

## DIRECTOR IRREVOCABLE UNDERTAKING

Sphere Medical Holding plc  
Life Sciences Hub Wales  
3 Assembly Square  
Cardiff Bay  
Wales CF10 4PL

Panmure Gordon (UK) Limited  
One New Change  
London  
EC4M 9AF

21 August 2017

Dear Sirs

### **Sphere Medical Holding plc**

I, John Gregory, am a shareholder of Sphere Medical Holding plc (the "**Company**") and refer to the proposed: (a) cancellation of admission of the Company's ordinary shares of £0.01 each to trading on AIM (the "**De-Listing**"); and (b) investment by certain Woodford funds (managed by Woodford Investment Management LLP) ("**Woodford**") and The Wales Life Sciences Investment Fund LLP (managed by Arthurian Life Sciences Limited) ("**Wales Fund**") (or affiliates thereof) in the aggregate sum of £5 million by means of a subscription of shares in the capital of the Company (conditional upon the De-Listing) resulting in the Concert Party (as defined in the Circular) coming to hold more than 50 per cent. of the Company's voting rights (the "**Investment**").

Details of the De-Listing and Investment will be set out in the circular which is proposed to be sent to shareholders on or around 22 August 2017, a draft proof of which is attached (the "**Circular**").

### **Irrevocable undertakings**

1. I confirm that I am the beneficial owner of (or are otherwise able to control the exercise of all rights, including voting rights, attaching to) all of 90,745 ordinary shares of £0.01 each in the capital of the Company (together with any shares in the Company issued after the date hereof and attributable to or derived from such shares) (the "**Shares**").
2. the Shares include all the shares in the Company registered in my name or beneficially owned by me or in respect of which I am interested (as defined in the City Code on Takeovers and Mergers as published by the Takeover Panel from time to time).
3. In consideration of the Company undertaking the De-Listing and Investment, I hereby irrevocably warrant, represent and undertake:
  - 3.1 I have full power and authority to, and (unless the Company otherwise requests us in writing in advance) I shall cast, or where applicable, procure the casting of, all votes in favour of the resolutions ("**Resolutions**") (whether on a show of hands or a poll and whether in person or by proxy) to be proposed at a general meeting (the "**General Meeting**") of the Company, notice of which is set out in the Circular, provided that the Resolutions are substantially in the form set out in the notice attached to the Circular. I hereby acknowledge that the whitewash resolution is an ordinary resolution to approve the Panel's waiver of Rule 9 of the Takeover Code, which will be taken on a poll of the independent shareholders (which includes all shareholders of the Company other than Woodford and Wales Fund (and anyone acting in concert with it);

- 3.2 not to vote in favour of any proposal to adjourn the General Meeting (other than with the Company's prior consent);
- 3.3 to the extent that any of the Shares are not registered in the name of John Gregory, to procure that the registered holder(s) of the Shares take all such action as shall be necessary for the terms of this undertaking to be complied with in full;
- 3.4 for the purpose of voting on any resolution under paragraph 3.1 above, I shall, if required by the Company, execute any form of proxy required by the Company appointing any person nominated by the Company to attend and vote at the relevant meeting;
- 3.5 I have not, and until the Resolutions are proposed and voted upon I shall not, conditionally or otherwise, dispose of, or agree or give instructions to dispose of any interest in the Shares, and shall procure that no person whose interest in the Shares is necessary for the giving of the warranties and undertakings above shall dispose of, or agree or give instructions to dispose of any interest in the Shares;
4. I acknowledge and agree that you may:
- 4.1 make reference in the announcement of the De-Listing and Investment (the "**Announcement**") and the Circular to this binding indication of an intention to vote in favour of each Resolution, including details of my identity; and
- 4.2 aggregate my holdings to which this binding indication of an intention to vote relates with the holdings of other shareholders of the Company who provide a similar confirmation of their intention to vote in favour of the Resolutions at the General Meeting.

#### **Conditions and termination**

My obligations under this agreement set out in this letter (the "**Obligations**") shall cease to have effect on the earlier of the date of the De-Listing and 30 September 2017.

Except to the extent otherwise specified, the Obligations set out in this Deed are unconditional and irrevocable.

#### **Governing law and jurisdiction**

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England and Wales and I agree that the courts of England and Wales are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that accordingly any proceedings arising out of or in connection with this Deed shall be brought in such courts. I submit to the jurisdiction of such courts and waive any objection to proceedings on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **Third Party Rights**

A person who is not an addressee of this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed.

#### **Confidentiality**

I understand that the information provided to John Gregory in relation to the De-Listing and Investment is given in confidence and must be kept confidential until the press announcement containing details of the De-Listing and Investment is released or the information has otherwise become generally available. Before that time, I will not base any behaviour in relation to the securities of the Company or any financial instruments (as defined in the Market Abuse Regulation (Regulation 596/2014) ("**MAR**")), which would be prohibited under MAR, on such information.

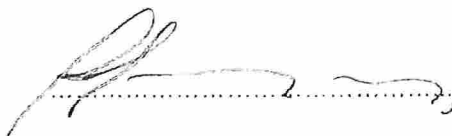
**Counterparts**

This Deed may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any party may enter into this Deed by signing any such counterpart.

Yours faithfully

This letter has been executed and delivered as a deed on the date first written above.

**SIGNED by**  
**JOHN GREGORY**  
in the presence of:

)  
)  
) 

*RMG Thornely*  
.....

(Witness signature)

*RMG THORNELY*  
.....

(Witness name)

*4 Roses Close*  
.....

(Witness address)

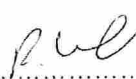
*Cublington*  
.....

*Leighton Buzzard*  
.....

*LU7 0LX*  
.....

(Witness occupation)

Acknowledged and agreed  
For and on behalf of  
**SPHERE MEDICAL HOLDING PLC**

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Acknowledged and agreed  
For and on behalf of  
**PANMURE GORDON (UK) LIMITED**

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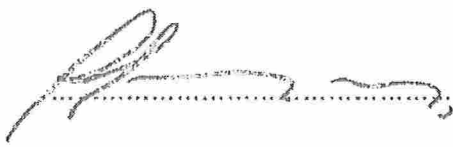
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*Rancherueby*  
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(Witness signature)

*RMG THORNELY*  
.....

(Witness name)

*4. Bases Close*  
.....

(Witness address)

*Cublington*  
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*Leighton Buzzard*  
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