

The only certainty is uncertainty

AIM will turn twenty-two this June and it is fair to say it has had its fair share of ups and downs, with 2016 being a case in point. We ask what will the rest of 2017 hold in store? Arguably the US dollar, Brexit, bonds, and banks will be the four big themes for the new year.

Over the last five years AIM has changed dramatically. At the end of 2012, AIM had 1,096 companies on the market with a market value of £61.7bn giving an average market capitalisation of £56.3m. As at the end of 2016, where there were 982 companies with a market value of £80.8bn giving an average market cap of £84.4m. 2016 is the first year since 2004 that the number of companies on market has dropped below the 1,000 level. Through a process of attrition and an increasingly demanding investor base, it certainly feels to us that we are seeing a higher level of quality businesses with growing revenues and earnings, and higher levels of corporate governance.

2017 could be the year we see some of the smaller Main Market companies move down to AIM, there are c.108 companies on the Main Market whose market capitalisations are below the AIM average. AIM could be attractive for these companies due to lower fees and regulatory burdens, as they push in to their next stage of development.

AIM has a reputation for high churn, as companies withdraw through M&A and insolvency, amongst other reasons. 2017 may also be a year where we could see an increase in the level of takeovers. AIM has many high growth businesses, trading at very low multiples, which make for attractive targets by foreign companies; for whom, FX has swung in their favour.

Oil prices went wild in 2016. Prices spiralled downward at the start of 2016 over fears of the world's growing oil stockpiles before rallying past \$50 per barrel by the end of the year thanks to better market fundamentals. That improvement could continue in the new year thanks to OPEC's agreement to support prices by cutting back on production. However, the general consensus by market analysts is that crude will remain in the mid-\$50s in 2017 and given recent history, the odds of a quiet crude market in 2018 appear slim, allowing for a greater trading opportunity.

HYBRIDAN LLP

20 Ironmonger Lane, London, EC2V 8EP

Website: www.hybridan.com

 @HybridanLLP

Darshan Patel

Tel: 020 3764 2345

Email: darshan.patel@hybridan.com

Ten Companies to look out for in 2017:

Companies	Ticker	Market	Market Cap (£m)	Price (p)	1 Month Share Price Performance (%)	1 Year Share Price Performance (%)
InnovaDerma PLC*	IDP	Standard List	22.10	153.50	17.69	80
Petards Group PLC*	PEG	AIM	10.22	27.50	10.67	120.74
Amryt Pharma PLC	AMYT	AIM	36.98	17.75	-13.35	-16.78
Sound Energy PLC	SOU	AIM	485.15	73.00	12.91	360.85
EVR Holdings PLC	EVRH	AIM	74.57	7.75	125.84	632.09
TouchStar PLC	TST	AIM	4.86	77.50	-15.45	21.01
Van Elle PLC	VANL	AIM	101.20	138.50	4.58	35.85
Warpaint London PLC	W7L	AIM	88.74	146.50	2.93	33.05
Gear4Music PLC	G4M	AIM	109.63	539.00	28.95	271.83
GAN PLC	GAN	AIM	25.22	36.00	5.57	2.86

*Indicates corporate client of Hybridan LLP

1. InnovaDerma PLC (LON:IDP 145p/£22.10m)*

InnovaDerma brings innovative, and clinically proven brands and products in anti-ageing, hair loss and beauty to the homes of millions of men and women around the globe. Its products are backed by evidence based research, independent studies on efficacy, money back guarantees and a large testimonial pool from its client base and experts around the globe. The Company's flagship brand Skinny Tan is making a splash in the beauty world, and since hitting the shelves of Superdrug in February 2016, became the number one tanning brand by revenue in July 2016 across the nationwide health and beauty chain's 800 stores. Since joining the Standard List of the LSE, the Company has performed well with the share price up c.97% since admission. Moreover, 2017 stands to be an exciting year with new product launches and expansion of the terrestrial and online retail network. On 16 January 2017, the Company released a trading update for six months ended 31 December 2016, which showed revenue growth of 80% year on year to £3m driven by the Company's expansion strategy in the UK with the strong performance of Skinny Tan. The Group undertook significant corporate activity in the first half including listing on the Main Market of the London Stock Exchange, opening up the US market, and the transition of its manufacturing to the UK. One off costs associated with these activities will be absorbed into the first half of the financial year.

2. Petards Group PLC (LON: PEG 28p/£9.77m)*

Petards is a global specialist solutions provider for security, surveillance and ruggedised electronic applications in defence, rail transport and the emergency services markets. The ever-evolving functionality of the product suite is placing Petards in a strong position with the key players in the train building industry, with customers including Siemens, Hitachi and Bombardier. The Ministry of Defence also remains a core customer. The Company had a busy 2016, announcing seven contract wins as well as an acquisition in April 2016. The Company's half-yearly results for six months ended June 2016 showed revenues increase by 22% to £7.4m, profits grew for the fifth successive six-month period and the order book stood at £16m. In its interim statement in September 2016, the Chairman stated that the Company was confident of delivering a 2016 result in line with market expectations and that further business was under negotiation for the new year. Since then the Company has announced new orders totalling £10.8m. Further, the Company will realise full earnings for the QRO Solutions acquisition in 2017 which at the time of the interim statement was trading profitably.

3. Amryt Pharma PLC (LON:AMYT 18p/£36.66m)

Amryt Pharma is a specialty pharmaceutical Company focused on the developing and delivering of innovative new treatments to help improve the lives of patients with rare and orphan diseases. Amryt's lead product, Episalvan[®], received

marketing approval for the treatment of partial-thickness wounds from the European Commission in January 2016. Amryt intends to further develop Epivalvan® as a new treatment for a hereditary skin disorder called Epidermolysis Bullosa (EB) in both Europe and the U.S. In the short period since the formation of the Company, it has finalised its protocol design for the proposed pivotal phase III study in EB and has submitted it to the European Medicines Agency for approval. Amryt also had a meeting with the FDA in early Q4, 2016 and hopes that this phase III study will, subject to regulatory sign-off, enrol its first patient in Q1, 2017. Given the unique characteristics of their EB product and the lack of any available treatment options currently, they believe this market offers a significant commercial opportunity for the Company. Amryt has an attractive mix of approved, late stage and early stage products focused on rare and orphan conditions where there is significant unmet need. It has made excellent progress in the short time since the RTO on 18 April and we expect this to continue.

4. Sound Energy PLC (LON:SOU 71.62p/£471.38m)

Sound Energy is an African and European upstream gas company, with a recent significant discovery in Morocco and a fully funded potentially transformational drill programme. Sound is pursuing an onshore gas strategy underpinned by strong European gas fundamentals, which is proving very robust to the current gas price environment and to an increasingly carbon conscious world (where gas is seen as a cleaner alternative to coal and oil). The flagship well in Tendirara (Morocco), TE-7, was estimated to contain between 300bn and 500bn cubic feet of gas based on works carried out to date. However, further drilling is due at a new location 12km Northeast of TE-7, TE-8, and the Company's current internal estimates are that success at TE-8 would establish best estimate original gas in place at Tendirara of up to 1.5 trillion cubic feet gross. TE-8 is expected to spud in February 2017 and will drill both the TAGI and the Palaeozoic horizons. Sound Energy, with its 27.5% interest in the Tendirara licence, intends to commission a CPR on Tendirara following TE-8, which is expected to confirm the contingent resources based on the field development plan. Moreover, the Company is also exploring in Italy, if it successfully finds the build-ups of gas predicted in its Badile asset then the discovery could be enormous as it carries a NPV of €486m. The Company has already signed the contract securing the drilling rig for its Badile exploration well in Italy. The rig is already in Italy and will be mobilised in January 2017, allowing the Company to proceed with drilling of the Badile well in the first quarter of 2017.

5. EVR Holdings PLC (LON:EVRH 8.15p/£77.12m)

EVR Holdings, is a creator of virtual reality content has developed a proprietary post-production workflow that enables recorded material to be processed into MelodyVR 360-degree panoramic video content, which material can then be

exploited through various distribution channels including the MelodyVR app. EVR Holdings has recently launched a beta version of its music platform on 24 December 2016 and appointed a VP of Marketing. It is looking to take advantage of the new wave of Virtual reality headset offerings. In addition to the content already available from around 500 recording artists and 58 music venues, EVR has just signed a VR content creation and distribution agreement with Warner Music Inc. Warner, one of the three largest record companies in the world, reported digital sales in 2015 of \$1.24bn and owns and operates several successful record labels including Atlantic Records, Parlophone Records, and Warner Bros Records. The framework agreement is intended to facilitate the creation and distribution of Virtual Reality content featuring Warner artists. As part of the relationship, MelodyVR will receive the right to distribute both live and pre-recorded content created with Warner artists via its music platform for an exclusive period, followed by a period of joint-exploitation by both parties. The Company also announced that Warner Music Inc. will, in addition, receive an entitlement to subscribe for 43m shares in EVR, at 4.25p, exercisable until December 2021. The content and distribution agreement will enhance Melody's distribution capabilities with respect to its extensive content library. This is an early stage play, but with a very strong management team, a tier 1 customer list and technological know-how and IP, puts it in a very strong position in a large and rapidly growing market.

6. TouchStar PLC (LON:TST 75.25p/£4.68m)

TouchStar PLC, formerly Belgravium Technologies PLC, a supplier of mobile data computing solutions and managed services to a variety of industrial sectors, had rather a tough 2016. The Company has been through a turnaround and is now emerging to be one that looks very promising. Over the last twelve months it has invested considerably in the future of TouchStar – the costs associated with the successful restructuring of the business have now been largely met and are not expected to reoccur. The underlying business is now cash generative. It has several new products scheduled to launch over the next eighteen months, enhancing its solutions offering as well as replacing older products. In the Mobile Retail sales arena, for example, it has recently launched and supplied its first integrated back office 'cloud based' software solution providing the customer full visibility and management of their on-board sales activities. The system fully integrates to its new and existing on-board mobile applications. A one-off problem with third party supplier failing, and a delay with a large order, has created a bump in the road causing a recent profit warning, but neither event should have any long-term impact; though the shares look better value consequently. Management expects trading to be stronger in H2 2016, and unlike last year they go into the new year with a pipeline of business. The market forecast revenues for FY to Dec 2017 are £9.2m which would boil down to EPS of 12.6p. With shares trading at 80p that

implies a forward multiple of 6.3x which seems cheap, given the turnaround work is done and the operational gearing is poised to kick in and there is a pipeline of business.

7. Van Elle (LON: VANL 138.5p/£101.2m)

Founded in 1984, Van Elle is a ground engineering contractor which arrived on to AIM in the tail end of October 2016 with high hopes, and it has not failed to deliver. The Group offers a wide range of geotechnical techniques and services to customers in a variety of construction end markets. Over the Company's 32-year history, it has created a strong reputation within the core ground engineering markets, built on service quality, technical expertise, innovation, safety and the successful delivery of value-driven solutions to customers. A stalwart company of British engineering, the Company has achieved impressive year-on-year growth that has delivered despite macroeconomic blips such as Brexit and the US election. The diversified customer base with a strong reputation, as well as a progressive dividend should enable steady conservative growth in the years to come.

8. Warpaint London PLC (LON: W7L 137.5p/£89.60m)

Warpaint London is a colour cosmetics business. It is made up of two divisions: Close-out and Own-brand. The second and larger Own-brand division consists primarily of the Group's flagship brand, W7 – an extremely creative, design-focussed cosmetic brand proposition with a focus on the 16-30 age range, delivering high-quality cosmetics at affordable prices. W7 brand has grown organically since its inception in 2002 and now contains over 500 items which are sold into high street retailers and independent beauty shops across the UK, Europe, Australia and the US. The Company has a proven track record of sales growth, profitability and strong cash generation. Revenue increased in FY2015 to £22.3m (FY2014: £17m) and EBITDA increased to £5.5m (FY2014: £4.2m), driven primarily by growth in awareness of the W7 brand. H1 2016 revenues increased to £12.7m (H1 2015: £10.8m), and H1 2016 EBITDA increased to £3.3m (H1 2015: £2.6m). The Group's intentions are to adopt a progressive dividend policy, with a low-debt profile, its earnings and operating cash flows make it strong enough to get through tough periods or capitalise on attractive growth opportunities during good times.

9. Gear4Music (LON: G4M 539p/£109.63m)

Gear4Music, the retailer of musical instruments and music equipment launched in 2003 by Chief Executive Officer Andrew Wass, has grown quickly, boosting sales from £12.3m in 2013 to £35.5m in 2016. Operating from an office, showroom and distribution centre in York, the Company sell own-brand musical instruments and music equipment alongside well known premium brands including Fender, Yamaha and Roland, to customers ranging from beginners, to music enthusiasts' and

professionals in the UK, and since 2012 into Europe. Having experienced rapid growth in the UK and now internationally, the Company's own-brand products are doing wonders for their gross margins. Gross profit for six months ended 31 August 2016 increased by £2.45m (+74%) to £5.75m (H1 2015/16: £3.31m) on the same period last year, representing a gross margin of 26.6%, a small improvement on the 26.5% in H1 2015/16 and a return to the 26.6% delivered in H1 2014/15. Consensus forecasts suggest FY2017 revenues of £56m compared to £35.5m for FY2016 leading to a pre-tax profit of £2.4m compared to break even for FY2016. The Company has built solid financial and operational foundations to the business opening it up for further scalability in domestic and foreign markets.

10. GAN PLC (LON: GAN 36p/£25.22m)

GameAccountNetwork is a developer and supplier of online gaming content and enterprise-level business to business gaming software systems. The Company has developed an Internet Gaming System (IGS), which it licences to online and land-based gaming operators as a turn-key technology solution for both regulated real-money and simulated online gaming. The IGS, developed in London under a UKGC licence, is certified to the highest technical standards currently required by gaming regulators. 2016 was a year of investment and transformation for the business, GAN performed in line with expectations during the second half of 2016 and the outlook for 2017 is positive. Effective cost cutting measures and a targeted expansion to low cost markets are being implemented to help the company return to profitability, last achieved in 2013. Consensus forecasts in the market shows sales for 2016 of £7.99m leading to a narrowing pre-tax loss of -£4.8m from -£5.6m the year before.

Conclusion

The small cap markets had a mixed 2016. AIM recorded a decent mid-teen percentage growth (beating most other main London indices), though the overall number of AIM quoted companies continued to fall. Some companies left for positive reasons such as being taken over, or moving to the Main Market, but many because they could no longer justify being on the market or simply went out of business. The overall result is that there is a more robust feel to the market today and the same can be said for the Standard List of the Main Markets, which has had a good year too, with companies like InnovaDerma and Avation PLC making an entrance via this route.

In such an environment, the need for careful stock selection has never been greater, and one should always remember that small cap companies are more sensitive to relatively small adverse events and thus, they can be knocked for six by unpredictable events. However, the fittest can also be highly nimble and make necessary changes to suit which way the wind is blowing. Consequently, the sector mix of the market has transformed greatly over the past few years, with a shift from the speculative and high risk sectors towards segments of the market where businesses are more developed and it is easier to assess the potential value of an investment.

I think that one of the things that the small cap UK markets have done well is allow existing quoted companies to raise money for realistic and planned growth. For certain there needs to be a very coherent plan for the use of funds and there needs to be a clear pathway for delivering value changing milestones. What is no longer readily available is funding for exploration, for life-style businesses, for blue-sky research projects and for war-chests. Many companies in those categories have gone, some bust, some are taken private or taken over. Arguably the small cap markets are better quality for all this and the surviving companies are bigger, stronger and there are less of them seeking funds from the same pool.

Of concern, perhaps, is that IPOs are struggling to get away, with investors remaining stoically discerning on their quality thresholds and valuation expectations.

*Indicates corporate client of Hybridan LLP

Disclaimer for all companies mentioned except for InnovaDerma PLC and Petards Group plc

This document, which does not constitute research, has been issued by Hybridan LLP for information purposes only and should not be construed in any circumstances as an offer to sell or solicitation of any offer to buy any security or other financial instrument, nor shall it, or the fact of its distribution, form the basis of, or be relied upon in connection with, any contract relating to such action. This document has no regard for the specific investment objectives, financial situation or needs of any specific entity and is not a personal recommendation to anyone. Recipients should make their own investment decisions based upon their own financial objectives and financial resources and, if any doubt, should seek advice from an investment advisor.

The information contained in this document is based on materials and sources that are believed to be reliable; however, they have not been independently verified and are not guaranteed as being accurate. This document is not intended to be a complete statement or summary of any securities, markets, reports or developments referred to herein. No representation or warranty, either express or implied, is made or accepted by Hybridan LLP, its members, directors, officers, employees, agents or associated undertakings in relation to the accuracy, completeness or reliability of the information in this document nor should it be relied upon as such.

Any and all opinions expressed are current opinions as of the date appearing on this document only. Any and all opinions expressed are subject to change without notice and Hybridan LLP is under no obligation to update the information contained herein. To the fullest extent permitted by law, none of Hybridan LLP, its members, directors, officers, employees, agents or associated undertakings shall have any liability whatsoever for any direct or indirect or consequential loss or damage (including lost profits) arising in any way from use of all or any part of the information in this document.

This document should not be relied upon as being an independent or impartial view of the subject matter and, for the avoidance of doubt, does not constitute “independent investment research” for the purposes of the Financial Conduct Authority rules. The individuals who prepared this document may be involved in providing other financial services to the company or companies referenced in this document or to other companies who might be said to be competitors of the company or companies referenced in this document. As a result both Hybridan LLP and the individual members, directors, officers and/or employees who prepared this document may have responsibilities that conflict with the interests of the persons who receive this document. Hybridan LLP and/or connected persons may, from time to time, have positions in, make a market in and/or effect transactions in any investment or related investment mentioned herein and may provide financial services to the issuers of such investments.

In the UK, this document is directed at and is for distribution only to persons who (i) fall within Article 19(5) (persons who have professional experience in matters relating to investments) or Article 49(2) (a) to (d) (high net worth companies, unincorporated associations, etc) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) or (ii) are Professional Clients or Eligible Counterparties (as those terms are defined in the rules of the Financial Conduct Authority) of Hybridan LLP (all such persons referred to in (i) and (ii) together being referred to as “relevant persons”). This document must not be acted on or relied up on by persons who are not relevant persons. For the purposes of clarity, this document is not intended for and should not be relied upon by persons who would be classified as Retail Clients (as defined by the rules of the Financial Conduct Authority).

Neither this document nor any copy of part thereof may be distributed in any other jurisdictions where its distribution may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Distribution of this report in any such other jurisdictions may constitute a violation of UK or US securities law, or the law of any such other jurisdictions.

Where possible this document is made available to all relevant recipients at the same time and it is not intended for Retail Clients as defined in the FCA Rules. Dissemination of research is monitored to ensure that it is only provided to Professional Clients.

Hybridan LLP and/or its associated undertakings may from time-to-time provide investment advice or other services to, or solicit such business from, any of the companies referred to in this document. Accordingly, information may be available to Hybridan LLP that is not reflected in this material and Hybridan LLP may have acted upon or used the information prior to or immediately following its publication. In addition, Hybridan LLP, the members, directors, officers and/or employees thereof and/or any connected persons may have an interest in the securities, warrants, futures, options, derivatives or other financial instrument of any of the companies referred to in this document and may from time-to-time add or dispose of such interests.

Neither the whole nor any part of this document may be duplicated in any form or by any means. Neither should this document, or any part thereof, be redistributed or disclosed to anyone without the prior consent of Hybridan LLP.

Hybridan LLP is a limited liability partnership registered in England and Wales, registered number OC325178, and is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange. Any reference to a partner in relation to Hybridan LLP is to a member of Hybridan LLP or an employee with equivalent standing and qualifications. A list of the members of Hybridan LLP is available for inspection at the registered office, 2 Jardine House, The Harrovia Business Village, Bessborough Road, Harrow, Middlesex HA1 3EX.

If you would like to unsubscribe, please email enquiries@hybridan.com with “unsubscribe me”.

Research Disclaimer for InnovaDerma PLC and Petards Group plc

This document should not be relied upon as being an impartial or objective assessment of the subject matter and is not deemed to be “independent research” for the purposes of the Financial Conduct Authority rules. As a consequence, the research (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research; and (b) is not subject to any prohibition on dealing ahead of the dissemination of investment research (although Hybridan does impose restrictions on personal account dealing in the run up to publishing research as set out in our Conflicts of Interest Policy).

Hybridan LLP is involved in providing other financial services to **InnovaDerma PLC and Petards Group plc** (the “Company”) and as a result Hybridan LLP may have responsibilities that conflict with the interests of the persons who receive this document.

This document has been issued by Hybridan LLP for **information purposes only** and should not be construed in any circumstances as an offer to sell or solicitation of any offer to buy any security or other financial instrument, nor shall it, or the fact of its distribution, form the basis of, or be relied upon in connection with, any contract relating to such action. This document has no regard for the specific investment objectives, financial situation or needs of any specific entity. Hybridan LLP and/or connected persons may, from time to time, effect transactions in any investment or related investment mentioned herein and may provide financial services to the issuers of such investments. The information contained herein is based on materials and sources that we believe to be reliable, however, Hybridan LLP makes no representation or warranty, either express or implied, in relation to the accuracy, completeness or reliability of the information contained herein. Opinions expressed are our current opinions as of the date appearing on this material only. Any opinions expressed are subject to change without notice and Hybridan LLP is under no obligation to update the information contained herein. None of Hybridan LLP, its affiliates or employees shall have any liability whatsoever for any indirect or consequential loss or damage arising from any use of this document.

In the UK, this report is directed at and is for distribution only to persons who (i) fall within Article 19(1) (persons who have professional experience in matters relating to investments) or Article 49(2) (a) to (d) (high net worth companies, unincorporated associations, etc) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (as amended) or (ii) are Professional Clients or Eligible Counterparties of Hybridan LLP (all such persons together being referred to as “relevant persons”). This report must not be acted on or relied upon by persons in the UK who are not relevant persons.

Neither this report nor any copy or part thereof may be distributed in any other jurisdictions where its distribution may be restricted by law and persons into whose possession this report comes should inform themselves about, and observe any such restrictions. Distribution of this report in any such other jurisdictions may constitute a violation of UK or US securities law, or the law of any such other jurisdictions.

Investments in general involve some degree of risk, including the risk of capital loss. The services, securities and investments discussed in this document may not be available to or suitable for all investors. Investors should make their own investment decisions based upon their own financial objectives and financial resources and, if in any doubt, should seek advice from an investment advisor. Past performance is not necessarily a guide to future performance and an investor may not get back the amount originally invested. Where investment is made in currencies other than the investor’s base currency, movements in exchange rates will have an effect on the value, either favourable or unfavourable. Levels and bases for taxation may change. When Hybridan LLP comments on AIM or ISDX Markets shares investors should be aware that because the rules for those markets are less demanding than the Official List of the London Stock Exchange the risks are higher. Furthermore, the marketability of these shares is often restricted.

Hybridan LLP and/or its associated companies may from time-to-time provide investment advice or other services to, or solicit such business from, any of the companies referred to in this document. Accordingly, information may be available to Hybridan LLP that is not reflected in this material and Hybridan LLP may have acted upon or used the information prior to or immediately following its publication. In addition, Hybridan LLP, the partners, directors and employees thereof and/or any connected persons may have an interest in the securities, warrants, futures, options, derivatives or other financial instrument of any of the companies referred to in this document and may from time-to-time add or dispose of such interests. Neither the whole nor any part of this material may be duplicated in any form or by any means. Neither should any of this material be redistributed or disclosed to anyone without the prior consent of Hybridan LLP. Hybridan LLP is Authorised and Regulated by the Financial Conduct Authority and is a member of the London Stock Exchange.

Dissemination of Research: Reports are made available to all relevant recipients at the same time. Issuers may in certain circumstances be permitted to review investment analysts’ investment research prior to publication for review of factual accuracy only. Investment research prepared and disseminated by Hybridan LLP is not intended for Retail Clients as defined in the FCA Rules. Dissemination of research is monitored to ensure that it is only provided to Professional Clients.

Hybridan LLP

20 Ironmonger Lane, London, EC2V 8EP

T +44 (0) 20 3764 2341, F +44 (0) 20 7600 1586

www.hybridan.com

Research Disclosures for InnovaDerma PLC and Petards Group plc

Investment analyst certification:

All research is issued under the regulatory oversight of Hybridan LLP. Each Investment Analyst of Hybridan LLP whose name appears as the Author of this Investment Research hereby certifies that the opinions expressed in the Investment Research accurately reflect the Investment Analyst's personal and objective views about any and all of the companies or the Company discussed herein that are within such Investment Analyst's coverage universe.

The Investment Analyst who is responsible for the preparation of this Investment Research is an employee of Hybridan that has been engaged by Hybridan LLP to produce this document.

Investment Research Disclosures:

1. In the past 12 months, Hybridan LLP has had corporate finance mandates as Corporate Broker or managed or co-managed a public offering of the Company's securities or received compensation for Corporate Finance services from the Company.
2. Hybridan LLP may receive compensation for Corporate Finance services from this Company in the next twelve months.
3. Hybridan LLP acts as Corporate Broker for the Company.
4. Hybridan may provide investment banking services to the Company and in that capacity may have received confidential information relevant to the securities mentioned in this research report which is not known to the researcher who has compiled this research report.

Hybridan, its partners, officers or employees or any connected persons may at the time of publication have an interest in the equity of the Company through the holding of warrants, securities, futures, options, derivatives and any other financial instrument of any of the companies referred to in this document. Hybridan at the time of publication currently has no interest of this nature in the Company discussed herein. If exercised this interest would not be required to be notified as it would comprise less than 3% of the Company's issued share capital. Hybridan reserves the right to increase or dispose of this interest and / or the underlying shares resulting from exercise, without further notice. Any disposal or acquisition of warrants or shares will be undertaken under the FCA guidelines regarding Closed Periods and Public Disclosure as required.

Research recommendations:

In line with our conflicts of interest policy Hybridan LLP does not produce recommendations or publish target prices on companies who are corporate clients of Hybridan LLP.