

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised for the purposes of FSMA if you are in the UK, or another appropriately authorised financial adviser if you are in a territory outside of the United Kingdom.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please send this document, together with the accompanying documents, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, the distribution of this document and/or any accompanying documents into a jurisdiction other than the United Kingdom may be restricted by law or regulation and therefore such documents should not be distributed, forwarded to or transmitted in or into the United States of America, Canada, Australia, New Zealand, the Republic of South Africa, the Russian Federation, Japan or the Republic of Ireland, nor in or into any other jurisdiction.

The Placing does not constitute an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Rules made by the FCA pursuant to sections 73A(1) and (4) of FSMA and has not been pre-approved by the FCA pursuant to section 85 of FSMA.

The Company and the Directors, whose names are set out on page 7 of this document, accept responsibility, both collectively and individually, for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

DIURNAL GROUP PLC

(incorporated and registered in England and Wales with registered number 09846650)

**Placing of 34,894,437 Placing Shares at
32 pence per Placing Share**

Notice of General Meeting

**Nominated Adviser and Joint Broker
Panmure Gordon (UK) Limited**

**Joint Broker
Cantor Fitzgerald Europe**

Panmure Gordon (UK) Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and joint broker to the Company in connection with the matters described in this document. Persons receiving this document should note that Panmure Gordon (UK) Limited will not be responsible to anyone other than the Company for providing the protections afforded to clients of Panmure Gordon (UK) Limited or for advising any other person on the arrangements described in this document. Panmure Gordon (UK) Limited has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Panmure Gordon (UK) Limited for the accuracy of any information or opinion contained in this document or for the omission of any information.

Cantor Fitzgerald Europe, which is authorised and regulated in the United Kingdom by the FCA, is acting as joint broker to the Company in connection with the matters described in this document. Persons receiving this document should note that Cantor Fitzgerald Europe will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cantor Fitzgerald Europe or for advising any other person on the arrangements described in this document. Cantor Fitzgerald Europe has not authorised the contents of, or any part of, this document and no liability

whatsoever is accepted by Cantor Fitzgerald Europe for the accuracy of any information or opinion contained in this document or for the omission of any information.

The Existing Ordinary Shares are currently admitted to trading on AIM. Applications will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that EIS/VCT Admission in respect of the EIS/VCT Placing Shares will become effective and dealings for normal settlement in the EIS/VCT Placing Shares will commence, at or around 8.00 a.m. on 26 March 2020 and that General Admission in respect of the General Placing Shares is expected to occur at or around 8.00 a.m. on 27 March 2020. The Placing Shares will not be admitted to trading on any other investment exchange. The Placing Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company. Shareholders and potential investors should be aware of the possibility that EIS/VCT Admission may occur, but General Admission may not take place.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority (being the FCA acting as competent authority for the purposes of Part V of FSMA). A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the FCA has examined or approved the contents of this document. The AIM Rules are less demanding than those of the Official List of the FCA. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the Placing Shares to the Official List of the FCA.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

Notice of the General Meeting to be held at the offices of Eversheds Sutherland (International) LLP at One Wood Street, London EC2V 7WS at 2.00 p.m. on 25 March 2020 is set out at the end of this document.

Copies of this document will be available free of charge during normal business hours on any weekday (except Saturdays, Sundays and public holidays) from the Company's registered office from the date of this document to the date of Admission. Copies of this document will be available on the Company's website at www.diurnal.co.uk.

Whether or not you intend to be present at the General Meeting, it is important that you submit your proxy vote electronically. Proxies may be submitted electronically using Link Asset Services' Signal Shares share portal service at www.signalshares.com or in hard copy form if you request a hard copy Form of Proxy from the Company's registrar, Link Asset Services. In order to be valid, proxy appointments must be submitted using Link Asset Services' Signal Shares share portal service or in hard copy form to Link Asset Services at PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, in each case, by no later than 2.00 p.m. on 23 March 2020 or 48 hours (excluding any part of a day that is not a working day) before any adjourned meeting. The electronic appointment of a proxy using Link Asset Services' Signal Shares share portal service or the completion and return of a Form of Proxy in hard copy form will not preclude Shareholders from attending and voting at the General Meeting should they so wish. Any hard copy Form of Proxy should, to be valid, be completed and signed in accordance with the instructions printed on it.

If you require a hard copy Form of Proxy (or assistance with how to complete, sign and return it) or assistance in submitting your proxy appointment electronically, please call Link Asset Services on +44 (0)371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Lines are open 9.00 a.m. to 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. For legal reasons, Link Asset Services will not be able to give advice on the merits of the proposals set out herein or provide legal, financial or taxation advice.

If you hold your Ordinary Shares in uncertificated form (i.e. in CREST), you may appoint a proxy for the General Meeting by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual issued by Euroclear so that it is received by the registrar

(under CREST Participation ID RA10) by no later than 2.00 p.m. on 23 March 2020). The time of receipt will be taken to be the time from which the registrar is able to retrieve the message by enquiry to CREST in the manner proscribed by CREST.

Forward-looking statements

This document contains statements about the Group that are or may be “forward-looking statements”. All statements, other than statements of historical facts, included in this document may be forward-looking statements and are subject to, amongst other things, known and unknown risks, uncertainties and other factors. Without limitation, any statements preceded or followed by, or that include, the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “should”, “anticipates”, “estimates”, “projects”, “would”, “could”, “continue” or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: management’s strategic vision, aims and objectives; the conduct of clinical trials; the filing dates for product licence applications; the Group’s ability to find partners for the development and commercialisation of its technology and services; the effect of competition; trends in results of operations; margins; the overall pharmaceutical market; and exchange rates. These forward-looking statements are not guarantees of future performance and have not been reviewed by the auditors of the Group. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Shareholders should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules and MAR), the Company does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors of the Company at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

Currency and exchange rate presentation

Unless otherwise indicated, references to pounds sterling, sterling, pounds, pence, p or £ are to the lawful currency of the United Kingdom and reference to US dollars or \$ are to the lawful currency of the United States.

Market, economic and industry data

This document contains information regarding the Group’s business and the market in which it operates and competes, which the Company has obtained from various third-party sources. Where information has been sourced from a third party it has been accurately reproduced and, so far as the Company is aware and is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Such information has not been audited or independently verified.

Rounding

Certain data in this document, including financial, statistical and operating information, has been rounded. As a result of rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages have also been rounded and accordingly may not add to 100 per cent.

CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS	5
KEY STATISTICS	6
DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS	7
DEFINITIONS	8
GLOSSARY OF TECHNICAL AND SCIENTIFIC TERMS	11
LETTER FROM THE CHAIRMAN	13
NOTICE OF GENERAL MEETING	23

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Placing	6 March 2020
Announcement of the results of the Placing	6 March 2020
Publication and posting of this document	by 9 March 2020
Latest time and date for receipt of electronic proxy appointments, CREST Proxy Instructions and completed Forms of Proxy in hard copy form to be valid at the General Meeting	2.00 p.m. on 23 March 2020
General Meeting	2.00 p.m. on 25 March 2020
Announcement of result of General Meeting	25 March 2020
Expected date for EIS/VCT Admission and commencement of dealings in the EIS/VCT Placing Shares	8.00 a.m. on 26 March 2020
Expected time and date on which CREST accounts to be credited with EIS/VCT Placing Shares in uncertificated form	8.00 a.m. on 26 March 2020
Expected date for General Admission and commencement of dealings in the General Placing Shares	8.00 a.m. on 27 March 2020
Expected time and date on which CREST accounts to be credited with General Placing Shares in uncertificated form	8.00 a.m. on 27 March 2020
Expected date for despatch of definitive share certificates in respect of EIS/VCT Placing Shares to be issued in certificated form	Within 14 days of allotment
Expected date for despatch of definitive share certificates in respect of General Placing Shares to be issued in certificated form	Within 14 days of allotment

Notes

- (1) References to times in this document are to London time (unless otherwise stated).
- (2) The dates and timing of the events in the above timetable and in the rest of this document are indicative only and may be subject to change.
- (3) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement through a Regulatory Information Service.

PLACING STATISTICS

Number of Existing Ordinary Shares ⁽¹⁾	86,725,987
Placing Price	32 pence
Number of EIS/VCT Placing Shares	14,743,880
Number of General Placing Shares	20,150,557
Aggregate number of Placing Shares	34,894,437
Gross proceeds of the Placing	Approximately £11.2 million
Net proceeds of the Placing ⁽²⁾	Approximately £10.7 million

OVERALL STATISTICS

Enlarged Share Capital following EIS/VCT Admission	101,469,867
EIS/VCT Placing Shares as a percentage of Enlarged Share Capital	12.1 per cent.
Enlarged Share Capital following General Admission	121,620,424
General Placing Shares as a percentage of Enlarged Share Capital	16.6 per cent.
Percentage of Enlarged Share Capital following General Admission represented by Placing Shares	28.7 per cent.
Market capitalisation of the Company immediately following the Placing at the Placing Price	Approximately £38.9 million
ISIN of the Ordinary Shares	GB00BDB6Q760

Notes

- (1) On 5 March 2020, being the latest practicable date prior to the date of this document.
- (2) After deducting commissions and expenses in the aggregate amount of £0.6 million.

DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Peter Allen, <i>Non-Executive Chairman</i> Dr Martin Whitaker, <i>Chief Executive Officer</i> Richard Bungay, <i>Chief Financial Officer</i> Professor Richard Ross, <i>Chief Scientific Officer</i> Dr Sam Williams, <i>Non-Executive Director</i> Dr Alan Raymond, <i>Non-Executive Director</i> John Goddard, <i>Independent Non-Executive Director</i>
Company Secretary	Richard Bungay
Registered Office	Cardiff Medicentre, Heath Park, Cardiff, CF14 4UJ
Website	www.diurnal.co.uk
Nominated Adviser and Joint Broker	Panmure Gordon (UK) Limited 1 New Change, London EC4M 9AF
Joint Broker	Cantor Fitzgerald Europe 5 Churchill Place, London E14 5HU
Solicitors to the Company	Eversheds Sutherland (International) LLP 1 One Wood Street, London EC2V 7WS
Solicitors to the Nominated Adviser and Joint Brokers	Fieldfisher LLP Riverbank House, 2 Swan Lake, London EC4R 3TT
Public Relations	FTI Consulting 200 Aldersgate Street, London EC1A 4HD
Registrar	Link Market Services Limited The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU

DEFINITIONS

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

“Act”	Companies Act 2006 (as amended)
“Admission”	EIS/VCT Admission, in the case of the EIS/VCT Placing Shares, and General Admission, in the case of the General Placing Shares
“AIM”	AIM, the market of that name operated by London Stock Exchange
“AIM Rules”	the AIM Rules for Companies as published by the London Stock Exchange from time to time
“Board” or “Directors”	the directors of the Company as at the date of this document
“Cantor Fitzgerald”	Cantor Fitzgerald Europe
“certificated” or “in certificated form”	in relation to a share or other security, not in uncertificated form (that is, not in CREST)
“Company” or “Diurnal”	Diurnal Group plc, a public limited company incorporated in England and Wales with registered number 09846650
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations), which facilitates the transfer of title to shares in uncertificated form
“CREST member”	a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations)
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
“EIS”	Enterprise Investment Scheme
“EIS/VCT Admission”	admission of the EIS/VCT Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“EIS/VCT Placing”	the conditional placing of 14,743,880 EIS/VCT Placing Shares with Placees at the Placing Price pursuant to the Placing Agreement
“EIS/VCT Placing Shares”	the EIS Shares and the VCT Shares together
“EIS Relief”	the relief claimed by any holder of the EIS Shares under Part 5 of the ITA 2007 or exemption or relief available under sections 150A, 150C and Schedule 5B Taxation of Chargeable Gains Act 1992
“EIS Shares”	the Placing Shares to be allotted and issued by the Company at the Placing Price, conditional on EIS/VCT Admission, in connection with the EIS/VCT Placing, which are intended to qualify for EIS Relief

“Enlarged Share Capital”	the entire issued share capital of the Company as enlarged by the issue of the Placing Shares following Admission
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited
“Existing Ordinary Shares”	the 86,725,987 Ordinary Shares in issue on the date of this document
“FCA”	the Financial Conduct Authority
“Form of Proxy”	a hard copy form of proxy for use in relation to the General Meeting
“FSMA”	Financial Services and Market Act 2000 (as amended)
“General Admission”	admission of the General Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“General Meeting”	the general meeting of the Company, convened for 2.00 p.m. on 25 March 2020 or any adjournment thereof, notice of which is set out at the end of this document
“General Placing”	the conditional placing of 20,150,557 General Placing Shares with Placees at the Placing Price pursuant to the Placing Agreement
“General Placing Shares”	the Placing Shares to be allotted and issued by the Company at the Placing Price, conditional on General Admission, in connection with the General Placing (excluding the EIS/VCT Placing Shares)
“Group”	the Company and its subsidiaries
“HMRC”	Her Majesty’s Revenue and Customs
“ISIN”	International Securities Identification Number
“ITA 2007”	Income Tax Act 2007
“Joint Brokers”	Panmure Gordon and Cantor Fitzgerald
“London Stock Exchange”	London Stock Exchange plc
“Long Stop Date”	10 April 2020
“Member Account ID”	the identification code or number attached to any member account in CREST
“Money Laundering Regulations”	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and obligations in connection with money laundering under the Criminal Justice Act 1993 and the Proceeds of Crime Act 2002
“Notice of General Meeting”	the notice convening the General Meeting as set out at the end of this document
“Ordinary Shares”	ordinary shares of £0.05 each in the capital of the Company
“Overseas Shareholders”	Shareholders with registered addresses outside the United Kingdom or who are citizens or residents of countries outside the United Kingdom
“Panmure Gordon”	Panmure Gordon (UK) Limited

“Placing Agreement”	the agreement dated 6 March 2020 between the Company, Panmure Gordon and Cantor Fitzgerald in respect of the Placing
“Placees”	the persons who have agreed to subscribe for Placing Shares under the Placing
“Placing”	the conditional placing by the Company of the Placing Shares with the Placees, otherwise than on a pre-emptive basis, at the Placing Price pursuant to the Placing Agreement and comprising the EIS/VCT Placing and the General Placing
“Placing Price”	32 pence per Placing Share
“Placing Resolutions”	Resolutions 1 and 3 to be proposed at the General Meeting as set out in the Notice of General Meeting
“Placing Shares”	the 34,894,437 new Ordinary Shares which are the subject of the Placing and comprising of the EIS/VCT Placing Shares and the General Placing Shares
“Registrar”	Link Market Services Limited
“Regulatory Information Service”	has the meaning given in the AIM Rules
“Restricted Jurisdiction”	the US, Canada, Australia, New Zealand, the Republic of South Africa, the Russian Federation, Japan or the Republic of Ireland
“Resolutions”	the resolutions (including, without limitation, the Placing Resolutions) to be proposed at the General Meeting as set out in the Notice of General Meeting
“Securities Act”	US Securities Act of 1933 (as amended)
“Shareholders”	the holders of Existing Ordinary Shares
“stock account”	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
“uncertificated” or “in uncertificated form”	in relation to a share or other security, recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred through CREST
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States”, “United States of America” or “US”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all areas subject to its jurisdiction
“VCT”	Venture Capital Trust as defined by section 259 ITA 2007
“VCT Relief”	the relief claimed by any holder of the VCT Shares under Part 6 of the ITA 2007 or exemption or relief available under sections 151A, 151B and Schedule 5C Taxation of Chargeable Gains Act 1992 or Chapter 5 of Part 6 of the Income Tax (Trading and Other Income) Act 2005 and
“VCT Shares”	the Placing Shares to be allotted and issued by the Company at the Placing Price, conditional on EIS/VCT Admission, in connection with the EIS/VCT Placing which are intended to qualify for VCT Relief

GLOSSARY OF TECHNICAL AND SCIENTIFIC TERMS

The following technical and scientific terms apply throughout this document, unless the context requires otherwise:

Adrenal glands	the adrenal glands are small glands that sit on top of the kidneys in the retroperitoneum (that is, the deepest part of the abdomen). The adrenal glands have two layers: the cortex and the medulla. The cortex is located on the outer layer of the adrenal gland and secretes a number of different hormones, including cortisol, aldosterone and androgens. Diseases of the adrenal cortex may be caused by either too much or too little of any of the above hormones;
Adrenal Franchise	the Group's hydrocortisone product "franchise" or range designed to treat patients with diseases of cortisol deficiency;
Adrenal Insufficiency or AI	a condition characterised by deficiency in cortisol, an essential hormone in regulating metabolism and the response to stress. Poor control of disease can result in precocious puberty in young children, virilisation in girls and chronic fatigue leading to a poor quality of life in adulthood resulting in increased morbidity and mortality;
androgens	hormones that regulate the development and maintenance of male characteristics;
CHMP	the Committee for Medicinal Products for Human Use;
Congenital Adrenal Hyperplasia or CAH	a condition caused by deficiency of adrenal enzymes, most commonly 21-hydroxylase. This enzyme is required to produce cortisol. The block in the cortisol production pathway causes the over-production of androgens, which are precursors to cortisol. The condition is congenital (inherited at birth) and affects both sexes. The cortisol deficiency and over-production of male sex hormones can lead to increased mortality, infertility and severe development defects including ambiguous genitalia, premature (precocious) sexual development and short stature. Sufferers, even if treated, remain at risk of death through an adrenal crisis;
Cortisol	a life-sustaining adrenal hormone essential to the maintenance of homeostasis. Called the "stress hormone", cortisol influences, regulates or modulates many of the changes that occur in the body in response to stress, including (but not limited to): blood sugar (glucose) levels; fat, protein and carbohydrate metabolism to maintain blood glucose (gluconeogenesis); immune responses; anti-inflammatory actions; blood pressure; heart and blood vessel tone and contraction; and central nervous system activation. Cortisol levels have a rhythm around the day and night, a circadian rhythm. Cortisol levels are high on waking (between 7.00 a.m. and 10.00 a.m.), gradually decline over the day with low levels on going to sleep (between midnight and 2.00 a.m.) and then building-up overnight to peak again shortly after waking;
EMA	the European Medicine Agency;
FDA	the US Food and Drug Administration;
Homeostasis	the tendency towards a relatively stable equilibrium between inter-dependent elements in the human body, as maintained by physiological processes;

Hypogonadism	diminished functional activity of the gonads (the testes);
Hypothyroidism	also called underactive thyroid or low thyroid, is a disorder of the endocrine system in which the thyroid gland does not produce enough thyroid hormone, causing a number of symptoms, including poor ability to tolerate cold, a feeling of tiredness, constipation, depression and weight gain;
Investigative New Drug Application or IND	a request for FDA authorisation to administer an investigational drug to humans in the US. Such authorisation must be secured prior to interstate shipment and administration of any new drug that is not the subject of an approved new drug application;
Marketing Authorisation Application or MAA	a Marketing Authorisation Application made seeking authorisation of a new medicine. Once granted by the European Commission, the centralised marketing authorisation is valid in all EU Member States, Iceland, Norway and Liechtenstein;
New Drug Application or NDA	the FDA's New Drug Application is the vehicle in the United States through which drug sponsors formally propose that the FDA approve a new pharmaceutical for sale and marketing;
Orphan Drug Designation	in the European Union, orphan drug designation under Regulation (EC) No. 141/2000 by the EMA's Committee for Orphan Medicinal Products and, in the United States, orphan drug designation under the Orphan Drug Act of 1983;
Phase I clinical trial	a clinical trial which aims to test the safety of a new medicine/treatment on humans for the first time. A small number of people, who may be healthy volunteers, are given the medicine/treatment. Researchers test for side effects and calculate what the right dose might be to use in treatment (known as dose-ranging studies);
Phase II clinical trial	a second phase of clinical trial which tests a new medicine/treatment on a group of people, usually a small number of patients, in order to gain a better understanding of its effects in the short term. A Phase II clinical trial may also be conducted on a blind, double-blind and/or randomised basis;
Phase III clinical trial	a third phase clinical trial only for medicines/treatments that have already passed a Phase I clinical trial and a Phase II clinical trial. In a Phase III clinical trial, a medicine/treatment is tested on a further increased number of people (sometimes several thousand) who are ill and compared against an existing treatment or placebo to see if it is better in practice and if it has important side effects. Most Phase III clinical trials are also conducted on a blind, double-blind and/or randomised basis;
PUMA	a Paediatric Use Marketing Authorisation that provides incentives for products intended to be used in children in Europe. A product that benefits from a PUMA will have a total of 10 years exclusivity (eight years of data exclusivity and an additional 2 years of market exclusivity) with effect from market approval in Europe; and
T3	the thyroid hormone triiodothyronine, produced by the thyroid gland.

LETTER FROM THE CHAIRMAN

DIURNAL GROUP PLC

(incorporated and registered in England and Wales with registered number 09846650)

Registered office:

Cardiff Medicentre
Heath Park
Cardiff
CF14 4UJ

9 March 2020

Dear Shareholder

Placing of 34,894,437 Placing Shares at 32 pence per Placing Share

Notice of General Meeting

1. Introduction

On 6 March 2020, the Board announced a conditional Placing of 34,894,437 Placing Shares at 32 pence each to raise approximately £11.2 million before expenses. The Placing Price in respect of the Placing Shares represents a discount of 4.5 per cent. to the closing middle market price of 33.5 pence per Existing Ordinary Share on 5 March 2020 (being the last practicable date before publication of this document).

The Placing is conditional on, amongst other things, the passing of the Placing Resolutions by Shareholders at the General Meeting, notice of which is set out at the end of this document. If the Placing Resolutions are passed, the Placing Shares will be allotted and issued after the General Meeting. As part of the Placing, the Directors consider that up to £4.7 million of the gross Placing proceeds is expected to be EIS/VCT qualifying. Applications will be made in due course to the London Stock Exchange for the EIS/VCT Placing Shares and the General Placing Shares to be admitted to trading on AIM. EIS/VCT Admission is expected to occur no later than 8.00 a.m. on 26 March 2020 and General Admission is expected to occur no later than 8.00 a.m. on 27 March 2020 (or, in each case, such later time and/or date as Panmure Gordon, Cantor Fitzgerald and the Company may agree, being, in the case of EIS/VCT Admission and General Admission, no later than 8.00 a.m. on the Long Stop Date). The Placing is not underwritten.

The purpose of this document is to explain the background to and reasons for the Placing, the use of proceeds and the details of the Placing, to set out the reasons why the Board believes that the Placing is in the best interests of the Company and its Shareholders and to seek your approval to the Resolutions at the forthcoming General Meeting, which will be held at the offices of Eversheds Sutherland (International) LLP at One Wood Street, London EC2V 7WS at 2.00 p.m. on 25 March 2020.

2. Description of Company

Diurnal is a European specialty pharmaceutical group, headquartered in the UK, targeting patient needs in chronic endocrine (hormonal) diseases. The Group aims to develop and commercialise products to solve patient needs in endocrine diseases, primarily those that result from a deficiency of cortisol, typically where there is either no licensed medicine or where the Directors believe that current treatment does not sufficiently address patients' needs.

Cortisol is an essential hormone produced by the adrenal gland. Absence of cortisol can result in fatigue, depression and death through adrenal crisis. The production of cortisol in the human body follows a daily cycle (circadian rhythm), whereby production increases from a minimum level during sleep, peaks upon waking and gradually declines during the day. In adrenal disease, this moderates the impact that excess androgens have on the body throughout the day. If left unregulated for even certain periods during the day, excess androgens can affect patients' growth and sexual development, resulting in symptoms such as short stature, infertility, obesity and increased mortality.

The Directors believe the Group is on track to become a world-leading endocrinology speciality pharma group focused on a c. \$9.5 billion¹ market opportunity and initially targeting a c. \$3 billion¹ market in cortisol deficiency. The Group is building a life-long Adrenal Franchise through the Group's two flagship products, Alkindi®/Alkindi® Sprinkle (hydrocortisone granules in capsules for opening) and Chronocort® (modified release hydrocortisone capsules), to provide cortisol replacement therapy for patients from birth to old age by targeting two indications, Adrenal Insufficiency, where patients lose the ability to produce cortisol leading to insufficient cortisol production, and CAH where patients are born without an enzyme that is essential for cortisol production.

The Group is also seeking to maximise the value of its products in the rest of the world, in particular, to address significant opportunities for the treatment of CAH and AI in the US (c. \$1.1 billion¹) and Japan (c. \$0.4 billion¹), as well as other valuable markets around the world. The Group has also strengthened its pipeline with the successful completion of the first clinical study with DITEST™, its native oral testosterone replacement product, a potential market of approximately \$4.8 billion¹.

Product portfolio

Alkindi® is the first product specifically designed for young children suffering from paediatric AI, and the related condition, CAH. Alkindi® is approved in Europe and has been proven to be effective, easy to administer and has a safety profile similar to other hydrocortisone products. Given the specialist prescribing base and to retain the maximum commercial value of the product Diurnal is commercialising Alkindi® itself in larger European markets, focusing its marketing efforts initially on patients aged between 0 and 6 years where the unmet need is highest.

Following the approval of Alkindi® in 2018, Diurnal has now launched the product directly in the UK, Germany and Austria and with its distribution partner, Frost Pharma, in Sweden, Denmark, Norway and Iceland. Alkindi® reported revenues of £1.1 million for the six months ended 31 December 2019 demonstrating strong year-on-year growth of over 500 per cent. This reflected both continued growth in Germany and the UK, where Alkindi® was launched during 2018, as well as sales from new launches.

Following approval of pricing for Alkindi® during 2019, Diurnal has also now launched the product in Italy. Diurnal also received pricing approval for Alkindi® in the Netherlands and continues pricing discussions in Spain. The Group expects that a series of country launches during 2020 will continue to provide strong revenue growth for Alkindi®. Diurnal continues to assess the most effective means of accessing additional European markets for Alkindi® and will either use in-house resources or engage with a distribution partner.

Diurnal has continued to develop a robust and efficient product supply chain, in particular to minimise potential disruption to the Group's operations after the end of the transitional period following the UK's departure from the EU on 31 January 2020 and also to minimise distribution costs. The Group's supply chain remains located entirely within the EU. Diurnal's wholly-owned subsidiary, Diurnal Europe B.V., registered in the Netherlands, holds the Alkindi® EU marketing authorisation and other required authorisations and licenses following the UK's departure from the EU. Diurnal has previously established a satellite distribution facility in the UK to ensure continuity of supply for the UK market.

The Company believes that its European commercial infrastructure is a valuable asset that can not only be leveraged significantly in the event of a successful approval of Chronocort® in Europe, but also makes Diurnal an attractive partner for companies seeking to commercialise endocrinology-focused products in Europe. Diurnal continues to assess such business development opportunities where they are additive to its business model.

Diurnal's second product candidate, Chronocort®, provides a drug release profile that the Group believes better mimics the body's natural cortisol circadian rhythm, which current therapy is unable to replicate, and is designed to improve disease treatment for adults with CAH, as measured by androgen (male sex hormone) control.

During 2018, Diurnal completed its pivotal European Phase 3 clinical trial of Chronocort® for the treatment of CAH in adults, with a total of 122 patients enrolled across 11 clinical sites, the largest interventional study conducted to date in this patient population. In this study, Chronocort® was able to demonstrate 24-hour control of androgens in CAH. However, it did not meet the primary endpoint of

(1) Market sizes are based on company estimates

superior control compared to conventional glucocorticoid therapy. Subsequently, Diurnal performed a detailed analysis of the study data, identifying important differences between Chronocort® and the control arm of the trial based upon a number of relevant clinical parameters. Based on these findings, Diurnal held a positive Scientific Advice meeting with the EMA in Q2 2019, which confirmed the existing clinical and regulatory path for Chronocort®. An MAA was subsequently filed in Q4 2019. The MAA submission seeks approval for adolescent CAH patients in addition to adults, providing the potential for transition of paediatric patients from Alkindi® to Chronocort®, along with an application for confirmation of Orphan Drug Status.

Patients completing treatment in the European Phase 3 study had the option to enrol into a long-term safety extension study, assessing the impact of treatment with Chronocort® over an extended period, regardless of whether the patients were initially treated with Chronocort® or standard-of-care generic steroids. A significant proportion of patients eligible to enter the follow-on study did so and patient drop-out rates from this study have been very low to date. Diurnal has performed two interim analyses of the data from the ongoing study; notably, a number of patients have been treated for at least 30 months and show sustained benefit from extended Chronocort® treatment, consistent with feedback from the study investigators in this open-label trial.

Assuming the EMA approves Chronocort® for the treatment of CAH, Diurnal subsequently intends to submit a line extension in Europe for the treatment of AI, potentially a much larger market opportunity, using existing clinical data, once the existing Orphan Drug Status for the product Plenadren® in the treatment of adult AI has expired in late 2021.

The Group intends to use its commercial organisation and supply chain developed for Alkindi® for the planned future launch of Chronocort® in Europe. In addition, the pricing work undertaken for Alkindi® has provided insights into the cortisol deficiency market that will be valuable in developing health economic arguments for Chronocort®.

As announced in December 2019, Diurnal successfully completed the Alkindi® New Drug Application (“NDA”) application in the US, along with an application for Orphan Drug Status, with potential for approval in late 2020. In the US, the product will be designated “Alkindi® Sprinkle”, reflecting the unique formulation for a hydrocortisone-based product for paediatric patients. The Group is seeking commercial partners in the US and the rest of the world to enter other global markets. In addition, as announced in February 2020, its NDA for Alkindi® Sprinkle has been formally accepted for review by the US Food and Drug Administration (“FDA”).

Diurnal has developed a Phase 3 registration package for Chronocort® in the US designed to recruit up to 150 patients with CAH, randomised either to receive Chronocort® twice-daily or standard-of-care generic steroids. The study design reflects previous discussions with the FDA and builds upon key learnings from the European Phase 3 study. Diurnal believes that the preparatory work undertaken for this study, including identification of key clinical sites, will substantially accelerate the clinical trial start-up timings. Diurnal has also developed a Phase 2 study designed to assess the utility of Chronocort® in AI, which represents a sizeable commercial opportunity (potentially c. \$0.9 billion in the US alone) and with a highly favourable competitive landscape in the US. Diurnal believes that both these studies are ready to commence, ideally with the support of a US partner.

As highlighted previously, Diurnal is in discussion with a range of potential US licensing partners for Alkindi® and Chronocort® and aims to close a deal during the first half of 2020.

Diurnal continues to refine its strategy to optimise market access for its products. Outside of key European markets and the US, the Group aims to maximise revenues from Alkindi® and Chronocort® by entering into distribution agreements.

Diurnal announced in November 2019, positive headline results from the Company’s Phase I proof-of-concept clinical trial with DITEST™ (native oral testosterone formulation), which has the potential to be the first effective oral native testosterone treatment in an estimated c. \$4.8 billion global market. This study, which confirmed the positive findings in the Group’s successful *in vivo* pre-clinical studies, evaluated the pharmacokinetics, safety and tolerability of DITEST™ in the target patient group of 24 adult men with primary or secondary hypogonadism. The market for testosterone-based products for the treatment of hypogonadism is fragmented and many of the commercially available testosterone replacements have their drawbacks, with topically-available products having compliance and safety issues, while key issues with the use of alternative oral modified testosterone products (testosterone

undecanoate) show variability in absorption and require a high-fat meal to achieve therapeutic testosterone levels.

The primary endpoint of the trial compared the rate and extent of absorption of testosterone from a single dose of DITEST™ 120mg with a single dose of testosterone undecanoate 80mg in the fed state in hypogonadal men was met, DITEST™ was shown to achieve testosterone levels within the healthy young male adult normal range after oral administration, with levels that were less variable than testosterone undecanoate.

Secondary endpoints demonstrated that there was no impact on the rate and extent of absorption of testosterone from DITEST™ 200mg whether taken with either food or in the fasted state, representing a major difference with testosterone undecanoate. The safety and tolerability of two different doses of DITEST™ were also assessed in the study. There were no serious adverse events in the DITEST™ arm of the study and levels of the potent testosterone derived androgen, dihydrotestosterone (“DHT”), were lower than with testosterone undecanoate.

Diurnal is currently assessing the regulatory path for registration of DITEST™ in the key US market in order to determine the optimum development pathway, whether in-house or in collaboration with a partner.

Diurnal’s other early-stage pipeline products include its novel siRNA therapy for Cushing’s disease, a condition characterised by an excess of cortisol (a c. \$0.46 billion market opportunity) and a modified-release T3 replacement therapy for patients with hypothyroidism who do not respond to current standard-of-care (a potential market of c. \$1 billion in the US and Europe). In addition, Diurnal regularly assesses third party products for chronic endocrine disorders that fit within its strategic vision.

Current trading and prospects

Diurnal reported cash and cash equivalents and held-to-maturity financial assets (unaudited) as at 31 December 2019 of £4.6 million (31 December 2018: £6.9 million). The Company’s operating loss for the six-month period ended 31 December 2019 was £4.6 million (six months ended 31 December 2018: £9.7 million), a reduction of 53 per cent. year-on-year, reflecting increased revenues and decreased investment in clinical development expenses.

Diurnal has received strong interest in Alkindi® and Chronocort® for the US and will continue to progress licensing discussions, including the potential for co-development of Chronocort® in the US, both in CAH and AI.

In addition to developing the Group’s own specialist products and bringing them to market the Directors also believe there is potential for targeted mergers and acquisitions to accelerate and leverage the Group’s increasing international profile.

3. Use of proceeds

The net proceeds of the Placing of approximately £10.7 will be used by the Company to continue to support the development of Alkindi® and Chronocort® in the US and the rest of the world and to progress the Group’s early-stage pipeline. In particular, it is the Board’s expectation that the net proceeds from the Placing, in addition to existing cash resources (including tax credits received), will be used to:

- continue the development of the European commercial organisation and roll-out of Alkindi®;
- commence market access activities for Chronocort® in Europe ahead of anticipated approval in Q1 2021;
- strengthen the Group’s balance sheet in connection with licensing discussions for Alkindi® and Chronocort® in the US and the rest of the world; and
- progress the Group’s early-stage pipeline into clinical trials, including proof-of-principle studies and further development of DITEST™, the native oral testosterone formulation.

The Directors believe that delivering the milestones outlined above will enhance the value of the Group and that these milestones will ensure wider recognition of the Group both in the US and Europe.

Based on the Directors' current assumptions, which assume both a successful H1 2020 US licencing deal and a successful marketing authorisation in Q1 2021 and subsequent launch of Chronocort®, the net proceeds of the Placing are expected to provide funding to profitability for the Company's late-stage cortisol replacement franchise.

4. Details of the Placing

The Company has conditionally raised approximately £11.2 million (before commissions and expenses) by way of the placing of 14,743,880 EIS/VCT Placing Shares and 20,150,557 General Placing Shares pursuant to the Placing at the Placing Price to Placees. The Placing Shares, in aggregate, represent approximately 40.2 per cent. of the Existing Ordinary Shares. The aggregate net proceeds after costs related to the Placing are expected to be approximately £10.7 million.

The EIS/VCT Placing is conditional, *inter alia*, upon:

- the Placing Agreement becoming unconditional in all respects (save for any condition relating to EIS/VCT Admission) and not having been terminated in accordance with its terms prior to EIS/VCT Admission;
- the passing of the Placing Resolutions at the General Meeting (or any adjournment thereof); and
- EIS/VCT Admission becoming effective by no later than 8.00 a.m. on 26 March 2020 (or such later time and/or date (being no later than 8.00 a.m. on the Long Stop Date) as the Joint Brokers and the Company may agree).

If any of the conditions above are not satisfied, the EIS/VCT Placing Shares will not be issued.

The General Placing is conditional, *inter alia*, upon:

- the Placing Agreement becoming unconditional in all respects (save for any condition relating to General Admission) and not having been terminated in accordance with its terms prior to General Admission;
- the passing of Placing Resolutions at the General Meeting (or any adjournment thereof);
- EIS/VCT Admission becoming effective; and
- General Admission becoming effective by no later than 8.00 a.m. on 27 March 2020 (or such later time and/or date (being no later than 8.00 a.m. on the Long Stop Date) as the Joint Brokers and the Company may agree).

If any of the conditions above are not satisfied, the General Placing Shares will not be issued. The EIS/VCT Placing is not conditional on the issue of the General Placing Shares and General Admission.

The Placing is not underwritten.

The Placing Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

Application will be made to the London Stock Exchange for the admission of the Placing Shares to trading on AIM. Subject to Shareholder approval of the Placing Resolutions at the General Meeting, it is expected that: (i) EIS/VCT Admission will occur, and that dealings in the EIS/VCT Placing Shares subscribed for pursuant to the EIS/VCT Placing will commence, at 8.00 a.m. on 26 March 2020, at which time it is also expected that the EIS/VCT Placing Shares subscribed for pursuant to the EIS/VCT Placing will be enabled for settlement in CREST; and (ii) General Admission will occur, and that dealings in the General Placing Shares will commence, at 8.00 a.m. on 27 March 2020, at which time it is also expected that the General Placing Shares will be enabled for settlement in CREST.

Shareholders should note that it is possible that EIS/VCT Admission will occur but General Admission will not occur. If any Admission does not occur, then the Company will not receive the relevant net proceeds in respect of such Admission and the Company may not be able to finance the activities it intends to utilise the net proceeds of the Placing for, as described in this document and may have to seek additional funding.

5. The Placing Agreement

Pursuant to the Placing Agreement, the Joint Brokers have each severally agreed to use their respective reasonable endeavours, as agents of the Company, to procure subscribers for the Placing Shares at the Placing Price.

The Joint Brokers' obligations under the Placing Agreement are conditional on, amongst other things:

- EIS/VCT Admission occurring at or before 8.00 a.m. on 26 March 2020 (or such later time and/or date (being not later than 8.00 a.m. on the Long Stop Date) as the Company and the Joint Brokers may agree);
- the compliance by the Company with all of its obligations under the Placing Agreement to the extent they are required to be performed on or prior to EIS/VCT Admission;
- the Placing Resolutions being approved by the required majorities of Shareholders attending and voting (in person or by proxy) at the General Meeting (or at any adjournment thereof) at which they are proposed;
- in respect of the General Placing Shares to be issued in relation to the General Placing only, amongst other things:
 - General Admission occurring at or before 8.00 a.m. on 27 March 2020 (or such later time and/or date (being not later than 8.00 a.m. on the Long Stop Date) as the Company and the Joint Brokers may agree); and
 - the compliance by the Company with all its obligations under the Placing Agreement to the extent they are required to be performed on or prior to General Admission.

If: (i) any condition contained in the Placing Agreement in relation to the Placing Shares is not fulfilled or waived (to the extent capable of being waived) by the Joint Brokers, by the respective time or date where specified; (ii) any such condition becomes incapable of being fulfilled; or (iii) the Placing Agreement is terminated in accordance with its terms, the Placing (following EIS/VCT Admission, in relation to General Placing Shares only) will not proceed and the Placees' rights and obligations thereunder in relation to the Placing Shares shall cease and terminate at such time (provided that following EIS/VCT Admission, only the obligations relating to the General Placing Shares shall terminate) and each Placee agrees that no claim can be made by the Placee in respect thereof. EIS/VCT Admission is not conditional on General Admission but General Admission is conditional on EIS/VCT Admission.

The Placing Agreement provides, amongst other things, for payment by the Company to each of Panmure Gordon and Cantor Fitzgerald of certain commissions and fees in connection with their appointment.

The Company will bear all other expenses of and incidental to the Placing, including the fees of the London Stock Exchange, printing costs, registrar's fees, all properly incurred legal and accounting fees of the Company and the Joint Brokers and any other taxes and duties payable.

The Placing Agreement contains customary warranties and indemnities from the Company in favour of the Joint Brokers.

Each of the Joint Brokers may (after consultation with the Company and the other Joint Broker) terminate the Placing Agreement prior to EIS/VCT Admission and/or General Admission in certain circumstances, if, amongst other things, the Company is in material breach of any of its obligations under the Placing Agreement (including the warranties contained in the Placing Agreement), if there is a material adverse change in the condition, earnings, business, operations or prospects of the Group or if there is a material adverse change in the financial, political, economic or stock market conditions, which in either Joint Broker's reasonable opinion (acting in good faith) makes it impractical or inadvisable to proceed with the Placing.

6. Enterprise Investment Scheme and Venture Capital Trust

The Company received advance assurance on 28 February 2020 from HMRC that it is a qualifying company for the purposes of the Enterprise Investment Scheme ("EIS Advance Assurance").

Accordingly, the Company expects HMRC to authorise the Company to issue compliance certificates under section 204(1), ITA 2007 in respect of the EIS Shares to be issued, following receipt of a form EIS1 satisfactorily completed following the issue of shares to investors seeking EIS Relief for their investment. As of 2 January 2018, HMRC can no longer consider VCT advance assurance applications where the details of the potential qualifying holding are not given.

The Directors believe that the EIS/VCT Placing Shares should be eligible (subject to the circumstances of investors) for tax reliefs under EIS and as a qualifying holder for VCTs. The Directors are not aware of any subsequent change in the qualifying conditions or the Company's circumstances that would prevent the EIS/VCT Placing Shares from being eligible VCT and EIS investments on this occasion. However, neither the Directors nor the Company gives any warranty or undertaking that relief will be available in respect of any investment in EIS/VCT Placing Shares pursuant to this document or the Placing, nor do they warrant or undertake that the Company will conduct its activities in a way that qualifies for or preserves its status.

Companies can raise up to £10 million from State Aid investment sources, including under the combined EIS and from VCTs, in any 12-month period.

The Company will, following EIS/VCT Admission, make an application to HMRC to authorise the Company to deliver certificates under section 204, ITA 2007 which have been duly allocated such relief by the Board. Assuming that HMRC gives authorisation to the Company, it will deliver such certificates in respect of such allocations of EIS/VCT Placing Shares.

Provided that Placees that intend to seek EIS Relief and the Company comply with the EIS legislation (Part V, ITA 2007 and sections 150A-C and Schedule 5B of the Taxation of Chargeable Gains Act 1992), which includes a requirement that the EIS Shares are held by investors for not less than three years, UK taxpayers should qualify for EIS Relief on their investment in the EIS Shares.

As the rules governing EIS Relief and VCT Relief are complex and interrelated with other legislation, if any Placees are in any doubt as to their tax position, require more detailed information than the general outline above, or are subject to tax in a jurisdiction other than the United Kingdom, they should consult their professional adviser.

7. Effect of the Placing

Upon General Admission, the Enlarged Share Capital is expected to be 121,620,424 Ordinary Shares. On this basis, the Placing Shares will represent approximately 28.7 per cent. of the Enlarged Share Capital.

8. Related Party Transaction

The IPG Holders (as defined below) have subscribed for Placing Shares in connection with the Placing. The number of Placing Shares conditionally subscribed for by the IPG Holders pursuant to the Placing and their resulting aggregate shareholding on General Admission, are set out below:

Shareholder	Existing Ordinary Shares held	Number of Existing Ordinary Shares held as a percentage of all Existing Ordinary Shares	Number of Placing Shares subscribed for	Ordinary Shares held post-Admission	Percentage of Enlarged Share Capital held
IP Group plc (including IP2IPO and other subsidiaries and associates) (the "IPG Holders")	34,710,999	40.02 per cent.	9,375,000	44,085,999	36.25 per cent.

The IPG Holders are a "Substantial Shareholder" in the Company for the purposes of the AIM Rules. Their conditional subscription for Placing Shares pursuant to the Placing as stated above will be a related party transaction for the purposes of the AIM Rules. The Directors who are independent of the related party transaction, being Peter Allen, Richard Ross, John Goddard, Alan Raymond, Martin Whitaker and Richard Bungay having consulted with Panmure Gordon, the Company's nominated adviser for the purposes of the AIM Rules, consider the terms of the participation of IP Group plc in the Placing to be fair and reasonable insofar as Shareholders are concerned.

9. General Meeting

The Directors do not currently have authority to allot all the Placing Shares and, accordingly, the Board is seeking the approval of Shareholders to allot the Placing Shares at the General Meeting.

A notice convening the General Meeting, which is to be held at the offices of Eversheds Sutherland (International) LLP at One Wood Street, London EC2V 7WS at 2.00 p.m. on 25 March 2020, is set out at the end of this document. At the General Meeting, the following Resolutions will be proposed:

- Resolution 1, which is an ordinary resolution to authorise the Directors to allot equity securities up to an aggregate nominal amount of £1,744,721.85, being equal to 34,894,437 Placing Shares (i.e. the aggregate number of Placing Shares being subscribed for pursuant to the Placing). This authority shall expire on whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2020 or the date falling 15 months after the date of the passing of the Resolutions (unless renewed, varied or revoked by the Company prior to or on that date) and shall be in addition to the Directors' authority to allot relevant securities granted at the Company's annual general meeting held on 21 November 2019;
- Resolution 2, which is conditional on the passing of Resolution 1 and is an ordinary resolution to authorise the Directors to allot Ordinary Shares up to a maximum nominal value of £2,027,007.05 (representing 40,540,141 Ordinary Shares), which is approximately equal to one-third of the issued ordinary share capital of the Company as enlarged by the issue of the Placing Shares following General Admission. In addition, in accordance with the guidelines issued by the Investment Association, the Resolution also contains an authority for the Directors to allot Ordinary Shares up to a further maximum nominal value of £2,027,007.05 (representing 40,540,141 further Ordinary Shares), which is approximately equal to a further-third of the issued ordinary share capital of the Company as enlarged by the issue of the Placing Shares following General Admission, in connection with a pre-emptive offer by way of rights issue or other similar offering. This Resolution renews the corresponding authority granted to the Directors at the Company's annual general meeting on 21 November 2019 taking into account the Enlarged Share Capital following completion of the Placing. The Directors have no present intention of allotting, or agreeing to allot, any Ordinary Shares otherwise than in connection with the Company's employee share schemes, to the extent permitted by such schemes. This authority shall expire on whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2020 or the date falling 15 months after the date of the passing of the Resolutions (unless renewed, varied or revoked by the Company prior to or on that date) and shall be in addition to the Directors' authority to allot relevant securities in connection with the Placing granted pursuant to Resolution 1 and in substitution for the authority to allot relevant securities granted at the Company's annual general meeting held on 21 November 2019;
- Resolution 3, which is conditional on the passing of Resolution 1 and is a special resolution to authorise the Directors to allot and issue relevant securities up to an aggregate nominal amount of £1,744,721.85, being equal to 34,894,437 Placing Shares, for cash pursuant to the Placing on a non-pre-emptive basis. This authority shall expire on whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2020 or the date falling 15 months after the date of the passing of the Resolutions (unless renewed, varied or revoked by the Company prior to or on that date) and shall be in addition to the Directors' authorities to dis-apply statutory pre-emption rights granted at the Company's annual general meeting held on 21 November 2019;
- Resolution 4, which is conditional on the passing of Resolutions 1 to 3 and is a special resolution to authorise the Directors to allot equity securities for cash in respect of (i) rights issues and similar offerings, where difficulties arise in offering shares to certain overseas Shareholders and in relation to fractional entitlements and certain other technical matters and (ii) generally up to a maximum aggregate nominal value of £304,051.05 (representing 6,081,021 Ordinary Shares and which would constitute approximately 5 per cent. of the issued ordinary share capital of the Company as enlarged by the issue of the Placing Shares following General Admission) for any purpose, without first offering the equity securities to existing shareholders. This Resolution renews the corresponding authority granted to the Directors at the Company's annual general meeting on 21 November 2019 taking into account the Enlarged Share Capital following completion of the Placing. The Directors do not have any present intention of exercising the

authority conferred by Resolution 4 and do not intend to issue more than 7.5 per cent. of the issued share capital (excluding treasury shares) of the Company on a non-pre-emptive basis in any rolling three-year period without prior consultation with the relevant investor groups (except in connection with an acquisition or specified capital investment as contemplated by the Pre-Emption Group's Statement of Principles). This authority shall expire on whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2020 or the date falling 15 months after the date of the passing of the Resolutions (unless renewed, varied or revoked by the Company prior to or on that date) and shall be in addition to the Directors' authority to dis-apply statutory pre-emption rights in connection with the Placing granted pursuant to Resolution 3 and in substitution for the authorities to dis-apply pre-emption rights granted at the Company's annual general meeting held on 21 November 2019;

- Resolution 5, which is conditional on the passing of Resolutions 1 to 4 and is a special resolution to grant an additional authority for the Directors to issue equity securities for cash in connection with an acquisition or capital investment of a kind contemplated by the Pre-Emption Group's Statement of Principles up to an additional aggregate nominal amount of £304,051.05 (representing 6,081,021 Ordinary Shares and which would constitute approximately 5 per cent. of the issued ordinary share capital of the Company as enlarged by the issue of the Placing Shares following General Admission). This Resolution renews the corresponding authority granted to the Directors at the Company's annual general meeting on 21 November 2019 taking into account the Enlarged Share Capital following completion of the Placing. The Directors confirm that they will only allot Ordinary Shares pursuant to this authority where the allotment is in connection with an acquisition or specified capital investment (as defined in the Pre-Emption Group's Statement of Principles) which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment. This authority shall expire on whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2020 or the date falling 15 months after the date of the passing of the Resolutions (unless renewed, varied or revoked by the Company prior to or on that date) and shall be in addition to the Directors' authorities to dis-apply statutory pre-emption rights in connection with the Placing granted pursuant to Resolution 3 and pursuant to Resolution 4 and in substitution for the authorities to dis-apply pre-emption rights granted at the Company's annual general meeting held on 21 November 2019; and
- Resolution 6, which is conditional on the passing of Resolutions 1 to 5 and is a special resolution to grant the Company authority to make market purchases of its own shares. This Resolution renews the corresponding authority granted to the Directors at the Company's annual general meeting on 21 November 2019 taking into account the Enlarged Share Capital following completion of the Placing. The authority should not be taken to imply that shares will be purchased at any particular price or, indeed, at all, and the Board has no present intention of exercising this power but would wish to retain the flexibility to do so in the future. This authority shall expire on whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2020 or the date falling 15 months after the date of the passing of the Resolutions (unless renewed, varied or revoked by the Company prior to or on that date). The Resolution specifies the maximum number of shares which may be purchased (representing approximately 14.99 per cent. of the issued ordinary share capital of the Company as enlarged by the issue of the Placing Shares following General Admission) and the maximum and minimum prices at which they may be bought, reflecting legal and regulatory requirements. Any purchases would only be made on the London Stock Exchange. The Directors have not yet decided whether such shares, if repurchased, would be cancelled or taken into treasury, and such a decision would be taken in light of prevailing circumstances at the time of the purchase. The Board will only exercise the power to make purchases of the Company's shares after consideration of the effects on earnings per share and the benefits for Shareholders generally.

10. Action to be taken

Whether or not you intend to be present at the General Meeting, it is important that you submit your proxy vote electronically. Proxies may be submitted electronically using Link Asset Services' Signal Shares share portal service at www.signalshares.com. You will need to log into your Signal Shares account, or register if you have not previously done so, to register you will need your Investor Code, this is detailed on your share certificate or available from the Registrar. If you wish to submit your proxy

vote in hard copy form, you may request a hard copy Form of Proxy from the Registrar. In order to be valid, proxy appointments must be submitted using the Signal Shares share portal service (as referred to above) or in hard copy form to Link Asset Services at PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, in each case, by no later than 2.00 p.m. on 23 March 2020 or 48 hours (excluding any part of a day that is not a working day) before any adjourned meeting. The electronic appointment of a proxy using the Signal Shares share portal service or the completion and return of a Form of Proxy in hard copy form will not preclude Shareholders from attending and voting at the General Meeting should they so wish. Any hard copy Form of Proxy should, to be valid, be completed and signed in accordance with the instructions printed on it.

If you require a hard copy Form of Proxy (or assistance with how to complete, sign and return it) or assistance in submitting your proxy appointment electronically, please call Link Asset Services on +44 (0)371 664 0330. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Lines are open 9.00 a.m. to 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. For legal reasons, Link Asset Services will not be able to give advice on the merits of the proposals set out herein or provide legal, financial or taxation advice.

11. Recommendation

The Directors believe that the Placing and the passing of the Resolutions are in the best interests of the Company and the Shareholders, taken as a whole. The Directors unanimously recommend that Shareholders vote, or procure the vote, in favour of the Resolutions as they intend to do in respect of their own holdings of Existing Ordinary Shares, amounting, in aggregate, to 3,491,172 Existing Ordinary Shares (representing approximately 4.03 per cent. of the Existing Ordinary Shares).

Shareholders are reminded that the Placing is conditional, amongst other things, upon the passing of the Placing Resolutions at the General Meeting. Shareholders should be aware that, if the Placing Resolutions are not passed at the General Meeting, the Placing will not proceed and the Company will need to seek alternative sources of finance to provide working capital and advance the Group's products.

Yours faithfully

Peter Allen
Non-Executive Chairman

NOTICE OF GENERAL MEETING

DIURNAL GROUP PLC

(incorporated and registered in England and Wales with registered number 09846650)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Diurnal Group PLC (the "Company") will be held at the offices of Eversheds Sutherland (International) LLP at One Wood Street, London EC2V 7WS on 25 March 2020 at 2.00 p.m. to consider and, if thought fit, pass the following resolutions of which resolutions 1 and 2 will be proposed as ordinary resolutions and resolution 3 to 6 (inclusive) will be proposed as special resolutions.

ORDINARY RESOLUTIONS

1. THAT, in addition to all other powers granted to the directors at the Company's annual general meeting on 21 November 2019, in accordance with section 551 of the Companies Act 2006 (the "Act"), the directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £1,744,721.85 (34,894,437 ordinary shares in the capital of the Company ("Ordinary Shares")) pursuant to the Placing (as defined in the circular issued by the Company dated 9 March 2020), provided that this authority will expire at whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2020 or the date falling 15 months after the date of the passing of this resolution (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.
 2. THAT, subject to and conditional upon the passing of resolution 1 above and in addition to the power granted to the directors pursuant to resolution 1 above and in substitution for all other existing authorities under section 551 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect), pursuant to section 551 of the Act, the directors be generally and unconditionally authorised to allot Relevant Securities:
 - 2.1 up to a maximum aggregate nominal value of £2,027,007.05 or, if less, the nominal value of one third of the issued ordinary share capital of the Company as enlarged pursuant to the Placing as at General Admission (in each case as defined in the circular issued by the Company dated 9 March 2020); and
 - 2.2 comprising equity securities (as defined in section 560(1) of the Act) up to a maximum aggregate nominal value of £4,054,014.10 or, if less, the nominal value of two thirds of the issued ordinary share capital of the Company as enlarged pursuant to the Placing as at General Admission (in each case as defined in the circular issued by the Company dated 9 March 2020) (such amount to be reduced by the nominal amount of any Relevant Securities allotted under paragraph 2.1) in connection with an offer by way of a rights issue or other pre-emptive offer:
 - 2.2.1 to holders of Ordinary Shares in proportion (as nearly as practicable) to the respective numbers of Ordinary Shares held by them; and
 - 2.2.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,
- but subject, in each case, to such exclusions, limitations, restrictions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter,

provided that these authorities will expire at whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2020, or the date falling 15 months after the date of the passing of this resolution (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require Relevant Securities or rights to be allotted or granted after these authorities expires and that the directors may allot Relevant Securities or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

In this resolution, "Relevant Securities" means shares in the Company or rights to subscribe for or to convert any security into shares in the Company; a reference to the allotment of Relevant Securities includes the grant of such a right; and a reference to the nominal amount or nominal value of a Relevant Security which is a right to subscribe for or to convert any security into shares in the Company is to the nominal amount or nominal value of the shares which may be allotted pursuant to that right.

SPECIAL RESOLUTIONS

3. THAT, subject to and conditional upon the passing of resolution 1 above and in addition to all other powers granted to the directors at the Company's annual general meeting on 21 November 2019, in accordance with section 571(1) of the Act, the directors be empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 1 above, as if section 561 of the Act did not apply to any such allotment, provided that this power shall:
 - 3.1 be limited to the allotment of equity securities pursuant to the Placing (as defined in the circular issued by the Company dated 9 March 2020) up to an aggregate nominal value of £1,744,721.85 (34,894,437 Ordinary Shares); and
 - 3.2 expire, whichever is the earlier, at the conclusion of the annual general meeting of the Company to be held in 2020, or the date falling 15 months after the date of the passing of this resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement as if such power had not expired.
4. THAT, subject to and conditional upon the passing of resolutions 1 to 3 above and in addition to the power granted to the directors pursuant to resolution 3 above and in substitution for all other existing authorities under section 570 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect), pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by resolution 2 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - 4.1 in connection with an offer or issue of equity securities (whether by way of a rights issue, open offer or other pre-emptive offering):
 - 4.1.1 to holders of Ordinary Shares in proportion (as nearly as practicable) to the respective numbers of Ordinary Shares held by them; and
 - 4.1.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary,but subject, in each case, to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter; and
 - 4.2 otherwise than pursuant to paragraph 4.1 of this resolution, up to an aggregate nominal amount of £304,051.05 (being equivalent to approximately 5 per cent. of the nominal value

of the issued ordinary share capital of the Company as enlarged pursuant to the Placing as at General Admission (in each case as defined in the circular issued by the Company dated 9 March 2020)),

and this power shall expire, whichever is the earlier, at the conclusion of the annual general meeting of the Company to be held in 2020, or the date falling 15 months after the date of the passing of this resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement as if such power had not expired.

5. THAT, subject to and conditional upon the passing of resolutions 1 to 4 above and in addition to the powers granted to the directors pursuant to resolutions 3 and 4 above and in substitution for all other existing authorities under section 570 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect), the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by resolution 2 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - 5.1 up to a nominal amount of £304,051.05 (being equivalent to approximately 5 per cent. of the nominal value of the issued ordinary share capital of the Company as enlarged pursuant to the Placing as at General Admission (in each case as defined in the circular issued by the Company dated 9 March 2020)); and
 - 5.2 used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the directors of the Company 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,

and this power shall expire, whichever is the earlier, at the conclusion of the annual general meeting of the Company to be held in 2020, or the date falling 15 months after the date of the passing of this resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement as if such power had not expired.

6. THAT, subject to and conditional upon the passing of resolutions 1 to 5 above and in substitution for all other existing authorities under section 701 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect), the Company be generally and unconditionally authorised, pursuant to section 701 of the Act, to make market purchases (within the meaning of section 693(4) of the Act) of up to 18,230,901 Ordinary Shares (being equivalent to approximately 14.99 per cent. of the nominal value of the issued ordinary share capital of the Company as enlarged pursuant to the Placing as at General Admission (in each case as defined in the circular issued by the Company dated 9 March 2020)) on such terms and in such manner as the directors may from time to time determine, provided that:
 - 6.1 the maximum price which may be paid for each share (exclusive of expenses) shall not be more than the higher of: (1) 5 per cent. above the average mid-market price of the Ordinary Shares for the five business days before the date on which the contract for the purchase is made; and (2) an amount equal to the higher of the price of the last independent trade and the highest current independent bid as derived from the trading venue where the purchase was carried out; and
 - 6.2 the minimum price which may be paid for each share shall not be less than £0.05 per share, being the nominal value of an Ordinary Share,

and this authority shall expire, whichever is the earlier, at the conclusion of the annual general meeting of the Company to be held in 2020, or the date falling 15 months after the date of the passing of this resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry, make a contract to purchase its own shares before this authority expires which would or might be executed wholly or partly after such expiry, and the

Company may make a purchase of its own shares in pursuance of such contract as if this authority had not expired.

Registered Office
Cardiff Medicentre
Heath Park
Cardiff, CF14 4UJ

By Order of the Board

Dated: 9 March 2020

Notes:

1. The following notes explain your general rights as a Shareholder and your right to attend and vote at the General Meeting or to appoint someone else to vote on your behalf.
 2. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), Shareholders must be registered in the Register of Members of the Company at close of business on 23 March 2020. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
 3. Shareholders, or their proxies, intending to attend the General Meeting in person are requested, if possible, to arrive at the General Meeting venue at least 20 minutes prior to the commencement of the General Meeting at 2.00 p.m. on 25 March 2020 so that their shareholdings may be checked against the Company's Register of Members and attendances recorded.
 4. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the General Meeting. A Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by that Shareholder. A proxy need not be a Shareholder. A Form of Proxy in hard copy form, which may be used to make such appointment and give proxy instructions, is available on request from the Company's registrar, Link Asset Services, whose contact details are provided below.
 5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
 6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
 7. To be valid, a proxy appointment must be validly submitted or returned (as the case may be) by no later than 2.00 p.m. on 23 March 2020 through any one of the following methods:
 - electronically through the website of the Company's registrar at www.signalshares.com;
 - in hard copy form using a Form of Proxy, by post, courier or (during normal business hours only) hand to the Company's registrar at:

Link Asset Services
PXS1
34 Beckenham Road
Beckenham
BR3 4ZF; or
 - in the case of Existing Ordinary Shares held in CREST, via the CREST system (see notes below).
- If you require a hard copy Form of Proxy (or assistance with how to complete, sign and return it) or assistance in submitting your proxy appointment electronically, Link Asset Services can also be contacted by telephone on +44 (0)371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Lines are open 9.00 a.m. to 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. For legal reasons, Link Asset Services will not be able to give advice on the merits of the proposals set out herein or provide legal, financial or taxation advice.
8. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all Shareholders and those who use them will not be disadvantaged.
 9. The electronic filing of a proxy appointment, the return of a completed Form of Proxy in hard copy form or the submission of a CREST Proxy Instruction (as described in note 11 below) will not prevent a Shareholder from attending the General Meeting and voting in person if he/she wishes to do so.
 10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment of the General Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a 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.

11. In order for a proxy appointment or instruction 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 must be transmitted so as to be received by the issuer's agent (ID RA10) by 2.00 p.m. on 23 March 2020. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. 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 message. 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. 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.
13. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Shareholder provided that no more than one corporate representative exercises powers in relation to the same Ordinary Shares.
14. As at 6 March 2020 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 86,725,987 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 6 March 2020 were 86,725,987.
15. Any Shareholder attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
16. You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in either this Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
17. A copy of this Notice, and other information required by section 311A of the Act, can be found on the Company's website at www.diurnal.co.uk.

