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If you sell or have sold or transferred all of your Ordinary Shares in the Company please send this document as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you sell or have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was made.

This document does not constitute a prospectus for the purposes of the Prospectus Regulation Rules made by the FCA pursuant to sections 73A(1) and (4) of FSMA and accordingly this document has not been, and will not be, approved by the FCA, the London Stock Exchange, any securities commission or any other authority or regulatory body nor has it been approved for the purposes of section 21 of FSMA. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

Application will be made to the London Stock Exchange for the Subscription Shares and Open Offer Shares to be admitted to trading on AIM following the satisfaction (or waiver, if capable of being waived) of the Equity Conditions (including the passing of the Resolutions) and completion of the Open Offer. The Subscription Shares and Open Offer Shares will, when issued, rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends or other distributions declared, made or paid on or after they are issued.

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# **Allergy Therapeutics plc**

*(Incorporated and registered in England and Wales under the Companies Act 2006 with registered no. 05141592)*

## **Authority for allotment of 4,075,000,000 New Shares at an Issue Price of 1 pence per share and disapplication of pre-emption rights and Notice of General Meeting**

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**You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman of the Company explaining the background to, and reasons for, the Transaction which is set out in Part I of this document.**

The Notice of General Meeting to be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ at 12 noon on 27 April 2023, is set out at the end of this document.

The Company requests that all of its Shareholders appoint the chair of the meeting as their proxy and submit their votes via proxy in advance of the meeting. Appointing a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they wish. Shareholders may submit their proxy votes online via [www.signalshares.com](http://www.signalshares.com) or may request a paper proxy form from the Registrars, Link Group by calling 0371 664 0300 (if calling from the United Kingdom), or +44 371 664 0300 (if calling from outside of the United Kingdom), or emailing [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk). Shareholders will not automatically receive a form of proxy with this document. Shareholders who are CREST members may submit their CREST Proxy Instructions online via the CREST electronic appointment service. Proxy appointments must be completed by Shareholders and returned as soon as possible but in any event so as to be received by the Registrars at Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL by no later than 12 noon on 25 April 2023 (or, in the case of an adjournment of the General Meeting,

not later than 48 hours before the time fixed for the holding of the adjourned meeting). Shareholders who hold their Ordinary Shares through a nominee should instruct their nominees to appoint a proxy on their behalf. Further details of how to register your proxy vote are contained within the notes to the Notice of General Meeting at the end of this document.

Persons intending to attend the General Meeting in person will need a QR code to access the meeting venue. Such QR code will need to be displayed on a smartphone or similar device. A QR code will be able to be obtained in advance by emailing the Registrars, Link Group at [meetingadvisory@linkgroup.co.uk](mailto:meetingadvisory@linkgroup.co.uk) with your full name, IVC or full address and email address. Persons who have not obtained a QR code in advance will be able to obtain one at the meeting venue.

The distribution of this document in certain jurisdictions may be restricted by law. Accordingly, neither this document nor any other material relating to the Transaction or other transactions noted in this document, may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons outside the United Kingdom into whose possession this document comes should inform themselves about and observe any such restrictions.

Neither the Subscription Shares nor the Open Offer Shares, nor the Facility Agreement, the Equity Commitment Agreement, this document or other documents connected with the Transaction have been nor will be registered under the securities laws and regulations of any jurisdiction, in particular, Australia, Canada, Japan or the Republic of South Africa, and may not be offered, sold, resold, or delivered, directly or indirectly, within Australia, Canada, Japan or the Republic of South Africa, or in any jurisdiction where it is unlawful to do so, except pursuant to an applicable exemption.

This document (and the information contained herein) does not contain or constitute an offer of securities for sale, or solicitation of an offer to purchase securities, in the United States, Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction where such an offer or solicitation would be unlawful. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or jurisdiction of the United States and may not be offered, sold, resold, or delivered, directly or indirectly, in or into the United States or to US persons unless the securities are registered under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, in each case in accordance with any applicable securities laws and regulations of any state or jurisdiction of the United States. The securities referred to herein were offered and sold to non-US persons outside the United States in offshore transactions within the meaning of, and in accordance with, Regulation S under the Securities Act. There was no public offer of securities in the United States.

None of the Facility Agreement, the Equity Commitment Agreement, this document or any other document connected with the Transaction have been or will be approved or disapproved by the US Securities and Exchange Commission or by the securities commissions of any state or other jurisdiction of the United States or any other regulatory authority, nor have any of the foregoing authorities or any securities commission passed comment upon or endorsed the merits of the offering of the Subscription Shares and/or the Open Offer Shares or the accuracy or adequacy of this document or any other document connected with the Transaction. Any representation to the contrary is a criminal offence.

Panmure Gordon, which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company in connection with the Transaction and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Panmure Gordon or for advising any other person in respect of the Transaction or any transaction, matter or arrangement referred to in this document. Panmure Gordon’s responsibilities as the Company’s nominated adviser and broker under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of the Transaction.

Apart from the responsibilities and liabilities, if any, which may be imposed on Panmure Gordon by FSMA or the regulatory regime established thereunder, Panmure Gordon does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Transaction. Panmure Gordon accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

The Company and the Directors, whose names appear on page 5 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Copies of this document will be available free of charge to the public from the Company's website [www.allergytherapeutics.com](http://www.allergytherapeutics.com). However, the contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this document.

### **Forward Looking Statements**

This document contains "forward-looking statements" which include all statements (other than statements of historical facts) including, without limitation, those regarding the Group's financial position, business strategy, potential clinical trial outcomes, plans and objectives of management for future operations, and any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could", "potential" or "similar" expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules for Companies.

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## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors:</b>	Peter Jensen ( <i>Non-Executive Chairman</i> ) Manuel Llobet ( <i>Chief Executive Officer</i> ) Cheryl MacDiarmid ( <i>Independent Non-Executive Director</i> ) Tunde Otulana ( <i>Independent Non-Executive Director</i> ) Mary Tavener ( <i>Independent Non-Executive Director</i> ) Anthony Parker ( <i>Non-Executive Director</i> ) Zheqing (Simon) Shen ( <i>Non-Executive Director</i> )
<b>Company Secretary:</b>	Karley Cheesman
<b>Registered Office:</b>	Dominion Way Worthing West Sussex BN14 8SA
<b>Company Website:</b>	<a href="http://www.allergytherapeutics.com">www.allergytherapeutics.com</a>
<b>Telephone Number:</b>	+44 (0) 1903 844 700
<b>Nominated Adviser &amp; Broker:</b>	<b>Panmure Gordon (UK) Limited</b> 40 Gracechurch Street London EC3V 0BT
<b>Legal Advisers to the Company:</b>	<b>Covington &amp; Burling LLP</b> 22 Bishopsgate London EC2N 4BQ
<b>Registrars:</b>	<b>Link Group</b> 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL
<b>Public Relations:</b>	<b>Consilium Strategic Communications</b> 85 Gresham Street London EC2V 7NQ

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<b>Event</b>	<b>Date</b>
Announcement of the Transaction	6 April 2023
Publication of this document	11 April 2023
Latest time and date for receipt of proxy appointments for the General Meeting	12 noon on 25 April 2023
General Meeting	12 noon on 27 April 2023
Announcement of the results of the General Meeting	27 April 2023
Announcement of the Open Offer	a date expected to be no later than five (5) Business Days after the satisfaction of the FDI Clearance Conditions
Long Stop Date	the earlier of (i) 6 January 2024 (being the date falling nine (9) months from the date of announcement of the Transaction) and (ii) the date of G306 Trial Failure, or such later date as the Company and the Investors may agree in writing prior to the earlier of (i) or (ii)

### Notes

1. The expected timetable of the Open Offer, completion of the Subscription and Admission will be set out in a further circular to Shareholders relating to the Open Offer. Details of the relevant times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement to a Regulatory Information Service.
2. Each of the times and dates set out in the above timetable and mentioned in this document is subject to change by the Company, in which event details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement to a Regulatory Information Service.
3. References to times in this document are to London time unless otherwise stated.

## KEY STATISTICS

Issued share capital of the Company as at the Last Practicable Date	679,104,621 Ordinary Shares
Total number of New Shares to be issued pursuant to the Equity Financing	4,075,000,000
Number of Subscription Shares (subject to adjustment) to be issued pursuant to the Subscription	3,385,510,000
Number of Open Offer Shares (subject to adjustment) to be issued pursuant to the Open Offer	689,490,000
Issue Price	1 pence
Estimated gross proceeds of the Equity Financing	£40.75 million
Enlarged Share Capital following Admission*	4,754,104,621 Ordinary Shares
Percentage of the Enlarged Share Capital represented by the Subscription Shares and the Open Offer Shares*	85.72 per cent.

\* Assuming no share issuances between the Last Practicable Date and Admission.

## DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

<b>“2022 Accounts”</b>	the Group’s annual report and accounts for the year ended 30 June 2022
<b>“Abbott Laboratories”</b>	together, Abbott Laboratories (Chile) Holdco SPA and Yissum Holdings Limited
<b>“Act”</b>	the Companies Act 2006
<b>“Admission”</b>	the admission to trading on AIM of the Subscription Shares and the Open Offer Shares in accordance with the AIM Rules
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers (as the context may require)
<b>“AIM Rules for Companies”</b>	the rules of AIM as set out in the publication entitled “AIM Rules for Companies” published by the London Stock Exchange from time to time
<b>“AIM Rules for Nominated Advisers”</b>	the rules of AIM as set out in the publication entitled “AIM Rules for Nominated Advisers” published by the London Stock Exchange from time to time
<b>“Board” or “Directors”</b>	the board of directors of the Company, whose names are listed on page 5 of this document
<b>“Business Day”</b>	any day other than (i) a Saturday or Sunday or (ii) any day on which banks located in London, United Kingdom, Cayman Islands and Hong Kong are authorised or obligated to close
<b>“Company” or “Allergy Therapeutics”</b>	Allergy Therapeutics plc, a public limited company incorporated in England and Wales with company number 05141592
<b>“CREST”</b>	the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
<b>“CREST Manual”</b>	the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof
<b>“CREST Proxy Instruction”</b>	the message appointing a proxy (or giving or amending an instruction to a previously appointed proxy) via the CREST system
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
<b>“Enlarged Share Capital”</b>	the 4,754,104,621 Ordinary Shares in issue immediately following Admission (assuming no share issuances between the Last Practicable Date and Admission)

<b>“Equity Commitment Agreement”</b>	the equity commitment agreement dated 6 April 2023 between the Company, Southern Fox and SkyGem Acquisition, details of which are set out in Section C ( <i>The Equity Commitment Agreement</i> ) of Part II ( <i>Details of the Transaction</i> ) of this document
<b>“Equity Conditions”</b>	the conditions to the Equity Financing, as set out in the Equity Commitment Agreement and as detailed in paragraph 2.1 of Section C ( <i>The Equity Commitment Agreement</i> ) of Part II ( <i>Details of the Transaction</i> ) of this document
<b>“Equity Financing”</b>	the Subscription and the Open Offer
<b>“Excluded Overseas Shareholders”</b>	Shareholders with registered addresses in a Restricted Jurisdiction
<b>“Facility”</b>	the secured term loan facility in an aggregate principal amount of £40.75 million to be made available to the Company by the Lenders pursuant to the Facility Agreement
<b>“Facility Agreement”</b>	senior secured facility agreement dated 6 April 2023 between the Company and SkyGem International (acting as Arranger, Agent and Security Agent), details of which are set out in Section A ( <i>The Facility Agreement</i> ) of Part II ( <i>Details of the Transaction</i> ) of this document
<b>“FCA”</b>	the UK Financial Conduct Authority
<b>“FDI”</b>	foreign direct investment
<b>“FDI Clearance Conditions”</b>	the SF FDI Clearance Condition and the ZQ FDI Clearance Condition
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“G306 Contingent Payment”</b>	the payment equal to 250 per cent. of the principal amount of the loan outstanding under the Facility, payable by the Company to the Lenders in accordance with the terms of the G306 Contingent Payment Letter
<b>“G306 Contingent Payment Letter”</b>	the contingent payment letter dated 6 April 2023 between the Company and SkyGem International (acting as Agent for the Lenders), details of which are set out in Section B ( <i>The G306 Contingent Payment Letter</i> ) of Part II ( <i>Details of the Transaction</i> ) of this document
<b>“G306 Read-out”</b>	the data read-out of the G306 Trial
<b>“G306 Trial”</b>	the Group's pivotal Phase III G306 trial for Grass MATA MPL
<b>“G306 Trial Failure”</b>	if the G306 Trial is terminated or if G306 Trial Success does not occur
<b>“G306 Trial Success”</b>	in respect of the G306 Trial, the first date on which, using the primary efficacy measure, the investigational medicinal product has:

- (a) achieved an average treatment effect which is at least 25 per cent. higher in the treatment group compared to placebo; or
- (b) achieved a treatment effect that is less than 25 per cent. in the treatment group compared to placebo but (i) following consultation with the relevant regulatory authority, the results of the G306 Trial are stated by such regulatory authority to be sufficient to support the submission of a marketing authorisation application in Germany for the investigational medicinal product tested in the G306 Trial without conducting further phase III clinical trials (except for the commencement of the planned G308 multiyear paediatric study); or (ii) a marketing authorisation application is submitted in respect of the investigational medicinal product tested in the G306 Trial

<b>“General Meeting”</b>	the general meeting of the Shareholders of the Company to be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ at 12 noon on 27 April 2023, convened by the Notice of General Meeting which is set out at the end of this document
<b>“Group”</b>	the Company, its subsidiaries and subsidiary undertakings
<b>“Interim Results”</b>	the Group’s unaudited results for the six months ended 31 December 2022
<b>“Investors”</b>	Southern Fox and ZQ Capital (acting through its affiliate SkyGem Acquisition), as subscribers in the Equity Financing
<b>“Issue Price”</b>	1 pence per Ordinary Share
<b>“Last Practicable Date”</b>	5 April 2023, being the latest practicable date prior to the announcement of the Transaction
<b>“Lenders”</b>	Southern Fox and ZQ Capital (acting through its affiliate SkyGem International), as lenders of the Facility
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Long Stop Date”</b>	the earlier of (i) 6 January 2024 (being the date falling nine (9) months from the date of announcement of the Transaction) and (ii) the date of G306 Trial Failure, or such later date as the Company and the Investors may agree in writing prior to the earlier of (i) or (ii)
<b>“New Shares”</b>	the 4,075,000,000 new Ordinary Shares proposed to be issued by the Company pursuant to the Equity Financing
<b>“Notice of General Meeting”</b>	the notice of General Meeting which is set out at the end of this document
<b>“Open Offer”</b>	the conditional invitation to be made to Qualifying Shareholders to subscribe for Open Offer Shares pursuant to their pro rata entitlements at the Record Date, details of which will be set out in a further circular to Shareholders

<b>“Open Offer Shares”</b>	the up to 689,490,000 New Shares (subject to adjustment) to be issued pursuant to the Open Offer
<b>“Ordinary Shares”</b>	ordinary shares of 0.1 pence each in the capital of the Company
<b>“Panmure Gordon”</b>	Panmure Gordon (UK) Limited, a private limited company incorporated and registered in England and Wales (with registered number 04915201) whose registered office is 40 Gracechurch Street, London EC3V 0BT, the Company’s nominated adviser and broker
<b>“Pre-emptive Open Offer”</b>	a fully pre-emptive open offer proposed to be undertaken by the Company in accordance with statutory pre-emption rights in the event that the Resolutions are not passed and the Equity Financing does not complete
<b>“Qualifying Shareholders”</b>	holders of Ordinary Shares other than Excluded Overseas Shareholders and excluding Abbott Laboratories, Southern Fox and ZQ Capital, who are eligible to be offered Open Offer Shares under the Open Offer in accordance with the terms and conditions to be set out in a further circular to Shareholders
<b>“R&amp;D”</b>	research and development
<b>“Record Date”</b>	the business day prior to announcement of the Open Offer (or such other date as may be agreed between the Company and the Investors)
<b>“Registrars” or “Link Group”</b>	Link Group of 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL
<b>“Regulatory Information Service” or “RIS”</b>	a regulatory information service operated by the London Stock Exchange as defined in the AIM Rules for Companies
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
<b>“Restricted Jurisdictions”</b>	Australia, Japan, South Africa and the United States, together with any other jurisdictions which are determined by the Company as having laws or regulations that restrict the offering of securities as contemplated by the Open Offer
<b>“Rule 9 Mandatory Offer”</b>	the mandatory cash offer that will be required to be made by ZQ Capital to all other Shareholders to acquire the entire issued and to be issued share capital of the Company pursuant to Rule 9 of the Takeover Code, if the Equity Conditions are satisfied and the Equity Financing completes
<b>“SF FDI Clearance Condition”</b>	the Equity Condition with respect to the receipt by Southern Fox, on terms reasonably satisfactory to Southern Fox, of certain foreign direct investment/national security clearances in Austria, Italy and Germany
<b>“Shareholders”</b> and each being individually a <b>“Shareholder”</b>	the holders of Ordinary Shares for the time being
<b>“SkyGem Acquisition”</b>	SkyGem Acquisition Limited, an affiliate of ZQ Capital

<b>“SkyGem International”</b>	SkyGem International Holdings Limited, an affiliate of ZQ Capital
<b>“Southern Fox”</b>	Southern Fox Investments Limited
<b>“Subscription”</b>	the conditional subscription for the Subscription Shares by ZQ Capital and Southern Fox at the Issue Price pursuant to the Equity Commitment Agreement
<b>“Subscription Shares”</b>	the 3,385,510,000 New Shares (subject to adjustment) to be issued pursuant to the Subscription
<b>“Takeover Code”</b>	the City Code on Takeovers and Mergers
<b>“Takeover Panel”</b>	the Panel on Takeovers and Mergers
<b>“Transaction”</b>	the Facility (including the G306 Contingent Payment) and the Equity Financing
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
<b>“ZQ Capital”</b>	ZQ Capital Management Limited
<b>“ZQ FDI Clearance Condition”</b>	the Equity Condition with respect to the receipt by ZQ Capital, on terms reasonably satisfactory to ZQ Capital, of certain foreign direct investment/national security clearances in Austria, Italy, Germany and Spain

All references to **“this document”** are to this circular and incorporating the Notice of General Meeting.

All references in this document to **“£”, “GBP”, “pence” or “p”** are to the lawful currency of the United Kingdom.

All references in this document to **“€”, “EUR”, “cent” or “c”** are to the lawful currency of the European Economic Area.

All references to time in this document are to London time.

## PART I

### LETTER FROM THE CHAIRMAN OF ALLERGY THERAPEUTICS PLC

#### Allergy Therapeutics plc

*(Incorporated and registered in England and Wales with registered no. 05141592)*

*Directors:*

Peter Jensen (*Non-Executive Chairman*)  
Manuel Llobet (*Chief Executive Officer*)  
Cheryl MacDiarmid (*Independent Non-Executive Director*)  
Tunde Otulana (*Independent Non-Executive Director*)  
Mary Tavener (*Independent Non-Executive Director*)  
Anthony Parker (*Non-Executive Director*)  
Zheqing (Simon) Shen (*Non-Executive Director*)

*Registered Office:*

Dominion Way  
Worthing  
West Sussex  
BN14 8SA

11 April 2023

Dear Shareholder,

**Authority for allotment of 4,075,000,000 New Shares at an Issue Price of 1 pence per share and  
disapplication of pre-emption rights  
and  
Notice of General Meeting**

#### 1. Introduction

On 6 April 2023, the Company announced that it had entered into a senior secured Facility Agreement pursuant to which the Company's existing substantial Shareholders ZQ Capital (acting through its affiliate SkyGem International) and Southern Fox, agreed to make available to the Company a secured term loan Facility in an aggregate principal amount of £40.75 million. The Facility will be used to refinance the existing £10 million loan notes issued to the Lenders on 28 February 2023, to facilitate the continuation of the Group's pivotal Phase III G306 Trial for Grass MATA MPL, to continue other key clinical trial activities including the Phase I study for Peanut allergy, and to finance trading and provide working capital.

In conjunction with the Facility Agreement, the Company also entered into the Equity Commitment Agreement with ZQ Capital (acting through its affiliate SkyGem Acquisition) and Southern Fox, pursuant to which ZQ Capital and Southern Fox agreed conditionally to subscribe for new Ordinary Shares at the Issue Price of 1 pence per new Ordinary Share (the "**Issue Price**") to raise gross proceeds of £40.75 million.

The Equity Financing is comprised of (i) the Subscription by each of ZQ Capital and Southern Fox for, in aggregate, 3,385,510,000 Subscription Shares (subject to adjustment) at the Issue Price and (ii) the Open Offer, pursuant to which Qualifying Shareholders (which will exclude the three largest Shareholders ZQ Capital, Southern and Abbott Laboratories, and Excluded Overseas Shareholders) will be offered the opportunity to subscribe for up to 689,490,000 Open Offer Shares (subject to adjustment) at the Issue Price pursuant only to their pro rata entitlements at the Record Date.

The number of Open Offer Shares to be made available to Qualifying Shareholders in the Open Offer will be reduced, if required, to ensure that the aggregate gross proceeds of the Open Offer do not exceed €8.0 million as at the date the Open Offer is launched, calculated by reference to the number

of Open Offer Shares at the Issue Price at the prevailing foreign exchange rate on the last practicable date prior to announcement of the Open Offer, so as to avoid the requirement to publish a prospectus. In the event that the number of Open Offer Shares is reduced in this manner, the number of Subscription Shares subscribed by ZQ Capital may be increased by an equivalent number such that the total number of New Shares to be issued by the Company pursuant to the Equity Financing equals not less than 4,075,000,000 New Shares to raise gross proceeds of £40.75 million.

ZQ Capital has agreed to underwrite the Open Offer by subscribing at the Issue Price for any Open Offer Shares not taken up by Qualifying Shareholders under the Open Offer. Southern Fox will not be underwriting the Open Offer. The quantum and terms of the Open Offer, which as noted above excludes the Company's three largest Shareholders, are expected to allow other Qualifying Shareholders to maintain their existing percentage holdings if they subscribe for their pro rata entitlements at the Issue Price. Any Shareholders who do not participate in the Open Offer will be very significantly diluted as a consequence of the Equity Financing.

The proceeds of the Equity Financing will be principally used to repay the amounts owed pursuant to the terms of the Facility Agreement (including principal amounts and accrued interest).

The Equity Financing is conditional on satisfaction (or waiver, if capable of being waived) of the Equity Conditions, which include, *inter alia*, (a) certain FDI regulatory approvals and (b) shareholder approval authorising the Directors to allot Ordinary Shares pursuant to the Equity Financing and the disapplication of statutory pre-emption rights in connection therewith, by the Long Stop Date, being the earlier of (i) 6 January 2024 (being the date falling nine (9) months from the date of announcement of the Transaction) and (ii) the date of G306 Trial Failure, or such later date as the Company and the Investors may agree in writing prior to the earlier of (i) or (ii). The Notice of General Meeting convening the General Meeting of the Shareholders to be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ at 12 noon on 27 April 2023 for the purposes of considering and, if thought fit, passing the Resolutions, is set out in Part III (*Notice of General Meeting*) of this document.

Under the terms of the G306 Contingent Payment Letter entered into between the Company and the Lenders in connection with the Facility Agreement, the Company will be obligated to pay to the Lenders the G306 Contingent Payment, which is a substantial finance premium equal to 250 per cent. of the principal amount of the loan outstanding under the Facility, on a successful G306 Read-Out if at such time any principal remains outstanding under the terms of the Facility Agreement. The Company therefore intends, subject to satisfaction (or waiver, if capable of being waived) of the Equity Conditions, to complete the Equity Financing and repay all amounts outstanding under the Facility Agreement within nine months of the date of this announcement, thereby avoiding the G306 Contingent Payment being triggered.

The Company continues to explore initiatives for additional funding to further extend the Company's cash runway and expects the Facility and subsequent Equity Financing to provide on-going working capital for the Group into H2 2023.

If the Resolutions are not passed at the General Meeting, the Company will, instead of the Equity Financing, undertake the Pre-emptive Open Offer at the Issue Price in accordance with statutory pre-emption rights to raise gross proceeds of at least £40.75 million. In comparison to the Equity Financing, the Pre-emptive Open Offer would take longer to complete and result in higher costs for the Company as it will be necessary to publish a prospectus and additional interest on the Facility that will accrue during this time. As explained in further detail below, the G306 Contingent Payment will not be payable in the event that the Company launches the Pre-emptive Open Offer by the Long Stop Date.

**If the Resolutions are not passed at the General Meeting and the Company is unable to secure an alternative funding solution to repay the amounts due under the Facility, the Company may be subject to, *inter alia*, possible insolvency and loss of ownership of its assets, over which security has been granted pursuant to the Facility. Should the Equity Financing not proceed, it is unlikely that the Company will be able to pay the G306 Contingent Payment should it crystallise. Accordingly, the Board strongly recommends that Shareholders vote in favour of the Resolutions at the General Meeting.**

## **2. Background to and reasons for the Transaction**

On 4 October 2022, the Company announced a pause in production at its Freeman facility, part of its Worthing, UK manufacturing site. This followed an internal review of its current operating processes to improve the robustness of its quality systems and build capacity across its manufacturing facilities. As a result of the manufacturing pause occurring during a period of peak production prior to the start of the pollen season, as previously reported, the Company announced that its revenue for the year ended 30 June 2023 is expected to be significantly below previous market expectations. This has led to a need for significant additional near-term funding for the Company.

The Board has undertaken a thorough review of the Group's business and carefully considered the potential funding options and other strategic alternatives that are available to the Company. The Board believes that the Group's portfolio of products and clinical pipeline remains highly valuable and that accordingly, it is in the best interests of the Company and its Shareholders to continue to finance these until at least the G306 Read-Out, representing the next value inflexion point for the business. The Transaction is the only realistic source of significant near-term funding that the Board has been able to identify through this process.

The Company expects the Facility and subsequent Equity Financing to provide on-going working capital for the Group into H2 2023. The Company anticipates a successful G306 Trial and regulatory approval to allow for the continued sale of the Group's existing products pursuant to the ongoing TAV process. The Transaction also provides immediate financing certainty which the Company expects to allow the Directors to apply the going concern principle in finalising and publishing the annual report and accounts for the year ended 30 June 2022. Publication of the 2022 Accounts, as well as the unaudited interim accounts for the six-month period ended 31 December 2022, by 30 June 2023, will facilitate restoration of trading in the Company's shares on AIM. The Directors anticipate that the 2022 Accounts will contain a material uncertainty in view of the need for additional near-term funding over and above the Transaction and an audit report qualification for limitation of scope in respect of the carrying value of insurance policy assets related to the pension scheme of the Group's German subsidiary, Bencard Allergy GmbH.

The Directors do not believe that the Facility and G306 Contingent Payment provide a suitable long term solution for the Company's financing requirements. The Company is therefore proceeding with the Equity Financing so that the proceeds of the Equity Financing can be used to repay the Facility as soon as the Equity Conditions are satisfied and the Equity Financing is completed. Dependent on trading and the timing of the Equity Financing and the quantum of interest accrued on the Facility, the Company expects that additional financing for the Group will be required in H2 2023. The Company continues to evaluate opportunities for cost control measures and non-dilutive funding.

### **3. Current trading and outlook**

As previously announced, the unaudited interim results for the six months ended 31 December 2022 are expected to record revenue of £39.9 million (2021: £48.7 million), with the reduction in revenue primarily caused by the unplanned short-term pause in production during October and November 2022. Operating profit pre-R&D is expected to be £0.5 million (2021: £12.5 million) reflecting lower revenue, together with increased manufacturing and regulatory costs. The operating loss after R&D costs is expected to be £8.0 million (2021 : £7.4 million profit), reflecting the increased development costs. The fully diluted loss per share is expected to be 1.29 pence per share (2021 : 0.97 pence profit per share).

Compared to the prior comparable period, the Group expects sales for the second half year to 30 June 2023 to continue at a similarly reduced level as for the first half year, with correspondingly lower gross margins, while overheads before R&D are expected to be similar.

At 2 April 2023, the Group had cash of £12.6 million after receiving £10 million from the issue of loan notes. Cash outflows in the second half year to 30 June 2023 are expected to be high due to seasonal operational losses and R&D costs, resulting in the Group having a short cash runway without additional funding. Notwithstanding imminent additional funding, the Group will require further funding within the next 12 months and beyond for trading, working capital, capital expenditure and the continuing R&D programme. Work is continuing on cost control and tight working capital management.

For further details of the Company's current trading and outlook, please refer to the 'Trading and Business Update' announcement published by the Company on 6 April 2023.

#### **4. Details of the Transaction**

##### **4.1 Facility Agreement**

Pursuant to the terms of the Facility Agreement, the Lenders have, subject to certain conditions and covenants, agreed to provide a facility to the Company of £40.75 million with a maturity date of 31 December 2025. Amounts borrowed under the Facility Agreement will accrue interest at the rate of 18 per cent. per annum. The Facility (and interest accrued thereon) is subject to mandatory redemption and cancellation of availability in the event of termination or G306 Trial Success (as defined below) has not occurred prior to 15 November 2024, as well as for typical mandatory repayment events such as a change of control, sale of substantially all assets of the Group or following the occurrence of an event of default that is accelerated. The Facility Agreement is subject to Loan Market Association-style terms and includes various representations, covenants, financial covenants and events of default binding upon the Group. The Facility is subject to a 2.75 per cent. upfront underwriting fee and a 0.75 per cent. per annum commitment fee on undrawn commitments.

The Facility will be fully secured against substantially all assets of the Company and its subsidiaries incorporated in England and Wales by way of an English-law governed debenture. If the Company wishes to drawdown amounts under the Facility that are in aggregate greater than £16,000,000 in principal then, (i) on or before such drawdown, the Company must also procure that its subsidiaries in Germany and the Netherlands also provide equivalent security over substantially all of their assets; and (ii) within 30 days following such drawdown of over £16,000,000, the Company must procure that its subsidiary in Spain also provides equivalent security over substantially all of its assets. The Lenders have the ability to require that additional security is provided by other entities in the Group, subject to certain security principles.

##### **4.2 G306 Contingent Payment**

The Company has also entered into the G306 Contingent Payment Letter with the Lenders pursuant to which the G306 Contingent Payment, which is a substantial finance premium equal to 250 per cent. of the principal amount of the loan outstanding under the Facility, will crystallise and become payable to the Lenders in the event that there is a successful G306 Read-Out. The Company is however permitted to repay all amounts outstanding under the Facility Agreement without penalty using the proceeds of the Equity Financing, and the G306 Contingent Payment will not be payable if the Equity Financing has been completed and all principal amounts under the Facility Agreement have been repaid by the Long Stop Date, notwithstanding a successful G306 Read-Out prior to this time. Completion of the Equity Financing is subject to the satisfaction (or waiver, if capable of being waived) of the Equity Conditions.

In the event that the Resolutions are not passed at the General Meeting the Equity Conditions will not be satisfied and the Equity Financing will not proceed. In these circumstances, the G306 Contingent Payment will not be payable provided that prior to the Long Stop Date the Company launches the Pre-emptive Open Offer at the Issue Price in accordance with statutory pre-emption rights to raise gross proceeds of at least £40.75 million on terms which provide that the Lenders shall be offered the right to subscribe for shares in excess of their pro rata entitlements to the extent that valid applications have not been made for all shares offered pursuant to such offer, and otherwise on such terms as may be agreed between the Company and the Lenders.

If triggered, the G306 Contingent Payment would not be payable until the maturity date of 31 December 2025 (unless the Facility were to be accelerated pursuant to the terms of the Facility Agreement following an event of default thereunder, whereupon the G306 Contingent Payment would also be accelerated).

**The Company does not have the resources to repay the Facility or to pay the G306 Contingent Payment in the event that it becomes payable and therefore may face potential insolvency if alternative funding cannot be secured in the future. Shareholders are therefore urged to vote in favour of the Resolutions at the General Meeting to enable the Equity Financing to proceed (subject to satisfaction (or waiver, if capable of being waived) of the other Equity Conditions) so**

**that amounts outstanding under the Facility Agreement can be repaid prior to the G306 Contingent Payment becoming payable.**

### **4.3 Equity Financing**

The Equity Financing comprises:

- (1) the Subscription for 2,228,004,131 Subscription Shares by ZQ Capital and 1,157,505,869 Subscription Shares by Southern Fox at the Issue Price of 1 pence per new Ordinary Share; and
- (2) the Open Offer proposed to be undertaken by the Company in due course pursuant to which Qualifying Shareholders will be offered the opportunity to subscribe for up to 689,490,000 Open Offer Shares at the Issue Price of 1 pence per new Ordinary Share pursuant only to their pro rata entitlements at the Record Date.

ZQ Capital has agreed to underwrite the Open Offer by subscribing at the Issue Price for any Open Offer Shares not taken up by Qualifying Shareholders under the Open Offer.

It is expected that Qualifying Shareholders to the Open Offer will include all existing Shareholders (other than Abbott Laboratories, Southern Fox and ZQ Capital, and Excluded Overseas Shareholders).

The number of Open Offer Shares to be made available to Qualifying Shareholders in the Open Offer will be reduced, if required, to ensure that the aggregate gross proceeds of the Open Offer do not exceed €8.0 million as at the date the Open Offer is launched, calculated by reference to the number of Open Offer Shares at the Issue Price at the prevailing foreign exchange rate on the last practicable date prior to announcement of the Open Offer, so as to avoid the requirement to publish a prospectus. In the event that the number of Open Offer Shares is reduced in this manner, the number of Subscription Shares subscribed by ZQ Capital may be increased by an equivalent number such that the total number of New Shares to be issued by the Company pursuant to the Equity Financing equals not less than 4,075,000,000 New Shares to raise gross proceeds of £40.75 million.

The Issue Price relating to the Equity Financing has been determined having regard to the Company's immediate financing and capital requirements and the Equity Financing being deemed to be the only viable route to provide near-term finance to refinance the Facility given the Company's structure and on-going funding requirements. The Issue Price of 1 pence represents a discount of 84 per cent. to the closing price of 6.25 pence per Ordinary Share on 30 December 2022 being the day prior to the day the Company's shares were suspended from trading on AIM.

The Equity Financing is expected to raise gross proceeds of £40.75 million. The net proceeds of the Equity Financing will be principally used to repay the principal amounts outstanding and accrued interest under the Facility Agreement.

### **4.4 Equity Conditions**

The Equity Financing is conditional on a number of Equity Conditions in the Equity Commitment Agreement, which include:

- (1) the passing by Shareholders of the Resolutions, comprising (i) an ordinary resolution (which requires a majority of the votes cast by those entitled to vote) to authorise the Directors to allot new Ordinary Shares pursuant to the Subscription and Open Offer and (ii) a special resolution (which requires not less than 75 per cent. of the votes cast by those entitled to vote) to disapply the statutory pre-emption rights in connection with the Subscription and the Open Offer;
- (2) the ZQ FDI Clearance Condition, which is the receipt by ZQ Capital, on terms reasonably satisfactory to ZQ Capital, of certain foreign direct investment/national security clearances in Austria, Italy, Germany and Spain;
- (3) the SF FDI Clearance Condition, which is the receipt by Southern Fox, on terms reasonably satisfactory to Southern Fox, of certain foreign direct investment/national security clearances

in Austria, Italy and Germany;

(4) in the opinion of each of the Investors, no events or facts having occurred or conditions or circumstances having arisen which are reasonably likely to result in:

- (i) any event or circumstance occurs that results in (i) a factory shutdown or loss of production capacity of more than 50 per cent. of historic annual production of any product that comprises 10 per cent. or more of the consolidated revenue of the Group (calculated by reference to the most recently available annual financial statements), provided that any factory shutdown or loss of production capacity during any planned factory shutdowns (including for planned maintenance, upgrades or due to regulatory requirements (including inspections)) shall not be included in such calculation; or (ii) a factory shutdown (whether partial or total) which results or is likely to result in (in the reasonable opinion of the Investors) the consolidated revenue of the Group for each twelve-month period ending on each quarter date to fall below £50,000,000; or
- (ii) G306 Trial Failure; and

(5) Admission of the Subscription Shares and Open Offer Shares to trading on AIM.

The Equity Conditions (save for the condition in sub-paragraph (4) above) cannot be waived by the Investors.

The timing for the satisfaction of the FDI Clearance Conditions by the Investors is currently highly uncertain. FDI submissions by the Investors will be made shortly after this announcement. It is possible that clearances may not be received for several months or at all. If the ZQ FDI Clearance Condition is satisfied, but the SF FDI Clearance Condition is not satisfied, ZQ Capital shall have the option (but not the obligation) to assume the obligations of Southern Fox (subject to Southern Fox's consent) and vice versa, such that if the SF FDI Clearance Condition is satisfied, but the ZQ FDI Clearance Condition is not satisfied, Southern Fox shall have the option (but not the obligation) to assume the obligations of ZQ Capital (subject to ZQ Capital's consent).

Additionally, pursuant to the terms of the Equity Commitment Agreement, each Investor may, in its absolute discretion, at any time before Admission terminate the Equity Commitment Agreement if:

- (a) an Equity Condition has not been satisfied; or
- (b) the application for Admission has been withdrawn or rejected.

#### **4.5 Subscription**

Pursuant to the terms of the Equity Commitment Agreement, the Investors have each agreed conditionally to subscribe for, in aggregate, 3,385,510,000 Subscription Shares at an Issue Price of 1 pence per new Ordinary Share in the following proportions:

- (1) 2,228,004,131 Subscription Shares by ZQ Capital; and
- (2) 1,157,505,869 Subscription Shares by Southern Fox; and

The number of Subscription Shares to be issued to ZQ Capital may be adjusted in the event that the number of Open Offer Shares is reduced to account for fluctuations in the foreign exchange rate, such that the number of Subscription Shares subscribed by ZQ Capital may be increased by an equivalent number such that the total number of New Shares to be issued by the Company pursuant to the Equity Financing equals not less than 4,075,000,000 New Shares to raise gross proceeds of £40.75 million.

The Subscription Shares, will, when allotted, be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on or after the date on which they are issued.

#### **4.6 Open Offer**

Pursuant to the terms of the Equity Commitment Agreement, the Company has agreed to undertake the Open Offer in due course, pursuant to which Qualifying Shareholders will be offered the opportunity to subscribe for up to 689,490,000 Open Offer Shares at the Issue Price of 1 pence per new Ordinary Share pursuant only to their pro rata entitlements at the Record Date. The number of Open Offer Shares to be made available to Qualifying Shareholders in the Open Offer will be reduced, if required, to ensure that the aggregate gross proceeds of the Open Offer do not exceed €8.0 million as at the date the Open Offer is launched, calculated by reference to the number of Open Offer Shares at the Issue Price at the prevailing foreign exchange rate on the last practicable date prior to announcement of the Open Offer, so as to avoid the requirement to publish a prospectus. In the event that the number of Open Offer Shares is reduced in this manner, the number of Subscription Shares subscribed by ZQ Capital may be increased by an equivalent number such that the total number of New Shares to be issued by the Company pursuant to the Equity Financing equals not less than 4,075,000,000 New Shares to raise gross proceeds of £40.75 million.

The Company expects that Qualifying Shareholders to the Open Offer will include all existing shareholders (other than Abbot Laboratories, Southern Fox and ZQ Capital, and Excluded Overseas Shareholders).

The Company expects to publish a further shareholder circular setting out the terms and conditions of the Open Offer in due course following the satisfaction of the FDI Clearance Conditions.

The Open Offer Shares, will, when allotted, be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on or after the date on which they are issued.

Subject to the Equity Financing proceeding, any Shareholders who do not participate in the Open Offer will be very significantly diluted as a consequence of the Equity Financing.

If the Equity Commitment Agreement is terminated in accordance with its terms, the Company has undertaken to withdraw the Open Offer.

#### **4.7 Admission**

Application will be made to the London Stock Exchange for the Subscription Shares and Open Offer Shares to be admitted to trading on AIM, subject to the ongoing admittance of the Company's Ordinary Shares to trading on AIM.

If trading in the Company's Ordinary Shares on AIM is cancelled and if the Equity Condition relating to Admission is not satisfied, then the Company and the Investors will in good faith agree alternative arrangements for the Open Offer and settlement of the New Shares based on issue of the New Shares in certificated form against receipt of payment prior to the Long Stop Date (or such other time and/or date as may be agreed between the Company and the Investors).

#### **5. Related Party Transaction**

The Transaction is deemed to be a related party transaction pursuant to Rule 13 of the AIM Rules for Companies, by virtue of Southern Fox and ZQ Capital (together with its affiliates, SkyGem Acquisition, ZQ Capital Limited and Zheqing (Simon) Shen) being substantial shareholders (within the meaning of the AIM Rules for Companies) of the Company.

Details of the Lenders' commitments under the Facility Agreement are as follows:

<b>Shareholder</b>	<b>Total commitment under the Facility Agreement (£m)</b>
ZQ Capital (acting through its affiliate SkyGem Acquisition)	29.17
Southern Fox	11.58

Details of the Investors' maximum commitments in the Equity Financing pursuant to the terms of the Equity Commitment Agreement and the potential impact on the Investors' maximum holdings of Ordinary Shares are as follows:

<i>Shareholder</i>	<i>Number of Ordinary Shares held (as at the date of this announcement)</i>	<i>Ordinary Shares held as a percentage of issued share capital (as at the date of this announcement)</i>	<i>Maximum Number*** of New Shares that may be acquired pursuant to the Equity Financing**</i>	<i>Maximum Ordinary Shares*** held as a percentage of issued share capital following Equity Financing **</i>
<i>ZQ Capital*</i>	<i>173,740,037</i>	<i>25.58</i>	<i>2,917,494,131</i>	<i>65.02%</i>
<i>Southern Fox</i>	<i>149,871,529</i>	<i>22.07</i>	<i>1,157,505,869</i>	<i>27.50%</i>

\* Taking into account holdings of SkyGem Acquisition, ZQ Capital Limited and Zheqing (Simon) Shen.

\*\* Assuming no further share issuances prior to Admission, no take up by Qualifying Shareholders in the Open Offer and prior to any Ordinary Shares acquired by ZQ Capital pursuant to the Rule 9 Mandatory Offer.

\*\*\* Assuming no change to the foreign exchange rate between the date of this Announcement and the last practicable date prior to announcement of the Open Offer.

Following completion of the Equity Financing, it is expected that Southern Fox will have a maximum of 1,307,377,398 Ordinary Shares (representing approximately 27.50 per cent. of the Enlarged Share Capital following completion of the Equity Financing).

Following completion of the Equity Financing and prior to any additional Ordinary Shares acquired by ZQ Capital pursuant to the Rule 9 Mandatory Offer, it is expected that ZQ Capital (taking into account holdings of SkyGem Acquisition, ZQ Capital Limited and Zheqing (Simon) Shen) will have a maximum of 3,091,234,168 Ordinary Shares (representing approximately 65.02 per cent. of the Enlarged Share Capital following completion of the Equity Financing).

The Directors of the Company who are independent of the Transaction, being all of the Directors save for Zheqing (Simon) Shen and Anthony Parker consider, having consulted with its nominated adviser Panmure Gordon, that the terms of the Transaction are fair and reasonable insofar as the Company's Shareholders are concerned.

## **6. Restoration of the Company's Ordinary Shares to trading on AIM**

On 29 December 2022, the Company announced that due to delays in completing the audit for the year ended 30 June 2022, it would not be able to publish its 2022 Accounts by 31 December 2022. Consequently, the Ordinary Shares were suspended from trading on 3 January 2023. In the event that the 2022 Accounts are not published by 30 June 2023, trading in the Company's Ordinary Shares on AIM will be cancelled.

The Company was required to publish its unaudited results for the six months ended 31 December 2022 by 31 March 2023; however finalisation of these Interim Results is dependent on completion of the audit of the 2022 Accounts. The Company did not publish Interim Results by 31 March 2023, therefore the Ordinary Shares will remain suspended from trading pending publication of the Interim Results, in addition to the 2022 Accounts.

## **7. Takeover Code and Mandatory Offer**

The Equity Financing gives rise to certain considerations under the Takeover Code.

The Equity Financing constitutes a pre-condition to the mandatory cash offer that ZQ Capital will be required to make to all other Shareholders to acquire the entire issued and to be issued share capital of the Company it does not already own (including any New Shares issued pursuant to the Equity Financing) if the Equity Conditions are satisfied and the Equity Financing completes.

The Takeover Code applies to Allergy Therapeutics. Under Rule 9 of the Takeover Code, any person who acquires, whether by a series of transactions over a period of time or not, an interest in shares (as defined in the Takeover Code) which when taken together with shares already held by them or held or acquired by persons acting in concert with them, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code is normally required to make an offer to all the remaining Shareholders to acquire their shares. An offer under Rule 9 of the Takeover Code must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

If the Equity Conditions are satisfied (or, if applicable, waived) and the Equity Financing completes, then the allotment and issue of the Subscription Shares and Open Offer Shares (if any) to ZQ Capital will result in an increase to the percentage of the voting rights which ZQ Capital controls. ZQ Capital (taking into account holdings of SkyGem Acquisition, ZQ Capital Limited and Zheqing (Simon) Shen) will control voting rights over Ordinary Shares representing more than 30 per cent. of the Enlarged Share Capital following completion of the Equity Financing. Accordingly, pursuant to Rule 9 of the Takeover Code, ZQ Capital will be required to make a mandatory cash offer to all other Shareholders to acquire the entire issued and to be issued share capital of the Company it does not already own (including any New Shares issued pursuant to the Equity Financing), if the Equity Conditions are satisfied and the Equity Financing completes.

The terms of the Equity Financing provide that Southern Fox's participation is limited such that its interest in the voting rights of the Company does not exceed 27.50 per cent. of the Company's enlarged share capital. There is therefore no circumstance arising under the Equity Financing where Southern Fox will have an obligation to make a mandatory offer for the entire issued and to be issued share capital of the Company pursuant to Rule 9 of the Takeover Code.

## **8. Authorities and disapplication of pre-emption rights**

Section 551 of the Act provides that (subject to certain exceptions) the directors of a company may not allot shares (or grant rights to subscribe for shares) without authority having been granted for such an allotment of shares by its Shareholders. The Directors of the Company do not have any existing authorities to allot shares (or grant rights to subscribe for shares). Accordingly, the Directors wish to seek separate authorities from the Shareholders of the Company to allot all the Subscription Shares and the Open Offer Shares pursuant to the Equity Financing.

In order for the Directors to issue Subscription Shares and the Open Offer for cash free of statutory pre-emption rights in section 561 of the Act, such statutory pre-emption rights must be dis-applied. The Directors of the Company do not have any existing authorities to allot equity securities on a non-pre-emptive basis. Accordingly, the Directors wish to seek separate authorities to dis-apply pre-emption rights in respect of the allotment of the Subscription Shares and the Open Offer Shares pursuant to the Equity Financing.

## **9. General Meeting**

The General Meeting of the Company, notice of which is set out at the end of this document, is to be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ at 12 noon on 27 April 2023. The General Meeting is being held for the purpose of considering and, if thought fit, passing the following resolutions:

**Resolution 1** – an ordinary resolution to authorise the Directors to allot the Subscription Shares and the Open Offer Shares up to an aggregate nominal amount of £4,075,000 pursuant to the Equity Financing.

**Resolution 2** – a special resolution to empower the Directors to dis-apply statutory pre-emption rights in respect of the allotment of equity securities (the Subscription Shares and the Open Offer Shares) in Resolution 1. Resolution 2 is conditional upon the passing of Resolution 1.

Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice of General Meeting in Part III (*Notice of General Meeting*) of this document.

#### **10. Action to be taken**

The Company requests that all of its Shareholders appoint the chair of the meeting as their proxy and submit their votes via proxy in advance of the meeting. Appointing a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they wish. Shareholders may submit their proxy votes online via [www.signalshares.com](http://www.signalshares.com) or may request a paper proxy form from the Registrars, Link Group by calling 0371 664 0300 (if calling from the United Kingdom), or +44 371 664 0300 (if calling from outside of the United Kingdom), or emailing [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk). Shareholders will not automatically receive a form of proxy with this document. Shareholders who are CREST members may submit their CREST Proxy Instructions online via the CREST electronic appointment service. Proxy appointments must be completed by Shareholders and returned as soon as possible but in any event so as to be received by the Registrars at Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL by no later than 12 noon on 25 April 2023 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting). Shareholders who hold their Ordinary Shares through a nominee should instruct their nominees to appoint a proxy on their behalf. Further details of how to register your proxy vote are contained within the notes to the Notice of General Meeting in Part III (*Notice of General Meeting*) of this document.

Persons intending to attend the General Meeting in person will need a QR code to access the meeting venue. Such QR code will need to be displayed on a smartphone or similar device. A QR code will be able to be obtained in advance by emailing the Registrars, Link Group at [meetingadvisory@linkgroup.co.uk](mailto:meetingadvisory@linkgroup.co.uk) with your full name and email address. Persons who have not obtained a QR code in advance will be able to obtain one at the meeting venue.

Only the formal business of the Resolutions will be carried out at the General Meeting. If the Company intends to make any changes to the proposed format of the General Meeting, the Company will notify Shareholders of this, or any other change, as soon as possible via RIS and its website at [www.allergytherapeutics.com](http://www.allergytherapeutics.com).

#### **11. Documents available for inspection**

Copies of this document will be available for inspection free of charge at the registered office of the Company during normal business hours on any Business Day and on the Company's website at [www.allergytherapeutics.com](http://www.allergytherapeutics.com). The document will also be available at the location of the General Meeting (being the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ) 15 minutes before the General Meeting.

A Shareholder may request a copy of this document in hard copy form by written request to Karley Cheesman at the Company's registered address at Dominion Way, Worthing, West Sussex BN14 8SA, by email on [cosec@allergytherapeutics.com](mailto:cosec@allergytherapeutics.com), or by calling 01903 845 821 or, if calling from overseas, on +44 1903 845 821 between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays).

#### **12. Irrevocable undertakings**

As at the Last Practicable Date, the Company has received voting irrevocable undertakings from the following Shareholders to vote in favour of the Resolutions:

- (a) Southern Fox in respect of 149,871,529 Ordinary Shares (representing approximately 22.07 per cent. of the Company's issued share capital as at the Last Practicable Date); and

- (b) ZQ Capital (including the interests of SkyGem Acquisition, ZQ Capital Limited and Zheqing (Simon) Shen) in respect of 173,740,037 Ordinary Shares (representing approximately 25.58 per cent. of the Company's issued share capital as at the Last Practicable Date).

As at the date of this document, the Company has therefore obtained irrevocable undertakings, in aggregate, to vote in favour of the Resolutions in respect of 323,611,566 Ordinary Shares (representing approximately 47.65 per cent. of the Company's issued share capital as at the Last Practicable Date).

The irrevocable undertakings cease to be binding and shall lapse if the General Meeting is not held before 11 May 2023.

### **13. Recommendation**

The Directors believe that the Transaction will promote the success of the Company for the benefit of its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings.

If the Resolutions are not passed at the General Meeting, the Company will, instead of the Equity Financing, undertake the Pre-emptive Open Offer. In comparison to the Equity Financing, the Pre-emptive Open Offer would take longer to complete and result in higher costs for the Company as it will be necessary to publish a prospectus and additional interest on the Facility that will accrue during this time. As explained in further detail above, the G306 Contingent Payment will not be payable in the event that the Company launches the Pre-emptive Open Offer prior to the Long Stop Date.

**If the Resolutions are not passed at the General Meeting and the Company is unable to secure an alternative funding solution to repay the amounts due under the Facility, the Company may be subject to, *inter alia*, possible insolvency and loss of ownership of its assets, over which security has been granted pursuant to the Facility. Should the Equity Financing not proceed, it is unlikely that the Company will be able to pay the G306 Contingent Payment should it crystallise. Accordingly, the Board strongly recommends that Shareholders vote in favour of the Resolutions at the General Meeting.**

Yours faithfully,

**Peter Jensen**  
*Non-Executive Chairman*

**PART II**  
**DETAILS OF THE TRANSACTION**  
**SECTION A**  
**THE FACILITY AGREEMENT**

**1. Background**

The Company is party to the Facility Agreement, dated 6 April 2023 pursuant to which the Lenders have, subject to certain conditions and covenants, agreed to provide the Facility (of £40.75 million) to the Company.

**2. Key terms**

**2.1 The Facility Agreement:**

2.1.1 has a maturity date of 31 December 2025;

2.1.2 provides that amounts borrowed under the Facility will accrue interest at the rate of 18 per cent. per annum;

2.1.3 provides that the Facility is subject to mandatory redemption and cancellation of availability if the G306 Trial is terminated or if G306 Success does not occur prior to 15 November 2024, of the G306 Trial, as well as for typical mandatory repayment events such as a change of control of the Company, sale of substantially all assets of the Group or following the occurrence of an event of default that is accelerated;

2.1.4 provides that the Facility is subject to Loan Market Association-style terms and includes various representations, covenants, financial covenants and events of default binding upon the Group; and

2.1.5 provides that the Facility is subject to a 2.75 per cent. upfront underwriting fee and a 0.75 per cent. per annum commitment fee on undrawn commitments.

**3. Security**

3.1 The Facility will be fully secured against substantially all assets of the Company and any of its subsidiaries incorporated in England and Wales by way of an English-law governed security debenture.

3.2 If the Company wishes to drawdown amounts under the Facility that are in aggregate greater than £16,000,000 in principal then, (i) on or before such drawdown, the Company must also procure that its subsidiaries in Germany and the Netherlands also provide equivalent security over substantially all of their assets; and (ii) within 30 days following such drawdown of over £16,000,000, the Company must procure that its subsidiary in Spain also provides equivalent security over substantially all of its assets.

3.3 The Lenders have the ability to require that additional security is provided by other entities in the Group, subject to certain materiality thresholds and security principles.

**4. Governing law and Jurisdiction**

The Facility Agreement is governed by the laws of England and the courts of England and Wales have exclusive jurisdiction in relation to disputes.

## SECTION B

### THE G306 CONTINGENT PAYMENT LETTER

#### 1. Background

The Company has entered into the G306 Contingent Payment Letter with the Lenders, pursuant to which the G306 Contingent Payment (being 250 per cent. of the principal amount of the loan outstanding under the Facility) will crystallise and become payable by the Company to the Lenders in the event of a successful G306 Read-out.

#### 2. Key terms

The G306 Contingent Payment Letter provides that:

- 2.1 if triggered, the G306 Contingent Payment would not be payable until the maturity date of the Facility (being 31 December 2025) (unless the Facility were to be accelerated following an event of default thereunder, whereupon the G306 Contingent Payment would also be accelerated);
- 2.2 the Company is permitted to repay all amounts outstanding under the Facility without penalty using the proceeds of the Equity Financing thereby avoiding the triggering of the G306 Contingent Payment if this occurs prior to a successful G306 Read-out; and
- 2.3 completion of the Equity Financing is subject to, *inter alia*, the satisfaction of shareholder approval and certain foreign direct investment regulatory approvals.

#### 3. G306 Read-Out

For the purposes of determining whether the G306 Contingent Payment is payable, a successful G306 Read-out will occur in respect of the G306 Trial, on the first date on which, using the primary efficacy measure, the investigational medicinal product has:

- 3.1 achieved an average treatment effect which is at least 25 per cent. higher in the treatment group compared to placebo; or
- 3.2 achieved a treatment effect that is less than 25 per cent. in the treatment group compared to placebo but (i) following consultation with the relevant regulatory authority, the results of the G306 Trial are stated by such regulatory authority to be sufficient to support the submission of a marketing authorisation application in Germany for the investigational medicinal product tested in the G306 Trial without conducting further phase III clinical trials (except for the commencement of the planned G308 multiyear paediatric study); or (ii) a marketing authorisation application is submitted in respect of the investigational medicinal product tested in the G306 Trial.

#### 4. Governing law and Jurisdiction

The G306 Contingent Payment Letter is governed by the laws of England and the courts of England and Wales have exclusive jurisdiction in relation to disputes.

## SECTION C

### THE EQUITY COMMITMENT AGREEMENT

#### 1. Background

- 1.1 On 6 April 2023, the Company entered into the Equity Commitment Agreement with Southern Fox and ZQ Capital (acting through its affiliate SkyGem Acquisition), pursuant to which the Investors have agreed to conditionally subscribe for and, in the case of ZQ Capital, to underwrite, in aggregate 4,075,000,000 New Shares at an Issue Price of 1 pence per share to raise gross proceeds of approximately £40.75 million.
- 1.2 The Equity Financing comprises:
- 1.2.1 the conditional subscription for 3,385,510,000 Subscription Shares at an Issue Price of 1 pence per new Ordinary Share in the following proportions:
- (a) 2,228,004,131 Subscription Shares by ZQ Capital; and
  - (b) 1,157,505,869 Subscription Shares by Southern Fox; and
- 1.2.2 the Open Offer proposed to be undertaken by the Company in due course pursuant to which Qualifying Shareholders will be offered the opportunity to subscribe for up to 689,490,000 Open Offer Shares at the Issue Price of 1 pence per new Ordinary Share pursuant only to their pro rata entitlements at the Record Date.
- 1.3 ZQ Capital has agreed to underwrite the Open Offer by subscribing at the Issue Price for any Open Offer Shares not taken up by Qualifying Shareholders under the Open Offer.
- 1.4 It is expected that Qualifying Shareholders to the Open Offer will include all existing shareholders (other than Abbott Laboratories, Southern Fox and ZQ Capital, and Excluded Overseas Shareholders).
- 1.5 The number of Open Offer Shares to be made available to Qualifying Shareholders in the Open Offer will be reduced, if required, to ensure that the aggregate gross proceeds of the Open Offer do not exceed €8.0 million as at the date the Open Offer is launched, calculated by reference to the number of Open Offer Shares at the Issue Price at the prevailing foreign exchange rate on the last practicable date prior to announcement of the Open Offer, so as to avoid the requirement to publish a prospectus. In the event that the number of Open Offer Shares is reduced in this manner, the number of Subscription Shares subscribed by ZQ Capital may be increased by an equivalent number such that the total number of New Shares to be issued by the Company pursuant to the Equity Financing equals not less than 4,075,000,000 New Shares to raise gross proceeds of £40.75 million.

#### 2. Equity Conditions

- 2.1 The Equity Financing is conditional on a number of conditions in the Equity Commitment Agreement, which include:
- 2.1.1 the passing by Shareholders of the Resolutions, comprising (i) an ordinary resolution (which requires a majority of the votes cast by those entitled to vote) to authorise the Directors to allot new Ordinary Shares pursuant to the Subscription and Open Offer and (ii) a special resolution (which requires not less than 75 per cent. of the votes cast by those entitled to vote) to disapply the statutory pre-emption rights in connection with the Subscription and the Open Offer;
- 2.1.2 the ZQ FDI Clearance Condition, which is the receipt by ZQ Capital, on terms reasonably satisfactory to ZQ Capital, of certain foreign direct investment/national security clearances in Austria, Italy, Germany and Spain;

- 2.1.3 the SF FDI Clearance Condition, which is the receipt by Southern Fox, on terms reasonably satisfactory to Southern Fox, of certain foreign direct investment/national security clearances in Austria, Italy and Germany;
- 2.1.4 in the opinion of each of the Investors, no events or facts having occurred or conditions or circumstances having arisen which are reasonably likely to result in:
- (a) any event or circumstance occurs that results in (i) a factory shutdown or loss of production capacity of more than 50 per cent. of historic annual production of any product that comprises 10 per cent. or more of the consolidated revenue of the Group (calculated by reference to the most recently available annual financial statements), provided that any factory shutdown or loss of production capacity during any planned factory shutdowns (including for planned maintenance, upgrades or due to regulatory requirements (including inspections)) shall not be included in such calculation; or (ii) a factory shutdown (whether partial or total) which results or is likely to result in (in the reasonable opinion of the Investors) the consolidated revenue of the Group for each twelve-month period ending on each quarter date to fall below £50,000,000; or
  - (b) G306 Trial Failure; and
- 2.1.5 Admission of the Subscription Shares and Open Offer Shares to trading on AIM.
- (together, the “**Equity Conditions**”).
- 2.2 The Equity Conditions (save for the condition in paragraph 2.1.4 above) cannot be waived by the Investors.
- 2.3 If the ZQ FDI Clearance Condition is satisfied, but the SF FDI Clearance Condition is not satisfied, ZQ Capital shall have the option (but not the obligation) to assume the obligations of Southern Fox (subject to Southern Fox’s consent) and vice versa, such that if the SF FDI Clearance Condition is satisfied, but the ZQ FDI Clearance Condition is not satisfied, Southern Fox shall have the option (but not the obligation) to assume the obligations of ZQ Capital (subject to ZQ Capital’s consent).
- 3. Company Undertakings**
- 3.1 The Company has agreed to give certain undertakings in the Equity Commitment Agreement, which include:
- 3.1.1 convening the General Meeting in accordance with the Company’s articles of association and procuring that this document (containing the Notice of General Meeting) is sent to each Shareholder by no later than the end of the second Business Day following the date of the Equity Commitment Agreement;
  - 3.1.2 to carry out the Open Offer;
  - 3.1.3 if the Resolutions are not passed at the General Meeting and the Equity Conditions are not satisfied, to carry out the Pre-emptive Open Offer;
  - 3.1.4 from the date of the Equity Commitment Agreement until the earliest of (i) the Long Stop Date, (ii) the date of termination of the Equity Commitment Agreement or (ii) Admission, and where permissible under applicable law, the Company shall not, except with the Investors’ prior written consent, inter alia:
    - (a) create, allot or issue, or grant any option over or other right to subscribe for any Ordinary Share or other security of the Company (save for the grant of any options or awards and issues of Ordinary Shares on exercise of any options or awards, pursuant to the Company’s employee share schemes); or
    - (b) enter into any agreement, commitment or arrangement or put itself in a position where it is obliged to announce that any agreement, commitment or

arrangement may or will be entered into which is material in the context of the business or affairs of the Group taken as a whole.

#### **4. FDI Clearances**

- 4.1 ZQ Capital and SF shall each as soon as reasonably practicable following execution of the Equity Commitment Agreement, and in any event within 10 Business Days (calculated by reference to London only) of the date of the Equity Commitment Agreement, make appropriate filings, pursuant to applicable FDI laws in connection with the Non Pre-emptive Fundraise in each of Austria, Germany Italy and (in the case of ZQ Capital only) Spain.
- 4.2 ZQ Capital and Southern Fox have agreed to
- 4.2.1 respectively use all reasonable endeavours to obtain the FDI clearances and address and resolve the concerns of any FDI authority prior to the Long Stop Date, but such all reasonable efforts shall not include ZQ Capital and/or Southern Fox (i) entering into any divestiture or hold separate agreement in respect of a material part of the Company's operations or (ii) undertaking any appeal or litigation under FDI laws or other laws concerning public and administrative matters in order to obtain the FDI clearances; and
- 4.2.2 keep the Company promptly and fully informed of material matters in connection with the FDI filings, including (unless prevented by law or any FDI authority) providing the Company with updates in respect of all submissions, communications and correspondence with FDI authorities and allowing the Company (itself or via counsel) reasonable opportunity to review and provide comments on all correspondence with FDI authorities and to attend all meetings with FDI authorities.
- 4.3 The Company has agreed to provide such assistance (including, without limitation, participating in any filing required in connection with the FDI clearances if required to do so) and access to information as may be necessary or reasonably requested by either ZQ Capital or Southern Fox in connection with the FDI filings.

#### **5. Termination Rights**

- 5.1 Each Investor may, in its absolute discretion, at any time before Admission, terminate the Equity Commitment Agreement if:
- 5.1.1 a Condition has not been satisfied; or
- 5.1.2 the application for Admission having been withdrawn or rejected.

## PART III

### NOTICE OF GENERAL MEETING

# Allergy Therapeutics plc

*(Incorporated and registered in England and Wales under number 05141592)*

(the “Company”)

Notice is hereby given that a general meeting of the Company will be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ on 27 April 2023 at 12 noon (London time) for the purpose of considering and, if thought fit, passing the following resolutions, of which resolution 1 be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution.

#### ORDINARY RESOLUTION

1. **THAT**, in addition to all existing unexercised authorities and powers granted to the directors of the Company (the “**Directors**”) pursuant to section 551 of the Companies Act 2006 (the “**Act**”), the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all the powers of the Company to allot ordinary shares of 0.1 pence each in the capital of the Company (“**Ordinary Shares**”) up to an aggregate nominal amount of £4,075,000 pursuant to the Subscription and the Open Offer (as defined in the circular of which this notice forms part (the “**Circular**”), provided that such authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the date falling 18 months after the date of this Resolution, save that under this authority the Company may, at any time before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted after such expiry and the Directors may allot Ordinary Shares in pursuance of any such offer or agreement as if this authorisation had not expired or been varied or revoked.

#### SPECIAL RESOLUTION

2. **THAT**, subject to the passing of Resolution 1, the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by Resolution 1 above as if section 561 of the Act did not apply to any such allotment, provided that such power shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the date falling 18 months after the date of this Resolution, save that under this empowerment the Company may, at any time 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 any such offer or agreement as if this authorisation had not expired or been varied or revoked.

11 April 2023

By order of the Board

**Karley Cheesman**  
*Company Secretary*

Allergy Therapeutics plc  
Registered in England and Wales No. 05141592  
Dominion Way  
Worthing  
West Sussex  
BN14 8SA

## Notes

1. The following notes explain your general rights as a shareholder and your rights to attend and vote at the General Meeting or to appoint someone else to vote at the General Meeting on your behalf. Any changes to the arrangements for the holding of the General Meeting will be communicated to Shareholders in advance through the Company's website at [www.allergytherapeutics.com](http://www.allergytherapeutics.com).
2. Persons intending to attend the General Meeting in person will need a QR code to access the meeting venue. Such QR code will need to be displayed on a smartphone or similar device. A QR code will be able to be obtained in advance by emailing the Registrars, Link Group at [meetingadvisory@linkgroup.co.uk](mailto:meetingadvisory@linkgroup.co.uk) with your full name and email address. Persons who have not obtained a QR code in advance will be able to obtain one at the meeting venue.
3. Shareholders are asked to register their vote in advance by appointing the chair of the meeting as their proxy and giving voting instructions, using the methods, and by the deadline, set out in this Notice. Appointment of a proxy does not preclude you from attending the General Meeting and voting in person.
4. A proxy form can be requested from the Company's Registrars, Link Group, whose contact details are provided in note 16 below. To appoint a proxy using the proxy form, the form must be (i) completed and signed; (ii) sent to the Company's Registrars, Link Group at PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL; and (iii) received by the Company's Registrars no later than 12 noon on 25 April 2023 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

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. 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, Link Group, whose details can be found in note 16 below.

5. Shareholders can vote electronically via Signal Shares by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions. To register your vote electronically via Signal Shares, visit the website and select "Register an Account" then enter your surname, investor code, postcode and an email address. Create a password and click "Register" to proceed. You will be able to vote immediately by selecting "Proxy Voting" from the menu. You can find your Investor Code ("**IVC**") on your share certificate, or Signal Shares users will find this on the website under 'Manage your account' when logged in to the Signal Shares portal.
6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com>). 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 & International Limited's ("**Euroclear**") 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 12 noon on 25 April 2023 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting). 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 Euroclear 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.

7. 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).
8. 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.
9. 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, Link Group, whose details can be found in note 16 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.
10. An abstention (or "vote withheld") option has been included on the proxy form and in the available options for electronic proxy voting. The legal effect of choosing the abstention option on any Resolution is that the shareholder concerned will be treated as not having voted on the relevant Resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each Resolution.
11. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those Shareholders registered in the register of members of the Company as at 6.00 p.m. on 25 April 2023 (or after close of business on the day which is two days before any adjourned meeting, excluding non-working days) shall be entitled to attend or vote at the General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
12. As at 5 April 2023, the Last Practicable Date before the announcement of the Transaction, the Company's issued share capital comprised 679,104,621 ordinary shares of 0.1 pence 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 on such date is 679,104,621.
13. Voting on all resolutions will be conducted on a show of hands, unless a poll is validly demanded.
14. Shareholders, proxies and authorised representatives will be required to provide their names and addresses for verification against the register of members and proxy appointments received by the Company before entering the meeting. Each authorised representative must produce proof of his or her appointment, in the form of the actual appointment or a certified copy.
15. The results of voting on the resolutions will be posted on the Company's website as soon as practicable after the General Meeting.

16. Shareholders who have general queries about the General Meeting should contact the Company's Registrars, Link Group, on 0371 664 0300 or, if calling from overseas, on +44 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. You can also contact the registrar by email at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk).
17. A copy of this notice of general meeting, is available on the Company's website at [www.allergytherapeutics.com](http://www.allergytherapeutics.com).