

#### Stock Data

Share Price:	34.00p
Target Price:	84.80p
Market Cap:	£57.8m
Shares in issue:	170.1m

#### Company Profile

Sector:	Healthcare
Ticker:	DVRG
Exchange	AIM

#### Activities

Deepverge plc ('Deepverge', 'DVRG', 'the Group'), (formerly Integumen plc) is an environmental and life science group of companies that develops and applies AI and IoT technology to analytical instruments for the analysis and identification of bacteria, viruses and toxins. AI data analytics are used scientifically to prove the impact of skincare product claims on skin microbiome for most of the top 20 global cosmetic company clients and to remotely detect and identify in real-time, dangerous pathogens in wastewater treatment plants, drinking water, rivers, lakes and reservoirs. Group website: [www.Deepverge.com](http://www.Deepverge.com)

#### Share price performance from 6 Oct.2020



Source: [LSE](https://www.lse.com)

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

#### Turner Pope contact details

Turner Pope Investments ("TPI") Limited  
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)

**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 sole broker to Deepverge plc.**

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

**Barry Gibb**

Research Analyst

Tel: 0203 657 0050

[barry.gibb@turnerpope.com](mailto:barry.gibb@turnerpope.com)

**Andrew Thacker**

Corporate Broking & Sales

Tel: 0203 657 0050

[andy.thacker@turnerpope.com](mailto:andy.thacker@turnerpope.com)

**Zoe Alexander**

Corporate Broking & Sales

Tel: 0203 657 0050

[zoe.alexander@turnerpope.com](mailto:zoe.alexander@turnerpope.com)

## DeepVerge plc

Deepverge has today announced its appointment of a former IBM Legal Counsel as in-house lawyer and Company Secretary. Fiona Joyce's engagement is seen as an important signal from the Board, as it strengthens management in support for Group Executives tasked with meeting ambitious expansion plans for all Group divisions that now reach across three Continents. In particular, Fiona's international legal expertise that includes working across a variety of areas at IBM, such as managing mergers & acquisition, is expected to provide invaluable support for sustaining a robust global corporate infrastructure. In tandem with this, Deepverge also detailed another appointment, this time in the form of Rory Kirwan ACA QFA, who will manage its subsidiary audits and associated corporate activity, while also detailing the pre-launch registration for its Skin Trust Club Artificial Intelligent (A.I.) Skincare App and Home Test Kit. This is just one of a number of exciting innovations and newly identified market opportunities that have emerged from the Group over the past year, and follows its recent successful [acquisition of Modern Water plc](#). In response to such news flow, on [11 January 2021](#) TPI updated its financial valuation for Deepverge which resulted a new price target of 84.8p/share.

**Please note that TPI's valuation is based on financial modelling and there is no guarantee that such a valuation will ever be realised, therefore please do not base investment decisions on this valuation alone.**

### Fiona Joyce LLB – Deepverge's Legal Counsel and Company Secretary

Fiona joins Deepverge with more than 20 years' experience as Country Counsel for Ireland for IBM. During her tenure, she established and managed a legal hub in Dublin for 30 international lawyers who delivered transactional services to international IBM entities. In addition, she was Company Secretary for all IBM entities in Ireland with responsibility for corporate governance and compliance. The scope of Fiona's role at IBM ranged from specialising in channel sales for all of EMEA, including deals such as the US\$1.9 billion sales of IBM software product to HCL Technologies, to working with the Board of Directors in leading a corporate restructuring valued at €1.3 billion.

### Rory Kirwan ACA QFA - Audit and Corporate Activity Executive

Rory will manage subsidiary audits and associated corporate activity. Rory worked in accounting practice and banking across the Audit and Corporate Finance departments of Crowe, one of the Top 10 accountancy and business advisory firms in Ireland and part of the Crowe Global Network.

### The Skin Trust Club

Deepverge's Skin Trust Club ([www.skintrustclub.com](http://www.skintrustclub.com)) has now opened pre-registration for the launch of Labskin's revolutionary A.I. personalised skincare subscription service. This is a customised, personal facility derived from a home test kit; it combines 13 years of scientific data accumulated/processed by the Group's Labskin division with information sourced from an individual's living environment. By utilising a free smartphone App that incorporates artificial intelligence to analyse, match and recommend, the user is provided with a listing of skincare ingredients ideally suited their particular daily skincare routines, varying according to health, age and the environment in which they live. Those who pre-register will get a sample report and be notified first when the App is free to download. Given the high proportion of individuals around the world that are unhappy with the underlying condition and appearance of their skin, it is interesting to note a New York Post article of [18 February 2020](#). Titled 'Most Americans Admit they are not Comfortable-in-their-Own-Skin', it revealed 59% of those surveyed considered skin issues were significantly responsible for their general lack of confidence. Indeed, this highlights a concern that is now widely shared

across multiple global populations. Such a subscription service that applies science to such problems, therefore has potential to attract a strong, long-term following.

### Deepverge anticipates strong continuing growth in 2021

On [11 January 2021](#), Deepverge confirmed that Q4 2020 was its first ever profitable (at the EBITDA level) quarter, during which time order books built strongly with the signing of 12 new contracts for Labskin Services. At the same time, the Board also provided revenue guidance of £10m for 2021 (representing 127% annualised growth on the full year 2020 figures), while noting that several large projects, including two ‘multi-million pound opportunities’ due for decision in coming months offer potential to drive this figure substantially higher still. Recognising that the coming year will likely see the world transition from one that has struggled to contain the catastrophic effects of a global viral pandemic, to one that needs to urgently understand how to provide rapid, ongoing detection, containment and response in a post-Pandemic environment whose principal challenge must be to ensure such outbreaks cannot undermine humankind’s future well-being, Deepverge’s seemingly ideal range of core competences, technologies, innovative skillsets and global reach potentially positions it to enjoy years of exceptional, high margin growth. On [11 January 2021](#), TPI accordingly updated its valuation for Deepverge, which now indicates a revised figure of £140.6m, suggesting a new share price target of 84.8p.

**Please note that TPI’s valuation is based on financial modelling and there is no guarantee that such a valuation will ever be realised, therefore please do not base investment decisions on this valuation alone.**

**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 sole broker to Deepverge plc ('Deepverge') 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 Deepverge's securities.

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 Deepverge.

### **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 © 2021 Turner Pope Investments (TPI) Limited, all rights reserved.