

SKINVISIBLE INC
Form PRER14A
October 11, 2018

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the
Registrant
Filed by a
Party other
than the
Registrant

Check the
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Preliminary
Proxy Statement
Confidential, for
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Rule
14a-6(e)(2))
Definitive Proxy
Statement
Definitive
Additional
Materials
Soliciting
Material
Pursuant to
Section
240.14a-12

Skinvisible, Inc.

(Exact name of
registrant as specified in
its charter)

N/A

(Name of person(s)
filing proxy statement,
if other than the
registrant)

Payment of Filing Fee
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box):

No fee
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Fee
computed on
table below
per
Exchange
Act Rules
14a-6(i)(1)
and 0-11.

- (1) Title of each
class of
securities to
which
transaction
applies:
Common
Stock
Aggregate
number
of
securities
to
which
transaction
applies:
(2) 371,668,218
shares
of
Registrant's
common
stock
(before
proposed
reverse
stock-split)
(3) Per unit
price or
other
underlying
value
of
transaction
computed
pursuant
to
Exchange

Act
Rule
0-11
(set
forth
the
amount
on
which
the
filing
fee is
calculated
and
state
how it
was
determined):
\$0.0191,
representing
average
of high
and
low
prices
of
Registrant's
common
stock
as
reported
by the
OTCQB
on
April
26,
2018.

(4) Proposed
maximum
aggregate
value
of
transaction:
\$7,098,863

Total
(5) fee
paid:
\$883.81
Fee paid
previously
with

preliminary materials. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- Amount
- (1) Previously Paid: Form, Schedule
 - (2) or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:

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SKINVISIBLE, INC.
6320 SOUTH SANDHILL ROAD, SUITE 10
LAS VEGAS, NV 89120

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON [], 2018

TO SKINVISIBLE'S STOCKHOLDERS:

NOTICE IS HEREBY GIVEN, that a special meeting (the "Special Meeting") of stockholders of Skinvisible, Inc., a Nevada corporation (referred to herein as "we", "us", or "Skinvisible"), will be held at 10:00 a.m., local time, on [], 2018, at [], for the following purposes, as more fully described in the Proxy Statement accompanying this notice:

- (1) To adopt an Agreement and Plan of Merger and Reorganization (the "Merger Agreement") by and among Quoin Pharmaceuticals, Inc., a Delaware corporation ("Quoin"), Skinvisible and Skinvisible's wholly owned subsidiary, Quoin Merger Sub, Inc. ("Merger Sub"), the transaction contemplated by the Merger Agreement is known as the "Merger";
To amend Skinvisible's Articles of Incorporation to effect a Reverse Split (the "Reverse Split") of Skinvisible issued and outstanding common stock by a ratio of not less than one-for-ten and not more than one-for-one hundred, with the exact ratio to be set at a whole number within this range, as determined by Skinvisible's board of directors in its sole discretion;
- (2) To approve an amendment to the Articles of Incorporation of Skinvisible which changes its name to Quoin Pharmaceuticals, Inc. at the effective time of the Merger (the "Name Change"); and
- (3) To approve a proposal to adjourn the Special Meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the Special Meeting, Skinvisible is not authorized to consummate the transactions contemplated by the aforementioned proposals.
- (4)

Stockholders who owned shares of Skinvisible's common stock at the close of business on [], 2018 are entitled to receive notice of, attend and vote at the Special Meeting and any adjournment or postponement thereof.

Your vote is important. Whether or not you plan to attend the Special Meeting, please vote as soon as possible. You may vote by mailing a completed proxy card, by telephone or online. For specific voting instructions, please refer to the information provided in the following Proxy Statement, together with your proxy card or the voting instructions you receive by e-mail.

By Order of the Board of Directors,

Skinvisible, Inc.

By: /s/ Terry H. Howlett
Terry H. Howlett
President & Chief Executive Officer
[], 2018

Important Notice Regarding the Availability of Proxy Materials for the Special Meeting of Stockholders to be held on [], 2018. The Proxy Statement is available at [TBD].

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SKINVISIBLE, INC.
6320 SOUTH SANDHILL ROAD, SUITE 10
LAS VEGAS, NV 89120

PROXY STATEMENT

For the Special Meeting of Stockholders to be held on [], 2018

Your proxy is being solicited on behalf of the Board of Directors (the “Board”) of Skinvisible, Inc., a Nevada corporation, for use at the Special Meeting of Stockholders (the “Special Meeting”) to be held at 10:00 a.m. local time on [], 2018, or at any adjournment or postponement thereof, for the purposes set forth in this Proxy Statement. The Special Meeting will be held at for the following purposes:

- (1) To adopt an Agreement and Plan of Merger and Reorganization (the “Merger Agreement”) by and among Quoin Pharmaceuticals, Inc., a Delaware corporation (“Quoin”), Skinvisible and Skinvisible’s wholly owned subsidiary, Quoin Merger Sub, Inc. (“Merger Sub”), the transaction contemplated by the Merger Agreement is known as the “Merger”;
To amend Skinvisible’s Articles of Incorporation to effect a Reverse Split (the “Reverse Split”) of Skinvisible’s issued and outstanding common stock by a ratio of not less than one-for-ten and not more than one-for-one hundred, with the exact ratio to be set at a whole number within this range, as determined by Skinvisible’s board of directors in its sole discretion;
- (2) To approve an amendment to the Articles of Incorporation of Skinvisible which changes its name to Quoin Pharmaceuticals, Inc. at the effective time of the Merger; and
- (3) To approve a proposal to adjourn the Special Meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the Special Meeting, Skinvisible is not authorized to consummate the transactions contemplated by the aforementioned proposals.
- (4)

These proxy materials are first being provided on or about [], 2018 to all stockholders as of the record date, [], 2018. Stockholders who owned Skinvisible’s common stock at the close of business on [], 2018 are entitled to receive notice of, attend and vote at the Special Meeting. On the record date, there were [] shares of Skinvisible’s common stock outstanding.

All proxies will be voted in accordance with the instructions contained on those proxies, and if no choice is specified, the proxies will be voted in favor of each matter set forth in the accompanying Notice of Special Meeting. Any proxy may be revoked by a stockholder at any time before it is exercised by delivery of written revocation to Skinvisible’s corporate secretary.

Unless otherwise indicated, (i) all references to “Skinvisible,” “us” or “we” means Skinvisible, Inc. and all references to the “Combined Company” means Skinvisible after the closing of the Merger and its name change to Quoin Pharmaceuticals, Inc.

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FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus, including information incorporated by reference into this proxy statement/prospectus, includes forward-looking statements regarding, among other things, Skinvisible's and Quoin's plans, strategies and prospects, both business and financial. Although Skinvisible and Quoin believe that their plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, neither Skinvisible nor Quoin can assure you that either will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions including, without limitation, the factors described under "Risk Factors" from time to time in Skinvisible's filings with the SEC. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. Many of the forward-looking statements contained in this presentation may be identified by the use of forward-looking words such as "believe", "expect", "anticipate", "should", "planned", "will", "may", "intend", "estimated", "a", "target", "opportunity", "tentative", "positioning", "designed", "create", "predict", "project", "seek", "would", "could", "contin", "upside", "increases" and "potential", among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this presentation are set forth in other reports or documents that we file from time to time with the SEC, and include, but are not limited to:

- the number and percentage of Skinvisible's public stockholders voting against the proposals set forth in this proxy statement;
- the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement;
- changes adversely affecting the business in which Skinvisible or Quoin are engaged;
- management of growth;
- general economic conditions;
- Quoin's business strategy and plans;
- the result of future financing efforts; and
- and the other factors summarized under the section entitled "Risk Factors".

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement/prospectus. All forward-looking statements included herein attributable to any of Skinvisible, Quoin or any person acting on either party's behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

For a discussion of the factors that may cause Skinvisible's or Quoin's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied in such forward-looking statements, see "Risk Factors" beginning on page [].

If any of these risks or uncertainties materializes or any of these assumptions proves incorrect, the actual results of Skinvisible or Quoin could differ materially from the forward-looking statements. All forward-looking statements in this proxy statement are current only as of the date on which the statements were made. Skinvisible and Quoin do not undertake any obligation to publicly update any forward-looking statement to reflect events or circumstances after the date on which any statement is made or to reflect the occurrence of unanticipated events.

Before a stockholder grants its proxy or instructs how its vote should be cast or vote on the merger proposal, or the adjournment proposal, it should be aware that the occurrence of the events described in the "Risk Factors" section and elsewhere in this proxy statement/prospectus may adversely affect Skinvisible and Quoin.

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VOTING AND RELATED MATTERS

Voting Procedures

As a stockholder of Skinvisible, you have a right to vote on certain business matters affecting us. The proposals that will be presented at the Special Meeting and upon which you are being asked to vote are discussed below. Each share of Skinvisible's common stock you owned as of the record date entitles you to one vote on each proposal presented at the Special Meeting.

Methods of Voting

You may vote over the Internet, by telephone, by mail or in person at the Special Meeting.

Voting over the Internet. You can vote via the Internet. The website address for Internet voting and the instructions for voting are provided on your proxy card. You will need to use the control number appearing on your proxy card to vote via the Internet. If you vote via the Internet, you do not need to vote by telephone or return a proxy card.

Voting by Telephone. You can vote by telephone by calling the toll-free telephone number provided on your proxy card. You will need to use the control number appearing on your proxy card to vote by telephone. If you vote by telephone, you do not need to vote over the Internet or return a proxy card.

Voting by Mail. You can vote by marking, dating and signing your proxy card, and returning it in the postage-paid envelope provided. Please promptly mail your proxy card to ensure that it is received prior to the closing of the polls at the Special Meeting.

Voting in Person at the Meeting. If you attend the Special Meeting and plan to vote in person, we will provide you with a ballot at the Special Meeting. If your shares are registered directly in your name, you are considered the stockholder of record, and you have the right to vote in person at the Special Meeting. If your shares are held in the name of your broker or other nominee, you are considered the beneficial owner of shares held in street name. As a beneficial owner, if you wish to vote at the Special Meeting, you will need to bring to the Special Meeting a legal proxy from your broker or other nominee authorizing you to vote those shares.

Revoking Your Proxy

You may revoke your proxy at any time before it is voted at the Special Meeting. To do this, you must:

- enter a new vote over the Internet or by telephone, or by signing and returning a replacement proxy card;
- provide written notice by [], 2018 of the revocation to Skinvisible's Corporate Secretary at Skinvisible's principal executive offices, which are located at 6320 South Sandhill Road, Suite 10, Las Vegas, NV 89120; or
- attend the Special Meeting and vote in person.

Quorum and Voting Requirements

Stockholders of record at the close of business on [], 2018 are entitled to receive notice and vote at the meeting. On the record date, there were [] issued and outstanding shares of Skinvisible's common stock. Each holder of Skinvisible's common stock voting at the meeting, either in person or by proxy, may cast one vote per share of common stock held on each of the matters to be voted on at the meeting.

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The presence, in person or by proxy, of the holders of a majority of the outstanding shares of common stock entitled to vote constitutes a quorum for the transaction of business at the meeting. Assuming that a quorum is present, the following table summarizes the voting requirements to approve each proposal:

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Proposal	Vote Required	Broker Discretionary Voting Allowed
Proposal No. 1 — To approve the Merger Agreement.	The affirmative vote of a majority of the votes cast at the Special Meeting.	No
Proposal No. 2 — To amend Skinvisible’s Articles of Incorporation to effect a Reverse Split (the “Reverse Split”) of Skinvisible’s issued and outstanding common stock by a ratio of not less than one-for-ten and not more than one-for-one hundred, with the exact ratio to be set at a whole number within this range, as determined by Skinvisible’s board of directors in its sole discretion.	The affirmative vote of a majority of the outstanding shares of common stock.	No
Proposal No. 3 — To approve an amendment to the Articles of Incorporation of Skinvisible which changes its name to Quoin Pharmaceuticals, Inc. at the effective time of the Merger.	The affirmative vote of a majority of the outstanding shares of common stock.	No
Proposal No. 4 — To approve a proposal to adjourn the Special Meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the Special Meeting, Skinvisible is not authorized to consummate the transactions contemplated by the aforementioned proposals.	The affirmative vote of a majority of the votes cast at the Special Meeting.	Yes

Votes cast by proxy or in person at the meeting will be tabulated by the election inspectors appointed for the meeting. Such inspectors will also determine whether a quorum is present. The election inspectors will treat abstentions as shares that are present and entitled to vote for purposes of determining the presence of a quorum, but as unvoted for purposes of

determining the approval of any matter submitted to the stockholders for a vote. Accordingly, abstentions will have no effect on whether Proposal No. 1 and Proposal No. 4, are approved at the Special Meeting. Abstentions will have the same effect as a vote “AGAINST” Proposal No. 2 and Proposal No. 3.

If your shares are held in street name and you do not instruct your broker on how to vote your shares, your brokerage firm, in its discretion, is permitted to either leave your shares unvoted or vote your shares on matters that are considered routine.

Proposal No. 4 is considered a routine matter while Proposal No. 1, Proposal No. 2 and Proposal No. 3 are considered non-routine matters. Consequently, without your voting instructions, your brokerage firm will not be able to vote your shares on Proposal No. 1, Proposal No. 2 and Proposal No. 3. These unvoted shares, called “broker non-votes,” refer to shares held by brokers who have not received voting instructions from their clients and who do not have discretionary authority to vote on non-routine matters. Broker non-votes will not be counted as shares that are present and entitled to vote for purposes of determining the presence of a quorum.

Assuming that a quorum is present, broker non-votes (i) will have no effect on whether Proposal No. 1 and Proposal No. 4 are approved at the Special Meeting and (ii) will have the same effect as a vote “AGAINST” each of Proposal No. 2 and Proposal No. 3.

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Voting of Proxies

When a proxy is properly executed and returned, the shares it represents will be voted at the Special Meeting as directed. If no specification is indicated, the shares will be voted:

- (1) “FOR” Proposal No. 1 to approve the Merger Agreement;
- (2) “FOR” Proposal No. 2 to approve the Reverse Split;
- (3) “FOR” Proposal No. 3 to approve an amendment to the Articles of Incorporation of Skinvisible which changes the name of Skinvisible, Inc. to “Quoin Pharmaceuticals, Inc.”;
- “FOR” Proposal No. 4 to approve a proposal to adjourn the Special Meeting to a later date or dates, if necessary, to
- (4) permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the Special Meeting, Skinvisible is not authorized to consummate the transactions contemplated by the aforementioned proposals; and
- (5) at the discretion of your proxies on any other matter that may be properly brought before the Special Meeting.

Voting Confidentiality

Proxies, ballots and voting tabulations are handled on a confidential basis to protect your voting privacy. This information will not be disclosed, except as required by law.

Voting Results

Voting results will be announced at the Special Meeting and published in a Form 8-K to be filed within four (4) business days after the Special Meeting.

Householding of Proxy Materials

In a further effort to reduce printing costs and postage fees, we have adopted a practice approved by the SEC called “householding.” Under this practice, stockholders who have the same address and last name and do not participate in electronic delivery of proxy materials will receive only one copy of Skinvisible’s proxy materials, unless one or more of these stockholders notifies us that he or she wishes to continue receiving individual copies.

We will promptly deliver a separate copy of these proxy materials to any stockholder upon written or oral request to Skinvisible’s Corporate Secretary by mail at 6320 South Sandhill Road, Suite 10, Las Vegas, NV 89120 or by phone at (702) 433-7154.

If: (1) you share an address with another stockholder and received only one set of proxy materials, and would like to request a separate paper copy of these materials; or (2) you share an address with another stockholder and in the future together you would like to receive only a single paper copy of these materials, please notify Skinvisible’s Corporate Secretary by mail at 6320 South Sandhill Road, Suite 10, Las Vegas, NV 89120 or by phone at (702) 433-7154.

If you have previously elected to receive Skinvisible’s proxy materials electronically, you will continue to receive these materials via e-mail unless you elect otherwise.

Proxy Solicitation

We will bear the cost of this solicitation. In addition, we may reimburse brokerage firms and other persons representing beneficial owners of shares for reasonable expenses incurred in forwarding solicitation materials to such beneficial owners. Proxies also may be solicited by Skinvisible’s directors, officers or employees, personally, or by mail, facsimile, telephone, messenger or via the Internet, without additional compensation.

Available Information

Skinvisible's website, www.Skinvisible.com, provides access, without charge, to Skinvisible's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with the SEC. The information provided on Skinvisible's website is not part of this report, and is therefore not incorporated by reference unless such information is otherwise specifically referenced elsewhere in this report.

Materials filed by Skinvisible with the SEC may be read and copied at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding Skinvisible's company that we file electronically with the SEC.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Beneficial ownership is determined in accordance with the rules of the SEC. In computing the number of shares beneficially owned by a person and the percentage of ownership of that person, shares of common stock subject to options and warrants held by that person that are currently exercisable or become exercisable within 60 days of [], 2018 are deemed outstanding even if they have not actually been exercised. Those shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person.

The following table sets forth, as of [], 2018 the beneficial ownership of Skinvisible's common stock by each executive officer and director, by each person known by us to beneficially own more than 5% of Skinvisible's common stock and by the executive officers and directors as a group.

Title of Name and address of beneficial owner ⁽¹⁾	Amount of beneficial ownership ⁽²⁾	Percent of class ⁽³⁾
Executive Officers & Directors:		
Conroy Howlett ⁽⁴⁾	151,685,787 shares	53%
David St. James ⁽⁵⁾	100,000 shares	Less than 1%
Total of All Directors and Executive Officers:	151,785,787 shares	53%
More Than 5% Beneficial Owners:		
Lutz Family Trust ⁽⁶⁾	10,998,300 shares	7.8%
8322 West Tonto Lane, Peoria, AZ 85382		
Doreen McMorran ⁽⁷⁾	159,024,409 shares	53%

⁽¹⁾ Except as otherwise indicated, the address of each person named in this table is c/o Skinvisible, Inc., 6320 South Sandhill Road, Suite 10, Las Vegas, Nevada 89120.

As used in this table, "beneficial ownership" means the sole or shared power to vote, or to direct the voting of, a security, or the sole or shared investment power with respect to a security (i.e., the power to dispose of, or to direct the disposition of, a security). In addition, for purposes of this table, a person is deemed, as of any date, to have "beneficial ownership" of any security that such person has the right to acquire within 60 days after such date.

⁽²⁾ Except as otherwise indicated, all shares are owned directly and the percentage shown is based on 140,977,600 shares of common stock issued and outstanding on [], 2018.

⁽³⁾ Includes 7,723,248 shares held in his name as indicated on Skinvisible's shareholder list, and 143,962,539 shares of common stock that may be acquired upon exercise of outstanding convertible promissory notes and stock options. These derivative securities are comprised of 139,262,539 shares that may be issued upon conversion of outstanding convertible promissory notes and 4,700,000 options to purchase common stock, and all such rights are exercisable within sixty days of [], 2018.

⁽⁴⁾ Includes an option to purchase 100,000 shares of common stock at \$0.035 per share.

⁽⁵⁾ As stated in the reporting person's Form 4 filed with the Securities and Exchange Commission on January 25, 2010.

⁽⁶⁾ Includes 1,800,000 shares held in her name as indicated on Skinvisible's shareholder list, and 157,224,409 shares of common stock that may be acquired upon exercise of outstanding convertible promissory notes and stock options. These derivative securities are comprised of 154,824,409 shares

that may be issued upon conversion of outstanding convertible promissory notes and 2,400,000 options to purchase common stock, and all such rights are exercisable within sixty days of [], 2018.

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MARKET PRICES AND DIVIDEND DATA

Market Information

Skinvisible's common stock is quoted under the symbol "SKVI" on the OTCQB operated by OTC Markets Group, Inc.

Only a limited market exists for Skinvisible's securities. There is no assurance that a regular trading market will develop, or if developed, that it will be sustained. Therefore, a shareholder may be unable to resell his securities in Skinvisible.

The following table sets forth the range of high and low bid quotations for Skinvisible's common stock for each of the periods indicated as reported by the OTCQB. These quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions.

Fiscal Year Ending December 31, 2017		
Quarter Ended	High \$	Low \$
December 31, 2017	0.1095	0.035
September 30, 2017	0.1	0.02
June 30, 2017	0.0365	0.02
March 31, 2017	0.045	0.025

Fiscal Year Ending December 31, 2016		
Quarter Ended	High \$	Low \$
December 31, 2016	0.0289	0.0081
September 30, 2016	0.0236	0.0068
June 30, 2016	0.02	0.0042
March 31, 2016	0.032	0.0136

On [], 2018, the last sales price per share of Skinvisible's common stock on the OTCQB was \$[].

Penny Stock

The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in penny stocks. Penny stocks are generally equity securities with a market price of less than \$5.00, other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock, to deliver a standardized risk disclosure document prepared by the SEC, that: (a) contains a description of the nature and level of risk in the market for penny stocks in both public offerings and secondary trading; (b) contains a description of the broker's or dealer's duties to the customer and of the rights and remedies available to the customer with respect to a violation of such duties or other requirements of the securities laws; (c) contains a brief, clear, narrative description of a dealer market, including bid and ask prices for penny stocks and the significance of the spread between the bid and ask price; (d) contains a

toll-free telephone number for inquiries on disciplinary actions; (e) defines significant terms in the disclosure document or in the conduct of trading in penny stocks; and (f) contains such other information and is in such form, including language, type size and format, as the SEC shall require by rule or regulation.

The broker-dealer also must provide, prior to effecting any transaction in a penny stock, the customer with (a) bid and offer quotations for the penny stock; (b) the compensation of the broker-dealer and its salesperson in the transaction; (c) the number of shares to which such bid and ask prices apply, or other comparable information relating to the depth and liquidity of the market for such stock; and (d) a monthly account statement showing the market value of each penny stock held in the customer's account.

In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written acknowledgment of the receipt of a risk disclosure statement, a written agreement as to transactions involving penny stocks, and a signed and dated copy of a written suitability statement.

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These disclosure requirements may have the effect of reducing the trading activity for Skinvisible's common stock. Therefore, stockholders may have difficulty selling Skinvisible's securities.

Holders of Skinvisible Common Stock

As of June 30, 2018, we had 144,830,920 shares of Skinvisible's common stock issued and outstanding, held by 190 shareholders of record, other than those held in street name.

Dividends

There are no restrictions in Skinvisible's articles of incorporation or bylaws that prevent us from declaring dividends. The Nevada Revised Statutes, however, do prohibit us from declaring dividends where after giving effect to the distribution of the dividend:

1. Skinvisible would not be able to pay its debts as they become due in the usual course of business, or;
2. Skinvisible's total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

Skinvisible has not declared any dividends and Skinvisible does not plan to declare any dividends in the foreseeable future.

Interests of Skinvisible's Directors and Officers in the Merger

In considering the recommendation Skinvisible's Board to vote for the proposals presented at the special meeting, you should be aware that our executive officers and members of our Board have interests in the merger proposal that are different from, or in addition to, the interests of our shareholders generally. The members of our Board were aware of these differing interests and considered them, among other matters, in evaluating and negotiating the transaction agreements and in recommending to our shareholders that they vote in favor of the proposals presented at the special meeting. These interests include, among other things:

Terry Howlett and Doreen McMorrان have entered into new 1 year employment agreements with the Combined Company, which employment agreements will become effect upon the closing of the Merger; and Terry Howlett and Doreen McMorrان and certain other related parties have agreed to cancel \$500,000 of Related Party Indebtedness, in exchange for 100% of the shares (5,750,000) in Ovation Science Inc. ("Ovation") held by Skinvisible.

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QUESTIONS AND ANSWERS ABOUT THE PROPOSALS

The following are answers to some questions that you, as a stockholder of Skinvisible, may have regarding the matters being considered at Skinvisible's Special Meeting, which is referred to herein as the "Special Meeting." We urge you to read carefully the remainder of this proxy statement because the information in this section does not provide all the information that might be important to you with respect to the matters being considered at the Special Meeting. Additional important information is also contained in the annexes to and the documents incorporated by reference into this proxy statement.

General

Skinvisible will hold the Special Meeting to consider and vote upon these proposals. This proxy statement/prospectus contains important information about matters to be acted upon at the Special Meeting. Stockholders should read it carefully. The vote of stockholders is important.

In order to complete the Merger, Skinvisible stockholders must vote to approve the merger proposal and all other conditions to the Merger must be satisfied or waived.

Stockholders are encouraged to vote as soon as possible after carefully reviewing this proxy statement/prospectus. If Skinvisible stockholders fail to adopt the merger proposal, the Merger cannot be completed.

Q: Why am I receiving this proxy statement?

The board of directors of Skinvisible is soliciting your proxy to vote at the Special Meeting because you owned shares of Skinvisible common stock at the close of business on [], 2018, the "Record Date" for the Special Meeting, and are therefore entitled to vote at the Special Meeting. This proxy statement, along with a proxy card or a voting instruction card, is being mailed to stockholders on or about [], 2018. Skinvisible has made these materials available to you on the Internet, and Skinvisible has delivered printed proxy materials to you or sent them to you by e-mail. This proxy statement summarizes the information that you need to know in order to cast your vote at the Special Meeting. You do not need to attend the Special Meeting in person to vote your shares of Skinvisible common stock.

Q: On what matters will I be voting?

The Merger — Skinvisible stockholders are being asked to consider and vote upon a proposal to adopt and approve an Agreement and Plan of Merger and Reorganization (the "Merger Agreement") dated March 26, 2018 by and among Quoin Pharmaceuticals, Inc. ("Quoin"), Skinvisible and Skinvisible's wholly owned subsidiary, Quoin Merger Sub, Inc. ("Merger Sub"). A copy of the Merger Agreement, as amended, is attached to this proxy statement as Annex A, and Skinvisible encourages its stockholders to read it in its entirety.

The Reverse Split — Skinvisible's stockholders are also being asked to consider and vote upon a proposal to approve a reverse split of Skinvisible's issued outstanding stock by a ratio of not less than one-for-ten and not more than one-for-one hundred, with the exact ratio to be set at a whole number within this range as determined by Skinvisible's board of directors in its sole discretion.

Name Change. Skinvisible's stockholders are also being asked to consider and vote upon a proposal to approve an amendment to Skinvisible's Articles of Incorporation to change the name of Skinvisible, Inc. after the effective date of the Merger to "Quoin Pharmaceuticals, Inc.

The Adjournment Proposal — Skinvisible's stockholders may also be asked to consider and vote upon a proposal to adjourn the meeting to a later date or dates to permit further solicitation and vote of proxies if, based upon the

tabulated vote at the time of the Special Meeting, Skinvisible would not have been authorized to consummate the Merger.

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Proposal No. 1 — The Merger

Q: Why is Skinvisible proposing the Merger?

In evaluating the Merger Agreement and the transactions contemplated thereby and recommending that Skinvisible's stockholders vote in favor of approval of the Merger Agreement and the transactions contemplated thereby, Skinvisible's board of directors, in consultation with Skinvisible's senior management and outside legal counsel, concluded that the other strategic alternatives available to Skinvisible, such as continuing to operate as an independent company and pursuing its strategic plan and the possibility of growing its business through acquisitions and internal growth, was less attractive than Quoin's proposal to Skinvisible's stockholders. Skinvisible believes that a business combination with Quoin as contemplated by the Merger Agreement described below will provide Skinvisible stockholders with an opportunity to participate in a company with significant growth potential.

Q: What will Skinvisible stockholders retain if the Merger is completed?

Subject to the terms of the Merger Agreement, at the effective time of the Merger, Quoin stockholders will receive a number of newly issued shares of Skinvisible common stock determined using the exchange ratio described below in exchange for their shares of Quoin stock.

Following the Merger, stockholders of Quoin will become the majority owners of Skinvisible.

At the Effective Time, all outstanding shares of Quoin common stock will be converted solely into the right to receive a number of shares of Skinvisible common stock such that the holders of outstanding equity of Quoin immediately prior to the Effective Time will own approximately 72.5% of the outstanding equity of Skinvisible immediately following the Effective Time and holders of outstanding equity of Skinvisible immediately prior to the Effective Time will own approximately 27.5% of the outstanding equity of Skinvisible immediately following the Effective Time, which ratio we refer to herein as the "Exchange Ratio."

Skinvisible is required, within 30 business days after the execution of the Merger Agreement to use its commercially reasonable efforts to enter into one or more agreements to cause certain of its indebtedness to be converted into Skinvisible common stock immediately prior to the Effective Time.

If such agreements are not executed, the Exchange Ratio will be revised to cause the percentage of the outstanding equity of Skinvisible immediately following the Effective Time to be held by holders of the outstanding equity of Skinvisible immediately prior to the Effective Time to be reduced from approximately 27.5% to a percentage equal to (i) 27.5% minus (ii) the product of (x) 0.000004 and (y) the amount of the such remaining indebtedness. If none of Skinvisible's indebtedness is converted, holders of the outstanding equity of Skinvisible will be diluted from 27.5% to 10.64%.

Q: What will the business of the combined company be if the Merger is consummated?

Following the Merger, the combined company intends to pursue commercialization of Quoin's two lead products. In addition, the combined company will continue to pursue commercial opportunities for products developed by Skinvisible prior to the merger. The combined company also intends to leverage Skinvisible's Invisicare technology as a potential delivery system for the Quoin products intended to be developments by the combined company. Quoin is a pre-clinical, specialty pharmaceutical company dedicated to developing products that help address major societal issues including the opioid epidemic and the military veteran suicide rate. Quoin's two lead products are expected to be different applications of a single NMDA receptor antagonist delivered transdermally. QRX001 is a single use transdermal patch designed to provide up to 72 hours of effective post-operative analgesia whilst significantly reducing opioid consumption. Quoin intends to apply for Breakthrough Therapy designation for QRX001. Quoin's second product, QRX002 is a once-daily transdermal for the treatment of military related PTSD with suicidal ideation. Quoin believes QRX002 could be the first product approved to treat this major unmet medical need and could be a candidate for both Orphan Drug and Breakthrough Therapy Status. Quoin has been engaged in

discussions with the US Department of Veteran Affairs (VA) for the clinical development of QRX002. Two of the VA's leading researchers into military veteran suicides have been appointed as Principal Investigators (PI's) for QRX002 for this indication. The clinical program will be conducted at various VA facilities across the country under the supervision of the Principal Investigators. Quoin believes this arrangement will greatly increase the efficiency and cost effectiveness of the clinical program for QRX002. In addition, Quoin has two additional products that it plans to begin the development of for opioid addiction and chronic pain. Clinical testing for these products may also be conducted at VA facilities. Quoin expects to generate clinical data for QRX001 and QRX002 within 12-18 months of the Effective date of the merger.

It is important to note that no formal written agreement has been entered into with the VA and neither the VA nor are the PI's are obligated to participate in the clinical studies. All costs for clinical studies will be borne by Quoin with no financial assistance from the VA.

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Q: What will the management of the combined company be if the Merger is consummated?

Following the consummation of the Merger, the combined company's board of directors is expected to consist of six members from Quoin, which is expected to include Dr. Michael Myers and Denise Carter, who are currently directors and officers of Quoin, and []. Two independent directors, Dr. Dennis Langer and Mr. Peter Lankau, will

A: be appointed immediately following the merger. Both Dr. Langer and Mr. Lankau are experienced pharmaceutical executives who currently sit on the boards of other private and publicly traded companies. Quoin plans to appoint two additional directors to its board of directors within a few months of the merger closing. The combined company, led by Quoin's management team, is expected to be named "Quoin Pharmaceuticals, Inc."

Q: Are there risks associated with the Merger that I should consider in deciding how to vote?

Yes. There are a number of risks related to the Merger that are discussed in this proxy statement/prospectus. Please A: read with particular care the detailed description of the risks described in "Risk Factors" beginning on page [] of this proxy statement.

Q: What happens if the Merger Proposal is approved but some if not all of the other proposals are not approved?

A: The Merger Proposal would be approved; approval of no one proposal is conditioned on the approval of all or any of the other proposals.

Q: When do you expect the Merger to be completed?

We are working to complete the Merger as quickly as possible, and we expect to complete the Merger in October A: of 2018. However, Skinvisible cannot assure you when or if the Merger will occur. The Merger is subject to stockholder approvals and other conditions, and it is possible that factors outside the control of both Skinvisible and Quoin could result in the Merger being completed at a later time, or not at all.

Q: What happens if not all of the Proposals are approved?

A: Approval of no one proposal is conditional on the approval of all or any of the other proposals.

Q: Are Skinvisible stockholders entitled to appraisal rights?

A: No. Skinvisible stockholders do not have appraisal rights in connection with the Merger or any of the other proposals included in this proxy statement under the Nevada Revised Statutes (the "NRS").

Proposal No. 2 — The Reverse Split

Q: Why is Skinvisible proposing the Reverse Split?

Skinvisible's board of directors has adopted resolutions (i) declaring that filing an amendment to Skinvisible's A: Articles of Incorporation to effect the Reverse Split of Skinvisible's issued and outstanding common stock was advisable, and (ii) directing that a proposal to approve the Reverse Split be submitted to the holders of Skinvisible's common stock for their approval. The Reverse Split of Skinvisible's issued and outstanding common stock will be effected by a ratio of not less than one-for-ten and not more than one-for-one hundred, with the exact ratio to be set at a whole number within this range as determined by Skinvisible's board of directors in its sole discretion.

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Skinvisible's board of directors believes that the Reverse Split is in the best interest of Skinvisible. A Reverse Split typically will initially result in an increase in the price per share of Skinvisible's common stock. The Board believes that an increased stock price may encourage investor interest and improve the marketability and liquidity of Skinvisible's common stock. In addition, Skinvisible may in the future seek a listing on a national exchange, for which a higher stock price than the current price will be required. Because of the trading volatility often associated with low-priced stocks, many brokerage firms and institutional investors have internal policies and practices that either prohibit them from investing in low-priced stocks or tend to discourage individual brokers from recommending low-priced stocks to their customers. Some of those policies and practices may function to make the processing of trades in low-priced stocks economically unattractive to brokers and investors. Skinvisible's board of directors believes that the anticipated higher market price resulting from a Reverse Split may reduce, to some extent, the negative effects on the liquidity and marketability of the common stock inherent in some of the policies and practices of institutional investors and brokerage firms described above. Additionally, because brokers' commissions on low-priced stocks generally represent a higher percentage of the stock price than commissions on higher-priced stocks, the current average price per share of Skinvisible's common stock can result in individual stockholders paying transaction costs representing a higher percentage of their total share value than would be the case if the share price were substantially higher.

Proposal No. 3 — Change the Name of Skinvisible after the Effective Date of the Merger to “Quoin Pharmaceuticals, Inc.”

Q: Why is Skinvisible proposing to change the name of Skinvisible after the effective date of the Merger to “Quoin Pharmaceuticals, Inc.”?

Further to the Merger Agreement, the name of Skinvisible after the effective date of the Merger will become “Quoin Pharmaceuticals, Inc. An amendment to Skinvisible's Articles of Incorporation is required to effect the name change.

A:

The board of directors believes that changing the name of the combined company to Quoin Pharmaceuticals better reflects the future direction and focus of the combined company, which will not be focused solely on dermatological products as the name Skinvisible suggests.

Proposal No. 4 — The Adjournment Proposal

Q: Why is Skinvisible proposing the Adjournment proposal?

The adjournment proposal allows Skinvisible's board of directors to submit a proposal to adjourn the Special Meeting to a later date or dates, if necessary, to permit further solicitation of proxies in the event, based on the tabulated votes, there are not sufficient votes at the time of the special meeting to approve the consummation of the

A: Merger. In no event will Skinvisible solicit proxies to adjourn the Special Meeting or consummate the Merger beyond the date by which it may properly do so under Nevada law. The purpose of the adjournment proposal is to provide more time for the Skinvisible stockholders to make purchases of public shares or other arrangements that would increase the likelihood of obtaining a favorable vote on the Merger Proposal.

In addition to an adjournment of the Special Meeting upon approval of an adjournment proposal, the board of directors of Skinvisible is empowered under Nevada law to postpone the meeting at any time prior to the meeting being called to order. In such event, Skinvisible will issue a press release and take such other steps as it believes are necessary and practical in the circumstances to inform its stockholders of the postponement.

Q: What are the Consequences if the Adjournment Proposal is not approved?

A: If an adjournment proposal is presented at the Special Meeting and such proposal is not approved by its stockholders, Skinvisible's board of directors may not be able to adjourn the Special Meeting to a later date in the event, based on the tabulated votes, there are not sufficient votes at the time of the Special Meeting to approve the consummation of the Merger. In such event, the Merger would not be completed.

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REQUIRED PRIVATE PLACEMENT

In conjunction with the Merger, Quoin intends to pursue a capital raise of \$15 million and has engaged Northland Securities as its investment bank for the raise.

The Merger is condition upon Quoin executing a definitive agreement to effect a private placement of shares of the Combined Company's common stock for an aggregate of at least \$10 million of gross proceeds, to be received by the Combined Company within five (5) days of the Effective Time of the Merger, which we refer to as the "Private Placement."

The price per share to be paid in the Private Placement will be determined by Quoin, its investment bank and the investors who participate in the private placement. Accordingly, there is no minimum or maximum price per share.

The primary purpose of the capital raise is to generate sufficient funds to progress Quoin's lead products, QRX001 for post-surgical pain and QRX002 for military related PTSD with suicidal ideation, through Phase 2 testing as well as for general corporate purposes.

Quoin's two lead products address major societal issues such as including the opioid epidemic and the military veteran suicide crisis. Combined these two issues result in the death of over 100 people in the US each and every day. Quoin believes that the combination of its proprietary platform technology with the active ingredient in QRX001 and QRX002 provides a meaningful opportunity to help alleviate these problems. Quoin believes that the highly differentiated nature of QRX001 over competing opioid sparing products could enable it, once approved, to generate higher sales in many surgical models over those competing products. Quoin intends to apply for Breakthrough Therapy designation status to the FDA for QRX001.

Quoin's management team, while working in prior positions at different companies, has extensive experience in the development of pharmaceutical products to effectively treat post-surgical pain and reduce the use of opioids in that setting. Quoin believes it can effectively leverage this experience to the benefit of QRX001. We believe that the team's in-depth knowledge of clinical and regulatory development, its previous experience in meeting with the FDA and addressing the agencies questions and concerns as well as its broad network of contacts with KOL and clinicians, could resonate positively with investors. Furthermore, this expertise could help to substantially reduce the development time for QRX001, which may also be a net positive from an investor perspective.

Quoin has also been in discussions with the US Department of Veteran Affairs (VA) which Quoin believes provides it with a significant advantage for the running of the clinical program for QRX002. The VA has appointed as Principal Investigators (PI's) for Quoin's proposed clinical program, Dr. Perry Renshaw and Dr. Deborah Yurgelun-Todd, who are based at the VA's MIREC center in Salt Lake City. Both Dr. Renshaw and Dr. Todd are very experienced clinical researchers into military veteran suicides and they will play a leading role in the design and execution of Quoin's clinical program. It is anticipated that Quoin's Phase 2 clinical program will be run at 5-6 VA facilities across the country under the supervision of Dr. Renshaw and Dr. Yurgelun-Todd and with the active participation of their colleagues at these sites. Quoin believes that the logistical challenges associated with conducting a study on suicidal ideation in the general population will be substantially mitigated by focusing on a military veteran patient population that are actively engaged with the VA on a very regular basis. Quoin believes that QRX002 could qualify for both Orphan Drug and Breakthrough Therapy status and intends to apply to the FDA for both designations. If granted, it is possible that a single Phase 3 clinical may all that is needed instead of the typical two studies required by the FDA, although Quoin has not yet engaged in discussions with the FDA to verify this supposition.

In addition, to the above product indications, Quoin also intends to pursue the development of a product as a potential treatment for opioid addiction. This product, which also be delivered transdermally, contains the same active ingredient as QRX001 and QRX002. It is believed that its mechanism of action that affects suicidal ideation could also play a role in reducing dependency on opioids. Quoin anticipates plans to conducting the clinical trials for this potential indication. Furthermore, Quoin is also contemplating assessing QRX002 as a potential treatment for post-partum depression as well as for a broader PTSD indication. If clinical development in these target indications is successful, Quoin will have assembled a highly differentiated and robust CNS product portfolio, addressing important unmet medical needs for which there is a significant commercial opportunity.

It is important to note that no formal written agreement has been entered into with the VA and neither the VA nor the PI's are obligated to participate in the clinical studies. All costs for clinical studies will be borne by Quoin with no financial assistance from the VA.

The shares of the Combined Company issued in the Private Placement will not change the Exchange Ratio as the shares issued in the Private Placement will dilute both the existing Skinvisible shareholders as well as the shareholders of Quoin who receive shares in the Merger. Accordingly, the shares to be issued in the Private Placement will reduce significantly the relative voting power of each share of the Combined Company's common stock held by all of the Combined Company's stockholders after the Merger. Consequently, the Combined Company's stockholders as a group will have significantly less influence over the management and policies of the Combined Company after the Private Placement than prior to the Private Placement.

Quoin has been funded privately by its' founders. Estimated outstanding payables and expenses accrued and owed include \$1,004,225 to Dr. Myers and \$1,082,604 to Ms. Carter. Quoin also has outstanding legal fees payable to counsel of \$[375,000].

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RISK FACTORS

You should carefully consider the following risk factors, together with the other information contained in this proxy statement. If any of the following risks and uncertainties develops into actual events, these events could have a material adverse effect on both Skinvisible's and Quoin's businesses, financial conditions or results of operations. In addition, past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods.

Risks Related to the Merger

The Merger with Quoin has not been completed and therefore there is a risk the Merger will not be completed and shareholders of Skinvisible will need to rely solely on Skinvisible to succeed.

There can be no assurance that Skinvisible will complete the Merger with Quoin. Should the Merger not occur, Skinvisible would have to continue with its current business plan or find a new opportunity internally or with another company.

Failure to complete the Merger could impact negatively Skinvisible's business, financial condition or results of operations or Skinvisible's stock price.

The completion of the Merger is subject to a number of conditions and there can be no assurance that the conditions to the completion of the Merger will be satisfied. If the Merger is not completed, Skinvisible will be subject to several risks, including:

- the current trading price of Skinvisible Common Stock may reflect a market assumption that the Merger will occur, meaning that a failure to complete the Merger could result in a decline in the price of Skinvisible's common stock;
- certain of Skinvisible's executive officers and/or directors may seek other employment opportunities, and the departure of any of Skinvisible's executive officers and the possibility that Skinvisible would be unable to recruit and hire a replacement executive could impact negatively Skinvisible's business and operating results;
- Skinvisible's Board would need to reevaluate Skinvisible's strategic alternatives, which alternatives may include a sale of Skinvisible, liquidation of Skinvisible, or a return to pre-merger strategies of growing commercial sales, or other strategic transactions;
- Skinvisible has incurred and will continue to incur substantial transaction costs in connection with the Merger whether or not the Merger is completed;
- Skinvisible would not realize any of the anticipated benefits of having completed the Merger; and
- Under the Merger agreement, Skinvisible is subject to certain restrictions on the conduct of its business prior to the completion of the Merger, which restrictions could adversely affect Skinvisible's ability to realize its business strategies or take advantage of certain business opportunities in the event the Merger is not completed.

If the Merger is not completed, these risks may materialize and materially and adversely affect Skinvisible's business, financial condition, and results of operations or stock price.

Although Quoin and Skinvisible expect that the Merger will result in benefits to the combined company, the Combined Company may not realize those benefits because of various challenges.

Quoin and Skinvisible believe that the Merger will result in greater returns for the stockholders than if Skinvisible remained as a standalone entity. However, the integration of a new company is a complex, costly and time-consuming process. This process may disrupt the business of both of the companies and may not result in the full benefits

expected by Quoin and Skinvisible. There can be no assurance that the combination of Quoin and Skinvisible will result in the realization of the anticipated benefits from the Merger.

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The pendency of the Merger could have an adverse effect on Skinvisible's stock price and/or business, financial condition, results of operations or business prospects.

The pendency of the Merger could have an adverse effect on Skinvisible's stock price and increase the price volatility and risk of trading in Skinvisible's stock. Skinvisible's business, financial condition, results of operations or business prospects could also be adversely affected. In addition, the attention of Skinvisible's management may be directed toward the completion of the Merger and related matters and may be diverted from the day-to-day business operations, including from other opportunities that otherwise might be beneficial to us. Moreover, Skinvisible has agreed to be bound by a non-solicitation covenant in the Merger Agreement and if Skinvisible breaches this covenant, it may be subject to fees of up to \$300,000.

The issuance of shares of Skinvisible common stock to Quoin stockholders in connection with the Merger will dilute substantially the voting power of Skinvisible's current stockholders.

Pursuant to the Merger Agreement, at the effective time of the Merger, and prior to the Private Placement, Skinvisible will issue shares of its common stock to Quoin's shareholders which will represent approximately 72.5% of the shares of Skinvisible after the Merger, subject to adjustment pursuant to the Merger Agreement. If none of Skinvisible's Third Party Indebtedness is converted into common equity, Quoin's shareholders stake in the combined company will increase to approximately 91%. Accordingly, the issuance of shares of Skinvisible Common Stock to Quoin stockholders in connection with the Merger will reduce significantly the relative voting power of each share of Skinvisible common stock held by its current stockholders. Consequently, Skinvisible's stockholders as a group will have significantly less influence over the management and policies of the Combined Company after the Merger than prior to the Merger.

The Merger will subject Skinvisible to significant additional liabilities and other risks and will cause it to incur significant expenses.

Following the Merger, Skinvisible will be subject to substantially all the liabilities of Quoin. The Merger and subsequent integration process may be complex, costly, time-consuming and divert management's time and attention, which could have a material adverse effect on Skinvisible's business, financial condition, results of operations and cash flows. Skinvisible expects to incur a significant amount of expenses in connection with the Merger, including legal, accounting, financial advisory and other expenses. Many of these expenses are payable by Skinvisible whether or not the Merger is completed.

The issuance and sale of the securities could cause Skinvisible's stock price to decline.

The sale of substantial amounts of Skinvisible's common stock in the public market could adversely affect the stock price and could cause Skinvisible's stock price to decline. The undersigned will bear the risk of any declines in the price of the shares. The share price may also go down during the period after you agree to purchase the securities. Accordingly, you will bear the risk that this fluctuation in the price of the shares purchase may cause shareholders to lose the amount invested. Skinvisible's common stock is currently traded on the OTC Markets. The OTC Markets trades over 10,000 different company stocks in three classifications. Skinvisible trades in the middle class noted as the OTCQB. OTCQB stocks must file quarterly financial statements as well as annual company audited financial statements.

Risks Related to Quoin

The issuance of shares of the Combined Company's common stock in connection with the Private Placement will dilute substantially the voting power of Combined Company's stockholders.

The shares issued in the Private Placement will not change the Exchange Ratio, as the shares issued in the Private Placement will dilute both the existing Skinvisible shareholders as well as the shareholders of Quoin who receive shares in the Merger. Accordingly, the shares to be issued in the Private Placement will reduce significantly the relative voting power of each share of the Combined Company's common stock held by all of the Combined Company's stockholders. Consequently, the Combined Company's stockholders as a group will have significantly less influence over the management and policies of the Combined Company after the Private Placement than prior to the private placement.

Since there is no minimum or maximum price per share to be paid in the Private Placement, the total amount of dilution is not yet known.

After the Merger Quoin will need to raise additional capital to meet its future business requirements which may be costly and could dilute current Skinvisible stockholders.

Quoin will need to raise additional capital in the near future to complete its clinical development of its two target products QRX001 for post-surgical pain and QRX002 for military personnel with PTSD and suicidal thoughts. Quoin does not have any firm commitments for sources of additional capital from third parties. Such additional financing will involve dilution to the Combined Company's existing shareholders and the new shareholders after the Merger. If Quoin does not obtain additional capital on terms satisfactory to them, or at all, it may cause Quoin to delay, curtail, scale back or forgo some or all of Quoin's business operations, which could have a material adverse effect on Skinvisible and its financial results and investors would be at risk to lose all or a part of any investment in Skinvisible.

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Quoin does not have any products that are approved for commercial sale.

Quoin currently does not have any therapeutic products approved for commercial sale. Quoin has not received, and may not receive within the next several years, if at all, any revenues from the commercialization of its product candidates if approved.

There are no assurances Quoin's future operations will be successful and result in profitable revenues.

We cannot be sure that Quoin will be successful in generating revenues in the future and in the event they are unable to generate sufficient revenues or raise additional funds they will seek alternative business opportunities. If adequate and acceptable financing is not available, Quoin may have to delay development or commercialization of certain products or eliminate some or all of development activities. Any of these options could reduce sales growth and result in continued net losses.

Clinical drug development involves a lengthy and expensive process, with an uncertain outcome. Quoin may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of its drug candidates.

Clinical studies are expensive, difficult to design and implement, may take many years to complete, and outcomes are inherently uncertain. A drug product may fail to demonstrate positive results at any stage of testing despite having progressed satisfactorily through nonclinical testing and initial clinical studies. There is significant risk in clinical development where later stage clinical studies are designed and powered based on the analysis of data from earlier studies, with these earlier studies involving a smaller number of patients, and the results of the earlier studies being driven primarily by a subset of responsive patients. In addition, interim results of a clinical study do not necessarily predict final results. Further, clinical study data frequently are susceptible to varying interpretations. Medical professionals and/or regulatory authorities may analyze or weigh study data differently than the sponsor company, resulting in delay or failure to obtain marketing approval for a product candidate. Additionally, the possible lack of standardization across multiple investigative sites may induce variability in the results, which can interfere with the evaluation of treatment effects.

Quoin may fail to successfully develop, get approval and introduce new products, and therefore Quoin's future growth may suffer.

Quoin's strategy includes developing initially two products to treat (1) post-surgical pain and (2) PTSD with suicidal thoughts for military veterans. These products require research and development, and FDA approval. There is no guarantee that the FDA will approve these products or that they will be accepted by the market, and therefore its business and the future growth of Quoin's business may suffer.

Quoin expects competition in the marketplace for its product candidates, should any of them receive regulatory approval.

With the opioid crisis being declared a Public Emergency, there are a growing number of competitors looking for solutions. There are potentially a number of companies that may be further in the development cycle and could bring a similar product to market prior to ours. This could negatively impact Quoin's ability to launch and generate revenue from the products.

If successfully developed and approved, Quoin expects its product candidates will face competition. Quoin may not be able to compete successfully against organizations with competitive products, particularly large pharmaceutical companies. Many of its potential competitors have significantly greater financial, technical and human resources than

Quoin, and may be better equipped to develop, manufacture, market and distribute products. Many of these companies operate large, well-funded research, development and commercialization programs, have extensive experience in nonclinical and clinical studies, obtaining FDA and other regulatory approvals and manufacturing and marketing products, and have multiple products that have been approved or are in late-stage development. These advantages may enable them to receive approval from the FDA or any foreign regulatory agency before Quoin.

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PROPOSAL NO. 1: APPROVAL OF THE MERGER AGREEMENT

Skinvisible is asking you to approve the merger proposal. A copy of the Merger Agreement is attached as Annex A to this proxy statement/prospectus.

IF PROPOSAL NO. 1 IS APPROVED, AT THE EFFECTIVE TIME OF THE MERGER, SKINVISIBLE WILL CHANGE ITS NAME TO “QUOIN PHARMACEUTICALS, INC.” ACCORDINGLY, ALL REFERENCES BELOW TO THE “COMBINED COMPANY” MEANS QUOIN PHARMACEUTICALS, INC., FORMERLY SKINVISIBLE, INC.

THE MERGER

Parties Involved in the Merger

Skinvisible, Inc.

Skinvisible, through its wholly-owned subsidiary Skinvisible Pharmaceuticals, Inc., is a pharmaceutical research and development (“R&D”) company that has developed and patented an innovative polymer delivery system, Invisicare® and formulated over forty topical skin products, which we out-license globally. We were incorporated in 1998 and target an estimated \$80 billion global skincare and dermatology market and a \$30 billion global over-the-counter market as well as other healthcare / medical and consumer goods markets.

Quoin Pharmaceuticals, Inc.

Quoin Pharmaceuticals is a pre-clinical, specialty pharmaceutical company dedicated to developing products that help address major societal issues including the opioid epidemic and the military veteran suicide rate. Quoin’s two lead products are expected to be different applications of a single NMDA receptor antagonist delivered transdermally. QRX001 is a single use transdermal patch designed to provide up to 72 hours of effective post-operative analgesia whilst significantly reducing opioid consumption. Quoin intends to apply for Breakthrough Therapy designation for QRX001. Quoin’s second product, QRX002 is a once-daily transdermal for the treatment of military related PTSD with suicidal ideation. Quoin believes QRX002 could be the first product approved to treat this major unmet medical need and could be a candidate for both Orphan Drug and Breakthrough Therapy Status. Quoin has been in discussions with the US Department of Veteran Affairs (VA) for the clinical development of QRX002. Two of the VA’s leading researchers into military veteran suicides have been appointed as Principal Investigators (PI’s) for QRX002 for this indication. The clinical program will be conducted at various VA facilities across the country under the supervision of the Principal Investigators. Quoin believes this arrangement will greatly increase the efficiency and cost effectiveness of the clinical program for QRX002. It is important to note that no formal written agreement has been entered into with the VA and neither the VA nor the PI’s are obligated to participate in the clinical studies. All costs for clinical studies will be borne by Quoin with no financial assistance from the VA.

In addition, Quoin has two additional products that it plans to begin the development of for opioid addiction and chronic pain. It is anticipated that clinical testing for these products may also be conducted at VA facilities. Quoin expects to generate clinical data for QRX001 and QRX0002 within 12-18 months following the Effective Date.

Quoin has been funded privately by its’ founders. Estimated outstanding payables and expenses accrued and owed include \$1,004,225 to Dr. Myers and \$1,082,604 to Ms. Carter. Quoin also has outstanding legal fees payable to counsel of \$[375,000].

Quoin Merger Sub, Inc.

Merger Sub is a wholly-owned subsidiary of Skinvisible formed solely for the purpose of effecting the Merger described herein. Merger Sub was incorporated under the laws of Delaware in March, 2018.

Effect of the Merger

Under the terms of the Merger Agreement, upon completion of the Merger, Merger Sub will merge with and into Quoin. Quoin will be the surviving corporation in the Merger and will become a wholly owned subsidiary of the Combined Company. Subject to the terms of the Merger Agreement, at the effective time of the Merger, Quoin stockholders will receive a number of newly issued shares of the Combined Company's common stock determined using the Exchange Ratio described below in exchange for their shares of Quoin stock. Following the Merger, but prior to the Private Placement, stockholders of Quoin will become the majority owners of the Combined Company, and will own approximately 72.5% of the outstanding equity of the Combined Company immediately following the Effective Time and holders of outstanding equity of Skinvisible immediately prior to the Effective Time will own approximately 27.5% of the outstanding equity of the Combined Company immediately following the Effective Time, which ratio we refer to herein as the "Exchange Ratio." Further to the Merger Agreement, the Exchange Ratio will be modified if certain Skinvisible Third Party Indebtedness is not converted into Skinvisible common stock. Further dilution to all of the Combined Company's shareholders will also occur as a result of the Private Placement. If none of Skinvisible's Third Party Indebtedness is converted into common equity, Quoin's shareholders stake in the combined company will increase to approximately 89%.

As a condition of the merger, Quoin is required to raise a minimum of \$10 million from external investors and has engaged Northland Securities as its investment bank for that purpose. The pre-money valuation for the combined company is subject to negotiation with potential investors and could be influenced by a number of factors including comparable deals, discounted cash flow models and market conditions. Key drivers of the valuation will be the potential value of Quoin's lead development products which are addressing significant market opportunities. For QRX001, the size of the potential market for the product is estimated at \$6 billion with currently approved competitive products having achieved less than a 10% market share. Furthermore, one of Quoin's potential competitors has a product in development for which it has recently reported positive Phase 3 data and currently has a market capitalization of over \$2.5 billion, based primarily on the perceived potential for this competing product to QRX001. In addition, QRX002 has the potential to be the first product specifically approved as a treatment for suicidal ideation in military veterans who suffer from PTSD. Quoin believes that this product qualifies for Orphan Drug designation and thus would enjoy extended data protection potentially providing a greater sales opportunity. Furthermore, Quoin believes that QRX002 has potential as possible treatment for opioid addiction, post-partum depression and chronic pain, thus presenting several potentially valuable line extension opportunities. The scale of the potential opportunity is counterbalanced and therefore discounted by the fact that both QRX001 and QRX002 are pre-clinical products and Quoin has not yet held discussions with the FDA regarding the likely clinical studies required to obtain approval for each product.

It is important to note that the actual valuation will be determined by the investors in the Private Placement. It is possible that Quoin may agree to a higher or lower valuation in order to complete the raise. To illustrate the impact of a lower valuation and the impact of the additional dilution to Skinvisible shareholders, the example calculations below show the dilution impact to existing Skinvisible shareholders if the Private Placement is completed at a pre-money valuation of \$30 million and at a pre-money valuation of \$20 million.

Table of Contents**Example Calculation of Existing Skinvisible Shareholder Adjusted Equity**

Indebtedness Converted	100%	75%	50%	25%	0%
Unconverted Third Party Indebtedness (\$)*		- 1,053,513.00	2,107,026.00	3,160,539.00	4,214,052.00
Adjusted % Equity Ownership of existing Skinvisible Shareholders	27.50	23.29	19.07	14.86	10.64

*Parent Disclosure Documents: Current indebtedness= \$4,214,052

Example Private Placement Dilution Impact**\$10 Million Raise at \$30 Million Valuation**

Pre-money Adjusted Equity Ownership of existing Skinvisible Shareholders	27.50%	23.29%	19.07%	14.86%	10.64%
Post-money % Equity Share of Existing Skinvisible Shareholders	20.63%	17.47%	14.30%	11.15%	7.98%

Example Private Placement Dilution Impact**\$10 Million Raise at \$20 Million Valuation**

Pre-money Adjusted Equity Ownership of existing Skinvisible Shareholders	27.50%	23.29%	19.07%	14.86%	10.64%
Post-money % Equity Share of Existing Skinvisible Shareholders	18.33%	15.53%	12.71%	9.91%	7.09%

Further dilution to all of the Combined Company's shareholders will also occur as a result of the Private Placement.

As a result of the Merger, and subject to the terms and conditions of the Merger Agreement, Quoin stockholders will control the Combined Company and the Combined Company will change the symbol for the shares of its common stock listed on the OTCQB to the symbol "QNRX".

Expense Reimbursement

If the Merger Agreement is terminated by Skinvisible under certain circumstances, prior to such termination, Skinvisible has breached any of the non-solicitation covenants of Skinvisible, and Skinvisible enters into an agreement to consummate a "Acquisition Proposal" within six (6) months of the date of termination, then Skinvisible is required to reimburse Quoin for its total documented expenses incurred by in connection with the negotiation and execution of the Merger Agreement and the transactions contemplated thereby, up to a maximum of \$300,000.

Effective Time.

The time at which the Merger will become effective, which we refer to as the "Effective Time" of the Merger, will occur upon the filing of a certificate of merger with the Secretary of State of Delaware.

Merger Consideration

At the Effective Time, all outstanding shares of Quoin common stock will be converted solely into the right to receive a number of shares of the Combined Company's common stock such that the holders of outstanding equity of Quoin immediately prior to the Effective Time will own approximately 72.5% of the outstanding equity of the Combined Company immediately following the Effective Time and holders of outstanding equity of Skinvisible immediately prior to the Effective Time will own approximately 27.5% of the outstanding equity of the Combined Company immediately following the Effective Time, prior to any dilution for Third Party Indebtedness and the Private Placement. If all or some of Skinvisible's Third Party Indebtedness is converted into the Combined Company's common stock prior to the Effective Time, this will result in a reduction of the approximately 27.5% of the outstanding equity of the Combined Company that Skinvisible shareholders will own. If none of the Third Party Indebtedness is converted, the amount owned by Skinvisible shareholders will be reduced to approximately 10.64%.

The Merger is conditioned upon Quoin executing a definitive agreement to effect the Private Placement, which is defined as a private placement of shares of the Combined Company's common stock for an aggregate of at least \$10 million of gross proceeds, to be received by Combined Company within five (5) days of the Effective Time of the Merger. The price per share for the Private Placement has not been determined as of yet, however, the net effect of the private placement will be a further reduction in the percent ownership of Skinvisible current shareholders in the Combined Company. It is possible that this reduction could be substantial.

Treatment of Skinvisible Indebtedness

As of the date hereof, Skinvisible has an aggregate of \$4,606,137 of indebtedness to third parties (which we refer to as the "Third Party Indebtedness").

The Merger Agreement requires Skinvisible to use commercially reasonable efforts to enter into one or more agreements with certain creditors of Skinvisible to cause the Third Party Indebtedness to be converted into the Combined Company's common stock immediately prior to the Effective Time (the "Debt Conversion Agreements"). If Skinvisible fails to execute Debt Conversion Agreements with respect to all such specified Skinvisible indebtedness prior to the date that is five days before the Closing Date, the Exchange Ratio will be revised to cause the percentage of the outstanding equity of the Combined Company immediately following the Effective Time (and prior to the equity to be issued in the Private Placement) to be held by holders of the outstanding equity of Skinvisible immediately prior to the Effective Time to be reduced from approximately 27.5% to a percentage equal to (i) 27.5% minus (ii) the product of (x) 0.000004 and (y) the amount of the remaining Third Party Indebtedness.

For illustrative purposes, if the remaining Third Party Indebtedness equals \$1,000,000, the percentage of the outstanding equity of Parent immediately following the Effective Time (and prior to the equity to be issued in the Private Placement) to be held by holders of the outstanding equity of Skinvisible immediately prior to the Effective Time will be reduced from approximately 27.5% to approximately 23.5%.

If none of the Third Party Indebtedness is converted into the Combined Company's common stock immediately prior to the Effective Time, the amount owned by Skinvisible shareholders will be reduced from approximately 27.5% to approximately 10.64%.

Skinvisible has entered into one or more agreements (the "Related Party Agreements") with certain officers of Skinvisible with respect to the indebtedness of Skinvisible (the "Related Party Indebtedness"). These Related Party Agreements provide that:

• In exchange for the immediate cancellation of \$500,000 of the Related Party Indebtedness, Skinvisible transferred 100% of the shares in Ovation Science Inc. ("Ovation") held by Skinvisible to these related parties;

• Within 180 days after the closing date all remaining Related Party Indebtedness is to be converted, at the sole election of the Combined Company, into cash or shares of the Combined Company's common stock which are not subject to any contractual restrictions or vesting requirements (or a combination cash and shares of the Combined

Company's common stock). If the Combined Company elects to convert all or a portion of the remaining related indebtedness into shares of the Combined Company's common stock, such shares shall be valued using the 30 day average closing price of such shares on the OTCQB for the 30 day period prior to the date of conversion. If the conversion of any remaining Related Party Indebtedness into shares of the Combined Company's common stock causes the related parties to have an obligation to pay taxes, the Combined Company is required to pay such taxes to the applicable governmental authority on behalf of the related parties.

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Private Placement.

The Merger is conditioned upon Quoin executing a definitive agreement to effect the Private Placement, which is defined as a private placement of shares of the Combined Company's common stock for an aggregate of at least \$10 million of gross proceeds, to be received by Combined Company within five (5) days of the Effective Time of the Merger.

The price per share to be paid in the Private Placement will be determined by Quoin, its investment bank and the investors who participate in the private placement. Accordingly, there is no minimum or maximum price per share.

The shares issued in the Private Placement will not change the Exchange Ratio, as the shares issued in the private placement will dilute both the existing Skinvisible shareholders as well as the shareholders of Quoin who receive shares in the Merger. Accordingly, the shares to be issued in the private placement will reduce significantly the relative voting power of each share of the Combined Company's common stock held by all of the Combined Company's stockholders. Consequently, the Combined Company's stockholders as a group will have significantly less influence over the management and policies of the Combined Company after the private placement than prior to the private placement.

Effect on Skinvisible if the Merger is Not Completed

If the Merger Agreement is not approved by Skinvisible stockholders or if the Merger is not completed for any other reason, Skinvisible will remain an independent public company, its common stock will continue to be listed and traded on OTCQB and registered under the Exchange Act and Skinvisible will continue to file periodic reports with the SEC.

If the Merger is not completed, there can be no assurance as to the effect of these risks and opportunities on the future value of your shares of Skinvisible's common stock. If the Merger is not completed, Skinvisible's board of directors will continue to evaluate and review Skinvisible's business operations, properties, dividend policy and capitalization, among other things, make such changes as are deemed appropriate and continue to seek to identify strategic alternatives to enhance stockholder value. If the Merger Agreement is not approved by Skinvisible's stockholders or if the Merger is not completed for any other reason, there can be no assurance that any other transaction acceptable to Skinvisible will be offered or that Skinvisible's business, prospects or results of operation will not be adversely impacted.

Background of the Merger

The Board of Skinvisible undertook a strategic review of alternatives to improve revenues and to enhance shareholder value which contemplated a number of alternatives.

The Board determined that one alternative was to merge with a pharmaceutical company with the potential to expand the product offerings and shareholder value.

In connection with these activities, in December 2015, Skinvisible signed an engagement agreement with a 6 month term with an investment banking group based in Florida that introduced the Company to three pharmaceutical companies based in Florida and a company with anti-aging products. The pharmaceutical companies did not proceed to the non-disclosure agreement stage of discussions and discussions with the anti-aging company ended in September 2016 after it was determined that there was not enough value in combining the companies.

In April 2016 the Company began preliminary discussions with a second investment banking group in Florida that represented a topical product manufacturer that was interested in combining with Skinvisible. Unfortunately, their business team ultimately decided to remain a private company and transaction discussions terminated around May 2016. Also in April 2016 Skinvisible entered into discussions for a merger with a large pharmaceutical manufacturer that had previously manufactured Skinvisible products. A preliminary meeting was held April 1, 2016 in Las Vegas followed by an exchange of relevant information. Unfortunately, the main contact left his position and the Company had difficulty getting this party's board of directors to make a positive decision due to other areas of investment they were exploring. In August 2016 the discussions ended.

In September 2016 Skinvisible entered into a licensing agreement for Kintari products in Greater China. In early 2017, this led to the introduction to a Chinese-based multi-level marketing company which had interest in Skinvisible's products and technology. Skinvisible met with the owner of the company in Las Vegas in March 2017 however the transaction did not proceed due to logistical and financing issues raised by the potential counterparty.

While continuing to pursue strategic alternatives, Skinvisible became aware of an opportunity to supply its skin delivery technology to the cannabis market in the summer of 2016, and Skinvisible began developing products for the ancillary cannabis market. Skinvisible investigated potential producers of its products and after undertaking its preliminary research, Skinvisible entered into a licensing agreement with a Nevada-based company for the worldwide rights on August 15, 2016. Almost one year later on June 28, 2017, this agreement was terminated and Skinvisible purchased the rights back from the licensee.

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In order to address potential banking and public company exchange issues resulting from pursuing cannabis operations, the Company separated its ancillary cannabis business into a wholly-owned Canadian subsidiary named Ovation Science Inc. (referred to as “Ovation”). Ovation was registered in BC, Canada on August 29, 2017. Skinvisible formed Ovation separately as a wholly-owned Canadian subsidiary as the cannabis market is not approved federally in the United States but is approved federally in Canada. Skinvisible believed that separating the companies would facilitate legal compliance and also allowed for the subsidiary to be sold as its own entity or to go public on its own in the future, if the Company desired.

After forming Ovation, Skinvisible continued to pursue opportunities and in September 2016, Skinvisible hired an investment banking company out of Atlanta to assist in seeking merger and/or financing opportunity for the Company. Although several companies were introduced to Skinvisible, none of them had sufficient funding opportunities or offered product synergies and no transaction was effected.

Skinvisible also considered purchasing assets to provide additional products, but pursuit of such opportunities was a challenge as a result of Skinvisible’s debt.

Skinvisible also pursued an additional strategy to create shareholder value in 2016 through 2017, which was to offer to license out all of the rights to its prescription formulations to one company in order for that company to take Skinvisible products through the FDA for approval. This strategy was named the “Rx Bundle.” Between September 2016 and August 2017, over thirty companies were approached and three companies voiced an interest in this potential transaction.

In February 2017, a company from India showed great interest, however this company failed to proceed with an offer. The second company, a clinical research company, had greater potential and therefore Skinvisible pursued conversations with this company for a number of months from January 2017 to August 2017. This included a face-to-face meeting in June 2017 and the provision of a preliminary draft acquisition agreement. The clinical research company unfortunately went through a major personnel change, including the departure of their lead scientist, and the clinical research company decided to terminate the negotiations in August 2017.

Michael Myers and Doreen McMorran first connected on LinkedIn on April 9, 2012.

On August 30, 2017 Michael Myers contacted Doreen McMorran via phone to introduce himself formally and his plans to incorporate Quoin. This preliminary discussion included high-level potential synergies and future strategies.

At that time, Michael Myers and Denise Carter intended to find a merger partner to develop technology that they had a right to acquire from a company named Polytherapeutics, Inc. (“Polytherapeutics”). The founders of Quoin had already obtained an option to purchase Polytherapeutics. This option was eventually exercised by Quoin on March 24, 2018.

As discussed above, Quoin’s founders had already executed a term sheet for the acquisition of Polytherapeutics when it first approached Skinvisible in August 2017. Quoin’s founders had also at that point defined its lead development products as: QRX001 for the treatment of post-surgical pain and QRX002 for the treatment of military related PTSD with suicidal ideation.

Given Quoin’s founders extensive background in the development and commercialization of drug delivery products, Skinvisible’s management believed that the target profiles it had defined for both of these products might be better achieved through a combination of the properties of Polytherapeutics Pharmadur technology and Skinvisible’s Invisicare technology. This unique insight and perspective, accumulated through 30 years of direct industry experience, coupled with the significant commercial potential of Polytherapeutics product portfolio, appealed to Skinvisible management and Board who came to believe that a merger of the two companies might provide for the

best outcome for their shareholders.

The Board viewed the Skinvisible technology as synergistic to the Polytherapeutics technology, especially with respect to the ability to leverage Skinvisible's Invisicare technology as a potential delivery system for the Polytherapeutics products.

Skinvisible had never pursued products outside of dermatology and this potential merger with Quoin presented that opportunity in highly lucrative pain markets. Quoin management also has extensive experience in the pain areas, and the ability to raise development funds through a private placement, which Skinvisible does not possess.

Although there were several discussions regarding the Rx Bundle strategy were underway when Quoin contacted Skinvisible, the Skinvisible Board ultimately determined that the Rx Bundle strategy required a much longer-term outlook and included significant execution risk, which would have resulted in limited to no upfront money to keep Skinvisible viable.

Accordingly, the Skinvisible Board determined to pursue discussions with the founders of Quoin, Michael Myers and Denise Carter.

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Both parties agreed that a further discussion should take place once a confidentiality agreement was signed. On September 5, 2017 Skinvisible and the founders of Quoin entered into a confidentiality agreement.

With the confidentiality agreement in place, on September 6, 2017 Michael Myers and Denise Carter from Quoin along with Terry Howlett and Doreen McMorran from Skinvisible, had their first official conference call where the parties discussed their technologies and the possibility of a merger, the potential for a significant private placement should the new company be public, the separation of the ancillary cannabis business from the transaction and the opportunity for the new company to go on NASDAQ along with other items.

During September Skinvisible and the founders of Quoin had frequent conference calls to discuss the possibility of pursuing a strategic transaction whereby the two companies would merge. After a review of scientific data and discussion of the potential benefits of a transaction, Skinvisible determined that it would be open to pursuing such a transaction. Subsequently on September 27, 2017, the first meeting was held between Quoin's founders and Skinvisible at Skinvisible's headquarters in Las Vegas.

Following the initial meeting, the founders of Quoin presented Skinvisible with a preliminary term sheet for a proposed transaction. Over the month of October, Skinvisible and Quoin engaged in numerous discussions regarding the structure and terms of a potential transaction. Several conditions of the transaction were discussed including the carve-out of Skinvisible's subsidiary Ovation Science Inc. from Skinvisible and the forgiveness of \$1.4 million of related party debt as well as Skinvisible's ability to convert its third party debt into stock in connection with a proposed transaction.

On October 20, 2017 an updated term sheet reflecting the updated transaction terms was received by Skinvisible from the founders of Quoin. After further discussion regarding the terms, on October 30, 2017 the founders of Quoin provided a Letter of Intent and an Exclusivity Agreement to Skinvisible.

On October 31, 2017 Skinvisible and the founders of Quoin had a second meeting at Skinvisible's headquarters in Las Vegas to discuss the Letter of Intent and an Exclusivity Agreement as well as to continue the review of each company's technology and capabilities.

During October and November of 2017, representatives of Skinvisible and the founders of Quoin discussed several deal terms, including the Exchange Ratio, the treatment of third party indebtedness and the desire to convert it to equity in the combined company and the treatment of Ovation.

During these discussions, representatives also agreed on the need for the Private Placement and agreed that it would be a condition to closing the merger, with the dilution from the private placement to effected after the exchange ratio was implemented.

The primary negotiations between the parties centered around the Exchange Ratio. Several different ratios were proposed by each party at the outset of the discussions based on the relative potential value of each company's technology, product portfolio and experience. While the founders of Quoin acknowledged in those discussions that it had not yet completed the acquisition of Polytherapeutics and that it had not initiated clinical testing of its development products, the company emphasized the experience of its management team and the previous success they had achieved in the development and commercialization of drug delivery products as well as their experience in partnering with pharmaceutical companies and their successful capital raising experience. In addition, it was obvious that the founders of Quoin had identified product candidates that, if approved, could potentially address significant societal issues such as the opioid epidemic and the military veteran suicide crisis and as such achieve substantial commercial success. The ability of the Quoin management to successfully develop their product portfolio was taken

into consideration during the negotiations. Several potential Exchange Ratios ranging from 85:15 to 60:40 in favor of the founders of Quoin were discussed and evaluated. Ultimately, these negotiations resulted in agreement of an exchange ratio which would provide the founders of Quoin's shareholders with 72.5% of the outstanding shares of Skinvisible common stock following the Merger. This number also took into consideration certain assumptions regarding the conversion of third party debt and the cancellation of certain Related Party debt in exchange for the transfer of the equity interests in Ovation. After further negotiation regarding the terms of the Letter of Intent and the Exclusivity Agreement and meetings with the Board and legal counsel, on November 22, 2017 Mr. Terry Howlett, President and CEO of Skinvisible delivered a signed Letter of Intent and an Exclusivity Agreement, indicating Skinvisible's interest in the proposed transaction. This was followed by the counter-signature of Michael Myers the President and CEO of Quoin. A press release approved by both parties announcing the proposed merger of the companies was issued on November 27, 2017. Multiple exchanges of scientific, business and financial documents ensued between the two companies over the next several weeks. Skinvisible did not seek, nor obtain any valuations from third parties in conjunction with its evaluation of the Merger or the determination of the Exchange Ratio.

During October and November of 2017, Skinvisible and Quoin discussed how Skinvisible's Ovation Canadian subsidiary would be treated in the transaction. It became apparent that Quoin was not interested in retaining a Canadian cannabis applications subsidiary since it created potential issues with United States stock exchanges. Accordingly, it was decided to sell the shares Skinvisible owned in Ovation by off-setting US\$500,000 of the Related Party debt.

On December 17, 2017 legal counsel to the founders of Quoin presented a draft Merger Agreement to Skinvisible. Over the next several weeks, Skinvisible, the Board, legal counsel and Skinvisible's accountants engaged in various discussions regarding the structure and proposed terms of the draft Merger Agreement between Skinvisible and the founders of Quoin. Legal counsel to the founders of Quoin provided four revised versions of the draft Merger Agreement and several conference calls ensued over the month of January between the companies and their respective legal counsel.

On February 5, 2018, Skinvisible agreed to extend the Exclusivity Agreement to April 30, 2018 in order to facilitate the continued negotiation of the terms of the draft Merger Agreement.

On February 27, 2018 Quoin provided the three employees of Skinvisible with draft employment agreements for Terry Howlett and Doreen McMorran and a consulting agreement to Dr. James Roszell. These employment agreements and consulting agreement were executed in the first week of March, each with a stated effective date of the closing of the Merger.

These employment agreements include terms and conditions that were negotiated by the founders of Quoin and Terry Howlett and Doreen McMorran.

On March 2, 2018 the Board met to discuss the acceptance of the Merger Agreement and the purchase of Ovation shares by certain related parties.

On March 5, 2018 Quoin Pharmaceuticals, Inc. was incorporated.

On March 13, 2018, Dr. Michael Myers and Denise Carter, the stockholders and directors of Quoin, and Terry Howlett and Doreen McMorran entered into lock-up agreements to satisfy the terms of the Merger Agreement. Terry Howlett and Doreen McMorran also executed voting agreements.

On March 16, 2018, the Board reviewed the final version of the proposed Merger Agreement including the material terms, conditions and provisions of the draft Merger Agreement and the structure of the proposed transaction. Following the discussion, the Board approved the Merger Agreement and adopted the resolution to approve the Merger as it was in the best interest of Skinvisible and its shareholders.

On March 26, 2018 Skinvisible entered into the Merger Agreement with Quoin and Merger Sub. A Form 8-K was filed by Skinvisible with the Securities and Exchange Commission to announce that the Merger Agreement had been executed.

On March 28, 2018, as specified in the Merger Agreement, all shares of Ovation Science Inc. owned by Skinvisible Pharmaceuticals, Inc. were purchased by Skinvisible employees, Terry Howlett, Doreen McMorran and James Roszell in lieu of partial debt in the amount of US\$500,000 owed by Skinvisible to these employees.

After careful consideration and consulting, Skinvisible's board of directors has determined that the merger proposal is in the best interests of Skinvisible and its stockholders and unanimously recommends that you vote or give instruction to vote FOR the merger proposal.

Reasons for the Merger; Recommendation of Skinvisible's Board of Directors

In its review the Board consulted with its management, scientific personnel, legal and financial advisors, and reviewed a significant amount of information and considered a number of factors, including, among others, the following factors: (i) the technical information Quoin provided regarding its technology, management experience and potential competitive position; (ii) the financial, operational, businesses and strategic objectives of Quoin; (iii) the current product markets proposed by Quoin; (iv) the consideration to be received by Skinvisible's shareholders and debt holders in the Merger; (v) the terms, conditions and obligations of the Merger Agreement; (vi) possible alternative strategies and prospects for Skinvisible as an independent company and (viii) the financial condition and future prospects for Skinvisible.

Specifically, the Skinvisible Board considered that Skinvisible had never pursued products outside of dermatology and this potential merger with Quoin presented that opportunity in highly lucrative pain markets. The Skinvisible Board also considered that Quoin's management also has extensive experience in the pain areas, and the ability to raise development funds through a private placement, which Skinvisible does not possess.

The Skinvisible Board also considered that Quoin's management has extensive experience in the successful development and commercialization of drug delivery products. When working for a different company, the team had been particularly successful in the development of a surgical implant to treat post-surgical pain and reduce opioid consumption in that setting. This experience is an extremely valuable asset from a clinical and regulatory perspective. The team has established relationships with leading key opinion leaders and contract research organizations in the space, had developed successful clinical protocols, knew what primary and secondary endpoints to target and had guided their product for their previous company through successful negotiations with the FDA from pre-IND through to end of Phase 2.

In addition, Quoin's founders had established relationships with leading pharmaceutical companies who have commercialized products in the space which it felt could be leveraged from a partnering perspective.

The Board considered that Opioids achieve roughly \$6 billion of sales in the United States each year and result in the death of, by some estimates, over 100 people each day as a result of addiction. It is believed that one in fifteen people who become addicted to opioids are first exposed to them in a surgical setting. While there are several opioid sparing products commercialized and in development, the Skinvisible Board believes that the highly differentiated nature of Quoin's QRX001 product, and its potential to achieve broader use in a wider range of surgical procedures than those other products, coupled with the direct experience of Quoin's management team in the space, represented such a significant opportunity to Skinvisible and its shareholders.

The Board has unanimously (i) determined that the Merger Agreement, the Merger and the transactions contemplated by the Merger Agreement are acceptable and in the best interest of Skinvisible's shareholders, (ii) approved the Merger Agreement, the Merger and the transactions contemplated by the Merger Agreement, and (iii) recommended that Skinvisible's shareholders vote to adopt and approve the Merger Agreement and the Merger.

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In addition, the Board considered the following challenges faced by Skinvisible as an independent company:

Skinvisible has not been successful in generating revenues from its current operations both in its attempt to license its pharmaceutical products and with its launch three years ago of its wholly-owned subsidiary Kintari for which it accumulated significant debt;

The lack of revenues and debt has impacted Skinvisible and caused Skinvisible to seek additional financing options which resulted in further dilution of Skinvisible and greatly impacted its ability to continue operations;

Skinvisible made investments in its new subsidiary Kintari with the objective of increasing revenues by selling its own products, but this investment has not generated revenues sufficient to operate Skinvisible effectively;

Skinvisible also attempted to license out all of its prescription products to a pharmaceutical company however the length of the sales cycle greatly impacted Skinvisible's ability to complete such a transaction in a timely fashion; and

The lack of funds necessary for further Skinvisible research and development has impacted Skinvisible. Skinvisible also has difficulties in raising capital in the public markets due to its financial position.

Factors Relating to the Specific Terms of Skinvisible's Merger Agreement with Quoin:

The Merger will result in Skinvisible shareholders being diluted based on the Exchange Ratio, immediately prior to the Effective Time, to approximately 27.5% of the outstanding equity of Skinvisible immediately following the Effective Time and will be further modified when certain Skinvisible Third Party Indebtedness is converted into Skinvisible common stock plus the closing of the anticipated Private Placement. In the event that none of Skinvisible Third Party Indebtedness is converted it will result in a reduction in ownership from approximately 27.5% to approximately 10.64%. A further reduction in ownership will occur following the closing of the Private Placement. The extent of this reduction is not known as of yet as it depends on a valuation that will be determined by negotiation with potential investors. The Board agreed that based on the current financial status of Skinvisible and the potential for future increased value in the shares based on Quoin's projected performance, that the Merger was a viable solution at the agreed upon Exchange Ratio.

The Merger does not provide for any cash payment to Skinvisible. Consideration consists solely of a minimum private placement funding of \$10 million, which provides certainty of value to Skinvisible shareholders. Skinvisible engaged in extensive negotiation regarding the Exchange Ratio with Quoin and the conversion of Skinvisible's indebtedness. The Merger and the Merger Agreement must be adopted and approved by a vote of a majority of Skinvisible's outstanding shares of common stock.

In the course of reaching the determinations and decisions and making the recommendation described above, Skinvisible's board of directors, in consultation with Skinvisible's senior management and outside legal counsel considered the risks and potentially negative factors relating to the Merger Agreement, the Merger and the other transactions contemplated thereby, including the following material factors:

the fact that the Merger and the Private Placement would result in a change in control of Skinvisible with Quoin shareholders holding a minimum of 72.5% (or approximately 89% if none of the outstanding Third Party Indebtedness is converted into common equity) of the outstanding shares of Skinvisible common stock following the Merger and the right to appoint the new Board of Directors;

the risk that the potential benefits of the Merger and Quoin's proposed clinical developments will not be realized or will not be realized within the expected time period;

the risk that the Merger may result in Skinvisible assuming unknown liabilities;

the risks associated with Quoin's proposed clinical developments not being realized or not within the expected time period and therefore not having the ability to successfully implementing its business plan;

the risks and contingencies relating to the announcement and pendency of the Merger and the risks and costs to Skinvisible if the closing of the Merger is not timely or if it does not close at all, may have an effect on the trading

price of Skinvisible common shares;

the risk that the requirement as a provision of the Merger Agreement that Skinvisible conducts its business only in the ordinary course prior to the completion of the Merger, may delay or prevent Skinvisible from undertaking certain business opportunities that might arise pending completion of the Merger;

THE BOARD BELIEVES THAT, OVERALL, THE POTENTIAL BENEFITS TO SKINVISIBLE SHAREHOLDERS OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY OUTWEIGH THE RISKS AND UNCERTAINTIES. SKINVISIBLE'S BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT AND UNANIMOUSLY RECOMMENDS THAT SKINVISIBLE'S STOCKHOLDERS VOTE IN FAVOR OF ADOPTION AND APPROVAL OF THE MERGER AGREEMENT AND APPROVAL OF THE MERGER.

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THE MERGER AGREEMENT

The following is a brief summary of the material provisions of the Merger Agreement, a copy of which is attached as Annex A to this proxy statement/prospectus and is incorporated by reference into this summary. This summary may not contain all of the information about the Merger Agreement that is important to Skinvisible stockholders, and Skinvisible stockholders are encouraged to read the Merger Agreement carefully in its entirety. The legal rights and obligations of the parties are governed by the specific language of the Merger Agreement and not this summary.

The Merger

The Merger Agreement provides for the Merger of Merger Sub with and into Quoin. As a result of the Merger, Merger Sub will cease to exist, and Quoin will continue as the surviving corporation in the Merger. After the Merger, the surviving corporation will be a direct wholly owned subsidiary of Skinvisible, and the former Quoin stockholders will have a direct equity ownership and controlling interest in Skinvisible.

When the Merger Becomes Effective

Pursuant to the terms of the Merger Agreement and a subsequent amendment, the Merger must be consummated by the outside date of October 31, 2018, which may be further extended by the parties, and the Merger will become effective at such time as a certificate of merger is duly filed with the Secretary of State of Delaware, unless a later date is specified therein.

Consideration to be Received Pursuant to the Merger

Each share of Quoin Common Stock shall be converted solely into the right to receive a number of shares of Skinvisible Common Stock equal to the exchange ratio (the “Merger Consideration”).

At the Effective Time, all outstanding shares of Quoin common stock will be converted solely into the right to receive a number of shares of Skinvisible common stock such that the holders of outstanding equity of Quoin immediately prior to the Effective Time, and prior to the Private Placement, will own approximately 72.5% of the outstanding equity of Skinvisible immediately following the Effective Time and holders of outstanding equity of Skinvisible immediately prior to the Effective Time, and prior to the Private Placement, will own approximately 27.5% of the outstanding equity of Skinvisible immediately following the Effective Time.

Further to the Merger Agreement, the “Exchange Ratio” will be modified if certain Skinvisible Third Party Indebtedness is not converted into Skinvisible common stock, as described above.

If none of the Third Party Indebtedness is converted into the Combined Company’s common stock immediately prior to the Effective Time, the percent ownership will be reduced from approximately 27.5% to approximately 10.64%.

Private Placement.

The Merger is condition upon Quoin executing a definitive agreement to effect the Private Placement, which is defined as a private placement of shares of the Combined Company’s common stock for an aggregate of at least \$10 million of gross proceeds, to be received by Combined Company within five (5) days of the Effective Time of the Merger.

The price per share to be paid in the Private Placement will be determined by Quoin, its investment bank and the investors who participate in the private placement. Accordingly, there is no minimum or maximum price per share. The net effect of the Private Placement will be to further reduce the percent ownership in the Combined Company of current Skinvisible shareholders.

The shares issued in the Private Placement will not change the Exchange Ratio, as the shares issued in the private placement will dilute both the existing Skinvisible shareholders as well as the shareholders of Quoin who receive shares in the Merger. Accordingly, the shares to be issued in the private placement will reduce significantly the relative voting power of each share of the Combined Company's common stock held by all of the Combined Company's stockholders. Consequently, the Combined Company's stockholders as a group will have significantly less influence over the management and policies of the Combined Company after the private placement than prior to the private placement.

Fractional Shares

No fractional shares of Quoin common stock will be issued by virtue of the Merger and any Skinvisible stockholder entitled under the Merger Agreement to receive a fractional share of Quoin common stock will be rounded up to the next whole share.

Representations and Warranties

The Merger Agreement contains customary representations and warranties of the parties. These include representations and warranties of Skinvisible and Merger Sub, subject to certain limitations, with respect to:

- Organization
- Capitalization
- Authority
- Non-Contravention; Consents
- SEC Filings; Financial Statements
- Absence of Changes
- Title to Assets
- Properties

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Intellectual Property
Material Contracts
Absence of Undisclosed Liabilities
Compliance with Laws; Regulatory Compliance
Taxes and Tax Returns
Employee Benefit Programs
Labor and Employment Matters
Environmental Matters
Insurance
Books and Records
Transactions with Affiliates
Legal Proceedings; Orders
Illegal Payments
Inapplicability of Anti-takeover Statutes
Vote Required
No Financial Advisor
Disclosure; Parent Information

The Merger Agreement also contains customary representations and warranties of Quoin, subject to certain limitations, with respect to:

Organization
Capitalization
Authority
Non-Contravention; Consents
Material Contracts
Limited Operations
Vote Required
No Financial Advisor
Disclosure; Company Information

Additional Agreements

The Merger Agreement contains certain other agreements of the parties including, among other things, that:

Skinvisible and Quoin shall cooperate in preparing and promptly cause to be filed with the SEC this proxy statement; Skinvisible and Quoin will consult with one another before issuing any public release or otherwise making any public statements about the Merger, and will not release any such public release (including public filings with the SEC) without prior consent of the other party (which consent shall not be unreasonably conditioned, withheld or delayed) subject to certain exceptions;

- Skinvisible and Quoin will promptly notify one another of the occurrence or non-occurrence of any event that, individually or in the aggregate, would make the timely satisfaction of certain conditions of the Merger Agreement (set forth below in “Merger Agreement — Conditions of the Merger”) impossible or unlikely;

Certain Fees and Expenses

At or prior to closing of the Merger, each of Skinvisible and Quoin shall pay their respective fees and expenses incurred in connection with the Merger, provided that all third party expenses, including legal and accounting

expenses, incurred in connection with the entry into the Merger Agreement, the preparation and audit of the financial statements of Skinvisible as may be necessary to consummate the transactions contemplated hereby and the Private Placement, the Skinvisible Stockholder Meeting, solicitation of proxies to approve the Skinvisible Stockholder Proposals, and the consummation of the transactions contemplated hereby, which shall not exceed \$300,000 (the “Specified Expenses”) will be paid by the Combined Company after the Closing.

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Debt Conversion Agreements

The Merger Agreement requires Skinvisible to use commercially reasonable efforts to enter into one or more agreements with certain creditors of Skinvisible to cause Skinvisible's indebtedness to such parties to be converted into the Combined Company's common stock immediately prior to the Effective Time (the "Debt Conversion Agreements"). If Skinvisible fails to execute Debt Conversion Agreements with respect to all such specified Skinvisible indebtedness prior to the date that is five days before the Closing Date, the Exchange Ratio will be revised to cause the percentage of the outstanding equity of the Combined Company immediately following the Effective Time (and prior to the equity to be issued in the Private Placement) to be held by holders of the outstanding equity of Skinvisible immediately prior to the Effective Time to be reduced from approximately 27.5% to a percentage equal to (i) 27.5% minus (ii) the product of (x) 0.000004 and (y) the amount of the remaining third party indebtedness.

For illustrative purposes, if the remaining Third Party Indebtedness equals \$1,000,000, the percentage of the outstanding equity of Skinvisible immediately following the Effective Time (and prior to the equity to be issued in the Private Placement) to be held by holders of the outstanding equity of Skinvisible immediately prior to the Effective Time will be reduced from approximately 27.5% to approximately 23.5%.

If none of the Third Party Indebtedness is converted into the Combined Company's common stock immediately prior to the Effective Time, the Effective Time will be reduced from approximately 27.5% to approximately 10.64%.

Related Party Agreements

Skinvisible has entered into one or more agreements (the "Related Party Agreements") with certain officers of Skinvisible with respect to the indebtedness of Skinvisible (the "Related Party Indebtedness"). These Related Party Agreements provide that:

In exchange for the immediate cancellation of \$500,000 of the Related Party Indebtedness, Skinvisible transferred 100% of the shares in Ovation Science Inc. held by Skinvisible to these related parties;

Within 180 days after the closing date all remaining Related Party Indebtedness is to be converted, at the sole election of the Combined Company, into cash or shares of the Combined Company's common stock which are not subject to any contractual restrictions or vesting requirements (or a combination cash and shares of the Combined Company's common stock). If the Combined Company elects to convert all or a portion of the remaining related indebtedness into shares of the Combined Company's common stock, such shares shall be valued using the 30 day average closing price of such shares on the OTCQB for the 30 day period prior to the date of conversion. If the conversion of any remaining related party indebtedness into shares of the Combined Company's common stock causes the related parties to have an obligation to pay taxes, the Combined Company is required to pay such taxes to the to the applicable governmental authority on behalf of the related parties.

Skinvisible has also negotiated and executed new employment agreements with Terry Howlett and Doreen McMorran and a consulting agreement to Dr. James Roszell.

Closing Conditions of the Merger

The obligations of the parties to consummate the transactions contemplated by the Merger Agreement are subject to the following conditions:

Conditions to Each Party's Obligations

Skinvisible's and Quoin's respective obligations to complete the Merger are subject to the satisfaction or waiver of various conditions, including the following:

No Restraints. The absence of any federal, state, local or foreign statute, law, ordinance, rule, regulation, order, judgment, decree or legal requirement, or any injunction by any United States or state court or United States governmental body prohibiting, restraining or enjoining the completion of the Merger; and
Stockholder Approval. Skinvisible stockholders having approved the merger proposal; and
Charter Amendment. Skinvisible stockholders having approved the amendments to Skinvisible's Articles of Incorporation to effect the Reverse Split and Name Change.

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Conditions to Skinvisible's Obligations

Skinvisible's obligations to complete the Merger are also subject to various conditions, including the following:

- Quoin's representations and warranties in the Merger Agreement being true and correct to the extent set forth in the Merger Agreement;
- material compliance by Quoin with the covenants and obligations as to the extent set forth in the Merger Agreement;
- receipt of certificates executed by an officer of Quoin that the aforementioned conditions have been satisfied;
- the absence of any material adverse effect on Quoin; and

a definitive agreement to effect a private placement of the Combined Company's common stock shall have been executed which provides that the Combined Company will receive an aggregate of at least \$10,000,000 of gross proceeds within five (5) days of the Effective Time in exchange for the issuance of the Combined Company's common stock.

Conditions to Quoin's Obligations

Quoin's obligations to complete the Merger are also subject to various conditions, including the following:

- Skinvisible's representations and warranties in the Merger Agreement being true and correct to the extent set forth in the Merger Agreement;
- material compliance by Skinvisible with the covenants and obligations as to the extent set forth in the Merger Agreement;
- receipt of certificates executed by an officer of Skinvisible that the aforementioned conditions have been satisfied;
- the absence of any material adverse effect on Skinvisible;
- Skinvisible shall have entered into the Debt Conversion Agreements (as described above);
- and the Related Party Agreements (as described above) and such agreements shall remain in full force and effect and
- the total amount of Related Party Indebtedness (as defined above) immediately prior to the Effective Time, shall not exceed \$2,800,000.

Termination

The Merger Agreement may be terminated at any time, but not later than the closing, as follows:

- by mutual written consent of Skinvisible and Quoin;
- by either Skinvisible and Quoin if the transactions contemplated by the Merger Agreement are not consummated on or before October 31, 2018, provided that the right to terminate will not be available to any party whose failure to fulfill any material obligation was the cause of or resulted in the failure of the transactions contemplated by the Merger Agreement to be consummated by such date;
- by either Skinvisible and Quoin if any governmental authority shall have enacted, issued, promulgated, enforced or entered any order, law, rule regulation, judgment, injunction, decree or ruling which has become final and nonappealable, and which permanently restrains, enjoins or otherwise prohibits the Merger;
- by either Skinvisible and Quoin if the other party has breached any of its covenants, agreements or representations and warranties (and has not cured its breach within 30 days of the giving of notice of such breach); or
- by either Skinvisible and Quoin if the Merger has not been approved at the Special Meeting (or any adjournment or postponement thereof): provided, however, that the right to terminate the Merger Agreement shall not be available to Skinvisible where the failure to obtain the required Skinvisible stockholder vote has been caused by the action or failure to act of Skinvisible and such action or failure to act constitutes a material breach by Skinvisible of the Merger Agreement.

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Expense Reimbursement

If the Merger Agreement is terminated by Skinvisible under certain circumstances, prior to such termination, Skinvisible has breached any of the non-solicitation covenants of Skinvisible, and Skinvisible enters into an agreement to consummate a “Acquisition Proposal” within six (6) months of the date of termination, then Skinvisible is required to reimburse Quoin for its total documented expenses incurred by in connection with the negotiation and execution of the Merger Agreement and the transactions contemplated thereby, up to a maximum of \$300,000.

Effect of Termination

In the event of termination of the Merger Agreement prior to the Effective Time in accordance with the terms of the Merger Agreement, the Merger Agreement will become void, and there shall be no liability or further obligation on the part of Skinvisible and Quoin other than:

- the reimbursement of fees as described above under “Merger Agreement — Expense Reimbursement”;
- the parties’ mutual obligations with respect to confidentiality and public announcements, which survive termination, under the terms of the Merger Agreement; and
- liability arising out of fraud or material and intentional breach of any provision of the Merger Agreement.

No Solicitation of Other Offers by Skinvisible or Quoin

Under the terms of the Merger Agreement, Skinvisible and Quoin have each agreed that it and its officers and directors will not (and that it will use commercially reasonable efforts to ensure that its representatives will not) directly or indirectly initiate, solicit or knowingly encourage or facilitate any inquiries or the making of any acquisition proposal, or engage in any negotiations concerning, or provide access to its properties, books and records or any confidential information or data to, any person relating to, an acquisition proposal. Quoin is, however, permitted to pursue the Private Placement.

Required Vote

Adoption of the Merger requires the affirmative vote of a majority of the issued and outstanding shares of Skinvisible’s common stock represented in person or by proxy at the meeting and entitled to vote thereon. Adoption of this proposal is not conditioned upon the adoption of any of the other proposals.

Recommendation of The Board of Directors

SKINVISIBLE’S BOARD RECOMMENDS A VOTE “FOR” THE APPROVAL OF THE MERGER AGREEMENT.

Interests of Skinvisible’s Directors and Officers in the Merger

In considering the recommendation of Skinvisible’s Board to vote for the proposals presented at the special meeting, you should be aware that our executive officers and members of our Board have interests in the merger proposal that are different from, or in addition to, the interests of our shareholders generally. The members of our Board were aware of these differing interests and considered them, among other matters, in evaluating and negotiating the transaction agreements and in recommending to our shareholders that they vote in favor of the proposals presented at the special meeting. These interests include, among other things:

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Terry Howlett and Doreen McMorran have entered into new 1 year employment agreements with the Combined Company, which employment agreements will become effect upon the closing of the Merger; and Terry Howlett and Doreen McMorran and certain other related parties have agreed to cancel \$500,000 of Related Party Indebtedness, in exchange for 100% of the shares owned by Skinvisible in Ovation Science Inc. (“Ovation”).

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THE LOCK-UP AGREEMENTS AND VOTING AGREEMENTS

In connection with their entry into the Merger Agreement, Dr. Michael Myers and Denise Carter, the stockholders and directors of Quoin, and Terry Howlett and Doreen McMorrان, of Skinvisible, entered into lock-up agreements to satisfy the terms of the Merger Agreement. The form of lock-up agreement is attached as Annex B to this Proxy Statement. The lock-up agreements prohibit sales and certain other dispositions of shares of the Combined Company's common stock and certain other securities for a period of 180 days after the closing of the Merger. Terry Howlett and Doreen McMorrان also executed voting agreements. The form of voting agreement is included as Annex C to this Proxy Statement. The voting agreements generally require Terry Howlett and Doreen McMorrان to vote all of their respective shares of Skinvisible common stock in favor of the Merger proposal. As of the record date, Terry Howlett and Doreen McMorrان collectively beneficially held shares of Skinvisible common stock, representing approximately [7%] of the outstanding shares of Skinvisible's common stock, all of which shares are either held of record by the said person as of the record date or over which he possesses voting rights and are therefore in either case subject to the voting agreements.

INFORMATION WITH RESPECT TO QUOIN

Overview

Following the Merger, the combined company intends to pursue commercialization of Quoin's two lead products. In addition, the combined company will continue to pursue commercial opportunities for products developed by Skinvisible prior to the merger. The combined company also intends to leverage Skinvisible's Invisicare technology as a potential delivery system for the Quoin products intended to be developments by the combined company.

Quoin Pharmaceuticals is a pre-clinical, specialty pharmaceutical company dedicated to developing products that help address major societal issues including the opioid epidemic and the military veteran suicide rate. Quoin's two lead products are different applications of a single NMDA receptor antagonist delivered transdermally. QRX001 is a single use transdermal patch designed to provide up to 72 hours of effective post-operative analgesia whilst significantly reducing opioid consumption. Quoin intends to apply for Breakthrough Therapy designation for QRX001. Quoin's second lead product, QRX002 is a once-daily transdermal for the treatment of military related PTSD with suicidal ideation. Quoin believes QRX002 could be the first product approved to treat this major unmet medical need and could be a candidate for both Orphan Drug and Breakthrough Therapy Status. Quoin's products are at a pre-clinical stage of development. Quoin has not initiated any formal clinical testing of its products nor has it held any discussions with the FDA or any other regulatory agency about these products.

Quoin initially approached the US Department of Veteran Affairs (VA) to discuss options for the clinical development of QRX002 as a potential treatment for military veteran suicides. Following a number of meetings and discussions, the VA expressed a keen interest in assisting with the clinical development of QRX002. Two of the VA's researchers into military veteran suicides have been appointed as Principal Investigators (PI's) for QRX002 for this indication. The proposed clinical program will be conducted at various VA facilities across the country under the supervision of the Principal Investigators. Quoin believes this arrangement will greatly increase the efficiency and cost effectiveness of the clinical program for QRX002. It is important to note that no formal agreement has been entered into between Quoin and the VA and while the PI's have expressed their interest and willingness to conduct clinical studies for QRX002, they are under no obligation to do so. In addition, the cost of these studies will be exclusively borne by Quoin with no financial assistance from the VA.

In addition, Quoin has two additional products that it plans to begin the development of for opioid addiction and chronic pain. Clinical testing for these products is also expected to be conducted at VA facilities, though the VA has

no obligation to do so. Quoin expects to generate clinical data for QRX001 and QRX0002 within 12-18 months of the Effective date of the merger.

Quoin was co-founded by Dr. Michael Myers and Denise Carter both of whom have extensive experience in the pharmaceutical industry, particularly in the field of drug delivery. Dr. Myers and Ms. Carter, along with other members of the Quoin executive team have previously successfully developed and commercialized pharmaceutical products based on platform drug delivery technologies at previous companies they worked at. Furthermore, Dr. Myers and Ms. Carter have successfully raised over \$150 million from private and public company investors for other companies and have established broad relationships within the pharmaceutical industry

Quoin's proprietary platform polymer technology, PharmaDur, which it obtained through Quoin's acquisition, is ideal for the development for transdermal and topically delivered products. The PharmaDur technology provides for a controlled and extended duration of delivery of active drug molecules across the skin barrier in topical and transdermal formats. When used topically, the polymer technology dries quickly on the skin and remains in place for an extended period of time and will not rub off on contact with clothing or any other material and will withstand repeat washing. In transdermal preparations, the PharmaDur technology has the ability to control the rate at which the active drug ingredient penetrates the skin barrier to deliver therapeutically effective system blood levels thereby facilitating the development of products with an extended duration of action. While the original patents for the PharmaDur technology have expired, Quoin believes that the technology is protected by Trade Secrets and Know How particularly around the manufacturing and extraction process for the polymer itself. Quoin intends to explore new IP opportunities for the PharmaDur technology. Quoin does not own or license any other technologies or intellectual property nor does it have any material agreements with any other company.

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On March 24, 2018, the Company entered into a securities purchase agreement (the “Acquisition Agreement”) in which they agreed to acquire all of the equity interests in Polytherapeutics, Inc. (the “Seller or “Polytherapeutics”) for \$40,833 and future royalties. Under the agreement, the Company agreed to pay royalties to the Seller provided the Company commercializes products using the product candidates developed by the Seller. The terms of any royalty payments to the Seller are as follows: 4.0% of the net revenue of royalty products received by Quoin during the ten (10) year period commencing from the date of first sale of a royalty product. For the avoidance of doubt, royalty payments will only be due on royalty products that entered clinical development before March 31, 2021. If a generic product is introduced by a third party to the market, during the royalty period, the royalty fees shall be reduced from 4% to 2%. If, during the royalty period, two or more generic products are introduced, the royalty fees shall be reduced from 2% to 0%. Generic product means any product approved by the FDA or another applicable domestic or foreign regulatory authority to be deemed generically equivalent to the royalty product irrespective of its formulation. The Company further agreed to enter into a research and consulting agreement (the “Research Agreement”) under which the Company agreed to pay the former owner of the Seller (the “Consultant”) for continued research and development of the intellectual property owned by the Seller at the date of acquisition. The agreement requires monthly consulting payments of \$20,833 beginning on July 31, 2018 and ending February 28, 2021 (the “Post-Closing Period”) for a total commitment of \$666,667 over the consulting period. Under the agreement, the consultant agreed to provide research consulting services beginning on March 24, 2018 and ending on the last day of the post-Post-Closing Period to develop the Company’s lead product candidates for clinical testing. The Company will not be required to make the monthly payments under the consulting agreement if the Seller has stopped providing consulting services as described in the research consulting agreement.

If the Company fails to make monthly payments under the Consulting Agreement or royalty payments, the Seller has the option to buy back all the rights to product covered by the Acquisition Agreement for \$1.00 and the Buyer is no longer required to make the remaining payments during the Post-Closing Period. Further, if the Company fails to enter a product covered by the Acquisition Agreement into clinical development by the end of the Post-Close Period, the Seller has the option to buy the rights to commercialize said products for \$100,000.

Quoin’s initial focus is on the development of products using its proprietary technology that could help address major societal challenges such as the opioid epidemic and the military veteran suicide crisis. It is estimated that there are greater than 110 opioid related deaths in the US every day and that over 1,000 people are treated every day for misuse of an opioid. Almost 7% of people who become addicted are first exposed to opioids in a surgical setting where they are prescribed these medicines to treat post-operative pain. Quoin believes that a product which can substantially reduce the use of opioids in a surgical setting could play a significant role in reducing the overall dependency on opioids in the US. QRX001, Quoin’s first lead product, is a single use, transdermal NMDA receptor antagonist designed to provide up to 72 hours of effective post-operative analgesia whilst significantly reducing the consumption of opioids by patients. The NMDA receptor antagonist in QRX001 has been shown in multiple clinical studies to both significantly reduce post-operative and to reduce the amount of opioids consumed by patients. Quoin believes that QRX001, either by itself or as part of a multi-modal therapy, could provide a better option for surgeons to effectively treat post-surgical pain than competing products currently available or under development. Quoin also believes that the single use sub-anesthetic dose of the NMDA receptor antagonist in QRX001 substantially reduces the potential for abuse and so could be viewed favorably by the FDA and other regulatory agencies. Quoin is anticipating seeking approval for QRX001 in 2020 or 2021 following the successful conclusion of its clinical development program. Quoin intends to file for Breakthrough Therapy designation for QRX001 from the FDA, although Quoin has not engaged in any discussions with the FDA in connection therewith.

Quoin’s second lead product, QRX002, also contains an NMDA receptor antagonist delivered transdermally. QRX002, is designed to be dosed once a day, every day over a defined period as a potential treatment for military related PTSD

with suicidal ideation. There is a growing crisis in the country's military veteran population with over 20 suicides every day, primarily as a result of Post-Traumatic Stress Disorder or PTSD. As of now, there are no products approved to treat either PTSD or the PTSD sufferers who are suicidal. The NMDA receptor antagonist in QRX002 has been shown clinically to reduce suicidal ideation, even after a single dose. Unlike, standard anti-depressants, currently the only available treatment option, the molecule acts very quickly to positively impact suicidal ideation. However, the molecule is not orally bioavailable and is typically dosed either by infusion or nasally in a clinical setting. Quoin believes that a once-daily transdermal that delivers the dose in a controlled and regulated manner could be a more effective and user-friendly product option. Quoin has engaged in discussion with the US Department of Veteran Affairs (VA) for the clinical development of QRX002. The VA has appointed two of its top researchers into military veteran suicides as Principal Investigators (PI's) for the clinical development of QRX002, which will be performed at various VA facilities throughout the US. Quoin believes that this partnership with the VA will greatly improve the efficiency and cost-effectiveness of the planned clinical program for QRX002. The cost of the clinical program will be borne exclusively by Quoin with no financial assistance from the VA. Furthermore, Quoin has not entered into any formal agreement with the VA and the VA is not obligated to participate in the clinical studies for QRX002 or any other Quoin product.

Quoin believes that QRX002 is a candidate for both Orphan Drug and Breakthrough Therapy designation from the FDA. If Breakthrough Therapy status is granted, Quoin believes that a single Phase 3 clinical study may be all that is required to obtain US regulatory approval, although Quoin has not engaged in any discussions with the FDA therewith. Quoin anticipates seeking approval for QRX002 for the first indication of military related suicide in 2020 or 2021 upon successful completion of the clinical development program and Quoin believes that QRX002 could be the first product approved to treat this indication. In addition to suicidal ideation, Quoin is also planning to explore the clinical development of QRX002 for other indications such as PTSD, post-partum depression, opioid addiction and chronic pain. Each of these new potential new indications represent large and commercially attractive market opportunities for Quoin.

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The target indications and profiles for QRX001 and QRX002 were developed by Quoin's management team through extensive literature research and following in depth discussions with leading key opinion leaders, clinicians and regulatory experts. It became clear to Quoin's management following this research and those discussions that the NMDA receptor antagonist selected for both QRX001 and QRX002 was indeed the optimal candidate to achieve the target product indications of reduction of post-surgical pain for up to 72 hours and the significant reduction of suicidal ideation in military veterans who suffer from PTSD. It is Quoin management's belief that the ideal route of delivery for this particular molecule that would facilitate achieving those clinical targets is via transdermal delivery. The molecule is currently dosed by infusion or delivered nasally, neither of which Quoin believe are ideal for the defined target indications.

The decision to pursue the development of QRX001 and QRX002 as transdermal patches led Quoin to approach Polytherapeutics with an acquisition offer, which was ultimately executed. Polytherapeutics Pharmadur technology is a fully scaled up and commercialized proprietary platform polymer technology that is ideal for transdermal and topical delivery. The fact that the technology had been scaled up and commercialized was of particular importance to Quoin, as its management team knew from decades of experience that many promising early stage technologies fail at later stages due to scale up challenges such as highly complex manufacturing processes, very poor yields of usable product which can lead to uncompetitive COGS and other issues. With those issues out of the way, Quoin believed that it was in a unique position to combine a proven technology with a proven molecule using decades of direct experience to create highly differentiated products such as QRX001 and QRX002. It is Quoin's belief that the skill, knowledge and experience of its team will facilitate a lower risker and faster development timeline for its products than might be the case otherwise.

As of now, Quoin has not initiated any formal clinical testing for QRX001 and QRX002 nor has it filed any IND's or held discussions with the FDA. The company is planning to initiate Phase 1 testing in health volunteers in Australia this year once funds from the private placement have been secured. Australia is a well-established venue for Phase 1 testing due to its favorable regulatory climate and attractive tax rebates. Quoin plans to file IND's for both QRX001 and QRX002 once Phase 1 data is available. These IND's will contain details of the proposed Phase 2 clinical programs for both products. Given Quoin's background in post-surgical pain and its established relationships with leading KOLs, its management team will play a leading role in the drafting of the clinical protocols and the definition of the primary and secondary endpoints for QRX001. For QRX002, however, Quoin felt that the most efficient and low risk approach for the clinical development of the product would be through the participation of the US Department of Veterans Affairs (VA). Following a series of meetings and discussions, Dr. Perry Renshaw and Dr. Deborah Yurgelun-Todd, from the VA MIREC center in Salt Lake City, were identified as the best clinical researchers into veteran suicides and they agreed to become Principal Investigators (PIs) for the clinical program. They in turn will recruit other VA researchers to become investigators at different VA clinical facilities across the country. To help speed up the process, Quoin is working closely with representatives from NAVREV who are providing resources to navigate Confidentiality Agreements, Independent Review Board approvals and other necessary requirements that need to be formalized for companies who wish to engage with the VA. This broad support is a reflection, Quoin believes, of the potential value that QRX002 could bring to military veterans, a value which has been recognized by the VA. Quoin has not entered into any formal agreement with the VA nor is the VA obligated to participate in any studies.

It is intended that Phase 2 and Phase 3 testing for QRX002 will be conducted by VA researchers at VA facilities across the country under the direct supervision of Dr. Renshaw and Dr. Yurgelun-Todd. Quoin plans to fund the Phase 2 testing out of the proceeds of the private placement that it is pursuing in conjunction with the Skinvisible merger. Working closely with the VA in this manner will provide for a far more efficient and cost-effective clinical development program than if Quoin were to attempt to do so outside the auspices of an arrangement with the VA

Principal Stockholders of Quoin

The principal stockholders of Quoin are its co-founders, Dr. Michael Myers and Ms. Denise Carter, each of whom hold a 50% share of Quoin.

Assets and Liabilities of Quoin

As indicated below in Quoin's financial statements, Quoin currently has limited assets beyond the equity in the Polytherapeutics subsidiary and access to the Polytherapeutics technology. Quoin intends to utilize the existing assets of Skinvisible, the Polytherapeutics technology and the proceeds from the Private Placement to rapidly pursue the strategy outlined above.

Quoin has entered into employment agreements with Dr. Michael Myers and Ms. Denise Carter. Pursuant to these employment agreements, Quoin has agreed to cover the costs incurred by Dr. Michael Myers and Ms. Denise Carter while founding Quoin including salary and other benefits that would have otherwise been paid and developing Quoin, acquiring the Polytherapeutics technology and pursuing the Merger with Skinvisible.

The current total amount to be reimbursed is \$1,004,225 to Dr. Michael Myers and \$1,082,604 to Ms. Denise Carter.

Quoin does not expect to pay these amounts until it has obtained sufficient funds from private placements and partnership agreements. No payments will be made to them for such amounts from the Private Placement associated with the merger with Skinvisible.

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QUOIN PHARMACEUTICALS, INC.

FINANCIAL STATEMENTS

(UNAUDITED)

QUOIN PHARMACEUTICALS, INC.

BALANCE SHEET

AS OF JUNE 30, 2018

(UNAUDITED)

ASSETS	June 30, 2018
Current assets	
Cash	\$ 100
Total current assets	100
Intangible asset, net	40,152
Total assets	\$40,252
LIABILITIES AND STOCKHOLDERS' DEFICIT	
Current liabilities	
Accounts payable and accrued liabilities	\$454,076
Amounts due to officers	2,117,413
Total current liabilities	2,571,489
Total liabilities	2,571,489
Stockholders' deficit	
Common stock; \$0.001 par value;	1
Additional paid-in capital	99
Accumulated deficit	(2,531,337)
Total stockholders' deficit	(2,531,237)
Total liabilities and stockholders' deficit	\$40,252

The accompanying notes are an integral part of these unaudited financial statements

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QUOIN PHARMACEUTICALS, INC.

STATEMENT OF OPERATIONS

FROM INCEPTION(MARCH 5, 2018) THROUGH JUNE 30, 2018

(UNAUDITED)

Revenues	\$—
Cost of revenues	—
Gross profit	—
Operating expenses	
Research and development	67,077
Selling general and administrative	2,464,260
Total operating expenses	2,531,337
Loss from operations	(2,531,337)
Other income and (expense)	—
Net loss	\$(2,531,337)

The accompanying notes are an integral part of these unaudited financial statements

Table of Contents**QUOIN PHARMACEUTICALS, INC.****STATEMENT OF CASHFLOWS****FROM INCEPTION(MARCH 5, 2018) THROUGH JUNE 30, 2018****(UNAUDITED)**

Cash flows from operating activities:	
Net loss	\$(2,531,337)
Changes in operating assets and liabilities:	
Increase in amounts due to officers	2,117,413
Increase in accounts payable and accrued liabilities	454,076
Net cash used in operating activities	40,512
Cash flows from investing activities:	
Investments in intangible assets	(40,512)
Net cash used in investing activities	(40,512)
Cash flows from financing activities:	
Proceeds from sales of common stock	100
Net cash provided by (used in) financing activities	100
Net change in cash	100
Cash, beginning of period	—
Cash, end of period	\$100

The accompanying notes are an integral part of these unaudited financial statements

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QUOIN PHARMACEUTICALS, INC.

NOTES TO FINANCIAL STATEMENTS

(UNAUDITED)

1. ORGANIZATION AND LINE OF BUSINESS

Organization

Quoin Pharmaceuticals, Inc. (“Quoin”, “we”, “our”, the "Company") was incorporated in Delaware on March 5, 2018 (“Inception”), and began operations. The Company was established as an early stage preclinical, specialty pharmaceutical company dedicated at such time to developing products that help address major societal issues including the opioid epidemic and the military veteran suicide rate. Quoin’s products are at a preclinical stage of development. Quoin has not initiated any formal clinical testing of its products nor has it held any discussions with the FDA or any other regulatory agency about these products.

On March 24, 2018, the Company entered into an acquisition agreement with Polytherapeutics pursuant to which the Company acquired all the outstanding equity interest in Polytherapeutics and all the intellectual property related to Seller.

Line of Business

To date, the Company has not commercialized any products and has not generated any revenue. The majority of the Company’s operating expenses thus far have been associated with establishing the corporation, completing due diligence on various technologies, a business acquisition, negotiating and finalizing the merger agreement with Skinvisible, Inc., and building its pipeline of preclinical product candidates.

2. BASIS OF PRESENTATION AND GOING CONCERN

The accompanying unaudited interim consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim period

presented have been reflected herein. The results of operations for the interim period are not necessarily indicative of the results to be expected for the full year.

Going concern – The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred cumulative net losses of \$2,286,765 since its inception and requires capital for its contemplated operational and marketing activities to take place. Although an investment banker has been engaged for the pursuit for additional capital funding and the Company will continue to seek funds through debt or equity financings, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements, or other sources of financing the Company's ability to raise additional capital is unknown. Obtaining additional financing, the successful development of the Company's contemplated plan of operations, and its transition, ultimately, to the attainment of profitable operations are necessary for the Company to continue operations. If the Company is unable to raise additional funds, development of its product candidates may be impaired and be forced to delay, reduce, or terminate some or all of its development programs. The ability to successfully resolve these factors raises substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements of the Company do not include any adjustments that may result from the outcome of these aforementioned uncertainties.

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3. SUMMARY OF SIGNIFICANT POLICIES

This summary of significant accounting policies of Quoin Pharmaceuticals Inc. is presented to assist in understanding the Company's consolidated financial statements. The consolidated financial statements and notes are representations of the Company's management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the consolidated financial statements.

Principles of Consolidation – The accompanying consolidated financial statements include the accounts of Quoin Pharmaceuticals Inc., and its wholly owned subsidiary Polytherapeutics, Inc. All material intercompany transactions have been eliminated upon consolidation of these entities.

Use of estimates – The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Actual results could materially differ from those estimates. Management considers many factors in selecting appropriate financial accounting policies and controls, and in developing the estimates and assumptions that are used in the preparation of these consolidated financial statements. Management must apply significant judgment in this process. In addition, other factors may affect estimates, including: expected business and operational changes, sensitivity and volatility associated with the assumptions used in developing estimates, and whether historical trends are expected to be representative of future trends. The estimation process often may yield a range of potentially reasonable estimates of the ultimate future outcomes and management must select an amount that falls within that range of reasonable estimates. This process may result in actual results differing materially from those estimated amounts used in the preparation of the consolidated financial statements. Estimates are used in the following areas, among others: research and development expenses, general and administrative expenses and accrued expenses and liabilities.

Cash and cash equivalents – For purposes of the statement of cash flows, the Company considers all highly liquid investments and short-term debt instruments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents are held in depository and money market accounts and are reported at fair value. As of June 30, 2018, the Company had \$100 in cash held at a bank.

Concentration Risk – At times throughout the year, the Company may maintain cash balances in certain bank accounts in excess of FDIC limits. As of June 30, 2018, the cash balance in excess of the FDIC limits was \$0. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk in these accounts.

Fair Value of Financial Instruments – The carrying amounts reflected in the balance sheets for cash, accounts payable and accrued expenses approximate the respective fair values due to the short maturities of these items. The Company does not hold any investments that are available-for-sale.

As required by the Fair Value Measurements and Disclosures Topic of the FASB ASC, fair value is measured based on a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

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Earnings (loss) per share – The Company reports earnings (loss) per share in accordance with Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) 260-10 “*Earnings Per Share*,” which provides for calculation of “basic” and “diluted” earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income or loss available to common stockholders by the weighted average common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. The calculation of diluted net loss per share gives effect to common stock equivalents; however, potential common shares are excluded if their effect is anti-dilutive.

Indefinite Lived Intangibles and Goodwill Assets – The Company accounts for business combinations under the acquisition method of accounting in accordance with ASC 805, “Business Combinations,” where the total purchase price is allocated to the tangible and identified intangible assets acquired and liabilities assumed based on their estimated fair values. The purchase price is allocated using the information currently available, and may be adjusted, up to one year from acquisition date, after obtaining more information regarding, among other things, asset valuations, liabilities assumed and revisions to preliminary estimates. The purchase price in excess of the fair value of the tangible and identified intangible assets acquired less liabilities assumed is recognized as goodwill.

The Company tests for indefinite lived intangibles and goodwill impairment in the fourth quarter of each year and whenever events or circumstances indicate that the carrying amount of the asset exceeds its fair value and may not be recoverable. As of June 30, 2018, the Company did not have any indefinite lived intangibles or goodwill.

Long-lived Assets – In accordance with the Financial Accounting Standards Board (“FASB”) Accounts Standard Codification (ASC) ASC 360-10, “Property, Plant and Equipment,” the carrying value of intangible assets and other long-lived assets is reviewed on a regular basis for the existence of facts or circumstances that may suggest impairment. The Company recognizes impairment when the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset. Impairment losses, if any, are measured as the excess of the carrying amount of the asset over its estimated fair value. During the nine months ended June 30, 2018 the Company recorded an impairment expense of \$0.

Business Combinations

The Company allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired customer lists, acquired technology, and trade names from a market participant perspective, useful lives and discount rates. Management’s estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period, which is one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings.

Income taxes – The Company accounts for its income taxes in accordance with FASB Codification Topic ASC 740-10, “*Income Taxes*”, which requires recognition of deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Recently issued accounting pronouncements – The Company has evaluated all recent accounting pronouncements through ASU 2018-15, and believes that none of them will have a material effect on the Company's financial position, results of operations or cash flows except as discussed below.

Revenue from Contracts with Customers. In May 2014, the FASB issued Accounting Standards Update No. 2014-09 (“ASU 2014-09”), which supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle and, in doing so, more judgment and estimates may be required within the revenue recognition process than are required under existing U.S. GAAP. Additionally, the new guidance requires enhanced disclosures about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including revenue recognition policies to identify performance obligations, assets recognized from costs incurred to obtain and fulfill a contract, and significant judgments in measurement and recognition.

In July 2015, the FASB made a decision to defer the effective date of the new standard for one year and permit early adoption as of the original effective date. The new standard will be effective for the Company as of January 1, 2019. The Company is currently evaluating the impact of the adoption of this standard on its revenue recognition policy.

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4. BUSINESS ACQUISITIONS

Acquisition of Polytherapeutics, Inc.

Acquisition agreement

On March 24, 2018, the Company entered into a securities purchase agreement (the “Acquisition Agreement”) in which they agreed to acquire all of the equity interests in Polytherapeutics, Inc. (the “Seller or “Polytherapeutics”) and for \$40,833 and future royalties. Under the agreement the Company also committed to pay royalties to the Seller provided the Company commercializes products using the product candidates developed by the Seller. The terms of any royalty payments to the Seller are as follows: 4.0% of the net revenue of royalty products received by Quoin during the ten (10) year period commencing from the date of first sale of a royalty product. For the avoidance of doubt, royalty payments will only be due on royalty products that entered clinical development before March 31, 2021. If a generic product is introduced by a third party to the market, during the royalty period, the royalty fees shall be reduced from 4% to 2%. If, during the royalty period, two or more generic products are introduced, the royalty fees shall be reduced from 2% to 0%. Generic product means any product approved by the FDA or another applicable domestic or foreign regulatory authority to be deemed generically equivalent to the royalty product irrespective of its formulation.

Research and consulting agreement

The Company further agreed to enter into a research and consulting agreement (the “Research Agreement”) under this agreement the Company committed to pay the former owner of the Seller (the “Consultant”) for continued research and development of the intellectual property owned by the seller at the date of acquisition. The agreement requires monthly consulting payments of \$20,833 beginning on July 31, 2018 and ending February 28, 2021 (the “Post-Closing Period”) for a total commitment of \$666,667 over the consulting period. Under the agreement the consultant committed to provide research consulting services beginning on March 24, 2018 and ending on the last day of the post-Post-Closing Period to develop the Company’s lead product candidates for clinical testing. The Company will not be required to make the monthly payments under the consulting agreement if the Seller has stopped providing consulting services as described in the research consulting agreement.

Remedy for default under agreements

If the Company fails to make monthly payments under the Consulting Agreement or royalty payments, the Seller has the option to buy back all the rights to product covered by the Acquisition Agreement for \$1.00 and the Buyer is no longer required to make the remaining payments during the Post-Closing Period. Further, if the Company fails to enter a product covered by the Acquisition Agreement into clinical development by the end of the Post-Close Period, the Seller has the option to buy the rights to commercialize said products for \$100,000.

Assets acquired

At the time of the acquisition, Polytherapeutics had no assets or liabilities other than the intellectual property which consisted of non-patented trade secrets and associated research data, the Company lacked the necessary inputs and processes to meet the definition of a business in accordance with 805-10, as a result the acquisition was accounted for as an asset purchase and recorded at the transactions fair value in accordance with ASC 820-10-30. The Company allocated the entire purchase price to the trade secrets and associated product formulations as of the date of acquisition. At the acquisition date the allocation of the purchase price consisted of the following:

Trade secrets and product formulation	40,833
Total purchase price	\$40,833

Merger agreement with Skinvisible, Inc.

On March 26, 2018, Quoin Pharmaceuticals, Inc., (the “***Company***”), and Quoin Merger Sub, Inc. (“***Merger Sub***”) entered into an Agreement and Plan of Merger (the “***Merger Agreement***”) with Skinvisible, Inc. (“***Parent***”) and a Delaware corporation and wholly-owned subsidiary of Parent.

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The Merger Agreement provides that, subject to the terms and conditions set forth in the Merger Agreement, Merger Sub will merge with and into the Company (the “*Merger*”), with the Company surviving the Merger as a wholly-owned subsidiary of Parent. At the effective time of the Merger, the issued and outstanding common shares of the Company (“*Company Common Shares*”) will automatically be converted into the right to receive approximately 72.5% of the outstanding equity of Parent (the “*Merger Consideration*”). Existing Parent shareholders will have a right to the remaining 27.5% of the outstanding equity of Parent, which is subject to diminution if certain indebtedness of Parent is not converted into Parent Common Stock.

Each of the Company, Parent, and Merger Sub has made various representations and warranties and agreed to certain covenants in the Merger Agreement. Parent also has agreed to other covenants in the Merger Agreement, including, without limitation, to cause a special meeting of Parent’s shareholders to be held as promptly as practicable to consider and approve the Merger Agreement and the Merger, along with the issuance of the shares of Parent Common Stock in connection with the Merger and a Charter Amendment, including a name change and reverse stock split, and to file a proxy statement with the Securities and Exchange Commission (“*SEC*”) relating to such special meeting.

The Merger Agreement contains customary no-solicitation covenants restricting Parent and the Company from soliciting, encouraging, or discussing alternative acquisition proposals from third parties.

Consummation of the Merger is subject to the satisfaction or, if permitted by applicable law, waiver, by Parent, the Company, or both of various conditions, including, without limitation, (i) approval of the Merger Agreement and the Merger by both the Company’s and Parent’s respective shareholders; (ii) a definitive agreement shall have been executed that provides that Parent shall receive an aggregate of at least \$10,000,000 of gross proceeds within five (5) days of the closing of the Merger; (iii) the accuracy of the parties’ respective representations and warranties and the performance of their respective obligations under the Merger Agreement; (iv) the absence of the occurrence of a material adverse effect with respect to the Company between the date of the Merger Agreement and closing; (v) the Parent’s shareholders shall have approved the Charter Amendment ; (vi) the absence of any law, order, or legal injunction which prohibits the consummation of the Merger or any of the transactions contemplated by the Merger Agreement; and (vii) certain other customary conditions.

The Merger Agreement contains certain termination rights in favor of the parties, as set forth therein, including, among other things, the right of either party, subject to specified limitations, to terminate the Merger Agreement if the Merger is not consummated by October 31, 2018. Upon the termination of the Merger Agreement under specified circumstances, including the termination of the Merger Agreement by Parent to enter into an acquisition proposal in accordance with the terms of the Merger Agreement made by a third party, Parent may be required to pay the Company a termination fee of up to \$300,000.

The Merger Agreement, the Merger, and the transactions contemplated thereby were unanimously approved by the board of directors of the Parent, and unanimously approved by the board of directors of the Company. Both the board of directors of the Company and Parent have recommended that their respective shareholders approve the Merger Agreement and the Merger.

The Merger is expected to close as soon as practicable after the satisfaction or waiver of all the conditions to the closing in the Merger Agreement, which is currently expected to be in the third quarter of calendar year 2018.

5. INTANGIBLE ASSETS

Patents and trademarks and other intangible assets are capitalized at their historical cost and are amortized over their estimated useful lives. As of June 30, 2018, intangible assets total \$40,833, net of \$681 of accumulated amortization.

Amortization expense from inception to June 30, 2018 \$681.

6. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses were \$454,076 as of June 30, 2018. They consist primarily of accrued consulting expenses related to the Research Agreement and legal costs associated with establishing the corporation, completing due diligence on various technologies, acquiring Polytherapeutics and negotiating the Merger Agreement with Skinvisible.

As of June 30, 2018, accounts payable and accrued expenses were \$454,076.

7. RELATED PARTY TRANSACTIONS

On March 9, 2018, the Company executed employment agreements with both of its officers/founders. The agreements outline salaries and benefits allowances to be paid to the officers/founders in connection with their efforts in the set-up and operations of the Company. The effective date of the employment agreements for both officers/founders is March 9, 2018 (the "Effective Date") but the agreements allow for a onetime expense that covers the salaries they would have otherwise been paid for efforts they undertook in the years ending December 31, 2016 and 2017, prior to the inception date. The salaries and benefits allowances provided for under the employment agreements began to accrue as of the Effective Date as the services were being provided by the officers/founders. All amounts due to the officers/founders under the employment agreements have been deferred as Amounts due to Officers included in the current liabilities section of the balance sheet (Note 6).

Amounts due to officers

Amounts due to officers/founders consists of amounts guaranteed in the employment agreements which consists of salaries, allowances and benefits be paid the officers in connection with the set-up and operations of the Company from prior to Inception to June 30, 2018. Other amounts due to officers/founders also includes reimbursable travel and other miscellaneous amounts paid to third parties on behalf of the Company.

Amounts due to officers at June 30, 2018 consisted of the following:

Salaries, allowances and benefits	\$1,766,118
Reimbursable travel	290,354
Miscellaneous advances and expenses	60,940
Total amount due to officers	\$2,117,412

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8. COMMITMENTS AND CONTINGENCIES

The Company entered into a research consulting agreement with a founder of Polytherapeutics at the time of the acquisition of Polytherapeutics. (see Note 4 for additional details). The Consultant committed to provide research consulting services beginning on March 24, 2018 through February 28, 2021 (the “Service Period”) to develop the Company’s lead product candidates for clinical testing. It is expected that the research consulting services will be provided evenly over the Service Period. From March 5, 2018 (inception) to June 30, 2018, the Company recognized \$67,077 in research and development consulting expense. The Company will not be required to make the monthly payments under the Consulting Agreement if the Consultant stops providing consulting services as described in the research consulting agreement. The Seller and the Company have signed an agreement that defers the first payment of \$20,833 until October 31, 2018.

Minimum payments under the consulting agreement as of June 30, 2018 due by year are as follows:

2018	\$ 124,998
2019	249,996
2020	249,996
2021	41,677
	\$ 666,667

9. SHAREHOLDERS DEFICIT**Overview**

The Company’s authorized capital stock consists of 10,000 shares of common stock. As of June 30, 2018, there were 100 shares of common stock issued and outstanding.

Description of Common Stock

The Company’s common stock is entitled to one vote per share on all matters submitted to a vote of the stockholders, including the election of directors. Except as otherwise required by law or provided in any resolution adopted by the Company’s board of directors with respect to any series of preferred stock, the holders of common stock will possess all voting power. Generally, all matters to be voted on by stockholders must be approved by a majority (or, in the case of election of directors, by a plurality) of the votes entitled to be cast by all shares of common stock that are present in person or represented by proxy, subject to any voting rights granted to holders of any preferred stock. Holders of the Company’s common stock representing fifty percent (50%) of the Company’s capital stock issued, outstanding and entitled to vote, represented in person or by proxy, are necessary to constitute a quorum at any meeting of stockholders. A vote by the holders of a majority of the Company’s outstanding shares is required to effectuate certain fundamental corporate changes such as a liquidation, merger or an amendment to the Company’s articles of incorporation.

Subject to any preferential rights of any outstanding series of preferred stock created by the Company's board of directors from time to time, the holders of shares of common stock will be entitled to such cash dividends as may be declared from time to time by the Company's board of directors from funds available therefor.

Subject to any preferential rights of any outstanding series of preferred stock created from time to time by the Company's board of directors, upon liquidation, dissolution or winding up, the holders of shares of common stock will be entitled to receive pro rata all assets available for distribution to such holders.

In the event of any merger or consolidation of the Company with or into another company in connection with which shares of the Company's common stock are converted into or exchangeable for shares of stock, other securities or property (including cash), all holders of the Company's common stock will be entitled to receive the same kind and amount of shares of stock and other securities and property (including cash). Holders of the Company's common stock have no pre-emptive rights, no conversion rights and there are no redemption provisions applicable to the Company's common stock.

Common Stock issuances

On March 5, 2018, in connection with the incorporation as a Delaware corporation, the Company issued 100 shares at \$1.00 per share split equally to the its two founders and officers of the Company.

10. SUBSEQUENT EVENTS

In accordance with ASC Topic 855-10, the Company has analyzed its operations subsequent to June 30, 2018 to the date these financial statements were available to be issued and has determined that it does not have any material subsequent events to disclose in these financial statements other than the items disclosed below.

On, July 30, 2018 Polytherapeutics, Inc and the Company signed an agreement that deferred the first payment of \$20,833 due under the research consulting agreement from July 31, 2018 to October 31, 2018.

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QUOIN MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of Quoin's financial condition and results of operations together with the section entitled "Selected Historical and Unaudited Pro Forma Condensed Combined Financial Data — Selected Historical Financial Data of Quoin" and Quoin's consolidated financial statements and related notes included elsewhere in this proxy statement/information statement. This discussion and other parts of this proxy statement/information statement contain forward-looking statements that involve risks and uncertainties, such as its plans, objectives, expectations, intentions and beliefs. Quoin's actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section entitled "Risk Factors Related to Quoin" included elsewhere in this proxy statement/information statement.

Company Overview

Quoin Pharmaceuticals Inc. was established in March 2018 as a development stage specialty pharmaceutical company. To date, Quoin has not commercialized any products and has not generated any revenue. The majority of Quoin's operating expenses thus far have been associated with the establishing the corporation, completing due diligence on various technologies, acquiring Polytherapeutics, negotiating and finalizing the merger agreement with Skinvisible, and building its pipeline products. Quoin has been funded privately by its' founders. Estimated outstanding payables and expenses include \$1,004,225 to Dr. Myers and \$1,082,604 to Ms. Carter. Quoin also has outstanding legal fees payable to Dentons of \$375,000.

Quoin does not own or lease any real property. Quoin has not been involved in any legal proceedings.

Recent Developments

Quoin Pharmaceuticals, Inc. was incorporated as a Delaware corporation on March 5, 2018. On March 5, 2018, Quoin issued 50 shares to each of Dr. Myers and Ms. Carter for a nominal purchase price of \$1.00 per share.

On March 24, 2018, the Company entered into a securities purchase agreement (the "Acquisition Agreement") in which they agreed to acquire all of the equity interests in Polytherapeutics, Inc. (the "Seller or "Polytherapeutics") for \$40,833 and future royalties. Under the agreement, the Company agreed to pay royalties to the Seller provided the Company commercializes products using the product candidates developed by the Seller. The terms of any royalty payments to the Seller are as follows: 4.0% of the net revenue of royalty products received by Quoin during the ten (10) year period commencing from the date of first sale of a royalty product. For the avoidance of doubt, royalty payments will only be due on royalty products that entered clinical development before March 31, 2021. If a generic product is introduced by a third party to the market, during the royalty period, the royalty fees shall be reduced from 4% to 2%. If, during the royalty period, two or more generic products are introduced, the royalty fees shall be reduced from 2% to 0%. Generic product means any product approved by the FDA or another applicable domestic or foreign regulatory authority to be deemed generically equivalent to the royalty product irrespective of its formulation. The Company further agreed to enter into a research and consulting agreement (the "Research Agreement") which the Company agreed to pay the former owner of the Seller (the "Consultant") for continued research and development of the intellectual property owned by the Seller at the date of acquisition. The agreement requires monthly consulting payments of \$20,833 beginning on July 31, 2018 and ending February 28, 2021 (the "Post-Closing Period") for a total commitment of \$666,667 over the consulting period. Under the agreement, the consultant agreed to provide research consulting services beginning on March 24, 2018 and ending on the last day of the post-Post-Closing Period to develop the Company's lead product candidates for clinical testing. The Company will not be required to make the monthly payments under the consulting agreement if the Seller has stopped providing consulting services as described in the

research consulting agreement.

If the Company fails to make monthly payments under the Consulting Agreement or royalty payments, the Seller has the option to buy back all the rights to product covered by the Acquisition Agreement for \$1.00 and the Buyer is no longer required to make the remaining payments during the Post-Closing Period. Further, if the Company fails to enter a product covered by the Acquisition Agreement into clinical development by the end of the Post-Close Period, the Seller has the option to buy the rights to commercialize said products for \$100,000.

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On March 26, 2018 Quoin entered into the Merger Agreement with Skinvisible and Merger Sub, pursuant to which, among other things, subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement, that a wholly owned subsidiary of Merger Sub will merge with and into Quoin, with Quoin becoming a wholly-owned subsidiary of Skinvisible and the surviving corporation of the merger, to be renamed Quoin Pharmaceuticals, Inc. At the closing of the Merger, each outstanding share of Quoin's common stock will be converted into the right to receive a number of shares of common stock of Skinvisible such that immediately following the effective time of the Merger, Quoin's equity holders are expected to own approximately 72.5% of the outstanding capital stock of the combined company, with Skinvisible's preexisting equity holders expected to own approximately 27.5%. This Exchange Ratio is subject to adjustment as described above.

In conjunction with the Merger, Quoin intends to pursue a capital raise of \$15 million and has engaged Northland Securities as its investment bank for the raise.

The Merger is condition upon Quoin executing a definitive agreement to effect a private placement of shares of the Combined Company's common stock for an aggregate of at least \$10 million of gross proceeds, to be received by the Combined Company within five (5) days of the Effective Time of the Merger, which we refer to as the "Private Placement."

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements. The preparation of these financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires us to (i) make judgments, assumptions and estimates that affect the reported amounts of assets, liabilities, revenue and expenses; and (ii) disclose contingent assets and liabilities. A critical accounting estimate is an assumption that could have a material effect on our consolidated financial statements if another, also reasonable, amount were used or a change in the estimates is reasonably likely from period to period. We base our accounting estimates on historical experience and other factors that we consider reasonable under the circumstances. However, actual results may differ from these estimates. To the extent there are material differences between our estimates and the actual results, our future financial condition and results of operations will be affected.

Liquidity and Capital Resources

Sources of Liquidity

Quoin has been funded privately by its' founders. Estimated outstanding payables and expenses are \$1,004,225 to Dr. Myers and \$1,082,604 to Ms. Carter. Quoin also has outstanding legal fees payable to Dentons of \$375,000.

As of June 30, 2018 , Quoin had no cash. Quoin expects to incur substantial expenditures in the foreseeable future for the development and clinical trials of its QRX001 and QRX002 product candidates. Quoin will need to complete the Private Placement and will require additional financing to develop its product candidates and fund operations for the foreseeable future. Quoin will continue to seek funds through debt or equity financings, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements, or other sources of financing. If Quoin is unable to raise additional funds when needed its ability to develop its product candidates may be impaired. Quoin may also be required to delay, reduce, or terminate some or all of its development programs and clinical trials.

Financing Activities

Quoin has been funded privately by its' founders.

Future Funding Requirements

Quoin has not generated any revenue from product sales or any other activities. Quoin does not expect to generate significant revenue unless and until it obtains regulatory approval of and commercializes any of its product candidates and does not know when, or if, this will occur. In addition, Quoin expects its expenses to significantly increase in connection with its ongoing development activities, particularly as it continues the research, development and clinical trials of, and seeks regulatory approval for, its product candidates. In addition, subject to obtaining regulatory approval of its product candidates, Quoin expects to incur significant commercialization expenses for product sales, marketing, manufacturing and distribution. Quoin anticipates that it will need substantial additional funding in connection with its continuing operations.

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Contractual Obligations and Commitments

As of June 30, 2018, estimated outstanding payables and expenses are \$1,004,225 to Dr. Myers and \$1,082,604 to Ms. Carter. Quoin also has outstanding legal fees payable to Dentons of \$375,000.

Quoin has employment agreements with certain executives of Quoin, which Quoin refers to as the Executive Agreements. Under the terms of the Executive Agreements, Quoin has agreed to reimburse these executives for the funds expended in connection with the formation of Quoin.

The Company entered into a research consulting agreement with a founder of Polytherapeutics at the time of the acquisition of Polytherapeutics. (See Note 4 in the notes to the financial statements of Quoin Pharmaceuticals, Inc. for additional details). The Consultant committed to provide research consulting services beginning on March 24, 2018 through February 28, 2021 (the “Service Period”) to develop the Company’s lead product candidates for clinical testing. It is expected that the research consulting services will be provided evenly over the Service Period. From March 5, 2018 (inception) to June 30, 2018, the Company recognized \$67,077 in research and development consulting expense. The Company will not be required to make the monthly payments under the Consulting Agreement if the Consultant stops providing consulting services as described in the research consulting agreement. The Seller and the Company have signed an agreement that defers the first payment of \$20,833 until October 31, 2018.

Minimum payments under the consulting agreement as of June 30, 2018 due by year are as follows:

2018	\$ 124,998
2019	249,996
2020	249,996
2021	41,677
	\$666,667

Off-Balance Sheet Arrangements

As of June 30, 2018, Quoin had no off-balance sheet arrangements as defined in Item 303(a)(4) of Regulation S-K as promulgated by the SEC.

Quantitative and Qualitative Disclosures About Market Risk

Quoin is not exposed to any hedging, currency or market rate risks.

Market Price and Dividends

Quoin has never declared or paid any dividends.

Quoin has issued 50 nominal shares to each of Dr. Myers and Ms. Carter for a purchase price of \$1.00 per share in connection with its incorporation on March 5, 2018.

PRINCIPAL STOCKHOLDERS OF QUOIN

The following table and the related notes present information on the beneficial ownership of shares of Quoin’s capital stock as of May 6, 2018 held by:

- each director of Quoin;
- each executive officer of Quoin;
- all of Quoin’s current directors and executive officers as a group; and
- each stockholder known by Quoin to beneficially own more than five percent of its common stock on an as converted basis.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the securities. Shares of common stock that may be acquired by an individual or group within 60 days of May 6, 2018, pursuant to the exercise of options or warrants, are deemed to be outstanding for the purpose of computing the percentage ownership of such individual or group, but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person shown in the table.

Except as indicated in footnotes to this table, Quoin believes that the stockholders named in this table have sole voting and investment power with respect to all shares of common stock shown to be beneficially owned by them, based on information provided to Quoin by such stockholders. Unless otherwise indicated, the address for each stockholder listed is: c/o Quoin Pharmaceuticals, Inc., 42127 Pleasant Forest Court, Ashburn, VA 20148.

Name and Address of Beneficial Owner	Shares Beneficially Owned	Percent of Outstanding
Principal Stockholders:		
Dr. Michael Myers	50	50%
Denise Carter	50	50%
Directors and Named Executive Officers:		
Dr. Michael Myers	50	50%
Denise Carter	50	50%
All directors and executive officers as a group (2 persons)	100	100%

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MANAGEMENT FOLLOWING THE MERGER

Executive Officers and Directors of the Combined Company Following the Merger

The board of directors of Skinvisible (the “Skinvisible Board”) is currently composed of two directors. Pursuant to the Merger Agreement, all of the directors of Skinvisible will resign at or prior to the Effective Time of the Merger. As of the Effective Time of the Merger, the board of directors is expected to consist of six members, including Dr. Michael Myers and Denise Carter, who are currently directors and officers of Quoin, Peter Lankau and Dr. Dennis Langer. Mr. Lankau and Dr. Langer are experienced pharmaceutical executives who sit on the boards of other private and publicly traded companies. Within a few months after the completion of the Merger, Quoin intends to appoint two additional directors with extensive pharmaceutical industry experience to the Combined Company’s board of directors.

Terry Howlett is married to Doreen McMorran. There are no other family relationships among any of the current Skinvisible directors and executive officers, and there are no other family relationships among any of the proposed post-merger company directors and executive officers.

Following the Merger, the management team of Skinvisible is expected to be composed of the management team of Quoin. The following table lists the names, ages as of April 30, 2018 and positions of the individuals who are expected to serve as executive officers and directors of Skinvisible upon completion of the Merger:

Name	Age	Position(s)
Dr. Michael Myers	56	Chief Executive Officer and Director
Denise Carter	49	Chief Operating Officer and Director
Terry H. Howlett	70	General Manager - Legacy Products
Doreen McMorran	56	Manager, Marketing – Legacy Products

Directors and Executive Officers

Dr. Michael Myers, *Chief Executive Officer and Director*. Dr. Myers has more than 30 years of industry experience in the drug delivery and specialty pharmaceutical sectors. He has served CEO of Innocoll, Inc. and was responsible for taking that company public in 2014. He has also served as president of the drug delivery division of West Pharmaceutical Services, president of pharmaceutical operations for Fuisz Technologies (Biovail) and has held executive positions in Flamel Technologies and Elan Corporation. Dr. Myers earned his Ph.D. in Chemistry from the University College Cork. Dr. Myers serves on the Board of Directors of Wellesley Pharmaceuticals, Venkor Pharmaceuticals and Sonoran Biosciences.

Denise Carter, *Chief Operating Officer and Director*. Ms. Denise Carter has over 27 years of experience in the drug delivery and specialty pharmaceutical industries. Prior to Quoin, Ms. Carter was executive vice president of business development and corporate affairs at Innocoll, Inc., vice president of business development of the drug delivery division of West Pharmaceuticals, and she has held executive positions at Eurand and Fuisz Technologies (Biovail.) Ms. Carter earned her B.S in Chemistry from the College of William and Mary.

Terry H. Howlett, *General Manager - Legacy Products*. Mr. Terry H. Howlett, has served as the President, Chief Executive Officer and Director of Skinvisible since March 5, 1998. Mr. Howlett has a diversified background in market initialization and development, sales and venture capital financing for emerging growth companies. For the ten years prior to becoming President of Skinvisible, Mr. Howlett was the President and CEO of Voice-it Solutions, Inc., a publicly traded company on the Vancouver Stock exchange that made voice response software for order entry systems.

Doreen McMorran, *Manager, Marketing – Legacy Products*. Doreen McMorran, is currently the head of Business Development for Skinvisible. Ms. McMorran brings to Skinvisible almost 20 years of experience in the medical and pharmaceutical industry, specifically in the areas of strategic planning, sales and marketing. She has spent a number of years selling to international dermatology and skincare focused companies like Procter and Gamble, Johnson & Johnson, Stiefel, Galderma, Novartis and Graceway, to name a few. Ms. McMorran, who holds a Bachelor of Commerce (Honors) degree, and spent six years in the pharmaceutical industry with Astra Pharma. Additionally, she has held senior management level positions with a number of healthcare companies, focusing on business development, sales, marketing and operations.

Dennis H. Langer, *Director*. Dr. Langer is a Director of Myriad Genetics, Inc., Dicerna Pharmaceuticals, Inc., Pernix Therapeutics Holdings, Inc., and several private health care companies. He has served as a Director of several public and private biotechnology, specialty pharmaceutical and diagnostic companies, including Sirna Therapeutics, Inc. (acquired by Merck & Co., Inc.), Ception Therapeutics, Inc. (acquired by Cephalon, Inc.), Transkaryotic Therapies, Inc. (acquired by Shire plc), Pharmacoepia, Inc. (acquired by Ligand, Inc.), Cytogen Corporation (acquired by EUSA Pharma, Inc.) and Delcath Systems, Inc. He was a Managing Partner at Phoenix IP Ventures, LLC from 2005-2010. From 2004-2005, he was President, North America for Dr. Reddy's Laboratories, Inc. Dr. Langer was with GlaxoSmithKline from 1994-2004, where he served as Senior Vice President, Project, Portfolio and Alliance Management, Senior Vice President, Product Development Strategy, and Senior Vice President, Healthcare Services R&D. He also served as President and CEO at Neose Technologies, Inc. from 1991-1994. Previously, Dr. Langer held R&D and marketing positions at Eli Lilly, Abbott, and Searle. Dr. Langer is a Clinical Professor in the Department of Psychiatry at Georgetown University School of Medicine. He was Chief Resident in Psychiatry at Yale University School of Medicine and held clinical fellowships at Harvard Medical School and the National Institutes of Health. Dr. Langer serves on the Dean's Advisory Board of Harvard Law School. He received an M.D. from Georgetown University School of Medicine, a J.D. (cum laude) from Harvard Law School, and a BA. in Biology from Columbia University.

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Peter Lankau, Director. Mr. Lankau is an experienced biopharmaceutical executive with over 30 years of management experience in developing and commercializing pharmaceutical products. Mr. Lankau was the President and Chief Executive Officer of Endo Pharmaceuticals Inc., and previously served as the company's President and Chief Operating Officer and as Senior Vice President, US Commercial Business. He was also a member of its Boards of Directors. Prior to Endo, Mr. Lankau was Vice President, Sales and Marketing for Alpharma, Inc. and Vice President, Sales-US Pharmaceuticals for Rhone-Poulenc Rorer, Inc (now Sanofi). Mr. Lankau is currently a member of the Board of Directors for Cipla Limited and for InvaGen Pharmaceuticals, Inc. He also currently serves on the Board of Advisors of Orchard Venture Partners, a life sciences venture capital firm. He has previously served as a member of the Board of Directors, and was formerly Chairman of the Board, for Phosphagenics Limited, and as a member of the Board of Directors for ANI Pharmaceuticals. He also previously served as Executive Chairman of the Board for Nautilus Neurosciences, Inc., and Chairman and CEO of Logical Therapeutics, Inc.

EXECUTIVE COMPENSATION OF QUOIN'S NAMED EXECUTIVE OFFICERS

This section discusses the material components of the executive compensation program offered to Quoin's named executive officers identified below.

2017 Summary Compensation Table

The following table provides information regarding Quoin's named executive officers during the fiscal year ended December 31, 2017.

Name and Principal Position	Year	Salary	Bonus	Option Awards ⁽¹⁾	Total (1)
Dr. Michael Myers <i>Chief Executive Officer</i>	2017	\$0	\$ 0	\$ 0	\$ 0
Ms. Denise Carter <i>Chief Operating Officer</i>	2017	\$0 ⁽²⁾	\$ 0	\$ 0	\$ 0

As Quoin has been funded privately by its' founders, it has not paid any salary or other compensation to date; however, Quoin has entered into employment agreements with Dr. Michael Myers and Ms. Denise Carter pursuant to which Quoin has agreed to reimburse Dr. Michael Myers and Ms. Denise Carter for all expenses incurred by them in founding Quoin, acquiring the Polytherapeutics technology and pursuing the Merger with Skinvisible. Estimated outstanding payables and expenses accrued and owed include \$1,004,225 to Dr. Myers and \$1,082,604 to Ms. Carter.

Narrative Disclosure to Summary Compensation Table

As Quoin has been funded privately by its' founders, Dr. Michael Myers and Ms. Denise Carter pursuant to which Quoin has agreed to pay Dr. Michael Myers and Ms. Denise Carter for all expenses incurred by them in founding and developing Quoin, acquiring the Polytherapeutics technology and pursuing the Merger with Skinvisible. Estimated outstanding payables and expenses include \$1,004,225 to Dr. Myers and \$1,082,604 to Ms. Carter.

Base Salary

Quoin has entered into employment agreements with Dr. Michael Myers and Ms. Denise Carter. Pursuant to the employment agreement with Dr. Michael Myers, Dr. Myers is entitled to receive a base salary of \$500,000 during the

term. Pursuant to the employment agreement with Ms. Denise Carter, Ms. Carter is entitled to receive a base salary of \$400,000 during the term.

Bonus

The Quoin Board may, in its discretion, award bonuses to its executive officers on a case-by-case basis. In addition, as described under the heading "Employment and Severance Agreements," each of the named executive officers is eligible under the terms of their respective employment agreements to receive an annual bonus amount based on Quoin's achievement of certain milestones, with a minimum bonus of thirty percent (30%) of base salary.

Health, Welfare and Additional Benefits

Each of Quoin's named executive officers is eligible to participate in Quoin's employee benefit plans and programs, including medical, dental and vision benefits, to the same extent as its other full-time employees, subject to the terms and eligibility requirements of those plans.

Quoin has not yet established any such plans and each of Quoin's named executive officers is responsible to pay for their own healthcare and Quoin has agreed to reimburse Quoin's named executive officers for all amounts paid for healthcare.

Although Quoin does not have a formal policy with respect to the grant of equity incentive awards to its executive officers or any formal equity ownership guidelines applicable to them, Quoin believes that equity grants provide its executives with a strong link to Quoin's long-term performance, create an ownership culture and help to align the interests of Quoin's executives and its stockholders.

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2017 Outstanding Equity Awards at Year-End

The following table presents the outstanding equity awards held by Quoin’s named executive officers as of December 31, 2017.

Name	Option Awards		Option Exercise price	Option Expiration date
	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Exercisable		
Dr. Michael Myers	0	0	\$ N/A	N/A
Ms. Denise Carter	0	0	\$ N/A	N/A

Employment and Severance Agreements

Quoin has entered into employment agreements with each of its named executive officers described below, and standard confidential information and/or inventions assignment agreements, under which each of its named executive officers has agreed not to disclose Quoin’s confidential information.

Pursuant to these employment agreements, each executive has agreed that, until such time as Quoin has sufficient funds to pay base salary and benefits, all base salary, office allowance and automobile allowance will accrue monthly.

Dr. Michael Myers

Quoin in entered into an executive employment agreement with Dr. Michael Myers in March of 2018.

Dr. Myers is entitled to an annual base salary of \$500,000. The agreement also provides that Dr. Myers is entitled to receive an automobile allowance of \$1,500 per month and a monthly office allowance of \$2,500.

Dr. Myers is eligible under the terms of his employment agreement to receive an annual bonus amounts based on Quoin’s achievement of certain milestones, with a minimum bonus of thirty percent (30%) of base salary.

Pursuant to his employment agreement, Mr. Myers has agreed that, until such time as Quoin has sufficient funds to pay base salary and benefits, all base salary, office allowance and automobile allowance will accrue monthly.

Denise Carter

Quoin in entered into an executive employment agreement with Ms. Denise Carter in March of 2018.

Ms. Carter is entitled to an annual base salary of \$400,000. The agreement also provides that Ms. Carter is entitled to receive an automobile allowance of \$1,500 per month and a monthly office allowance of \$2,500.

Ms. Carter is entitled to be fully reimbursed for all expenses and fees associated with the Executive MBA program at Wharton for which she is currently enrolled, including those incurred to date and all future expense incurred through the completion of the program.

Ms. Carter is eligible under the terms of her employment agreement to receive an annual bonus amounts based on Quoin's achievement of certain milestones, with a minimum bonus of thirty percent (30%) of base salary.

Pursuant to her employment agreement, Ms. Carter has agreed that, until such time as Quoin has sufficient funds to pay base salary and benefits, all base salary, office allowance and automobile allowance will accrue monthly.

Terry Howlett

Skinvisible entered into an executive employment agreement with Mr. Terry Howlett in March of 2018, which will become an obligation of the Combined Company after the closing.

Mr. Howlett is entitled to an annual base salary of \$180,000. The agreement also provides that Mr. Howlett is entitled to receive automobile reimbursement and a monthly living expense allowance of \$2,000.

Doreen McMorran

Skinvisible entered into an executive employment agreement with Ms. Doreen McMorran in March of 2018, which will become an obligation of the Combined Company after the closing.

Ms. McMorran is entitled to an annual base salary of \$140,000. The agreement also provides that Ms. McMorran is entitled to receive an automobile allowance of \$500 per month.

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Potential Payments Upon Termination of Employment or Change in Control

Pursuant to the terms of the executive employment agreement with Dr. Myers, upon termination of the agreement if Quoin does not renew the agreement for a reason unrelated to “cause” (as defined in the agreement), by Dr. Myers for “good reason” (as defined in the agreement”), or by Quoin for reasons other than “cause” (as defined in the agreements), death, or disability, liquidation or dissolution of Quoin, then, subject to Dr. Myers timely signing and not revoking a separation agreement and release of claims agreement, Dr. Myers would be entitled to receive:

base salary for two (2) years and two times the current years’ bonus (at its minimum target of 30% of base salary) for the current year, payable over one-year on a semi-monthly basis in accordance with Quoin’s normal payroll practices subject to withholdings and deductions.

Pursuant to the terms of the executive employment agreement with Ms. Carter, upon termination of the agreement if Quoin does not renew the agreement for a reason unrelated to “cause” (as defined in the agreement), by Ms. Carter for “good reason” (as defined in the agreement”), or by Quoin for reasons other than “cause” (as defined in the agreements), death, or disability, liquidation or dissolution of Quoin, then, subject to Ms. Carter timely signing and not revoking a separation agreement and release of claims agreement, Ms. Carter would be entitled to receive:

base salary for two (2) years and two times the current years’ bonus (at its minimum target of 30% of base salary) for the current year, payable over one-year on a semi-monthly basis in accordance with Quoin’s normal payroll practices subject to withholdings and deductions.

Pursuant to the terms of the executive employment agreement with Mr. Howlett, upon termination of the agreement other than for “cause” (as defined in the agreement), Mr. Howlett would be entitled to receive:

\$360,000, payable over one-year on monthly basis in accordance with normal payroll practices subject to withholdings and deductions.

Pursuant to the terms of the executive employment agreement with Ms. McMorran, upon termination of the agreement other than for “cause” (as defined in the agreement), Ms. McMorran would be entitled to receive:

\$140,000, payable over six-months on monthly basis in accordance with normal payroll practices subject to withholdings and deductions.

Indemnification of Officers and Directors

Effective upon the consummation of the Merger, Quoin will have entered into agreements to indemnify its directors, executive officers and other employees as determined by the board of directors. With specified exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys’ fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding. Quoin believes that the provisions in its Bylaws and indemnification agreements described above are necessary to attract and retain talented and experienced officers and directors.

Compensation of Directors, Executive Officers and Key Employees

For information regarding the compensation of Quoin’s directors and executive officers, please see the section entitled “Management Following the Merger — Director Compensation” in this proxy statement/information statement.

RELATED PARTY TRANSACTIONS

Described below are transactions occurring since March, 2018, and any currently proposed transactions to which Quoin was a party and in which:

- The amounts involved exceeded or will exceed \$120,000; and

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- A director, executive officer, holder of more than 5% of the outstanding capital stock of Quoin, or any member of such person's immediate family had or will have a direct or indirect material interest, other than compensation, termination and change of control arrangements that are described under the section titled "Executive Compensation" in this proxy statement/information statement.

Quoin has entered into employment agreements with Dr. Michael Myers and Ms. Denise Carter pursuant to which Quoin has agreed to pay Dr. Michael Myers and Ms. Denise Carter for all expenses incurred by them in founding and developing Quoin, acquiring the Polytherapeutics technology and pursuing the Merger with Skinvisible. Estimated outstanding payables and expenses include \$1,004,225 to Dr. Myers and \$1,082,604 to Ms. Carter.

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EXECUTIVE COMPENSATION OF SKINVISIBLE'S NAMED EXECUTIVE OFFICERS

Compensation Discussion and Analysis

Currently, the objective of the cash compensation paid by Skinvisible is to provide fair reimbursement for the time spent by our executive officer and independent directors to the extent feasible within the financial constraints faced by our developing business. The stock options granted to our executive officer and to our independent directors are intended to provide these individuals with incentives to pursue the growth and development of the company's operations and business opportunities. Although the options awarded to our executive and directors are typically exercisable immediately, they also remain valid and exercisable for terms of several years. We believe this provides the proper balance of short-term and long-term incentives to increase the value of the company. Although an immediate increase in share price following the issuance of the options would obviously result in a profit if those options were exercised, the longer exercisable period of the options also provides an incentive to increase value over the long term and gives our executive officer and directors the opportunity to realize gains based on the sustained growth of our operations and revenues.

In addition, our sole executive officer holds substantial ownership in the company and is generally motivated by a strong entrepreneurial interest in expanding our operations and revenue base to the best of his ability.

Summary Compensation Table

The table below summarizes all compensation awarded to, earned by, or paid to our former or current executive officers for the fiscal years ended December 31, 2017 and 2016.

SUMMARY COMPENSATION TABLE

Name and principal position	Year	Salary (\$)	Bonus (\$)	Stock Awards	Option Awards (\$)	Non-Equity Incentive Plan Compensation		Total (\$)
						Deferred Compensation Earnings (\$)	All Other Compensation (\$)	
Terry Howlett	2017	180,000	-	-	-	-	-	180,000 ⁽¹⁾
	2016	180,000	-	-	40,623	-	-	220,623 ⁽²⁾
CEO & CFO								

(1) Due to financial constraints, however, the total paid to Mr. Howlett during the fiscal year ended December 31, 2017 was \$2,800.

(2) Due to financial constraints, however, the total salary paid to Mr. Howlett during the fiscal year ended December 31, 2016 was \$2,740.

Narrative Disclosure to the Summary Compensation Table

We granted Mr. Howlett the right to convert his accrued compensation of \$90,000 as of December 31, 2017 into our common stock at \$0.02 per share at any time until 2022. If exercised, we also agreed to issue a three year warrant to Mr. Howlett to purchase an aggregate amount of 2,250,000 shares of common shares at a strike price of \$0.03 per share.

We granted Mr. Howlett the right to convert his accrued compensation of \$197,260 as of December 31, 2016 into our common stock at prices ranging from \$0.01 to \$0.02 per share at any time until 2021. If exercised, we also agreed to issue a three year warrant to Mr. Howlett to purchase an aggregate amount of 7,401,000 shares of common shares at a strike price of \$0.02 per share.

Outstanding Equity Awards at Fiscal Year-End

The table below summarizes all unexercised options, stock that has not vested, and equity incentive plan awards for each named executive officer as of December 31, 2017.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END
OPTION AWARDS STOCK AWARDS

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$) ⁽¹⁾	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (#)	
								Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (#)
Terry Howlett	1,000,000-	-	-	0.04	10/19/2018 ⁽²⁾	-	-	-	-

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1,000,000-	-	0.04	1/20/2019 ⁽³⁾	-	-	-	-
1,000,000-	-	0.05	12/7/2019 ⁽⁴⁾	-	-	-	-
400,000 -	-	0.04	1/31/2018 ⁽⁵⁾	-	-	-	-
1,700,000-	-	0.02	2/10/2021	-	-	-	-

- (1) On April 21, 2009, we modified the exercise price on all of our outstanding options issued prior to March 31, 2009 to \$0.04 per share, which included all options issued to Mr. Howlett aside from the option issued on December 7, 2009 of 1,000,000 shares at \$0.08 per share and the option issued on November 15, 2010 at \$0.06 per share. On October 17, 2014, we modified the exercise price to \$0.05 per share on the option issued on December 7, 2009 of 1,000,000 shares. Aside from this modification, during the last fiscal year there was not any outstanding option re-priced or otherwise modified. There was no tandem feature, reload feature, or tax-reimbursement feature associated with any of the stock options we granted to our executive officers or otherwise.
- (2) On January 19, 2014, our Board of Directors approved to extend the expiration date 5 years.
- (3) On January 19, 2014, our Board of Directors approved to extend the expiration date 5 years.
- (4) On October 17, 2014, our Board of Directors approved to extend the expiration date 5 years.
- (5) On January 31, 2013, our Board of Directors approved to extend the expiration date 5 years

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The table below summarizes all compensation of our directors as of December 31, 2017.

DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Non-Qualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Greg McCartney Former Director	4,800	-	-	-	-	-	\$4,800
David St. James	2,000	-	\$35,497	-	-	-	\$37,497

Narrative Disclosure to the Director Compensation Table

All the fees earned or paid in cash and stock options awards granted to Terry Howlett were earned in connection with his service as an executive officer. Mr. Howlett received no compensation for his service as a member of our board of directors.

On September 22, 2017, we granted an option to purchase 100,000 shares of our common stock to Mr. St. James. The options have a strike price of \$0.035. The stock options were exercisable upon grant and have a life of 5 years. The stock options were valued at \$35,497 using the Black-Scholes option pricing model.

Certain Relationships and Related Transactions, and Director Independence

Aside from that which follows and in “Executive Compensation,” none of our directors or executive officers, nor any proposed nominee for election as a director, nor any person who beneficially owns, directly or indirectly, shares carrying more than 5% of the voting rights attached to all of our outstanding shares, nor any members of the immediate family (including spouse, parents, children, siblings, and in-laws) of any of the foregoing persons has any material interest, direct or indirect, in any transaction for the last two fiscal years or in any presently proposed transaction which, in either case, has or will materially affect us.

During the years ended 2017, Terry Howlett and Doreen McMorran advanced \$4,749 to support the daily operations of the company. The advance is due on demand and bears no interest. \$57,759 in advances were repaid during the year ending December 31, 2017.

On October 8, 2016, we entered into a 10% unsecured note payable to Doreen McMorran and received total proceeds of \$5,070. The note is due on December 31, 2016. \$4,000 of principal was repaid during the year ending December 31, 2016.

On October 11, 2016, we entered into a 10% unsecured note payable to Doreen McMorran and received total proceeds of \$5,000. The note is due on December 31, 2016. As of December 31, 2017, \$17,260 remained due to related parties

as repayment for advanced and loaned monies, all other related party notes have been extinguished or re-negotiated as convertible notes.

The related party convertible notes are set forth in Note 11 to the financial statements included herein. The three employees that have convertible notes as a result of accrued compensation are Terry Howlett, Doreen McMorran and James A. Roszell.

On September 29, 2017, we entered into a licensing agreement with Ovation Science Inc. which is 37.8% owned by the Company as of December 31, 2017. As consideration for the grant of the License and the assignment of the Canopy agreement Ovation agreed to pay Skinvisible Inc. \$500,000. \$250,000 is due within 90 days of execution of the Agreement and a promissory note for \$250,000 is payable upon the earlier of the company completing an initial public offering or March 31, 2018. As of December 31, 2017 Ovation had paid \$250,000 to Skinvisible Inc. under this agreement.

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	Historical Skinvisible June 30, 2018	Quoin June 30, 2018		Pro-forma Adjustments	Proforma Combined 6/30/2018
ASSETS					
Current assets					
Cash	\$ 2,520	\$ 100		\$ -	\$ 2,620
Accounts receivable	12,370	-		-	12,370
Inventory	17,899	-		-	17,899
Due from related party	1,145	-			1,145
Promissory note due from Ovation Science Inc.	159,334	-		-	159,334
Prepaid expense and other current assets	5,000	-		-	5,000
Total current assets	198,268	100		-	198,368
Goodwill	-	-	(h)	13,829,401	13,829,401
Fixed assets, net of accumulated depreciation	236	-	(c)	6,864	7,100
Intangible assets, net of accumulated amortization	196,842	40,152	(d)	123,158	360,152
Total assets	\$ 395,346	\$ 40,252	(h),(c),(d)	13,959,423	\$ 14,395,021
LIABILITIES AND STOCKHOLDERS' DEFICIT					
Current liabilities					
Accounts payable and accrued liabilities	\$ 770,090	\$ 454,076		\$ -	1,224,166
Accounts payable related party	2,200	2,117,413		-	2,119,613
Accrued interest payable	1,682,982	-		-	1,682,982
	10,000	-		-	10,000

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Loans from related party					
Loans payable	2,296,875	-		-	2,296,875
Convertible notes payable, net	1,178,535	-	(g)	6,551	1,185,086
Convertible notes payable related party, net	1,686,021	-	(g)	3,099,597	4,785,618
Total current liabilities	7,626,703	2,571,489	(g)	3,106,148	13,304,340
Total liabilities	7,626,703	2,571,489		-	13,304,340
Stockholders' deficit					
Common stock; \$0.001 par value;	144,832	1	(a)	381,999	526,832
Additional paid-in capital	24,632,952	99	(a),(c),(d),(e),(g),(h)	(21,537,865)	3,095,186
Accumulated deficit	(32,009,141)	(2,531,337)	(e)	32,009,141	(2,531,337)
Total stockholders' deficit	(7,231,357)	(2,531,237)	(a),(c),(d),(e),(g),(h)	10,853,275	1,090,681
Total liabilities and stockholders' deficit	\$ 395,346	\$ 40,252	(a),(c),(d),(e),(g),(h)	\$ 13,959,423	\$ 14,395,021

Table of Contents**SKINVISIBLE INC.****UNAUDITED PROFORMA COMBINED STATEMENTS OF OPERATIONS****FROM INCEPTION (MARCH 5, 2018) TO JUNE 30, 2018**

	Historical Skinvisible June 30, 2018	Quoin June 30, 2018		Pro-forma Adjustments	Proforma Combined
Revenues	\$ 37,916	\$ -	(f)	\$ (2,369)	35,547
Cost of revenues	16,920	-	(f)	(525)	16,395
Gross profit	20,996	-		(1,844)	19,152
Operating expenses					
Depreciation and amortization	19,164	-	(f), (i)	8,292	27,456
Research and development	-	67,077		-	67,077
Selling general and administrative	307,707	2,464,260	(f)	(60,951)	2,711,016
Total operating expenses	326,871	2,531,337	(f)	(52,659)	2,805,549
Loss from operations	(305,875)	(2,531,337)	(f)	50,815	(2,786,397)
Other income and (expense)					
Other income	4,807	-	(f)	(3,403)	1,404
Interest expense	(545,585)	-	(f)	213,867	(331,718)
Gain on deconsolidation of Ovation Inc.	595,127	-		-	595,127
Loss on equity method investment	(21,810)	-		-	(21,810)
Gain (loss) on extinguishment of debt	(26,798)	-		-	(26,798)
Total other expense	5,741	-	(f)	210,464	216,205
Net loss	\$ (300,134)	\$ (2,531,337)	(f)	\$ 261,279	\$ (2,570,192)

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**UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA**

(UNAUDITED)

The following unaudited pro forma condensed combined financial statements give effect to the reverse merger transaction (the "**Transaction**") between Skinvisible, Inc. ("we", "our", "Parent", the "**Company**") and Quoin Pharmaceuticals, Inc. ("**Quoin**") and Quoin Merger Sub, Inc. ("**Merger Sub**").

On March 26, 2018, Quoin Pharmaceuticals, Inc., and Quoin Merger Sub, Inc. entered into an Agreement and Plan of Merger (the "**Merger Agreement**") with Skinvisible, Inc. and a Delaware corporation and wholly-owned subsidiary of Parent.

The Merger Agreement provides that, subject to the terms and conditions set forth in the Merger Agreement, Merger Sub will merge with and into the Company (the "**Merger**"), with the Company surviving the Merger as a wholly-owned subsidiary of Parent. At the effective time of the Merger, the issued and outstanding common shares of the Company ("**Company Common Shares**") will automatically be converted into the right to receive approximately 72.5% of the outstanding equity of Parent (the "**Merger Consideration**"). Existing Parent shareholders will have a right to the remaining 27.5% of the outstanding equity of Parent, which is subject to diminution if certain indebtedness of Parent is not converted into Parent Common Stock.

Each Quoin, Parent, and Merger Sub has made various representations and warranties and agreed to certain covenants in the Merger Agreement. Parent also has agreed to other covenants in the Merger Agreement, including, without limitation, to cause a special meeting of Parent's shareholders to be held as promptly as practicable to consider and approve the Merger Agreement and the Merger, along with the issuance of the shares of Parent Common Stock in connection with the Merger and a Charter Amendment, including a name change and reverse stock split, and to file a proxy statement with the Securities and Exchange Commission ("**SEC**") relating to such special meeting.

The Merger Agreement contains customary no-solicitation covenants restricting Parent and the Company from soliciting, encouraging, or discussing alternative acquisition proposals from third parties.

Consummation of the Merger is subject to the satisfaction or, if permitted by applicable law, waiver, by Parent, the Company, or both of various conditions, including, without limitation, (i) approval of the Merger Agreement and the Merger by both the Company's and Parent's respective shareholders; (ii) a definitive agreement shall have been executed that provides that Parent shall receive an aggregate of at least \$10,000,000 of gross proceeds within five (5) days of the closing of the Merger; (iii) the accuracy of the parties' respective representations and warranties and the performance of their respective obligations under the Merger Agreement; (iv) the absence of the occurrence of a material adverse effect with respect to the Company between the date of the Merger Agreement and closing; (v) the Parent's shareholders shall have approved the Charter Amendment; (vi) the absence of any law, order, or legal injunction which prohibits the consummation of the Merger or any of the transactions contemplated by the Merger Agreement; and (vii) certain other customary conditions.

The Merger Agreement contains certain termination rights in favor of the parties, as set forth therein, including, among other things, the right of either party, subject to specified limitations, to terminate the Merger Agreement if the Merger is not consummated by October 31, 2018. Upon the termination of the Merger Agreement under specified circumstances, including the termination of the Merger Agreement by Parent to enter into an acquisition proposal in accordance with the terms of the Merger Agreement made by a third party, Parent may be required to pay the

Company a termination fee of up to \$300,000.

The Merger Agreement, the Merger, and the transactions contemplated thereby were unanimously approved by the board of directors of the Parent, and unanimously approved by the board of directors of the Company. Both the board of directors of the Company and Parent have recommended that their respective shareholders approve the Merger Agreement and the Merger.

The Merger is expected to close as soon as practicable after the satisfaction or waiver of all the conditions to the closing in the Merger Agreement, which is currently expected to be in the third quarter of calendar year 2018.

As a result of the closing of this agreement on, Quoin and Merger Sub will become a wholly-owned subsidiary of the Company and the Company will adopted the business of Quoin.

As the stockholders and management of Quoin will obtained voting and operating control of the Company as a result of the closing of the Transaction, the Transaction has been accounted for as a "reverse merger" recapitalization of the Company, with Quoin was deemed to be the accounting acquirer for accounting purposes. Accordingly, Quoin's assets, liabilities and results of operations will become the historical financial statements of the Company, and the Company's assets, liabilities and results of operations will be consolidated with Quoin's effective as of the date the transactions closes.

The unaudited pro forma combined balance sheet as of June 30, 2018 is presented as if the acquisition of Quoin had occurred on June 30, 2018.

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The unaudited pro forma condensed combined statements of operations for the three and six months ended June 30, 2018 are presented as if the acquisition of Quoin had occurred on March 5, 2018 and were carried forward through each of the aforementioned periods presented.

The unaudited pro forma condensed combined financial statements include certain adjustments that are directly attributable to the Transaction, which are expected to have a continuing impact on Quoin, and are factually supportable, as summarized in the accompanying notes.

1. BASIS OF PRO FORMA PRESENTATION

The Company plans to complete the acquisition of Quoin pursuant to the terms of the share exchange agreement dated March 26, 2018 among the Company, Quoin, Merger Sub and all of the stockholders of Quoin. In connection with the closing, the Company will acquire all 100 issued and outstanding shares of common stock in the capital of Quoin from Quoin's stockholders in consideration for the issuance of an aggregate of: 72.5% of the outstanding equity of the Company's common stock, on an undiluted basis, which is estimated to be 381,999,000 shares.

Following the closing of the Transaction, as described above, the Company estimates that there will be approximately 526,829,992 shares of the Company's common stock outstanding. The merger agreement also requires a reverse split. For purposes of these pro-forma combined financial statements, the impact has not been considered as the resulting effect is currently indeterminable. The proposed amendment to Skinvisible's Articles of Incorporation would allow the board of directors to effect a Reverse Split of Skinvisible's issued and outstanding common stock by a ratio of not less than one-for-ten and not more than one-for-one hundred, with the exact ratio to be set at a whole number within this range, as determined by Skinvisible's board of directors in its sole discretion. If the Company were to conduct a 1 for 10 reverse split concurrent with the close of the transaction, it would result in approximately 52,682,992 shares outstanding following the close of the transaction. If the Company were to conduct a 1 for 100 reverse split concurrent with the close of the transaction, it would result in approximately 5,268,299 shares outstanding following the close of the transaction. The board could choose to effect a stock split at any level between these values and as a result the final effect is currently indeterminable.

The Company has determined to treat the acquisition of Quoin as a reverse merger and recapitalization, with Quoin as the acquirer for accounting purposes. Consequently, for future financial periods, the assets and liabilities and the historical operations that will be reflected in the Company's financial statements for periods ended prior to the closing of the Transaction will be those of Quoin.

As Quoin was deemed to be the acquirer in the Transaction for accounting purposes under recapitalization accounting, these pro forma condensed combined financial statements are presented as a continuation of Quoin. The equity of

Quoin is presented as the equity of the combined company and the capital stock account of Quoin is adjusted to reflect the par value of the issued and outstanding common stock of the Company, being the legal acquirer, after giving effect to the number of shares issued in connection with the Transaction. Shares retained by the Company's shareholders are reflected as an issuance as of the acquisition date for the historical amount of the net assets of the acquired entity.

The unaudited pro forma condensed combined balance sheet as of June 30, 2018, and the unaudited pro forma condensed combined statements of operations for the three and six months ended June 30, 2018, are based on the historical financial statements of the Company and Quoin after giving effect to the closing of the Transaction and the assumptions, reclassifications and adjustments described herein.

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These unaudited pro forma condensed combined financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("US GAAP") and are expressed in US dollars. They have been compiled using the significant accounting policies as set out in the unaudited financial statements of Skinvisible for the year ended December 31, 2017. Based on the review of the accounting policies of Quoin and the Company, there are no material accounting differences between the accounting policies of Quoin and the Company.

It is management's opinion that these pro forma condensed combined financial statements include all adjustments necessary for the fair presentation, in all material respects, of the proposed transaction described above in accordance with US GAAP applied on a basis consistent with the Company's accounting policies.

The unaudited pro forma condensed combined financial information is not intended to represent or be indicative of the Company's consolidated results of operations or financial position that would have been reported had the Quoin acquisition been completed as of the dates presented and should not be taken as a representation of the Company's future consolidated results of operations or financial position. The unaudited pro forma combined financial information does not reflect any operating efficiencies and/or cost savings that the Company may achieve with respect to the combined companies.

The unaudited pro forma condensed combined financial statements, including the notes thereto, are qualified in their entirety by reference to, and should be read in conjunction with: (i) the Company's audited annual financial statements for the years ended December 31, 2016 and 2017, as contained in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2017, and unaudited interim financial statements for the three and six months ended June 30, 2018, as contained in the Company's quarterly report on Form 10-Q for the period ended June 30, 2018, and (ii) Quoin's unaudited financial statements for the period ended June 30, 2018, as included elsewhere in this Form 14A.

Accounting Periods Presented – The unaudited pro forma condensed combined balance sheet as of June 30, 2018 is presented as if the Quoin acquisition had occurred on June 30, 2018 and combines the historical balance sheet of the Company at June 30, 2018 and the historical balance sheet of Quoin at June 30, 2018.

The unaudited pro forma condensed combined statements of operations of the Company and Quoin for the three and six months ended June 30, 2018 are presented as if the Quoin acquisition had taken place on March 5, 2018.

2. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro forma condensed combined financial statements incorporate the following pro forma assumptions and adjustments:

- For purposes of these pro-forma combined financial statements, it is assumed that all shareholders of Quoin
- (a) exchanged their shares of Quoin common stock for 381,999,000 pre-reverse split shares of the Company's common stock.
 - For purposes of these pro-forma combined financial statements, it is assumed that the book value is equal to fair
 - (b) value of all assets and liabilities of the Company, with the exception of the carrying value of Company's fixed and intangible assets.
 - (c) For purposes of these pro-forma combined financial statements, it is assumed that the fair value of the fixed asset of the Company are \$7,100.
 - (d) For purposes of these pro-forma combined financial statements, it is assumed that the fair value of the intangible assets of the Company are \$320,000
 - (e) Elimination of the outstanding deficit of the Company.
 - (f) Elimination of the Operating activity of the Company prior to March 5, 2018
 - (g) Remove debt discount, to report convertible notes to their fair value, which is deemed to be the face value as of June 30, 2018.
 - (h) Goodwill recognized as a result of the transaction (See Note 3 for additional details.)
 - (i) Record increased amortization associated with the mark-up of assets to fair value

Table of Contents**3. PROFORMA GOODWILL**

ASC 805-40-30-2 states, in part “fair value consideration is based on, “what the legal subsidiary (accounting acquirer) would have had to issue to give the owners of the legal parent the same percentage equity interest in the combined entity that results from the reverse acquisition.” Per FASB ASC 805-40-55-10, the fair value effectively transferred should be based on the most reliable measure. The quoted market price of SKVI's shares provides a more reliable basis for measuring the fair value consideration than the estimated fair value of the shares in Quoin, as Quoin's shares are privately-held.

Prior to the transaction, the accounting acquiree had 144,830,920 shares outstanding. Using the closing price on October 9, 2018 of \$0.025 per share, the total Market Capitalization of SKVI was \$3,620,773. The market capitalization equals the fair value of the consideration that Quoin would hypothetically have had to pay to acquire a 100% interest in Skinvisible Inc. As such, the fair value of the consideration is deemed to be 3,620,773.

An outline of the fair value of the assets acquired is outlined below.

Fair value of assets acquired by Quoin	
Cash	\$2,520
Accounts receivable	12,370
Inventory	17,899
Promissory note due from Ovation Science Inc.	159,334
Prepaid expense and other current assets	5,000
Fixed assets	7,100
Patents and intellectual property	320,000
Total assets	\$524,223
LIABILITIES AND STOCKHOLDERS' DEFICIT	
Current liabilities	
Accounts payable and accrued liabilities	\$770,090
Accounts payable related party	2,200
Accrued interest payable	1,682,982
Loans from related party	10,000
Loans payable	2,296,875
Convertible notes payable	1,185,086
Convertible notes payable related party	4,785,618
Total current liabilities	10,732,851

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Total liabilities	10,732,851
Net fair value of assets and liabilities	(10,208,628)
Proforma Consideration paid	3,620,773
Goodwill	13,829,401

Per ASC 805-40-55-12, Goodwill is calculated as the consideration effectively transferred less the net recognized values of the accounting acquiree's identifiable assets and liabilities. Goodwill of \$13,829,401 million has been calculated by subtracting the accounting acquiree's assets and liabilities from the fair value of the consideration of \$3,620,773.

Table of Contents**4. PRO FORMA SHARE CAPITAL**

Pro forma shares of the Company's common stock as at June 30, 2018 have been determined as follows:

	Number of Shares	Par Value	Additional Paid-in Capital
Issued and outstanding shares of common stock of the Company	144,830,920	\$ 144,832	\$ 24,632,952
Issued and outstanding shares of common stock of Quoin	100	1	99
Eliminate issued and outstanding shares of common stock of Quoin, and adjust to reflect par value	(100)	(1)	1
Issuance of common shares for acquisition	381,999,000	381,999	(381,999)
Impact of goodwill recognition			13,829,401
Eliminate outstanding deficit of Skinvisible, Inc.	–	-	(32,009,141)
Mark-up in fair value of the Company's fixed and intangible assets, and liabilities.			(2,976,126)
Rounding adjustment		1	(1)
Pro-forma balance, June 30, 2018	526,829,920	\$ 526,832	\$ 3,095,186

Potential impact of proposed stock split

The proposed amendment to Skinvisible's Articles of Incorporation would allow the board of directors to effect a Reverse Split of Skinvisible's issued and outstanding common stock by a ratio of not less than one-for-ten and not more than one-for-one hundred, with the exact ratio to be set at a whole number within this range, as determined by Skinvisible's board of directors in its sole discretion.

If the Company were to conduct a 1 for 10 reverse split concurrent with the close of the transaction, it would will result in approximately 52,682,992 shares outstanding following the close of the transaction, causing a reduction in the stated par value of the Company's common stock of 474,149 and a corresponding increase to additional aid in capital for the same amount.

If the Company were to conduct a 1 for 100 reverse split concurrent with the close of the transaction, it would will result in approximately 5,268,299 shares outstanding following the close of the transaction, causing a reduction in the

stated par value of the Company's common stock of 521,564 and a corresponding increase to additional paid in capital for the same amount.

The board could choose to effect a stock split at any level between these values and as a result the final effect is currently indeterminable and not reflected in the above chart.

5. PRO FORMA LOSS PER SHARE

Pro-forma basic and diluted loss per share for the period from March 5, 2018(inception) to June 30, 2018 has been calculated based on the weighted average number of shares of the Company's common stock outstanding plus the shares of the Company's common stock to be issued under the following situations. a) the historical values of the shares without giving effect to the proposed stock split("Pre-split Shares) b) after giving effect to a potential impact that would occur if the board elected to effect a one for ten reverse split c) after giving effect to a potential impact that would occur if the board elected to effect a one for a hundred reverse split.

	Period from March 5, 2018(Inception) to June 30, 2018		
	(a) Pre-split Shares	(b) Potential Impact of 1 for 10 stock split	(c) Potential Impact of 1 for 100 stock split
Basic pro forma loss per share computation			
Numerator:			
Pro forma net loss available to stockholders	\$(2,570,192)	\$(2,570,192)	\$(2,570,192)
Denominator:			
Weighted average issued and outstanding shares of common stock	142,302,717	142,302,717	142,302,717
Shares of common stock issued to Quoin stockholders per share exchange agreement	381,999,000	381,999,000	381,999,000
Less: Effect of stock split	—	(471,871,545)	(519,058,700)
Pro forma weighted average shares outstanding	524,301,717	52,430,172	5,243,017
Basic pro forma loss per share	(0.005)	(0.049)	(0.49)

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PROPOSAL NO. 2: APPROVAL OF THE REVERSE SPLIT

Skinvisible is asking you to approve the reverse split proposal.

The Reverse Split

Prior to the execution of the Effective Time, Skinvisible will effect the Reverse Split.

Skinvisible's board of directors has adopted resolutions (i) declaring that submitting an amendment to Skinvisible's Articles of Incorporation to effect the Reverse Split of Skinvisible's issued and outstanding common stock was advisable, and (ii) directing that a proposal to approve the Reverse Split be submitted to the holders of Skinvisible's common stock for their approval. The Reverse Split of Skinvisible's issued and outstanding common stock will be effected by a ratio of not less than one-for-ten and not more than one-for-one hundred, with the exact ratio to be set at a whole number within this range as determined by Skinvisible's board of directors in its sole discretion.

Skinvisible's board of directors believes that the Reverse Split is in the best interest of Skinvisible. A Reverse Split typically will initially result in an increase in the price per share of Skinvisible's common stock. Skinvisible's board of directors believes that an increased stock price may encourage investor interest and improve the marketability and liquidity of Skinvisible's common stock. In addition, the Combined Company may in the future seek a listing on a national exchange, for which a higher stock price than the current price will be required. Because of the trading volatility often associated with low-priced stocks, many brokerage firms and institutional investors have internal policies and practices that either prohibit them from investing in low-priced stocks or tend to discourage individual brokers from recommending low-priced stocks to their customers. Some of those policies and practices may function to make the processing of trades in low-priced stocks economically unattractive to brokers and investors. The Board of Directors believes that the anticipated higher market price resulting from a Reverse Split may reduce, to some extent, the negative effects on the liquidity and marketability of the Common Stock inherent in some of the policies and practices of institutional investors and brokerage firms described above. Additionally, because brokers' commissions on low-priced stocks generally represent a higher percentage of the stock price than commissions on higher-priced stocks, the current average price per share of Skinvisible's common stock can result in individual stockholders paying transaction costs representing a higher percentage of their total share value than would be the case if the share price were substantially higher.

Potential Risks of the Reverse Split

There can be no assurance that the bid price of Skinvisible's common stock will continue at a level in proportion to the reduction in the number of outstanding shares resulting from the Reverse Split. Further, we cannot give any assurances that the Reverse Split will encourage investor interest and improve the marketability and liquidity of Skinvisible's common stock.

Additionally, the liquidity of Skinvisible's common stock could be adversely affected by the reduced number of shares outstanding after the Reverse Split. Although the Board of Directors believes that a higher stock price may help generate investor interest, there can be no assurance that the Reverse Split will result in a per-share price that will attract institutional investors or investment funds or that such share price will satisfy the investing guidelines of institutional investors or investment funds. As a result, any decreased liquidity that may result from having fewer shares outstanding may not be offset by increased investor interest in Skinvisible's common stock.

Effects of the Reverse Split on Common Stock

After the effective date of the Reverse Split, each stockholder will own fewer shares of Skinvisible's common stock. However, the Reverse Split will affect all of Skinvisible's Common Stock stockholders uniformly and will not affect any stockholder's percentage ownership interest in us, except to the extent that the Reverse Split results in any of Skinvisible's stockholders receiving additional shares as a result of or owning a fractional share that is rounded up, each as described below. The number of stockholders of record will not be affected by the Reverse Split. Proportionate voting rights and other rights and preferences of the holders of Skinvisible's common stock will not be affected by the Reverse Split other than as a result of and rounding up of fractional shares. All shares underlying outstanding options and warrants will also be automatically adjusted on the effective date of the Reverse Split.

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Fractional Shares

No fractional shares of Skinvisible's common stock will be issued as a result of the proposed Reverse Split. In lieu of issuing fractional shares, we will round fractions up to the nearest whole share.

Implementation and Exchange of Stock Certificates

As of the effective date of the Reverse Split, if implemented by Skinvisible's Board of Directors, each certificate representing shares of Skinvisible common stock before the Reverse Split would be deemed, for all corporate purposes, to evidence ownership of the reduced number of shares of Skinvisible's common stock resulting from the Reverse Split.

Skinvisible's transfer agent will be available to effect the exchange of stock certificates. After the effective date, stockholders and holders of securities exercisable for Skinvisible's common stock will be notified of the effectiveness of the Reverse Split. Stockholders of record will receive a letter suggesting to them that they surrender their old stock certificates for new stock certificates reflecting the adjusted number of shares as a result of the Reverse Split. Persons who hold their shares in brokerage accounts or "street name" will not be required to take any further actions to effect the exchange of their shares. No new certificates will be issued to a stockholder until such stockholder has surrendered any outstanding certificates to the transfer agent. Until surrendered, each certificate representing shares before the Reverse Split will continue to be valid and will represent the adjusted number of shares based on the ratio of the Reverse Split. Stockholders should not destroy any stock certificate and should not submit any certificates until after the Reverse Split has become effective.

Material U.S. Federal Income Tax Considerations

TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE U.S. INTERNAL REVENUE SERVICE, WE INFORM YOU THAT ANY FEDERAL TAX ADVICE CONTAINED IN THIS INFORMATION STATEMENT IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR PURPOSES OF (I) AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR (II) PROMOTING, MARKETING OR RECOMMENDING TO ANOTHER PARTY ANY TRANSACTION OR TAX-RELATED MATTER ADDRESSED HEREIN. YOU ARE ENCOURAGED TO CONSULT YOUR TAX ADVISOR TO DETERMINE FOR YOURSELF THE TAX EFFECTS OF THE REVERSE SPLIT, IF ANY, INCLUDING SUCH TAX EFFECTS UNDER STATE, LOCAL AND FOREIGN TAX LAWS.

The following discussion sets forth the anticipated material U.S. federal income tax consequences that management believes will apply to Skinvisible and Skinvisible's stockholders who are U.S. holders at the effective time of the Reverse Split, if any. This discussion does not address the tax consequences of transactions effectuated prior to or after the Reverse Split, including, without limitation, the tax consequences of the exercise of options, warrants or similar rights to purchase stock. Furthermore, no foreign, state or local tax considerations are addressed herein. For this purpose, a U.S. holder is a stockholder that is: (a) a citizen or resident of the United States, (b) a domestic corporation, (c) an estate whose income is subject to U.S. federal income tax regardless of its source, or (d) a trust if a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorized to control all substantial decisions of the trust.

The following discussion is not binding on the Internal Revenue Service. The following discussion is based upon the Internal Revenue Code, laws, regulations, rulings and decisions in effect as of the date of this information statement, all of which are subject to change, possibly with retroactive effect. Holders of shares of the Common Stock are strongly urged to consult their tax advisors as to the specific tax consequences to them of the Reverse Split, including the applicability and effect of federal, state, local and foreign income and other tax laws in their particular

circumstances.

No gain or loss should be recognized by a stockholder upon his or her exchange of pre-Reverse Split shares for post-Reverse Split shares. The aggregate tax basis of the post-Reverse Split shares received (including any fraction of a new share deemed to have been received) will be the same as the stockholder's aggregate tax basis in the pre-Reverse Split shares exchanged therefor. The stockholder's holding period for the post-Reverse Split shares will include the period during which the stockholder held the pre-Reverse Split shares surrendered in the Reverse Split.

Skinvisible should not recognize any gain or loss as a result of the Reverse Split.

The Reverse Split will require the approval of the holders of a majority of the outstanding shares of Skinvisible's common stock. Abstentions and Broker non-votes will have the same effect as voting against the proposal.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE REVERSE SPLIT.

PROPOSAL 3 NAME CHANGE

The Board of Directors is soliciting your consent to an amendment to the Current Charter to change the name of Skinvisible, Inc. to "Quoin Pharmaceuticals, Inc." (the "Name Change"). If approved by the stockholders of Skinvisible, after the effective date of the Merger, Skinvisible, Inc. will become "Quoin Pharmaceuticals, Inc. An amendment to Skinvisible's Articles of Incorporation is required to effect the name change.

The board of directors believes that changing the name of the combined company to Quoin Pharmaceuticals better reflects the future direction and focus of the combined company, which will not be focused solely on dermatological products as the name Skinvisible suggests.

SKINVISIBLE'S BOARD RECOMMENDS A VOTE "FOR" THE PROPOSAL TO CHANGE THE NAME OF SKINVISIBLE, INC. AFTER THE EFFECTIVE DATE OF THE MERGER TO "QUOIN PHARMACEUTICALS, INC."

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PROPOSAL NO. 4: THE ADJOURNMENT PROPOSAL

The adjournment proposal allows Skinvisible's board of directors to submit a proposal to adjourn the Special Meeting to a later date or dates, if necessary, to permit further solicitation of proxies in the event, based on the tabulated votes, there are not sufficient votes at the time of the special meeting to approve the consummation of the Merger. In no event will Skinvisible solicit proxies to adjourn the Special Meeting or consummate the Merger beyond the date by which it may properly do so under Nevada law. The purpose of the adjournment proposal is to provide more time for the Skinvisible's stockholders to make purchases of public shares or other arrangements that would increase the likelihood of obtaining a favorable vote on the Merger Proposal.

In addition to an adjournment of the Special Meeting upon approval of an adjournment proposal, the board of directors of Skinvisible is empowered under Nevada law to postpone the meeting at any time prior to the meeting being called to order. In such event, Skinvisible will issue a press release and take such other steps as it believes are necessary and practical in the circumstances to inform its stockholders of the postponement.

Consequences if the Adjournment Proposal is not Approved

If an adjournment proposal is presented at the Special Meeting and such proposal is not approved by its stockholders, Skinvisible's board of directors may not be able to adjourn the Special Meeting to a later date in the event, based on the tabulated votes, there are not sufficient votes at the time of the Special Meeting to approve the consummation of the Merger. In such event, the Merger would not be completed.

Required Vote

Approval of the proposal to adjourn the Special Meeting, whether or not a quorum is present, requires the affirmative vote of a majority of the votes cast by the holders of shares of Skinvisible's common stock entitled to vote. Adoption of the adjournment proposal is not conditioned upon the adoption of any of the other proposals.

Recommendation of the Board of Directors

SKINVISIBLE'S BOARD RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE ADJOURNMENT PROPOSAL.

OTHER MATTERS

As of the date of this proxy statement/prospectus, the board of directors of Skinvisible knows of no matters that will be presented for consideration at the Special Meeting other than as described in this proxy statement/prospectus. If any other matters properly come before the Special Meeting or any adjournments or postponements of the meeting and are voted upon, the enclosed proxy will confer discretionary authority on the individuals named as proxy to vote the shares represented by the proxy as to any other matters. The individuals named as proxies intend to vote in accordance with their best judgment as to any other matters.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other documents with the SEC under the Exchange Act. You may read and copy any reports, statements or other information that we file with the Securities and

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Exchange Commission at the SEC's public reference room at the following location: Station Place, 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may also obtain copies of those documents at prescribed rates by writing to the Public Reference Section of the SEC at that address. Please call the SEC at (800) SEC-0330 for further information on the public reference room. These SEC filings are also available to the public from commercial document retrieval services and at www.sec.gov. In addition, stockholders may obtain free copies of certain documents filed with the SEC by Skinvisible through the "SEC Filings" section of Skinvisible's website.

You may obtain any of the documents we file with the SEC, without charge, by requesting them in writing or by telephone from us at the following address:

Skinvisible, Inc.
6320 SOUTH SANDHILL ROAD, SUITE 10
LAS VEGAS, NV 89120

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ANNEX A

AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

by and among

SKINVISIBLE, INC.,

QUOIN MERGER SUB, INC.,

QUOIN PHARMACEUTICALS, INC.,

Dated as of March 26, 2018

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AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

THIS AGREEMENT AND PLAN OF MERGER AND REORGANIZATION (this “*Agreement*”) is made and entered into as of March 26, 2018, by and among Skinvisible, Inc., a Nevada corporation (referred to as “*Parent*”), Quoin Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of Parent (“*Merger Sub*”), Quoin Pharmaceuticals, Inc., a Delaware corporation (the “*Company*”). Certain capitalized terms used in this Agreement are defined in Section 8.14.

RECITALS

WHEREAS, Parent and the Company intend to merge Merger Sub with and into the Company, with the Company as the surviving corporation in such merger (the “*Merger*”), in accordance with this Agreement and the DGCL. Upon consummation of the Merger, Merger Sub will cease to exist, and the Company will continue as a direct wholly owned subsidiary of Parent;

WHEREAS, pursuant to the terms and conditions of this Agreement, and subject to the adjustment provision in Section 5.15(a), the holders of the outstanding equity of the Company immediately prior to the Effective Time will own approximately 72.5% of the outstanding equity of Parent immediately following the Effective Time (and prior to the equity to be issued in the Private Placement) and the holders of the outstanding equity of Parent immediately prior to the Effective Time will own approximately 27.5% of the outstanding equity of Parent immediately following the Effective Time (and prior to the equity to be issued in the Private Placement);

WHEREAS, the Board of Directors of Parent has unanimously (a) determined that the Merger and this Agreement are advisable and in the best interests of Parent and its stockholders, (b) approved this Agreement, the Merger, the issuance of shares of Parent Common Stock to the Company Stockholders pursuant to the terms of this Agreement, and the other actions contemplated by this Agreement, and (c) determined to recommend that the stockholders of Parent vote to approve this Agreement, the issuance of shares of Parent Common Stock to the Company Stockholders pursuant to the terms of this Agreement and such other actions as contemplated by this Agreement including the Parent Stockholder Proposals;

WHEREAS, the Board of Directors of Merger Sub has unanimously (a) determined that the Merger and this Agreement are advisable and in the best interests of Merger Sub and its sole stockholder, (b) approved this Agreement, the Merger, and the other actions contemplated by this Agreement, and (c) determined to recommend that the stockholder of Merger Sub vote to approve this Agreement, the Merger and such other actions as contemplated by this Agreement;

WHEREAS, the Board of Directors of the Company has unanimously (a) determined that the Merger and this Agreement are advisable and in the best interests of the Company and its stockholders, (b) approved this Agreement, the Merger and the other actions contemplated by this Agreement, and (c) determined to recommend that the Company Stockholders vote to approve this Agreement, the Merger and such other actions as contemplated by this Agreement;

WHEREAS, in order to induce Parent and Merger Sub to enter into this Agreement and to cause the Merger to be consummated, the Company has entered into a definitive agreement (as the same may be amended from time to time in accordance with the terms thereof, the “*Company Financing Agreement*”) with certain Persons who are contractually obligated to participate in a private placement of Parent Common Stock, subject to completion of the Merger pursuant to the terms of this Agreement, to raise an aggregate of no less than \$10,000,000 of gross proceeds for the Company to be received by Parent within five (5) days after the Effective Time (the “*Private Placement*”);

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WHEREAS, in order to induce the Company to enter into this Agreement and to cause the Merger to be consummated, Terry Howlett (President & Chief Executive Officer of Parent) and Doreen McMorran (Vice President, Business Development & Marketing of Parent) are executing voting and support agreements in favor of the Company concurrently with the execution and delivery of this Agreement in the form substantially attached hereto as Exhibit A (the “*Parent Voting Agreements*”);

WHEREAS, in order to induce the Company to cause the Merger to be consummated, Terry Howlett (President & Chief Executive Officer of Parent) and Doreen McMorran (Vice President, Business Development & Marketing of Parent) are executing lock-up agreements relating to sales and certain other dispositions of shares of Parent Common Stock or certain other securities for a period of 180 days after the Closing (the “*Parent Lock-up Agreements*”);

WHEREAS, in order to induce Parent and Merger Sub to cause the Merger to be consummated, Michael Myers and Denise Carter, the founders of the Company, are executing lock-up agreements relating to sales and certain other dispositions of shares of Parent Common Stock or certain other securities for a period of 180 days after the Closing (the “*Company Lock-up Agreements*”); and

WHEREAS, for U.S. federal income tax purposes, Parent, Merger Sub, and the Company intend that the Merger, together with the issuance of shares of Parent Common Stock to the Company Stockholders, will qualify as a “reorganization” within the meaning of Section 368(a) of the Code, that this Agreement will constitute a “plan of reorganization” with the meaning of Treasury Regulations Sections 1.368-1(c), 1.368-2(g) and 1.368-3(a), and that Parent and the Company will each be a “party to the reorganization” within the meaning of Section 368(b) of the Code.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements set forth herein, the parties agree as follows:

Article 1

THE MERGER AND CERTAIN GOVERNANCE MATTERS

Section 1.1 Structure of the Merger. Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time, Merger Sub shall be merged with and into the Company, and the separate existence of Merger Sub shall cease, and the Company will continue as the surviving corporation following the Merger (the “*Surviving Corporation*”).

Section 1.2 Effects of the Merger. The Merger shall have the effects set forth in this Agreement and in the applicable provisions of the DGCL.

Section 1.3 Closing; Effective Time. Unless this Agreement is earlier terminated pursuant to the provisions of Section 7.1 of this Agreement, and subject to the satisfaction or waiver of the conditions set forth in Article 6 of this Agreement, the consummation of the Merger (the “*Closing*”) shall take place at the offices of Dentons US LLP, 1221 Avenue of the Americas, New York, NY 10020, no later than three (3) Business Days following the satisfaction (or waiver by the party entitled to the benefit thereof) of the conditions to the Closing set forth in Article 6 (other than the conditions that by their nature are to be satisfied at Closing, but subject to the satisfaction or waiver of each of such conditions), or at such other time, date and place as Parent and the Company may mutually agree in writing. The date on which the Closing actually takes place is referred to as the “*Closing Date*.” At the Closing, the Parties shall cause the Merger to be consummated by executing and filing with the Secretary of State of the State of Delaware a Certificate of Merger (the “*Certificate of Merger*”) with respect to the Merger, satisfying the applicable requirements of the DGCL and in a form reasonably acceptable to Parent and the Company. The Merger shall become effective at the time of the filing of the Certificate of Merger with the Secretary of State of the State of Delaware, or at such later time as may be

specified in the Certificate of Merger with the consent of Parent and the Company (the time as of which the Merger becomes effective being referred to as the “*Effective Time*”).

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Section 1.4 Conversion of Shares.

(a) At the Effective Time, by virtue of the Merger and without any further action on the part of Parent, Merger Sub, the Company or any stockholder of any of the foregoing:

(i) any shares of Company Common Stock owned as treasury stock of the Company or owned by Parent or by any direct or indirect wholly owned Subsidiary of Parent immediately prior to the Effective Time shall be automatically canceled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor; and

(ii) each share of Company Common Stock outstanding immediately prior to the Effective Time (excluding shares to be canceled pursuant to Section 1.4(a)(i) and Dissenting Shares) shall be automatically converted solely into the right to receive a number of shares of Parent Common Stock equal to the Exchange Ratio (the “**Merger Shares**”). No fractional shares of Parent Common Stock shall be issued in connection with the Merger as a result of the conversion provided for in this Section 1.4(a)(ii), and no certificates or scrip for any such fractional shares shall be issued. Any fractional shares of Parent Common Stock that that would be issuable as a result of the conversion provided for in Section 1.4(a)(ii) shall be rounded up to the next whole share. For the avoidance of any doubt, no Shares of Parent Preferred Stock will be issued in connection with the Merger to former holders of Company Common Stock (or any other class of capital stock of the Company).

(b) Each share of common stock, \$0.001 par value per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be automatically converted into and exchanged for one validly issued, fully paid and nonassessable share of common stock, \$0.001 par value per share, of the Company as the surviving corporation of the Merger. Each stock certificate of Merger Sub evidencing ownership of any such shares shall, as of the Effective Time, evidence ownership of such shares of common stock of the Company as the surviving corporation of the Merger.

Section 1.5 Closing of the Company’s Transfer Books. At the Effective Time, the stock transfer books of the Company shall be closed with respect to all shares of Company Common Stock outstanding immediately prior to the Effective Time. No further transfer of any such shares of Company Common Stock shall be made on such stock transfer books after the Effective Time. If, after the Effective Time, a valid certificate previously representing any shares of Company Common Stock outstanding immediately prior to the Effective Time (a “**Company Stock Certificate**”) is presented to Parent, the Surviving Corporation or the Exchange Agent, such Company Stock Certificate shall be canceled and shall be exchanged as provided in Section 1.4 and Section 1.6.

Section 1.6 Surrender of Certificates.

(a) Exchange Agent. At the Effective Time, Parent shall deposit with the Exchange Agent, for the benefit of the holders of certificates formerly representing the Company Common Stock (“**Certificates**”), certificates or book-entry shares representing shares of Parent Common Stock in the aggregate amount equal to the Merger Shares. In addition, Parent shall deposit with the Exchange Agent, as necessary from time to time after the Effective Time, any dividends or other distributions payable pursuant to Section 1.6(c). All shares of Parent Common Stock, cash, dividends and distributions deposited with the Exchange Agent pursuant to this Section 1.6(a) shall hereinafter be referred to as the “**Exchange Fund**.” The Exchange Fund shall not be used for any other purpose.

(b) Exchange Procedures. As soon as reasonably practicable after the Effective Time (and in any event within five Business Days), Parent shall cause the Exchange Agent to mail to each holder of record of a Certificate (i) a form of letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon proper delivery of the Certificates to the Exchange Agent and which shall be in customary form and contain customary provisions), and (ii) instructions for use in effecting the surrender of the Certificates in exchange for the Merger Shares, any dividends or other distributions payable pursuant to Section 1.6(c). Each holder of record of one or more Certificates shall, upon surrender to the Exchange Agent of such Certificates, together with such letter of transmittal, duly executed, and such other documents as may reasonably be required by the Exchange Agent, be entitled to receive promptly in exchange therefor (i) a certificate or certificates or book-entry shares representing that number of whole shares of Parent Common Stock (after taking into account all Certificates surrendered by such holder) to which such holder is entitled pursuant to Section 1.6(a), and (ii) any dividends or distributions payable pursuant to Section 1.6(c), and the Certificates so surrendered shall forthwith be canceled. In the event of a transfer of ownership of the Company Common Stock that is not registered in the transfer records of the Company, payment of the Merger Shares in accordance with Section 1.6(a) may be made to a person other than the person in whose name the Certificate so surrendered is registered if such Certificate shall be properly endorsed or otherwise be in proper form for transfer and the person requesting such payment shall pay any transfer or other Taxes required by reason of the transfer or establish to the reasonable satisfaction of Parent that such Taxes have been paid or are not applicable. Until surrendered as contemplated by this Section 1.6(b), each Certificate shall be deemed at any time after the Effective Time to represent only the right to receive upon such surrender the Merger Shares and any dividends or other distributions payable pursuant to Section 1.6(c). No interest shall be paid or will accrue on any payment to holders of Certificates pursuant to the provisions of this Article 1.

(c) Distributions with Respect to Unexchanged Shares. No dividends or other distributions with respect to Parent Common Stock with a record date on or after the Effective Time shall be paid to the holder of any unsurrendered Certificate with respect to the shares of Parent Common Stock that the holder thereof has the right to receive upon the surrender thereof, until the holder of such Certificate shall have surrendered such Certificate in accordance with this Article 1. Following the surrender of any Certificate, there shall be paid to the record holder of the certificate representing whole shares of Parent Common Stock issued in exchange therefor, without interest, (i) at the time of such surrender, the amount of dividends or other distributions with a record date on or after the Effective Time theretofore paid with respect to such whole shares of Parent Common Stock, and (ii) at the appropriate payment date, the amount of dividends or other distributions with a record date on or after the Effective Time but prior to such surrender and a payment date subsequent to such surrender payable with respect to such whole shares of Parent Common Stock.

(d) No Further Ownership Rights in the Company Common Stock. The Merger Shares and any dividends or other distributions as are payable pursuant to Section 1.6(c) upon the surrender of Certificates in accordance with the terms of this Article 1 shall be deemed to have been in full satisfaction of all rights pertaining to the Company Common Stock formerly represented by such Certificates, subject, however, to the Surviving Corporation's obligation to pay any dividends or make any other distributions with a record date prior to the Effective Time which may have been declared or made by the Company on the Company Common Stock in accordance with the terms of this Agreement prior to the Effective Time.

(e) Termination of the Exchange Fund. Any portion of the Exchange Fund that remains undistributed to the holders of the Certificates for one year after the Effective Time shall be delivered to Parent, upon demand, and any holders of the Certificates who have not theretofore complied with this Article 1 shall thereafter look only to Parent for, and Parent shall remain liable for, payment of their claim for the Merger Shares and any dividends or other distributions payable pursuant to Section 1.6(c) in accordance with this Article 1.

(f) No Liability. None of Parent, Merger Sub, the Company, the Surviving Corporation or the Exchange Agent shall be liable to any person in respect of any shares of Parent Common Stock, cash, dividends or other distributions from the Exchange Fund properly delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law.

(g) Investment of Exchange Fund. The Exchange Agent shall invest the cash included in the Exchange Fund as directed by Parent; provided, however, that such investments shall be in obligations of or guaranteed by the United States of America, in commercial paper obligations rated A-1 or P-1 or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation, respectively, or in certificates of deposit, bank repurchase agreements or banker's acceptances of commercial banks with capital exceeding \$10 billion (based on the most recent financial statements of such bank which are then publicly available). Any interest and other income resulting from such investments shall be paid to and be income of Parent.

(h) Lost Certificates. If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such Certificate to be lost, stolen or destroyed (and without the requirement to post or deliver any bond), the Exchange Agent shall deliver in exchange for such lost, stolen or destroyed Certificate the Merger Shares, any dividends or other distributions payable pursuant to Section 1.6(c) pursuant to this Article 1.

(i) Withholding Rights. Parent, the Surviving Corporation or the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement such amounts as Parent, the Surviving Corporation or the Exchange Agent are required to deduct and withhold with respect to the making of such payment under the Code or any provision of state, local or non-U.S. Tax Law and shall be entitled to request any reasonably appropriate Tax forms, including an IRS Form W-9 (or the appropriate IRS Form W-8, as applicable), from any recipient of payments hereunder; provided that the Parties shall undertake commercially reasonable efforts to minimize withholding, and shall provide notice (to the applicable Party) of any intention to withhold (or determination that the Exchange Agent may withhold) as soon as is practicable after forming the intention to withhold or determining that the Exchange Agent may withhold. To the extent that amounts are so withheld by Parent, the Surviving Corporation or the Exchange Agent, such withheld amounts (i) shall be treated for all purposes of this Agreement as having been paid to the holder of Certificates in respect of which such deduction and withholding was made by Parent, the Surviving Corporation or the Exchange Agent, and (ii) shall be remitted by Parent, the Surviving Corporation or the Exchange Agent, as the case may be, to the applicable Governmental Authority.

Section 1.7 Appraisal Rights.

(a) Notwithstanding any provision of this Agreement to the contrary, shares of Company Capital Stock that are issued and outstanding immediately prior to the Effective Time and which are owned by stockholders who have validly exercised appraisal rights or dissenters' rights for such shares of Company Capital Stock in accordance with the DGCL (collectively, the "*Dissenting Shares*") shall not be converted into or represent the right to receive the per share amount of the Merger Shares described in Section 1.4 attributable to such Dissenting Shares. Such stockholders shall be entitled to receive payment of the appraised value of such shares of Company Capital Stock owned by them in accordance with the DGCL, unless and until such stockholders fail to perfect or effectively withdraw or otherwise lose their appraisal rights under the DGCL. All Dissenting Shares owned by stockholders who shall have failed to perfect or who effectively shall have withdrawn or lost their right to appraisal of such shares of Company Capital Stock under the DGCL shall thereupon be deemed to be converted into and to have become exchangeable for, as of the Effective Time, the right to receive the per share amount of the Merger Shares attributable to such Dissenting Shares, upon their surrender in the manner provided in Section 1.6.

(b) The Company shall give Parent prompt written notice of any demands by dissenting stockholders received by the Company, withdrawals of such demands and any other instruments served on the Company and any material correspondence received by the Company in connection with such demands and Parent shall have the right to participate in all negotiations and proceedings with respect to such demands. Except with the prior written consent of Parent, or to the extent required by applicable law, the Company shall not make any payment with respect to, or offer to settle or settle, any such demands.

Section 1.8 Further Action. If, at any time after the Effective Time, any further action is determined by the Surviving Corporation to be necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation with full right, title and possession of and to all rights and property of the Company, then the officers and directors of the Surviving Corporation shall be fully authorized, and shall use their commercially reasonable efforts (in the name of the Company, in the name of Merger Sub and otherwise) to take such action.

Article 2

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to Parent and Merger Sub as follows, except as set forth in the written disclosure schedule delivered by the Company to Parent (the "*Company Disclosure Schedule*"). The Company Disclosure Schedule shall be arranged in parts and subparts corresponding to the numbered and lettered Sections and subsections contained in this Article 2. The disclosures in any part or subpart of the Company Disclosure Schedule shall qualify other Sections and subsections in this Article 2 only to the extent it is clear from the face of the disclosure that such disclosure is applicable to such other Sections and subsections.

Section 2.1 Organization. The Company is a corporation validly existing and in good corporate standing under the Laws of the State of Delaware. The Company has all requisite corporate power and authority to own, lease and operate all of its properties and assets and to carry on its business as it is now being conducted. The Company is duly licensed or qualified to do business and is in corporate good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased, or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in corporate good standing would not, either individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. The certificate of incorporation of the Company (the "*Company Charter*") and the bylaws of the Company (the "*Company Bylaws*"), copies of which have previously been made available to Parent, are true, correct and complete copies of such documents as currently in effect and the Company is not in violation of any provision

thereof. Other than the Company Charter and the Company Bylaws, the Company is not a party to or bound by or subject to any stockholder agreement or other similar agreement governing the voting or transfer of the Company Capital Stock and is not subject to a stockholder rights plan.

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Section 2.2 Capitalization.

(a) The authorized capital stock of the Company consists of 10,000 shares of Company Common Stock. As of the date hereof, there are 100 shares of Company Common Stock issued and outstanding. As of the date hereof, there are no shares of Company Common Stock held in the treasury of the Company. The Company has no shares of Company Common Stock reserved for issuance other than as described herein or in the Company Disclosure Schedule. The outstanding shares of Company Common Stock have been duly authorized and are validly issued, fully paid and nonassessable, and were not issued in violation of the material terms of any agreement binding upon the Company at the time at which they were issued and were issued in compliance with the Company Charter and Company Bylaws and all applicable securities Laws. Section 2.2(a) of the Company Disclosure Schedule sets forth a true, correct and complete list, as of the date hereof, of all issued and outstanding shares of Company Common Stock, on a holder-by-holder basis.

(b) Except as set forth in Section 2.2(b) of the Company Disclosure Schedule, the Company does not have and is not bound by any outstanding subscriptions, options, warrants, calls, commitments, rights agreements, or agreements of any character calling for the Company to issue, deliver, or sell, or cause to be issued, delivered, or sold any shares of Company Common Stock or any other equity security of the Company or any securities convertible into, exchangeable for, or representing the right to subscribe for, purchase, or otherwise receive any shares of Company Common Stock or any other equity security of the Company or obligating the Company to grant, extend, or enter into any such subscriptions, options, warrants, calls, commitments, rights agreements, or any other similar agreements. Except as set forth in Section 2.2(b) of the Company Disclosure Schedule, there are no registration rights, repurchase or redemption rights, anti-dilutive rights, voting agreements, voting trusts, preemptive rights or restrictions on transfer relating to any capital stock of the Company.

(c) Except for its interests in Polytherapeutics, Inc., a New Jersey Corporation (“*Polytherapeutics*”), the Company does not own, directly or indirectly, any capital stock of, or other equity interests in, any other Person. Neither the Company nor Polytherapeutics directly or indirectly owns any equity, membership, partnership or similar interest in, or any interest convertible into or exchangeable or exercisable for any equity, membership, partnership or similar interest in, any Person, whether incorporated or unincorporated. All of the shares of capital stock of Polytherapeutics (i) have been duly authorized and are validly issued, fully paid (to the extent required under the applicable governing documents) and nonassessable, and (ii) are owned by the Company free and clear of any claim, lien, Encumbrance (other than Permitted Encumbrances), or agreement with respect thereto.

Section 2.3 Authority. The Company has all requisite corporate power and authority to execute and deliver this Agreement and to consummate the Contemplated Transactions and perform its respective obligations hereunder, subject only to obtaining the Company Stockholder Approval. The adoption, execution, delivery and performance of this Agreement and the approval of the consummation of the Contemplated Transactions have been recommended by, and have been duly and validly adopted and approved by a unanimous vote of, the Board of Directors of the Company. No other approval or consent of, or action by, the holders of the outstanding securities of the Company, other than the Company Stockholder Approval, is required in order for the Company to execute and deliver this Agreement and to consummate the Contemplated Transactions and perform its obligations hereunder. The Board of Directors of the Company has declared this Agreement advisable, has directed that this Agreement be submitted to the Company Stockholders for adoption and approval and has recommended that the Company Stockholders adopt and approve this Agreement. Except for the Company Stockholder Approval and the filing of the Certificate of Merger with the Secretary of State of the State of Delaware, no other corporate proceeding on the part of the Company is necessary to authorize the adoption, execution, delivery and performance of this Agreement or to consummate the Merger and the other Contemplated Transactions. This Agreement has been duly and validly executed and delivered by the Company, and (assuming due authorization, execution and delivery by the other parties hereto), constitutes the

legal, valid and binding obligations of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, or other similar Laws relating to creditors' rights and general principles of equity.

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Section 2.4 Non-Contravention; Consents.

(a) Except as set forth in Section 2.4(a) of the Company Disclosure Schedule, the execution and delivery of this Agreement by the Company does not, and the consummation by the Company of the Contemplated Transactions will not, (i) conflict with, or result in any violation or breach of, any provision of the Company Charter or the Company Bylaws, (ii) conflict with, or result in any violation or breach of, or constitute (with or without notice or lapse of time, or both) a default (or give rise to a right of termination, cancellation or acceleration of any obligation or loss of any material benefit) under, require a consent or waiver under, constitute a change in control under, require the payment of a penalty under or result in the imposition of any Encumbrance on the Company's assets under, any of the terms, conditions or provisions of any Company Material Contract, or other agreement, instrument or obligation to which the Company is a party or by which it or any of its properties or assets may be bound, or (iii) subject to obtaining the Company Stockholder Approval and subject to the consents, approvals and authorizations specified in clauses (i) through (v) of Section 2.4(b) having been obtained prior to the Effective Time and all filings and notifications described in Section 2.4(b) having been made, conflict with or violate any Law applicable to the Company or any of its properties or assets, except in the case of clauses (ii), and (iii) of this Section 2.4(a) for any such conflicts or violations, breaches, rights of termination, Encumbrances, penalties, defaults, terminations, cancellations, accelerations, losses, changes of control, or payments, that have not had, and would not reasonably be expected to result in, a Company Material Adverse Effect.

(b) No consent, approval, license, permit, order or authorization of, or registration, declaration, notice or filing with, any Governmental Authority is required by or with respect to the Company in connection with the execution and delivery of this Agreement by the Company or the consummation by the Company of the Contemplated Transactions, except for (i) obtaining the Company Stockholder Approval, (ii) the filing of the Certificate of Merger with the Delaware Secretary of State and appropriate corresponding documents with the appropriate authorities of other states in which the Company is qualified as a foreign corporation to transact business, (iii) any filings required to be made with the SEC in connection with this Agreement and the Contemplated Transactions, (iv) such consents, approvals, orders, authorizations, registrations, declarations, notices and filings as may be required under applicable state securities Laws, and (v) such other consents, licenses, permits, orders, authorizations, filings, approvals and registrations which, if not obtained or made, have not had, and would not reasonably be expected to result in, a Company Material Adverse Effect.

Section 2.5 Material Contracts.

(a) The Company is party to that certain Acquisition Agreement dated March 24, 2018 with Polytherapeutics, Inc., pursuant to which the Company acquired all of the outstanding shares of capital stock of Polytherapeutics (the "*Polytherapeutics Agreement*").

(b) The Company is also a party to the Contracts set forth on Section 2.5 of the Company Disclosure Schedule (with the Polytherapeutics Agreement, the "*Company Material Contracts*").

(c) The Company is not party to any material Contracts other than the Company Material Contracts. Except as set forth on Section 2.5 of the Company Disclosure Schedule, the Company has not, and to the Knowledge of the Company, no other party to a Company Material Contract breached, violated or defaulted under, or received notice that it has breached, violated or defaulted under, any of the terms or conditions of any of the Company Material Contracts in such manner as would permit any other party to cancel or terminate any such Company Material Contract, which has had or would reasonably be expected to have a Company Material Adverse Effect. As to the Company, as of the date of this Agreement, each Company Material Contract is valid, binding, enforceable and in full force and effect, subject to: (i) Laws of general application relating to bankruptcy, insolvency and the relief of debtors,

and (ii) rules of Law governing specific performance, injunctive relief and other equitable remedies. Except as set forth on Section 2.5 of the Company Disclosure Schedule, the consummation of the Contemplated Transactions will not (either alone or upon the occurrence of additional acts or events) result in any material payment or payments becoming due from the Company to any Person under any Company Material Contract or give any Person the right to terminate or alter the provisions of any Company Material Contract.

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Section 2.6 Limited Operations. Other than in connection with the negotiation, execution and delivery of this Agreement and the other agreements contemplated hereby, the Company has not (a) conducted any business, (b) incurred any expenses, obligations or liabilities (whether accrued, absolute, contingent, unliquidated or otherwise), (c) owned any assets or (d) violated any applicable Laws. The Company has not adopted any Employee Programs.

Section 2.7 Vote Required. The affirmative vote (or action by written consent) of the holders of a majority of the Company Common Stock (the “*Company Stockholder Approval*”), is the only vote or consent of the holders of any class or series of Company Capital Stock necessary to adopt or approve this Agreement and the Merger.

Section 2.8 No Financial Advisor. Except as set forth on Section 2.8 of the Company Disclosure Schedule, no broker, finder or investment banker is entitled to any brokerage fee, finder’s fee, opinion fee, success fee, transaction fee or other fee or commission in connection with the Merger or any of the other Contemplated Transactions based upon arrangements made by or on behalf of the Company.

Section 2.9 Disclosure; Company Information. None of the information provided by the Company specifically for inclusion in the Proxy Statement will, at the time of the mailing of the Proxy Statement or any amendment or supplement thereto or at the time of the Parent Stockholder Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, no representation is made by the Company with respect to the information that has been or will be supplied by Parent, Merger Sub or any of their Representatives for inclusion in the Proxy Statement.

Article 3

REPRESENTATIONS AND WARRANTIES OF PARENT

Parent represents and warrants to the Company as follows, except as set forth in (x) the Parent SEC Reports filed on or after April 16, 2015 and prior to the date hereof (other than any disclosures contained or referenced therein under the captions “Risk Factors,” “Forward-Looking Statements,” “Quantitative and Qualitative Disclosures About Market Risk” and any other disclosures contained or referenced therein of information, factors or risks that are cautionary, predictive or forward-looking in nature), or (y) the written disclosure schedule delivered by Parent to the Company (the “*Parent Disclosure Schedule*”). The Parent Disclosure Schedule shall be arranged in parts and subparts corresponding to the numbered and lettered sections and subsections contained in this Article 3. The disclosures in any part or subpart of the Parent Disclosure Schedule shall qualify other Sections and subsections in this Article 3 only to the extent it is clear from the face of the disclosure that such disclosure is applicable to such other Sections and subsections.

Section 3.1 Organization.

(a) Parent is a corporation validly existing and in good corporate standing under the Laws of the State of Nevada. Parent has all requisite corporate power and authority to own, lease and operate all of its properties and assets and to carry on its business as it is now being conducted. Parent is duly licensed or qualified to do business and is in corporate good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased, or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in corporate good standing would not, either individually or in the aggregate, reasonably be expected to have a Parent Material Adverse Effect. The Parent Charter and Parent Bylaws, as amended, copies of which have previously been made available to the Company, are true, correct and complete copies of such documents as currently in effect and Parent is not in violation of any provision thereof. Other than the Parent Charter and Parent Bylaws, as amended, Parent is not a party to or bound by or subject to any stockholder agreement or other similar agreement governing the voting or transfer of the capital stock of the Parent

and is not subject to a stockholder rights plan.

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(b) Merger Sub is a corporation duly incorporated, validly existing and in good corporate standing under the Laws of the State of Delaware. Merger Sub was formed solely for the purpose of engaging in the Contemplated Transactions. All of the issued and outstanding capital stock of Merger Sub, which consists of 1,000 shares of common stock, \$0.01 par value, is validly issued, fully paid and non-assessable, and is owned, beneficially and of record, by Parent, free and clear of any claim, lien, Encumbrance, or agreement with respect thereto. Except for obligations and liabilities incurred in connection with its incorporation and the Contemplated Transactions, Merger Sub has not, and will not have, incurred, directly or indirectly, any obligations or liabilities or engaged in any business activities of any type or kind whatsoever or entered into any agreements or arrangements with any Person. The Certificate of Incorporation and Bylaws of Merger Sub, copies of which have previously been made available to the Company, are true, correct and complete copies of such documents as currently in effect and Merger Sub is not in violation of any provision thereof.

(c) Each of Parent's Subsidiaries is a corporation or legal entity, validly existing and, if applicable, in good standing under the Laws of the jurisdiction of its organization. Each of Parent's Subsidiaries has all requisite corporate power or other power and authority to own, lease and operate all of its properties and assets and to carry on its business as it is now being conducted. Each of Parent's Subsidiaries is duly licensed or qualified to do business in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased, or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in good standing would not, either individually or in the aggregate, reasonably be expected to have a Parent Material Adverse Effect. The certificate of incorporation and bylaws or equivalent organizational documents of each of Parent's Subsidiaries (other than Merger Sub), copies of which have previously been made available to the Company, are true, correct and complete copies of such documents as currently in effect and such Subsidiaries of Parent are not in violation of any provision thereof.

Section 3.2 Capitalization.

(a) As of the date hereof, the authorized capital stock of Parent consists of 200,000,000 shares of Parent Common Stock. As of February 27, 2018, there are 140,977,600 shares of Parent Common Stock issued and outstanding. Parent has 59,022,400 shares of Parent Common Stock reserved for issuance. The outstanding shares of Parent Common Stock have been duly authorized, validly issued, fully paid and nonassessable, and were not issued in violation of the material terms of any agreement binding upon Parent at the time at which they were issued and were issued in compliance with the Parent Charter and Parent Bylaws and all applicable securities Laws.

(b) Except for the Parent Stock Option Plan, the Parent Stock Options, the Parent Warrants and as disclosed in the Parent Disclosure Schedule, Parent does not have and is not bound by any outstanding subscriptions, options, warrants, calls, commitments, rights agreements, or agreements of any character calling for Parent to issue, deliver, or sell, or cause to be issued, delivered, or sold any shares of Parent Common Stock or any other equity security of Parent or any Subsidiary of Parent or any securities convertible into, exchangeable for, or representing the right to subscribe for, purchase, or otherwise receive any shares of Parent Common Stock or any other equity security of Parent or any Subsidiary of Parent or obligating Parent or any such Subsidiary to grant, extend, or enter into any such subscriptions, options, warrants, calls, commitments, rights agreements, or any other similar agreements. There are no registration rights, repurchase or redemption rights, anti-dilutive rights, voting agreements, voting trusts, preemptive rights or restrictions on transfer relating to any capital stock of Parent.

(c) As of the date hereof, there are 10,100,000 shares of Parent Common Stock issuable upon exercise of all outstanding Parent Stock Options, subject to adjustment on the terms set forth in the Parent Stock Option Plan. Section 3.2(c) of the Parent Disclosure Schedule sets forth a true, correct and complete list, as of the date hereof, of (i) the name of the holder of each Parent Stock Option, (ii) the date each Parent Stock Option was granted, (iii) the number, issuer and type of securities subject to each such Parent Stock Option, (iv) the expiration date of each such Parent Stock Option, (v) the vesting schedule of each such Parent Stock Option, (vi) the price at which each such Parent Stock Option (or each component thereof, if applicable) may be exercised, (vii) the number of shares of Parent Common Stock issuable upon the exercise of such, or upon the conversion of all securities issuable upon the exercise of such, Parent Stock Options, and (viii) whether and to what extent the exercisability of each Parent Stock Option will be accelerated upon consummation of the Contemplated Transactions or any termination of employment thereafter.

(d) Section 3.2(d) of the Parent Disclosure Schedule sets forth a true, correct and complete list, as of the date hereof, of (i) the name of the holder of each Parent Restricted Stock Award, (ii) the number of shares of Parent Common Stock subject to the award, (iii) the vesting schedule of each such Parent Restricted Stock Award, and (iv) whether and to what extent the vesting of each Parent Restricted Stock Award will be accelerated upon consummation of the Contemplated Transactions or any termination of employment thereafter.

(e) Section 3.2(e) of the Parent Disclosure Schedule lists each Subsidiary of Parent, other than Merger Sub, as of the date hereof and indicates for each such Subsidiary as of such date (i) the percentage and type of equity securities owned or controlled, directly or indirectly, by Parent, and (ii) the jurisdiction of incorporation or organization. Except as set forth in Section 3.2(e) of the Parent Disclosure Schedule, no Subsidiary of Parent has or is bound by any outstanding subscriptions, options, warrants, calls, commitments, rights agreements, or agreements of any character calling for it to issue, deliver, or sell, or cause to be issued, delivered, or sold any of its equity securities or any securities convertible into, exchangeable for, or representing the right to subscribe for, purchase or otherwise receive any such equity security or obligating such Subsidiary to grant, extend or enter into any such subscriptions, options, warrants, calls, commitments, rights agreements, or other similar agreements. Except as set forth in Section 3.2(e) of the Parent Disclosure Schedule, there are no outstanding contractual obligations of any Subsidiary of Parent to repurchase, redeem, or otherwise acquire any of its capital stock or other equity interests. All of the shares of capital stock of each of the Subsidiaries of Parent (A) have been duly authorized and are validly issued, fully paid (to the extent required under the applicable governing documents) and nonassessable, and (B) are owned by Parent free and clear of any claim, lien, Encumbrance (other than Permitted Encumbrances), or agreement with respect thereto.

(f) The Parent Common Stock to be issued in the Merger will, when issued in accordance with the provisions of this Agreement, have been duly authorized, and be validly issued, fully paid and nonassessable.

Section 3.3 Authority. Each of Parent and Merger Sub has all requisite corporate power and authority to execute and deliver this Agreement and to consummate the Contemplated Transactions and perform its respective obligations hereunder, subject only to obtaining Parent Stockholder Approvals of the matters requiring shareholder approval. The adoption, execution, delivery and performance of this Agreement and the approval of the consummation of the Contemplated Transactions have been duly and validly adopted and approved by each of the boards of directors of Parent and Merger Sub by unanimous vote of the directors participating in such votes. The Board of Directors of Parent has recommended that the stockholders of Parent approve the Parent Stockholder Proposals at the Parent Stockholder Meeting. The Board of Directors of Merger Sub has declared this Agreement advisable and has recommended that the sole stockholder of Merger Sub adopt this Agreement and approve the Merger. Except for Parent Stockholder Approvals and the filing of the Certificate of Merger with the Secretary of State of the State of Delaware for the Merger, no other corporate or other proceeding on the part of Parent or Merger Sub is necessary to authorize the adoption, execution, delivery and performance of this Agreement or to consummate

the Merger and the other Contemplated Transactions. This Agreement has been duly and validly executed and delivered by Parent and Merger Sub, and (assuming due authorization, execution and delivery by the other parties hereto), constitutes the legal, valid and binding obligations of Parent and Merger, enforceable against Parent and Merger Sub in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, or other similar Laws relating to creditors' rights and general principles of equity.

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Section 3.4 Non-Contravention; Consents.

(a) The execution and delivery of this Agreement by Parent and Merger Sub does not, and the consummation by Parent and Merger Sub of the Contemplated Transactions will not, (i) conflict with, or result in any violation or breach of, any provision of the Parent Charter or Parent Bylaws or of the charter, bylaws, or other organizational document of any Subsidiary of Parent, (ii) conflict with, or result in any violation or breach of, or constitute (with or without notice or lapse of time, or both) a default (or give rise to a right of termination, cancellation or acceleration of any obligation or loss of any material benefit) under, require a consent or waiver under, constitute a change in control under, require the payment of a penalty under or result in the imposition of any Encumbrances on Parent's or any of its Subsidiaries' assets under, any of the terms, conditions or provisions of any Parent Material Contract or other agreement, instrument or obligation to which Parent or any of its Subsidiaries is a party or by which any of them or any of their properties or assets may be bound, or (iii) subject to obtaining Parent Stockholder Approval and subject to the consents, approvals and authorizations specified in clauses (i) through (v) of Section 3.4(b) having been obtained prior to the Effective Time and all filings and notifications described in Section 3.4(b) having been made, conflict with or violate any Law applicable to Parent or any of its Subsidiaries or any of its or their properties or assets, except in the case of clauses (ii), and (iii) of this Section 3.4(a) for any such conflicts, violations, breaches, rights of termination, Encumbrances, penalties, defaults, terminations, cancellations, accelerations, losses, changes of control, or payments, that have not had, and would not reasonably be expected to result in, a Parent Material Adverse Effect.

(b) No consent, approval, license, permit, order or authorization of, or registration, declaration, notice or filing with, any Governmental Authority is required by or with respect to Parent or any of its Subsidiaries in connection with the execution and delivery of this Agreement by Parent and Merger Sub or the consummation by Parent and Merger of the Contemplated Transactions, except for (i) obtaining the Parent Stockholder Approval, (ii) the filing of the Certificate of Merger with the Delaware Secretary of State and appropriate corresponding documents with the appropriate authorities of other states in which Parent is qualified as a foreign corporation to transact business, (iii) any filings required to be made with the SEC in connection with Parent Stockholder Meeting, this Agreement and the Contemplated Transactions (including (A) the filing of the Proxy Statement with the SEC in accordance with the Exchange Act, and (B) the filing of a Form D Notice of Exempt Offering of Securities or other related filings in reliance on an exemption provided in Regulation D of the Securities Act), (iv) such consents, approvals, orders, authorizations, registrations, declarations, notices and filings as may be required under applicable state securities Laws, the rules and regulations of FINRA, and (v) such other consents, licenses, permits, orders, authorizations, filings, approvals and registrations which, if not obtained or made, have not had, and would not reasonably be expected to result in, a Parent Material Adverse Effect.

(c) This Section 3.4 does not relate to (i) Tax Laws, which are governed exclusively by Section 3.13 and Section 3.14, (ii) ERISA or other Laws regarding employee benefit matters, which are governed exclusively by Section 3.14, (iii) Labor Laws, which are governed exclusively by Section 3.15, (iv) Environmental Laws, which are governed exclusively by Section 3.16, or (v) Anticorruption Laws, which are governed exclusively by Section 3.21.

Section 3.5 SEC Filings; Financial Statements.

(a) Parent has filed or furnished, as applicable, on a timely basis all forms, statements, certifications, reports and documents required to be filed or furnished by it with the SEC under the Exchange Act or the Securities Act since April 16, 2015 (the forms, statements, reports and documents filed or furnished since April 16, 2015 and those filed or furnished subsequent to the date hereof, including any amendments thereto, the “*Parent SEC Reports*”). Each of the Parent SEC Reports, at the time of its filing or being furnished complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, and any rules and regulations promulgated thereunder applicable to the Parent SEC Reports, or, if not yet filed or furnished, will to the Knowledge of Parent comply in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, and any rules and regulations promulgated thereunder applicable to the Parent SEC Reports. As of their respective dates (or, if amended prior to the date hereof, as of the date of such amendment), the Parent SEC Reports did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading, and any Parent SEC Reports filed or furnished with the SEC subsequent to the date hereof will not to Parent’s knowledge, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading.

(b) As of the date of this Agreement, Parent has timely responded to all comment letters of the staff of the SEC relating to the Parent SEC Reports, and the SEC has not advised Parent that any final responses are inadequate, insufficient or otherwise non-responsive. Parent has made available to the Company true, correct and complete copies of all comment letters, written inquiries and enforcement correspondence between the SEC, on the one hand, and Parent and any of its Subsidiaries, on the other hand, occurring since April 16, 2015 and will, reasonably promptly following the receipt thereof, make available to the Company any such correspondence sent or received after the date hereof. To the Knowledge of Parent, as of the date of this Agreement, none of the Parent SEC Reports is the subject of ongoing SEC review or outstanding SEC comment.

(c) (i) Each of the consolidated financial statements (including, in each case, any notes or schedules thereto) included in or incorporated by reference into the Parent SEC Reports fairly present, in all material respects, the consolidated financial position of Parent and its consolidated Subsidiaries as of its date, or, in the case of the Parent SEC Reports filed after the date hereof, will fairly present, in all material respects, the consolidated financial position of Parent and its consolidated Subsidiaries as of its date and each of the consolidated statements of income, changes in stockholders’ equity (deficit) and cash flows included in or incorporated by reference into the Parent SEC Reports (including any related notes and schedules) fairly presents in all material respects, the results of operations, retained earnings (loss) and changes in financial position, as the case may be, of such companies for the periods set forth therein (except as indicated in the notes thereto, and in the case of unaudited statements, as may be permitted by the rules of the SEC, and subject to normal year-end audit adjustments that will not be material in amount or effect), in each case in accordance with GAAP consistently applied during the periods involved, except as may be noted therein, or in the case of Parent SEC Reports filed after the date hereof, will fairly present, in all material respects, the results of operations, retained earnings (loss) and changes in financial position, as the case may be, of such companies for the periods set forth therein (except as indicated in the notes thereto, and in the case of unaudited statements, as may be permitted by the rules of the SEC, and subject to normal year-end audit adjustments that will not be material in amount or effect), in each case in accordance with GAAP consistently applied during the periods involved, except as may be noted therein (the “*Parent Financial Statements*”).

(d) Except as set forth in Section 3.5(d) of the Parent Disclosure Schedule, Parent (i) maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) designed to ensure that information required to be disclosed by Parent in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms.

(e) Each of the principal executive officer of Parent and the principal financial officer of Parent (or each former principal executive officer of Parent and each former principal financial officer of Parent, as applicable) has made all certifications required by Rule 13a-14 or 15d-14 under the Exchange Act or Sections 302 and 906 of the Sarbanes-Oxley Act and the rules and regulations of the SEC promulgated thereunder with respect to the Parent SEC Reports, and the statements contained in such certifications were true and correct on the date such certifications were made. For purposes of this Section 3.5(e), "principal executive officer" and "principal financial officer" has the meanings given to such terms in the Sarbanes-Oxley Act. None of Parent or any of its Subsidiaries has outstanding, or has arranged any outstanding, "extensions of credit" to directors or executive officers in violation of Section 402 of the Sarbanes-Oxley Act.

(f) Neither Parent or any of its Subsidiaries nor, to the Knowledge of Parent, any director, officer, employee, or internal or external auditor of Parent or any of its Subsidiaries has received or otherwise had or obtained actual Knowledge of Parent of any substantive material complaint, allegation, assertion or claim, whether written or oral, that Parent or any of its Subsidiaries has engaged in questionable accounting or auditing practices.

Section 3.6 Absence of Changes. Since December 31, 2016, Parent and each of its Subsidiaries have conducted their respective businesses in all material respects in the Ordinary Course of Business consistent with their past practices. Except as set forth (x) in Parent SEC Reports, and (y) on Section 3.6 of the Parent Disclosure Schedule, after December 31, 2015 and on or before the date hereof:

(a) there has not been any change, event, circumstance or condition to the Knowledge of Parent that, individually or in the aggregate, has had, or would reasonably be expected to have, a Parent Material Adverse Effect;

(b) except as required as a result of a change in applicable Laws or GAAP or as disclosed in the notes to the Parent Financial Statements, there has not been any material change in any method of accounting or accounting practice by Parent or any of its Subsidiaries;

(c) there has not been any other action, event or occurrence that would have required the consent of the Company pursuant to Section 4.4(a) of this Agreement had such action, event or occurrence taken place after the execution and delivery of this Agreement;

(d) Except as set forth in Section 3.6(d) of the Parent Disclosure Schedule, there has not been any (i) grant of or increase in any severance or termination pay to any employee, director or other service provider of Parent or its Subsidiaries, (ii) entry into any employment, consulting, deferred or equity compensation, retention, change in control, transaction bonus, severance or other similar plan or agreement (or any amendment to any such existing agreement) with any new or current employee, director or other service provider of Parent or any of its Subsidiaries, (iii) change in the compensation, bonus or other benefits payable or to become payable to its directors, officers, employees or consultants, except in the Ordinary Course of Business consistent with past practice, or as required by any pre-existing plan or arrangement set forth in Section 3.6(d) of the Parent Disclosure Schedule, (iv) action to accelerate the vesting or payment of any compensation or benefit to any employee of Parent, (v) adoption, modification or termination of any Parent Employee Program other than as required by applicable Law, or (vi) termination of any officers or key employees of Parent or any of its Subsidiaries; or

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(e) Parent has not acquired or sold, pledged, leased, encumbered or otherwise disposed of any material property or assets or agreed to do any of the foregoing;

(f) Other than (i) as set forth in Section 3.6(f) of the Parent Disclosure Schedule and (ii) the grant of non-exclusive licenses in the Ordinary Course of Business, there has been no transfer (by way of a license or otherwise) of, or agreement to transfer to, any Person's rights to any of the Parent Intellectual Property;

(g) there has been no notice delivered to Parent of any claim of ownership by a third party of any of the Parent Intellectual Property, or of infringement by Parent of any Third Party Intellectual Property; and

(h) there has not been any binding agreement to do any of the foregoing.

Section 3.7 Title to Assets. Each of Parent and its Subsidiaries owns, and has good and valid title to, or, in the case of leased properties and assets, valid leasehold interests in, all tangible properties or assets and equipment used or held for use in its business or operations or purported to be owned by it. All of said assets are owned by Parent or a Subsidiary of Parent free and clear of any Encumbrances, except for: (i) any lien for current Taxes not yet due and payable or for Taxes that are being contested in good faith and for which adequate reserves have been made on Parent's audited consolidated balance sheet at December 31, 2015, (ii) minor liens that have arisen in the Ordinary Course of Business and that do not (in any case or in the aggregate) materially detract from the value of the assets subject thereto or materially impair the operations of Parent and its Subsidiaries, taken as a whole, and (iii) Encumbrances described in Section 3.7 of the Parent Disclosure Schedule.

Section 3.8 Properties.

(a) Section 3.8(a) of the Parent Disclosure Schedule contains a complete and correct list, as of the date hereof, of the Parent Leased Real Property. Prior to the date of this Agreement, Parent has made available to the Company true, correct and complete copies of all lease agreements governing the Parent Leased Real Property, and each such lease agreement is valid, binding and in full force and effect. With respect to each Parent lease, except as would not, individually or in the aggregate, have a Parent Material Adverse Effect:

(i) the Parent Leases and the Parent Ancillary Lease Documents are valid and in full force and effect except to the extent they have previously expired or terminated in accordance with their terms. Parent and its Subsidiaries have delivered to Parent full, complete and accurate copies of each of the Parent Leases and all Parent Ancillary Lease Documents described in Section 3.8(a) of the Parent Disclosure Schedule;

(ii) none of the Parent Leased Real Property is subject to any Encumbrance other than a Permitted Encumbrance;

(iii) none of Parent or its Subsidiaries, nor, to the Knowledge of Parent, any other party to any Parent Leases or Parent Ancillary Lease Documents is in breach or default, and, to the Knowledge of Parent, no event has occurred which, with notice or lapse of time, would constitute such a breach or default under the Parent Leases or any Parent Ancillary Lease Documents;

(iv) none of Parent or its Subsidiaries has assigned, transferred, conveyed, mortgaged, deeded in trust or encumbered any of its rights and interest in the leasehold or subleasehold under any of the Parent Leases or any Parent Ancillary Lease Documents in a manner that is material to Parent and that relates to the use or occupancy of all or any portion of the Parent Leased Real Property.

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(b) Except as would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (i) Parent and its Subsidiaries own good title, free and clear of all Encumbrances, to all personal property and other non-real estate assets, in all cases excluding the Parent Intellectual Property, necessary to conduct the Parent Business, except for Permitted Encumbrances, and (ii) Parent and its Subsidiaries, as lessees, have the right under valid and subsisting leases to use, possess and control all personal property leased by Parent and its Subsidiaries as now used, possessed and controlled by Parent or its Subsidiaries, as applicable.

(c) None of Parent or its Subsidiaries has any Parent Owned Real Property.

Section 3.9 Intellectual Property.

(a) Section 3.9(a) of the Parent Disclosure Schedule contains a complete and accurate list of all (i) Patents owned by Parent or any of its Subsidiaries or exclusively licensed to Parent or any of its Subsidiaries (“**Parent Patents**”), registered and material unregistered Marks owned by Parent or any of its Subsidiaries (“**Parent Marks**”) and registered owned by Parent or any of its Subsidiaries (“**Parent Copyrights**”), (ii) licenses, sublicenses or other agreements under which Parent or any of its Subsidiaries is granted rights by others in the Parent Intellectual Property (“**Parent In-Licenses**”) (other than commercial off the shelf software or materials transfer agreements), and (iii) licenses, sublicenses or other agreements under which Parent or any of its Subsidiaries has granted rights to others in the Parent Intellectual Property (“**Parent Out-Licenses**”).

(b) With respect to the Parent Intellectual Property (i) owned or purported to be owned by Parent or any of its Subsidiaries, Parent or one of its Subsidiaries exclusively owns such Parent Intellectual Property, and (ii) licensed to Parent or any of its Subsidiaries by a third party (other than commercial off the shelf software or materials transfer agreements), such Parent Intellectual Property are the subject of a written license or other agreement; in the case of the foregoing clauses (i), and (ii) above, free and clear of all Encumbrances, other than Encumbrances resulting from the express terms of a Parent In-Licenses or Parent Out- License or Permitted Encumbrances granted by Parent or one of its Subsidiaries.

(c) To the Knowledge of Parent, all Parent Patents, Parent Marks and Parent Copyrights are valid and enforceable.

(d) To the Knowledge of Parent, each Parent Patent that has been issued by, or registered with, or is the subject of an application filed with, as applicable, the U.S. Patent and Trademark Office or any similar office or agency anywhere in the world was issued, registered, or filed, as applicable, with the correct inventorship and there has been no known misjoinder or nonjoinder of inventors.

(e) No Parent Patent is now involved in any interference, reissue, re-examination or opposition proceeding.

(f) There are no claims pending or, to the Knowledge of Parent, threatened in writing against Parent or any of its employees alleging that the operation of the Parent Business or any activity by Parent, or the manufacture, sale, offer for sale, importation, and/or use of any Parent Product Candidate infringes or violates (or in the past infringed or violated) the rights of others in or to any Intellectual Property (“**Third Party Intellectual Property**”) or constitutes a misappropriation of (or in the past constituted a misappropriation of) any subject matter of any Intellectual Property of any person or entity or that any Parent Intellectual Property is invalid or unenforceable.

(g) To the Knowledge of Parent, neither the operation of the Parent Business, nor any activity by Parent or any of its Subsidiaries, nor manufacture, use, importation, offer for sale and/or sale of any Parent product infringes or violates (or in the past infringed or violated) any Third Party Intellectual Property or constitutes a misappropriation of (or in the past constituted a misappropriation of) any subject matter of any Third Party Intellectual Property.

(h) Except with respect to fees payable to third party licensors pursuant to the Parent In-Licenses, none of Parent or any of its Subsidiaries has any obligation to compensate any person for the use of any Intellectual Property. Except as set forth in Section 3.9(h) of the Parent Disclosure Schedule, neither Parent nor any of its Subsidiaries has entered into any agreement to indemnify any other person against any claim of infringement or misappropriation of any Intellectual Property. There are no settlements, covenants not to sue, consents, judgments, or orders or similar obligations that: (i) restrict Parent's or any of its Subsidiaries' rights to use any Parent Intellectual Property, (ii) restrict the Parent Business, in order to accommodate a third party's Intellectual Property, or (iii) permit third parties to use any Parent Intellectual Property (excluding any rights granted to any third parties pursuant to the Parent Out-Licenses).

(i) All former and current employees, consultants and contractors of Parent and its Subsidiaries who have been involved in the creation and/or development of any Parent Intellectual Property have executed written instruments with Parent or one or more of its Subsidiaries that assign to Parent all rights, title and interest in and to any and all Intellectual Property created and/or developed by such employee, consultant or contractor in the course of their employment or engagement with Parent or the applicable Subsidiary.

(j) To the Knowledge of Parent, (i) there is no, nor has there been any, infringement or violation by any person or entity of any Parent Intellectual Property owned by, or exclusively licensed to, Parent or any of its Subsidiaries, or the rights of Parent or any of its Subsidiaries therein or thereto and (ii) there is no, nor has there been any, misappropriation by any person or entity of any Parent Intellectual Property owned by, or exclusively licensed to, Parent or any of its Subsidiaries, or the subject matter thereof.

(k) Parent and each of its Subsidiaries has taken reasonable security measures to protect the secrecy, confidentiality and value of all Trade Secrets owned by Parent or any of its Subsidiaries or used or held for use by Parent or any of its Subsidiaries in the Parent Business (the "*Parent Trade Secrets*").

(l) Following the Effective Time, the Surviving Corporation will have substantially similar rights and privileges in the Parent Intellectual Property as Parent had in the Parent Intellectual Property immediately prior to the Effective Time.

Section 3.10 Material Contracts. Section 3.10 of the Parent Disclosure Schedule is a correct and complete list of each currently effective Parent Contract:

(a) relating to the lease of real property by Parent or any of its Subsidiaries;

(b) for the purchase of materials, supplies, goods, services, equipment or other assets for annual payments by Parent or any of its Subsidiaries of, or pursuant to which in the last year Parent or any of its Subsidiaries paid, in the aggregate, \$10,000 or more;

(c) for the sale of materials, supplies, goods, services, equipment or other assets for annual payments to Parent or any of its Subsidiaries of, or pursuant to which in the last year Parent or any of its Subsidiaries received, in the aggregate, \$10,000 or more;

(d) that relates to any partnership, joint venture, strategic alliance or other similar Contract;

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- (e) relating to Indebtedness for borrowed money or the deferred purchase price of property (whether incurred, assumed, guaranteed or secured by any asset), except for Contracts relating to Indebtedness in an amount not exceeding \$10,000 in the aggregate;
- (f) any management, employment, severance, retention, transaction bonus, change in control, consulting or other similar Contract between: (i) Parent or any of its Subsidiaries, on the one hand, and (ii) any employee, director or other service provider of Parent or its Subsidiaries, on the other hand, other than any such Contract that is terminable “at will” or without any obligation in excess of \$10,000 on the part of Parent or any of its Subsidiaries to make any severance, bonus, termination, change in control or similar payment or to provide any other benefit with a value in excess of \$10,000 (other than benefits required to be provided by applicable Law);
- (g) which by its terms limits in any respect (i) the localities in which all or any significant portion of the business and operations of Parent or any Affiliate of Parent (which will include the Surviving Corporation after the Effective Time), or (ii) the right of Parent or any Affiliate of Parent (which will include the Surviving Corporation after the Effective Time) to compete with any Person;
- (h) in respect of any Parent Intellectual Property that provides for annual payments of, or pursuant to which in the last year Parent or any of its Subsidiaries paid or received, in the aggregate, \$10,000 or more;
- (i) containing any royalty, dividend or similar arrangement based on the revenues or profits of Parent or any of its Subsidiaries;
- (j) with any Governmental Authority;
- (k) any Contract with (a) an executive officer or director of Parent or any of its Subsidiaries or any of such executive officer’s or director’s immediate family members, (b) an owner of more than five percent (5%) of the voting power of the outstanding capital stock of Parent, or (c) to the Knowledge of Parent, any “related person” (within the meaning of Item 404 of Regulation S-K under the Securities Act) of any such officer, director or owner (other than Parent or its Subsidiaries);
- (l) any agreement that gives rise to any material payment or benefit as a result of the performance of this Agreement or any of the other Contemplated Transactions;
- (m) relating to the acquisition or disposition of any material interest in, or any material amount of, property or assets of Parent or any of its Subsidiaries or for the grant to any Person of any preferential rights to purchase any of their assets, other than in the Ordinary Course of Business; or
- (n) any other agreement (or group of related agreements) the performance of which requires aggregate payments to or from Parent or any of its Subsidiaries in excess of \$25,000.

Parent has delivered or made available to the Company accurate and complete (except for applicable redactions thereto) copies of all material written Parent Contracts, including all amendments thereto. There are no material Parent Contracts that are not in written form. Except as set forth on Section 3.10 of the Parent Disclosure Schedule, neither Parent nor any Subsidiary of Parent has, nor to the Knowledge of Parent, has any other party to a Parent Material Contract (as defined below), breached, violated or defaulted under, or received notice that it has breached, violated or defaulted under, any of the terms or conditions of any of the agreements, contracts or commitments to which Parent or its Subsidiaries is a party or by which it is bound of the type described in clauses (a) through (n) above or any Parent Contract listed in Section 3.14 or Section 3.15 of the Parent Disclosure Schedule (any such agreement, contract or

commitment, a “*Parent Material Contract*”) in such manner as would permit any other party to cancel or terminate any such Parent Material Contract, which has had or would reasonably be expected to have a Parent Material Adverse Effect. As to Parent and its Subsidiaries, as of the date of this Agreement, each Parent Material Contract is valid, binding, enforceable and in full force and effect, subject to: (i) Laws of general application relating to bankruptcy, insolvency and the relief of debtors, and (ii) rules of Law governing specific performance, injunctive relief and other equitable remedies. The consummation of the Contemplated Transactions will not (either alone or upon the occurrence of additional acts or events) result in any material payment or payments becoming due from Parent to any Person under any Parent Material Contract or give any Person the right to terminate or alter the provisions of any Parent Material Contract.

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Section 3.11 Absence of Undisclosed Liabilities. As of the date hereof, neither Parent nor any Subsidiary of Parent has any liability, Indebtedness, obligation, expense, claim, deficiency, guaranty or endorsement of any kind, whether accrued, absolute, contingent, matured or unmatured (whether or not required to be reflected in the financial statements in accordance with GAAP) (each a “*Liability*”), individually or in the aggregate, except for: (a) Liabilities reflected or reserved against in the most recent consolidated balance sheet of Parent (or notes thereto) made available to the Company, (b) normal and recurring current Liabilities that have been incurred by Parent since the date of Parent’s audited consolidated balance sheet at December 31, 2016 in the Ordinary Course of Business, none of which are material, (c) Liabilities for performance of obligations of Parent or any Subsidiary of Parent under Contracts (other than for breach thereof), (d) Liabilities described in Section 3.11 of the Parent Disclosure Schedule, or (e) Liabilities incurred in connection with the Contemplated Transactions.

Section 3.12 Compliance with Laws; Regulatory Compliance.

(a) Each of Parent and each of its Subsidiaries is in compliance with all Laws or Orders, except where any such failure to be in compliance has not had, or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect or would not reasonably be expected to prevent or materially impair the consummation of the Contemplated Transactions. No investigation, inquiry, proceeding or similar action by any Governmental Authority with respect to Parent or any of its Subsidiaries is pending or, to the Knowledge of Parent, threatened in writing, nor has any Governmental Authority indicated in writing an intention to conduct the same which, in each case, would reasonably be expected to have a Parent Material Adverse Effect.

(b) Each of Parent and each of its Subsidiaries holds all material Permits from the U.S. Food and Drug Administration (the “*FDA*”) and any other Governmental Authority that is concerned with the quality, identity, strength, purity, safety, efficacy or manufacturing of Parent Product Candidates (any such Governmental Authority, a “*Parent Regulatory Agency*”) necessary for the operating of the Parent Businesses in material compliance with applicable Laws (the “*Parent Permits*”), including all Parent Permits required under the Federal Food, Drug and Cosmetic Act of 1938, as amended, and the regulations of the FDA promulgated thereunder (the “*FDCA*”), th