

## **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 personal financial advice from your stockbroker, bank, solicitor, accountant or other appropriate independent professional adviser.

If you have sold or otherwise transferred all of your shares in Fusion Antibodies plc ("**Company**"), please pass this document, together with the accompanying documents, 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 transmission to the purchaser or transferee.

Fusion Antibodies plc  
Registered No. NI039740  
C/O Tughans Solicitors  
Marlborough House  
30 Victoria Street  
Belfast  
BT1 3GG

1 September 2021

*To ordinary shareholders*

Dear Shareholder

### **Annual General Meeting 2021**

I am pleased to send you details of our 2021 annual general meeting ("**AGM**"), which will be held at The Malone Hotel, 60 Eglantine Avenue, Malone Road, Belfast, BT9 6DY on 24 September 2021 at 11.00 a.m.

The formal notice of the AGM, which is set out on pages 5 to 6 of this document ("**Notice**"), sets out the business to be considered at the AGM. The purpose of this letter is to provide you with further details about those items of business.

We are pleased to be able to hold an open AGM this year as last year it was not possible due to the pandemic. However, we are still taking a cautious view as we cannot predict whether local travel or meeting restrictions may be introduced at the time of the meeting. Therefore, to minimise any risks, we are encouraging you to appoint the meeting Chair as proxy and to submit any questions in advance by email.

This year, shareholders will be asked to approve 10 resolutions. Resolutions 1 to 8 are proposed as ordinary resolutions. This means that, for each of those resolutions to be passed, more than 50 per cent. of the votes cast must be in favour of the resolution.

Resolutions 9 and 10 are proposed as special resolutions. This means that, for each of those resolutions to be passed, at least 75 per cent. of the votes cast must be in favour of the resolution.

### **Resolution 1: Annual report and accounts**

The directors must present the Company's annual accounts and the strategic, directors' and auditor's reports to shareholders at a general meeting. Those to be presented at the AGM are in respect of the year ended 31 March 2021, and are called the Annual Report 2021.

The Annual Report 2021 is available on the Company's website ([www.fusionantibodies.com](http://www.fusionantibodies.com)). If you have elected to receive correspondence in hard copy, then a copy of the Annual Report 2021 will accompany this document. Should you wish to change your election at any time, or if you wish to request a hard copy of the Annual Report 2021, you can do so by contacting the Company's registrars, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

## **Resolutions 2, 3, 4, and 5: Reappointment of directors**

Resolution 2 proposes the reappointment of Richard Jones as director. This is in accordance with the Company's articles of association, as this is the first AGM following Richard's appointment as a director in February 2021. A biography is set out below.

Resolutions 3 to 5 propose the reappointments of Alan Mawson, Colin Walsh and Tim Watts as directors. This is in accordance with the Company's articles of association, which require that one third of the directors (or the number nearest to but not exceeding one third) retire by rotation at each AGM, with each director also being subject to reappointment at intervals of not more than three years. Biographies of each of these directors are set out below:

### ***Dr RICHARD JONES – CEO***

Richard, 49, was appointed Chief Executive Officer on 16 February 2021. He is an accomplished life sciences executive with 25 years' experience in pharma and biotech companies with a strong background across multiple therapy areas. He has broad and extensive experience from business development, strategic alliances, M&As, R&D, early and late-stage clinical development, general management and commercialisation.

### ***Dr ALAN MAWSON – Non-executive director***

Alan, 79, is a venture capital fund manager, the founder and now chair of the Investment Advisory Committee of Clarendon Fund Managers Limited. He joined the Company as a non-executive director in 2004 as a representative of Clarendon. Clarendon is the fund manager for Nitech Growth Fund LP and Viridian Growth Fund LP both of which are shareholders in the Company. Due to Clarendon's shareholding in the Company, Alan is not considered to be independent under the QCA Code. Alan is a member of the Audit Committee.

### ***COLIN WALSH – Non-executive director***

Colin, 65, is chief executive and founder of Crescent Capital NI Limited and has been an active venture capital investor in the high-tech sector for the past 28 years. He joined the Company as a non-executive director in 2007 as a representative of Crescent Capital. Crescent Capital is the fund manager of Crescent Capital III LP which is a shareholder in the Company. Due to Crescent Capital's shareholding in the Company, Colin is not considered to be independent under the QCA Code. Colin chairs the Remuneration Committee.

### ***TIM WATTS – Non-executive director***

Tim, 64, has over 25 years' experience in the pharmaceutical and biotech sectors, and joined the Company as a non-executive director in December 2017. He qualified as chartered accountant with Coopers & Lybrand before moving to HJ Heinz, then ICI, was appointed Finance Director of the Zeneca Pharmaceuticals business in 1998 and became Group Financial Controller of AstraZeneca plc in 2002. Between 2007 and 2017 he held positions as CFO of Archimedes Pharma then Oxford Biomedica plc from which he retired in September 2017. From 2018 Tim was CFO of Shield Therapeutics PLC and was appointed CEO and a director from April 2020. He is retiring from Shield in September 2021. Tim is an independent director and chairs the Audit Committee.

## **Resolutions 6 and 7: Reappointment and remuneration of auditors**

The Company is required to appoint auditors at each general meeting at which its annual accounts and reports are presented to shareholders. Therefore, resolution 6 proposes the reappointment of PricewaterhouseCoopers LLP as auditors (to hold office until the next such meeting).

In accordance with normal practice, resolution 7 authorises the Audit Committee to determine the auditors' remuneration.

## **Resolution 8: Authority to allot shares**

Generally, the directors may only allot shares in the Company (or grant rights to subscribe for, or to convert any security into, shares in the Company) if they have been authorised to do so by shareholders.

Resolution 8 is in two parts.

In line with guidance issued by the Investment Association, if passed, part (a) of resolution 8 will authorise the directors to allot shares in the Company (and to grant rights to subscribe for, or to convert any security into, shares in the Company) up to an aggregate nominal amount of £345,265.92. This amount represents approximately one third of the issued ordinary share capital of the Company as at 27 August 2021 being the last practicable date before the publication of this document.

In addition, if passed, part (b) of resolution 8 will authorise the directors to allot ordinary shares in the Company (and to grant rights to subscribe for, or to convert any security into, ordinary shares in the Company) in connection with a rights issue only up to a further aggregate nominal amount of £345,265.92. This amount represents approximately one third of the issued ordinary share capital of the Company as at 27 August 2021, being the last practicable date before the publication of this document.

If given, these authorities will expire at the conclusion of the Company's next AGM. It is the directors' intention to renew the allotment authority each year.

As at the date of this document, no ordinary shares are held by the Company in treasury.

The directors have no current intention to exercise either of the authorities sought under resolution 8. However, the directors consider that it is in the best interests of the Company to have the authorities available so that they have the maximum flexibility permitted by institutional shareholder guidelines to allot shares or grant rights without the need for a general meeting should they determine that it is appropriate to do so to respond to market developments or to take advantage of business opportunities as they arise.

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

Generally, if the directors wish to allot new shares or other equity securities (within the meaning of section 560 of the Act) for cash, then under the Act they must first offer such shares or securities to ordinary shareholders in proportion to their existing holdings. These statutory pre-emption rights may be disapplied by shareholders.

Resolution 9, which will be proposed as a special resolution, if passed, will enable the directors to allot equity securities for cash without having to comply with statutory pre-emption rights.

The powers proposed under resolution 9 will be limited to allotments:

- (a) up to an aggregate nominal amount of (i) £690,531.84 in connection with a rights issue or (ii) £345,265.92 in connection with an open offer or other pre-emptive offer, in each case to ordinary shareholders and to holders of other equity securities (if required by the rights of those securities or the directors otherwise consider necessary), but (in accordance with normal practice) subject to such exclusions or other arrangements, such as for fractional entitlements and overseas shareholders, as the directors consider necessary; and
- (b) in any other case, up to an aggregate nominal amount of £103,579.78 (which represents approximately ten per cent. of the issued ordinary share capital of the Company as at 27 August 2021, being the last practicable date before the publication of this document).

If given, this power will expire at the conclusion of the Company's next AGM. It is the directors' intention to renew this power each year.

### **Resolution 10: Purchase by the Company of its own shares**

Resolution 10, which will be proposed as a special resolution, if passed, will allow the Company to purchase up to 2,589,494 ordinary shares in the market (which represents approximately 10 per cent. of the issued ordinary share capital of the Company as at 27 August 2021, being the last practicable date before the publication of this document). The minimum and maximum prices for such a purchase are set out in the resolution. If given, this authority will expire at the conclusion of the Company's next AGM. It is the directors' intention to renew this authority each year.

The directors have no current intention to exercise the authority sought under resolution 10 to make market purchases, but consider the authority desirable to provide maximum flexibility in the management of the Company's capital base. If passed, the directors will only exercise this authority if they believe that to do so

would be a prudent use of the Company's cash resources and would result in an increase in earnings per share and would be in the best interests of the Company and of its shareholders generally.

### **Recommendation**

The directors consider that all the resolutions set out in the Notice are in the best interests of the Company and its shareholders as a whole. The directors who hold shares will be voting in favour of all of the resolutions, and unanimously recommend that you do so as well.

### **Action to be taken**

If you would like to vote on the resolutions set out in the Notice, please appoint a proxy or proxies either by completing the Proxy Form sent to you with this document, and returning it to our registrars, or alternatively you may appoint a proxy at [www.signalshares.com](http://www.signalshares.com). Please note that due to the Covid-19 pandemic situation, you are urged to appoint the Chairman of the meeting as your proxy, as government regulations on travel and meetings may have changed by the time the meeting takes place.

Your proxy appointment must be received by **11.00 a.m. on 22 September 2021**. Further details relating to voting by proxy are set out in the notes to the Notice on pages 7 to 8 of this document and in the Proxy Form.

Yours sincerely

**Dr Simon Douglas**  
*Chairman*

## FUSION ANTIBODIES PLC

### NOTICE OF ANNUAL GENERAL MEETING

**Notice is given** that the annual general meeting of Fusion Antibodies plc (“**Company**”) will be held at The Malone Hotel, 60 Eglantine Avenue, Malone Road, Belfast, BT9 6DY on 24 September 2021 at 11.00 a.m. for the following purposes:

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

1. To receive the Company’s annual accounts and the strategic, directors’ and auditor’s reports for the year ended 31 March 2021.
2. To reappoint Richard Jones, who retires in accordance with the Articles of Association, as a director of the Company.
3. To reappoint Alan Mawson, who retires by rotation, as a director of the Company.
4. To reappoint Colin Walsh, who retires by rotation, as a director of the Company.
5. To reappoint Tim Watts, who retires by rotation, as a director of the Company.
6. To reappoint PricewaterhouseCoopers LLP as auditors of the Company.
7. To authorise the Audit Committee to determine the remuneration of the auditors.
8. That, pursuant to section 551 of the Companies Act 2006 (“**Act**”), the directors be generally and unconditionally authorised to allot Relevant Securities:
  - 8.1 up to an aggregate nominal amount of £345,265.92; and
  - 8.2 comprising equity securities (as defined in section 560(1) of the Act) up to a further aggregate nominal amount of £345,265.92 in connection with an offer by way of a rights issue:
    - 8.2.1 to holders of ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them; and
    - 8.2.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange,provided that these authorities shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that, in each case, the Company may make an offer or agreement before the authority expires which would or might require Relevant Securities to be allotted after the authority expires and the directors may allot Relevant Securities pursuant to any such offer or agreement as if the authority had not expired.

In this resolution, “**Relevant Securities**” means shares in the Company or rights to subscribe for or to convert any security into shares in the Company; a reference to the allotment of Relevant Securities includes the grant of such a right; and a reference to the nominal amount of a Relevant Security which is a right to subscribe for or to convert any security into shares in the Company is to the nominal amount of the shares which may be allotted pursuant to that right.

These authorities are in addition to all existing authorities under section 551 of the Act.

**To consider and, if thought fit, to pass the following resolutions as special resolutions:**

9. That, subject to the passing of resolution 6 and pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act)

for cash pursuant to the authorities granted by resolution 8 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

9.1 in connection with an offer of equity securities (whether by way of a rights issue, open offer or otherwise, but, in the case of an allotment pursuant to the authority granted by paragraph 8.1 of resolution 8, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue):

9.1.1 to holders of ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them; and

9.1.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

9.2 otherwise than pursuant to paragraph 9.1 of this resolution, up to an aggregate nominal amount of £103,579.78,

and this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash after this power expires and the directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired.

This power is in addition to all existing powers under section 570 of the Act.

10. That, pursuant to section 701 of the Act, the Company be and is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of £0.04 each in the capital of the Company ("**Shares**"), provided that:

10.1 the maximum aggregate number of Shares which may be purchased is 2,589,494;

10.2 the minimum price (excluding expenses) which may be paid for a Share is £0.04;

10.3 the maximum price (excluding expenses) which may be paid for a Share is an amount equal to 105 per cent. of the average of the middle market quotations for a Share as derived from the Daily Official List of the London Stock Exchange plc for the five business days immediately preceding the day on which the purchase is made,

and (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may enter into a contract to purchase Shares before this authority expires under which such purchase will or may be completed or executed wholly or partly after this authority expires and may make a purchase of Shares pursuant to any such contract as if this authority had not expired.

By order of the board

**James Fair**  
*Company Secretary*  
1 September 2021

*Registered office*

C/O Tughans Solicitors  
Marlborough House  
30 Victoria Street  
Belfast  
BT1 3GG

**Registered in Northern Ireland No. NI039740**

## Notes to the notice of Annual General Meeting

The following notes explain your general rights as a shareholder and your rights to attend and vote at this meeting or to appoint someone else to vote on your behalf. Your attention is particularly drawn to notes 2, and 12 in the current circumstances of the Covid-19 pandemic.

1. To be entitled to attend and vote at the Meeting (and for the purposes of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of trading on 22 September 2021. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
2. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting. In light of the Covid-19 pandemic situation and the possibility of restrictions on travel or meetings at the time of the AGM, Shareholders are urged to appoint the Chair of the meeting as his or her proxy.
3. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointments 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).
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
5. You can vote in one of the following ways:
  - By completing the enclosed form of proxy;
  - By logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions;
  - You may request an additional proxy form directly from the registrars, Link Group, on Tel: 0371 664 0391. Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales; or
  - In the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
6. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 11.00 a.m. on 22 September 2021. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting 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.
10. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares
11. As at 27 August 2021 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 25,894,946 ordinary shares, carrying one vote each. The Company holds no ordinary shares in treasury. Therefore, the total voting rights in the Company as at 27 August 2021 are 25,894,946.
12. In light of the Covid-19 pandemic situation, any shareholder wishing to ask questions regarding the business of the Meeting is encouraged to submit their questions to the Board by email to [fusion@walbrookpr.com](mailto:fusion@walbrookpr.com) at least seven days in advance of the Meeting. The Board will consider all questions received and, if appropriate, will address them at the Annual General Meeting or provide a written response. Submitting questions to the Board will not be counted as being present at the meeting or voting at it.

13. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this notice or any related documents (including the form of proxy) to communicate with the Company for any other purposes other than those expressly stated.
14. The following documents will be available for inspection during normal business hours at the registered office of the Company from the date of this notice until the time of the meeting. They will also be available for inspection at the place of the meeting from at least 15 minutes before the meeting until it ends.
  - 14.1 Copies of the service contracts of the executive directors.
  - 14.2 Copies of the letters of appointment of the non executive directors.
15. Biographical details of all those directors who are offering themselves for reappointment at the meeting are set out in the accompanying letter from the Company's chairman.

A copy of this Notice can be found on the Company's website at [www.fusionantibodies.com](http://www.fusionantibodies.com)