



**Shield Therapeutics plc**

# **Notice of Annual General Meeting 2018**

to be held at the offices of  
Stephenson Harwood LLP  
1 Finsbury Circus  
London EC2M 7SH

Wednesday 27 June 2018 at 2.00pm

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** This document should be read in conjunction with the Shield Therapeutics plc annual report and accounts. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent advisor, who, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your Ordinary Shares in Shield Therapeutics plc, please send this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. You will not receive a form of proxy for the Annual General Meeting in the post. Instead, you will receive instructions to enable you to vote electronically and how to register to do so. You will still be able to vote in person at the Annual General Meeting, and may request a hard copy form of proxy directly from the registrar,

Link Asset Services, on tel: 0371 664 0300.

Registered in England and Wales: No. 09761509

Registered office: Northern Design Centre, Baltic Business Quarter, Gateshead Quays, England NE8 3DF

NOTICE IS HEREBY GIVEN that the 2018 Annual General Meeting (AGM) of Shield Therapeutics plc (the "Company") will be held at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH on Wednesday 27 June 2018, at 2.00pm, to consider and, if thought fit, pass the following resolutions.

It is intended to propose Resolutions 1 to 8 as ordinary resolutions and Resolutions 9 to 10 as special resolutions.

- 1 To receive and adopt the annual report and accounts for the financial year ended 31 December 2017. (Resolution 1)
- 2 To re-elect James Karis as a Director of the Company. (Resolution 2)
- 3 To re-elect Peter Llewellyn-Davies as a Director of the Company. (Resolution 3)
- 4 To re-elect Carl Sterritt as a Director of the Company. (Resolution 4)
- 5 To elect Rolf Hoffmann, who was appointed as a Director of the Company since the last Annual General Meeting, as a Director of the Company. (Resolution 5)
- 6 To re-appoint KPMG LLP as auditor of the Company to hold office from the conclusion of the AGM until the conclusion of the next Annual General Meeting at which accounts are laid. (Resolution 6)
- 7 To authorise the Directors to determine the remuneration of KPMG LLP. (Resolution 7)

### 8 Authority to allot shares

To resolve that the Directors be and are hereby generally and unconditionally authorised, for the purposes of Section 551 of the Companies Act 2006, to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:

- (a) up to a maximum nominal amount (within the meaning of Section 551(3) and (6) of the Companies Act 2006) of £582,129 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of such amount); and
- (b) comprising equity securities (as defined in Section 560(1) of the Companies Act 2006) up to an aggregate nominal amount (within the meaning of Section 551(3) and (6) of the Companies Act 2006) of £1,164,259 (such amount to be reduced by any allotments or grants made under (a) above) in connection with or pursuant to an offer by way of a rights issue in favour of holders of Ordinary Shares in proportion (as nearly as practicable) to the respective number of Ordinary Shares held by them on the record date for such allotment (and holders of any

other class of equity securities entitled to participate therein or, if the Directors consider it necessary, as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory or any other matter whatsoever,

these authorisations to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 27 September 2019), unless previously revoked or varied by the Company (save that the Company may before such expiry make any offer 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 any such offer or agreement as if the authorisations conferred hereby had not expired). (Resolution 8)

### 9 Disapplication of pre-emption rights

To resolve that, subject to the passing of Resolution 8 set out above, the Directors be and are hereby given power pursuant to Sections 570(1) and 573 of the Companies Act 2006 to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) for cash pursuant to the authorisation conferred by that resolution, as if Section 561 of the Companies Act 2006 did not apply to any such allotment, provided that such authority be limited:

- (a) to the allotment of equity securities for cash in connection with or pursuant to an offer of, or invitation to acquire, equity securities (but in the case of the authorisation granted under Resolution 8(b) above, by way of a rights issue only) in favour of holders of Ordinary Shares in proportion (as nearly as practicable) to the respective number of Ordinary Shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or, if the Directors consider it necessary, as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory or any other matter whatsoever; and

- (b) to the allotment of equity securities under paragraph (a) of Resolution 8 (otherwise than under paragraph (a) above) up to a nominal amount of £87,319, such authority to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 27 September 2019), unless previously revoked or varied by the Company (save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the Directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired). (Resolution 9)

**10 Disapplication of pre-emption rights in respect of an additional 5% of the Company's issued share capital**

To resolve that, subject to the passing of Resolution 8 set out above, the Directors be and are hereby given power, in addition to any authority granted under Resolution 9(b) above and, pursuant to Sections 570(1) and 573 of the Companies Act 2006 to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) for cash pursuant to the authorisation conferred by that resolution, as if Section 561 of the Companies Act 2006 did not apply to any such allotment, provided that such authority be:

- (a) limited to the allotment of equity securities up to a nominal amount of £87,319; and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors of the Company determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

such authority to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 27 September 2019), unless previously revoked or varied by the Company (save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired). (Resolution 10)

By order of the Board

**Lucy Bailey**

**Company Secretary**

Northern Design Centre, Baltic Business Quarter,  
Gateshead Quays, England NE8 3DF

Registered in England and Wales: No. 09761509

30 May 2018

## Notice of Annual General Meeting notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of trading on 25 June 2018. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
2. Shareholders, or their proxies, intending to attend the Meeting in person are requested, if possible, to arrive at the Meeting venue at least 20 minutes prior to the commencement of the Meeting at 2.00pm (UK time) on 27 June 2018 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by that shareholder. A proxy need not be a shareholder of the Company.
4. 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).
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. You can vote either:
  - by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions;
  - you may request a hard copy form of proxy directly from the registrar, Link Asset Services (previously called Capita), on tel: 0371 664 0300. Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00am-17.30pm, Monday to Friday excluding public holidays in England and Wales; or
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Asset Services at 34 Beckenham Road, Beckenham, Kent BR3 4TU by 2.00pm on 25 June 2018.
7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in Note 11 below) will not prevent a shareholder from attending the Meeting and voting in person if he/she wishes to do so.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a 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.

10. In order for a proxy appointment or instruction 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 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 2.00pm on 25 June 2018. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. 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 system 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.
12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.
13. As at 30 May 2018 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 116,425,851 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 30 May 2018 are 116,425,851.
14. Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the auditor's report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
15. Any shareholder attending the Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.
16. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day from the date of this Notice until the time of the Meeting and may also be inspected at the Meeting venue, as specified in this Notice, from 2.00pm on the day of the Meeting until the conclusion of the Meeting:
  - copies of the Directors' letters of appointment or service contracts.
17. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at [www.shieldtherapeutics.com](http://www.shieldtherapeutics.com).

## Information on resolutions

### Resolution 1: To receive and adopt the annual report and accounts for the financial year ended 31 December 2017

The Company is required to present the Directors' report, audited financial statements and the independent auditor's report at a general meeting.

### Resolutions 2 to 4: Re-election of Directors

In accordance with the Articles of Association of the Company and corporate governance best practice, all the existing Directors of the Company, other than Andrew Heath, will stand for re-election. Andrew Heath will be stepping down from the Board at the AGM.

Carl Sterritt was appointed to the Board in 2015. Both Peter Llewellyn-Davies and James Karis were appointed to the Board in 2016.

All the Non-Executive Directors have letters of appointment, rather than service agreements, with a notice period of three months, unless they are not re-elected at an AGM. Carl Sterritt has a service agreement with a notice period of twelve months.

Biographical details of the Directors standing for re-election are shown on pages 22 and 23 of the annual report and accounts and on the Company's website.

### Resolution 5: Election of Rolf Hoffmann

The Articles of Association of the Company require any Director appointed since the last Annual General Meeting to stand for election at the next Annual General Meeting. Rolf Hoffmann will stand for election, having been appointed as a Director by the Board since the last AGM. Rolf Hoffmann has a letter of appointment with a notice period of one month.

Mr Hoffmann is currently Chairman of Biotest AG, sits on the Board of Directors of the large European biotechnology company Genmab AG and is a Director of San Francisco-based Trigemina Inc.

Rolf brings to Shield over 30 years of international pharmaceutical experience having served in several senior roles in the industry, most recently 12 years with Amgen as Senior Vice President of Commercial Operations for the United States, and before that as SVP International and Europe. He started his pharmaceutical career at Eli Lilly as a sales representative, progressing to senior positions including President of Latin America operations and General Manager in Germany. Rolf holds an MBA from the University of North Carolina, a master's degree from the University of Cologne and is adjunct professor at UNC Kenan-Flagler Business School.

### Resolutions 6 and 7: Re-appointment of the auditor and approval of its remuneration

At every general meeting at which accounts are presented to shareholders, the Company is required to appoint an auditor to serve from the end of the meeting until the next such meeting. The Board is proposing the reappointment of KPMG LLP ("KPMG") as the Company's auditor and KPMG has expressed its willingness to continue in office. The Company's Audit Committee has reviewed KPMG's effectiveness and recommends its reappointment. Resolution 6 proposes the reappointment of KPMG as the Company's auditor to hold office until the next Annual General Meeting of the Company. Resolution 7 authorises the Directors to determine its remuneration. The Directors have delegated the responsibility of fixing the auditor's remuneration to the Audit Committee of the Board.

### Resolution 8: Authority to allot securities

The Directors may allot shares and grant rights to subscribe for, or convert any security into, shares only if authorised to do so by the shareholders. Resolution 8 proposes granting the Directors authority to allot shares and grant rights to subscribe for, or convert any security into, shares (a) up to an aggregate nominal amount of £582,129 and (b) in connection with a rights issue up to an aggregate nominal amount (reduced by allotments under part (a) of the resolution) of £1,164,259. The nominal amounts to which this authority relates represent approximately 33.3% and approximately 66.7% respectively of the issued ordinary share capital of the Company as at 30 May 2018. The authority will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, the date which is 15 months from the date of the AGM. It is the Directors' intention to seek renewal of this authority annually. The Directors have no present intention of exercising this authority. The Company does not hold any shares in treasury.

### Resolution 9: Disapplication of pre-emption rights

Resolution 9 gives the Directors the power, in certain limited circumstances, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. Apart from in connection with rights issues and other pre-emptive offers, the power will be limited to the allotment of equity securities for cash up to an aggregate nominal value of £87,319 (being 5% of the issued ordinary share capital of the Company as at 30 May 2018, the latest practicable date prior to publication of this Notice). The Directors will have due regard to the Pre-Emption Group's Statement of Principles published on 12 March 2015 (the "Statement of Principles") in relation to any exercise of this

power, in particular to the requirement for advance consultation and explanation before making any non-pre-emptive cash issue pursuant to this resolution which exceeds 7.5% of the share capital in any rolling three-year period.

The authority will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, the date which is 15 months from the date of the AGM. It is the Directors' intention to seek renewal of this authority annually. It is standard practice for most United Kingdom companies to propose this resolution each year.

**Resolution 10: Disapplication of pre-emption rights in respect of an additional 5% of the Company's issued share capital**

Resolution 10 also gives the Directors the power, in certain limited circumstances, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. The disapplication of pre-emption rights in respect of a further 5% of the Company's issued share capital in addition to the authority proposed to be granted pursuant to Resolution 10 reflects the guidance from the Statement of Principles and the Guidance issued by the Pre-Emption Group on 5 May 2016. The power will be limited to the allotment of equity securities for cash up to an aggregate nominal value of £87,319 (being 5% of the issued ordinary share capital of the Company as at 30 May 2018, the latest practicable date prior to publication of this Notice) provided that the authority can only be used in connection with the financing or refinancing of an acquisition or specified capital investment (within the meaning of the Statement of Principles). Any such refinancing must be within six months of the original transaction. The Directors will have due regard to the Statement of Principles in relation to any exercise of this power. The authority will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, the date which is 15 months from the date of the AGM. It is the Directors' intention to seek renewal of this authority annually.



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