

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom, or if you are taking advice in another jurisdiction, from an appropriately authorised independent professional adviser.**

If you have sold or otherwise transferred all of your Ordinary Shares in Plant Health Care plc prior to the date on which the shares are marked 'ex-entitlement' you should deliver this document together with the enclosed Form of Proxy and, if relevant, the Application Form, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, this document and any accompanying documents should not be sent or transmitted in, or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations. If you have sold or otherwise transferred only part of your holding of your Ordinary Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected and refer to the instructions regarding split applications which will be set out in the Application Form (if relevant).

**This document is not a prospectus for the purposes of the Prospectus Rules and has not been approved by the UK Financial Conduct Authority (in its capacity as the UK Listing Authority or otherwise) pursuant to sections 85 and 87 of the FSMA. In issuing this document the Company is relying on the exemption from issuing a prospectus in section 85(5) and paragraph 9 of Schedule 11A of FSMA and on paragraphs 43 and 60 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). Applications in respect of the Open Offer from persons not falling within such exemptions will be rejected and the Open Offer contained in this document is not capable of acceptance by such persons. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.**

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the New Ordinary Shares at 8.00 a.m. on 19 August 2016.

AIM is a market designed primarily for emerging and 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 UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the UK Listing Authority have examined or approved the contents of this document. This document does not constitute a recommendation regarding securities of the Company.

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## **PLANT HEALTH CARE PLC**

*(Incorporated and registered in England and Wales with registered number 05116780)*

**Placing and Open Offer of 75,967,796 New Ordinary Shares  
at 10 pence per share to raise approximately £7.6 million**

**and**

**Notice of General Meeting**

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This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below and to the section headed 'Risk Factors' in Part III of this document.

**Notice of a General Meeting of the Company to be held at the offices of Michelmores LLP, 12th Floor, 6 New Street Square, London EC4A 3BF on 16 August 2016 at 10.00 a.m. is set out at the end of this document. A Form of Proxy for use at the meeting is enclosed with this document and should be returned as soon as possible and in any event so as to be received by the Company's registrars, Neville Registrars, by not later than 10.00 a.m. on 12 August 2016. Completion and posting of the Form of Proxy will not prevent a shareholder from attending and voting in person at the General Meeting.**

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 15 August 2016. The procedure for application and payment for Qualifying Shareholders is set out in Part II of this document, and, where relevant, will be set out in the Application Form to be sent to Qualifying Non-CREST Shareholders.

The New Ordinary Shares to be issued will, following their issue, rank *pari passu* with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

**The New Ordinary Shares have not been, nor will they be, registered under the US Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa or Japan. Shareholders outside the UK and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.**

Liberum Capital Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in relation to the Placing and Open Offer and Admission and is not acting for any other persons in relation to the Placing and Open Offer and Admission. Liberum Capital Limited is acting exclusively for the Company and for no one else in relation to the matters described in this document and is not advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Liberum Capital Limited, or for providing advice in relation to the contents of this document or any matter referred to in it. The responsibilities of Liberum Capital Limited as the Company's nominated adviser and broker under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or any other person, in respect of his decision to acquire shares in the capital of the Company in reliance on any part of this document, or otherwise.

No liability is accepted by Liberum Capital Limited nor does it make any representation or warranty, express or implied, in relation to the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Placing and Open Offer and Admission and accordingly Liberum Capital Limited disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document or any such statement, to the maximum extent permitted by law and the regulations to which it is subject.

This document contains (or may contain) certain forward-looking statements with respect to the Company, its Group and certain of its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards ('IFRS') applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as at the date they are made. Except as required by the FCA, the London Stock Exchange or applicable law, the Company, Liberum Capital Limited and their respective directors, officers, employees, agents, managers, members and partners expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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## DIRECTORS AND ADVISERS

<b>Directors</b>	Dr. Christopher G. J. Richards	<i>Executive Chairman</i>
	Paul M. Schmidt	<i>Chief Executive</i>
	Dr. Richard H. Webb	<i>Executive Director</i>
	Michael J. Higgins	<i>Senior Independent Non-executive Director</i>
	James L. Ede-Golightly	<i>Non-executive Director</i>
	William M. Lewis	<i>Non-executive Director</i>
<b>Company Secretary and General Counsel</b>	Christine Mazzone	
<b>Registered Office</b>	12th Floor 6 New Street Square London EC4A 3BF	
<b>Nominated Adviser and Broker</b>	Liberum Capital Limited Ropemaker Place 25 Ropemaker Street London EC2Y 9LY	
<b>Solicitors to the Company as to English law</b>	Michelmores LLP 12th Floor 6 New Street Square London EC4A 3BF	
<b>Solicitors to the Nominated Adviser and Broker</b>	Holman Fenwick Willan LLP Friary Court 65 Crutched Friars London EC3N 2AE	
<b>Registrars and Receiving Agent</b>	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA	

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlement to participate in the Open Offer	5.00 p.m. on 26 July 2016
Announcement of the Firm Placing, the Conditional Placing and the Open Offer and despatch of the Circular, the Form of Proxy and, to certain Qualifying Non-CREST Shareholders, the Application Form	29 July 2016
Expected Ex-Entitlement Date for the Open Offer	8.00 a.m. on 29 July 2016
Basic Entitlements and Excess CREST Open Offer Entitlements credited to CREST stock accounts of Qualifying CREST Shareholders	1 August 2016
Recommended latest time and date for requesting withdrawal of Basic Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 9 August 2016
Latest time for depositing Basic Entitlements and Excess CREST Open Offer Entitlements into CREST	3.00 p.m. on 10 August 2016
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 11 August 2016
Latest time and date for receipt of Forms of Proxy for the General Meeting	10.00 a.m. on 12 August 2016
<b>Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)</b>	<b>11.00 a.m. on 15 August 2016</b>
General Meeting	10.00 a.m. on 16 August 2016
Result of Open Offer announced through RNS	16 August 2016
<b>Admission of the New Ordinary Shares to trading on AIM</b>	<b>8.00 a.m. on 19 August 2016</b>
New Ordinary Shares in uncertificated form expected to be credited to accounts in CREST (uncertificated holders only)	as soon as practicable after 8.00 a.m. on 19 August 2016
Expected date of despatch of definitive share certificates for the New Ordinary Shares in certificated form (certificated holders only)	by 28 August 2016

### Notes:

- 1 The ability to participate in the Open Offer is subject to certain restrictions relating to Qualifying Shareholders with registered addresses or located or resident in countries outside the UK (particularly the Excluded Overseas Shareholders), details of which are set out in paragraph 6 of Part II of this document. Subject to certain exceptions, Application Forms will not be despatched to, and Open Offer Entitlements will not be credited to the stock accounts in CREST of, Shareholders with registered addresses in any of the Restricted Jurisdictions.
- 2 Each of the times and dates set out in the above timetable and mentioned in this document is subject to change by the Company (with the agreement of Liberum Capital Limited), in which event details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement to a Regulatory Information Service.
- 3 References to times in this document are to London times unless otherwise stated.
- 4 Different deadlines and procedures for applications may apply in certain cases. For example, if you hold your Ordinary Shares through a CREST member or other nominee, that person may set an earlier date for application and payment than the dates noted above.
- 5 Assumes that the Resolutions that are set out in the Notice of General Meeting are passed.
- 6 If you require assistance please contact Neville Registrars on +44 (0)121 585 1131. 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. The helpline is open between 9.00 a.m.–5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

## PLACING AND OPEN OFFER STATISTICS

Issue Price per New Ordinary Share	10 pence
Market price per Existing Ordinary Share <sup>1</sup>	16.75 pence
Discount to the market price of an Existing Ordinary Share <sup>2</sup>	40.3 per cent.
Entitlement of Qualifying Shareholders under the Open Offer	0.27843521 Open Offer Shares for every Existing Ordinary Share
Number of Ordinary Shares in issue as at the Latest Practical Date	71,855,085
Number of New Ordinary Shares to be issued by the Company pursuant to the Firm Placing and the Subscription	55,960,810
Gross proceeds of the Firm Placing and the Subscription	£5,596,081
Number of New Ordinary Shares to be issued by the Company pursuant to the Conditional Placing and subject to clawback to satisfy valid acceptances under the Open Offer	20,006,986
Gross proceeds of the Conditional Placing (including the Open Offer)	£2,000,698.60
Number of Ordinary Shares in issue immediately following completion of the Placing and Open Offer	147,822,881
New Ordinary Shares as a percentage of the Enlarged Share Capital	51.4 per cent.

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1 Closing Price on the Latest Practical Date.

2 Being the percentage discount which the Issue Price represents to the Closing Price on the Latest Practical Date.

## DEFINITIONS

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

<b>Act</b>	the Companies Act 2006
<b>Admission</b>	admission of the New Ordinary Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules for Companies
<b>AIM</b>	the AIM market operated by the London Stock Exchange plc
<b>AIM Rules for Companies</b>	the rules of AIM as set out in the publication entitled 'AIM Rules for Companies' published by the London Stock Exchange from time to time
<b>AIM Rules for Nominated Advisers</b>	the rules of AIM as set out in the publication entitled 'AIM Rules for Nominated Advisers' published by the London Stock Exchange from time to time
<b>Allocation Policy</b>	the policy adopted by the Company for the allocation of the Excess Shares to Qualifying Shareholders as set out in paragraph 5.4(b) of Part I of this document
<b>Application Form</b>	the application form accompanying this document to be used by Qualifying Non-CREST Shareholders in connection with the Open Offer
<b>Basic Entitlement</b>	the Open Offer Shares which a Qualifying Shareholder is entitled to subscribe for under the Open Offer calculated on the basis of 0.27843521 Open Offer Shares for every Existing Ordinary Share held by that Qualifying Shareholder as at the Record Date
<b>Board</b>	the board of directors of the Company for the time being
<b>Business Day</b>	any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading
<b>certificated or in certificated form</b>	the description of a share or other security which is not in uncertificated form (that is not in CREST)
<b>Capital Raising</b>	the Placing and Open Offer
<b>Circular or this document</b>	this document dated 29 July 2016
<b>Closing Price</b>	the closing middle market quotation of an Ordinary Share
<b>Company or Plant Health Care plc</b>	Plant Health Care plc, a company incorporated in England and Wales with registered number 05116780 and having its registered office at 12th Floor, 6 New Street Square, London EC4A 3BF
<b>Concert Party</b>	the concert party for the purposes of the Takeover Code, being Richard Griffiths and the companies and individuals set out in paragraph 5.7 of Part I of this document
<b>Conditional Placee</b>	Richard Griffiths (directly and indirectly through certain of his controlled undertakings within the Concert Party) who has conditionally agreed to subscribe for the Conditional Placing Shares

<b>Conditional Placing Shares</b>	20,006,986 New Ordinary Shares conditionally placed with the Conditional Placee (subject to clawback to satisfy valid acceptances under the Open Offer)
<b>Conditional Placing</b>	the placing of the Conditional Placing Shares with the Conditional Placee pursuant to the Placing and Open Offer Agreement
<b>CREST</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>CREST Manual</b>	the compendium of documents entitled ‘CREST Manual’ issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules (including CREST Rule 8) the CCSS Operations Manual and the CREST Glossary of Terms
<b>CREST member</b>	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
<b>CREST participant</b>	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
<b>CREST Proxy Instruction</b>	the appropriate CREST message made to appoint a proxy, properly authenticated in accordance with Euroclear’s specifications
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001
<b>CREST sponsor</b>	a CREST participant admitted to CREST as a CREST sponsor
<b>CREST sponsored member</b>	a CREST member admitted to CREST as a sponsored member
<b>Current Percentage Holding</b>	in relation to each Qualifying Shareholder the percentage holding of such person on the Record Date in the Existing Issued Share Capital
<b>Director</b>	a member of the Board
<b>Enlarged Share Capital</b>	the issued share capital of the Company immediately following Admission
<b>EU</b>	the European Union
<b>Euroclear</b>	Euroclear UK & Ireland Limited
<b>Excess Applications</b>	applications pursuant to the Excess Application Facility
<b>Excess Application Facility</b>	the mechanism whereby a Qualifying Shareholder, who has taken up his Basic Entitlement in full, can apply for Excess Shares as more fully set out in Part II of this document, which may be subject to scaling back in accordance with the Allocation Policy
<b>Excess CREST Entitlements</b>	in respect of each Qualifying CREST Shareholder who has taken up his Basic Entitlement in full, the entitlement to apply for Open Offer Shares in addition to his Basic Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility, which may be subject to scaling back in accordance with the Allocation Policy
<b>Excess Entitlement</b>	in relation to each Qualifying Shareholder who applies for Excess Shares, the lower of: (i) the number of Excess Shares applied for;



	and (ii) the number of Excess Shares calculated pursuant to the Allocation Policy
<b>Excess Shares</b>	Open Offer Shares which are not taken up by Qualifying Shareholders pursuant to their Basic Entitlements and which are offered to Qualifying Shareholders under the Excess Application Facility
<b>Excluded Overseas Shareholders</b>	other than as decided by the Company, in its absolute discretion, or as permitted by applicable law, Shareholders who are located or have registered addresses in a Restricted Jurisdiction
<b>Ex-Entitlement Date</b>	8.00 a.m. on 29 July 2016
<b>Existing Issued Share Capital</b>	the issued share capital of the Company as at the Latest Practical Date
<b>Existing Ordinary Shares</b>	the 71,855,085 Ordinary Shares in issue as at the Record Date
<b>FCA</b>	the UK Financial Conduct Authority
<b>Fermain</b>	Fermain Capital Limited a company in which James Ede-Golightly holds 23 per cent. of the issued share capital and which is a member of the Concert Party
<b>Firm Placees</b>	the persons who have agreed to subscribe for the Firm Placing Shares
<b>Firm Placing Shares</b>	the 50,259,110 New Ordinary Shares to be issued by the Company under the Firm Placing
<b>Firm Placing</b>	the placing of the Firm Placing Shares with the Firm Placees pursuant to the Placing and Open Offer Agreement
<b>Form of Proxy</b>	the form of proxy accompanying this document relating to the General Meeting
<b>FSMA</b>	the UK Financial Services and Markets Act 2000, as amended
<b>General Meeting</b>	the general meeting of the Company, notice of which is set out at the end of this document, and including any adjournment(s) thereof
<b>Group</b>	the Company and/or its subsidiary undertakings at the date of this document (as defined in sections 1159 and 1160 of the Act)
<b>Independent Directors</b>	the Directors other than James Ede-Golightly
<b>Independent Shareholders</b>	Shareholders who are independent of the members of the Concert Party and do not have any interest in the Capital Raising which may compromise their independence
<b>Issue Price</b>	10 pence per New Ordinary Share
<b>Latest Practical Date</b>	means 5.00 p.m. on 28 July 2016, being the latest practical date prior to publication of this document
<b>Liberum Capital</b>	Liberum Capital Limited, a company incorporated in England and Wales with registered number 05912554 and having its registered office at Ropemaker Place Level 12, 25 Ropemaker Street, London, EC2Y 9LY
<b>London Stock Exchange</b>	London Stock Exchange plc

<b>Money Laundering Regulations</b>	Money Laundering Regulations 2007 (as amended and supplemented)
<b>Neville Registrars</b>	Neville Registrars Limited, a company incorporated in England and Wales with registered number 04770411 and having its registered office at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA
<b>New Ordinary Shares</b>	75,967,796 new Ordinary Shares to be issued by the Company pursuant to the Placing and Open Offer
<b>Notice of General Meeting</b>	the notice of General Meeting, set out in Part V of this document
<b>Open Offer</b>	the conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in this document and, in the case of the Qualifying Non-CREST Shareholders only, the Application Form
<b>Open Offer Entitlements</b>	an entitlement to subscribe for Open Offer Shares, allocated to a Qualifying Shareholder under the Open Offer being the Basic Entitlement and the Excess Entitlement
<b>Open Offer Shares</b>	the 20,006,986 New Ordinary Shares to be offered to Qualifying Shareholders under the Open Offer
<b>Overseas Shareholders</b>	Shareholders with registered addresses outside the UK or who are citizens of, incorporated in, registered in or otherwise resident in, countries outside the UK
<b>Options</b>	options granted by the Company over unissued Ordinary Shares pursuant to employee share option schemes and rights to subscribe for shares pursuant to employee and non-executive long term incentive plans put in place by the Company
<b>Option holders</b>	the employees of the Company (including directors of the Company) who hold Options
<b>Ordinary Shares</b>	ordinary shares of 1 penny each in the capital of the Company
<b>Panel</b>	The Panel on Takeovers and Mergers
<b>Participant ID</b>	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
<b>Placing and Open Offer</b>	the Firm Placing, the Subscription, the Conditional Placing and the Open Offer
<b>Placing and Open Offer Agreement</b>	the agreement dated 28 July 2016 between the Company and Liberum Capital Limited relating to the Placing and Open Offer, details of which are set out in paragraph 7 of Part I of this document
<b>Prospectus Rules</b>	the Prospectus Rules published by the FCA
<b>Qualifying CREST Shareholders</b>	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are in uncertificated form
<b>Qualifying Non-CREST Shareholders</b>	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are held in certificated form

<b>Qualifying Shareholders</b>	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date with the exception (subject to certain exceptions) of Excluded Overseas Shareholders
<b>Record Date</b>	5.00 p.m. on 26 July 2016
<b>Registrars or Receiving Agent</b>	Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA
<b>Regulatory Information Service</b>	has the meaning given in the AIM Rules for Companies
<b>Resolutions</b>	the resolutions to be proposed at the General Meeting which are set out in full in the Notice of General Meeting
<b>Restricted Jurisdictions</b>	each of Australia, Canada, Japan, the Republic of South Africa and the United States
<b>Rule 9</b>	Rule 9 of the Takeover Code
<b>Shareholders</b>	holders of Existing Ordinary Shares
<b>Subscription Shares</b>	the 5,701,700 New Ordinary Shares subscribed for under the Subscription
<b>Subscribers</b>	the Directors (other than Dr Christopher Richards) and Boulder River Capital Corporation
<b>Subscription</b>	the subscription for the Subscription Shares by the Subscribers
<b>Takeover Code</b>	The City Code on Takeovers and Mergers
<b>uncertificated</b>	recorded on a register of securities maintained by Euroclear in accordance with the CREST Regulations as being in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>UK or United Kingdom</b>	the United Kingdom of England, Scotland, Wales and Northern Ireland
<b>US or United States</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>US\$</b>	the legal currency of the US
<b>US Securities Act</b>	the US Securities Act of 1933, as amended
<b>USE</b>	unmatched stock event
<b>Waiver</b>	the waiver granted by the Panel in respect of any obligation of the Concert Party (or any of its members) to make a mandatory general offer pursuant to Rule 9 as a result of its participation in the Placing and Open Offer, as more particularly described in paragraphs 5.7 and 5.8 of Part 1 of this document
<b>Whitewash Resolution</b>	an ordinary resolution of Independent Shareholders concerning a Waiver
<b>£ or sterling or penny or pence</b>	the legal currency of the United Kingdom

## PART I

### LETTER FROM THE CHAIRMAN OF PLANT HEALTH CARE PLC

*Incorporated and registered in England and Wales with registered number 05116780*

*Directors:*

Dr. Christopher G. J. Richards	<i>Executive Chairman</i>
Paul M. Schmidt	<i>Chief Executive</i>
Dr. Richard H. Webb	<i>Executive Director</i>
Michael J. Higgins	<i>Senior Independent Non-executive Director</i>
James L. Ede-Golightly	<i>Non-executive Director</i>
William M. Lewis	<i>Non-executive Director</i>

*Registered office:*

12th Floor  
6 New Street Square  
London EC4A 3BF

29 July 2016

To Shareholders

#### **Placing and Open Offer of 75,967,796 New Ordinary Shares at 10 pence per share to raise approximately £7.6 million**

**and**

#### **Notice of General Meeting**

### **1 INTRODUCTION**

The Company announced today that it proposes to undertake a Placing and Open Offer to raise approximately £7.6 million (before expenses) by the issue of New Ordinary Shares at 10 pence per share.

The Issue Price represents a discount of 40.3 per cent. to the Closing Price on the Latest Practical Date. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will occur on 19 August 2016. The Placing and Open Offer are conditional, *inter alia*, on the passing of certain of the Resolutions at the General Meeting.

The purpose of this letter is to set out the background to, and the reasons for, the Placing and Open Offer. It explains why the Board considers the Placing and Open Offer to be in the best interests of the Company and its Shareholders as a whole. It also recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as the members of the Board intend to do themselves in respect of their own beneficial shareholdings.

Shareholder approval will be sought in respect of the Placing and Open Offer at the General Meeting which is convened for 10.00 a.m. on 16 August 2016 at the offices of Michelmores LLP, 12th Floor, 6 New Street Square, London EC4A 3BF.

Your attention is drawn to:

- (a) paragraph 4 of Part II of this document which sets out the actions to be taken by Qualifying Shareholders seeking to participate in the Open Offer; and
- (b) the Notice of General Meeting contained at the end of this document and paragraphs 8 and 9 of this letter which explain the purpose of the General Meeting and the action to be taken by you in relation to the Notice of General Meeting.

### **2 OVERVIEW OF THE GROUP**

The Group is a leading provider of proprietary agricultural biological products and technology solutions focussed on improving crop performance by activating a growth response and bolstering plant defence mechanisms against both abiotic stresses, such as drought and biotic stresses, such as pest infestation. The Group's innovative and value-added line of biological products helps satisfy the growing global demand for efficient, effective and environmentally responsible products to increase crop yields and overall plant health.

The Group has identified, screened and developed novel biological products and technologies and validated their efficacy in improving plant health leading to higher yields. Through significant investment in research and development, the Group has a scientific-based understanding of its products' mode of action (the functional change that occurs at the cellular level), which enables the Group to design and produce a diverse range of protein-based biologicals to provide significant value for growers.

The Group is organised in two lines of business: Commercial and New Technology. The Commercial business sells its proprietary products worldwide through distributors and also distributes complementary third-party products in Mexico. The Group's proprietary products have treated millions of acres to date across multiple significant, global agricultural markets, including the United States, Mexico and Europe. The Group's New Technology business focusses on the advancement of its proprietary Plant Response Elicitor technology platform, or PREtec, to develop and provide more rapid commercialisation of small strands of amino acids, or peptides, that it intends to out-license. The Group is currently focussed on commercialising this technology by partnering with leading agriculture companies to accelerate its adoption in key geographic and crop markets. Currently, four major global agriculture companies are evaluating Innatus 3G, the Group's first peptide family developed from PREtec.

### Strategy

- *Increase Sales of Existing Commercial Products.* The Group intends to drive near-term revenue growth in its Commercial business. The Group is increasing its focus on speciality crop markets (such as fruits and vegetables) to complement the position it has gained in row crop markets. It plans to continue to expand geographically into key markets by identifying capable distribution partners. This geographic expansion will be accompanied by pursuing additional market approvals for its Commercial products, Harpin  $\alpha\beta$  and Myconate. Harpin  $\alpha\beta$  is approved for use in 13 countries, and Myconate is approved for use in 12 countries. The Group has applied for further registrations to expand market access to geographies including Europe and South America.
- *Continue to Execute on Out-Licensing Business Model with Innatus 3G.* The Group's progress over the past two years positions it to successfully bring Innatus 3G to market through a capital-efficient out-licensing model. The Group has entered into agreements with four major players in the agriculture industry to evaluate Innatus 3G. All four of these collaborations are progressing well; the Group has recently amended these agreements to widen the scope of the evaluation with two of these partners.
- *Introduce further PREtec 3G Platforms.* Through its targeted research and development work, the Group has identified additional platforms of PREtec 3G peptides and will introduce at least one of these to potential partners during the second half of 2016.
- *Pursue Strategic Collaborations and Acquisitions.* The Board believes the Group is well positioned for strategic collaborations or acquisitions in the agricultural biological industry as a result of its science-based approach, its access to growers and distributors through its existing commercial platform and its management team's extensive experience.

### Competitive strengths

- *Strong Existing Platform of Proprietary Biological Commercial Products.* The Group has marketed biological products commercially for over 15 years. The Group's proprietary products, Harpin  $\alpha\beta$  and Myconate, are complementary to other agricultural products, meaning that growers can apply these products in conjunction with conventional agrochemicals or seed treatments, facilitating grower adoption. Sales of Harpin  $\alpha\beta$ , the Group's key proprietary product, have grown at a CAGR of 35 per cent. over the last three years.
- *Established Global Commercial Channel Relationships.* The Group's experience as one of the pioneering companies in the agricultural biological industry gives it a strong understanding of the requirements to successfully engage with the channel to create compelling value for distribution and growers. The Group sells its proprietary products through a network of distributors that understand the benefits of the Group's products and how to communicate them to growers.

- *Management Team with Extensive Industry Experience.* The Board believes that the team's expertise and experience provide a mature leadership that will help the Group successfully position itself as a leading provider of biological products and technologies. The Group's management team and Board are highly experienced in the areas of agricultural science, research and development, collaboration, mergers and acquisitions, licensing and commercialisation.

### **3 BACKGROUND TO AND REASONS FOR THE PLACING AND OPEN OFFER AND USE OF PROCEEDS**

Given the promising progress made over the last two years in advancing the Group's PREtec peptides, the Board had approved an increase in research and development expenditure to ensure that the potential of the technology is realised and appropriate intellectual property protected. The Group had a negative cash flow in 2015 of approximately US\$8 million largely due to continued investment in research and development in its New Technology business. The Group expects negative cash flow to continue until the combination of income from the Commercial business and out-licence income from the New Technology business exceeds research and development and administrative expenditure. The Group will continue to take steps to minimise its cash burn in 2016/17 through increased focus on cost control.

The Board has considered other fundraising options available to the Company and believe that the Capital Raising is in the best interests of the Company.

The Company expects to use the net proceeds of the Capital Raising of approximately £7.4 million, together with existing cash and investments as follows:

- advance PREtec, including the development of Innatus 3G, the Group's first platform of peptides developed using PREtec, and other existing and future technologies derived from its New Technology activities;
- support the growth of its Commercial business; and
- provide funds for other capital expenditures, working capital, strategic growth opportunities and general corporate purposes.

The Board believes the net proceeds of the Capital Raising, together with existing cash, will provide sufficient working capital for at least 12 months following the Capital Raising.

### **4 CURRENT TRADING AND OUTLOOK**

The Group continues to trade in line with market expectations. The Group's short term aim is to reduce and ultimately eliminate any requirement for cash to fund the Commercial business so as to ensure that the maximum available cash reserves are deployed in supporting the New Technology activities.

As set out in the announcement made by the Company on 7 June 2016, progress continues to be very encouraging in the development of the PREtec peptide technology platforms. Since that date, the Group has signed an amendment to the evaluation agreements for Innatus 3G with two of its partners, to widen the scope of the evaluation. The Group's target remains to achieve a revenue generating event on one of the platforms during 2017 and to commence the first competitive licensing process for Innatus 3G at the end of 2017.

The Company is evaluating the possibility of a US listing. A decision whether to proceed with such listing will be dependent upon the achievement of key operational and financial milestones and subject to market conditions. Costs of approximately US\$1.1 million associated with a potential US listing have been incurred and will be accounted for in the first half of 2016.

## **5 DETAILS OF THE PLACING AND OPEN OFFER**

### **5.1 Structure**

The Board has given careful consideration as to the structure of the Capital Raising and has concluded that the Placing and Open Offer is the most suitable option available to the Company and its Shareholders at this time.

55,960,810 New Ordinary Shares will be issued through the Firm Placing and Subscription at 10 pence per New Ordinary Share to raise gross proceeds of £5.6 million.

20,006,986 New Ordinary Shares will be issued through the Conditional Placing, subject to clawback to satisfy valid applications under the Open Offer, at 10 pence per Open Offer Share to raise gross proceeds of £2.0 million.

The Issue Price represents a 40.3 per cent. discount to the Closing Price of 16.75 pence per Ordinary Share on the Latest Practical Date.

### **5.2 Firm Placing and Subscription**

In accordance with the terms of the Placing and Open Offer Agreement, Liberum Capital has, as agent for the Company, placed the Firm Placing Shares. The Company has contracted directly with the Subscribers for the Subscription of the Subscription Shares.

The Firm Placing Shares and Subscription Shares, which together raise gross proceeds of £5,596,081 million, are not subject to clawback and are not part of the Open Offer.

### **5.3 Conditional Placing**

In accordance with the terms of the Placing and Open Offer Agreement, Liberum Capital has, as agent for the Company, conditionally placed with Richard Griffiths the Conditional Placing Shares. In consideration for agreeing to underwrite the Open Offer through the mechanism of the Conditional Placing, Richard Griffiths will receive a fee of 1 per cent. of the value of the Conditional Placing being a fee of approximately £20,000.

The Conditional Placing Shares are subject to clawback to satisfy valid applications under the Open Offer so as to ensure that, in the event that the Open Offer is not taken up in full, the balance of any New Ordinary Shares not taken up as Open Offer Shares by Qualifying Shareholders will be taken up by the Conditional Placing.

The combined gross proceeds of the Conditional Placing and the Open Offer will be £2,000,698.60.

### **5.4 Principal terms of the Open Offer**

The Board considers it important that Qualifying Shareholders have the opportunity to participate in the Capital Raising, and the Board has concluded that the Open Offer is the most suitable option available to the Company and its Shareholders.

The Open Offer provides an opportunity for all Qualifying Shareholders to participate in the Capital Raising (on and subject to the terms and conditions of the Open Offer) by both subscribing for their respective Basic Entitlements and by applying for Excess Shares under the Excess Application Facility, subject to availability.

**The Company proposes to adopt the following Allocation Policy:**

- (i) subject always to sub-paragraphs (ii), (iii) and (iv) below, the Excess Shares will be allocated at the Board's absolute discretion (following discussions with Liberum);**
- (ii) no Excess Shares will be allocated to a Qualifying Shareholder that has undertaken to the Company or Liberum not to take-up its entitlement under the Open Offer;**

- (iii) **valid applications by Qualifying Shareholders for Excess Shares will be allocated up to such number of Excess Shares (rounded down to the nearest whole number of Excess Shares) as would enable such Qualifying Shareholder to maintain his percentage holding in Ordinary Shares immediately following the Placing and Open Offer at his Current Percentage Holding; and**
- (iv) **no Qualifying Shareholder shall be entitled to increase his percentage holding in Ordinary Shares to a holding that would, immediately following the Placing and Open Offer, be greater than his Current Percentage Holding.**

The aggregate number of Open Offer Shares available for subscription pursuant to the Open Offer will not exceed 20,006,986 New Ordinary Shares.

Since the Firm Placees and Subscribers are participating in the Firm Placing and the Subscription respectively they have each undertaken **not** to participate in the Open Offer. This will make New Ordinary Shares (the aggregate Basic Entitlements of the Firm Placees and the Subscribers) available to Qualifying Shareholders through the Open Offer in excess of their aggregate Basic Entitlements.

(a) ***Basic Entitlement***

Qualifying Shareholders have a Basic Entitlement of:

**0.27843521 Open Offer Shares for every Existing Ordinary Share**

registered in the name of the relevant Qualifying Shareholder on the Record Date rounded down to the nearest whole number of Open Offer Shares. Fractions of Open Offer Shares will be disregarded in calculating Basic Entitlements and will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

(b) ***Excess Application Facility***

Subject to the Allocation Policy set out below and assuming that an individual Qualifying Shareholder has accepted his Basic Entitlement in full, the Excess Application Facility enables that Qualifying Shareholder to apply for any whole number of Excess Shares in addition to his Basic Entitlement.

**The Company proposes to adopt the following Allocation Policy:**

- (i) **subject always to sub-paragraphs (ii), (iii) and (iv) below, the Excess Shares will be allocated at the Board's absolute discretion (following discussions with Liberum);**
- (ii) **no Excess Shares will be allocated to a Qualifying Shareholder that has undertaken to the Company or Liberum not to take-up its entitlement under the Open Offer;**
- (iii) **valid applications by Qualifying Shareholders for Excess Shares will be allocated up to such number of Excess Shares (rounded down to the nearest whole number of Excess Shares) as would enable such Qualifying Shareholder to maintain his percentage holding in Ordinary Shares immediately following the Placing and Open Offer at his Current Percentage Holding; and**
- (iv) **no Qualifying Shareholder shall be entitled to increase his percentage holding in Ordinary Shares to a holding that would, immediately following the Placing and Open Offer, be greater than his Current Percentage Holding.**

Save to the extent stated above, no assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full, in part or at all.

(c) ***New Ordinary Shares not taken up under the Open Offer***

In the event that valid acceptances are not received in respect of all of the Open Offer Shares under the Open Offer, unallocated Open Offer Shares will be allotted to the Conditional Placee.



## 5.5 Application procedure under the Open Offer

Qualifying Shareholders may apply for any whole number of Open Offer Shares.

In the case of Qualifying Non-CREST Shareholders, the number of Open Offer Shares in respect of his Basic Entitlement is shown in Box 4 on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their Basic Entitlements.

Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlements and also in respect of their Excess CREST Entitlement as soon as practicable after 8.00 a.m. on 1 August 2016.

Application will be made for the Basic Entitlements and Excess CREST Entitlements to be admitted to CREST. The Basic Entitlements and Excess CREST Entitlements will also be enabled for settlement in CREST as soon as practicable after 8.00 a.m. on 1 August 2016. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying CREST Shareholders should note that, although the Basic Entitlements and Excess CREST Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying Non-CREST Shareholders should note that their Application Forms are not negotiable documents and cannot be traded.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part II of this document and, where relevant, on the Application Form.

## 5.6 Takeover Code

The terms of the Placing and Open Offer give rise to certain considerations under the Takeover Code. Brief details of the Panel, the Takeover Code and the protection they afford are given below.

### (a) **Rule 9**

The Takeover Code is issued and administered by the Panel. The Company is a company to which the Takeover Code applies and, as such, its Shareholders are entitled to the protections afforded by the Takeover Code. The Takeover Code and the Panel operate principally to ensure that the shareholders of a company are treated fairly and are not denied an opportunity to decide on the merits of a takeover. The Takeover Code also provides an orderly framework in which takeovers are conducted.

Under Rule 9, where any person acquires, whether by a series of transactions over a period of time or not, an interest (as defined in the Takeover Code) in shares which (taken together with shares in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person, and any person acting in concert with him, is normally required by the Panel to make a general offer in cash to all of the remaining shareholders to acquire the remaining shares in that company not held by him and/or his concert party.

Rule 9 further provides that, where any person, together with any persons acting in concert with him, is interested in shares which, in aggregate, carry not less than 30 per cent. but not more than 50 per cent. of a company's voting rights, a general offer will normally be required if any

further interest in shares is acquired by any such person, or any person acting in concert with him.

An offer under Rule 9 must be in cash and at the highest price paid by the person required to make the offer, or any persons acting in concert with him, for any interest in shares in the company during the 12 months preceding the date of the announcement of such offer.

Rule 9 of the Takeover Code further provides, amongst other things, that where any person who, together with persons acting in concert with him, holds over 50 per cent. of the voting rights of a company and acquires an interest in shares which carry additional voting rights, then they will not normally be required to make a general offer to the other shareholders to acquire their shares. However, the Panel may deem an obligation to make an offer to have arisen on the acquisition by a single member of a concert party of an interest in shares sufficient to increase his individual holding to 30 per cent. or more of a company's voting rights or, if he already holds more than 30 per cent. but less than 50 per cent. an acquisition which increases his shareholdings in that company.

Under the Takeover Code, a concert party arises where persons acting together pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control, or to frustrate the successful outcome of an offer for a company, subject to the Takeover Code. Control means an interest, or interests, in shares carrying, in aggregate, 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give *de facto* control. The members of the Concert Party are deemed to be acting in concert for the purposes of the Takeover Code.

(b) **Waiver**

Under Note 1 of the Notes on the Dispensations from Rule 9, the Panel may waive the requirement for a general offer to be made in accordance with Rule 9 if, amongst other things, the shareholders of a company who are independent of the person who would otherwise be required to make an offer, and any person acting in concert with him, pass an ordinary resolution on a poll at a general meeting or by way of a written resolution approving such a waiver.

**5.7 Potential voting rights of the Concert Party**

Richard Griffiths has confirmed to the Company that he and certain other Shareholders are acting in concert (as defined in the Takeover Code). As at the Latest Practical Date, the Concert Party is interested in 20,636,498 Existing Ordinary Shares representing 28.72 per cent. of the Existing Issued Share Capital.

On completion of the Placing and Open Offer, assuming that the Open Offer is taken up in full by Qualifying Shareholders, the Concert Party's aggregate interest will increase to 42,333,561 Ordinary Shares as a result of the Concert Party's participation in the Placing as Firm Placees and Fermain's proposed participation in the Open Offer, representing approximately 28.64 per cent. of the Enlarged Share Capital. However, in the event that Qualifying Shareholders do not take up any of their Open Offer Entitlements pursuant to the Open Offer, the Concert Party's interest will increase to a maximum of 62,190,547 Ordinary Shares, as a result of the participation of Richard Griffiths in the Conditional Placing representing approximately 42.07 per cent. of the Enlarged Share Capital.

The relevant interests of the members of the Concert Party in the Company as at the Latest Practical Date, and their respective maximum potential controlling positions following completion of the Placing and Open Offer, are illustrated below:

<i>Member of Concert Party</i>	<i>As at the Latest Practical Date</i>		<i>Following Admission (assuming that the Open Offer is taken up in full by Qualifying Shareholders other than members of the Concert Party (except Fermain))</i>		<i>Following Admission (assuming that the Qualifying Shareholders (other than Fermain) do not take up any of their Open Offer Entitlements)</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
Richard Griffiths <sup>(1)</sup>	15,047,415	20.94%	30,956,086	20.94%	50,813,072	34.37%
Sarossa plc	3,837,304	5.34%	7,894,240	5.34%	7,894,240	5.34%
Quoram plc	844,400	1.18%	1,737,130	1.18%	1,737,130	1.18%
Michael Bretherton	462,268	0.64%	950,994	0.64%	950,994	0.64%
James Ede-Golightly	245,111	0.34%	445,111	0.30%	445,111	0.30%
Fermain Capital Ltd	200,000	0.28%	350,000	0.24%	350,000	0.24%
<b>Total</b>	<b>20,636,498</b>	<b>28.72%</b>	<b>42,333,561</b>	<b>28.64%</b>	<b>62,190,547</b>	<b>42.07%</b>

(1) Comprising the shares held directly by Richard Griffiths (868,806 Existing Ordinary Shares); the interests of Blake Holdings Limited (9,453,758 Existing Ordinary Shares) and Seren Investment Management Limited (3,724,619 Existing Ordinary Shares) which are both majority owned by Richard Griffiths; Oak Trust (Guernsey) Limited (238,949 Existing Ordinary Shares) which is wholly owned by Richard Griffiths; the shares held on trust for his children (600,000 Existing Ordinary Shares) and the shares held by his wife, Mrs Sally Griffiths (161,283 Existing Ordinary Shares).

## 5.8 Whitewash and Waiver

The terms of the Placing and Open Offer give rise to certain considerations under the Takeover Code as a result of the proposed participation of the Concert Party in the Firm Placing, the Conditional Placing and the Open Offer (for Fermain only in respect of the Open Offer). The participation of the Concert Party will result in the Concert Party's shareholding in the Company increasing to between 28.64 and 42.07 per cent. of the Enlarged Share Capital, depending on the extent to which Open Offer Shares are taken up by Qualifying Shareholders pursuant to the Open Offer.

**If, following the Capital Raising, the Concert Party will have acquired in aggregate interests in Ordinary Shares carrying 30 per cent. or more of the Enlarged Share Capital then, without a waiver by the Panel of the obligations under Rule 9, the Concert Party would be obliged to make a general offer to Shareholders under Rule 9.**

Accordingly, the Board has sought the approval of the Panel to waive any obligation of the Concert Party (or any of its members) to make a mandatory general offer to Shareholders under Rule 9 if the shareholding of the Concert Party following completion of the Capital Raising is 30 per cent. or more.

Following confirmation in writing from Independent Shareholders (representing more than 50 per cent. of the Existing Issued Share Capital held by Independent Shareholders) (**Supporting Independent Shareholders**) that they would vote in favour of a Whitewash Resolution were such a resolution to be considered at a General Meeting, the Panel has agreed to waive the obligation of the Concert Party, collectively and/or individually, to make a mandatory offer for the Ordinary Shares not already owned by it or persons connected with it as would otherwise arise as a result of the Concert Party's participation in the Firm Placing, the Conditional Placing and the Open Offer.

The Concert Party will not be restricted from making a subsequent offer in the future for the Company, however, any further increase in the Ordinary Shares held by the Concert Party will be subject to the provisions of Rule 9.

For the avoidance of doubt, the Waiver applies only in respect of increases in shareholdings of the Concert Party resulting from the Placing and Open Offer and not in respect of other increases in its holdings.

## 5.9 **Confirmations and Acknowledgments from Supporting Independent Shareholders**

Each of the Supporting Independent Shareholders has written to the Panel to confirm that:

- (a) it has absolute discretion over the manner in which its holding of Ordinary Shares are voted and that such Ordinary Shares are held free of all liens, pledges, charges and encumbrances;
- (b) save for the fact that it is a shareholder in the Company, there is no connection between it and the Concert Party;
- (c) other than as a shareholder in the Company, it does not have any interest or potential interest, whether commercial, financial or personal, in the outcome of the Placing and Open Offer;
- (d) it is an Independent Shareholder of the Company; and
- (e) in connection with the Placing and Open Offer:
  - (i) it consents to the Panel granting a waiver from the obligation for the Concert Party to make a Rule 9 offer to the shareholders of the Company;
  - (ii) subject to Independent Shareholders holding more than 50 per cent. of the Ordinary Shares capable of being voted on a Whitewash Resolution to approve the waiver from the obligation for the Concert Party to make a Rule 9 offer giving confirmations in writing, it consents to the Panel dispensing with the requirement that the waiver from such obligation be conditional on a Whitewash Resolution being approved by Independent Shareholders at a general meeting of the Company; and
  - (iii) it would vote in favour of a Whitewash Resolution to waive the obligation for the Concert Party to make a Rule 9 offer were such a resolution put to the Independent Shareholders of the Company at a general meeting.

In giving the confirmations referred to above, each of the Supporting Independent Shareholders acknowledged that:

- (a) if the Panel receives such confirmation from Independent Shareholders holding more than 50 per cent. of the shares capable of being voted on a Whitewash Resolution, the Panel will approve the waiver from the obligation for the Concert Party to make a Rule 9 offer, without the requirement for the waiver to be approved by Independent Shareholders of the Company at a general meeting;
- (b) if no general meeting is held to approve the Whitewash Resolution to waive the obligation for the Concert Party to make the Rule 9 offer:
  - (i) there will not be an opportunity for any other person to make any alternative proposal to the Company conditional on such Whitewash Resolution not being approved by Independent Shareholders of the Company;
  - (ii) there would not be an opportunity for other Shareholders to make known their views on the Placing and Open Offer; and
  - (iii) there would be no requirement for the Company either: (i) to obtain and make known to its shareholders competent independent advice under Rule 3 of the Code on either the Placing and Open Offer and the waiver of the obligation for the Concert Party to make a Rule 9 offer; or (ii) to publish a circular to shareholders of the Company in compliance with Appendix 1 of the Code in connection with this matter.

The Supporting Independent Shareholders also confirmed that it will not sell, transfer, pledge, charge or grant any option or other right over, or create any encumbrance over, or otherwise dispose of any of its Ordinary Shares until at least the conclusion of the General Meeting to approve the issuance of the shares pursuant to the Placing and Open Offer.

## 5.10 Conditionality

The Placing and Open Offer is conditional, *inter alia*, upon the following:

- (a) the passing, without amendment, of resolutions numbered 1 and 3 of the Resolutions at the General Meeting;
- (b) Admission occurring by no later than 8.00 a.m. on 19 August 2016 (or such later times and/or dates as may be agreed between the Company and Liberum Capital, being no later than 8.00 a.m. on 2 September 2016); and
- (c) the Placing and Open Offer Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms.

If the conditions set out above are not satisfied or waived (where capable of waiver), the Placing and Open Offer will lapse; and

- (a) the Firm Placing Shares will not be issued and all monies received from Firm Placees in respect of the Firm Placing Shares will be returned to them (at the investors' risk and without interest) as soon as possible thereafter;
- (b) the Conditional Placing Shares will not be issued and all monies received from Conditional Placees in respect of the Conditional Placing Shares will be returned to them (at the investors' risk and without interest) as soon as possible thereafter; and
- (c) any Basic Entitlements and Excess CREST Entitlements admitted to CREST will, after that time and date, be disabled and application monies under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest, as soon as practicable thereafter.

## 5.11 Application for Admission

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. Admission of the New Ordinary Shares is expected to take place, and dealings on AIM are expected to commence, at 8.00 a.m. on 19 August 2016 (or such later times and/or dates as may be agreed between the Company and Liberum Capital). No temporary document of title will be issued.

The New Ordinary Shares will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares in issue at the date of this document and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

## 5.12 Important notice

**Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying Shareholders should be aware that in the Open Offer, unlike with a rights issue, any Open Offer Shares not applied for by Qualifying Shareholders under their Basic Entitlements will not be sold in the market on behalf of, or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer, but may be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility, with the balance being placed with the Conditional Placee and that the net proceeds will be retained for the benefit of the Company.**

**The Placing and the Open Offer are separate and distinct transactions involving the issue of New Ordinary Shares.**

**Qualifying Shareholders are being invited to participate in the Open Offer and (subject to certain exceptions) will have received an Application Form with this document. However Qualifying Shareholders are not entitled to participate in the Firm Placing or the Conditional Placing unless expressly invited by the Company and Liberum Capital to do so.**

**In issuing this document and structuring the Placing and Open Offer in this manner, the Company is relying on the exemption from issuing a prospectus in section 85(5) and paragraph 9 of Schedule 11A of FSMA and on paragraphs 43 and 60 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended).**

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to the date on which the shares are marked 'ex-entitlement' is advised to consult his stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the purchasers under the rules of the London Stock Exchange.

## **6 EFFECT OF THE PLACING AND OPEN OFFER**

Upon completion of the Placing and Open Offer, the New Ordinary Shares will represent approximately 51.4 per cent. of the Enlarged Share Capital.

## **7 THE PLACING AND OPEN OFFER AGREEMENT**

Pursuant to the terms of the Placing and Open Offer Agreement, Liberum Capital, as agent for the Company, has agreed to use its reasonable endeavours to procure subscribers for the Firm Placing Shares and the Conditional Placing Shares at the Issue Price. The Placing and Open Offer Agreement is conditional upon, among other things, the conditions set out above (please see the section headed *Conditionality* in paragraph 5.10 of Part I of this document) and none of the warranties or undertakings given to Liberum Capital prior to Admission of the New Ordinary Shares being or becoming untrue, inaccurate or misleading.

The Placing and Open Offer Agreement contain customary warranties given by the Company in favour of Liberum Capital in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Liberum Capital (and its affiliates) in relation to certain liabilities which they may incur in respect of the Placing and Open Offer.

Liberum Capital has the right to terminate the Placing and Open Offer Agreement in certain circumstances prior to Admission and in particular in the event of a material breach of the warranties, a material adverse change or if the Placing and Open Offer Agreement does not become unconditional.

## **8 GENERAL MEETING**

The General Meeting of the Company, notice of which is set out at the end of this document, is to be held at 10.00 a.m. on 16 August 2016 at the offices of Michelmores LLP, 12th Floor, 6 New Street Square, London EC4A 3BF. The General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolutions, *inter alia*, to provide the authority necessary to proceed with the Placing and Open Offer.

A summary and explanation of the Resolutions is set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice of General Meeting at the end of this document.

### **Resolution 1: Authority to allot shares**

This ordinary resolution will grant the Board authority to allot the New Ordinary Shares for the purposes of the Placing and Open Offer. The authority given by this resolution will expire 90 days after it has been passed. This authority will be in addition to that given to the Board pursuant to Resolution 2.

### **Resolution 2: Authority to allot shares**

In substitution for the current authorisation, this ordinary resolution grants authority to the Board to allot Ordinary Shares (or to grant rights to subscribe for or convert any securities into Ordinary Shares) for:

- (a) up to a maximum nominal amount of £492,742.93 which represents approximately one-third of the Enlarged Share Capital; and
- (b) in the case of a rights issue up to a maximum aggregate nominal value of £985,485.87 which represents approximately two-thirds of the Enlarged Share Capital.

The authority given by this resolution will expire at the conclusion of the next annual general meeting of the Company. This authority will be in addition to that given to the Board pursuant to Resolution 1.

### **Resolution 3: Disapplication of pre-emption rights**

This special resolution, conditional on the passing of Resolution 1, disapplies the statutory pre-emption rights in respect of the allotment of the New Ordinary Shares to be allotted pursuant to Resolution 1 in connection with the Placing and Open Offer. The authority given by this resolution will expire 90 days after it has been passed. This authority will be in addition to that given to the Board pursuant to Resolution 4.

### **Resolution 4: Disapplication of pre-emption rights**

In substitution for the current authorisation, this special resolution, conditional on the passing of Resolution 2, grants authority to the Board to allot equity securities pursuant to Resolution 2 otherwise than in accordance with statutory pre-emption rights up to an aggregate nominal value of £147,822.88 which represents approximately 10 per cent. of the Enlarged Share Capital. The authority given by this resolution will expire at the conclusion of the next annual general meeting of the Company. This authority will be in addition to that given to the Board pursuant to Resolution 3.

## **9 ACTION TO BE TAKEN IN RELATION TO THE GENERAL MEETING**

You will find enclosed a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it as soon as possible and in any case so as to be received by the Company's registrars at Neville Registrars Limited, Neville House, 18 Laurel Lane Halesowen, West Midlands B63 3DA no later than 10.00 a.m. on 12 August 2016. If you hold shares in CREST you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Neville Registrars (CREST Participant ID 7RA11) so that it is received by no later than 10.00 a.m. on 12 August 2016. The return of the Form of Proxy or transmission of a CREST Proxy Instruction will not prevent you from attending the meeting and voting in person if you wish.

## **10 ACTION TO BE TAKEN IN RESPECT OF THE OPEN OFFER**

### **10.1 Qualifying Non-CREST Shareholders (i.e. holders of Existing Ordinary Shares who hold their Existing Ordinary Shares in certificated form)**

If you are a Qualifying Non-CREST Shareholder you will receive an Application Form which gives details of your Basic Entitlement under the Open Offer (as shown in Box 4 of the Application Form). If you wish to apply for Open Offer Shares under the Open Offer, you should complete the Application Form in accordance with the procedure for application set out in paragraph 4.1 of Part II of this document and on the Application Form itself.

Qualifying Non-CREST Shareholders who wish to subscribe for more than their Basic Entitlements should complete Boxes 6, 7, 8 and 9 on the Application Form. Completed Application Forms, accompanied by full payment in accordance with the instructions in paragraph 4.1 of Part II of this document, should be posted using the accompanying reply-paid envelope (if posted from the UK only) or returned by post or by hand (during normal business hours only) to Neville Registrars, Neville House, 18 Laurel Lane Halesowen, West Midlands B63 3DA, in either case, as soon as possible and in any event so as to be received by no later than 11.00 a.m. on 15 August 2016. If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form.

## 10.2 **Qualifying CREST Shareholders (i.e. holders of Existing Ordinary Shares who hold their Existing Ordinary Shares in uncertificated form)**

If you are a Qualifying CREST Shareholder you will not be sent an Application Form. You will receive a credit to your appropriate stock account in CREST in respect of your Basic Entitlement under the Open Offer and also an Excess CREST Entitlement for use in connection with the Excess Application Facility. You should refer to the procedure for application set out in paragraph 4.2 of Part II of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 4.2 of Part II of this document by no later than 11.00 a.m. on 15 August 2016.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

If you are in any doubt as to the action you should take, you should immediately seek your own personal financial advice from an appropriately qualified independent professional adviser.

## 11 **OVERSEAS SHAREHOLDERS**

The attention of Qualifying Shareholders who have registered addresses outside the United Kingdom, or who are citizens or residents of countries other than the United Kingdom, or who are holding Ordinary Shares for the benefit of such persons (including, without limitation, subject to certain exceptions, custodians, nominees, trustees and agents), or who have a contractual or other legal obligation to forward this document, the Form of Proxy or (if applicable) an Application Form to such persons, is drawn to the information which appears in paragraph 6 of Part II (Terms and Conditions of the Open Offer) of this document.

In particular, Qualifying Shareholders who have registered addresses in or who are resident in, or who are citizens of, countries other than the UK (including, without limitation, the United States or any other Restricted Jurisdiction) should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their entitlements to the Open Offer.

## 12 **TAXATION**

Your attention is drawn to the taxation section contained in Part IV of this document.

**This information is intended only as a general guide to the current UK tax position. Shareholders who are in any doubt as to their tax position, or who are subject to tax in a jurisdiction other than the UK should consult an appropriate professional adviser immediately.**

## 13 **INTENTIONS OF THE DIRECTORS IN RELATION TO THE PLACING AND OPEN OFFER**

The interests (all of which are beneficial unless stated otherwise) of the Directors and their immediate families and of persons connected with them (within the meaning of Section 252 of the Act) in the Existing Issued Share Capital and the existence of which is known to any Director as at the Latest Practical Date and as they are expected to be upon Admission are set out below.



Other than in respect of Fermain (which intends to apply for up to 150,000 New Ordinary Shares in the Open Offer) the Directors have irrevocably undertaken **not** to take up their Basic Entitlements under the Open Offer or to apply for Excess Shares under the Excess Application Facility.

<i>Director</i>	<i>Current Shareholding</i>		<i>New Ordinary Shares by Subscription or in the Open Offer</i>	<i>Enlarged Share Capital</i>	
James Ede-Golightly <sup>(1)</sup>	445,111	0.62%	350,000	795,111	0.54%
Paul Schmidt	82,880	0.12%	751,870	834,750	0.56%
Christopher Richards	76,324	0.11%	700,000	776,324	0.53%
Richard Webb	10,000	0.01%	751,870	761,870	0.52%
William Lewis	–	0.00%	187,960	187,960	0.13%
Michael Higgins	–	0.00%	60,000	60,000	0.04%
<b>Total</b>	<b>614,315</b>	<b>0.85%</b>	<b>2,801,700</b>	<b>3,416,015</b>	<b>2.31%</b>

(1) Includes 200,000 Ordinary Shares held by Fermain which is 23 per cent. owned by James Ede-Golightly. Fermain intends to apply for up to 150,000 New Ordinary Shares in the Open Offer and on Admission Fermain will hold 350,000 Ordinary Shares

## 14 RELATED PARTY TRANSACTIONS

Richard Griffiths and entities or persons controlled by Richard Griffiths or associated with him (being Blake Holdings Limited, Seren Investment Management Limited, Richard Griffiths family trust, Oak Trust (Guernsey) Limited and Mrs Sally Griffiths) by virtue of their aggregate holding of more than 10 per cent. of the Existing Issued Share Capital, are considered related parties of the Company and their participation in the Firm Placing and Conditional Placing are considered ‘related party transactions’ under the AIM Rules for Companies. The Directors consider, having consulted with the Company’s Nominated Adviser, Liberum Capital, that the terms of the Firm Placing and Conditional Placing to Richard Griffiths and entities or persons controlled by Richard Griffiths or associated with him are fair and reasonable in so far as its Shareholders are concerned.

Henderson Global Investors Volantis, by virtue of its holding of funds’ interests in more than 10 per cent. of the Existing Issued Share Capital, is considered a related party of the Company and its participation in the Firm Placing is considered a ‘related party transaction’ under the AIM Rules for Companies. The Directors consider, having consulted with the Company’s Nominated Adviser, Liberum Capital, that the terms of the Firm Placing to funds managed by Henderson Global Investors Volantis are fair and reasonable in so far as its Shareholders are concerned.

Boulder River Capital Corporation and its associates, by virtue of their holding of more than 10 per cent. in aggregate of the Existing Issued Share Capital, are together considered a related party of the Company and Boulder River Capital Corporation’s participation in the Subscription is considered a ‘related party transaction’ under the AIM Rules for Companies. The Directors consider, having consulted with the Company’s Nominated Adviser, Liberum Capital, that the terms of the Subscription by Boulder River Capital Corporation are fair and reasonable in so far as its Shareholders are concerned.

## 15 RISK FACTORS

Potential investors and Shareholders should carefully consider the risks described in Part III of this document before making a decision to invest in the Company.

## 16 RECOMMENDATION AND VOTING INTENTIONS

**The Directors consider that the Placing and Open Offer are in the best interests of the Company and Shareholders as a whole.**

**The Independent Directors (holding in aggregate 169,204 Ordinary Shares, representing approximately 0.24 per cent. of the Existing Ordinary Shares) recommend that Shareholders vote in favour of Resolutions 1 and 3 at the General Meeting.**

**The Directors (holding in aggregate 614,315 Ordinary Shares, representing approximately 0.85 per cent. of the Existing Ordinary Shares) recommend that Shareholders vote in favour of Resolutions 2 and 4 at the General Meeting.**

**The Company is in receipt of undertakings from Directors and certain major Shareholders representing not less than 73.66 per cent. of the Existing Issued Share Capital to vote in favour of all the Resolutions.**

Yours faithfully,

**Dr. Christopher G. J. Richards**

*Executive Chairman*

**Plant Health Care plc**

## PART II

### TERMS AND CONDITIONS OF THE OPEN OFFER

#### 1 INTRODUCTION

As explained in Part I of this document the Company proposes to issue 20,006,986 Open Offer Shares at the Issue Price in order to raise approximately £2.0 million (before expenses) by way of the Open Offer. All the Open Offer Shares have been conditionally placed with Richard Griffiths subject to clawback to satisfy valid applications under the Open Offer.

The Open Offer is an opportunity for Qualifying Shareholders to apply to subscribe for Open Offer Shares at the Issue Price in accordance with the terms of the Open Offer. Qualifying Shareholders are also being offered the opportunity to apply for additional Open Offer Shares in excess of their Basic Entitlements to the extent that other Qualifying Shareholders do not take up their Basic Entitlements in full.

The Firm Placees and the Subscribers have all agreed not to apply for any New Ordinary Shares in the Open Offer and their Basic Entitlements will therefore be available to the other Qualifying Shareholders through the Excess Application Facility.

The New Ordinary Shares to be issued pursuant to the Open Offer will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to 8.00 a.m. on 29 July 2016, when the Existing Ordinary Shares are marked 'ex' the entitlement to the Open Offer, is advised to consult his stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the purchaser(s) under the rules of the London Stock Exchange.

The Open Offer is not conditional upon the level of applications made to subscribe under the Open Offer or upon any minimum level of proceeds being raised. For the purposes of section 578 of the Act, the Open Offer is being made on the basis that the Open Offer Shares subscribed for will be allotted in any event either to applicants under the Open Offer (subject to the terms and conditions set out in this document and the Application Form) or to the Conditional Placee.

A summary of the arrangements relating to the Open Offer is set out below. This document and, for Qualifying Non-CREST Shareholders, the Application Form contain the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 4 of this Part II which gives details of the procedure for application and payment for the Open Offer Shares. The attention of Overseas Shareholders is drawn to paragraph 6 of this Part II.

#### 2 THE OPEN OFFER

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Application Form), Qualifying Shareholders are being given the opportunity to apply for any number of Open Offer Shares (subject to the limit on the number of Excess Shares that can be applied for using the Excess Application Facility) at the Issue Price (payable in full on application and free of all expenses) and will have a Basic Entitlement of:

##### **0.27843521 Open Offer Shares for every Existing Ordinary Share**

registered in the name of each Qualifying Shareholder on the Record Date. Valid applications by Qualifying Shareholders will be satisfied in full up to their Basic Entitlements.

Basic Entitlements will be rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be disregarded in calculating Basic Entitlements and will be aggregated and made

available to Qualifying Shareholders under the Excess Application Facility. Qualifying Shareholders may apply to acquire less than their Basic Entitlements should they so wish.

Subject to the Allocation Policy, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Basic Entitlements in full, to apply for further Open Offer Shares in excess of their Basic Entitlements.

Please refer to paragraphs 4.1(c) and 4.2(c) of this Part II for further details of the Excess Application Facility.

Please note that holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating Basic Entitlements, as will holdings under different designations and in different accounts.

Qualifying CREST Shareholders will have their Basic Entitlements and Excess CREST Entitlements credited to their stock accounts in CREST and should refer to paragraph 4.2 of this Part II and also to the CREST Manual for further information on the relevant CREST procedures.

Qualifying Shareholders may apply for any whole number of Open Offer Shares subject to the limit on applications under the Excess Application Facility referred to above. The Basic Entitlement, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Open Offer Shares shown in Box 4 on the Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST.

Subject to the Allocation Policy, Qualifying Non-CREST Shareholders who wish to apply to subscribe for more than their Basic Entitlements should complete Boxes 6, 7, 8 and 9 on the Application Form.

**Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Basic Entitlements and Excess CREST Entitlements will be credited to CREST and be enabled for settlement, applications in respect of Basic Entitlements and Excess CREST Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying Shareholders should be aware that in the Open Offer, unlike with a rights issue, any Open Offer Shares not applied for by Qualifying Shareholders under their Basic Entitlements will not be sold in the market on behalf of, or placed for the benefit of, Qualifying Shareholders who do not apply under the Open Offer, but may be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility and that the net proceeds will be retained for the benefit of the Company. Qualifying Shareholders who do not apply to take up Open Offer Shares will have no rights under the Open Offer.**

**Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to 8.00 a.m. on 29 July 2016 is advised to consult his stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the purchaser(s) under the rules of the London Stock Exchange.**

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such New Ordinary Shares, when issued and fully paid, may be held and transferred by means of CREST.

Application will be made for the Basic Entitlements and Excess CREST Entitlements to be admitted to CREST. The conditions for such admission having already been met, the Basic Entitlements and Excess CREST Entitlements are expected to be admitted to CREST with effect from 1 August 2016.

The Open Offer Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

### **3 CONDITIONS AND FURTHER TERMS OF THE OPEN OFFER**

The Open Offer is conditional, *inter alia*, upon the following:

- (a) the passing, without amendment, of resolutions numbered 1 and 3 of the Resolutions at the General Meeting;
- (b) Admission becoming effective by not later than 8.00 a.m. on 19 August 2016 (or such later times and/or dates as the Company and Liberum Capital may agree, being no later than 8.00 a.m. on 2 September 2016); and
- (c) the Placing and Open Offer Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms.

Accordingly, if any of these conditions are not satisfied or waived (where capable of waiver) by 8.00 a.m. on 19 August 2016 (or such later time and/or date as the Company and Liberum Capital may agree, being no later than 8.00 a.m. on 2 September 2016), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter.

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form on or before 28 August 2016. In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST on or before 19 August 2016.

Application will be made for the Open Offer Shares to be admitted to trading on AIM. Admission is expected to occur on 19 August 2016, when dealings in the Open Offer Shares are expected to begin.

All monies received by the Receiving Agent in respect of Open Offer Shares will be held in a separate non-interest bearing bank account opened solely for the Open Offer.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

### **4 PROCEDURE FOR APPLICATION AND PAYMENT**

The action to be taken by Qualifying Shareholders in respect of the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has an Application Form in respect of his Basic Entitlement or a Qualifying Shareholder has a Basic Entitlement credited to his CREST stock account in respect of such entitlement.

Qualifying Shareholders who hold their Existing Ordinary Shares in certificated form (that is, not in CREST) will be allotted Open Offer Shares in certificated form. Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in uncertificated form (that is, in CREST) will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Shares into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2(g) of this Part II.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Basic Entitlements and Excess CREST Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Basic Entitlements and Excess CREST Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

**Qualifying Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. Qualifying Shareholders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the Form of Proxy enclosed with this document.**

#### **4.1 If you have an Application Form in respect of your entitlement under the Open Offer**

##### **(a) *General***

Subject as provided in paragraph 6 of this Part II in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box 3. It also shows the number of Open Offer Shares which represents their Basic Entitlements under the Open Offer as shown by the total number of Basic Entitlements allocated to them set out in Box 4. Box 5 shows how much they would need to pay if they wish to take up their Basic Entitlements in full. Qualifying Non-CREST Shareholders wishing to take up their Basic Entitlements in full should complete Boxes 6, 8 and 9.

Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Non-CREST Shareholders' Basic Entitlements and will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility. Qualifying Non-CREST Shareholders may apply for less than their Basic Entitlements should they wish to do so. Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares representing less than their Basic Entitlements may do so by completing Boxes 4, 8 and 9 of the Application Form. Subject to availability, and assuming that Qualifying Shareholders have accepted their Basic Entitlements in full, Qualifying Non-CREST Shareholders may also apply for any whole number of Excess Shares in excess of their Basic Entitlements by completing Boxes 6, 7, 8 and 9 of the Application Form (see paragraph 4.1(c) of this Part II). Qualifying Non-CREST Shareholders may hold an Application Form by virtue of a *bona fide* market claim (see paragraph 4.1(b) of this Part II).

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer to Qualifying Non-CREST Shareholders.

##### **(b) *Bona fide market claims***

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked 'ex' the entitlement to participate in the Open Offer. Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 11 August 2016. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked 'ex' the entitlement to participate in the Open Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser. Qualifying Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 11 on the Application Form and immediately send it to either the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or to the Receiving Agent in accordance with the instructions set out in the accompanying Application Form. Subject to certain exceptions, the Application Form should not, however, be forwarded to or transmitted in or into a Restricted Jurisdiction. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application

Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 4.2(b) of this Part II.

(c) ***Excess Application Facility***

Subject to the Allocation Policy, and assuming that Qualifying Non-CREST Shareholders have accepted their Basic Entitlements in full, Qualifying Non-CREST Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Boxes 6, 7, 8 and 9 of the Application Form. The total number of Open Offer Shares is fixed and will not be increased in response to any Excess Applications. Excess Applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Basic Entitlements in full or where fractional entitlements have been aggregated and made available under the Excess Application Facility. Applications under the Excess Application Facility shall be allocated in accordance with the Allocation Policy and no assurance can be given that the applications by Qualifying Non-CREST Shareholders will be met in full or in part or at all.

Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

Fractions of Excess Shares will not be issued under the Excess Application Facility and fractions of Excess Shares will be rounded down to the nearest whole number.

(d) ***Application procedures***

Qualifying Non-CREST Shareholders wishing to apply to acquire all or any of the Open Offer Shares to which they are entitled should complete the Application Form in accordance with the instructions printed on it. Completed Application Forms should be posted in the accompanying reply-paid envelope or returned by post or by hand (during normal office hours only) to Neville Registrars, Neville House, 18 Laurel Lane Halesowen, West Midlands B63 3DA (who will act as Receiving Agent in relation to the Open Offer), so as to be received by the Receiving Agent by no later than 11.00 a.m. on 15 August 2016, after which time Application Forms will not be valid (subject to certain exceptions described below). Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four working days for delivery.

Application Forms delivered by hand will not be checked upon delivery and no receipt will be provided.

Completed Application Forms should be returned with a cheque drawn in sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through facilities provided by any of those companies or committees. Such cheques must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on the application.

Cheques should be drawn on a personal account in respect of which the Qualifying Shareholder has sole or joint title to the funds and should be made payable to 'Neville Registrars Re: Plant Health Care plc Open Offer' and crossed 'A/C Payee Only'. Third party cheques will not be accepted. Payments via CHAPS, BACS or electronic transfer will not be accepted.

Cheques will be presented for payment on receipt and it is a term of the Open Offer that cheques will be honoured on first presentation. The Company may elect to treat as valid or invalid any applications made by Qualifying Non-CREST Shareholders in respect of which cheques are not so honoured. If cheques are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate non-interest bearing

bank account until all conditions are met. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer.

The Company may in its sole discretion (but shall not be obliged to), with the prior consent of Liberum Capital, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) with the prior consent of Liberum Capital to accept either:

- (i) Application Forms received after 11.00 a.m. on 15 August 2016; or
- (ii) applications in respect of which remittances are received before 11.00 a.m. on 15 August 2016 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

If Open Offer Shares have already been allotted and issued to a Qualifying Non-CREST Shareholder and such Qualifying Non-CREST Shareholder's cheque is not honoured upon first presentation or such Qualifying Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Receiving Agent shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Receiving Agent, Liberum Capital or the Company, nor any other person, shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-CREST Shareholder as a result.

(e) ***Effect of application***

By completing and delivering an Application Form, the applicant:

- (i) represents and warrants to the Company and Liberum Capital that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees with the Company and Liberum Capital that all applications under the Open Offer and any contracts or non-contractual obligations resulting therefrom shall be governed by and construed in accordance with the laws of England and Wales;
- (iii) confirms to the Company and Liberum Capital that in making the application he is not relying on any information or representation in relation to the Group other than those contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained herein and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information in relation to the Group contained in this document;



- (iv) confirms to the Company and Liberum Capital that in making the application he is not relying and has not relied on Liberum Capital or any other person affiliated with Liberum Capital in connection with any investigation of the accuracy of any information contained in this document or his investment decision;
- (v) confirms to the Company and Liberum Capital that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company or Liberum Capital;
- (vi) represents and warrants to the Company and Liberum Capital that he is the Qualifying Shareholder originally entitled to the Basic Entitlements or that he received such Basic Entitlements by virtue of a *bona fide* market claim;
- (vii) represents and warrants to the Company and Liberum Capital that if he has received some or all of his Basic Entitlement from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Basic Entitlements by virtue of a *bona fide* market claim;
- (viii) requests that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and the Application Form, subject to the Articles of Association of the Company;
- (ix) represents and warrants to the Company and Liberum Capital that he is not, nor is he applying on behalf of any person who is, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (x) confirms that the Open Offer Shares have not been offered to the applicant by the Company, Liberum Capital or any of their affiliates, by means of any: (a) 'directed selling efforts' as defined in Regulation S under the US Securities Act; or (b) 'general solicitation' or 'general advertising' as defined in Regulation D under the US Securities Act; and
- (xi) represents and warrants to the Company and Liberum Capital that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986.

For all enquiries in connection with the procedure for application and completion of the Application Form, please contact Neville Registrars on +44 (0)121 585 1131. 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. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that

Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

**Qualifying Non-CREST Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. Qualifying Non-CREST Shareholders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the Form of Proxy enclosed with this document.**

#### 4.2 **If you have Basic Entitlements and Excess CREST Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer**

##### (a) ***General***

Subject as provided in paragraph 6 of this Part II in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST in respect of his Basic Entitlement and also in respect of his Excess CREST Entitlement (subject to the Allotment Policy) (see paragraph 4.2(c) of this Part II for further details). Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' Basic Entitlement and will be aggregated and made available under the Excess Application Facility.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Basic Entitlements and Excess CREST Entitlements have been allocated.

If for any reason the Basic Entitlements and/or Excess CREST Entitlements cannot be admitted to CREST, or the stock accounts of Qualifying CREST Shareholders cannot be credited, by close of business on 1 August 2016, or such later time and/or date as the Company and Liberum Capital may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Basic Entitlements and Excess CREST Entitlements which should have been credited to his stock account in CREST. In these circumstances, the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive such Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Neville Registrars on +44 (0)121 585 1131. 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. The helpline is open between 9.00 a.m.–5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

##### (b) ***Bona fide market claims***

Each of the Basic Entitlements and the Excess CREST Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although Basic Entitlements and the Excess CREST Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Basic Entitlements and the Excess CREST Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as 'cum' the Basic Entitlement and the Excess CREST Entitlement will generate an appropriate market claim transaction and the relevant Basic Entitlement(s) and Excess CREST Entitlement(s) will thereafter be transferred accordingly.

(c) ***Excess Application Facility***

Subject to availability, and assuming that Qualifying CREST Shareholders have accepted their Basic Entitlements in full, Qualifying CREST Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. The Excess Application Facility enables Qualifying CREST Shareholders to apply for Excess Shares in excess of their Basic Entitlements subject always to the Allocation Policy.

An Excess CREST Entitlement may not be sold or otherwise transferred other than as part of a *bona fide* market claim.

Subject as provided in paragraph 6 of this Part II in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess CREST Entitlement in order for any applications for Excess Shares to be settled through CREST.

Qualifying CREST Shareholders should note that, although the Basic Entitlements and the Excess CREST Entitlements will be admitted to CREST they will have limited settlement capabilities (for the purposes of *bona fide* market claims only). Neither the Basic Entitlements nor the Excess CREST Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions in paragraph 4.2(d) below and must not return a paper form and cheque.

Should a transaction be identified by the CREST Claims Processing Unit as ‘cum’ the Basic Entitlement and the relevant Basic Entitlement be transferred, the Excess CREST Entitlements will not transfer with the Basic Entitlement claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Entitlement credited to CREST and allocated to the relevant Qualifying Shareholder will be transferred to the purchaser. Please note that a separate USE instruction must be sent to Euroclear in respect of any application under the Excess CREST Entitlement.

Fractions of Excess Shares will not be issued under the Excess Application Facility and fractions of Excess Shares will be rounded down to the nearest whole number.

The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Applications under the Excess Application Facility will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Basic Entitlements in full or where fractional entitlements have been aggregated and made available under the Excess Application Facility, subject always to the Allocation Policy. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Shareholders will be met in full or in part or at all.

Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant’s sole risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

(d) ***USE instructions***

Qualifying CREST Shareholders who are CREST members and who want to apply for Open Offer Shares in respect of all or some of their Basic Entitlements and Excess CREST Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Basic Entitlements and/or Excess CREST Entitlements corresponding to the number of Open Offer Shares applied for; and
  - (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph 4.2(d)(i) above.
- (e) ***Content of USE instruction in respect of Basic Entitlements***

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Basic Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Basic Entitlement. This is GB00BD89MN69;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;
- (v) the participant ID of Neville Registrars in its capacity as Receiving Agent. This is 7RA11;
- (vi) the member account ID of Neville Registrars in its capacity as Receiving Agent. This is PHCBASIC;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph 4.2(e)(i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 15 August 2016; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 15 August 2016.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 15 August 2016 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 19 August 2016 or such later time and date as the Company and Liberum Capital may agree (being no

later than 8.00 a.m. on 2 September 2016), the Open Offer will lapse, the Basic Entitlements and Excess CREST Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(f) ***Content of USE instruction in respect of Excess CREST Entitlements***

The USE instruction must be properly authenticated in accordance with Euroclear specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which the application is being made (and hence the number of the Excess CREST Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Entitlement. This is GB00BD89MP83;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Entitlements are to be debited;
- (v) the participant ID of Neville Registrars in its capacity as Receiving Agent. This is 7RA11;
- (vi) the member account ID of Neville Registrars in its capacity as Receiving Agent. This is PHCXS;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph 4.2(f)(i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 15 August 2016; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for the application in respect of an Excess CREST Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 15 August 2016.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 15 August 2016 in order to be valid is 11.00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Entitlement security.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 17 August 2016 or such later time and date as the Company and Liberum Capital agree (being no later than 8.00 a.m. on 2 September 2016), the Open Offer will lapse, the Basic Entitlements and Excess CREST Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(g) ***Deposit of Basic Entitlements into, and withdrawal from, CREST***

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Basic Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Basic Entitlements and Excess CREST Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer can be applied for through an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Basic Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 15 August 2016. After depositing their Basic Entitlements into their CREST account, CREST holders will, shortly after that, receive a credit for their Excess CREST Entitlement.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Basic Entitlements or Excess CREST Entitlements in CREST, is 3.00 p.m. on 10 August 2016 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Basic Entitlements or Excess CREST Entitlements from CREST is 4.30 p.m. on 9 August 2016, in either case so as to enable the person acquiring or (as appropriate) holding the Basic Entitlements and the Excess CREST Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Basic Entitlements or in respect of the Excess CREST Entitlements, as the case may be, prior to 11.00 a.m. on 15 August 2016. CREST holders inputting the withdrawal of their Basic Entitlements from their CREST account must ensure that they withdraw both their Basic Entitlements and the Excess CREST Entitlement.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it is/they are not in breach of the provisions of the notes under the paragraph headed 'Instructions for depositing entitlements under the Open Offer into CREST' on page 3 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it is/they are not citizen(s) or resident(s) of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(h) ***Validity of application***

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 15 August 2016 will constitute a valid application under the Open Offer.

(i) ***CREST procedures and timings***

**CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation**

**to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 15 August 2016. In this connection CREST members and (where applicable) their CREST sponsors are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.**

(j) ***Incorrect or incomplete applications***

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question, without payment of interest;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question, without payment of interest; and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question, without payment of interest.

(k) ***Effect of valid application***

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

- (i) represents and warrants to the Company and Liberum Capital that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees with the Company to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (iii) agrees with the Company and Liberum Capital that all applications under the Open Offer and any contracts or non-contractual obligations resulting therefrom shall be governed by, and construed in accordance with, the laws of England;
- (iv) confirms to the Company and Liberum Capital that in making the application he is not relying on any information or representation in relation to the Group other than those contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained herein and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Group contained in this document;
- (v) confirms to the Company and Liberum Capital that in making the application he is not relying and has not relied on Liberum Capital or any other person affiliated with

Liberum Capital in connection with any investigation of the accuracy of any information contained in this document or his investment decision;

- (vi) confirms to the Company and Liberum Capital that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company or Liberum Capital;
- (vii) represents and warrants to the Company and Liberum Capital that he is the Qualifying Shareholder originally entitled to the Basic Entitlements and Excess CREST Entitlements or that he has received such Basic Entitlements and Excess CREST Entitlements by virtue of a *bona fide* market claim;
- (viii) represents and warrants to the Company and Liberum Capital that if he has received some or all of his Basic Entitlement and Excess CREST Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Basic Entitlements and Excess CREST Entitlements by virtue of a *bona fide* market claim;
- (ix) requests that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Articles of Association of the Company;
- (x) represents and warrants to the Company and Liberum Capital that he is not, nor is he applying on behalf of any person who is, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (xi) confirms that the Open Offer Shares have not been offered to the applicant by the Company, Liberum Capital or any of their affiliates, by means of any: (a) 'directed selling efforts' as defined in Regulation S under the US Securities Act; or (b) 'general solicitation' or 'general advertising' as defined in Regulation D under the US Securities Act; and
- (xii) represents and warrants to the Company and Liberum Capital that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986.



(1) ***Company's discretion as to the rejection and validity of applications***

The Company may in its sole discretion but with the prior consent of Liberum Capital:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part II;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the 'first instruction') as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

## **5 MONEY LAUNDERING REGULATIONS**

### **5.1 Holders of Application Forms**

To ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the 'verification of identity requirements'). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent's stamp should be inserted on the Application Form.

The person lodging the Application Form with payment and in accordance with the other terms as described above (the 'acceptor'), including any person who appears to the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of Open Offer Shares as is referred to therein (for the purposes of this paragraph 5, the 'relevant Open Offer Shares') and shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements.

If the Receiving Agent determines that the verification of identity requirements apply to any acceptor or application, the relevant Open Offer Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Receiving Agent is entitled, in its absolute

discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither the Receiving Agent nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity and address within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer will be returned (at the acceptor's risk) without interest to the account of the bank or building society on which the relevant cheque was drawn.

**Submission of an Application Form with the appropriate remittance will constitute a warranty to each of the Receiving Agent, the Company and Liberum Capital from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.**

The verification of identity requirements will not usually apply:

- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (2005/60/IEC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing); or
- (ii) if the acceptor is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- (iii) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant's name; or
- (iv) if the aggregate subscription price for the Open Offer Shares is less than €15,000 (approximately £12,670 as at the Latest Practical Date).

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

- (v) if payment is made by cheque in sterling drawn on a branch in the UK of a bank or building society which bears a UK bank sort code number in the top right hand corner, the following applies. Cheques, should be made payable to 'Neville Registrars Re: Plant Health Care plc Open Offer' in respect of an application by a Qualifying Shareholder and crossed 'A/C Payee Only' in each case. Third party cheques will not be accepted. The account name should be the same as that shown on the Application Form; or
- (vi) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 5.1(v) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, China, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, the Republic of Korea, the Republic of South Africa, Switzerland, Turkey, UK Crown Dependencies and the US and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the Application Form, written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent. If the agent is not such an organisation, it should contact the Receiving Agent at Neville Registrars, Neville House, 18 Laurel Lane Halesowen, West Midlands B63 3DA.

To confirm the acceptability of any written assurance referred to in paragraph 5.1(vi) above, or in any other case, the acceptor must contact Neville Registrars on +44 (0)121 585 1131. 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. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If the Application Form(s) is/are in respect of Open Offer Shares with an aggregate subscription price of €15,000 (approximately £12,670 as at the Latest Practical Date) or more and is/are lodged by hand by the acceptor in person, or if the Application Form(s) in respect of Open Offer Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor's own cheque, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and separate evidence of his address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 15 August 2016, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Receiving Agent may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the applicant (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid) .

## 5.2 **Basic Entitlements and Excess CREST Entitlements in CREST**

If you hold your Basic Entitlements and Excess CREST Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Basic Entitlements and Excess CREST Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE instruction or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence as to the identity of the person or persons on whose behalf the application is made.

## **6 OVERSEAS SHAREHOLDERS**

The making of the Open Offer to persons resident in, or who are citizens of, or who have a registered address in, countries other than the UK may be affected by the law or regulatory requirements of the relevant jurisdiction. The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

### 6.1 **General**

**The distribution of this document and the Application Form and the making of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or**

**citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the UK or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the UK may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.**

No action has been or will be taken by the Company or Liberum Capital or any other person to permit a public offering or distribution of this document (or any other offering or publicity materials or application forms) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the UK.

Receipt of this document and/or an Application Form and/or a credit of Basic Entitlements or Excess CREST Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

Due to restrictions under the securities laws of the Restricted Jurisdictions and certain commercial considerations, Application Forms will not be sent to, and neither Basic Entitlements nor Excess CREST Entitlements will be credited to stock accounts in CREST of, Excluded Overseas Shareholders or their agents or intermediaries, except where the Company is satisfied, at its sole and absolute discretion, that such action would not result in the contravention of any registration or other legal requirement in the relevant jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of Basic Entitlements or Excess CREST Entitlements to a stock account in CREST in any territory other than the UK may treat the same as constituting an invitation or offer to him, nor should he in any event use any such Application Form and/or credit of Basic Entitlements or Excess CREST Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him and such Application Form and/or credit of Basic Entitlements or Excess CREST Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements.

In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees for any such person) outside the UK wishing to apply for Open Offer Shares under the Open Offer to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

None of the Company or Liberum Capital (nor any of their respective representatives) is making any representation to any offeree or purchaser of Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of Basic Entitlements or Excess CREST Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Basic Entitlements or Excess CREST Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws

or regulations. If a copy of this document and/or an Application Form and/or a credit of Basic Entitlements or Excess CREST Entitlements to a stock account in CREST is received by any person in any such territory, or by his custodian, agent, nominee or trustee, he must not seek to apply for Open Offer Shares unless the Company and Liberum Capital determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Application Form and/or transfers Basic Entitlements or Excess CREST Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part II and specifically the contents of this paragraph 6.

Subject to paragraphs 6.2 to 6.8 below, any person (including, without limitation, custodians, agents, nominees and trustees for any such person) outside the UK wishing to apply for Open Offer Shares must satisfy himself as to the full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and pay any issue, transfer or other taxes due in such territories.

The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched by an Excluded Overseas Shareholder or on behalf of such a person by their agent or intermediary or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or, in the case of a credit of Basic Entitlements or Excess CREST Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in a Restricted Jurisdiction or any other jurisdiction outside the UK in which it would be unlawful to deliver such share certificates or make such a credit.

The attention of Overseas Shareholders is drawn to paragraphs 6.2 to 6.8 below.

Notwithstanding any other provision of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder who is an Excluded Overseas Shareholder to apply for Open Offer Shares if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or bankers' drafts or where such an Overseas Shareholder is a Qualifying CREST Shareholder, through CREST.

Due to restrictions under the securities laws of the Restricted Jurisdictions and subject to certain exceptions, Excluded Overseas Shareholders will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Basic Entitlements or Excess CREST Entitlements.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into any Restricted Jurisdiction. Receipt of this document and/or an Application Form and/or a credit of a Basic Entitlement or an Excess CREST Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

## 6.2 **United States**

Subject to certain exceptions, this document is intended for use only in connection with offers of Open Offer Shares outside the United States and neither this document nor any Application Form is to be sent or given to any person within the United States. The Open Offer Shares offered hereby are not being registered under the US Securities Act, for the purposes of sales outside of the United States.

This document may not be transmitted in or into the United States and may not be used to make offers or sales to US holders of Existing Ordinary Shares.

Subject to certain exceptions, the Open Offer Shares will be distributed, offered or sold, as the case may be, outside the United States in offshore transactions within the meaning of, and in accordance with, Regulation S under the US Securities Act.

Each person to which the Open Offer Shares are distributed, offered or sold outside the United States will be deemed by its subscription for the Open Offer Shares to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing the Open Offer Shares, as the case may be, that:

- (i) it is acquiring the Open Offer Shares from the Company in an ‘offshore transaction’ as defined in Regulation S under the US Securities Act; and
- (ii) the Open Offer Shares have not been offered to it by the Company or Liberum Capital or any of their affiliates by means of any ‘directed selling efforts’ as defined in Regulation S under the US Securities Act.

Each subscriber acknowledges that the Company and Liberum Capital will rely upon the truth and accuracy of the foregoing representations and agreements, and agrees that if any of the representations and agreements deemed to have been made by such subscriber by its subscription for the Open Offer Shares are no longer accurate, it shall promptly notify the Company and Liberum Capital. If such subscriber is subscribing for the Open Offer Shares as a fiduciary or agent for one or more investor accounts, each subscriber represents that it has sole investment discretion with respect to each such account and full power to make the foregoing representations and agreements on behalf of each such account.

Each subscriber acknowledges that it will not resell the Open Offer Shares without registration or an available exemption or safe harbour from registration under the US Securities Act.

## 6.3 **Canada**

This document is not, and is not to be construed as, a prospectus, an advertisement or a public offering of these securities in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or the merits of the Open Offer Shares, and any representation to the contrary is an offence.

In addition, the relevant exemptions are not being obtained from the appropriate provincial authorities in Canada. Accordingly, the Open Offer Shares are not being offered for subscription by persons resident in Canada or any territory or possessions thereof. Applications from any Canadian who appears to be or whom the Company has reason to believe to be so resident or the agent of any person so resident will be deemed to be invalid. Neither this document nor an Application Form will be sent to and no Basic Entitlements or Excess CREST Entitlements will be credited to a stock account in CREST of any Shareholder in the Company whose registered address is in Canada. If any Application Form is received by any Shareholder in the Company whose registered address is elsewhere but who is, in fact, a Canadian or the agent of a Canadian Person so resident, he should not apply under the Open Offer.

For the purposes of this paragraph 6.3, ‘Canadian Person’ means a citizen or resident of Canada, including the estate of any such person or any corporation, partnership or other entity created or organised under the laws of Canada or any political sub-division thereof.

#### 6.4 **Australia**

Neither this document nor the Application Form has been lodged with, or registered by, the Australian Securities and Investments Commission. A person may not:

- (i) directly or indirectly offer for subscription or purchase or issue an invitation to subscribe for or buy or sell, the Open Offer Shares; or
- (ii) distribute any draft or definitive document in relation to any such offer, invitation or sale, in Australia or to any resident of Australia (including corporations and other entities organised under the laws of Australia but not including a permanent establishment of such a corporation or entity located outside Australia).

Accordingly, neither this document nor any Application Form will be issued to, and no Basic Entitlements or Excess CREST Entitlements will be credited to a CREST stock account of, Shareholders in the Company with registered addresses in, or to residents of, Australia.

#### 6.5 **Other Restricted Jurisdictions**

The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No offer of Open Offer Shares is being made by virtue of this document or the Application Form into any Restricted Jurisdiction.

#### 6.6 **Other overseas territories**

Application Forms will be sent to Qualifying Non-CREST Shareholders and Basic Entitlements or Excess CREST Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form. Such Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the UK should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares.

#### 6.7 **Representations and warranties relating to Overseas Shareholders**

##### (a) ***Qualifying Non-CREST Shareholders***

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, Liberum Capital and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction:

- (i) such person is not requesting registration of the relevant Open Offer Shares from within any Restricted Jurisdiction;
- (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares or to use the Application Form in any manner in which such person has used or will use it;
- (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and

- (iv) such person is not acquiring Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into any of the above territories. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it:
- (v) appears to the Company or its agents to have been executed, effected or dispatched from a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or
- (vi) provides an address in a Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the UK in which it would be unlawful to deliver such share certificates); or
- (vii) purports to exclude the representation and warranty required by this sub-paragraph 6.7(a).

(b) ***Qualifying CREST Shareholders***

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part II represents and warrants to the Company and Liberum Capital that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction:

- (i) neither it nor its client is within any Restricted Jurisdiction;
- (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares;
- (iii) it is not accepting on a non-discretionary basis for a person located within any Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept was given; and
- (iv) neither it nor its client is acquiring any Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into any of the above territories.

**6.8 Waiver**

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company, in its absolute discretion with the prior consent of Liberum Capital. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 6 to Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

**7 NO WITHDRAWAL RIGHTS**

An application under the Open Offer once made is irrevocable and cannot be withdrawn or changed.

**8 ADMISSION, SETTLEMENT AND DEALINGS**

The result of the Open Offer is expected to be announced on 16 August 2016. Application will be made to AIM for admission to trading of the New Ordinary Shares. It is expected that, subject to the Placing and Open Offer becoming unconditional in all respects (save for Admission). Admission will become effective and that dealings in the Open Offer Shares, fully paid, will commence at 8.00 a.m. on 19 August 2016.



The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such New Ordinary Shares, when issued and fully paid, may be held and transferred by means of CREST.

Basic Entitlements and Excess CREST Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 15 August 2016 (being the Latest Practical Date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, the Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for the Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. On 19 August 2016, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be on 19 August 2016). The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Basic Entitlements and Excess CREST Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

For Qualifying Non-CREST Shareholders who have applied by using an Application Form, share certificates in respect of the Open Offer Shares validly applied for are expected to be despatched by post by 28 August 2016. No temporary documents of title will be issued and, pending the issue of definitive certificates transfers will be certified against the register of members of the Company. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 4.1 of this Part II, and the Application Form.

The result of the Open Offer will be announced and made public through an announcement on a Regulatory Information Service as soon as reasonably practicable after the results are known.

## **9 TIMES AND DATES**

The Company shall, in its discretion, and after consultation with its financial and legal advisers, be entitled to amend the dates on which Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall make an announcement on a Regulatory Information Service.

## **10 TAXATION**

Certain statements regarding United Kingdom taxation in respect of the Open Offer Shares and the Open Offer are set out in Part IV of this document. Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

## **11 SHARE OPTION SCHEMES**

The Open Offer is not being extended to the holders of Options, save to the extent that any such Options are or have been validly exercised and Ordinary Shares have been allotted in consequence of such exercise prior to the Record Date.

## **12 GOVERNING LAW AND JURISDICTION**

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form including, without

limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and, where applicable, the Application Form Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

## **PART III**

### **RISK FACTORS**

Potential investors and Shareholders should carefully consider the risks described below before making a decision to invest in the Company. This Part III contains what the Directors believe to be the principal risk factors associated with an investment in the Company. It should be noted that this list is not exhaustive and that other risk factors will apply to an investment in the Company. If any of the following risks actually occur, the Group's business, financial condition and/or results or future operations could be materially adversely affected. In such circumstances, the trading price of the New Ordinary Shares could decline and an investor may lose all or part of their investment. There can be no certainty that the Group will be able to implement successfully the strategy set out in this document or documents referred to in this document. Additional risks and uncertainties not currently known to the Directors or which the Directors currently deem immaterial, may also have an adverse effect on the Group.

This document contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Group which are described below and elsewhere in this document. Prospective investors should carefully consider the other information in this document. The risks listed below do not necessarily comprise all the risks associated with an investment in the Company.

An investment in the Company may not be suitable for all recipients of this document. Investors are accordingly advised to consult an independent financial adviser duly authorised under FSMA and who specialises in advising upon the acquisition of shares and other securities before making a decision to invest.

#### **1 PRINCIPAL RISKS AND UNCERTAINTIES RELATING TO THE GROUP**

The business of the Group is subject to a number of potential risks and uncertainties including those listed below. The occurrence of any of these risks may materially and adversely affect the business, financial condition, results of operations and future prospects of the Group.

##### **1.1 Profitability and cash-flow risk**

The Group has a history of losses since inception, anticipates continuing to incur losses and may not achieve or maintain profitability. The Group has incurred operating losses since its inception, and expects to continue to incur operating losses in the future. The Group will need to generate significant revenues to achieve and maintain profitability. The Group has derived substantially all of its revenues from its Harpin  $\alpha\beta$  and Myconate products and technologies and from sales of non-proprietary third-party products. Growing revenues will require the Group to be successful in a range of challenging activities, including:

- obtaining and maintaining product registrations in the world's leading agricultural markets;
- expanding relationships with distributors;
- ensuring sufficient manufacturing capability for its products to meet demand;
- continuing to identify novel families of peptides from its PREtec platform and obtaining intellectual property protection for them;
- out-licensing, on favourable terms, the rights to novel peptides or other technologies or products to agriculture companies that will be successful in developing products using those peptides; and
- obtaining regulatory approval in various global jurisdictions.

The Group anticipates that its expenses will increase substantially in connection with significant investments in its research and development activities. The Group expects to incur additional losses for at least the next several years and may never generate profits.

Even if the Group achieves profitability, it may be unable to sustain or increase profitability on an annual basis. The Group's failure to become and remain profitable would depress the value of the Group and could impair its ability to raise capital, expand its business, maintain its research and development efforts, diversify its product and technology offerings or even continue its operations. A decline in the value of the Group could also cause Shareholders to lose all or part of their investment.

The Group may require additional financing in the future and may be unable to obtain such financing on favourable terms or at all, which could force it to delay, reduce or eliminate its research, development or commercial activities. The Group may seek additional funds from share offerings, strategic research and development collaborations and out-licenses, borrowings under lease lines of credit or other sources. Additional capital may not be available on acceptable terms or at all. Any additional equity financing may be dilutive to Shareholders, and debt financing, if available, may include restrictive covenants. If the Group cannot raise more money when needed, it may have to reduce its expenditures, scale back its development of new products and technologies or reduce its workforce.

## 1.2 **Technology and development risk**

The Group currently generates substantially all of its revenues from sales of its Harpin  $\alpha\beta$  and Myconate products and from the sale of third-party products, primarily in Mexico. Although the Group intends to continue to expand sales of these existing products, it is also executing on a development and out-licensing strategy pursuant to which it intends to use its PREtec platform to identify and design families of customizable peptides that will elicit specific responses in particular crops. This PREtec development and out-licensing strategy is in an early stage, is subject to significant risks and may not be successful. Even if the Group enters into out-licensing agreements for Innatus 3G or other families of PREtec peptides, it may not generate revenues from such license agreements for several years or at all. The Group's inability to successfully execute this strategy would materially and adversely affect its business, financial condition, results of operations and prospects. There are only a limited number of agriculture companies that have the financial, scientific and technical resources and the market reach to fully or optimally exploit the potential of its peptide technology in major crops. One or more of its potential licensees may develop or otherwise procure technologies or products that are competitive with or superior to the Group's or otherwise decide not to license or sell its peptides.

## 1.3 **Commercial risk**

The Group is subject to risks relating to product concentration. The Group derives substantially all of its revenues from its Harpin  $\alpha\beta$  and Myconate product lines and from the sales of various third-party products. The Group expects sales of its proprietary products to continue to account for a large percentage of its revenues for the next several years. Therefore, its future operating results, particularly in the near term, are significantly dependent upon the continued market acceptance of its two principal product lines. A decline in the demand for its Harpin  $\alpha\beta$  products as a result of competition, changes in customer preferences or other factors would have a material adverse effect on its business, operating results and financial condition.

The Group may be unable to establish or maintain successful relationships with third-party distributors, which could materially and adversely affect its sales. The Group currently relies, and intends to continue to rely, on third-party distributors of biological products to distribute and assist with the marketing and sale of its current products and any other products it may develop. The Group's future revenue growth for its commercial products will depend in large part on its success, and that of its licensees and customers, in establishing and maintaining these sales and distribution channels. The Group is continuing to develop its distribution network, and it may be unable to establish or maintain these relationships in a timely or cost-effective manner. Moreover, it cannot

ensure that the distributors on which it relies will devote sufficient resources to selling these products or will be successful in selling them. Many of its potential distributors are in the business of distributing and sometimes manufacturing other, possibly competing, plant protection and yield enhancement products and may perceive its products as a threat to various product lines currently being manufactured or distributed by them. In addition, distributors may earn higher margins by selling competing products or combinations of competing products. If the Group is unable to establish or maintain successful relationships with third-party distributors, it will need to further develop its own distribution and sales and marketing capabilities, which would be expensive and time-consuming and the success of which would be uncertain.

The Group's product sales are seasonal and subject to weather conditions and other factors beyond its control, which can cause its operating results to fluctuate significantly. Worldwide weather, disease and pest infestation conditions affect decisions by the Group's distributors, direct customers and end users about the types and amounts of biological products to purchase and the timing in which they use such products. In addition, delays by growers in harvesting or planting can result in the movement of orders to a future quarter, which would negatively affect the quarter and cause fluctuations in its operating results. In general, the Group expects its revenues to be the highest in the fourth quarter of each year as a result of distributors stockpiling supplies and higher seasonal usage. Planting and growing seasons, climatic conditions and other variables on which sales of its products are dependent vary from year to year and quarter to quarter. As a result, the Group has historically experienced substantial fluctuations in sales from period to period.

#### 1.4 **Competition**

The Group faces a high degree of competition in the emerging market for biological agricultural products and technologies that may prevent it from becoming profitable. The major agriculture companies and many smaller companies have longer operating histories, significantly greater resources, greater brand recognition and a larger base of customers. These factors may make it difficult for the Group to withstand potential price competition or to take advantage of acquisition or other opportunities that may be beneficial for its business. Additionally, many of these companies have a more diversified portfolio of biological products, which may enable them to better meet customers' needs by offering a broader range of products. The Group's competitors therefore may succeed in advancing biological technologies more quickly or in developing biologicals, including peptide-based biologicals, or alternative technologies that are more effective or less expensive.

#### 1.5 **Intellectual property**

The patent position of agricultural biotechnology companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of the Group's patent rights are highly uncertain. The Group's intellectual property is integral to its business. If it is unable to effectively license and protect its patents and proprietary rights in the United States and other countries, the Group's business could be materially and adversely affected. The Group's success depends in part on its ability to obtain and maintain patent and other proprietary rights protection for its technologies and products globally. The Group's owned and licensed patent portfolio may not provide it with sufficient protection to prevent others from commercializing similar or identical products or otherwise provide it with a competitive advantage, leaving it open to third-party competition. It is also possible that the Group will fail to identify patentable aspects of its research and development output before it is too late to obtain patent protection.

The Group has taken and will take measures to protect its trade secrets and know-how, including the use of non-disclosure and confidentiality agreements with its employees, independent contractors, consultants, advisors, collaborators, outside scientific collaborators and third-party manufacturers. It is possible that these agreements may be breached and that any remedies for a breach will not make the Group whole. The Group also cannot guarantee that other parties will not independently develop its know-how or otherwise obtain access to its technologies. If any of the Group's trade secrets were

to be disclosed to or independently developed by a competitor, or if it otherwise loses protection for its trade secrets or proprietary know-how, the value of this information may be greatly reduced and its business and competitive position could be harmed.

#### **1.6 Regulatory risk**

If the Group is unable to obtain regulatory approvals, or to comply with on-going and changing regulatory requirements, sales of its commercial products could be delayed or prevented or the development of potential products could be impeded. The testing, manufacture, sale and use of biological products are extensively regulated by governmental authorities in the countries in which the Group sells products. The regulatory requirements are complex and vary from country to country. Government decisions may be delayed due to requirements for additional data or internal administrative processes. These regulatory requirements increase the time and cost associated with bringing biological products to market. If the Group does not receive the necessary governmental approvals, or if regulatory authorities revoke its approvals, do not grant approvals in a timely manner or grant approvals subject to restrictions on their use, it may be unable to sell its products in those jurisdictions, which would result in its future revenues being less than anticipated. This could cause the Group to lose sales, incur fines and suffer reputational damage that could materially and adversely affect its results of operations, financial condition and prospects, including its ability to obtain product registrations in the future.

#### **1.7 Currency exchange rate fluctuations and overseas activities**

The Group's results of operations are subject to exchange rate and other currency risks that could adversely impact its results of operations and cash flows. The Group conducts its business in several currencies, with the US dollar being its functional and reporting currency. The Group also generates a significant portion of its revenue in other currencies, including the peso, the pound sterling and other non-dollar currencies. Accordingly, currency exchange rates affect the Group's operating results. The Group is exposed to currency risk from transactions in foreign currencies. The Group is also subject to the risks of currency controls and devaluations. Currency controls may limit its ability to convert currencies into US dollars or other currencies, as needed, or to pay dividends or make other payments from funds held by subsidiaries in the countries imposing such controls, which could materially and adversely affect its liquidity.

#### **1.8 General economic conditions and volatility**

Uncertainty surrounding market conditions may affect the ultimate value of the Company's share price regardless of operating performance.

The Group could also be affected by unforeseen events outside its control, including, natural disasters, terrorist attacks and political unrest and/or government legislation or policy, variations in operating results, announcements of technological innovations or new products and services by the Group or its competitors, changes in financial estimates and recommendations by securities analysts, the share price performance of other companies that investors may deem comparable to the Company, news reports relating to trends in the Group's markets, and other factors outside the Group's control.

Market perception of the Group may change which could impact on the value of investors' holdings and on the ability of the Group to raise funds by an issue of further shares in the Company. Further general economic conditions may affect exchange rates, interest rates and inflation rates. Movements in these rates may have an impact on the Company's cost of raising and maintaining debt financing should it seek to do so in the future. Prospective investors should be aware that the value of the Ordinary Shares could go down as well as up and investors may therefore not recover their original investment especially as the market in the Ordinary Shares may have limited liquidity.

## **2 RISKS RELATING TO THE ORDINARY SHARES**

### **2.1 The market of the Ordinary Shares may fluctuate significantly**

The market price of the Ordinary Shares may, in addition to being affected by the Group's actual or forecast operating results, fluctuate significantly as a result of factors beyond the Group's control, including among others:

- (a) changes in securities analysts' recommendations or the failure to meet the expectations of securities analysts;
- (b) changes in the price of agricultural commodities and the performance of the agricultural industry as a whole and of the Group's competitors;
- (c) fluctuations in stock market prices and volumes, and general market volatility; and
- (d) the introduction of new legislation affecting the biomass energy industry.

Any or all of these events could result in a material decline in the market price of the Ordinary Shares, regardless of the actual performance of the Group. Shareholders should be aware that the value of the Ordinary Shares may go down as well as up and may not reflect the underlying asset values or prospects of the Group.

### **2.2 Future need for access to capital**

Any additional equity financing may be dilutive to Shareholders, and debt financing, if available, may involve restrictions in financing and operating activities. In addition, there can be no assurance that the Group will be able to raise additional funds when needed or that such funds will be available on terms favourable to it. If the Group is unable to obtain additional financing as needed it may be required to reduce the scope of its operations or anticipated expansion or to cease trading.

### **2.3 Investment in publicly quoted securities**

Investment in securities traded on AIM is perceived to involve a higher degree of risk and be less liquid than investment in companies whose securities are listed on the 'Official List' in the UK and traded on the London Stock Exchange's main market for listed securities. An investment in Ordinary Shares traded on AIM may be difficult to realise. Admission to AIM does not guarantee that there will be a liquid market for New Ordinary Shares. An active public market for New Ordinary Shares may not develop or be sustained after Admission and the market price of the Ordinary Shares may fall below the Issue Price. Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may therefore realise less than, or lose all of, their investment.

### **2.4 Potentially volatile share price and liquidity**

The share price of companies quoted on AIM can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price at which investors may realise their investment in the Company may be influenced by a significant number of factors, some specific to the Group and its operations and some which affect quoted companies generally. These factors could include the performance of the Group, large purchases or sales of Ordinary Shares in the Company, legislative changes and general, economic, political or regulatory conditions.

## **PART IV**

### **TAXATION**

The following information is given in summary form and as a general guide only and is based on tax legislation and, where relevant, current HM Revenue & Customs practice, at the date of this document. Such legislation and practice is liable to change (in some cases with retrospective effect). The information relates to the tax position of holders of New Ordinary Shares in the capital of the Company who are resident and domiciled in the United Kingdom for tax purposes.

The statements below do not constitute advice to any Shareholder or potential investor on his or her personal tax position, and may not apply to certain classes of investor (such as persons carrying on a trade in the United Kingdom or holding the shares as trustees, or United Kingdom insurance companies). This summary is not a complete and exhaustive analysis of all the potential UK tax consequences for holders of New Ordinary Shares. Any Shareholder or potential investor should obtain advice from his or her own investment or taxation adviser before subscribing for New Ordinary Shares.

#### **1 INHERITANCE TAX RELIEF**

The Company's shares are treated as unquoted shares for UK inheritance tax (IHT) purposes. Individuals and trustees subject to IHT may be entitled to business property relief of up to 100 per cent. after a holding period of two years, providing all the relevant conditions for the relief are satisfied at the appropriate time.

#### **2 TAXATION OF DIVIDENDS**

##### **2.1 Income tax**

Under current United Kingdom taxation legislation, no withholding tax will be deducted from dividends paid by the Company.

With effect from 6 April 2016, there is no income tax payable in respect of the first £5,000 of dividend income received from all sources in the tax year (although such income would still count towards the basic, higher and additional rate thresholds). For dividends received above £5,000 in a tax year, the dividend income would be taxable at 7.5 per cent., 32.5 per cent. and 38.1 per cent. for basic rate, higher rate and additional rate taxpayers, respectively. Shareholders should therefore seek appropriate tax advice on the level of tax that they may suffer on any dividends paid by the Company.

##### **2.2 Corporation tax**

With certain exceptions for traders in securities, a holder of New Ordinary Shares that is a company resident (for taxation purposes) in the United Kingdom and receives a dividend paid by the Company, should generally not be subject to tax in respect of the dividend.

#### **3 TAXATION OF CHARGEABLE GAINS**

Under current HM Revenue & Customs practice, the subscription by a Shareholder for shares under the Open Offer up to his Basic Entitlement is expected to be treated as a reorganisation of share capital for the purposes of the UK taxation of chargeable gains. To the extent that it is so treated, the shares issued should be treated as acquired at the same time as the Existing Ordinary Shares held by that Shareholder in respect of which the new shares were offered, and the cost of acquisition of the new shares should be pooled with the expenditure allowable on the relevant Existing Ordinary Shares for the purposes of determining the amount of any chargeable gain arising on a subsequent disposal. Any subscription by a shareholder for shares under the Open Offer in excess of his Basic Entitlement should be treated as a new acquisition outside the scope of the rules on reorganisations of share capital. As a matter of UK tax law, the acquisition of Open Offer Shares may not, strictly speaking, constitute a reorganisation of share capital, and there is no guarantee that the HM Revenue & Customs practice mentioned above will be followed, particularly where an open offer is not made to all shareholders.



A UK resident individual shareholder who disposes of, or who is deemed to dispose of, their shares in the Company may be liable to capital gains tax in relation thereto at a flat rate of 10 per cent., of any chargeable gain thereby realised (after taking into account any applicable reliefs and exemptions). To the extent that any chargeable gains or part thereof, aggregated with taxable income arising in a tax year, exceed the upper limit of the basic rate income tax band, capital gains tax will be charged at 20 per cent. In computing the gain, the Shareholder should be entitled to deduct from proceeds the cost to him of the shares (together with incidental costs of acquisition and disposal).

A UK resident corporate shareholder disposing of its shares in the Company may be liable to corporation tax on chargeable gains in relation thereto at the usual rates of corporation tax applicable to it (currently 20 per cent.). In computing the chargeable gain liable to corporation tax the Shareholder should be entitled to deduct from the disposal proceeds, the cost to it of the shares, together with incidental costs of acquisition, as increased by indexation allowance, and disposal costs.

#### **4 STAMP DUTY AND STAMP DUTY RESERVE TAX**

No United Kingdom stamp duty should be payable on the issue by the Company of New Ordinary Shares. No stamp duty or stamp duty reserve tax should be payable on transactions in shares traded on AIM where the shares are not also listed on a recognised stock exchange.

**Shareholders and/or potential investors who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the UK, should immediately consult a suitable professional adviser.**

**Any person who is in any doubt as to his or her tax position or who may be subject to tax in any jurisdiction other than the United Kingdom should consult his or her own professional adviser.**

## PART V

### NOTICE OF GENERAL MEETING

## PLANT HEALTH CARE PLC

*(Incorporated and registered in England and Wales with registered number 05116780)*

**NOTICE IS HEREBY GIVEN** that a General Meeting of Plant Health Care plc (the ‘Company’) will be held at the offices of Michelmores LLP, 12th Floor, 6 New Street Square, London EC4A 3BF at 10.00 a.m. on 16 August 2016 for the purpose of considering and, if thought fit, passing the following Resolutions, of which Resolutions 1 and 2 will be proposed as Ordinary Resolutions and Resolutions 3 and 4 will be proposed as Special Resolutions:

#### ORDINARY RESOLUTIONS

- 1 That the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot ordinary shares in the Company and grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £759,677.96 in connection with the Placing and Open Offer (as such term is defined in the circular to the Company’s shareholders dated 29 July 2016 of which this notice forms part). This authority shall be in substitution for and shall replace any other existing authorities to the extent not utilised prior to the date of this resolution. This authority, unless renewed, extended, varied or revoked by the Company in a general meeting, shall expire 90 days after the date of the passing of this resolution, save that the Company may, prior to the expiry of such period, make an offer or agreement which would or might require shares to be allotted in the Company after such expiry and the directors may allot shares in the Company in pursuance of such offer or agreement notwithstanding the expiry of the authority given by this resolution.
- 2 That, subject to the passing of resolution 1, the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:
  - (a) up to a maximum nominal amount of £492,742.93 (such amount to be reduced by the nominal amount of any shares and rights to subscribe for or convert any security into shares allotted or granted from time to time under (b) below in excess of such sum); and
  - (b) comprising equity securities (as defined in section 560 of the Companies Act 2006) up to an aggregate nominal amount of £985,485.87 (including within such limit any shares and rights to subscribe for or convert any security into shares allotted under paragraph (a) above) in connection with or pursuant to an offer or invitation by way of rights issue in favour of:
    - (i) holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment; and
    - (ii) holders of any other class of equity securities entitled to participate therein or, if the directors consider it necessary, as permitted by the rights of those securities,

but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or any other matter whatsoever.

These authorities are in addition to the authority provided in resolution 1 above (and shall not be reduced by the nominal amounts allotted or granted from time to time under resolution 1 above) but shall be in substitution for and shall replace any other existing authorities to the extent not utilised at the date this resolution is passed and shall expire at the conclusion of the next annual general meeting

of the Company save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and the directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of any such offer or agreement as if the authorities conferred hereby had not expired.

### SPECIAL RESOLUTIONS

- 3 That, subject to the passing of resolution 1, the directors of the Company be and they are hereby empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of the Companies Act 2006) of the Company for cash pursuant to the authority conferred by resolution 1 above as if section 561 of the Companies Act 2006 did not apply to any such allotment. This power, unless renewed, extended, varied or revoked by the Company in general meeting, shall expire 90 days after passing of this resolution save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot the relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
- 4 That, subject to the passing of resolution 2, the directors of the Company be and they are hereby empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of the Companies Act 2006) of the Company for cash pursuant to the authorities conferred by resolution 2 as if section 561 of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to:
- (a) the allotment of equity securities for cash in connection with or pursuant to an offer or invitation (but in the case of the authority granted under resolution 2(b), by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the directors may deem 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
  - (b) the allotment of equity securities for cash in the case of the authority granted under resolution 2(a) above, and otherwise than pursuant to paragraph 4(a) of this resolution, up to an aggregate nominal amount of £147,822.88.

This power shall expire at the conclusion of the next annual general meeting of the Company save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot the relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

Dated: 29 July 2016

By order of the Board

**Christine Mazzone**  
*Company Secretary*

**Notes:**

- 1 Resolutions 1 and 2 are proposed as Ordinary Resolutions. This means that for the Resolutions to be passed, more than half of the votes cast on such Resolutions must be in favour of such Resolutions. Resolutions 3 and 4 are proposed as Special Resolutions. This means that for these Resolutions to be passed, at least three-quarters of the votes cast on such Resolutions must be in favour of such Resolutions.
- 2 A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. If a member appoints more than one proxy in relation to the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by that member. In the event of a conflict between a blank proxy form and a proxy form which states the number of shares to which it applies, the specific proxy form shall be counted first, regardless of whether it was sent or received before or after the blank proxy form, and any remaining shares in respect of which the member is the registered holder will be apportioned to the blank proxy form.
- 3 To appoint as a proxy a person other than the chairman of the meeting, a member must insert the proxy's full name in the box on the proxy form. If a member signs and returns a proxy form with no name inserted in the box, the chairman of the meeting will be deemed to be the member's proxy. Where a member appoints as a proxy someone other than the chairman, the member is responsible for ensuring that the proxy attends the meeting and is aware of the member's voting intentions. If a member wishes a proxy to make any comments on the member's behalf, the member will need to appoint someone other than the chairman and give them the relevant instructions directly.
- 4 A member which is a corporation is entitled to appoint one or more corporate representatives to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member. If a member which is a corporation appoints more than one corporate representative in relation to the meeting, each representative must exercise the rights attached to a different share or shares held by that member. In the case of a member which is a corporation, the proxy form must be executed under the corporation's common seal or signed on its behalf by a duly authorised officer of the corporation or an attorney for the corporation.
- 5 A form of proxy is enclosed. To be valid, the form of proxy (and any power of attorney or other authority (if any) under which it is signed) must be duly completed and signed and deposited at the office of the Company's registrars, Neville Registrars, Neville House, 18 Laurel Lane Halesowen, West Midlands B63 3DA not less than 48 hours (excluding non-working days) before the time for holding the meeting (or any adjourned meeting). Completion of a form of proxy does not preclude a member from attending and voting in person at the meeting if (s)he so wishes.
- 6 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members entered in the Company's register of members at 6.00 p.m. on 12 August 2016 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. Changes in the Company's register of members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting. If the meeting is adjourned, as at 6.00 p.m. on the day two days (excluding non-working days) before the date of the adjourned meeting shall apply for the purpose of determining the entitlement of members to attend and vote at the adjourned meeting.
- 7 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held on 16 August 2016 and any adjournment(s) thereof 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 voting service provider should refer to their CREST sponsors 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 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 Company's agent, Neville Registrars (CREST Participant ID: 7RA11), no later than 48 hours (excluding non-working days) before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- 9 CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland 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, to procure that his CREST sponsor or voting service provider takes) 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 sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 10 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.







