



Diurnal Limited
Cardiff Medicentre
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United Kingdom

Disclosure of Transfers of Value Methodology Note for Diurnal 2020

Diurnal methodology, 2020

Diurnal is a small predominantly research-based company. During 2020 one product was marketed by Diurnal in the UK, Germany, Austria and Italy. During this period the same product was marketed in Sweden, Denmark, Norway and Iceland by partner Frost Pharma, who disclose transfers of value as a separate entity. Non- research and development activity was limited to a number of research and educational grants and a donation which are declared separately below. Diurnal had two active product development programmes. Transfers of value relating to these programmes were recorded and consolidated at year end. All payments during the chronological year 2020 were reviewed. The total spend was reviewed with finance functions. The aggregated total is declared on the accompanying spread sheet.

In collating disclosure data the following methodologies have been used:

- Amounts declared include VAT applied at different levels in countries where Diurnal has clinical trials programmes.
- Amounts declared are in UK sterling with the conversion rates at the time of payment.
- All payments worldwide are declared.
- Where contracts extend beyond a single year, in-year payments only are declared.
- Diurnal does not have any over the counter business or medical device business.
- In including worldwide payments, Diurnal goes beyond the requirements of the EFPIA and ABPI codes and the US legislation.
- French payments are additionally declared in accordance with Loi Bertrand on the Diurnal website and through HAS.
- Individual consent has been sought for individual payments to Healthcare professionals with no refusals.

- As Professor Ross undertakes clinical work, payments and expenses relating to his work with Diurnal as Diurnal Chief Scientific Officer have been declared.
- Diurnal has made no non-monetary transfers of value in 2020, except for the grants of share options (detailed below) to Professor Richard Ross who is founder, director and Chief Scientific Officer of Diurnal as well as a practicing Healthcare Practitioner.
 - 10/01/2020 Grant of LTIP (Long Term Incentive Plan) options over 82,431 ordinary shares with a nominal value of £0.05 each with an exercise price of £0.00 per share
 - 18/12/2020 Grant of LTIP (Long Term Incentive Plan) options over 137,860 ordinary shares with a nominal value of £0.05 each with an exercise price of £0.00 per share
 - 10/07/2020 Grant of DSB (Deferred Share Bonus) options over 77,800 ordinary shares with a nominal value of £0.05 each with an exercise price of £0.00 per share.
 - Grants of share options are valued using a modified Black Scholes valuation methodology and the fair value is spread over the vesting period of the share options in accordance with the accounting standard IFRS2. The IFRS2 accounts charge for 2020 was £40,013.72
- Additionally, during the year, Professor Richard Ross exercised options over 30,256 shares with a market value at the date of exercise of £9,379.36 and on 24/07/2020 was paid a bonus of £23,729.
- Diurnal has no joint working to disclose in 2020

Unrestricted educational grants to patient groups:

Child Growth Foundation (UK)	£1000
Pituitary Foundation (UK)	£5000 (sum of 2 grants)
Association Surrenales (France)	£1255

Donations to patient groups:

CARES Foundation (USA)	£2731
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