

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA, if you are resident in the United Kingdom or, if not, from an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your registered holding of Existing Ordinary Shares please forward this Circular, together with any accompanying documents, as soon as possible 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. If you have sold or transferred only part of your registered holding of Ordinary Shares, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

Applications will be made to the FCA for the Second Subscription Shares and Second Value Payment Shares to be admitted to the Official List and to the London Stock Exchange for the Second Subscription Shares and Second Value Payment Shares to be admitted to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective, and that unconditional dealings in the Second Subscription Shares and Second Value Payment Shares will commence in April 2022. The Second Subscription Shares and Second Value Payment 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 declared, made or paid on Ordinary Shares after Admission.

This Circular has been prepared for the purposes of complying with English law and the Listing Rules and the information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside the United Kingdom. The distribution of this Circular and/or, if a hardcopy is requested, the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The contents of this Circular should not be construed as legal, business or tax advice.

This Circular does not constitute a prospectus within the meaning of section 85 of FSMA, has not been drawn up in accordance with the Prospectus Regulation Rules and has not been reviewed or approved by or filed with the FCA of the United Kingdom, the London Stock Exchange or any other competent authority or regulatory body. This Circular does not constitute an offer of transferable securities to the public within the meaning of 102B of FSMA or otherwise and has not been approved for the purposes of section 21 of FSMA.



NUFORMIX PLC

(Incorporated and registered in England and Wales with company number 09632100)

Subscription of 88,000,000 new Ordinary Shares at a price of 1.5 pence per Ordinary Share, issue of 5,700,000 Second Value Payment Shares

and

Notice of General Meeting

This Circular should be read as a whole and in conjunction with the Notice of General Meeting set out at the end of this Circular. Your attention is drawn to the Letter from the Executive Chairman set out on pages 13 to 18 of this Circular, which contains a recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

In light of the UK Government's public health advice in response to the COVID-19 outbreak, the Company strongly encourages all Shareholders to submit their form of proxy appointing the chairman of the General Meeting as proxy.

Notice of a General Meeting of the Company to be held at 10.00 a.m. on 31 January 2022 is set out on page 19 of this Circular.

It is important that you submit your proxy vote electronically. Proxies may be submitted electronically using Link Group's 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 Group. In order to be valid, proxy appointments must be submitted using Link Group's Signal Shares share portal service or in hard copy form to Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, in accordance with the instructions set out

thereon, as soon as possible and, in any event, no later than 10.00 a.m. on 27 January 2022, being 48 hours (not counting any part of a day that is not a Business Day) before the time appointed for the holding of the General Meeting (or, if the General Meeting is adjourned, 48 hours (not counting any part of a day that is not a Business Day) before the time fixed for the adjourned meeting).

Shareholders who hold their Existing Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this Circular. Proxies submitted via CREST must be received by Link Group (CREST ID: RA10) by no later than 10.00 a.m. on 27 January 2022 (or, if the General Meeting is adjourned, 48 hours (not counting any part of a day that is not a Business Day) before the time fixed for the adjourned meeting).

Allenby Capital Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser to the Company in relation to the Subscription and Admission. Persons receiving this Circular should note that Allenby Capital will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for advising any other person on the arrangements described in this Circular. Allenby Capital has not authorised the contents of, or any part of, this Circular and no liability whatsoever is accepted by it for the accuracy of any information or opinion contained in this Circular or for the omission of any information.

This Circular includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “anticipates”, “targets”, “aims”, “continues”, “expects”, “intends”, “hopes”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places throughout this Circular and include statements regarding the Directors’ beliefs or current expectations. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this Circular.

A copy of this Circular will be available at the Company’s website www.nuformix.com/document-center/.

IMPORTANT NOTICES

Cautionary note regarding forward-looking statements

Certain statements contained in this Circular, constitute or may be deemed to be “forward-looking statements”. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “projects”, “aims”, “plans”, “predicts”, “prepares”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Shareholders should specifically consider the factors identified in this Circular, which could cause actual results to differ before making an investment decision. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s and/or the Group’s present and future business strategies and the environment in which the Company and/or the Group will operate in the future. The information given in this Circular and the forward-looking statements speak only as at the date of this Circular. The Company, Allenby Capital and their respective affiliates expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statement contained in this Circular to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by applicable laws, regulations or rules (including the FSMA, the Listing Rules, the Prospectus Regulation Rules or the UK MAR).

Notice to overseas persons

The Second Subscription Shares and Second Value Payment Shares have not been, nor will they be, registered under the US Securities Act and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this Circular does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the Second Subscription Shares and Second Value Payment Shares are being offered in reliance on Regulation S under the US Securities Act. The Second Subscription Shares and Second Value Payment Shares will not qualify for distribution under the relevant securities laws of Australia, Canada, the Republic of Ireland, the Republic of South Africa or Japan, nor has any prospectus in relation to the Second Subscription Shares and Second Value Payment Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the Second Subscription Shares and Second Value Payment Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Australia, Canada, the Republic of Ireland, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each, a “**Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This Circular does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

The Second Subscription Shares and Second Value Payment Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Second Subscription Shares and Second Value Payment Shares nor have they approved this Circular or confirmed the accuracy or adequacy of the information contained in this Circular. Any representation to the contrary is a criminal offence in the US.

The distribution of this Circular and/or, if a hardcopy is requested, the Form of Proxy, may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Stock market movements

The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. All of the value of an investor's investment in the Company will be at risk. Past performance is not a guide to future performance and the information in this Circular or any documents relating to the matters described in it cannot be relied upon as a guide to future performance. Persons needing advice should contact a professional adviser.

No incorporation of website information

The contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this Circular and Shareholders should not rely on them.

Copies of this Circular will be available free of charge during normal business hours on any weekday (except Saturdays, Sundays and public holidays) at the Company's registered office from the date of this Circular, unless the registered office has been closed as a result of the circumstances surrounding the COVID-19 pandemic. A copy of this Circular will also be available from the Company's website www.nuformix.com.

Interpretation

Certain terms used in this Circular are defined and certain technical and other terms used in this Circular are explained at the section of this Circular under the heading "Definitions".

All times referred to in this Circular and, if a hardcopy is requested, the Form of Proxy are, unless otherwise stated, references to London time.

All references to legislation in this Circular and, if a hardcopy is requested, the Form of Proxy are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

COVID-19

The Company continues to closely monitor the COVID-19 situation, including UK Government legislation and guidance, and will continue to do so in the lead up to the General Meeting. The health of our Shareholders, employees and stakeholders is extremely important to us.

It is the intention of the Directors that the General Meeting will be held at 6th Floor, 60 Gracechurch Street, London, EC3V 0HR on 31 January 2022, as advertised and contained in the notice set out at the end of this document and that shareholders shall have the right to attend, speak and vote at the meeting if they so wish.

However, in view of UK Government guidance, and in the interests of shareholders' own safety and the safety of others, Shareholders are strongly encouraged to therefore appoint the 'Chairman of the General Meeting' as their proxy and to submit their votes on the Resolutions as early as possible. Instructions for submitting proxy votes are contained in the notice of meeting set out at the end of this Circular.

Due to the COVID-19 situation, the Directors have taken the decision that voting on the Resolutions at the General Meeting will be taken on a poll, rather than a show of hands, to ensure that Shareholders' proxy votes are recognised.

If shareholders still wish to attend the General Meeting in person, must pre-register their intention to attend by notifying the Company by email at shaun.zulafqar@shma.co.uk by no later than 10.00 a.m. on 28 January 2022.

In order to protect the health of shareholders and colleagues, please note that the following measures will be put in place for this meeting:

- Shareholders and their representatives must not attend the General Meeting in person if they are experiencing any COVID-19 related symptoms, and shareholders attending in person will be required to confirm upon arrival at the General Meeting venue that they do not have any COVID-19 symptoms and are not required to self-isolate in accordance with the UK Government's guidance.
- Attendees may be required to wear face coverings (unless exempt) and to practice social distancing. Hand sanitisers will be available at the venue and attendees may be required to follow any indicated one-way system.
- Refreshments will not be served at the meeting.
- Shareholders' guests will not be permitted to attend the General Meeting unless they are accompanying or supporting a shareholder as their carer. In light of the current uncertainty, shareholders are strongly encouraged to submit their votes by proxy in advance of the General Meeting in accordance with the instructions set out above.

The General Meeting will be run in accordance with applicable legal and public health requirements. In the event that further disruption to the General Meeting becomes unavoidable, the Company will announce any changes to the meeting (such as timing or venue) as soon as practicably possible through the Company's website and an announcement via a Regulatory Information Service.

Please refer to the detailed notes contained in the Notice of General Meeting and, if a hardcopy is requested, the Form of Proxy.

This Circular is dated 14 January 2022.

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DIRECTORS, SECRETARY AND ADVISERS

Directors	Dr Alastair Riddell <i>(Executive Chairman)</i> Dr Julian Gilbert <i>(Non-Executive Director)</i> Ms Maddy Kennedy <i>(Non-Executive Director)</i>
Company Secretary	Ben Harber of Shakespeare Martineau LLP
Registered Office	6th Floor, 60 Gracechurch Street London EC3V 0HR
Broker	Allenby Capital Limited 5 St Helen's Place London EC3A 6AB
Legal advisers to the Company	Eversheds Sutherland (International) LLP 1 Wood Street London EC2V 7WS
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Registrars	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL

SECOND SUBSCRIPTION STATISTICS

Issue price of Second Subscription Shares and Second Value Payment Shares	1.5p
Number of Ordinary Shares in issue at the date of this document	615,609,368
Number of Second Subscription Shares	88,000,000
Number of Second Value Payment Shares	5,700,000
Enlarged Share Capital following Admission	709,309,368
Second Subscription Shares and Second Value Payment Shares, in aggregate, expressed as a percentage of the Enlarged Share Capital following Admission	13.21%
Gross proceeds in respect of the Second Subscription	£1.32 million

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2022

Publication and posting of this Circular	14 January
Latest time and date for receipt of completed Forms of Proxy and CREST Proxy Instruction	10.00 a.m. on 27 January
General Meeting	10.00 a.m. on 31 January
Admission of the Second Subscription Shares and Second Value Payment Shares to trading and commencement of unconditional dealings	expected in April

Notes:

- (1) The dates and times given in this Circular are based on the Company's current expectations, are conditional upon (amongst other things) the approval of the Resolutions and may be subject to change. If any of the above times or dates should change at the discretion of the Company, the revised times and/or dates will be notified to Shareholders by an announcement on a Regulatory Information Service.

DEFINITIONS

The following definitions apply throughout this Circular unless the context otherwise requires

Act	the UK Companies Act 2006, as amended
Admission	admission of the Second Subscription Shares and Second Value Payment Shares to listing on the standard segment of the Official List in accordance with the Listing Rules and to trading on the Main Market of the London Stock Exchange in accordance with the Admission and Disclosure Standards and references to Admission becoming “effective” shall be construed accordingly.
Admission and Disclosure Standards	the requirements contained in the publication “Admission and Standards. Disclosure Standards” (as amended from time to time) published by the London Stock Exchange containing, amongst other things, the requirements to be observed by companies seeking admission to trading on the Main Market of the London Stock Exchange
Allenby Capital	Allenby Capital Limited, the Company’s financial adviser for the purposes of the Subscription.
Articles of Association	the articles of association of the Company
Benchmark Price	2.0p per Ordinary Share
Board or Directors	the board of directors of the Company, whose names are listed on page 7 of this document
Business Day or Business Days	any day on which banks are open in London for normal banking business and the London Stock Exchange is open for trading.
CA 2006	the Companies Act 2006, as amended.
certificated form or in certificated form	an Ordinary Share recorded on a company’s share register as being held in certificated form (namely, not in CREST).
Circular or this document	this document dated 14 January 2022.
City Code	the City Code on Takeovers and Mergers.
Closing Price	the closing middle market price of an Existing Ordinary Share as derived from the Daily Official List of the London Stock Exchange.
Company or Nuformix	Nuformix plc, a company incorporated in England and Wales with company number 09632100.
CREST	the relevant system (as defined in the Regulations) which enables title to units of relevant securities (as defined in the Regulations) to be evidenced and transferred without a written instrument and in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations)
CREST Manual	the compendium of documents entitled “CREST Manual” issued by Euroclear from time to time.
CREST Proxy Instruction	the appropriate CREST message made to appoint a proxy, properly authenticated in accordance with Euroclear’s specifications.

CREST Regulations	the Uncertificated Securities Regulations 2001, as amended.
DTRs	the disclosure guidance and transparency rules made by the FCA pursuant to section 73A of the FSMA.
Enlarged Share Capital	the 709,309,368 Ordinary Shares in issue immediately following Admission of the Second Subscription Shares and Second Value Payment Shares issued pursuant to the Subscription Agreement and Sharing Agreement
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST.
Existing Ordinary Shares	the 615,609,368 Ordinary Shares in issue at the date of this Circular.
FCA	the Financial Conduct Authority in the UK or its successor from time to time
First Sharing Agreement	the sharing agreement entered into between the Company and Lanstead in relation to the First Subscription
First Subscription	the First Subscription Shares issued to Lanstead pursuant to the Subscription Agreement
First Subscription Agreement	the subscription agreement entered into between the Company and Lanstead, pursuant to which the First Subscription Shares were issued
First Subscription Shares	22,000,000 Ordinary shares issued to Lanstead pursuant to the Subscription Agreement
First Value Payment Shares	2,000,000 new Ordinary Shares issued to Lanstead, pursuant to the Sharing Agreement
Form of Proxy	the accompanying form of proxy for use by Shareholders in relation to the General Meeting
FSMA	the Financial Services and Markets Act 2000, as amended.
General Meeting	the general meeting of the Company to be held at 10.00 a.m. on 31 January 2022, notice of which is set out at the end of this document
Group	the Company, its subsidiaries and subsidiary undertakings
Lanstead	Lanstead Capital Investors L.P.
Lanstead Subscription	the conditional subscription by Lanstead for Ordinary Shares in the Company, comprising the First Subscription, the First Value Payment Shares, the Second Subscription and the Second Value Payment Shares
Latest Practicable Date	13 January 2022, being the latest practicable date prior to the publication of this Circular.
Listing Rules	the listing rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time.
London Stock Exchange	London Stock Exchange plc
Main Market	the main market for listed securities.

Measured Price	the average volume weighted share price of the Company's Ordinary Shares over an agreed period prior to the monthly settlement date
Notice of General Meeting	the notice of General Meeting, set out at the end of this document
Official List	the Official List of the FCA.
Ordinary Shares	the ordinary shares of nominal value 0.1 pence each in the capital of the Company.
Prospectus Regulation Rules	the Prospectus Regulation Rules made by the FCA pursuant to section 73A of FSMA.
Registrars or Link Group	Link Market Services (trading as Link Group).
Regulations	the UK Uncertificated Securities Regulations 2001 (SI 2001 No.3755), as amended.
Resolutions	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting.
Second Sharing Agreement	the sharing agreement described in paragraph 5 of the Chairman's letter in this Circular.
Second Subscription	the conditional share subscription by Lanstead described in paragraph 4 of the Chairman's letter in this Circular.
Second Subscription Agreement	the subscription agreement described in paragraph 4 of the Chairman's letter in this Circular.
Second Subscription Shares	88,000,000 new Ordinary Shares to be issued to Lanstead pursuant to the Second Subscription.
Second Value Payment Shares	5,700,000 new Ordinary Shares issued to Lanstead, pursuant to the Second Sharing Agreement
Shareholders	the holders of Ordinary Shares from time to time, each individually a "Shareholder"
Tranilast	the Active Pharmaceutical Ingredient on which NXP002 is based.
UK MAR	the United Kingdom version of the Market Abuse Regulation (2014/596/EU) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018.
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland.
uncertificated or in uncertificated form	an Ordinary Share recorded on a company's share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
US or United States	the United States of America, its territories and possessions, any state of the United States and the District of Columbia.
US Securities Act	United States Securities Act of 1933, as amended.

All references in this document to "£", "pence" or "p" are to the lawful currency of the United Kingdom, all references to "US\$" or "\$" are to the lawful currency of the United States.

LETTER FROM THE EXECUTIVE CHAIRMAN OF NUFORMIX PLC



(Incorporated and registered in England and Wales with company number 09632100)

14 January 2022

Dear Shareholder

Subscription of 88,000,000 new Ordinary Shares at a price of 1.5 pence per Ordinary Share, issue of 5,700,000 Second Value Payment Shares

and

Notice of General Meeting

1. INTRODUCTION

On 14 December 2021, the Company announced that it had raised £1.65 million through the conditional subscription by Lanstead for 110,000,000 Ordinary Shares at a price of 1.5 pence per Ordinary Share together with related sharing agreements. The Lanstead Subscription is designed to be completed in two tranches. The first tranche (as described in more detail below) was completed in December 2021 under existing authorities. Subject to the approval of shareholders for the additional authorities sought under the Resolutions, together with the Company not being required to issue a prospectus for the admission of the Second Subscription Shares to trading on the London Stock Exchange, the Directors now intend to proceed with the second tranche of the Lanstead Subscription, being the Second Subscription. The net proceeds of the Second Subscription will be used by the Company to continue to evaluate and advance the current opportunities which are under active consideration by the Group, further details of which are set out below.

The issue price of the Second Subscription Shares and Second Value Payment Shares represents a premium of 27.7 per cent. to the closing middle market price of 1.175 pence per Existing Ordinary Share on the Latest Practicable Date. The Second Subscription Shares and Second Value Payment Shares will represent 13.21 per cent. of the Enlarged Share Capital (assuming no other issuances of new Ordinary Shares prior to Admission).

The Second Subscription is conditional on the Company obtaining approval from its Shareholders to grant the Board authority to allot the Second Subscription Shares and Second Value Payment Shares and to disapply statutory pre-emption rights which would otherwise apply to the allotment of those shares.

The purpose of this document is to provide you with details of, and the reasons for the Second Subscription, and why the Directors believe it to be in the best interests of the Company and its Shareholders and, further, why they recommend that you vote in favour of the Resolutions. The Directors intend to vote in favour of the Resolutions in respect of their legal and/or beneficial shareholdings amounting, in aggregate, to 1,250,000 Ordinary Shares representing approximately 0.2 per cent. of the Existing Ordinary Shares.

Your attention is drawn to the Notice of General Meeting contained at the end of this Circular and paragraphs 6 and 7 of this letter which explain the purpose of the General Meeting and the action to be taken by you in relation to the General Meeting.

Shareholders should be aware that, if the Resolutions are not passed the net proceeds of the Second Subscription will not be received by the Company. Should the Company be unable to raise additional capital in sufficient amounts and on terms acceptable to the Company, the Company would need to pursue additional or alternative funding sources which, if they are available at all, may be expensive and/or onerous for the Company and could risk leading to substantial dilution for Shareholders. Furthermore should the Second Subscription not proceed

and alternative funding was not obtained this may require the Company to significantly delay, scale back or discontinue certain initiatives.

Accordingly, the Board believes that it is vital that Shareholders vote in favour of the Resolutions at the General Meeting.

2. BACKGROUND TO AND REASONS FOR THE SECOND SUBSCRIPTION AND USE OF PROCEEDS

The encouraging results from the set of pre-clinical studies recently announced on NXP002 and NXP004 have increased the Board's confidence in the prospects for its products. These prospects will be further enhanced by further pre-clinical development, including formulation work, toxicology studies and regulatory preparations for Phase I trials. In parallel, business development discussions with prospective partners will help further refine these plans and increase the likelihood of successful deals. The Company's existing resources are not sufficient to support all the work required to make NXP002 Phase I ready. The Lanstead Subscription will provide regular monthly funds over a period of 20 months (commencing approximately three months after the date of admission of the First Subscription Shares) which the Board of Nuformix believe should cover these pre-clinical activities.

A significant factor in Nuformix's decision to enter into the Second Subscription is that the Second Sharing Agreement provides the opportunity for the Company to benefit from positive future share price performance. There is no upper limit placed on the additional proceeds receivable by the Company as part of the monthly settlements and the amount available in subsequent months is not affected. Whilst the Company notes that the Company's mid-market share price of 1.175 pence as at the Latest Practicable Date is presently below the issue price of 1.5 pence and the corresponding risk that Nuformix's share price remaining below the Benchmark Price (being 2.0 pence) would reduce the amount of proceeds received from the Second Subscription, as explained below, the Directors expect the Company's pre-clinical progress of its products and business development strategy to make considerable positive advances over the 16-month term of the Second Sharing Agreement. If these advances are successful, and if the success of these advances is reflected in Nuformix's share price, the Company expects the proceeds to be received back from Lanstead to exceed the amount pledged under the Second Sharing Agreement although there can be no guarantee that this outcome will occur.

Use of Proceeds

The Second Subscription proceeds will be pledged to Lanstead under the Second Sharing Agreement pursuant to which the Company is entitled to receive back those proceeds on a *pro rata* monthly basis over a period of 16 months commencing one month following the receipt of the final settlement due under the First Sharing Agreement, subject to adjustment upwards or downwards each month depending on the Company's share price at the time.

The net proceeds of the Second Sharing Agreement received by the Company will be used primarily to provide funding for:

- Further research and development activities on its main assets NXP002 and NXP004;
- Business development activities with potential licensees for both assets; and
- General working capital.

3. CURRENT TRADING AND OUTLOOK

The Company continues with its plans to develop NXP002 to be a valuable out-licensing asset as an inhaled new formulation of Tranilast for the treatment of idiopathic pulmonary fibrosis. Without the funds agreed from the Lanstead Subscription these plans will be restricted and the value of the asset for shareholders likely to be negatively impacted by the reduced level of supporting data available for potential licensees.

The Company is also building its intellectual property position in support of NXP004 a new version of a significant anti-cancer agent in use for a variety of cancers with annual sales in excess of \$1 billion. The continuing pursuit of international patent filings by its US based patent agent will also require the extra funds

that the Lanstead Subscription is expected to provide. Once obtained NXP004 will be a valuable asset for out-licensing.

To ensure the successful outcome of the above potential licensing discussions the company has commenced a search for a Business Development Director and a potential new Chief Executive to replace Anne Brindley who resigned. In the interim I moved to being Executive Chairman, as announced on 9 November 2021, with a significant increase in my time commitment to the Company.

The Company continues to use expert outside consultants for its intellectual property, project management and pre-clinical development operations using high quality contract research and manufacturing organisations in support of NXP002 and NXP004.

4. THE SECOND SUBSCRIPTION

The Company announced the Lanstead Subscription on 14 December 2021, which was designed to be conducted in two tranches. To effect the first tranche, the Company entered into a subscription agreement with Lanstead in December 2021, pursuant to which 22,000,000 Ordinary Shares were issued to Lanstead at 1.5 pence per share for an aggregate subscription price of £330,000 before expenses and a further 2,000,000 First Value Payment Shares were issued in consideration of Lanstead entering into the First Sharing Agreement. The First Subscription proceeds of £330,000 were then pledged to Lanstead under a sharing agreement, as detailed in the announcement dated 14 December 2021. Dealings in the First Subscription Shares commenced at 8.00am on 17 December 2021.

The Directors intend to now proceed with the second tranche of the Lanstead Subscription. The Second Subscription consists of the issue of 88,000,000 Second Subscription Shares which will be issued to Lanstead at 1.5 pence per share for an aggregate subscription price of £1,320,000 before expenses, and a further 5,700,000 Second Value Payment Shares which will be issued in consideration of Lanstead entering into the Second Sharing Agreement (as detailed below).

As with the First Subscription, the proceeds of £1,320,000 received from the issue of the Second Subscription Shares will be pledged to Lanstead under a Sharing Agreement under which Lanstead will then make, subject to the terms and conditions of that Sharing Agreement, monthly settlements (subject to adjustment upwards or downwards) to the Company over 16 months, as detailed below.

As a result of entering into the First Sharing Agreement and the Second Sharing Agreement the aggregate amount received by the Company under the Lanstead Subscription may be more or less than £1,650,000, as further explained below.

The Second Subscription is conditional, *inter alia*, on approval of the Resolutions at the General Meeting, on Admission, and on there being: (i) no requirement for the publication of a prospectus in relation to the Second Subscription, (ii) no breach of certain customary warranties given by the Company to Lanstead at any time prior to Admission; and (iii) no force majeure event occurring prior to Admission.

The Company currently anticipates that, subject to the approval of the Company's shareholders at the General Meeting, the Second Subscription Shares and Second Value Payment Shares will be issued in April 2022. The Second Subscription Shares and Second Value Payment Shares will rank *pari passu* with the Existing Ordinary Shares and application will be made to the London Stock Exchange and the Financial Conduct Authority for Admission.

5. THE SECOND SHARING AGREEMENT

As part of the Lanstead Subscription, the Company has entered into sharing agreements with Lanstead, pursuant to which Nuformix will pledge the gross proceeds of the Lanstead Subscription to Lanstead. The sharing agreements will enable the Company to share in any share price appreciation over the Benchmark Price. However, if the Company's share price is less than the Benchmark Price then the amount received by the Company under the sharing agreements will be less than the gross proceeds of the Lanstead Subscription which were pledged by the Company to Lanstead at the outset.

The First Sharing Agreement provides that the Company, in return for pledging the £330,000 proceeds from the First Subscription Shares, will receive four equal monthly settlement amounts as measured against the

Benchmark Price. The monthly settlement amounts for the First Sharing Agreement are structured to commence approximately three months following 17 December 2021.

The Second Sharing Agreement provides that the Company, in return for pledging the £1,320,000 proceeds from the Second Subscription Shares, will receive 16 equal monthly settlement amounts as measured against the Benchmark Price. The monthly settlement amounts for the Second Sharing Agreement are structured to commence one month following the receipt of the final settlement due under the First Sharing Agreement.

The amounts received under the sharing agreements are calculated as follows: If the Measured Price, calculated as the average of each day's volume weighted share price of the Company's Ordinary Shares over a 20 day period prior to the monthly settlement date, exceeds the Benchmark Price, the Company will receive more than 100 per cent. of that monthly settlement due on a *pro rata* basis according to the excess of the Measured Price over the Benchmark Price. There is no upper limit placed on the additional proceeds receivable by the Company as part of the monthly settlements and the amount available in subsequent months is not affected. Should the Measured Price be below the Benchmark Price, the Company will receive less than 100 per cent. of the monthly settlement calculated on a *pro rata* basis and the Company will not be entitled to receive the shortfall at any later date.

For example, if on a monthly settlement date the calculated Measured Price exceeds the Benchmark Price by 10 per cent., the settlement on that monthly settlement date will be 110 per cent. of the amount due from Lanstead on that date. If on the monthly settlement date the calculated Measured Price is below the Benchmark Price by 10 per cent., the settlement on the monthly settlement date will be 90 per cent. of the amount due on that date. Each settlement as so calculated will be in final settlement of Lanstead's obligation on that settlement date.

Assuming the Measured Price equals the Benchmark Price on the date of each and every monthly settlement, Nuformix would receive aggregate proceeds of £1.65 million (before expenses) from the Lanstead Subscription.

The Company has agreed to pay Lanstead's legal costs incurred in the Lanstead Subscription and in entering into the First Sharing Agreement and Second Sharing Agreement and, in addition, agreed to issue to Lanstead 2,000,000 First Value Payment Shares in connection with entering into the First Sharing Agreement and 5,700,000 Second Value Payment Shares in connection with entering into the Second Sharing Agreement. The Second Value Payment Shares are expected to be issued in April 2022 at the same time as the issuance of the Second Subscription Shares.

In no event will fluctuations in the Company's share price result in any increase in the number of Subscription Shares issued by the Company or received by Lanstead. A decline in the Company's share price would not result in any advantage accruing to Lanstead and the sharing agreements allow both Lanstead and the Company to benefit from future share price appreciation.

In total, assuming the issue of the Second Subscription Shares and the Second Value Payment Shares, Lanstead will have been issued with 117,700,000 new Ordinary Shares pursuant to the Lanstead Subscription which, when issued, will equate to approximately 16.59 per cent. of the Enlarged Share Capital.

No shares, warrants or additional fees are owed to Lanstead at any point during this agreement other than those disclosed above.

6. RESOLUTIONS

The Company currently does not have sufficient authority to allot Ordinary Shares under the Act to effect the Second Subscription. Accordingly the Resolutions, summarised below, are being proposed at the General Meeting to ensure that the Directors have sufficient authority to allot the Second Subscription Shares and Second Value Payment Shares on a non-pre-emptive basis.

Resolution 1:

Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors to allot the Second Subscription Shares and Second Value Payment Shares in connection with the Second

Subscription, provided that such authority shall expire on the date falling 12 months after the date of the resolution or on the date of the next annual general meeting of the Company, whichever is the earlier.

Resolution 2:

Resolution 2, which will be proposed as a special resolution and which is conditional upon the passing of Resolution 1, disapplies Shareholders' statutory pre-emption rights in relation to the issue of the Second Subscription Shares and Second Value Payment Shares pursuant to the Second Subscription, provided that such authority shall expire on the date falling 12 months after the date of the resolution or on the date of the next annual general meeting of the Company, whichever is the earlier.

7. ACTION TO BE TAKEN

The Company continues to closely monitor the COVID-19 situation, including UK Government legislation and guidance, and will continue to do so in the lead up to the General Meeting. The health of our Shareholders, employees and stakeholders is extremely important to us.

It is the intention of the Directors that the General Meeting will be held at 6th Floor, 60 Gracechurch Street, London, EC3V 0HR on 31 January 2022, as advertised and contained in the notice set out at the end of this document and that shareholders shall have the right to attend, speak and vote at the meeting if they so wish.

However, in view of UK Government guidance, and in the interests of shareholders' own safety and the safety of others, Shareholders are strongly encouraged to therefore appoint the 'Chairman of the General Meeting' as their proxy and to submit their votes on the Resolutions as early as possible. Instructions for submitting proxy votes are contained below and in the notice of meeting set out at the end of this Circular.

Due to the COVID-19 situation, the Directors have taken the decision that voting on the Resolutions at the General Meeting will be taken on a poll, rather than a show of hands, to ensure that Shareholders' proxy votes are recognised.

If shareholders still wish to attend the General Meeting in person, they are strongly advised to wear a face covering at the meeting (unless they are exempt) and to take other appropriate precautions to protect themselves and other attendees.

The General Meeting will be run in accordance with applicable legal and public health requirements. In the event that further disruption to the General Meeting becomes unavoidable, the Company will announce any changes to the meeting (such as timing or venue) as soon as practicably possible through the Company's website and an announcement via a Regulatory Information Service.

Please submit your vote by proxy electronically using Link Group's 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 Group or using the CREST proxy voting service.

In order to be valid, proxy appointments must be submitted using Link Group's Signal Shares share portal service by no later than 10.00 a.m. on 27 January 2022 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

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 Group 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. A hardcopy Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, as soon as possible, but in any event so as to be received by no later than 10.00 a.m. on 27 January 2022 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

If you hold your Existing Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the issuer's agent (CREST ID: RA10) by no later than 10.00 a.m. on 27 January 2022 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

The completion and return of a Form of Proxy, the use of Link Group's Signal Shares share portal service or the use of the CREST Proxy Voting Service will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

8. RECOMMENDATION

The Directors consider that the Second Subscription and the Resolutions are in the best interests of the Company and its Shareholders as a whole and accordingly recommend that Shareholders vote in favour of the Resolutions, as they intend to do in respect of their own legal and/or beneficial shareholdings, amounting, in aggregate, to 1,250,000 Ordinary Shares (representing approximately 0.2 per cent. of the Existing Ordinary Shares).

Shareholders should be aware that, if the Resolutions are not passed the net proceeds of the Second Subscription will not be received by the Company. Should the Company be unable to raise additional capital in sufficient amounts and on terms acceptable to the Company, the Company would need to pursue additional or alternative funding sources which, if they are available at all, may be expensive and/or onerous for the Company and could risk leading to substantial dilution for Shareholders. Furthermore should the Second Subscription not proceed and alternative funding was not obtained this may require the Company to significantly delay, scale back or discontinue certain initiatives.

Yours faithfully

Dr Alastair Riddell

Executive Chairman

Nuformix plc

NOTICE OF GENERAL MEETING



NUFORMIX PLC

(Incorporated and registered in England and Wales with company number 09632100)

NOTICE IS HEREBY GIVEN that a general meeting of Nuformix plc (the “**Company**”) will be held at 6th Floor, 60 Gracechurch Street, London, EC3V 0HR at 10.00 a.m. on 31 January 2022 to consider and, if thought fit, to pass the following resolutions of which resolution 1 will be proposed as an ordinary resolution of the Company and resolution 2 will be proposed as a special resolution of the Company:

ORDINARY RESOLUTION

1. **THAT**, in addition to any existing authorities and powers granted to the directors pursuant to section 551 of the Companies Act 2006 (the “**Act**”) prior to the date of the passing of this resolution, the directors of the Company (the “**Directors**”) be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all powers of the Company to allot new ordinary shares of 0.1 pence each (the “**Ordinary Shares**”) in the capital of the Company up to an aggregate nominal amount of £93,700 in connection with the Second Subscription (as such term is defined in the Circular) and unless previously renewed, revoked, varied or extended, this authority shall expire at the earlier of the date which is 12 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company.

SPECIAL RESOLUTION

2. **THAT**, conditional upon the passing of Resolution 1, and in addition to any existing authorities and powers given to the directors pursuant to section 570 of the Act prior to the passing of this resolution, the Directors be and they are empowered pursuant to section 570(1) and 571(1) of the Act, as applicable, to allot new Ordinary Shares up to an aggregate nominal amount of £93,700 in connection with the Second Subscription for cash pursuant to the authority of the directors under section 551 of the Act conferred by Resolution 1 as if section 561(1) of the Act did not apply to such allotment and unless previously renewed, revoked, varied or extended, this authority shall expire at the earlier of the conclusion of the next annual general meeting of the Company and the date which is 12 months after the date of the passing of this resolution.

By order of the Board:

Dated: 14 January 2022

Ben Harber
Company Secretary

Registered office:
6th Floor,
60 Gracechurch Street
London
EC3V 0HR

NOTES

It is the intention of the Directors that the General Meeting will be held at 6th Floor, 60 Gracechurch Street, London, EC3V 0HR on 31 January 2022, as advertised and contained in the notice set out at the end of this document and that shareholders shall have the right to attend, speak and vote at the General Meeting if they so wish.

However, in view of UK Government guidance, and in the interests of shareholders' own safety and the safety of others, Shareholders are strongly encouraged to therefore appoint the 'Chairman of the General Meeting' as their proxy and to submit their votes on the Resolutions as early as possible. If shareholders still wish to attend the General Meeting in person, they are strongly advised to wear a face covering at the General Meeting (unless they are exempt) and to take other appropriate precautions to protect themselves and other attendees.

Due to the COVID-19 situation, the Directors have taken the decision that voting on the Resolutions at the General Meeting will be taken on a poll, rather than a show of hands, to ensure that Shareholders' proxy votes are recognised. In the event that further disruption to the General Meeting becomes unavoidable, the Company will announce any changes to the meeting (such as timing or venue) as soon as practicably possible through the Company's website and an announcement via a Regulatory Information Service.

1. Information about the General Meeting is available from the Company's website: www.nuformix.com.
2. In light of the UK Government guidance, members are strongly encouraged to appoint the 'Chairman of the General Meeting' as their proxy and not to attend the General Meeting. However, members are entitled to attend, speak and vote at the General Meeting if they so wish.
3. A member entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares, in which case you should specify the number of shares in respect of which each proxy is entitled to exercise their rights. You may not appoint more than one proxy to exercise the rights attached to any one share. A corporate member is also entitled to authorise a person or persons to act as its representative or representatives at the General Meeting with the entitlement to exercise on behalf of the member the same powers as the member could exercise, if it were an individual member of the Company. In light of the COVID-19 restrictions, all members are strongly encouraged and requested to appoint the 'Chairman of the General Meeting' as their proxy or representative.
4. You can vote either:
 - by logging on to www.signalshares.com and following the instructions;
 - you may request a hard copy form of proxy directly from the registrars, Link Group, on telephone number 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Link Group are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales; or
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Group at PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL by 10.00 a.m. on 27 January 2022.

5. The right to vote at the General Meeting is determined by reference to the Company's register of members ("Register") as at 6.00 p.m. on 27 January 2022. Changes to entries on the Register after that time will be disregarded in determining the rights of any member to attend and vote at the General Meeting.
6. As at 13 January 2022, being the latest practicable date prior to the publication of this Notice, the Company's issued share capital comprised 615,609,368 ordinary shares of nominal value 0.1 pence each. Each ordinary share carries the right on a poll to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 13 January 2022 is 615,609,368. Voting on the Resolutions will be conducted by way of a poll.
7. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the "CA 2006") to enjoy information rights (a "Nominated Person") may, under an agreement between them and the member by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.
8. The statement of the rights of members in relation to the appointment of proxies in note 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.
9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual which can be viewed at www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment made or instructions 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 ("Euroclear") 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 the latest time for the receipt of proxy appointments specified

in note 4 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual (available at www.euroclear.com/CREST) concerning practical limitations of the CREST system and timings.
12. 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 (as amended).
13. In the case of joint holders of shares, the vote of the first named in the Register who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
14. Under Section 338 of the CA 2006, members may require the Company to give, to members of the Company entitled to receive this Notice, notice of a resolution which may properly be moved and is intended to be moved at the General Meeting. Under Section 338A of the CA 2006, members may require the Company to include in the business to be dealt with at the General Meeting any matter (other than a proposed resolution) which may properly be included in the business.
15. In accordance with Section 311A of the CA 2006, the contents of this Notice, details of the total number of shares in respect of which members are entitled to exercise voting rights at the General Meeting and, if applicable, any members' statements, members' Resolutions or members' matters of business received by the Company after the date of this Notice will be available on the Company's website: www.nuformix.com.
16. You may not use any electronic address (within the meaning of Section 333(4) of the CA 2006) provided either in this Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

