

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.**

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, please retain the documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected as to the action you should take.

**AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. Neither the London Stock Exchange nor the UK Listing Authority have examined or approved the contents of this Notice. The AIM Rules are less demanding than those of the Official List of the UK Listing Authority.**

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# **CELADON PHARMACEUTICALS PLC**

*Incorporated in England and Wales with registered number 11545912*

## **Notice of Annual General Meeting 2022**

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This document should be read as a whole. Your attention is drawn in particular to the letter from the Chairman of the Company which is set out in this document and which contains recommendations that you vote in favour of all of the Resolutions set out in the Notice of Annual General Meeting referred to below.

Notice of the Annual General Meeting of the Company, to be held at 4.00 p.m. on Monday 27 June 2022 at The Edgbaston Park Hotel and Conference Centre, 53 Edgbaston Park Road, Birmingham. B15 2RS, is set out at the end of this document.

## To Celadon Pharmaceuticals plc shareholders

### **Directors:**

Alexander Anton (*Chairman*)  
James Short (*Chief Executive Officer*)  
Robert Barr (*Senior Independent Non-Executive Director*)  
David Firth (*Independent Non-Executive Director*)  
Dr Steven Hajioff (*Independent Non-Executive Director*)  
Kathleen Long (*Chief Financial Officer*)  
Elizabeth Shanahan (*Independent Non-Executive Director*)

27 May 2022

Dear Shareholder,

### **NOTICE OF ANNUAL GENERAL MEETING 2022**

This document contains the notice of the Annual General Meeting (“**AGM**” or “**Annual General Meeting**”) of Celadon Pharmaceuticals plc (the “**Company**”) and the resolutions to be proposed at the AGM (the “**Resolutions**”), which is to be held at The Edgbaston Park Hotel and Conference Centre, 53 Edgbaston Park Road, Birmingham. B15 2RS on Monday 27 June at 4.00 p.m.

Given the current status of the pandemic, it is anticipated that the AGM will be held in the normal way and shareholders will be able to attend in person. The Company will continue to monitor the status of the pandemic and will revise arrangements in connection with the AGM should it become necessary.

The Notice is set out on pages 4 to 5 of this document, detailing the Resolutions that the shareholders are being asked to vote on, with explanatory notes of the business to be conducted at the AGM on pages 10 to 11.

If the chair of the AGM is appointed as proxy he or she will, of course, vote in accordance with any instructions given. If he or she is given discretion as to how to vote, he or she will vote in favour of each of the Resolutions.

The purpose of the Annual General Meeting is to seek shareholders’ approval to pass the Resolutions, within this Notice of AGM. Resolutions 1-11 inclusive will be proposed as ordinary resolutions and resolution 12 will be proposed as a special resolution. The following is a brief summary of the business of the 2022 AGM:

- Resolution 1 relates to the receiving of the report and accounts for the period ended 31 December 2021.
- Resolutions 2 to 7 are to approve the re-election of certain Directors who, having been appointed by the Board since the last AGM, are retiring in accordance with the Company’s articles of association and who are offering themselves for re-election. Biographical details of the Directors can be found on pages 6 to 7 of this document.
- Resolution 8 is to approve the re-election of David Firth who is retiring on an annual basis in line with best practice and offering himself for re-election. Biographical details for David Firth can be found on page 6 of this document.
- Resolutions 9 and 10 relate to the re-appointment of auditors and the authorisation of the Audit Committee to determine their fees.
- Resolution 11 is to authorise the Directors to make allotments of shares within specified limits.
- Resolution 12 is to disapply the statutory pre-emption rights from the allotment of shares, within specified limits.

The Board is always interested in the views of shareholders on the Company’s activities and we remain committed to engagement with our shareholders. Given that we anticipate that shareholders will be able to attend in person, shareholders will be able to ask questions of the Board at the AGM. Recognising however that in the current climate either the situation can change or some shareholders may prefer not to attend

the AGM in person, we have made provisions to submit questions to the Board on the business of the AGM. To submit questions in advance of the AGM, questions should be sent via our website: <https://celadonpharma.co.uk> by no later than 12.00 p.m. on Wednesday 22 June 2022 and we will publish answers to such questions, to the extent we consider appropriate on our website. Please note that some questions may be grouped together.

In line with best practice corporate governance, voting on the business of the meeting will be conducted on a poll. I would strongly encourage shareholders to exercise their right to vote in the following ways:

- by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below; or
- by requesting a hard copy form of proxy directly from the Registrars, Link Group.

If you need help with voting online, please contact our Registrars, Link Group, on 0371 664 0391. 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. They are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales or email Link Group at [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk).

For an electronic proxy appointment to be valid, the appointment must be received by Link Group, no later than 4.00 p.m. on Thursday 23 June 2022.

If you hold your Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of AGM at the end of this document. Proxies submitted via CREST must be received by Link Group (ID RA10) by no later than 4.00 p.m. on Thursday 23 June 2022 (or, if the AGM is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

## **Recommendation**

The Directors consider the passing of the Resolutions to be in the best interests of the Company and its shareholders as a whole and recommend shareholders to vote in favour of each of the Resolutions, as they intend to do in respect of their own holdings, amounting in aggregate to 27,424,072 Ordinary Shares (representing approximately 44.5 per cent. of the existing issued share capital).

Yours faithfully,

**Alexander Anton**  
*Chairman*

*Registered Office:*  
32-33 Cowcross Street  
London  
EC1M 6DF

Registered Number: 11545912

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Celadon Pharmaceuticals plc (the “**Company**”) will be held at 4.00 p.m. on Monday 27 June 2022 at The Edgbaston Park Hotel and Conference Centre, 53 Edgbaston Park Road, Birmingham. B15 2RS (the “**AGM**”) for the following purposes:

### **ORDINARY RESOLUTIONS**

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

#### ***Resolution 1: Annual Financial Statements and Directors’ Report***

1. To receive the Company’s financial statements together with the reports thereon of the Directors and auditors for the period ended 31 December 2021.

#### ***Resolutions 2-7: Re-Election of Directors***

2. To re-elect Alexander Anton as a Director of the Company.
3. To re-elect James Short as a Director of the Company.
4. To re-elect Robert Barr as a Director of the Company.
5. To re-elect Dr Steven Hajioff as a Director of the Company.
6. To re-elect Kathleen Long as a Director of the Company.
7. To re-elect Elizabeth Shanahan as a Director of the Company.

#### ***Resolutions 8: Re-election of Director***

8. To re-elect David Firth as a Director of the Company.

#### ***Resolution 9: Re-appointment of Auditor***

9. To re-appoint the auditors, RSM UK Audit LLP, as auditors of the Company to hold office until the conclusion of the next general meeting at which annual financial statements are laid before the Company.

#### ***Resolution 10: Remuneration of Auditor***

10. To authorise the Directors to determine the auditors’ remuneration as auditors of the Company.

#### ***Resolution 11: Authority to Allot Ordinary Shares***

11. THAT, in accordance with section 551 of the Companies Act 2006 (“**CA 2006**”), the Directors (or a duly constituted committee of the Directors) be generally and unconditionally authorised to allot equity securities (as defined by section 560 of the CA 2006) in the Company provided that this authority shall be limited to:
  - (a) up to an aggregate nominal amount of £205,565.91 (such amount to be reduced by the nominal amount allotted or granted under resolution 11(b) below in excess of such sum); and
  - (b) in connection with the allotment of equity securities otherwise than pursuant to resolution 11(a), up to an aggregate nominal amount of £205,565.91 (such amount to be reduced by any allotments or grants made under resolution 11(a) above) in connection with or pursuant to an offer by way of a rights issue in favour of shareholders of the Company (“**Shareholders**”) in proportion (as nearly as practicable) to the respective number of Ordinary Shares held by them on the record date for such allotment, 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 unless renewed, varied or revoked by the Company, such authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on the date which is 15 months from the date on

which this Annual General Meeting is held (if earlier), save that the Company may before this authority expires make an offer or agreement which would or might require shares to be allotted after this authority expires and the Directors may allot shares or the grant of rights to subscribe for, or convert any security into, shares pursuant to such offer or agreement as if this authority had not expired.

## **SPECIAL RESOLUTION**

To consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

### ***Resolution Number 12: Authority to Disapply Pre-emption Rights***

12. THAT, subject to the passing of resolution 11, in accordance with section 570(1) of the CA 2006, the Directors (or a duly constituted committee of the Directors) be generally empowered to allot equity securities (as defined in section 560(1) of the 2006 Act) for cash pursuant to the authorities conferred in resolution 11 above as if section 561 of the CA 2006 did not apply to any such allotment, provided that this power shall be limited to:
- (a) in connection with or pursuant to an offer of or invitation to apply for equity securities (but in the case of the authorisation granted under resolution 11(b), by way of a rights issue only) in favour of Shareholders 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 as required by the rights attached to those securities or as the Directors otherwise consider necessary) but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
  - (b) otherwise than pursuant to resolution 11(a), up to an aggregate nominal amount of £61,669.77, representing approximately ten per cent. of the Company's issued ordinary share capital.

This authority shall expire, unless renewed varied or revoked by the Company, at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on the date which is 15 months from the date on which such resolution was passed (if earlier), save that the Company may before this power expires 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 pursuant to such offer or agreement as if this authority had not expired.

By Order of the Board

**Kerin Williams**  
*Company Secretary*

27 May 2022

*Registered Office:*  
32-33 Cowcross Street  
London  
EC1M 6DF

Registered Number: 11545912

## **Celadon Pharmaceuticals plc – Directors’ Biographies**

### **Alexander Anton, Non-Executive Chairman**

Alexander is an experienced AIM director and entrepreneur. Alexander is the former chairman and latterly a non-executive director of Victoria PLC, retiring from that role in 2019. He was Chairman of Summerway Capital Plc from October 2018 to January 2021. Alexander was chairman of The Queen’s Club from 2005-2007 and led the members’ buy out from the Lawn Tennis Association for £35 million in 2007. He is also the founder of Fraser Real Estate and Legacy Portfolio, businesses focused on complex leasehold portfolios.

*Committee Membership:* Nomination Committee (Chair), Remuneration Committee

### **James Short, proposed Chief Executive Officer**

James is the founder and CEO of Vertigrow. James has had a successful track record in the construction industry and then in the renewable energy sector. He co-founded the waste to energy business Bio-Gen Power Ltd and sold stakes to Ener-G Holdings PLC in 2007 and to FTSE 100 company International Power in 2008. He sold the company in 2010. Subsequently, James commissioned the feasibility study and obtained planning permission for the development of the £984 million 1,500 megawatt combined cycle gas turbine power plant at Thorpe Marsh in North Doncaster in partnership with Acorn Power and GE. In 2014 he sold the development to GE. Latterly James has been involved in a cyber business that sells its product into a number of NHS hospitals.

*Committee Membership:* None

### **Robert (“Robbie”) Barr, Senior Independent Non-Executive Director**

Robbie is an experienced operator and director having spent the majority of his executive career with Vodafone PLC where he held senior executive positions, including group financial controller. Robbie is a Senior Advisor to OMERS Private Equity and Infrastructure in Europe and a Non-Executive director of Associated British Ports Holdings, Chairman of Vue International, the cinema group, and a member of the supervisory committee of rail wagon leasing company VTG AG.

Robbie was formerly executive chairman of Four Seasons Health Care from 2014 to 2018 and of Odeon & UCI Cinemas from 2012 to 2016. From 2009 to 2015 he was a managing director of the private equity firm Terra Firma Capital Partners.

*Committee Membership:* Audit Committee, Remuneration Committee, Nomination Committee

### **Dr Steven (“Steve”) Hajioff, Non-Executive Director**

Steve has been a leader and innovator in healthcare and health policy for thirty years. He was the Chairman of the Representative Body of the British Medical Association (BMA) from 2010 to 2013 and has worked as a Medical Director or Chief Medical Officer in several organisations including Bupa Health Dialog, Totally PLC, Pain Management Solutions Ltd and The Knowde Group.

He previously advised NHS England on specialized services, including rare disease, orphan drugs and low-volume high cost procedures and has been an adviser to the National Institute for Health and Care Excellence (NICE) in a range of capacities since 2012. He is currently a member of their Quality Standards Advisory Committee.

He was, until recently, a Director of Public Health and a member of the Governing Body of a Clinical Commissioning Group in west London. Steve runs his own consultancy business and specialises in healthcare market access and reimbursement, clinical opportunity analysis and health policy.

Steve is currently the Chief Medical Officer at Sana Life sciences and is a scientific adviser to Phytome Life Sciences. He is also a Senior Lecturer at Imperial College London. He was formerly a member of the Medical Ethics Committee of the British Medical Association; one of the most influential bodies in UK clinical ethics.

In June 2015, the British Medical Association awarded Steve their highest honour, the Gold Medal for Distinguished Merit.

*Committee membership:* None

### **Kathleen (“Katie”) Long, proposed Chief Financial Officer**

Katie qualified as a Chartered Accountant in 2002 with the Institute of Chartered Accountants Australia and has a degree in Commerce from the University of Melbourne.

Katie started her career as an auditor at Ernst & Young, working on external audits within the financial services sector, and then moved into banking, focusing on the financial reporting of complex structured products under IFRS and US GAAP. In 2008, Katie joined Marwyn Capital LLP as an Investment Manager, where she led and managed a number of the fund’s investments, alongside the provision of corporate finance advice to listed portfolio companies. Katie co-founded Tessera Investment Management Limited in 2012, a specialist provider of in-house transaction management support to organisations undertaking M&A and capital raising activities, where she remains a director and a shareholder.

Katie was previously the Chief Financial Officer of AIM-listed Oxford BioDynamics Plc and is currently also a Non-Executive Director of a venture capital backed cyber security company, RazorSecure Limited.

*Committee membership:* None

### **Elizabeth (“Liz”) Shanahan, Non-Executive Director**

Liz is currently a non-executive director of AIM-listed Inspiration Healthcare Group plc and a former non-executive director of UDG Healthcare plc, a company that was listed on the London Stock Exchange and a constituent of the FTSE 250 up until its £2.8 billion takeover, which completed in August 2021.

Liz is a life sciences entrepreneur with extensive experience advising leading global pharmaceutical and healthcare organisations on their communications. Until 2014, she was Global Head of Healthcare & Lifesciences at the NYSE-listed management consultancy, FTI Consulting Inc., who had in 2007 acquired the communications business, Santé Communications, which she founded in 1995. Liz is a Trustee of CW+, the charitable arm of Chelsea & Westminster Foundation Trust Hospital in London and a member of the organisation’s Innovations Advisory Board.

*Committee membership:* Audit Committee, Remuneration Committee, Nomination Committee

### **David Firth, Independent Non-Executive Director**

David is a non-executive director of Parity Group Plc, an IT services and consultancy business and is chairman of its remuneration and audit committees. He is also chairman and audit committee chairman of Best of the Best plc, an organiser of weekly competitions to win cars and other luxury prizes, and a non-executive director and chairman of the audit committee of i-Nexus Global Plc, a strategy execution software company.

Previously he was the finance director of Penna Consulting plc from 1999 to 2016. David has held a number of board positions in public companies over the past 30 years across various sectors including HR consultancy and recruitment, IT services, financial markets, motor retailing and advertising.

*Committee membership:* Audit Committee (Chair), Remuneration Committee (Chair)

**Notes:**

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

- (a) **Entitlement to attend and vote:** Pursuant to regulation 41 of the Uncertificated Regulations 2001, the Company specifies that only those shareholders registered on the register of members of the Company as at close of business on 23 June 2022 shall be entitled to vote at the aforesaid AGM in respect of the number of shares registered in their name at that time or if the AGM is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be) excluding any part of a day that is not a working day. In each case, changes to entries on the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the AGM. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Seniority is determined by the order in which the names of the shareholders stand in the Register of Members of the Company.

**You can vote:**

- by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below; or by requesting a hard copy form of proxy directly from the registrars, Link Group.

If you need help with voting online, please contact the Company's Registrars, Link Group, on 0371 664 0391. (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) or email Link at [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk).

- (b) **Appointment of proxies:** A member is entitled to appoint a proxy to exercise all or any of the member's rights to attend, speak and vote 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 does not need to be a shareholder of the Company. If you are appointing more than one proxy you will need to state clearly on each form of proxy the number of shares in relation to which the proxy is appointed, and ensure that, taken together, the numbers of shares stated on the forms of proxy do not exceed your holding.

For an electronic proxy appointment to be valid, the appointment must be received by the Company's Registrar, Link Group, no later than 4.00 p.m. on 23 June 2022.

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 & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). 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 the latest time(s) for receipt of proxy appointments specified in Notes a) and b) above. 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 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.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited 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 ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)).

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 (as amended).

- (c) **Changing proxy instructions:** If you submit more than one proxy appointment the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. The CREST electronic proxy appointment service facilities are open to all CREST Members and those who use them will not be disadvantaged.
- (d) **Corporate representatives:** 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.
- (e) **Votes withheld and discretionary votes:** A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.
- (f) **Explanatory notes:** Explanatory notes in relation to the resolutions to be proposed at the AGM are set out on the following pages.
- (g) **Nominated Persons:** A Nominated Person may under an agreement between him/her and the member who nominated him/her, have a right to be appointed (or to have someone else appointed) as a proxy entitled to attend and speak and vote at the AGM. Nominated Persons are advised to contact the member who nominated them for further information on this and the procedure for appointing any such proxy.

If a Nominated Person does not have a right to be appointed, or to have someone else appointed, as a proxy for the AGM, or does not wish to exercise such a right, he/she may still have the right under an agreement between himself/herself and the member who nominated him/her to give instructions to the member as to the exercise of voting rights at the AGM. Such Nominated Persons are advised to contact the members who nominated them for further information on this.

The statement of the rights of shareholders in relation to the appointment of proxies in notes b) and f) do not apply to Nominated Persons.

- (h) **Issued shares and total voting rights:** As at 27 May 2022 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consisted of 61,669,773 ordinary shares, carrying one vote each. No shares are held in treasury. Therefore, the total voting rights in the Company as at 27 May 2022 are 61,669,773.
- (i) **Website giving information regarding the AGM:** A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found on the Company's website at [www.celadonpharma.co.uk](http://www.celadonpharma.co.uk).
- (j) **Questions:** Recognising that in the current climate either the situation can change or some shareholders may prefer not to attend the AGM in person, we have made provisions to submit questions to the Board on the business of the AGM. To submit questions in advance of the AGM, questions should be sent via our website: <https://celadonpharma.co.uk> by no later than 12.00 p.m. on Wednesday 22 June 2022 and we will publish answers to such questions, to the extent we consider appropriate on our website. Please note that some questions may be grouped together.
- (k) **Voting:** Voting on all resolutions at this year's AGM will be conducted by way of a poll. The Board believes that a poll is more representative of shareholders' voting intentions because it gives as many shareholders as possible the opportunity to have their votes counted. The results of the poll will be announced via a Regulatory Information Service and made available on the company website as soon as practicable after the AGM.

# CELADON PHARMACEUTICALS PLC

## Notice of Annual General Meeting

### Explanatory Notes to the Resolutions

Resolutions 1 to 11 will be proposed as ordinary resolutions. For an ordinary resolution to be passed, more than 50 per cent. of the votes cast must be in favour of the resolution. Resolution 12 will be proposed as a special resolution. For a special resolution to be passed, at least 75 per cent. of the votes cast must be in favour of the resolution.

#### **RESOLUTION 1: REPORTS AND ACCOUNTS**

The Directors are required to present to the meeting the audited accounts and the reports of the Directors and the auditors for the period ended 31 December 2021.

#### **RESOLUTIONS 2-7: RE-ELECTION OF DIRECTORS**

Alexander Anton, James Short, Robert Barr, Dr Steven Hajioff, Kathleen Long and Elizabeth Shanahan were appointed as Directors of the Company by the Board since the last Annual General Meeting. In accordance with article 25.3 of the articles of association of the Company, these Directors must seek re-election by the Company's shareholders at the next Annual General Meeting of the Company following their initial appointment.

Biographical details of the Directors can be found on pages 6 and 7 of this document.

#### **RESOLUTION 8: RE-ELECTION OF DIRECTOR**

David Firth is seeking re-election as a Director of the Company annually in line with best practice. Biographical details of David Firth can be found on page 7 of this document.

#### **RESOLUTION 9: RE-APPOINTMENT OF AUDITORS**

The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company, to hold office until the end of the next such meeting. This resolution proposes the re-appointment of RSM UK Audit LLP.

#### **RESOLUTION 10: AUTHORITY TO SET THE AUDITORS' REMUNERATION**

In accordance with standard practice, this resolution gives authority to the Directors to determine the remuneration to be paid to the auditors. The amount of the remuneration paid to the auditors for the next financial year will be disclosed in the next audited accounts of the Company.

#### **RESOLUTION 11: AUTHORITY TO ALLOT SHARES**

Section 549 of the Companies Act 2006 provides, in relation to all companies, that the Directors may not allot shares in the Company, or grant rights to subscribe for, or to convert any security into, shares in the Company unless authorised to do so by the Company in general meeting or by its articles of association. Accordingly, this resolution seeks renewal, for a further period expiring at the earlier of the close of the next annual general meeting of the Company and 15 months after the passing of the resolution, of the authority previously granted to the Directors at the AGM of the Company held on 26 February 2021. This authority will relate to a total of 20,556,591 ordinary shares of £0.01 each, representing approximately one third of the Company's issued share capital as at the date of this Notice. While this resolution empowers the Directors to allot shares they are required to effect any such allotment on a pre-emptive basis save to the extent that they are otherwise authorised. Resolution 12 below contains a limited power to allot on a non-pre-emptive basis. Under current UK institutional shareholder guidance, a UK listed company may seek authority to issue further shares up to an aggregate of two-thirds of its current issued share capital for a full

pre-emptive issue. While the company has no present intention of allotting, or agreeing to allot, any shares otherwise than in connection with employee share schemes, to the extent permitted by such schemes, the Directors believe that it should have the flexibility to issue the additional shares should the right circumstances present themselves to warrant such an issue.

#### **RESOLUTION 12: DIS-APPLICATION OF PRE-EMPTION RIGHTS**

If the Directors wish to allot any shares of the Company for cash in accordance with the authority granted at this year's AGM these must generally be offered first to shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the interests of the Company for the Directors to be able to allot some shares for cash without having to offer them first to existing Shareholders. In line with normal practice, this resolution, which will be proposed as a special resolution, seeks approval to renew the current authority to exclude the statutory pre-emption rights for issues of shares having a maximum aggregate nominal value of up to £61,669.71 representing 10 per cent. of the Company's issued share capital as at the date of this Notice. In addition, there are legal, regulatory and practical reasons why it may not always be possible to issue new shares under a rights issue to some Shareholders, particularly those resident overseas. To cater for this, the resolution also permits the Directors to make appropriate exclusions or arrangements to deal with such difficulties. This authority would be effective until the earlier of the conclusion of the next annual general meeting of the Company and 15 months after the passing of the resolution. The Directors believe that obtaining this authority is in the best interests of shareholders as a whole and recommend that shareholders vote in favour of this resolution.

**The directors believe that the proposals in resolutions 1 to 12 are in the best interests of shareholders as a whole. The directors will be voting in favour of them and unanimously recommend that you do so as well.**

