Annual Report and Financial Statements
For the Year Ended 30 June 2020

SkinBioTherapeutics plc

Company Registration Number: 09632164

SkinBio THERAPEUTICS

Contents

Statutory and Other Information

Directors	Martin Hunt Stuart J. Ashman Doug Quinn Dr Cathy Prescott	Non-Executive Chairman Chief Executive Officer Chief Financial Officer Non-Executive Director
Secretary	Doug Quinn	
Registered office	15 Silk House Park Green Macclesfield SK11 7QJ	
Auditor	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE	
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham GU9 7DR	
Nominated adviser and broker	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS	
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP	
Public relations	Instinctif Partners Limited 65 Gresham Street London EC2V 7NQ	

Chairman's Statement

2020 has been another exciting year for SkinBioTherapeutics with significant progress in a number of key areas of the Company's commercial and development strategies. The Company has signed its first two commercial deals, accelerated the project timeline for its food supplement programme and gained commercial interest for its MediBiotix™ and CleanBiotix™ programmes. Given these achievements have been made in a time of pandemic which has presented numerous challenges, the team has impressed with its swift action, flexibility and resource to keep the development and commercial programmes on track.

The Company's strategy was reviewed at the beginning of the financial year and culminated with a shift from an R&D focus to a more commercial one. The management team has identified five channels across which the Company is seeking to harness the microbiome for human health.

The first step of delivery against this strategy was achieved in November 2019 with a commercial agreement with Croda International Plc ("Croda"). The agreement is for the development and commercialisation of a new active skincare cosmetic ingredient incorporating the Company's SkinBiotix® technology.

The scientific team, under the stewardship of Professor Cath O'Neill who transitioned to the role of CSO in July 2019, has been exploring the relationship between the gut and the skin. There is strong scientific evidence pointing to a link between gut dysfunction, stress-induced alterations to the gut microbiome and skin inflammation. This research culminated in a development agreement with Winclove Probiotics B.V. ("Winclove") for the development of a probiotic blend of 'good' bacteria strains to help manage the symptoms associated with the skin condition psoriasis. Since the announcement of this programme, the Company has received substantial interest from both healthcare and patient communities. Progress on both these key strands of technology has been significant during the course of the year.

With the food supplement for psoriasis, Winclove confirmed, several months ahead of schedule, that it had been able to successfully combine and formulate the proprietary blend of 'good' bacterial strains as a food supplement, to be known as AxisBiotix™Ps. This is another important milestone since this blend will form the central pillar of the supplement to be used in a food supplement study ahead of eventual commercialisation.

For the cosmetic application, Sederma, the French division of Croda that specialises in the manufacture of bioactive ingredients for the cosmetic industry, updated the Company in July of this year that despite COVID-19 it remains on track with the original project timeline. It has also been able to replicate the Company's lysate manufacturing process which is a critical milestone for the project, and means Sederma can now press ahead with scaling up the manufacturing process at different volume levels as it prepares for future commercial launch.

The SkinBioTherapeutics project team has been quick to respond to the constraints of COVID-19 that are currently limiting human studies in a clinical environment and as detailed in the operational review section, the team is pressing ahead with preparations for a 'self-managed' food supplement study. The project team deserves enormous credit for its ability to pivot so quickly in challenging circumstances and identifying a solution that will shorten the timeframe to commercialisation.

The Company continues to manage its cash and resources well and ended the year with a cash balance of £2.2m (2019: £3.1m). Post year end, in November 2020, the Company completed a placing to new and existing institutional shareholders raising a total of £4.45m. The funding enables the Company to expand its technology pipeline with further work in areas such as hair and oral care and UV protection and to support the transition from a virtual operation to one with an in-house scientific capability. The funding, aligned with the scientific and operational progress of the last 12 months, leaves the Company ideally positioned to push forward with its strategy which offers exciting potential over the course of the next 24 months.

On behalf of the Board, I would like to take the opportunity to thank Stuart, Cath and the rest of the team, together with the teams at Winclove and Croda for the substantial progress achieved in the current climate.

Martin Hunt
Chairman

03 December 2020

Strategic and Financial Review

Company background and strategy

SkinBioTherapeutics is a life sciences business focused on harnessing the microbiome, the bacteria that live on and in our bodies, for human health.

SkinBioTherapeutics' proprietary technology, SkinBiotix®, is designed to promote skin health by harnessing the beneficial properties of probiotic bacteria and the active components derived from them. The approach taken is to use a 'lysate' of probiotic bacteria cells as a topical agent. The use of a lysate rather than live bacteria circumvents the possible safety considerations associated with applying live bacteria to the skin and the potential formulation difficulties of keeping bacteria alive in a cream.

An emerging area of science is focused on the gut-skin axis and how the constitution of the gut plays a role in various diseases, such as psoriasis. SkinBioTherapeutics has been exploring the relationship between the gut and the skin and the potential to introduce probiotic bacteria to the gut and effect a direct improvement to psoriasis-sufferers' skin.

The Company is pursuing a strategy that addresses five channels as its area of focus, encompassing both new and existing technology. Each channel offers the potential for multiple applications or sub-channels.

Operational review

SkinBiotix®

This is the Company's core technology and in November 2019 an agreement was signed with Croda Plc, a FTSE 100 company. Croda is a world leader in the field of active skincare ingredients for the cosmetic industry and sells ingredients for skin and hair care products to major cosmetic brands across the world.

Under the terms of the agreement, SkinBioTherapeutics' proprietary SkinBiotix® platform will be paired with Croda's expertise in the development and commercialisation of unique and sustainable, cosmetic ingredients, focusing specifically on the growing skincare actives market. Sederma, part of Croda, is a specialist manufacturer of bioactive ingredients for the cosmetic industry, and will be responsible for the development, manufacturing and commercialisation of the SkinBiotix® technology.

Strategic and Financial Review (continued)

Croda will be creating a separate manufacturing line for the technology and as design and manufacture of the active ingredient is carried out, there will be concurrent testing in focused ingredient application areas which will be detailed in further, additional agreements.

Any licensed products resulting from these agreements will be sold to Croda's global portfolio of Personal Care customers, which amount to >12,000 companies and/or brands, some of which are leaders in their respective markets. SkinBioTherapeutics will be paid tiered royalties based on global sales revenues on any licensed products subsequently derived from the successful development of the partnership.

In July 2020 Sederma updated the Company on the progress of key milestones in the collaboration:

- Successful replication of the lysate manufacturing process and achievement of the same performance from the SkinBiotix® technology as had been achieved by the Company – an essential first step in the process of formulation;
- Commencement of activities to validate scale up of the manufacturing process at different volume levels – another essential step in order to achieve commercial quantities.

The project is progressing in line with the original plan and has not been adversely impacted by COVID-19. On the basis of continued progress, the Company anticipates licensed royalty revenue generation to commence in 2022.

Sales and distribution rights are for the cosmetic sector alone, leaving SkinBioTherapeutics to focus on further applications of its technology in other sectors. A key component of the Croda agreement is to provide access to a reliable supply of material to SkinBioTherapeutics. Croda will supply SkinBiotix® for the Company to be able to use in other sectors outside of those covered by this agreement.

AxisBiotix™

Research focused on the gut-skin axis has found that one disease that may be directly influenced is psoriasis. This is a chronic relapsing inflammatory condition of the skin with a prevalence of c.2-3% in the western world. The worldwide market for psoriasis treatments was valued at approximately $30bn in 2018 and is expected to grow to $47bn in 2022 with a CAGR of 11.5%.

Current treatments include moisturising treatments or emollients to soothe and hydrate the skin for relatively mild disease, through to the biologic therapies in severe cases. For the group with mild-to-moderate psoriasis, the mainstay therapies tend to be steroid-based, which cannot be used long term and have side effects. In the management's opinion, there is a clear unmet clinical need for new, safer ways of treating patients with mild to moderate psoriasis. In addition, anecdotal evidence from patients suggests that as a result of preferring more 'natural' treatments, many have turned to oral probiotics as an 'alternative' therapy and have reported success in control of their disease. To date, scientific evidence is scarce; the effects of probiotics on psoriasis have been investigated in only two studies which did not make the choice of probiotic organisms based on known disease pathways.

In February 2020, the Company signed a development agreement with Winclove, a specialist in the research, development and manufacture of probiotic food formulations and supplements. The agreement is targeting the development of a probiotic blend of 'good' bacterial strains based on the modifying properties of specific bacterial species on known psoriasis disease pathways. In July 2020 Winclove reported that it had been able to successfully combine and formulate the blend as a probiotic food supplement, to be known as AxisBiotix™Ps. This is a major step forward for the development process.

Unable to pursue its originally proposed human study because of COVID-19, the management adapted quickly to the situation and established a protocol for, and is proceeding with, a 'self-managed' food supplement study. Participants suffering from mild to moderate psoriasis will be invited to participate in a human study in which they will be provided with samples of AxisBiotix™Ps to self-administer over an eight-week period. They will be asked to track the impact of the food supplement on their skin condition themselves. Participants will submit their findings on a periodic basis through a bespoke mobile device app, thus avoiding the need for clinical attendance. This will accelerate the timing of readout compared to the previously envisaged conventional study. As a result, if the findings are positive, this will allow for a significantly earlier commercial launch than originally planned. The Company anticipates the trial commencing in Q1 2021.

MediBiotix™

The MediBiotix channel will focus on medical device applications incorporating the SkinBiotix® technology. The initial target is eczema and, following review of the submitted data pack by the MHRA (Medicines and Healthcare products Regulatory Agency), the Company is progressing further research work in the lab to support the required characteristics of a medical device application. This work was halted by the temporary closure of the lab facilities at the University of Manchester however recommenced in September.

Management also believes there is utility for the technology in the treatment of various classes of skin wounds and is in discussion with a number of global advanced woundcare companies in this regard. The Company is targeting a commercial agreement to develop and test the SkinBiotix® technology in these indications.

CleanBiotix™

The area of healthcare acquired infections (HAI) remains an area of critical concern for healthcare providers and the ongoing pandemic has brought contact infection into sharp focus. The growing resistance of certain infection strains and the lack of new antibiotics is driving the need to discover and develop new methods of controlling bacterial growth and infection.

Staphylococcus aureus (SA) is the most common skin pathogen and one of the major causes of HAI. The Company's SkinBiotix® technology has been shown to have capabilities in preventing SA from adhering to and growing on the skin and thus offers a potential route of protection from SA-induced healthcare acquired infections.

The Company is investigating whether SkinBiotix® offers utility to protect other non-human surfaces and interfaces from SA induced healthcare acquired infections and is in early stage commercial discussions with a number of interested parties.

PharmaBiotix™

As an extension to medical device and Axis applications, the Company has the potential to pursue medicinal prescription registration routes for current and future technologies. This is a time-consuming and expensive pathway with significantly higher barriers to entry, but subject to positive clinical outcomes, has the potential for significantly higher financial returns.

Whilst SkinBioTherapeutics is not currently targeting this channel, it is a future potential pathway for both the eczema and psoriasis opportunities and a natural progression from both MediBiotix™ and AxisBiotix™.

Financial review

Operating expenditure increased during the course of FY2020, in line with management forecasts. Research and development expenditure was £635k (2019: £708k) comprised predominantly of development work with the University of Manchester and internal employment costs. Expenditure was lower than anticipated in the final quarter of the year with the temporary closure of the laboratory facilities at the University of Manchester.

Ongoing operating costs were £985k (2019: £652k) covering employment, consultancy, PLC support costs and marketing. Overall, the Company made a loss before tax of £1,620k (2019: £1,360k).

The Company held £2.2m of cash at year-end (2019: £3.1m), a position that benefited from the suspended activity at the University of Manchester and receipt of £211k in June 2020 from the Company's R&D tax credit reclaim. In November 2020, the Company completed a placing and open offering, raising £4.45m in gross proceeds.

Key performance indicators

The Board recognises the importance of KPIs and their appropriateness to the stage of development of the business. The Company is focused on the development of its technology programmes all of which are cash consuming. The KPIs are therefore chosen to monitor the progress of the individual programmes, the external market environment and the cash requirements of the Company.

Financial

The cash position of the Company is monitored on a continual basis with reference to both the ongoing operational costs of the business and more particularly the cash requirements to support its scientific development programmes. The Company maintains a low operating cost base such that the majority of its funding is deployed on its development programmes.

Strategic and Financial Review (continued)

Non-financial

The Company actively monitors the progress of its development programmes. Timelines exist for each programme with key milestones detailed and these are regularly reviewed and updated accordingly.

In addition, the Company monitors the life science market for; competitive products and technologies, licensing deals within the cosmetic industry, scientific research related to the microbiome and regulatory and policy matters in the major markets.

Principal risks and uncertainties

Ultimate responsibility for the process by which risk in the business is managed rests with the Board. The principal risks and uncertainties facing the Company, as well as mitigating actions, are set out below. While the list is not exhaustive, it is derived from the Company's detailed risk register. These risks are reviewed by the Audit Committee at least biannually, which reports its findings to the Board.

The Company's internal risk identification and management process is as follows:

- The Executive Team prepares and reviews on a periodic basis, by function, the risk register for the Company. The risk register details specific risks to the Company, the quantification of those risks in terms of probability and impact, and mitigating actions required to manage these risks.
- The risk register assigns responsibility for each risk and mitigation plan to one or more members of the Executive Team.
- The risk register is circulated to the Board in advance of each board meeting and specific risk items may be discussed at board meetings or otherwise as appropriate.
- The risk register is reported to the Audit Committee at least biannually.

COVID-19

To date the Company has been able to progress its core development programmes with its partners with no material impact caused by COVID-19. Both Croda and Winclove have been able to continue operating throughout the pandemic. Development work at the University of Manchester was temporarily suspended because of the closure of the lab facilities, with work recommencing in September 2020. Further restrictions imposed in response to COVID-19 could impact the commencement of the human study for AxisBiotix™ and the ongoing cosmetic development work with Croda and consequently could delay the Company's timeline for commercialisation. In addition, further temporary closure of the lab facilities at the University of Manchester would delay the existing research programmes.

Brexit

Following the United Kingdom's exit from the EU on 31 January 2020 ("Brexit") and entrance into the transition period, the likelihood of a no deal Brexit has increased, which could have significant negative impact on the Company. The extent of the impact will depend in part on the nature of the arrangements if any that are put in place between the UK and the EU at the end of the transition period and, the extent to which the UK continues to apply laws that are based on EU legislation from 1 January 2021. In addition, the macroeconomic effect of Brexit on the Company's business is unknown. As such, it is not possible to state the impact that Brexit would have on the Company. It could also potentially make it more difficult for the Company to operate its business in the EU as a result of any increase in tariffs and/or more burdensome regulations being imposed on UK companies (such as changes in applicable legislation affecting the regulatory pathway of the Company's products, both in Europe and in the UK). This could restrict the Company's future prospects and adversely impact its financial condition.

Notwithstanding the above, two of the Company's key development partners are based in Europe; Sederma, the speciality cosmetic division of Croda, and Winclove. Winclove will provide the food supplement for the human study and the supply of this may be impacted by the arrangements in place from 1 January 2021 if not received before this date. The Company may incur delays and additional costs depending on the outcome of the Brexit negotiations and the transition of regulatory approvals.

Stage of operations

SkinBioTherapeutics is at an early stage of development, yet to generate revenues and has a limited history to date. The ability of the business to generate revenue depends on the successful completion of the technical and commercial development of its SkinBiotix® platform and the progression of its AxisBiotix™ technology through a human study. The business will incur losses for the immediate future and has not yet demonstrated an ability to obtain regulatory approval or commercialise its technologies successfully.

Clinical development risk

The commercialisation of the Company's intellectual property and the potential applications of its technologies requires ongoing preclinical development, formulation, process development and human consumer/clinical studies that exemplify platform claims. There is a risk that one or more of the business's technologies does not perform as expected and fails to perform in the applications identified by the Company.

Furthermore, clinical development and human studies can result in unexpected costs. Agreeing study designs, study endpoints and study recruitment timelines without unforeseen delays with regulatory agencies is key. Regulatory body guidelines leading to market authorisation may be subject to alteration and are divergent in different jurisdictions.

Product development timelines

Development programme delays, inconclusive results, identification of safety issues, manufacture and formulation failures or regulatory challenges may require additional follow-up studies that are not currently envisaged with a consequential impact on development timelines and cash resources.

Dependence of key personnel

The Company's operates with a small team and success is highly dependent on the expertise and experience of its board, management and employees. Retention and incentivisation of these individuals is critical to the Company.

Formulation

Whilst the Company has developed formulations for its initial indications, further work is required to ensure the formulations remain effective for an extended period. There are risks associated with the means and timeline in establishing the long-term stability of formulations. In addition, the Company will need to develop formulations appropriate for its other indications. It may require a number of iterations before suitable formulations are able to be produced.

Human studies

SkinBioTherapeutics has invested effort and resources in the development of its technologies. Success in human studies in part hinges on this continuing development activity. It is however possible that the results of these studies may not be predictive of those obtained in more advanced, later-stage, expensive, time consuming and difficult to design human studies.

Intellectual property and proprietary technology

SkinBioTherapeutics is focused on maintaining and expanding its intellectual property portfolio. The portfolio includes patent applications, trademarks and know-how.

Success of the Company will depend in part on its ability to obtain and maintain effective patent rights. These rights need to be sufficiently broad to protect SkinBioTherapeutics' technology in its chosen markets. The application process is expensive and time-consuming and SkinBioTherapeutics may not be able to file all its patent applications in all jurisdictions.

Some of the Company's patent applications remain pending and have not been given notice of allowance. National patent offices may raise objections in relation to the on-going patent applications. These may result in revised applications or prevent patent applications from being granted.

Strategic and Financial Review (continued)

Competitive risk

The Directors believe the skin microbiome to be an innovative area of development and scientific focus. As such this area is subject to significant and rapid technological and consumer change. It is an area of interest to academic institutions, government agencies and private and public companies. Competition from existing companies and new entrants has emerged and maintaining an IP and technology advantage over the competition will require a sustained development focus.

The need for safe and supportive skin health and well-being products is acknowledged by consumers and healthcare providers around the globe. Large multinationals have divisions dedicated to the sector and many have established brands or approved products on the market. These brand owners have greater financial and human resources which can be deployed to build and maintain a brand position. Many also have dedicated R&D units and could therefore choose to develop technologies that compete with the Company's SkinBiotix® technology platform.

Regulatory environment

The Company operates in a regulated environment that varies dependent upon the jurisdiction. These regulations are subject to change at short notice and differ according to any proposed product claims, intended use or marketing route. While the Company will take every effort to ensure that it and its partners comply with all applicable regulations, there can be no guarantee of this. Failure to comply with applicable regulations could result in the Company being unable to successfully commercialise its technology or any products that incorporates it and/or result in legal action being taken against the Company which could have a material adverse effect.

S172 Statement

The Directors acknowledge their duty under s.172 of the Companies Act 2006 and consider that they have, both individually and together, acted in the way that, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, they have had regard (amongst other matters) to:

- **The likely consequences of any decision in the long term**

The Company's strategic objectives and the progress made against these during the year, together with the principal risks, are detailed in the Strategic and Financial review on pages 3-9.

- **The interests of the Company's employees**

SkinBioTherapeutics is a very small company in terms of its number of employees and recognises these employees are key to its business success. Members of the Board maintain frequent contact with employees and the executive team engage with employees with regards current performance and future plans and ambitions for the Company.

- **The need to foster the Company's business relationships with suppliers, customers and others**

A consideration of our relationship with wider stakeholders and their impact on our long-term strategic objectives is disclosed in Principle 3 of the Corporate Governance Report on page 15.

- **The impact of the Company's operations on the community and the environment**

The Company is committed to operating with a high level of corporate social responsibility and environmental sustainability. Principle 8 of the Corporate Governance Report provides further disclosure on how we promote a corporate culture that is based on ethical values and behaviour.

- **The desirability of the Company maintaining a reputation for high standards of business conduct**

Our intention is to behave in a responsible manner, operating with a high standard of business conduct and corporate governance, as detailed in the Corporate Governance Report.

- **The need to act fairly as between members of the Company**

The Board is fully committed to open and transparent dialogues with all shareholders. A supportive base of investors interested in a long-term holding in the Company provides the stability to allow us to execute our strategy and deliver long term value for all shareholders. We strive to engage with our investor base with meetings and updates to institutional and retail investors through a variety of channels.

Outlook

The Company has made significant progress through the course of the year with commercial deals signed in two of its five core areas and key scientific milestones achieved with its partners in both these areas. This is especially pleasing, given the difficult operational environment arising due to the COVID-19 pandemic. The Company's financial position was further strengthened with the successful placing and open offer. The funding enables the Company to expand its technology pipeline with further work in areas such as hair and oral care and UV protection and support the transition from a virtual operation to one with an in-house scientific capability.

Looking forward to the new financial year, as Croda continues to progress the pathway of the SkinBiotix® technology as a cosmetic ingredient, a key focus for the Company will be the AxisBiotix™ programme targeting psoriasis. Here the Company is seeking to initiate and complete a 'self-managed' human study in Q1 2021 and, subject to a positive readout, commence commercialisation. This is an accelerated timeframe to that originally anticipated but equally presents an opportunity for a more rapid route to revenue generation.

Stuart J. Ashman
Chief Executive Officer

03 December 2020

Directors' Report

The Directors present their report and the audited financial statements of the Company for the year ended 30 June 2020.

Principal activity

The principal activity of the Company is that of research and development focused on harnessing the microbiome for human health.

Directors

The directors who served the Company during the year were:

Stuart J. Ashman	
Prof Catherine O'Neill	(Resigned 4 July 2019)
Doug Quinn	
Martin Hunt	
Dr Cathy Prescott	
Stephen O'Hara	(Resigned 4 July 2019)

The Directors of the Company held the following beneficial interests in the share and share options of SkinBioTherapeutics plc at the date of this report:

	Issued share capital		Share options	
	Ordinary shares of £0.01 each	Percentage held	Ordinary shares of £0.01 each	Options exercise price
Martin Hunt	466,667	0.3%	3,892,082	£0.09
Stuart J. Ashman	125,000	0.1%	5,189,444	£0.09 & £0.18
Doug Quinn	444,444	0.3%	2,594,721	£0.09
Dr Cathy Prescott	118,612	0.1%		

Martin Hunt's shareholding is held through Invictus Management Limited, a company controlled by Mr Hunt. Of the 466,667 shares held by Invictus Management Limited 11,112 are held in trust for Louise Hunt and 11,111 are held in trust for Oliver Hunt.

Substantial shareholdings

As at 30 November 2020, the following interests in 3% or more of the issued share capital appear in the register:

	Percentage of issued share capital
OptiBiotix Health Plc	24.5%
Seneca Partners Limited	15.9%
University of Manchester	5.1%
Prof Catherine O'Neill	3.4%

Directors remuneration

The Directors received the following remuneration during the year:

Executive	Salaries	Fees	Share based payments	Pension contributions	Total remuneration
Stuart Ashman	£234,177	–	£39,564	£2,553	£276,294
Doug Quinn	£12,716	£101,652	£16,414	£204	£130,986
Non-executive					
Martin Hunt	£9,575	£38,342	£24,620	–	£72,537
Dr Cathy Prescott	£5,250	£22,400	–	–	£27,650
	£261,718	**£162,394**	**£80,598**	**£2,757**	**£507,467**

Financial instruments

The Company's exposure to financial risk is set out in note 2n of the financial statements.

Research and development

The Strategic and Financial Review on pages 3-9 gives information of the Company's research and development activities.

Events after the reporting date

Refer to note 18 to the financial statements for further details.

Going concern

The financial statements have been prepared on the assumption that the Company is a going concern. When assessing the foreseeable future, the Directors have considered the budget for the next 12 months from the date of this report and the cash at bank available as at the date of approval of this report and are satisfied that the Company should be able to meet its financial obligations.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Statement of directors' responsibilities

The Directors are responsible for preparing the Strategic Report and Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable IFRSs have been followed subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

Directors' Report (continued)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Jeffreys Henry LLP has expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

This report was approved by the Board of Directors on 3 December 2020 and signed on its behalf by:

Stuart J. Ashman
Chief Executive Officer

Corporate Governance Report

As Chairman of SkinBioTherapeutics I have overall responsibility for corporate governance and in promoting high standards throughout the Company. As well as leading and chairing the Board my responsibilities are to ensure;

- Committees are properly structured and operate with appropriate terms of reference
- The performance of individual directors, the Board and its committees are reviewed on a regular basis
- The Company has a coherent strategy and sets objectives against this
- There is effective communication between the Company and its shareholders

All the directors of SkinBioTherapeutics believe strongly in the importance of good corporate governance for the creation of shareholder value over the medium to long-term and to engender trust and support amongst the Company's wider stakeholders. The Board adopted the QCA code in September 2018 and considers that it does not depart from any of the principles of the QCA code.

The QCA code is constructed around ten broad principles and a set of disclosures. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. The Directors have considered how they apply each principle to the extent the Board judges these to be appropriate in the circumstances and below we provide an explanation of the approach taken in relation to each. There were no key governance related matters that occurred during the year.

Martin Hunt, Chairman.

Principle	*Application*
Establish a strategy and business model which promotes long-term value for shareholders	SkinBioTherapeutics seeks to harness the microbiome for human health and has a particular focus on skin. The Company's proprietary technologies are targeted at a number of health indications and the Company is progressing applications of both its SkinBiotix® and AxisBiotix™ technologies as a route to initial value creation. The Company's programme of research and development is intended to build long-term shareholder value through a reliance on proven, rigorous science and the Company utilises its public listing as a means to source capital to support its R&D programme. The Company has an ongoing research agreement with the University of Manchester to identify and develop technologies. In doing so the Company intends to avoid a reliance on a single technology and ensure that it has an ongoing pipeline of technologies, all related to the human microbiome, at different stages of development. The Company will seek to license technologies to large corporates once human proof of principle has been established and intends to generate licence revenue through this route. Where it considers it appropriate, the Company will also look to develop and market products. The Company is looking to transition from a virtual organisation to one with a physical presence and the ability to engage in its own technology development activities.

Corporate Governance Report (continued)

Principle

Seek to understand and meet shareholder needs and expectations

Application

The Board is committed to communicating openly with shareholders to ensure that its strategy and performance are clearly understood. Between the Chairman and the executive directors an open and regular dialogue is maintained with the Company's major shareholders which comprise;

Shareholder	Holding 30 November 2020
OptiBiotix Health Plc	24.5%
Seneca Partners Limited	15.9%
University of Manchester	5.1%
Prof Catherine O'Neill	3.4%

During the course of the year OptiBiotix sold 7.8m shares and Seneca Partners Limited sold 8.6m shares. In November 2020 Seneca acquired a further 3.1m shares through the placing and open offer. The Company maintains an active and positive dialogue with both these shareholders.

More generally the Board communicates with shareholders through the Annual Report and the Interim Statement, trading and other announcements made on RNS and at the Annual General Meeting where the Board encourages investors to participate. The Company also maintains a website, www.skinbiotherapeutics.com, which contains information on the Company's business and corporate information. Following the announcement of the Company's half year and full year results the Chief Executive & CFO, make presentations to institutional shareholders, private client brokers and investment analysts. Existing and prospective shareholders are able to separately contact the Chairman and Chief Executive via email as detailed on the Company's website. Periodic meetings are held with existing and prospective institutional and other investors and the Company presents at private investor investment events during the course of the year. The Company's broker also produces periodic research notes on the Company.

Principle	*Application*
Take into account wider stakeholder and social responsibilities and their implications for long-term success	As a small company engaged in the early stages of technology development the Company has a limited but important number of stakeholders. Robust science is at the core of the Company's strategy and the Company has a number of key stakeholders, including its employees, involved in the different stages from research, through manufacture, formulation and testing. The Company assesses each of the companies it works with to ensure the requisite standards and values are in place. Ultimately the Company's technology will be used by consumers and ensuring the appropriate development, manufacture and marketing of products will be key to the long-term success of the Company. Throughout the various stages from initial technology identification to eventual product sales the Company is engaged in a continual process of feedback and improvement with its stakeholders, including eventual end users. In addition, the eventual licensees of aspects of its technology will be important stakeholders in the interface with consumers and the longer-term success of the Company.
Embed effective risk management, considering both opportunities and threats, throughout the organisation	Ultimate responsibility for the process by which risk in the business is managed rests with the Board. The Company's internal risk identification and management process is as follows: • The Executive Team prepares and reviews on a periodic basis the risk register for the Company. The risk register details specific risks to the Company, the quantification of those risks in terms of probability and impact, mitigating actions required to manage these risks and the control mechanisms that are in place to monitor the risks. • The risk register assigns responsibility for each risk and the mitigation plan to one or more members of the Executive Team. • The risk register is circulated to the Board in advance of each board meeting and specific risk items may be discussed at board meetings or otherwise as appropriate. • The risk register is reported to the Audit Committee at least biannually.

Corporate Governance Report (continued)

Principle

Maintain the Board as a well-functioning, balanced team led by the chair

Application

The Board's primary role is to enhance shareholders' long-term interests by:

- determining the Company's overall strategy and direction
- establishing and maintaining controls, audit processes and risk management policies to ensure they counter identified risks and that the Company operates efficiently
- ensuring effective corporate governance
- approving budgets and reviewing performance relative to those budgets
- approving financial statements
- approving material agreements and non-recurring projects, and
- approving senior and Board appointments

Martin Hunt and Dr Cathy Prescott, both non-executive directors, are considered to be independent of the management and are free to exercise independence of judgement.

The Non-Executive Directors are required to commit sufficient time as is necessary, approximately two days per month, to fulfil their obligations. Routine commitments include preparation for and attendance at board and committee meetings. In addition, the Non-Executive Directors engage in ad-hoc dialogues with members of the Executive Team, shareholders and other stakeholders as required.

All directors are subject to reappointment by shareholders at the first Annual General Meeting following their appointment and at each AGM thereafter.

The table on page 22 details the attendance record of each director at board and committee meetings during the course of the year.

Principle

Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

Application

As at 1 November 2020 the Board comprised an independent non-executive chairman, the chief executive officer, the chief financial officer and an independent non-executive director. One director is female and three are male.

Martin Hunt, Independent Non-Executive Chairman

Appointed as a director & Chairman in October 2016; Chair of the remuneration Committee and member of the Audit and Insider Committees.

Martin has had a long executive career in the medtech and life science sectors including sales and general management roles with large corporations in Europe and the US. He was previously CEO of biomaterials company Tissue Science Laboratories plc taking it from start-up through an AIM listing and eventual sale to Covidien. More recently he has held a number of non-executive roles with both private and public companies. Martin is well versed in the early and growth stages of companies in the life science sector as well as bringing experience of corporate governance and shareholder communications.

Martin is the Programme Director of the NIHR translational funding programme Invention for Innovation (i4i) and a member of the NIHR strategy board. Martin is currently Non-Executive Chairman of Videregen Limited.

Time commitment of at least two days per month.

Stuart Ashman, CEO

Appointed as a director in April 2019 and CEO in July 2019.

Stuart is an experienced commercial chief executive with considerable experience in the medtech and life science sectors.

Prior to joining the Company, Stuart served as CEO of Onbone Oy ("Onbone"), a Finnish private equity-backed medical device company. In this role, he successfully established a global sales force and distribution network and led the growth of a multi-million pound business.

Prior to Onbone, Stuart was President/CEO of Andover Healthcare Inc., a US-based wound management manufacturer, and before then, was President/CEO of TI Group, a UK-based medical/engineering company. Stuart also served as Senior VP, Global Sales & Strategic Marketing, BSN Medical (Biersdorf, Smith and Nephew) and was Director of Sales & Marketing at Smith & Nephew Plc, in its Woundcare, Casting & Bandaging division. In these roles, Stuart gained extensive experience of both direct sales management across multiple geographies, and of business to business selling. He has also been involved in M&A transactions and has achieved considerable commercial success in both small and large companies.

Stuart is a full-time employee of the Company.

Corporate Governance Report (continued)

Principle	*Application*

Doug Quinn, CFO

Appointed as a director and CFO in December 2016 and Company Secretary in January 2017; Member of the Audit Committee and Chair of the Insider Committee.

Doug has been involved in early stage companies through a combination of investor, executive and non-executive director and CFO roles for over 18 years. He was CFO of Arthro Kinetics Limited, an early stage tissue engineering company and part of the team that floated the Company on AIM in 2006. A chartered management accountant, with a number of years of experience in the life science sector, he brings financial expertise gained through executive roles and corporate finance transactions.

Doug is a director and part-time CFO with the life science company Videregen Limited.

Time commitment of approximately 3 days per week.

Dr Catherine Prescott, Independent Non-Executive Director

Appointed as a director in March 2017; Chair of the Audit Committee and member of the Remuneration Committee.

Cathy has over two decades of experience in research and management in the biotech, pharmaceutical and venture capital sectors. Cathy is a visiting professor at Kings College London, teaching on the MSc programme 'Cellular Therapies from bench to market'. Cathy brings a broad range of scientific and strategic sector expertise and experience.

Cathy is a non-executive director of Videregen Limited.

Time commitment of two days per month.

The Board has not, at this stage in its development, established a Nominations Committee. The Board as a whole continues to review its structure in order to provide what it considers to be an appropriate balance of executive and non-executive experience and skills.

The Board believes that its blend of relevant experience, skills, personal qualities and capabilities is sufficient to enable it to successfully execute its strategy. The Board is additionally cognisant that with the recent changes to the Board and as the Company seeks to commercialise its technology, this may require additions to the Executive Team and wider board.

Directors attend seminars and other trade events to ensure that their knowledge remains current.

Principle	*Application*
	On the formation of the Board, the Directors considered the composition of the Audit Committee. Doug Quinn is an executive director and CFO but a member of the Committee due to his experience in this area. Both independent directors have direct access to the auditors with the exclusion of Doug and vice versa and he is excused from any discussions where there is a potential conflict of interest. From time to time the Board may require third party advice on various matters pertaining to its business, for example in relation to the competitive landscape. Appropriate relationships to source such advice have been established. The Directors also receive regular briefings from the Company's NOMAD in respect of continuing compliance with the AIM Rules.
Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	The Board designed and implemented an internal board evaluation exercise during 2020. The exercise was led by the Chairman and topics covered included the balance of skills, experience and independence, understanding of the business and its strategy together with engagement with shareholders. Each director completed a questionnaire, and this formed the basis for a subsequent discussion by the Board as a whole. Having completed its first evaluation exercise, it is the Board's intention to repeat this process annually, acting on its findings as appropriate. The Board's approach to succession planning is based upon identifying the medium to long term objectives of the Company and matching these against the competence of directors and senior managers. The Board will seek to identify potential gaps and recruit to fill these allowing a sufficient lead time.
Promote a corporate culture that is based on ethical values and behaviours	The Board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximise shareholder value. The Board considers this particularly relevant to the Company in light of the partners with which it works, for example the University of Manchester, Croda Plc and Winclove Probiotics B.V., and recognising the intended end use of its technology in products to be marketed to and purchased by consumers. The Executive team engenders open and positive interactions with a key focus on; scientific rigour, innovation, creative solutions and collective responsibility. As the Company expands its human capability it will look to formalise its culture through an agreed set of values and standards. The Company's policies set out its zero-tolerance approach towards any form of modern slavery, discrimination or unethical behaviour relating to bribery, corruption or business conduct.

Corporate Governance Report (continued)

Principle

Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Application

Alongside setting the vision and strategy for the Company the Board is responsible to ensure that the business is managed for the long-term benefit of all shareholders whilst having regard for internal and external stakeholders, including employees, customers and suppliers.

The Board defines a series of matters reserved for its decision and has approved terms of reference for its Audit, Remuneration and Insiders Committees to which certain responsibilities are delegated. The chair of each committee reports to the Board on the activities of that committee.

The Audit Committee is responsible for:

- reviewing the annual financial statements and interim reports prior to approval
- reviewing and considering reports on internal financial controls, including reports from the auditors
- considering the appointment of and reviewing the relationship with the auditors, including reviewing and monitoring of independence and objectivity
- reviewing the consistency of accounting policies
- considering any proposed related party transaction

The Audit Committee can call for information from the Executive Team and consults with the external auditors directly when appropriate or when they are required to do so.

The Remuneration Committee reviews and determines on behalf of the Board the pay, benefits and other terms of service of the Executive Directors of the Company. In addition, the Committee oversees the creation and implementation of all employee share plans.

The Insider Committee is responsible for:

- monitoring and ensuring compliance with the Company's MAR dealing policy
- reviewing the classification of employees, directors and key consultants as regards clearance requirements
- reviewing and approving or rejecting as appropriate all requests for dealings in shares in the Company

Matters reserved for the Board are;

- determining the Company's overall strategy and direction
- establishing and maintaining controls, audit processes and risk management policies to ensure they counter identified risks and that the Company operates efficiently
- ensuring effective corporate governance
- approving budgets and reviewing performance relative to those budgets
- approving financial statements
- approving material agreements and non-recurring projects, and
- approving senior and board appointments

Principle	*Application*

The Chairman has overall responsibility for corporate governance and in promoting high standards throughout the Company. As well as leading and chairing the Board, the Chairman's responsibilities are to ensure;

- committees are properly structured and operate with appropriate terms of reference
- the performance of individual directors, the Board and its committees are reviewed on a regular basis
- the Company has a coherent strategy and sets objectives against this
- there is effective communication between the Company and its shareholders

The CEO provides coherent leadership and management of the Company, leads the development of objectives, strategies and performance standards as agreed by the Board, ensures that the assets of the Company are maintained and safeguarded, leads on investor relations activities to ensure communications and the Company's standing with shareholders and financial institutions is maintained.

The Non-Executive Directors contribute independent thinking and judgement through the application of their external experience and knowledge, scrutinise the performance of management, provide constructive challenge to the executive directors and ensure that the Company is operating within the governance and risk framework approved by the Board.

The Company Secretary is responsible for providing clear and timely information flow to the Board and its committees and supports the Board on matters of corporate governance and risk. This role is currently filled by the Company's CFO. The Board acknowledges the QCA guidelines on this matter and consider the joint roles appropriate for the Company's size. The Company Secretary has direct access to the Chairman on matters of corporate governance.

Principle

Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

Application

In addition to the investor relations activities described above the following committee reports are provided;

The Audit Committee, which comprises Dr Cathy Prescott (Chair), Martin Hunt and Doug Quinn, met three times during the course of the year. The Committee met with the external auditors prior to the approval of the annual accounts. Consideration was given to the auditors' pre and post audit reports and these provided opportunities to review the accounting policies, internal controls and the financial information contained within both the annual and interim reports. The Committee engaged the external auditors for a review of the interim statement prior to its release.

The Remuneration Committee, which comprises Martin Hunt (Chair) and Dr Cathy Prescott met five times during the course of the year.

Remuneration packages for the executive directors comprise a basic salary and performance related bonus. There is a defined pension contribution scheme in place for all directors and employees. In addition, executive directors and senior employees participate in a share option long term incentive plan.

The Committee reviewed the structure of remuneration packages for the executive directors and agreed they remained appropriate.

In setting remuneration, the committee took into consideration the compensation packages of comparable AIM listed companies. Share options were granted to Stuart Ashman and Professor Cath O'Neill in the year.

The Insiders Committee, comprised of Doug Quinn (Chair) and Martin Hunt, met twice during the course of the year to review the Company's insider lists and review and approve requests for dealing in shares in the Company.

For information regarding the voting of shareholders at general meetings of the Company please see the Shareholder Information section of the website.

	PLC board meetings		Committee meetings					
			Audit		Remuneration		Insider	
Director	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Stuart Ashman	11	11	–	–	–	–	–	–
Martin Hunt	11	11	3	3	5	5	2	2
Dr Cathy Prescott	11	11	3	3	5	5	–	–
Doug Quinn	11	11	3	3	–	–	2	2

Independent Auditors' Report to the Members of SkinBioTherapeutics Plc

Opinion

We have audited the financial statements of SkinBioTherapeutics Plc for the year ended 30 June 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 30 June 2020 and of the Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Independent Auditors' Report to the Members of SkinBioTherapeutics Plc (continued)

Key audit matter	How our audit addressed the key audit matter
Intangible assets The Company had capitalised intellectual property costs amounting to £346,870 at 01 July 2019. During the year, the Company capitalised a further £73,668 (2019: £59,198) relating to intellectual property costs. These capitalised costs are not yet being amortised as the products are in development stage. The Directors have assessed whether the costs meet the criteria for capitalisation and whether there are any indicators of impairment. The risk is that the costs may not qualify for capitalisation or technological advancements may render the market value of the capitalised costs below its carrying value. Profit after tax, which is considered by management to be a key metric, is directly impacted by the amount of costs capitalised.	We have performed the following audit procedures: • considered whether the nature of the costs met the necessary criteria under IAS 38 for the costs to be allowed for capitalisation; • vouched a sample of the costs capitalised to invoices, to confirm that they relate to intellectual property and have been accurately recorded; • considered whether the Directors' policy for the treatment of such costs was reasonable and assessed whether the costs included in the reconciliation were in line with the Directors' policy; • confirmed the directors' assessment that no amortisation is necessary is accurate; • reviewed cash flow forecasts for the foreseeable future to assess the potential future economic benefit from ownership of the intangible assets. Based on the audit work performed we are satisfied, that although there are inherent uncertainties associated with the forecast and estimation of useful economic life of intangible assets, the directors have made reasonable assumptions about the valuation and useful economic life of intangible assets, based on past experience and expected future revenues. We are also satisfied that all necessary disclosures have been made in the financial statements.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Financial statements
Overall materiality	£75,000 (2019: £57,000).
How we determined it	Based on 5% of loss after tax
Rationale for benchmark applied	We believe that loss after tax is the primary measure used by the shareholders in assessing the performance of the Company. Results after tax are generally accepted auditing benchmarks.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £3,750 (2019: £2,850) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the accounting processes and controls, and the industry in which they operate.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 10, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report to the Members of SkinBioTherapeutics Plc (continued)

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of this report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sanjay Parmar (Senior Statutory Auditor)
For and on behalf of
Jeffreys Henry LLP, Statutory Auditor
Finsgate
5-7 Cranwood Street
London EC1V 9EE
03 December 2020

Statement of Comprehensive Income

For the Year Ended 30 June 2020

	Notes	2020 £	2019 £
Continuing operations			
Research and development		(635,226)	(708,081)
Operating expenses		(984,816)	(652,400)
Loss from operations	3	(1,620,042)	(1,360,481)
Finance costs		-	-
Loss before taxation		(1,620,042)	(1,360,481)
Taxation	5	119,956	212,388
Loss for the year		(1,500,086)	(1,148,093)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,500,086)	(1,148,093)
Basic and diluted loss per share (pence)	15	(1.17)	(0.94)

The notes on pages 31 to 45 form part of these financial statements.

Statement of Financial Position

As at 30 June 2020

	Notes	2020 £	2019 £
ASSETS			
Non-current assets			
Property, plant and equipment	6	**1,700**	6,800
Intangible assets	7	**420,538**	346,870
Investments	8	**5**	–
Total non-current assets		**422,243**	353,670
Current assets			
Other receivables	9	**70,622**	242,580
Corporation tax receivable	5, 9	**118,763**	210,351
Cash and cash equivalents		**2,159,054**	3,124,864
Total current assets		**2,348,439**	3,577,795
Total assets		**2,770,682**	3,931,465
EQUITY AND LIABILITIES			
Equity			
Capital and reserves			
Called up share capital	12	**1,280,835**	1,280,835
Share premium	12	**4,923,890**	4,923,890
Other reserves	14	**403,483**	247,672
Accumulated deficit	14	**(4,142,352)**	(2,642,266)
Total equity		**2,465,856**	3,810,131
Liabilities			
Current liabilities			
Trade and other payables	10	**304,826**	121,334
Total current liabilities		**304,826**	121,334
Total liabilities		**304,826**	121,334
Total equity and liabilities		**2,770,682**	3,931,465

These financial statements were approved and authorised for issue by the Board of Directors on 3 December 2020 and were signed on its behalf by:

Doug Quinn
Director

Company Registration No. 09632164

The notes on pages 31 to 45 form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2020

	2020 £	2019 £
Cash flows from operating activities		
Loss before tax for the period	(1,620,042)	(1,360,481)
Depreciation of property, plant and equipment	5,100	3,400
Share option expenses	155,811	77,254
	(1,459,131)	(1,279,827)
Changes in working capital		
(Increase)/decrease in trade and other receivables	171,958	(146,159)
Increase/(decrease) in trade and other payables	183,492	(90,959)
Cash generated by/(used in) operations	355,450	(237,118)
Taxation received	211,544	88,309
Net cash used in operating activities	(892,137)	(1,428,636)
Cash flows from investing activities		
Payments for property, plant and equipment	-	(10,200)
Payments for intangible assets	(73,668)	(59,198)
Investment in subsidiaries	(5)	-
Net cash used in investing activities	(73,673)	(69,398)
Cash flows from financing activities		
Net proceeds from issue of shares	-	1,440,000
Net cash generated by financing activities	-	1,440,000
Net (decrease) in cash and cash equivalents	(965,810)	(58,034)
Cash and cash equivalents at the beginning of the period	3,124,864	3,182,898
Cash and cash equivalents at the end of the period	2,159,054	3,124,864

The notes on pages 31 to 45 form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2020

	Share capital £	Share premium £	Other reserves £	Retained earnings £	Total £
As at 1 July 2018	1,187,085	3,577,640	170,418	(1,494,173)	3,440,970
Loss for the period	–	–	–	(1,148,093)	(1,148,093)
Issue of shares	93,750	1,406,250	–	–	1,500,000
Costs of share issue	–	(60,000)	–	–	(60,000)
Share-based payments	–	–	77,254	–	77,254
As at 30 June 2019	1,280,835	4,923,890	247,672	(2,642,266)	3,810,131
Loss for the period	–	–	–	(1,500,086)	(1,500,086)
Issue of shares	–	–	–	–	–
Costs of share issue	–	–	–	–	–
Share-based payments	–	–	155,811	–	155,811
As at 30 June 2020	**1,280,835**	**4,923,890**	**403,483**	**(4,142,352)**	**2,465,856**

Share capital is the amount subscribed for shares at nominal value.

Share premium is the amount subscribed for share capital in excess of nominal value.

Other reserves arise from the equity element of a convertible loan issued and converted in the period to 30 June 2017, and from share options granted.

Retained earnings represents accumulated profit or losses to date.

The notes on pages 31 to 45 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 General information

SkinBioTherapeutics plc is a public limited company incorporated in England under the Companies Act and quoted on the AIM market of the London Stock Exchange (AIM: SBTX). The address of its registered office is given on page 1.

The principal activity of the Company is the identification and development of technology that harnesses the human microbiome to improve health.

2 Significant accounting policies and basis of preparation

a) Statement of compliance

The Financial statements of SkinBioTherapeutics plc have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union, IFRS Interpretations Committee (IFRIC) and the Companies Act 2006 applicable to companies reporting under IFRS.

b) Basis of preparation

The financial statements have been prepared under the historical cost convention modified by the revaluation of certain financial instruments. The accounting policies have been applied consistently in all material respects.

The financial statements have been presented in Pounds Sterling ('Sterling') as this is the currency of the primary economic environment in which the Company operates.

c) Going concern

These financial statements have been prepared on a going concern basis. In considering the appropriateness of this assumption, the Board has considered the Company's projections for the twelve months from the date of approval of this financial information, including cash flow forecasts, and taking account of the cash raised on 2 November 2020 by way of a fundraise. The directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore adopt the going concern basis of accounting in preparing these financial statements.

d) Estimates and judgements

The preparation of financial statements requires the Board to make judgements, estimates and assumptions that may affect the application of accounting policies and reported amounts of assets and liabilities as at each balance sheet date and the reported amounts of revenues and expenses during each reporting period. Any estimates and assumptions are based on experience and any other factors that are believed to be relevant under the circumstances and which the Board considers to be reasonable. Actual outcomes may differ from these estimates. Any revisions to accounting estimates will be recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future periods, the change will be recognised over those periods.

Certain accounting policies which have a significant bearing on the reported financial condition and results of the Company require subjective or complex judgements. Examples of such areas of judgement is the estimation of the lifetime of intangible assets, the capitalisation of development costs and share based payments.

Estimation of the lifetime of intangible assets

Intangible assets recognised are reviewed against the criteria for capitalisation with useful life determined by reference to the underlying product being developed. Management believes that the assigned values and useful lives, as well as the underlying assumptions, are reasonable, though different assumptions and assigned lives could have a significant impact on the reported amounts.

Capitalisation of development costs

During the year £73,667 (2019: £59,198) of development costs were capitalised, bringing the total amount of development costs capitalised, as intangible assets, as at 30 June 2020, to £420,538 (2019: £346,870), net of amortisation. Management has reviewed the balances by project, compared the carrying amount to expected future revenues and is satisfied that no impairment exists and that the costs capitalised will be fully recovered as the products are launched to market. New product projects are monitored regularly and should the technical or market feasibility of a new product be in question, the project would be cancelled and capitalised costs to date will be removed from the balance sheet and charged to the statement of comprehensive income.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2020

2 Significant accounting policies and basis of preparation continued

d) Estimates and judgements continued

Share based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. The judgments made and the model used are further specified in note 13.

e) Application of new and revised International Financial Reporting Standards (IFRSs)

No new standards or interpretations issued by the International Accounting Standards Board ('IASB') or the IFRS Interpretations Committee ('IFRIC') have led to any material changes in the Company's accounting policies or disclosures during each reporting period.

New and revised IFRSs in issue but not yet effective

There are a number of new and revised IFRSs that have been issued but are not yet effective that the Company has decided not to adopt early. The most significant of these are as follows:

Reference	Title	Summary	Application date of standard (Periods commencing on or after)
IFRS3	Business Combinations	Amendments to clarify the definition of a business	1 January 2020
		Amendments updating a reference to the Conceptual Framework	1 January 2022
IFRS16	Leases	Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification	1 January 2020
IFRS17	Insurance contracts	Principles for the recognition, measurement, presentation and disclosure of insurance contracts	1 January 2023
		Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published	1 January 2023
IAS1	Presentation of Financial Statements	Amendments regarding the definition of material	1 January 2020
		Amendments regarding the classification of liabilities	1 January 2023
		Amendment to defer the effective date of the January 2020 amendments	1 January 2023
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Amendments regarding the definition of material	1 January 2020

2 Significant accounting policies and basis of preparation continued

e) Application of new and revised International Financial Reporting Standards (IFRSs) continued

The adoption of these Standards and Interpretations is not expected to have a material impact on the financial information of the Company in the period of initial application when they come into effect.

f) Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate ruling at that date. Foreign exchange differences on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

g) Research and development

Research expenditure is written off to the statement of comprehensive income in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the Company is expected to benefit.

h) Property, plant and equipment

Property, plant and equipment are stated at historical cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to write off their cost over their estimated useful lives at the following annual rates:

Plant & machinery 50%

Useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss in the year in which the asset is derecognised.

i) Impairment testing of intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its 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 to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the assets may be impaired.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2020

2 Significant accounting policies and basis of preparation continued

j) Tax

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the income statement because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted during the reporting period.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

k) Payroll expense and related contributions

Wages, salaries, payroll tax, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered.

l) Share-based compensation

The Company issues share based payments to certain directors and others providing similar services. The fair value of the employee and suppliers services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Nonmarket vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The fair value of share-based payments recognised in the income statement is measured by use of the Black Scholes model, which takes into account conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted; based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on management's best estimate of future share price behaviour and is selected based on past experience, future expectations and benchmarked against peer companies in the industry.

m) Financial assets and liabilities

Financial assets and liabilities are recognised when the Company unconditionally becomes a party to the contractual terms of the instrument. Unless otherwise indicated, the carrying amounts of financial assets and liabilities are considered by the directors to be a reasonable estimate of their fair values at each balance sheet date.

Financial assets include trade and other receivable; these are classified as loans and receivables. Financial liabilities include trade and other payables, convertible loan notes and borrowings; these are classified as other financial liabilities carried at amortised cost.

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2 Significant accounting policies and basis of preparation continued

m) Financial assets and liabilities continued

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised as the proceeds received, net of direct issue costs.

Compound instruments

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. The amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. When the conversion option remains unexercised at the maturity date of the convertible notes, the balance recognised in equity will be transferred directly to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method

Derecognition

Financial assets are derecognised when rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the terms of a financial liability are renegotiated and result in the Company issuing equity instruments to a creditor of the Company to extinguish all or part of the financial liability, the Company recognises the issue of equity instruments at their fair values. Any difference between the fair value of the equity instruments and the carrying amount of the financial liability to be extinguished is recognised in the income statement.

Trade and other receivables

Trade and other receivables are recognised initially at their fair value and subsequently at their amortised cost using the effective interest method, less provision for impairment. If there is objective evidence that the recoverability of the asset is at risk, appropriate allowances for any estimated irrecoverably amounts are recognised in the income statement.

Trade and other payables

Trade and other payables are recognised initially at their fair value, net of transaction costs, and subsequently at their amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2020

2 Significant accounting policies and basis of preparation continued

m) Financial assets and liabilities continued

Borrowing and finance charges

Bank borrowings are initially recognised at their fair value, net of any transaction cost directly attributable to their issue. Subsequently bank borrowings are carried at their amortised carrying value using the effective interest method.

n) Financial risk management

Risk management objectives

Management identify and evaluate financial risks on an on-going basis. The principal risks to which the Company is exposed are market risk (including interest rate risk, and cash flow risk), credit risk, and liquidity risk.

Market risk

Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's market risks arise from open positions in (a) interest-bearing assets and liabilities, and (b) foreign currencies; to the extent that these are exposed to general and specific market movements (see details below).

Interest rate risk

The Company's interest-bearing assets comprise of only cash and cash equivalents. As the Company's interest-bearing assets do not generate significant amounts of interest; changes in market interest rates do not have any significant direct effect on the Company's income.

Currency risk

The Company is exposed to movement in foreign currency exchange rates arising from normal trading transactions that are denominated in currencies other than the respective functional currencies of the Company. The Company does not have a policy to hedge its exposure to foreign currency exchange risk as currently overseas transactions are only a small percentage of total transactions and fluctuations in foreign currencies are not expected to significantly affect the Company’s total transactions. In future the Company may consider hedging its exposure to foreign currency exchange risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash balances (including bank deposits, cash and cash equivalents) and credit exposures to trade receivables. The Company's maximum exposure to credit risk is represented by the carrying value of cash and cash equivalents and trade receivables. Credit risk is managed by monitoring clients and performing credit checks before accepting any customers.

Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets.

The Company seeks to manage its liquidity risk by ensuring that sufficient liquidity is available to meet its foreseeable needs.

o) Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders. The Company's overall strategy remained unchanged during the period.

The capital structure of the Company consists of cash and cash equivalents, issued capital, the share premium account, the share-based compensation reserve resulting from the grant of equity-settled share options to selected directors and others providing similar services, and retained earnings.

The Company is not subject to any externally imposed capital requirements.

As part of the Company's management of capital structure, consideration is given to the cost of capital.

3 Operating loss

	2020 £	2019 £
An analysis of the Company's operating loss has been arrived at after charging/(crediting):		
Other income	(52)	(42)
Research and development	635,226	708,081
Directors remuneration (including share-based compensation)	507,467	294,412
Auditors remuneration		
– audit fees	11,100	9,500
– other services	1,850	1,750
Foreign exchange differences	(3)	1,745
Other operating costs	464,455	345,035
Total operating expenses	1,620,042	1,360,481

The Company has one reportable segment, namely that of identifying and developing formulations that harness the human microbiome, all within the United Kingdom.

4 Employees and Directors

The average monthly number of employees and senior management was:

	2020 Number	2019 Number
Executive directors	2	2
Non-executive directors	2	3
Employees	3	2
Average total persons employed	7	7

As at 30 June 2020 the Company had 7 employees (2019 : 8).

Staff costs in respect of these employees were:

	2020 £	2019 £
Wages and salaries	450,863	190,613
Social security costs	52,250	15,022
Defined contribution pensions	6,140	2,286
Share-based payments (see note 13)	155,811	77,254
Total remuneration	665,064	285,175

Some of these staff costs are included within research and development.

All the directors above can be considered to be key management and have the responsibility for planning, directing and controlling, directly or indirectly, the activities of the Company.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2020

4 Employees and Directors (continued)

The Company operates a defined contribution pension scheme for employees and directors. The assets of the scheme are held separately from those of the Company in independently administered funds. The amounts outstanding at 30 June 2020 are £3,559 (2019: £1,359).

Directors remuneration:	2020 £	2019 £
Stuart J. Ashman	276,294	60,154
Doug Quinn	130,986	103,775
Martin Hunt	72,537	55,620
Dr Cathy Prescott	27,650	21,000
Prof Catherine O'Neill (*)	-	66,415
Stephen O'Hara (*)	-	21,000
Total remuneration	507,467	327,964

The highest paid director received total emoluments of £276,294 during the year.

(*) Prof Catherine O'Neill and Stephen O'Hara resigned as directors on 4 July 2019. Prof Catherine O'Neill remains an employee of the Company.

5 Taxation

Income taxes recognised in profit or loss

	2020 £	2019 £
Current tax		
Current period – UK corporation tax	-	-
R&D tax credit	118,763	210,350
R&D tax credit – prior year	1,193	2,038
Tax credit for the year	119,956	212,388

The tax charge for each period can be reconciled to the loss per the statement of comprehensive income as follows:

	2020	2019
Loss on ordinary activities before tax	(1,620,042)	(1,360,481)
Normal applicable rate of tax	19.00%	19.00%
Loss on ordinary activities multiplied by normal rate of tax	(307,807)	(258,491)
Effects of:		
Disallowables	30,231	14,846
Capital allowances	-	(1,938)
R&D enhanced deductions	(87,959)	(155,793)
R&D tax credit	(119,956)	(212,388)
Losses surrendered	155,621	275,633
Unused tax losses carried forward	209,915	125,743
UK tax charge/(credit)	(119,956)	(212,388)

The Company has an unrecognised deferred tax asset of £507,162 at the period end, which has not been recognised in the financial statements due to uncertainty of future profits. The Company has an estimated tax loss of £2,669,276 available to be carried forward against future profits.

6 Property, plant and equipment

	Plant & Machinery £	Total £
Cost		
At 1 July 2018	–	–
Additions	10,200	10,200
At 30 June 2019	10,200	10,200
Additions	–	–
At 30 June 2020	**10,200**	**10,200**
Accumulated amortisation		
At 1 July 2018	–	–
Charge for the period	3,400	3,400
At 30 June 2019	3,400	3,400
Charge for the period	5,100	5,100
At 30 June 2020	**8,500**	**8,500**
Net book value		
At 1 July 2018	–	–
At 30 June 2019	6,800	6,800
At 30 June 2020	**1,700**	**1,700**

7 Intangible assets

	Intellectual property £	Total £
Cost		
At 1 July 2018	287,672	287,672
Additions	59,198	59,198
At 30 June 2019	346,870	346,870
Additions	73,668	73,668
At 30 June 2020	**420,538**	**420,538**
Accumulated amortisation		
At 1 July 2018	–	–
Charge for the period	–	–
At 30 June 2019	–	–
Charge for the period	–	–
At 30 June 2020	**–**	**–**
Net book value		
At 1 July 2018	287,672	287,672
At 30 June 2019	346,870	346,870
At 30 June 2020	**420,538**	**420,538**

Intellectual property is to be amortised over the expected period that the asset generates income.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2020

8 Investments

	Subsidiary undertakings £	Total £
Cost		
At 1 July 2018	–	–
At 30 June 2019	–	-
Additions	5	5
At 30 June 2020	**5**	**5**

As at 30 June 2020, the Company directly owned the following subsidiaries:

Name of company	Country of incorporation	Proportion of equity interest
SkinBiotix Limited	United Kingdom	100% of ordinary shares
AxisBiotix Limited	United Kingdom	100% of ordinary shares
CleanBiotix Limited	United Kingdom	100% of ordinary shares
MediBiotix Limited	United Kingdom	100% of ordinary shares
PharmaBiotix Limited	United Kingdom	100% of ordinary shares

All subsidiary companies were dormant as at 30 June 2020 and consequently consolidated statements have not been prepared.

9 Trade and other receivables

	2020 £	2019 £
Corporation tax	118,763	210,351
VAT recoverable	22,462	72,359
Other receivables	150	3,149
Prepayments	48,010	167,072
	189,385	452,931

The fair values of the Company's trade and other receivables are considered to equate to their carrying amounts. The maximum exposure to credit risk for trade receivables is represented by their carrying amount. There are no financial assets which are past due but not impaired. No financial assets are impaired.

10 Trade and other payables

	2020 £	2019 £
Current		
Trade creditors	138,571	59,279
Accruals	147,019	45,217
Other taxes	15,548	15,479
Intercompany	5	-
Other payables	3,683	1,359
	304,826	121,334

10 Trade and other payables continued

Trade and other payables principally consist of amounts outstanding for trade purchases and ongoing costs. They are non-interest bearing and are normally settled on 30-day terms. The directors consider that the carrying value of trade and other payables approximates to their fair value. All trade and other payables are denominated in Sterling. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe and no interest has been charged by any suppliers as a result of late payment of invoices during the period.

The fair value of trade and other payables approximates their current book values.

11 Financial instruments

Maturity analysis

A summary table with maturity of financial assets and liabilities presented below is used by management to manage liquidity risks. The amounts disclosed in the following tables are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the statement of financial position, as the impact of discounting is not material.

The maturity analysis of financial instruments at 30 June 2020 is as follows:

	Carrying amount £	On demand and less than 3 months £	3 to 12 months £	1 to 2 years £	2 to 5 years £
Assets					
Cash and cash equivalents	2,159,054	2,159,054	–	–	–
Trade and other receivables	189,385	189,385	–	–	–
	2,348,439	2,348,439	–	–	–
Liabilities					
Trade and other payables	304,826	304,826	–	–	–
Borrowings	–	–	–	–	–
	304,826	304,826	–	–	–

The maturity analysis of financial instruments at 30 June 2019 is as follows:

	Carrying amount £	On demand and less than 3 months £	3 to 12 months £	1 to 2 years £	2 to 5 years £
Assets					
Cash and cash equivalents	3,124,864	3,124,864	–	–	–
Trade and other receivables	452,931	452,931	–	–	–
	3,577,795	3,577,795	–	–	–
Liabilities					
Trade and other payables	121,334	121,334	–	–	–
Borrowings	–	–	–	–	–
	121,334	121,334	–	–	–

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2020

12 Share capital

Issued and fully paid	Number	Share capital £	Share premium £
As at 30 June 2018	118,708,494	1,187,085	3,577,640
Ordinary shares of 1p each issued at 16p per share	9,375,000	93,750	1,406,250
Costs related to shares issued	–	–	(60,000)
As at 30 June 2019	128,083,494	1,280,835	4,923,890
As at 30 June 2020	**128,083,494**	**1,280,835**	**4,923,890**

On 21st February 2019 the Company issued 9,375,000 ordinary shares at 16 pence each by way of a placing of ordinary shares to raise finance.

Share capital is the amount subscribed for shares at nominal value, issued and fully paid.

Share premium is the amount subscribed for share capital in excess of nominal value.

The issued ordinary shares carry one voting right per share and do not carry any rights to fixed income.

13 Share-based payments

Share Options

The Company operates share-based payment arrangements to remunerate directors and others providing similar services in the form of a share option scheme. The exercise price of the option is normally equal to the market price of an ordinary share in the Company at the date of grant. Each share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2020		2019	
	Number of options	**Weighted average exercise price £**	Number of options	Weighted average exercise price £
Outstanding at 1 July	**14,919,648**	**0.11**	11,027,565	0.09
Granted during the year	**1,809,695**	**0.09**	3,892,083	0.18
Forfeited/cancelled during the year	**–**	**–**	–	–
Outstanding at 30 June	**16,729,343**	**0.11**	14,919,648	0.11

On 18 April 2019, 3,892,083 options were granted at an exercise price of £0.18 per share and are exercisable based upon achieving three performance conditions, with a third of the options being granted for each condition. The performance conditions are based on the achievement of an 40p share price for more than a 30-day continuous period, the achievement of an 80p share price for more than a 30-day continuous period, and on the commercial viability of developed products, or the entering into of joint ventures, partnerships, collaborations or agreements for the sale or licensing of products.

13 Share-based payments continued

On 3 March 2020, 512,334 options were granted at an exercise price of £0.095 per share and are exercisable based upon achieving either of two market conditions. These market conditions are based on the signing of a joint development agreement between the Company and Winclove Probiotics B.V. or a qualifying exit with a share price of not less than 18p. The first condition has been met so the share options are exercisable immediately, although none have yet been exercised. The fair value of these share options have been estimated at cost as the share options are available immediately. The total charge recognised for the year ended 30 June 2020 for these share options is the entire fair value of £48,672 (2019: nil).

On 8 April 2020, 1,297,361 options were granted at an exercise price of £0.09 per share and are exercisable based upon achieving one of three performance conditions. The performance conditions are based on the commercial viability of developed products, or the entering into of joint ventures, partnerships, collaborations or agreements for the sale or licensing of products. The total charge recognised for the year ended 30 June 2020 for these share options is the entire fair value of £1,296 (2019: nil).

The fair values of the share options issued in the year were derived using the Black Scholes model. The total charge recognised for the year ended 30 June 2020 for share options is £155,811 (2019: £77,254). The following assumptions were used in the calculations:

Deed pool	1	2	3a	3b	3c
Grant date	05/04/17	05/04/17	05/04/17	05/04/17	05/04/17
Exercise price	9p	9p	9p	9p	9p
Share price at grant date	9p	9p	9p	9p	9p
Risk-free rate	0.24%	0.24%	0.16%	0.16%	0.16%
Volatility	60%	60%	60%	60%	60%
Expected life	3.5 years	3.5 years	2.75 years	2.75 years	2.75 years
Fair value	2.58p	1.85p	2.30p	2.30p	2.30p

Deed pool	4	5	6	7	8
Grant date	18/04/19	18/04/19	18/04/19	03/03/20	08/04/20
Exercise price	18p	18p	18p	9.5p	9p
Share price at grant date	18p	18p	18p	9.5p	7p
Risk-free rate	0.75%	0.75%	0.75%	0.29%	0.12%
Volatility	60%	60%	60%	80%	80%
Expected life	3.5 years	3.5 years	3.5 years	0 years	2 years
Fair value	2.85p	3.99p	3.48p	9.50p	0.87p

The closing share price per share at 30 June 2020 was 17.13p (30 June 2019: 20.00p).

Expected volatility is based on a conservative estimate for an AIM listed entity. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2020

14 Reserves

	Other reserves £	Retained earnings £	Total £
As at 1 July 2018	170,418	(1,494,173)	(1,323,755)
Issue of share options	77,254	–	77,254
Loss for the period	–	(1,148,093)	(1,148,093)
As at 30 June 2019	247,672	(2,642,266)	(2,394,594)
Issue of share options	155,811	–	155,811
Loss for the period	–	(1,500,086)	(1,500,086)
As at 30 June 2020	**403,483**	**(4,142,352)**	**(3,738,869)**

Other reserves arise from the equity element of a convertible loan that was both issued and converted in the year ended 30 June 2016, and share-based payments (see note 13).

Retained earnings represents accumulated profit or losses to date.

15 Loss per share

	2020 £	2019 £
Basic and diluted loss per share		
Loss after tax (£)	**(1,500,086)**	(1,148,093)
Weighted average number of shares	**128,083,494**	122,047,535
Basic and diluted loss per share (pence)	**(1.17)**	(0.94)

As the Company is reporting a loss from continuing operations for the year then, in accordance with IAS 33, the share options are not considered dilutive because the exercise of the share options would have an anti-dilutive effect. The basic and diluted earnings per share as presented on the face of the income statement are therefore identical.

16 Related party transactions

Key management personnel compensation

	2020 £	2019 £
Short-term employee benefits	**375,263**	127,728
Post-employment benefits	**4,072**	1,240
Share-based payments	**153,890**	73,412
	533,225	202,380

Detailed remuneration disclosures are provided in the employees and directors note on pages 34 and 35, and in the Directors Report.

Transactions with other related parties

During the period ended 30 June 2020, the Company was charged fees of £101,652 (2019: £76,940) by Quinn Corporate Services Ltd, a company in which Doug Quinn, a director of the Company, is also a director. These fees relate to Doug Quinn's consultancy services to the Company. As at 30 June 2020 £8,265 (2019: £26,764) was outstanding.

16 Related party transactions continued

During the period ended 30 June 2020, the Company was charged fees of £38,342 (2019: £25,277) by Invictus Management Ltd, a company in which Martin Hunt, a director of the Company, is also a director. These fees relate to Martin Hunt's consultancy services to the Company. As at 30 June 2020 £4,800 (2019: £2,703) was outstanding.

During the period ended 30 June 2020, the Company was charged fees of £22,400 (2019: £17,426) by Biolatris Ltd, a company in which Dr Cathy Prescott, a director of the Company, is also a director. These fees relate to Dr Cathy Prescott's consultancy services to the Company. As at 30 June 2020 nil (2019: nil) was outstanding.

17 Ultimate controlling party

No one shareholder has control of the Company.

18 Events after the reporting date

The Company has evaluated all events and transactions that occurred after 30 June 2020 up to the date of signing of the financial statements.

On 2 November 2020 the Company completed a placing and open offer to new and existing shareholders raising a total of £4.45m.

No other material subsequent events have occurred that would require adjustment to or disclosure in the financial statements.

Notice of Annual General Meeting

SKINBIOTHERAPEUTICS PLC (the "Company")

(Registered in England and Wales with company number 09632164)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the above named Company will be held at the offices of Penningtons Manches Cooper LLP, 125 Wood Street, London, EC2V 7AW on 29 December 2020 at 11:00 AM for the transaction of the following business:

Ordinary Resolutions

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

1. **THAT** the Directors' and Auditors' reports and the financial statements for the financial year ended 30 June 2020 be received and adopted.

2. **THAT** Jeffreys Henry be re-appointed as the auditors of the Company until the next Annual General Meeting and the Directors be authorised to fix their remuneration.

3. **THAT** Stuart Ashman, be re-elected as a Director of the Company.

4. **THAT** Martin Hunt, be re-elected as a Director of the Company.

5. **THAT** Dr Cathy Prescott, be re-elected as a Director of the Company.

6. **THAT** Doug Quinn, be re-elected as a Director of the Company.

7. **THAT** in substitution for all existing authorities the Directors be given power under Section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights"):
   (i) up to an aggregate nominal amount of £519,633.07 being equivalent to one-third of the Company's issued share capital; and,
   (ii) up to a further aggregate nominal amount of £519,633.07 provided that (a) they are equity securities (within the meaning of section 560(1) of the Act) and (b) they are offered by way of a rights issue to holders of ordinary shares in the Company at such record dates as the directors may determine where the equity securities attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record date, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or any other matter whatsoever, provided that this authority shall, unless renewed, varied or revoked by the Company, expire twelve months after the date of passing of this Resolution or, if earlier, the date of the next AGM of the Company unless any offer or agreement is made before the end of that period in which case the Directors may allot shares and grant Rights pursuant to such offer or agreement as if the power granted by this resolution had not expired.

Special Resolutions

8. **THAT**, subject to the passing of Resolution 7 and in accordance with Sections 570 and 573 of the Act, the Directors be and are hereby authorised to allot equity securities (as defined in section 560 of the Act) for cash under the authority conferred by Resolution 7and/or to sell ordinary shares held by the Company as treasury shares as if section 561 of the Act did not apply to any such allotment or sale, provided that such authority shall be limited to:
   (i) the allotment of equity securities in connection with rights issues, open offers or other pre-emptive offers in favour of holders of equity securities in proportion (as nearly as may be practicable) to their respective holdings or in accordance with the rights attaching thereto (but with such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements, record dates or other legal or practical problems in or under the laws of, or any requirements of, any recognised regulatory body or stock exchange, in any territory or as regards shares held by an approved depositary or in issue in uncertified form or otherwise however); and

(ii) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to sub-paragraph (i) above) to a maximum aggregate nominal value of £77,944.96; such power shall expire at the end of the next Annual General Meeting of the Company or 30 December 2021 (whichever is the sooner) unless any offer or agreement is made which would, or might require equity securities to be allotted (and treasury shares sold) before expiry of this power in which case the Directors may allot securities pursuant to such offer or agreement as if the power granted by this resolution had not expired.

9. **THAT**, subject to the passing of Resolution 7, and in addition to the power contained in Resolution 8 above, the Directors be and are hereby authorised, pursuant to sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act) for cash, either under the authority conferred by Resolution 7 and/or to sell ordinary shares held by the Company as treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale, provided that such authority shall be limited to:

(i) the allotment of equity securities or sale of treasury shares, up to a maximum aggregate of £77,944.96; and

(ii) used only for the purposes of financing (or refinancing, if the power is to be exercised within six months after the date of the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice of Annual General Meeting, such power shall expire at the end of the next Annual General Meeting of the Company or 30 December 2021 (whichever is the sooner) unless any offer or agreement is made which would, or might require equity securities to be allotted (and treasury shares sold) before expiry of this power in which case the Directors may allot securities pursuant to such offer or agreement as if the power granted by this resolution had not expired.

By Order of the Board

Doug Quinn
Company Secretary

Dated 04 December 2020

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

Notes to the AGM notice

In light of the COVID-19 pandemic Shareholders are urged to exercise their votes by submitting their Form of Proxy and appointing the Chairman of the Annual General Meeting as their proxy. Shareholders and their proxies will not be allowed to attend the meeting in person, as to do so would be inconsistent with current government guidelines relating to COVID-19 (as published as at the date of this document), in particular the advice for people to avoid public gatherings, all non-essential travel and social contact. Any Shareholder seeking to attend the AGM in person will be refused entry. The Company is actively following developments and will issue further information through a Regulatory Information Service and/or on its website if it becomes necessary or appropriate to make any alternative arrangements for the AGM. The AGM will be purely functional in format to comply with the relevant legal requirements.

Should Shareholders wish to ask any questions which they may have asked at the meeting had they been in attendance, they are encouraged to contact the Company prior to the meeting by email to investorrelations@skinbiotherapeutics.com. Where relevant, the answers to questions received will also be made available on the Company's website https://www.skinbiotherapeutics.com.

Resolution 1 – To receive the Annual Report and Financial Statements

The Directors are required to present the financial statements, Directors' Report and Auditor's Report to the meeting. These are contained in the Company's Annual Report for the year ended 30 June 2020 (the "Annual Report"). A resolution to receive the Annual Report is proposed as an ordinary resolution.

Resolution 2 – Re-appointment and remuneration of Auditor

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

Resolutions 3-6 – Re-election of Directors

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

Resolution 7 – Authority to allot shares

The authority sought by this resolution is for the Directors to be authorised to allot Ordinary Shares up to two-thirds of the Company's current issued share capital at the date of this notice. Paragraph (i) of the resolution will give the Directors a general authority to allot up to an aggregate nominal value of £519,633.07 being the equivalent of one-third of the Company's issued ordinary share capital at the date of this notice. This is in accordance with the Investment Association Share Capital Management Guidelines. In addition, the guidelines permit the authority to extend to a further third of the issued share capital, where any such shares allotted using this additional authority are in connection with a rights issue. Paragraph (ii) of the resolution proposes this additional authority be granted to the Directors.

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

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

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

If Resolution 8 is passed, it will permit Directors to allot ordinary shares on a non-pre-emptive basis and for cash (otherwise than in connection with a rights issue or similar pre-emptive issue) up to a maximum nominal amount of £77,944.96. This amount represents 5% of the Company's issued ordinary share capital as at 03 December 2020 (being the latest practicable date prior to publication of this document). This resolution will permit the Directors to allot any such shares for cash in any circumstances (whether or not in connection with an acquisition or specified capital investment).

If Resolution 9 is passed, it will allow the Directors an additional power to allot ordinary shares on a non-pre-emptive basis and for cash up to a further maximum nominal amount of £77,944.96. This amount represents 5% of the Company's issued ordinary share capital as at 03 December 2020 (being the latest practicable date prior to publication of this document). The Directors shall use any power conferred by Resolution 9 only in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue, (or which has taken place in the preceding six-month period and is disclosed in the announcement at the time).

1. As stated above, members will not be entitled to attend the meeting. A member may not appoint a person other than the Chairman of the meeting as his proxy to attend and vote at the meeting.
2. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001 and by paragraph 18(c) of The Companies Act (Consequential Amendments) (Uncertificated Securities) Order 2009, only those members entered on the Company's register of members not later than 11:00am on 23 December 2020, or if the meeting is adjourned, Shareholders entered on the Company's register of members not later than 2 days before the time fixed for the adjourned meeting (excluding non-business days) shall be entitled to vote at the meeting.
3. To be effective, the Form of Proxy must be deposited at the office of the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, GU9 7DR so as to be received not later than 11:00am on 23 December 2020, or if the meeting is adjourned, not later than 48 hours (excluding non-business days) before the time fixed for the adjourned meeting.
4. CREST members who wish to appoint the Chairman as their proxy by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by our agent Share Registrars Limited (ID 7RA36) no later than 11:00am on 23 December 2020 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (excluding any part of a day that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent, Share Registrars Limited, is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Perivan 260018

SkinBio
THERAPEUTICS

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