

**This document is important and requires your immediate attention.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other independent professional adviser authorised pursuant to the Financial Services Act 2000 immediately.

If you have sold or otherwise transferred all of your shares in Consort Medical plc, please pass this document together with the accompanying documents to the purchaser or transferee, or to the stockbroker or other agent who arranged the sale or transfer so they can pass these documents to the purchaser or transferee.

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# **NOTICE OF 2017 ANNUAL GENERAL MEETING**

**Suite B, Breakspear Park, Breakspear Way, Hemel Hempstead,  
Hertfordshire, HP2 4TZ**

on  
Wednesday 6 September 2017 at 2pm

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Notice of the 2017 Annual General Meeting of Consort Medical plc is set out at the end of this circular.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received by 2pm on Monday 4 September 2017.

Directors	Registered office
Dr Peter Fellner	Suite B
Jonathan Glenn	Breakspear Park
Paul Hayes	Breakspear Way
Steve Crummett	Hemel Hempstead
Charlotta Ginman	Hertfordshire
Dr Andrew Hosty	HP2 4TZ
Dr William Jenkins	
Ian Nicholson	28 July 2017

## Notice of Annual General Meeting

Dear Shareholder,

I am pleased to invite you to the Company's 2017 Annual General Meeting ("AGM") which we are holding at our registered office Suite B, Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ at 2pm on Wednesday 6 September 2017. The formal Notice of AGM is set out on pages 4 to 8 of this document.

The resolutions which shareholders will be asked to consider and approve are set out on pages 4 to 6 of the enclosed Notice of AGM.

Explanatory notes on the various resolutions to be conducted at the AGM are set out on pages 9 to 11 of the Notice of AGM.

I would like to draw your attention to the following items of business in the Notice of AGM.

Resolutions 11 and 12: Further to the revised Statement of Principles for the disapplication of pre-emption rights published in March 2015 by the Pre-emption Group, the Pre-emption Group has since the Company's 2016 Annual General Meeting provided new template resolutions for the disapplication of pre-emption rights which have been reflected in these resolutions this year.

Resolution 15: The Company considers all-employee share ownership and equity participation to be a key feature and successful component of the Company's overall remuneration strategy allowing the Company to better align the interests of employees and shareholders, whilst at the same time helping the Company to recruit, retain and motivate employees at all levels within the group. The Company's existing Sharesave Plan will expire in March 2018, the tenth anniversary of its adoption, and the Company is therefore seeking shareholder approval to introduce replacement plans (the "Sharesave Plans"). The Sharesave Plans are materially the same as the existing plan – a tax advantaged scheme for UK employees for the purposes of HMRC's administration of such schemes and a non-tax advantaged scheme for non-UK employees. A summary of the principal terms of the Sharesave Plans are set out in Appendix 1 of this document.

Resolution 16: The Company has undertaken a review of its Articles of Association in order to ensure that they comply with best practice and a number of revisions have been proposed, which are outlined in Appendix 2 of this document.

**Action to be taken**

Whether or not you are able to attend the AGM, the directors urge you to exercise your right to vote as a shareholder of the Company and to complete and return the enclosed reply-paid Form of Proxy to Capita Asset Services so as to arrive by 2pm on Monday 4 September 2017.

Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the AGM (in substitution for your proxy vote) should you subsequently decide to do so.

If you have any issues or concerns arising from the business proposed to be conducted at the AGM, please do not hesitate to write to me at the address set out below. The final proxy vote on each resolution will be available at the AGM and posted on the Company's website.

The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you do so as well.

Yours sincerely

**Peter Fellner**  
Chairman

# Notice of Annual General Meeting 2017

## Consort Medical plc (the "Company")

Notice is hereby given that the Annual General Meeting ("AGM") of the Company will be held at Suite B, Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ at 2pm on 6 September 2017.

The business of the AGM will be as follows:

### Ordinary business

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive the Company's Accounts for the year ended 30 April 2017 (the "Accounts") and the directors' and the auditors' reports on those Accounts and on the audited section of the directors' remuneration report.
2. To approve the directors' remuneration report for the year ended 30 April 2017 set out on pages 56 to 63 of the Company's report and accounts for the year ended 30 April 2017.
3. To declare a final dividend of 13.21p per ordinary share, payable on 27 October 2017 to holders of ordinary shares appearing on the Register of Members at close of business on 22 September 2017.
4. To re-elect Dr Peter Fellner as a director.
5. To re-elect Dr William Jenkins as a director.
6. To re-elect Dr Andrew Hosty as a director.
7. To elect Mr Paul Hayes as a director.
8. To appoint KPMG LLP as auditors of the Company to hold office until the conclusion of next year's AGM.
9. To authorise the directors to set the auditors' remuneration.

### Special business

To consider and, if thought fit, to pass the following resolutions, of which resolution 10 and resolution 15 will be proposed as ordinary resolutions and resolutions 11, 12, 13, 14 and 16 as special resolutions:

10. THAT:

- (a) the directors be generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006 ("CA 2006"), to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:
  - (i) up to a maximum aggregate nominal amount (within the meaning of section 551(3) and (6) of the CA 2006) of £1,640,491 (such amount to be reduced by the nominal amount of any equity securities (as defined in section 560 of the CA 2006) allotted under paragraph (ii) below in excess of such sum); and
  - (ii) comprising equity securities (as defined in section 560 of the CA 2006) up to a maximum aggregate nominal amount of £3,280,982 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue:
    - (A) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings on the record date for such allotment; and
    - (B) to holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities;

and so that the directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter;

- (b) this authority shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, on 30 October 2018;

- (c) the Company may, before this authority expires, make an offer or agreement which would or might require shares to be allotted or rights to be granted after it expires and the directors may allot shares or grant rights in pursuance of such offer or agreement as if this authority had not expired; and
  - (d) all previous unutilised authorities under section 551 of the CA 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the CA 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).
11. THAT, subject to the passing of resolution 10 above, the directors be given power pursuant to sections 570 (1) and 573 of the Companies Act 2006 (the "CA 2006") to:

- (a) allot equity securities (as defined in section 560 of the CA 2006) of the Company for cash pursuant to the authorisation conferred by that resolution; and
- (b) sell ordinary shares (as defined in section 560(1) of the CA 2006) held by the Company as treasury shares for cash, as if section 561 of the CA 2006 did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash and the sale of treasury shares:
  - (i) in connection with or pursuant to an offer of or invitation to acquire equity securities (but in the case of the authorisation granted under resolution 10(a)(ii), by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or if the directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and
  - (ii) in the case of the authorisation granted under resolution 10(a)(i) above (or in the case of any sale of treasury shares), and otherwise than pursuant to paragraph (i) of this resolution, up to a maximum aggregate nominal amount of £246,073,

and shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, on 30 October 2018, save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired.

12. THAT, subject to the passing of resolutions 10 and 11 set out above, and in addition to the power given by that resolution 11, the directors be given power pursuant to sections 570(1) and 573 of the Companies Act 2006 (the "CA 2006") to:
- (a) allot equity securities (as defined in section 560 of the CA 2006) of the Company for cash pursuant to the authorisation conferred by paragraph (a)(i) of that resolution 10; and
  - (b) sell ordinary shares (as defined in section 560(1) of the CA 2006) held by the Company as treasury shares for cash, as if section 561 of the CA 2006 did not apply to any such allotment or sale, provided that this power shall be:
    - (i) limited to the allotment of equity securities for cash and the sale of treasury shares, up to an aggregate nominal amount of £246,073; and
    - (ii) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the directors have determined to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, or for any other purposes as the Company in general meeting may at any time by special resolution determine,

and shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, on 30 October 2018, save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired.

13. THAT the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 10p each in the capital of the Company on such terms and in such manner as the directors may determine provided that:

- (a) the Company does not purchase under this authority more than 4,921,474 ordinary shares;
- (b) the Company does not pay for each such ordinary share less than the nominal amount of such ordinary share at the time of purchase; and
- (c) the Company does not pay for each such ordinary share more than the higher of an amount equal to 105% of the average closing mid-market prices of the ordinary shares of the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Company agrees to buy the share concerned and the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out.

This authority will expire at the conclusion of the next AGM of the Company after the passing of this resolution, or, if earlier, on 30 October 2018, save that if the Company has agreed, before this authority expires, to purchase ordinary shares where the purchase will or may be executed after this authority expires (either wholly or in part), the Company may complete such purchase as if this authority had not expired.

14. THAT a general meeting (other than an AGM) may be called on not less than 14 clear days' notice.

15. THAT the rules of the Consort Medical plc Sharesave Plan 2017 (the "UK Plan") and the Consort Medical plc International Sharesave Plan 2017 (the "International Plan" and together with the UK Plan, the "2017 Sharesave Plans") as summarised in Appendix 1 to this Notice of AGM, and produced in draft to this meeting and, for the purposes of identification, initialled by the chairman, be approved and adopted and the Directors be authorised to:

- (a) do all such other acts and things as they may consider appropriate to implement the 2017 Sharesave Plans; and
- (b) establish further plans or schedules to the International Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans and schedules are treated as counting against the limits on individual or overall participation in the International Plan.

16. THAT the Articles of Association of the Company produced to the meeting and initialled by the chairman of the meeting for the purposes of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

**By order of the Board**

**John Ilett**  
Company Secretary  
28 July 2017

**Registered Office:**

**Consort Medical plc**  
Suite B  
Breckspear Park  
Breckspear Way  
Hemel Hempstead  
Hertfordshire  
HP2 4TZ

Registered No. 00406711

## Documents available for inspection

Copies of (i) the directors' service contracts and letters of appointment for the non-executive directors of the Company, (ii) the rules of the Consort Medical plc Sharesave Plan 2017 and the Consort Medical plc International Sharesave Plan 2017, and (iii) the proposed New Articles of Association of the Company (and also a copy of the current Articles of Association showing the proposed changes) will be available for inspection at the registered office of the Company and at the offices of FTI Consulting, 200 Aldersgate Street, London, EC1A 4HD during normal business hours on any weekday (public holidays excepted) from the date of this Notice until the conclusion of the AGM.

## Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company. Members wishing to vote by proxy should use the Form of Proxy enclosed. To appoint more than one proxy, the Form of Proxy may be photocopied and completed for each proxy holder. The proxy holder's name should be written on the Form of Proxy together with the number of shares in relation to which the proxy is authorised to act. The box on the Form of Proxy must also be ticked to indicate that the proxy instruction is one of multiple instructions being given.
2. To be valid, the instrument appointing a proxy should be received by the Company's Registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, by 2pm on 4 September 2017. Completion of the Form of Proxy does not preclude a member from attending and voting at the meeting if they so wish.
3. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only shareholders registered in the Register of Members of the Company as at close of business on 4 September 2017 shall be entitled to attend and vote, whether in person or by proxy, at the AGM in respect of the number of shares registered in their name at that time. Changes to entries in the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the AGM.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual, CREST personal members or other CREST-sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 2pm on 4 September 2017. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
6. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

7. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
8. Any member attending the AGM is entitled pursuant to section 319A of the Companies Act 2006 ("CA 2006") to ask any question relating to the business being dealt with at the meeting. The Company will answer any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
9. As at 27 July 2017 (being the last business day prior to the publication of this Notice), the Company's issued share capital consists of 49,214,744 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 27 July 2017 are 49,214,744.
10. A copy of this Notice and other information required by section 311A of the CA 2006 will be available on the Company's website and can be accessed at [www.consortmedical.com](http://www.consortmedical.com)
11. A form to be used for appointing a proxy or proxies for the AGM to vote on your behalf has been included in this mailing.
12. If you are a person who has been nominated under section 146 of the CA 2006 to enjoy information rights (a "Nominated Person"):
  - You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (the "Relevant Member") to be appointed or to have someone else appointed as a proxy for the AGM.
  - If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.
  - Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

The statement of rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to a Nominated Person.

13. Under section 527 of the CA 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the CA 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the CA 2006. Where the Company is required to place a statement on a website under section 527 of the CA 2006 it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required, under section 527 of the CA 2006, to publish on a website.
14. In order to attend and vote at this meeting you must comply with the procedures set out in notes 1 to 13 of this Notice by the dates specified in those notes.

## Notes on Resolutions

### Resolution 1 — Annual Report and Accounts

Shareholders will be asked to receive the Annual Report and Accounts for the year ended 30 April 2017 (the "Accounts"). This is a legal requirement after the directors have approved the Accounts and the auditors have prepared their report.

### Resolution 2 — Remuneration Report

The annual remuneration report for the year ending 30 April 2017 is set out on pages 56 to 63 of the Accounts. In accordance with the Companies Act 2006, this vote is advisory only and the directors' entitlement to receive remuneration is not conditional upon it. The resolution and vote are a means of providing shareholder feedback to the Board. The directors' remuneration policy was approved by shareholders at the AGM on 3 September 2015 and will be put to shareholders for further approval in 2018.

### Resolution 3 — Final Dividend

A final ordinary dividend of 13.21p has been recommended by the Board as detailed on page 74 of the Accounts and, if approved by shareholders, will be payable to all members appearing on the register at the close of business on 22 September 2017. The payment date will be 27 October 2017.

### Resolutions 4–7 — Election and Re-election of Directors

The Company's Articles of Association and provision B7 of the UK Corporate Governance Code (April 2016) (the "Code") issued by the Financial Reporting Council require that any person appointed to the Board to fill a casual vacancy or as an additional director, shall hold office only until the next AGM. Mr Paul Hayes was appointed Chief Financial Officer of the Company on 1 May 2017 and is now offering himself for election.

In addition, in accordance with the Company's Articles of Association and the Code, Dr Peter Fellner, Dr William Jenkins and Dr Andrew Hosty will retire and offer themselves for re-election at the AGM.

At a meeting of the Board held on 8 June 2017, the Board considered the performance and ability of the directors. All of the directors offering themselves for re-election were considered to be effective members of the Board and to display the requisite level of commitment. Hence, the Board recommends their re-election as directors.

Biographical details of the directors seeking re-election are given on pages 42 and 43 of the Accounts.

### Resolution 8 — Appointment of Auditors

At each meeting at which Accounts are laid before the members, the Company is required to appoint auditors to serve from the conclusion of that meeting until the conclusion of the next such meeting. An assessment of the effectiveness, independence and objectivity of the auditors has been undertaken by the Audit Committee which has recommended to the Board that KPMG LLP be reappointed as the Company's auditors.

### Resolution 9 — Remuneration of Auditors

Resolution 9 authorises the directors to set the auditors' remuneration for the forthcoming year. The remuneration will then be disclosed in the next Accounts of the Company.

### Resolution 10 — Authority to Allot Shares

Under the Companies Act 2006 (the "CA 2006"), the directors of a company may only allot shares if they are authorised by the shareholders in general meeting to do so. Such a resolution was passed at last year's AGM and it is proposed to renew that authority for the directors under section 551 of the CA 2006 to allot shares or grant rights to subscribe for or convert any security into shares in the Company.

The Investment Association ("IA") regards as routine a request by a company seeking an annual authority to allot new shares in an amount of up to a third of the existing issued share capital. The IA will also regard as routine a request for authority to allot up to two-thirds of the existing issued share capital provided that any amount in excess of one-third is reserved for fully pre-emptive rights issues. Paragraph (i) of resolution 10 will allow the directors to allot ordinary shares up to a maximum nominal amount of £1,640,491 representing approximately one-third of the Company's issued share capital and calculated as at 27 July 2017 (being the latest practicable date prior to publication of this document). Paragraph (ii) of resolution 10 will allow the directors to allot, including any ordinary shares allotted under paragraph (i) of resolution 10, ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £3,280,982, representing approximately two-thirds of the Company's issued share capital calculated as at 27 July 2017 (being the latest practicable date prior to publication of this document). The directors have no present intention of exercising the authority conferred by resolution 10. However, if they do exercise the authority, the directors will have due regard to best practice as regards its use including the recommendations of the IA.

The authority will expire on the earlier of 30 October 2018 and the conclusion of the next AGM of the Company.

As at the date of this Notice, the Company holds no treasury shares.

### **Resolutions 11 and 12 — Authority to disapply statutory pre-emption rights**

If equity securities are to be allotted using the authority given by resolution 10 above, section 561 of the CA 2006 requires that those securities are offered first to existing shareholders on a pre-emptive basis in proportion to the number of ordinary shares they each hold at that time. There may be circumstances, however, when it is in the interests of the Company for the directors to be able to allot new equity securities other than under such statutory pre-emption procedure. The directors will, therefore, seek authority under resolutions 11 and 12 to disapply statutory pre-emption rights and allot shares in certain circumstances for cash in accordance with the CA 2006, without the requirement to offer them first to existing shareholders under section 561 of the CA 2006.

Resolution 11 authorises the directors to allot equity securities or sell treasury shares in the capital of the Company pursuant to the authority conferred by resolution 10 for cash without complying with the pre-emption rights in the CA 2006 in certain circumstances. Apart from offers or invitations in proportion to the respective number of shares held, the authority will be limited to the allotment of equity securities and sales of treasury shares for cash up to a maximum aggregate nominal value of £246,073, being 5% of the Company's issued ordinary share capital at 27 July 2017 (being the latest practicable date prior to publication of this document). If given, this power will expire on the earlier of 30 October 2018 and the conclusion of next year's AGM.

The figure of 5% reflects the Pre-Emption Group 2015 Statement of Principles for the disapplication of pre-emption rights (the "Statement of Principles"). The directors will have due regard to the Statement of Principles in relation to any exercise of this power, and, other than in connection with an acquisition or specified capital investment as described below, they do not intend to allot shares for cash on a non-pre-emptive basis pursuant to this power in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company excluding treasury shares in any rolling three-year period, without prior consultation with shareholders.

Resolution 12, which reflects the Statement of Principles and also the Pre-Emption Group template resolutions for disapplying pre-emption rights in accordance with the Statement of Principles, authorises to directors to allot equity securities and sales of treasury shares for cash up to an aggregate nominal value of £246,073 (being 5% of the Company's issued ordinary share capital at 27 July 2017, the latest practicable date prior to publication of this document). This is in addition to the 5% referred to in resolution 11. This authority may only be used for the limited purposes set out in the resolution and as explained below. If given, this power will expire on the earlier of 30 October 2018 and the conclusion of next year's AGM. The directors will have due regard to the Statement of Principles in relation to any exercise of this power and in particular they confirm that they intend to use this power only in connection with a transaction which they have determined to be an acquisition or other capital investment (of a kind contemplated by the Statement of Principles most recently published prior to the date of this notice) which is announced contemporaneously with the announcement of the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

### **Resolution 13 — Share Buy-back**

Authority is sought to purchase up to 10% of the ordinary issued share capital of the Company, continuing the authority granted by shareholders last year. This authority will be used only if the directors are satisfied that any purchase will increase earnings per share and would be in the best interests of the Company and its shareholders generally. Any purchases of ordinary shares made pursuant to this authority would be made by way of market purchases through the London Stock Exchange and made out of distributable profits.

The proposed authority would enable the Company to purchase up to a maximum of 4,921,474 ordinary shares (being 10% of the Company's issued share capital as at 27 July 2017) with a stated upper and lower limit on the price payable. The authority will expire on 30 October 2018 or, if earlier, at the conclusion of the Company's AGM in 2018 unless renewed, varied or revoked at that, or any earlier, general meeting of the Company's shareholders.

Shares purchased under this authority may be held by the Company as treasury shares for possible future use rather than immediate cancellation, within the limits allowed by law. The Company is required to disclose sales and transfers of shares into and out of treasury and place a limit on the discount to market price at which shares can be sold out of treasury for cash not subject to shareholder pre-emption rights.

For information, at 24 July 2017 there were options outstanding over 980,729 shares representing approximately 2.00% of the issued share capital of the Company at that date. If the full authority being sought to buy back shares were to be exercised, then such number of options would represent approximately 2.21% of the reduced share capital. Of the options outstanding, it is intended that options over 754,477 shares will be satisfied other than by the allotment of new shares.

#### **Resolution 14 — General Meetings on 14 Days' Clear Notice**

The Companies (Shareholders' Rights) Regulations 2009 has increased the required notice period for general meetings of the Company to 21 days. The Company is currently able to call general meetings (other than an AGM) on 14 clear days' notice and would like to preserve this ability.

In order to be able to do so, shareholders must have approved the calling of meetings on 14 clear days' notice. Resolution 14 seeks such approval. The shorter notice period would not be used as a matter of routine for such meetings but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of the shareholders as a whole. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Regulations before it can call a general meeting on 14 clear days' notice.

#### **Resolution 15 — Sharesave Scheme 2017**

The Board is seeking shareholder approval for the Consort Medical plc Sharesave Plan 2017 (the "UK Plan") and the Consort Medical plc International Sharesave Plan 2017 (the "International Plan" and together with the UK Plan, the "2017 Sharesave Plans"). A summary of the principal terms of the Sharesave Plans is set out in Appendix 1 of this document. The 2017 Sharesave Plans will, subject to their approval and adoption, replace the Consort Medical plc Savings Related Share Option Scheme (2008) (incorporating the Consort Medical plc International Sharesave Plan) (the "2008 Plan"), which is due to expire on 10 March 2018. The 2017 Sharesave Plans are substantially similar to the 2008 Plan, which they will replace. A copy of the rules of the Sharesave Plans 2017 will be available for inspection as detailed above.

#### **Resolution 16 — Adoption of new Articles of Association**

It is proposed in resolution 16 to adopt new articles of association (the "New Articles") in order to update the Company's current articles of association (the "Current Articles") primarily to take into account changes in best practice.

An explanation of the principal changes between the proposed New Articles and the Current Articles is set out in Appendix 2 of this document. Other changes, which are of a minor, technical or clarifying nature, have not been noted. A copy of the proposed New Articles (together with a copy of the Current Articles showing the proposed changes) will be available for inspection as detailed above.

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# APPENDIX 1

## PRINCIPAL TERMS OF THE 2017 SHARESAYE PLANS

### Introduction

The following is a summary of the principal terms of the Consort Medical plc Sharesave Plan 2017 (the "**UK Sharesave Plan**") and the Consort Medical plc International Sharesave Plan 2017 (the "**International Plan**") and together with the UK Sharesave Plan known as the "**2017 Sharesave Plans**")

The 2017 Sharesave Plans will replace the Consort Medical plc UK Sharesave Plan 2008 (the "**2008 UK Plan**"), which was adopted on 11 March 2008 and the Consort Medical plc International Sharesave Plan which was implemented as a schedule to the 2008 UK Plan and adopted by the Board in 2015 (the "**2015 International Plan**"). The 2008 UK Plan and the 2015 International Plan will expire on 10 March 2018.

The principal terms of the 2017 Sharesave Plans are substantially the same unless expressly indicated to the contrary.

### Operation

The operation of the 2017 Sharesave Plans will be supervised by the Board of Directors of the Company or an authorised committee of the Board of Directors (the "**Board**").

The UK Sharesave Plan is a UK tax advantaged share option scheme and is intended to comply with the requirements of Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003 ("**Schedule 3**").

The 2017 Sharesave Plans will operate over ordinary shares in the capital of Consort Medical plc ("**Shares**").

### Eligibility

The UK Sharesave Plan provides that employees and full-time Directors of the Company and any designated participating subsidiary who are UK resident taxpayers are eligible to participate. The Board may in its discretion extend participation under the UK Sharesave Plan to other employees or directors of participating members of the Company who do not meet these requirements.

The UK Sharesave Plan provides that the Board may require employees to have completed a qualifying period of employment (a "**Qualifying Period**") before they may apply for the grant of an option. The Board may specify a Qualifying Period of up to five years.

The International Plan provides that employees of the Company and any designated participating subsidiary in any jurisdiction are eligible to participate in the International Plan at the discretion of the Board.

### Grant of options

In relation to the UK Sharesave Plan, options will normally be granted within 30 days (or 42 days if applications are scaled back) of the first day by reference to which the option price is set. In relation to the International Plan, Options will normally be granted within 30 days (or 42 days if applications are scaled back) of the date on which participants are sent invitations to apply for options.

The number of Shares over which an option is granted will be such that the total option price payable for those Shares will normally correspond to the proceeds on maturity of the related savings contract, subject in the case of the International Plan to any fluctuations in the rate of exchange between pounds sterling and the currency in which savings are made.

No invitation may be issued under the 2017 Sharesave Plans more than 10 years after the 2017 Sharesave Plans have been approved by shareholders.

### Timing of invitations

Invitations to participate in the 2017 Sharesave Plans may be issued within 42 days after (i) the approval of the 2017 Sharesave Plans by shareholders; (ii) the announcement of the Company's results for any period; (iii) the date on which any change to the legislation affecting UK Schedule 3 sharesave schemes takes effect; (iv) the date on which a new UK savings contract prospectus is announced or takes effect; or (v) the end of a close period. Invitations may also be issued at any other time at which the Board determines that the circumstances are sufficiently exceptional to justify the grant of options.

### **Individual participation**

Participation in the UK Sharesave Plan requires employees to agree to make regular monthly contributions to an approved savings contract of three or five years (or such other period permitted by the legislation). In relation to the International Plan, savings contracts may be three or five years, or any other period which the Board determines.

Subject to the limits set out below, the Board will determine the maximum amount that an employee may contribute under a savings contract linked to options granted under the 2017 Sharesave Plans.

Monthly savings by an employee under the UK Sharesave Plan and all savings contracts linked to options granted under any Schedule 3 tax-advantaged scheme may not exceed the statutory maximum (currently £500 per month in aggregate).

In relation to the International Plan, in any three year period, the aggregate amount of a participant's contributions under all savings contracts (converted to pounds sterling using a published exchange rate on the last day of the three year period) may not exceed £18,000 or such greater sum as may be permitted by the Board from time to time. Further, under the International Plan, in any five year period, the aggregate amount of a participant's contributions under all savings contracts (converted to pounds sterling using a published exchange rate on the last day of the three year period) may not exceed £30,000 or such greater sum as may be permitted by the Board from time to time.

The Board may permit participants under the International Plan to save in a currency other than pounds sterling and for participants to top up their savings if, upon conversion into another currency, there is a shortfall.

### **Option price**

The option price per Share under the UK Sharesave Plan will be the market value of a Share when invitations to participate in the UK Sharesave Plan are issued less a discount of up to 20% (or, in the case of an option to subscribe, the nominal value of a Share if higher), or such other maximum discount permitted under the governing legislation. Market value is determined as the middle market quotation of a Share as derived from the Daily Official List of the London Stock Exchange on the last dealing day before invitations to participate in the UK Sharesave Plan are sent out or, if the Board so decides, the average of the middle market quotations over the three dealing days preceding that date.

In respect of an option granted under the International Plan, the price payable by a participant for each Share over which such option is granted will be determined by the Board in its sole discretion, provided that the option price shall not be less than the nominal value of a Share in the Company. The Board may, in its discretion, determine the option exercise price in a currency other than pounds sterling on such basis as the Board determines.

### **Exercise and lapse of options**

Options granted under the 2017 Sharesave Plans will normally be exercisable for a six month period from the end of the relevant three or five year savings contract.

Any options not exercised within the relevant exercise period will lapse.

An option may be exercised before the end of the relevant savings period, for a limited period, on the death of a participant or on his or her ceasing to hold office or employment within the Company's group by reason of injury, disability, redundancy, retirement, the sale or transfer out of the group of his or her employing company or business, their employer ceasing to be an associated company or (in the case of the UK Sharesave Plan) for any other reason (provided in such case the option was granted more than three years previously) and (in the case of the International Plan) for any other reason permitted by the Board, in its discretion.

### **Takeovers and Liquidations**

Rights to exercise options early for a limited period also arise if another company acquires control of the Company as a result of a takeover or upon a scheme of arrangement or becomes bound or entitled to acquire Shares under the compulsory acquisition provisions. An option may be exchanged for an option over Shares in the acquiring company if the participant so wishes and the acquiring company agrees.

If the Company passes a resolution for a voluntary winding-up, any subsisting option must be exercised within a period of up to six months of the passing of that resolution or it lapses.

### **Satisfying options and overall plan limits**

The 2017 Sharesave Plans may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any 10 year period, the Company may not issue (or create the possibility of issuing) more than 10% of the issued ordinary share capital of the Company under the 2017 Sharesave Plans and any other employee share plan adopted by the Company. This is the same limit as that which currently applies to the 2008 UK Plan and 2015 International Plan.

Treasury Shares will count as new issue Shares for the purposes of these limits unless institutional investors decide that they need not count.

### **Variation of capital**

In the event of any variation in the Company's share capital, the Board may make such adjustment as it considers appropriate to the number of Shares under option and/or the price payable on the exercise of an option.

### **Rights attaching to Shares**

Until options are exercised, option holders have no voting or other rights in respect of the Shares subject to their options.

Shares issued or transferred pursuant to the 2017 Sharesave Plans shall rank *pari passu* in all respects with the Shares already in issue except that they will not rank for any dividend or other distribution paid or made by reference to a record date falling prior to the date of exercise of the option.

Benefits obtained under the 2017 Sharesave Plans shall not be pensionable.

Options are not assignable or transferable.

### **Alterations to the Plan**

The Board may, at any time, amend the provisions of the 2017 Sharesave Plans in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the material advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares to be acquired and the adjustment of options.

The requirement to obtain the prior approval of shareholders will not, however, apply to any change required to ensure that the UK Sharesave Plan complies with Schedule 3, or to any minor alteration made to benefit the administration of the either of the 2017 Sharesave Plans, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company's group.

### **Overseas plans**

The Board may at any time and without further formality establish further plans or schedules to the International Plan in overseas territories, any such plan or schedule to be similar to the International Plan but modified to take account of local tax, exchange control or securities laws, regulation or practice. Shares made available under any such plan or schedule will count against the limit on the number of new Shares that may be issued under the 2017 Sharesave Plans.

## APPENDIX 2

### SUMMARY OF PRINCIPAL PROPOSED CHANGES TO THE COMPANY'S ARTICLES OF ASSOCIATION

Resolution 16 is proposed to adopt new Articles of Association of the Company (the “**New Articles**”). This is principally to take account of developments in market practice as well as to provide clarification and further flexibility on certain matters. The principal changes introduced in the New Articles are summarised below. Minor, technical and clarifying changes have not been noted. A copy of the New Articles together with a copy of the Current Articles of Association (“**Current Articles**”), marked to show all the proposed changes, are available for inspection, as noted on page 7 of this document.

#### **Disclosure of interests in shares (Article 23)**

The Current Articles include provisions allowing the Company to issue notices pursuant to section 793 of the Act and to impose restrictions if recipients of such notices are in default. The New Articles make some modifications to these provisions including widening the definition of “person appearing to be interested in” shares of the Company to afford slightly more flexibility to the Company.

#### **Untraced members (Article 24) and undelivered communications (Article 119)**

The Current Articles give the Company a variety of powers to deal with untraced members and returned communications. The New Articles provide greater flexibility to the Company including to use such reasonable steps as the directors think fit, which may include the services of a tracing agent, for how it alerts shareholders of its intention to sell their shares. The New Articles also allow the Company, pending payment out of the net proceeds, to use any proceeds of such sale and any monies earned on the proceeds of such sale as the directors see fit.

#### **General meetings (Articles 38-51)**

The New Articles provide extra flexibility to the Company as regards general meetings. In particular, the New Articles boost the provisions as regards the accidental omission or non-receipt of certain documents; increase the options for the directors and the chairman of the meeting to make appropriate security and other arrangements at general meetings; and add a power to postpone a general meeting in certain circumstances.

#### **Deadlines for receipt of information (Articles 55, 60 and 61)**

The Current Articles, as regards the deadline for receipt of proxies, differentiate between where an adjourned meeting and/or a poll is to be taken more than or less 48 hours after the time fixed for the original meeting or adjourned meeting. The New Articles simplify this and no longer differentiate in this way and also allow the directors the flexibility to fix a shorter deadline. The New Articles also bring various other related deadlines into line with the deadline for receipt appointments of proxies.

#### **Directors (Articles 62–100)**

The New Articles make changes to various provisions concerning directors and their proceedings including: to allow a director appointing an alternate director to give notice that such part of the fees that would otherwise be paid to him may be paid instead to his alternate; to clarify the position of an alternate director as regards quorum; to clarify that when a director holds another office or place of profit in a related company, this is subject to such terms as the directors may decide including as to extra remuneration; and to update the article on notice of directors' meetings including by providing for directors absent from the UK.

#### **Directors' fees (Article 72)**

The Current Articles set a limit on directors fees (other than executive directors) of £400,000 per annum. The New Articles increase the limit to £600,000 per annum. This increase is intended to afford the Company flexibility for the future in setting the level of directors' fees and the number of directors.

#### **Method of payment of dividends (Article 106)**

The New Articles update the provisions of the Current Articles as regards the manner in which dividends or other sums payable may be paid, in line with guidance issued in 2014 by the Institute of Chartered Secretaries and Administrators Registrar's Group. The New Articles confirm the existing flexibility to allow the payment of dividends by different methods (including cheque, bank transfer, electronic and other means) and additionally allow the directors to decide which payment method is to be used on any particular occasion. The Company does not intend to change the current methods of payment at this time, but considers it important to have the flexibility to cater for new developments and changes in practice, including considering the efficiency and cost savings if, in the future, the Company changed to, for example, electronic payment only.

In addition, the New Articles provide for what will happen if a shareholder does not provide an address or account to make a dividend or other payment of if the Company cannot for any reason make the payment.

**Scrip dividends and capitalisation of reserves (Articles 112 - 114)**

The New Articles clarify and update the existing provisions on scrip dividends and capitalisation of reserves both generally and in respect of employee share schemes, in line with market practice.

**Communications by the Company (Article 119)**

The New Articles permit the directors, in line with market practice and in line with the existing article on uncashed or returned dividends, to cease to send or supply notices or other documents to members, if on two consecutive occasions any such notice or document has been returned undelivered, until a new address is supplied by the member.

**Indemnity, insurance and defence (Article 126)**

The Current Articles permit directors, amongst other things, to be indemnified. The New Articles make a number of clarifications in accordance with the Act including to avoid doubt that former directors and other officers may, among other things, be indemnified.