
Summit Therapeutics PLC

(Incorporated and registered in England and Wales under number 05197494)

AIM Delisting: Frequently Asked Questions

AIM DELISTING – FREQUENTLY ASKED QUESTIONS:

On 6 December 2019, Summit Therapeutics PLC (the “**Company**” or “**Summit**”) announced a proposal for the cancellation to trading on AIM of the Company’s Ordinary Shares in connection with a proposed equity fundraising (the “**AIM Delisting**”). The AIM Delisting was approved by the Company’s shareholders following the passing of all of the resolutions proposed at a general meeting of the Company held on 23 December 2019. It is expected that the final day of trading of the Ordinary Shares on AIM will be 21 February 2020 with trading on AIM ceasing at 7.00 am on 24 February 2020.

This document contains some frequently asked questions for holders of Ordinary Shares and holders of Summit’s American Depositary Shares (“**ADSs**”) related to the AIM Delisting.

Existing holders of ADSs do not need to take any action as a result of the AIM Delisting.

- Brokers seeking further information should contact the Company’s depositary bank, Bank of New York Mellon, by email at crest.settlements@bnymellon.com.
- Further information is also available in the ‘Investors’ section of Summit’s website at: www.summitplc.com.

I already hold Summit’s ADSs – Am I affected by the AIM Delisting?

Summit’s Nasdaq listed ADSs will continue to trade as normal. Existing holders of ADSs do not need to take any action in connection with the AIM Delisting.

How does the price of Summit’s Nasdaq listed ADSs compare to the price of an Ordinary Share on AIM?

Summit currently maintains a listing of its ADSs on the Nasdaq Stock Market. Each ADS is a financial instrument that represents five Ordinary Shares. The price of each ADS is expressed in US dollars, and is linked to the value of the five Ordinary Shares that it represents.

As part of the AIM Delisting, the Company is providing holders of Ordinary Shares with the option of converting such Ordinary Shares into ADSs (see below). Once Ordinary Shares are converted into ADSs, the investment will be US dollar denominated instead of pounds sterling denominated. This means that when valued in pounds sterling, its value will fluctuate on a day-to-day basis in line with movements in £:US\$ exchange rate.

Once the AIM Delisting takes effect, there will no longer be a published price for an individual Ordinary Share. It will, however, always be possible to calculate the value of an individual Ordinary Share in pounds sterling by taking the Nasdaq ADS market price, dividing by five and dividing by the US dollar to pounds sterling exchange rate. In addition, the price of an Ordinary Share will no longer be published in UK newspapers or online. However, the Nasdaq ADS share price is, and will continue to be available via Summit’s website at www.summitplc.com or otherwise may be found online on a broad range of financial websites.

Do I need to sell my AIM quoted Ordinary Shares or must I convert them into Summit’s Nasdaq listed ADSs?

Holders of Ordinary Shares now have three options:

1. *You may convert your Ordinary Shares into ADSs tradeable on Nasdaq*

The process for converting your Ordinary Shares is set out in the following pages. If your investment is currently managed by a broker, your broker will be able to manage the conversion process for you in accordance with the process set out on Appendix A.

If you wish to continue to hold your investment directly, without engaging the services of a broker, it is possible for ADSs to be held on the books of DR Registrar in Direct Registration Form, which is electronic. If a shareholder wishes to receive ADSs in this form, they should indicate this using Appendix A.

2. *You may choose to continue to hold your Ordinary Shares*
Ordinary Shares will continue to be a valid equity interest in the Company with full rights, as currently enjoyed by holders of Ordinary Shares, including voting and dividend rights. The only change following the AIM Delisting is that the Ordinary Shares will no longer be publicly tradeable.
3. *You may choose to sell your AIM quoted Ordinary Shares prior to the AIM Delisting becoming effective and, if you wish maintain an equity interest in Summit, you could choose to reinvest in Summit by buying Nasdaq listed ADSs (Nasdaq ticker: SMMT)*

Can I continue to hold Ordinary Shares after the AIM Delisting?

Should you wish to do so, it will be possible to continue to hold Ordinary Shares after the AIM Delisting. However, Shareholders should be aware that the Ordinary Shares will not be admitted to trading on any public market and will therefore be illiquid. Should you wish to sell your Ordinary Shares following the AIM Delisting becoming effective, you will likely be required to first convert such Ordinary Shares into ADSs via the Company's depository bank and any sale of such converted ADSs will likely need to be via a broker with US share trading capability. Please note that a conversion of Ordinary Shares into ADSs following the AIM Delisting becoming effective may incur UK stamp duty or stamp duty reserve tax (the rate of which is currently 1.5 per cent. of the market value of the shares converted), although in all cases professional advice should be sought as to the applicable tax treatment. Fees of up to US\$0.05 per ADS may also be levied by Bank of New York Mellon upon such conversion (although the bank has confirmed that no such fee will be applied on any conversion of Ordinary Shares into ADSs from the date of this document until (and including) 21 February 2020).

The timescale for conversion of an Ordinary Share via a broker into ADSs should typically be four to five business days, although the timescale will be dependent (amongst other things) upon prompt action by your broker.

How do I buy and sell Summit's Nasdaq listed ADSs?

The majority of brokers have the capability to hold US exchange-listed securities and are capable of buying and selling them for you. A small annual holding cost, currently US\$0.01 per ADS per annum, is levied by the Company's depository bank and brokers may also charge a small annual fee for holding a US security on your behalf.

Should you wish to increase your holding in the Company, you should be able to purchase further ADSs via your broker. You will need to instruct your broker to purchase Summit ADSs (Nasdaq Ticker: SMMT).

If you wish to continue to hold your investment in the Company directly, without engaging the services of a broker, it is possible for ADSs to be held on the books of DR Registrar in Direct Registration Form, which is electronic. If a shareholder wishes to receive ADSs in this form then they should indicate this using the form in Appendix A.

Will the AIM Delisting affect my rights as a Shareholder?

As a company incorporated in England and Wales, Summit will continue to be subject to the requirements of the Companies Act 2006.

Following the AIM Delisting taking effect, the Takeover Panel has confirmed that, from 24 February 2020, the Company will no longer be subject to the City Code on Takeovers and Mergers (the "**Code**"). Accordingly, after that date, shareholders will not receive the protections afforded by the Code in the event that there is a subsequent offer to acquire their shares in the Company.

Following the AIM Delisting, the Company will also no longer be subject to the AIM Rules for Companies. The Company will, however, continue to comply with all regulatory requirements for the Nasdaq listing of its ADSs, including all applicable rules and regulations of the US Securities and Exchange Commission.

Shareholders who continue to hold Ordinary Shares will continue to be notified in writing of the availability of key documents on our website, including publication of Annual Reports and Annual General Meeting

documentation. Holders of ADSs will be able to continue to access all such information via the Summit website.

Holders of Ordinary Shares and ADSs will both be eligible to receive any future dividends that may be declared.

I currently hold my Ordinary Shares in the form of a paper certificate – how does the AIM Delisting affect me?

For those shareholders who hold their Ordinary Shares in certificated form, the AIM Delisting will have little immediate effect. Shares in certificated form are not currently immediately tradeable as, in order to sell them, the share certificates need to be deposited with a broker and “dematerialised” so that they are held in electronic form in CREST. Only when the Ordinary Shares have been converted into electronic form can they then be traded.

If you choose to retain your Ordinary Shares in certificated form, in order to sell them, you will need to convert them into ADS form via a broker. Your broker will need to contact Summit’s depository bank (via the process set out on Appendix A at the end of this Q&A) in order for your Ordinary Shares to be converted into ADSs and credited to the account held by your broker. Upon receiving instructions to do so, your broker would then sell your ADSs via Nasdaq and would remit the proceeds to your personal account.

I want to convert to ADSs but do not want to engage a broker at this time – how do I do this?

Should you wish to retain a direct investment in Summit without retaining the services of a broker to hold your investment, you can elect to deal directly with Bank of New York Mellon to convert your Ordinary Shares to ADSs. These ADSs will then be held on the books of the DR Registrar in Direct Registration Form which is electronic. If a shareholder wishes to receive ADSs in this form they should indicate this using the form in Appendix A.

My broker currently holds my Ordinary Shares within a CREST nominee account – how will this affect my shareholding?

Most UK brokers have the ability to hold and trade Nasdaq-listed securities. In order to continue holding a form of security in the Company that is readily tradeable, you should contact your broker to request that Ordinary Shares are converted into ADSs by following the process set out on Appendix A to this document. Your broker will provide Bank of New York Mellon with certain details by email in relation to the conversion and will then transmit your Ordinary Shares electronically to Bank of New York Mellon’s CREST account.

Is there a cost to convert and hold my Summit investment in the form of ADSs?

Bank of New York Mellon has agreed to waive the cost to shareholders of converting their Ordinary Shares into ADSs from the date of this document until the final day of trading of the Ordinary Shares on AIM, which is expected to be 21 February 2020. Thereafter, conversion fees will be charged by Bank of New York Mellon as usual at a cost that is currently USD\$0.05 per ADS.

An annual holding fee, currently US\$0.01 per ADS, is levied by the Bank of New York Mellon each August. This is typically paid and charged to your account by your broker on an annual basis.

How will this affect the tax treatment of Summit’s AIM quoted Ordinary Shares?

Summit is not able to provide Shareholders with any form of taxation advice and shareholders are strongly advised to seek their own professional advice in order to ascertain the consequences for them of continuing to hold Ordinary Shares following the AIM Delisting becoming effective, or converting Ordinary Shares into ADS form.

The Company’s understanding of the current position under UK taxation law is as follows (but it should be noted that the Company has not taken steps to confirm the current position with HMRC and therefore the following should not be relied upon by shareholders without taking further advice (and the Company accepts no liability in respect of any such reliance)).

- Following the AIM Delisting, Ordinary Shares should continue to be accepted by HMRC as qualifying as unlisted/unquoted securities for the purposes of certain specific UK tax rules (notably, the UK inheritance tax business property relief rules). Therefore, those shareholders who elect to continue to hold Ordinary Shares should continue to be regarded as holding unlisted/unquoted securities under those same rules.
- Those Shareholders who elect to convert their holdings of Ordinary Shares to Nasdaq listed ADSs should similarly still be regarded as holding unlisted/unquoted securities for the purposes of the same specific UK tax rules as are referred to above. Each ADS is a financial instrument which represents five Ordinary Shares held on deposit on behalf of the ADS holder. As the ADS holder retains similar rights to a direct holder of Ordinary Shares (rights to vote, rights to dividend, etc.), the Company understands that the listing of ADSs on Nasdaq and AIM Delisting should not cause the Ordinary Shares to be treated by HMRC as listed/quoted securities ceasing to qualify for relief under the specific UK tax rules referred to above (in particular, under the UK inheritance tax business property relief rules).
- It is expected that Shareholders who elect to convert their holdings of Ordinary Shares to Nasdaq listed ADSs following the AIM Delisting will incur a stamp duty or stamp duty reserve tax charge at the higher rate of 1.5 per cent.

I originally invested in Summit under the Enterprise Investment Scheme “EIS” scheme – how does this affect the EIS qualifying status of my investment?

As above, shareholders should seek their own professional advice. However, the Company’s understanding is that a conversion from Ordinary Shares into ADSs should not as a general matter be classified as a disposal event for UK tax purposes and the listing of ADSs on Nasdaq or the AIM Delisting are not of themselves likely to affect the EIS position of current Shareholders.

I currently hold my Ordinary Shares in an ISA – can I continue to do so?

Although the AIM Delisting does not directly impact on the ability of a UK shareholder to retain their holding of Ordinary Shares, we understand that some UK ISA operators, particularly those that involve an online share trading account, may insist that the shares held in the ISA must be publicly quoted and may only allow trading in UK companies via low cost online trading facilities.

Please ask your ISA provider to confirm whether they will allow you to continue to hold your Ordinary Shares or whether they are able to convert such Ordinary Shares into and hold Summit’s Nasdaq listed ADSs on your behalf.

I currently hold my Ordinary Shares in a self-Invested personal pension “SIPP” – can I continue to do so?

Although the AIM Delisting does not impact on the ability of a UK Shareholder to retain their holding of Ordinary Shares, we understand that some SIPP scheme administrators, particularly those that involve an online share trading account, may insist that the shares held in an individual’s SIPP must be publicly quoted and sometimes only allow trading in UK companies online. Please ask your SIPP provider to confirm whether they will allow you to continue to hold your Ordinary Shares or whether they are able to convert your holding of Ordinary Shares into ADSs and continue to hold Summit’s ADSs on your behalf.

I have further questions that are not dealt with sufficiently here – where can I find further information?

- If you hold Summit shares via a broker, please discuss with your broker in the first instance.
- Summit has set up a Shareholder Helpline operated by the Company’s registrar, Link Asset Services, to facilitate answers to further questions from Shareholders. Please telephone 0371 664 0300 for further advice about the Ordinary Share to ADS conversion process.

I have lost my original Ordinary Share certificate – how do I get another one in order to progress conversion of my Ordinary Shares to ADSs?

- Replacement share certificates are available from Summit's registrar, Link Asset Services.
- Please contact Link Asset Services on 0371 664 0300 or email shareholderenquiries@linkgroup.co.uk.
- Link Asset Services will be able to provide you with a replacement share certificate for your Ordinary Shares, although there may be a fee for this.. Certain proof of ownership/identification will be required by Link Asset Services prior to issuance of replacement certificates.

APPENDIX A

My Summit Therapeutics plc (“Summit Therapeutics”) Ordinary Shares are held by my broker in CREST.

What do I need to do to convert my Ordinary Shares into Summit Therapeutics American Depositary Shares (ADSs) tradable on Nasdaq?

To initiate the conversion process, your broker or delivering agent should be instructed to complete the attached form and send to Bank of New York Mellon (BNY Mellon) Manchester directly at the following email address crest.settlements@bnymellon.com.

Questions from brokers about this process should be addressed by email to the same address.

Please refer to the below issuance process:

1. Deliver Ordinary Shares to CREST ID BO011.
2. BO011 CREST ID is a 1.5 per cent. participant, all delivery instructions must have this stamp code flagged with an appropriate stampable consideration included.
3. The number of Ordinary Shares being delivered for deposit into the ADR programme must be a multiple of 5 as the ADR to Ordinary Share ratio is 1 ADR to 5 Ordinary Shares, and fractional ADRs cannot be issued.
4. BNY Mellon has agreed to waive issuance fees for converting Ordinary Share into ADRs up until the date of the AIM delisting. Thereafter, a conversion fee of up to USD \$0.05 per ADR will be charged for any conversion of ordinary shares into ADR.
5. Email the attached issuance instruction to (crest.settlements@bnymellon.com).
Telephone: +44 (0)161 687 3714 (Manchester)
+1 646 782 6208 (Pune)
6. The CREST delivery needs to be made via Over-The-Counter (“OTC”). The issuance instruction and CREST delivery must be with present dates. BNY Mellon will be unable to process an issuance with a past trade date.
7. Upon receipt of issuance instruction and CREST delivery are in good order, BNY Mellon will match the delivery in CREST and advise BNY Mellon ADR team to deliver the ADRs to the requested Depository Trust Company (“DTC”) participant account.
8. All instructions & deliveries must be sent by 10.30 AM ET. If you miss the daily deadline, BNY Mellon will require a new instruction and a new delivery in CREST.

After BNY Mellon Manchester receives the shares, they will notify BNY Mellon New York via SWIFT to deliver the ADRs to the corresponding DTC account details provided by the broker. Upon receipt of valid deposit via a swift, BNY Mellon will deliver the ADRs versus payment to the DTC number noted on the deposit. Please have instruction in place to accept the ADRs from DTC 2504.

For further information please see the following. You should obtain your own tax advice.

www.gov.uk/guidance/stamp-duty-reserve-tax-the-basics

www.gov.uk/guidance/stamp-duty-on-shares

APPENDIX A

Form to be completed by the broker and sent to BNY Mellon

BNY Mellon Manchester as Custodian requires this page to be either emailed as a PDF file or faxed using the contact details below.

ADR CREATION INSTRUCTION

TO: ADR OPERATIONS
THE BANK OF NEW YORK MELLON
ONE PICCADILLY GARDENS
MANCHESTER
M1 1RN

FROM:
.....
.....
.....
.....

CO:

TEL: +44 (0)161 687 3714 (Manchester)
+1 646 782 6208 (Pune)

TEL:

FAX: +44 (0) 207 964 4060

FAX:

Email: crest.settlements@bnymellon.com

ISSUANCE DETAILS

CREST PARTICIPANT: SUMMIT THERAPEUTICS PLC
ISIN: GB00BN40HZ01

CREST REF: NOMINAL ADR(S):

STOCK:..... TRADE DATE:

QUANTITY: SETTLEMENT DATE:

DTC: A/C:

SDRT INPUT:

INDEMNITY CLAUSE

We shall indemnify and keep indemnified and hold harmless BNY Mellon (the Bank) (on an after tax basis) against and from any and all claims, actions, demands, liabilities, losses, damages, costs and expenses (including reasonable legal fees and disbursements), penalties and taxes incurred by the Bank or to which the Bank may become subject to and arising directly or indirectly from **our fraud or** the failure by us (or where relevant, any person)to pay (or discharge) any Stamp Duty, Stamp Duty Reserve Tax, or any other similar duty or tax charged or levied in connection with the following securities deposited with the Bank.

AUTHORISED SIGNATURE(S)

<i>NAME</i>	<i>SIGNATURE</i>	<i>DATE</i>
.....
.....