

HIKMA PHARMACEUTICALS PLC

(Incorporated and registered in England and Wales with registered number 5557934)



# NOTICE OF ANNUAL GENERAL MEETING

Friday 19 May 2017 at 10:00 am

**Sofitel St James, 6 Waterloo Place, London, SW1Y 4AN**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Hikma Pharmaceuticals PLC, please forward this document and the accompanying Form of Proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.



# NOTICE OF ANNUAL GENERAL MEETING OF HIKMA PHARMACEUTICALS PLC

Notice is hereby given that the twelfth Annual General Meeting of Hikma Pharmaceuticals PLC (the “**Company**”) will be held at Sofitel St James, 6 Waterloo Place, London, SW1Y 4AN, on Friday 19 May 2017 at 10:00 am to transact the following business:

To consider, and if thought fit to pass, the following resolutions, of which resolutions 1-19 are ordinary resolutions and require a simple majority to be passed. Resolutions 20-23 are special resolutions which require 75 per cent. of votes cast to be passed. A poll will be called on each of the resolutions. Further details are set out in the explanatory notes.

## Resolution 1

To receive the accounts for the financial year ended 31 December 2016, together with the reports of the Directors and auditors thereon.

## Resolution 2

To declare a final dividend on the Ordinary Shares totalling 22 cents per Ordinary Share in respect of the year ended 31 December 2016, payable on 25 May 2017, to shareholders on the register of members at the close of business on 7 April 2017.

## Resolution 3

To re-appoint PricewaterhouseCoopers LLP as auditors of the Company.

## Resolution 4

To authorise the Audit Committee to determine the auditors’ remuneration.

## Resolution 5

To elect Nina Henderson as a director of the Company.

## Resolution 6

To re-elect Said Darwazah as a director of the Company.

## Resolution 7

To re-elect Mazen Darwazah as a director of the Company.

## Resolution 8

To re-elect Robert Pickering as a director of the Company.

## Resolution 9

To re-elect Ali Al-Husry as a director of the Company.

## Resolution 10

To re-elect Dr. Ronald Goode as a director of the Company.

## Resolution 11

To re-elect Patrick Butler as a director of the Company.

## Resolution 12

To re-elect Dr. Jochen Gann as a director of the Company.

## Resolution 13

To re-elect John Castellani as a director of the Company.

## Resolution 14

To re-elect Dr. Pamela Kirby as a director of the Company.

## Resolution 15

To approve the director’s remuneration policy, as set out on pages 109-118 of the annual report and accounts for the year ended 31 December 2016.

## Resolution 16

To receive and approve the Remuneration Committee Report for the financial year ended 31 December 2016.

## Resolution 17

To approve the extension of the effective period of the Executive Incentive Plan (the “**EIP**”), which was approved at the 2014 Annual General Meeting, from a five-year period to a ten-year period.

## Resolution 18

To approve the increase of the aggregate Directors’ fees limit from £1,000,000 to £1,500,000 per annum, for the purpose of and in accordance with clause 90 of the Company’s articles of association.

## Resolution 19

That the Directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “**Act**”), to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares in the Company:

- a. up to an aggregate nominal amount of £7,999,293 (such amount to be reduced by any allotments or grants made under paragraph (b) below in excess of such sum); and

- b. comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal of £15,998,587 (such amount to be reduced by any allotments or grants made under (a) above) in connection with or pursuant to an offer or invitation by way of a rights issue:

- i. in favour of holders of Ordinary Shares in proportion (as nearly as practicable) to their existing holdings; and
- ii. to holders of other equity securities, as required by the rights of those securities or as the Directors otherwise consider it necessary,

but subject to such limits, restrictions 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,

such authority to apply until the conclusion of the next Annual General Meeting of the Company (or, if earlier, at the close of business on 30 June 2018), save that the Company may during this period make any offer or enter into any agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted, after the authority ends and the Directors may allot shares, or grant rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authority conferred hereby had not ended.

## Resolution 20

That if Resolution 19 is passed, the Directors be given the power to:

- a. allot equity securities (as defined in section 560 of the Act) of the Company for cash under the authority conferred by that resolution; and/or
- b. sell Ordinary Shares held by the Company as treasury shares for cash,

as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited:

- i. to the allotment of equity securities and the sale of treasury shares in connection with or pursuant to an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 19 above, by way of a rights issue only);
- a. to holders of Ordinary Shares in proportion (as nearly as practicable) to their existing holdings; and
- b. to holders of other equity securities, as required by the rights of those securities or as the Directors otherwise consider it necessary, but subject to such limits, restrictions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory or any other matter whatsoever, and
  - ii. in the case of the authority granted under paragraph (a) of Resolution 19 and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (i) above) up to a nominal amount of £1,199,894

such power to apply until the conclusion of the next Annual General Meeting of the Company (or, if earlier, at the close of business on 30 June 2018), save that, in each case, the Company may during this period make any offer or enter into any agreement which would or might require equity securities to be allotted, or treasury shares to be sold, after the power ends and the Directors may allot equity securities, or sell treasury shares, in pursuance of any such offer or agreement as if the power conferred hereby had not ended.

### Resolution 21

That, if Resolution 19 is passed, the Directors be given the power in addition to any power granted under Resolution 20 to:

- a. allot equity securities (as defined in section 560 of the Act) of the Company for cash under the authority granted under paragraph (a) of resolution 19; and/or
- b. sell Ordinary Shares held by the Company as treasury shares for cash,

as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be:

- i. limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £1,199,894; and
- ii. used only for the purposes of financing a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles most recently published by the Pre-Emption Group prior to the date of this Notice or for the purposes of refinancing such a transaction within six months of its taking place,

such power to apply until the conclusion of the next Annual General Meeting of the Company (or, if earlier, at the close of business on 30 June 2018), save that, in each case, the Company may during this period make any offer or enter into any agreement which would or might require equity securities to be allotted, or treasury shares to be sold, after the power ends and the Directors may allot equity securities, or sell treasury shares, in pursuance of any such offer or agreement as if the power conferred hereby had not ended.

### Resolution 22

That the Company is generally and unconditionally authorised for the purposes of section 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) of any of its Ordinary Shares on such terms and in such manner as the Directors may from time to time determine, provided that:

- a. the maximum number of Ordinary Shares which may be purchased is 23,997,880;
- b. the minimum price which may be paid for each Ordinary Share is 10 pence which amount shall be exclusive of expenses, if any;
- c. the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the highest of:
  - i. an amount equal to 5 per cent. above the average market value of an Ordinary Share for the five business days immediately preceding the day on which that Ordinary Share is contracted to be purchased; and

- ii. the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out at the relevant time;
- d. unless previously renewed, revoked or varied, this authority shall expire at the conclusion of the Annual General Meeting to be held in 2018 (or, if earlier 30 June 2018); and
- e. under this authority the Company may enter into a contract to purchase Ordinary Shares which would or might be executed wholly or partly after the expiry of this authority, and the Company may make purchases of Ordinary Shares pursuant to any such contract as if this authority had not expired.

### Resolution 23

That a general meeting of Shareholders of the Company other than an Annual General Meeting may be called on not less than 14 clear days' notice.

*By order of the Board*



Peter A Speirs  
Company Secretary  
7 April 2017

Registered Office:  
13 Hanover Square  
London  
W1S 1HW  
United Kingdom

Registered in England and Wales  
No. 5557934

## Explanatory Notes

### Resolution 1: Reports and accounts

This resolution is to receive the Company's accounts and the reports of the Directors and auditors for the financial year ended 31 December 2016.

### Resolution 2: Dividend

This resolution is to approve the payment of a final dividend of 22 cents per share (approximately 18 pence) (2015: 21 Cents) for the year ended 31 December 2016. The proposed dividend will be paid on 25 May 2017 to all Shareholders on the register of Members at the close of business on 7 April 2017.

Shareholders may elect to receive dividends in Pounds Sterling or Jordanian Dinar. If you have previously made a currency election, the most recent election will continue to apply. In the absence of an election form, the default position is to receive your dividend in Jordanian Dinar if you are located in Jordan and US dollars if you are located elsewhere in the world. If you wish to change the currency in which your dividend is paid, please contact the Registrar informing them of your currency selection at:

Capita Asset Services  
The Registry  
34 Beckenham Road  
Beckenham  
Kent  
BR3 4TU  
United Kingdom

Or by telephoning a representative on:

Tel: 0871 664 0300 (from within the UK)  
Tel: +44 371 664 0300 (from outside the UK)

Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9:00am – 5:30pm, Monday to Friday excluding public holidays in England and Wales.

Fax: +44 1484 600 911  
E-mail: [shareholder.services@capitaregistrars.com](mailto:shareholder.services@capitaregistrars.com)

All CREST holders will be able to select the currency of their choice via a dividend election input message in accordance with the procedure set out in the CREST Reference Manual. A Euroclear Corporate Actions bulletin will be issued in due course.

### Resolution 3 to 4: Re-appointment and remuneration of auditors

Resolution 3 is to re-appoint PricewaterhouseCoopers LLP as auditors of the Company, to hold office from the end of this Annual General Meeting to the end of the next Annual General Meeting at which accounts are laid before the Shareholders.

Resolution 4 is to authorise the fixing of the remuneration of the auditors. The Audit Committee will consider and approve the audit fees on behalf of the Board.

### Resolution 5: Election of Directors

Resolution 5 is to elect Nina Henderson as a director of the company. Nina was selected by the Nomination and Governance Committee, following an extensive search and is an excellent addition to the Board, Audit, Remuneration and Nomination and Governance Committees. Nina brings a wealth of international manufacturing and distribution experience, cultivated from her international appointments including Bestfoods, IWG plc (formerly Regus plc) and Royal Dutch Shell plc. A summary of Nina's experience is set out on page 73 of the annual report and accounts for the year ended 31 December 2016 which accompanies this document.

### Resolutions 6 to 14: Re-election of Directors

The directors included in these resolutions are standing for re-election, in accordance with the Company policy and in line with Section B.7.1 of the UK Corporate Governance Code which states that all directors of FTSE 350 companies should be subject to annual election by shareholders. A summary of the experiences of all the Directors are set out on pages 70-73 of the annual report and accounts for the year ended 31 December 2016 which accompanies this document.

In reviewing the independence of each Non-Executive Director, the Board has concluded that all Non-Executive Directors with the exception of Dr. Jochen Gann and Ali Al-Husry are independent.

In addition, the Board has appraised the performances of each of the Directors and considered the balance of skills and experience required. The Board has determined that they each continue to make an effective and valuable contribution to the Board and fully supports each re-election.

### Resolution 15: Remuneration Policy 2016

The Company is required to seek Shareholders' approval of its policy on remuneration of directors (the "**Directors' Remuneration Policy**") set out on pages 109-118 of the annual report and accounts for the year ended 31 December 2016. The vote is binding.

The Directors' Remuneration Policy, if approved, will take effect from the conclusion of the AGM and will apply until replaced by a new or amended policy. Once the policy is effective, the Company will not be able to make remuneration payments to a director, or loss of office payments to a current or past director, unless the payment is consistent with the approved policy or has been otherwise approved by Shareholders.

If the Directors' Remuneration Policy is not approved by the Shareholders for any reason, the Company will, if and to the extent permitted to do so under the Act, continue to make payments to directors in accordance with the Company's existing policy on directors' remuneration and will seek Shareholder approval for a revised policy as soon as practicable. The Directors' Remuneration Policy must be submitted to Shareholders for approval at least every three years and the Company's next policy on directors' remuneration will be submitted no later than the 2020 AGM.

### Resolution 16: Remuneration Committee Report 2016

The Company is required to seek Shareholders' approval in respect of the contents of the Remuneration Committee Report on an annual basis (excluding the part containing the Directors' Remuneration Policy, which is dealt with in Resolution 15). The vote is advisory.

The Remuneration Committee Report is detailed on pages 104-135 of the annual report and accounts for the year ended 31 December 2016, which accompanies this document.

### Resolution 17: Extension of the Executive Incentive Plan

This resolution is to approve the extension of the effective period of the EIP, which was approved at the 2014 AGM, from a five-year period to a ten-year period. If approved, the EIP will expire in 2024. Copies of the EIP rules are available on request from the Company Secretary.

### Resolution 18: Directors' Fees

This resolution is to approve the increase of the Directors' aggregate fee limit from £1,000,000 to £1,500,000 per annum, for the purpose of and in accordance with clause 90 of the Company's articles of association. The Board recommends this increase in light of succession planning arrangements and the increasing scope of the Directors responsibilities.

### Resolution 19: Authority to Allot Ordinary Shares

Your Directors may only allot Ordinary Shares or grant rights over Ordinary Shares if authorised to do so by Shareholders. The authority granted at the Annual General Meeting held in 2016 is due to expire at this year's Annual General Meeting. Accordingly, Resolution 19 will be proposed as an Ordinary Resolution to grant a new authority to allot share capital. Paragraph (a) of this resolution would give the Directors the authority to allot Ordinary Shares or grant rights to subscribe for or convert any securities into Ordinary Shares up to an aggregate nominal amount equal to £7,999,293 (representing 79,992,930 Ordinary Shares). This amount represents approximately one-third of the issued Ordinary Share capital of the Company as at 6 April 2017, the latest practicable date prior to publication of this Notice.

In line with guidance issued by the Investment Association ("IA"), paragraph (b) of this resolution would give the Directors authority to allot equity securities (as defined in the Act and which includes Ordinary Shares) in connection with a rights issue in favour of Ordinary Shareholders up to an aggregate nominal amount equal to £15,998,587 (representing 159,985,870 Ordinary Shares), as reduced by the nominal amount of any Ordinary Shares previously issued under paragraph (a) of this resolution. This amount (before any reduction) represents approximately two-thirds of the issued Ordinary Share capital of the Company as at 6 April 2017, the latest practicable date prior to publication of this Notice. If the Directors were to exercise this further authority, they intend to follow the recommendations of the IA as regards to its use.

The authorities sought under paragraphs (a) and (b) of this resolution will expire at the earlier of 30 June 2018 (the last date by which the Company must hold an Annual General Meeting in 2018) or the conclusion of the Annual General Meeting of the Company to be held in 2018.

In the year ahead, other than in respect of the Company's obligations to satisfy rights granted to employees under its various share-based incentive arrangements, the Directors have no present intention of exercising this authority.

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

### Resolution 20 and 21: Authority to Disapply Pre-emption rights

Your Directors also require authority from Shareholders to allot Ordinary Shares or grant rights over Ordinary Shares or sell treasury shares where they propose to do so for cash and otherwise than to existing Shareholders pro rata to their existing shareholdings.

The authority granted at the Annual General Meeting in 2016 is due to expire at this year's Annual General Meeting. Resolutions 20 and 21 will be proposed as special resolutions, each of which requires a 75 per cent. majority of the votes to be cast in favour. They would give the Directors the authority to allot equity securities (and/or sell any Ordinary Shares which the Company elects to hold in treasury) for cash without first offering them to existing Shareholders in proportion to their existing shareholdings.

The power set out in Resolution 20 would be, similar to previous years, limited to: (a) allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares, or as the Directors otherwise consider necessary, or (b) otherwise up to an aggregate nominal amount of £1,199,894 (representing 11,998,940 Ordinary Shares). This aggregate nominal amount represents approximately 5% of the issued Ordinary Share capital of the Company as at 6 April 2017, the latest practicable date prior to publication of this Notice.

In respect of the power under Resolution 20(ii), the Directors confirm their intention to follow the provisions of the Statement of Principles regarding cumulative usage of authorities within a rolling 3-year period where the Statement of Principles provides that usage in excess of 7.5% of the issued Ordinary Share capital of the Company should not take place without prior consultation with Shareholders.

Resolution 21 is intended to give the Company flexibility to make non pre-emptive issues of Ordinary Shares in connection with acquisitions and other capital investments as contemplated by the Statement of Principles. The power under Resolution 21 is in addition to that proposed by Resolution 20 and would be limited to allotments or sales of up to an aggregate nominal amount of £1,199,894 (representing 11,998,940 Ordinary Shares) in addition to the power set out in Resolution 20. This aggregate nominal amount represents an additional 5% of the issued Ordinary Share capital of the Company as at 6 April 2017, the latest practicable date prior to publication of this Notice.

The authority will expire at the earlier of 30 June 2018 (the last date by which the Company must hold an Annual General Meeting in 2018) or the conclusion of Annual General Meeting of the Company to be held in 2018.

### Resolution 22: Authority to Purchase Ordinary Shares

This resolution will give the Company authority to purchase its own Ordinary Shares in the market up to a limit of up to 23,997,880 Ordinary Shares, being 10 per cent. of the Company's issued Ordinary Shares as at 6 April 2017 (the latest practicable date prior to the posting of this document), renewing the authority granted by the Shareholders at the previous Annual General Meeting. The Company has not used the authority granted at the previous Annual General Meeting to carry out any market purchases of Ordinary Shares.

The Directors have no present intention of exercising the authority, however, your Directors believe that it is advantageous for the Company to have the flexibility to make market purchases of its Ordinary Shares. Your Directors would exercise this authority only if they are satisfied that it would be in the best interests of the Company, and of its Shareholders generally, and could be expected to result in an increase in the earnings per share of the Company.

Ordinary Shares purchased pursuant to this authority may be cancelled (and the number of Ordinary Shares in issue would be reduced accordingly) or, subject to the provisions of Chapter 6 of Part 18 of the Act, be retained as treasury shares. The Company will consider holding re-purchased Ordinary Shares pursuant to the authority conferred by this Resolution as treasury shares (the Company currently has no Ordinary Shares in treasury). This would give the Company the ability to re-issue treasury shares quickly and cost effectively, and would provide the Company with additional flexibility in the management of its capital base. Any holdings of treasury shares will not exceed the 10 per cent. anti-dilution limit set by the IA.

## Explanatory Notes continued

The minimum price, exclusive of expenses, which may be paid for an Ordinary Share is 10 pence. The maximum price, exclusive of expenses, which may be paid for an Ordinary Share is the highest of: (i) an amount equal to 5% above the average market value for an Ordinary Share for the five business days immediately preceding the day on which that Ordinary Share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out at the relevant time.

As at 6 April 2017, the total number of options and awards over Ordinary Shares was 1,793,697 which if exercised would represent 0.75 per cent. of the Company's issued share capital at that date. If the Company was to purchase its own Ordinary Shares to the fullest possible extent of its authority from Shareholders given at the 2016 AGM and the authority now being sought by Resolution 22, this number of outstanding options and awards could potentially represent 0.83 per cent. of the issued share capital of the Company.

This authority is in addition to and separate from the specific authority granted by Shareholders at the General Meeting on 19 February 2016 whereby, pursuant to the shareholders' agreement between the Company, Boehringer Ingelheim International GmbH ("BI") and Boehringer Ingelheim Corporation, Shareholders authorised the off market purchase of all or part of any Ordinary Shares held by BI or its affiliates from time to time and that BI or its affiliates propose to dispose of from time to time, being up to 40,000,000 Ordinary Shares as at completion of the acquisition.

If granted, the authority will expire at the earlier of 30 June 2018 (the last date by which the Company must hold an Annual General Meeting in 2018) or the conclusion of the Annual General Meeting of the Company to be held in 2018.

### Resolution 23: Notice of General Meetings

This resolution authorises a reduction in the minimum notice period for general meetings, other than Annual General Meetings. Whilst the Company's articles of association already provide for a minimum notice period of 14 clear days for General Meetings, the Act (as amended by the Shareholders' Rights Regulations) requires that the Company requests Shareholders to authorise this minimum notice period at every Annual General Meeting in order to be able to take advantage of this provision. In 2016, the Shareholders voted in favour of allowing the Company to call general meetings (other than an AGM) on 14 clear days' notice. Whilst the Board considers that it is unlikely to use this authority, the Company would like to preserve the flexibility to do so. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The Company will meet the requirements for electronic voting under the Act (as amended by the Shareholders' Rights Regulations) before it will call a general meeting on 14 clear days' notice.

### RECOMMENDATION

Your Directors as a whole believe that the proposals above are most likely to promote the success of the Company for the benefit of Shareholders as a whole and unanimously recommend that you vote in favour of Resolutions 1 to 23 as they intend to do in respect of their entire holdings which effectively amount to 28,061,586 Ordinary Shares, representing approximately 11.7 per cent. of the Company's issued share capital. Further details of directors' shareholdings, including those effectively owned through Darhold Limited, can be found in the 2016 Annual Report on page 131.

### PROXY FORM

A Form of Proxy for the Annual General Meeting is enclosed and should be completed and returned as soon as possible. To be valid, it must reach the Company's registrars, Capita Asset Services, no later than 48 hours before the meeting, being 10:00 am on 19 May 2017. Completion and return of the Form of Proxy will not prevent you from attending and voting at the Annual General Meeting in person, should you so wish.

## Notes to Shareholders

### Right to attend and vote

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 (SI 2001 No 3755), the Company specifies that, in order to have the right to attend and vote at the meeting (and also for the purpose of calculating how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Ordinary Shares of the Company by no later than the close of business on 17 May 2017 or, if the meeting is adjourned, a person must be entered on the register of members of the Ordinary Shares of the Company by no later than the close of business two days prior to the adjourned meeting. Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

### Proxies

2. A member entitled to attend and vote may appoint a proxy or proxies who need not be a member of the Company to attend, to speak and to vote at the Annual General Meeting instead of him or her. A Form of Proxy for the Annual General Meeting is enclosed and should be completed and returned as soon as possible. To be valid, it must reach the Company's registrars, Capita Asset Services, at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU by post or by using the Business Reply service attached to this form or at the electronic address provided below, in each case no later than 48 hours before the meeting. Therefore, please deposit your form before 10:00 am on 17 May 2017. Completion of a Form of Proxy will not preclude a member from attending and voting in person at the meeting should he or she so wish. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A proxy need not be a member of the Company.

### Electronic proxies

3. Alternatively, you may register your proxy appointment and instructions on-line by visiting the Capita Share Portal, by logging onto [www.hikmashares.com](http://www.hikmashares.com), where full instructions are given. In order to register your vote on-line you will need to enter your Investor Code which appears on the bottom right-hand side of your share certificate.

### Directors' service contracts

4. Copies of the Executive Directors' service contracts and the Non-Executive Directors' letters of appointment are available for inspection at the Company's registered office, from the date of this notice until the date of the meeting, between 9:00 am and 5:00 pm Monday to Friday (except public holidays). You can also inspect copies of these documents at the AGM venue; they will be available from 15 minutes before the meeting to 15 minutes after the meeting.

### CREST electronic proxies

5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for this Annual General Meeting 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(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via <https://my.euroclear.com/en/login>). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to

be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 10:00 am on 17 May 2017. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & 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(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Appointing a proxy will not prevent a member from attending in person and voting at the meeting should he or she so wish.

### Joint Holders

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

## Notes to Shareholders continued

### Appointing a corporate representative

7. Any corporation which is a member can appoint one or more corporate representatives. Each representative may exercise on behalf of the corporation the same powers as the corporation could exercise if it were an individual member of the Company provided that they do not do so in relation to the same Ordinary Shares. It is therefore no longer necessary to nominate a designated corporate representative.

### Nominated Persons

8. Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a “**Nominated Person**”) may have a right, under an agreement between him/her and the member by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements. The statement of the rights of the members in relation to the right to vote and the appointment of corporate representatives and proxies set out in paragraphs 1 to 7 above, does not apply to Nominated Persons. Those rights can only be exercised by Shareholders of the Company.

### Voting Rights

9. As at 6 April 2017 (being the last business day prior to publication of this Notice) the Company's issued share capital consists of 239,978,804 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 6 April 2017 are 239,978,804. There are no shares held in treasury.

### Website publication of audit concerns

10. Shareholders should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the Act, the Company may be required to publish on a website a statement setting out any matter relating to:
  - i. the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or
  - ii. any circumstance connected with an auditor of the Company appointed ceasing to hold office since the previous meeting at which annual accounts and reports were laid (in each case) that the members propose to raise at the Annual General Meeting.

The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

### Website

11. A copy of this Notice, and other information required by section 311A of the Act, can be found at [www.hikma.com](http://www.hikma.com)

**You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this Notice (or in any related documents including the annual report and accounts and the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.**



## At the AGM

### Voting

Voting on the Resolutions will be decided by poll. The Chairman will invite each registered Shareholder, duly appointed proxy and corporate representative at the meeting to complete a poll card indicating how they wish to cast their votes in respect of each Resolution. In addition, the Chairman will cast the votes for which he has been appointed as proxy. The proxy votes lodged in advance will be displayed at the meeting. Poll cards will be collected at the end of the meeting. Once the final results of the poll have been verified by the Company's registrars, they will be notified to the UK Listing Authority, announced through a Regulatory Information Service and available to view on the Company's website.

### Shareholders' rights to ask questions

Any member attending the Annual General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

If you are a Shareholder who is unable to attend the Meeting, but have a specific question you would like to ask at the Meeting relating to the business being dealt with at the Meeting, you are invited to send the Company Secretary an email at [cosec@hikma.uk.com](mailto:cosec@hikma.uk.com) or write to him at the registered address.

### Documents available for inspection

Copies of:

- this Notice;
- the Form of Proxy;
- the letters of appointments, service agreements, deeds of indemnity of all Directors; and
- the annual Reports and Accounts for the year ended 31 December 2016; and
- the full text of the EIP (including the proposed amendment),

are available for inspection at Hikma's registered office during normal business hours from the date of this Notice until the date of the Annual General Meeting (Saturdays, Sundays and public holidays excepted) and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and after the meeting.

### Schedule and directions

The schedule and directions to the AGM, including a map can be found on the back cover of this document.

## Definitions

### **Act**

The companies Act 2006

### **Annual General Meeting or AGM**

An annual general meeting of the Company, including any adjourned meeting.

### **BI**

Boehringer Ingelheim International GmbH

### **Cents**

Cents of the United States Dollar.

### **Company**

Hikma Pharmaceuticals PLC.

### **CREST**

The trade settlement system of the Central Securities Depository.

### **CREST Proxy Instruction**

a proxy appointment or instruction made using a message sent via CREST.

### **CREST Reference Manual**

A reference manual for the users of CREST as provided by Euroclear UK & Ireland Limited.

### **Directors or Board**

The directors of the Company.

### **Directors' Remuneration Policy**

The Company's policy on remuneration of directors as set out in the Remuneration Committee Report.

### **EIP**

The Company's Executive Incentive Plan approved by shareholders at the 2014 Annual General Meeting.

### **Form of Proxy**

The form of proxy accompanying this document for use by Shareholders in connection with the AGM.

### **IA**

The Investment Association.

### **Nominated Person**

A person nominated under section 146 of the Act to enjoy information rights.

### **Non-Executive Directors**

Michael Ashton, Dr. Ronald Goode, Ali Al-Husry, Robert Pickering, Patrick Butler, Dr. Pamela Kirby, Dr. Jochen Gann, John Castellani and Nina Henderson.

### **Notice**

The notice to Shareholders of Hikma's Annual General Meeting.

### **Ordinary Shares**

Ordinary shares of 10p each in the capital of the Company.

### **Registrar**

Capita Asset Services whose registered office is at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

### **Remuneration Committee Report**

The report as prepared by the remuneration committee of the Company in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013.

### **Shareholders**

Holders of Ordinary Shares.

### **Shareholders' Rights Regulations**

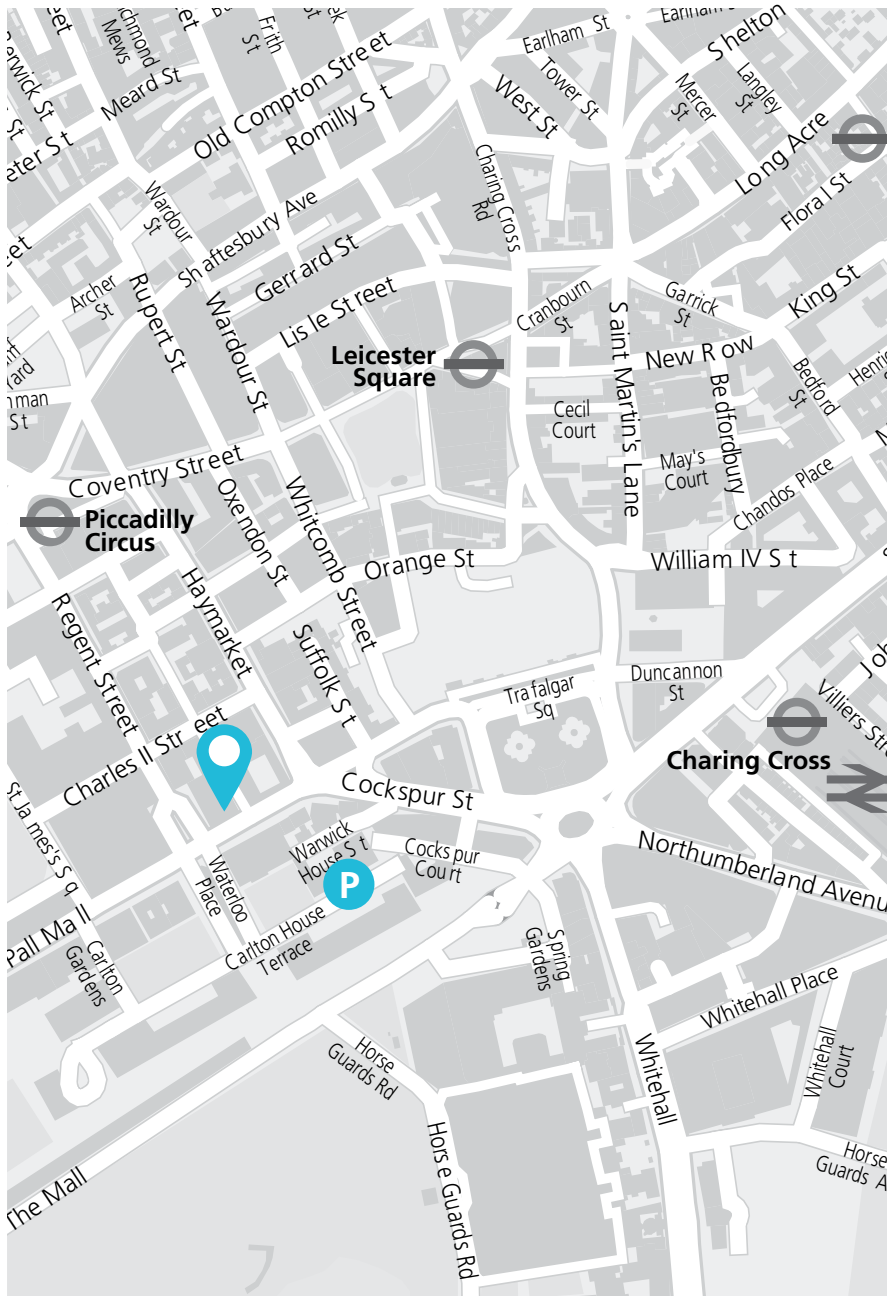
the Companies (Shareholders' Rights) Regulations 2009.

### **Statement of Principles**

The Statement of Principles of Disapplying Pre-Emption Rights, as published by the Pre-Emption Group.

## Directions to the Annual General Meeting

### How to get there



### AGM schedule

#### Venue

Sofitel St James, 6 Waterloo Place, London SW1Y 4AN

#### Timings

##### 9:30 am

Doors open, registration begins, tea and coffee available. Opportunity to register questions with the Company Secretary

##### 9:50 am

Attendees to be seated

##### 10:00 am

AGM begins

##### 10:30 am

Expected closing

##### 3:00 pm

Expected release of final AGM results on the Hikma website

### YOUR JOURNEY

From Piccadilly Circus Station:

Walk west on Coventry St/A4 towards Shaftesbury Ave/A401 then turn left onto A4. Turn left onto Regent Street and then bear left to stay on Regent Street. Continue onto Waterloo Place and the AGM venue will be on the left.

From Charing Cross Station:

Walk north-west and then turn left towards Strand/A4. Turn right towards Strand/A4 and then turn left onto Strand/A4. Continue to follow A4, bear left onto Pall Mall E/A4 Turn right onto Waterloo Place and the AGM venue will be on the right.

Taxi:

The Hotel forecourt can be used for drop-off and pick-ups.



Hikma Pharmaceuticals PLC

[www.hikma.com](http://www.hikma.com)