

Terms of reference for the United Drug plc Acquisitions and Finance Committee

1. Membership

- 1.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chairman of the Acquisitions and Finance Committee. The Committee shall be made up of at least three members.
- 1.2 The Chairman of the Committee shall be appointed by the Board.
- 1.3 Only members of the Committee have the right to attend meetings. Other individuals and external advisers may be invited to attend all or part of any meeting as and when appropriate.

2. Secretary

- 2.1 The Company Secretary, or such other person as the Committee shall consider appropriate, shall act as Secretary of the Committee.

3. Quorum

- 3.1 The quorum necessary for the transaction of business shall be three members of whom two must be non-executive directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of authorities, powers and discretions vested in or exercisable by the Committee. All of any members of the Committee may participate in a meeting by teleconference or videoconference. A person so participating is deemed to be present in person at the meeting and shall be counted in quorum accordingly.

4 Meetings

- 4.1 The Committee shall meet as required.
- 4.2 In the absence of the Committee Chairman the remaining members present shall elect one of themselves to chair the meeting.
- 4.3 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

5. Annual General Meeting

- 5.1 The Chairman of the Committee shall attend the Annual General Meeting and be prepared to respond to any shareholder questions regarding the Committee's activities.

6. Duties

The Committee shall:

- 6.1 Consider and review the appropriateness and strategic fit of potential acquisitions to be made by the Group.
- 6.2 Consider the appropriateness and recommend the consideration and structure of any purchase agreement in respect of proposed acquisitions.
- 6.3 Approve approaches, investigations and purchase negotiations with acquisition targets.
- 6.4 Empower the Chief Executive, Finance Director and Corporate Development Officer or other appropriate person to enter into acquisition negotiations on the Company's behalf.
- 6.5 In considering any potential acquisitions, give due regard to any relevant legal requirements, the provisions and recommendations in the Listing Rules of the Irish and UK Stock Exchanges and associated guidance.
- 6.6 Ensure that appropriate due diligence procedures in relation to potential acquisitions is undertaken.
- 6.7 Approve financing arrangements for any potential acquisitions.
- 6.8 Make recommendations to the Board in relation to the approval of any potential acquisitions.
- 6.9 Establish the criteria for selecting, appointing and setting the terms of reference for any advisors and consultants who advise the Committee in relation to any potential acquisitions.
- 6.10 Ensure that appropriate procedures are in place to ensure the successful integration of all acquisitions into the Group.
- 6.11 To recommend to the Board of Directors whether or not to approve proposed capital expenditure exceeding €1 million, or sterling / US dollar equivalent.

7. Reporting Responsibilities

- 7.1 The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 7.2 The Committee shall make recommendations to the Board that it deems appropriate on any area within its remit where action or improvement is needed.

8. Other Matters

- 8.1 The Committee shall review its own performance and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for its approval.

9. Authority

The Committee is authorised by the Board to:

- 9.1 obtain, at the Group's expense, independent legal or other professional advice when the Committee believes it necessary to do so; and
- 9.2 seek any information that it requires from any employee of the Group in order to perform its duties.