

To: **Rosen's Diversified, Inc. ("Bidder" or "you")**
8101 34th Avenue South
Suite 400
Bloomington
MN 55425
United States of America

27 August 2020

Dear Sirs

PROPOSED ACQUISITION OF COLLAGEN SOLUTIONS PLC ("TARGET") – IRREVOCABLE UNDERTAKING

1. Introduction

1.1 We understand that the Bidder intends to acquire all of the issued and to be issued ordinary shares of £0.01 each in the Target other than those already owned by the Bidder substantially on the terms, and subject to the conditions, set out in the draft Rule 2.7 announcement attached as Part B of the Schedule, subject to such non-material modifications to the announcement as may be agreed between the Bidder and the Target (the "**Announcement**"). We also understand that Bidder has the right, subject to the consent of the Panel, to elect to implement the Acquisition by means of a Scheme as set out in the Announcement.

1.2 In consideration of the Bidder releasing the Announcement we undertake, confirm, represent, warrant and agree with the Bidder on the terms set out in this letter.

1.3 Unless otherwise defined, capitalised terms used in this letter are defined in paragraph 9.1.

2. Interests in the Target's shares

2.1 We warrant and represent to you that:

2.1.1 we are the registered holder and/or beneficial owner of (or are otherwise able to control, for the purposes of this letter, the exercise of all rights attaching to) the shares in the capital of the Target specified in column 1 of Part A of the Schedule (the "**Shares**", which term shall include any shares in the Target issued to us after the date of this letter and attributable to or derived from the Shares), which are held fully paid and free of all encumbrances, rights of pre-emption and third party rights of any kind;

2.1.2 the Schedule contains complete, full and accurate details of all the shares and other securities in the capital of the Target of which we are the registered holder, beneficial owner or controller and we do not have any other interest in any securities of the Target or any right to subscribe, purchase or otherwise acquire any such interest; and

2.1.3 we have full power, authority and the right, free from any legal or other restrictions, and will at all times (until this letter terminates under paragraph 8.1) continue to have all relevant power, authority and right, to enter into and perform our Obligations.

3. Acceptance of the Offer

3.1 We undertake to you that (unless the Acquisition is implemented by way of the Scheme):

3.1.1 we will be able to and we shall accept or, where applicable, procure the acceptance of, the Offer in respect of the Shares in accordance with the procedure for acceptance set out in the Acquisition Document no later than 1.00 p.m. on the tenth business day after the publication of the Acquisition Document (or, if later, in the case of Shares issued after the date of this letter, not later than two business days

after we become their registered holder or beneficial owner or we otherwise become entitled to exercise all rights/interests in respect of them);

- 3.1.2 notwithstanding any rights of withdrawal in the Acquisition Document or otherwise conferred by any Relevant Requirements, we shall not withdraw or otherwise revoke any acceptance of the Offer in respect of any of the Shares and will not cause or permit the registered holder of any of the Shares to do so;
- 3.1.3 the Shares will be transferred pursuant to the Offer with full title guarantee free from any lien, charge or other encumbrance or equity or other third party right of any nature and with all rights of any nature now or at any time attaching or accruing to them, including the right to all dividends and distributions declared or paid after the date of this letter; and
- 3.1.4 we shall from time to time promptly complete, execute and deliver such documents and do all such other things as shall be necessary to give full effect to each of our Obligations.

4. Dealings

- 4.1 We undertake that we shall not and shall procure that the registered holder of any Shares shall not:
 - 4.1.1 sell, transfer, encumber or otherwise dispose of, or grant any option or other right over any of the Shares or any interest in them except pursuant to the Acquisition;
 - 4.1.2 accept any other offer made or proposed to be made in respect of any of the Shares or vote in favour of any resolution to approve any scheme of arrangement, merger or other business combination of the Target in competition with the Acquisition;
 - 4.1.3 except for securities attributable to or derived from any of the Shares, acquire any interest in any securities of the Target or in any other securities, options or derivatives referenced to the share capital of the Target and/or the price of the Target's shares without your prior written consent; or
 - 4.1.4 enter into any agreement or arrangement or give any indication of intent, or permit the registered holder or beneficial owner of the Shares to enter into any agreement or arrangement or give any indication of intent (in any case whether conditionally or unconditionally and whether or not legally binding) to do any of the acts referred to in paragraphs 4.1.1 to 4.1.3, or which would restrict or preclude us from complying with any of our Obligations, including any agreement, arrangement, obligation or indication of intent which is to take effect following termination of this letter.
- 4.2 Without prejudice to our undertakings in paragraph 4.1, we shall notify the Bidder promptly of our dealings in any shares of the Target as soon as reasonably practicable and, in any event, before 10.00 a.m. on the business day following the relevant dealing.

5. Exercise of voting rights

- 5.1 From the time the Bidder releases the Announcement to the date on which this letter terminates, we undertake to you that we shall exercise (or procure the exercise of):
 - 5.1.1 the votes attached to the Shares in favour of all resolutions at a General Meeting or a Court Meeting, the passing of which are necessary to implement the Acquisition if the Bidder elects, with the consent of the Panel, to implement the Acquisition by means of a Scheme; and
 - 5.1.2 as directed by the Bidder:

- 5.1.2.1 the votes attached to the Shares on all other Relevant Resolutions (as defined in paragraph 5.4); and
 - 5.1.2.2 the rights attached to the Shares to requisition or join in the requisition of any general or class meeting of the Target for the purpose of considering a Relevant Resolution.
- 5.2 For the purposes of voting on a Relevant Resolution, we shall execute (or shall procure that the registered holder of any Shares shall execute) and return (or procure the return of) any form of proxy required by the Bidder appointing any person nominated by the Bidder to attend and vote at the relevant meeting of the Target.
- 5.3 Without prejudice to paragraph 5.2 and if the Acquisition is implemented by means of the Scheme, we shall within ten business days after the posting of the Acquisition Document (without prejudice to any right we have to attend and vote in person at a General Meeting or a Court Meeting):
- 5.3.1 execute and return (or procure the execution and return by the registered holder of any Shares) the forms of proxy enclosed with the Acquisition Document in accordance with the instructions printed on them; and
 - 5.3.2 if applicable, in respect of any Shares held in uncertificated form, take or procure the taking of any action which may be required by the Target or its nominated representative in order to make a valid proxy appointment and give valid proxy instructions,
- in each case instructing the proxy to vote in favour of the resolutions to implement the Acquisition.
- 5.4 A "Relevant Resolution" is:
- 5.4.1 a resolution proposed at a General Meeting or a Court Meeting, the passing of which is necessary to implement the Acquisition or which, if passed, might result in any condition of the Acquisition not being fulfilled or which might impede or frustrate the Acquisition in any way;
 - 5.4.2 a resolution to adjourn a meeting at which a resolution falling within paragraph 5.4.1 is to be considered; and
 - 5.4.3 any resolution to amend a resolution falling within paragraph 5.4.1 or 5.4.2.
- 5.5 We undertake to you that prior to the Acquisition becoming wholly unconditional or effective or our Obligations terminating in accordance with this letter, we shall and (if applicable) we shall procure that the registered holder of any Shares shall (unless otherwise instructed by the Bidder):
- 5.5.1 not requisition, or join in requisitioning, any general or class meeting of the Target which would or might restrict or impede the Offer becoming unconditional or, if applicable, the Scheme becoming effective; and
 - 5.5.2 vote against any resolution of Target shareholders to approve any scheme of arrangement, merger or other business combination of the Target in competition with the Acquisition.

6. Consents

6.1 We consent to:

- 6.1.1 a copy of this letter being disclosed to the Panel;
- 6.1.2 the inclusion of references to us and details of this letter being set out in the Announcement substantially in the terms attached, in the Acquisition Document and in any other related or ancillary announcement or document as required by the Code; and
- 6.1.3 this letter being available for inspection as required by the Code.

6.2 We shall provide to you all such information and any such assistance relating to our interests in the Target as you may reasonably require to comply with the Relevant Requirements in connection with the preparation of the Acquisition Document and any announcement to be made or other document required in connection with the Acquisition. We shall notify you in writing as soon as possible of any material change in the accuracy or impact of any information we have previously given to you.

7. Secrecy and market abuse

7.1 Except to any extent required by any Relevant Requirements, we shall keep secret and confidential:

- 7.1.1 the possibility, terms and conditions of the Acquisition and the existence and terms of this letter; and
- 7.1.2 details of our discussions relating to the Acquisition (whether before or after the release of the Announcement),

except in each case to the extent that such matters are made public through the issue of the Announcement or any other documentation relating to the Acquisition and provided that we may disclose the same on a similarly confidential basis to the Target, its advisers and our own advisers. The obligations in this paragraph 7.1 shall survive termination of this letter.

7.2 To the extent any information you have given to us in relation to the Acquisition is inside information for the purposes of the Criminal Justice Act 1993 or the Market Abuse Regulation No. 596/2014, we will comply with the applicable restrictions in those enactments on dealing in securities and disclosing inside information.

8. Termination

8.1 This letter shall terminate, and all Obligations will lapse and cease to have effect (except as otherwise expressly stated), on the date the Offer becomes or is declared unconditional in all respects, or if applicable the Scheme becomes effective, or prior to that date if:

- 8.1.1 the Announcement is not released by 8.00 a.m. on 1 September 2020 or such later date as the Bidder and the Target may agree;
- 8.1.2 the Acquisition Document is not published within 28 days of the date of release of the Announcement (or within such longer period as the Panel and the Target may agree);
- 8.1.3 a person (other than the Bidder or any person acting in concert (as defined in the Code) with the Bidder) announces a firm intention to make an offer for the entire issued share capital of the Target (other than any shares already owned by that person or any person acting in concert with it) in accordance with Rule 2.7 of the Code (whether to be effected by way of a takeover offer within the meaning of section 974 of the Companies Act 2006 or by way of a Scheme) no later than fourteen days of the posting of the

Acquisition Document (in the case of a takeover offer) or no later than the date of the Court Meeting (in the case of a Scheme), provided that the value of that offer as at the date it is made exceeds 7.25 pence (in respect of non cash offers this determination must be in the reasonable opinion of the board of the Target); or

8.1.4 the Acquisition lapses or is withdrawn (including where the Bidder announces with the consent of the Panel and before publication of the Acquisition Document that it does not intend to proceed with the Acquisition), provided that this paragraph 8.1.4 shall not apply:

8.1.4.1 where the Acquisition is withdrawn or lapses as a result of the Bidder exercising its right to implement the Acquisition by way of a Scheme rather than by way of an Offer; or

8.1.4.2 if a new, revised or replacement takeover offer (within the meaning of section 974 of the Companies Act 2006) or scheme of arrangement (pursuant to Part 26 of the Companies Act 2006) is or has been announced by the Bidder, in accordance with Rule 2.7 of the Code, within seven (7) business days of the lapse or withdrawal of the Acquisition, provided that the terms of such new, revised or replacement takeover offer or scheme of arrangement are no less favourable to all shareholders of the Target as the terms set out in the Announcement (in which case this letter shall continue to apply in respect of such new, revised or replacement offer or scheme so that references to the Acquisition shall be read as references to such new, revised or replacement offer or scheme and references to the Announcement shall be read as references to the Bidder's announcement of such new, revised or replacement offer or scheme.

8.2 On termination of this letter neither party shall have any claim against the other save in respect of any prior breach.

8.3 Nothing in this letter shall oblige the Bidder to announce the Acquisition or, if announced, to make the Acquisition, if it is not required to do so by the Relevant Requirements.

9. Interpretation

9.1 In this letter the following defined terms shall apply:

"Acquisition" means the proposed acquisition by the Bidder of the entire issued and to be issued ordinary share capital of the Target not already owned by the Bidder which may be implemented by way of an Offer or a Scheme, and includes any new, revised, improved or increased offer by or on behalf of the Bidder to acquire shares in the Target provided that the terms of such new, revised, improved or increased offer are no less favourable to all shareholders of the Target as the terms set out in the Announcement (and, if made by a subsidiary or subsidiary undertaking of the Bidder, all references to **"you"** or the **"Bidder"** shall be deemed to include that subsidiary or subsidiary undertaking);

"Acquisition Document" means the formal document containing the terms of the Offer or, if applicable, the explanatory statement to be issued by the Target under section 897 of the Companies Act 2006 in respect of the Scheme;

"business day", **"offer"** and **"offer period"** have the meanings set out in the Code;

"Code" means the City Code on Takeovers and Mergers;

"Court Meeting" means, in connection with a Scheme, any meeting of the shareholders of the Target convened by an order of a court (including any adjournments or postponements thereof) in order for the shareholders of the Target to consider, and if thought fit approve, the Scheme;

"General Meeting" means, in connection with a Scheme, any general meeting of the shareholders of the Target (including any adjournments or postponements thereof) convened in order for the shareholders of the Target to consider, and if thought fit authorise the directors of the Target to implement the Scheme and to approve any related matters;

being **"interested in"** or having an **"interest in"** shares or securities shall be interpreted in accordance with the Code and Part 22 of the Companies Act 2006;

"Obligations" means each and all of our undertakings, agreements, warranties, representations, appointments and consents set out in this letter;

"Offer" means the Acquisition implemented by way of a takeover offer within the meaning of section 974 of the Companies Act 2006;

"Panel" means the Panel on Takeovers and Mergers;

"Relevant Requirements" means the requirements of the Code, the Panel, any applicable law or regulation, the High Court of Justice in England and Wales, the Financial Conduct Authority, London Stock Exchange plc, the Market Abuse Regulation, the AIM Rules for Companies, the Prospectus Rules and the Disclosure Guidance and Transparency Rules, or the requirements of any other relevant regulatory authority;

"Scheme" means a scheme of arrangement pursuant to Part 26 of the Companies Act 2006; and

"subsidiary" includes subsidiary undertaking, both terms having the meanings set out in the Companies Act 2006.

9.2 References to time are references to the time in London, United Kingdom.

9.3 Any time, date or period referred to in this letter may be varied by mutual agreement between the parties but, as regards any time, date or period originally fixed or so varied in accordance with this paragraph, time shall be of the essence.

10. Obligations

10.1 Except to the extent otherwise specified in this letter, our Obligations are unconditional and irrevocable.

10.2 In respect of any Shares not registered in our name, we undertake to procure that their registered holder(s) comply with the Obligations.

11. Whole agreement

This letter contains the whole agreement between us relating to the subject matter of this letter at the date of this letter to the exclusion of any terms implied by law which may be excluded by contract. We acknowledge that we have not been induced to sign this letter by any representation, warranty or undertaking not expressly incorporated into it.

12. Specific performance

We acknowledge and agree that damages may not be an adequate remedy for breach of any of the Obligations and that, without prejudice to any other remedies you may have, you shall be entitled to the remedies of injunction, specific performance and other equitable relief.

13. Power of attorney

We irrevocably appoint, by way of security for the performance of our Obligations, any director of the Bidder to be our attorney in our name and on our behalf in our capacity as shareholder of the Target to do all things and to sign, execute and deliver all deeds and documents as may be necessary to accept the Offer, or if applicable to sign, execute and deliver any form of proxy required by the Bidder appointing any person nominated by the Bidder to attend and vote on any Relevant Resolution and to do all such other acts and things as may be necessary for or incidental to approving the Offer, or if applicable the Scheme, and/or the performance of any of our other Obligations, if we fail to comply with any such Obligation contained in paragraph 3 or, where applicable, paragraph 5 of this letter within the relevant time specified for compliance and we irrevocably undertake to ratify such act if called upon to do so.

14. General

14.1 No term of this letter is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to it.

14.2 The invalidity, illegality or unenforceability of any provision of this letter shall not affect the continuation in force of the remainder of this letter.

15. Governing law

This letter and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England. We submit to the exclusive jurisdiction of the courts of England and Wales for all purposes in relation to this letter.

We intend this letter to be a deed and sign and deliver it as a deed.

THE SCHEDULE

Part A


No. of Shares	Name and address of registered holder
4,538,404 ORDINARY SHARES OF 1 PENCE EACH	WCS NOMINEES LIMITED Woodside Corporate Services Limited, 4th Floor, 50 Mark Lane, London, EC3R 7QR
37,907,287 ORDINARY SHARES OF 1 PENCE EACH	SHARE NOMINEES LIMITED The Share Centre Limited, Oxford House, Oxford Road, Aylesbury, Buckinghamshire, HP21 8SZ

THE SCHEDULE


Part B

Draft Rule 2.7 Announcement

Executed as a deed, but not delivered until the)
first date specified on page 1, by **SENECA**)
PARTNERS LIMITED (whose registered office)
is at 12 The Parks, Haydock, Newton-Le-)
Willows, Merseyside, WA12 0JQ and whose)
company number is 07196273) by a director in
the presence of a witness:

Signature 

Name (block capitals) RICHARD MANLEY
Director

Witness signature 

Witness name ANDREW CURRIE
(block capitals)

Witness address 