

#### Stock Data

Share Price:	2.02p
Market Cap:	19.8m
Shares in issue:	977.97m

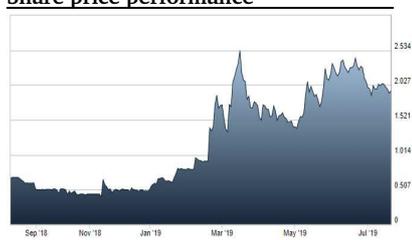
#### Company Profile

Sector:	Healthcare
Ticker:	SKIN
Exchange:	AIM

#### Activities

Vertically integrated test services company focused on developing and commercialising technology and products that scientifically prove the impact of skin care product claims for healthcare, life sciences, clinical research, pharmaceutical and cosmetics industries.

#### Share price performance



Source: LSE

**Past performance is not an indication of future performance.**

#### Turner Pope contact details

Turner Pope Investments (TPI) Ltd  
8 Frederick's Place  
London  
EC2R 8AB

Tel: 0203 657 0050  
Email: [info@turnerpope.com](mailto:info@turnerpope.com)  
Web: [www.turnerpope.com](http://www.turnerpope.com)

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Barney Gray      Research analyst  
Tel: 0203 621 4120  
[barney@turnerpope.com](mailto:barney@turnerpope.com)

## Integumen plc

**Integumen has signed new open-ended agreements with two of the world's Top-10 cosmetic companies for initial testing on multiple ingredients and products within its clients' portfolios. The company has also announced that LabskinAI has completed Beta testing and has fully transitioned from a product sale only company to a virtual and physical test platform for new products.**

Until mid-2018, Labskin was sold only as a relatively low cost consumable physical product. However, with the signing of open ended higher value contract services with major new clients, the company is demonstrating that the growth potential of Labskin has been transformed by services provided as part of the LabskinAI platform. LabskinAI is an Artificial Intelligent eco-system that features a cloud-based virtual microbiology department delivering an end-to-end skin care product validation service.

The two new agreements, with clients whose identities currently remain confidential for commercial reasons, are expected to provide Integumen with an increase in revenue per client as previous clients upgrade from Labskin products to the virtual service offering of LabskinAI. Integumen estimates that these two initial deals could be worth over £100,000 in Q3 2019 alone and will likely increase for each additional product or ingredient tested throughout the remainder of the year.

These new contracts were signed in July 2019 and follow closely behind deals signed in May 2019 with three clients including a leading drug store chain, a European provider of beauty and household products and feminine hygiene brand, Your Daye. Integumen estimates that these earlier contracts are worth approximately £290,000 in total with all revenues expected to fall in the current financial year to December 2019.

Integumen also announces that LabskinAI has now completed Beta testing and has fully transitioned from a product sale company to a virtual and physical test platform. As such, LabskinAI can provide an end-to-end product validation service for a range of products in the healthcare, personal care, skin and wound care, and pharmaceutical drug discovery sectors.

We note that LabskinAI contracts are driven by the EU's regulatory system and as such, LabskinAI's virtual services and the delivery of physical service have the potential to widen significantly the scope of skincare product development. The latest new agreements signed by the company suggest that LabskinAI has been endorsed as a recognised partner to global companies for the testing and validation of their products and ingredients.

**This latest announcement indicates that LabskinAI is making solid commercial progress underpinned by the completion of Beta testing validating the LabskinAI's capabilities across the skin care product ecosystem. With the service enabling clients across the cosmetics and pharmaceutical sectors to meet strict EU regulatory requirements, we believe that Integumen's acquisition of two global players in the cosmetics sector demonstrates the long term potential of the LabskinAI platform.**

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