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If you have sold or transferred all of your Ordinary Shares please send this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was made.

This document does not constitute a prospectus for the purposes of the Prospectus Regulation Rules made by the Financial Conduct Authority of the United Kingdom ("**FCA**") pursuant to sections 73A(1) and (4) of FSMA and accordingly this document has not been, and will not be, approved by the FCA, the London Stock Exchange, any securities commission or any other authority or regulatory body nor has it been approved for the purposes of section 21 of FSMA. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

Sensyne Health plc

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered no. 11425451)

Approval of Authority and Disapplication of Pre-Emption Rights for the Issue of Warrants in connection with Financing

Renewal of General Authority to Allot Shares and Disapplication of Pre-Emption Rights

and

Notice of General Meeting

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman of the Company explaining the background to, and reasons for, the Financing which is set out in Part I of this document.

Notice of the General Meeting due to take place at Hampton by Hilton Oxford, Grenoble Road, Oxford OX4 4XP at 2.00 p.m. on 11 February 2022, is set out at the end of this document. Please note that as a result of the COVID-19 pandemic and the guidance published by the UK Government in response thereto, physical attendance at the General Meeting may not be possible at the time of the meeting. In addition, and in accordance with the Articles, the Company may impose entry restrictions on attendance at the General Meeting. **In light of this, the Board encourages Shareholders to submit their votes by proxy in advance by the required deadline and to appoint the Chairman of the meeting as their proxy, with voting instructions, to ensure their vote is counted.**

The accompanying Form of Proxy for use in connection with the General Meeting should be completed by Shareholders and returned as soon as possible but in any event so as to be received by the Registrars at Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by no later than 2.00 p.m. on 9 February 2022 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

Copies of this document will be available free of charge to the public from the Company's website www.sensynehealth.com.

IMPORTANT INFORMATION

The distribution of this document and the Form of Proxy in certain jurisdictions may be restricted by law. Accordingly, neither this document, the Form of Proxy nor any advertisement or any other offering material relating to the Loan Notes, the Warrants or the Financing may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons outside the United Kingdom into whose possession this document comes should inform themselves about and observe any such restrictions.

This document (and the information contained herein) does not contain or constitute an offer of securities for sale, or solicitation of an offer to purchase securities, in the United States, Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction where such an offer or solicitation would be unlawful. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or jurisdiction of the United States and may not be offered, sold, resold, or delivered, directly or indirectly, in or into the United States or to US persons unless the securities are registered under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, in each case in accordance with any applicable securities laws and regulations of any state or jurisdiction of the United States. The securities referred to herein were offered and sold to non-US persons outside the United States in offshore transactions within the meaning of, and in accordance with, Regulation S under the Securities Act. There was no public offer of securities in the United States.

None of the Loan Notes, Warrants, this document or any other document connected with the Financing have been or will be approved or disapproved by the US Securities and Exchange Commission 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 comment upon or endorsed the merits of the offering of the Loan Notes and/or the Warrants or the accuracy or adequacy of this document or any other document connected with the Financing. Any representation to the contrary is a criminal offence.

Neither the Loan Notes, Warrants or other documents connected with the Financing have been nor will be registered under the securities laws and regulations of any jurisdiction, in particular, Australia, Canada, Japan or the Republic of South Africa, and may not be offered, sold, resold, or delivered, directly or indirectly, within Australia, Canada, Japan or the Republic of South Africa, or in any jurisdiction where it is unlawful to do so, except pursuant to an applicable exemption.

Peel Hunt LLP ("**Peel Hunt**"), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting for the Company in connection with the Financing and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Peel Hunt or for advising any other person in respect of the Financing or any transaction, matter or arrangement referred to in this document. Peel Hunt's responsibilities as the Company's nominated adviser and broker under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of the Financing.

Liberum Capital Limited ("**Liberum**"), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as joint broker to the Company and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Liberum or for advising any other person in respect of the Financing or any transaction, matter or arrangement referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Peel Hunt or Liberum by FSMA or the regulatory regime established thereunder. Neither Peel Hunt nor Liberum accepts any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Financing. Peel Hunt and Liberum accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

Forward Looking Statements

This document contains “forward-looking statements” which include all statements (other than statements of historical facts) including, without limitation, those regarding the Group’s financial position, business strategy, plans and objectives of management for future operations, and any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or “similar” expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules for Companies.

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DIRECTORS, SECRETARY AND ADVISERS

Directors:	Sir Bruce Keogh (<i>Non-Executive Chairman</i>) Lord (Paul) Drayson (<i>Chief Executive Officer</i>) Richard Pye (<i>Chief Financial Officer</i>) Mary Hardy (<i>Senior Independent Director</i>) Professor Lionel Tarassenko (<i>Non-Executive Director & Director of R&D</i>) Tony Bourne (<i>Independent Non-Executive Director</i>) Dr. Ian Hudson (<i>Independent Non-Executive Director</i>) Michael Norris (<i>Independent Non-Executive Director</i>) Geoff Race (<i>Independent Non-Executive Director</i>) All of whose business address is Schrödinger Building, Heatley Road, Oxford Science Park, Oxford OX4 4GE
Company Secretary:	Laura Hillier
Registered Office:	Schrödinger Building Heatley Road Oxford Science Park Oxford OX4 4GE
Company Website:	www.sensynehealth.com
Telephone Number:	+ 44 (0) 330 058 1845
Nominated Adviser & Joint Broker:	Peel Hunt LLP 7th Floor 100 Liverpool Street London EC2M 2AT
Joint Broker:	Liberum Capital Limited Level 12, Ropemaker Place, 25 Ropemaker Street London EC2Y 9LY
Legal Advisers to the Company:	Covington & Burling LLP 22 Bishopsgate London EC2N 4BQ
Registrars:	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA
Public Relations:	Consilium Strategic Communications 41 Lothbury London EC2R 7HG

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Date
Announcement of the Financing	26 January 2022
Publication of the Circular and Form of Proxy	26 January 2022
Latest time and date for receipt of completed Forms of Proxy to be valid at the General Meeting	2.00 p.m. on 9 February 2022
General Meeting	2.00 p.m. on 11 February 2022
Results of General Meeting announced through RIS	11 February 2022

Notes

1. Each of the times and dates set out in the above timetable and mentioned in this document is subject to change by the Company, in which event details of the new times and dates will be notified to London Stock Exchange plc and the Company will make an appropriate announcement to a Regulatory Information Service.
2. References to times in this document are to London time unless otherwise stated
3. If you have questions on how to complete the Form of Proxy, please contact Equiniti Limited on 0371 384 2030 or, if calling from outside the United Kingdom, +44 (0)121 415 7047 Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except English and Welsh public holidays).

DEFINITIONS

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

“2021 AGM”	the annual general meeting of the Company held on 29 October 2021
“Act”	the Companies Act 2006
“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers (as the context may require)
“AIM Rules for Companies”	the rules of AIM as set out in the publication entitled “AIM Rules for Companies” published by the London Stock Exchange from time to time
“AIM Rules for Nominated Advisers”	the rules of AIM as set out in the publication entitled “AIM Rules for Nominated Advisers” published by the London Stock Exchange from time to time
“Articles”	the articles of association of the Company in force at the date of this document
“Board” or “Directors”	the board of directors of the Company, whose names are listed on page 5 of this document
“Business Day”	any day (excluding Saturdays and Sundays and public holidays in England and Wales) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading
“Circular” or “this document”	this circular of the Company giving (amongst other things) details of the Financing and incorporating the Notice of General Meeting
“Company” or “Sensyne”	Sensyne Health plc, a public limited company incorporated in England and Wales under registered number 11425451
“Conditional Warrants”	Warrants in respect of up to 20,929,498 Ordinary Shares, the issue of which is conditional on the passing of certain of the Resolutions
“Disapplication Resolution”	the special resolution to disapply statutory pre-emption rights in respect of the issue of the Conditional Warrants
“EU”	the European Union
“Existing Ordinary Shares”	the 164,799,139 Ordinary Shares in issue on 25 January 2022, (the latest practicable date before issue of this document)
“Financing”	the secured financing of the Company through the issue of the Loan Notes pursuant to the terms of the Financing Documents
“Financing Documents”	the Note Purchase Agreement, any Loan Note, any fee letter, any additional notes notice, any accession deed, any resignation letter, any transaction security document, the purchase request and any other document designated as a “Finance Document” by the Noteholders Representative and the Company
“First Tranche”	Loan Notes with a principal amount of £6,350,000 to be issued to the Note Purchasers on or about 28 January 2022

“Form of Proxy”	the form of proxy accompanying this Circular for use by Shareholders in relation to the General Meeting
“Formal Sale Process” or “FSP”	the formal sale process in relation to the Company for the purposes of the Takeover Code, as announced by the Company on 2 November 2021
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Gatmore”	Gatmore Capital Management LLP
“General Meeting”	the general meeting of the Shareholders of the Company to be held at Hampton by Hilton Oxford, Grenoble Road, Oxford OX4 4XP at 2.00 p.m. on 11 February 2022, convened by the Notice of General Meeting of which is set out at the end of this document
“Group”	the Company, its subsidiaries and subsidiary undertakings
“Lansdowne”	Lansdowne Partners (UK) LLP
“Liberum”	Liberum Capital Limited (registered in England and Wales with registered number 5912554) whose registered office is at Ropemaker Place, 25 Ropemaker Street, London, EC2Y 9LY, the Company’s joint broker
“Loan Notes”	loan notes in the aggregate principal amount of up to £11,350,000 issued or to be issued by the Company pursuant to the Note Purchase Agreement
“London Stock Exchange”	London Stock Exchange plc
“NHS”	the National Health Service
“NHS Trust”	a legal entity as set up by order of the Secretary of State under section 25 of, and Schedule 4 to, the National Health Service Act 2006, to provide goods and services for the purposes of the health service
“Note Purchasers”	Gatmore, Sand Grove, Lansdowne and Peel Hunt (the “Original Purchasers”) and Lord Paul Drayson (the “Additional Note Purchaser”)
“Noteholders”	the holders of the Loan Notes for the time being
“Noteholders Representative”	Lucid Agency Services Limited acting as representative of the Noteholders
“Note Purchase Agreement”	the agreement dated 26 January 2022 between the Company, Gatmore, Lansdowne, Peel Hunt and Sand Grove (as Note Purchasers), the Noteholders Representative and the Security Agent pursuant to which the Note Purchasers agreed to purchase the First Tranche and, subject to the consent of the Company, the Second Tranche
“Notice of General Meeting”	the notice of General Meeting which is set out at the end of this document
“Ordinary Shares”	ordinary shares of 10 pence each in the capital of the Company

“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers
“Peel Hunt”	Peel Hunt LLP, a Limited Liability Partnership incorporated and registered in England with No. OC357088 whose registered office is 7th Floor, 100 Liverpool Street, London EC2M 2AT, the Company’s nominated adviser, and joint broker
“Registrars” or “Equiniti”	Equiniti Limited of Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
“Regulatory Information Service” or “RIS”	a regulatory information service operated by the London Stock Exchange as defined in the AIM Rules for Companies
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
“Sand Grove”	Sand Grove Capital Management LLP
“Second Tranche”	Loan Notes with a principal amount of £5,000,000 to be issued to the Note Purchasers pursuant to the terms of the Note Purchase Agreement, subject to the consent of the Company and the Note Purchasers
“Security Agent”	Lucid Trustee Services Limited acting as security agent under the Security Agreement
“Security Agreement”	the security agreement to be entered into between the Security Agent, the Company, and each of the Note Purchasers pursuant to which each of relevant members in the Group have agreed to grant security for the Loan Notes in the form of fixed and floating charges over substantially all of their business and assets
“Shareholders” and each individually a “Shareholder”	the holders of Ordinary Shares for the time being
“Strategic Research Agreement”	an agreement with a healthcare provider that grants Sensyne access to anonymised patient data for commercial purposes
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“Takeover Code”	the City Code on Takeovers and Mergers
“Unconditional Warrants”	Warrants in respect of 8,239,950 Ordinary Shares to be issued to the Note Purchasers on the initial Purchase Date (meaning the date on which the Loan Notes and sold and purchased)
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“Warrant Holder”	holders of the Warrants for the time being
“Warrant Price”	ten pence (10p) per Warrant, being the nominal value of an Ordinary Share
“Warrants”	warrants to subscribe for up to 29,169,448 Ordinary Shares which are exercisable at the Warrant Price and otherwise in accordance with the terms of the Warrant Instrument

“Warrant Instrument”

the warrant instrument entered into by the Company by way of deed poll dated 26 January 2022 for the purposes of constituting the Warrants

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

All references to time in this document are to London time.

PART I

LETTER FROM THE CHAIRMAN OF SENSYNE HEALTH PLC

Sensyne Health plc

(Incorporated and registered in England and Wales with registered no. 11425451)

Directors:

Sir Bruce Keogh (*Non-Executive Chairman*)
Lord (Paul) Drayson (*Chief Executive Officer*)
Richard Pye (*Chief Financial Officer*)
Mary Hardy (*Senior Independent Director*)
Professor Lionel Tarassenko (*Non-Executive Director & Director of R&D*)
Tony Bourne (*Independent Non-Executive Director*)
Dr. Ian Hudson (*Independent Non-Executive Director*)
Michael Norris (*Independent Non-Executive Director*)
Geoff Race (*Independent Non-Executive Director*)

Registered Office:

Schrödinger Building
Heatley Road
Oxford Science Park
Oxford OX4 4GE

26 January 2022

Dear Shareholder,

Approval of Authority and Disapplication of Pre-Emption Rights for the Issue of Warrants in connection with the Financing

Renewal of General Authority to Allot Shares and Disapplication of Pre-Emption Rights

and

Notice of General Meeting

1. Introduction

On 26 January 2022, the Company entered into the Financing with a number of its institutional shareholders and Peel Hunt to raise £6.35 million (and up to a further £5.0 million by mutual consent) through the issue of Loan Notes and Warrants. The proceeds of the First Tranche are expected to be credited to the Company by 28 January 2022 and will contribute to general working capital to enable the Company to continue to proceed through the ongoing Formal Sale Process.

The purpose of this Document, is to explain the background to, and the reasons for, the Financing and why the Directors believe that the Financing is in the best interests of the Company and its Shareholders as a whole and to recommend that you vote in favour of the Resolutions.

Shareholder approval is being sought for the passing of the Resolutions at the General Meeting to authorise the Directors to issue the Conditional Warrants pursuant to the Financing and to disapply statutory pre-emption rights in respect thereof. In addition, Shareholder approval is being sought to renew the general authority for the Directors to allot shares and to disapply statutory pre-emption rights.

If Shareholders do not approve the Disapplication Resolution, the Conditional Warrants cannot be issued. This will constitute an event of default under the Note Purchase Agreement potentially triggering a redemption of the Loan Notes. In such circumstances, without immediate access to alternative sources of cash, the Company would not be able to continue trading and would very likely become insolvent and be placed into administration potentially resulting in Shareholders losing their entire equity investment. Not voting in favour of the Resolutions would therefore have a material adverse effect on the Group's financial condition and prospects. The Disapplication Resolution is a special resolution requiring a vote in favour from 75 per cent. or more of Shareholders voting. The General Meeting will be held at Hampton by Hilton Oxford, Grenoble Road, Oxford OX4 4XP at 2.00 p.m. on 11 February 2022 and the Resolutions are contained in the Notice of General Meeting at Part IV of this document.

The Board takes the health, safety and wellbeing of all of the Company's stakeholders very seriously and Shareholders should note that as a result of the COVID-19 pandemic and the guidance published by the UK Government, physical attendance at the General Meeting may not be possible at the time of the meeting. In addition, and in accordance with the Articles, the Company may impose entry restrictions on attendance at the General Meeting. **In light of this, the Board encourages Shareholders to submit their votes by proxy in advance by the required deadline and to appoint the Chairman of the meeting as their proxy, with voting instructions, to ensure their vote is counted.** If the Company intends to restrict physical attendance at the General Meeting, the Company will notify Shareholders of this, or any other change to the proposed format of the General Meeting, as soon as possible via RIS and its website at www.sensynehealth.com.

2. Background and reasons for the Financing

As of 24 January 2022, the Company's unaudited cash position was £2.5 million. The unaudited adjusted operating loss for the six months ending 31 October 2021 was £14.7 million and the unaudited revenue figure for the same period was £1.0 million. The Company has been seeking funding from a number of different sources and due to the pressing need for additional working capital, the Company announced on 14 January 2022 that it had signed a non-binding term sheet with a number of its institutional shareholders and Peel Hunt to provide £6.35 million of capital (with an additional £5 million which may be provided by mutual consent) to finance the Company over the coming months as it proceeds through to the outcome of the ongoing FSP.

The Financing was entered into on 26 January 2022 and the Company expects to receive the monies from the First Tranche by 28 January 2022. Without the monies from the Financing, the Company would not have sufficient cash to complete the FSP nor continue to trade beyond early February 2022. The full proceeds of the Financing are expected to secure the Company's short term financing requirements and fund the business through the ongoing FSP. Further details of the Financing may be found in paragraph 4 of this Part I (*Letter from the Chairman of Sensyne Health plc*).

3. Current trading and outlook

Patient Data Strategy

Sensyne made strong progress during the first half of its financial year to 31 October 2021 with its stated aim of building a best-in-class, international database of ethically sourced, de-identified and anonymised patient data. Sensyne has continued to build on the progress made in securing new Strategic Research Agreements from the UK NHS and US health systems. In December 2021, Sensyne signed a Strategic Research Agreement with Cambridge University Hospitals NHS Foundation Trust to access three million patient records bringing the total of anonymised records in the UK to 12.9 million patients. In October 2021, Sensyne signed a strategic teaming agreement with OMNY Health ("**OMNY**"). Under the terms of this agreement, Sensyne can contract for access to OMNY's platform of more than 22 million de-identified patient records across all therapeutic areas to complement the 13.4 million records accessed through three Strategic Research Agreements with US health systems entered into earlier in 2021. As a result, Sensyne now has access to 13.4 million US patient records, and through its agreement with OMNY, the potential to access a further 22 million records, therefore bringing the total to 35.4 million US patient records, plus 12.9 million anonymised patient records from multiple agreements with UK NHS Trusts. Sensyne continues to expand its access to patient data and is expected to enter into agreements with health systems in other European countries as the Company aims to increase its data set to 100 million records by the end of CY2024.

Launch of SENSIGHT

In September 2021, Sensyne launched its SENSIGHT platform to support rapid interrogation of its real-world patient database for use by both clinicians in a healthcare setting and researchers in the life sciences industry, all built with Sensyne's robust Information Governance (IG) and data security architecture. At launch, the platform comprised a total of 750,000 unique anonymised patient health records drawn from a total population of 2.1 million curated patient records covering heart failure, stroke and selected haematological cancers. Currently, SENSIGHT comprises 1.1 million unique anonymised patient records covering nine diseases and was drawn from a total population of 7.3 million curated patient records. By the end of the financial year, the Company expects SENSIGHT to comprise 3.0 million unique records covering 15 diseases

drawn from a total population of over 22.5 million curated patient records held on Sensyne's health system partners' electronic patient record systems.

SENSIGHT was originally conceived and developed as an analytics platform for internal use by Sensyne to scale and industrialise its offering to life science companies. Over the course of its development, SENSIGHT has evolved into a customer-facing platform that has the potential to increase Sensyne's reach significantly and drive future revenue growth through its modest priced subscription fee and providing a gateway to new professional services agreements. The strength of SENSIGHT lies in the breadth and depth of its data which include electronic health records, medical images and genomic data.

SENSIGHT is generating significant interest from potential early adopters within the life sciences industry to support their clinical development and research activities and is converting this interest to subscriptions. As the number of health records and medical indications increases, Sensyne expects the customer base to expand.

Commercial update and revenue outlook

The business development pipeline continues to grow, with an increased number of negotiations ongoing. In October 2021, it was reported there were over 25 opportunities in the pipeline. This figure has now increased to more than 75 and covers: (a) over half of the top 10 pharma companies (defined by revenue) plus biotech companies and CROs; (b) all current and former customers; (c) geographically diverse potential customers from the US, Europe and Asia; and (d) drug discovery through to clinical development to post marketing surveillance. The Company has faced some significant commercial headwinds including contract delays as a result of the COVID-19 pandemic continuing to impact pharma companies, changing priorities and increased competition. These factors are slowing the conversion of this strengthened pipeline into commercial agreements. Some competitors claim to offer direct access to patient data, which is counter to Sensyne's ethical model, or access to data that are inferior to the deep, longitudinal data sets that Sensyne has established. Sensyne continues to believe that patient data should never be sold or shared directly with life science companies and that the Company's strategy to be the 'docking station' between health data providers and the pharmaceutical industry is the correct strategy.

On 24 December 2021, the Company entered into two commercial agreements with life science and healthcare customers that had a total value of £0.5 million. These agreements represented the first sizeable subscription sales for SENSIGHT. Whilst the total contract value of professional services agreements that may be signed by the end of the financial year exceeds £29 million, there remains significant uncertainty over the timing of when or if these agreements will be signed. Currently, the Company believes up to approximately £26 million could be recognised in the current financial year, but this is entirely contingent on customers signing contracts. Whilst the Company's short term financing needs have been addressed through the Financing, new customers may still await clarification of the Company's position prior to confirming orders and contracts and therefore this revenue figure could be very materially lower.

On 25 January 2022, the Company and Excalibur Healthcare Services ("**Excalibur**") agreed to amend the terms of the Licence and Development Agreement signed on 9 February 2021. Pursuant to the amended terms, Excalibur's licence to use MagnifEye becomes non-exclusive with immediate effect. The Company will continue to receive a royalty on sales made by Excalibur, but guaranteed minimum royalties are removed. The Company will now seek additional commercial partners for MagnifEye, which comprises a suite of eight algorithms that can be used to automate and improve the accuracy of reading lateral flow diagnostic tests, with applicability beyond COVID-19 to a wide range of industrial applications, both clinical and non-clinical. Excalibur can also market and partner its own tests with MagnifEye to existing and new customers for all applications.

On 14 January 2022, the Company announced that it had accumulated a substantial debtor. The Company has ceased to pursue monies due under contract and expects to make a substantial provision in its accounts which will not impact the cash runway of the Company.

4. Details of the Financing

Loan Notes

On 26 January 2022, the Company entered into the Note Purchase Agreement pursuant to which the Note Purchasers have agreed to purchase Loan Notes with principal amount of up to £11,350,000. The Note Purchase Agreement provides for the Note Purchasers to purchase the Loan Notes in two tranches:

- (a) an initial tranche of £6,350,000 principal amount of Loan Notes, subject to the satisfaction of certain conditions precedent by the Company, following execution of the Note Purchase Agreement (the First Tranche); and
- (b) an additional tranche of up to £5,000,000 principal amount of Loan Notes, subject to the consent of both the Company and the Note Purchasers and satisfaction of certain conditions precedent by the Company (the Second Tranche).

The Loan Notes are redeemable at 1.25 times their par value and have a maturity date which is 364 days following the date of utilisation of the First Tranche. The Loan Notes are required to be redeemed in full on the earliest to occur of (i) the maturity date and (ii) the sale of all or substantially all of the issued share capital, or change of control, of the Company.

The proceeds of the issue of the Loan Notes may only be used for costs associated with maintaining the Company's operations through the ongoing FSP. Peel Hunt has applied the majority of its fee towards the Financing and, consequently, is a Note Purchaser.

The Company has issued a utilisation request in respect of the First Tranche and, subject to satisfaction of the conditions precedent, expects to receive cash proceeds of £5,950,000 by 28 January 2022.

Lock-up

The Note Purchasers (excluding Peel Hunt) have agreed not to (and have agreed to procure that their respective affiliates will not) dispose of any interest in Ordinary Shares owned by them or persons connected to them until such time as such undertaking is released in accordance with the Note Purchase Agreement.

Board Observer Right

Under the terms of the Note Purchase Agreement, Sand Grove has the right to appoint an observer to the Board while the Loan Notes remain outstanding although it has not given notice to exercise this right.

Warrants

Under the terms of the Note Purchase Agreement, the Company has also agreed to issue to the Note Purchasers, Warrants to subscribe for up to 29,169,448 Ordinary Shares representing approximately 17.7 per cent. of the Company's issued share capital as follows:

- (a) Warrants to subscribe for 8,239,950 Ordinary Shares, representing approximately 5.0 per cent. of the Company's issued share capital, on issue of the First Tranche of the Loan Notes (the Unconditional Warrants);
- (b) Warrants to subscribe for 12,689,541 Ordinary Shares, representing approximately 7.7 per cent. of the Company's issued share capital, to be issued in connection with the First Tranche, conditional upon the Shareholders approving the disapplication of statutory pre-emption rights for the issue of such Warrants; and
- (c) Warrants to subscribe for 8,239,957 Ordinary Shares, representing 5.0 per cent. of the Company's issued share capital, to be issued if and when the Second Tranche of Loan Notes is issued, conditional upon the Shareholders approving the disapplication of statutory pre-emption rights for the issue of such Warrants (together with the Warrants referred to in sub-paragraph (b) above, the Conditional Warrants).

Each Warrant is exercisable at the Warrant Price of 10 pence (equal to the nominal value of the Company's Ordinary Shares) at any time from the date of issue of the Warrant until 15 January 2025. The Warrants are subject to the terms of the Warrant Instrument, further details of which are set out in Section B of Part II of this document.

The Unconditional Warrants will be issued utilising the authorities and powers approved by Shareholders at the Company's 2021 AGM and are therefore not conditional on further approval by Shareholders. The present authority of the directors to allot equity securities free of statutory pre-emption rights is insufficient for the issue of the Conditional Warrants therefore approval of the Shareholders for the disapplication of statutory pre-emption rights in respect the issue of the Conditional Warrants is required by way of special resolution requiring approval of 75 per cent. or more of shareholders voting. The Disapplication Resolution proposed at the General Meeting contains the relevant approval required for the issuance of the Conditional Warrants free of statutory pre-emption rights. If the Disapplication Resolution is not passed this will constitute an event of default in respect of the Financing, potentially triggering redemption of the Loan Notes.

Security

The Loan Notes represent senior ranking obligations of the Company and are secured on a first priority basis and guaranteed by other members of the Group. The security consists of first ranking fixed and floating security over substantially all of each member of the Group's assets (subject to certain agreed exceptions).

Undertakings by Lord Drayson

Lord Drayson has confirmed his commitment to the Company's mission and its unique ethical business model for the use of anonymised patient data in medical research in partnership with the NHS and health systems world-wide. He has proposed and the Company has agreed that he will reduce his base salary to £1 per annum while the Loan Notes are outstanding and he has committed to vote for any bid for the Company that results from the Formal Sale Process that is consistent with the Company's mission and maximises value for Shareholders or is recommended by the independent Directors.

5. General Meeting

As noted above, the Directors utilised in full the general disapplication of statutory pre-emption rights approved by Shareholders at the Company's 2021 AGM to issue the Unconditional Warrants. It is therefore necessary for Shareholders to approve the specific disapplication of statutory pre-emption rights to empower the Directors to issue the Conditional Warrants by way of passing a special resolution. In addition, the Board is proposing a separate ordinary resolution to renew the now exhausted general disapplication authority.

The General Meeting of the Company, notice of which is set out at the end of this document, is to be held at Hampton by Hilton Oxford, Grenoble Road, Oxford OX4 4XP at 2.00 p.m. on 11 February 2022. The General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolutions in order to approve the (a) specific authority for the Directors to issue the Unconditional Warrants and to disapply statutory pre-emption rights in respect thereof, and (b) general authority for the Directors to allot shares, or grant rights to subscribe for shares, and the disapplication of statutory pre-emption rights in respect of equity securities representing up to 5 per cent. of the Company's issued share capital.

A summary and explanation of the Resolutions is set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice of General Meeting in Part IV of the Circular.

Resolution 1 – an ordinary resolution to grant authority to the Directors under section 551 of the Act to issue the Conditional Warrants in connection with the Fundraising.

Resolution 2 – a special resolution to empower the Directors under the Act to dis-apply statutory pre-emption rights in respect of the issue of the Conditional Warrants to be issued in connection with the Fundraising.

Resolution 3 – an ordinary resolution to empower the Directors generally under section 551 of the Act to allot shares, or grant rights to subscribe for shares up to an aggregate amount equating to one third of the issued share capital of the Company.

Resolution 4 – a special resolution to empower the Directors under section 570 of the Act to dis-apply statutory pre-emption rights in respect of the allotment of equity securities representing up to 5 per cent. of the Company's issued share capital pursuant to the authority conferred on them by Resolution 3.

If Shareholders do not approve the Disapplication Resolution, the Conditional Warrants cannot be issued. This will constitute an event of default under the Note Purchase Agreement potentially triggering a redemption of the Loan Notes. In such circumstances, without immediate access to alternative sources of cash, the Company would not be able to continue trading and would likely become insolvent and be placed into administration potentially resulting in Shareholders losing their entire equity investment. Not voting in favour of this Resolution would therefore have a material adverse effect on the Group's financial condition and prospects. The Disapplication Resolution is a special resolution requiring a vote in favour from 75 per cent. or more of Shareholders voting.

The Board takes the health, safety and wellbeing of all of the Company's stakeholders very seriously and Shareholders should note that as a result of the COVID-19 pandemic and the guidance published by the UK Government, physical attendance at the General Meeting may not be possible at the time of the meeting. In addition, and in accordance with the Articles, the Company may impose entry restrictions on attendance at the General Meeting. **In light of this, the Board encourages Shareholders to submit their votes by proxy in advance by the required deadline and to appoint the Chairman of the meeting as their proxy, with voting instructions, to ensure their vote is counted.** Voting on the business of the meeting will be conducted by way of a poll. Only the formal business of the Resolutions will be carried out at the General Meeting. If the Company intends to restrict physical attendance at the General Meeting, the Company will notify Shareholders of this, or any other change to the proposed format of the General Meeting, as soon as possible via RIS and its website at www.sensynehealth.com.

6. Takeover Panel Waiver

As the Company is currently in an offer period for the purposes of the Takeover Code as a result of the ongoing Formal Sale Process, under Rule 21.1(a) of the Takeover Code the Company must not, without the approval of the Shareholders in general meeting, take any action which may result in any offer or *bona fide* possible offer being frustrated or in shareholders being denied the opportunity to decide on its merits. In particular, it may not take certain actions, including issue any shares or any securities carrying rights of conversion into or subscription for shares, or enter into any contracts otherwise than in the ordinary course of business.

The Takeover Panel will normally agree to disapply the requirement for shareholder approval in a general meeting if, *inter alia*, shareholders of the Company holding shares carrying more than 50 per cent. of the voting rights of the Company state in writing that they approve the proposed action and would vote in favour of any resolution to that effect proposed at a general meeting.

As the Financing falls within the scope of the restrictions of Rule 21.1(a) of the Takeover Code, the Company has obtained confirmation in writing from Shareholders holding 51.96 per cent. of the voting rights of the Company approving the Financing for these purposes and accordingly the Takeover Panel has agreed to disapply the requirement for shareholder approval in general meeting.

7. Additional Information

The attention of Shareholders is drawn to the information contained in Part II and III of this document, which provide additional information on the Note Purchase Agreement, the Security Agreements, the Warrant Instrument and the Company.

8. Action to be taken

In respect of the General Meeting

Enclosed with the Circular shall be a Form of Proxy for use at the General Meeting.

As noted above, Shareholders are encouraged to submit their votes by proxy in advance by the required deadline and to appoint the Chairman of the meeting as their proxy, with voting instructions, to ensure their vote is counted. Voting on the business of the meeting will be conducted by way of a poll.

You are requested to complete, sign and return the Form of Proxy to the Company's Registrars, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received as soon as possible and, in any event, no later than 2.00 p.m. on 9 February 2022.

Shareholders who hold their Ordinary Shares through a nominee should instruct their nominees to submit a Form of Proxy on their behalf.

9. Irrevocable undertakings

The Company has received irrevocable undertakings to vote in favour of the Disapplication Resolution in respect of 85,635,741 Ordinary Shares representing approximately 51.96 per cent. of the existing share capital of the Company.

Further details of the irrevocable undertakings are set out in paragraph 2 of Part III of this document.

10. Recommendation

The Directors consider that the Financing and the passing of the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of all of the Resolutions.

If Shareholders do not approve the Disapplication Resolution (being Resolution 2 in the Notice of General Meeting relating to the disapplication of pre-emption rights for the issue of the Conditional Warrants), the Conditional Warrants cannot be issued. This will constitute an event of default under the Note Purchase Agreement potentially triggering a redemption of the Loan Notes. In such circumstances, without immediate access to alternative sources of cash, the Company would not be able to continue trading and would likely result in the Company becoming insolvent and being placed into administration potentially resulting in Shareholders losing their entire equity investment. Not voting in favour of the Disapplication Resolution would therefore have a material adverse effect on the Group's financial condition and prospects.

ACCORDINGLY, SHAREHOLDERS ARE URGED TO VOTE IN FAVOUR OF RESOLUTION 2 TO ALLOW THE CONDITIONAL WARRANTS TO BE ISSUED AND THE FINANCING TO CONTINUE.

Yours faithfully,

Sir Bruce Keogh

Non-Executive Chairman

PART II

DETAILS OF THE FINANCING DOCUMENTS

SECTION A

NOTE PURCHASE AGREEMENT AND SECURITY AGREEMENTS

1. Background

- 1.1 The Company, the Note Purchasers, the Noteholders Representative and the Security Agent, entered into the Note Purchase Agreement on 26 January 2022. Pursuant to the Note Purchase Agreement, the Note Purchasers agreed, conditional, *inter alia*, upon the execution of a Warrant Instrument to purchase in Sterling the following principal amounts of Loan Notes:
 - 1.1.1 *Sand Grove*: £3,150,000 million;
 - 1.1.2 *Gatmore*: £1,000,000 million;
 - 1.1.3 *Lansdowne*: £1,800,000 million; and
 - 1.1.4 *Peel Hunt*: £400,000
- 1.2 The Unconditional Warrants under the Warrant Instrument (being for 8,239,950 Ordinary Shares on issue of the First Tranche) shall be issued on the date on which the Loan Notes are sold and purchased. However, the issuance of the Conditional Warrants (being for 12,689,541 Ordinary Shares on issue of the First Tranche and 8,239,957 Ordinary Shares on issue of the Second Tranche) are subject to the passing of certain Resolutions at the General Meeting, as explained in paragraph 5 of the Chairman's Letter.
- 1.3 The Company entered into a fee letter with the Noteholders Representative and the Security Agent on 26 January 2022 in respect of the payment of agency fees to the Noteholders Representative and the Security Agent.

2. Security

- 2.1 The Company and each of its subsidiaries incorporated in the United Kingdom and/or the United States have entered or will, prior to the purchase of the Loan Notes, be entering into an English law debenture and New York law governed security agreements that, subject to certain limited exceptions, secure substantially all assets of such companies, including but not limited to their intellectual property, bank accounts, investments, securities, real property and other assets, as security for the Noteholders. The security documents contain typical covenants, restrictions on disposal and negative pledge protections for the Noteholders.

3. Repayment

- 3.1 The Loan Notes are repayable in full on the termination date (meaning, in respect of the Loan Notes, the earlier of:
 - 3.1.1 the initial termination date (being the date falling 364 days after and including the date on which any Loan Notes are to be sold and purchased), or
 - 3.1.2 the date on which all of the Loan Notes are prepaid pursuant to the terms of the Note Purchase Agreement),(the "**Termination Date**").
- 3.2 In addition to repayment of the Loan Notes in full as stated in clause 3.1, the Company shall in respect of all repayments (other than as described in section 3.5 below) also pay the applicable Redemption Premium (see section 4 below for details).
- 3.3 The Company may, if it gives the Noteholders Representative not less than ten (10) Business Days' prior written notice (or such shorter period as the Noteholders Representative may agree) prepay,

redeem or repurchase the whole or any part of the Loan Notes prior to the Termination Date. Any such prepayment shall be made on the date specified in the notice provided by the Company and shall include the payment of the principal outstanding in respect of those Loan Notes being redeemed and any applicable Redemption Premium thereon.

3.4 If there is a Change of Control or the sale of all or substantially all of the assets of the Group, a Note Purchaser can elect to have the whole or part of the principal amount of its Loan Notes repaid. A “**Change of Control**” includes:

3.4.1 any transaction which is not approved by the Noteholders Representative (acting on the instructions of all Noteholders) (including an offer or scheme of arrangement) which results in a party or one or more parties acting in concert (other than the Note Purchasers and/or any party acting in concert with the Note Purchasers):

- (a) having the power to appoint or remove all, or the majority, of the directors or other equivalent officers of the Company;
- (b) having the power to give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply;
- (c) holding all or substantially all of the assets of the Company or the Group (taken as a whole); or
- (d) holding more than 50 per cent. of the Company’s outstanding issued shares; and

3.4.2 any merger or similar reorganisation of the Company, which is not approved by the Noteholders Representative (acting on the instructions of the holders of more than two thirds of the Loan Notes, as a result of which the shareholders of the Company immediately prior to the time when such transaction becomes effective will hold less than 50 per cent. of the voting rights in the surviving or acquiring entity immediately after such transaction becomes effective,

where acting in concert means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition and/or ownership of voting shares in the Company, to obtain or consolidate control (directly or indirectly) of the Company, provided that persons voting in the same or consistent manner at a general meeting of the Company will not be considered to be acting in concert by virtue only of exercising their votes in such manner.

3.5 The Loan Notes held by a Note Purchaser are also repayable if it becomes unlawful for that Note Purchaser to perform any of its obligations as contemplated by the Note Purchase Agreement or to fund, issue or maintain its participation in the Loan Notes, provided that the Redemption Premium (as described in section 4 below) shall be reduced to 10 per cent. in the event of such repayment.

3.6 If any member of the Group receives net proceeds in excess of £2,000,000 from: (a) any share issuance by the Company or member of the Group (other than to another member of the Group); or (b) certain permitted material asset sales by the Company or another member of the Group, the Loan Notes held by the Note Purchasers are repayable on a *pro rata* basis using fifty per cent. (50 per cent.) of the net proceeds received.

3.7 The Loan Notes are also repayable on demand in whole or part at the option of the Noteholders Representative in the event of certain standard events of default (including a material adverse change in the business of the Company) occurring. **It is also a specific event of default in respect of the Loan Notes if the Shareholders do not vote to approve the disapplication of pre-emption rights in respect of the issue of the Conditional Warrants as outlined in Part I (Letter from the Chairman of Sensyne Health plc).**

4. Redemption Premium

- 4.1 There is a Redemption Premium in respect of the participation in any Loan Note being prepaid, redeemed or repurchased, which is an amount calculated at the rate of twenty five per cent. (25 per cent.) of the redemption or repurchase price (such redemption or repurchase price being equal to the principal amount thereof) (the “**Redemption Premium**”)

5. Information Rights

- 5.1 The Note Purchasers have the right to be provided with certain information by the Company for so long as any of the Loan Notes are outstanding, including:
- 5.1.1 any documents or information disclosed by the Company or any other member of the Group to the public in accordance with applicable rules and regulations (including any preliminary statement of annual results);
 - 5.1.2 regular cash level updates; and
 - 5.1.3 any circulars sent to shareholders.
- 5.2 The Company has agreed that it will not, at any time, provide to a Note Purchaser any “inside information” as defined in Article 7 of the Market Abuse Regulation (EU 596/2014) (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended), other than:
- 5.2.1 at the time such information is publicly announced;
 - 5.2.2 where a lender consents in writing to receiving such “inside information” prior to being provided with it; or
 - 5.2.3 where such information is being provided to the Noteholders Representative, where such “inside information” is identified to the Noteholders Representative.

6. Covenants by the Company

- 6.1 For so long as any of the Loan Notes are outstanding, the Company and the Group are subject to certain standard positive and negative covenants in a form typical of Loan Market Association lending documents. These covenants also include budgetary compliance and restrictions on director bonuses while the Loan Notes are outstanding.

7. Transfers

- 7.1 A Note Purchaser must obtain the prior written consent of the Company before it may assign any of its rights or transfer by novation any of its rights and obligations under any Financing Document (including, for the avoidance of doubt, the Loan Notes), unless the assignment or transfer is to another Note Purchaser or its affiliates and (other than any Original Purchaser) the aggregate funding commitment under the Note Purchase Agreement of the Note Purchaser and its affiliates is at least £500,000 immediately prior to and following such assignment or transfer.
- 7.2 If an event of default (such as those detailed in paragraph 3.7 above) is continuing, a Note Purchaser may assign any of its rights or transfer by novation any of its rights and obligations under any Financing Document (including, for the avoidance of doubt, the Loan Notes) without the prior written consent of the Company.

8. Representations and Warranties

- 8.1 The Company and each other member of the Group which is a party to the Note Purchase Agreement give customary representations and warranties in the Note Purchase Agreement as at the date of the Note Purchase Agreement and as at the date of issue of the Loan Notes. Certain of the representations and warranties will be repeated on the last day of each calendar month for so long as any part of the Loan Notes are outstanding.

9. Amendments and Waivers

- 9.1 Amendments to, and waivers of, the terms and conditions of the Note Purchase Agreement require the consent of the Company and a two thirds majority of the Noteholders, save for certain material amendments and waivers, which require unanimous consent from the Noteholders and the Company.

10. Governing Law and Jurisdiction

The Note Purchase Agreement is governed by the laws of England and the courts of England and Wales have exclusive jurisdiction in relation to disputes.

SECTION B

1. WARRANT INSTRUMENT

- 1.1 The Company entered into a warrant instrument by way of a deed poll on 26 January 2022 (the “**Warrant Instrument**”) for the purposes of creating warrants to subscribe for Ordinary Shares (the “**Warrants**”). The total number of Ordinary Shares over which Warrants may be issued under the Warrant Instrument is 29,169,448, being 17.7 per cent. of the issued share capital of the Company.
- 1.2 The Warrant Instrument provides for the following:
- 1.2.1 each warrant carries the right to subscribe for one Ordinary Share at an exercise price of 10 pence (10p) per Warrant (the “**Warrant Price**”);
- 1.2.2 the Warrants may be exercised in whole or in part at any time from the date of issue until 5.00 p.m. on 15 January 2025 (the “**Final Date**”). A failure by any Warrant Holders to exercise the Warrants ahead of 5:00 p.m. on the Final Date shall mean that the Warrants shall immediately lapse and be cancelled;
- 1.2.3 upon any Adjustment Event (which includes (i) any allotment or issue of Ordinary Shares, including out of profits or share premium account or other reserves where the consideration for such allotment or issue is at a price per Ordinary Share which is less than the fair market value of an Ordinary Share (which, while the Ordinary Shares are traded on AIM, is calculated by reference to the volume weighted average price of one Ordinary Share during the ten (10) consecutive trading day period immediately preceding the relevant event (the “**Fair Market Value**”)), excluding any allotment or issue pursuant to the Warrant, employee share schemes or the Strategic Research Agreements; (ii) any re-designation or amendment of the terms of any security or instrument such that it becomes convertible or exchangeable into an Ordinary Share where the aggregate of the consideration received by the Company is less than the Fair Market Value; (iii) any re-designation or amendment of the terms of any security or instrument such that it is converted or exchanged into or becomes an Ordinary Share where the aggregate of the consideration received by the Company is less than the Fair Market Value; (iv) sub-division or consolidation or reclassification of Ordinary Shares; (v) cancellation or reduction of the Company's share capital, share premium account or capital redemption reserve or any purchase or redemption of Ordinary Shares or instruments or rights convertible into Ordinary Shares; or (vi) increase in the nominal value of Ordinary Shares by way of capitalisation of reserves, provided that this does not include an allotment or issue of Ordinary Shares (or instruments or rights convertible or exchangeable into Ordinary Shares) for cash or in respect of any of the events referred to in (ii) and (iii) insofar as the Fair Market Value per Ordinary Share immediately prior to the Adjustment Event is £0.75 (75 pence) or more), the number and/or nominal value of Ordinary Shares to be subscribed for on any subsequent exercise of the Subscription Rights will be increased or reduced, as the case may be, as the auditors acting as experts and not as arbitrators shall certify as being necessary in order that, after such adjustment, a Warrant Holder will be in the same economic position as it had been prior to the adjustment;
- 1.2.4 the Warrant Holders may exercise the Warrants without paying cash by reducing the number of Ordinary Shares receivable by the Warrant Holder by an amount equal in value to the aggregate exercise price that the Warrant Holder would otherwise have to pay; and
- 1.2.5 the Warrants are not transferable except with the prior written consent of the Company, save for a Warrant Holder may freely transfer the Warrants in whole or in part (but not less than 500,000 Warrants per transfer) to any of such Warrant Holder's Affiliates upon written notice to the Company.
- 1.3 Under the terms of the Note Purchase Agreement, the following Warrants will be issued to the Note Purchasers in respect of the issue of the First Tranche of the Loan Notes:

<i>Note Purchaser</i>	<i>Unconditional Warrants</i>	<i>Conditional Warrants</i>
Gatmore	1,297,629	1,998,352
Lansdowne	2,335,733	3,597,035
Sand Grove	4,087,537	6,294,813
Peel Hunt	519,051	799,341

PART III

ADDITIONAL INFORMATION

1. Directors' and others' interests

Interests in Ordinary Shares

As at 25 January 2022 (being the latest practicable date prior to the publication of this document), the interests of the Directors, their immediate families and persons connected with the Directors (within the meaning of section 252-255 of the Act) (all of which are beneficial unless otherwise stated) in the issued share capital of the Company are as follows:

<i>Name</i>	<i>Number of Existing Ordinary Shares as at the date of this Circular</i>	<i>Percentage of Existing Ordinary Shares as at the date of this Circular</i>
Bruce Keogh	11,111	0.01
Paul Drayson ¹	20,103,384	12.20
Richard Pye	0	0
Mary Hardy	22,222	0.01
Lionel Tarassenko	22,222	0.01
Tony Bourne	0	0
Ian Hudson	0	0
Michael Norris	27,777	0.02
Geoff Race	0	0

Save as disclosed in this paragraph 1, none of the Directors (or persons connected with the Directors within the meaning of sections 252-255 of the Act) has any beneficial or non-beneficial interest in any securities of the Company or its subsidiaries.

2. Irrevocable Undertakings

As at the close of business on 25 January 2022 (being the last practicable date prior to the publication of this document), the Company has received voting irrevocable undertakings from the following Directors and certain Shareholders to vote in favour of the Disapplication Resolution:

- (a) Lord Paul Drayson in respect of 20,103,384 ordinary shares, representing approximately 12.20 per cent. of the issued share capital;
- (b) Elspeth Drayson in respect of 17,444,569 ordinary shares, representing approximately 10.59 per cent. of the issued share capital;
- (c) Aberdeen Standard SICAV I – Global Innovation Fund (as registered holder) in respect of 3,448,600 ordinary shares, representing approximately 2.25 per cent. of the ordinary shares of the issued share capital;
- (d) Aberdeen Standard OEIC II – ASI Global Balanced Growth Fund (as registered holder) in respect of 252,500 ordinary shares, representing approximately 0.15 per cent. of the ordinary shares of the issued share capital;
- (e) Baillie Gifford & Co (as registered holder, with The Monks Investment Trust PLC as beneficial owner) in respect of 12,693,627 ordinary shares, representing approximately 7.70 per cent. of the ordinary shares of the issued share capital;
- (f) Vidacos Nominees Limited, Citibank (as registered holder, with Gatemore Special Opportunities Master Fund Ltd as beneficial owner) in respect of 7,231,642 ordinary shares, representing approximately 4.39 per cent. of the ordinary shares of the issued share capital;
- (g) Lansdowne Partners (UK) LLP (as registered holder) in respect of 13,436,786 ordinary shares, representing approximately 8.15 per cent. of the ordinary shares of the issued share capital; and

¹ In addition, Lord Drayson's family (within the meaning set out in the AIM Rules for Companies) holds an additional 17,924,656 Ordinary Shares, representing 10.88 per cent. of the issued share capital of the Group.

- (h) Sand Grove Capital Management LLP (as registered holder) in respect of 11,024,633 ordinary shares, representing approximately 6.69 per cent. of the ordinary shares of the issued share capital.

As at the date of this document, the Company has therefore obtained irrevocable undertakings, in aggregate, to vote in favour of the Disapplication Resolution in respect of 85,635,741 Ordinary Shares (representing approximately 51.96 per cent. of the existing issued share capital of the Company).

The irrevocable undertakings cease to be binding and shall lapse if the General Meeting is not held before 25 February 2022.

3. Lord Drayson's Letter of Undertaking

3.1 Lord Drayson has agreed by way of a letter of undertaking to the Company and the Note Purchasers dated 25 January 2022 that he will do the following:

- (a) use reasonable efforts to secure financing on commercially reasonable terms to subscribe for Loan Notes as part of the Second Tranche;
- (b) without prejudice to his rights under clause 4 of a relationship agreement between Lord Drayson, Peel Hunt and the Company dated 13 August 2018, not use his or his family's holdings in the Company or any member of the Group to attempt to appoint or remove any directors of the Company or of a member of the Group; and
- (c) vote for any bid for the Company that results from the FSP in respect of his holdings and his family's holdings in the Company provided such bid: (i) is consistent with the goal of enabling the Company to realise its mission to become the leader in the ethical application of clinical AI to health data, to improve patient care and accelerate medical research; and (ii) maximises value for all stakeholders, including the NHS. In addition, Lord Drayson has undertaken that (x) where the independent committee of the Board has given a unanimous and unqualified recommendation to the Shareholders to vote in favour of or to accept a bid (the "**Approved Bid**"), he shall vote his and his family's holdings in the Company in favour of the Approved Bid, and (y) subject to the terms of any irrevocable undertaking he has given in respect of his and/or his family's holdings in the Company, if a subsequent bid is made for the Company by any person which is at a higher price than the Approved Bid and the independent committee of the Board has given a unanimous and unqualified recommendation to the Shareholders to vote in favour of or to accept that subsequent bid (a "**Recommended Higher Competing Bid**") he shall vote his and his family's holdings in the Company in favour of, or will procure the acceptance of, that Recommended Higher Competing Bid.

3.2 Lord Drayson has also entered into a letter agreement with the Company for the purposes of amending his employment contract so that his base salary shall be reduced to £1 per annum for the period while the Loan Notes are outstanding.

4. Availability of this document

Copies of this document will be available free of charge at the registered office of the Company and on the Company's website at www.sensynehealth.com during normal business hours on any day (Saturdays, Sundays and public holidays excepted).

PART IV

NOTICE OF GENERAL MEETING

Sensyne Health plc

(Incorporated and registered in England and Wales under number 11425451)

(the “**Company**”)

Notice is hereby given that a general meeting of the Company will be held at Hampton by Hilton Oxford, Grenoble Road, Oxford OX4 4XP on 11 February 2022 at 2.00 p.m. (London time) 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 resolutions 2 and 4 will be proposed as special resolutions.

In this Notice, words and defined terms shall have the same meaning as words and defined terms in the Circular to which this Notice is attached.

RESOLUTIONS

Ordinary Resolution

- 1) THAT the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act (in addition to all existing authorities conferred upon the Directors pursuant to section 551 of the Act which shall continue in full force and effect) to exercise all the powers of the Company to issue warrants to subscribe for up to 20,929,498 ordinary shares of 10 pence each in connection with the Financing (the “**Conditional Warrants**”), provided that such authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the commencement of the next annual general meeting of the Company, but the Directors may before such expiry, revocation or variation make an offer or agreement which would or might require Conditional Warrants to be issued after such expiry, revocation or variation and the Directors may allot Conditional Warrants in pursuance of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.

Special Resolution

- 2) THAT, in addition to all existing unexercised powers of the Directors under sections 570 and 571 of the Act, which shall continue in full force and effect, the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by Resolution 1 above (or any existing authority and power granted to the directors pursuant to section 551 of the Act prior to the date of the passing of this resolution) as if section 561 of the Act did not apply to any such allotment, provided that such power shall:
 - a) be limited to the issue of allotment of the Conditional Warrants; and
 - b) expire (unless previously renewed, varied or revoked by the Company in general meeting) on the commencement of the next annual general meeting of the Company, save that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require Conditional Warrants to be issued after such expiry, revocation or variation and the Directors may issue Conditional Warrants in pursuance of such offer or agreement as if such power hereby conferred had not expired or been revoked or varied.

Ordinary Resolution

- 3) THAT, in substitution for any existing authorities and powers granted to the directors pursuant to section 551 of the Act prior to the date of the passing of this resolution other than pursuant to Resolution 1, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all the powers of the Company to allot shares in the Company, and to grant rights to subscribe for or convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “**Relevant Securities**”):

- a) up to an aggregate nominal amount of £5,493,304 (such amount to be reduced by the nominal amount of any equity securities (as defined in Section 560 of the Companies Act 2006) allotted under paragraph (b) below in excess of £5,493,304); and
- b) comprising equity securities (as defined in Section 560 of the Companies Act 2006) up to a maximum nominal amount of £10,986,608 (such amount to be reduced by any shares allotted or rights granted under paragraph (a) above) in connection with an offer by way of a rights issue:
 - i) to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - ii) to holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter;

- c) provided that such authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the commencement of the next annual general meeting of the Company, but the Directors 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 pursuance of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.

Special Resolution

- 4) THAT, subject to the passing of Resolution 3 above (and in addition to all existing unexercised powers of the Directors under sections 570 and 571 of the Act, which shall continue in full force and effect), the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by Resolution 3 above as if section 561 of the Act did not apply to any such allotment, provided that such power shall:
 - (a) be limited to the allotment of equity securities up to an aggregate nominal amount of £823,995; and
 - (b) subject to the continuance of the authority conferred by Resolution 3 above, expire (unless previously renewed, varied or revoked by the Company in general meeting) on the commencement of the next annual general meeting of the Company, save that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require the allotment of relevant securities to be issued after such expiry, revocation or variation and the Directors may allot relevant securities in pursuance of such offer or agreement as if such power hereby conferred had not expired or been revoked or varied.

26 January 2022

By order of the Board

Laura Hillier

Company Secretary

Sensyne Health plc
Schrödinger Building
Heatley Road
Oxford Science Park
Oxford OX4 4GE

Registered in England and Wales No. 11425451

Notes

1. The following notes explain your general rights as a shareholder and your rights to attend and vote at the General Meeting or to appoint someone else to vote at the General Meeting on your behalf. If law or Government guidance so requires at the time of the General Meeting the Chairman of the General Meeting will limit, in their sole discretion, the number of individuals in attendance at the General Meeting. In addition, in light of the COVID-19 pandemic, the Company may impose entry restrictions on certain persons wishing to attend the General Meeting in order to secure the health and safety of others attending the General Meeting. Any changes to the arrangements for the holding of the General Meeting will be communicated to shareholders in advance through the Company's website at www.sensynehealth.com.
2. Voting on the business of the General Meeting will be conducted by way of poll, to reflect the proxy voting instructions received. **Shareholders are urged to register their vote in advance by appointing the chair of the meeting as their proxy and giving voting instructions, using the methods, and by the deadline, set out in this Notice.** Forms of Proxy should be submitted as soon as possible and in any event so as to be received no later than 2.00 p.m. on 9 February 2022. If you appoint someone other than the chair of the General Meeting as your proxy, they will not be able to vote. We therefore urge all shareholders to appoint the chair of the General Meeting as their proxy, with voting instructions, to ensure their vote is counted. The results of voting on the Resolutions will be posted on the Company's website as soon as practicable after the General Meeting.
3. References in these Notes to 'attend' should however be construed in light of the COVID-19 restrictions, as summarised above, which may restrict physical attendance at the General Meeting. Please refer to the Chairman's letter for information on the impact of COVID-19 and the attendance and voting arrangements for the General Meeting.
4. A shareholder is entitled to appoint another person as their proxy to exercise all or any of their rights to attend and to speak and vote at the General Meeting. A proxy need not be a member of the Company. Where a shareholder appoints more than one proxy, each proxy must be appointed in respect of different shares comprised in his or her shareholding which must be identified on the Form of Proxy. Each such proxy will have the right to vote on a poll in respect of the number of votes attaching to the number of shares in respect of which the proxy has been appointed. Where more than one joint shareholder purports to appoint a proxy in respect of the same shares, only the appointment by the most senior shareholder will be accepted as determined by the order in which their names appear in the Company's register of members. **Shareholders should note that as a result of the COVID-19 pandemic and the guidance published by the UK Government, physical attendance at the General Meeting may not be possible at the time of the meeting. In addition, and in accordance with the Articles, the Company may impose entry restrictions on attendance at the General Meeting. In light of this, the Board encourages Shareholders to submit their votes by proxy in advance by the required deadline and to appoint the Chairman of the meeting as their proxy, with voting instructions, to ensure their vote is counted.**
5. A shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. A Form of Proxy is enclosed with this Notice. Shareholders who intend to appoint more than one proxy may photocopy the Form of Proxy prior to completion. Alternatively, additional Forms of Proxy may be obtained by contacting Equiniti Limited on 0371 384 2030 or, if calling from outside the United Kingdom, +44 (0)121-415-7047. The Forms of Proxy should be returned in the same envelope and each should indicate that it is one or more than one appointments being made. To be valid, a Form of Proxy together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not later than 2.00 p.m. on 9 February 2022.
6. 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 member 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.
7. 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. The statement of rights of shareholders in relation to the appointment of proxies in paragraphs 4 and 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
8. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at 6.30 p.m. on 9 February 2022 shall be entitled to attend or vote (whether on a show of hands or on a poll) 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 6.30 p.m. on 9 February 2022 (or after close of business on the day which is two days before any adjourned meeting, excluding non-working days) shall be disregarded in determining the rights of any person to attend or vote at the meeting.
9. The website address for online proxy appointments and voting instructions is www.sharevote.co.uk. Shareholders will need to enter the Voting ID, Task ID and Shareholder Reference Number as printed on the Form of Proxy. Alternatively, if you have already registered with our Registrars, (Equiniti Limited) online portfolio service, Shareview, you can submit your proxy by logging on to your portfolio at www.shareview.co.uk using your usual user ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on screen instructions. Please note that all electronic appointments must be received by 2.00 p.m. on 9 February 2022.

10. Any corporation which is a member can appoint one or more corporate representatives. Each representative may exercise on behalf of the corporation the same powers as the corporation could exercise if it were an individual member of the Company provided that they do not do so in relation to the same Ordinary Shares. It is therefore no longer necessary to nominate a designated corporate representative. Please however note the information in note 1 above regarding attendance and voting at the GM.

A copy of this notice of meeting, is available on the Company's website at www.sensynehealth.com.

