THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

In the event of a conflict between this Letter and the terms of the BTG Sharesave Plan, or any relevant legislation, the terms of the BTG Sharesave Plan or the legislation will prevail.

References to taxation are for information only, and you are advised to refer to the tax information relevant to your Options provided via Shareworks. If you are internationally mobile, you may be subject to tax in more than one jurisdiction. If you have any questions in relation to the tax treatment that applies to you, you should seek professional independent tax advice.

15 July 2019

To: Participants in the BTG Sharesave Plan (the Sharesave Plan)

Recommended cash offer for BTG plc (BTG) by Bravo Bidco Limited (Bidco) an indirect wholly-owned subsidiary of Boston Scientific Corporation (Boston Scientific)

1. BACKGROUND

On 20 November 2018 the boards of BTG and Boston Scientific announced that they had agreed the terms of a recommended cash offer (the Acquisition) pursuant to which Boston Scientific, through its indirect wholly-owned subsidiary Bidco, will acquire the entire issued and to be issued ordinary share capital of BTG.

The purpose of this letter (the Letter) is to explain the effect of the Acquisition on the options (Options) granted to you under the Sharesave Plan, and how your Options will be treated in relation to the Acquisition.

Under the terms of the Acquisition, BTG Shareholders will be entitled to receive:

for each BTG Share 840 pence in cash

It is intended that the Acquisition be implemented by way of a Court sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the Scheme). Further information in relation to the Scheme is set out in a scheme document dated 24 January 2019 (the Scheme Document), a copy of which is available at www.btgplc.com (and also on your Shareworks account, via “My Documents”, “BTG Acquisition”). You should read this Letter in conjunction with the Scheme Document. Defined terms used in this Letter have the meanings given in the Scheme Document, unless otherwise defined in this Letter.

The current estimated timeline for the Scheme is set out below.

Court Hearing to sanction the Scheme (Court Sanction) 15 August 2019
2. IMPACT OF THE ACQUISITION ON YOUR OPTIONS

2.1 If your Options are already exercisable

Your Options may already be exercisable under the rules of the Sharesave Plan (in which case you should have received notification of this from Solium via your Shareworks account). Your Options will remain exercisable during the period already notified to you, which will not be extended by reason of the Acquisition, following which they will lapse. If you have saved under a plan that has already matured, you cannot make any further savings during the remaining exercise period.

If you wish to exercise your already exercisable Options, you may do so by logging onto your Shareworks account in the usual way.

2.2 If your Options are not yet exercisable

In normal circumstances, you would continue to save until the end of your linked savings contract, and then either exercise your Options, or choose to have your savings returned to you.

As a result of the Acquisition, your Options will become exercisable earlier than in normal circumstances, on Court Sanction. Your Options will be exercisable for a period of six months, following which they will lapse.

2.3 Exercise of Options

Your Options may be exercised to the extent of your savings as at the date of exercise. You must pay the exercise price of your Options (the Exercise Price) in order to exercise your Options, which is funded by your savings under your savings contract. Details of your Options (including the number of BTG Shares subject to your Options, your savings and your Exercise Price) are available to view on the portfolio page of your Shareworks account.

The BTG Shares to which you will become entitled on the exercise of your Options are referred to in this Letter as your Option Shares.

Please note that:

(a) any savings you make in the month that the Court Sanction takes place (currently anticipated to be August 2019) may not be used to fund the exercise of your Options and these savings will be returned to you in cash in due course; and

(b) for your Options that have not otherwise matured, you will be entitled to receive fewer BTG Shares than the number shown in your Shareworks account. This is because you will be exercising your Options early and will not have accrued enough savings to acquire the full number of BTG Shares under your Options.
3. SAYE OPTION PROPOSAL

3.1 SAYE Option Proposal

BTG and Boston Scientific have agreed that if you exercise your Options, in advance of and conditionally on Court Sanction, in respect of the maximum number of Option Shares possible as at the date of Court Sanction, you will be entitled to receive a cash payment (the Compensation Payment) in respect of the balance of your Options (which will lapse on Court Sanction). This proposal is referred to as the SAYE Option Proposal.

Please see the paragraphs below for further detail about the SAYE Option Proposal, and information as to how to accept the SAYE Option Proposal. If you wish to accept the SAYE Option Proposal, you must do this by 9 August 2019.

3.2 Acquisition of Option Shares under the Scheme

If you accept the SAYE Option Proposal, your Option Shares will be automatically transferred to Bidco on the Effective Date in accordance with the terms of the Scheme. You will be entitled to 840 pence for each of your Option Shares (your Proceeds) which is the same consideration due to all BTG Shareholders under the Scheme.

3.3 Compensation Payment

If you exercise your Options in respect of the maximum number of Option Shares possible at Court Sanction (i.e. to the extent of your savings as at that date), you will be entitled to the Compensation Payment, to compensate you for any additional gain which you would have made had you been able to complete your savings contract and exercise your Options in full. Your gross Compensation Payment (i.e. before deductions for income tax and National Insurance contributions) will be an amount equal to, for each of your Options: (i) the gain per Option Share i.e. the difference between the Scheme consideration (840 pence per Option Share) and the Exercise Price per Option Share; multiplied by (ii) the number of BTG Shares under the balance of the Option (which will lapse on Court Sanction). The SAYE Option Proposal relates only to Options which are not already exercisable as referred to in paragraph 2.2. above, and the Compensation Payment is only payable if you accept the SAYE Option Proposal and exercise your Options conditionally on Court Sanction as set out in this Letter.

Your Compensation Payment (less deductions for income tax and National Insurance contributions) will be paid to you by BTG in the next available payroll following the Effective Date.

3.4 Settlement of Proceeds

Your Proceeds due to you for the acquisition of your Option Shares under the Scheme (less any dealing costs) will be paid to you by Solium directly to your bank account, the details of which you have provided to Solium, within 5 business days of receipt by Solium (which may be up to 14 days following the Effective Date).

3.5 Process

If you would like to accept the SAYE Option Proposal as described in this paragraph 3, please log in to your Shareworks account using your usual log in details. On logging in, you will receive a notification that action is required in relation to your Options, and instructions as to how to confirm your acceptance of the SAYE Option Proposal. If you have any queries (not requiring the giving of financial or investment advice) please contact the Solium helpline on +44 20 3751 5668.
If you are a PDMR, or have otherwise been notified that you are subject to BTG’s share dealing code, you must have clearance to deal in order to accept the SAYE Option Proposal. Please contact Total Rewards at totalreward@btgplc.com to arrange for submission of an application for clearance to deal in the usual way.

If you wish to accept the SAYE Option Proposal, you must do this by 9 August 2019.

3.6 Tax

Exercise of Options

As your Options are UK tax advantaged options, no liability to income tax or National Insurance contributions will arise on the exercise of your Options. There may be a capital gains tax charge (for which you will be liable to account under self-assessment) in respect of the gain on the acquisition under the Scheme of your Option Shares i.e. on the amount by which the market value of the Option Shares exceeds the relevant Exercise Price. You are advised to refer to the tax information relevant to your Options provided via Shareworks.

Compensation Payment

Income tax and National Insurance contributions will be due on your Compensation Payment, and will be deducted from the gross amount of your Compensation Payment before payment to you via payroll as described above.

4. WHAT HAPPENS IF I TAKE NO ACTION?

If you do nothing:

a) your Options that are already exercisable (or that become exercisable prior to Court Sanction) will remain exercisable until the end of the relevant exercise period separately notified to you (as described at paragraph 2.1 above); and

b) your Options that are not already exercisable (or that do not become exercisable prior to Court Sanction) will become exercisable on Court Sanction, and will remain exercisable for six months following Court Sanction (as described at paragraph 2.2 above).

All Options will lapse at the end of the applicable exercise period, to the extent not exercised.

You may continue saving under your savings contract until the earlier of the normal maturity date, the date you cease to hold employment with BTG or six months following Court Sanction.

If you exercise your Option after the Scheme Record Time, your Option Shares will be automatically acquired by Bidco for the same consideration payable under the Scheme, pursuant to the revised articles of association of BTG approved by BTG Shareholders as part of the Scheme.

You will not be entitled to a Compensation Payment if you do not accept the SAYE Option Proposal.

5. WHAT IF I CEASE TO HOLD EMPLOYMENT WITH BTG?

If you cease to hold employment with BTG prior to the date of Court Sanction, your Options may become exercisable or may lapse in accordance with the Sharesave Plan. If your Option becomes exercisable under the Sharesave Plan, paragraph 2.1 above will apply. If your Option lapses under the Sharesave Plan, you will no longer be entitled to exercise your Option and accept the SAYE Option Proposal (and if you have already exercised your Options under the terms of the SAYE Option Proposal, such exercise will be of no effect). Your savings will be returned to you and you will not be entitled to receive the Compensation Payment.
If you cease to hold employment with BTG following Court Sanction, and you have exercised your Options pursuant to the SAYE Option Proposal, your cessation of employment will have no effect on your Options.

If you cease to hold employment with BTG following Court Sanction and you have not yet exercised your Options, your Options may become exercisable or may lapse in accordance with the rules of the Sharesave Plan.

6. WHAT IF THE SCHEME IS NOT SANCTIONED BY THE COURT?

If, for whatever reason, the Scheme is not sanctioned by the Court and the Acquisition does not proceed, Options will not become exercisable, and will remain in place on their existing terms in accordance with the rules of the Sharesave Plan. Your Options which are already exercisable will continue to be exercisable on their terms.

7. DIRECTORS’ RECOMMENDATION

The BTG Directors, who have been so advised by Goldman Sachs, J.P. Morgan Cazenove and Rothschild & Co as to the financial terms of the SAYE Option Proposal, consider the terms of the SAYE Option Proposal set out in this letter to be fair and reasonable in the context of the Acquisition. In providing advice to the BTG Directors, each of Goldman Sachs, J.P. Morgan Cazenove and Rothschild & Co has taken into account the commercial assessments of the BTG Directors.

The BTG Directors recommend that you accept the SAYE Option Proposal as they intend to do in respect of their Options.

You are reminded that if you take no action, your Options will in due course lapse and become worthless.

For and on behalf of
BTG plc

For and on behalf of
Bidco Limited
NOTES

The BTG Directors, whose names are set out in paragraph 2.1 of Part Eight of the Scheme Document, accept responsibility for the information contained in this Letter other than the information for which responsibility is taken by others pursuant to the paragraph below. To the best of the knowledge and belief of the BTG Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Boston Scientific Directors, whose names are set out at paragraph 2.2 of Part Eight of the Scheme Document, accept responsibility for the information contained in this letter relating to Boston Scientific and the Boston Scientific Group (including Bidco). To the best of the knowledge and belief of the Boston Scientific Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Bidco Directors, whose names are set out at paragraph 2.3 of Part Eight of the Scheme Document, accept responsibility for the information contained in this letter relating to Bidco. To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Goldman Sachs International (Goldman Sachs), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting as financial adviser for BTG and no one else in connection with the Acquisition and any other matters referred to in this document and will not be responsible to anyone other than BTG for providing the protections afforded to such financial advisory clients of Goldman Sachs, or for providing advice in connection with the Acquisition or any other matter referred to in this document.

J. P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove (J.P. Morgan Cazenove), is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom. J.P. Morgan Cazenove is acting as financial adviser exclusively for BTG and no one else in connection with the Acquisition and any other matters referred to in this document and will not be responsible to anyone other than BTG for providing the protections afforded to such financial advisory clients of J.P. Morgan Cazenove, or for providing advice in relation to the Acquisition or any other matter referred to in this document.

N M Rothschild & Sons Limited (Rothschild & Co), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for BTG and no one else in connection with the matters set out in this document and will not regard any other person as its client in relation to the matters set out in this document and will not be responsible to anyone other than BTG for providing the protections afforded to clients of Rothschild & Co, nor for providing advice in relation to the Acquisition or any other matter referred to in this document. Neither Rothschild & Co nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Rothschild & Co in connection with the matters referred to in this document, or otherwise.

Each of Goldman Sachs, J.P. Morgan Cazenove and Rothschild & Co has given and not withdrawn its written consent to the issue of this Letter with the inclusion of the references to its name in the form and context in which they appear.

Solium has been acquired by Morgan Stanley and will be known as Shareworks by Morgan Stanley going forward.

The tax information included in this Letter is for information only and assumes you are UK tax resident. If you are internationally mobile, you may be subject to tax in more than one country. The tax implications in relation to your participation in the Sharesave Plan may depend on your personal circumstances. If you are in any doubt about the tax implications for you, you should take independent professional advice. The information is based on laws and practices current at the time of publication of this Letter but may be subject to change in the future. Further, the above tax implications may be different if you cease to hold employment with BTG.
The distribution of this Letter in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of such jurisdiction. Neither this Letter nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful.

This Letter has been prepared for the purposes of complying with English law, the City Code on Takeovers and Mergers and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside England and Wales.

Nothing in this Letter shall be construed as investment advice or any investment recommendation given by or on behalf of any other person.

Accidental omission to dispatch this Letter to, or any failure to receive the same by, any person shall not invalidate any of the proposals set out in this Letter.