCT Placing is not conditional upon Admission or on the issue of any other New Ordinary Shares.

Further details of the Placing Agreement are set out in paragraph 13 of Part 9 (Additional Information).

12. DETAILS OF THE SUBSCRIPTION

The Subscription comprises the issue of 10,323,790 New Ordinary Shares at the Issue Price representing approximately 7.3 per cent. of the Enlarged Share Capital and will raise approximately £2,064,758 gross. The Subscription has not been underwritten and is conditional upon, among other things, Admission occurring by 3 November 2020.

Further details of the Subscription Agreements can be found at paragraph 13 of Part 9 (Additional Information).

As part of the Subscription, Mount Sinai will subscribe for 9,573,790 Ordinary Shares at the Issue Price. Combined with its existing holding of Ordinary Shares and its subscription for New Ordinary Shares, it is expected that Mount Sinai will hold 13.0 per cent. of the Enlarged Share Capital at Admission. Further details of the subscription agreements can be found at paragraph 13 of Part 9 (Additional Information).

13. DETAILS OF THE RESTRICTED OFFER

The Company offered Qualifying Shareholders the opportunity to subscribe for Restricted Offer Shares under the Restricted Offer.

The Restricted Offer comprises the issue of 1,901,210 New Ordinary Shares at the Issue Price representing approximately 1.3 per cent. of the Enlarged Share Capital and will raise approximately £380,242 gross. The Issue Price of 20 pence per New Ordinary Share is the same price at which Ordinary Shares are to be issued to institutional investors in the Placing and Subscription.

The Restricted Offer Shares (save for any issued as EIS/VCT Shares) will be issued to the relevant Qualifying Shareholders on 3 November 2020, being the anticipated date of Admission.

14. DETAILS OF THE FUNDRAISE

The Fundraising was significantly oversubscribed across all components and includes £12,055,000 raised via the Placing (excluding amounts allocated to Subscribers), £2,064,758 via the Subscription and the balance of £380,242 via the Restricted Offer (under which the Company had discretion to reject, in whole or in part, any application, as set out in Part 7 of this document).

15. EIS AND VCT STATUS

The Company has applied for advance assurance from HMRC to the effect that the EIS Placing Shares will be 'eligible shares' capable of constituting a qualifying holding for EIS Relief purposes, and that subject to receipt of a satisfactory compliance statement from the Company, the EIS Shares are capable of satisfying the requirements for EIS Relief. This advance assurance is expected to apply only in relation to the EIS Shares. Further information on EIS and VCT status is set out in Part 2 (Risk Factors). For the avoidance of doubt, any investor who is an Existing Shareholder will not be entitled to claim EIS Relief on a new investment in the Company.

16. TAX

The Company has applied for advance assurance from HMRC to the effect that the EIS Placing Shares will be 'eligible shares' capable of constituting a qualifying holding for EIS Relief purposes, and that subject to receipt of a satisfactory compliance statement from the Company, the EIS Shares are capable of satisfying the requirements for EIS Relief. Further information on EIS and VCT status is set out in Part 2 (Risk Factors).

For the avoidance of doubt, any investor who is an Existing Shareholder will not be entitled to claim EIS Relief on a new investment in the Company.

17. CORPORATE GOVERNANCE

Corporate governance

The Directors intend to comply fully with the Quoted Companies Alliance's Corporate Governance Code (the "**QCA Code**").

The Company has noted in the corporate governance statement on its website that it will, on Admission, have only one Non-Executive Director who is deemed to be independent. The Company intends to appoint a second independent Non-Executive Director with appropriate knowledge and skills as soon as practicably possible following Admission and in any event within 9 to 12 months of Admission.

The Company will hold regular board meetings and the board will be responsible for formulating, reviewing and approving the Company's strategy, budget and major items of capital expenditure. The board has established an audit committee, a remuneration committee and a nomination committee with formally

delegated rules and responsibilities. Each of these board committees will meet as and when appropriate, but at least twice each year.

The audit committee will comprise Dr. Barbara Murphy and Sir Ian Carruthers, who will act as chair. The audit committee will, among other things, determine and examine matters relating to the financial affairs of the Company including the terms of engagement of the Company's auditors and, in consultation with the auditors, the scope of the audit. It will receive and review reports from management and the Company's auditors relating to the half yearly and annual accounts and the accounting and the internal control systems in use throughout the Company.

The remuneration committee will comprise Dr. Erik Lium, who will act as chair, James McCullough and Julian Huw Baines. The remuneration committee will review and make recommendations in respect of the Executive Directors' remuneration and benefits packages, including share options and the terms of their appointment. The remuneration committee will also make recommendations to the board concerning the allocation of share options to employees under the intended share option schemes.

The nomination committee will comprise James McCullough and Sir Ian Carruthers, who will act as chair. The nomination committee will review and recommend nominees as new Directors to the board.

18. SHARE DEALING CODE

With effect from Admission, the Company will operate its Share Dealing Code, which is compliant with Article 19 of the Market Abuse Regulation (EU) 596/2014 ("**MAR**") and Rule 21 of the AIM Rules for Companies. The Share Dealing Code will apply to any person discharging management responsibility, including the Directors, and the Senior Management and any closely associated persons and applicable employees.

The Share Dealing Code imposes restrictions beyond those that are imposed by law (including by FSMA, MAR and other relevant legislation) and its purpose is to ensure that persons discharging managerial responsibility and persons connected with them do not abuse, and do not place themselves under suspicion of abusing, price-sensitive information that they may have or be thought to have, especially in periods leading up to an announcement of both financial results and the results of the Company's research trials. The Share Dealing Code sets out a notification procedure which is required to be followed prior to any dealing in the Company's securities.

19. SHARE INCENTIVE ARRANGEMENTS

The Directors believe that the success of the Company will depend to a significant degree on the future performance of the Company's senior management team ("**Senior Management**") and therefore that it is important to ensure that the members of the Senior Management team are well motivated and identify closely with the success of the Company.

The Company adopted new share incentive arrangements (the "**Share Option Plan**") on 28 October 2020 that provide the Board with the authority to grant options over Ordinary Shares ("**Options**") that represent in aggregate up to 10 per cent. of the Company's issued share capital from time to time (excluding options granted prior to the Admission Date).

On 28 October 2020, the Company granted Options over a total of 12,048,564 Ordinary Shares under the Share Option Plan (including the grants to Mount Sinai as described below), representing 8.5 per cent. of the Enlarged Share Capital at Admission. Save as described below, the Options have an exercise price equal to the Issue Price and are subject to exercise conditions such that they shall, subject to certain exceptions, vest in equal quarterly instalments over the three years immediately following the date of grant, which vesting shall accelerate in full in the event of a change of control of the Company.

An option has also been granted to Mount Sinai, in consideration for the provision of the services of the Mount Sinai representative on the Board, Options over a total of 708,739 Ordinary Shares, representing 0.5 per cent. of the Enlarged Share Capital. The Options have an exercise price equal to the Issue Price and is subject to exercise conditions such that it shall, subject to certain expectations and to the continued provision by Mount Sinai of a representative on the Board, vest in equal quarterly instalments over the three years immediately following the Admission Date, which vesting shall accelerate in full in the event of a change of control of the Company.

If Admission has not occurred by 31 December 2020, these Options will lapse.

Further details of the Share Option Plan are set out in paragraph 9 of Part 9 (*Additional Information*).

20. DIVIDEND POLICY

Following Admission, when it is commercially prudent to do so and subject to the availability of distributable reserves, the Board may in future approve the payment of dividends. However, at present, the Directors consider that it is more prudent to retain cash to fund the development of the Company and, as a result, feel it is inappropriate to give an indication of the likely level or timing of any future dividend payment.

21. TAXATION

The attention of investors is drawn to the information regarding taxation set out in Part 5 of this document. This information is intended only as a general guide to the current tax position under UK taxation law for certain types of investor. **Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers.**

22. LOCK-IN AND ORDERLY MARKET ARRANGEMENTS

The Lock-in Shareholders, who will hold a total of 36,979,827 Ordinary Shares (representing approximately 26.1 per cent. of the Enlarged Share Capital) on Admission, have entered into the Lock-In and Orderly Market Agreements pursuant to which they have each agreed with the Company and N+1 Singer (or the Company's nominated adviser from time to time if not N+1 Singer) that they will not dispose of any interest in Ordinary Shares for the period of 12 months following Admission except in certain limited circumstances. The Lock-In Shareholders have also agreed that for a further 12 months following the expiry of the initial 12 month period they will only dispose of an interest in Ordinary Shares through N+1 Singer (or the broker for the time being of the Company, if it is not N+1 Singer) and in such manner as N+1 Singer (or such other broker) may reasonably require with a view to the maintenance of an orderly market in the Ordinary Shares.

Accordingly, on Admission, a total of 36,979,827 Ordinary Shares representing 26.1 per cent. of the Enlarged Share Capital will be subject to the lock-in and of these, 36,979,827 will be also subject to orderly market arrangements described above representing 26.1 per cent. of the Enlarged Share Capital.

Further details of the lock-in and orderly market undertakings are set out in paragraph 13 of Part 9.

23. ADMISSION, SETTLEMENT AND CREST

Application has been made to the London Stock Exchange for the Existing Ordinary Shares, the Placing Shares, the Subscription Shares and the Restricted Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on AIM on 3 November 2020. The Ordinary Shares will be in registered form and will be eligible for settlement through CREST.

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles of Association contain provisions concerning the holding and transfer of Ordinary Shares in uncertificated form in accordance with the CREST Regulations. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission and Euroclear has agreed to such admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if the relevant Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

In the case of Placees who have requested to receive Placing Shares in uncertificated form, it is expected that CREST accounts will be credited with effect from 3 November 2020. In the case of Placees who have requested to receive Placing Shares in certificated form, it is expected that share certificates will be despatched by post within 14 days of the date of Admission.

No temporary documents of title will be issued. All documents sent by or to a Placee who elects to hold Ordinary Shares in certificated form, or at his or her direction, will be sent through the post at the Placee's risk. Pending the despatch of definitive share certificates, transfers will be certified against the register of members of the Company.

The Ordinary Shares have not been, and will not be, registered under the Securities Act or any other US state securities laws. The Ordinary Shares are only being offered outside the US in reliance on Regulation S.

24. ANTI-BRIBERY POLICY

The Group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever they occur. The Group implements effective systems to counter bribery and corruption and as part of this it has adopted an anti-bribery and anti-corruption policy. The policy provides guidance to those working for the Group on how to recognise and deal with bribery and corruption issues and the potential consequences and applies to all persons working for the Group or on its behalf in any capacity, including employees at all levels, consultants and agents.

25. THE TAKEOVER CODE

The Company is a public company incorporated in the UK and has its place of central management and control in the UK. Accordingly, the Takeover Code applies to the Company and, as a result, Shareholders are entitled to the benefit of the takeover offer protections provided under the Takeover Code.

Further information concerning the Takeover Code is set in paragraph 6 of Part 9 of this document.

26. FURTHER INFORMATION

The attention of prospective investors is drawn to the financial and other information set out in Parts 2 to 9 inclusive of this document, which provide additional information on the Company. In particular, prospective investors are advised to consider carefully the risk factors relating to any investment in Ordinary Shares set out in Part 2 of this document.

PART 2

RISK FACTORS

Any investment in the Ordinary Shares would be subject to a number of risks. Prior to investing in the Ordinary Shares, prospective investors should consider carefully the factors and risks associated with any investment in the Ordinary Shares, the Group's business and the industry in which it operates, together with all other information contained in this document including, in particular, the risk factors described below. Additional risks and uncertainties that are not currently known to the Group, or that it currently deems immaterial, may also have an adverse effect on the Group's business, financial condition and operating results. If this occurs the price of the Ordinary Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information in this document and their personal circumstances. Investment in the Company should only be made by investors able to sustain a total loss of their investment. If you are in any doubt about the Ordinary Shares and their suitability for you as an investment, you should consult a person authorised under FSMA, who specialises in advising on the acquisition of shares and other securities.

The following is not an exhaustive list or explanation of all risks that prospective investors may face when making an investment in the Ordinary Shares and should be used as guidance only. The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the Group's business, prospects, results of operation and financial position.

RISKS RELATING TO THE GROUP'S BUSINESS

1.1 **The Company does not have collaborations in place with institutions for utility studies and there is no guarantee that the Company will be able to demonstrate clinical utility of the Clarava™ or Tuteva™ product**

Following the validation study, the Company intends to run a clinical utility study to support applications for reimbursement, which is necessary for successful commercialisation and to provide further evidence to support marketing claims.

The Company has not yet identified which institutions will carry out the utility studies and has not yet entered into the relevant agreements with these institutions. There is a risk that the Company will not be able to secure these collaborations, which would impact the Company's ability to proceed to the utility study stage. Whilst the utility study is not a source of continuing revenue, it is a short term revenue stream from sales of the Clarava™ tests following the validation study.

Furthermore, there is a risk that the Company will not be able to demonstrate the clinical utility of the Clarava™ and Tuteva™ products in a real-world setting, which would impact the Company's ability to secure reimbursement. If such reimbursement is not achieved, it will make commercialisation of the Clarava™ and Tuteva™ tests significantly more challenging and would impact the Company's ability to generate revenue.

1.2 **There are risks associated with offering the Clarava™ and Tuteva™ tests as an LDT that are outside the Company's control**

The Clarava™ and Tuteva™ tests do not as yet have status as an LDT and the Company does not yet have a CLIA-certified laboratory. The Company may be able to generate revenue from offering the Clarava™ and Tuteva™ tests as an LDT. However, there are inherent risks associated with offering the Clarava™ and Tuteva™ tests as an LDT that are outside the Company's control, including test uptake, which would have an impact on the amount of revenue the Company could generate.

1.3 **The Company is dependent on other third parties who provide certain resources and services to the Company as the Company has limited resources in the short-term**

The Company relies in part on external resources to conduct the research, development, supply of supplies and clinical testing of its Clarava™ and Tuteva™ products, including in relation to the Company's laboratory systems which rely on software developed by external manufacturers. The future

development of the Clarava™ and Tuteva™ products and other products will partly depend upon the performance of these third parties. The Company cannot guarantee that the relevant third parties will be able to carry out their obligations under the relevant arrangements.

In the future the Company may depend on external resources in marketing, sales and distribution of its products. The Company cannot guarantee that it will be able to assign competent partners to conduct these tasks or that these tasks can be completed on the basis of terms which are beneficial to the Company. Additionally, whilst the directors are responsible for making decisions on behalf of the Company, the directors will rely to a certain extent on the advice of external professional advisors. There is no guarantee that the Company will receive the correct advice from such advisors.

Disagreements between the Company and any third parties could lead to delays in the Company's research and development programme and/or commercialisation plans. If any third parties were to terminate their relationships with the Company, the Company would be required to obtain development and/or commercialisation services from other third parties or develop the relevant functions internally.

1.4 **The Company is reliant upon the expertise and continued service of a small number of key individuals of its management, board of directors and scientific advisors**

The Company relies on the expertise and experience of a small number of key individuals of its management (in particular Sara Barrington, Patricia Connolly and David Anderson), directors (in particular Dr. Barbara Murphy), and scientific advisors (in particular) Dr. Michael Donovan to continue to develop and manage the business of the Company. The retention of their services cannot be guaranteed. Accordingly, the departure of these key individuals could have a negative impact on the Company's operations, financial conditions, its ability to execute the Company's business strategy and future prospects.

Going forwards, the Company will rely, in part, on the recruitment of appropriately qualified personnel, including personnel with a high level of scientific and technical expertise in the industry. The Company may be unable to find a sufficient number of appropriately highly-trained individuals to satisfy its growth rate which could affects its ability to develop products as planned.

In addition, if the Company fails to succeed in pre-clinical or clinical studies, it may make it more challenging to recruit and retain appropriately qualified personnel. The Company's inability to recruit key personnel or the loss of the services of key personnel or consultants may impede the progress of the Company's research and development objectives as well as the commercialisation of its lead and other products.

1.5 **The Company may need to raise additional funding to take advantage of future opportunities**

The Company may need to raise additional funding to take advantage of future opportunities. No assurance can be given that any such additional funding will be available or, if available, that it will be on terms that are favourable to the Company or shareholders. If the Company is unable to obtain additional funding as required, it may be required to reduce the scope of its operations or anticipated expansion.

1.6 **The Company's strategy involves generating commercially valuable IP that can be protected**

The Company intends to further build its intellectual property portfolio. No assurance can be given that any future patent applications will result in granted patents, that the scope of any patent protection will exclude competitors or provide competitive advantages to the Company, that any of the Company's patents will be held valid if challenged or that third parties will not claim rights in or ownership of the patents and other proprietary rights held by the Company.

1.7 **Positive results from pilot trials and early clinical studies of the Company's Clarava™ and Tuteva™ products are not necessarily predictive of the results of later clinical studies. If the Company cannot replicate the positive results from earlier tests or studies in its later-stage clinical studies, it may be unable to successfully develop, obtain regulatory approval for, and commercialise its products**

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 Company cannot be certain that it will not face similar setbacks. These setbacks have been caused, among other things, by pre-clinical findings made while clinical trials were underway. 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.

1.8 **The Company is subject to research and product development risk**

The Company may not be able to develop new products or to identify specific market needs that can be addressed by tests or solutions developed by the Company. Product development will be a key ongoing activity in the Company. However, there can be no guarantee that further products will be developed, successfully launched, or accepted by the market. All new product development has an inherent level of risk and can be a lengthy process and suffer unforeseen delays, cost overruns and setbacks, such as difficultly recruiting patients into clinical trials. The nature of the AI diagnostics industry may mean new products may become obsolete as a result of competition or regulatory changes which could have a material adverse effect on the Company's business, results of operations and financial condition.

In addition, research and development may subject to various requirements, such as research subject protection for individuals participating in clinical evaluations of new products, institutional review board oversight, regulatory authorisations, and design control requirements. Failure to comply with requirements could result in penalties, delay, or prevent commercialisation of products.

1.9 **The Company is subject to risks associated with medical and technological change and obsolescence**

Demand for the Company's products could be adversely impacted by the development of alternative technology and alternative medicines. There can be no assurance that the technology and products currently being developed by the Company will not be rendered obsolete. As a result, there is the possibility that new technology or products may be superior to, or render obsolete, the technology and products that the Company is currently developing. Any failure of the Company to ensure that its products remain up to date with the latest advances may have a material adverse impact on the Company's competitiveness and financial performance. The Company's success will depend, in part, on its ability to develop and adapt to these technological changes and industry trends.

1.10 **The Company's failure to maintain compliance of its clinical laboratory operations with applicable laws could result in substantial civil or criminal penalties**

The operation of a clinical laboratory by the Company will be in a highly regulated environment which, among other things, will require maintaining compliance with CLIA certification and state clinical laboratory licensing requirements. Failure to maintain compliance with these requirements may result in a range of enforcement actions, including certificate or licence suspension, limitation, or revocation, directed plan of action, onsite monitoring, civil monetary penalties and criminal sanctions. Such failure may also result in significant adverse publicity. Any of these consequences could limit or entirely prevent continued operation of the Company and therefore impact its financial performance.

1.11 **The Company is subject to various health regulatory laws pertaining to fraud and abuse and related matters, and any failure to comply with such laws could result in substantial civil or criminal penalties**

The Company's employees, independent contractors, consultants, and collaborators may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements, which could cause significant liability for the Company and harm the Company's operations and reputation.

The Company is exposed to the risk that the Company's employees, independent contractors, consultants, and collaborators may engage in fraud or other misconduct to comply with manufacturing standards the Company has established, to comply with federal and state healthcare fraud and abuse laws and regulations and similar laws and regulations established and enforced by comparable non-US regulatory authorities, to report financial information or data accurately or to disclose unauthorised activities to the Company. Such misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to the Company's reputation. It is not always possible to identify and deter misconduct, and the precautions the Company will take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to comply with such laws, standards or regulations. If any such actions are instituted against the Company, or the Company's key employees, independent contractors, consultants, or collaborators, and the Company is not successful in defending itself or asserting the Company's rights, those actions could have a significant impact on the Company's business and results of operations, including the imposition of significant criminal, civil and administrative sanctions including monetary penalties, damages, fines, disgorgement, individual imprisonment, additional reporting requirements and oversight if the Company becomes subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, reputational harm, and the Company may be required to curtail or restructure the Company's operations.

1.12 **The Company's failure to prevent a data breach would result in serious reputational damage to the Company and may result in civil or criminal lawsuits and associated penalties**

The Company takes its responsibility to maintain patient confidentiality and protect patient data extremely seriously. By its nature, the de-identified data that is being processed is highly sensitive and includes genetic and demographic information, the processing of which is subject to the most onerous obligations of applicable data protection legislation. If, due to a technical oversight, human error or malicious action by an employee or third party, the privacy, security or integrity of the data were compromised, the Company may be obliged to report such breach once it became aware of under applicable laws and regulations such as HIPAA, GDPR, DPA 2018 or other US state or EU member state specific laws as well as the data privacy laws of other countries such as Japan, Singapore, Hong Kong and China.

Depending on the nature and extent of the breach, the Company may become subject to a regulatory investigation, which would divert time and financial resources from the day-to-day operation of the business and may result in civil or criminal lawsuits and financial fines and penalties as well as adverse publicity. If third parties and/or customers of the Company become aware of such breaches, they may opt to cancel existing contracts or not enter new contracts with the Company, reducing revenue. The Company may also be required to personally inform the patients whose data was released or accessed as a result of a data breach, which may increase the severity of the reputational damage and may lead to patients revoking their consent for the data to be used by the Company. In addition, patients may have the right to bring claims for compensation for such breaches which might be brought by way of class or representative actions and claim significant sums as damages. To mitigate the risk of a data breach or related issue, the Company will employ technical security measures to protect data and work closely with its data providers to ensure that each party understands its obligations to protect personal data.

1.13 **The Company operates in a competitive market and may face competition from competitors involved in kidney transplant rejection**

The Company may face competition from competitors involved in kidney transplant rejection who may develop more advanced or alternative tests. Some of the Company's competitors may have access to greater research, development, marketing, financial and personnel resources which may provide commercial advantages to those competitors. New products may be more effective, cheaper or more effectively marketed than the Company's Clarava™ and Tuteva™ products. A substantial increase in competition for any of these reasons could require the Company to, for example, increase its marketing or capital expenditure or require the Company to change its business model to remain competitive, which may have an adverse impact on the Company's business including its profitability and/or financial condition.

1.14 **Multi-jurisdictional operations and regulation**

The Group intends to operate in numerous jurisdictions, which have different regulatory, fiscal and legal environments that could change in the future and could impact how the Group conducts its business in these jurisdictions. The Group's operations will be reliant on it identifying and adhering to the regulatory requirements in those jurisdictions. There can be no guarantee that the Group will always be able to identify such requirements or put in place the necessary licences and/or approvals. If a member of the Group was found not to have the appropriate licences and/or approvals or to have violated the terms of such licence or any local laws and/or regulations, the Group could incur a fine (the amount dependent on the nature of the violation), the relevant member of the Group could be subject to financial liability, required to change its business practices or forced to suspend or terminate operations in the relevant territory. Alternatively, a member of the Group could be required to obtain new or different licences or regulatory approvals. Such eventualities could result in costs or other consequences that could materially adversely affect the financial performance and/or prospects of the Group.

1.15 **Data protection issues**

The EU General Data Protection Regulation ("**GDPR**") came into force on 25 May 2018 and introduced a number of more onerous obligations on controllers of personal data and increased rights for data subjects as well as new and increased fines and penalties for breaches of its data privacy obligations.

Failure to comply with data protection legislation (including the GDPR) in the countries where the Group operates may leave it open to criminal and civil sanctions. In addition, loss or unauthorised access to the Group's customer data could lead to reputational damage and loss of customer confidence in the Group which could therefore impair the volume of sales achieved by the Group.

Such failures may also be the subject of investigations by regulators which have the power to levy significant fines (in the EU up to 4 per cent. of the worldwide turnover of the Company and its group) and may be actionable by the individuals whose personal data has been processed otherwise than in compliance with data protection legislation or which has been lost or accessed illegally or without authorisation.

1.16 **Risk to IP**

No assurance can be given that any current or future trademark, design right or patent applications will result in registered trademarks, design rights or patents, that the scope of any patent, design or trademark protection or the protection provided by copyright or database rights or the right to bring actions for breach of confidentiality will exclude competitors or provide competitive advantages to the Group, that any of the Group's owned or licensed-in patents, design rights or trademarks will be held valid if challenged or that third parties will not claim rights or ownership of the patents, design rights, trademarks or other Intellectual Property rights held by the Group. If the Group cannot successfully enforce its IP rights, this could have a material adverse effect on the Group's business, financial condition and prospects.

The Group may be subject to claims in relation to the infringement of patents, design rights, trademarks or other Intellectual Property rights owned by third parties. Adverse judgments against the Group may

give rise to significant liabilities in monetary damages, legal fees and/or an inability to manufacture, market or sell products either at all or in particular territories.

1.17 **The Company has not generated any revenue, have incurred significant losses since its inception**

The Company has incurred losses since its inception. We have devoted most of our financial resources to licensing and research and development, including conducting bioinformatic and other development studies and planning clinical validation trial and other future studies.

We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future, and these net losses may fluctuate significantly. We anticipate that our expenses will increase substantially as we conduct clinical validation, utility and other studies for our Clarava™ and Tuteva™ products and prepare for its commercial launch, seek regulatory clearances or approvals for the Clarava™ and Tuteva™ products or any other product we develop, establish and maintain partnerships with healthcare systems.

1.18 **The Company's limited operating history may make it difficult for you to evaluate the success of the Company's business to date and to assess its future viability**

The Company has a limited operating history given it was formed in April 2020. The Company has limited experience in establishing and maintaining successful partnerships with healthcare systems, manufacturing product at commercial scale, conducting sales and marketing activities necessary for successful commercialisation and achieving major reimbursement milestones. The Company may encounter unforeseen expenses, difficulties, complications and delays in achieving its business objectives. The Company's very short history as an operating company makes any assessment of its future success or viability subject to significant uncertainty. If the Company does not address these risks successfully or is unable to transition at some point to a company capable of supporting commercial activities and maintaining partnerships with healthcare systems, then the business will suffer.

1.19 **Acquisitions or joint ventures we may pursue may be unsuccessful.**

The Company may consider the acquisition of other products or businesses that either complement or expand the existing business, or may enter into joint ventures. Any future acquisitions or joint ventures we pursue may involve a number of risks, including some or all of the following:

- difficulty in identifying acceptable acquisition targets;
- the inability to complete acquisitions or joint ventures on favourable terms and to obtain adequate financing, which financing may not be available to us at times, in amounts or on terms acceptable to the Company, if at all;
- the diversion of management's attention from our core business;
- the disruption of our ongoing business;
- entry into markets in which we have limited or no experience;
- the inability to integrate acquisitions or enter into joint ventures without substantial costs, delays or other problems;
- unexpected liabilities for which the Company may not be adequately indemnified;
- inability to enforce indemnification and non-compete agreements;
- the failure to successfully incorporate acquired products into the Company's business;
- the failure of the acquired business or joint venture to perform as well as anticipated;
- the failure to realise expected synergies and cost savings;
- the loss of key employees or customers of the acquired business; and
- increasing demands on our operational systems and the potential inability to implement adequate internal controls covering an acquired business or joint venture.

1.20 **The Company is highly reliant on its relationship with Mount Sinai, and the failure to maintain that relationship could negatively impact the business, reputation and strategic goals.**

The Company licenses intellectual property from Mount Sinai. In December 2018, Renalytix entered into the Exclusive Licence Agreement ("**Licence**") pursuant to which it obtained a worldwide, royalty-bearing, exclusive licence under certain patents and a worldwide, royalty-bearing, non-exclusive licence under certain know-how of Mount Sinai to develop and commercialise licensed products in connection with the diagnosis and prognostics for kidney transplant rejection. The Licence was assigned to the Company on 4 May 2020. Pursuant to the terms of the License, the Company is obliged to use commercially reasonable efforts in connection with the development and commercialisation of the licensed products, including in accordance with specified diligence milestones. If the Company fails to meet its obligations under the Licence or if the Licence is terminated for any reason, it could negatively impact the Company's business and strategic goals. The licence may also be terminated for other reasons including breach and insolvency.

The Company and Mount Sinai are interested in entering into further contracts for studies and maybe further licenses but none are currently negotiated or under contract. If these are not successfully or reasonably contracted then it could negatively impact the Company's business and strategic goals.

Mount Sinai has not provided the level of assurances and representations that are usually expected of similar options or licences, and generally the rights are granted on an 'as is' basis. Although it is appreciated that as an academic institution Mount Sinai is not in the habit of providing warranties, but generally it does leave the Company commercially exposed. Furthermore, the Company's liability under the agreement is not capped.

Mount Sinai may terminate the licence agreement immediately if the Company *inter alia* de-lists from a public stock exchange, meaning that Mount Sinai may trigger this termination right if the Company were to be taken private, following Admission, which could impact the value of the Company.

1.21 **Adverse market and economic conditions may exacerbate certain risks associated with commercialising the Company's products.**

Future sales of the Company's products will be dependent on purchasing decisions of and reimbursement from government health administration authorities, distributors and other organisations. As a result of adverse conditions affecting the global economy and credit and financial markets, including disruptions due to political instability, global pandemics and diseases such as the current COVID-19 pandemic, or otherwise, these organisations may defer purchases, may be unable to satisfy their purchasing or reimbursement obligations, or may delay payment for any of the Company's products.

1.22 **The Company will need to expand its organisation and may experience difficulties in managing this growth, which could disrupt its operations.**

As the Company matures, it expects to expand its full-time employee base and to hire more scientists, technicians and other skilled or experienced personnel. The management may need to divert a disproportionate amount of its attention away from the day-to-day activities and devote a substantial amount of time toward managing these growth activities. The Company may not be able to effectively manage the expansion of its operations, which may result in weaknesses in its infrastructure, operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. The Company's expected growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of additional products or technologies. If the management is unable to effectively manage the Company's growth, its expenses may increase more than expected, the ability to generate and/or grow revenues could be reduced, and the Company may not be able to implement its business strategy. The Company's future financial performance and its ability to commercialise products and compete effectively will depend, in part, on its ability to effectively manage any future growth.

1.23 **Agreement with BioLizard nv**

The Company is party to a framework services agreement with BioLizard nv, a bioinformatics services company, under which the Company's liability is not subject to any limit or cap. If the Company were

to be in breach of this agreement then, because there is no limit or cap on its liability under it, the consequences of such breach could be significant. The framework services agreement contains a provision under which, in certain circumstances, some of BioLizard nv's intellectual property may be licensed to the Company. However, such licence is non-transferable and is not capable of sub-licensing without BioLizard nv's consent. There is a risk that the Company may incur difficulties selling the business associated with the framework services agreement.

1.24 **Liabilities transferred to the Company upon the transfer of the FractalDx business**

As part of the transfer of the business and assets of the FractalDx business from Renalytix to the Company, the Company agreed to indemnify and keep indemnified Renalytix against each loss, liability and cost which Renalytix may incur or may have incurred and not discharged before 4 May 2020, in connection with the ownership of the or operation of the business and the assets whether before or after the effective time. Such a clause is customary in intra-group transfers but could be considered to be a material risk to investors in the Company, especially as the Company's agreement to indemnify Renalytix means that the Company is liable for any breaches of contracts of Renalytix.

1.25 **Risks relating to changes in and regulatory policies and legislation**

Development, clinical evaluation and marketing of digital health software products are subject to significant global regulations by governments and global regulatory agencies. Many approvals require clinical evaluation data relating to safety, quality and efficacy of a product. Many countries, including the US, Europe, China, and Japan have high standards of technical appraisal and there is a risk of delays in the approval process. Changes in legislation and regulatory policies would delay gaining approvals and could have an adverse impact on the Company's business. If this occurs, the Company may incur further development costs or be required to apply for regulatory approvals that could have a material adverse impact on its financial position or prospects for its digital health software products.

GENERAL RISKS

1.1 **Investment Risks**

An investment in the Ordinary Shares is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment, or other investors who have been professionally advised with regard to the investment, and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be the whole amount invested). Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Investors should not consider investing in the Ordinary Shares unless they already have a diversified investment portfolio.

Prospective investors should be aware that the value of an investment in the Company may go down as well as up and investors may therefore not recover or may lose all of their original investment.

In addition, the price at which investors may dispose of their Ordinary Shares may be influenced by a number of factors, some of which may pertain to the Company, and others of which are extraneous. These factors could include the performance of the Company's business, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, currency fluctuations, legislative or regulatory or taxation changes, general economic and political conditions and interest and inflation rate variations. The value of the Ordinary Shares may therefore fluctuate and not reflect their underlying asset value.

1.2 **Economic conditions and current economic weakness**

Any economic downturn either globally or locally in any area in which the Group operates may have an adverse effect on the demand for the Group's services. A more prolonged economic downturn may lead to an overall decline in the volume of the Group's sales, restricting the Group's ability to generate a profit.

In addition, although signs of economic recovery have been perceptible in certain countries, the sustainability of a global economic upturn is not yet assured. If economic conditions remain uncertain this might have an adverse impact on the Group's operations and business results.

1.3 **The business could be adversely affected by the effects of health epidemics, including the current COVID-19 pandemic, in regions where the Company or third parties on which it rely have significant manufacturing facilities, concentrations of validation study sites or other business operations.**

The Company's business could be adversely affected by health epidemics in regions where it has concentrations of validation study sites or other business operations, and could cause significant disruption in the operations of third parties upon whom it rely.

The current COVID-19 pandemic could materially affect the Company's operations, including at its U.S. headquarters in New York and at its validation study sites, as well as the business or operations of the Company's partner, Mount Sinai, and other third parties with whom it conducts business.

In addition, the validation studies and commercial launch plans or timelines may be affected by the COVID-19 pandemic.

The spread of COVID-19, which has caused a broad impact globally, may materially affect the Company economically. While the potential economic impact brought by, and the duration of, COVID-19 may be difficult to assess or predict, a widespread pandemic could result in significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity. In addition, a recession or market correction resulting from the spread of COVID-19 could materially affect our business and the value of the Ordinary Shares.

The global pandemic of COVID-19 continues to rapidly evolve. The ultimate impact of the COVID-19 pandemic or a similar health epidemic is highly uncertain and subject to change. We do not yet know the full extent of potential delays or impacts on the Company's business, its clinical trials, healthcare systems or the global economy as a whole. However, these effects could have a material impact on our operations, and we will continue to monitor the COVID-19 situation closely.

1.4 **Force Majeure**

The Group's operations now or in the future may be adversely affected by risks outside the control of the Group including labour unrest, civil disorder, hostilities, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

1.5 **Taxation**

Any change in the Group's tax status or in taxation legislation or its interpretation, could affect the Group's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of the Group and its investors are based upon current tax law and practice which is subject to change.

1.6 **Legislation and Compliance**

This document has been prepared on the basis of current legislation, rules and practice and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. There can be no assurance that future legislation, rules and practice will not adversely affect the business or financial condition of the Group. Furthermore, as the Group has operations located in the UK, there is a risk that possible legislative and regulatory changes resulting from the Brexit negotiations could adversely affect the Group.

1.7 **Economic, political, judicial, administrative, taxation or other regulatory matters**

The Group may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors in the areas and jurisdictions in which the Group operates.

1.8 **Currency Risk**

The Group expects to present its financial information in $, although part of its business may be conducted in other currencies. As a result it will be subject to foreign currency exchange risks due to exchange rate movements, which will affect the Group's transaction costs and the translation of its results. The Company's Ordinary Shares will be traded in pounds sterling.

1.9 **Withholding tax on royalties**

Basic rate income tax should be withheld on the payment of a royalty by a UK company overseas. The terms of the UK/US Double Tax Treaty ("DTT") reduce that withholding to zero on payments to qualifying parties. The Company will need to follow the clearance process to confirm that payments of royalties under the licence agreement with Mount Sinai fall within the DTT. If clearance is not obtained an additional 20 per cent. tax will be payable by the Company on royalties paid.

RISKS RELATING TO THE ORDINARY SHARES

1.1 **The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which may be out of the Company's control**

Publicly traded securities from time to time experience significant price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them. In addition, the market price of the Ordinary Shares may prove to be highly volatile. The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which are beyond the Company's control, including: variations in operating results in the Company's reporting periods; changes in financial estimates by securities analysts; poor stock market conditions affecting companies engaged in the same sector; additions or departures of key personnel; any shortfall in turnover or net profit or any increase in losses from levels expected by securities analysts; and future issues or sales of Ordinary Shares. Any or all of these events could result in a material decline in the price of the Ordinary Shares, regardless of the Company's performance.

1.2 **Suitability of the Ordinary Shares as an investment**

The Ordinary Shares may not be a suitable investment for all the recipients of this document. Before making a final decision, Shareholders and other prospective investors are advised to consult an appropriate independent financial adviser authorised under the FSMA if such Shareholder or other prospective investor is resident in the UK or, if not, from another appropriately authorised independent financial adviser who specialises in advising on acquisitions of shares and other securities.

The value of the Ordinary Shares, and the income received from them, can go down as well as up and Shareholders may receive less than their original investment. In the event of a winding-up of the Company, the Ordinary Shares will rank behind any liabilities of the Company and therefore any return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of creditors.

1.3 **Legislation and tax status**

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Director's interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular tax status or tax residence of the Group or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Company.

1.4 **Future sales of Ordinary Shares**

Certain existing shareholders have given undertakings that, save in certain circumstances, they will not until 12 months following Admission, dispose of the legal or beneficial ownership of, or any other interest in, Ordinary Shares held by them at Admission. There can be no assurance that such parties will not affect transactions upon the expiry of the lock-in or any earlier waiver of the provisions of their

lock-in. The sale of a significant number of Ordinary Shares in the public market, or the perception that such sales may occur, could materially adversely affect the market price of the Ordinary Shares.

Shareholders not subject to lock-in arrangements and, following the expiry of 24 months following Admission (or earlier in the event of a waiver of the provisions of the lock-in), Shareholders who are otherwise subject to lock-in arrangements, may sell their Ordinary Shares in the public or private market and the Company may undertake a public or private offering of Ordinary Shares. The Company cannot predict what effect, if any, future sales of Ordinary Shares will have on the market price of the Ordinary Shares. If the Company's existing shareholders were to sell, or if the Company was to issue a substantial number of shares in the market, the market price of the Ordinary Shares could be materially adversely affected. Sales by the Company's existing Shareholders could also make it more difficult for the Company to sell equity securities in the future at a time and price that it deems appropriate.

1.5 **The Company's ability to pay dividends in the future is not certain**

The Company cannot guarantee that it will have sufficient cash resources to pay dividends in the future. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Shareholders, or in the case of interim dividends to the discretion of the Directors, and will depend upon, amongst other things, the Group's earnings, financial position, cash requirements, availability or profits, any dividends and profits that it receives from its subsidiary companies, as well as provisions for relevant laws or generally accepted accounting principles from time to time.

1.6 **Further issuances of Ordinary Shares may be dilutive**

The Company may decide to offer additional shares in the future for capital raising or other purposes. Shareholders who do not take up or who are not eligible to take such an offer will find their proportionate ownership and voting interests in the Company to be reduced. An additional offering could also have a material adverse effect on the market price of the Ordinary Shares as a whole.

1.7 **Valuation of Ordinary Shares**

The Placing Price has been determined by the Company and may not relate to the Group'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.

1.8 **Market Perception**

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

1.9 **The Ordinary Shares will not be admitted to the Official List**

Ordinary Shares will be traded on AIM and will not be admitted to the Official List or admitted to trading on the London Stock Exchange's main market for listed securities. Neither the FCA nor the London Stock Exchange have examined or approved the contents of this document. The rules of AIM are less demanding than those of the Official List and an investment in Ordinary Shares traded on AIM may carry a higher risk than an investment in shares admitted to the Official List. Although the Company is applying for the admission of its Enlarged Share Capital to trading on AIM, there can be no assurance that an active trading market for the Ordinary shares will develop, or if developed, that it will be maintained. In addition, the market in Ordinary Shares on AIM may have limited liquidity, making it more difficult for an investor to realise its investment than might be the case in respect of an investment in shares which are quoted on the London Stock Exchange's main market for listed securities. Investors should therefore be aware that the market price of the Ordinary Shares may be more volatile than the market prices of shares quoted on the London Stock Exchange's main market for listed securities and

may not reflect the underlying value of the net assets of the Group. For these and other reasons, investors may not be able to sell at a price which permits them to recover their original investment.

1.10 **Risks relating to EIS and VCT relief**

The Company has applied for advance assurance from HMRC that, subject to the receipt of a satisfactory compliance statement from the Company, HMRC would be able to authorise the Company to issue "compliance certificates" under the EIS Legislation for the purposes of enabling qualifying individual investors to apply for EIS Relief in respect of their subscription for Ordinary Shares. This advance assurance is expected to apply only in relation to the EIS Shares. The Company also applied for advance assurance that the EIS Shares will be "eligible shares".

The HMRC advance assurance in connection with EIS was sought on the basis of the legislation as enacted at the date that the advance assurances and confirmation were given, and on the basis of the facts set out in the application made to HMRC. In the event of any change to the legislation, any alteration to the Company's position or the rights attaching to the EIS/VCT Shares, or if HMRC were to consider that all material facts were not set out in the application, the advance assurances and knowledge-intensive company confirmation given by HMRC may not apply.

The advance assurance in respect of EIS relates only to the requirements in the EIS Legislation that relate to the Company and the EIS Shares, and will not guarantee that any particular investor will be able to obtain EIS Relief in respect of a subscription for EIS Shares (whether in the Placing or the Restricted Offer). The availability of EIS Relief and the status of the relevant EIS Shares as a qualifying holding for VCT purposes will be conditional on (amongst other things) the Company and the investor both continuing to satisfy the relevant requirements, under the EIS Legislation, throughout, broadly, the period of three years from the date of issue of the relevant EIS Shares. Neither the Company, the Board nor the Company's advisers represent, warrant or undertake that the Company or the EIS/VCT Shares will comply with the requirements of the EIS Legislation at or following the EIS/VCT Placing, that investors will be able to obtain EIS Relief in respect of their subscription for EIS Shares, or that in due course such EIS Relief will not be withdrawn.

Circumstances may arise (which may include the sale of the Company) where the Board believes that the interests of the Company are not best served by acting in a way that preserves VCT qualifying status, or ensures that the Company and/or the EIS/VCT Shares will continue to meet the conditions for EIS Relief. In such circumstances, the Company and the Board cannot undertake to conduct the activities of the Company in a manner designed to preserve any such relief or status. Should the relevant legislation regarding the EIS or VCTs change then eligibility for EIS Relief or qualifying status for VCT purposes previously obtained may be lost.

Any person seeking to obtain EIS Relief or VCT Relief should consult their own professional tax adviser in order that they may fully understand how the EIS Legislation and VCT Legislation applies in their individual circumstances. In particular, any such person should seek professional tax advice as to whether or not they are considered to be "independent", for the purposes of seeking EIS Relief. There is a risk that such person may consider themselves to be "independent" but HMRC does not agree with such classification.

Any investor who is an Existing Shareholder at the time of the Placing or Restricted Offer will not be eligible to claim EIS Relief on their new investment in the Company's shares.

PART 3

SECTION A: ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

2 November 2020

The Directors
Verici Dx Plc
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Dear Sirs,

Introduction

We report on the audited historical financial information of Verici Dx Plc (the "Company") as set out in this section of the Admission document dated 2 November 2020 (the "Document") of Verici Dx Plc (the "Company"). The historical financial information of the Company has been prepared for inclusion in the Document on the basis of preparation and accounting policies set out in note 2 to the historical financial information of the Company. This report is required by paragraph 18.3.1 of Annex 1 of the Commission Delegated Regulation (EU) 2019-980 as applied by part (a) of Schedule Two to the AIM Rules for Companies (the "AIM Rules") and is given for the purposes of complying with the AIM Rules and for no other purpose.

Responsibilities

The directors of the Company (the "Directors") are responsible for preparing the historical financial information of the Company in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

It is our responsibility to form an opinion on the historical financial information of the Company as to whether it gives a true and fair view, for the purposes of the Document and to report our opinion to you.

Save for any responsibility arising under Paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person other than the addressees of this letter for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Paragraph (a) of Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the Document.

Basis of Opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the historical financial information of the Company. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information underlying the historical financial information of the Company and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the historical financial information of the Company is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the historical financial information of the Company gives, for the purposes of the Document, a true and fair view of the state of affairs of the Company as at the date stated and of the results, financial position, cash flows and changes in equity for the period then ended in accordance with the basis of preparation set out in note 2 to the historical financial information of the Company and International Financial Reporting Standards as adopted by the European Union.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdictions other than the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those other standards and practices.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules for Companies, we are responsible for this report as part of the Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Document in compliance with Paragraph (a) of Schedule Two of the AIM Rules.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION B: HISTORICAL FINANCIAL INFORMATION ON THE COMPANY

STATEMENT OF COMPREHENSIVE INCOME

The statements of comprehensive income of the Company for the period ended 30 June 2020 is set out below:

	Note	*Period from 22 April to 30 June 2020 US$*
Administrative expenses		(56,500)
Operating loss for the period	4	(56,500)
Finance charge	5	(27,523)
Loss before taxation		(84,023)
Income tax	7	–
Loss for the period		(84,023)
Other comprehensive income		–
Loss and total comprehensive income attributable to the owners of the Company		(84,023)
Loss per share for loss attributable to the ordinary equity holders of the Company		$
Basic and diluted loss per share	16	(84.02)

All operations are continuing operations.

STATEMENT OF FINANCIAL POSITION

The statement of financial position of the Company as at 30 June 2020 is set out below:

	Note	*At 30 June 2020 US$*
Non-current assets		
Intangible assets	8	1,452,199
Tangible assets	9	501,957
Total non-current assets		1,954,156
Current assets		
Cash and cash equivalents		1
Total current assets		1
Total assets		1,954,157
Current liabilities		
Loans and borrowings	10	(1,873,041)
Total current liabilities		(1,873,041)
Total liabilities		(1,873,041)
Net assets		81,116
Equity		
Share capital	14	1
Other equity	15	165,138
Retained earnings	15	(84,023)
		81,116

STATEMENT OF CHANGES IN EQUITY

The statement of changes in equity of the Company for the period ended 30 June 2020 is set out below:

	Share capital US$	*Other Equity US$*	*Retained earnings US$*	*Total US$*
Balance on incorporation	1	–	–	1
Loss for the period	–	–	(84,023)	(84,023)
Total comprehensive loss for the period	–	–	(84,023)	(84,023)
Convertible Note	–	165,138	–	165,138
Balance at 30 June 2020	1	165,138	(84,023)	81,116

STATEMENT OF CASH FLOWS

The statement of cash flows of the Company for the period ended 30 June 2020 is set out below:

	Period from 22 April to 30 June 2020 US$
Cash flows from operating activities	
Loss before taxation	(84,023)
Adjustments for:	
Depreciation and amortisation	45,844
Finance charge	27,523
Increase in convertible loan note	10,656
Cash used in operations	–
Net cash used by operating activities	–
Financing activities	
Issue of ordinary share capital	1
Net cash inflow generated from financing activities	1
Net decrease in cash and cash equivalents	
Cash and cash equivalents at beginning of period	–
Cash and cash equivalents at end of period	1

Non cash transactions and borrowings

The acquisition of business assets for consideration of $2,000,000 and draw down on the Convertible Loan Note instrument described in Note 17 are major non-cash transactions in the period. The drawdown of $2,000,000 of the Convertible Loan note as consideration for the acquisition of the business assets described in Note 17, and the accretion of interest, both non-cash transactions, comprise the only changes in liabilities from financing.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. General information

Verici Dx Plc (the "Company") principal activity is the development of prognostic and diagnostic tests for kidney transplant patients.

The Company is a limited company incorporated in England and Wales and domiciled in the UK. The address of the registered office is Avon House, 19 Stanwell Road, Penarth, Cardiff CF64 2EZ and the company number is 12567827.

The Company was incorporated as Verici Dx Limited on 22 April 2020 as a private company but was dormant from this date until 4 May 2020 when it acquired certain assets pursuant to an Asset Purchase Agreement resulting in the Company no longer being dormant. See note 19 for further details.

On 9 September 2020, the company was re-registered as a public company and changed its name to Verici Dx Plc.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the historical financial information of the Company, which have been applied consistently to the period presented, are set out below:

Basis of preparation

The historical financial information has been prepared in accordance with International Financial Reporting Standards and interpretations issued by the International Financial Reporting Standards Interpretations Committee ("IFRIC") as adopted by the European Union ("IFRS"). The historical financial information does not constitute statutory accounts within the meaning of the 2006 Companies Act.

The functional currency and the presentational currency of the Company is United States dollars ("USD" or "US$") as this is the currency of the primary economic environment that the Company operates in.

Measurement convention

The financial information has been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The preparation of the financial information in compliance with IFRS requires the use of certain critical accounting estimates and management judgements in applying the accounting policies. The significant estimates and judgements that have been made and their effect is disclosed in note 3.

Going concern

At the date of this historical financial information, the Company has not generated any revenues. It has in place a Convertible Loan Note instrument available up to US$3,000,000 of which US$2,000,000 was used to purchase assets pursuant to an Asset Purchase Agreement entered into on 4 May 2020, leaving an undrawn facility of US$1,000,000 for working capital requirements.

The Board has considered the impact of the ongoing COVID-19 pandemic. There has been minimal impact on the Company to date. Given the impact of COVID-19 in the economy generally, the Board has performed a number of stress tests to assess the ability of the Company to continue as a going concern.

The Directors have prepared cash flow forecasts for the Company for a review period of 12 months from the date of approval of this historical financial information. These forecasts reflect an assessment of current and future market conditions and their impact on the Company's future cash flow performance.

The forecasts have been sensitised for additional costs which may be incurred in the review period. In the sensitised scenario, the forecasts indicate the Company would still have sufficient cash to continue as a going concern.

Having considered the points above, the Directors remain confident in the long-term future prospects for the Company, and their ability to continue as a going concern for the foreseeable future. They therefore adopt the going concern basis in preparing the historical financial information of the Company.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from net profits as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the historical financial information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Foreign currency translation

(a) *Functional and presentational currency*

Items included in the historical financial information of the Company are measured using USD, the currency of the primary economic environment in which the entity operates ('the functional currency'), which is also the Company's presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates, of monetary assets and liabilities denominated in foreign currencies to USD, are recognised in the income statement.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Patents are recognised at fair value at the acquisition date. Patents have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

The Company amortises intangible assets with a limited useful life on a straight-line basis. The following rates are applied:

Patents – the shorter of the remaining life of the patent and 15 years

Tangible assets

Tangible fixed assets are stated at cost net of accumulated depreciation and accumulated impairment losses. Costs comprise purchase costs together with any incidental costs of acquisition.

Depreciation is provided to write down the cost less the estimated residual value of all tangible fixed assets by equal instalments over their estimated useful economic lives on a straight-line basis. The following rates are applied:

Computer equipment	–	3 years
Plant and machinery	–	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date. Low value equipment including computers is expensed as incurred.

Impairment of tangible and intangible assets

At each reporting end date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit and loss.

Financial instruments

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial assets and financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

(a) Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date.

As at the reporting date, the Company did not have any financial assets subsequently measured at fair value.

(b) *Financial liabilities*

All financial liabilities are initially measured at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. They are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

(c) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and deposits.

Provisions

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligations as a result of a past event, that can be reliably measured and it is probably that an outflow of economic benefits will be required to the settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Financing expenses

Financing expenses comprise interest payable and finance charges on shares classified as liabilities. Foreign exchange gains and losses are reported within administrative expenses in the statement of comprehensive income.

Interest payable is recognised in the statement of comprehensive income as it accrues, using the effective interest method.

Operating segments

The directors are of the opinion that the business of the Company comprises a single activity, that of the development of prognostic and diagnostic tests for kidney transplant patients. Consequently, all activities relate to this segment.

All the non-current assets of the Company are located in, or primarily relate to, the USA

Standards issued but not yet effective:

There were no standards and interpretations relevant to the Company which were in issue but are not yet effective and which have not been applied in the historical financial information expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

3. Judgements and key sources of estimation uncertainty

The preparation of the historical financial information requires management to make estimates and judgements that affect the reported amounts of assets, liabilities and costs in the historical financial information. Actual results could differ from these estimates. The judgements, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

Key sources of estimation uncertainty that could cause an adjustment to be required to the carrying amount of assets or liabilities within the next accounting period are:

- Whether impairment is required against the carrying value of tangible and intangible assets.
- Amortisation period of patents is an estimate based on the expected useful life and is assessed annually for any changes based on current circumstances.
- The choice of a discount rate of 9 per cent. in determining the fair value of the capital contribution from the Company's parent in relation to the nil per cent. coupon attributable to the Convertible Loan Notes.

4. Operating loss

Operating profit is arrived at after charging:

	Period from incorporation to 30 June 2020 US$
Depreciation – owned assets	29,527
Amortisation	16,317

5. Finance charge

	Period from incorporation to 30 June 2020 US$
Finance charge on Convertible Loan Note (see Note 11)	27,523

6. Staff costs

During the period from incorporation to 30 June 2020 the Company did not employ any staff directly. No directors' remuneration was paid, nor payable, during the period.

7. Taxation

Tax expenses included in profit or loss

	Period from incorporation to 30 June 2020 US$
Current tax	–
Deferred tax	–
Current tax charge for the period	–

Factors affecting the tax expense

The reasons for the difference between the actual tax expense for the year and the standard rate of corporation tax in the United Kingdom applied to the result for the year are as follows:

	Period from incorporation to 30 June 2020 US$
Loss on ordinary activities before income tax	(84,023)
Standard rate of corporate tax	19%
Loss before tax multiplied by the standard rate of corporation tax	(15,964)
Effects of:	
Non-deductible expense	5,610
Unrecognised deferred tax	10,354
Other timing differences	–
Current tax charge for the period	–

The Company has incurred indefinitely available tax losses of approximately US$54,496 to carry forward against future taxable income. No deferred tax asset has been recognised in respect of such losses and temporary differences due to the unpredictability of future profit streams. Such losses may be carried forward indefinitely.

8. Intangible assets

	Patents US$	*Total US$*
Cost		
On incorporation	–	–
Acquisition of business assets	1,468,516	1,468,516
At 30 June 2020	1,468,516	1,468,516
Amortisation		
On incorporation	–	–
Amortisation	(16,317)	(16,317)
At 30 June 2020	(16,317)	(16,317)
Net book value		
At 30 June 2020	1,452,199	1,452,199
On incorporation	–	–

The acquisition of assets arises from the patents acquired as part of the Asset Purchase Agreement entered into on 4 May 2020.

9. Tangible assets

	Plant & Machinery US$	*Total US$*
Cost		
On incorporation	–	–
Acquisition of business	531,484	531,484
At 30 June 2020	531,484	531,484
Depreciation		
On incorporation	–	–
Charge for the period	(29,527)	(29,527)
At 30 June 2020	(29,527)	(29,527)
Net book value		
At 30 June 2020	501,957	501,957
On incorporation	–	–

10. Loans and borrowings

	As at 30 June 2020 US$
Current liabilities	
Convertible Loan Note Instrument	1,873,041
	1,873,041

The Convertible Loan Note Instrument ("the Note") was issued on 4 May 2020. It has a nil per cent. coupon, which has been accounted for at fair value at inception and the difference recognised as a capital contribution. Conversion is solely at the discretion of the Note holder and is capable of being converted into new fully paid ordinary shares of the Company based on the conversion price. If not converted the Note is redeemed at the earliest of the Company raising funds from an issue of ordinary shares or 3 May 2021.

As the conversion feature results in the conversion of a fixed amount of stated principal into a variable number of shares, it does not satisfy the 'fixed for fixed' criterion and, therefore, it is classified as a financial liability. The fair value of the financial liability was calculated using a market interest rate for an equivalent instrument without a conversion option. The discount rate applied was 9 per cent.

11. Financial instruments

The Company's financial instruments may be analysed as follows:

	As at 30 June 2020 US$
Financial assets	
Cash and cash equivalent	1
Financial liabilities	
Financial liabilities measured at amortised cost	1,873,041

Financial liabilities measured at amortised cost comprise loans and borrowings, trade payables and other payables.

12. Financial risk management

The Company is exposed to a variety of financial risks through its use of financial instruments which result from its operating activities. All of the Company's financial instruments are classified as loan and borrowings.

The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below:

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company seeks to manage financial risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The table below analyses the Company's financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the tables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, because the impact of discounting is not significant.

Contractual maturities of financial liabilities at 30 June 2020

	Less than 6 months US$	*6-12 months US$*	*Total contractual cash flows US$*	*Carrying amount (assets)/ liabilities US$*
Trade and other payables	–	–	–	–
Loan and borrowings	–	2,000,000	2,000,000	1,873,041
Total	–	2,000,000	2,000,0001	1,873,041

Foreign currency risk

The Company does not have foreign operations and its exposure to foreign exchange risk is limited to the transactions and balances that are denominated in currencies other than US Dollars. The Company monitors exchange rate movements closely and ensure adequate funds are maintained in appropriate currencies to meet known liabilities.

Fair value of financial instruments

The fair values of all financial assets and liabilities approximates to their carrying value.

13. Related party disclosures

Key management personnel are the directors who together have authority and responsibility for planning, directing and controlling the activities of the Company. The total compensation (including employers' national insurance) paid in respect of key management personnel for services provided to the Company is as follows:

	Period from incorporation to 30 June 2020 US$
Aggregate emoluments including short term employee benefits	Nil
	Nil

On 4 May 2020 the Company entered into an Asset Purchase Agreement and a Convertible Loan Note Instrument with Renalytix. The three directors of the Company were also directors and shareholders of Renalytix in the period.

14. Share capital

On incorporation, the Company issued one ordinary share with a par value of £1 for total consideration of £1 to Renalytix. The Company has no authorised share capital.

Subsequent to period end, the Company subdivided its existing share and issued further new ordinary shares – see note 20.

15. Reserves

Other equity represents the difference between the repayment liability amount and the fair value of the Convertible Loan Notes Instrument – see note 10.

Accumulated losses represent the cumulative balance of losses recognised.

16. Loss per share

Basic loss per share	*US$*
Basic loss per share attributable to the ordinary equity holders	84.02

Reconciliation of earnings using in calculating loss per share	*US$*
Loss attributable to the ordinary shareholders of the Company used in calculating basic and diluted earnings per share	84,023

Weighted average number of ordinary shares used as the denominator	*Number*
Weighted average number of shares during the period (see below)	1,000

Basic loss per ordinary share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There are currently no dilutive potential ordinary shares.

Subsequent to period end, on 7 July 2020, the Company subdivided its existing ordinary share of £1 into 1,000 ordinary shares of 0.01 pence per share. In accordance with IAS33 'Earnings per share', the calculation of basic and diluted loss per share for all periods presented have been adjusted retrospectively.

Also on 7 July 2020 the Company issued 59,415,135 new shares of 0.01 pence per share were issued at par, which will have a material impact on basic and diluted loss per share in future periods.

17. Acquisition of business assets

On 4 May 2020 the Company entered into an Asset Purchase Agreement with Renalytix. The fair value of the assets acquired and the consideration paid were as follows:

	US$
Assets acquired	
Patents	1,468,516
Plant & Machinery	531,484
	2,000,000
Contractual repayment amount of Convertible Loan Note Instrument at inception	2,000,000
Consideration - repayment liability	2,000,000

18. Events after the balance sheet date

On 7 July 2020 the share capital of the Company was amended as follows:

- The issued share capital was subdivided from one share of £1.00 to 1,000 shares of £0.001;
- 59,415,135 new shares of £0.001 were issued at par, at which date the Company had 59,416,135 shares in issue;
- 59,416,134 ordinary shares were re-designated as 59,416,134 class A shares and one ordinary share was re-designated as one Golden Share.

19. Ultimate controlling party

At 30 June 2020, the ultimate controlling party of the Company was Renalytix. Subsequent to this date, the Company entered into a declaration of trust whereby Renalytix declared that it holds the Golden Share as nominee and on trust for Fergus Fleming, Erik Lium, James McCullough, Christopher Mills, Barbara Murphy and Chirag Parikh (the Directors of Renalytix).

20. Nature of financial information

The financial information presented above does not constitute statutory financial statements for the period under review.

PART 4

UNAUDITED PRO-FORMA CONSOLIDATED NET ASSETS ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

2 November 2020

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Dear Sirs,

Introduction

We report on the unaudited pro forma statement of net assets of the Company (the "Pro Forma Financial Information") set out in this section of Part III of the Company's AIM admission document dated 2 November 2020 (the "Admission Document"). The Pro Forma Financial Information has been prepared on the basis of the notes thereto, for illustrative purposes only, to provide information about how the convertible loan notes and the receipt of net proceeds from the Placing might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing its historical financial information as at 30 June 2020. This report is required by Schedule Two of the AIM Rules for Companies (the "AIM Rules") and is given for the purpose of complying with that schedule and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Pro Forma Financial Information. It is our responsibility to form an opinion on the Pro Forma Financial Information as to the proper compilation of the Pro Forma Financial Information and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting 4000 as issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial information with the Directors. We planned and performed our work so as to obtain all the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully,

Crowe U.K. LLP

Chartered Accountants

UNAUDITED PRO FORMA FINANCIAL INFORMATION

Set out below is an unaudited pro-forma statement of net assets of the Company (the Pro Forma Financial Information), which has been prepared on the basis of the financial information of the Company as at 30 June 2020, as adjusted for:

- the receipt of the net proceeds from the Placing; and
- the conversion of loan notes.

as set out in the notes below. The Pro Forma Financial Information has been prepared for illustrative purposes only and because of its nature will not represent the actual financial position of the Company as at the date of Admission.

Unaudited pro-forma net assets

US$	*(Audited) The Company (Note 1)*	*Conversion of loan notes (Note 2)*	*Net proceeds from the Placing (Note 3)*	*(Unaudited) Pro forma net assets of the Company*
Non-current assets				
Intangible assets	1,452,199	–	–	1,452,199
Tangible assets	501,957	–	–	501,957
Total non-current assets	1,954,156	–	–	1,954,156
Current assets				
Cash and cash equivalents	1	–	17,593,813	17,593,814
Total current assets	1	–	17,593,813	17,593,814
Total assets	1,954,157	–	17,593,813	19,547,970
Current liabilities				
Loans and borrowings	(1,873,041)	1,873,041	–	–
Total current liabilities	(1,873,041)	1,873,041	–	–
Total liabilities	(1,873,041)	1,873,041	–	–
Net assets	81,116	1,873,041	17,593,813	19,547,970

Notes:

1. The financial information of the Company as at 30 June 2020 has been extracted without further adjustment, from Part 3, section B of this Document "Accountants' report on the historical financial information of the Company". No account has been taken of the activities of the Company subsequent to 30 June 2020, except for those set out in the notes below.
2. The total amount available to the Company under the convertible loan note instrument made available to the Company was up to $3,000,000. The balance as at the date of conversion amounted to $2,500,000. The convertible loan notes of $2,500,000 were converted in full into Ordinary Shares on 28 October 2020.
3. The gross proceeds of the Fundraise were approximately £14,500,000 and associated costs of the Fundraise were approximately £993,000 (excluding VAT). The net proceeds from the Fundraise received by the Company were approximately £13,507,000. The net proceeds in the pro forma statement of net assets have been translated to US$ at an exchange rate of £1:US$1.30257.
4. ResolveDx Inc. was incorporated in Delaware, USA and was assigned to Verici as a 100 per cent. owned subsidiary on 14 August 2020. ResolveDx Inc. was subsequently renamed to Verici Dx Inc. on 21 August 2020 and remains dormant at the date of this Document.
5. No account has been taken of any movement in the net assets of the Company since 30 June 2020, nor of any other event save as disclosed above.

PART 5

UK TAXATION

1. TAXATION

1.1 Taxation in the United Kingdom

The following information is based on UK tax law and HM Revenue and Customs ("**HMRC**") practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

1.1.1 *Tax treatment of UK investors*

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

(i) who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or

(ii) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or

(iii) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

1.1.2 *Dividends*

Where the Company pays dividends no UK withholding taxes are deducted at source, Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their shares as investments, will be subject to UK income tax on the number of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £2,000 annum dividend tax allowance A Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers, and 38.1 per cent. for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

1.1.3 *Disposals of Ordinary Shares*

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary shares by basic rate taxpayers is 10 per cent., and for upper rate and additional is 20 per cent.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent. falling to 17 per cent. after 1 April 2020. But in the Budget on 11 March 2020 it was announced that the rate would remain at 19 per cent., after 1 April 2020.

1.1.4 ***Further information for Shareholders subject to UK income tax and capital gains tax***

1.1.4.1 *"Transactions in securities"*

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HM Revenue and Customs to raise tax assessments so as to cancel "tax advantages" derived from certain prescribed "transactions in securities".

1.1.5 ***Stamp Duty and Stamp Duty Reserve Tax ("SDRT")***

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

No stamp duty or SDRT will generally be payable on the issue of Ordinary Shares.

Neither UK stamp duty nor SDRT should arise on transfers of Ordinary Shares on AIM (including instruments transferring Shares and agreements to transfer Ordinary Shares) based on the following assumptions:

(A) the Shares are admitted to trading on AIM, but are not listed on any market (with the term "listed" being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and

(B) AIM continues to be accepted as a "recognised growth market" as construed in accordance with section 99A of the Finance Act 1986).

In the event that either of the above assumptions does not apply, stamp duty or SDRT may apply to transfers of Ordinary Shares in certain circumstances.

Any transfer of Sale Shares for consideration prior to admission to trading on AIM is likely to be subject to stamp duty or SDLT.

The above comments are intended as a guide to the general stamp duty and SDRT position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rule apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

PART 6

PLACING TERMS

IMPORTANT INFORMATION FOR INVITED PLACEES ONLY REGARDING THE PLACING.

THE INFORMATION AND TERMS CONTAINED IN THIS DOCUMENT AND THIS PART 6 (THE "PLACING TERMS") ARE RESTRICTED AND ARE NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, THE REPUBLIC OF IRELAND, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS DOCUMENT AND THE PLACING TERMS ARE FOR INFORMATION PURPOSES ONLY AND IS DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA ("EEA") WHO ARE QUALIFIED INVESTORS AS DEFINED IN SECTION 86(7) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED ("QUALIFIED INVESTORS"), BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(E) THE PROSPECTUS REGULATION (REGULATION 2017/1129) AS AMENDED FROM TIME TO TIME (THE "PROSPECTUS REGULATION") AND TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE; AND (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER"); (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS").

THIS DOCUMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS DOCUMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS DOCUMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

THIS DOCUMENT IS NOT AN OFFER OF SECURITIES FOR SALE INTO THE UNITED STATES. THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. SUBJECT TO CERTAIN EXCEPTIONS AND AT THE SOLE DISCRETION OF THE COMPANY, THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATION S UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN THE UNITED STATES, THE UNITED KINGDOM OR ELSEWHERE. NO MONEY, SECURITIES OR OTHER CONSIDERATION FROM ANY PERSON INSIDE THE UNITED STATES IS BEING SOLICITED AND, IF SENT IN RESPONSE TO THE INFORMATION CONTAINED IN THIS DOCUMENT, WILL NOT BE ACCEPTED.

EACH PLACEE SHOULD CONSULT WITH ITS ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN PLACING SHARES. THE DISTRIBUTION OF THIS DOCUMENT, ANY PART OF IT OR ANY INFORMATION CONTAINED IN IT MAY BE RESTRICTED

BY LAW IN CERTAIN JURISDICTIONS, AND ANY PERSON INTO WHOSE POSSESSION THIS DOCUMENT, ANY PART OF IT OR ANY INFORMATION CONTAINED IN IT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, SUCH RESTRICTIONS.

This Document or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada, the Republic of Ireland, Australia, the Republic of South Africa, Japan or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus. In the United Kingdom, this Document is being directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) (the "**FSMA**") does not apply.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Document. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offering in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligation to forward a copy of this Document should seek appropriate advice before taking any action.

This Document should be read in its entirety. In particular, you should read and understand the information provided in this Part 6.

By participating in the Placing, each person who chooses to participate in the Placing (a "**Placee**") will be deemed to have read and understood this document in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Part 6.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1 it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;

2 in the case of a Relevant Person in a member state of the EEA which has implemented the Prospectus Regulation (each, a "**Relevant Member State**") who acquires any Placing Shares pursuant to the Placing:

  2.1 it is a Qualified Investor within the meaning of Article 2(E) of the Prospectus Regulation;

  2.2 in the case of any Placing Shares acquired by it as a financial intermediary:

    2.2.1 the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of N+1 Singer has been given to the offer or resale; or

    2.2.2 where Placing Shares have been acquired by it on behalf of persons in any member state of the EEA other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Regulation as having been made to such persons;

3 it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Document;

4 it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Part 6;

5 except as otherwise permitted by the Company and subject to any available exemptions from applicable securities laws, it (and any account referred to in paragraph 3 above) is outside the United States acquiring the Placing Shares in offshore transactions as defined in and in accordance with Regulation S under the Securities Act;

6 it acknowledges that the Placing Shares have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or transferred, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States; and

7 the Company and N+1 Singer will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

No prospectus

No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of the information contained in this Document and any information publicly announced through a Regulatory Information Service (as defined in the AIM Rules for Companies (the "**AIM Rules**")) by or on behalf of the Company on or prior to Admission (the "**Publicly Available Information**") and subject to any further terms set forth in the form of confirmation to be sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of this Document is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of N+1 Singer, the Company or any other person and none of N+1 Singer, the Company or any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

N +1 Singer makes no representation to any Placees regarding an investment in the Placing Shares.

Details of the Placing Agreement and the Placing Shares

Pursuant to the Placing Agreement with the Company and subject to the terms and conditions set out in the Placing Agreement, N+1 Singer, as agent for and on behalf of the Company, has agreed to use its reasonable endeavours to procure Placees for the Placing Shares at the Placing Price.

The Placing Shares will, when issued, be subject to the articles of association of the Company and credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares in the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

Application for admission to trading

Application will be made to the London Stock Exchange for admission of the New Ordinary Shares to trading on AIM. It is expected that Admission will become effective at 8.00 a.m. on or around 3 November 2020 and that dealings in the New Ordinary Shares on AIM will commence at the time of Admission.

Participation in the Placing

This Part 6 gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares. N+1 Singer and the Company shall be entitled to effect the Placing by such alternative method as they may, in their sole discretion, determine.

Principal terms of the Placing

1 N+1 Singer is acting as nominated adviser, financial adviser and bookrunner to the Placing, as agent for and on behalf of the Company. N+1 Singer is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("**FCA**") and is acting exclusively for the Company and no one else in connection with the matters referred to in this Document and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of N+1 Singer or for providing advice in relation to the matters described in this Document.

2 Participation in the Placing will only be available to persons who may lawfully do so, and who are, invited by N+1 Singer to participate in the Placing. N+1 Singer and any of its respective affiliates are entitled to participate in the Placing as principal.

3 The final number of Placing Shares to be issued at the Placing Price will be agreed and determined between N+1 Singer and the Company and such details will be announced by the Company through a Regulatory Information Service pursuant to the placing results announcement.

4 Each Placee's allocation in the Placing shall be determined by N+1 Singer and the Company. Placees commitments to subscribe for the Placing Shares will be made orally to N+1 Singer on a recorded telephone line and a form of confirmation documenting such commitment will be dispatched by N+1 Singer by email as soon as possible thereafter. That oral confirmation will give rise to an irrevocable, legally binding commitment by that person (who at that point becomes a Placee), in favour of N+1 Singer and the Company, under which it agrees to acquire the number of Placing Shares allocated to the Placee at the Placing Price and otherwise on the terms and subject to the conditions set out in this Part 6 and in accordance with the Company's articles of association. Except with N+1 Singer's written consent, such commitment will not be capable of variation or revocation at the time at which it is submitted. The terms of this Part 6 will also be deemed incorporated in the form of confirmation.

5 Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to N+1 Singer (as agent for the Company), to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.

6 Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".

7 All obligations of N+1 Singer under the Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Termination of the Placing".

8 By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.

9 To the fullest extent permissible by law and applicable FCA rules, none of: (a) N+1 Singer, (b) any of N+1 Singer's affiliates, agents, directors, officers, consultants, (c) to the extent not contained within (a) or (b), any person connected with N+1 Singer as defined in the Financial Services and Markets Act 2000 ("**FSMA**") ((b) and (c) being together "**affiliates**" and individually an "**affiliate**" of N+1 Singer), (d) any person acting on N+1 Singer's behalf, shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, neither N+1 Singer nor any of its respective affiliates shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of their conduct of the

Placing or of such alternative method of effecting the Placing as N+1 Singer and the Company may agree.

Registration and Settlement

If Placees are allocated any Placing Shares in the Placing they will be sent a form of confirmation or electronic trade confirmation by N+1 Singer, as soon as it is able which will confirm the number of Placing Shares allocated to them, the Placing Price and the aggregate amount owed by them to N+1 Singer.

Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by N+1 Singer in accordance with either the standing CREST or certificated settlement instructions which they have in place with N+1 Singer.

Settlement of transactions in the Placing Shares following Admission will take place within the CREST system, subject to certain exceptions. Settlement through CREST is expected to take place in respect of the Placing Shares on 3 November 2020 and Admission is expected to occur no later than 8.00 a.m. on 3 November 2020 unless otherwise notified by N+1 Singer.

It is expected that the EIS/VCT Placing Shares will be issued unconditionally to potential subscribers on 2 November 2020 (or such later date as the Company and N+1 Singer may agree in writing, being no later than 16 November 2020), being the business day prior to Admission. The issue of the EIS/VCT Placing Shares is not conditional upon the issue of the balance of the Placing Shares and Admission. However, it is conditional, *inter alia*, on:

(i) the performance by the Company of its obligations under the Placing Agreement in so far as the same fall to be performed prior to completion of the EIS/VCT Placing;

(ii) the Placing Agreement having been entered into and it having not been terminated prior to the issue of the EIS/VCT Placing Shares; and

(iii) the satisfaction or, where appropriate, the waiver of all other conditions set out in the Placing Agreement relating to the issue of the EIS/VCT Placing Shares.

Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and N+1 Singer may agree that the Placing Shares should be issued in certificated form. N+1 Singer reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as they deem necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee's jurisdiction.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 2 percentage points above prevailing LIBOR as determined by N+1 Singer.

Each Placee agrees that, if it does not comply with these obligations, N+1 Singer may sell, charge by way of security (to any funder of N+1 Singer) or otherwise deal with any or all of their Placing Shares on their behalf and retain from the proceeds, for N+1 Singer's own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due and any costs and expenses properly incurred by N+1 Singer a result of the Placee's failure to comply with its obligations. The relevant Placee will, however, remain liable for any shortfall below the amount owed by it and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of their Placing Shares on their behalf. Legal and/or beneficial title in and to any Placing Shares shall not pass to the relevant Placee until such time as it has fully complied with its obligations hereunder.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional form of confirmation or electronic trade confirmation is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Conditions of the Placing

Other than in respect of the EIS/VCT Placing Shares, the Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The issue of the EIS/VCT Placing Shares is conditional upon (a) to (e) below only and is therefore not conditional on Admission.

The obligations of N+1 Singer under the Placing Agreement are, and the Placing is, conditional upon, *inter alia*:

(a) the Company allotting the New Ordinary Shares in accordance with the terms of the Placing Agreement;

(b) the performance by the Company of its obligations under the Placing Agreement to the extent that they fall to be performed prior to Admission;

(c) agreement by the Company and N+1 Singer of the final number of Placing Shares to be issued at the Placing Price pursuant to the Placing and the allocation of such Placing Shares to Placees;

(d) the Subscription Agreements becoming wholly unconditional; and

(e) N+1 Singer not having exercised its right to terminate the Placing Agreement,

(all conditions to the obligations of N+1 Singer included in the Placing Agreement being together, the "**conditions**").

If any of the conditions set out in the Placing Agreement are not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and N+1 Singer may agree, provided that the time for satisfaction of the condition set out in (e) above shall not be extended beyond the Longstop Date, or the Placing Agreement is terminated in accordance with its terms, the Placing will lapse and the Placee's rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

By participating in the Placing, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under "Termination of the Placing" below and will not be capable of rescission or termination by it.

Certain conditions may be waived in whole or in part by N+1 Singer, in its absolute discretion by notice in writing to the Company and N+1 Singer may also agree in writing with the Company to extend the time for satisfaction of any condition. Any such extension or waiver will not affect Placees' commitments as set out in this Document.

N+1 Singer may terminate the Placing Agreement in certain circumstances, details of which are set out below.

Neither N+1 Singer, the Company nor any of their respective affiliates, agents, directors, officers, employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of N+1 Singer.

Termination of the Placing

N+1 Singer may terminate the Placing Agreement, in accordance with its terms, at any time prior to Admission if, *inter alia*:

1 it comes to the attention of N+1 Singer that any of the warranties were not true or accurate, or were misleading when given or deemed given; or

2 it comes to the attention of N+1 Singer that the Company has failed to comply with its obligations under the Placing Agreement, FSMA, MAR, the AIM Rules or other applicable Law; or

3 it comes to the attention of N+1 Singer that any statement contained in the Fundraising documents has become or been discovered to be untrue, inaccurate or misleading;

4 a matter having arisen before Admission which might reasonably be expected to give rise to an indemnity claim under the Placing Agreement; or

5 there has occurred a *force majeure* event, or any material adverse change has occurred in the financial position or prospects or business of the Company and its subsidiary undertakings (taken as whole) which, in the opinion of N+1 Singer, will or is likely to be prejudicial to the Placing or Admission or to the subscription for Placing Shares by Placees.

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this Document shall cease and terminate at such time and no claim can be made by any Placee in respect thereof.

By participating in the Placing, each Placee agrees with the Company and N+1 Singer that the exercise by the Company or N+1 Singer of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company or N+1 Singer and that neither of the Company nor N+1 Singer need make any reference to such Placee and that neither N+1 Singer, the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under the "Conditions of the Placing" section above and will not be capable of rescission or termination by it after the issue by N+1 Singer of a form of confirmation confirming each Placee's allocation and commitment in the Placing.

Enterprise Investment Scheme (EIS) and Venture Capital Trust (VCT) Schemes

The Company has applied for advance assurance from HMRC to the effect that, subject to receipt of a satisfactory compliance statement from the Company, the EIS/VCT Placing Shares are capable of satisfying the requirements for EIS Relief. The Company expects the EIS/VCT Placing Shares to be capable of constituting a qualifying holding for VCT Relief purposes.

The status of the EIS/VCT Placing Shares as a qualifying holding for VCT purposes will be conditional (amongst other things) on the qualifying conditions being satisfied throughout the period of ownership. The status of the EIS/VCT Placing Shares as qualifying for EIS Relief will be conditional (amongst other things) on the qualifying conditions being satisfied, both by the Company and (as regards those conditions to be met by the investor) the investor throughout a period of at least three years from the date of issue. There can be no assurance that the Company will conduct its activities in a way that will secure or retain qualifying status for VCT and/or EIS purposes (and indeed circumstances may arise where the directors of the Company believe that the interests of the Group are not served by seeking to retain such status). Further, the conditions for VCT Relief and EIS Relief are complex and relevant investors are recommended to seek their own professional advice before investing. This paragraph is without prejudice to any separate comfort letter which may have been given by the Company to certain VCT investors in connection with the EIS/VCT Placing.

Representations, warranties and further terms

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) represents, warrants, acknowledges and agrees (for itself and for any such prospective Placee) that (save where N+1 Singer expressly agree in writing to the contrary):

1 it has read and understood this Document in its entirety and that its acquisition of the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Document and the Publicly Available Information;

2 it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document: (a) is required under the Prospectus Regulation; and (b) has been or will be prepared in connection with the Placing;

3 the Ordinary Shares are admitted to trading on AIM, and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;

4 it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and neither N+1 Singer, the Company nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this Document, or the Publicly Available Information; nor has it requested neither of N+1 Singer, the Company, any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them to provide it with any such information;

5 neither N+1 Singer, any person acting on behalf of them or any of their respective affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;

6 (a) the only information on which it is entitled to rely on and on which it has relied in committing to subscribe for the Placing Shares is contained in the Publicly Available Information and this document, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on Publicly Available Information and the information contained in this document; (b) neither N+1 Singer, the Company nor any of their respective affiliates, agents, directors, officers or employees has made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information and the information contained in this document; (c) it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing; and (d) has not relied on any investigation that N+1 Singer or any person acting on their behalf may have conducted with respect to the Company, the Placing or the Placing Shares;

7 the content of this Document and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that neither N+1 Singer nor any persons acting on behalf of it is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Document or the Publicly Available Information nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this Document, the Publicly Available Information or otherwise. Nothing in this Part 6 shall exclude any liability of any person for fraudulent misrepresentation;

8 the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, the Republic of Ireland, Australia, Canada, Republic of South Africa or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, the Republic of Ireland, Australia, Canada, South Africa or Japan or in any country or jurisdiction where any such action for that purpose is required;

9 it and/or each person on whose behalf it is participating:

9.1 is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;

9.2 has fully observed such laws and regulations;

9.3 has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and

9.4 has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Part 6) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares;

10 it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed for will not be, a resident of, or with an address in, or subject to the laws of, Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;

11 the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;

12 it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, outside the United States and acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the Securities Act;

13 it (and any account for which it is purchasing) is not acquiring the Placing Shares with a view to any offer, sale or distribution thereof within the meaning of the Securities Act;

14 it will not distribute, forward, transfer or otherwise transmit this Document or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;

15 neither N+1 Singer, its respective affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of N+1 Singer and N+1 Singer has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

16 it has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will make payment to N+1 Singer for the Placing Shares allocated to it in accordance with the terms and conditions of this Document on the due times and dates set out in this Document, failing which the relevant Placing Shares may be placed with others on such terms as N+1 Singer may, in its absolute discretion determine without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this Document) which may arise upon the sale of such Placee's Placing Shares on its behalf;

17 no action has been or will be taken by any of the Company, N+1 Singer or any person acting on their behalf that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;

18 the person who it specifies for registration as holder of the Placing Shares will be: (a) the Placee; or (b) a nominee of the Placee, as the case may be. Neither N+1 Singer nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to acquire Placing Shares pursuant to the Placing and agrees to pay the Company and N+1 Singer in respect of the same (including any interest or penalties) on the basis that the Placing Shares will be allotted to a CREST stock account of N+1 Singer or transferred to a CREST stock account of N+1 Singer who will

hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;

19 it is acting as principal only in respect of the Placing or, if it is acting for any other person, (a) it is duly authorised to do so and has full power to make the acknowledgments, representations and agreements herein on behalf of each such person and (b) it is and will remain liable to the Company and N+1 Singer for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person);

20 the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;

21 it and any person acting on its behalf (if within the United Kingdom) falls within Article 19(5) and/or 49(2) of the Order and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;

22 it will not make an offer to the public of the Placing Shares and it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom or elsewhere in the EEA prior to the expiry of a period of six months from Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or an offer to the public in any other member state of the EEA within the meaning of the Prospectus Regulation;

23 it is a person of a kind described in: (a) Article 19(5) (Investment Professionals) and/or 49(2) (High net worth companies etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, and/or an authorised person as defined in section 31 of FSMA; and (b) section 86(7) of FSMA ("**Qualified Investor**"), being a person falling within Article 2.1(e) the Prospectus Regulation. For such purposes, it undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;

24 it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;

25 it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);

26 if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Regulation (including any relevant implementing measure in any member state), the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA which has implemented the Prospectus Regulation other than Qualified Investors, or in circumstances in which the express prior written consent of N+1 Singer has been given to the offer or resale;

27 it has neither received nor relied on any confidential price sensitive information about the Company in accepting this invitation to participate in the Placing;

28 neither N+1 Singer nor any of its respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has or shall have any liability for any information, representation or statement contained in this Document or for any information previously published by or on behalf of the Company or any other written or oral information made available to or publicly available or filed information or any representation, warranty or undertaking relating to the Company, and will not be liable for its decision to participate in the Placing based on any information, representation, warranty or statement contained in this Document or elsewhere, provided that nothing in this paragraph shall exclude any liability of any person for fraud;

29 neither N+1 Singer, the Company, nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of N+1 Singer, the Company or their respective affiliates, agents, directors, officers or employees is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any representations, warranties, acknowledgements, agreements, undertakings, or indemnities contained in the Placing Agreement nor the exercise or performance of N+1 Singer's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

30 acknowledges and accepts that N+1 Singer may, in accordance with applicable legal and regulatory provisions, engage in transactions in relation to the Placing Shares and/or related instruments for their own account for the purpose of hedging their underwriting exposure or otherwise and, except as required by applicable law or regulation, N+1 Singer will not make any public disclosure in relation to such transactions;

31 N+1 Singer and each of its affiliates, each acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Document to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by N+1 Singer and/or any of its respective affiliates, acting as an investor for its or their own account(s). Neither N+1 Singer nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;

32 it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (together, the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

33 it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, FSMA, the EU Market Abuse Regulation No. 596 of 2014 and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with those obligations;

34 in order to ensure compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, N+1 Singer (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to N+1 Singer's or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at N+1 Singer's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at N+1 Singer's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity N+1 Singer's (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, N+1 Singer and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;

35 acknowledges that its commitment to acquire Placing Shares on the terms set out in this Document and in the form of confirmation will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or N+1 Singer's conduct of the Placing;

36 it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved;

37 it irrevocably appoints any duly authorised officer of N+1 Singer as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary

to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe or purchase upon the terms of this Document;

38 the Company, N+1 Singer and others (including each of their respective affiliates, agents, directors, officers or employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to N+1 Singer, on their own behalf and on behalf of the Company and are irrevocable;

39 if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it has full power and authority to make, and does make, the foregoing representations, warranties, acknowledgements, agreements and undertakings on behalf of each such accounts;

40 neither it nor, as the case may be, its clients expect N+1 Singer to have any duties or responsibilities to such persons similar or comparable to the duties of "best execution" and "suitability" imposed by the FCA's Conduct of Business Source Book, and that N+1 Singer is not acting for it or its clients, and that N+1 Singer will not be responsible for providing the protections afforded to customers of N+1 Singer or for providing advice in respect of the transactions described herein;

41 that it is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and it is purchasing Placing Shares for investment only and not with a view to resale or distribution;

42 that it will (or will procure that its nominee will) if applicable, make notification to the Company of the interest in its ordinary shares in accordance with the Disclosure Guidance and Transparency Rules published by the FCA;

43 it represents and warrants that, to the extent it has received any inside information (for the purposes of MAR) and section 56 of the Criminal Justice Act 1993) in relation to the Company or any related company subject to MAR and the securities of the Company or any such related company, it has not: (a) dealt (or attempted to deal) in the securities of the Company or any related company; (b) encouraged, recommended or induced another person to deal in the securities of such company; or (c) unlawfully disclosed inside information in respect of the Company or any related company to any person, prior to the information being made publicly available;

44 it undertakes to N+1 Singer at the time of making its commitment to subscribe for Placing Shares that it will confirm in writing to N+1 Singer in the form of confirmation sent by N+1 Singer to Placees the number of Placing Shares and it intends to subscribe for and in respect of which VCT Relief or EIS Relief will be sought (or which will otherwise comprise Relevant Funding) and those Placing Shares in respect of which such relief will not be sought (or which will otherwise not comprise Relevant Funding);

45 that, as far as it is aware it is not acting in concert (within the meaning given in the City Code) with any other person in relation to the Company;

46 that it is responsible for obtaining any legal, tax and other advice that it deems necessary for the execution, delivery and performance of its obligations in accepting the terms and conditions of the Placing, and that it is not relying on the Company or N+1 Singer to provide any legal, tax or other advice to it;

47 it will not distribute any document relating to the Placing Shares and it will be acquiring the Placing Shares for its own account as principal or for a discretionary account or accounts (as to which it has the authority to make the statements set out herein) for investment purposes only;

48 it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this document;

49 time is of the essence as regards its obligations under this Part 6;

50 any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to N+1 Singer;

51 the Placing Shares will be issued subject to the terms and conditions of this Part 6; and

52 these terms and conditions in this Part 6 and all documents into which this Part 6 is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire shares pursuant to the Placing will be governed by and

construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or N+1 Singer in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange; and

53 that, if they are an Existing Shareholder, they will not be eligible for EIS Relief in respect of any Placing Shares applied for by them.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, N+1 Singer and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Part 6 or incurred by N+1 Singer, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placee's obligations as set out in this Document, and further agrees that the provisions of this Part 6 shall survive after the completion of the Placing.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and neither the Company nor N+1 Singer shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify N+1 Singer accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company and N+1 Singer in the event that either the Company and/or N+1 Singer has incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Part 6 are given to N+1 Singer for itself and on behalf of the Company and are irrevocable.

Each Placee and any person acting on behalf of the Placee acknowledges that N+1 Singer does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that N+1 Singer may (at its absolute discretion) satisfy their obligations to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any connected or associated person to do so.

When a Placee or any person acting on behalf of the Placee is dealing with N+1 Singer, any money held in an account with N+1 Singer on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from N+1 Singer's money (as applicable) in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

References to time in this Document are to London time, unless otherwise stated. All times and dates in this Document may be subject to amendment.

No statement in this Document is intended to be a profit forecast, and no statement in this Document should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued or sold pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Document.

PART 7

RESTRICTED OFFER TERMS

A Print-Proof Admission Document was made available to Qualifying Shareholders for the purposes of the Restricted Offer on or around 9 October 2020, in advance of publication of the final Admission Document. The Restricted Offer closed at 11.00 a.m. on 28 October 2020 and any information in this document relating to the Restricted Offer is provided for information only and is historic as of the date of this document.

1. General

1.1 The contract created by the acceptance by the Company (at the absolute discretion of the Directors in consultation with N+1 Singer) of applications from Qualifying Shareholders who lodge a valid Application Form under the Restricted Offer (each, an "**Applicant**") is conditional upon, among other things, Admission of the Restricted Offer Shares (save for any issued as EIS/ VCT Shares) occurring on 3 November 2020 (or such later date, being not later than 17 November 2020, as the Company and N+1 Singer may decide).

1.2 The Company reserves the right to present all cheques and bankers' drafts for payment on receipt (on which no interest will be payable) from the Applicant and to retain surplus application monies pending clearance of successful Applicants' cheques.

1.3 The Company reserves the right to reject, in whole or in part, any application. If any application is not accepted in full, or if any contract created by acceptance does not become unconditional, the application monies or as the case may be the balance thereof, will be returned:

(a) if the Applicant has made payment by cheque or bankers' draft, by crossed cheque in favour of the Applicant, through the post at the sole risk of the person entitled thereto (on which no interest will be payable), within 14 days of the closing of the Restricted Offer; or

(b) if the Applicant has made payment by bank transfer, by transfer to the account from which such payment was received at the sole risk of the person entitled thereto (on which no interest will be payable), as soon as possible and within seven days of the Restricted Offer Close Date.

1.4 By completing and delivering an Application Form, each Qualifying Shareholder who applies for Restricted Offer Shares:

(a) offers to subscribe the number of Restricted Offer Shares specified in such Applicant's Application Form (or such lesser amount for which such Applicant's application is accepted) on the terms of, and subject to, this document, including (without limitation) these terms, the Articles and the terms set out in the valid Application Form;

(b) represents and agrees that such Applicant's application shall not be revoked and this paragraph shall constitute a collateral contract between such Applicant and the Company which will become binding upon despatch by post to, or (in the case of delivery by hand) on receipt by, the Receiving Agent of such Applicant's Application Form;

(c) represents and warrants that such Applicant's remittance will be honoured on first presentation and agrees that, if it is not so honoured, such Applicant will not be entitled to receive a share certificate (or uncertified entitlement, as applicable) for the Restricted Offer Shares applied for unless and until such Applicant makes payment in cleared funds for such Restricted Offer Shares and such payment is accepted by the Receiving Agent in its absolute discretion with the agreement of N+1 Singer (which acceptance will be on the basis that such Applicant indemnifies the Receiving Agent, the Company and N+1 Singer against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of such Applicant's remittance to be honoured on first presentation) and such Applicant agrees that, at any time prior to the unconditional acceptance(s) by the Company,

the Company may (without prejudice to any other rights(s)) avoid the agreement to issue such Restricted Offer Shares and may issue such Restricted Offer Shares to some other person, in

which case such Applicant will not be entitled to any payment or refund in respect of such Restricted Offer Shares other than:

(i) if the Applicant has made payment by cheque or bankers' draft, the refund by a cheque drawn on a branch of a UK clearing bank to the bank account name from which they were first received at the Applicant's risk of any proceeds of the remittance which accompanied the Applicant's Application Form, without interest; or

(ii) if the Applicant has made payment by bank transfer, the refund by bank transfer to the account from which such payment was received at the Applicant's risk of any proceeds of the bank transfer made in respect of the Applicant's Application Form, without interest;

(d) agrees that, in respect of those Restricted Offer Shares for which such Applicant's application has been received and is not rejected, acceptance of such Applicant's application shall be constituted, at the election of the Company, by notification of acceptance thereof to the Registrars;

(e) agrees that Restricted Offer Shares will be credited to CREST accounts or issued in certificated form only when the cheque or bankers draft has been cleared for payment or the bank transfer has been received (as applicable), and further agrees that in the event of any difficulties or delays in the admission of the Restricted Offer Shares to CREST in relation to the Offer, the Company and/or N+1 Singer may agree that all of the Restricted Offer Shares for which the Applicant's application is accepted be issued in certificated form;

(f) agrees that any monies returnable to such Applicant may be retained by the Receiving Agent pending clearance of such Applicant's remittance and the completion of any verification of identity required by the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and/or any amendment, modification, and/or re-enactment of the same (the "**Regulations**") and that such monies will not bear interest;

(g) authorises the Receiving Agent to send a share certificate (if applicable) in respect of the number of Restricted Offer Shares for which such Applicant's application is accepted, or to deliver the number of Restricted Offer Shares for which such application is accepted into CREST (if applicable) (subject to paragraph (e) above), and/or to return any monies returnable by a cheque drawn on a branch of a UK clearing bank to the bank account name from which such monies were first received or by bank transfer to the account from which such payment was received (as applicable) and, in each case, without interest and at the Applicant's risk;

(h) represents and warrants that, if such Applicant signs an Application Form on behalf of somebody else, such Applicant has due authority to do so on behalf of that other person and such person will also be bound accordingly and will be deemed also to have given the confirmations, representations, warranties and undertakings contained herein and such Applicant further undertakes to enclose such Applicant's power of attorney or a copy thereof duly certified by a solicitor with the Application Form;

(i) agrees that all applications, acceptances of applications and contracts resulting therefrom under the Restricted Offer shall be governed by and construed in accordance with English law, and that such Applicant submits to the jurisdiction of the Courts of England and Wales and agrees that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

(j) confirms that, in making such application, such Applicant is not relying on any information, representation and/or warranty in relation to the Group other than the information contained in this document and, accordingly, such Applicant agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such other information, representation and/or warranty;

(k) agrees that, having had the opportunity to read this document, such Applicant shall be deemed to have had notice of all information concerning the Group contained herein including, without limitation, the Risk Factors set out in Part 2 (*Risk Factors*);

(l) in the case of any Qualifying Shareholder who is a joint Shareholder, agrees that such joint Shareholder Applicants may only apply for Restricted Offer Shares as joint Applicants;

(m) confirms, represents and warrants that such Applicant has read and complied with paragraph 1.15 of this Part 7;

(n) represents and warrants that such Applicant is not a person who, by virtue of being resident in, or a citizen of, any country outside the EU, is prevented by the law of any relevant jurisdiction from lawfully applying for Restricted Offer Shares and further warrants that, if the laws of any territory or jurisdiction outside the EU are applicable to its application, that the Applicant have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with the Applicant's application in any territory and that the Applicant has not taken any action or omitted to take any action which will result in the Company, N+1 Singer or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside of the EU in connection with the Restricted Offer in respect of the Applicant's application;

(o) represents and warrants that such Applicant is a Qualifying Shareholder;

(p) confirms, represents and warrants that such Applicant has read the restrictions contained in paragraph 1.15 of this Part 7 and represents and warrants as provided therein;

(q) represents and warrants that such Applicant is not under the age of 18;

(r) agrees that all documents and cheques sent by post, by or on behalf of the Company or the Receiving Agent, will be sent at the risk of the person(s) entitled thereto;

(s) agrees that all bank transfers made by or on behalf of the Company or the Receiving Agent, will be made at the risk of the person(s) entitled thereto;

(t) represents and warrants that:

  (i) such Applicant is not, nor is such Applicant applying on behalf of any person who is located in, or a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws of, the US;

  (ii) such Applicant is not applying on a non-discretionary basis for a person who is located, a citizen or resident, or which is a corporation, partnership or other entity created or organised, in or under any laws of the US at the time the instruction to apply was given; and

  (iii) such Applicant is not applying with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of the Offer Shares which are the subject of such Applicant's application into the US;

(u) agrees that such Applicant is not applying on behalf of a person engaged in money laundering;

(v) agrees that the Applicant's Application Form is addressed to the Company and the Receiving Agent;

(w) agrees that any application may be rejected in whole or in part at the sole discretion of the Company;

(x) irrevocably authorises the Company or the Receiving Agent or any other person authorised by any of them, as the Applicant's agent, to do all things necessary to effect registration of any Restricted Offer Shares subscribed by or issued to the Applicant into the Applicant's name and authorise any representatives of the Company and/or the Receiving Agent to execute any documents required therefor and to enter the Applicant's name on the register of members of the Company;

(y) agrees that the Receiving Agent is acting for the Company in connection with the Restricted Offer and for no-one else and that it will not treat the Applicant as its customer by virtue of such application being accepted or owe the Applicant any duties or responsibilities concerning the price of the Restricted Offer Shares or concerning the suitability of the Restricted Offer Shares for the Applicant or be responsible to the Applicant for the protections afforded to its customers;

(z) warrants that the information contained in the Application Form is true and accurate;

(aa) agrees that if the Applicant requests that Restricted Offer Shares are issued to the Applicant on a date other than Admission, and such Restricted Offer Shares are not issued on such date, that

the Company and its agents and the Directors will have no liability to such Applicant arising from the issue of such Restricted Offer Shares on a different date; and

(bb) acknowledges that, if the Applicant is an Existing Shareholder, such Applicant will not be eligible for EIS Relief in respect of any Restricted Offer Shares applied for by them and the Company will not issue any EIS Shares to Qualifying Shareholders in connection with the Restricted Offer.

1.5 Payments made by cheque or banker's draft must be in Pounds Sterling and drawn on a branch in the UK of a bank or building society that is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or that has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of an individual Applicant where they have sole or joint title to the funds, should be made payable to "*Link Market Services Ltd RE: Verici Dx plc OFS 2020 A/C* ". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping/endorsing the back of the cheque or banker's draft to that effect. The account name should be the same as that shown on the Application Form.

1.6 Payments made by bank transfer must be in Pounds Sterling by CHAPS from a UK bank account and from a personal account in the name of the individual investor where they have sole or joint title to the funds. Payments must relate solely to your Application. Payments via BACS will not be accepted. Payment must be for value by 11.00 a.m. on 28 October 2020 directly into the bank account detailed below. The payment instruction must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example, MJ Smith 01234 567 8910.

Bank:	Lloyds Bank plc
Sort Code:	30-80-12
A/C No:	20618868
A/C Name:	Link Market Services LTD RE: Verici Dx plc OFS 2020 CHAPS A/C

Evidence of the source of funds will be required. Typically this will be a copy of the remitting bank account statement clearly identifying the applicant(s) name(s), the value of the debit (equal to the application value) and the crediting account details or application reference. If a CHAPS payment is over €15,000 (or its Pounds Sterling equivalent, being approximately £13,400), Link Asset Services will also require either (i) if you are an individual, the relevant documentation referred to in paragraph 7(a) of the notes to the Application Form, or (ii) if you are a company, the relevant documentation referred to in paragraph 7(b) of the notes. Please refer to the Application Form for further details. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference nor where a payment has been received but without an accompanying application form.

1.7 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 paid on payments made before they are due. It is a term of the Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances of Applications in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments by BACS will not be accepted.

1.8 The application monies sent by way of cheques or banker's drafts presented for payment or by bank transfer before all of the conditions of the Restricted Offer are fulfilled will be kept in a separate non-interest bearing bank account.

1.9 If the Restricted Offer does not become unconditional, no Restricted Offer Shares will be issued and all monies will be returned (at the Applicant's sole risk), without payment of interest either as a cheque by first class post to the address completed in Section 3 on the Application Form or by return funds direct to the account of the bank or building society on which the relevant cheque or banker's draft

was drawn or bank transfer was made, to Applicants as soon as reasonably practicable following the lapse of the Restricted Offer.

1.10 To ensure compliance with the 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").

1.11 The Receiving Agent may therefore undertake electronic searches for the purposes of verifying identity. To do so, the Receiving Agent may verify the details against the Applicant's identity, but also may request further proof of identity. The Receiving Agent reserves the right to withhold any entitlement (including any refund cheque or bank transfer) until such verification of identity requirements are completed to the Receiving Agent's satisfaction.

1.12 If the Receiving Agent determines that the verification of identity requirements apply to any application, the relevant Restricted Offer Shares (notwithstanding any other term of the Restricted Offer) will not be issued to the relevant Applicant unless and until the verification of identity requirements have been satisfied in respect of that Applicant or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any application and whether such requirements have been satisfied, and neither the Receiving Agent nor the Company 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 such discretion.

1.13 If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates (if applicable). If, within a reasonable time (in the opinion of the Receiving Agent) following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the Restricted Offer Shares which would otherwise have been allotted to the Applicant may be re-allotted or sold to some other party and the lesser of the Applicant's application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account name on which the payment accompanying the application was first drawn or made without interest and at the Applicant's risk.

1.14 The verification of identity requirements will not usually apply:

(a) if the Applicant is an organisation required to comply with Regulations and/or the EU Money Laundering Directive(s) including without limitation the European Union Fourth Anti Money Laundering Directive on, amongst other things, the prevention of the use of the financial system for the purpose of money laundering and terrorist financing;

(b) 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 Applicant's name; or

(c) if the aggregate subscription price for the Restricted Offer Shares is less than €15,000 (or its Pounds Sterling equivalent).

In other cases the verification of identity requirements may apply. Satisfaction of these verification of identity requirements may be facilitated in the following ways:

(i) if payment is made by cheque or banker's draft in Pounds Sterling drawn on a branch in the UK of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to "Link Market Services Limited RE: Verici DX plc – 2020 OFS A/C " in respect of an application by a Qualifying Shareholder and crossed "A/C Payee Only". Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque/banker's draft to such effect. However, third party cheques will be subject to the Regulations which would delay Applicants receiving their Restricted Offer Shares. The account name should be the same as that shown on the Application Form; or

(ii) if the Application Form(s) is/are in respect of Restricted Offer Shares with an aggregate subscription price of €15,000 (or its Pounds Sterling equivalent) or more and is/are lodged by hand by the Applicant in person, or if the Application Form(s) in respect of Restricted Offer Shares

is/are lodged by hand by the Applicant and the accompanying payment is a banker's draft or building society cheque, he or she should ensure that they have with them evidence of identity bearing his or her photograph (for example, their passport) and separate evidence of identity of his or her address. If, within a reasonable period of time following a request for verification of identity, and in any case, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Receiving Agent may, at its absolute discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the drawee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid); or

(iii) if the Application Form(s) is/are in respect of Offer Shares with an aggregate subscription price of £50,000 or more the Receiving Agent requires certified copy verification of identity comprising photographic ID such as passport or driving licence and certified copy proof of address such as a utility bill or bank statement (not less than three months old). Certification can be by a bank, a solicitor or other professional person; and

(iv) if none of the above documents show the Applicant's date and place of birth, the Applicant should provide a note of such information.

1.15 Due to restrictions under the securities laws of the US and the other Restricted Jurisdictions, Shareholders who are located in, or a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws of, the US or any jurisdiction that is not in the EU will not qualify to participate in the Restricted Offer and will not be sent an Application Form. No public offer of Restricted Offer Shares is being made by virtue of this document or the Application Forms being sent into the US or any other Non-UK Jurisdiction. Receipt of this document and/or an Application Form will not constitute an invitation or offer of securities for subscription, sale or purchase in the US or those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

1.16 Applicants are encouraged to submit their Application Forms early. The Directors reserve the right to exercise their absolute discretion, with the agreement of N+1 Singer, to determine the allocation of successful applications. The right is also reserved to reject in whole or in part and/or scale back any application or any part thereof for any reason whatsoever, including (without limitation) a breach of any of the terms, conditions, representations and/or warranties set out in this document and/or the Application Form and to treat as valid any application not in all respects completed in accordance with the instructions relating to the Application Form.

To the extent that there are any Restricted Offer Shares for which applications have not been made or accepted, the Company retains discretion to invite Placees or other persons who may not be Shareholders to subscribe such shares as though they were Qualifying Shareholders. The time period for such additional subscriptions to be made will be limited and such otherwise remaining Restricted Offer Shares may be offered on a 'first come, first served' basis in order to conclude the Fundraising expediently.

1.17 The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payment. The Receiving Agent reserves the right to reject in whole or in part, or to scale down or limit, any application.

1.18 Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only (as a result of any scaling back of any part of an application), or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest by returning the Applicant's cheque, or by crossed cheque in the Applicant's favour, by post at the risk of the person(s) entitled thereto or by bank transfer to the account from which such payment was received (as applicable) and, in each case, without interest and at the Applicant's risk. In the meantime, application monies will be retained by the Receiving Agent in a separate non-interest bearing account.

1.19 Save where the context otherwise requires, words and expressions defined in this document have the same meaning when used in the Application Form and any explanatory notes in relation thereto.

2. United States

2.1 The Restricted Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the US and may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, into or in the US absent registration under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the US.

2.2 The Company is not extending the Restricted Offer into the US and neither this document nor the Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any New Ordinary Shares in the US or to any US Person. Neither this document nor an Application Form will be sent to, and no Restricted Offer Shares will be credited to a stock account in CREST of any person with a registered address in the US. Application Forms sent from or postmarked in the US will be deemed to be invalid and all persons acquiring Restricted Offer Shares and wishing to hold such Restricted Offer Shares in registered form must provide an address for registration of the Restricted Offer Shares issued upon exercise thereof outside the US. The Ordinary Shares are being offered and sold to persons who are not "US persons" in offshore transactions, each within the meaning of, and in reliance on, Regulation S under the Securities Act, or otherwise in transactions that are exempt from the registration requirements of the Securities Act and other applicable US state securities laws.

2.3 Any person who acquires Restricted Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the Restricted Offer Shares, that they are not, and that at the time of acquiring the Restricted Offer Shares they will not be, US Persons or in the US or acting on a non-discretionary basis on behalf of, or for the account or benefit of, a person in the US or any state, territory or possession of the US.

2.4 The Company reserves the right to treat as invalid any Application Form that appears to the Company or its agents to have been executed in, or despatched from, the US, or that provides an address in the US for the receipt of Restricted Offer Shares, or which does not make the warranty set out in the Application Form to the effect that the person completing the Application Form is not located in, or a citizen or resident, or a corporation, partnership or other entity created or organised in or under any laws of, the US and is not acquiring the Restricted Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Restricted Offer Shares in the US or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.

2.5 The Company will not be bound to allot or issue any Restricted Offer Shares to any person with an address in, or who is otherwise located in, the US in whose favour an Application Form or any Restricted Offer Shares may be transferred. In addition, until 40 days after the commencement of the Restricted Offer, an offer, sale or transfer of the Restricted Offer Shares within the US by a dealer (whether or not participating in the and Offer) may violate the registration requirements of the Securities Act.

2.6 The provisions of this section and of any other terms of the Restricted Offer relating to Overseas Verici Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company in its absolute discretion. Subject to this, the provisions of this paragraph supersede any terms of the Restricted Offer inconsistent herewith. References in this paragraph to Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph shall apply to them jointly and to each of them.

3. Miscellaneous

3.1 To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise made or given to any Applicant (including, without limitation, pre-

contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Restricted Offer Shares and the Restricted Offer.

3.2 The rights and remedies of the Company and the Receiving Agent under these terms contained in this Part 7 are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.

3.3 The Restricted Offer will be open for a maximum of 5 Business Days and the Company reserves the right (in its sole discretion) to close the Restricted Offer sooner.

3.4 The Company may terminate the Restricted Offer in its absolute discretion at any time prior to Admission. If such right is exercised, the Restricted Offer will lapse and any monies will be returned as indicated without interest.

3.5 Save where the context requires otherwise, terms used in this Part 7 bear the same meaning as where used elsewhere in this document.

PART 8

RESTRICTED OFFER Q&A

A Print-Proof Admission Document was made available to Qualifying Shareholders for the purposes of the Restricted Offer in advance of publication of the final Admission Document. The Restricted Offer closed at 11.00 a.m. on 28 October 2020 and any information in this document relating to the Restricted Offer is provided for information only and is historic as at the date of this document.

The questions and answers set out in this Part 8 are intended to be in general terms only and, as such, you should read Part 7 (*Restricted Offer Terms*) of this document for full details of what action to take. If you are in any doubt as to the action you should take, you are recommended to seek financial advice from a person authorised under FSMA, if you are a person outside the UK, a person similarly qualified in your jurisdiction.

This Part 8 deals with general questions relating to the Restricted Offer. If you are an Overseas Verici Shareholder, you should read paragraph 1.4(n) of Part 7 (*Restricted Offer Terms*) and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to participate in the Restricted Offer.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult their 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 restricted offer and why is the Restricted Offer being made?

The Restricted Offer is an offer of to subscribe transferable securities (i.e. the Restricted Offer Shares), the terms of which ensure that the offer is exempt from the requirement to issue a prospectus under the Prospectus Regulation Rules that would otherwise be applicable, in this case by virtue of section 85(1) of FSMA. The total consideration for the Restricted Offer Shares will not exceed €8,000,000 (and the equivalent in Pounds Sterling) and so the Restricted Offer falls within the exemption in section 86(1)(e) of FSMA.

The Restricted Offer is being made to Qualifying Shareholders in accordance with the announced intention to enable Qualifying Shareholders to participate in the equity funding of the Company to the extent permitted by applicable law. Certain Shareholders who are participating in the Placing have undertaken to the Company that they will not apply for Restricted Offer Shares unless specifically invited to do so in relation to any Restricted Offer Shares that have not been applied for.

If you hold Qualifying 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 or located in the US, or another Non-UK Jurisdiction, you will be entitled to subscribe Restricted Offer Shares under the Restricted Offer.

2. How do I know whether I am eligible to participate in the Restricted Offer?

If you receive a letter telling you that the Application Form will be made available to you and, subject to certain exceptions, are not a holder with a registered address or located in the US or any Non-UK Jurisdiction (i.e., you are a Qualifying Shareholder), then you should be eligible to participate in the Restricted Offer.

3. What are my choices in relation to the Restricted Offer?

If you want to apply for Restricted Offer Shares, all you need to do is:

(a) send the Application Form (ensuring that all joint holders sign (if applicable)) by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or to the same address by hand (during business hours only) so as to be received by them by no later than 11.00 a.m. on 28 October 2020, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery; and

(b) make payment of the amount (as indicated in Section 1 of your Application Form), either by including a cheque or banker's draft with your Application Form, paying by bank transfer or provide details for delivery versus payment settlement in CREST.

Post-dated cheques will not be accepted. Third party cheques (other than building society cheques where the building society or bank has confirmed that the relevant Qualifying Shareholder has title to the underlying funds) may not be accepted.

If you have not provided details of a CREST account to which your Restricted Offer Shares are to be credited, a definitive share certificate will be sent to you for the Restricted Offer Shares. Your definitive share certificate for Restricted Offer Shares is expected to be despatched to you by no later than seven Business Days from Admission.

If you have elected to have your Restricted Offer Shares delivered in dematerialised form, it is expected that your specified CREST accounts will be credited on or around 3 November 2020.

4. I hold Qualifying Shares. What if I do not receive an Application Form or I have lost my Application Form?

If you do not receive a letter telling you that the Application Form will be made available to you, this probably means that you are not eligible to participate in the Restricted Offer. Some Shareholders will not receive a letter telling them that an Application Form will be made available to them but may still be eligible to participate in the Restricted Offer, including Qualifying Shareholders who held Qualifying Shares before the Record Date but were not registered as the holders of those Qualifying Shares at the close of business on the Record Date. Such Qualifying Shareholders based in the US will be able to participate and via entering a Subscription Agreement.

If you do not receive a letter telling you that the Application Form will be made available to you but think that you should have received one, please contact the Shareholder helpline on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

5. If I am eligible to receive an Application Form, how will I receive it?

If you are a Qualifying Shareholder and you are eligible to participate in the Restricted Offer, the Application Form will be made available online, on the Company's website, www.VericiDx.com.

6. What if I change my mind?

Once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Restricted Offer Shares for which you have applied, except in the very limited circumstances which are set out in this document.

7. Where do I send my Application Form?

You should send your completed Application Form by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by hand to the same address (during normal office hours only). If you post your Application Form by First Class post, you should allow at least four Business Days for delivery. If you do not want to take up or apply for Restricted Offer Shares then you need take no further action. Note that payment must be made by one of the means specified in Part 7 (*Restricted Offer Terms*).

8. When do I have to decide if I want to apply for Restricted Offer Shares?

The Receiving Agent must receive the Application Form by no later than 11.00 a.m. on 28 October 2020, after which time Application Forms will not be valid. If an Application Form is being sent by first class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

9. How do I receive my Restricted Offer Shares into my CREST account?

If you are a CREST member and want your Restricted Offer Shares to be in uncertificated form, you should complete the CREST deposit form (contained in the Application Form) and ensure it is delivered to the Registrar in accordance with the instructions in the Application Form.

10. I opted to receive my Restricted Offer Shares in certificated form. When will I receive my share certificate?

It is expected that the Receiving Agent will post all new share certificates within seven Business Days from Admission.

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

Your ability to apply to acquire Restricted 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 Restricted Offer Entitlement. Overseas Verici Shareholder are, subject to certain exceptions, not eligible to participate in the Restricted Offer. Your attention is drawn to paragraph 1.4(n) of Part 7 (*Restricted Offer Terms*).

12. Further assistance

Should you require further assistance please call the Shareholder helpline on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Market Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PART 9

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Company (whose registered office address appears on page 10 of this Document) and the Directors, whose names, business address and functions appear on page 10 of this Document, accept responsibility, both individually and collectively, for the information contained in this document, and compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Company and the Directors (each of whom has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and contains no omission likely to affect the import of such information.

2. INCORPORATION AND STATUS OF THE COMPANY

The Company was incorporated and registered in England and Wales on 22 April 2020 as a private company limited by shares, with the name 'Verici Dx Limited' and registered number 12567827.

On 9 September 2020 the Company re-registered as a public company.

The Company's principal activities are, and will be after Admission, that of an immuno-diagnostics development company, initially focussed on the kidney transplantation market and to act as the holding company of the Group.

The principal legislation under which the Company was incorporated was the Companies Act.

The liability of the Company's shareholders is limited to the amount, if any, unpaid on the Existing Ordinary Shares.

The Company is domiciled in the United Kingdom. The registered office of the Company is currently at Avon House, 19 Stanwell Road, Penarth, Cardiff CF64 2EZ. The telephone number of the Company's registered address is +44 29 2071 0570.

The business address of the Directors is at Avon House, 19 Stanwell Road, Penarth, Cardiff, United Kingdom, CF64 2EZ. Following Admission, the business address of the Directors will continue to be at this address.

The address of the Company's website, at which the information required by Rule 26 of the AIM Rules can be found, is www.VericiDx.com

The Company has no administrative, management or supervisory bodies other than the Board of Directors and the audit, remuneration and nomination committees, all of whose members are Directors.

None of the Directors are aware of any environmental issues that may affect the Company's assets.

Save as disclosed in this Document, none of the Directors are aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.

3. THE GROUP

As at the date of this Document, the Company has the following direct subsidiary:

Name	*Country of incorporation*	*Registered office*	*Activity*	*Percentage ownership interest*
Verici Dx Inc	USA	251 Little Falls Drive, Wilmington, Delaware, DE 19808, USA	Development of the Company's tests	100%

4. SHARE CAPITAL OF THE COMPANY

The issued share capital of the Company as at the date of this Document and as it will be immediately following Admission is as follows:

	Number of shares	*Nominal value of ordinary shares*
As at the date of this Document:		
Ordinary Shares	69,247,816	69,247.82
As at Admission:		
Ordinary Shares	141,747,816	141,747,82

At Admission a total of 72,500,000 Placing Shares, Subscription Shares and Restricted Offer Shares will be issued by the Company to the Placees, Subscribers and Qualifying Shareholders raising a total of up to £14,500,000 before transaction costs.

Following completion of the Placing, the Subscription and the Restricted Offer the shareholdings of the holders of the Existing Ordinary Shares will be diluted by 51.1 per cent.

The Company has no authorised share capital.

The Existing Ordinary Shares have a nominal value of £0.001. All Existing Ordinary Shares in issue as at the date of this Document are, and all Ordinary Shares in issue at Admission shall be, fully paid up.

The currency in which the New Ordinary Shares are denominated is pounds sterling.

The Existing Ordinary Shares were created under the Companies Act and have the rights and are subject to the restrictions referred to in paragraph 5 of this Part 9.

The Placing Price of 20 pence per Placing Share is payable in full on Admission.

The Placing Shares will on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends or other distributions thereafter declared, paid or made on the Enlarged Share Capital of the Company.

The Existing Ordinary Shares are and the Placing Shares, Restricted Offer Shares and Subscription Shares will be, in registered form and may be held in either certificated form or in uncertificated form. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. Accordingly, it is intended that following Admission the settlement of transactions in the Placing Shares, Restricted Offer Shares and Subscription Shares may take place in CREST if the relevant Shareholders so wish. The records in respect of Ordinary Shares held in uncertificated form will be maintained by the Company's registrars, Link Market Services Limited.

It is expected that definitive share certificates for the Placing Shares, Restricted Offer Shares and Subscription Shares not to be held through CREST will be posted to Shareholders within 14 days of Admission.

Otherwise than pursuant to the Placing, the Subscription and the Restricted Offer, no Ordinary Shares have been sold, or are available in whole or in part, to the public in conjunction with the application for the entire issued share capital to be admitted to trading on AIM.

There are no listed or unlisted securities of the Company not representing share capital.

No Existing Ordinary Shares are, or Placing Shares, Subscription Shares or Restricted Offer Shares will be, held by or on behalf of the Company itself or by any subsidiaries of the Company. Otherwise than as referred to in this Document, there are no convertible securities, exchangeable securities or securities with warrants in the Company.

Other than the current application for Admission, the Ordinary Shares are not being admitted to dealings on any recognised investment exchange, nor has any application for such admission been made, nor are there intended to be any other arrangements in place for there to be such dealings in the Ordinary Shares.

No Existing Ordinary Shares are currently in issue and no Ordinary Shares will be in issue on Admission with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

No person has any acquisition right over, and the Company has incurred no obligation over, the Company's authorised but unissued share capital or given any undertaking to increase the Company's authorised capital.

Save in connection with the Placing, the Subscription or the Restricted Offer or as otherwise referred to in this Document:

- no unissued share or loan capital of the Group is proposed to be issued or is under option or agreed, conditionally or unconditionally, to be put under option;
- no loan capital of the Company is in issue and no such issue is proposed;
- there are no acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the authorised capital;
- no persons have preferential rights in respect of any share or loan capital of the Company; and
- there is no present intention to issue any share capital of the Company nor is there an undertaking to increase the capital of the Company as at the date of this Document.

On 28 October 2020 the Shareholders passed resolutions at a general meeting of the Company to authorise the Directors to:

- allot shares up to an aggregate nominal value of £122,332 such authority expiring (unless previously renewed, revoked, varied or extended) on the 5th anniversary of the resolution;
- allot shares up to an aggregate nominal value of £122,332, such authority expiring on the 5th anniversary of the resolution, as if section 561 of the Companies Act did not apply to any such allotment;
- convert the A shares and the Golden Share into Ordinary Shares;
- adopt new articles of association; and
- approve the Share Option Plan with Non-Employee Sub-Plan and US Sub-Plan (the "**Plan**") and authorise the issue of a maximum of 40,000,000 ordinary shares under the US Sub-Plan (such number also being the maximum number of ordinary shares that may be granted as Incentive Stock Options under the US Sub-Plan).

5. ARTICLES OF ASSOCIATION

The Articles, which were adopted by the Company on 28 October 2020, contain provisions to the following effect:

Objects of the Company

The Articles do not provide for any objects of the Company, and accordingly the Company's objects are unrestricted. The Articles also do not state any purposes for which the Company was established and therefore the Company is able to undertake any activities permitted by the laws of England and Wales.

Limited liability

The liability of the Company's members is limited to any unpaid amount on the Ordinary Shares held by them.

Issue of shares and share rights

Shares may be issued, subject to applicable laws, the Articles and without prejudice to any rights or privileges attached to any existing class of shares, with such rights or restrictions as the Company may from time to time by ordinary resolution determine, or, if the Company has not so determined, as the Directors may determine.

Subject to applicable laws, any share may be issued which is to be redeemed, or is to be liable to be redeemed at the option of the holder or the Company, on such terms and in such manner as the Company may by special resolution determine. The Company may also issue any share with such preferred, deferred or other special rights or privileges as the Directors may determine and purchase or enter into a contract to purchase any of the Company's own shares of any class.

Distribution of assets on a winding-up

On a winding-up, the liquidator may, with the authority of a special resolution of the Company and any other sanction required by law, divide among the shareholders in kind the whole or any part of the assets of the Company and may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, transfer any part of the assets of the Company to trustees on such trusts for the benefit of shareholders as he may determine. No shareholder shall be required to accept any asset in respect of which there is a liability.

Modifications to share class rights

If the Company's share capital is divided into shares of different classes, any rights attached to any class of shares may (subject to the rights attached to the shares of the class) be varied or abrogated in any manner, either with the written consent of the holders of not less than three-quarters in nominal value of the shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of such class of shares.

Share transfers

A Shareholder may transfer their certificated shares to another person by a written instrument of transfer in any usual form (or any other form approved by the Board) executed by or on behalf of the Shareholder and, in the case of a share which is not fully paid, by or on behalf of the transferee.

The Directors may refuse to register the transfer of a certificated share which is in respect of a partly paid share, in respect of more than one class of share, in favour of more than four joint transferees, a minor or to an entity which is not a natural or legal person, or if the transfer document is not duly stamped or not delivered for registration with appropriate evidence of the transferor's title to the Company's registered office or its share registrars.

A Shareholder may transfer uncertificated shares without a written instrument if such shares are a participating security held in uncertified form in accordance with the uncertified securities rules. Uncertificated shares must be transferred by means of the relevant system in which the shares are held, subject to the rules of that system and the uncertified securities rules. The Board is required to register a transfer of any uncertificated share in accordance with those regulations. The Board may refuse to register any such transfer in circumstances which are allowed or required by the uncertified securities rules and the relevant system.

If title to a share passes to a transmittee, the Company may only recognise the transmittee as having title to that share. A transmittee may choose to become the holder of shares or to have them transferred to another person, and, subject to the Articles, has the same rights as the holder had. Transmittees do not have the right to attend or vote at a general meeting in respect of shares to which they are entitled, unless they become the holder of those shares.

Fractions

In the event that any consolidation or sub-division of shares results in any Shareholder being entitled to fractions of shares, the directors have the right to settle the matter as they see fit.

Calls

Subject to the Articles and the terms on which the shares are allotted, the Board may from time to time make calls on the members in respect of any monies which remain unpaid on their shares.

Dividends and other distributions

There are no fixed dates on which a divided entitlement arises. The Company may by ordinary resolution from time to time declare dividends to be paid to Shareholders, although the amount of the dividend cannot exceed the amount recommended by the Directors. In addition the Directors may pay interim dividends if justified by the profits of the Company available for distribution. A dividend payment to a Shareholder shall be calculated proportionately to the amounts paid up on each issued share. There are no dividend restrictions attaching to the shares, provided they are fully paid up.

Any dividend which remains unclaimed twelve years after the date the dividend becomes due for payment shall, at the option of the Directors, be forfeited and shall cease to remain owing to the Company.

Calls on shares and lien and forfeiture of shares

Subject to the terms on which shares are allotted, the Company may issue a call notice to Shareholders requiring payment of unpaid monies on their shares. The Company may call on Shareholders to pay different amounts at different times. Shareholders must pay the Company the amount called, provided they are given 14 days' notice.

If a Shareholder fails to pay money due under a call by the call payment date the Directors may send that Shareholder a notice of intended forfeiture and that member will be liable to pay interest on the call until it is paid. Such notice will state how payment is to be made and that non-compliance with the notice will render the shares in respect of which the call is payable liable to be forfeited.

The Company has a lien over every partly paid share in respect of the unpaid amount, whether a call notice has been sent or not. The lien takes priority over third party interests and extends to money payable in respect of such share, including dividends. A lien enforcement notice may be issued in relation to a share in respect of which a sum is payable if the date for payment of that sum has passed. The Company may sell shares in respect of which a lien enforcement notice is not complied with.

Appointment of directors

The number of Directors shall not be less than two but is not subject to a maximum, unless otherwise determined by ordinary resolution. Directors may be appointed by ordinary resolution or board resolution.

Retirement by rotation and removal of directors

At every annual general meeting, any Director appointed by the other Directors since the last annual general meeting and any Directors who held office at the time of each of the two preceding annual general meetings must retire and may stand for reappointment by the Shareholders.

The Company may remove any director from office by special resolution or by ordinary resolution of which special notice has been given.

Directors' benefits

Other than for executive Directors appointed in accordance with the Articles, the maximum aggregate amount of fees that the Company may pay to Directors for their services as such is $750,000 per annum, or such larger amount as the Company may by ordinary resolution decide. These fees are to be divided among the Directors as the Board decides or, if no decision is made, equally.

An executive Director may receive from the Company a salary or other remuneration in addition to or instead of such fees.

The Directors are entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the discharge of their duties as Directors.

The Board may provide pensions, other retirement or superannuation benefits, death or disability benefits or other allowances or gratuities for persons who are or were Directors of the Company and their spouses and dependants.

Powers of the board

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company. The Directors may delegate such powers to any person or committee as they think fit and those powers may be sub-delegated with the authority of the Directors. The Directors may revoke any delegation of powers.

Meetings of directors

The quorum for directors' meetings may be fixed from time to time by the directors, but it must never be less than two and, unless otherwise fixed, it is two.

If there is an equality of votes then, provided that the chair is entitled to vote on such resolution, the chair will have a second or casting vote.

Directors' Conflicts or Potential Conflicts

Any Director interested in a transaction with the Company will not be counted as participating in any board meetings in respect of such transactions for quorum or voting purposes, unless: (i) the board of Directors authorise the conflict; (ii) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict; or (iii) the Director's conflict arises from a cause permitted by the Articles.

Causes which are permitted by the Articles are: (i) any security, guarantee or indemnity by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries; (ii) a subscription, or agreement to subscribe for (or underwrite or guarantee), securities of the Company or any of its subsidiaries; (iii) arrangements made available to employees and Directors of the Company or its subsidiaries which do not provide the Directors with special benefits and (iv) a contract relating to insurance for the benefit of the Directors.

Questions relating to a Director's right to participate in a board meeting may be referred to the Chairman for final and conclusive determination. Questions relating to the Chairman's right to participate in a board meeting will be determined by a decision of the Directors present at that meeting, for which purpose the Chairman may not participate.

Subject to the provisions of the Companies Act, a Director is not required (provided he has disclosed his interest in the matter) to account to the Company for any benefit which he derives from or in connection with: (i) any transaction or arrangement with the Company or in which the Company is otherwise interested; (ii) acting by himself or his firm in a professional capacity for the Company, otherwise that as auditor, and being entitled to such remuneration as the Board may arrange; or (iii) being a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested.

Indemnification of Directors

A Director of the Company or an associated company may be indemnified out of the Company's assets against any liability incurred by that Director in connection with the Company's or an associated Company's capacity as a trustee of an occupational pension scheme.

Borrowing powers

The Board may exercise all of the Company's powers to borrow money and to mortgage or charge the Company's undertaking, property and uncalled capital of the Company, or any part thereof and (subject to

applicable laws) to create and issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of a third party.

Meetings of Shareholders

The Company is required to give notice of all general meetings to all Shareholders, Directors and auditors in accordance with the minimum notice periods contained in the Companies Act. Every notice calling a general meeting shall specify the time and place of the meeting and the Shareholders' right to be represented by a proxy. Every notice of an annual general meeting must specify the general nature of any business to be transacted at the meeting, other than special business, and, if a special resolution is to be proposed, it must contain a statement to that effect.

A person in attendance at a general meeting is entitled to communicate any information or opinions which that person has on the business of the meeting. The quorum for a general meeting is two, unless otherwise fixed, and must never be less than two.

An annual general meeting shall be held once a year.

Shareholder Voting

Every Shareholder is able to exercise their right to vote at a general meeting. No objection to the validity of a vote may be raised outside of the meeting, and every vote that is not disallowed during the meeting is valid. All resolutions must be decided on a show of hands unless a poll is demanded in accordance with the Articles. A poll may be demanded by the chairman, the Directors, five or more persons having the right to vote on the resolution, or a person representing at least one tenth of the total voting rights. No member may vote on any share, unless all amounts payable to the Company in respect of that share have been paid.

6. TAKEOVER CODE

Mandatory bid

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code ("**Rule 9**"), if an acquisition, or a series of acquisitions over a period of time, of an interest in the Existing Ordinary Shares was to increase the aggregate holding of the acquirer and its concert parties to shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Takeover Panel) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for the Existing Ordinary Shares or Placing Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of shares by a person holding (together with its concert parties) shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights. Rule 9 is subject to a number of dispensations.

Concert Parties

Under the City Code, a concert party arises when persons acting together pursuant to an agreement or understanding (whether formal or informal) cooperate to obtain or consolidate control of, or frustrate the successful outcome of an offer for, a company subject to the City Code. Control means an interest or interests in shares carrying an aggregate of 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give *de facto* control.

In particular, people will be treated as having an interest in shares if:

(i) they own them;

(ii) they have the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or have general control of them;

(iii) by virtue of any agreement to purchase an option or derivative they;

  (a) have the right or option to acquire them or call for their delivery; or

  (b) are under an obligation to take delivery of them;

(iv) whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

(v) they are party to any derivative:

(a) whose value is determined by reference to its price; and

(b) which results, or may result, in their having a long position in it.

When a company undertakes an initial public offering all of its existing shareholders will be presumed to be acting in concert with each other for the purposes of the public offering unless the contrary is established. The Company has discussed these issues with the Panel and the Panel has agreed that the presumption that all of the shareholders are acting in concert may be rebutted and that three distinct concert parties exist at the time of the initial public offering. Details of these concert parties are set out below. It should be noted that the three distinct concert parties are not considered to be acting in concert as between each other.

For the purposes of Rule 9 of the Takeover Code in connection with in the Company, the following table sets out the holdings and interests of the Concert Parties and their respective members (including connected persons) at each of the following points:

(1) Before Admission and before conversion of the CLN; (2) Before Admission and after conversion of the CLN; (3) At Admission and post-Fundraising; and (4) On a fully diluted basis (assuming all options over Ordinary Shares held by members of the relevant concert parties are exercised in full but that no other Options are exercised).

The members of each Concert Party are described in the notes below the table.

EKF Concert Party	*Before Admission and Before Loan Conversion*		*Before Admission and After Loan Conversion*		*At Admission and post-Fundraising*		*Post-Fundraising (assuming all Options exercised)*	
EKF[1]	2,677,981	4.5%	2,677,981	3.9%	2,677,981	1.9%	2,677,981	1.7%
Christopher Mills[2]	9,197,501	15.5%	9,197,501	13.3%	23,722,501	16.7%	23,722,501	15.4%
Julian Baines[3]	1,231,236	2.1%	1,231,236	1.8%	1,381,236	1.0%	1,381,236	0.9%
Richard Evans[4]	706,322	1.2%	706,322	1.0%	956,322	0.7%	956,322	0.6%
Adam Reynolds[5]	22,000	0.0%	22,000	0.0%	272,000	0.2%	272,000	0.2%
Carl Contadini[6]	–	–	–	–	–	–	–	–
Total	13,835,040	23.3%	13,835,040	20.0%	29,010,040	20.5%	29,010,040	18.9%
The Renalytix Management Concert Party								
Renalytix[7]	–	–	9,831,681	14.2%	9,831,681	6.9%	9,831,681	6.4%
Fergus Fleming[8]	584,481	1.0%	584,481	0.8%	584,481	0.4%	584,481	0.4%
James McCullough[9]	2,870,110	4.8%	2,870,110	4.1%	2,870,110	2.0%	2,870,110	1.9%
Thomas McLain[10]	–	–	–	–	–	–	–	–
O. James Sterling[11]	1,902,640	3.2%	1,902,640	2.7%	1,902,640	1.3%	1,902,640	1.2%
Michael Donovan[12]	–	–	–	–	–	–	–	–
Sara Barrington[13]	–	–	–	–	–	–	5,669,913	3.7%
Sally Bowden[14]	12,882	0.0%	12,882	0.0%	12,882	0.0%	12,882	0.0%
Total	5,370,113	9.0%	15,201,794	22.0%	15,201,794	10.7%	20,871,707	13.6%
The Mount Sinai concert party								
Mount Sinai[15]	8,853,426	14.9%	8,853,426	12.8%	18,427,216	13.0%	19,135,955	12.4%
Erik Lium[16]	–	–	–	–	–	–	–	–
Barbara Murphy[17]	150,800	0.3%	150,800	0.2%	150,800	0.1%	4,403,234	2.9%
Girish Nadkarn[18]	150,800	0.3%	150,800	0.2%	150,800	0.1%	150,800	0.1%
Steve Coca[19]	150,800	0.3%	150,800	0.2%	150,800	0.1%	150,800	0.1%
Total	9,305,826	15.7%	9,305,826	13.4%	18,879,616	13.3%	23,840,789	15.5%

[1] EKF is the parent company to Renalytix in which it invested its own cash at IPO, and received A shares in the Company by virtue of its holding in Renalytix.

[2] Christopher Mills is Non-Executive Chairman of EKF. His aggregate holding includes his immediate family's interests, the North Atlantic Smaller Companies Investment Trust plc ("NASCIT"), Oryx International Growth Fund Limited ("Oryx"). Mr. Mills is currently Interim Chairman of Renalytix following its US dual listing, a position which he intends to relinquish when a suitable successor is found. Mr. Mills controls approximately 29.9 per cent. of EKF's issued share capital and will remain a substantial shareholder in the Company following Admission.

[3] Julian Baines is Chief Executive Officer of EKF and also the Non-Executive Chairman of The Company. He served in that capacity also at Renalytix from the time of its AIM IPO in November 2018 to the time of its US dual listing in July 2020, when he resigned. Mr. Baines was an early shareholder in Renalytix and received A shares in the Company by virtue of his holding in Renalytix.

[4] Richard Evans is Finance Director of EKF and served as a Non-Executive Director to Renalytix for the same tenure as Mr. Baines. Mr. Evans was an early shareholder in Renalytix and received A shares in the Company by virtue of his holding in Renalytix.

[5] Adam Reynolds is a Non-Executive Director and shareholder of EKF and became a shareholder in Renalytix by investing in its IPO. He received A shares in the Company by virtue of his holding in Renalytix.

[6] Carl Contadini is a Non-Executive Director of EKF and holds no Ordinary Shares in the Company. Mr Contadini is an operational adviser to Harwood Private Equity, part of the Harwood Capital Management Group which was co-founded by Mr. Mills. Mr. Contadini will be deemed to be part of the EKF Concert Party in the event that he acquires any interests in Ordinary Shares.

[7] Renalytix is the former owner of the technology licensed to the Company and distributed A Shares in the Company to shareholders on its register as of 10 July 2020. Renalytix will hold shares in the Company by virtue of the conversion prior to Admission of the CLNs held by it.

[8] Fergus Fleming is Chief Technical Officer of Renalytix and an early shareholder in Renalytix. He received A shares in the Company by virtue of his holding in Renalytix.

[9] James McCullough is Chief Executive Officer of Renalytix and an early shareholder in Renalytix. He received A shares in the Company by virtue of his holding in Renalytix.

[10] Thomas McLain is President and Chief Commercial Officer of Renalytix. He will be deemed to be part of the Renalytix Management Concert Party in the event that he acquires any interests in Ordinary Shares.

[11] O. James Sterling is Chief Financial Officer of Renalytix and an early shareholder in Renalytix. He received A shares in the Company by virtue of his holding in Renalytix.

[12] Michael Donovan is Chief Medical Officer of Renalytix and will not hold any Ordinary Shares on Admission. However, he will be deemed to be part of the Renalytix Management Concert Party in the event that he acquires any interests in Ordinary Shares.

[13] Sara Barrington is Chief Executive Officer of the Company and also Chief Commercial Officer of Kantaro Biosciences, a joint venture between Renalytix and Mount Sinai. She holds options over shares equivalent to 4.0 per cent. of the Enlarged Share Capital of the Company.

[14] Sally Bowden is Head of Regulatory Affairs of Renalytix.

[15] Mount Sinai is the original licensor of IP subsequently licensed by the Company from Renalytix and is a substantial shareholder in both Renalytix and the Company (having received A Shares in the Company by virtue of its holding in Renalytix). In consideration for the provision of the services of the Mount Sinai representative on the Board of directors of the Company, Mount Sinai will receive options over Ordinary Shares equivalent to 0.5% of the Enlarged Share Capital of the Company.

[16] Dr Erik Lium is Mount Sinai's appointee on the Board of directors of the Company and President of Mount Sinai Innovation Partners ('MSIP'), as well as Executive Vice President and Chief Commercial Innovation Officer, Mount Sinai Health System.

[17] Dr Barbara Murphy is Murray M. Rosenberg Professor of Medicine, Chair of the Department of Medicine for the Mount Sinai Health System and Dean for Clinical Integration and Population Health. She is also a co-inventor of the Company's core technology. She received A shares in the Company by virtue of her holding in Renalytix and also holds options over shares equivalent to 3.0 per cent. of the Enlarged Share Capital of the Company.

[18] Dr Girish Nadkarni is an Assistant Professor of Medicine, Division of Nephrology and Clinical Director of the Charles Bronfman Institute for Personalized Medicine at Mount Sinai Health System. He received A shares in the Company by virtue of his holding in Renalytix.

[19] Dr Steve Coca is an Associate Professor, Medicine, Nephrology and Associate Chair for Clinical and Translational Research for the Department of Internal Medicine, Mount Sinai Health System. He received A shares in the Company by virtue of his holding in Renalytix.

Information on members of the Concert Parties

EKF Concert Party

The EKF concert party comprises EKF Diagnostics Holdings plc ("EKF"), Christopher Mills, Julian Baines, Richard Evans, Adam Reynolds, and Carl Contadini (the "EKF Concert Party"). On Admission, the EKF Concert Party is expected to have an aggregate holding of 29,010,040 Ordinary Shares representing approximately 20.5 per cent. of the Enlarged Share Capital.

Renalytix Management Concert Party

The Renalytix management concert party comprises Renalytix, Fergus Fleming, James McCullough, Thomas McLain, O. James Sterling, Michael Donovan, Sara Barrington and Sally Bowden (the "**Renalytix Management Concert Party**").

Mount Sinai Concert Party

The Mount Sinai concert party comprises of Mount Sinai, Erik Lium, Barbara Murphy, Girish Nadkarni and Steve Coca (the "**Mount Sinai Concert Party**").

Each of the three Concert Parties described above, will be able to increase their collective interests in voting rights up to 29.99 per cent. without incurring an obligation under Rule 9 of the City Code to make a general offer and would only be able, in limited circumstances, to be able to increase their interests in voting rights of Ordinary shares without incurring such an obligation.

Holdings of more than 50 per cent.

If a person (or group of persons acting in concert) holds interests in shares carrying more than 50 per cent. of the Company's voting rights, that person (or any person(s) acting in concert with him) will normally be entitled to increase their holding or voting rights without incurring any further obligations under Rule 9 to make a mandatory offer, although individual members of the Concert Party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold, without Panel consent. Such persons should, however consult with the Takeover Panel in advance of making such further acquisitions.

Squeeze-out

Under the Companies Act, if an offeror were to acquire 90 per cent. of the Existing Ordinary Shares within four months of making its offer, it could then compulsorily acquire the remaining 10 per cent.. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders. The consideration offered to the Shareholders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

Sell-out

The Companies Act also gives minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who had made a takeover offer (as defined in section 974 of the Companies Act). If a takeover offer related to all the Existing Ordinary Shares or Placing Shares (as applicable) and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the Existing Ordinary Shares or Placing Shares (as applicable), any holder of shares to which the offer relates who has not accepted the offer can by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises its rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

7. CONTROL

Other than as set out above, the Company is not aware of any arrangements which may at a subsequent date result in a change in control of the Company.

8. DIRECTORS' AND OTHER INTERESTS

The interests of the Directors and persons connected to them (within the meaning of section 252 of the Companies Act) (all of which are beneficial unless otherwise stated) in the issued share capital of the Company which have been notified to the Company pursuant to section 324 and 328 of the Companies Act (or are required to be disclosed in the register of Directors' interests pursuant to Section 325 of the Companies Act) and the interests of connected persons of a Director within the meaning of section 346 of the Companies Act which would, if the connected person were a Director, be required to be disclosed in accordance with the foregoing and the existence of which is known to or could with reasonable diligence be ascertained by that Director, as at the date of this Document and as expected to be immediately following Admission are as follows:

Prior to, and on, Admission, interests in the Existing Ordinary Shares are, and will be, as follows:

	Prior to Admission and Post Loan Note Conversion		*On Admission*	
Name	*Number of Ordinary Shares*	*Percentage of Existing Share Capital*	*Number of Ordinary Shares*	*Percentage of Enlarged Share Capital*
Julian Baines, MBE	1,231,236	1.8%	1,381,236	1.0%
Sara Barrington	–	–	–	–
James McCullough	2,870,110	4.1%	2,870,110	2.0%
Dr Erik Lium	–	–	–	–
Dr Barbara Murphy	150,800	0.2%	150,800	0.1%
Sir Ian Carruthers, OBE	–	0.0%	100,000	0.1%

Prior to, and on, Admission, the following options over Existing Ordinary Shares are, and Placing Shares will be, outstanding:

Name	*Number of Ordinary Shares under option*	*Exercise price per share*	*Exercise Period*
Julian Baines, MBE	–	–	–
Sara Barrington	5,669,913	£0.20	10 years from grant
James McCullough	–	–	–
Dr Erik Lium	–	–	–
Dr Barbara Murphy	4,252,434	£0.20	10 years from grant
Sir Ian Carruthers, OBE	–	–	–
Mount Sinai	708,739	£0.20	10 years from grant

Save as set out in paragraphs 12, 13 and 14 of this Part 9, no Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Group during the current or immediately preceding financial year and which was affected by the Group and remains in any respect outstanding or unperformed.

There are no loans made or guarantees granted or provided by the Group to or for the benefit of any Director which are outstanding.

Neither the Directors nor any major Shareholders have different voting rights to the other Shareholders.

None of the Directors or members of their family has a financial product whose value in whole or in part is determined directly or indirectly by reference to the price of Existing Ordinary Shares or the Placing Shares.

9. SHARE INCENTIVE PLAN

Share-based incentive plans

9.1 ***Overview***

On 28 October 2020, the Board adopted the Share Option Plan to incentivise certain of the Group's employees and Directors. The Share Option Plan provides for the grant of both EMI Options and non-tax favoured options. Options granted under the Share Option Plan will be subject to exercise conditions as summarised below.

The Share Option Plan has a non-employee sub-plan for the grant of Options to the Company's advisors, consultants, non-executive directors, and entities providing, through an individual, such advisory, consultancy, or office holder services (the "**Non-Employee Sub-Plan**") and a US sub-plan for the grant of Options to eligible participants in the Share Option Plan and the Non-Employee Sub-Plan who are US residents and US taxpayers (the "**US Sub-Plan**").

The principal features of the Share Option Plan are outlined below.

9.2 ***Administration***

The Share Option Plan will be administered in accordance with its rules. The Board has constituted the remuneration committee to approve future Option grants and to determine applicable exercise conditions.

9.3 ***Participation and grant of Options***

The remuneration committee may grant Options to any employee or executive director of the Group and to such other persons as may be nominated for option grants. In the case of tax-advantaged EMI Options, full-time working requirements must be met which means that the employee must be required to work 25 hours per week or if less, 75 per cent. of the employee's working time. Employees who have a material interest in the Company cannot be granted EMI Options. A material interest is either beneficial ownership of, or the ability to control directly or indirectly, more than 30 per cent. of the ordinary share capital of the Company.

Options may be granted within 42 days of the adoption of the Share Option Plan, within 42 days immediately following the end of a closed period (which has the same meaning as in MAR) and within any other period that the remuneration committee has decided Options should be granted as exceptional circumstances exist.

No consideration will be payable for the grant of Options.

9.4 ***Exercise price***

The remuneration committee determines the exercise price of Options before they are granted, which shall not be less than the nominal value of an Ordinary Share.

9.5 ***Exercise and lapse of Options***

Options can normally only be exercised on satisfaction of the exercise conditions determined by the remuneration committee at grant. Post grant the remuneration committee may waive or vary such conditions, provided any varied condition is considered to be a fairer measure of performance and no more difficult to satisfy than the original condition.

The last date for exercise of an Option will be the day before the tenth anniversary of its grant.

Each Option is personal to the Option holder and any transfer of, or the creation of any charge, pledge or other encumbrance over, the Option will cause it to lapse (other than in respect of a transfer to an Option holder's personal representative on or following their death).

9.6 ***Cessation of employment***

In the case of death, an Option holder's personal representatives may exercise his/her Options within 12 months of the date of death to the extent the exercise conditions have been satisfied, save that the remuneration committee may waive the exercise conditions in these circumstances.

If an Option holder ceases to be a Group employee for any reason other than death or summary dismissal, Options are exercisable to the extent the exercise conditions have been satisfied during the 90 days from the date of cessation (or such longer period as may be determined by the Company or specified in the applicable option agreement), save that the remuneration committee may waive the exercise conditions in these circumstances.

If an Option holder ceases to be a Group employee by reason of summary dismissal, Options may, at the discretion of the remuneration committee, be exercisable to the extent the exercise conditions have been satisfied during the 90 days from the date of cessation (or such longer period as may be determined by the Company or specified in the applicable option agreement), save that the remuneration committee may waive the exercise conditions in these circumstances.

9.7 ***Takeovers, etc.***

In the event of a takeover, scheme of arrangement, change of control or voluntary winding up of the Company, Options may be exercised to the extent the Board determines that exercise conditions have been met, save that the remuneration committee may waive the exercise conditions in these circumstances in full.

If the Options are not exercised within an appropriate period, generally 90 days of the relevant event, they will lapse. There is a provision allowing for the roll-over of Options with agreement from the acquirer provided that, in the case of EMI Options, such new options continue to meet EMI qualifying conditions.

9.8 ***Rights attaching to Ordinary Shares***

Ordinary Shares issued on the exercise of an Option will rank *pari passu* with the Ordinary Shares then in issue (except in respect of entitlements arising prior to the date of the allotment). The Company will apply to the London Stock Exchange for the newly issued Ordinary Shares to be admitted to trading on AIM.

9.9 ***Share Option Plan limits***

The number of New Ordinary Shares that may be issued or are issuable pursuant to the exercise of the Options and any other options granted, or awards made, under all of the discretionary share option plans operated by the Company may not exceed 10 per cent. of the Company's issued share capital from time to time.

Ordinary Shares transferred from treasury to satisfy Options will count as newly issued shares for these purposes.

Options which were granted or have lapsed or been surrendered or which were capable of exercise prior to Admission will not count towards these dilution limits.

9.10 ***Variation of share capital***

In the event of any variation of share capital by way of capitalisation, rights issue, consolidation, sub-division or reduction of share capital or other variation, affecting the value of Options to Option holders, the number and description of Ordinary Shares comprised in subsisting Options and the exercise price may be adjusted by the Board in such manner that the Board deems to be fair and appropriate in their reasonable opinion.

9.11 ***Pension status***

None of the benefits which may be received under the Share Option Plan will be taken into account when determining any pension or similar entitlements.

9.12 ***Tax***

Where a tax liability arises on the exercise of an Option, the Company may require the Option holder to make payment to the Company or the Option holder's employer to meet such liability, or to enter into other arrangements in respect of the satisfaction of such liability. If such payments or arrangements are insufficient (or are not made) the Company may sell as many of the Option holder's Ordinary Shares as are necessary to cover the liability. The Option holder may be required to bear the cost of secondary UK National Insurance contributions (or similar liability for social security contributions in any jurisdiction) (to the extent applicable).

9.13 ***Amendment***

The remuneration committee may make amendments to the rules of the Share Option Plan provided the amendment does not: (a) apply to Options granted before the amendment was made; or (b) materially adversely affect the interests of Option holders (unless the relevant Option holders consent to such amendment). Further, no deletion, amendment or addition may be made except with the prior approval of the Company in general meeting if the deletion, amendment or addition is in relation to (a) the definition of 'employee'; or (b) the Share Option Plan's grant limits; or (c) the variation of share capital.

9.14 ***Termination***

No Options may be granted under the Share Option Plan after the tenth anniversary of its adoption.

9.15 ***Non-Employee Sub-Plan***

Under the Non-Employee Sub-Plan, Options may be granted to advisers, consultants and non-executive directors of the Company and entities providing, through an individual, such advisory, consultancy, or office holder services, on terms comparable to those described above. These Options will not be EMI Options.

9.16 ***US Sub-Plan***

The US Sub-Plan permits the grant of Options to eligible participants under the Share Option Plan and the Non-Employee Sub-Plan who are US residents and US taxpayers, including potentially tax efficient Incentive Stock Options (as defined in Section 422 of the US Internal Revenue Code of 1986 (the "**IRS Code**")). A maximum of 40,000,000 Ordinary Shares may be issued under the US Sub-Plan (which number shall be the maximum number of Ordinary Shares that may be granted as Incentive Stock Options). The Exercise Price of Options granted under the US Sub-Plan shall not be less than 100 per cent. of the fair market value of an Ordinary Share on the date of grant, determined in accordance with Section 409A of the IRS Code.

If Admission has not occurred by 31 December 2020, the Plan will terminate and Options granted thereunder will lapse.

10. ADDITIONAL INFORMATION ON THE DIRECTORS

In addition to their directorship with the Company, the Directors hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this Document:

Director	*Current Directorships/ Partnerships*	*Past Directorships/ Partnerships*
Julian Huw Baines, MBE	Trellus Health Limited (12743489)	Renalytix AI plc (11257655)
	Verici Dx plc (12567827)	Lexington Corporate Advisors Limited (09727774)
	EKF Diagnostics Limited (04260136)	
	360 Genomics Limited (06321451)	
	EKF Molecular Diagnostics Limited (08290122)	
	Quotient Diagnostics Limited (04610861)	
	EKF Diagnostics Holdings plc (04347937)	
	J & K (Cardiff) Limited (07015226)	
Sara Jane Barrington	Verici Dx plc (12567827)	Bruin Biometrics Europe Limited
	LungLife AI, Inc	
Sir Ian James Carruthers, OBE	Verici Dx plc (12567827)	Bioquell Limited (00206372)
	Sourcebio International plc (10269474)	Portsmouth Hospitals NHS Trust
	2020 Delivery Limited (05671510)	Jellia Holdings Ltd (518161)
	IJC Health Limited (08461506)	
	Elysium Healthcare Group Limited (62722)	
James McCullough	Verici Dx plc (12567827)	Exosome Diagnostics, Inc.
	Renalytix AI plc (11257655)	Tavec Inc.
	Bonnie J Addario Lung Cancer Foundation BalletNext Inc.	
	Renwick Capital Management LLC	
	Renwick Capital LLC	
	LungLife AI, Inc	
Dr Barbara Therese Murphy	Verici Dx plc (12567827)	
	Renalytix AI plc (11257655)	
Erik Kristian Lium	Verici Dx plc (12567827)	Amatheus Therapeutics, Inc.
	Trellus Health Limited (12743489)	
	Renalytix AI plc (11257655)	
	Mount Sinai Ambulatory Ventures Inc.	
	ELWC Enterprises Limited	
	PreciseDx Limited	
	Kantaro Biosciences LLC	

Julian Baines was a director of BB Electronics Limited, which went into liquidation in 1991 with a creditor shortfall of approximately £400,000. He was also a director of Calibre Communications Limited, which went into liquidation in 1991 with a creditor shortfall of approximately £20,000. Julian Baines was not the subject of public criticism by the liquidator in connection with the liquidations.

James McCullough was formerly a director of Quentra Networks, Inc., which filed for Chapter 11 bankruptcy in 2000 within 12 months of his ceasing to be a director. He was also a director of AusAm Biotechnologies, Inc. when it filed for Chapter 11 bankruptcy in 2006 as part of a prepack acquisition.

Save as disclosed above or as previously disclosed by the Company, none of the Directors has:

- any unspent convictions in relation to indictable offences;
- had any bankruptcy order made against him or entered into any voluntary arrangements;
- been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- been a partner in any partnership which has been placed in compulsory liquidation, administration or has been the subject of a partnership voluntary arrangement or within the 12 months after he ceased to be a partner in that partnership;
- been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or
- been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

11. SIGNIFICANT SHAREHOLDERS

Insofar as is known to the Company, the Directors, as at the close of business on 30 October 2020 (being the latest practicable date prior to the publication of this Document), the following persons are, and will, following Admission and the Placing, be interested directly or indirectly, in 3 per cent. or more of the Ordinary Shares or the Enlarged Share Capital (as applicable):

	Prior to Admission and post loan conversion		*On Admission*	
Name	*Number of Ordinary Shares*	*Percentage of Existing Share Capital*	*Number of Ordinary Shares*	*Percentage of Enlarged Share Capital*
Mount Sinai	8,853,426	12.8%	18,427,216	13.0%
Renalytix	9,831,681	14.2%	9,831,681	6.9%
Christopher Mills[20]	9,197,501	13.3%	23,722,501	16.7%

No significant holder of Ordinary Shares, as listed above in paragraph 11, has voting rights different to other Shareholders.

So far as the Directors are aware, save as disclosed in paragraph 11 of this Part 9, there are no persons who, immediately following the Placing, will, directly or indirectly, be interested in three per cent. or more of the Enlarged Share Capital of the Company or who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. To the best knowledge of the Company there are no arrangements which may at a date subsequent to Admission result in a change of control of the Company.

[20] The aggregate holding of Christopher Mills includes his immediate family's interests, NASCIT and Oryx.

12. DIRECTORS' AGREEMENTS AND LETTERS OF APPOINTMENT

Executive Director's Service Agreement

On 2 November 2020 the Company entered into a service agreement with Sara Barrington pursuant to which Sara Barrington was employed as the Chief Executive Officer of the Company. Under the terms of the agreement, Sara will split her working time 90 per cent. for the Company and the remaining 10 per cent. shall be as directed by Renalytix.

Under the terms of the agreement Sara is paid a gross annual salary of $292,500 per annum by the Company. Sara is eligible to participate in the Company's bonus scheme in an amount to be determined by the remuneration committee at its absolute discretion.

The employment of Sara will continue until terminated by either the Company or Sara at-will.

The agreement contains confidentiality, non-competition and non-solicitation provisions effective for a period of 24 months following the termination of Sara's employment.

Non-Executive Directors' letters of appointment

Julian Baines, James McCullough, Dr Erik Lium, Dr Barbara Murphy and Sir Ian Carruthers have each entered into a letter of appointment with the Company dated 2 November 2020, under the terms of which they each agreed to act as a Non-Executive Director of the Company with effect from Admission. The appointments will continue until terminated. The appointments can be terminated by the Company in various specified circumstances and by either party on six months' prior written notice. The appointments are subject to the Articles.

The Company has agreed that Julian Baines, as chairman, shall receive a fee of £30,000 per annum for his services . The Company has agreed James McCullough, Dr Erik Lium, Dr Barbara Murphy and Sir Ian Carruthers shall each receive a fee of £25,000 per annum for their services. The agreed fees cover all of the duties of non-executive director, including service on any board committees and any appointment as a director of a subsidiary.

The principal terms of each letter of appointment (each, a "**Letter of Appointment**") are set out below:

Name	*Title*	*Date of first appointment to the Board*
Julian Baines, MBE	Non-Executive Chair	22 April 2020
James McCullough	Non-Executive Director	22 April 2020
Dr Erik Lium	Non-Executive Director	19 August 2020
Dr Barbara Murphy	Non-Executive Director	22 April 2020
Sir Ian Carruthers, OBE	Senior Non-Executive Director	19 August 2020

Letter of Appointment of Julian Baines

In the letter of appointment dated 2 November 2020, Julian Baines agreed to act as the Non-Executive Chair of the Company, commencing on Admission. Subject to Admission occurring, he will be paid an annual fee of £30,000 which covers all duties, including service on any Board committee or subsidiary of the Company, with the exception of fees for chairing Board committees and certain additional responsibilities which shall be subject to a periodic review by the Board. Currently, Julian Baines is also chair of the nominations.

Letter of Appointment of Dr Barbara Murphy

In the letter of appointment dated 2 November 2020, Dr Barbara Murphy agreed to act as a Non-Executive Director of the Company acting in her personal capacity. Subject to Admission occurring, she will be paid an annual fee of £25,000 which covers all duties, including service on any Board committee or subsidiary of the Company, with the exception of fees for chairing Board committees and certain additional responsibilities which shall be subject to a periodic review by the Board.

Letter of Appointment of Dr Erik Lium

In the letter of appointment dated 2 November 2020, Dr Erik Lium has agreed to act as a Non-Executive Director of the Company as Mount Sinai's representative (in accordance with the Relationship Agreement with Mount Sinai). Erik Lium has been appointed as a representative of Mount Sinai. Subject to Admission occurring, Mount Sinai will be paid an annual fee of £25,000 which covers all of Erik Lium's duties, including service on any Board committee or subsidiary of the Company, with the exception of fees for chairing Board committees and certain additional responsibilities which shall be subject to a periodic review by the Board. Any further fees or other compensation to be paid as consideration for him chairing committees or assuming additional responsibilities shall be paid to Mount Sinai. Currently, Dr Erik Lium is a member of the audit committee.

Letter of Appointment of Sir Ian Carruthers, OBE

In the letter of appointment dated 2 November 2020, Sir Ian Carruthers agreed to act as a Non-Executive Director of the Company acting in his personal capacity. Subject to Admission occurring, he will be paid an annual fee of £25,000 which covers all duties, including service on any Board committee or subsidiary of the Company, with the exception of fees for chairing Board committees and certain additional responsibilities which shall be subject to a periodic review by the Board.

Letter of Appointment of James McCullough

In the letter of appointment dated 2 November 2020, James McCullough agreed to act as a Non-Executive Director of the Company acting in his personal capacity. Subject to Admission occurring, he will be paid an annual fee of £25,000 which covers all duties, including service on any Board committee or subsidiary of the Company, with the exception of fees for chairing Board committees and certain additional responsibilities which shall be subject to a periodic review by the Board.

General

Save as disclosed in this paragraph 12, the Company has not amended or entered into any service agreements with any Director within the last 6 months and no Director has a service agreement that has more than 12 months to run.

Save as disclosed in this paragraph 12, there are no service contracts or agreements existing or proposed between any Director, or parties in which they are interested, and the Company.

There are no proposals existing in connection with the Admission whereby any member of the administrative or management bodies of the Company or any other person and the Company which provide for benefits upon termination of employment or in connection with retirement from office.

Save as disclosed in this Document, no remuneration has been paid, including pension contributions and benefits in kind, to any of the Directors.

It is estimated that under the arrangements in force at the date of this Document, the maximum aggregate remuneration and benefits in kind which will be paid for the services of the Directors for the financial period ending 31 December 2020 will be approximately £115,000.

13. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been: (i) entered into by a member of the Group during the two years immediately preceding the date of this Document and are, or may be, material; or (ii) entered into by a member of the Group and contain any provision under which any member of the Group has any obligation or entitlement which is, or may be, material to the Group at the date of this Document:

The Company

Placing Agreement between the Company, the Directors, Renalytix and N+1 Singer

In connection with the Placing, the Company, the Directors, Renalytix, Mount Sinai and N+1 Singer have entered into a placing agreement pursuant to which, conditional, among other things, the fulfilment by the

Company of its obligations under the Placing Agreement; an AIM application in respect of the Enlarged Share Capital signed on behalf of the Company and all other documents submitted therewith having been delivered to the London Stock Exchange before publication of the Admission Document; the Company having allotted the Placing Shares; N+1 Singer not having exercised its right to terminate the Placing Agreement; and Admission occurring not later than 8.00 a.m. on 3 November 2020 or such later date as the Company and N+1 Singer may agree, but in any event not later than 8.00 a.m. on 17 November 2020, N+1 Singer has agreed to use its reasonable endeavours to procure placees for the Placing Shares at the Issue Price. The Company has agreed to pay N+1 Singer, whether or not the Placing Agreement becomes unconditional, a corporate finance fee and, provided the Placing Agreement becomes unconditional, a commission payment in respect of the gross aggregate value at the Placing Price of the Placing Shares, and the EIS/VCT Placing Shares, the Restricted Offer Shares and a corporate broking fee. The Company has agreed to pay all of the costs and expenses of and incidental to the Placing, together with any applicable VAT. The Company and the Directors have given certain warranties to N+1 Singer as to the accuracy of the information in this document and as to other matters relating to the Group. The liability of the Directors under these warranties is limited in time and amount, save in certain circumstances. The Company has given an indemnity to N+1 Singer against any losses or liabilities arising out of the proper performance by N+1 Singer of its duties under the Placing Agreement. N+1 Singer may terminate the Placing Agreement before Admission in certain circumstances, including for material breach of the warranties referred to above.

The Placing Agreement is governed by English law.

Lock-in and Orderly Market Agreements between each of the Locked-In Shareholders, the Company and N+1 Singer

Lock-in and Orderly Market Agreements were entered into between each of the Lock-in Shareholders, the Company and N+1 Singer, on 2 November 2020. Pursuant to the terms of the Lock-in and Orderly Market Agreements, the Lock-in Shareholders have agreed not to dispose of any interest in Ordinary Shares for the period of 12 months following Admission, except in certain very limited circumstances and for a further period of 12 months following the expiry of the initial 12 month period, only to dispose of an interest in Ordinary Shares following consultation with N+1 Singer and provided such disposal is effected through N+1 Singer and in such manner as they may reasonably require with a view to maintenance of an orderly market in the Ordinary Shares.

The Lock-in and Orderly Market Agreements are governed by English law.

Broadway Nominees Limited

On 7 July 2020 Renalytix declared a distribution in specie of its 59,416,134 A shares in the Company to Broadway Nominees Limited ("**BNL**"), to be held on trust for the shareholders of Renalytix on 10 July 2020, on the basis of one A share for every ordinary share held in Renalytix.

The board of Renalytix wanted to ensure that the shareholders receiving distribution shares were locked in for a period of time and therefore appointed BNL to hold the legal title to the all of the shares for a period of time. The shares will be locked up for a period of either 365 days from admission to trading on AIM or, if all or part of the issued share capital of the Company is not admitted to trading on AIM (or another recognised stock exchange) within two years of the date that the distribution was declared, two years from the date that the distribution was declared. The lock in mechanism will continue following conversion of the A shares into ordinary shares which will take place shortly before Admission.

In order to facilitate the practical enforcement of these restrictions BNL agreed to maintain custody of two omnibus share certificates (for non-US and US Renalytix shareholders separately) representing all the distribution shares on behalf of the Renalytix distribution shareholders for the duration of the lock-up period and to take certain actions with respect to the distribution shares.

The lock-up period may be shortened with the prior written consent of the Company and N+1.

At the expiry of the lock-up period BNL will deliver the share certificates to the registrar and will execute stock transfer forms to transfer the distribution shares to the Renalytix distribution shareholders based on the schedule provided by the registrar, whereupon BNL will be released from the undertaking that they gave to Renalytix.

Subscription Agreements

The Subscribers have entered into Subscription Agreements, dated 2 November 2020, with the Company pursuant to which they have conditionally agreed to subscribe a total of 10,323,790 Subscription Shares at the Issue Price. The Subscription Agreements are conditional on: (i) the Company entering into the Placing Agreement and that agreement becoming unconditional save as to Admission; and (ii) Admission occurring on or before 8.00 a.m. London time on 3 November 2020 (or such later date as the Company and N+1 Singer shall agree, not to be later than 17 November 2020). In accordance with the requirements of the Subscription Agreements the Subscribers are required to give certain customary confirmations.

The Subscription Agreements are governed by the law of England and Wales.

The Subscription Shares shall be issued pursuant to an available exemption from the registration requirements of the Securities Act.

Relationship Agreement between the Company, N+1 Singer and Mount Sinai

As at Admission, Mount Sinai is expected to hold 13.0 per cent. of the Enlarged Share Capital of the Company and Mount Sinai, the Company and N+1 Singer have entered into a relationship agreement dated 2 November 2020 under which Mount Sinai has agreed, conditional upon Admission, to regulate its (and its associates) (the "**Mount Sinai Related Party Group**") ongoing relationship with the Company, to ensure that the Group is capable of carrying on its business independently of the Mount Sinai Related Party Group.

Under the terms of the relationship agreement, for so long as the Mount Sinai Related Party Group beneficially owns at least 5 per cent. of nominal value of the Ordinary Shares and the Company is admitted to AIM: (a) Mount Sinai, among other things, will not (and shall procure so far as it is able that each member of the Mount Sinai Related Party Group will not) take any action which is intended to prevent the Board from operating independently of the Mount Sinai Related Group or take any action that would have the effect of preventing the Group from complying with its obligations under the AIM Rules; and (b) any transaction, arrangement or agreement between any part of the Group and the Mount Sinai Related Party Group must have the prior approval of a majority of the independent non-executive directors.

Mount Sinai has the right to appoint a Director (and remove and replace such appointee as it sees fit), which for so long as the Company is listed on AIM is only exercisable when the Mount Sinai Related Group beneficially owns at least 5 per cent. of the Ordinary Shares. Mount Sinai also has the right to appoint an observer to the Board when the Mount Sinai Related Group beneficially owns at least 5 per cent. of the Ordinary Shares.

The relationship agreement applies for as long as the Mount Sinai Related Party Group holds any Ordinary Shares, unless it is terminated earlier by either party in an insolvency event.

Relationship agreement with Renalytix

As at Admission, Renalytix is expected to hold 6.9 per cent. of the Enlarged Share Capital of the Company. Renalytix, the Company and N+1 Singer are entering into a relationship agreement under which Renalytix agrees, conditional upon Admission, to regulate its (and its associates) (the "**Renalytix Related Party Group**") ongoing relationship with the Company, to ensure that the Group is capable of carrying on its business independently of the Renalytix Related Party Group.

Under the terms of the relationship agreement, for so long as the Renalytix Related Party Group (or any of its members) beneficially owns at least 5 per cent. of the Ordinary Shares or is otherwise deemed to be an associate of a party related to the Company and the Company is admitted to AIM: (a) the Renalytix Related Party Group, among other things, will not (and shall procure so far as it is able that each member of the Renalytix Related Party Group will not) take any action that is intended to prevent the Board from operating independently of the Renalytix Related Party Group or take any action that would have the effect of preventing the Group from complying with its obligations under the AIM Rules; and (b) any transaction, arrangement or agreement between any part of the Group and the Renalytix Related Party Group must have the prior approval of the Board excluding any Director who is a member of the Renalytix Concert Party.

Renalytix has the right to appoint a Director (and remove and replace such appointee as it sees fit), which for so long as the Company is listed on AIM is only exercisable when the Renalytix Related Group beneficially

owns at least 5 per cent. of the Ordinary Shares. Renalytix also has the right to appoint an observer to the Board when the Renalytix Related Group beneficially owns at least 5 per cent. of the Ordinary Shares.

The relationship agreement applies for as long as the Renalytix Related Party Group holds any Ordinary Shares, unless it is terminated earlier by either party in an insolvency event.

Registrar Agreement (the "Registrar Agreement") between the Company and Link Market Services Limited

Pursuant to the Registrar Agreement, Link Group was appointed as registrar to the Company. Under the terms of the Registrar Agreement, the Registrar is responsible for functions such as maintaining and updating the register of members of the Company on a daily basis, daily reconciliation of CREST account movements with Euroclear, and preparing, sealing and issuing new share certificates of the Company in accordance with the Articles.

Under the Registrar Agreement, the Registrar receives fees in such amount as agreed in writing from time to time between the Registrar and the Company.

The Registrar Agreement shall be for an initial term of three years from the IPO (the "**Initial Period**"), following which it will automatically renew for 12 month periods unless terminated by either party: (i) at the end of the Initial Period, provided written notice is given to the other party at least three months prior to the end of the Initial Period; or (ii) at the end of any successive 12 month period, provided written notice is given to the other party at least three months prior to the end of such successive 12 month period.

The Registrar Agreement limits the Registrar's liability thereunder to the lesser of £500,000 or an amount equal to five times the fee payable to the Registrar pursuant to the Registrar Agreement.

There is no direct contractual relationship between the Shareholders and the Registrar. Shareholders therefore have no direct contractual rights against the Registrar and there are only limited circumstances in which a Shareholder may potentially bring a claim against the Registrar.

The Registrar Agreement is governed by the laws of England.

Receiving Agent Agreement ("Receiving Agent Agreement") between the Company and Link Market Services Limited

Pursuant to the Receiving Agent Agreement, Link Group has been appointed as receiving agent for the Company. The Receiving Agent will provide receiving agent duties and services to the Company in respect of the Initial Issue.

Under the Receiving Agent Agreement, the Receiving Agent will receive a fixed fee in respect of services connected to the Offer for Subscription.

The Receiving Agent Agreement limits the Receiving Agent's liability thereunder to the lesser of £250,000 or an amount equal to five times the fee payable to the Receiving Agent pursuant to the Receiving Agent Agreement.

The Receiving Agent Agreement is governed by the laws of England.

Asset Purchase Agreement relating to the acquisition of the FractalDX business

The Company entered into an asset purchase agreement (as buyer) with Renalytix (as seller) on 4 May 2020 in order to acquire the business known as 'FractalDx' as carried on by Renalytix at that date.

Key terms

FractalDx was the business of diagnostics and prognostics for kidney transplant rejection. The assets acquired include the Goodwill, Business Information, Business Intellectual Property Rights, IT System, Records, Business Claims (such terms as defined within the asset purchase agreement), and all other rights and assets owned by Renalytix in relation to the FractalDX business.

The Company has the exclusive right to carry on the business of FractalDX and to represent itself as carrying on such business in succession of Renalytix.

The consideration for the assets was $2,000,000 which was satisfied by way of the issue of loan notes in the Company.

The agreement contained warranties from Renalytix to the Company confirming that it had good and marketable title to each asset which was being sold pursuant to the agreement.

Renalytix is bound to use all reasonable endeavours to provide all such assistance as the Company may request to effect any transfer which has not been effected as a result of completion of the transaction.

Company's indemnification obligations

Pursuant to the agreement, the Company agrees to indemnify Renalytix against any loss or liability that Renalytix may incur in connection with Renalytix's ownership of the assets purchased or as a result of the Company's failure to comply with its obligations in relation to the assumed liabilities.

Loan Note Instrument

The Company issued a loan note instrument dated 4 May 2020 creating a maximum of $3,000,000 convertible secured loan notes in the Company ("**Loan Note Instrument**"). $2,000,000 of the Loan Notes were issued to Renalytix ("**Loan Notes**") and subsequent to the initial issue, a further $500,000 of Convertible Loan Notes were issued. The proceeds of all subscriptions for the Loan Notes were used in the acquisition of the business and certain assets of 'FractalDx' and to fund the Company's working capital and capital expenditure requirements.

Repayment obligations

The Loan Notes were redeemable on the following dates: (i) completion of a fund raising; (ii) twelve months from the date of the instrument; or (iii) a date not less than 20 business days following a material breach by the Company of the instrument or the conditions.

The Loan Notes were redeemed on 28 October 2020.

Other key terms

The Loan Notes were convertible into fully paid ordinary shares, if a 'Noteholder Majority' (which is defined as a majority of more than 50 per cent. of the nominal amount of Loan Notes outstanding) on the earlier of:

(i) the next 'Fund Raising' (the Company raising funds from an issue of ordinary shares to any person(s); or

(ii) immediately prior to a distribution in specie by Renalytix.

The Loan Note Instrument operated for the benefit of the Loan Note holders and each of the Loan Note holders had a right to sue for the performance or observance of the provisions in its own right.
The Loan Notes were only transferable by a Loan Note holder to a person to whom that Loan Note holder is permitted to transfer to pursuant to the Company's articles of association.

The Loan Notes were subject to certain conditions which were specified in Schedule 2 of the Loan Note Instrument.

Meetings and voting

The Company may convene a meeting of the Loan Note holders at any time on giving 14 days' notice. The holders of one tenth of the nominal value of the outstanding Loan Notes can require the Company to call a meeting of the noteholders. The quorum for such a meeting is two noteholders holding, or representing by proxy at least 25 per cent. of the nominal value of the outstanding Loan Notes.

Each question shall, unless a poll is demanded, be decided by a show of hands.

The chairman will not have a casting vote if there is an equality of votes.

Security

The Loan Notes are secured by a debenture over the Company in favour of Renalytix AI plc. Upon repayment of the outstanding amount of $2,500,000 in respect of the loan notes in favour of Renalytix or the conversion of the debt to equity in the Company, the debenture in favour of Renalytix should be released.

Independent Contractor Services Agreement with Alithia LLP

The Company has engaged Alithia LLP ("**Alithia**") as a contractor for services. Alithia LLP is a company which is majority owned by David Anderson.

There is no express reference within the agreement as to which individual is being provided by Alithia to carry out the work. The services to be provided are those of a contract chief financial officer including all associated financial management set up and management activities and senior finance leadership in preparation for the Company fundraising.

As David Anderson is not specifically referred to within the agreement, there are no express obligations placed upon him as an individual, but rather upon Alithia.

Duration and termination provisions

The term of the agreement is 6 months, unless terminated by either party with 5 days prior written notice. There is no express right to the Company to terminate Alithia's agreement without making payment for the 5 days' notice.

Key payment obligations

The agreement states that Alithia will be paid £8,000 per month or *pro rata* proportion thereof. It is stated that Alithia has the potential to earn an additional cash bonus at the discretion of the Company board.

Liability

If any legal action is brought by either party against the other in relation to this agreement, the prevailing party, in any final judgement or arbitration award, shall receive from the other party their reasonable legal fees related to all costs and expenses incurred in connection with the legal action.

There is no insurance and liability clause requiring Alithia to indemnify the Company for any loss, liability, costs, damages or arising expenses arising from any breach of the agreement or any negligent or reckless act.

Consultancy Agreement with Simba Enterprise and Investments Limited

Consultancy agreement entered into on 1 October 2020 between the Company and Simba Enterprise and Investments Limited (company number 09039244) ("**Consultant**").

The Consultant is engaged to carry out consultancy services in respect of company secretarial and board matters and corporate governance to the Company and the Group and such other services as the Company and the Consultant may agree from time to time. The Consultant is required to provide a minimum of 2 days a month to perform the services.

Payment Obligations

The Consultant's fee is £2,000 excluding VAT a month. This fee is payable by the Company within 10 days of receipt of a monthly invoice from the Consultant. The Consultant is entitled to reimbursement of reasonable and necessary expenses incurred in relation to performing its services pursuant to the agreement.

Duration and termination

The agreement shall continue on a rolling basis quarterly beginning on the first day of March, June, September or December of any given year until such time as either party terminates it.

The agreement can be terminated; (i) in the first 3 months of the agreement by either party giving the other party not less than 1 months' prior written notice; or (ii) any time after the first 3 months from the date of the agreement by the other party giving not less than one full quarter's prior written notice.

Framework Services Agreement between the Company and BioLizard nv

On 16 June 2020 (the "**Effective Date**") BioLizard nv ("**BioLizard**") and the Company entered into the Framework Services Agreement under which BioLizard would provide services in relation to bioinformatics and biostatistics (the "**Services**").

Subject Matter

BioLizard has agreed to provide Services (such Services to be defined in the relevant orders respectively) to the Company in return for payment.

Key Payment Obligations

In consideration of the performance of the Services, the Company shall pay to BioLizard the Service Fees, which shall be specified in the relevant order. Payment shall be made within thirty (30) days of receipt of a written invoice from BioLizard.

Duration

The agreement shall commence on the Effective Date and, unless terminated, shall remain in full force and effort for a period of one (1) year.

The Company's Indemnification Obligations

The Company has agreed to indemnify and hold BioLizard and its employees harmless from and against claims, demands, actions, loss or damage (including reasonable legal fees and expenses) arising out of:

(a) the Company's breach of this agreement;

(b) claims for death, bodily injury or any person to the extent caused by the tortious conduct of the Company;

(c) the Company's development, manufacturing or commercialisation of the product(s) that would result from the Service(s) under a particular order; and

(d) any information, instruction recommendation or specification given by the Company to BioLizard which were followed, complied with, adopted or implemented and/or performed by BioLizard in execution of the Services under this agreement.

The Company's liability under the agreement is not limited or subject to any liability cap.

Termination

The Company and BioLizard may terminate the agreement:

(a) at any time by mutual written consent;

(b) by providing the other party thirty (30) days' written notice;

(c) if the other party has materially breached or defaults in performance or observance of any material provisions of this agreement, and such breach or default is not remedied within thirty (30) days' after receiving written notice to remedy;

(d) immediately upon written notice in the event of insolvency. The following insolvency events are expressly referred to:

  (i) voluntary or involuntary proceedings in bankruptcy or under insolvency law;

  (ii) if a receiver or custodian is appointed;

  (iii) proceedings are instituted by or against a party for dissolution;

(iv) an assignment for the benefit of creditors is made; and

(v) if substantially all of the assets of a party are seized or attached and not released within sixty (60) days thereafter.

The agreement is governed by the laws of England. The parties shall in the first instance resolve disputes via negotiation or mediation, failing which the English courts shall have jurisdiction.

Option Agreement between Renalytix AI plc and Icahn School of Medicine at Mount Sinai

On the 31 August 2018 (the "**Effective Date**"), Mount Sinai and Renalytix entered into an option agreement to grant the Renalytix an exclusive option to enter into an exclusive licence for the FractualDX Technology (the "**Option**") in the Field and Territory. The licence agreement eventually entered into is summarised in the section below.

"**Field**" means kidney transplant rejection diagnosis and prognosis.

"**Territory**" means worldwide.

Subject Matter

Renalytix may exercise the Option at any time, subject to delivering to Mount Sinai all of the following:

(a) written notice of their intention to exercise the Option;

(b) payment of $1,000,000 licence grant fee;

(c) payment of past total patent expenses (estimated at, although subject to change, $300,000 dollars);

(d) documentation that demonstrates to Renalytix has successfully raised at least £20,000,000 in capital for the operation of Renalytix.

Upon Renalytix successfully exercising the Option, Renalytix and Mount Sinai shall enter into a separate Licence Agreement.

Payment Obligations

The payment obligations under the agreement are the same as those set out in the Exclusive Licence Agreement between Renalytix and Icahn School of Medicine at Mount Sinai listed below.

Duration

The agreement shall run from the Effective Date until 31 December 2018 (the "**Option Period**") or until the execution of the Licence Agreement.

The option in favour of Renalytix was exercised on 21 December 2018 and the Licence Agreement was entered into on 21 December 2018.

Exclusive Licence Agreement between Renalytix AI plc and Mount Sinai

A template Exclusive Licence Agreement is included in Exhibit B of the Option Agreement. The agreement was entered into by Mount Sinai and Renalytix in relation to the FractalDX technology.

As part of a business transfer, Renalytix gave notice to Mount Sinai of its intention to transfer the licence in accordance with clause 10.3 of the licence. The Company assumed responsibility for the performance of Renalytix's obligations under the Licence from the same date (shortly after the date of the letter). Mount Sinai agreed to the assignment of the licence on 1 May 2020 and Renalytix provided Mount Sinai with notification of the assignment of the licence which took place on 4 May 2020.

Subject Matter

The Company has a royalty-bearing exclusive licence to use the Licensed patents and a royalty-bearing, non-exclusive licence to use the Technical Information and Materials, solely to the extent necessary for exploitation of any Licensed Product in the Field of Use, during the Term and throughout the Territory.

"**Field of Use**" means diagnostics and prognostics for kidney transplant rejection. For clarity the Field of Use does not include therapeutics.

"**Licensed Patents**" means the Patents (i) owned or controlled by Mount Sinai and listed on Exhibit A hereto, which is hereby incorporated into and made part of this agreement, and (ii) that are subject to an exercised option right in the Sponsored Research Agreement. Notwithstanding the preceding definition, Licensed Patents shall not include any Patent based in whole or part on research conducted after the Effective Date, except as otherwise agreed to in the Sponsored Research Agreement or another separate writing executed by the parties.

"**Licensed Product**" means any product or service or component of either of the foregoing, the Exploitation, Development, Manufacturing, Commercialisation, use rental or lease of which (a) is covered by at least one Valid Claim or (b) arises from the use of, or incorporates, in whole or in part, the Materials or Technical Information.

"**Materials**" means the tangible physical material, if any, delivered to the Company hereunder, as set forth in Exhibit B hereto (which is hereby incorporated into and made part of this agreement), and any progeny, derivatives, or improvements thereof developed by Renalytix, its Affiliates or Sublicensees.

"**Technical Information**" means any and all technical, scientific and other information, knowledge, technology, methods, processes, practices, formulae, assays, instructions, know-how, skills, techniques, procedures, experiences, ideas, technical assistance, designs, drawings, software, computer software or programs, assembly procedures, specifications, data and/or results (including but not limited to biological. Chemical, pharmacological, toxicological, pharmaceutical, physical, analytical, preclinical, clinical, safety, manufacturing, or quality control data, including but not limited to study designs, protocols) relating solely to Licensed Patents, in all cases whether or not confidential, proprietary, patented, patentable, existing in written or electronic form developed in the laboratory of one or more named inventors of the Licensed Patents prior to the Effective Date of this agreement. For clarity, Technical Information excludes any information contained within Licensed Patents.

"**Term**" means the term of this agreement which will commence on the Effective Date and expire upon the last Royalty Term for the Licensed Product unless terminated earlier pursuant to Article 9.

"**Territory**" means worldwide.

"**Royalty Term**" means, on a Licensed Product-by-Licensed Product and Jurisdiction-by-Jurisdiction basis, the period from the First Commercial Sale until the later of: (a) expiration of the last Valid Claim of a Licensed Patent covering such Licensed Product in such Jurisdiction; (b) expiration of any Regulatory Exclusivity Period or (c) fifteen (15) years from First Commercial Sale of such Licensed Product in such Jurisdiction.

Payment Obligations

The Company shall pay the following payments to Mount Sinai:

(a) a non-refundable and non-creditable licence fee of $1,000,000 (this will be deemed satisfied if the Company has transferred and Mount Sinai has already received the Option Exercise Fee, detailed under the Option Agreement);

(b) all accrued attorney fees, expenses, official fees and all other charges accumulated prior to the Effective Date (currently estimated at $300,000);

(c) additional consideration, within thirty (30) days' following each milestone achievement;

  (i) receipt of Regulatory Clearance/Approval (on LDT or IVD Kit if applicable) - $250,000;

  (ii) receipt of CMS reimbursement code/PAMA reimbursement approval - $250,000;

  (iii) cumulative aggregate Net Sales of Licensed Products reach $50,000,000 - $1,000,000; and

(iv) cumulative aggregate Net Sales of Licensed Products reach $250,000,000 - $4,000,000.

(d) annual licence maintenance fee, payable no later than sixty (60) days' following the first day of each Calendar Year following the Effective Date through the expiration of the Royalty Term, these are detailed as follows:

(i) years 1 – 2 - $25,000;

(ii) years 3 – 4 - $50,000;

(iii) years 5 – 8 - $100,000; and

(iv) year 9 and beyond - $200,000.

(e) during the Royalty Term, the Company shall pay the applicable royal rate (expressed as a percentage of the Net Sales), as set out below:

(i) Licensed Products are covered by a valid Claim of the Licensed Patents – 8 per cent.; and

(ii) Licensed Products are not covered by a Claim of the Licensed Patents – 6 per cent..

(f) a percentage of the Sublicence Income within sixty (60) days after receipt of such Sublicence Income. The percentages payable are set out below:

(i) prior to Regulatory approval – 70 per cent.;

(ii) after Regulatory approval – 50 per cent.;

(iii) upon receipt, or thereafter, of CMS reimbursement code or PAMA reimbursement approval – 30 per cent.; and

(iv) after First Commercial Sale – 15 per cent..

Duration

This agreement commenced on the Effective Date and shall continue for the Term unless terminated. Upon Expiration of the Royalty Term and payment in full of all amounts, the Company shall have a non-exclusive, fully paid up, perpetual licence for such Licensed Product in such Jurisdiction.

The Company's Indemnity Obligations

The Company must defend, indemnify and hold harmless Mount Sinai and its trustees and personnel from and against all losses, liabilities, damages and expenses, including reasonable attorney's fees and costs resulting from:

(a) any breach of the Company under this agreement;

(b) the use Technical Information, Licensed Materials or Licensed Patents by the Company (including its sublicensees, assigns, vendors, service providers or respective affiliates) of the following:

(i) the development or commercialisation of Licensed Products by or on behalf of the Company ((including its sublicensees, assigns, vendors, service providers or respective affiliates, customers or end users); and

(ii) the use of Confidential Information of Mount Sinai by the Company (its sublicensees or respective affiliates),

except, where such liabilities result from the gross negligence or wilful misconduct of Mount Sinai.

Indemnification is subject to the indemnification procedure set out in clause 8.3.

The Company shall maintain the following insurance policies throughout the Term and for a period thereafter corresponding to the longest statute of limitation for any comprehensive claim:

(a) Comprehensive General Liability – minimum $2,000,000 per occurrence / $4,000,000 aggregate covering bodily injury, personal injury, property damage and contractual liability (Mount Sinai to be named as additional insured on a primary and non-contributory basis);

(b) Professional liability insurance – minimum $3,000,000 per occurrence / $5,000,000 in aggregate, covering the Company and its professional employees or other personnel for claims, including claims for bodily injury and emotional distress, arising out of or in connection with the rendering of diagnostic tests and related professional services to patients/customers (naming Mount Sinai as additional insured on a primary ad non-contributory basis); and

(c) Directors and Officers Lability insurance – minimum $3,000,000 per occurrence / $5,000,000 in aggregate, covering the Company and its individual insured including, but not limited to, all directors, officers, medical/clinical services directors, employees, volunteers and committee members for any alleged or actual managerial or other wrongful act, error or omission committed or performed in the course of or in connection with the Company's operations. Coverage shall be sufficiently broad to include:

  (i) defence costs and indemnity coverage for third party claims arising out of cyber-attack, cyber terrorism, privacy breach, virus transmission, denial of service, transmission of viruses/malware, information heft, release of private information, damage to or destruction of electronic information or data, extortion and network security and any related regulatory investigation or proceeding, including regulatory fines, penalties and defence costs; and

  (ii) first party coverage for privacy breach response expenses (for forensic investigation, notification of potentially affected parties, credit/identity monitoring, and any related regulatory fines, penalties and defence costs),and other first party loss resulting from cyber-attack, cyber terrorism, privacy breach, virus transmission, denial of service, transmission of viruses/malware, information heft, release of private information, damage to or destruction of electronic information or data, extortion and network security.

(d) Errors and omissions (E&O) insurance - minimum $3,000,000 per occurrence / $5,000,000 in aggregate, covering losses from any acts, errors, omissions, negligence, breach of duty, misrepresentations relation to Renalytix' operations or its obligations under this agreement.

Termination

Mount Sinai may terminate the agreement:

(a) for the Company's failure to pay the Licence Fee;

(b) for Cause (material breach, this expressly includes the failure to maintain insurance coverage). The Company shall have a period of sixty (60) days' to remedy such breach. The agreement shall automatically terminate at the end of such sixty (60) day period if the Company fails to cure such default;

(c) if the Company enters into a Bankruptcy Event, Mount Sinai has a right to terminate immediately after Sixty (60) days' of such notice of a Bankruptcy Event. Bankruptcy Event is defined to include the following events;

  (i) filing in any court or agency pursuant to any statute or regulation of any state or country, a petition in bankruptcy or insolvency or reorganisation or an arrangement for the appointment of a receiver or trustee of the party or its assists;

  (ii) such party being served with an involuntary petition, filed in any insolvency proceeding, where such petition has not been dismissed within sixty (60) days' after the filing thereof;

  (iii) any proposing or being a party to any dissolution or liquidation; and

  (iv) making a general assignment for the benefit of the creditors;

(d) immediately if the Company:

  (i) ceases to carry on its business with respects to the rights granted to it under this agreement;

  (ii) liquidates all or material portion of its assets or business locations;

  (iii) employs and agent or third party to conduct a program of closings, liquidations or sales of any material portion of its business;

  (iv) is no longer a going concern; or

  (v) is de-listed from a public stock exchange; and

(e) immediately in the event that the Company challenges the validity or enforceability of the Licenced Patents at any time through any forum or advise that the remittance of payment is made under protest or with any objection.

14. RELATED PARTY TRANSACTIONS

Save as set out in this paragraph 14, there are no related party transactions that the Group has entered into during the period covered by the historic financial information set out in Part 3 up to the date of this Document:

The following transactions are the only related party transactions which, as a single transaction or in their entirety, are or may be material (within the meaning of the AIM Rules for Companies) to the Company and have been entered into by the Company during the periods for which historical financial information appears in this document and in respect of the period commencing on 22 April 2020 to the date of this document:

(a) on 4 May 2020 the Company entered into an Asset Purchase Agreement and a Convertible Loan Note Instrument with Renalytix. The three directors at this time of the Company were also directors and shareholders of Renalytix in the period.

(b) incorporation, the Company issued 1 ordinary shares of £1 to a related company, Renalytix, making the Company a 100 per cent. owned subsidiary of Renalytix. This shareholding was subsequently reduced to less than 1 per cent. as at 10 July 2020; and

(c) since incorporation the Company received loans of $2,500,000 from Renalytix in the form of loan notes. The loan notes were converted into 9,831,681 ordinary shares of £0.001 on 28 October 2020; and

(d) on 4 May 2020 the Licence Agreement between Renalytix and Mount Sinai was assigned from Renalytix to the Company, with the consent of Mount Sinai.

15. NO GOVERNMENTAL, LEGAL OR ARBITRATION PROCEEDINGS

There are no governmental, legal or arbitration proceedings active, pending or threatened against, or being brought by, any member of the Group, which are having, or may have or have had during the 12 months preceding the date of this Document a significant effect on the Group's financial position or profitability.

16. WORKING CAPITAL

The Directors are of the opinion, having made due and careful enquiry, that the working capital available to the Group will be sufficient for its present requirements, that is for at least 12 months from the date of Admission.

17. INTELLECTUAL PROPERTY

Save as disclosed in Part 1 of this Document and this Part 9, there are no patents or other intellectual property rights, licences or particular contracts which are or may be of fundamental importance to the Group's business.

Save as disclosed in this document, the Company is not aware of any patents, licences, industrial or commercial or financial contracts or new manufacturing processes on which the Company is dependent, aside from the registered domain name that the Company owns, which as at the close of business on 30 October 2020 (being the latest practicable date prior to the publication of this Document) was: VericiDx.com.

18. EMPLOYEES

As at 30 October 2020, the Company has not employed any individuals save for Sara Barrington, the Chief Executive Officer.

19. ACCOUNTING MATTERS

Save for the Fundraising and as disclosed in this Document, there has been no significant change in the financial or trading position of the Group since 30 June 2020.

The financial information set out in this Document relating to the Group does not constitute statutory accounts. Crowe U.K. LLP have been the auditors of the Company since incorporation on 22 April 2020. Crowe U.K. LLP is a member firm of the Institute of Chartered Accountants in England and Wales.

The total costs and expenses relating to the Placing and Admission payable by the Company are estimated to be £993,000 (excluding VAT).

The statutory accounting reference date of the Company is 31 December 2020.

20. CONSENTS

N+1 Singer has given and has not withdrawn its written consent to the issue of this Document with the inclusion of its name and references to it in the form and context in which they appear.

Crowe U.K. LLP has given and not withdrawn its written consent to the inclusion of its report dated 2 November in Part 3 of this Document and the references to its report in the form and context in which they appear and has authorised the contents of that report for the purposes of Schedule Two of the AIM Rules for Companies.

21. GENERAL

N+1 Singer is registered in England and Wales under registration number OC364131 and its registered office is at One, Bartholomew Lane, London, EC2N 2AX. N+1 Singer is regulated by the FCA and is acting in the capacity of nominated adviser and sole bookrunner to the Company.

Since 30 June 2020 the Company has continued to incur staff costs, purchase laboratory supplies, and engage the services of BioLizard, patent lawyers and website and brand consultants. These costs have continued to be funded via the Convertible Loan Note up to the point of conversion, after which the net proceeds of the Fundraising will be used to fund the Company's operating expenses.

Save as disclosed below and in Part 9 of this document, no person (other than the Company's professional advisers named in this document and trade suppliers) has at any time within the 12 months preceding the date of application for admission to AIM received, directly or indirectly, from the Company or entered into any contractual arrangements to receive, directly or indirectly, from the Company on or after Admission any fees, securities in the Company or any other benefit to the value of £10,000 or more:

- Yayoi Kinoshita, contracting as a molecular scientist including advising the Company in connection with the development of its test has been paid $49,500 (£38,077) during the period.
- Chan-Ju Wang, acting as a consultant in relation to the development and proposed development of the Company's products has been paid $71,762 (£55,201) during the period. Chan-Ju Wang is to be appointed as a full-time employee post Admission.

Save as set out in this Document, there are no principal investments in progress or principal future investments on which the Board has made a firm commitment. There are no mandatory takeover bids outstanding in respect of the Company and none has been made either in the last financial year or the current financial year of the Company.

No public takeover bids have been made by third parties in respect of the Company's issued share capital in the current financial year or in the last financial year.

Where information has been sourced from a third party this information has been accurately reproduced. So far as the Company and the Directors are aware and are able to ascertain from information provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

22. DOCUMENTS PUBLISHED ON THE COMPANY'S WEBSITE

Copies of the following documents will be made available at the following website address www.VericiDx.com from the date of posting of this Document up to the date of the General Meeting up until the time of the General Meeting:

- the Memorandum and Articles of Association of the Company;
- the consent letters from N+1 Singer and Crowe U.K. LLP referred to in paragraph 20 above;
- the reports set out in Parts 3 and 4 included in this document; and
- the material contracts set out in paragraph 13 above.

23. AVAILABILITY OF DOCUMENT

Copies of this Document will be available for inspection normal business hours on any day (except Saturdays, Sundays and UK public holidays) at the registered office of the Company and on the Company's web-site at www.VericiDx.com from the date of this Document until the date which is one month after Admission.

2 November 2020