

# Allergy Therapeutics <sup>PLC</sup>

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## Notice of Annual General Meeting Monday, 25 November 2019

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your shares in Allergy Therapeutics plc, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

**Directors:**

Peter Jensen (*Non-Executive Chairman*)  
Scott Leinenweber (*Non-Executive Director*)  
Manuel Llobet (*Chief Executive Officer*)  
Tunde Otulana (*Non-Executive Director*)  
Mary Tavener (*Non-Executive Director*)  
Stephen Smith (*Non-Executive Director*)  
Nicolas Wykeman (*Chief Financial Officer*)

**Registered Office:**

Dominion Way  
Worthing  
West Sussex BN14 8SA

# Annual General Meeting

21 October 2019

Dear Shareholder,

## 2019 Annual General Meeting

This year, the Annual General Meeting (“AGM”) of Allergy Therapeutics plc (the “Company”) will be held at the offices of Covington & Burling LLP, 265 Strand, London WC2R 1BH. The meeting will start at 11.00 a.m. on Monday, 25 November 2019. The notice convening the AGM is set out on pages 5 and 6 of this document and I am writing to give you more information about the resolutions to be considered at the AGM.

A copy of the 2019 Annual Report and Accounts is enclosed. This contains the financial statements for the year ended 30 June 2019. A resolution relating to the financial statements is included in the ordinary business of the AGM.

Resolutions 1 to 8 deal with the ordinary business that normally takes place at the AGM and, with the exception of Resolutions 4 and 6, require no further explanation. The information set out below explains the reasons for Resolutions 4, 6, 9 and 10.

### Resolution 4 – The re-election of Stephen Smith as a Director

Stephen Smith will retire as a director of the Company (a “Director”) at the AGM and has offered himself for re-election.

The QCA Corporate Governance Code (the “Code”), which the Company has adopted, provides that non-executive directors should be independent to be able to provide appropriate oversight and to perform their role. The Code also provides that whilst concurrent tenure with management for more than nine years does not automatically taint independence, it does present a presumption to be rebutted. Consequently, it is good practice for any such director to be re-elected on an annual basis.

Mr Smith has served for more than nine years on the board of Directors (the “Board”) and during this time, the Board has received significant benefit from his expertise. The Nomination Committee gave particular consideration to the re-election of Mr Smith and determined that, over the course of his tenure, he has gained extensive insight into the group and its markets, and he continues to make a valuable contribution to the Board and its Committees. Accordingly, the Board recommends that shareholders vote in favour of this resolution.

### Resolution 6 - The re-election of Scott Leinenweber

Under article 72.1 of the Company’s articles of association (the “Articles”), any Director who has been appointed by the Board since the previous annual general meeting is required to retire from office and is eligible for re-appointment. Scott Leinenweber was appointed to the Board on 7 November 2018, three weeks before the last annual general meeting of the Company which took place on 27 November 2018 (“2018 AGM”). The Chairman explained at the 2018 AGM that Mr Leinenweber’s appointment to the Board was made after the notice of the 2018 AGM was posted to shareholders on 23 October 2018 and, as such, it was not possible to include a resolution regarding his re-election in that notice. However under Article 72.3 of the Articles, in such circumstances Mr Leinenweber was deemed to have been reappointed as a Director. The Chairman informed the shareholders at the 2018 AGM that a formal resolution regarding Mr Leinenweber’s appointment as a Director would be included at the next annual general meeting, and as such will be proposed at the AGM. The Board recommends that shareholders vote in favour of this resolution.

### Resolutions 9 and 10 – Authority to allot shares and disapplication of pre-emption rights

The Companies Act 2006 (the “Act”) provides that Directors must be authorised before they can allot, or grant options over, new shares. That authority has to be given by ordinary resolution. The Act also provides that any new shares issued for cash must first be offered pro-rata to existing shareholders unless the statutory pre-emption procedure is disappplied by special resolution.

The authority to allot shares contained in sub-paragraph 9.1 of Resolution 9 will, if passed, authorise the Directors to allot shares or grant rights to subscribe for or to convert any security into such shares in the Company up to a maximum nominal amount of £212,056. This amount represents approximately one-third of the total issued share capital of the Company.

The authority to allot shares contained in sub-paragraph 9.2 of Resolution 9 will, if passed, authorise the Directors to allot shares (including the shares and rights referred to in sub-paragraph 10.2) up to a maximum nominal amount of £424,112 in connection with a pre-emptive offer to existing shareholders by way of a rights issue. This amount represents approximately two-thirds of the total issued share capital of the Company. The authorities in Resolution 9 will expire at the next annual general meeting of the Company or 31 December 2020, whichever occurs first.

The disapplication of the statutory pre-emption procedure which is contained in Resolution 10 will also expire at the next annual general meeting of the Company or 31 December 2020, whichever occurs first. The authority is limited to the issue of shares in connection with a rights issue or open offer and the issue of shares for cash up to a maximum aggregate nominal amount of £47,712 representing approximately 7.5 per cent. of the issued share capital of the Company as at the date of this letter. The Directors, after consultation with major shareholders, undertook that, with effect from 18 November 2015, they would not issue equity securities that represent more than 7.5 per cent of the Company's issued share capital on a non-pre-emptive basis in any rolling three-year period.

It is the Directors' intention to seek renewal of these authorities annually.

These authorities will replace those granted at the last annual general meeting in November 2018. The new authorities are being sought so as to maintain flexibility in the financing of the Company and to give the Directors the opportunity to take advantage of business opportunities as they arise. The Directors remain committed to growing the Company both organically and through acquisitions and to review potential acquisitions as opportunities arise. In addition to funding acquisitions through the issue of shares, the authorities will enable the Directors to raise additional working capital by way of a placing. The Directors have no present intention of using these authorities.

### **Action to be taken**

We informed you last year of our intention to remove the paper proxy card and move to a more efficient and secure method of voting via our registrars Link Asset Services website.

Whether or not you intend to be present at the meeting, please register your proxy vote no later than 11.00a.m on 21 November 2019 via our registrars website [www.signalshare.com](http://www.signalshare.com), or by requesting a paper proxy from our registrar, or if you are a Crest member via the Crest electronic appointment service. Further details of how to register your proxy vote are contained within the notes to the Notice of Meeting.

### **Recommendation**

Your Directors believe that all the resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that you vote in favour of such resolutions, as the Directors intend to do in respect of their own beneficial shareholdings (totalling 4,621,513 shares and representing approximately 0.73% of the issued share capital of the Company as at 18 October 2019).

Yours sincerely

**Peter Jensen**

Chairman

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting ("AGM") of Allergy Therapeutics plc (the "Company") will be held at Covington & Burling LLP, 265 Strand, London WC2R 1BH on Monday, 25 November 2019 at 11.00 a.m.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 9 will be proposed as ordinary resolutions and resolution 10 will be proposed as a special resolution.

## ORDINARY RESOLUTIONS:

1. To receive the Directors' report, the consolidated financial statements and the auditors' report of the Company for the year ended 30 June 2019.
2. To approve the Directors' remuneration report, as set out on pages 56 to 63 of the Company's annual report, in respect of the year ended 30 June 2019.
3. To re-elect as a Director of the Company Peter Jensen who retires by rotation in accordance with the articles of association of the Company (the "Articles") on and offers himself for re-election.
4. To re-elect as a Director of the Company Stephen Smith, who has served more than nine years on the Board and therefore retires and offers himself for re-election.
5. To re-elect as a Director of the Company Mary Tavener, who retires in accordance with the Articles and offers herself for election.
6. To re-elect as a Director of the Company Scott Leinenweber, who retires in accordance with the Articles and offers himself for election.
7. To re-appoint Grant Thornton UK LLP as auditors of the Company to hold office from conclusion of this AGM until the conclusion of the next annual general meeting of the Company at which accounts are laid before the Company.
8. To authorise the Directors to agree the auditors' remuneration.
9. THAT the Directors be and they are hereby generally and unconditionally authorised and empowered in accordance with section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company:
  - 9.1 up to an aggregate nominal amount of £212,056; and
  - 9.2 comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount of £424,112 (including within such limit any shares and rights to subscribe for or convert any security into shares allotted or granted under sub-paragraph 9.1 above) in connection with or pursuant to an over by way of a rights issue:
    - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to the respective number of ordinary shares held by them on the record date for such allotment; and
    - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or expedient to deal with treasury shares, fractional entitlements, record dates, or legal, regulatory or practical problems in, or under the laws of any territory or the requirements of a regulatory body or stock exchange or any other matter, provided that these authorities shall expire on the earlier of the conclusion of the next annual general meeting of the Company or 31 December 2020 (unless and to the extent that such authorities are renewed or extended prior to such date), save that the Company may before such expiry make an over or agreement which would or might require shares to be allotted or rights to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or to convert any security into shares in pursuance of such offer or agreement as if the authorities conferred hereby had not expired.

## **SPECIAL RESOLUTION:**

10. THAT, subject to the passing of Resolution 9 above, the Directors be and they are hereby empowered, pursuant to section 570(1) of the Act, to allot equity securities (as defined in section 560 of the Act) wholly for cash pursuant to the authorities conferred by Resolution 9 above as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:
- 10.1 the allotment of equity securities in connection with an offer or invitation to acquire equity securities (but in the case of the authority granted under sub-paragraph 9.2 by way of rights issue only):
- (i) to ordinary shareholders in proportion (as nearly as may be practicable) to the respective number of ordinary shares held by them on the record date for such allotment; and
  - (ii) to holders of other equity securities, as required by the rights of those securities, or as the Directors otherwise consider necessary,
- but subject to such exclusions or other arrangements as the Directors may deem necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, or legal, regulatory or practical problems in, or under the laws of any territory or the requirements of a regulatory body or stock exchange or any other matter; and
- 10.2 the allotment of equity securities otherwise than pursuant to sub-paragraph 10.1 above up to an aggregate nominal amount of £47,712 being 47,712,000 ordinary shares representing not more than 7.5% of the issued share capital of the Company as at 21 October 2019, and this authority shall, subject to the continuance of the authority granted by Resolution 9 above, expire on the earlier of the conclusion of the next annual general meeting of the Company or 31 December 2020 (unless and to the extent that such authority is renewed or extended prior to such date), save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

Subject to sub-paragraph 10.1, in this Resolution 10 "rights issue" means an offer of equity securities open for acceptance for a period fixed by the Directors to holders of ordinary shares on the register on a fixed record date in proportion as nearly as may be practicable to their respective holdings of such shares.

By Order of the Board.

**Sara Goldsbrough**  
Company Secretary  
Allergy Therapeutics plc  
Dominion Way  
Worthing  
West Sussex  
BN14 8SA

21 October 2019

# Notes to the Notice of Annual General Meeting

1. Only those members registered on the Company's register of members at:
  - (i) 6 p.m. on 21 November 2019; or,
  - (ii) if this AGM is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the AGM.
2. If you are a member of the Company who is entitled to attend and vote at the AGM, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the AGM.
3. You may appoint a proxy using one of the following methods:
  - To submit your proxy electronically via our registrars website, please go to [www.signalshares.com](http://www.signalshares.com). If you have not already registered for the Signal Shares you will need your Investor Code (IVC) which can be found on your share certificate or recent dividend confirmation.
  - Crest members should use the Crest electronic proxy appointment service and refer to note 5 below in relation to the submission of a proxy appointment via Crest.
  - In the event that you require a hard copy proxy form or you do not know your IVC please call our registrar Link Asset services on 0871 664 0391 or, if calling from overseas, on +44 (0) 371 664 0391. Calls cost 12p per minute plus your phone company's access charge; calls outside of the UK will be charged at the applicable international rate. Lines are open between 9.00 – 17.30 Monday to Friday excluding public holidays in England and Wales.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
4. A proxy does not need to be a member of the Company but must attend the AGM to represent you. Details of how to appoint the Chairman of the AGM or another person as your proxy using the proxy form are set out in the proxy form. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's Registrars, whose details can be found in note 13 below.

5. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by no later than 48 hours before the time appointed for the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Company's Registrars whose details can be found in note 13 below. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. Appointment of a proxy does not preclude you from attending the AGM and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.
9. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
10. As at 6 p.m. on 18 October 2019 the Company's issued share capital comprised 636,168,616 ordinary shares of 0.1p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6pm on 18 October 2019 is 636,168,616.
11. Voting on all resolutions will be conducted on a show of hands (unless a poll is validly demanded on any resolution(s)).
12. The following documents will be available for inspection at the AGM venue itself for at least 15 minutes prior to the AGM until the end of the AGM:
  - (i) Copies of the service contracts of executive Directors of the Company.
  - (ii) Copies of the letters of appointment of the non-executive Directors of the Company.
13. Members who have general queries about the AGM should contact the Company's Registrars Link Asset Services by post at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF or in person to 34 Beckenham Road, Beckenham, Kent BR3 4TU. The Registrars' Helpline number is 0871 664 0300 from the UK (calls cost 12p per minute plus network extras), or from overseas on +44 371 664 0300 (calls from outside the United Kingdom will be charged at the applicable international rate), and lines are open from Monday to Friday, 09.00 a.m. to 5.30 p.m.
14. You may not use any electronic address provided either:
  - (i) in this notice of AGM; or
  - (ii) any related documents (including the proxy form), to communicate with the Company for any purposes other than those expressly stated.

