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Notice of the Annual General Meeting of the Company to be held at Clonmel House, Forster Way, Swords, County Dublin, Ireland on Friday, 22 September 2017 at 2.00pm is set out at the end of this notice. Whether or not you propose to attend the Annual General Meeting, please complete and submit a form of proxy in accordance with the instructions printed on the enclosed form. The form of proxy must be received not less than 48 hours before the holding of the Annual General Meeting.

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**Mainstay Medical International plc**

**Annual General Meeting**

**Friday, 22 September 2017**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the course of action you should take, please immediately consult your independent financial adviser (being, in the case of shareholders in Ireland, an adviser authorised or exempt under the European Communities (Markets in Financial Instruments) Regulations (Nos. 1 to 3) 2007 or the Investment Intermediaries Act 1995 (as amended), or the Investment Intermediaries Act 1995 (as amended), or another appropriately authorised professional advisor if you are in a territory outside Ireland.

If you have sold or otherwise transferred all your shares in Mainstay Medical International plc, please pass this document and the accompanying form of proxy to the purchaser or the transferee, or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

30 August 2017

**Mainstay Medical International plc (“Mainstay” or the “Company”) - Annual General Meeting 2017**

Dear Shareholder

The Annual General Meeting of Mainstay Medical International plc will be held at Clonmel House, Forster Way, Swords, County Dublin, Ireland on Friday, 22 September 2017 at 2.00pm (the “AGM”). The notice of the meeting is attached.

In addition to the Ordinary Business to be transacted at the meeting, which is referred to in Resolutions 1 to 3 in the notice, the directors of the Company (the “Directors”) propose that Special Business, as set out in Resolutions 4 to 7 in the notice, be transacted at the meeting for the purposes explained below. This letter contains explanatory notes in relation to the resolutions being proposed at the AGM.

**Resolution 1 - To review the Company’s affairs and consider the financial statements**

This is an ordinary resolution to review the Company’s affairs and consider the financial statements for the year ended 31 December 2016.

**Resolutions 2(a) to 2(c) - Re-election of Directors**

Notwithstanding Article 90(a) of the Company’s Articles of Association regarding retirement and re-election by rotation, as stated in the letter attaching the Company’s 2016 notice of annual general meeting, it continues to be the Board’s intention that one third of the Directors will retire at each annual general meeting, subject to any additional requirements under Articles 90 to 94 of the Articles of Association. This year, the Board has determined that Dr Oern Stuge, Dr Dan Sachs and Mr David Brabazon, will each offer himself for re-election.

The resolutions (which are ordinary resolutions) will be proposed separately in respect of each Director.

**Resolution 3 - Auditors’ remuneration**

The Directors are seeking to renew their authority to fix the remuneration of the Auditors for the year ending 31 December 2017.

Resolution 3 is an ordinary resolution.

**Special Business at the AGM**

There are four items of Special Business.

Resolutions 4 and 5 relate to the share capital of the Company. The two resolutions are interdependent (i.e. Resolution 4 is conditional on the passing of Resolution 5 and vice versa).

#### **Resolution 4 - Directors' power to allot shares**

Shareholders are being asked to renew the Directors' authority to allot and issue "relevant securities" (essentially ordinary shares in the Company).

Pursuant to Resolution 4, which is an ordinary resolution, the Directors seek authority to allot shares up to an aggregate nominal value of €10,000 which is equal to approximately 151% of the issued ordinary share capital of the Company as at the date of this notice. If adopted, this authority will expire on 22 September 2022.

#### **Resolution 5 - Dis-application of pre-emption rights**

Shareholders are also being asked to approve the Directors' authority to dis-apply statutory pre-emption provisions in the event of a rights issue or other pro rata offer of equity securities to shareholders or other issue of equity securities for cash up to an aggregate nominal value of €10,000 (representing approximately 151% of the Company's issued ordinary share capital as at the date of this notice). If adopted, this authority will expire on 22 September 2022 (being five years after the date of passing of the resolution).

Resolution 5 is a special resolution requiring the approval by 75% of the votes cast by shareholders voting in person or by proxy at the AGM.

As noted above, Resolution 5 is conditional on the passing of Resolution 4 (and vice versa). Therefore, if either resolution is not passed at the AGM, then the existing share allotment authority granted by, and the existing disapplication of pre-emption rights approved at, the Company's 2016 annual general meeting, will continue to apply in accordance with the terms of the relevant resolutions.

#### **Resolution 6 - Notice of general meetings**

Under the third item of special business (Resolution 6), shareholders are being asked to renew, until the annual general meeting in 2018, the Company's authority to call on 14 days' notice a general meeting (other than an annual general meeting or a meeting to consider any special resolution (a resolution which requires a 75% majority vote, not a simple majority), for which the notice period will remain 21 days).

The Directors consider that it is in the interests of the Company to retain this flexibility. As a matter of policy, the 14 day notice period will only be utilised where the Directors believe that it is merited by the business of the meeting and the circumstances surrounding the business.

Resolution 6 is a special resolution requiring the approval by 75% of the votes cast by shareholders voting in person or by proxy at the AGM.

#### **Resolution 7 - Adoption of New Articles of Association**

The purpose of Resolution 7 is to adopt new Articles of Association of the Company (the "New Articles") to give the Company additional flexibility in connection with the formalities for execution of share transfer forms and, in addition, with respect to the payment of stamp duty (where applicable) arising on transfers of its shares. In addition, in the New Articles, references to the ESM, the Irish Stock Exchange, Euronext Paris and/or EU regulated markets will generally be replaced with more generic references.

A copy of the New Articles, together with a redline version showing the changes proposed by Resolution 7, is available on the Company's website ([www.mainstay-medical.com](http://www.mainstay-medical.com)).

Resolution 7 is a special resolution requiring the approval by 75% of the votes cast by shareholders

voting in person or by proxy at the AGM.

**Action to be taken by you**

You will find enclosed a form of proxy which, if you wish to appoint a proxy, must be returned in accordance with the instructions and notes below and on the form and must be returned together with any authority under which it is executed or a copy of such authority certified notarially or by a solicitor practicing in Ireland, to Computershare Investor Services (Ireland) Limited, P.O. Box 954, Sandyford, Dublin 18, Ireland or (during normal business hours) by hand to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland, and in any event by no later than 2.00pm on Wednesday, 20 September 2017, or, if the AGM is adjourned, no later than 48 hours before the time fixed for the holding of the adjourned AGM or (in the case of a poll taken otherwise than at or on the same day as the AGM or adjourned AGM) no later than 48 hours before the taking of the poll at which it is to be used.

The return of a form of proxy will not preclude a registered shareholder from attending, speaking, asking questions and voting at the AGM (or any adjournment thereof) in person if you wish to do so.

**Recommendation**

The Directors consider the resolutions to be proposed at the Annual General Meeting to be in the best interests of the Company and its shareholders as a whole and, accordingly, they unanimously recommend shareholders to vote in favour of each of the resolutions, as they intend to do in respect of their own beneficial holdings.

Yours faithfully

Dr Oern Stuge  
Chairman

**NOTICE OF ANNUAL GENERAL MEETING  
OF  
MAINSTAY MEDICAL INTERNATIONAL PLC**

**NOTICE IS HEREBY GIVEN** that the **ANNUAL GENERAL MEETING** of Mainstay Medical International plc (the “**Company**”) will be held at the Clonmel House, Forster Way, Swords, County Dublin, Ireland on Friday, 22 September 2017 at 2.00pm for the purpose of considering and, if thought fit, passing the following resolutions, of which Resolutions 1 to 4 will be proposed as ordinary resolutions and Resolutions 5 to 7 will be proposed as special resolutions:

**ORDINARY BUSINESS**

**1 Company Affairs and Financial Statements**

To review the Company’s affairs and consider the financial statements for the year ended 31 December 2016 and the reports of the directors of the Company (the “**Directors**”) and the auditors thereon.

**2 Re-election of Directors**

- (a) To re-elect Dr. Oern Stuge
- (b) To re-elect Dr. Dan Sachs
- (c) To re-elect Mr David Brabazon

(each of which is proposed as a separate resolution).

**3 Auditors’ remuneration**

To authorise the Directors to fix the remuneration of the auditors of the Company.

**SPECIAL BUSINESS**

**4 Allotment of Shares**

**THAT**, subject to and conditional on resolution 5 below being duly passed, the Directors be and they are hereby generally and unconditionally authorised pursuant to section 1021 of the Companies Act 2014 (the “**2014 Act**”), in substitution for all existing such authorities, to exercise all powers of the Company to allot relevant securities (within the meaning of section 1021 of the 2014 Act) up to an aggregate nominal amount of €10,000 during the period commencing on the date of the passing of this resolution and expiring on 22 September 2022, provided that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired.

**5 Dis-application of pre-emption rights**

**THAT**, subject to and conditional on resolution 4 above being duly passed, the Directors be and they are hereby empowered pursuant to section 1023 of the Companies Act 2014 (the “**2014 Act**”), in substitution for all existing such authorities, to allot equity securities (within the meaning of section 1023 of the 2014 Act) for cash pursuant to the authority conferred by Resolution 4 above as if sub-section (1) of section 1022 of the 2014 Act did not apply to any such allotment, provided that this power shall be limited:

- (a) to the allotment of equity securities in connection with a rights issue, open offer or other invitation to or in favour of the holders of ordinary shares in the Company where the equity securities respectively attributable to the interests of such holders are proportional (as nearly as may be) to the numbers of ordinary shares in the Company held by them (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements that would otherwise arise or with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory, or otherwise howsoever); and
- (b) to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of €10,000,

and shall expire on 22 September 2022, provided that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power hereby conferred had not expired.

#### **6 Convening of Extraordinary General Meetings**

**THAT**, in accordance with section 1102 of the Companies Act 2014, the Directors be and are hereby generally and unconditionally authorised to call a general meeting, other than an annual general meeting and a meeting for the passing of a special resolution, on not less than 14 days' notice. The authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company held after the date of the passing of this resolution unless previously renewed, varied or revoked by the Company in general meeting.

#### **7 Adoption of New Articles of Association**

**THAT**, with effect from the passing of this resolution, the articles of association produced to the meeting (a copy of which regulations are marked "X" for identification) be adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

**By order of the Board**

**Tom Maher**

**Company Secretary**

Registered Office:  
Clonmel House,  
Forster Way,  
Swords,  
County Dublin,  
Ireland.

Dated: 30 August 2017

## NOTES:

### Entitlement to attend and vote

1. Only those shareholders registered on the Company's register of members at:
  - 6.00 p.m. on Wednesday, 20 September 2017; or
  - if the Annual General Meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned Annual General Meetingshall be entitled to attend and vote at the Annual General Meeting.

### Website giving information regarding the meeting

2. Information regarding the Annual General Meeting, including the information required by section 1103(3) of the Companies Act 2014, is available from [www.mainstay-medical.com](http://www.mainstay-medical.com).

### Attending in person

3. The Annual General Meeting will be held at Clonmel House, Forster Way, Swords, County Dublin, Ireland. If you wish to attend the Annual General Meeting in person, you are recommended to attend at least 15 minutes before the time appointed for holding of the Annual General Meeting to allow time for registration. Please bring the attendance card attached to your form of proxy and present it at the shareholder registration desk before the commencement of the Annual General Meeting.

### Appointment of proxies

4. A member entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote on his behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the Annual General Meeting, provided that each proxy is appointed to exercise the rights attached to shares held in different securities accounts. A member acting as an intermediary on behalf of a client in relation to shares may appoint that client or any third party designated by that client as a proxy in relation to those shares. Members may appoint a proxy using the enclosed white form of proxy, the CREST electronic proxy appointment service (described below) or the Registrars' online proxy appointment service (also described below). If you wish to appoint more than one proxy that please contact the Company's Registrars, Computershare Investor Services (Ireland) Limited on +353 1 4475566.
5. The deposit of an instrument of proxy will not preclude a member from attending and voting in person at the meeting.
6. To be valid, an appointment of proxy must be returned using one of the following methods:
  - (i) by sending the form of proxy, duly completed and signed, together with any authority under which it is executed or a copy of such authority certified notarially or by a solicitor practicing in Ireland, by post to the Registrars, to Computershare Investor Services (Ireland) Limited, P.O. Box 954, Sandyford, Dublin 18, Ireland or (during normal business hours) by hand to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland;
  - (ii) in the case of CREST members, by utilising the CREST electronic proxy

appointment service; or

- (iii) by utilising the Registrars' online proxy appointment service at [www.eproxyappointment.com](http://www.eproxyappointment.com),

and in each case the appointment of proxy (together with any relevant power or authority) must be received (or, in the case of the appointment of a proxy through CREST, retrieved by enquiry to CREST in the manner prescribed by CREST) by the Registrars not later than 48 hours before the time appointed for holding the meeting. If two or more valid but differing proxy appointments are received in respect of the same ordinary share, the one which is last received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the others as regards that ordinary share and, if the Company is unable to determine which was last deposited, none of them shall be treated as valid in respect of that ordinary share.

7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising 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 appropriate action on their behalf.
8. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK and Ireland's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by the Registrars, Computershare Investor Services (Ireland) Limited, as issuer's agent (CREST Participant 3RA50), by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. 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.
9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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 the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act 1990 (Uncertificated Securities) Regulations 1996 (as amended).
11. To appoint a proxy electronically log onto the website of the Registrars, Computershare Investor Services (Ireland) Limited: [www.eproxyappointment.com](http://www.eproxyappointment.com). Full details of the procedures are set out on the form of proxy.
12. The Company has included on the form of proxy a 'Vote Withheld' option in order for

members to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' or 'Against' the particular resolution.

#### **Issued shares and total voting rights**

13. The total number of issued ordinary shares on the date of this notice of Annual General Meeting is 6,618,897. On a vote by show of hands every shareholder who is present in person and every proxy has one vote (but no individual shall have more than one vote). On a poll every shareholder shall have one vote for every share carrying voting rights of which he or she is the holder.
14. The ordinary resolutions require a simple majority of votes cast by shareholders voting in person or by proxy to be passed. To be passed, the special resolutions require a majority of not less than 75% of votes cast by those who vote either in person or by proxy.

#### **Questions at the Annual General Meeting**

15. Under section 1107 of the Companies Act 2014, the Company must answer any question a shareholder may ask relating to the business being dealt with at the Annual General Meeting unless:
  - answering the question would interfere unduly with the preparation for the Annual General Meeting or the confidentiality and business interests of the Company;
  - the answer has already been given on a website in a question and answer format; or
  - it appears to the Chairman of the Annual General Meeting that it is undesirable in the interests of good order of the meeting that the question be answered.

#### **Shareholders' right to table draft resolutions and to put items on the agenda**

16. A shareholder or a group of shareholders holding 3% of the issued share capital, representing at least 3% of the total voting rights of all shareholders who have a right to vote at the meeting, have a right to table a draft resolution for an item on the agenda of the meeting subject to any contrary provisions in company law. In the case of the 2017 Annual General Meeting, the latest date for submission of such requests was 11 August 2017 (being 42 days prior to the date of the meeting).

The request:

- may be in hard copy form or in electronic form;
- must set out in writing details of the draft resolution in full or, if supporting a draft resolution sent by another shareholder, clearly identify the draft resolution which is being supported;
- must be authenticated by the person or persons making it (by identifying the shareholder or shareholders meeting the qualification criteria and, if in hard copy, by being signed by the shareholder or shareholders); and
- must be received by the Company not later than 42 days before the meeting to which the request relates.

In addition to the above, the request must be made in accordance with one of the following ways:

- a hard copy request which is signed by the shareholder(s), states the full name and address of the shareholder(s) and is sent to the Company Secretary, Clonmel House,

Forster Way, Swords, County Dublin, Ireland; or

- a request which states the full name and address of the shareholder(s) and the Shareholder Reference Number (SRN) (as printed on the accompanying form of proxy) and is sent to tom.maher@mainstay-medical.com and copied to sinead.oreilly@mainstay-medical.com.

A draft resolution must not be such as would be incapable of being passed or otherwise be ineffective (whether by reason of inconsistency with any enactment or the Company's Memorandum and Articles of Association or otherwise). Any draft resolution must not be defamatory of any person.

17. A shareholder or a group of shareholders holding 3% of the issued share capital, representing at least 3% of the total voting rights of all shareholders who have a right to vote at the meeting, have a right to put an item on the agenda of the meeting subject to any contrary provisions in company law. In the case of the 2017 Annual General Meeting, the latest date for submission of such requests was 11 August 2017 (being 42 days prior to the date of the meeting).

The request:

- may be in hard copy form or in electronic form;
- must set out in writing the details of the item you wish to have included in the agenda of the meeting;
- must set out in writing your reasons why the item is to be included in the agenda of the meeting;
- must be authenticated by the person or persons making it (by identifying the shareholder or shareholders meeting the qualification criteria and, if in hard copy, by being signed by the shareholder or shareholders); and
- must be received by the Company not later than 42 days before the meeting to which the request relates.

In addition to the above, the request must be made in accordance with one of the following ways:

- a hard copy request which is signed by the shareholder(s), states the full name and address of the shareholder(s) and is sent to the Company Secretary, Clonmel House, Forster Way, Swords, County Dublin, Ireland; or
- a request which states the full name and address of the shareholder(s) and the Shareholder Reference Number (SRN) (as printed on the accompanying form of proxy) and is sent to tom.maher@mainstay-medical.com and copied to sinead.oreilly@mainstay-medical.com.

Any requested item must not be defamatory of any person.

#### **Arrangements relating to ordinary shares held in Euroclear France accounts**

18. Any queries relating to any of the arrangements described in the Notes above as same may relate to ordinary shares held in Euroclear France accounts should be addressed to the financial intermediary associated with the relevant Euroclear France account.