

Stock Data

Share Price: 1.81p
Market Cap: 17.7m
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
Web: www.turnerpope.com

Attention is drawn to the disclaimers and risk warnings at the end of this document.

This is a non-independent marketing communication. The analyst who has prepared this report is aware that TPI has a relationship with the company covered in this report. Accordingly, it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

TPI acts as joint broker to Integumen PLC.

Retail clients (as defined by the rules of the FCA) must not rely on this document.

Barney Gray Research analyst
Tel: 0203 621 4120
barney@turnerpope.com

Integumen plc

Integumen has expanded its wound care business, LifeScienceHub Ltd (Wound pHase), through the extension of its technology licensing agreement with Cellulac plc, a company in which Integumen holds a 9.35% interest. This new remit will include the refinement of medical grade cannabidiol (CBD) derived from hemp for the development of CBD-infused wound dressings. This enhanced agreement will be in collaboration with the Department of Chemical Sciences at the University of Limerick and the Irish government supported body; the Research Centre for Resource Efficiency (tcbb RRSOURCE).

CBD is believed to be linked to pain relief in that the human body already makes its own version of CBD compounds which operate like neurotransmitters, switching nerves on and off. Researchers at the University of Maryland specialising in cannabinoids have suggested that CBD, in this case infused in wound dressings, could switch off the electrical pulses associated with pain in the human body by tweaking the amount of calcium that can get inside the body's nerves.

Integumen's core business Labskin has already tested hemp-derived CBD in its cosmetics brand STOER For Men demonstrating the anti-microbial and anti-inflammatory characteristics effects of CBD within skincare products. Integumen is also testing CBD infused feminine hygiene products at its Labskin facility in York.

Wound pHase has an extensive IP portfolio for chronic wound dressings that notifies the patient or care giver as the stage of wound healing without the need to remove the dressing and expose the wound to external bacteria. Integumen believes that the addition of CBD to the wound dressing could contribute to faster wound recovery as a function of its anti-inflammatory and pain relief properties.

Integumen's expanded division will utilise Labskin's CBD testing expertise and participate with the University of Limerick and Epitheal Limited Ireland through Interreg North-West Europe, an EU-funded programme that fosters regional economic collaboration. The partners will use Cellulac's new SoniqueFlo enzyme and engineering installation at tcbb RESOURCES's facilities located in Thurles, Ireland. The primary activity of the collaboration will focus on the processing and refining of medical grade CBD to create private label CBD-infused chronic wound and burn dressings, a market estimated to be worth over US\$25 billion p.a. in the US alone.

In conjunction with Cellulac, Integumen's Labskin and Wound pHase divisions are collaborating with the University of Limerick's Chemical Sciences Department to use its laboratory facilities to test and optimise the yield of selected product from CBD feedstock. Dermatology company Epitheal's involvement will focus on researching and developing the effect of natural compounds such as CBD to promote healthy skin. In addition, the partnership is supported by tcbb RESOURCE, a not-for-profit organisation that can act as a test bed for bio-innovation, development and scale up of new technologies.

Integumen is leveraging management experience of building extensive production, sales and distribution channels in over 40 countries during its tenure with Alltracel Pharmaceutical plc in the early 2000s. With Labskin gaining significant momentum in the current year, Integumen can now increase its focus on its WoundPhase division which has the potential to develop into a significant white label offering to major players in the large and growing global wound care market.

THIS DOCUMENT IS NOT FOR PUBLICATION, DISTRIBUTION OR TRANSMISSION INTO THE UNITED STATES OF AMERICA, JAPAN, CANADA OR AUSTRALIA.

Conflicts

This is a non-independent marketing communication under the rules of the Financial Conduct Authority (“FCA”). The analyst who has prepared this report is aware that Turner Pope Investments (TPI) Limited (“TPI”) has a relationship with the company covered in this report. Accordingly, the report has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing by TPI or its clients ahead of the dissemination of investment research.

TPI manages its conflicts in accordance with its conflict management policy. For example, TPI may provide services (including corporate finance advice) where the flow of information is restricted by a Chinese wall. Accordingly, information may be available to TPI that is not reflected in this document. TPI may have acted upon or used research recommendations before they have been published.

Risk Warnings

Retail clients (as defined by the rules of the FCA) must not rely on this document.

Any opinions expressed in this document are those of TPI’s research analyst. Any forecast or valuation given in this document is the theoretical result of a study of a range of possible outcomes and is not a forecast of a likely outcome or share price.

The value of securities, particularly those of smaller companies, can fall as well as rise and may be subject to large and sudden swings. In addition, the level of marketability of smaller company securities may result in significant trading spreads and sometimes may lead to difficulties in opening and/or closing positions. Past performance is not necessarily a guide to future performance and forecasts are not a reliable indicator of future results.

AIM is a market designed primarily for emerging or smaller companies and the rules of this market are less demanding than those of the Official List of the UK Listing Authority; consequently AIM investments may not be suitable for some investors. Liquidity may be lower and hence some investments may be harder to realise.

Specific disclaimers

TPI acts as joint broker to Integumen plc (“Integumen”) which is listed on the AIM Market of the London Stock Exchange (“AIM”). TPI’s private and institutional clients may hold, subscribe for or buy or sell Integumen’s securities.

This document has been produced by TPI independently of Integumen. Opinions and estimates in this document are entirely those of TPI as part of its internal research activity. TPI has no authority whatsoever to make any representation or warranty on behalf of Integumen.

General disclaimers

This document, which presents the views of TPI's research analyst, cannot be regarded as "investment research" in accordance with the FCA definition. The contents are based upon sources of information believed to be reliable but no warranty or representation, express or implied, is given as to their accuracy or completeness. Any opinion reflects TPI's judgement at the date of publication and neither TPI nor any of its directors or employees accepts any responsibility in respect of the information or recommendations contained herein which, moreover, are subject to change without notice. Any forecast or valuation given in this document is the theoretical result of a study of a range of possible outcomes and is not a forecast of a likely outcome or share price. TPI does not undertake to provide updates to any opinions or views expressed in this document. TPI accepts no liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document (except in respect of wilful default and to the extent that any such liability cannot be excluded by applicable law).

The information in this document is published solely for information purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. The material contained in the document is general information intended for recipients who understand the risks associated with equity investment in smaller companies. It does not constitute a personal recommendation as defined by the FCA or take into account the particular investment objectives, financial situation or needs of individual investors nor provide any indication as to whether an investment, a course of action or the associated risks are suitable for the recipient.

This document is approved and issued by TPI for publication only to UK persons who are authorised persons under the Financial Services and Markets Act 2000 and to professional clients, as defined by Directive 2004/39/EC as set out in the rules of the Financial Conduct Authority. This document may not be published, distributed or transmitted to persons in the United States of America, Japan, Canada or Australia. This document may not be copied or reproduced or re-distributed to any other person or organisation, in whole or in part, without TPI's prior written consent.

Copyright © 2019 Turner Pope Investments (TPI) Limited, all rights reserved.