THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Existing Ordinary Shares prior to the date the shares are traded "ex" the entitlement to the Open Offer, you should send this document, and if relevant, the accompanying Application Form and the enclosed Form of Proxy (and reply-paid envelope) at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or transferred any part of your registered holding of Existing Ordinary Shares in Oxford BioMedica plc, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately and refer to the instructions regarding split applications set out in the Application Form, if relevant. However, no Application Form should be forwarded to or transmitted in or into the United States or any Excluded Territories where doing so may constitute a violation of local securities laws. Please refer to paragraph 6 of Part 2 of this document if you propose to send this document and/or the Application Form outside the United Kingdom. The distribution of this document and the accompanying documents, and/or the transfer of the Open Offer Entitlements through CREST into jurisdictions other than the United Kingdom, may be restricted by law. Therefore, persons into whose possession this document and any accompanying 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.

This document, which comprises a prospectus relating to Oxford BioMedica prepared in accordance with the Prospectus Rules, has been approved as such by the Financial Conduct Authority. A copy of this document has been filed with the Financial Conduct Authority in accordance with paragraph 3.2.1 of the Prospectus Rules. This document has been made available to the public in accordance with paragraph 3.2.1 of the Prospectus Rules by the same being made available, free of charge, at Oxford BioMedica's registered office, details of which are set out on page 30 of this document.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Oxford BioMedica set out on pages 33 to 44 (inclusive) of this document which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

OXFORD BIOMEDICA plc

(incorporated in England and Wales under the Companies Act 1985 with registered number 3252665)

Firm Placing, Subscription and Related Party Subscription of 1,000,018,815 New Ordinary Shares and Open Offer to Shareholders of up to 283,229,801 New Ordinary Shares at 2 pence per share

Approval of Related Party Transaction

and

Notice of General Meeting

Sponsor	*Financial Adviser and Bookrunner*	*US Placing Agent*
Charles Stanley	**WG Partners**	**Roth Capital Partners**

The Existing Ordinary Shares are listed on the Official List and traded on the London Stock Exchange's main market for listed securities. Application has been made to the Financial Conduct Authority and to the London Stock Exchange for the New Ordinary Shares to be admitted to the Official List and to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 17 June 2014.

Charles Stanley, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Oxford BioMedica as Sponsor in relation to the Firm Placing, Subscription, Related Party Subscription and Open Offer and will not be responsible to anyone other than Oxford BioMedica for providing the protections afforded to clients of Charles Stanley nor for providing advice in relation to the Firm Placing, Subscription, Related Party Subscription and Open Offer or any other transaction or arrangement referred to in this document and, apart from the responsibilities and liabilities which may be imposed on Charles Stanley by the FSMA, Charles Stanley accepts no responsibility whatsoever and makes no representation or warranty, express or implied, for or in respect of the contents of this document, including its accuracy, completeness or verification, nor for any other statement made or purported to be made by it, or on its behalf, in connection with Oxford BioMedica or the Firm Placing, the Subscription, the Related Party Subscription and the Open Offer. Charles Stanley accordingly disclaims all and any liability, whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this document or any such statement.

WG Partners, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Oxford BioMedica in relation to the Firm Placing and will not be responsible to anyone other than Oxford BioMedica for providing the protections afforded to clients of WG Partners nor for providing advice in relation to the Firm Placing or any other transaction or arrangement referred to in this document and, apart from the responsibilities and liabilities which may be imposed on WG Partners by the FSMA, WG Partners accepts no responsibility whatsoever and makes no representation or warranty, express or implied, for or in respect of the contents of this document, including its accuracy, completeness or verification, nor for any other statement made or purported to be made by it, or on its behalf, in connection with Oxford BioMedica or the Firm Placing. WG Partners accordingly disclaims all and any liability, whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this document or any such statement.

Roth Capital Partners, LLC, which is authorised and regulated in the US by the Financial Industry Regulatory Authority ("FINRA"), is acting exclusively for Oxford BioMedica in relation to the Subscription and will not be responsible to anyone other than Oxford BioMedica for providing the protections afforded to clients of Roth Capital Partners nor for providing advice in relation to the Subscription or any other transaction or arrangement referred to in this document and, apart from the responsibilities and liabilities which may be imposed on Roth Capital Partners by FINRA, Roth Capital Partners accepts no responsibility whatsoever and makes no representation or warranty, express or implied, for or in respect of the contents of this document, including its accuracy, completeness or verification, nor for any other statement made or purported to be made by it, or on its behalf, in connection with Oxford BioMedica or the Subscription. Roth Capital Partners accordingly disclaims all and any liability, whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this document or any such statement.

The Open Offer closes at 11.00 a.m. on 13 June 2014 and payment is required in full by this time. If you are a Qualifying non-CREST Shareholder and wish to apply or subscribe for Open Offer Shares under the Open Offer, you should complete the accompanying Application Form and return it with your remittance in accordance with the instructions set out in paragraph 4(a) of Part 2 of this document and in the Application Form. If you are a Qualifying CREST Shareholder the relevant CREST instructions must have settled as explained in this document by no later than 11.00 a.m. on 13 June 2014. The Application Form is personal to Qualifying Shareholders and cannot be transferred, sold or assigned except to satisfy *bona fide* market claims. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim.

Notice of the General Meeting of Oxford BioMedica, to be held at 10.00 a.m. on 16 June 2014 at the offices of Covington & Burling LLP at 265 Strand, London, WC2R 1BH, is set out at the end of this document. A Form of Proxy is enclosed for use by Shareholders in connection with the meeting. To be valid, Forms of Proxy, completed, or submitted electronically, in accordance with the instructions printed thereon, must be received at Oxford BioMedica's registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but in any event by no later than

10.00 a.m. on 14 June 2014. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities, or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

NOTICE TO US AND OTHER OVERSEAS INVESTORS

The New Ordinary Shares and the Open Offer Entitlements have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or under the applicable securities laws of any state or other jurisdiction of the United States or qualified for distribution under any applicable securities laws in any of the Excluded Territories. The New Ordinary Shares may not be offered, sold, taken up, resold, transferred or delivered, directly or indirectly, within the United States (as defined in Rule 902 under Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of the states of the United States. There will be no public offer in the United States. The New Ordinary Shares are being offered outside the United States in offshore transactions within the meaning of and in accordance with the safe harbour from the registration requirements provided by Regulation S under the Securities Act.

Neither the New Ordinary Shares, the Application Form, the Form of Proxy, this document nor any other document connected with this Firm Placing, Subscription, Related Party Subscription and Open Offer have been or will be approved or disapproved by the United States Securities and Exchange Commission ("SEC") or by the securities commissions of any state or other jurisdiction of the United States or any other regulatory authority, nor have any of the foregoing authorities or any securities commission passed upon or endorsed the merits of the offering of the New Ordinary Shares, the Application Form, the Form of Proxy or the accuracy or adequacy of this document or any other document connected with the Firm Placing, the Subscription, the Related Party Subscription and the Open Offer. Any representation to the contrary is a criminal offence in the United States.

Notwithstanding anything to the contrary herein, each prospective investor may disclose to any and all persons, without limitation of any kind, the US federal income tax treatment and tax structure of the Company and of the transactions contemplated by the Company. For this purpose, "tax structure" shall mean any fact that may be relevant to understanding the purported or claimed US federal tax treatment of the transaction; provided that none of the following shall for this purpose constitute tax treatment or tax structure information, the name of or other identifying information relating to the performance of the Company or its operations.

Not all Shareholders will be Qualifying Shareholders. Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any of the Excluded Territories will not qualify to participate in the Firm Placing, Subscription, Related Party Subscription and Open Offer and will not be sent an Application Form or a placing letter or Subscription Agreement or otherwise be permitted to participate in the Firm Placing, Subscription, Related Party Subscription and Open Offer. The attention of Overseas Shareholders is drawn to paragraph 6 of Part 2 of this document.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY

PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

THE CONTENTS OF THIS DOCUMENT SHOULD NOT BE CONSTRUED AS LEGAL, BUSINESS, FINANCIAL OR TAX ADVICE. ANY PROSPECTIVE INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN LEGAL, FINANCIAL OR TAX ADVISER FOR LEGAL, FINANCIAL OR TAX ADVICE.

Contents

Summary Information

Section A – Introduction and warnings		
A.1	Warning	This summary should be read as an introduction to this Prospectus. Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of England and Wales, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Consent	Not applicable, as no consent has been given by the Company or any person responsible for drawing up this document for subsequent resale or final placement of securities by financial intermediaries.

Section B – Issuer and any guarantor		
B.1	Legal and Commercial Name	The issuer's legal and commercial name is Oxford BioMedica plc.
B.2	Domicile/Legal Form/Legislation/ Country of Incorporation	Oxford BioMedica is incorporated as a private company limited by shares and registered in England and Wales under number 3252665 with the name Pinco 838 Limited. The Company was re-registered as a public company on 30 October 1996, on which date the name of the Company was changed to Oxford BioMedica plc. The principal legislation under which the Company operates and under which the Ordinary Shares were and are created is the Companies Act (including the Companies Act 1985) and the regulations made thereunder. The Company is subject to the Takeover Code.
B.3	Key factors of issuer's current operations and principal activities	Oxford BioMedica is a UK-based biopharmaceutical company specialising in the development and commercialisation of innovative gene-based medicines. Oxford BioMedica's core technology is based on its proprietary LentiVector® platform which is a highly efficient system for the delivery of therapeutic genes to a wide range of tissues, and it has specific advantages for targeting diseases of the central nervous system and the eye. In partnership with Sanofi, Oxford BioMedica has been developing three gene therapy products for the treatment of ocular diseases. Oxford BioMedica has been conducting the first stage of development up to and including the first clinical trial of each of the product candidates. Sanofi made an initial payment of US$26 million and has provided further funding of up to US$24 million for this stage of development. On 29 June 2012, the Company announced that Sanofi had elected to exercise its option to acquire exclusive worldwide licenses for the Company's ocular

		products StarGen™ and UshStat® for a total option payment of $3 million. On 17 February 2014, the Company announced that the terms of the development and commercialisation licence for StarGen™ and UshStat® had been concluded. Under the licence the Company is eligible for development and commercialisation milestone payments and royalties on any future sales of the two products. The management of the two ongoing Phase I/IIa trials for StarGen™ and UshStat® will be handed over from the Company to Sanofi during the first half of 2014. The third product covered by the collaboration was RetinoStat®, for the treatment of Wet Age-Related Macular Degeneration (Wet AMD). This product has recently completed the patient recruitment for its ongoing Phase I study and indicative study results are expected towards the end of 2014. On 29 April 2014, the Company announced that it had been informed by Sanofi that Sanofi would not be exercising its option to enter into a development and commercialisation licence for RetinoStat®. Outside the agreement with Sanofi, Oxford BioMedica currently has two further ocular programmes; one for the prevention of corneal graft rejection which is expected to enter Phase I clinical studies during 2015 and the other for the treatment of glaucoma which is in pre-clinical development. Other LentiVector® products include OXB-102 for Parkinson's disease and MoNuDin® for motor neurone disease. OXB-102 is a more potent formulation of ProSavin® which completed a Phase I/II clinical study in 2013, the results of which were published in The Lancet in January 2014. The Company decided to develop OXB-102 in order to ensure the greatest chance of success in future randomised studies. OXB-102 is completing pre-clinical studies and is expected to enter the clinic in 2015. MoNuDin® is currently in pre-clinical studies. The Company is also exploring several as-yet undisclosed product concepts. Apart from its LentiVector® technology, the Company also owns exclusive rights to the 5T4 tumour antigen, a unique protein found on most common types of solid cancer, which makes it a potentially valuable target for novel anti-cancer interventions. TroVax®, the Company's cancer vaccine which targets the 5T4 tumour antigen, is currently undergoing three investigator-led Phase II clinical studies. The Company has also licensed rights to 5T4 to Pfizer, for the development of a 5T4-targeted antibody therapy, and ImaginAb for the development of a 5T4 in-vivo diagnostic. The Company's business model is underpinned by over 60 patent families, which represent one of the broadest patent estates in its chosen fields. Oxford BioMedica's licensees include Sanofi, Pfizer, GlaxoSmithKline, MolMed, Sigma-Aldrich, Biogen Idec, Emergent BioSolutions and ImaginAb. The Company owns a manufacturing facility which is approved by the UK regulator, the Medicines and Healthcare products Regulatory Agency (MHRA) for the manufacture of gene and cell therapy products for clinical studies. As well as giving the company full control over the manufacture of its own development products, the facility can also be used for the manufacture of gene and cell therapy

		products for third parties. In May 2013, the Company announced an agreement with Novartis to manufacture clinical grade material using its LentiVector® technology.
B.4a	Significant trends	Gene and cell therapy has been a high-profile area for R&D over the last 20 years and it offers major opportunities for the treatment of a wide range of diseases. In simple terms gene and cell therapy (increasingly known as Advanced Therapy Medicinal Products) is the treatment of disease by delivering therapeutic DNA into a patient's cells. The therapeutic DNA can be used to replace or correct a faulty gene, or to encode a therapeutic protein to provide treatment. The approach offers the prospect of long-term and possibly permanent treatment or cure for many common and rare diseases which are currently poorly treated. Inevitably such a fundamental new technology has taken time to evolve and safety concerns have been paramount. However, in the last two years, confidence in the ultimate success of gene and cell therapy has increased with a significant increase in investment activity in last 18 months. This will provide an opportunity to invest in the Company and benefit from the increase in investment and growth within the gene therapy sector. Importantly, in 2012 the European authorities approved Glybera, a gene therapy for the treatment of hyperlipoproteinemia Type 1, a very rare condition. Glybera is the first gene therapy product to have been approved in Europe and, as yet, no gene therapies have been approved in the USA. Since that time there has been a significant number of financing transactions including IPOs in the USA for Uniqure ($92 million), the company which developed Glybera, and Bluebird Bio ($116 million) and a number of private finance transactions in both the USA and Europe e.g. GenSight (€32 million), Spark Therapeutics ($50 million), NightstaRx (€24 million). "Big Pharma" is also getting increasingly involved – for example Novartis has licensed CART-19 rights from the University of Pennsylvania. The surge in interest in gene and cell therapy as evidenced by the above examples suggests increasing confidence that these development products and ideas will ultimately prove successful. Oxford BioMedica is well placed to benefit from the improved sentiment for gene and cell therapy. The Company has seven named gene therapy product candidates in development ranging from pre-clinical to Phase I/IIa studies. Two of these have already been licensed to Sanofi. The Company will continue the development of its other five gene therapy products to their next decision points in-house, subject to sufficient finance, but will consider partnering/out-licensing opportunities that may arise. The Company's manufacturing capability, and its extensive development expertise in this area, also provides commercial opportunities to generate revenues from third parties who require these specialist services. Revenues from the Company's IP estate are also possible. As well as Sanofi's licence agreement with Oxford BioMedica for StarGen™ and UshStat, GlaxoSmithKline has taken an option for up to six licenses under Oxford BioMedica's LentiVector® technology for orphan indications, and the Company has a number of other licensing agreements covering its 5T4 and PrimeBoost technologies.

B.5	Group structure	Oxford BioMedica plc is the parent company of the Oxford BioMedica Group. The Company has one principal subsidiary undertaking, Oxford BioMedica (UK) Limited. The capital of Oxford BioMedica (UK) Limited is directly wholly owned by Oxford BioMedica.
B.6	Notifiable interests	As at 27 May 2014 being the last practicable date prior to the publication of this document, the interests (all of which are or will be beneficial unless otherwise stated) of the Directors and their connected persons in the share capital of the Company are as follows:

Name of Director	*Number of Existing Ordinary Shares beneficially held at present*	*Per cent. of Existing Ordinary Shares beneficially held at present*	*Number of Ordinary Shares beneficially held immediately following Admission*	*Per cent. of issued Ordinary Shares beneficially held immediately following Admission**
Nick Rodgers	842,829	0.06	842,829	0.03
John Dawson	2,282,829	0.16	2,782,829	0.12
Peter Nolan	733,313	0.05	883,313	0.04
Tim Watts	3,682,829	0.26	5,307,829	0.22
Dr. Paul Blake	533,097	0.04	1,783,097	0.07
Dr. Andrew Heath	600,000	0.04	850,000	0.04
Martin Diggle[1]	401,000,100	28.32	533,250,100[2]	22.07[2]

(1) Includes interests of Vulpes Life Sciences Fund and other parties connected to Martin Diggle.

(2) Includes the Related Party Subscription

* Assuming no take up under the Open Offer

As at 27 May 2014, being the latest practicable date prior to the publication of this document, in addition to those persons described above, the Company is aware of the following persons who will be interested, directly or indirectly, in three per cent. or more of the issued share capital of the Company immediately following the proposals described in this document:

Shareholder	*Number of Existing Ordinary Shares held*	*Per cent. of Existing Ordinary Shares held*	*Number of Existing Ordinary Shares held immediately following Admission*	*Per cent. of issued Ordinary Shares held immediately following Admission**
Vulpes Life Sciences Fund	401,000,100	28.32	533,250,100[1]	22.07[1]
M&G Investment Management Limited	237,994,371	16.8	482,988,186	19.99
TD Direct Investing	90,515,583	6.4	90,515,583	3.75
Barclays Wealth Mgmt	87,661,222	6.2	86,405,245	3.58
Hargreaves Lansdown Asset Mgmt	75,237,831	5.4	76,471,883	3.17
Halifax Share Dealing	49,165,203	3.5	49,165,203	2.03

(1) Includes the Related Party Subscription

* Assuming no take up under the Open Offer

The Company's major Shareholders do not have different voting rights.

There are no controlling interests in the Company.

B.7	Historical financial information	The selected financial information set out below has been extracted without material adjustment from the audited report and accounts of the Group for the year ended 31 December 2011, 31 December 2012 and 31 December 2013 prepared under IFRS.

	Year ended 31 December 2011 £'000 Audited	*Year ended 31 December 2012 £'000 Audited*	*Year ended 31 December 2013 £'000 Audited*
Revenue	7,718	7,756	5,375
Operating Loss	(14,438)	(10,487)	(12,823)
Loss per Ordinary Share (basic and adjusted)	(1.35p)	(0.76p)	(0.79p)
Net assets	17,771	19,643	8,898
Net current assets	11,123	13,320	2,727
Cash resources	14,335	14,061	2,169
Shareholders' funds	17,771	19,643	8,898

The Group's revenue in 2011 and 2012 predominantly comprised a) the accounting recognition of revenue deferred from the £16.6 million ($26 million) upfront received from Sanofi in 2009 and b) the reimbursement by Sanofi of R&D expenditure incurred in respect of the ocular products covered by the 2009 collaboration agreement. 2012 also included an option fee of £1.9 million ($3.0 million) received from Sanofi, triggered by their decision to license StarGen™ and Ushstat®. In 2013 the deferred revenue was much reduced as the final element was recognised, and the R&D reimbursement was also lower than in previous years as the development activity and costs arising on the ocular projects started to decline. However in 2013 a new source of revenue arose from the provision of manufacturing and development services to third parties. Apart from the decline in R&D project costs relating to the ocular products mentioned above, the operational costs in all three years are broadly similar although manpower costs increased towards the end of 2013 as the business increased manufacturing headcount to support the manufacturing services provision.

On 6 January 2014, Shareholders approved a £5 million loan facility from Vulpes Life Sciences Fund, the Group's largest Shareholder, the purpose of which was to extend the Group's cash runway into the third quarter of 2014 and thereby to provide additional time to achieve certain key operational objectives. Two such objectives have been achieved with a) the completion of the recruitment and dosing of patients for the RetinoStat Phase I clinical study and b) the award of a £2.2 million grant by the UK Technology Strategy Board under its Biomedical Catalyst competition.

Other than the matters discussed above, there has been no significant change in the financial condition or operating results of the Group during the period covered by the historical financial information above and since 31 December 2013, being the date of the Group's latest audited financial statements.

B.8	Pro forma financial information	Not applicable – there is no pro forma information contained in the prospectus.
B.9	Profit forecast	Not applicable – there are no profit forecasts contained in the prospectus.
B.10	Qualifications in the audit report	Not applicable – there are no qualifications in the audit reports on the historical financial information.
B.11	Working capital	Not applicable – the Company is of the opinion that, taking into account existing cash balances and the net proceeds of the Firm Placing, Subscription and Related Party Subscription receivable by the Company, the Group has sufficient working capital for its present requirements, that is at least 12 months following the publication of this document.

Section C – Securities		
C.1	Type and class of securities being offered	The Firm Placed Shares and Subscription Shares being offered are New Ordinary Shares of the Company of 1 pence each whose ISIN is GB0006648157. The Firm Placed Shares and Subscription Shares are denominated in Sterling, and the Offer Price is payable in Sterling. The Open Offer Shares being offered are New Ordinary Shares of the Company of 1 pence each whose ISIN is GB00BMBN5G26. The Open Offer Shares are denominated in Sterling, and the Offer Price is payable in Sterling. The Excess Application Shares being offered are New Ordinary Shares of the Company of 1 pence each whose ISIN is GB00BMBN5H33. The Excess Application Shares are denominated in Sterling, and the Offer Price is payable in Sterling.
C.2	Currency	The Firm Placed Shares, Subscription Shares, Open Offer Shares and Excess Application Shares are denominated in Sterling.
C.3	Number of shares	The Company has 1,416,149,005 fully paid Ordinary Shares of 1 pence each in issue. The Company has no partly paid Ordinary Shares in issue.
C.4	Share rights	(a) Rights attaching to the Ordinary Shares The following is a summary of the rights under the Articles which attach to Existing Ordinary Shares. i. Voting rights Subject to any special rights or restrictions as to voting which are given to any shares (as to which there are none at present), the Articles state that every qualifying person (being a member, authorised representative in the case of a corporate member, or proxy) present at a general meeting has one vote on a show of hands, and on a poll every Shareholder present in person or by proxy has one vote for every share of which he is the holder. Shareholders may appoint one or more proxies (or authorised representatives in the case of a corporate member) but on a vote

		on a show of hands if a person is appointed as proxy for two or more Shareholders he shall have one vote, unless those Shareholders instruct him to vote in different ways, in which case he has one vote for and one vote against the resolution being voted on. If a Shareholder present is also a proxy for one or more other Shareholders he shall have one vote only. In the case of joint holders, the vote of the person whose name stands first in the register of members is accepted to the exclusion of any vote tendered by any other joint holder. Unless the Directors otherwise determine, a Shareholder is not entitled to be present or to vote, either personally or by proxy, at any general or class meeting while any amount of money relating to his shares remains outstanding. ii. Voting by Proxy To appoint a proxy, the Shareholder must deliver a validly executed instrument appointing a proxy (a "Proxy Notice") to the registered office of the Company, or to any other place specified in the notice of meeting or in any document sent with the notice within the specified time frame. The time frame for delivery is 48 hours before a meeting or adjourned meeting or 24 hours before a poll is to be taken if the poll is taken more than 48 hours after the day of the meeting or adjourned meeting. A Proxy Notice will expire 12 months from its date of execution or delivery by electronic communication (such as fax or e-mail). A Proxy Notice can be in any form which the Directors may approve including the appointment of a proxy by means of an electronic communication in the form of an uncertificated proxy instruction in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors. Delivery of a Proxy Notice does not preclude a Shareholder from attending, speaking or voting in person at the meeting or poll concerned. iii. Dividends Subject to the Companies Act and any other relevant statute, order, regulation or other subordinate legislation from time to time in force, the Company may, by ordinary resolution, declare dividends to be paid to the Shareholders according to their rights and interests in the profits available for distribution, but no dividend shall be declared in excess of the amount recommended by the Directors. Subject to the Companies Act and any other relevant statute, order, regulation or other subordinate legislation from time to time in force, the Directors may pay interim dividends of such amounts and on such dates and in respect of such periods as the Directors think fit. Except as otherwise provided by the rights attached to the shares, all dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in which the dividend is paid. No dividend will be paid unless the Company has profits available for that purpose in accordance with the provisions of the Companies Act and any other relevant statute, order,

		regulation or other subordinate legislation from time to time in force. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide, dividends may be declared or paid in any currency the Directors agree with Shareholders. Directors may retain any dividend (or part of a dividend) or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution the Directors may settle the same as they think expedient. The Board may, in respect of any dividend declared or paid on or before the date of the fifth annual general meeting of the Company after 27 April 2010, and thereafter with the sanction of an ordinary resolution of the Company, offer Shareholders the right to elect to receive Ordinary Shares instead of some or all of their cash dividend. The Company may cease to send any means of payment for any dividend payable on any shares if in respect of at least two consecutive dividends payable on those shares the means of payment has failed but the Company shall recommence sending payments in respect of dividends if the holder of the relevant shares requests such recommencement in writing. Any dividend which remains unclaimed after a period of 12 years from the date on which such dividend is payable shall be forfeited and returned to the Company.
C.5	Restrictions	Transfer Existing Ordinary Shares are in registered (certificated or uncertificated) form and are freely transferable. Any Shareholder may effect the transfer of all or any of his certificated shares by an instrument of transfer in the usual common form or in any other form which the Directors may approve. The transfer of an uncertificated share need not be in writing and shall comply with the rules adopted by the Directors which are consistent with the CREST Regulations. A share transfer form must be signed by or on behalf of the transferor and, in the case of a partly paid share, also on behalf of the transferee. The transferor will continue to be treated as a Shareholder until the name of the transferee is entered in the register of members for the relevant share or shares. The Directors may, in their absolute discretion and without giving any reason except as required by law, decline to register any transfer of any share which is not a fully paid up share or on which the Company has a lien provided that, if any of these shares have been admitted to the Official List, this does not prevent dealings in the shares from taking place on an open and proper basis.

		The Directors may also decline to register any transfer unless: i. in the case of a certificated share, the instrument of transfer, duly stamped, is lodged with the Company accompanied by the certificate for the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; ii. in the case of a certificated share, the instrument of transfer is in respect of only one class of share; iii. in the case of a transfer to joint holders of a certificated or uncertificated share, the number of joint holders to whom the share is to be transferred does not exceed four. The Board may also refuse to register a transfer of uncertificated shares in accordance with the CREST Regulations. If the Directors decline to register a share transfer they must send notice of the refusal to the transferee providing the reason for such refusal. In the case of a certificated share, such notice must be sent by the earlier of (1) the time required by the London Stock Exchange, the UK Listing Authority or the Financial Conduct Authority in force for the time being or (2) the expiration of two months after the date on which the instrument of transfer was lodged. In the case of an uncertificated share, such notice must be sent within two months of the date on which the Company's registrars received "dematerialised instructions" authenticated in accordance with the CREST Regulations to update the Company's register of members to show the transferee as the holder of such share.
C.6	Admission	Subject to Shareholder approval application will been made to the UK Listing Authority and the London Stock Exchange for all of the New Ordinary Shares to be issued pursuant to the Firm Placing, Subscription, Related Party Subscription and Open Offer to be admitted to the Official List (by way of a premium listing) and to trading on the London Stock Exchange's main market for listed securities. The New Ordinary Shares will not be listed on any other Regulated Market.
C.7	Dividend policy	The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions (if any) declared, paid or made by Oxford BioMedica after Admission. However, it is, at present, intended that no dividends will be paid by Oxford BioMedica. Even if future operations lead to significant levels of distributable profits, any earnings, of which there can be no assurance, will be reinvested in Oxford BioMedica's business and no dividends are expected to be paid in the foreseeable future.

Section D – Risks		
D.1	Key risks	Shareholders should carefully consider the following risks:
		A. RISKS ASSOCIATED WITH THE FIRM PLACING, SUBSCRIPTION, RELATED PARTY SUBSCRIPTION AND OPEN OFFER • In the absence of the Firm Placing, Subscription and the Related Party Subscription, the Company would not have sufficient working capital to fund the business for a full 12 months following publication of this document. ***B. RISKS RELATING TO THE GROUP'S BUSINESS*** • The Group's success depends, amongst other things, on the protection of the Group's intellectual property portfolio. There can be no guarantee that Oxford BioMedica's products and technologies are adequately protected by intellectual property and there can be no assurance that a competitor or potential competitor will not independently develop the same or similar products or technology. Should the Group's intellectual property rights be challenged, the defence of such rights could involve substantial costs and an uncertain outcome. There can be no assurances that any of the Group's product candidates will ultimately prove to be safe for human use. Adverse or inconclusive results from pre-clinical testing or clinical trials may substantially delay, or halt, the development of product candidates, consequently affecting the Group's timeline for profitability. • There can be no assurance that the efficacy data collected from the pre-clinical studies and clinical trials of the Group's product candidates will be sufficient to satisfy the relevant regulatory authorities that the product should be given a marketing authorisation. • There can be no assurance that the Group's product candidates will be capable of being produced in commercial quantities at acceptable cost. There can also be no assurance that the Group will be able to adapt current processes or develop new processes suitable for the scale required by later stages of clinical development or commercial supply in a timely or cost-effective manner, nor that contract manufacturers will be able to provide sufficient manufacturing capacity when required. • During the clinical development stage, regulatory reviews of clinical trial applications or amendments can prolong development timelines and there can be no assurance of gaining the necessary marketing approvals to commercialise products in development. If regulatory approval is obtained, the product and manufacturer will be subject to continual review and there can be no assurance that such an approval will not be withdrawn or restricted. • The Group is continuing to develop its product pipeline and absorbs cash in doing so. Although it is starting to generate revenues from selling development and manufacturing services,

		these currently only cover a relatively small portion of the Group's cost base. There is no certainty that adequate resources will be available on a timely basis, and in the event that further funding is not achieved, then the Group would have to curtail or suspend the existing programme development in order to conserve cash and extend the cash runway.
D.3		***C. RISKS RELATING TO THE STOCK MARKET AND TO SHARE TRADING*** • Oxford BioMedica's share price may be volatile and affected by a number of factors, some outside the Company's control. The share prices of publicly traded biotechnology and emerging pharmaceutical companies such as Oxford BioMedica can be highly volatile. • The Company may issue additional shares in the future, which may adversely affect the market price of the outstanding Ordinary Shares.

Section E – Offer		
E.1	Net proceeds	The Company intends to use approximately £2 million of the net proceeds from the Firm Placing and Subscription to repay the Vulpes Loan Facility, approximately £11 million of the Firm Placing, Subscription and Related Party Subscription to continue the development of its seven named gene therapy product candidates, approximately £1 million to identify and bring forward new gene therapy product candidates and approximately £4 million to develop its manufacturing capacity and manufacturing processes. Any further amounts received under the Open Offer would be used to fund the ongoing operations.
E.2	Reasons for the offer	The Company announced on 29 May 2014 that it proposes to raise up to £25.7 million, before expenses, by the issue of 826,566,048 New Ordinary Shares through a Firm Placing, 90,000,000 New Ordinary Shares through the Subscription, 83,452,767 New Ordinary Shares through the Related Party Subscription and up to 283,229,801 New Ordinary Shares through an Open Offer at 2 pence per New Ordinary Share. The Offer Price of 2 pence per New Ordinary Share represents a 1 per cent. discount to the Closing Price of 2.02 pence on 27 May 2014 (being the latest practicable date prior to the announcement of the Firm Placing, Subscription, Related Party Subscription and Open Offer). The Firm Placing, Subscription, Related Party Subscription and Open Offer requires Shareholder approval. If any of the Resolutions are not passed, the Firm Placing, Subscription, Related Party Subscription and Open Offer will not proceed.
E.3	Terms and conditions	Oxford BioMedica intends to issue 826,566,048 New Ordinary Shares through the Firm Placing, 90,000,000 New Ordinary Shares through the Subscription, 83,452,767 New Ordinary Shares through the Related Party Subscription and up to 283,229,801 New Ordinary Shares through the Open Offer at 2 pence per New Ordinary Share to raise gross proceeds of up to £25.7 million.

		The Firm Placing, Subscription, Related Party Subscription and Open Offer requires Shareholder approval, which will be sought at the General Meeting. The Offer Price of 2 pence per New Ordinary Share represents a 1 per cent. discount to the Closing Price of an Existing Ordinary Share of 2.02 pence on 27 May 2014 (being the latest practicable date prior to the announcement of the Firm Placing, Subscription, Related Party Subscription and Open Offer). ***Firm Placing*** The Firm Placees have agreed to subscribe for 826,566,048 New Ordinary Shares at the Offer Price (representing gross proceeds of £16.5 million). The Firm Placed Shares are not subject to clawback and are not part of the Open Offer. ***Subscription*** The Subscribers have agreed to subscribe for 90,000,000 New Ordinary Shares at the Offer Price (representing gross proceeds of £1.8 million). The Subscription Shares are not subject to clawback and are not part of the Open Offer. ***Related Party Subscription*** Vulpes Life Sciences Fund has agreed to subscribe for 83,452,767 New Ordinary Shares at the Offer Price (representing gross proceeds of £1.7 million). The Related Party Subscription Shares are not subject to clawback and are not part of the Open Offer. ***Open Offer*** Qualifying Shareholders are being given the opportunity to subscribe for New Ordinary Shares pro rata to their existing shareholdings at the Offer Price on the basis of: **1 New Ordinary Share for every 5 Existing Ordinary Shares** held and registered in their name at the Record Date. Qualifying Shareholders may apply for any whole number of New Ordinary Shares. Excess applications will be satisfied only to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their pro rata entitlements. If there is an oversubscription resulting from excess applications, allocations in respect of such excess applications will be scaled down according to the Directors' discretion. Under the Open Offer, Oxford BioMedica intends to issue up to 283,229,801 New Ordinary Shares at the Offer Price (representing gross proceeds of up to £5.7 million) to be made available pursuant to the Open Offer. The Firm Placing, Subscription, Related Party Subscription and Open Offer are not underwritten. The New Ordinary Shares, when issued and fully paid, will rank in full for all dividends or other distributions declared, made or paid after Admission and in all other respects will rank *pari passu* with the

		Existing Ordinary Shares. Application has been made for the New Ordinary Shares to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective on 17 June 2014 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on the same day.
E.4	Conflicts of interest	Not applicable – there are no interests (including conflicts of interest) which are material to the issue.
E.5	Lock-up	Not applicable – there are no entities or persons offering to sell the securities of Oxford BioMedica. There are no lock up agreements.
E.6	Dilution	Following the issue of the New Ordinary Shares pursuant to the Firm Placing, Subscription, Related Party Subscription and Open Offer, Qualifying Shareholders who do not take up any of their Open Offer Entitlements will suffer a dilution of approximately 48 per cent. to their interests in the Company, assuming full take-up under the Open Offer. If a Qualifying Shareholder takes up his Open Offer Entitlement in full he will suffer a dilution of 34 per cent. to his interest in the Company, assuming full take-up under the Open Offer.
E.7	Expenses	The Company estimates that the cost of the Firm Placing, Subscription, Related Party Subscription and Open Offer is approximately £2 million.

Risk Factors

The following risk factors, which the Directors believe include all known material risks in relation to the Company or its industry, and the Firm Placing, Subscription, Related Party Subscription and Open Offer, should be carefully considered by Shareholders and investors when deciding (in the case of Shareholders) what action to take at the General Meeting and (in the case of investors) whether to make an investment in the Group. Shareholders and investors should carefully consider the whole of this document and not rely solely on the information set out in this section.

Investors should be aware that any investment in the Company involves a high degree of risk and should be made only by those with the necessary expertise to appraise the investment.

Additional risks currently unknown to Oxford BioMedica, or currently believed to be immaterial, could have an adverse effect on the Group. Any or all of these factors could have a material and adverse effect on the Group's operational results, financial condition and prospects. Furthermore, the trading price of the Ordinary Shares could decline, possibly rapidly, resulting in the loss of all or part of any investment therein.

A. Risks associated with the Firm Placing, Subscription, Related Party Subscription and Open Offer

(a) ***Working Capital and Importance of the Vote***

The Directors believe that Oxford BioMedica has sufficient financial resources to fund the business until the end of the third quarter of 2014. In the absence of the Firm Placing, Subscription and Related Party Subscription, the Company requires a further £8 million to fund the business until 28 May 2015, that is a full 12 months following publication of this document. This does not take into account any potential upfront licence payment should the Company be successful in partnering RetinoStat® during 2014 or the first quarter of 2015, nor does it include potential revenue from other partnering or licensing transactions. The receipt of any one of such revenues could result in the Group having sufficient financial resources for the next 12 months. However, the Directors cannot be certain that any such milestone payment or revenue for partnering or licensing will materialise before the end of the third quarter of 2014, if at all, and the outcome lies outside the full control of the Company.

If the Resolutions in the Notice of General Meeting are not approved, the Firm Placing, Subscription and Related Party Subscription will not proceed. Given that the Group will only have sufficient financial resources to fund its business until the end of the third quarter of 2014 based on current business plans, in the event that the Firm Placing, Subscription and Related Party Subscription fail to proceed, the Directors will severely reduce all appropriate discretionary spend and will immediately endeavour to conserve cash and raise further funds by:

- implementing redundancies and cutting back on all discretionary expenditure, which is likely to reduce the capabilities of the Company, in order to conserve cash;
- seeking to accelerate partnering programmes for the Group's products that are not already partnered such as OXB-102, Retinostat®, EncorStat®, Glaucoma-GT and TroVax® which may be on terms less favourable than if the programmes were not accelerated;
- accelerating the monetisation of existing partnerships such as the ocular programme with Sanofi, which may be on terms less favourable than if the monetisation of partnerships were not accelerated; and
- taking up alternative forms of financing that may be on terms less attractive to Shareholders than the Firm Placing, Subscription and Related Party Subscription.

Although each of these actions is realistically available to the Company, the outcome of each lies outside the full control of the Company and, as a result, the Directors cannot be confident that any

will be successful or will be on terms as attractive as the Firm Placing, Subscription and Related Party Subscription for Shareholders.

If the Company were to be unsuccessful in pursuing these alternative courses of action by the third quarter of 2014, the Directors would be obliged to cease operations, the consequence of which could include administration or receivership or liquidation or other insolvency proceedings.

Accordingly, it is very important that Shareholders vote in favour of the Resolutions in order that the Firm Placing, Subscription and Related Party Subscription can proceed.

(b) ***Dilution***

The New Ordinary Shares issued through the Firm Placing, Subscription, Related Party Subscription and Open Offer will represent 48 per cent. of the Enlarged Share Capital, assuming full take up under the Open Offer. Specifically, the New Ordinary Shares issued through the Firm Placing will represent 31 per cent. of the Enlarged Share Capital, the New Ordinary Shares issued through the Subscription will represent 3 per cent. of the Enlarged Share Capital, the New Ordinary Shares issued through the Related Party Subscription will represent 3 per cent. of the Enlarged Share Capital and New Ordinary Shares issued through the Open Offer will represent 10 per cent. of the Enlarged Share Capital, assuming full take up under the Open Offer. In light of the fact that Shareholders will not be eligible to participate in the Firm Placing, Subscription and Related Party Transaction, following the issue of the New Ordinary Shares to be allotted pursuant to the Firm Placing, Subscription, Related Party Subscription and Open Offer, Qualifying Shareholders who take up their Open Offer Entitlements in full will suffer a dilution of 34 per cent. to their interests in the Company, assuming full take up of the Open Offer and Qualifying Shareholders who do not take up their Open Offer Entitlements in full will suffer a dilution of 48 per cent. to their interests in the Company, assuming full take up of the Open Offer.

B. Risks relating to the Group's business

(a) ***Intellectual property and patent protection risk***

The Group's success depends, amongst other things, on maintaining proprietary rights to its products and technologies and the Board gives high priority to the strategic management of the Group's intellectual property portfolio. However there can be no guarantee that Oxford BioMedica's products and technologies are adequately protected by intellectual property. Furthermore, if the Group's patents are challenged, the defence of such rights could involve substantial costs and an uncertain outcome.

Third-party patents may emerge containing claims that impact the Group's freedom to operate. There can be no assurance that the Group will be able to obtain licences to these patents at reasonable cost, if at all, or be able to develop or obtain alternative technology. Where copyright, design right and/or "know how" protect the Group's products or technology, there can be no assurance that a competitor or potential competitor will not independently develop the same or similar products or technology.

Rights of ownership over, and rights to license and use, intellectual property depend on a number of factors, including the circumstances under which the intellectual property was created and the provisions of any agreements covering such intellectual property. There can be no assurance that changes to the terms within licence agreements will not affect the entitlement of the Group to the relevant intellectual property or to license the relevant intellectual property from others.

(b) ***Gene therapy risk***

The commercial success of Oxford BioMedica's gene therapy products will depend, in part, on their acceptance by the medical community and the public for the prevention and/or treatment of diseases. To date only one gene therapy product has been approved in Europe, and none in the USA. Furthermore, specific regulatory requirements, over and above those imposed on other products, apply to gene therapy and there can be no assurance that additional requirements will not be imposed in the future. This may increase the cost and time required for successful development of the Group's products.

(c) ***Development risks***

To develop a pharmaceutical product it is necessary to conduct pre-clinical studies and human clinical trials for product candidates to demonstrate safety and efficacy. The number of pre-clinical studies and clinical trials that will be required varies depending on the product candidate, the indication being evaluated, the trial results and the regulations applicable to the particular product candidate. In addition, the Group or its partners will need to obtain regulatory approvals to conduct clinical trials and manufacture drugs before they can be marketed. This development process takes many years. The Group may fail to develop successfully a product candidate for many reasons, including:

- Failure to demonstrate long-term safety;
- Failure to demonstrate efficacy;
- Failure to develop technical solutions to achieve necessary dosing levels or acceptable delivery mechanisms;
- Failure to establish robust manufacturing processes;
- Failure to find a development partner or alternative funding;
- Failure to obtain regulatory approvals to conduct clinical studies or, ultimately, to market the product; and
- Failure to recruit sufficient patients into clinical studies.

The failure of the Group to develop successfully a product candidate could adversely affect the future profitability of the Group. There is a risk that the failure of any one product candidate could have a significant and sustained adverse impact on the Company's share price. There is also the risk that the failure of one product candidate in clinical development could have an adverse effect on the development of other product candidates, or on the Group's ability to enter into collaborations in respect of product candidates.

(i) *Safety risks*

Safety issues may arise at any stage of the drug development process. An independent data safety monitoring board, the relevant regulatory authorities or the Group itself may suspend or terminate clinical trials at any time. There can be no assurances that any of the Group's product candidates will ultimately prove to be safe for human use. Adverse or inconclusive results from pre-clinical testing or clinical trials may substantially delay, or halt, the development of product candidates, consequently affecting the Group's timeline for profitability. The continuation of a particular study after review by an independent data safety monitoring board or review body does not necessarily indicate that all clinical trials will ultimately be successfully completed.

(ii) *Efficacy risks*

Human clinical studies are required to demonstrate efficacy in humans when compared against placebo and/or existing alternative therapies. The results of pre-clinical studies and initial clinical trials of the Group's product candidates do not necessarily predict the results of later stage clinical trials. Unapproved product candidates in later stages of clinical trials may fail to show the desired efficacy despite having progressed through initial clinical trials. There can be no assurance that the efficacy data collected from the pre-clinical studies and clinical trials of the Group's product candidates will be sufficient to satisfy the relevant regulatory authorities that the product should be given a marketing authorisation.

(iii) *Technical risks*

During the course of a product's development, further technical development may be required to improve the product's characteristics such as the delivery mechanism or the manufacturing process. There is no certainty that such technical improvements or solutions can be identified.

(iv) *Manufacturing process risk*

There can be no assurance that the Group's product candidates will be capable of being produced in commercial quantities at acceptable cost. The Group's LentiVector® platform product candidates use specialised manufacturing processes for which there are only a few suitable manufacturers including the Group's own facility. There can be no assurance that the Group will be able to manufacture the Group's product candidates at economic cost or that contractors who are currently able to manufacture the Group's product candidates will continue to make capacity available at economic prices, or that suitable new contractors will enter the market. Manufacturing processes that are effective and practical at the small scale required by the early stages of clinical development may not be appropriate at the larger scale required for later stages of clinical development or for commercial supply. There can be no assurance that the Group will be able to adapt current processes or develop new processes suitable for the scale required by later stages of clinical development or commercial supply in a timely or cost-effective manner, nor that contract manufacturers will be able to provide sufficient manufacturing capacity when required.

(v) *Collaboration and funding risk*

Collaborations and licensing are an important component of the Group's strategy to realise value and manage risk. The Group is dependent on collaborative relationships with third parties to facilitate and fund the research, development, manufacture, commercialisation and marketing of products. There is no guarantee that such collaborations and funding will continue to be found. There can also be no assurance that the Group's existing relationships will not be terminated or require re-negotiation for reasons that may be unrelated to the potential of the programme. Circumstances may also arise where the failure by collaborators and third parties, such as contract manufacturers, to perform their obligations in accordance with our agreements could delay, or halt entirely, development, production or commercialisation of our products, or adversely impact our cash flows.

(vi) *Regulatory risk*

The clinical development and marketing approval of Oxford BioMedica's product candidates, and the Group's manufacturing facility, are regulated by healthcare regulatory agencies, such as the FDA (USA), EMA (Europe), and MHRA (UK). During the development stage, regulatory reviews of clinical trial applications or amendments can prolong development timelines. Similarly, there can be no assurance of gaining the necessary marketing approvals to commercialise products in development. Regulatory authorities may impose restrictions on a product's use or may require additional data before granting approval. If regulatory approval is obtained, the product and manufacturer will be subject to continual review and there can be no assurance that such an approval will not be withdrawn or restricted. The Group's laboratories, manufacturing facility and conduct of clinical studies are also subject to regular audits by the MHRA to ensure that they comply with Good Laboratory Practice (GLP), Good Manufacturing Practice (GMP) and Good Clinical Practice (GCP) standards. Failure to meet such standards could result in the laboratories or the manufacturing site being closed or the clinical studies suspended until corrective actions have been implemented and accepted by the regulator.

(vii) *Failure to recruit sufficient patients into clinical studies*

Clinical trials are established under specific protocols which specify how the trials should be conducted. Protocols specify the number of patients to be recruited into the study and the characteristics of patients who can and cannot be accepted into the study. The risk exists that it proves difficult in practice to recruit the number of patients with the specified characteristics. This could be caused by a variety of reasons such as the specified characteristics being too tightly defined resulting in a very small population of suitable patients, or the emergence of a competing drug, either one that is approved or another drug in the clinical stage of development.

(d) ***Longer-term commercialisation risks***

In the longer term, the success of the Group's products will depend on the regulatory and commercial environment several years into the future. Future commercialisation risks include:

- The emergence of new and/or unexpected competitor products or technologies. The biotechnology and pharmaceutical industries are subject to rapid technological change which could affect the success of the Group's product candidates or make them obsolete.
- Regulatory authorities becoming increasingly demanding regarding efficacy standards or risk averse regarding safety
- Governments or other payers being unwilling to pay/reimburse gene therapy products at a level which would justify the investment. Based on clinical studies to date, the Group's LentiVector® platform product candidates have the unique potential to provide permanent therapeutic benefit from a single administration. The pricing of these therapies will depend on assessments of their cost-benefit and cost effectiveness.
- The willingness of physicians and/or healthcare systems to adopt new treatment regimes

Any or all of these risks could result in the Group's future profitability being adversely affected as future royalties and milestones from commercial partners could be reduced.

(e) ***Manufacturing operations risk***

The Group manufactures clinical study material for its own product development and for third parties. The manufacturing processes for gene and cell therapy products are still relatively immature. There is a risk of contamination or other process failure during the manufacturing process which results in material which has been produced having to be destroyed and re-manufactured at additional cost.

(f) ***Attraction and retention of key employees***

Whilst the Group has entered into employment arrangements with each of its key personnel with the aim of securing their services, the retention of their services cannot be guaranteed. Oxford BioMedica is significantly dependent on certain scientific and management personnel. Incentivisation of key employees to remain with the Group remains critical to the Group's success. The loss of those employees could weaken the Group's scientific and management capabilities, resulting in delays in the development of its drugs and impacting negatively on the Group's business. The biotechnology industry has a highly competitive market for qualified scientific and managerial employees. Competitors may try to recruit some of the Group's important employees. Recruiting and retaining management and scientific personnel as the Group develops will be critical to the Group's success.

(g) ***Product liability and insurance risk***

In carrying out its activities the Group potentially faces contractual and statutory claims, or other types of claim from customers, suppliers and/or investors. In addition, the Group is exposed to potential product liability risks that are inherent in the research, pre-clinical and clinical evaluation, manufacturing, marketing and use of pharmaceutical products. While the Group is currently able to obtain insurance cover, there can be no assurance that any future necessary insurance cover will be available to the Group at an acceptable cost, if at all, or that, in the event of any claim, the level of insurance carried by the Group now or in the future will be adequate or that a product liability or other claim would not have a material and adverse effect on the Group's future profitability and financial condition.

(h) ***Foreign currency exposure***

The Group records its transactions and prepares its financial statements in pounds sterling, but some of the Group's income from collaborative agreements and patent licences is received in US dollars and the Group incurs a proportion of its expenditure in US dollars and other currencies, especially the Euro, relating primarily to pre-clinical and clinical development that it conducts in the US and other

countries outside the UK. The Group's cash balances are predominantly held in pounds sterling. In the short to medium term, covering a period that is at least 12 months from the date of this document, expenditure denominated in foreign currency is matched to a significant degree by income denominated in US dollars such that the risk of material losses or gains on one is hedged by the other. To the extent that the Group's foreign currency assets and liabilities in the longer term are not so well matched, fluctuations in exchange rates between pounds sterling, the US dollar and the Euro may result in realised and unrealised gains and losses on translation of the underlying currency into pounds sterling that may increase or decrease the Group's results of operations and may adversely affect the Group's financial condition, each stated in pounds sterling. In addition if the currencies in which the Group earns its revenues and/or holds its cash balances weaken against the currencies in which it incurs its expenses, this could adversely affect the Group's future profitability.

(i) ***Continuing losses***

The Group is continuing to develop its product pipeline and absorbs cash in doing so. Although it is starting to generate revenues from selling development and manufacturing services, these currently only cover a relatively small portion of the Group's cost base. The Directors estimate that the cash held by the Group including known receivables will be sufficient to support the current level of activities into the third quarter of 2014. This estimate does not include the benefit of any upfront receipts from license deals. Assuming that the Firm Placing, Subscription and Related Party Subscription is successful the Company will have sufficient funds for at least two years and potentially significantly longer provided that the business secures the license and manufacturing revenues that it expects. The business is seeking to reach the position within the next few years that it becomes consistently profitable but there is an ongoing risk that this will not be the case and losses will continue.

However, there is no certainty that adequate resources will be available on a timely basis, and in the event that further funding is not achieved, then the Group would have to curtail or suspend the existing programme development in order to conserve cash and extend the cash runway.

C. Risks relating to the stock market and to share trading

(a) ***Fluctuation of share price***

The share prices of publicly traded biotechnology and emerging pharmaceutical companies such as Oxford BioMedica can be highly volatile. The price at which the Ordinary Shares will be quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to Oxford BioMedica and its operations and some which may affect the quoted healthcare and pharmaceutical sectors, or quoted companies generally. The Company's share price has fluctuated, and may continue to fluctuate. The factors which may affect the Company's share price include:

- actual or anticipated results of clinical trials;
- actual or anticipated changes in the development status of a development programme;
- actual or anticipated regulatory approvals of healthcare products or of competing products;
- changes in laws or regulations applicable to healthcare products;
- changes in the expected or actual timing of development programmes;
- changes in the expected or actual costs of development programmes;
- actual or anticipated variations in periodic operating results;
- announcements of technological innovations by the Group, or its competitors;
- new products or services introduced or announced by the Group or its competitors;

- changes in financial estimates or recommendations by securities analysts;
- conditions or trends in the biotechnology and pharmaceutical industries;
- changes in the market valuations of similar companies;
- announcements by the Group of significant acquisitions, strategic partnerships, joint ventures or capital commitments;
- additions or departures of key personnel;
- disputes or other developments relating to proprietary rights, including patents, litigation matters and the Group's ability to obtain, maintain and defend patent protection for its technologies and to avoid infringement of third-party intellectual property rights; and
- trading volume of the Ordinary Shares.

Furthermore, the Company's share price may fall in response to market appraisal of its current strategy or if the Group's operating results and prospects from time to time are below the expectations of market analysts and investors. In addition, stock markets have from time to time experienced significant price and volume fluctuations that have affected the market price of the companies whose shares are traded on such markets. Such fluctuations could affect the Company's share price, though they may be unrelated to the Group's actual operating performances and prospects.

(b) ***Possible issue or sale of shares***

The Company may issue additional shares in the future, which may adversely affect the market price of the outstanding Ordinary Shares. The Company has no current plans for a subsequent offering of its shares or of rights or invitations to subscribe for shares. Significant sales of shares by major Shareholders or the public perception that an offering may occur, could also have an adverse effect on the market price of the Company's outstanding Ordinary Shares.

(c) ***US Shareholders may not be able to participate in future equity offerings***

English company law includes pre-emptive rights for existing Shareholders to subscribe for further issues of shares for cash or issues for cash of securities convertible into or rights to acquire shares, unless such pre-emptive rights are disapplied by a Shareholder resolution. US Shareholders, however, may not be entitled to exercise these rights unless the shares offered are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. The Company has no current intention to seek such registration and intends to evaluate, at the time of any future pre-emptive share offering, the costs and potential liabilities associated with registration or qualifying for an exemption, as well as the indirect benefits to the Company of enabling US Shareholders to participate in the offering and any other factors it considers appropriate at the time, prior to making a decision as to whether to file a registration statement under the Securities Act or to utilise an exemption from the registration requirements of the Securities Act.

(d) ***US-resident Shareholders may be subject to dilution if they are excluded from future rights or other securities offerings***

The Company is an English company and the majority of its Shareholders reside outside of the US. Accordingly, the Board may decide that it is in the Company's best interests to exclude US-resident persons from any such future offering. Exclusion of such US Shareholders may result in dilution of the US Shareholders' interest in the Company's shares.

(e) ***Oxford BioMedica's corporate disclosure may differ from the disclosure made by similar companies in the United States***

Oxford BioMedica's corporate disclosure may differ from the disclosure made by similar companies in the United States. Publicly available information about the issuers of securities listed on the London Stock Exchange differs from and, in certain respects, is less detailed than the information that is

regularly published by or about listed companies in the United States. In addition, regulations governing the London Stock Exchange may not be as extensive in all respects as those in effect on United States markets.

(f) ***If the Company is classified as a passive foreign investment company, US Shareholders could be subject to adverse US federal income tax consequences***

If the Company is classified as a passive foreign investment company, US Shareholders could be subject to adverse US federal income tax consequences

The rules governing passive foreign investment companies, or PFICs, can have adverse effects for US federal income tax purposes. The tests for determining PFIC status for a taxable year depend upon the relative values of certain categories of assets and the relative amounts of certain kinds of income. As discussed in paragraph 17 of Part 6 of this document, the Company does not currently believe itself to be classified a PFIC, and the Company does not anticipate becoming a PFIC in the foreseeable future. Notwithstanding the foregoing, the determination of whether the Company is a PFIC depends on the particular facts and circumstances (such as the valuation of its assets, including goodwill and other intangible assets) and may also be affected by the application of the PFIC rules, which are subject to differing interpretations. The fair market value of the Company's assets is expected to depend, in part, upon (a) the market price of the Company's shares and (b) the composition of the Company's income and assets, which will be affected by how, and how quickly, the Company spend any cash that is raised in any financing transaction, including this Firm Placing, Subscription, Related Party Subscription and Open Offer. In light of the foregoing, no assurance can be provided that the Company is not currently a PFIC or that it will not become a PFIC in any future taxable year.

If the Company were classified a PFIC, US Shareholders would be subject to adverse US federal income tax consequences, such as ineligibility for any preferred tax rates on capital gains or on actual or deemed dividends, interest charges on certain taxes treated as deferred, and additional reporting requirements under US federal income tax laws and regulations. Whether or not US Shareholders make a timely mark-to-market election may affect the US federal income tax consequences to US Shareholders with respect to the acquisition, ownership and disposition of Ordinary Shares and any distributions such US Shareholders may receive. Investors should consult their own tax advisors regarding all aspects of the application of the PFIC rules to the Company's Ordinary Shares.

(g) ***It may be difficult for US Shareholders with interests in the Ordinary Shares to effect service of process and enforce legal judgments against the Company or its affiliates***

The Company is incorporated under the laws of England and Wales. A majority of its Directors and senior executives are not residents of the US and virtually all of its assets and the assets of those persons are located outside the US. As a result, it may not be possible for those who hold their interests in Ordinary Shares to effect service of process within the US upon those persons or the Company. In addition, persons who hold their interests in Ordinary Shares may be unable to enforce judgments obtained in courts of the US against those persons outside the jurisdiction of their residence, including judgments predicated solely upon the securities laws of the US.

(h) ***Transfer restrictions for US Shareholders may make it difficult to resell the New Ordinary Shares or may have an adverse impact on the market price of the New Ordinary Shares***

The New Ordinary Shares have not been registered in the United States under the Securities Act or under any other applicable United States securities laws and are subject to restrictions on transfer contained in such laws. There are additional restrictions on the resale of New Ordinary Shares by Shareholders who are in the United States and on the resale of New Ordinary Shares by any Shareholders to any person who is in the United States. These restrictions will make it more difficult to resell the New Ordinary Shares in many instances and this could have an adverse effect on the market value of the New Ordinary Shares. There can be no assurance that Shareholders in the United States will be able to locate acceptable purchasers or obtain the required certifications to effect a sale.

Forward-Looking Statements

This document may contain forward-looking statements that reflect the Group's current expectations regarding future events, including the clinical development and regulatory clearance of the Group's products, the Group's ability to find partners for the development and commercialisation of its products, the business of Oxford BioMedica, and management plans and objectives. Oxford BioMedica considers any statements that are not historical facts as "forward-looking statements". Forward-looking statements involve risks and uncertainties. Actual events could differ materially from those projected herein and depend on a number of factors, including the success of the Group's research strategies, the applicability of the discoveries made therein, the successful and timely completion of pre-clinical and clinical studies with respect to the Group's products, the uncertainties related to the regulatory process, the ability of the Group to identify and agree beneficial terms with suitable partners for the commercialisation and/or development of products, as well as the achievement of expected synergies from such transactions, the acceptance of products by consumers and medical professionals, the successful integration of completed mergers and acquisitions and achievement of expected synergies from such transactions, the ability of the Group to identify and consummate suitable strategic and business combination transactions and the risks described in the Risk Factors set out in pages 19 to 26 (inclusive) of this document.

When used in this document the words "estimate", "project", "intend", "aim", "anticipate", "believe", "expect", "should" and similar expressions, as they relate to Oxford BioMedica or the management of the Group, are intended to identify such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Neither Oxford BioMedica nor any other member of the Group undertakes any obligation publicly to update or revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, save in respect of any requirement under applicable laws, the Listing Rules, Prospectus Rules, Disclosure and Transparency Rules and other regulations.

No person has been authorised to give any information or make any representations in relation to the Oxford BioMedica Group or the Firm Placing, Subscription, Related Party Subscription and Open Offer other than those contained in this document and, if given or made, such information or representations must not be relied on as having been so authorised.

Investors and Shareholders should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to sufficiency of working capital in this document.

Important Information

Prospective investors are urged to read the sections of this document entitled "Summary", "Risk Factors", "Operating and Financial Review of Oxford BioMedica plc" and "Information on Oxford BioMedica plc" for a more complete discussion of the factors that could affect the Group's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document may not occur.

No profit forecast

No statement in this document is intended as a profit forecast and no statement in this document should be interpreted to mean that earnings per Ordinary Share for the current or future financial years would necessarily match or exceed the historical published earnings per Ordinary Share.

No incorporation of website information

Save where expressly stated otherwise, neither the content of Oxford BioMedica's website nor the content of any website accessible from hyperlinks on Oxford BioMedica's website is incorporated into, or forms part of, this document.

Miscellaneous

In connection with the Firm Placing and Open Offer, WG Partners and any of its affiliates, acting as an investor for its own account, may take up New Ordinary Shares in the Firm Placing and Open Offer and in that capacity may retain, purchase or sell for its own account such New Ordinary Shares or related investments otherwise than in connection with the Firm Placing and Open Offer. Accordingly, references in this document to New Ordinary Shares being offered or placed should be read as including any offering or placement of New Ordinary Shares to WG Partners or its affiliates acting in such capacity. WG Partners does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Enforcement of Judgements

The Company is incorporated and governed under the laws of England and Wales. A substantial portion of the Company's assets are located outside the United States and all of its Directors and officers are residents of countries other than the United States with the exception of Paul Blake. As a result, it may be difficult for investors to effect service of process within the United States upon the Company and those Directors, officers or experts who have provided reports set out in this document or to realise in the United States upon judgments of courts of the United States predicated upon the civil liability of the Company and such other Directors, officers or experts under US federal securities laws. There is also doubt as to the enforceability in the UK, in original actions or in actions for enforcement of judgments of US courts, of civil liability predicated solely upon the civil liability provisions of such US federal securities laws. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in the UK.

Directors, Secretary and Advisers

Directors	Philip Nicholas Rodgers	*Chairman*
	John Andrew Dawson	*Chief Executive Officer*
	Timothy William Watts	*Chief Financial Officer*
	Peter John Nolan	*Senior Vice President, Commercial Development*
	Paul Blake	*Non-executive Director*
	Andrew John William Heath	*Deputy Chairman and Senior Independent Director*
	Martin Henry Diggle	*Non-executive Director*
Company Secretary	Timothy William Watts	
Registered Office	Medawar Centre Robert Robinson Avenue The Oxford Science Park Oxford OX4 4GA	
Sponsor	Charles Stanley & Co. Limited 131 Finsbury Pavement London EC2A 1NT	
Financial Adviser and Broker	WG Partners LLP One Carey Lane London EC2V 8AE	
Legal Adviser to the Company	Covington & Burling LLP 265 Strand London WC2R 1BH	
US Placing Agent to the Company	Roth Capital Partners, LLC 888 San Clemente Drive New Port Beach CA 92660, USA	
Legal Adviser to the Financial Adviser, Sponsor and Broker	Dorsey & Whitney (Europe) LLP 199 Bishopsgate London EC2M 3UT	
Auditors and Reporting Accountants	PricewaterhouseCoopers LLP One Reading Central 23 Forbury Road Reading RG1 3JH	
Registrars	Capita Asset Services Northern House Woodsome Park Fenay Bridge Huddersfield West Yorkshire HD8 0GA	
Receiving Agent	Capita Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU	

Expected Timetable of Principal Events

Record Date for entitlements under the Open Offer	Close of business on 27 May 2014
Ex-entitlement date	8.00 a.m. on 29 May 2014
Despatch of Prospectus, Application Forms and Forms of Proxy	29 May 2014
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	8.00 a.m. on 30 May 2014
Latest recommended date for requested withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST	4.30 p.m. on 9 June 2014
Latest recommended date for depositing Open Offer Entitlements and Excess Open Offer Entitlements into CREST	3.00 p.m. on 10 June 2014
Latest time and date for splitting Application Forms (to satisfy *bona fide* market claims)	3.00 p.m. on 11 June 2014
Latest time and date for receipt of Forms of Proxy and electronic proxy appointments via the CREST system	10:00 a.m. on 14 June 2014
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	**11.00 a.m. on 13 June 2014**
Results of the Firm Placing, Subscription, Related Party Subscription and Open Offer announced through an RIS	**16 June 2014**
General Meeting	**10:00 a.m. on 16 June 2014**
Admission and commencement of dealings in the New Ordinary Shares expected to commence	8.00 a.m. on 17 June 2014
CREST stock accounts expected to be credited for the New Ordinary Shares	8.00 a.m. on 17 June 2014
Share certificates for New Ordinary Shares expected to be despatched	within 7 days of admission

Notes

Each of the times and dates in the above timetable is subject to change, in which event details of the new times and/or dates will be notified to the Financial Conduct Authority and the London Stock Exchange and, where appropriate, Shareholders.

Please note that any Existing Ordinary Shares sold prior to close of business on 28 May 2014, the date on which the Existing Ordinary Shares will trade with entitlement, will be sold to the purchaser with the right to receive entitlements under the Open Offer.

If you have any queries on the procedure for application and payment under the Open Offer, you should contact Capita Asset Services at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or please telephone Capita Asset Services between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute (including value added tax) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates.

Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Firm Placing, Subscription, Related Party Subscription and Open Offer nor give any financial, legal or tax advice.

Statistics relating to the Firm Placing, Subscription, Related Party Subscription and Open Offer

Offer Price	2 pence
Discount to Existing Ordinary Shares[1]	1 per cent.
Entitlement under the Open Offer	1 Open Offer Share for every 5 Existing Ordinary Shares
Number of Existing Ordinary Shares in issue as at 27 May 2014 (being the latest practicable date prior to the publication of this document)	1,416,149,005
Number of Firm Placed Shares	826,566,048
Number of Subscription Shares	90,000,000
Number of Related Party Subscription Shares	83,452,767
Number of Open Offer Shares to be offered by the Company	up to 283,229,801
Number of New Ordinary Shares to be issued pursuant to the Firm Placing, Subscription, Related Party Subscription and Open Offer[2]	1,283,248,616
Number of Ordinary Shares in issue immediately upon completion of the Firm Placing, Subscription, Related Party Subscription and Open Offer[2]	2,699,397,621
Gross proceeds of the Firm Placing, Subscription, Related Party Subscription and Open Offer[2]	£25.7 million
Estimated net proceeds of the Firm Placing, Subscription, Related Party Subscription and Open Offer to be retained by the Company[2]	£23.7 million
New Ordinary Shares as a percentage of the Enlarged Issued Share Capital[2]	48 per cent.

[1] The discount is to the middle market price of Existing Ordinary Shares at the close of business on 27 May 2014, being the latest practicable date prior to the announcement of the Firm Placing, Subscription, Related Party Transaction and Open Offer.

[2] This assumes full take up of the Open Offer and no further exercise of options under the Share Schemes.

Part 1

Letter from the Chairman of Oxford BioMedica plc

(Oxford BioMedica, incorporated in England and Wales with registered no 3252665)

Nick Rodgers	*Chairman*	*Registered Office*
John Dawson	*Chief Executive Officer*	Medawar Centre
Tim Watts	*Chief Financial Officer*	Robert Robinson Avenue
Peter Nolan	*Senior Vice President, Commercial Development*	Oxford OX4 4GA
Paul Blake	*Non-executive Director*	
Andrew Heath	*Deputy Chairman and Senior Independent Director*	
Martin Diggle	*Non-executive Director*	

29 May 2014

To: Shareholders and, for information only, to holders of options under the Share Schemes

Dear Shareholder,

**FIRM PLACING OF 826,566,048 NEW ORDINARY SHARES,
SUBSCRIPTION OF 90,000,000 NEW ORDINARY SHARES,
RELATED PARTY SUBSCRIPTION OF 83,452,767 NEW ORDINARY SHARES AND
OPEN OFFER OF UP TO 283,229,801 NEW ORDINARY SHARES AT A PRICE OF
2 PENCE PER SHARE,
RELATED PARTY TRANSACTION AND NOTICE OF GENERAL MEETING**

1. Introduction

The Firm Placing, Subscription, Related Party Subscription and Open Offer

The Company announced on 29 May 2014 that it proposes to raise up to £23.7 million, net of expenses, by the issue of 826,566,048 New Ordinary Shares through a Firm Placing, 90,000,000 New Ordinary Shares through the Subscription, 83,452,767 New Ordinary Shares through the Related Party Subscription and up to 283,229,801 New Ordinary Shares through an Open Offer at 2 pence per New Ordinary Share. The Offer Price of 2 pence per New Ordinary Share represents a 1 per cent. discount to the Closing Price of 2.02 pence on 27 May 2014 (being the last practicable date prior to the announcement of the Firm Placing, Subscription, Related Party Subscription and Open Offer).

Shareholder approval

The Firm Placing, Subscription, Related Party Subscription and Open Offer requires Shareholder approval. If the Resolutions are not passed, the Firm Placing, Subscription, Related Party Subscription and Open Offer will not proceed.

If the Firm Placing, Subscription, Related Party Subscription and Open Offer does not proceed, the Directors believe that Oxford BioMedica has sufficient financial resources to fund the business only until the end of the third quarter of 2014. Accordingly, it is very important that Shareholders vote in favour of the Resolutions.

Related Party Transaction

Vulpes Life Sciences Fund is participating in the Firm Placing which constitutes a "related party transaction" for the purposes of Chapter 11 of the Listing Rules and therefore requires the approval of Shareholders. In addition, the Related Party Subscription also constitutes a "related party transaction" for the purposes of Chapter 11 of the Listing Rules and therefore requires the approval of Shareholders. The Firm Placing, Subscription, Related Party Subscription and Open Offer and the Related Party Transaction are conditional,

inter alia, on the passing by Shareholders of the Resolutions at the General Meeting, which is being convened for 10.00 a.m. on 16 June 2014.

Purpose of this document

The purpose of this document is:

(a) to provide you with information about the proposed Firm Placing, Subscription, Related Party Subscription and Open Offer and the Related Party Transaction;

(b) to explain why the Board considers that the Firm Placing, Subscription, Related Party Subscription and Open Offer, the Related Party Transaction and the Resolutions are fair and reasonable and in the best interests of Oxford BioMedica and the Shareholders as a whole; and

(c) to explain why the Board unanimously recommends that Shareholders, to the extent they are permitted by the Listing Rules, vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings.

Pursuant to the requirements of Chapter 11 of the Listing Rules, Vulpes Life Sciences Fund as a Related Party, will abstain, and has undertaken to take all reasonable steps to ensure that its associates will abstain, from voting on the Related Party Resolution relating to its Related Party Transaction and the Related Party Subscription at the General Meeting.

In the event that any of the Resolutions are not passed, the Firm Placing, Subscription, Related Party Subscription and Open Offer will not proceed. The terms and conditions of the Open Offer are set out in full in Part 2 of this document. The Offer Price represents a 1 per cent. discount to the Closing Price of 2.02 pence per Ordinary Share on 27 May 2014 (being the last practicable date prior to the announcement of the Firm Placing, Subscription, Related Party Subscription and Open Offer).

The Firm Placing, Subscription, Related Party Subscription and Open Offer are not underwritten.

You are recommended to read the whole of this document and not to rely on only part of it. In particular, you are advised to consult the section entitled "Risk Factors" on pages 19 to 26 of this document and the "Glossary" at the end of this document, which sets out definitions of certain scientific and technical terms.

2. Background to and reasons for the Firm Placing, Subscription, Related Party Subscription and Open Offer and future strategy of Oxford BioMedica

Background to and reasons for the Firm Placing, Subscription, Related Party Subscription and Open Offer

The principal purpose of the Firm Placing, Subscription, Related Party Subscription and Open Offer is to continue to develop the Company's proprietary LentiVector® gene delivery technology in order to maximise the potential of its high reward LentiVector® platform products, particularly the ophthalmology portfolio, to their next value inflection points. This will also provide an opportunity to invest in the Company and benefit from the increase in investment and growth within the gene therapy sector.

Business model and strategy

The Company's business model is to fully exploit its gene/cell therapy platform – comprising intellectual property, laboratory and manufacturing facilities and its highly knowledgeable and skilled workforce – to create a development pipeline of multiple gene therapy product candidates and to build a profitable business providing development and manufacturing services to third parties. This will potentially allow the Company to reach cash flow break even. Currently the Company has seven named gene therapy product candidates in development and it has started to generate revenues from development and manufacturing services, with its contract with Novartis, announced in May 2013, being an example.

The Company's strategy for the next three years is to become a unique and sector leading gene/cell therapy business by developing the existing pipeline and identifying and developing new product candidates so that Shareholders have the maximum opportunity to benefit from revenue derived from the platform and so that

the fixed costs associated with the platform are spread over as many product candidates as possible. By leveraging its experience and established in-house synergies, the Company plan is to develop all of the seven named product candidates, in parallel, to bring each of them to the point of readiness for the next stage of development. This will result in a flow of opportunities which can be partnered, out-licensed or developed further internally depending on which option is likely to generate greatest Shareholder value. Five of the current product candidates are for ocular diseases. The eye is a particularly suitable target for gene therapy and ophthalmology is a large and growing therapeutic area. Where possible and when beneficial to Shareholders, the Company will seek grants and other forms of non-dilutive funding to help finance product development. In addition the Company aims to maintain its leading position by further improving the manufacturing process for lentiviral vector manufacture, thus extending its intellectual property protecting the platform manufacturing process (both patents and know-how). At the same time the Company will continue to build the development and manufacturing services business, creating growing revenues which will increasingly reduce the net cash outflow of the overall company. By the end of the three year period, Oxford BioMedica aspires to have reached the position where its recurring and predictable revenues cover its recurring internal cost base.

The Company could also potentially benefit from existing and future IP licence agreements covering its LentiVector®, 5T4 and PrimeBoost® technologies.

The Company continues to pursue initiatives to secure further funding, over and above the Firm Placing, Subscription, Related Party Subscription and Open Offer, for its product portfolio and to develop its manufacturing technology, via non-dilutive grants, collaborations and strategic alliances. Examples of such funding that the Group has secured in recent years include:

- the Sanofi collaboration, signed in 2009, under which Sanofi paid the Company a $26 million upfront on signing, provided up to $24 million of development funding for RetinoStat®, StarGen™ and UshStat®, and paid option fees totalling $3 million to acquire full license rights to StarGen™ and UshStat®;
- a £1.8 million grant from the UK Technology Strategy Board for the next phase of development of EncorStat®;
- a £2.2 million grant from the UK Technology Strategy Board for the next phase of development of OXB-102; and
- a £7.1 million funding package comprising grants and loans from the UK Government's Advanced Manufacturing Supply Chain Initiative for expansion of the Group's manufacturing facility and manufacturing process development.

LentiVector® platform and gene therapy product portfolio

Part of the Placing proceeds will be used to continue to develop Oxford BioMedica's LentiVector® product portfolio and its manufacturing capabilities. Oxford BioMedica currently has five ocular product candidates and two CNS product candidates in development stages ranging from pre-clinical to Phase I/II studies.

Ophthalmology portfolio

Sanofi has taken up development and commercialisation licences over StarGen™ and UshStat®. The Group's other three ocular products in development are RetinoStat® ,for the treatment of Wet Age-related Macular Degeneration, EncorStat®, a treatment for corneal graft rejection which will soon enter a Phase I clinical study, and Glaucoma-GT, a treatment for glaucoma which is in pre-clinical studies. Ophthalmology is an attractive therapeutic area for the Group because the eye is considered to be a suitable target for gene therapy as it is a small organ distinct from the rest of the body and there are many genetic diseases of the eye. Also, ophthalmology is a high growth market estimated to be worth $17.5 billion in 2011, increasing to $34.7 billion worldwide by 2023 (source: Visiongain "Ophthalmic Drugs: World Market Prospects 2013-2023", published 2013). There is strong demand for innovative products, and Oxford BioMedica's LentiVector® platform is very well suited to creating novel products which could command attractive pricing. The main players in the ophthalmology market include: Novartis/Alcon, Pfizer, Allergan and Merck for indications

such as glaucoma (estimated market of $6.5 billion in 2017, source: Visiongain report); Novartis/Alcon and Santen for indications such as conjunctivitis/allergy (estimated market of $5.4 billion in 2017, source: Visiongain report); Allergan and Santen for indications such as dry eye (estimated market of $2.6 billion in 2017, source: Visiongain report); Novartis, Roche/Genentech and Regeneron/Bayer for retinal diseases such as wet age-related macular degeneration (AMD), diabetic macular oedema, and retinal vein occlusion (market size of $6.0 billion based on 2013 LUCENTIS®/Eylea sales, source: Novartis, Roche, Regeneron reported sales); Sanofi/Genzyme for genetic retinal diseases (with no approved treatments, estimated market of $700 million); and Sanofi for indications such as corneal graft rejection (estimated market of $80 million).

CNS portfolio

The CNS product development candidates are OXB-102, an enhanced form of ProSavin® for the treatment of Parkinson's disease (PD) and which is currently completing pre-clinical studies and should enter Phase I in 2015, and MoNuDin® which is in the pre-clinical phase. Parkinson's disease is the second-most prevalent of the major neurodegenerative diseases after Alzheimer's disease. Current treatment options address symptomatic relief with none to date providing a cure for the disease. The overall world PD drug market will remain fairly stable from 2013 until 2018 and is forecast to reach $3.5 billion in 2018. (Source: Visiongain Parkinson's Disease: World Drug Industry and Market 2014-2024, published 2014). The Directors believe there is significant value to be realised from the Company's unpartnered programmes via collaborations and strategic alliances.

Manufacturing

The Group's manufacturing capabilities are centred on its facility located in Oxford which was approved by the MHRA in 2012 for the manufacture of material for clinical studies. The initial rationale for the acquisition of the plant was to gain control over the manufacturing of the Group's in house product candidates and to reduce the costs of manufacture. However, due to the increasing demand for gene and cell therapy manufacturing, the Group has an opportunity, exemplified by the contract with Novartis announced in 2013, to generate significant revenues by providing complex high margin manufacturing and process development services to third parties via "OXB Solutions" (OXB manufacturing services). These revenues will help to reduce the Group's cash burn.

More detailed information on Oxford BioMedica is set out in Part 3 of this document.

3. Principal terms of the Firm Placing, Subscription, Related Party Subscription and Open Offer

Oxford BioMedica intends to issue 826,566,048 New Ordinary Shares through the Firm Placing, 90,000,000 New Ordinary Shares through the Subscription, 83,452,767 New Ordinary Shares through the Related Party Subscription and up to 283,229,801 New Ordinary Shares through the Open Offer at 2 pence per New Ordinary Share to raise gross proceeds of up to £25.7 million.

The Firm Placing, Subscription, Related Party Subscription and Open Offer requires Shareholder approval, which will be sought at the General Meeting.

The Offer Price of 2 pence per New Ordinary Share represents a 1 per cent. discount to the Closing Price of 2.02 pence on 27 May 2014 (being the latest practicable date prior to the announcement of the Firm Placing, Subscription, Related Party Subscription and Open Offer).

Firm Placing

The Firm Placees have agreed to subscribe for 826,566,048 New Ordinary Shares at the Offer Price (representing gross proceeds of £16.5 million). The Firm Placed Shares are not subject to clawback and are not part of the Open Offer.

Subscription

The Subscribers have agreed to subscribe for 90,000,000 New Ordinary Shares at the Offer Price (representing gross proceeds of £1.8 million). The Subscription Shares are not subject to clawback and are not part of the Open Offer.

Related Party Subscription

The Related Party has agreed to subscribe for 83,452,767 New Ordinary Shares at the Offer Price (representing gross proceeds of £1.7 million). The Related Party Subscription Shares are not subject to clawback and are not part of the Open Offer.

Open Offer

Subject to the fulfilment of the conditions set out below and in Part 2 of this document, Qualifying Shareholders are being given the opportunity to subscribe for New Ordinary Shares pro rata to their existing shareholdings at the Offer Price on the basis of:

1 New Ordinary Share for every 5 Existing Ordinary Shares

held and registered in their name at the Record Date. Qualifying Shareholders may apply for any whole number of New Ordinary Shares. Excess applications will be satisfied only to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their pro rata entitlements. If there is an oversubscription resulting from excess applications, allocations in respect of such excess applications will be scaled down according to the Directors' discretion.

Under the Open Offer, Oxford BioMedica intends to issue up to 283,229,801 New Ordinary Shares at the Offer Price (representing gross proceeds of up to £5.7 million) to be made available pursuant to the Open Offer.

Fractions of Ordinary Shares will not be allotted and each Qualifying Shareholder's entitlement under the Open Offer will be rounded down to the nearest whole number.

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

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their entitlements under the Open Offer.

The Firm Placing, Subscription, Related Party Subscription and Open Offer is not underwritten.

Application has been made for the Open Offer Entitlements and Excess Open Offer Entitlements to be admitted to CREST. It is expected that the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST at 8.00 a.m. on 30 May 2014. The Open Offer Entitlements and Excess Open Offer Entitlements will also be enabled for settlement in CREST at 8.00 a.m. on 30 May 2014. Applications through the means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying non-CREST Shareholders will have received an Application Form with this document which sets out their maximum entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them. Qualifying Shareholders may apply for Excess Shares pursuant to the Excess Application Facility. Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements and Excess Open Offer Entitlements at 8.00 a.m. on 30 May 2014.

Shareholders should note that the Open Offer is not a rights issue. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part 2 of this document and, where relevant, in the Application Form.

For Qualifying non-CREST Shareholders, completed Application Forms, accompanied by full payment in accordance with the instructions in Part 2, paragraph 4(a) of this document, should be returned by post or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive as soon as possible and in any event so as to be received no later than 11.00 a.m. on 13 June 2014. For Qualifying CREST Shareholders the relevant CREST instructions must have settled as explained in this document by no later than 11.00 a.m. on 13 June 2014.

Applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements. In addition and subject to availability, the Excess Application Facility will enable Qualifying Shareholders to apply for any whole number of Excess Shares in excess of their Open Offer Entitlements up to a maximum number of Excess Shares not exceeding 283,229,801. Qualifying non-CREST Shareholders should complete the relevant sections of the Application Form. Qualifying CREST Shareholders will have Excess Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4(b)(iii) of Part 2 on how to apply for the Excess Shares pursuant to the Excess Application Facility. If there is an oversubscription resulting from excess applications, allocations in respect of such excess applications will be scaled down according to the Directors' discretion.

The Firm Placing, Subscription, Related Party Subscription and Open Offer is subject to the satisfaction of the following material conditions:

(i) the passing of the Resolutions;

(ii) Admission becoming effective by not later than 8.00 a.m. on 17 June 2014 (or such later time and/or date as Charles Stanley, WG Partners and the Company may agree, not being later than 8.00 a.m. on 30 June 2014); and

(iii) the Placing Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

Accordingly, if any of such conditions are not satisfied or, if applicable, waived, the Firm Placing, Subscription, Related Party Subscription and Open Offer will not proceed and any Open Offer Entitlements and Excess Open Offer Entitlements admitted to CREST will thereafter be disabled.

4. Effect of the Firm Placing, Subscription, Related Party Subscription and Open Offer

Upon Admission and assuming full take up under the Open Offer and no further exercise of options under the Share Schemes, the Enlarged Share Capital is expected to be 2,699,397,621 Ordinary Shares. On this basis, New Ordinary Shares issued through the Firm Placing, Subscription, Related Party Subscription and Open Offer will represent 48 per cent. of the Enlarged Share Capital. New Ordinary Shares issued through the Firm Placing will represent 31 per cent. of the Enlarged Share Capital, New Ordinary Shares issued through the Subscription will represent 3 per cent. of the Enlarged Share Capital, New Ordinary Shares issued through the Related Party Subscription will represent 3 per cent. of the Enlarged Share Capital and New Ordinary Shares issued through the Open Offer will represent 10 per cent. of the Enlarged Share Capital.

Following the issue of the New Ordinary Shares to be allotted pursuant to the Firm Placing, Subscription, Related Party Subscription and Open Offer, Qualifying Shareholders who do not take up any of their Open Offer Entitlement will suffer a dilution of approximately 48 per cent. to their interests in the Company, assuming full take up under the Open Offer. If a Qualifying Shareholder takes up his Open Offer Entitlement in full he will suffer a dilution of 34 per cent. to his interest in the Company, assuming full take up under the Open Offer.

5. Use of proceeds

The Company intends to use approximately £2 million of the net proceeds from the Firm Placing and Subscription to repay the Vulpes Loan Facility, approximately £11 million of the Firm Placing, Subscription and Related Party Subscription to continue the development of its seven named gene therapy product candidates, approximately £1 million to identify and bring forward new gene therapy product candidates, approximately £4 million to develop its manufacturing capacity and manufacturing processes, and £2 million to repay the Vulpes Loan Facility.

Any further amounts received under the Open Offer would be used to fund the ongoing operations.

Use of net proceeds of the Firm Placing Subscription and Related Party Subscription summary

	approx. £'m
Further develop existing gene therapy product candidates	11
Manufacturing/process development	4
Identify and bring forward new gene therapy product candidates	1
Vulpes Loan Facility repayment	2
	18

The Firm Placing, Subscription, Related Party Subscription and Open Offer are conditional upon Shareholder approval.

6. Current trading and prospects for Oxford BioMedica

On 10 April 2014 the Company announced its final results for the year ended 31 December 2013 and on 30 April 2013 the final audited results were posted to Shareholders. A summary of the financial highlights is given below:

- Revenues of £5.4 million (2012 £7.8 million)
- Gross profit of £4.2 million (2012 £7.1 million)
- R&D costs of £13.8 million (2012 £14.0 million)
- Operating loss of £12.8 million (2012 £10.5 million)
- Net cash burn of £11.9 million (2012 £10.5 million)
- Cash balances at 31 December 2013 of £2.2 million (2012 £14.1 million)

2013 marked an important step forward in the evolution of Oxford BioMedica with the emergence of new and profitable revenues that could potentially develop over the next two to three years into a significant and sustainable cash contributor to offset our cash burn. In recent years Oxford BioMedica's revenues have been almost entirely derived from the ocular product collaboration with Sanofi, with the accounting recognition of the $26 million upfront received in 2009 and the reimbursement of R&D expenditure – primarily the outlicensed spend with third parties – providing most of the revenues. In 2013 these items are significantly lower than previously as the collaboration begins to reach its conclusion but they have been replaced by new profitable revenues derived from providing services to third parties. These new revenues have an important role to play in future in reducing the net cash burn from our platform and infrastructure costs.

R&D costs overall were slightly lower in 2013 than in 2012. This is mainly due to lower external spend on R&D projects, £2.8 million in 2013 compared with £3.8 million in 2012, partially offset by higher in-house costs of £10.6 million, compared with £9.8 million in 2012. Amortisation of intangible assets was unchanged at £0.4 million. The reduction in external project spend came mainly from the Sanofi collaboration products on which £1.3 million was spent, compared with £1.9 million in 2012. £0.7 million in aggregate was incurred in 2013 on ProSavin/OXB-102, Glaucoma-GT, MoNuDin and other new product opportunities, and the TroVax Phase II studies. The remaining £0.8 million was incurred on a number of activities including the resolution of the impurity issue. In-house R&D costs include all the relevant staff and facility costs, R&D

consumables, intellectual property costs and depreciation of R&D physical assets. However, they exclude that portion of costs which have been allocated to cost of sales because they relate directly to the manufacturing of product for sale.

The cash burn in 2013 was £11.9 million, £1.4 million greater than £10.5 million in 2012. Although the loss before tax in 2013 was £2.3 million higher than in 2012, this is almost entirely explained by the reduction in non-cash revenue. The increased cash burn is largely explained by an increase of £1.6 million in working capital outflows, notably including £0.7 million in inventory, both raw materials and work-in-progress, arising for the first time because of our manufacturing contract with Novartis.

Financial outlook

In 2013 Oxford BioMedica made a promising start in developing a more commercial focus by bringing in £2.6 million of profitable revenues from providing manufacturing and development services to third parties. The Directors intend to develop this activity further in 2014 and to create a growing revenue stream to offset partially the cost of our staff and operating infrastructure. The Company also has opportunities to bring in licence revenues, in particular the potentially significant up-front licence payment that would be due should the Company out-license or partner RetinoStat®, which will complete its Phase I study during 2014 and therefore be ready to enter Phase II.

At 31 March 2014 the Company had a cash balance of £1.2 million and had drawn £1.5 million of the Vulpes Loan Facility leaving the Company with net debt of £0.3 million.

7. Related Party Transaction and Related Party Subscription

As part of the Firm Placing, the Directors propose to allot 48,797,233 New Ordinary Shares at the Offer Price, representing approximately 1.8 per cent. of the Company's Enlarged Share Capital to Vulpes Life Sciences Fund. The proposed allotment of the New Ordinary Shares to Vulpes Life Sciences Fund constitutes a "related party transaction" for the purpose of Chapter 11 of the Listing Rules as a result of Vulpes Life Sciences Fund being a "substantial shareholder" as defined by the Listing Rules. As at the date of this document, Vulpes Life Sciences Fund holds 28.3 per cent. of the Company's issued share capital.

In addition, Vulpes Life Sciences Fund has agreed to subscribe for 83,452,767 New Ordinary Shares at the Offer Price, conditional upon Admission and the Company serving notice of prepayment of the Vulpes Loan Facility. Details of the Related Party Subscription can be found at paragraph 11.5 of Part 6 of this document. The Related Party Subscription constitutes a "related party transaction" for the purposes of Chapter 11 of the Listing Rules.

The Company is required by Chapter 11 of the Listing Rules to seek Shareholder approval for any "related party transaction" which it proposes to enter into. Resolution 3 set out in the Notice of General Meeting seeks, by way of ordinary resolution, the approval of Shareholders for the Related Party Transaction and the Related Party Subscription between the Company and Vulpes Life Sciences Fund.

Pursuant to the requirements of Chapter 11 of the Listing Rules, Vulpes Life Sciences Fund, as a Related Party, will not vote on Resolution 3 approving their Related Party Transaction and Related Party Subscription with the Company and has undertaken to take all reasonable steps to ensure that its associates will not do so either.

The Directors (excluding Martin Diggle) hold 8,674,897, Existing Ordinary Shares representing approximately 0.6 per cent. of the existing issued ordinary share capital of the Company in aggregate. Some of the Directors, who currently hold shares have subscribed for shares in the Firm Placing, amounting to 3,775,000 New Ordinary Shares in aggregate. Immediately following Admission, the Directors' holdings, excluding Martin Diggle, are expected to represent 0.52 per cent. of the issued Ordinary Shares of the Company.

8. General Meeting

You will find set out at the end of this document a notice convening the General Meeting to be held at the offices of Covington & Burling LLP, 265 Strand, London WC2R 1BH on 16 June 2014 at 10.00 a.m. where the following Resolutions will be proposed:

Resolution 1

An ordinary resolution to authorise the Directors to allot relevant securities for the purposes of section 551 of the Companies Act provided that such power be limited to the allotment of the New Ordinary Shares up to an aggregate nominal amount of £12,832,486.16.

Resolution 2

A special resolution to grant the Directors authority to allot equity securities for cash pursuant to the authority conferred on them by Resolution 1 as if section 561 of the Companies Act did not apply to such allotment provided that such power shall be limited to the allotment of the New Ordinary Shares up to an aggregate nominal amount of £12,832,486.16. This resolution is conditional upon the passing of Resolution 1.

Resolution 3

An ordinary resolution to approve, as a related party transaction, Vulpes Life Sciences Fund's participation in the Firm Placing and the Related Party Subscription. This resolution is conditional upon the passing of Resolutions 1 and 2.

The Resolutions are interconditional, therefore, if any of the Resolutions are not passed the Firm Placing, Subscription, Related Party Subscription and Open Offer will not proceed.

It should be noted that whilst the provisions of section 570 of the Companies Act confer on Shareholders rights of pre-emption on the allotment of equity securities for cash, Resolution 2 seeks to disapply this right for the purpose of the Firm Placing, Subscription, Related Party Subscription and Open Offer.

The authority and the power described in Resolutions 1 and 2 above will (unless previously revoked or varied by the Company in general meeting) expire on the date 15 months from the passing of such resolutions or at the conclusion of the next annual general meeting of the Company following the passing of the resolutions, whichever occurs first. The authority and the power described in Resolutions 1 and 2 above are in addition to any like authority or power previously conferred on the Directors.

As described in paragraph 7 above, Vulpes Life Sciences Fund will abstain, and has undertaken to take all reasonable steps to ensure that its respective associates will abstain, from voting on the Related Party Resolution relating to the Related Party Transaction and the Related Party Subscription at the General Meeting.

9. Actions to be taken

In respect of the General Meeting

A Form of Proxy for use at the General Meeting is enclosed with this document. Whether or not you intend to be present at the meeting, the Form of Proxy should be completed in accordance with the instructions printed thereon and returned to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU or submitted electronically through CREST or via www.capitashareportal.com as soon as possible, but in any event so as to be received by no later than 10.00 a.m. on 14 June 2014. The completion and return, or submission electronically, of a Form of Proxy will not preclude you from attending the General Meeting and voting in person, if you so wish.

In respect of the Open Offer

If you are a Qualifying non-CREST Shareholder you will have received an Application Form together with this document. If you wish to apply for Open Offer Shares and any Excess Shares, you should complete the enclosed Application Form in accordance with the procedure for application set out in paragraph 4(a) of Part 2 of this document and on the Application Form itself. If you do not wish to apply for any Open Offer Shares, you should not complete or return the Application Form. Shareholders are nevertheless requested to complete and return or submit electronically the Form of Proxy.

If you are a Qualifying CREST Shareholder no Application Form is enclosed and you will receive a credit to your appropriate stock account in CREST in respect of the Open Offer Entitlements representing your maximum entitlement under the Open Offer and a credit in respect of the Excess Open Offer Entitlement for use in connection with the Excess Application Facility. You should refer to the procedure for application set out in paragraph 4(b) of Part 2 of this document.

The latest time for applications under the Open Offer to be received is 11.00 a.m. on 13 June 2014. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements and Excess Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement. The procedures for application and payment are set out in Part 2 of this document. Further details also appear in the Application Forms which have been sent to Qualifying non-CREST Shareholders.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

10. Dividend policy

The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions (if any) declared, paid or made by Oxford BioMedica after Admission.

However, it is, at present, intended that no dividends will be paid by Oxford BioMedica. Even if future operations lead to significant levels of distributable profits, any earnings, of which there can be no assurance, will be reinvested in Oxford BioMedica's business and no dividends are expected to be paid in the foreseeable future.

11. Additional information

You are recommended to read all the information contained in this document and not just rely on the key or summarised information and your attention is drawn to the information set out in Parts 2 to 6 of this document.

12. Risk Factors

Shareholders and investors should consider fully the Risk Factors associated with the Group and the New Ordinary Shares. Your attention is drawn to the Risk Factors set out in pages 19 to 26 (inclusive) of this document.

13. Taxation

Information about United Kingdom and United States taxation is set out in paragraphs 16 and 17 of Part 6 of this document. This information is a general guide only. If you are in any doubt as to your tax position, or you are subject to tax in a jurisdiction other than the United Kingdom or the United States, you should consult your own independent professional adviser without delay.

14. Board update

After 10 years on the Board, including the last three as Chairman, I have informed the Board that I intend to retire from the Board once a suitable replacement has been identified. The Company will immediately initiate a process to appoint a successor.

15. Working Capital

The Company is of the opinion that, taking into account existing cash balances and the net proceeds of the Firm Placing, Subscription and Related Party Subscription receivable by the Company, the Group has sufficient working capital for its present requirements, that is at least 12 months following the publication of this document.

16. Importance of the vote

The Directors believe that Oxford BioMedica has sufficient financial resources to fund the business until the end of the third quarter of 2014. The Directors believe that, in the absence of the Firm Placing, Subscription and the Related Party Subscription, the Company requires a further £8 million to fund the business until 28 May 2015, that is 12 months following publication of this document. This does not take into account any potential upfront licence payment should the Company be successful in partnering RetinoStat® during 2014 or the first quarter of 2015, nor does it include potential revenue from other partnering or licensing transactions.. The receipt of any one of such revenues could result in the Group having sufficient financial resources for the next 12 months. However, the Directors cannot be certain that any such milestone payment or revenue for partnering or transactions will materialise before the end of the third quarter of 2014, if at all, and the outcome lies outside the full control of the Company.

If the Resolutions in the Notice of General Meeting are not approved, the Firm Placing, Subscription and Related Party Subscription will not proceed. Given that the Group will only have sufficient financial resources to fund its business until the end of the third quarter of 2014 based on current business plans, in the event that the Firm Placing, Subscription and Related Party Subscription fail to proceed, the Directors will severely reduce all appropriate discretionary spend and will immediately endeavour to conserve cash and raise further funds by:

- implementing redundancies and cutting back on all discretionary expenditure, which is likely to reduce the capabilities of the Company, in order to conserve cash;
- seeking to accelerate partnering programmes for the Group's products that are not already partnered such as OXB-102, Retinostat®, Encorstat®, Glaucoma-GT and Trovax® which may be on terms less favourable than if the programmes were not accelerated;
- accelerating the monetisation of existing partnerships such as the ocular programme with Sanofi, which may be on terms less favourable than if the monetisation of partnerships were not accelerated; and
- taking up alternative forms of financing that may be on terms less attractive to Shareholders than the Firm Placing, Subscription and Related Party Subscription.

Although each of these actions is realistically available to the Company, the outcome of each lies outside the full control of the Company and, as a result, the Directors cannot be confident that any will be successful or will be on terms as attractive as the Firm Placing, Subscription and Related Party Subscription for Shareholders.

If the Company were to be unsuccessful in pursuing these alternative courses of action by the third quarter of 2014, the Directors would be obliged to cease operations, the consequence of which could include administration or receivership or liquidation or other insolvency proceedings.

Accordingly, it is very important that Shareholders vote in favour of the Resolutions in order that the Firm Placing, Subscription and Related Party Subscription can proceed.

17. Recommendation

The Board (excluding Martin Diggle), which has been so advised by Charles Stanley, believes that the Firm Placing, Subscription, Related Party Subscription and Open Offer, the Related Party Transaction and the Resolutions are in the best interests of Oxford BioMedica and the Shareholders as a whole. The Board (excluding Martin Diggle), which has been so advised by Charles Stanley, believes that the Related Party Transaction and Related Party Subscription are fair and reasonable so far as Shareholders are concerned. In providing such advice to the Directors (excluding Martin Diggle), Charles Stanley has taken into account the Directors' (excluding Martin Diggle) commercial assessments of the Group's funding requirements.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of all of the Resolutions to be proposed at the General Meeting, as those Directors who hold shares have irrevocably undertaken to do, (although Vulpes Life Sciences Fund will abstain, and has undertaken to take all reasonable steps to ensure that its respective associates will abstain, from voting on the Related Party Resolution relating to its Related Party Transaction and Related Party Subscription).

Yours faithfully,

Nick Rodgers
Chairman

Part 2

Details of the Open Offer

OPEN OFFER OF UP TO 283,229,801 NEW ORDINARY SHARES AT 2 PENCE PER SHARE

1. Introduction

As explained in the letter from your Chairman which comprises Part 1 of this document, your Board proposes to raise up to £23.7 million (net of expenses) by the issue of 826,566,048 New Ordinary Shares through a Firm Placing, 90,000,000 New Ordinary Shares through a Subscription, 83,452,767 New Ordinary Shares through a Related Party Subscription and up to 283,229,801 New Ordinary Shares through an Open Offer at 2 pence per New Ordinary Share.

The Firm Placing, Subscription, Related Party Subscription and Open Offer are not underwritten.

This document and, for Qualifying non-CREST Shareholders only, the accompanying Application Form contain the formal terms and conditions of the Open Offer.

2. The Open Offer

Subject to the terms and conditions set out below and, where relevant, in the Application Form, and pursuant to the Placing Agreement, Qualifying Shareholders are invited to apply for Open Offer Shares at a price of 2 pence per share, payable in full on application, free of all expenses, on the basis of:

1 New Ordinary Share for every 5 Existing Ordinary Shares

held by them and registered in their names on the Record Date and so in proportion for any other number of Existing Ordinary Shares then held.

Qualifying Shareholders may apply for any whole number of New Ordinary Shares. Excess applications will be satisfied only to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their pro rata entitlements. If there is an oversubscription resulting from excess applications, allocations in respect of such excess applications will be scaled down according to the Directors' discretion.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating Qualifying Shareholders' entitlements under the Open Offer.

Fractions of Ordinary Shares will not be allocated to Qualifying Shareholders and entitlements to apply for New Ordinary Shares will be rounded down to the nearest whole number of New Ordinary Shares.

If you have received an Application Form with this document please refer to paragraph 4(a) and paragraphs 5 to 10 of this Part 2.

If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements and Excess Open Offer Entitlements to your CREST stock account, please refer to paragraph 4(b) and paragraphs 5 to 10 of this Part 2 and also to the CREST Manual for further information on the CREST procedures referred to below.

The Open Offer is not a rights issue. Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.

Before making any decision to acquire Open Offer Shares, you are asked to read and carefully consider all the information in this document including, in particular, the important information set out in the letter from

the Chairman of the Company in Part 1 of this document, as well as this paragraph 2 of Part 2 and the Risk Factors set out on pages 19 to 26 (inclusive) of this document. Shareholders who do not participate in the Open Offer will experience dilution of their shareholdings. The material terms of the Firm Placing, Subscription, Related Party Subscription and Open Offer are contained in this document.

The Existing Ordinary Shares are listed on the premium segment of the Official List and traded on the London Stock Exchange's main market for listed securities. Application will be made to the Financial Conduct Authority and to the London Stock Exchange for the New Ordinary Shares to be issued in the Firm Placing, Subscription, Related Party Subscription and Open Offer to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities respectively. It is expected that Admission will become effective on 17 June 2014 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on the same day.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares; all such shares, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Open Offer Entitlements and the Excess Open Offer Entitlements to be admitted to CREST. The conditions for such admission having already been met, the Open Offer Entitlements and the Excess Open Offer Entitlements are expected to be admitted to CREST with effect from 30 May 2014.

The Open Offer Shares will, when issued and fully paid, be identical to and rank in full for all dividends or other distributions declared, made or paid after Admission and in all other respects will rank *pari passu* with the Existing Ordinary Shares in issue. No temporary documents of title will be issued. Further details of the rights attaching to the New Ordinary Shares are set out in paragraph 4.2 of Part 6 of this document.

3. Conditions of the Firm Placing, Subscription, Related Party Subscription and Open Offer

The Firm Placing, Subscription, Related Party Subscription and Open Offer is conditional upon the Placing Agreement becoming or being declared unconditional in all respects by 8.00 a.m. on 17 June 2014 (or such later time and/or date as Charles Stanley and WG Partners shall agree, being not later than 8.00 a.m. on 30 June 2014) and the Placing Agreement not being terminated in accordance with its terms. The Placing Agreement is subject to the satisfaction of the following material conditions: (a) the passing of the Resolutions (without amendment) at the General Meeting; and (b) Admission becoming effective by not later than 8.00 a.m. on 17 June 2014.

It is expected that all these conditions will be satisfied by 8.00 a.m. on 17 June 2014 and that Admission will become effective at 8.00 a.m. on 17 June 2014, and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 17 June 2014. Definitive certificates in respect of New Ordinary Shares will be prepared and are expected to be posted to those allottees who have validly elected to hold their shares in certificated form within seven days of Admission. In respect of those allottees who have validly elected to hold their shares in uncertificated form, the New Ordinary Shares are expected to be credited to their accounts maintained in the CREST system at 8.00 a.m. on 17 June 2014.

Further details of the Placing Agreement are set out in paragraph 10 of Part 6 of this document.

Further terms of the Firm Placing, Subscription, Related Party Subscription and Open Offer are set out in this document and, where relevant, in the Application Form.

If the Placing Agreement is not declared or does not become unconditional in all respects, or if it is terminated in accordance with its terms, the Open Offer will be revoked and will not proceed. In such event, no New Ordinary Shares will be issued, and all monies received by Capita Asset Services in connection with the Open Offer will be returned to applicants without interest and at their risk as soon as practicable and any Open Offer Entitlements and Excess Open Offer Entitlements admitted to CREST will thereafter be disabled.

4. Procedure for Application and Payment

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you have an Application Form in respect of your entitlement under the Open Offer or you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your CREST stock account in respect of such entitlement.

CREST sponsored members should refer to their CREST-sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements and Excess Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

(a) ***If you hold your shares in certificated form (not in CREST) in respect of your entitlement under the Open Offer***

(i) *General*

Qualifying non-CREST (certificated) Shareholders will have received an Application Form enclosed with this document. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date. It also shows the maximum number of New Ordinary Shares for which you are entitled to apply on a pro rata basis under the Open Offer, as shown by the total number of Open Offer Entitlements allocated to you. You may also hold such an Application Form by virtue of a *bona fide* market claim.

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer.

The Application Form has not been, and will not be, sent to Overseas Shareholders in, or with registered addresses in, the United States, or any Excluded Territories, brokers, banks and other agents may not send an Application Form to, or submit Application Forms on behalf of, Overseas Shareholders in, or with addresses in any of these countries or a person (including, without limitation, stockbrokers, banks or other agents) who has a contractual or other legal obligation to forward this document into a jurisdiction other than the United Kingdom.

(ii) *Market Claims*

Applications may only be made on the Application Form and may only be made by the Qualifying Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to the Open Offer by the London Stock Exchange, being 29 May 2014. Application Forms may be split up to 3.00 p.m. on 11 June 2014. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Shareholder who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to 29 May 2014, being the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to the Open Offer by the London Stock Exchange, should consult his or her broker or other professional adviser as soon as possible, as the invitation to acquire New Ordinary Shares under the Open Offer may be a benefit which may be claimed by the transferee from his or her counterparty pursuant to the rules of the London Stock Exchange. Qualifying Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 10 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Application Form should not, however, be forwarded to or transmitted in or into the United States, or any of the Excluded Territories

If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 4(b) below.

(iii) *Excess non-CREST Applications*

Qualifying non-CREST Shareholders who have taken up their Open Offer Entitlements in full may apply to acquire Excess Shares using the Excess Application Facility, should they wish. Qualifying non-CREST Shareholders wishing to apply to acquire Excess Shares may do so by following the relevant instructions on the Application Form. The total number of Open Offer Shares will not be increased in response to such excess applications. Excess applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full. If there is an oversubscription resulting from excess applications, allocations in respect of such excess applications will be scaled down according to the Directors' discretion. Excess monies in respect of scaled down applications will be returned to the applicant (at the applicant's risk) without interest within 14 days of Admission by way of a cheque.

(iv) *Application Procedures*

If you are a Qualifying non-CREST Shareholder and wish to apply for all or some of your entitlement to New Ordinary Shares under the Open Offer you should complete and sign the Application Form in accordance with the instructions on it and send it, together with the appropriate remittance and in accordance with the instructions in this Part 2, paragraph 4, by post or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. A reply-paid envelope is enclosed for use by Qualifying non-CREST Shareholders within the UK, in connection with the Open Offer.

Please note that Capita Asset Services cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement to New Ordinary Shares under the Open Offer. If any Application Form is sent by first-class post within the United Kingdom, Qualifying non-CREST (certificated) Shareholders are recommended to allow at least four Business Days for delivery. Charles Stanley may require the Company to treat as valid (i) Application Forms and accompanying remittances which are received through the post not later than 11.00 a.m. on the Business Day immediately following the final date for acceptance and payment of the Open Offer (the cover bearing a legible postmark not later than 11.00 a.m. on the final date for payment and acceptance); and (ii) applications in respect of which remittances are received prior to 11.00 a.m. on the final date for acceptance and payment of the Open Offer from an authorised person (as defined in the Financial Services and Markets Act 2000 (as amended)) specifying the number of New Ordinary Shares concerned and undertaking to lodge the relevant Application Form duly completed by not later than 11.00 a.m. on the second Business Day immediately following the final date for acceptance and payment of the Open Offer.

(v) *Payments*

All payments must be in pounds sterling and cheques or banker's drafts should be made payable to "Capita Registrars Limited Re: Oxford BioMedica plc Open Offer A/C" and crossed "A/C payee only". Cheques or banker's drafts must be drawn on an account at a branch of a bank or building society in the United Kingdom, the Channel Islands or the Isle of Man which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which is a member of either of the Committees of

Scottish or Belfast clearing houses or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application.

Cheques must be drawn on the personal account of the individual investor where they have sole or joint title to the funds. Third party cheques will not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the building society cheque/banker's draft to such effect. The account name should be the same as that shown on the application.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct Capita Asset Services to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured.

Application monies will be paid into a separate bank account pending the Open Offer becoming unconditional. In the event that it does not become unconditional by 8.00 a.m. on 17 June 2014 or such later time and date as Charles Stanley and WG Partners shall agree (being no later than 8.00 a.m. on 30 June 2014), the Firm Placing, Subscription, Related Party Subscription and Open Offer will lapse and application monies will be returned by post to applicants, at the applicants' risk and without interest, to the address set out on the Application Form, within 14 days thereafter.

(vi) *Effect of Application*

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form, you (as the applicant(s)):

(A) agree that all applications, and contracts resulting therefrom, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;

(B) confirm that in making the application you are not relying on any information or representation other than that contained in this document, and you accordingly agree that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such information or representation not so contained;

(C) represent and warrant that if you have received some or all of your Open Offer Entitlements from a person other than the Company, you are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;

(D) represent and warrant that you are not a person who by virtue of being resident in or a citizen of any country outside the United Kingdom is prevented by the law of any relevant jurisdiction from lawfully applying for New Ordinary Shares;

(E) represent and warrant that, (i) you are not in the United States, or any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares or to use the Application Form in any manner in which you have used or will use it; (ii) you are not acting for the account or benefit of a person located within the United States, or any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares and were not acting for the account or benefit of such a person at the time the instruction to apply for the New Ordinary Shares was given; and (iii) you are not acquiring New

Ordinary Shares with a view to the offer, sale, resale, delivery or transfer, directly or indirectly, of any such New Ordinary Shares into the United States, or any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, in each case except where proof satisfactory to the Company and Charles Stanley has been provided that you are entitled to take up your entitlement without any breach of applicable law; and

(F) represent and warrant that you are not, and nor are you applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depositary receipts) or Section 96 (clearance services) of the Finance Act 1986.

Further representations and warranties are contained in the Application Form.

If you do not wish to apply for any of the New Ordinary Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form.

If you are in doubt as to whether or not you should apply for any of the New Ordinary Shares under the Open Offer, you should consult your independent financial adviser immediately. All enquiries in relation to the procedure for application for Qualifying non-CREST (certificated) Shareholders under the Open Offer should be addressed to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by telephone Capita Asset Services on 0871 664 0321 or, if telephoning from outside the UK, on +44 20 8639 3399. Calls to the Capita Asset Services 0871 664 0321 number are charged at 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to the Capita Asset Services +44 20 8639 3399 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Capita Asset Services cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

(b) ***If you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer***

(i) *General*

Subject as provided in paragraph 6 of this Part 2 in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the basic number of New Ordinary Shares for which he is entitled to apply under the Open Offer and his Excess Open Offer Entitlements (see paragraph 4(b)(iii) below for further details).

The CREST stock account to be credited will be an account under the Participant ID and Member Account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and Excess Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements and Excess Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 10 June 2014 or such later time as the Company may decide, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements and/or Excess Open Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying non-CREST (certificated) Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

CREST members who wish to apply for some or all of their entitlements to New Ordinary Shares should refer to the CREST Manual for further information on the CREST procedures

referred to below. Should you need advice with regard to these procedures, please contact Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by telephone Capita Asset Services on 0871 664 0321 or, if telephoning from outside the UK, on +44 20 8639 3399. Calls to the Capita Asset Services 0871 664 0321 number are charged at 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to the Capita Asset Services +44 20 8639 3399 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Capita Asset Services cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for New Ordinary Shares as only your CREST-sponsor will be able to take the necessary action to make this application in CREST.

(ii) *Market Claims*

The Open Offer Entitlements and Excess Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlements and Excess Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess Open Offer Entitlements will thereafter be transferred accordingly.

(iii) *Excess Application Facility*

Qualifying CREST Shareholders who have taken up their Open Offer Entitlements in full may apply to acquire Excess Shares using the Excess Application Facility, should they wish. The Excess Application Facility enables Qualifying CREST Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement up to a maximum number of Excess Shares not exceeding 283,229,801 in which case applications made under the Excess Application Facility will be scaled down according to the Directors' discretion. A Qualifying CREST Shareholder should not make an application under the Excess Application Facility unless such Qualifying CREST Shareholder has applied for his Open Offer Entitlements in full.

An Excess Open Offer Entitlement may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part 2 in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess Open Offer Entitlement in order for any applications for Excess Shares to be settled through CREST.

Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and the Excess Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of *bona fide* market claims only). Neither the Open Offer Entitlements nor the Excess Open Offer Entitlements will be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions in paragraph (iv) below and must not return a paper form and cheque. Should a transaction be identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement and the relevant Open Offer Entitlement is transferred, the Excess Open Offer Entitlements will not transfer with the Open Offer Entitlement claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess Open Offer Entitlement credited to CREST and allocated to the relevant Qualifying

Shareholder will be transferred to the purchaser. **Please note that a separate USE Instruction must be sent in respect of any application under the Excess Open Offer Entitlement.**

Fractions of Excess Shares will be rounded down to the nearest whole number.

The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Applications under the Excess Application Facility will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Shareholders will be met in full or in part or at all. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest within 14 days thereafter, by way of cheque or CREST payment, as appropriate. The interest earned on such monies will be retained for the benefit of the Company.

All enquiries in relation to the procedure for application and completion of applications For Excess Open Offer Entitlements should be addressed to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. (Telephone Capita Asset Services on 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK). Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

(iv) *USE Instructions*

CREST members who wish to apply for New Ordinary Shares in respect of all or some of their Open Offer Entitlements and their Excess Open Offer Entitlements in CREST must send (or, if they are a CREST sponsored member, procure that their CREST sponsor sends) an Unmatched Stock Event ("USE") instruction to Euroclear which, on its settlement, will have the following effect:

(A) the crediting of a stock account of Capita Asset Services under the Participant ID and Member Account ID specified below, with a number of Open Offer Entitlements or Excess Open Offer Entitlements corresponding to the number of New Ordinary Shares applied for; and

(B) the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of Capita Asset Services in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of New Ordinary Shares referred to in (A) above.

(v) *Content of USE Instructions*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(A) the number of New Ordinary Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to Capita Asset Services);

(B) the ISIN of the Open Offer Entitlements. This is GB00BMBN5G26;

(C) the Member Account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;

(D) the Participant ID of the accepting CREST Member;

(E) the Participant ID of Capita Asset Services, in its capacity as CREST receiving agent. This is 7RA33;

(F) the Member Account ID of Capita Asset Services, in its capacity as CREST receiving agent. This is 28279OXF;

(G) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (A) above;

(H) the intended settlement date. This must be on or before 11.00 a.m. on 13 June 2014; and

(I) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 13 June 2014.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

(aa) a contact name and telephone number (in the free-format shared note field); and

(bb) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 17 June 2014 in order to be valid is 11.00 a.m. on that day.

In the event that the Firm Placing, Subscription, Related Party Subscription and Open Offer does not become unconditional by 8.00 a.m. on 17 June 2014 or such later time and date as Charles Stanley and WG Partners shall agree (being no later than 8.00 a.m. on 30 June 2014), the Firm Placing, Subscription, Related Party Subscription and Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and Capita Asset Services will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days thereafter.

(vi) *Content of USE Instruction in respect of Excess Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(A) the number of Open Offer Shares for which the application is being made (and hence the number of the Excess Open Offer Entitlement(s) being delivered to the Registrar);

(B) the ISIN of the Excess Open Offer Entitlement. This is GB00BMBN5H33;

(C) the Member Account ID of the accepting CREST member from which the Excess Open Offer Entitlements are to be debited;

(D) the participant ID of the accepting CREST member;

(E) the participant ID of Capita Asset Services, in its capacity as CREST receiving agent. This is 7RA33;

(F) the Member Account ID of Capita Asset Services, in its capacity as CREST receiving agent. This is 28279OXF;

(G) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph (A) above;

(H) the intended settlement date. This must be on or before 11.00 a.m. on 13 June 2014; and

(I) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST

In order for the application in respect of an Excess Open Offer Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 13 June 2014.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) should add the following non-mandatory fields to the USE instruction:

(cc) a contact name and telephone number (in the free format shared note field); and

(dd) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 13 June 2014 in order to be valid is 11.00 a.m. on that day.

In the event that the Firm Placing, Subscription, Related Party Subscription and Open Offer does not become unconditional by 8.00 a.m. on 17 June 2014 or such later time and date as Charles Stanley and WG Partners and the Company shall agree (being no later than 8.00 a.m. on 30 June 2014), the Firm Placing, Subscription, Related Party Subscription and Open Offer will lapse, the Open Offer Entitlements and the Excess Open Offer Entitlements admitted to CREST will be disabled and Capita Asset Services will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days thereafter. Any interest earned on such monies will be retained for the benefit of the Company.

(vii) *Deposit of Open Offer Entitlements and Excess Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements and Excess Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing so to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 13 June 2014. Shortly after depositing their Open Offer Entitlement into their CREST account, CREST holders will receive a credit for their Open Offer Entitlement and Excess Open Offer Entitlements which will be managed by the Registrar.

In particular, having regard to normal processing times in CREST and on the part of Capita Asset Services, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements or Excess Open Offer Entitlements in CREST, is 3.00 p.m. on 10 June 2014, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and/or Excess Open Offer Entitlements from CREST is 4.30 p.m. on 9 June 2014, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and/or Excess Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements or Excess Open Offer Entitlements prior to 11.00 a.m. on 13 June 2014. CREST holders inputting the withdrawal of their Open Offer Entitlement from their CREST account must ensure that they withdraw their Open Offer Entitlement and the Excess Open Offer Entitlements.

Delivery of an Application Form with the CREST Deposit Form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and Capita Asset Services from the relevant CREST member(s) that, (i) you are not in the United States, any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares; (ii) you are not acting for the account or benefit of a person located within the United States, any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares and were not acting for the account or benefit of such a person at the time the instruction to apply for the New Ordinary Shares was given; and (iii) you are not acquiring the New Ordinary Shares with a view to the offer, sale, resale, delivery or transfer, directly or indirectly, of any such New Ordinary Shares into the United States, any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, in each case except where proof satisfactory to the Company and Charles Stanley has been provided that you are entitled to take up your entitlement without breach of applicable law; and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(viii) *Validity of Application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 13 June 2014 will constitute a valid application under the Open Offer.

(ix) *CREST Procedures and Timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 13 June 2014. In this connection, CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(x) *Incorrect or Incomplete Applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company through Capita Asset Services reserves the right:

(A) to reject the application in full and refund the payment to the CREST member in question;

(B) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Offer Price, refunding any unutilised sum to the CREST member in question; or

(C) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question.

(xi) *Effect of Valid Application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

(A) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to Capita Asset Services payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);

(B) request that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Articles;

(C) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England;

(D) represent and warrant that, (i) he is not in the United States, any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares; (ii) he is not acting for the account or benefit of a person located within the United States, any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares and he was not acting for the account or benefit of such a person at the time the instruction to apply for the New Ordinary Shares was given; and (iii) he is not acquiring New Ordinary Shares with a view to the offer, sale, resale, delivery or transfer, directly or indirectly, of any such New Ordinary Shares into the United States, any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, in each case except where proof satisfactory to the Company and Charles Stanley has been provided that he is entitled to take up his entitlement without breach of applicable law;

(E) represent and warrant that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986;

(F) confirm that in making such application he is not relying on any information in relation to the Company other than that contained in this document and agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such other information and further agree that having had the opportunity to read this document, he will be deemed to have had notice of all the information concerning the Company contained therein; and

(G) represent and warrant that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements and the Excess Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a *bona fide* market claim.

(xii) *The Company's Discretion as to Rejection and Validity of Applications*

The Company may in its sole discretion:

(A) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part 2;

(B) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;

(C) treat a properly authenticated dematerialised instruction (in this subparagraph the "first instruction") as not constituting a valid application if, at the time at which Capita Asset Services receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or Capita Asset Services has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

(D) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for New Ordinary Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by Capita Asset Services in connection with CREST.

5. Money Laundering Regulations

(a) ***Holders of Application Forms***

It is a term of the Open Offer that to ensure compliance with the Money Laundering Regulations, Capita Asset Services may require, in its absolute discretion, verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the "verification of identity requirements").

The person(s) (the "applicant") who, by lodging an Application Form with payment, and in accordance with the other terms as described above, accept(s) the Open Offer in respect of the New Ordinary Shares (the "relevant shares") comprised in such Application Form shall thereby be deemed to agree to provide Capita Asset Services with such information and other evidence as it may require to satisfy the verification of identity requirements.

Capita Asset Services may therefore undertake electronic searches for the purposes of verifying identity. To do so Capita Asset Services may verify the details against the Applicant's identity, but also may request further proof of identity.

If Capita Asset Services determines that the verification of identity requirements apply to any applicant or application, the relevant shares (notwithstanding any other term of the Open Offer) will not be issued to the applicant unless and until the verification of identity requirements have been

satisfied in respect of that application. Capita Asset Services is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and none of Capita Asset Services, the Company or Charles Stanley will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable period of time and in any event by not later than 13 June 2014, following a request for verification of identity, Capita Asset Services has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, terminate the contract of allotment in which event the monies payable on acceptance of the Open Offer will be returned without interest to the account of the bank from which such monies were originally debited (without prejudice to the right of the Company to take proceedings to recover the amount by which the net proceeds of sale of the relevant New Ordinary Shares fall short of the amount payable thereon).

Submission of an Application Form with the appropriate remittance will constitute a warranty from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

(i) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on the prevention of the use of the financial system for the purpose of money laundering (no. 91/308/EEC)); or

(ii) if the applicant is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or

(iii) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the name of such applicant; or

(iv) if the aggregate subscription price for the relevant shares is less than the sterling equivalent of €15,000 (currently approximately £12,000).

In other cases the verification of identity requirements may apply. The following guidance is provided in order to assist in satisfying the verification of identity requirements and to reduce the likelihood of difficulties or delays and potential rejection of an application (but does not limit the right of Capita Asset Services to require verification of identity as stated above). Satisfaction of the verification of identity requirements may be facilitated in the following ways:

(A) if payment is made by building society cheque (not being a cheque drawn on an account of the applicant) or banker's draft, by the building society or bank endorsing on the cheque or draft the applicant's name and the number of an account held in the applicant's name at such building society or bank, such endorsement being validated by a stamp and an authorised signature by the building society or bank on the reverse of the cheque or banker's draft; or

(B) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, South Africa, Switzerland, Turkey, the United States of America and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide written confirmation that it has that status with the Application Form and written assurance that it has obtained and recorded evidence of the identity of the persons for whom it acts and that it will on demand make such evidence available to Capita Asset Services or the relevant authority.

In order to confirm the acceptability of any written assurance referred to in (B) above or any other case, the applicant should contact Capita Asset Services; or

(C) if (an) Application Form(s) is/are in respect of relevant shares with an aggregate subscription price of the sterling equivalent of €15,000 (currently approximately £12,000) or more and is/are lodged by hand by the applicant in person, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and evidence of his address.

Third-party cheques will not be accepted.

(b) ***Open Offer Entitlements in CREST and Excess Open Offer Entitlements in CREST***

If you hold your Open Offer Entitlements in CREST and Excess Open Offer Entitlements in CREST and apply for New Ordinary Shares in respect of all or some of your Open Offer Entitlements in CREST and Excess Open Offer Entitlements in CREST as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then irrespective of the value of the application, Capita Asset Services is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application.

You must therefore contact Capita Asset Services before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to Capita Asset Services such information as may be specified by Capita Asset Services as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Capita Asset Services as to identity, Capita Asset Services may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the New Ordinary Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the New Ordinary Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

6. Overseas Shareholders

(a) ***General***

The making of the Open Offer to Overseas Shareholders may be affected by the laws or regulatory requirements of the relevant jurisdiction. Overseas Shareholders who are in any doubt in this respect should consult their professional advisers. No person receiving a copy of this document and/or an Application Form and/or receiving a credit of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form and/or credit of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST, unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form or credit of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST could lawfully be used without contravention of any legislation or other local regulatory requirements. Receipt of this document and/or an Application Form or the crediting of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST does not constitute an invitation or offer to Overseas Shareholders in the territories in which it would be unlawful to make an invitation or offer and in such circumstances this document and/or any Application Forms are sent for information only. It is the responsibility of any person receiving a copy of this document and/or an Application Form and/or receiving a credit of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST outside the United Kingdom and wishing to make an application for any New Ordinary Shares to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or

observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such other territory.

Persons (including, without limitation, stockbrokers, banks and other agents) receiving an Application Form and/or receiving a credit of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST should not, in connection with the Open Offer, distribute or send the Application Form or transfer the Open Offer Entitlements and/or Excess Open Offer Entitlements into any jurisdiction where to do so would or might contravene local securities laws or regulations.

If an Application Form or a credit of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST is received by any person in any such jurisdiction or by the stockbrokers, banks and other agents or nominees of such person, he or she must not seek to take up the New Ordinary Shares except pursuant to an express agreement with the Company. Any person who does forward an Application Form or transfer the Open Offer Entitlements and/or Excess Open Offer Entitlements into any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this paragraph. The Company and Charles Stanley reserve the right to reject an Application Form or transfer of Open Offer Entitlements and/or Excess Open Offer Entitlements from or in favour of Shareholders in any such jurisdiction or persons who are acquiring New Ordinary Shares for resale in any such jurisdiction.

The Company and Charles Stanley reserve the right in their absolute discretion to treat as invalid any application for New Ordinary Shares under the Open Offer if it appears to the Company and Charles Stanley and their agents that such application or acceptance thereof may involve a breach of the laws or regulations of any jurisdiction or if in respect of such application the Company and Charles Stanley have not been given the relevant warranty concerning overseas jurisdictions set out in the Application Form or in this document, as appropriate. All payments under the Open Offer must be made in pounds sterling.

(b) **United States**

The New Ordinary Shares have not been and will not be registered under the Securities Act, or under the securities laws of any state or other jurisdiction of the United States and, unless so registered, may not be offered, sold, resold, taken up, delivered or distributed, directly or indirectly, within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer in the United States.

Outside the United States, the New Ordinary Shares may not be offered, taken up, delivered or transferred, except in an "offshore transaction" (as defined in Rule 902(h) under the Securities Act) in accordance with Rule 903 or Rule 904 of Regulation S. This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities, or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities in the United States. Inside the United States, the New Ordinary Shares may only be offered in private placement transactions not subject to the registration requirements of the Securities Act to persons reasonably believed to be "accredited investors" within the meaning of Regulation D and in accordance with the requirements of Regulation D.

Application Forms are not being sent to, and Open Offer Entitlements and/or Excess Open Offer Entitlements are not being credited to a stock account in CREST of, any Shareholder with a registered address in the United States. This document is being sent to such Shareholders for information purposes only and does not constitute an offer or invitation to apply for New Ordinary Shares. Any application for New Ordinary Shares under the Open Offer will be treated as invalid if it appears to have been executed or effected in, postmarked or otherwise despatched in or from the United States, or if it provides an address in the United States for the registration or issue of New Ordinary Shares in uncertificated form or for the delivery of New Ordinary Shares in certificated form, or if it appears to have been sent by a person who cannot make the representations and warranties set out in the Application Form or in this document.

In addition, until 40 days after the commencement of the Open Offer, an offer, sale or transfer of the New Ordinary Shares within the US by a dealer (whether or not participating in the Firm Placing, Subscription, Related Party Subscription and Open Offer) may violate the registration requirements of the Securities Act.

(c) ***Other Excluded Territories***

Due to the restrictions under the securities laws of the Excluded Territories, Shareholders who have registered addresses in or who are resident or ordinarily resident in, or citizens of, any Excluded Territories will not qualify to participate in the Open Offer and will not be sent an Application Form and no Open Offer Entitlements and/or Excess Open Offer Entitlements will be credited to their CREST stock accounts.

The New Ordinary Shares have not been and will not be registered under the relevant laws of any of the Excluded Territories or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly in or into any of the Excluded Territories or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territories except pursuant to an applicable exemption.

7. Withdrawal Rights

Qualifying Shareholders wishing to exercise statutory withdrawal rights after publication by the Company of a prospectus supplementing this document must do so by lodging a written notice of withdrawal which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the Participant ID and the Member Account ID of such CREST member, with Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to be sent by the Qualifying Shareholder no later than two Business Days after the date on which the supplementary prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received by Capita Asset Services after expiry of such period will not constitute a valid withdrawal, provided that the Company will not permit the exercise of withdrawal rights after payment by the relevant Qualifying Shareholder of its subscription in full and the allotment of New Ordinary Shares to such Qualifying Shareholder becoming unconditional save to the extent required by statute. In such event Shareholders are advised to seek independent legal advice.

8. Taxation

Information regarding United Kingdom and United States taxation in respect of the New Ordinary Shares and the Open Offer is set out in paragraphs 16 and 17 of Part 6 of this document. If you are in any doubt about your tax position or are subject to tax in a jurisdiction other than the United Kingdom or the United States, you should consult your professional adviser without delay.

9. Listing, Settlement, Dealings and Publication

Applications have been made to the Financial Conduct Authority for the New Ordinary Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the same to be admitted to trading on its main market for listed securities subject to the fulfilment of the conditions of the Open Offer. Subject to the Firm Placing, Subscription, Related Party Subscription and Open Offer becoming unconditional in all respects (save only as to Admission), it is expected that admission of the New Ordinary Shares to the premium segment of the Official List and to trading on its main market for listed securities will become effective and that dealings therein for normal settlement will commence at 8.00 a.m. on 17 June 2014.

Open Offer Entitlements and Excess Open Offer Entitlements held in CREST are expected to be disabled in all respects after 10.00 a.m. on 14 June 2014 (the latest date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, New Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day

on which such conditions are satisfied (expected to be 17 June 2014). On this day, Capita Asset Services will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons, entitlement to New Ordinary Shares with effect from Admission (expected to be 17 June 2014). The stock accounts to be credited will be accounts under the same Participant IDs and Member Account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess Open Offer Entitlements, and to allot and/or issue any New Ordinary Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST), or on the part of the facilities and/or systems operated by Capita Asset Services in connection with CREST.

For Qualifying non-CREST Shareholders who have applied by using an Application Form, definitive share certificates in respect of the New Ordinary Shares validly applied for are expected to be despatched by post within seven days of Admission. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers of the New Ordinary Shares by Qualifying non-CREST (certificated) Shareholders will be certified against the share register. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying non-CREST (certificated) Shareholders are referred to the Application Form.

Qualifying CREST Shareholders should note that they will be sent no confirmation of the credit of the New Ordinary Shares to their CREST stock account nor any other written communication by the Company in respect of the issue of the New Ordinary Shares.

The completion and results of the Firm Placing, Subscription, Related Party Subscription and Open Offer will be announced and made public through an announcement on a Regulatory Information Service as soon as possible after the results are known on 16 June 2014.

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of, or in connection with, the Open Offer, this document or the Application Form (including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this document or the Application Form). By taking up the Open Offer Shares, in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the English courts (including, without limitation, in relation to disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this document or the Application Form) and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

10. Other Information

Your attention is drawn to the letter from your Chairman which is set out in Part 1 of this document and to the further information set out in Parts 2 to 6 of this document and also, where relevant, to the terms, conditions and other information printed on the accompanying Application Form.

Part 3

Information on Oxford BioMedica plc

Investors are advised to read the whole of this document and not rely on only part of it. In particular, investors are advised to consult the Glossary at the end of this document, which sets out the definitions of certain scientific and technical terms. The Directors confirm that, where information in this document has been sourced from a third party, this information has been accurately reproduced and, as far as they are aware and are able to ascertain from information prepared by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

1. Introduction

History

Oxford BioMedica (LSE: OXB) was incorporated in 1996 as a spin-out from Oxford University. During 1996 a founding management team was put in place, seed capital was raised and in December of that year the Company raised £5 million in an initial public offering and was admitted to trading on AIM. Between 1996 and 2001 Oxford BioMedica raised a further £23.5 million from secondary offerings; in April 2001 the Company raised £35.5 million and moved to the Official List; and between October 2003 and December 2005 the Company raised a further £52.2 million through two secondary offers. Oxford BioMedica raised £20 million in January 2011 to acquire, commission and run a manufacturing facility for its gene therapy products, to fund ongoing business operations and to strengthen the balance sheet. A further £11.6 million was raised in July 2012 to continue to develop the Company's proprietary LentiVector® gene delivery technology in order to maximise the potential of its high reward LentiVector® platform products, particularly the ophthalmology portfolio.

Business model and strategy

The Company's business model is to exploit fully its gene/cell therapy platform – comprising intellectual property, laboratory and manufacturing facilities, and its highly knowledgeable and skilled workforce – to create a development pipeline of multiple gene therapy product candidates and to build a profitable business providing development and manufacturing services to third parties. Currently the Company has seven named gene therapy product candidates in development and it has started to generate revenues from development and manufacturing services, with its contract with Novartis, announced in May 2013, being an example.

The Company's strategy for the next three years is to become a unique and sector leading gene/cell therapy business, by developing the existing unrivalled gene therapy pipeline and identifying and developing new product candidates so that Shareholders have the maximum opportunity to benefit from revenue derived from the platform and so that the fixed costs associated with the platform are spread over as many product candidates as possible. By leveraging its experience and established in-house synergies, the Company plan is to develop all of the seven named product candidates, in parallel, to bring each of them to the point of readiness for the next stage of development. This will result in a flow of opportunities which can be partnered, out-licensed or developed further internally depending on which option is likely to generate greatest Shareholder value. Five of the current product candidates are for ocular diseases. The eye is a particularly suitable target for gene therapy and ophthalmology is a large and growing therapeutic area. Where possible and when beneficial to Shareholders, the Company will seek grants and other forms of non-dilutive funding to help finance product development. In addition the Company aims to maintain its leading position by further improving the manufacturing process for lentiviral vector manufacture, thus extending its intellectual property protecting the platform manufacturing process (both patents and know-how). At the same time the Company will continue to build the development and manufacturing services business, creating growing revenues which will increasingly reduce the net cash outflow of the overall company. By the end of the three year period, Oxford BioMedica aspires to have reached the position where its recurring and predictable revenues cover its recurring internal cost base.

Oxford BioMedica's platform

The LentiVector® platform which underpins Oxford BioMedica's business model has at its core the Company's highly skilled workforce, the manufacturing facility and the laboratories, and its intellectual property (patents, trademarks and proprietary know-how). The delivery of therapeutic DNA to patients' cells is critical to the success of gene and cell therapies, whether *in vivo* or *ex vivo*. This is achieved using viral vectors – viruses which have been modified so that they are safe and can carry the required genetic payload with which the patient's cells can be genetically modified. Several types of viruses can be used for this purpose with the most commonly used being adeno-associated viruses (AAV) and lentiviruses. Lentivirus based vectors have several advantages over AAV based vectors – they can carry a larger genetic payload than AAV, they can genetically modify both dividing and non-dividing cells, and they can be used in cell therapy (engineered stem cells and engineered T cells (e.g. CART)) as well as gene therapy, i.e. they have a wider application than AAV-based vectors, offering the potential for "one shot" treatment giving long-term or permanent stable expression of transgene and therefore efficacy with low immunogenicity.

The Company places great importance on ensuring that its products have freedom-to-operate and has built an extensive patent portfolio across its LentiVector® platform. The Company is also looking to leverage the intellectual property with additional licenses for engineered stem cells and engineered T cells (e.g. CART). This patent portfolio provides comprehensive coverage of lentiviral gene-based delivery technologies and their therapeutic application in wide-ranging disease indications. As at April 2014, 66 US, 35 European, and 103 rest of the world granted patents cover both the LentiVector® platform and products based on the platform. Twenty three patent applications are currently pending. This portfolio includes patents that are wholly-owned by the Company and an additional 13 patent families, covering key technologies, that have been licensed from third parties.

There are currently no actual or pending legal disputes that involve patent infringement.

The LentiVector® platform and associated products are also covered by 38 registered trademarks worldwide and a number pending.

The Company's laboratories in Oxford include a Containment Level 3 laboratory and a number of Containment Level 2 laboratories. The manufacturing facility, also in Oxford but on a separate site, includes clean room suites, as well as Quality Control (QC) and process development laboratories. In 2013, the Company was awarded a £7.1 million grant and loan funding package which will be used to increase manufacturing capacity including a fill and finish suite, and to carry out process development targeted at allowing much greater production volumes than is currently possible using existing technology. This investment will allow the Company to maintain its reputation as a world leader in lentiviral vector manufacture which will benefit the Company's own products as well as facilitating the commercialisation of partner product candidates, ultimately increasing Oxford BioMedica revenues from intellectual property licenses and manufacturing.

The Company's workforce is highly skilled and experienced in cell and vector engineering, assay development, manufacturing process development, manufacturing operations, regulatory applications for new clinical studies, and management of clinical studies, quality systems management and intellectual property management. This range of capabilities gives the Company the ability to develop products from initial concept through to Phase I/II clinical studies and to minimise the amount of work that has to be outsourced.

The quality of the Company's platform and products continues to receive validation from third parties. In 2013, the Company's manufacturing and supply chain long-term potential was recognised by a £7.1 million funding package under the UK Government's Advanced Manufacturing Supply Chain Initiative; Novartis commissioned the Company to carry out process development and manufacture clinical batches; and GlaxoSmithKline took an option to a non-exclusive licence for the development and commercialisation of up to six product candidates targeting rare orphan diseases. These developments build on the 2009 collaboration agreement with Sanofi under which Oxford BioMedica has been conducting the first stage of development up to and including the first clinical trial of three product candidates. Sanofi made an initial payment of US$26 million and has been providing further funding of up to US$24 million for this stage of

development. In June 2012, the Company announced that Sanofi had elected to exercise its options to acquire two exclusive worldwide licenses for the Company's ocular products StarGen™ and UshStat® for a total option payment of $3 million. In February 2014, the licence for these two products was concluded. As part of the agreement, Sanofi was granted broadened global rights across all ocular disease indications for StarGen™ and UshStat® and in return Oxford BioMedica regained worldwide rights to EncorStat® which had been one of the four products in the original collaboration agreement. In 2013, the Company was awarded a £1.8 million grant from the Supporting Regenerative Medicines and Cell Therapies competition sponsored by UK Government's Technology Strategy Board for the further development of EncorStat®. In April 2014, the Company was awarded a £2.2 million grant under the Technology Strategy Board's Biomedical Catalyst competition to support the next development phase of OXB-102.

Potential news flow

Given the resources provided by the Firm Placing, Subscription and Related Party Subscription, the Directors believe that the Company's prospects are good with the expectation of strong news flow and several valuable commercial opportunities.

2014	Grant award for OXB-102 programme Completion of RetinoStat® patient recruitment Longer-term manufacturing contract and IP licence with Novartis Manufacturing and/or development services contracts with other 3rd parties Confirmation of new product development candidates Potential partnering/out-licensing of RetinoStat®
2015	Start of OXB-102 clinical programme Start of EncorStat® clinical programme Results from TroVax Phase II studies
2016	OXB-102 Phase I results EncorStat® Phase I results RetinoStat®/StarGen™/UshStat® development milestones Glaucoma-GT pre-clinical results

2. Product Candidates in Development

The Group has established a product development pipeline comprising seven named gene therapy candidates based on the Group's LentiVector® technology and one cancer vaccine candidate based on its 5T4 technology. Five of the gene therapy products are targeted at ocular indications and two at the CNS therapy area. The ocular therapy area is considered to be particularly suitable target for gene therapy as many eye diseases are genetic in nature, and the eye is a small and enclosed organ with low risk of dissemination to the rest of the body.

Product portfolio

	Product	Indication	Stage	Next inflection	Est. date
LentiVector® TECHNOLOGY					
OPHTHALMOLOGY	RetinoStat®	Wet AMD	Phase I ongoing	End Phase I	2014
	StarGen™(1)	Stargardt disease + other	Phase I/IIa ongoing	FPI Phase IIb	2016
	UshStat®(1)	Usher syndrome type 1B	Phase I/IIa ongoing	FPI Phase IIb	2016/17
	EncorStat®	Corneal graft rejection	Phase I/IIa preparation	End Phase I	2016
	Glaucoma-GT	Chronic glaucoma	Pre-clinical	End pre-clinical	2016
CNS	ProSavin® *OXB-102*	Parkinson's disease	Phase I/II complete *Pre-clinical ongoing*	End Phase I	2016
	MoNuDin®	Motor neuron disease	Research	End pre-clinical	2015
VARIOUS	In addition, several other LentiVector gene therapy product concepts are being explored			End pre-clinical	2017+
5T4 TECHNOLOGY	TroVax®	Cancer (multiple)	Phase II ongoing	End Phase II	2015/16
	Anti-5T4 antibody(2)	Cancer	Phase I ongoing	Pivotal study	2018
	In vivo diagnostic(3)	Cancer	Pre-clinical	Phase I	2014

1) Licensed to Sanofi tech transfer underway
2) Licensed to Pfizer
3) Licensed to ImaginAB

Ocular LentiVector® Portfolio

The five ocular gene therapy product candidates are RetinoStat®, StarGenTM, UshStat®, EncorStat® and Glaucoma-GT.

The first four of these were originally partnered with Sanofi under a collaboration agreement signed in 2009. The agreement included an upfront payment of US$26 million (£16.6 million) and up to a further US$24 million in development funding over the initial phase of development. In June 2012, the Company announced that Sanofi had elected to exercise its option to acquire exclusive worldwide licenses for StarGen™ and UshStat® for a total option payment of US$3 million, and in February 2014 the Company announced that these licences had been completed. Under the terms of the licence, Sanofi has been granted broadened global rights across all ocular disease indications for StarGen™ and UshStat® and, in return, Oxford BioMedica regained the worldwide rights to EncorStat®. Financial terms for the StarGenTM and UshStat® licences have not been disclosed but the company is entitled to development and sales-related milestones, and sales royalties. On 29 April 2014 the Company announced that Sanofi had informed it that Sanofi does not intend to exercise its option over RetinoStat® to enter into a development and commercialisation agreement. In 2013, the Company was awarded a £1.8 million grant from the Supporting Regenerative Medicines and Cell Therapies competition sponsored by UK Government's Technology Strategy Board for the further development of EncorStat®.

Glaucoma-GT is currently in pre-clinical development for glaucoma in collaboration with the Mayo Clinic, USA.

RetinoStat®: Phase I trial ongoing

Age-related macular degeneration (AMD) affects an estimated 25 to 30 million people worldwide and the incidence of AMD is expected to triple by the year 2025 (source: AMD Alliance International). The "wet" form of AMD, where the risk of severe sight loss is much greater, accounts for 10 – 15 per cent. of all AMD (source: AMD Alliance International). Wet AMD is responsible for 90 per cent. of cases of severe vision loss associated with AMD with up to 4.5 million patients worldwide (source: AMD Alliance International). Genentech's drug LUCENTIS® is the market leader at present with sales in excess of US$4.2 billion per annum (source: Novartis/Roche actual sales for LUCENTIS® in 2013). RetinoStat® is a gene-based treatment for neovascular "wet" AMD and could also be used for diabetic retinopathy (DR). RetinoStat® aims to preserve and improve the vision of patients through anti-angiogenesis, the process of blocking the formation

of new blood vessels. The product uses the Company's LentiVector® platform technology to deliver two genes encoding the anti-angiogenic proteins endostatin and angiostatin directly to the retina by injection. This creates genetically modified cells at the injection site that act as endogenous factories for the two anti-angiogenic proteins which are then released locally and prevent disruptive vascularisation of the retina. As with all LentiVector® platform products the Company expects that only a single administration of RetinoStat® will be required, giving the product a significant market advantage over LUCENTIS® which requires injections into the eye to be repeated every four to eight weeks.

RetinoStat® has demonstrated clear proof-of-concept in industry standard animal models for "wet" AMD and these results have been published in the peer reviewed article: Balaggan et al. Gene Ther. 2006 Aug;13(15):1153-65. The ongoing Phase I clinical study is being led by Professor Peter Campochiaro at the Wilmer Eye Institute at Johns Hopkins, Baltimore (USA) with two other sites at the Oregon Health & Science University, Portland, USA and the University of Iowa, USA. Planned recruitment for the Phase I clinical trial has been completed. Highlights from the trial include long-term safety profile now up to 35 months post-treatment (dose level 1); successful retinal transduction, as shown by substantial increase in expression and secretion of endostatin and angiostatin proteins measured in the anterior chamber of the eye following a single administration of RetinoStat®; long-term protein expression now sustained for up to one year post-treatment for the first three cohorts; and preliminary data show a dose response, with the escalation to dose levels 2 and 3 yielding a proportional increase in average protein expression.

StarGen™: Phase I/IIa trial ongoing

Stargardt disease is the most common juvenile degenerative retinal disease with a US and EU prevalence of approximately 80-100,000 patients (source: Walia et al. (2009), Macular Degeneration International). StarGen™ is a gene-based therapy for the treatment of Stargardt disease. The disease is caused by mutation of the ABCR gene which leads to the degeneration of photoreceptors in the retina resulting in vision loss. StarGen™ uses the Company's LentiVector® platform technology to deliver a corrected version of the ABCR gene. A single administration of the product directly to the retina could provide long-term or potentially permanent correction. StarGen™ aims to preserve vision by inserting healthy ABCR gene into retina. There are currently no approved treatments available for Stargardt disease and other potential strategies do not target the root cause of the disease. As such, StarGen™ has received European and US Orphan Drug Designation which is expected to bring development, regulatory and commercial benefits. Oxford BioMedica estimates the market size for StarGen™ to be around $325 million.

StarGen™ has been shown to correct the defect caused by mutated ABCR genes in an authentic animal model of Stargardt disease and these results have been published in the peer reviewed article: Kong et al. Gene Ther. 2008 Oct; 15 (19):1311-20. In March 2011, the FDA approved Oxford BioMedica's IND application for StarGen™. In June 2011, the first patient in the StarGen™ Phase I/IIa study in Stargardt disease was treated in the US. In the US, the study is led by Professor David Wilson at the Oregon Health and Science University, Portland, Oregon. In July 2011, the French regulatory agency (ANSM) approved the opening of a second clinical site in France. In France, Professor Jose-Alain Sahel leads the study at the Centre Hospitalier National D'Opthalmologie des Quinze-Vingts, Paris. On 29 June 2012, the Company announced that Sanofi had exercised its option to license StarGen™ and in February 2014 the Company announced that the license agreement had been concluded. Under the licence Sanofi was granted global rights to StarGen™ across all ocular indications and the Company is eligible for development and commercialisation milestone payments and royalties on any future sales. The parties expect that the management of the ongoing clinical studies will be handed over from the Company to Sanofi during the first half of 2014.

UshStat®: Phase I/IIa trial ongoing

Usher syndrome is the most common form of deaf-blindness with a US and EU prevalence of approximately 30-50,000 patients (source: Boughman et al, 1983; Gandahl 1987; Hope et al, 1997; Spandau and Rohrschreider, 2002). One of the most common subtypes is Usher syndrome type 1B, which is associated with a mutation of the gene encoding Myosin VIIA (MYO7A). This leads to progressive retinitis pigmentosa combined with a congenital hearing defect. UshStat® aims to address the retinitis pigmentosa aspect of the disease and preserve vision using Oxford BioMedica's LentiVector® platform technology to deliver a

corrected version of the MYO7A gene to retinal cells. A single administration could provide long-term or potentially permanent stabilisation of ocular function. There are currently no treatments available for retinitis pigmentation associated with Usher syndrome type 1B. As such, UshStat® has received European and US Orphan Drug Designation which is expected to bring development, regulatory and commercial benefits. Oxford BioMedica estimates the market size for UshStat® to be $40 million.

UshStat® has been shown to correct the defect caused by mutated MYO7A in an authentic animal model demonstrating clear proof of concept. Results with a prototype version of the product have been published in the peer reviewed article: Hashimoto et al. Gene Ther. 2007 April 14(7):584-94. In October 2011, the FDA approved Oxford BioMedica's IND application for UshStat® and in February 2012, the UshStat® Phase I/IIa study in Usher syndrome type 1B commenced in the US at the Oregon Health & Science University's Casey Eye Institute. Led by Professor Richard Weleber as Principal Investigator, the open label, dose escalation Phase I/IIa study will enrol up to 18 patients and will evaluate three dose levels for safety, tolerability and aspects of biological activity. The Company is in the process of opening a second clinical site in France. Professor Jose-Alain Sahel will lead the French study at the Centre Hospitalier National D'Opthalmologie des Quinze-Vingts, Paris. On 29 June 2012, the Company announced that Sanofi had exercised its option to license UshStat® and in February 2014 the Company announced that the license agreement had been concluded. Under the licence Sanofi were granted global rights to UshStat® across all ocular indications and the Company is eligible for development and commercialisation milestone payments and royalties on any future sales. The parties expect that the management of the ongoing clinical studies will be handed over from the Company to Sanofi during the first half of 2014.

EncorStat®: Phase I/IIa trial preparation

Corneal graft rejection is a significant issue for many of the estimated 60,000 corneal transplants performed worldwide each year (source: Panda et al; Surv. Ophthalmal 52:375-396, 2007). The requirement for corneal transplant may arise from a variety of reasons that cause scarring or "clouding" of the cornea. Although the cornea is one of the most successfully transplanted tissues, a significant number of grafts are rejected due to neovascularisation. Using the same therapeutic genes as RetinoStat®, EncorStat® uses the Company's LentiVector® platform technology to deliver endostatin and angiostatin ex vivo to corneas prior to grafting in order to block neovascularisation and to prevent graft rejection. Currently there are no treatments available to prevent corneal graft rejection due to neovascularisation. Oxford BioMedica estimates the potential peak year sales for EncorStat® to be $80 million.

EncorStat® has shown good efficacy in animal models of corneal graft rejecting, thereby proving the design concept of the product and the ex vivo administration. Results with a prototype version of the product have been published in the peer reviewed article: Murthy et al. Invest Ophthalmol Vis Sci. 2003 May; 44(5):1837-42. Oxford BioMedica held a pre-IND meeting with the FDA in September 2011 for EncorStat® to discuss the proposed development strategy in preparation for a Phase I/II trial. EncorStat had been one of the four products subject to the 2009 collaboration with Sanofi but in February 2014 the Company announced that it had regained worldwide rights to EncorStat from Sanofi, in exchange for broadening Sanofi's rights to StarGen™ and UshStat®. On 19 November 2013, Oxford BioMedica confirmed it had been awarded a £1.8 million grant by the UK's innovation agency, the Technology Strategy Board, which will facilitate the Company funding a Phase I/IIa clinical study for EncorStat® which is planned to be conducted at Moorfields Eye Hospital, London, and is expected to start recruitment in 2015.

Glaucoma-GT: pre-clinical

Glaucoma is a group of eye diseases characterised by vision loss due to damage of the optic nerve. Glaucoma is the second leading cause of blindness worldwide affecting approximately 80 million people by 20201 and leaving 6.7 million people blind (source: Lee& Goldberg 2011). Over 90 per cent. of glaucoma is classed as primary open-angle glaucoma (also known as chronic glaucoma or chronic open-angle glaucoma). By 2017, the total market for glaucoma is estimated to be $6.5 billion (source: Visiongain "Ophthalmic Drugs: World Market Prospects 2013-2023, published 2013).

In October 2011, Oxford BioMedica entered into a research and development collaboration with Mayo Clinic, Rochester (USA) to develop a novel gene therapy for the treatment of chronic glaucoma. Under the

terms of the agreement, Mayo Clinic and Oxford BioMedica will undertake pre-clinical studies to establish the feasibility of treating glaucoma using Oxford BioMedica's proprietary LentiVector® gene delivery technology expressing a COX-2 gene and a PGF-2a receptor gene to reduce intraocular pressure. The collaboration builds on earlier pre-clinical research conducted by Prof. Eric Poeschla MD., Mayo Clinic and his research team, which has established initial proof-of-concept for this approach to treating chronic glaucoma. Glaucoma-GT aims to halt disease and the need for invasive surgery.

Oxford BioMedica has successfully completed initial pre-clinical studies to demonstrate that the LentiVector® platform is both well-tolerated at high vector dose and transduces suitable target cells following transcorneal injection into the front of the eye. In January 2013, the Company decided to evaluate a more translational glaucoma model in order to maximise proof of concept data. Results from this new pre-clinical model have shown successful transduction of target cells following transcorneal delivery to the front of the eye; favourable safety profile at highest vector dose and long-term gene expression out to furthest time point studied (five months). The single transcorneal injection prevents non-compliance and disease progression in the patient population that represents greatest cost to healthcare providers. Oxford BioMedica now plans to initiate its first pre-clinical efficacy study which will evaluate, amongst other measures, the lowering of intraocular pressure. The Company continues to move Glaucoma-GT towards future clinical development, furthering its growing ophthalmology portfolio.

CNS LentiVector® Portfolio

OXB-102/ ProSavin®

OXB-102/ ProSavin® is a novel approach to the treatment of Parkinson's disease. Parkinson's disease affected 2.3 million patients in the seven major markets; US, Japan, UK, France, Germany, Italy and Spain in 2011 and is projected to rise to 2.8 million by 2021 (source: Datamonitor 2012). A patient with Parkinson's disease progressively loses the ability to make the neurotransmitter dopamine, the mediator of the control of movement. The treatment market for Parkinson's disease is expected to reach US$3.5 billion by 2018 (source: Visiongain Parkinson's Disease-World Drug Industry and Market 2014-2024, published 2014).

OXB-102/ProSavin® utilises the LentiVector® platform technology to carry three genes that encode the key enzymes for the synthesis of dopamine. When injected into the appropriate part of the brain, called the striatum, OXB-102/ProSavin® genetically modifies the cells so that they produce dopamine, thereby replacing the dopamine that is lost during the course of the disease. It is anticipated that only a single administration will be required to provide benefit to the patient for a number of years.

In April 2012, Oxford BioMedica announced the successful completion of the ProSavin® Phase I/II study. The study met its primary endpoints, demonstrating that ProSavin® is safe, well-tolerated and provides a statistically significant improvement of motor function relative to baseline at six and 12 months post-treatment. These results were subsequently published in The Lancet in January 2014. Following this study the Company decided to evaluate a more potent vector construct, known as OXB-102, to ensure the greatest chance of success in future randomised Phase II studies. The efficacy arm of the OXB-102 non-clinical programme was successfully completed in 2013. Highlights include: Positron Emission Tomography (PET) data analysis demonstrates direct expression of transgenes and that expression following administration of OXB-102 is increased relative to ProSavin®; and behavioural and movement analysis indicates that OXB-102 is at least five-fold more potent than ProSavin®. A non-clinical toxicology and bio-distribution study is ongoing. In the meantime the company is evaluating the best way to take OXB-102 forward into clinical studies once the toxicology and bio-distribution study is completed. In April 2014, the Company was awarded a £2.2 million grant under the Technology Strategy Board's Biomedical Catalyst competition to support the next development phase for OXB-102.

MoNuDin®

MoNuDin® is being developed for the treatment of Amyotrophic Lateral Sclerosis (ALS) which is the most common form of motor neurone disease. The current pre-clinical programme is a collaboration with VIB/University of Leuven and is being funded by the UK Motor Neurone Disease Association (MNDA). The

Company's LentiVector® technology can deliver the neuroprotective VEGF gene safely and efficiently to the neuronal cells affected by the disease. A route of administration directly into the cerebrospinal fluid bathing the spinal cord has been established. Two forms of vascular endothelial growth factor (VEGF) have since been evaluated using this method. Further pre-clinical work to evaluate the efficacy of these VEGF forms in a model of ALS is ongoing. One of the major hurdles to treating motor neurone disease is ensuring that therapeutic agents are delivered to the relevant site of action in the brain and spinal cord; therefore this collaboration continues to support the future clinical development of MoNuDin®.

Despite being one of the most common neurodegenerative diseases of adult onset, motor neuron disease has a high unmet need. In the US, there are an estimated 30,000 patients with ALS and nearly 6,000 new cases are diagnosed annually (source: ALS Association). If MoNuDin® proves to be an effective neuroprotective treatment that can slow or arrest injury to patients' motor neurons, it would have compelling competitive advantages.

5T4 Technology products

5T4 Tumour Antigen

The 5T4 tumour antigen is a unique protein found on most common types of cancer, which makes it a potentially valuable target for novel anti-cancer interventions. The 5T4 antigen was discovered by scientists at Cancer Research UK (formerly Cancer Research Campaign), which was a founding Shareholder of Oxford BioMedica in 1996 and which granted the Company exclusive rights to its intellectual property relating to the 5T4 antigen.

When cells mutate and become cancerous, they often produce and display different proteins, known as tumour-specific antigens, which in some circumstances can trigger an immune response. Some tumour antigens are unique to tumours, while others may also be found on normal cells in certain organs, often at lower concentrations than on cancerous cells. Immune responses to these antigens may be suppressed because they are considered "self".

Cancer has traditionally been treated by a combination of surgery, radiation and/or chemotherapy. However, preventing the metastatic spread of tumours has proved challenging and requires therapies that can be targeted to the disseminated cancerous cells. The 5T4 antigen is an ideal target given its restricted expression in normal tissues and its high prevalence on the surface of both primary and metastatic cancerous cells.

Active immunotherapy, also called therapeutic vaccination, is designed to treat cancer by stimulating a patient's own immune system to eradicate disseminated cancerous cells and metastases in distant organs. Vaccine strategies that are specific to tumour-associated antigens, such as 5T4, are among the most promising approaches for active immunotherapy.

Monoclonal antibodies targeting tumour antigens are widely used for the treatment of cancer today. Antibodies can function alone (naked) or as conjugates, linked to active moieties such as radioactive isotopes, chemotherapeutics or other toxins. Pre-clinical studies suggest that 5T4 has ideal characteristics as a target for conjugated antibody therapy. 5T4 is the antigen that is a key component of TroVax® and an anti-5T4 antibody is the subject of the targeted immunotherapy collaboration with Pfizer.

TroVax® (MVA-5T4): therapeutic cancer vaccine with a biomarker

TroVax® is a cancer vaccine that has completed 11 clinical trials in colorectal, renal and prostate cancer. It elicits a strong and readily definable immune response. Oxford BioMedica has identified a biomarker, using a simple blood test, which predicts both the magnitude of the induced 5T4 antibody response and treatment benefit. This enables Oxford BioMedica to identify those patients who are most likely to benefit from treatment with TroVax®.

One Phase I/II and two Phase II investigator-led studies are currently underway in the UK to assess the safety and immunological activity of TroVax® in patients with inoperable metastatic colorectal cancer, mesothelioma and ovarian cancer. All of these studies are using the biomarker to select patients for the studies. Expenditure on TroVax® to support the investigator-led Phase II studies will be modest.

5T4 products partnered with Pfizer and ImaginAb

Oxford BioMedica licensed global rights to develop antibodies targeting the 5T4 tumour antigen for the treatment of cancer to Wyeth (acquired by Pfizer in 2009) in 2001. In May 2011, Oxford BioMedica announced that it had broadened its licensing agreement with Pfizer granting non-exclusive rights for the in-vitro diagnostic use of 5T4 antibodies, including an option for commercialisation of a 5T4-based diagnostic. The potential value of this collaboration is now up to US$28 million, which comprises upfront payments, licence option fees and contingent milestone payments that are subject to the achievement of certain project objectives. Oxford BioMedica will also receive royalties on sales of products targeting the proprietary 5T4 antigen that are developed and commercialised by Pfizer. In August 2013, the Company announced that a US$1 million milestone payment from Pfizer Inc. has been triggered by the entry of PF-06263507, a 5T4-targeted investigational antibody therapy, into human clinical trials.

In June 2011, Oxford BioMedica announced its collaboration with ImaginAb to engineer an in vivo diagnostic imaging agent using an antibody fragment targeting the 5T4 tumour antigen. Following proof-of-concept, the agreement includes an option for ImaginAb to negotiate an exclusive licence for commercialisation of an in vivo 5T4-based imaging diagnostic. On that basis, Oxford BioMedica could receive proceeds of up to US$4 million in initiation and development milestone payments, in addition to royalties on product sales, subject to the achievement of certain programme objectives.

Other Products

Oxford BioMedica has some non-core assets for which, although development is no longer funded by the Company, there remains potential to realise value from previously completed clinical and pre-clinical studies. Oxford BioMedica seeks to realise the value of these assets through partnerships, or leverage its historic investment by furthering the development funded by third party research organisations.

Hi-8® PrimeBoost

Heterologous prime-boost immunotherapy involves priming the immune system to a target antigen using one delivery system and then boosting the response by administration of the same antigen but using a different vector. This strategy can stimulate greater levels of immunity, particularly cellular immune responses. Oxford BioMedica's Hi-8® PrimeBoost technology is based on the use of DNA vaccines and recombinant poxvirus vectors.

Hi-8® PrimeBoost is a flexible and powerful technology that could be applied to any disease that can be controlled by a disease-specific cellular immune response such as cancer or infection. In clinical and pre-clinical studies, the technology stimulated potent and specific cellular immune responses targeting melanoma, hepatitis B, HIV/AIDS and tuberculosis. This technology has already been the subject of a licensing agreement with Emergent Biosolutions Inc. with an initial payment of US$1 million and potential milestone payments of up to US$20.4 million, signed in August 2010.

3. Technology Licensing

The Company has actively sought revenue generating out-licensing deals and a total of 16 have been successfully completed. The table below list these deals:

No	*Date*	*Party*	*Subject*	*Details*
1	2014	Sanofi	StarGen® and UshStat®	Exclusive; option exercise fee, milestones and royalties
2	2013	GlaxoSmithKline	LentiVector®	Non-exclusive patent licence for six orphan indications. Upfront and annual payments and royalties
3	2013	Biotech Company	LentiVector®	Non-exclusive patent licence for undisclosed indication. Upfront, milestones and royalties

No	*Date*	*Party*	*Subject*	*Details*
4	2012	ImaginAb	5T4 antibody technology	Exclusive to 5T4 antibody for imaging and diagnostics; option exercise fee, milestones and royalties
5	2010	Emergent Biosolutions Inc	Prime-boost technology	Non-exclusive for undisclosed group of diseases; upfront, milestones and royalties
6	2010	Bavarian Nordic	PrimeBoost technology	Non-exclusive for Bavarian Nordic products; milestones and royalties
7	2007	Large Biotech Confidential	LentiVector®	Non-exclusive patent licence for research use only. Upfront payment
8	2006	Large Pharma Confidential	LentiVector®	Non-exclusive patent licence for research use only. Upfront payment
9	2005	Large Biotech Confidential	LentiVector®	Non-exclusive patent licence for research use only. Upfront and annual payments
10	2004	Biogen Idec	LentiVector®	Non-exclusive patent licence for only. Upfront and annual payments research use
11	2004	Merck & Co	LentiVector®	Non-exclusive patent licence for only. Upfront and annual payments research use
12	2005	Pfizer	LentiVector®	Non-exclusive patent licence for research use only. Upfront and annual payments converted to a perpetual licence by a single payment
13	2005	Large Biotech	LentiVector®	Non-exclusive patent licence for research use only. Upfront and annual payments now terminated due to the licensee being acquired by another company
14	2005	Sigma-Aldrich Inc	LentiVector®	Exclusive licence in research reagent field to make and sell etc. Upfront and royalties; US$5 million equity investment
15	2004	MolMed	Graft vs Host Disease patents	Licence Agreement; Upfront, milestones and royalties
16	2001	Pfizer (Wyeth)	5T4 Antibody technology	Option and licence agreement to use 5T4 mab linked to Wyeth calichaemicin technology. Upfront, milestones and royalties

4. Selected financial information

The selected financial information set out below has been extracted without material adjustment from the audited report and accounts of the Group for the years ended 31 December 2011, 31 December 2012 and 31 December 2013 prepared under IFRS.

	Year ended 31 December 2011 £'000 Audited	*Year ended 31 December 2012 £'000 Audited*	*Year ended 31 December 2013 £'000 Audited*
Revenue	7,718	7,756	5,375
Operating Loss	(14,438)	(10,487)	(12,823)
Loss per Ordinary Share (basic and adjusted)	(1.35p)	(0.76p)	(0.79p)
Net assets	17,771	19,643	8,898
Net current assets	11,123	13,320	2,727
Cash resources[(1)]	14,335	14,061	2,169
Shareholders' funds	17,771	19,643	8,898

(1) The aggregate of cash and cash equivalents and current financial assets: available for sale investments.

5. Directors and Senior Management

The Board

The Company has a board of directors headed by a Non-executive Chairman with management led by a Chief Executive. The Board comprises a Non-executive Chairman, three Non-executive Directors and three Executive Directors as set out below:

Nick Rodgers	*Chairman*
John Dawson	*Chief Executive Officer*
Tim Watts	*Chief Financial Officer*
Peter Nolan	*Senior Vice President, Commercial Development*
Dr. Paul Blake	*Non-executive Director*
Dr. Andrew Heath	*Deputy Chairman and Senior Independent Director*
Martin Diggle	*Non-executive Director*

Nick Rodgers (55), *Chairman*

Mr Rodgers was appointed a Director in March 2004 and became Chairman in May 2011. Mr Rodgers is a former investment banker with considerable experience in the life sciences sector. He is currently chairman of SEHTA Enterprises Limited, the commercial arm of South East Health Technologies Alliance and a director of Productiv Limited, an automotive technology enabler. Until January 2013 he was chief executive of Ipso Ventures plc having been Head of Life Sciences and Joint-Head of Corporate Finance at Evolution Beeson Gregory until December 2003. Mr Rodgers qualified as an accountant with Ernst & Young.

John Dawson (54), *Chief Executive Officer*

Mr Dawson was appointed a Director in August 2008 and became Chief Executive Officer in October 2008. From 1996 to 2007, Mr Dawson held senior management positions in the European operations of Cephalon Inc. including, from 2005, a management board position as chief financial officer and Head of Business Development, Europe. In his time at Cephalon he led many of the deals that built the European business to over 1,000 people, taking the business from having no sales in 1998 to revenue of several hundred million US dollars. In 2005, Mr Dawson led the US$360 million acquisition of Zeneus by Cephalon. Between 1991 and 1996 he was director of Finance and Administration of Serono Laboratories (UK) Limited.

Tim Watts (56), *Chief Financial Officer*

Mr Watts was appointed a Director and Chief Financial Officer in February 2012. Mr Watts has over 20 years' experience in the Pharmaceutical and Biotech sectors. From 1 January 2014 he has become a director of the UK BioIndustry Association. In 1985 he joined ICI, initially in the corporate headquarters and from 1990 in the pharmaceuticals division, eventually becoming finance director of the Zeneca Pharmaceuticals business. Following the merger of Astra and Zeneca, Mr Watts became group financial controller of AstraZeneca PLC in 2001. In 2007 he left AstraZeneca to become chief financial officer at Archimedes Pharma. Mr Watts is a member of the Institute of Chartered Accountants in England and Wales.

Peter Nolan (61), *Senior Vice President, Commercial Development*

Mr Nolan was appointed to the Board in May 2002 having been a senior member of the Company since its foundation. Until the end of 2013 he was a director of the UK BioIndustry Association and he is a past chairman of the Oxfordshire Bioscience Network. Prior to joining Oxford BioMedica, Mr Nolan served as Head of the Biotechnology Unit at the UK Department of Trade & Industry for eight years. In that role he was responsible for establishing and managing complex collaborative research programmes involving industry, research councils and other government departments.

Andrew Heath (65), *Deputy Chairman and Senior Independent Director*

Dr Heath was appointed a Director in January 2010 and became Deputy Chairman and Senior Independent Director in May 2011. Dr Heath is a biopharmaceutical executive with in-depth knowledge of US and UK capital markets and international experience in marketing and sales, R & D and business development. He was chief executive officer of Protherics plc from 1997 to 2008, taking the Company from 30 to 350 staff and managing its eventual acquisition by BTG for £220 million. Prior to this, Dr Heath held senior positions at Astra AB and Astra USA, including vice president Marketing & Sales, and at Glaxo Sweden as associate medical director.

Paul Blake (65), *Non-executive Director*

Dr Blake was appointed a Director in January 2010. Dr. Blake has over 30 years international pharmaceutical/biotech experience. From 2006 to 2014 he was senior vice president and chief medical officer of Æterna Zentaris Inc., a global biopharmaceutical company focused on oncology and endrocrine therapy. From 2001 to 2006, he held senior management positions at Cephalon Inc, including executive vice president, Worldwide Medical & Regulatory Operations from 2005. Dr Blake's previous positions include senior vice president and medical director, Clinical Research and Development at SmithKline Beecham Pharmaceuticals. He gained his medical degree from the London University, Royal Free Hospital.

Martin Diggle (51), *Non-executive Director*

Mr Diggle was appointed a Director in October 2012. Mr Diggle is a founder of Vulpes Investment Management, a Cayman Fund Manager which currently manages five funds including the Vulpes Life Sciences Fund which is the Group's largest Shareholder. An investment professional with over 29 years' experience in investment banking and fund management, Mr Diggle has extensive, first-hand knowledge of the global financial markets and is an expert in emerging markets and Russia, in particular, where he was a partner and director of UBS Brunswick between 1994 and 2003. He has been an investor in life sciences and biotechnology since 1999 and has developed a passionate interest in the sector having worked closely with several companies as a stakeholder over the past decade. Mr Diggle holds a master's degree in Philosophy, Politics and Economics from University of Oxford.

6. Corporate Governance

The Board

The Board is collectively responsible for promoting the success of the Group by directing and supervising the Group's activities to create shareholder value. In doing so it ensures there are robust corporate governance and risk management processes in place. The Board considers that it complies with the UK

Corporate Governance Code except where indicated below. The Board's powers and responsibilities are set out in the Company's articles of association and it has a formal schedule of matters reserved for the Board's approval. Certain responsibilities are delegated to three board committees – the Audit, Nomination and Remuneration committees. These committees operate under clearly defined terms of reference which are disclosed on the Group's website.

The Chairman met the independence criteria recommended by the UK Corporate Governance Code when he was appointed in May 2011. Andrew Heath, the Senior Independent Director, and Paul Blake are considered to be independent. Martin Diggle is a founder of Vulpes Investment Management which, through its Vulpes Life Sciences Fund, is the Group's largest investor and as such he is not considered independent under the UK Corporate Governance Code. The Group therefore complies with provision B.1.2 of the UK Corporate Governance Code which recommends that a small company should have at least two independent Non-executive Directors.

There is a clear division of responsibilities between the Chairman and Chief Executive Officer. All Directors and the Board and its committees have access to advice and services of the Company Secretary, and also to external professional advisers as required. The appointment and removal of the Company Secretary is a matter for the Board as a whole to consider. The Chairman's other commitments do not adversely impact the time he can devote to the Group.

The Board meets 10 times annually with meeting dates agreed for each year in advance. The Chairman holds meetings from time to time with Non-executive Directors without the Executive Directors in attendance.

The Board recognises the importance of effective communication with Shareholders and endeavours to achieve this using a variety of channels.

The Board is responsible for determining the nature and extent of the risks it is willing to take in achieving the objectives of the Group. The Executive Directors are accountable for identifying the risks and formulating risk mitigation plans. The active involvement of the Executive Directors in the management committees allows them to monitor and assess significant business, operational, financial, compliance and other risks. The Executive Directors provide reports to each board meeting covering, *inter alia*, financing, investor relations, research and development, clinical development, financial performance, commercial interactions and intellectual property management.

Audit Committee

The Audit Committee comprises two Non-executive Directors: Nick Rodgers (Chairman) and Andrew Heath. The Board considers that both members of the Audit Committee possess recent and relevant financial experience. Provision C.3.1 of the UK Corporate Governance Code states that the company Chairman should not chair the Audit Committee. When the composition of Board and its committees was re-organised in May 2011, Nick Rodgers became Company Chairman and retained the chair of the Audit Committee. The Board recognises that this arrangement is not in compliance with the UK Corporate Governance Code and the intention is to appoint an appropriately qualified independent Non-executive Director who could chair the Audit Committee.

The primary duties of the Audit Committee, as set out in its written terms of reference which is available on the Group's website, are to a) keep under review the Company's reporting and internal control policies and procedures; b) oversee the relationship with the external auditors including their appointment, subject to approval by Shareholders at the AGM, remuneration, independence and the provision of non-audit services; and c) review and recommend to the Board the financial statements and associated announcements.

Provision C.3.5 of the UK Corporate Governance Code states that the Audit Committee should review the effectiveness of the Company's internal audit function. The Audit Committee considers that, given the size of the Company, it is unnecessary for it to have an internal audit function.

Nomination Committee

The Nomination Committee leads the process for making appointments to the Board, and comprises the Non-executive Directors and the Company Chairman, who is Chairman of the Nomination Committee.

Remuneration Committee

The Remuneration Committee comprises three Non-executive Directors: Paul Blake (chairman), Andrew Heath and Martin Diggle. The Remuneration Committee determines, on behalf of the Board, the Company's policy for executive remuneration and the individual remuneration packages for the Executive Directors including awards under the LTIP. At the Committee's invitation or request, the Chief Executive Officer and other Directors may be in attendance at the meetings of the Remuneration Committee. The Committee has access to professional advice, both inside and outside the Company as required. The Company's policy on remuneration is to attract, retain and incentivise the best staff in a manner consistent with the goals of corporate governance. In setting the Company's remuneration policy, the Remuneration Committee considers a number of factors, including the basic salaries and benefits available to Executive Directors of comparable companies.

Internal control

The Directors are responsible for Oxford BioMedica's system of internal control and for reviewing its effectiveness. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute, assurance against material misstatement or loss. In addition the Board annually reviews the effectiveness of all significant aspects of internal control, including financial, operational and compliance controls and risk management.

7. Employees

As at 27 May 2014 (being the latest practicable date before the publication of this document), the Group had 106 permanent employees, all of whom are employed in the UK. The average number of employees employed by the Group during the periods covered by the historical financial information on Oxford BioMedica contained in this document breaks down as follows:

	Year ended 31 December 2011	*Year ended 31 December 2012*	*Year ended 31 December 2013*
Average headcount employed in year			
Research and development	76	73	81
Administration	10	10	14
	86	83	95

Part 4

Financial Information Relating to Oxford BioMedica Plc

The following documents, all of which are available on the Company's website at www.oxfordbiomedica.co.uk, are incorporated into this document by reference.

(a) Oxford BioMedica's 2013 Annual Report and Accounts comprising Oxford BioMedica's audited consolidated financial statements for the year ended 31 December 2013 under IFRS together with relevant notes. The independent auditors' report is on pages 60 to 64, the consolidated balance sheet as at 31 December 2013 is on page 66, the consolidated statement of comprehensive income for the year ended 31 December 2013 is on page 65, a statement of changes in equity is on page 68, the consolidated statement of cash flows is on page 67 and the accounting policies and explanatory notes are on pages 69 to 93;

(b) Oxford BioMedica's 2012 Annual Report and Accounts, comprising Oxford BioMedica's audited consolidated financial statements for the year ended 31 December 2012 under IFRS together with relevant notes. The independent auditors' report is on page 50, the consolidated balance sheet as at 31 December 2012 is on page 52, the consolidated statement of comprehensive income for the year ended 31 December 2012 is on page 51, a statement of changes in equity is on page 54, the consolidated statement of cash flows is on page 53 and the accounting policies and explanatory notes are on pages 55 to 77; and

(c) Oxford BioMedica's 2011 Annual Report and Accounts, comprising Oxford BioMedica's audited consolidated financial statements for the year ended 31 December 2011 under IFRS together with relevant notes. The independent auditors' report is on page 59, the consolidated balance sheet as at 31 December 2011 is on page 61, the consolidated statement of comprehensive income for the year ended 31 December 2011 is on page 60, a statement of changes in equity is on page 63, the consolidated statement of cash flows is on page 62 and the accounting policies and explanatory notes are on pages 64 to 89.

Oxford BioMedica will provide without charge to each person to whom a copy of this document has been delivered, upon the written or oral request of such person, a copy of any documents incorporated by reference in this document except that exhibits to such documents will not be provided unless they are specifically incorporated by reference into this document. Requests for copies of any such documents should be directed to:

Oxford BioMedica Plc
Medawar Centre
Robert Robinson Avenue
The Oxford Science Park
Oxford OX4 4GA

Attn: Tim Watts Company Secretary
Telephone: +44(0)1865 783 000

Part 5

Operating and Financial Review of Oxford BioMedica plc

This operating and financial review should be read together with Oxford BioMedica's audited consolidated profit and loss account, consolidated balance sheet, consolidated cash flow statement and accompanying notes to the financial statements for the financial years ended 31 December 2011, 31 December 2012 and 31 December 2013, which are incorporated by reference in Part 5 of this document and described in "Documentation Incorporated by Reference" on page 125 of this document. These were all prepared in accordance with IFRS.

Investors should read the whole of this document and should not just rely on the summary operating and financial information set out in this Part 5. For the convenience of the reader, financial amounts have been rounded, and as a result of such rounding adjustments, figures shown as totals in the discussion and analysis may not be exact arithmetic aggregations of the figures shown in the tables.

This discussion involves forward-looking statements based on assumptions about the Company's future business. The Company's actual results could differ materially from those contained in the forward-looking statements.

The principal risks and uncertainties facing the business are discussed in the section entitled "Risk Factors" at the front of this document.

1. Introduction

The Group's strategy, product portfolio and technology platforms are discussed in Part 3 of this document.

The principal risks and uncertainties facing the business are discussed in the Risk Factors section of this document. The Directors seek to mitigate these risks in a number of ways; the most important risk-management strategies are maintaining a portfolio of product candidates rather than relying on the success of a single product, and limiting the investment in product development through the strategy of licensing to development partners.

A summary of the Group's financial information and a financial review covering the financial years ended 31 December 2011, 31 December 2012 and 31 December 2013 are set out below.

2. Summary financial information

Income statement

	Audited Year ended 31 December 2011 £'000	*Audited Year ended 31 December 2012 £'000*	*Audited Year ended 31 December 2013 £'000*
Revenue	7,718	7,756	5,375
Cost of sales	(555)	(667)	(1,140)
Gross profit	7,163	7,089	4,235
Research and development costs (pre-exceptional)	(14,710)	(14,015)	(13,750)
Research and development costs (exceptional)	(3,136)	–	–
Administrative expenses	(3,811)	(3,619)	(3,422)
Other operating income: grants receivable	56	58	114
Operating loss	(14,438)	(10,487)	(12,823)
Net finance income	136	138	60
Loss before tax	(14,302)	(10,349)	(12,763)
Taxation	1,671	1,619	1,667
Loss for the financial period	(12,631)	(8,730)	(11,096)

Balance Sheet

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Assets			
Non-current assets			
Intangible assets	3,106	2,931	2,633
Property, plant and equipment	4,213	3,902	4,070
	7,319	6,833	6,703
Current assets			
Inventories	–	–	680
Trade and other receivables	2,800	1,705	2,592
Current tax assets	1,641	1,824	1,500
Financial assets: available for sale investments	7,500	5,105	–
Cash and cash equivalents	6,835	8,956	2,169
	18,776	17,590	6,941
Current liabilities			
Trade and other payables	3,226	2,702	2,934
Deferred income	4,386	1,568	1,280
Provisions	41	–	–
	7,653	4,270	4,214
Net current assets	11,123	13,320	2,727
Non-current liabilities			
Deferred income	170	–	–
Provisions	501	510	532
Net assets	17,771	19,643	8,898
Shareholders' equity			
Ordinary shares	9,449	14,162	14,162
Share premium	124,755	130,304	130,304
Merger reserve	14,310	14,310	14,310
Other reserves	(682)	(682)	(682)
Losses	(130,061)	(138,451)	(149,196)
Total equity	17,771	19,643	8,898

3. Group operating and financial performance

(a) ***Revenue***

The Group's revenue since 2011 has mainly been derived from product development collaborations, however development of the manufacturing facility and capabilities through 2011 and 2012 led to a significant level of manufacturing income in 2013:

Analysis of revenue by source

	Audited Year ended 31 December 2011 £'000	*Audited Year ended 31 December 2012 £'000*	*Audited Year ended 31 December 2013 £'000*
Manufacturing income	–	–	1,575
Ocular collaboration revenue	7,316	5,346	1,659
Fees for development services	–	–	1,008
Sanofi – exercise of StarGen™ and UshStat® options	–	1,913	–
Other technology licences & other revenue	402	497	1,133
Total revenue	7,718	7,756	5,375

The ocular collaboration with Sanofi which was initiated in April 2009 has two elements: a non-refundable upfront payment of US$26 million (£16.6 million) which was received in 2009, and R&D funding of up to US$24 million which is receivable over the current phase of the collaboration. Revenue recognised in 2013 for this collaboration comprised the remaining upfront payment of £787,000 (2012: £3.4 million) and £872,000 of R&D funding (2012: £1.9 million). All upfront payment income has now been recognised as revenue. R&D funding income of £673,000 has been deferred and is expected to be recognised in 2014.

Manufacturing income relates to the manufacture of product for Novartis. Revenue is recognised on a percentage of completion basis dependent on the stage of completion of the contract.

All the revenue was generated from operations in the United Kingdom. A summary of revenue analysed by location of customers is as follows:

Analysis of revenue by location of customers

	Audited Year ended 31 December 2011 £'000	*Audited Year ended 31 December 2012 £'000*	*Audited Year ended 31 December 2013 £'000*
Europe	7,379	7,376	4,316
Rest of world	339	380	1,059
Total revenue	7,718	7,756	5,375

(b) ***Cost of Sales***

Cost of sales

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Total cost of sales	555	667	1,140

Cost of sales comprises the royalty payable to third party licensors attributable to upfront and milestone payments that are recognised as revenue and, for the first time in 2013, cost of sales arising on the manufacturing of product for third parties.

(c) ***Operating expenses***

Analysis of pre-exceptional operating expenses

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Pre-exceptional research and development costs	14,710	14,015	13,750
Pre-exceptional administrative expenses	3,811	3,619	3,422
Total pre-exceptional operating expenses	18,521	17,634	17,172

(i) *Research and development costs*

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
External pre-clinical & clinical costs	4,766	3,783	2,799
In-house R&D costs	9,494	9,862	10,555
Amortisation of intangibles	450	370	396
Total pre-exceptional research & development costs	14,710	14,015	13,750

R&D costs comprise external costs (pre-clinical studies, GMP manufacturing, regulatory costs, and clinical trials), in-house expenditure (staff, GMP manufacturing, R&D consumables, intellectual property, facilities and depreciation of R&D assets), and amortisation of intangibles. External pre- clinical and clinical costs in 2013 were lower than 2012 as a result of voluntarily pausing clinical trials in mid-2013 due to identification of potential impurities in the manufacturing process. Clinical trials were resumed in October 2013 after an investigation found that there were no safety concerns in respect of the potential impurity identified. Costs were lower in 2012 than 2011 due to closing down operations in the USA. An increase in in-house R&D is due mainly to the increased capacity and on-going capability development of the manufacturing facility which was acquired in February 2011.

(ii) *Analysis of headcount*

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
R&D headcount at period end	87	68	93
Administration headcount at period end	11	13	13
Total headcount at period end	98	81	106
R&D headcount average	76	73	81
Administration headcount average	10	10	14
Total headcount average	86	83	95

Headcount decreased during 2012 due to a redundancy programme in February 2012 and the closure of the US office. During 2013 staff numbers increased, driven mainly by the need to staff the new manufacturing facility.

(iii) *Pre-exceptional administrative expenses*

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Administrative staff costs	2,072	1,795	2,101
Legal costs	201	165	113
Other administrative expenses	1,538	1,659	1,208
Total pre-exceptional administrative expenses	3,811	3,619	3,422

Administrative staff costs of £2.1 million in 2013 were higher than in 2012 due to an increase in average headcount between the respective periods.

Other administrative expenses of £1.7 million in 2012 were higher than 2013 and 2011 due to professional fees of £0.4 million incurred in relation to a confidential corporate project.

(iv) *Exceptional operating expenses*

Exceptional items represent significant items of income or expense which due to their nature or the expected infrequency of the events giving rise to them, are presented separately on the face of the statement of comprehensive income to give a better understanding to Shareholders of the elements of financial performance in the year, so as to facilitate comparison with prior periods and to better assess trends in financial performance.

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Research and development costs:			
Impairment of intangible assets	3,136	–	–
Total exceptional costs	3,136	–	–

In 2011, at the conclusion of a divestment process which did not secure a partner for Hi8®-Mel, the residual carrying value of £3.1 million was written off.

(d) ***Finance income and cost***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Interest receivable – bank	144	141	64
Interest payable – discount on provisions	(8)	(3)	(4)
Net finance income	136	138	60

The Group places its cash in bank deposits for periods of up to 12 months and generates interest on those deposits. The maturity profile of deposits is intended to match planned expenditure. Cash in deposits which mature between 3 and 12 months are classified as available for sale investments. The decrease in interest receivable in 2013 compared to 2012 is due to lower levels of cash to invest plus lower interest received on notice corporate deposits in 2013 when compared to the longer maturity, higher interest products used in prior years. The Group has no debt, but is recognising as a finance expense the discount on a lease provision and a dilapidation provision.

(e) ***Tax***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
UK R&D tax credit	1,728	1,617	1,642
Overseas tax credit / (payable)	(57)	2	25
Net tax credit	1,671	1,619	1,667

Oxford BioMedica's UK operating subsidiary is entitled to claim an R&D tax credit which is payable in cash to the Company. The credit is based on certain eligible expenses, to which a mark-up of 125 per cent. (100 per cent. before 1 April 2012, 75 per cent. before 1 April 2011) and a tax rate of 11 per cent. (12.5 per cent. before 1 April 2012, 14 per cent. before 1 April 2011) are applied. The reimbursement of R&D costs by Sanofi reduces the net eligible expenses for R&D credit.

(e) ***Intangible assets***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Intellectual property rights			
Cost	5,298	5,493	5,591
Amortisation	(2,192)	(2,562)	(2,958)
Net book value of intangibles	3,106	2,931	2,633

In-process R&D relates to the product Hi8®-MEL acquired as part of the acquisition of Oxxon Therapeutics Limited in 2007. During 2011 a process to divest Hi8®-MEL was concluded without securing a partner. The asset was fully impaired in 2011 with a charge of £3.1 million.

(g) ***Property, plant and equipment***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Cost			
Freehold property	3,115	3,130	3,225
Leasehold improvements	3,011	2,604	2,623
Laboratory & office equipment	3,922	4,161	4,886
	10,048	9,895	10,734
Depreciation			
Freehold property	45	258	476
Leasehold improvements	2,810	2,449	2,515
Laboratory & office equipment	2,980	3,286	3,673
	5,835	5,993	6,664
Net book value	4,213	3,902	4,070

On 25 February 2011 the Group purchased a freehold property in Oxford, UK comprising a manufacturing facility and associated offices and laboratories for £1,896,000 including costs of acquisition. The facility was previously approved by the Medicines and Healthcare products Regulatory Agency (MHRA) to Good Manufacturing Practice standards and received MHRA approval in June 2012 to manufacture bulk drug material for investigational Medicinal Products. Oxford BioMedica has invested a further £1,219,000 on the building and £477,000 on plant and equipment in order to commission the facility, a process which was substantially complete by 31 December 2011.

A further £110,000 of capital expenditure relating to the freehold property was made in 2012 and 2013. The majority of laboratory & office equipment capital expenditure of £1,009,000 in 2012 and 2013 relates to plant and equipment required to operate the manufacturing facility at full capacity.

(h) ***Inventories***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Raw Materials	–	–	558
Work in progress	–	–	122
Total inventories	–	–	680

Inventories constitute raw materials held for commercial manufacturing purposes, and work-in-progress inventory related to contractual manufacturing obligations.

(i) ***Trade and other receivables***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Trade receivables	154	315	1,040
Accrued income	33	400	637
Other receivables	1,114	324	313
Prepayments	1,499	666	602
Total trade and other receivables	2,800	1,705	2,592

Trade and other receivables at 31 December 2013 were significantly higher than at 31 December 2012 mainly due to an outstanding debt of £450,000 from Novartis. This related to manufacturing activity undertaken for Novartis towards the end of 2013, against which there was no comparative activity in 2012.

The 2011 balance included £0.7 million of prepaid costs of the January 2011 share issue.

(j) ***Current tax assets***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Tax credit for the current year	1,641	1,824	1,500
Total current tax assets	1,641	1,824	1,500

Current tax assets in the balance sheet are amounts receivable for UK R&D tax credit. Tax credit is received in arrears following the submission of UK corporation tax returns subsequent to each year end.

(k) ***Trade and other payables***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Trade payables	1,200	881	1,218
Accruals	1,865	1,664	1,515
Taxation & social security	161	157	201
Total trade and other payables	3,226	2,702	2,934

Fluctuations in trade and other payables between the 31 December 2011, 2012 and 2013 are due to supplier invoice and cash payment timing differences.

(l) ***Deferred income***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Ocular deferred income (current)	4,262	1,408	673
Ocular deferred income (non-current)	170	–	–
Other deferred income (current)	124	160	607
Total deferred income	4,556	1,568	1,280

Deferred revenue reflects payments received under licensing and other agreements that exceed the amount of recognised revenue.

(m) ***Provisions***

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Onerous lease provision	41	–	–
Dilapidation provision	501	510	532
Total provisions	542	510	532

The dilapidations provision relates to anticipated costs of restoring the leasehold property in Oxford, UK to its original condition at the end of the present lease in 2016, discounted using the rate per the Bank of England nominal yield curve. The provision will be utilised at the end of the leases if they are not renewed.

The onerous lease provision related to the estimated rental shortfall in respect of a redundant property in San Diego, USA which was sub-let for the remainder of the lease term until June 2012, discounted using the rate per the Bank of England nominal yield curve. The provision was fully utilised in 2012.

(n) ***Share capital***

The proceeds and costs of share issues between 2011 and 2013 are set out below.

Issues of shares – proceeds & costs

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Shares issued in placing and open offer	20,000	11,584	–
Shares issued to licensors or patent rights	–	195	–
Costs of share issues	(1,632)	(1,517)	–
Net value of shares issued in the period	18,368	10,262	–

(o) ***Cash position and cash flows***

As at 31 December 2013 the Group did not have any borrowings or committed facilities, and had financed its operations out of cash raised from the sale of Ordinary Shares and from commercial activities. The Group's policy is to place funds with financial institutions rated at least A and to distribute deposits between several banks.

On 6 January 2014 shareholders approved a £5 million secured loan facility provided by Vulpes Life Sciences fund to the Group. In March 2014 £1,500,000 was drawn down from the facility. Interest of 10 per cent. per annum accrues on the balance drawn down.

A key measure adopted by cash-consuming development companies is the 'cash burn' or when the cash flows are positive, the 'cash generated'. This measure is not readily identifiable in a cash flow statement produced under IFRS, but it can be computed as the aggregate of the cash flow from operating activities, the proceeds of sale of property, plant and equipment, and the purchase of property, plant and equipment and intangible assets. Similarly, total cash resources are not readily identifiable in a balance sheet prepared under IFRS, but can be computed as the sum of financial assets: available for sale investments and cash and cash equivalents.

	Audited 31 December 2011 £'000	*Audited 31 December 2012 £'000*	*Audited 31 December 2013 £'000*
Cash used in operations	(14,323)	(11,470)	(13,005)
Interest paid	–	(3)	(4)
Tax credit received	1,418	1,500	1,990
Overseas tax paid	(78)	(64)	–
Net cash used in operating activities	(12,983)	(10,037)	(11,019)
Purchases of property, plant and equipment	(3,640)	(476)	(839)
Purchases of intangible assets	(9)	(195)	(98)
Interest received	144	172	64
'Cash burn'	(16,488)	(10,536)	(11,892)
Proceeds from issue of shares	20,000	11,779	–
Costs of share issues	(1,430)	(1,517)	–
Net proceeds of share issues	18,570	10,262	–
Financial assets: available for sale investments	7,500	5,105	–
Cash and cash equivalents	6,835	8,956	2,169
'Cash resources'	14,335	14,061	2,169

The total of cash, cash equivalents and available for sale investments at the end of 2013 was £2.2 million.

Cash burn was £11.9 million in 2013, compared to £10.5 million in 2012 and £16.5 million in 2011.

Cash used in operations in 2013 was £13.0 million, £1.5 million more than in 2012 due to an increased investment in working capital.

(p) ***Non-financial information***

Details of Oxford BioMedica's research and development, commercial manufacturing, intellectual property, product pipeline, clinical development and its collaborations are in Part 3 'Information on Oxford BioMedica plc' of this document. Details of the Directors are in Part 6, paragraph 7 of this document entitled 'Directors of Oxford BioMedica'.

(q) ***Other matters***

Since the end of the last financial year, there are no trends in production, sales and inventory, costs and selling prices that are expected to have a material effect on the current financial period.

Although there have been numerous updates to accounting standards and interpretations under IFRS since 2007, none had a material impact on the Company's accounting policies or the financial information presented in this prospectus.

Part 6

Additional Information

1. Responsibility

The Company and the Directors, whose names are set out on page 30 of this document, accept responsibility for all the information contained in this document. To the best of the knowledge and belief of the Company and 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 contains no omission likely to affect its import.

2. The Company

2.1 The Company was incorporated on 20 September 1996 under the Companies Act 1985 as a private company limited by shares and registered in England and Wales under number 3252665 with the name Pinco 838 Limited. The Company was re-registered as a public company on 30 October 1996, on which date the name of the Company was changed to Oxford BioMedica plc.

2.2 The registered and head office of the Company is at the Medawar Centre, Robert Robinson Avenue, Oxford Science Park, Oxford OX4 4GA, United Kingdom (telephone number +44 (0) 1865 783 000).

2.3 The principal legislation under which the Company operates and under which the shares were and are created is the Companies Act (including the Companies Act 1985) and the regulations made thereunder.

3. Share capital

3.1 The issued and fully paid up share capital of the Company as at 27 May 2014 (being the latest practicable date before the publication of this document) was as follows:

Existing Ordinary Shares of one pence each	*Issued*	*Number*
	£14,162,000	1,416,149,005

The issued and fully paid up share capital of the Company immediately following Admission (assuming there has been no exercise of share options under the Share Schemes and full take up of the Open Offer) will be as follows:

Ordinary Shares of one pence each	*Issued*	*Number*
	£26,993,976.21	2,699,397,621

3.2 On 1 January 2011 (being the date of commencement of the period for which historical financial information on Oxford BioMedica has been provided in this document), the authorised share capital of the Company was £5.45 million divided into 544,875,557 Ordinary Shares of one pence each in nominal value all of which were issued and fully paid. Since that date the following changes have been made to the authorised and issued share capital of the Company:

(a) on 10 January 2011, 400,000,000 Ordinary Shares were allotted and issued at a price per share of 5.0 pence pursuant to a firm placing and placing and open offer by the Company;

(b) 26 July 2012, 463,362,652 Ordinary Shares were allotted and issued at a price per share of 2.5 pence pursuant to a firm placing and placing and open offer by the Company; and

(c) On 14 November 2012, 7,910,796 Ordinary Shares were allotted and issued at a price per share of 2.47 pence to licensors of patent rights.

3.3 If Shareholders vote in favour of the Resolutions set out in the Notice of General Meeting and if the Resolutions become unconditional:

(a) pursuant to Resolution 1, the Directors will be unconditionally authorised, in accordance with section 551 of the Companies Act, to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into such shares (all of which transactions are hereafter referred to as an allotment of "relevant securities"), up to an aggregate nominal amount of £12,832,486.16 pursuant to the Firm Placing, Subscription, Related Party Subscription and Open Offer which authority will be in addition to any existing authority conferred, which shall continue in full force and effect. The authority conferred by this resolution shall expire (unless previously revoked or varied by the Company in general meeting) on the conclusion of the next annual general meeting of the Company or the date 15 months from the date of the passing of this resolution, whichever is earlier, save that the Company may, before such expiry, revocation or variation make an offer or agreement which would or might require relevant securities to be allotted after such expiry, revocation or variation and the Directors may allot relevant securities in pursuant of such offer or agreement as if the authority conferred had not expired or been revoked or varied; and

(b) pursuant to Resolution 2, the Directors will be given power to allot equity securities as defined by section 560 of the Companies Act for cash pursuant to the authority under section 570 of the Companies Act conferred on them by the Resolution referred to at 3.3(a) above as if section 561 of the Companies Act did not apply to the allotment. Such power shall, subject to the continuance of the authority conferred by the Resolution referred to at 3.3(a) above, expire on the conclusion of the next annual general meeting of the Company or the date 15 months from the date of the passing of the Resolution, whichever is earlier, but may be revoked or varied from time to time by Special Resolution so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied.

3.4 Save as disclosed in paragraph 3.10 of this Part 6, neither Oxford BioMedica nor any of its subsidiaries has granted any options over its share or loan capital which remain outstanding or has agreed, conditionally or unconditionally, to grant any such options.

3.5 The Existing Ordinary Shares currently in issue are, and the New Ordinary Shares will be, in registered form and capable of being held in uncertificated form in CREST. Where New Ordinary Shares are held in certificated form, share certificates will be sent to the registered member by first class post.

3.6 When admitted to trading, the New Ordinary Shares will be registered with the International Security Identification Number ISIN GB0006648157 the same as the current ISIN number for Existing Ordinary Shares.

3.7 The New Ordinary Shares to be issued pursuant to the Firm Placing, Subscription, Related Party Subscription and Open Offer will be credited as fully paid and will rank equally in all respects with the Existing Ordinary Shares, including the right to receive any dividends or distributions made, paid or declared after Admission.

3.8 Immediately following Admission there are no Ordinary Shares currently available for issue on exercise of the outstanding share options granted to certain Directors and employees of the Group under the Share Schemes detailed at paragraph 3.10 of this Part 6.

3.9 The provisions of section 561 of the Companies Act and the Listing Rules confer on Shareholders rights of pre-emption in respect of the allotment of equity securities (as defined in section 560 of the Companies Act) which are to be paid up in cash, except to the extent disapplied by resolutions of the Company including the Resolutions.

3.10 As at 27 May 2014 (the latest practicable date prior to the publication of this document) the following share options granted to certain Directors and employees of the Group under the Share Schemes were outstanding:

	Date options granted (and term where (relevant)	*Subscription price per share*	*Exercisable from*	*Expiry date*	*Number of Existing Ordinary Shares under option*
2007 Share Scheme	2008	5.75p to 22.5p	13 March 2011 to 13 October 2011	3 March 2018 to 113 October 2018	550,000
2007 Share Scheme	2009	6.10p to 11.25p	25 March 2012 to 8 October 2012	25 March 2019 to 8 October 2019	244,883
2007 Share Scheme	2011	5.40p to 5.82p	15 March 2014 to 4 October 2014	15 March 2021 to 4 October 2021	2,270,248
2007 Share Scheme	2012	2.28p to 3.10p*	8 May 2013 to 21 December 2013	8 May 2022 to 21 December 2022	4,812,752
2007 Share Scheme	2013	1.56p to 2.83p*	22 May 2014 to 19 November 2014	22 May 2023 to 19 November 2023	8,309,593
LTIP	2008	1.00p	13 October 2011	13 October 2018	1,150,000
LTIP	2011	1.00p	13 April 2014 to 7 September 2014	13 April 2021 to 7 September 2021	6,537,000
LTIP	2012	1.00p	30 June 2015	30 June 2022	25,590,000
LTIP	2013	1.00p	12 June 2016	12 June 2023	19,501,808
Total					68,966,284

*Options granted in 2012 and 2013 are vesting in 25 per cent. tranches on the first to fourth anniversaries of the grant date. The date from which exercisable shows the date on which the first 25 per cent. becomes exercisable.

All of the above options were granted for nil consideration.

4. Memorandum of Association and Articles of Association

4.1 ***Memorandum of Association***

At the annual general meeting of the Company held on 27 April 2010 a resolution was passed which amended the Company's memorandum of association so that all of the provisions in the memorandum of association other than the Company's name were deleted. The Company has unrestricted objects.

4.2 ***Articles***

The Company's Articles contain provisions to the following effect:

(a) *Rights attaching to the Ordinary Shares*

The following is a summary of the rights under the Articles which attach to Existing Ordinary Shares.

(i) Voting rights

Subject to any special rights or restrictions as to voting which are given to any shares (as to which there are none at present), the Articles state that every qualifying person (being a member, authorised representative in the case of a corporate member, or proxy) present at a general meeting has one vote on a show of hands, and on a poll every Shareholder present in person or by proxy has one vote for every share of which he is the holder. Shareholders may appoint one or more proxies (or authorised representatives in the case of a corporate member) but on a vote on a show of hands if a person is appointed as proxy for two or more Shareholders he shall have one vote, unless those Shareholders instruct him to vote in different ways, in which case he has one vote for and one vote against the resolution being voted on. If a Shareholder present is also a proxy for one or more other Shareholders he shall have one vote only. In the case of joint holders, the vote of the person whose name stands first in the register of members is accepted to the exclusion of any vote tendered by any other joint holder. Unless the Directors otherwise determine, a Shareholder is not entitled to be present or to vote, either personally or by

proxy, at any general or class meeting while any amount of money relating to his shares remains outstanding.

(ii) Voting by Proxy

To appoint a proxy, the Shareholder must deliver a validly executed instrument appointing a proxy (a "Proxy Notice") to the registered office of the Company, or to any other place specified in the notice of meeting or in any document sent with the notice within the specified time frame. The time frame for delivery is 48 hours before a meeting or adjourned meeting or 24 hours before a poll is to be taken if the poll is taken more than 48 hours after the day of the meeting or adjourned meeting. A Proxy Notice will expire 12 months from its date of execution or delivery by electronic communication (such as fax or e-mail). A Proxy Notice can be in any form which the Directors may approve including the appointment of a proxy by means of an electronic communication in the form of an uncertificated proxy instruction in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors. Delivery of a Proxy Notice does not preclude a Shareholder from attending, speaking or voting in person at the meeting or poll concerned.

(iii) Dividends

Subject to the Companies Act and any other relevant statute, order, regulation or other subordinate legislation from time to time in force, the Company may, by ordinary resolution, declare dividends to be paid to the Shareholders according to their rights and interests in the profits available for distribution, but no dividend shall be declared in excess of the amount recommended by the Directors. Subject to the Companies Act and any other relevant statute, order, regulation or other subordinate legislation from time to time in force, the Directors may pay interim dividends of such amounts and on such dates and in respect of such periods as the Directors think fit. Except as otherwise provided by the rights attached to the shares, all dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in which the dividend is paid.

No dividend will be paid unless the Company has profits available for that purpose in accordance with the provisions of the Companies Act and any other relevant statute, order, regulation or other subordinate legislation from time to time in force.

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide, dividends may be declared or paid in any currency the Directors agree with Shareholders.

Directors may retain any dividend (or part of a dividend) or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution the Directors may settle the same as they think expedient.

The Board may, in respect of any dividend declared or paid on or before the date of the fifth annual general meeting of the Company after 27 April 2010, and thereafter with the sanction of an ordinary resolution of the Company, offer Shareholders the right to elect to receive Ordinary Shares instead of some or all of their cash dividend.

The Company may cease to send any means of payment for any dividend payable on any shares if in respect of at least two consecutive dividends payable on those shares the means of payment has failed but the Company shall recommence sending payments in respect of dividends if the holder of the relevant shares requests such recommencement in writing.

Any dividend which remains unclaimed after a period of twelve years from the date on which such dividend is payable shall be forfeited and returned to the Company.

(b) *Transfer*

Existing Ordinary Shares are in registered (certificated or uncertificated) form and are freely transferable.

Any Shareholder may effect the transfer of all or any of his certificated shares by an instrument of transfer in the usual common form or in any other form which the Directors may approve. The transfer of an uncertificated share need not be in writing and shall comply with the rules adopted by the Directors which are consistent with the CREST Regulations.

A share transfer form must be signed by or on behalf of the transferor and, in the case of a partly paid share, also on behalf of the transferee. The transferor will continue to be treated as a Shareholder until the name of the transferee is entered in the register of members for the relevant share or shares.

The Directors may, in their absolute discretion and without giving any reason except as required by law, decline to register any transfer of any share which is not a fully paid up share or on which the Company has a lien provided that, if any of these shares have been admitted to the Official List, this does not prevent dealings in the shares from taking place on an open and proper basis.

The Directors may also decline to register any transfer unless:

(i) in the case of a certificated share, the instrument of transfer, duly stamped, is lodged with the Company accompanied by the certificate for the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(ii) in the case of a certificated share, the instrument of transfer is in respect of only one class of share;

(iii) in the case of a transfer to joint holders of a certificated or uncertificated share, the number of joint holders to whom the share is to be transferred does not exceed four.

The Board may also refuse to register a transfer of uncertificated shares in accordance with the CREST Regulations.

If the Directors decline to register a share transfer they must send notice of the refusal to the transferee providing the reason for such refusal. In the case of a certificated share, such notice must be sent by the earlier of (1) the time required by the London Stock Exchange, the UK Listing Authority or the Financial Conduct Authority in force for the time being or (2) the expiration of two months after the date on which the instrument of transfer was lodged. In the case of an uncertificated share, such notice must be sent within two months of the date on which the Company's registrars received "dematerialised instructions" authenticated in accordance with the CREST Regulations to update the Company's register of members to show the transferee as the holder of such share.

(c) *Alteration of share capital*

The Company may from time to time, by ordinary resolution, consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares. Subject to the

Companies Act and any other relevant statute, order, regulation or other subordinate legislation from time to time in force the Company may by ordinary resolution sub-divide all or any of its share capital into shares of smaller nominal value than its existing shares and provide that, as between the holders of the divided shares, different rights and restrictions apply. The Company may also cancel any shares which, at the date of the passing of the ordinary resolution have not been taken, or agreed to be taken and reduce the amount of the Company's share capital by the amount of the cancelled shares.

The Company may by special resolution, subject to any confirmation or consent required by law, reduce its share capital, any capital redemption reserve, any share premium account or any other undistributable reserve in any manner.

The Directors have the power to deal with fractions of shares resulting from a consolidation, division or sub-division, including issuing fractional certificates or arrange for the sale of the shares representing the aggregated fractions in the market and for the distribution of the net proceeds of sale in proportion among the Shareholders who would have been entitled to the fractions or, if permitted for the retention of such net proceeds for the benefit of the Company.

(d) *Restrictions on Shareholders*

If any Shareholder or any other person who the Company has reasonable cause to believe has an interest in the Company's shares has been duly served with a statutory notice (pursuant to section 793 of the Companies Act) and has not, within 14 days, provided details of those who have an interest and the extent of their interest in that particular shareholding, the Company may send out a further notice to the shareholder (a "restriction notice") to direct that in respect of the shares in relation to which the default occurred (the "identified shares") (which expression shall include any further shares which are issued in respect of such shares) the Shareholder shall not be entitled to attend or vote either personally or by proxy at a general meeting of the Company or a meeting of the holders of any class of shares or to exercise any other right in relation to general meetings of Oxford BioMedica or meeting of the holders of any class of shares.

Where the identified shares represent 0.25 per cent. or more in number of the issued shares of a class then the restriction notice may additionally direct that any dividend (or part thereof) or shares issued in lieu of dividend which would otherwise be payable in respect of the identified shares may be withheld and/or that a transfer of any of the identified shares in certificated form and, as far as permitted by the CREST Regulations, any of the identified shares in uncertificated form may be declined to be registered by the Directors, unless the Directors are satisfied that they have been sold outright to an independent third party. Any sale through the London Stock Exchange or other stock exchange or acceptance of a takeover offer will be treated as an outright sale to an independent third party.

(e) *Variation of rights*

Subject to the provisions of the Companies Act all or any of the rights for the time being attached to any class of shares may from time to time be varied or abrogated with the consent in writing of the holders of not less than three-quarters in nominal value of the shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.

The rights conferred upon the holders of any shares or class of shares shall not, unless expressly provided in the rights attaching to, or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

The provisions of the Articles relating to general meetings will apply to any such separate class meeting but:

(i) the necessary quorum is two Shareholders present in person or by proxy who hold at least one-third in nominal value of the issued shares of the class;

(ii) every Shareholder of the class present in person shall be entitled to one vote or if present by one or more proxies or authorised representatives to one vote for every proxy or authorised representative appointed by him;

(iii) any Shareholder who is present in person, by proxy or by authorised representative can demand a poll at which every Shareholder who is present in person, by proxy or by authorised representative is entitled to one vote for every share he has of the class; and

(iv) if at an adjourned meeting, a quorum (as defined above) is not present, one person who holds shares of the class, or his proxy, will be a quorum.

(f) *Directors*

Number – Subject to the passing of an ordinary resolution of the Company, there must be at least two Directors and not more than twelve (disregarding alternative) Directors.

Age – No person will be disqualified from being appointed a Director or be required to stop being a Director because he has reached a particular age.

Appointment – Directors may be appointed by ordinary resolution of the Company or by the Board of Oxford BioMedica and a Director need not be a Shareholder. A Director appointed by the Board of Oxford BioMedica holds office only until the next following annual general meeting when he will be eligible for reappointment but he is not taken into account in determining the Directors or the number of Directors who are to retire by rotation at that meeting.

Removal – In addition to any power to remove Directors under the Companies Act, the Company may pass a special resolution (or an ordinary resolution of which special notice has been given in accordance with the provisions of the Companies Act) to remove a Director from office even though his time in office has not ended and may (subject to the Articles) elect a person to replace a Director who has been removed in this way by passing an ordinary resolution.

Retirement by rotation – At every annual general meeting, one-third of the Directors will retire by rotation and be eligible for re-election. If one-third is not a whole number, the number of Directors to retire is the number nearest to and less than one-third. The Directors to retire will be those who have been Directors longest since they were last elected. If there are Directors who were last elected on the same date, and they cannot agree who is to retire, they must draw lots to decide. In addition, any Director who would not otherwise be required to retire by rotation must retire by rotation at the third annual general meeting since his last appointment or re-appointment.

Eligibility – Only the following may be elected as Directors at a general meeting:

(i) Directors retiring at that meeting;

(ii) anyone recommended by the Directors; and

(iii) anyone nominated by a Shareholder (not being the person nominated) entitled to vote at the meeting who has delivered to the office of the Company between seven and 42 clear days before the meeting a letter stating that he intends to nominate another person for election as Director and written confirmation from the nominee that he is willing to be elected.

Remuneration – The total fees paid to all of the Directors for their services as such (excluding amounts payable under other provisions of the Articles) must not exceed £350,000 per annum or such other higher amount as may from time to time be decided by ordinary resolution. Any Director who performs any services for Oxford BioMedica which, in the opinion of the Directors, go beyond the ordinary duties of a Director is entitled to receive extra remuneration (whether by way of salary, commission, participation in profits or otherwise as well as his ordinary pay as a Director) as the Board of Oxford BioMedica or a committee thereof may decide. Each Director may be paid reasonable expenses incurred in attending and returning from Board meetings, committee meetings, general meetings or otherwise properly and reasonably incurred in connection with Oxford BioMedica's business or in the performance of his duties as a Director.

Pensions and gratuities for Directors – The Directors may provide benefits, whether by the payment of gratuities or pensions or by purchasing and maintaining insurance or otherwise, for the benefit of any persons who are or were at any time Directors or the holders of any executive or comparable office of employment with the Company or any other company or undertaking which is or has been (a) a subsidiary of the Company or (b) otherwise allied to or associated with the company or a subsidiary of the Company or (c) a predecessor in business of the Company or of any such subsidiary, or (d) for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before or after he ceases to hold such office or employment) establish, maintain, subscribe and contribute to any fund and pay premiums for the purchase or provision of any such benefit.

(g) *Directors' interests*

Subject to the provisions of the Companies Act a Director may be a party to or otherwise interested in any contract, transaction, arrangement or proposal with the Company or in which the Company is otherwise interested either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise. A Director may hold any other office or place of profit under the Company (except that of auditor or auditor of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in such professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the Directors may arrange. Any remuneration shall be in addition to any remuneration provided for by any other article.

A Director who to his knowledge is in any way (directly or indirectly) interested in a contract, transaction, arrangement or proposal with the Company shall declare the nature of his interest at the meeting of the Directors at which the question of entering into such contract, transaction, arrangement or proposal is first considered if he knows his interest then exists or in any other case at the first meeting of the directors after he knows that he is or has become so interested or by means of a notice complying with the Companies Act, given as soon as practicable after the interest arises or, as the case may be, the Director knows that he is or has become so interested.

A Director shall not vote or be counted in the quorum on any resolution of the directors concerning his own appointment (including the fixing and varying of terms of appointment) as the holder of any office or place of profit with the Company or any other company in which the Company is directly or indirectly interested. Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of two or more Directors to offices or employment with the Company or any body corporate in which the Company is interested (other than one in which the Director and any persons connected with him have such an interest as is mentioned in (d) of the paragraph below) the proposals may be divided and considered in relation to each director separately and (provided he is not under the Articles or for any other reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

A Director shall not vote or count in the quorum in relation to a resolution or meeting of the Directors in respect of any contract or arrangement or any other proposals whatsoever in which he has an interest which (together with any interest of a connected person) to his knowledge is a material interest. Notwithstanding the above, a Director shall be entitled to vote (and be counted in the quorum) on: (a) any transaction in which he is interested by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company; (b) the giving of any guarantee, security or indemnity to him in respect of money lent or obligations undertaken by him or by any other person at the request of, or for the benefit of, the Company or any of its subsidiary undertakings; or the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security; (c) any transaction relating to an offer of shares, debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate; (d) any contract, transaction, arrangement or proposal to which the Company is or is to be a party relating to another company, including any subsidiary undertaking of the Company, in which he and any persons connected with him do not to his knowledge (directly or indirectly) hold an interest in shares (as that term is used in Part 22 of the Companies Act) whether as an officer, shareholder, creditor or otherwise representing one per cent. or more of any class of the equity share capital, or the voting rights, in that company or of any other company through which his interest is derived; © any contract, transaction, arrangement or proposal for the benefit of employees of the Company or any of its subsidiary undertakings (including in relation to a pension fund, retirement, death or disability benefits scheme or personal pension plan) which does not award him any privilege or benefit not generally awarded to the employees to whom the arrangement relates; (f) any contract, transaction, arrangement or proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including Directors; and (g) (save in relation to any matter concerning or affecting his own participation therein) any transaction involving the adoption or modification of any share option or share incentive scheme of the Company.

The provisions of the Articles relating to the permitted interests of the directors and their ability to vote thereon may be suspended or relaxed and a transaction not duly authorised thereby may be ratified, in each case by ordinary resolution.

Without prejudice to any of such provisions of the Articles the Directors have power, in accordance with the Companies Act, to authorise any interest of a Director which conflicts, or may conflict, with the interests of the Company, not being in relation to a contract or arrangement between the Director and the Company itself.

(h) *Borrowings*

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (both present and future) and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (as regards subsidiary undertakings only so far as by such exercise it can secure) that the aggregate principal amount outstanding at any time in respect of all borrowings by the Group (exclusive of any borrowings which are owed by one Group company to another Group company) after deducting the amount of cash deposited will not, without the previous sanction of the Company in general meeting, exceed an amount equal to four times the adjusted capital and reserves (as defined in the Articles) or any higher limit fixed by ordinary resolution of the Company which is applicable at the relevant time.

(i) *Shareholders' meetings*

Subject to the provisions of the Companies Act, an annual general meeting shall be called by at least twenty-one clear days' notice, and all other general meetings shall be called by at least fourteen clear days' notice, subject to compliance with section 307A of the Companies Act. The notice shall specify the place, the date and the time of meeting and the general or special nature of business to be transacted. A general meeting shall, notwithstanding that it has been called by shorter notice than that specified above, be deemed to have been duly called if it is so agreed in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and in the case of any other meeting, by a majority in number of the members having a right to attend and vote at that meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

(j) *Untraced Shareholders*

The Company may sell at the best price reasonably obtainable any share of a Shareholder or any share to which a person is entitled by transmission, if:

(i) during the 12 years before the earliest of the notices referred to in (ii) below, at least three dividends have become payable on the shares and no dividend has been claimed during that period;

(ii) after the 12 year period, the Company has published a notice, stating that it intends to sell the shares in a national newspaper in the United Kingdom and in a local newspaper appearing in the area in the United Kingdom which includes the address held by the Company for serving notices relating to those shares;

(iii) during the 12 year period and for three months after the last of the notices referred to in (ii) above appear, the Company has not heard from the Shareholder or any person entitled to the shares by law; and

(iv) the Company has notified the London Stock Exchange that it intends to sell the shares.

To sell any shares in this way, the Directors may appoint anyone to transfer the shares. This transfer will be just as effective as if it had been signed by the Shareholder, or by a person who is entitled to the shares by law. The person to whom the shares are transferred will not be bound to concern himself as to what is done with the purchase moneys nor will his ownership be affected even if the sale is irregular or invalid in any way.

After the sale, the Company must record the name of the Shareholder, or (if known) the person who would have been entitled to the shares by law, as a creditor for the money in its accounts. The Company will not be a trustee of the money and will not be liable to pay interest on it. The Company can use the money, and any money earned by using the money, for its business or in any other way that the Directors decide, but the money cannot be invested in the Company's shares or in the shares of any holding company of the Company. The former Shareholder, or the person who would have been entitled to the shares by law may request such net amount of money to be paid to him at any time.

4.3 ***Mandatory bids, squeeze-out and sell-out rules***

(a) *Mandatory bid*

The Takeover Code applies to the Company. Under the Takeover Code, if an acquisition of shares were to increase the aggregate holding of the acquirer and its concert parties to shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties would be required (except with the consent of the Panel) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for the shares by the acquirer or its concert parties during the 12 months prior to the announcement of the offer. This requirement would also be triggered by any

acquisition of shares by a person holding (together with its concert parties) shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights.

(b) *Squeeze-out*

Under the Companies Act, if an offeror were to acquire or contract to acquire 90 per cent. of the shares to which the offer relates within four months of making its offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay consideration to the Company, which would hold the consideration on trust for outstanding Shareholders. The consideration offered to the Shareholders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

(c) *Sell-out*

The Companies Act would also give minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who made a takeover offer. If a takeover offer related to all the shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. of the shares to which the offer relates, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares.

The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises his/her right, the offeree is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

There have been no public takeover bids by third parties in respect of the share capital of the Company in the last or current financial year.

5. Principal Subsidiary Undertakings of Oxford BioMedica

Oxford BioMedica plc is the parent company of the Group. Details of the Company's principal subsidiary undertakings are set out below. The capital of each subsidiary undertaking is directly or indirectly wholly owned by Oxford BioMedica.

Subsidiary undertaking	*Nature of business and operation*	*Country of Incorporation*
Oxford BioMedica (UK) Limited	Gene therapy research and development	England and Wales

6. Property, plant and equipment

6.1 The following table contains information regarding existing or planned material tangible fixed assets owned or leased by members of the Group.

Location	*Tenure*	*Floor area (m2)*	*Principal use*
Medawar Centre Robert Robinson Avenue The Oxford Science Park Oxford OX4 4GA, UK	Leasehold	2,549	Offices and laboratories
Harrow House Transport Way Watlington Road Oxford OX4 6LY, UK	Freehold	1,486	Manufacturing facility

6.2 As far as the Directors are aware and other than as provided in the audited financial statements, there are no pending or likely remediation and compliance costs which may have a material adverse effect on the Company or its property, plant or equipment.

6.3 As far as the Directors are aware, and save as disclosed in paragraphs 9.5 (e) and 11.6, there are no material encumbrances on the Company or its property, plant and equipment.

6.4 As far as the Directors are aware, there are no material environmental issues that may affect the utilisation of the Company's fixed assets.

6.5 The funds required to fulfil the Company's commitments under its leases of the premises detailed above are provided from the Group's operating income.

7. Directors of Oxford BioMedica

7.1 The Directors of Oxford BioMedica and their respective functions are as follows:

Director	*Position*
Philip Nicholas Rodgers	Chairman
John Andrew Dawson	Chief Executive Officer
Timothy William Watts	Chief Financial Officer
Peter John Nolan	Executive Director and Senior Vice President, Commercial Development
Paul Blake	Non-executive Director
Andrew John William Heath	Deputy Chairman and Senior Independent Director
Martin Henry Diggle	Non-executive Director

7.2 The business address of each of the Directors is the Medawar Centre, Robert Robinson Avenue, Oxford Science Park, Oxford OXB 4GA. The brief biographical details of the Directors are set out in Part 3 of this document.

The following table sets out the names of all companies and partnerships outside the Group of which any Director is or has been a member of the administrative, management or supervisory body or partner at any time in the previous five years (excluding subsidiaries of any company of which the Director in question is also a member of an administrative, management or supervisory body):

Name	*Position*	*Company/partnership*	*Position still held (Y/N)*
Nick Rodgers	Director	Therakind Limited	N
		IPSoL Energy Ltd	N
		Productiv Ltd	Y
		Nick Rodgers Financial Limited	Y
		Morvus Technology Limited	N
		Burvale Corporate Governance Advisory Limited	N
		Ipso Ventures plc	N
		TMO Renewables Limited	N
		Medermica Limited	N
		Cambridge Meditech Limited	N
		Pelythera Pharma Limited	N
		SEHTA Enterprises Limited	N
		Quickend Limited	N
		Axilica Limited	N
		CityHouse Capital Limited	N
		IPSO EBT Limited	N
		IPSO Management Limited	N
		Productiv Property Limited	Y
		The Proving Factory Limited	Y
		South East Technologies Alliance Limited	Y

Name	*Position*	*Company/partnership*	*Position still held (Y/N)*
John Dawson	Director	Paion AG	Y
Tim Watts	Director	TWW Consulting Limited	Y
		BioIndustry Association	Y
		Milebright Limited[1]	N
		Archimedes Pharma Limited[2]	N
		Link Holdings Limited[3]	N
		Archimedes IP Limited	N
		Archimedes Pharma Trustees Limited	N
		Archimedes Pharma Products Limited	N
		Archimedes Development Limited	N
		Archimedes Pharma Europe Limited	N
Peter Nolan	Director	BioIndustry Association	N
Dr. Paul Blake	Director	QR Pharma, Inc.	Y
		Y-prime Technologies	Y
		InfaCare Pharmaceutical Corporation	Y
		Protez Pharmaceuticals, Inc.	N
		Viacell, Inc.	N
		Memory Pharmaceuticals Corp.	N
		Aterna Zentaris, Inc.	N
Dr. Andrew Heath	Director	22-24 Sloane Gardens Limited	N
		Anew Optics Inc.	Y
		Integrated Healing Technologies, LLC	Y
		XL Techgroup, Inc.	Y
		Carlyle Mansions Limited	Y
		Carlyle Mansions (Tenants) Limited	Y
		Bioindustry Association	N
		Morvus Technology Limited	N
Martin Diggle		Chronos Therapeutics Limited	Y
		Harkonen Trading Limited	N

(1) Mr. Watts was a director of Milebright Limited which went into liquidation on 4 August 2011 and was dissolved on 13 December 2012.

(2) Mr. Watts was a director Archimedes IP Limited and Archimedes Pharma Products Limited, both of which were subsidiaries of Archimedes Pharma Limited and both of which went into liquidation on 4 August 2011 and both of which were dissolved on 13 December 2012.

(3) Mr. Watts was a director of Link Holdings Limited which went into liquidation on 4 August 2011 and was dissolved on 13 December 2012.

7.3 Save as disclosed in paragraph 7.2 above, none of the Directors:

(a) is or has been a member of the administrative, management or supervisory body of any company or partner of any partnerships outside the Group at any time in the previous five years, save as disclosed in paragraph 7.2 above; or

(b) has any convictions in relation to fraudulent offences at any time in the previous five years; or

(c) has been bankrupt, been the subject of or entered into an individual voluntary arrangement at any time in the previous five years; or

(d) has at any time in the previous five years been a member of any administrative, management or supervisory body of any company that has been subject to any receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors; or

(e) has at any time in the previous five years been a partner in a partnership at the time of any compulsory liquidation, administration or partnership voluntary arrangement of such partnership; or

(f) has at any time in the previous five years had any of his or her assets the subject of any receivership or has been a partner of a partnership at the time of any assets thereof being the subject of the receivership; or

(g) has at any time in the previous five years been subject to any official public criticism, incrimination and/or sanction by any statutory or regulatory authority (including any designated professional body) nor has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conducting the affairs of any company.

7.4 As at 27 May 2014 (being the latest practicable date prior to the publication of this document): (a) the interests of the Directors and persons connected with the Directors in the share capital of the Company, such interests being those which could with reasonable diligence be ascertained by the Directors, whether or not held through another party, and (b) the number of shares held under options by the Directors under the Share Schemes were, and are expected to be, immediately following Admission as follows:

(a) *Shares*

Name of Director	*Number of Existing Ordinary Shares beneficially held at present*	*Per cent of Existing Ordinary Shares beneficially held at present*	*Number of Ordinary Shares beneficially held immediately following Admission*	*Per cent of issued Ordinary Shares beneficially held immediately following Admission**
Nick Rodgers	842,829	0.06%	842,829	0.03
John Dawson	2,282,829	0.16%	2,782,829	0.12
Peter Nolan	733,313	0.05%	883,313	0.04
Tim Watts	3,682,829	0.26%	5,307,829	0.22
Paul Blake	533,097	0.04%	1,783,097	0.07
Andrew Heath	600,000	0.04%	850,000	0.04
Martin Diggle[1]	401,000,100	28.32%	533,250,100[2]	22.07[2]

(1) Includes interests of Vulpes Life Sciences Fund and other parties connected to Martin Diggle.

(2) Includes the Related Party Subscription

* Assuming no take up under the Open Offer

(b) *Options over Ordinary Shares*

Director	*Date of grant*	*No. of Ordinary Shares under option*	*Exercise price*	*Date from which exercisable*	*Expiry date*	*Share scheme*
John Dawson	2008	1,000,000	1.0p	13 October 2011	13 October 2018	LTIP
John Dawson	2012	6,600,000	1.0p	30 June 2015	30 June 2022	LTIP
John Dawson	2013	5,577,465	1.0p	12 June 2016	12 June 2023	LTIP
Peter Nolan	2012	3,480,000	1.0p	30 June 2015	30 June 2022	LTIP
Peter Nolan	2013	2,933,493	1.0p	12 June 2016	12 June 2023	LTIP
Tim Watts	2012	6,000,000	1.0p	30 June 2015	30 June 2022	LTIP
Tim Watts	2013	3,380,282	1.0p	12 June 2016	12 June 2023	LTIP

7.5 The interests of the Directors together represent 28.9 per cent. of the issued Existing Ordinary Shares in the capital of the Company as at 27 May 2014 (being the latest practicable date prior to publication of this document) and are expected to represent 22.6 per cent. of the issued Ordinary Shares of the Company immediately following Admission.

7.6 Save as disclosed in paragraph 7.4 of this Part 6 none of the Directors, nor any person connected with them, has any interest in the share capital of Oxford BioMedica or of any of its subsidiaries or associated undertakings.

7.7 No Director has any potential conflicts of interest between their duties to the Company and their private interests or their other duties.

8. Directors' Service Contracts

8.1 The amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to each Director by the Group for services in all capacities to the Group in respect of the financial year ended 31 December 2013, together with total amounts set aside or accrued by the Group to provide pension, retirement or similar benefits to each Director, were as follows:

Name of Director	*Remuneration and benefits in kind (£000)*	*Pension benefits (£000)*
Nick Rodgers	75	–
John Dawson	435	33
Tim Watts	260	20
Peter Nolan	229	17
Paul Blake	38	–
Andrew Heath	46	–
Martin Diggle	–	–

8.2 The details of the Directors' service contracts or appointment letters, all of which are between each individual Director and Oxford BioMedica, are as follows. Apart from Nick Rodgers, none of the Directors' service contracts or appointment letters have been amended during the past six months:

(a) ***Non-executive Chairman***

Mr. Rodgers was appointed as Chairman on 5 May 2011 for a 3 year period to 5 May 2014, with a provision for termination subject to 3 months' notice. Mr Rodgers' appointment has been extended by the Board until such time as a suitable replacement has been identified but in any event for no longer than 1 year from 5 May 2014. The Non-executive Chairman's fee is currently £75,000 per annum. The Non-executive Chairman's fee is not pensionable.

(b) ***Executive Directors***

Mr. Dawson is Chief Executive Officer of Oxford BioMedica and entered into a service agreement with the Company on 10 October 2008. Mr. Dawson is currently receiving a salary of £330,000 per annum (exclusive of any bonus award, pension contribution or share option grant which may be made by the Directors from time to time). Oxford BioMedica may, in the absolute discretion of the remuneration committee of the Directors, award him a bonus of up to one hundred per cent. of his base salary. The service agreement provides that his salary shall be variable upwards by a decision of the Directors and a salary review takes place at least annually. The service agreement has no fixed term and is terminable by mutual agreement between the parties at any time or by either party giving to the other not less than twelve calendar months' notice in writing. As Mr. Dawson is not on a fixed term service agreement, if his employment terminates he is entitled to be given notice as set out above and he will be entitled to receive any salary or benefits for the duration of the notice period. Restrictions on the solicitation of customers, prospective customers or employees of the Company or of competing with the Company by Mr. Dawson will be in force for a period of 9 months following termination of employment.

Mr. Dawson is entitled to 28 days' paid holiday per year in addition to bank or public holidays. In the event that Mr. Dawson is prevented by sickness, injury or other cause from performing his duties he is entitled to receive his full remuneration and benefits for a period of 26 weeks

in any period of 12 months. During the term of his service agreement the Company provides Mr. Dawson with life assurance cover which in the event of Mr. Dawson's death while employed shall pay to his chosen dependants a sum equal to four times his basic salary. Also during the term of his service agreement the Company shall pay for private medical insurance for Mr. Dawson, his spouse and dependants and shall also effect permanent health insurance for the benefit of Mr. Dawson to provide for the payment to him of an amount per annum equal to 75 per cent. of pensionable salary if Mr. Dawson is prevented by sickness, injury or other cause from performing his duties for a period longer than 26 weeks. Mr. Dawson is entitled to participate in any share scheme operated from time to time by the Company under the terms of which he is entitled to participate and to receive a total monthly contribution payable by Oxford BioMedica into a group personal pension scheme either nominated by him or established by the Company at a rate of ten per cent. of annual salary (not including bonuses or other allowances). The agreement contains confidentiality provisions which have effect during employment and after termination of employment as well as restrictions on the solicitation of customers, prospective customers or employees of the Company for a period of 12 months following termination of employment. The service agreement also provides that any invention made or intellectual property rights generated by Mr. Dawson in the performance of his duties or as a result of any project agreed with the Company in advance which is outside of his normal duties shall belong to the Company.

Mr. Watts is the Chief Financial Officer of Oxford BioMedica and entered into a service agreement with the Company on 20 February 2012. His service agreement is materially the same as that of Mr. Dawson with the exception that Mr. Watts receives a salary of £227,600 per annum and that Mr Watts has opted to take a cash allowance in lieu of his contractual entitlement to a pension contribution by the Company of ten per cent. of salary (not including bonuses or other allowances).

Mr. Nolan is Senior Vice President, Commercial Development and entered into a service agreement with the Company on 1 May 2002. His service agreement is materially the same as that of Mr. Dawson with the exception that Mr. Nolan receives a salary of £183,565 per annum.

(c) ***Non-executive Directors***

Nick Rodgers, Paul Blake, Andrew Heath and Martin Diggle are appointed as Non-executive Directors of Oxford BioMedica under terms of letters dated 1 January 2013 (Dr. Blake and Dr. Heath), 5 May 2011 (Mr. Rodgers) and 4 October 2012 (Martin Diggle). Their appointments, apart from Mr Rodgers whose appointment expired on 5 May 2014 and was extended until such time as a suitable replacement has been identified but in any event no longer than 1 year from 5 May 2014, are for a fixed term of three years from the date of appointment after which time, unless the appointment is renewed or extended by the Directors, the Non-executive Director will be expected to step down as a Director. The appointments of the Non-executive Directors may be terminated at any time in accordance with the Articles. If the relevant Non-executive Director's appointment terminates before their fixed term expires, their letter of appointment does not entitle them to any compensation. Each Non-executive Director will be paid their fees up to the termination date. Mr. Rodgers receives total fees of £75,000 per annum, Dr. Blake receives total fees of £38,500 per annum which includes a fee for serving as chairman of the remuneration committee, Dr. Heath receives total fees of £45,500 per annum which includes fees for serving as Senior Independent Director, Deputy Chairman, and as a member of the audit and remuneration committees and Martin Diggle has elected not to receive fees.

(d) ***Indemnity Arrangements***

The Company has entered into qualifying third party indemnity arrangements for the benefit of all its directors in a form and scope which comply with the requirements of the Companies Act.

9. Substantial Shareholdings

9.1 As at 27 May 2014 (being the latest practicable date prior to the publication of this document) in so far as is known to Oxford BioMedica, the following person(s) were, directly or indirectly, interested in three per cent. or more of the existing issued ordinary share capital of Oxford BioMedica.

Shareholder	*Number of Existing Ordinary Shares held*	*Per cent. of Existing Ordinary Shares held*	*Number of Existing Ordinary Shares held immediately following Admission*	*Per cent. of issued Ordinary Shares held immediately following Admission**
Vulpes Life Sciences Fund	401,000,100	28.3	533,250,100(1)	22.1(1)
M&G Investment Management Limited	237,994,371	16.8	482,988,186	20.0
TD Direct Investing	90,515,583	6.4	90,515,583	3.8
Barclays Wealth Management	87,661,222	6.2	86,405,245	3.6
Hargreaves Lansdown Asset Mgmt	75,237,831	5.3	76,471,883	3.2
Halifax Share Dealing	49,165,203	3.5	49,165,203	2.0

(1) Includes the Related Party Subscription

* Assuming no take up under the Open Offer.

9.2 Save as disclosed in paragraph 9.1 of this Part 6, the Directors are not aware of any person who as at 27 May 2014 (being the latest practicable date prior to the publication of this document), directly or indirectly, has an interest in Existing Ordinary Shares which represents three per cent. or more of Oxford BioMedica's issued ordinary share capital.

9.3 Oxford BioMedica is not aware, as at 27 May 2014 (being the latest practicable date prior to the publication of this document): (1) of any persons, directly or indirectly, jointly or severally, exercise, or could exercise, control over Oxford BioMedica, or (2) of any arrangements, the operation of which may at a subsequent time result in a change of control of Oxford BioMedica.

9.4 The voting rights of Oxford BioMedica's major Shareholders (as detailed at paragraph 9.1 of this Part 6) do not differ from the voting rights enjoyed by any other holder of Existing Ordinary Shares.

9.5 Apart from the transactions set out below, the Company has not entered into any other related party transaction between 2011 and 27 May 2014 (being the latest practicable date prior to the publication of this document):

(a) The Company entered into a compromise agreement effective from 10 April 2012 with its former executive director, Andrew Wood. Pursuant to the compromise agreement, Mr. Wood received a payment of £214,000 in compensation for loss of employment together with contributions by the Company to Mr. Wood's pension arrangements for the balance of his 12 month notice period and maintenance of Mr. Wood's private medical insurance cover for an agreed period.

(b) The Company entered into a compromise agreement effective from 5 June 2013 with its former executive director, Stuart Naylor. Pursuant to the compromise agreement, Dr. Naylor received a payment of £208,000 in compensation for loss of employment together with contributions by the Company to Dr Naylor's pension arrangements for the balance of his 12 month notice period and maintenance of his private medical insurance cover for an agreed period.

(c) Dr. Alan Kingsman (former Director) entered into a consultancy agreement effective from 1 July 2009. The agreement was renewed in 2011 at £75,000 per annum until 30 June 2013. Fees paid were £75,000 in 2011 and 2012 and £37,500 in 2013.

(d) Dr. Susan Kingsman (former Director) entered into a consultancy agreement effective from 1 July 2008. Fees paid were £2,083 in the six months ended 30 June 2011 and £1,200 in the year to 31 December 2012.

(e) The Company entered into a £5 million secured loan facility agreement Vulpes Life Sciences Fund on 19 November 2013. In accordance with the Vulpes Loan Facility, the Company may draw down the loan in tranches of £1 million or more, as necessary, at any time from 1 January 2014 up until 10 business days before the maturity of the loan on 31 December 2014. The Vulpes Loan Facility is secured against certain intellectual property owned by the Company.

10. Placing Agreement

The Company, Charles Stanley and WG Partners have entered into the Placing Agreement pursuant to which (a) Charles Stanley has conditionally agreed to act as Sponsor; and (b) WG Partners has conditionally agreed, in each case as agents of the Company, to use their reasonable endeavours to procure placees to subscribe for the Firm Placed Shares at the Offer Price.

The Placing shall not become unconditional unless and until the following conditions, amongst others, have been satisfied: a) Admission taking place no later than 8.00 a.m. on 17 June 2014; and b) the Placing Agreement becoming unconditional in all other respects on 17 June 2014 or such later date (being no later than 30 June 2014) as the Company, Charles Stanley and WG Partners may agree. The Placing Agreement, shall not become unconditional unless and until the following material conditions have been satisfied: (a) a press announcement in relation to the Firm Placing, Subscription, Related Party Subscription and Open Offer has been released by the Company to a Regulatory Information Service; (b) this document has been approved by the FCA; (c) the Application Form and Forms of Proxy have been posted to Shareholders; (d) the Subscription Agreements have been signed by the Subscribers; (e) the Resolutions have been passed by the Shareholders; and (f) certain documents in relation to the Firm Placing, Subscription, Related Party Subscription and Open Offer have been delivered to Charles Stanley and WG Partners.

The Company has agreed to pay Charles Stanley and WG Partners an advisory fee and commission on the gross proceeds raised pursuant to the Firm Placing and Subscription. The Placing Agreement also contains customary warranties, *inter alia*, as to the accuracy of information contained in this document and an indemnity given by the Company in favour of Charles Stanley and WG Partners.

Charles Stanley and WG Partners may terminate the Placing Agreement in specified circumstances prior to Admission, including (a) in the event of a breach of the Placing Agreement the consequences of which are material in the context of the Firm Placing or of any of the warranties contained therein, or (b) where, in the opinion of Charles Stanley and WG Partners acting in good faith there is a material adverse change (whether or not foreseeable at the date of the Placing Agreement) in the financial or trading position or prospects of the Group, or (c) where any material adverse change in the financial markets occurs or certain other force majeure events take place, the effect of which make it, in the opinion of Charles Stanley and WG Partners acting in good faith, impractical or inadvisable to proceed with the Firm Placing.

The Company will also bear all costs and expenses of the Firm Placing, including fees due to the Financial Conduct Authority, the London Stock Exchange, the Receiving Agent's fees, the costs of printing, advertising and circulating this document and related documents, accounting fees and expenses, the Company's legal fees and expenses, Charles Stanley and WG Partners' legal fees and expenses (up to a maximum of £75,000 plus VAT), stamp duty and stamp duty reserve tax (if any).

11. Material Contracts

The following contracts are all: (i) the material contracts (not being contracts entered into in the ordinary course of business) which have been entered into within the two years prior to the date of this document by members of the Group; and (ii) the contracts (not being contracts entered into in the ordinary course of business) entered into at any time by members of the Group which contain provisions under which any member of the Group has an obligation or entitlement which is or may be material to the Group as at the date of this document:

11.1 the Placing Agreement referred to in paragraph 10 of this Part 6;

11.2 the Subscription Agreements dated 29 May 2014 between the Company and the Subscribers pursuant to which the Subscribers have agreed to subscribe for the Subscription Shares at the Offer Price. The

Subscription Agreements contain certain representations and warranties given by the Subscribers to the Company. The Subscription Agreements are conditional upon a) Admission taking place no later than 8.00 a.m. on 17 June 2014; and b) the Placing Agreement becoming unconditional in all respects in accordance with its terms (save for Admission);

11.3 the irrevocable undertakings dated 29 May 2014 between the Company and the Directors and the Company and Vulpes Life Sciences Fund pursuant to which the Directors and Vulpes Life Sciences Fund have agreed to vote in favour of the Resolutions to the extent they are permitted to do so;

11.4 the engagement letter between the Company and Roth Capital Partners LLC pursuant to which Roth agreed to act as US Placement Agent for a commission equal to 5 per cent. of the gross proceeds raised pursuant to the Subscription, subject to a reduced commission of 2 per cent. of the gross proceeds raised from two particular Subscribers;

11.5 the subscription letter dated 29 May 2014 between the Company and Vulpes Life Sciences Fund pursuant to the Related Party Subscription;

11.6 a £5,354,758 loan agreement with Birmingham City Council (the "AMSCI Loan") and related debenture (the "AMSCI Debenture") as part of a £7.1 million funding package (comprising the AMSCI Loan and a grant of £1.8 million) from the UK Government's Advanced Manufacturing Supply Chain Initiative ("AMSCI") for the expansion of the Group's manufacturing facility and manufacturing process development. Oxford BioMedica UK entered into the AMSCI Loan Agreement with Birmingham City Council on 14 April 2014. The AMSCI Loan may be drawn down in up to 3 tranches and the first repayment is due on the first interest payment date occurring after the second anniversary of the first drawdown with a final repayment date of 31 March 2017. Interest on the AMSCI Loan is payable quarterly at a rate of 6 per cent. per annum. Oxford BioMedica UK entered into the AMSCI Debenture with Birmingham City Council on 25 April 2014. The AMSCI Debenture has been entered into provide security for the AMSCI Loan. Pursuant to the AMSCI Debenture a fixed and floating charge has been registered, *inter alia*, against all freehold and leasehold property registered to Oxford BioMedica UK.

11.7 the Vulpes Loan Facility referred to in paragraph 9.5(d) of this Part 6;

11.8 a placing agreement dated 29 June 2012 between the Company and Singer Capital Markets pursuant to which Singer Capital Markets agreed to fully underwrite a firm placing and open offer of the Company's Shares. Under the terms of such placing agreement, the Company agreed to pay Singer Capital Markets (a) an advisory fee; (b) a commission equal to 3 per cent. of the aggregate value at the price of the firm placed shares; (c) an underwriting commission of 1 per cent. of the aggregate value at the price of the firm placed shares; and (d) a commission of 2 per cent. on the aggregate value at the price of the open offer shares in respect of which valid applications were received; and

11.9 the irrevocable undertakings dated 28 June 2012 between the Company and the Directors to vote in favour of the resolutions proposed in respect of the firm placing and open offer undertaken by the Company in July 2012.

12. Share schemes and individual option contracts

12.1 The Company currently operates two employee share plans under which options and awards in respect of Existing Ordinary Shares may be granted. In September 2013 all remaining options granted under the 1996 Share Scheme (which closed in October 2006) expired. The remaining operational schemes are the 2007 Share Scheme which was approved in February 2007; and the long term incentive plan ("LTIP") for executive Directors and senior executives which was also approved in February 2007. A share incentive plan ("SIP") was approved in February 2007, however the SIP has not been operated by the Company to date.

Summary details of the share schemes are as follows:

(a) ***The Oxford BioMedica 1996 (No. 1) Share Option Scheme***

During 2013 the remaining 623,693 options granted under the Oxford BioMedica 1996 (No .1) Share option Scheme expired.

(b) ***The Oxford BioMedica 2007 Share Option Scheme***

Operation

The remuneration committee, the members of which are independent Non-executive Directors, supervises the operation of the 2007 Share Scheme.

Eligible employees

Any employee of the Company or the Group selected by the Committee. Non-executive Directors are not eligible to participate in the 2007 Share Scheme. The Remuneration Committee has determined that participants in the LTIP are not eligible to participate in the 2007 Share Scheme to date.

Grant of options

Options will normally be granted within a 42 day period following the date of publication of the interim or annual results of the Company. No options will be granted during a close period.

Vesting and conditions attaching to options

Options granted prior to 2012 are subject to a vesting period of three years. Options granted in 2012 and 2013 vest in 4 equal tranches on the first four anniversaries after the date of grant. The remuneration committee may, at its discretion, attach performance conditions to the vesting of options at the time of grant. No such conditions have been imposed under this scheme.

The exercise of options is conditional upon the participant paying any taxes due as a result of such an exercise.

Any option not exercised within ten years of the date of grant will lapse.

Limits

The maximum market value of Ordinary Shares subject to an option at the relevant date of grant will not exceed in aggregate 100 per cent. of the eligible employee's salary in any calendar year or £125,000 if this is higher.

The Company may issue or re-issue 10 per cent. of its Ordinary Shares within a ten year period to satisfy options made to participants under the 2007 Share Scheme and any other share plan operated by the Company under which Ordinary Shares are issued or re-issued. The remuneration committee will be monitoring the issue or re-issue of Ordinary Shares during the ten year period.

The Company intends to comply with institutional investor guidelines as amended from time to time regarding the inclusion of treasury shares when calculating these limits.

Allotment and transfer of shares

Ordinary Shares subscribed will not rank for dividends payable by reference to a record date falling before the date on which the Ordinary Shares are acquired but will otherwise rank *pari passu* with existing Ordinary Shares.

Application will be made to the relevant exchange on which the Ordinary Shares are listed for admission to trading on the relevant exchange for new Ordinary Shares that are to be issued following the exercise of an option.

Cessation of employment

If a participant leaves employment prior to the expiry of the holding period then the option will normally lapse.

If a participant's cessation of employment is the result of specified events, for example injury, disability, retirement, redundancy or death, the Committee may determine that part or all of that participant's options may vest.

In applying this discretion the remuneration committee shall pro-rate the number of Ordinary Shares subject to the option which will vest dependent upon the amount of the relevant holding period completed on the date of cessation. Further, options will only vest if any attached performance requirements are proportionately satisfied on the date of cessation.

The remuneration committee will determine the period of time following the date of cessation within which participants shall exercise any vested options and such vested options will lapse if not exercised within this period.

Change of control

In the event of a takeover, reconstruction, amalgamation or winding up of the Company then all subsisting options will vest provided that any attached performance requirements are proportionately satisfied on the date of the occurrence of the event. The remuneration committee will determine the period of time following the change of control within which participants shall exercise all vested options and such options will lapse if not exercised within this period.

In certain circumstances options may be exchanged for options over shares in the acquiring company. It should be noted that options will only vest on a reconstruction or amalgamation of the Company in circumstances where the reconstruction or amalgamation amounts to a proper change in control of the Company i.e. new ownership of the Company.

In the event of a merger or demerger of the Company, the remuneration committee may determine that all options may vest provided that the above change of control provisions are applied. Further, for these provisions to apply the transaction must amount to a proper change in control of the Company.

Alternatively, the number of Ordinary Shares comprised in an option or the exercise price of the Ordinary Shares subject to the option may be adjusted, as the remuneration committee in its discretion shall determine and the auditors of the Company confirm to be fair and reasonable.

Adjustment of options

On a variation of the capital of the Company, the number of Ordinary Shares subject to an option and the exercise price of these Ordinary Shares may be adjusted in such manner as the remuneration committee determines and the auditors of the Company confirm to be fair and reasonable.

Duration

The remuneration committee may not grant options under the 2007 Share Scheme more than five years after its adoption unless the 2007 Share Scheme is extended pursuant to shareholder authority for a further period of up to five years. The 2007 Share Scheme was extended by a resolution of the Company's Shareholders on 3 May 2011 for a period of five years from 1 February 2012.

Amendments

Amendments to the rules may be made at the discretion of the remuneration committee. However, the provisions governing eligibility requirements, equity dilution, share utilisation

and individual participation limits and the adjustments that may be made following a rights issue or any other variation of capital and the limitations on the number of Ordinary Shares that may be issued cannot be altered to the advantage of participants without prior Shareholder approval, except for minor amendments to benefit the administration of the 2007 Share Scheme, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for the Group.

The remuneration committee may add to, vary or amend the Rules of the 2007 Share Scheme by way of a separate schedule in order that the 2007 Share Scheme may operate to take account of local legislative and regulatory treatment for participants or the relevant Group Company, provided that the parameters of these arrangements will provide no greater benefits than the rules of the 2007 Share Scheme as summarised above.

General

Ordinary Shares acquired, options and any other rights granted pursuant to the 2007 Share Scheme are non-pensionable.

Non-transferability of options

Options are not transferable except in the case of a participant for whom a trustee is acting, in which case the trustee will be able to transfer the benefit to the participant.

Establishment of EMI Sub-Plan

The Company established the Oxford BioMedica Share Option Scheme (EMI Sub-Plan) pursuant to a Board resolution passed on 30 March 2012 (the "**EMI Scheme**"). The EMI Scheme was established as a sub-plan of the Oxford BioMedica 2007 Share Option Scheme and is intended to allow the Company to grant qualifying options within the meaning of Schedule 5 of the Income Tax (Earnings and Pensions) Act 2003.

(c) ***The Long Term Incentive Plan***

Operation

The remuneration committee, the members of which are Non-executive Directors, supervise the operation of the LTIP.

Eligible employees

Any employee of the Company or the Group selected by the remuneration committee, typically the Executive Directors, members of the senior management group and senior executives within the business. Non-executive Directors are not eligible to participate in the LTIP.

Grant of Awards

LTIP awards will normally be granted to each participant within a 42 day period following the date of publication of the interim or annual results of the Company. No awards will be granted during a close period. LTIP awards will either be conditional grants of shares or options with an exercise price of £0.01 or less.

Conditions attaching to LTIP awards

LTIP awards are subject to a holding period of no less than three years from the date of grant. For the LTIP awards to date the holding period has been set at three years. The release of awards is subject to the satisfaction of performance conditions.

For the LTIP awards up to and including the year ended 31 December 2011 the remuneration committee has set one main performance condition which is comparative Total Shareholder Return ("TSR") measured against a comparator group of companies that operate in a similar industry to the Company.

Company TSR Performance Percentage of the Compared to the Comparator Group Award Released

Less than Median 0 per cent. Median (50th Percentile) 25 per cent. Upper Quartile (75th Percentile) 100 per cent.

In addition, the remuneration committee will ensure that the underlying financial performance of the Company is consistent with its total shareholder return.

LTIP awards made up to 25 March 2009 have lapsed because the Company's TSR performance over the three years to 25 March 2012 fell below the median of the comparator group.

On 13 April 2014, the LTIP award made on 3 April 2011 was tested against the performance conditions specified at the time of the award. The primary performance comparison of Total Shareholder Return ("TSR") against a group of comparable companies. Since the TSR performance of the Company fell below the median performance of the comparative group all of the options granted have lapsed without vesting. For the LTIP awards since 15 June 2010, in addition to the TSR based performance condition, a second performance test was added, as follows:

For TSR above median but below the upper quartile, a second performance test, based on events that are expected to be significant drivers of value for the Company, will be applied. In these circumstances, up to a further 50 per cent. of the LTIP award will be released on the achievement of pre-agreed milestone events:

Event	*% of award released*
LTIP awards in 2011	
Commercial collaboration for TroVax® executed	5%
Commercial collaboration for ProSavin® executed	20%
Exercise of the development option by Sanofi for one of the collaborative ocular products	20%
First batch of clinical-grade material released from the new Oxford BioMedica manufacturing facility	5%

For the LTIP awards made on 30 June 2012 and 12 June 2013 the performance metric is Absolute Total Shareholder Return (TSR). The awards will only vest if a predetermined fixed level of TSR growth is achieved over the period of the award. Since the company is unlikely to pay a dividend in the foreseeable future, TSR growth is essentially represented by the share price. By rewarding growth in share price, the plan will ensure that payouts are only achieved if significant returns are made to Shareholders through share price appreciation. The vesting schedule is as follows:

Share price target	*% of award vesting*
Below 5p threshold	0%
At 5p Threshold*	25%
At 7.5p Stretch target*	100%

*Straight line vesting between these points

The targets will be adjusted in the event of any major dilution of the share capital to reflect the returns achieved by investors. Although no award can be exercised until the end of the three year vesting period, directors will be able to "bank" a fraction of the appropriate vesting percentage on each anniversary of the date of grant, should the target have been met at those dates. This will be limited to 25 per cent. of the potential vesting amount after one year, 50 per cent. after two years and 100 per cent. after three years. Banked awards will not actually vest until the third anniversary of award.

Limits

The maximum market value of Ordinary Shares subject to an LTIP award at the relevant date of grant shall not exceed in aggregate 150 per cent. of the participant's salary in any calendar year.

The Company may issue up to 10 per cent. of its shares within a ten year period to satisfy awards to participants in the LTIP and any other share plan operated by the Company under which shares are issued. The remuneration committee will be monitoring the issue of shares during the ten year period. It should be noted that where the Company uses treasury shares to satisfy its obligations under share arrangements they shall be added to the number of shares issued for the purposes of these limits.

Release of LTIP awards

LTIP awards will normally be released at the end of the applicable holding period, subject to the satisfaction of the performance conditions, and any other conditions, determined at the date of grant of the relevant LTIP award. The release of LTIP awards is conditional upon the participant paying any taxes due as a result of such a release. It is the current intention that the Company will pay employers' National Insurance contributions.

If the performance conditions are not satisfied or partially satisfied at the end of the holding period, the LTIP award or the balance of the award (as appropriate) not released shall lapse. There will be no re-testing of the performance conditions.

Allotment and transfer of Ordinary Shares

Ordinary Shares subscribed will not rank for dividends payable by reference to a record date falling before the date on which the shares are acquired but will otherwise rank *pari passu* with Existing Ordinary Shares. Application will be made for the admission of the new shares to be issued to the Official List of, and to trading on, the London Stock Exchange plc's markets for listed securities following the release of an LTIP award.

Cessation of employment

If a participant leaves employment prior to the expiry of the holding period then the LTIP award will normally lapse. If a participant's cessation of employment is the result of specified events, for example injury, disability, ill health, retirement redundancy or death, the remuneration committee may determine that part or all of that participant's LTIP awards may be released to or can be exercised by the participant.

In applying this discretion the remuneration committee shall pro-rate the number of shares subject to the LTIP award which shall be released dependent upon the proportion of the relevant holding period completed on the date of cessation. Further, LTIP awards shall only be released if the attached performance conditions are proportionately satisfied on the date of cessation. In the case of options with an exercise price of £0.01 or less the remuneration committee will determine the period of time following the date of cessation within which participants shall exercise any such options released and such options will lapse if not exercised within this period.

Change of control

In the event of a takeover, reconstruction, amalgamation or winding up of the Company then the number of shares subject to the LTIP awards, which will be released, shall be dependent upon the extent to which the attached performance conditions have been satisfied on the date of the occurrence of the event. In addition, the remuneration committee may in its discretion take into account the amount of the relevant holding periods of LTIP awards completed on the change of control in determining the number of shares released.

In the case of options with an exercise price of £0.01 or less, the remuneration committee will determine the period of time following the change of control within which participants shall exercise any such options released and such options will lapse if not exercised within this period.

In certain circumstances, awards may be exchanged for awards over shares in the acquiring company.

It should be noted that LTIP awards will only be released on a reconstruction or amalgamation of the Company in circumstances where the reconstruction or amalgamation amounts to a proper change in control of the Company i.e., new ownership of the Company.

In the event of a merger or demerger of the Company, the remuneration committee may determine that all LTIP awards may be released provided that the above change of control provisions are applied. Further, for these provisions to apply, the merger or demerger must amount to a proper change in control of the Company.

Alternatively, the number of Ordinary Shares comprised in an LTIP award may be adjusted, as the remuneration committee in its discretion shall determine and the advisors of the Company confirm to be fair and reasonable.

Adjustment of awards

On a variation of the capital of the Company, the number of shares subject to an LTIP award may be adjusted in such manner as the remuneration committee determines and the advisors of the Company confirm to be fair and reasonable.

Duration

The remuneration committee may not grant awards under the LTIP more than five years after its approval unless the LTIP is extended pursuant to shareholder authority for a further period of up to five years. The LTIP was extended by a resolution of the Company's Shareholders on 3 May 2011 for a period of five years from 1 February 2012.

Amendments

Amendments to the rules of the LTIP may be made at the discretion of the remuneration committee. However, the provisions governing eligibility requirements, equity dilution, share utilisation and individual participation limits and the adjustments that may be made following a rights issue or any other variation of capital together with the limitations on the number of shares that may be issued cannot be altered to the advantage of participants without prior shareholder approval, except for minor amendments to benefit the administration of the LTIP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for the Group.

The remuneration committee may add to, vary or amend the rules of the LTIP by way of a separate schedule in order that the LTIP may operate to take account of local legislative and regulatory treatment for participants or the relevant group company, provided that the parameters of these arrangements will provide no greater benefits than the rules of the LTIP as summarised above.

General

Ordinary Shares acquired, awards and any other rights granted pursuant to the LTIP are non-pensionable.

Non-transferability of LTIP awards

LTIP awards are not transferable except in the case of a participant for whom a trustee is acting, in which case the trustee will be able to transfer the benefit to the participant.

(d) ***The Share Incentive Plan***

Background

The SIP is not currently, and has not been, operated by the Company since its approval in February 2007.

If the SIP is operated by the Company the operation of the SIP will be supervised by the remuneration committee.

Qualifying employees

All employees of the Company or of the Group in the United Kingdom who shall be determined by the remuneration committee as being qualifying employees, including trustees acting on behalf of such employees. Non-executive directors are not eligible to participate in the SIP.

Types of award

From time to time, the Company may invite applications from qualifying employees to participate in the SIP in accordance with the rules of the SIP. Participating employees may enter into a contract to acquire Ordinary Shares in accordance with such terms as the Committee may determine from time to time ("Partnership Shares"). Partnership Shares may be acquired annually by way of an annual lump sum deduction or monthly deductions from the salary of the participating employees or deductions may be accumulated for a period, as determined by the remuneration committee, which may be no more than one year. If deductions are accumulated, the price of the Ordinary Shares purchased by each participating employee may be determined as the lower of the market value of the Ordinary Shares at the beginning of the accumulation period and the market value of the Ordinary Shares on the date the Ordinary Shares are acquired. Alternatively, or, in addition to the above, the remuneration committee may, at its discretion, and in accordance with the rules of the SIP, award a number of Ordinary Shares to each participating employee being:

- an outright award of Ordinary Shares ("Free Shares"), on such basis as determined by the remuneration committee; and/or
- if a participating employee agrees to buy a certain number of Partnership Shares, an award of Ordinary Shares ("Matching Shares"), on such basis as determined by the remuneration committee.

All Ordinary Shares acquired in accordance with the SIP shall be held in a trust and may be subject to a retention period to be determined by the Board. Directors of the Company may be appointed as trustees of such trust.

Individual limits

The number of Free Shares over which awards may be granted to a qualifying employee under the SIP in any year shall be determined from time to time by the remuneration committee and may be dependent upon performance. The performance may be based on either Group, subsidiary, divisional or personal targets.

The aggregate market value per employee of those Free Shares subject to such awards shall not exceed the statutory maximum for HMRC approved share incentive plans.

The number of Partnership Shares that a participating employee may acquire from his or her pre-tax salary under the SIP in any year shall be determined from time to time by the remuneration committee. The aggregate market value of those Partnership Shares shall not exceed the statutory maximum for HMRC approved share incentive plans.

The number of Matching Shares that the remuneration committee may award, if a participating employee has acquired Partnership Shares under the SIP, in any year shall be determined from

time to time by the remuneration committee but shall not exceed the statutory maximum for HMRC approved share incentive plans.

Corporate limits

The aggregate number of unissued Ordinary Shares, in respect of which awards may be made under the SIP and any other share scheme adopted by the Company in any rolling ten year period, shall not exceed 10 per cent. of the ordinary share capital of the Company.

Timing of awards

Awards may be made at any time other than when the Company is in a close period (as such term is defined in the Model Code contained in the annex to Chapter 9 of the Listing Rules).

Non-transferability of awards

Awards are not transferable except in the case of a participating employee for whom a trustee is acting, in which case the trustee will be able to transfer the benefit to the participating employee.

Restrictions on Ordinary Shares and release of Ordinary Shares

Partnership Shares may be withdrawn from the SIP at any time. Awards of Free Shares and Matching Shares shall be subject to a period of retention. This period shall be such period as determined by the remuneration committee from time to time, which shall not be less than three years or greater than five years. If an employee leaves the Group prior to the release of Free Shares or Matching Shares then those Ordinary Shares shall normally be subject to forfeiture unless the remuneration committee determines otherwise. The maximum forfeiture period is three years. Ordinary Shares held under the SIP may be subject to other restrictions as determined by the remuneration committee. Dividends received by the trust holding the Ordinary Shares acquired in accordance with the SIP may be reinvested. In the event of a change of control of the Company, in certain circumstances, Ordinary Shares must be either withdrawn from the SIP or exchanged for shares in the new holding company. These new shares will have the same rights and be subject to the same restrictions as the original Ordinary Shares.

Allotment and transfer of Ordinary Shares

Shares subscribed will not rank for dividends payable by reference to a record date falling before the date on which the Ordinary Shares are acquired but will otherwise rank *pari passu* with existing Ordinary Shares. Application will be made to the relevant exchange on which the Ordinary Shares are listed for admission to trading on the relevant exchange for new Ordinary Shares that are to be issued pursuant to the SIP.

Adjustment of Awards

On a variation of the capital of the Company, the number of Ordinary Shares subject to an award may be adjusted in such manner as the remuneration committee determines and the external advisors of the Company confirm to be fair and reasonable.

Duration

The remuneration committee may not grant awards under the SIP more than ten years after its adoption.

Amendments

Amendments to the rules of the SIP may be made at the discretion of the remuneration committee. However, the provisions governing eligibility requirements, equity dilution, share utilisation and individual participation limits and the adjustments that may be made following a rights issue or any other variation of capital and the limitations on the number of Ordinary Shares that may be issued cannot be altered to the advantage of participating employees

without prior Shareholder approval, except for minor amendments to benefit the administration of the SIP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participating employees or for the Group.

The remuneration committee may add to, vary or amend the rules of the SIP by way of a separate schedule in order that the SIP may operate to take account of local legislative and regulatory treatment for participating employees or the relevant Group Company, provided that the parameters of these arrangements will provide no greater benefits than the rules of the SIP as summarised above. Any amendments to key features of the SIP are subject to the approval of HMRC.

General

Any benefits granted or Ordinary Shares awarded under the SIP will not be pensionable.

13. Capitalisation and Indebtedness

The following table sets out the consolidated indebtedness of the Group, based on the Group's unaudited internal management accounts, as at 31 March 2014:

Indebtedness	*£'000*
Total current debt	–
Secured	1,500
Unsecured	–
Total current debt	1,500
Total non-current debt	–
Total indebtedness as at 31 March 2014	1,500

The following table sets out the consolidated capitalisation of the Group, based on the Group's audited results, as at 31 December 2013:

Capital and reserves	*£'000*
Called up share capital	14,162
Share premium account	130,304
Other reserves (excluding profit and loss reserves and translation reserve)	14,310
Total capitalisation as at 31 December 2013	158,776

There has been no material change in the capitalisation of the Group since 31 December 2013.

The following table sets out the net consolidated financial funds of the Group, based on the Group's unaudited internal management accounts, as at 31 March 2014:

Net funds	*£'000*
Cash and cash equivalents	1,197
Total liquidity	1,197
Current financial receivables	–
Current financial debt	(1,500)
Net current financial funds	(303)
Other non-current financial debt	–
Non-current financial indebtedness	–
Net funds	(303)

There was no indirect or contingent indebtedness as at 31 March 2014.

14. Working Capital

The Company is of the opinion that, taking into account existing cash balances and the net proceeds of the Firm Placing, Subscription and the Related Party Subscription receivable by the Company, the Group has sufficient working capital for its present requirements, that is at least 12 months following the publication of this document.

15. Importance of the Vote

The Directors believe that Oxford BioMedica has sufficient financial resources to fund the business until the end of the third quarter of 2014. In the absence of the Firm Placing, Subscription and the Related Subscription, the Company requires a further £8 million to fund the business until 28 May 2015, that is for a full 12 months following publication of this document. This does not take into account any potential upfront licence payment should the Company be successful in partnering RetinoStat® during 2014 or the first quarter of 2015, nor does it include potential revenue from other partnering or licensing transactions. The receipt of any one of such revenues could result in the Group having sufficient financial resources for the next 12 months. However, the Directors cannot be certain that any such milestone payment or revenue for partnering or licensing will materialise before the end of the third quarter of 2014, if at all, and the outcome lies outside the full control of the Company.

If the Resolutions in the Notice of General meeting are not approved, the Firm Placing, Subscription and the Related Party Subscription will not proceed. Given that the Group will only have sufficient financial resources to fund its business until the end of the third quarter of 2014 based on current business plans, in the event that the Firm Placing, Subscription and the Related Party Subscription fail to proceed, the Directors will severely reduce all appropriate discretionary spend and will immediately endeavour to conserve cash and raise further funds by:

- implementing redundancies and cutting back on all discretionary expenditure, which is likely to reduce the capabilities of the Company, in order to conserve cash;
- seeking to accelerate partnering programmes for the Group's that are not already partnered such as OXB-102, Retinostat®, EncorStat®, Glaucoma-GT and TroVax® which may be on terms less favourable than if the programmes were not accelerated;
- accelerating the monetisation of existing partnerships such as the ocular programme with Sanofi, which may be on terms less favourable than if the monetisation of partnerships were not accelerated; and
- taking up alternative forms of financing that may be on terms less attractive to Shareholders than the Firm Placing, Subscription and the Related Party Subscription.

Although each of these actions is realistically available to the Company, the outcome of each lies outside the full control of the Company and, as a result, the Directors cannot be confident that any will be successful or will be on terms as attractive as the Firm Placing, Subscription and the Related Party Subscription for Shareholders.

If the Company were to be unsuccessful in pursuing these alternative courses of action by the third quarter of 2014, the Directors would be obliged to cease operations, the consequence of which could include administration or receivership or liquidation or other insolvency proceedings.

Accordingly, it is very important that Shareholders vote in favour of the Resolutions in order that the Firm Placing, Subscription and the Related Party Subscription can proceed.

16. UK Taxation

The following paragraphs are intended as a general guide only to current United Kingdom tax law and HMRC published practice as at the date of this document. They relate only to certain limited aspects of the United Kingdom taxation treatment of the holders of Existing Ordinary Shares and apply only to Shareholders who own their Existing Ordinary Shares beneficially as an investment and who are resident or

ordinarily resident in the United Kingdom for tax purposes (except where the position of an overseas resident Shareholder is expressly referred to). Certain categories of Shareholders, such as traders, broker-dealers, insurance companies and collective investment schemes, and Shareholders who have (or are deemed to have) acquired their Existing Ordinary Shares by virtue of an office or employment, may be subject to special rules and this summary does not apply to such Shareholders. Any person who is in any doubt about his own tax position, or is subject to taxation in a jurisdiction other than the United Kingdom, should consult an appropriate independent professional adviser.

(a) ***Taxation of capital gains***

(i) *New Ordinary Shares acquired pursuant to the Open Offer*

For the purposes of United Kingdom taxation of chargeable gains, a Shareholder should not be treated as making a disposal of all or part of his Existing Ordinary Shares by reason of taking up his entitlement under the Open Offer or the issue to that Shareholder of New Ordinary Shares pursuant to the Open Offer.

As a matter of UK tax law, the acquisition of New Ordinary Shares by Qualifying Shareholders pursuant to the Open Offer may not be regarded as a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains. Specific confirmation as to whether the Open Offer will be treated as a reorganisation has not been requested from HMRC.

To the extent that the acquisition of New Ordinary Shares under the Open Offer is treated as a reorganisation the issue of New Ordinary Shares under the Open Offer up to a Shareholder's maximum pro rata entitlement should be regarded as reorganisation of Oxford BioMedica's share capital. Accordingly, to the extent that Oxford BioMedica issue such New Ordinary Shares to a UK tax resident Shareholder up to and including such Shareholder's pro rata entitlement under the Open Offer, each of his holdings of Existing Ordinary Shares and the New Ordinary Shares issued to him under the Open Offer should be treated as a single asset (the "New Holding") acquired at the time he acquired the Existing Ordinary Shares. For the purpose of computing any gain or loss on a subsequent disposal by a UK tax resident Shareholder of a share comprised in his New Holding, the issue price paid for such New Ordinary Shares will be added to the base cost of his Existing Ordinary Shares, and in the case of Shareholders that are within the charge to UK corporation tax, would qualify for indexation allowance from the date on which payment for the New Ordinary Shares is made or is liable to be made. In the case of individuals, trustees and personal representatives, indexation allowance is not available.

If the Open Offer is not treated as a reorganisation, New Ordinary Shares allotted to a Shareholder pursuant to the Open Offer will not be treated as the same asset as the Shareholder's Existing Ordinary Shares. In these circumstances, the price paid for all of the New Ordinary Shares will constitute his base cost for the purposes of UK taxation of chargeable gains. Share identification rules would need to be taken into consideration when computing any gain or loss on a subsequent disposal of such New Ordinary Shares.

The issue of New Ordinary Shares in excess of a Shareholder's maximum pro rata entitlement will not constitute a reorganisation of share capital for the purpose of taxation of chargeable gains. In this case, New Ordinary Shares issued under the Open Offer would be treated as acquired as part of a separate acquisition and share identification provisions would need to be taken into consideration when computing any gain or loss on a subsequent disposal of such New Ordinary Shares.

(ii) *New Ordinary Shares acquired pursuant to the Placing*

The issue of New Ordinary Shares under the Placing which are not subject to the Open Offer will not constitute a reorganisation of share capital for the purposes of the UK taxation of chargeable gains and, accordingly, any New Ordinary Shares acquired pursuant to the Placing will be treated as acquired as part of a separate acquisition of shares.

(iii) *Disposal of Ordinary Shares*

A subsequent disposal of Ordinary Shares by a Shareholder may, depending on the Shareholder's circumstances, and subject to any available exemption or relief, give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains.

(b) ***Taxation of dividends***

Under current UK tax legislation, Oxford BioMedica is not required to withhold tax at source when paying a dividend.

A Shareholder who is an individual resident in the UK for tax purposes and who receives a dividend from Oxford BioMedica will be entitled to a tax credit which such Shareholder may set off against his total income tax liability on the dividend. The tax credit will be equal to 10 per cent. of the aggregate of the dividend and the tax credit (the gross dividend), which is also equal to one-ninth of the cash dividend received. A UK resident individual Shareholder who is liable to income tax at the basic rate will be subject to tax on the dividend at the rate of 10 per cent. of the gross dividend, so that the tax credit will satisfy in full such Shareholder's liability to income tax in respect of the gross dividend. A UK resident individual Shareholder who is liable to income tax at the higher rate will be subject to income tax at the rate applicable to dividends for such Shareholders (currently 32.5 per cent.) on the gross dividend. After taking into account the 10 per cent. tax credit such Shareholders will have to account for additional tax equal to 22.5 per cent. of the gross dividend (an effective tax rate of 25 per cent. of the cash dividend received). Dividend income received by an individual resident in the UK for tax purposes whose taxable income is over £150,000, will be taxed at the rate of 37.5 per cent. on the dividend plus the tax credit (an effective rate of 30.6 per cent. of the cash dividend received). A UK resident individual Shareholder who is not liable to income tax in respect of the gross dividend will not be entitled to repayment of the tax credit.

Dividend income received by an individual resident in the UK for tax purposes whose taxable income is over £150,000, will be taxed at the rate of 37.5 per cent. on the dividend plus the tax credit (an effective rate of 30.6 per cent. of the cash dividend received).

United Kingdom resident taxpayers who are not liable to United Kingdom tax on dividends, including pension funds and charities, will not be entitled to claim repayment of the tax credit attaching to dividends paid by Oxford BioMedica.

United Kingdom resident corporate Shareholders will generally not be subject to tax on dividends paid by Oxford BioMedica. Those Shareholders will not be able to claim repayment of tax credits attaching to dividends.

A Shareholder who is not resident in the UK for tax purposes will not generally be entitled to claim any part of the tax credit attaching to a dividend, although such Shareholders may be entitled to offset the tax credit against their liability to tax in their country of residence. This will depend in each case on their personal circumstances and the terms of any double taxation agreement which exists between their country of residence and the UK. A Shareholder who is not resident in the UK (for tax purposes) should consult his own tax adviser concerning his tax liability on dividends received, his entitlement to reclaim any part of any tax credit or tax withheld and, if he is so entitled, the procedure for doing so. A Shareholder resident outside the UK may also be subject to foreign taxation on any dividends received under local law.

(c) ***Stamp duty and stamp duty reserve tax (SDRT)***

No stamp duty or stamp duty reserve tax will be payable on the allotment, issue or registration of New Ordinary Shares (except in relation to a depositary receipt arrangements and clearance services where special rules apply). The Company will not be responsible for payment of stamp duty or stamp duty reserve tax in any such case.

Any subsequent conveyance or transfer of Ordinary Shares outside of the CREST system will normally be liable to stamp duty in the hands of the purchaser or transferee at a rate of 0.5 per cent. of the consideration provided.

Subsequent paperless transfers of Ordinary Shares within CREST are generally liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the consideration provided in money or money's worth. CREST is obliged to collect SDRT from the purchaser of the shares on relevant transactions settled within the system

THE ABOVE DESCRIPTION OF TAXATION IS GENERAL IN CHARACTER. IF YOU ARE IN ANY DOUBT AS TO YOUR TAX POSITION OR YOU ARE SUBJECT TO TAX IN A JURISDICTION OTHER THAN THE UNITED KINGDOM, YOU SHOULD CONSULT AN APPROPRIATE INDEPENDENT PROFESSIONAL ADVISER WITHOUT DELAY.

17. US Taxation

The following is a summary of the material US federal income tax consequences of the acquisition, ownership and disposition of the Company's Ordinary Shares, based upon current law and does not purport to be a comprehensive discussion of all the tax considerations that may be relevant to a decision to purchase Ordinary Shares. This summary is based on current provisions of the US Internal Revenue Code of 1986 (the "Code"), existing, final, temporary and proposed United States Treasury Regulations, administrative rulings and judicial decisions, in each case as available on the date of this document. All of the foregoing are subject to change, which change could apply retroactively and could affect the tax consequences described below.

This section summarises the material US federal income tax consequences to US Shareholders (as defined below) of Ordinary Shares. This summary addresses only the US federal income tax considerations for US Shareholders that acquire the Ordinary Shares at their original issuance and hold the Ordinary Shares as capital assets. This summary does not address all US federal income tax matters that may be relevant to a particular US Shareholder. **Each prospective investor should consult a professional tax advisor with respect to the tax consequences of the acquisition, ownership or disposition of their Ordinary Shares.** This summary does not address tax considerations applicable to a holder of Ordinary Shares that may be subject to special tax rules including, without limitation, the following:

- certain financial institutions;
- insurance companies;
- dealers or traders in securities, currencies, or notional principal contracts;
- tax-exempt entities;
- regulated investment companies;
- persons that hold Ordinary Shares as part of a hedge, straddle, conversion, constructive sale or similar transaction involving more than one position;
- persons that hold Ordinary Shares through partnerships or certain other pass-through entities;
- Shareholders (whether individuals, corporations or partnerships) that are treated as expatriates for some or all US federal income tax purposes;
- Shareholders that own (or are deemed to own) 10 per cent. or more of the Company's voting shares; and
- Shareholders that have a "functional currency" other than the US dollar.

Further, this summary does not address alternative minimum tax consequences or the indirect effects on the holders of equity interests in entities that own Ordinary Shares. In addition, this discussion does not consider the US tax consequences to Shareholders of Ordinary Shares that are not "US Shareholders" (as defined below).

For the purposes of this summary, a "US Shareholder" is a beneficial owner of Ordinary Shares that is (or is treated as), for US federal income tax purposes:

- an individual who is either a citizen or resident of the United States;
- a corporation, or other entity that is treated as a corporation for US federal income tax purposes, created or organised in or under the laws of the United States or any state of the United States or the District of Columbia;
- an estate, the income of which is subject to US federal income taxation regardless of its source; or
- a trust, if a court within the United States is able to exercise primary supervision over its administration and one or more US persons have the authority to control all of the substantial decisions of such trust.

If a partnership holds Ordinary Shares, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership.

The Company will not seek a ruling from the US Internal Revenue Service ("IRS") with regard to the US federal income tax treatment of an investment in Ordinary Shares, and the Company cannot assure Shareholders that that the IRS will agree with the conclusions set forth below:

(a) ***Distributions***

Subject to the discussion under paragraph (d) below, the gross amount of any distribution actually or constructively received by a US Shareholder with respect to Ordinary Shares will be taxable to the US Shareholder as a dividend to the extent of the Company's current and accumulated earnings and profits as determined under US federal income tax principles. Distributions in excess of earnings and profits will be non-taxable to the US Shareholder to the extent of, and will be applied against and reduce, the US Shareholder's adjusted tax basis in the Ordinary Shares. Distributions in excess of earnings and profits and such adjusted tax basis will generally be taxable to the US Shareholder as capital gain from the sale or exchange of property. However, since the Company does not calculate its earnings and profits under US federal income tax principles, it is expected that any distribution will be reported as a dividend, even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above. The amount of any distribution of property other than cash will be the fair market value of that property on the date of distribution. The US Shareholder will not be eligible for any dividends-received deduction in respect of the dividend otherwise allowable to corporations.

Under the Code and subject to the discussion below in paragraph (c) regarding the "Medicare tax," qualified dividends received by non-corporate US Shareholders (i.e., individuals and certain trusts and estates) are subject to a maximum income tax rate of 20 per cent. This reduced income tax rate is applicable to dividends paid by "qualified foreign corporations" to such non-corporate US Shareholders that meet the applicable requirements, including a minimum holding period (generally, at least 61 days during the 121-day period beginning 60 days before the ex-dividend date). The Company expect to be considered a qualified foreign corporation under the Code. Accordingly, dividends paid by the Company to non-corporate U S Shareholders with respect to shares that meet the minimum holding period and other requirements are expected to be treated as "qualified dividend income." However, dividends paid by the Company will not qualify for the 20 per cent. maximum US federal income tax rate if the Company is treated, for the tax year in which the dividends are paid or the preceding tax year, as a "passive foreign investment company" for US federal income tax purposes, as discussed below.

Dividends received by a US Shareholder with respect to Ordinary Shares generally will be treated as foreign source income for the purposes of calculating that US Shareholder's foreign tax credit limitation. The limitation on foreign taxes eligible for the US foreign tax credit is calculated separately with respect to specific classes of income. For this purpose, dividends distributed by the Company generally will constitute "passive category income" (but, in the case of some US Shareholders, may constitute "general category income").

(b) ***Sale or other disposition of Ordinary Shares***

A US Shareholder will generally recognise gain or loss for US federal income tax purposes upon the sale or exchange of Ordinary Shares in an amount equal to the difference between the US dollar value of the amount realised from such sale or exchange and the US Shareholder's tax basis for those Ordinary Shares. Subject to the discussion under Paragraph (d) below "Passive Foreign Investment Company Considerations", this gain or loss will generally be a capital gain or loss and will generally be treated as from sources within the United States. Such capital gain or loss will be treated as long-term capital gain or loss if the US Shareholder has held the Ordinary Shares for more than one year at the time of the sale or exchange. Long-term capital gains of non-corporate holders may be eligible for a preferential tax rate; the deductibility of capital losses is subject to limitations.

(c) ***Medicare Tax***

An additional 3.8 per cent. tax is imposed on the net investment income (which includes taxable dividends and net capital gains) received by US Shareholders that are individuals, trusts or estates.

(d) ***Passive foreign investment company considerations***

A corporation organised outside the United States generally will be classified as a passive foreign investment company ("PFIC") for US federal income tax purposes in any taxable year in which, after applying the applicable look-through rules, either: (i) at least 75 per cent. of its gross income is passive income, or (ii) on average at least 50 per cent. of the gross value of its assets is attributable to assets that produce passive income or are held for the production of passive income. In arriving at this calculation, a pro rata portion of the income and assets of each corporation in which the Company own, directly or indirectly, at least a 25 per cent. interest, as determined by the value of such corporation, must be taken into account. Passive income for this purpose generally includes dividends, interest, royalties, rents and gains from commodities and securities transactions. The Company believe that it was not a PFIC for the 2013 taxable year. Based on the Company's estimated gross income, the average value of the Company's gross assets, and the nature of the active businesses conducted by the Company's "25 per cent. or greater" owned subsidiaries, the Company do not believe that it will be classified as a PFIC in the current taxable year and do not expect to become one in the foreseeable future. The Company's status for any taxable year will depend on its assets and activities in each year, and because this is a factual determination made annually after the end of each taxable year, there can be no assurance that the Company will not be considered a PFIC for the current taxable year or any future taxable year. The market value of the Company's assets may be determined in large part by reference to the market price of its Ordinary Shares, which is likely to fluctuate after the Firm Placing, Subscription, Related Party Subscription and Open Offer. In addition, the composition of the Company's income and assets will be affected by how, and how quickly, it spends the cash raised in the Firm Placing, Subscription, Related Party Subscription and Open Offer. If the Company were a PFIC for any taxable year during which a US Shareholder held Ordinary Shares recognised by the US Shareholder on a sale or other disposition (including a pledge) of the Ordinary Shares would be allocated ratably over the US Shareholder's holding period for the Ordinary Shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed on the resulting tax liability for that taxable year. Similar rules would apply to the extent any distribution in respect of Ordinary Shares exceeds 125 per cent. of the average of the annual distributions on Ordinary Shares received by a US Shareholder during the preceding three years or the US Shareholder's holding period, whichever is shorter. Elections may be available that would result in alternative treatments (such as a mark-to-market treatment) of the Ordinary Shares. In addition, if the Company is considered a PFIC for the current taxable year or any future taxable year, a US Shareholder may be required to file annual information returns for such year, whether or not the US Shareholder disposed of any Ordinary Shares or received any distributions in respect of Ordinary Shares during such year.

(e) ***Backup Withholding and Information Reporting***

US Shareholders generally will be subject to information reporting requirements with respect to dividends on Ordinary Shares and on the proceeds from the sale, exchange or disposition of Ordinary Shares that are paid within the United States or through US-related financial intermediaries, unless the US Shareholder is an "exempt recipient." In addition, US Shareholders may be subject to backup withholding (at A 28 per cent. rate) on such payments, unless the US Shareholder provides a taxpayer identification number and a duly executed IRS Form W-9 or otherwise establishes an exemption. Backup withholding is not an additional tax, and the amount of any backup withholding will be allowed as a credit against a US Shareholder's US federal income tax liability and may entitle such holder to a refund, provided that the required information is timely furnished to the IRS.

18. Litigation

There are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Oxford BioMedica is aware) which may have or have had during the 12 months preceding the date of this document, a significant effect on the Group's financial position or profitability.

19. General

19.1 Charles Stanley is registered in England and Wales (with number 01903304) and has its registered office at 25 Luke Street, London, EC2A 4AR. Charles Stanley has given and has not withdrawn its written consent to the issue of this document and the references to its name in the form and context in which they are included.

19.2 WG Partners is registered in England and Wales (with number OC 369354) and has its registered office at Munro House, Portsmouth Road, Cobham, KT11 1PP. WG Partners has given and has not withdrawn its written consent to the issue of this document and the references to its name in the form and context in which they are included.

19.3 Oxford BioMedica's registrars are Capita Asset Services of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

19.4 Oxford BioMedica's accounts for the three financial periods ended 31 December 2011, 31 December 2012 and 31 December 2013, upon which unqualified reports have been given, were audited by PricewaterhouseCoopers LLP, chartered accountants. PricewaterhouseCoopers LLP is a member of the Institute of Chartered Accountants in England and Wales.

19.5 There has been no significant change in the financial or trading position of the Group since 31 December 2013, being the date to which the Group's latest audited financial statements, incorporated by reference in Part 4 of this document, have been drawn up.

19.6 The total expenses payable by Oxford BioMedica in connection with the Firm Placing, Subscription, Related Party Subscription and Open Offer are expected to amount to approximately £2 million, excluding VAT.

19.7 The Existing Ordinary Shares are listed on the Official List and traded on the market for listed securities of the London Stock Exchange. Application has been made for the New Ordinary Shares to be so listed and traded.

19.8 The Offer Price represents a discount of 1 per cent. to the Closing Price of an Existing Ordinary Share at 27 May 2014.

20. Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekdays (Saturdays, Sundays and public holidays excepted) at the Company's registered office, Medawar

Centre, Robert Robinson Avenue, Oxford OX4 4GA and the offices of Covington & Burling, 265 Strand, London WC2R 1BH, until Admission:

20.1 the Articles of Association; and

20.2 the audited consolidated accounts of the Group for the three financial years ended 31 December 2011, 31 December 2012 and 31 December 2013.

Dated 29 May 2014

As required by the Prospectus Rules Checklist of Documentation Incorporated by Reference

Information incorporated by reference	*Page number in the Annual Report*	*Page number in this document*
Annual Report and Accounts of Oxford BioMedica for the year ended 31 December 2011, including:		
balance sheet	54	77
income statement	53	77
changes in equity statements	56	77
cash flow statements	55	77
accounting policies and notes	57-85	77
auditors report	51-52	77
Annual Report and Accounts of Oxford BioMedica for the year ended 31 December 2012, including:		
balance sheet	52	77
income statement	51	77
changes in equity statements	54	77
cash flow statements	53	77
accounting policies and notes	55-77	77
auditors report	50	77
Annual Report and Accounts of Oxford BioMedica for the year ended 31 December 2013, including:		
balance sheet	66	77
income statement	65	77
changes in equity statements	68	77
cash flow statements	67	77
accounting policies and notes	69-93	77
auditors report	60-64	77

Definitions

In this document and the Notice of General Meeting and accompanying Form of Proxy, the following expressions have the following meanings, unless the context otherwise requires

"1996 Share Scheme"	The Oxford BioMedica 1996 (No. 1) Share Option Scheme described in paragraph 12.1(a) of Part 6 of this document
"2007 Share Scheme"	The Oxford BioMedica 2007 Share Option Scheme described in paragraph 12.1(b) of Part 6 of this document
"Admission"	the admission of the New Ordinary Shares (i) to the Official List and (ii) to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with, respectively, LR 3.2.7G of the Listing Rules and paragraph 2.1 of the Admission and Disclosure Standards
"Admission and Disclosure Standards"	the requirements contained in the publication "Admission and Disclosure Standards" dated 1 November 2007 containing, among other things, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange's main market for listed securities
"AIM"	the AIM market of the London Stock Exchange
"Application Form"	the personalised application form which accompanies this document for Qualifying non-CREST Shareholders for use in connection with the Open Offer
"Articles" or **"Articles of Association"**	the articles of association of Oxford BioMedica in force as at the date of this document
"AstraZeneca"	AstraZeneca plc, registered in England and Wales, under number 02732534
"Bavarian Nordic"	Bavarian Nordic A/S, Bavarian Nordic GmbH and BN Immunotherapeutics, Inc.
"business day"	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal banking business
"Capita Asset Services"	a trading name of Capita Registrars Limited
"certificated" or **"in certificated form"**	where a share or other security is not in uncertificated form
"Charles Stanley"	Charles Stanley & Co. Limited, Sponsor to the Company
"Closing Price"	the closing middle market quotation of an Existing Ordinary Share as derived from the daily official list published by the London Stock Exchange
"Companies Act"	the Companies Act 2006, as amended including any statutory modification or re-enactment thereof for the time being in force
"Company" or **"Oxford BioMedica"**	Oxford BioMedica plc, registered in England and Wales under number 3252665

"CREST"	the relevant system, as defined in the CREST Regulations (in respect of which Euroclear is operator as defined in the CREST Regulations)
"CREST member"	a person who has been admitted by Euroclear 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 personal member"	a CREST member who holds their securities in dematerialised electronic form in CREST in their own name
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
"CREST Shareholders"	Shareholders holding Existing Ordinary Shares in uncertificated form
"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)
"Directors" or **"Board"**	the Directors of Oxford BioMedica whose names appear on page 30 of this document
"Disclosure and Transparency Rules"	the disclosure and transparency rules made by the Financial Conduct Authority in exercise of its functions as competent authority pursuant to Part VI of FSMA
"Emergent Biosolutions"	Emergent Biosolutions Inc.
"Enlarged Share Capital"	the issued ordinary share capital of the Company following the Firm Placing, Subscription, Related Party Subscription and Open Offer
"Euroclear"	Euroclear UK & Ireland Limited (formerly CrestCo Limited), the operator of CREST
"European Economic Area"	the member states of the European Union, Iceland, Norway and Liechtenstein
"Excess Application Facility"	the facility for Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlements
"Excess Open Offer Entitlements"	in respect of each Qualifying CREST Shareholder who has taken up his Open Offer Entitlement in full, the entitlement (in addition to the Open Offer Entitlement) to apply for Excess Shares up to the number of Open Offer Shares credited to his stock account in CREST pursuant to the Excess Application Facility, which may be subject to scaling down according to the Directors' discretion
"Excess Shares"	Open Offer Shares which may be applied for in addition to Open Offer Entitlements
"Executive Directors"	John Dawson, Tim Watts, and Peter Nolan
"Excluded Territories"	Canada, Japan, Australia and any other jurisdiction where the availability of the Firm Placing, the Subscription and Open Offer would breach any applicable law

"Existing Ordinary Shares"	the 1,416,149,005 existing ordinary shares of 1 pence each in nominal value in the capital of the Company as at the date of this document
"Financial Conduct Authority" or **"FCA"**	the UK Financial Conduct Authority
"FDA"	the US Food and Drug Administration
"Firm Placees"	any person who have agreed or shall agree to subscribe for Firm Placed Shares pursuant to the Firm Placing
"Firm Placed Shares"	the 826,566,048 New Ordinary Shares which the Company is proposing to issue pursuant to the Firm Placing
"Firm Placing"	the subscription by Firm Placees for the Firm Placed Shares
"Form of Proxy"	the form of proxy accompanying this document for use in connection with the General Meeting
"FSMA"	the Financial Services and Markets Act 2000 (as amended) and all regulations promulgated thereunder from time to time
"General Meeting"	the General Meeting of the Company convened for the purpose of passing the Resolutions, to be held on 16 June 2014, including any adjournment thereof
"Group" or **"Oxford BioMedica Group"**	Oxford BioMedica and its subsidiaries at the date of this document
"HMRC"	H.M. Revenue & Customs
"IFRS"	International Financial Reporting Standards as adopted by the European Union
"IP"	intellectual property
"ISTA"	ISTA Pharmaceuticals Inc., registered in the US
"Listing Rules"	the listing rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA
"London Stock Exchange"	London Stock Exchange plc
"LTIP"	the Long Term Incentive Plan described in paragraph 12.1(c) of Part 6 of this document
"M&G Investment Management"	M&G Investment Management Limited
"New Ordinary Shares"	the 1,283,248,616 new Ordinary Shares of 1 pence each in nominal value in the capital of the Company to be issued in connection with the Firm Placing, Subscription, Related Party Subscription and Open Offer
"Non-CREST Shareholders"	Shareholders holding Ordinary Shares in certificated form
"Non-executive Directors"	Nick Rodgers, Paul Blake, Andrew Heath and Martin Diggle
"Notice of General Meeting"	the notice of General Meeting set out at the end of this document
"Novagali"	Novagali Pharma S.A., registered in France
"Offer Price"	2 pence per New Ordinary Share

"Official List"	the Official List of the FCA
"Open Offer"	the conditional invitation to Qualifying Shareholders to apply for up to 283,229,801 New Ordinary Shares at the Offer Price on a pre-emptive basis
"Open Offer Entitlement"	the pro rata entitlement to subscribe for Open Offer Shares allocated to a Qualifying Shareholder pursuant to the Open Offer
"Open Offer Shares"	the 283,229,801 New Ordinary Shares for which Qualifying Shareholders are being invited to apply at the Offer Price to be issued pursuant to the terms of the Open Offer
"Ordinary Share"	ordinary shares of 1 pence each in the capital of the Company from time to time
"Overseas Shareholders"	Qualifying Shareholders who have registered addresses outside the United Kingdom
"Oxford BioMedica UK" or **"OBUK"**	Oxford BioMedica (UK) Limited: a wholly owned subsidiary of Oxford BioMedica plc
"Panel"	the Panel on Takeovers and Mergers
"PD Regulation"	European Union Prospectus Directive (2003/71/EC)
"Placing Agreement"	the sponsor and placing agreement dated 29 May 2014 between WG Partners and the Company relating to the Firm Placing, the principal terms of which are summarised in paragraph 10 of Part 6 of this document
"Prospectus Rules"	the prospectus rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA
"Qualifying CREST Shareholders"	Qualifying Shareholders whose Existing Ordinary Shares on or deemed to be on the register of members of the Company at the close of business on the Record Date are in uncertificated form
"Qualifying non-CREST Shareholders"	Qualifying Shareholders whose Existing Ordinary Shares on or deemed to be on the register of members of the Company at the close of business on the Record Date are in certificated form
"Qualifying Shareholders"	holders of Existing Ordinary Shares on the register of members of the Company on the Record Date (other than certain Overseas Shareholders as described in Part 2 of this document)
"Receiving Agent"	Capita Asset Services
"Record Date"	close of business on 27 May 2014
"Registrar"	Capita Asset Services
"Regulation D"	Regulation D under the Securities Act
"Regulation S"	Regulation S under the Securities Act
"Related Party"	a "related party" as defined in Chapter 11 of the Listing Rules, where there is more than one Related Party, the "Related Parties"
"Related Party Resolution"	resolution number 3 in the Notice of General Meeting

"Related Party Transaction"	Vulpes Life Sciences Fund's proposed participation in the Firm Placing more particularly described in paragraph 7 of Part 1 of this document
"Related Party Subscription"	the proposed subscription by Vulpes Life Sciences Fund of the Related Party Subscription Shares at the Offer Price conditional upon Admission and following the Company serving notice of prepayment of the Vulpes Loan Facility, in consideration for the payment in full (including fees and accrued interest) of the Vulpes Loan Facility
"Related Party Subscription Shares"	the 83,452,767 New Ordinary Shares being subscribed for subject to the Related Party Subscription
"Resolutions"	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting
"Roth"	Roth Capital Partners, LLC, US Placement Agent to the Company
"Santen"	Santen Pharmaceutical Co., Ltd, registered in Japan
"Securities Act"	the United States Securities Act of 1933, as amended
"Shareholder"	a holder of Existing Ordinary Shares
"Share Schemes"	the 1996 Share Scheme, the 2007 Share Scheme and the LTIP
"Subscribers"	investors who have conditionally agreed to subscribe for the Subscription Shares pursuant to the Subscription Agreement
"Subscription"	proposed subscription of the Subscription Shares at the Offer Price pursuant to the Subscription Agreements
"Subscription Agreement"	the agreement or agreements entered into between the Company and the Subscribers, further details of which are set out in paragraph 11.2 of Part 6 of this document
"Subscription Shares"	the 90,000,000 New Ordinary Shares which the Company is proposing to issue pursuant to the Subscription
"Takeover Code"	the City Code on Takeovers and Mergers issued by the Panel
"UK Listing Authority"	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of FSMA
"uncertificated" or **"in uncertificated form"**	recorded on the relevant register of the share or security concerned 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
"UK Corporate Governance Code"	the UK Corporate Governance Code dated June 2010 issued by the Financial Reporting Council
"United Kingdom" or **"UK"**	the United Kingdom of Great Britain and Northern Ireland
"US", "USA" or **"United States"**	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
"Vulpes Loan Facility"	the loan facility as defined in paragraph 9.5 (e) of Part 6 of this document

"WG Partners"	WG Partners LLP, Financial Adviser and Bookrunner to the Company

All references to "pounds", "pound sterling", "sterling", "£", "pence", "penny" and "p" are to the lawful currency of the United Kingdom.

All references to "Euros" and "€" are to the lawful currency of the member states of the European Union that adopt a single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union.

All references to "US$", "US dollars" and "$" are to the lawful currency of the United States.

Glossary of Scientific Terms

"ABCR"	ATP binding cassette transporter, retina-specific
"ANSM"	Agence nationale de securite du medicament et des Produits de Sante (French regulatory agency)
"AMD"	age-related macular degeneration
"anti-angiogenesis" or **"anti-angiogenic"**	targeted therapy that uses drugs or other substances to stop the development of new blood vessels, usually targeted to pathological or aberrant blood vessel growth"
"CART"	Chimeric Antigen Receptor T-cell
"clinical development"	the entire clinical study process encompassing Pre-clinical, Phase I, Phase II and Phase III studies
"dopamine"	a neurotransmitter found within the nervous system
"endostatin"	broad spectrum angiogenesis inhibitor
"ex vivo"	latin term to describe biological events that take place outside the bodies of living organisms
"GMP"	Good Manufacturing Practice, formal standards of facilities cleanliness, process, quality controls and documentation set out and periodically monitored by the main medicines control agencies to which a company has to conform in order to manufacture a product for human use
"IND"	Investigational New Drug
"LentiVector®"	Proprietary gene delivery technology using a lentivirus-derived vector which has applications in product development and discovery research
"MHRA"	The Medicines and Healthcare products Regulatory Agency
"macular degeneration"	a disease of the part of the retina that causes central vision loss
"ocular products"	products relating to treatment of the eye
"open label"	refers to a type of clinical study in which both the researchers and participants know which treatment is being administered
"Parkinson's disease"	a progressive degenerative disease affecting the brain leading to a deficiency in the neurotransmitter dopamine
"Phase I"	first trials of a new candidate therapy in which a small number of healthy volunteers take part
"Phase II study" or **"Phase II"**	the assessment in patients of a drug to determine dose range and preliminary efficacy
"pre-clinical study"	experiments performed before starting clinical trials to assess a compound's potential efficacy and its potential to cause side-effects
"proof-of-concept"	study designed to show that a compound has its intended clinical effect
"R&D"	research and development

"retinitis pigmentosa"	a group of hereditary disorders characterised by progressive peripheral vision loss and night vision difficulties that can lead to central vision loss
"Stargardt disease"	hereditary eye disease that is one of the most frequent causes of macular degeneration during childhood
"striatum"	part of the basal ganglia system of the brain
"T-cell"	type of white blood cell that is of importance to the immune system
"Usher Syndrome type 1B"	human hereditary disorder characterised by profound congenital deafness, retinitis pigmentosa, and vestibular dysfunction

NOTICE OF GENERAL MEETING

Oxford BioMedica plc

(incorporated in England and Wales with registered number 3252665)

Notice is hereby given that a General Meeting of Oxford BioMedica plc (the "Company") will be held at the offices of Covington & Burling LLP, 265 Strand, London WC2R 1BH at 10.00 a.m. on 16 June 2014 for the purpose of considering and, if thought fit, passing the following resolutions of which Resolutions 1 and 3 will be proposed as ordinary resolutions and Resolution 2 will be proposed as a special resolution.

1. THAT, the directors of the Company (the "Directors") be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of "relevant securities") up to an aggregate nominal amount of £12,832,486.16 pursuant to the Firm Placing, Subscription, Related Party Subscription and Open Offer (as defined and described in the Prospectus to which this notice is attached) which authority shall be in addition to the existing authority conferred, which shall continue in full force and effect. The authority conferred by this resolution shall expire (unless previously revoked or varied by the Company in general meeting) on the conclusion of the next annual general meeting of the Company or the date 15 months from the date of passing of this resolution, whichever is the earlier, save that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require relevant securities to be allotted after such expiry, revocation or variation and the Directors may allot relevant securities in pursuant of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.

2. THAT conditional upon the passing of Resolution 1 above, in addition to all other existing powers of the Directors under section 570 of the Act which shall continue in full force and effect, the Directors are empowered under the said section 570 to allot equity securities as defined by section 560 of the Act for cash pursuant to the authority conferred by Resolution1 above as if section 561 of the Act did not apply to any such allotment. Such power shall, subject to the continuance of the authority conferred by Resolution 1, expire on the conclusion of the next annual general meeting of the Company or the date 15 months from the date of passing of this resolution, whichever is the earlier, but may be revoked or varied from time to time by Special Resolution so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied.

3. THAT, conditional upon the passing of Resolutions 1 and 2 above, the proposed participation of Vulpes Life Sciences Fund in the Firm Placing (as defined and described in the Prospectus to which this notice is attached), and, conditional upon Admission of the New Ordinary Shares to be allotted pursuant to the Firm Placing, Subscription and Open Offer and the Company serving notice of prepayment of the Vulpes Loan Facility (as defined and described in the Prospectus to which this notice is attached), the proposed subscription of 83,452,767 New Ordinary Shares at the Offer Price by Vulpes Life Sciences Fund in the Company in consideration for the repayment in full (including fees and accrued interest) of the Vulpes Loan Facility, being related party transactions for the purposes of the Listing Rules, be and are hereby approved.

BY ORDER OF THE BOARD
Tim Watts
Company Secretary

Registered office
Medawar Centre
Robert Robinson Avenue
The Oxford Science Park
Oxford OX4 4GA

Dated 29 May 2014

Notes

(1) Members entitled to attend and vote at the General Meeting are also entitled to appoint one or more proxies to exercise all or any of their rights to attend and to speak and vote on their behalf at the 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 share or shares held by that shareholder which must be identified on the form of proxy. A proxy need not be a shareholder of the company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the chairman of the meeting and give your instructions to that proxy.

(2) A form of proxy is enclosed for use by members. To be valid it should be completed, signed and delivered (together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of authority) to the Company's registrars Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or submitted electronically via www.capitashareportal.com (see note 3), not later than 48 hours before the time appointed for holding the General Meeting or, in the case of a poll taken subsequently to the date of the General Meeting, or any adjourned meeting, not less than 24 hours before the time appointed for the taking of the poll which is taken more than 48 hours after the day of the General Meeting or adjourned meeting. Shareholders who intend to appoint more than one proxy can obtain additional forms of proxy from Capita Asset Services. Alternatively, the form provided may be photocopied prior to completion. The forms of proxy should be returned in the same envelope and each should indicate that it is one of more than one appointments being made.

(3) You may submit your proxy vote electronically via www.capitashareportal.com. From there you can log in to your Capita share portal account or register for the Capita share portal if you have not already done so. To register, select "Register" then enter your surname, Investor Code, postcode and an e-mail address. Create a password and click "Register" to proceed. You will be able to vote immediately by selecting "Proxy Voting" from the menu. You can find your Investor Code on the Form of Proxy enclosed with this document.

(4) An abstention (or "vote withheld") option has been included on the form of proxy. The legal effect of choosing the abstention option on any resolution is that the shareholder concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.

(5) Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was 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, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

(6) The statement of rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

(7) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with CRESTCo's specification 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 Registrar (ID RA10) by 10:00 a.m. on 14 June 2014. 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 Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that CRESTCo 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 members concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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.

(8) Completion and return of a form of proxy will not affect the right of such member to attend and vote in person at the meeting or any adjournment thereof.

(9) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company gives notice that only those shareholders entered on the register of members of the Company at 10.00 a.m. on 14 June 2014 will be entitled to attend or vote

(whether in person or proxy) at the General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after 10.00 a.m. on 14 June 2014 will be disregarded in determining the rights of any person to attend or vote at the meeting or any adjourned meeting (as the case may be).

(10) As at 27 May 2014 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 1,416,149,005 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 27 May 2014 are 1,416,149,005.

(11) In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.

(12) A copy of this notice of meeting, together with any members' statements which have been received by the Company after the despatch of this notice and the other information required by s.311A of the Companies Act 2006 are all available on the Company's website at www.oxfordbiomedica.co.uk under 'investors: shareholder meetings'.

(13) Shareholders, proxies and authorised representatives will be required to provide their names and addresses for verification against the register of members and proxy appointments received by the Company before entering the meeting. Each authorised representative must produce proof of his or her appointment, in the form of the actual appointment or a certified copy. Other than this, there are no procedures with which any such persons must comply in order to attend and vote at the meeting.

(14) Shareholders, proxies and authorised representatives may raise questions at the meeting concerning any business being dealt with at the meeting and will receive answers, except that a question need not be answered where it would interfere unduly with the conduct of the meeting, would involve the disclosure of confidential information, where the answer has already been given on a website in the form of an answer to a question or where it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.