

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other professional adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000, or an appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your shares in IP Group PLC, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.



IP GROUP PLC

(incorporated and registered in England and Wales under number 04204490)

NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of IP Group plc (the "Company") to be held at the offices of the Company at The Walbrook Building, 25 Walbrook, London, EC4N 8AF at 11:00am on 18 June 2020 is set out in Part II of this document.

Please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not less than 48 hours before the time of the holding of the Annual General Meeting.

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Part I



ipgroup

IP GROUP PLC

(incorporated and registered in England and Wales under number 04204490)

Registered Office

The Walbrook Building
25 Walbrook
London
EC4N 8AF

16 April 2020

To the holders of the Company's shares and, for information only, holders of options over the Company's shares

Notice of Annual General Meeting 2020

Dear Shareholder,

I am pleased to provide you with details of our Annual General Meeting ("AGM") which we are holding at the Company's offices at The Walbrook Building, 25 Walbrook, London, EC4N 8AF at 11:00am on 18 June 2020.

The Board considers the AGM an important opportunity to present to shareholders the Company's performance and strategic priorities. In normal circumstances, the Board values greatly the opportunity to meet shareholders in person. However, the evolving COVID-19 situation and the related Government guidelines have clearly impacted the ability of shareholders to attend our AGM. The Board supports fully the recent Government prohibition on public gatherings of more than two people and its advice not to travel unless essential for work purposes. **It is the Company's intention to proceed with holding the AGM on 18 June 2020 at 11.00am with the minimum quorum of shareholders present in order to conduct the business of the meeting (being two shareholders). Whilst the current guidance remains in place, no other shareholders will be permitted to physically attend the meeting. Any shareholder who attempts to attend the meeting in person will be refused entry.**

Instead of attending this year's AGM, shareholders are asked to exercise their votes by submitting their proxy electronically or by post, as explained below. Shareholders can only appoint the "Chairman of the meeting" as proxy, as no other proxy will be permitted to attend the meeting. In addition, should a shareholder have a question that they would have raised at the meeting, we ask that they send it by email at least 48 hours prior to the date of the AGM to cosec@ipgroupplc.com. The Company will endeavour to publish these questions and the Company's responses on the Company's website at <https://www.ipgroupplc.com/investor-relations/shareholder-information/aggm> as soon as practicable after the AGM. The Company also intends to hold a webinar after the AGM and details will be made available on the website nearer the date of the AGM.

The Board will keep these AGM arrangements under review and the Board will update shareholders via the Regulatory News Service ("RNS") as appropriate, with any such announcements also uploaded to the Company's website (<https://www.ipgroupplc.com/investor-relations/shareholder-information/aggm>). The Company encourages shareholders to check its website regularly for the latest information on the arrangements for the AGM.

The formal Notice of AGM is set out at Part II on pages 10 to 16 of this document. In addition to the ordinary business of the AGM, there are seven Resolutions to be considered which constitute special business. This document describes each Resolution to be proposed at the AGM.

In order to better reflect the views of all shareholders, a poll will be held in relation to each Resolution. Resolutions 1 to 15 (inclusive), 18 and 21 in the Notice of AGM will all be proposed as Ordinary Resolutions. This means that, for each of these Ordinary Resolutions to be passed on a poll, members representing a simple majority of the total voting rights of the members voting (by proxy) must vote in favour of the Resolution.

Resolutions 16, 17, 19 and 20 in the Notice of AGM will be proposed as Special Resolutions. For each of these four Special Resolutions to be passed on a poll, members representing not less than 75% of the total voting rights of the members voting (by proxy) must vote in favour of the Resolution.

Part I continued

ORDINARY BUSINESS

Resolutions 1 to 14 (inclusive) constitute the ordinary business of the AGM and are described below:

Resolution 1 – Report and Accounts

The Directors are required to present to the AGM the Directors' Report, the Audited Statement of Accounts and Auditor's Report of the Company for the financial year ended 31 December 2019 (the **'Annual Report and Accounts'**).

A copy of the Annual Report and Accounts is available on the Company's website at <http://www.ipgroupplc.com/investor-relations>.

Resolution 2 – Approval of Directors' Remuneration Report

The Directors are required to prepare an annual report detailing the remuneration of the Directors and a statement by the Chairman of the Remuneration Committee (together the **'Directors' Remuneration Report'**). The Company is required to seek shareholders' approval in respect of the contents of this report on an annual basis. This vote is an advisory one and does not affect the actual remuneration paid to any individual Director.

The Directors' Remuneration Report is set out in full on pages 98 to 115 of the Annual Report and Accounts.

Shareholders are not required to vote on the Directors' remuneration policy this year. The Directors' remuneration policy was approved by shareholders at our 2019 Annual General Meeting and is available on the Company's website. A remuneration policy will be put to shareholders again no later than the date of the Company's Annual General Meeting in 2022.

Resolution 3 – Re-appointment of Auditor

This Resolution seeks to re-appoint KPMG LLP as auditor of the Company to hold office from the conclusion of the AGM until the conclusion of the next general meeting of the Company at which accounts are laid before the shareholders in accordance with the provisions of the Companies Act 2006.

During the year, the Audit Committee undertook a review of KPMG's independence and objectivity and of the effectiveness of the audit process, following which the audit committee recommended the re-appointment of KPMG to the Board, for the Board to put to shareholders for approval.

Resolution 4 – Remuneration of Auditor

This Resolution seeks the usual authority for the Directors to fix the remuneration of the Group's auditor.

Resolutions 5 and 6 – Election of Directors

As announced by the Company on 1 July 2019, Dr Caroline Brown agreed to join the Board as an independent Non-executive Director with effect from that date. Dr Brown has a wealth of experience covering accounting and audit, banking and investments, as well as science and technology, all of which are highly relevant for the Board. She has 20 years' plc board experience and held previous positions in corporate finance at Merrill Lynch (New York), UBS and HSBC. Additional biographical details of Dr Brown are set out on page 80 of the Annual Report and Accounts.

In addition, as announced by the Company on 1 August 2019, Aedhmar Hynes agreed to join the Board as a Non-executive Director of the Company with effect from that date. Aedhmar has multiple years' experience in communications and is the former CEO of Text100, a digital communications agency with 22 offices and over 600 consultants across Europe, Asia and North America. Aedhmar is also the Company's designated Non-executive Director for workforce engagement on the Board. Additional biographical details of Aedhmar are set out on page 80 of the Annual Report and Accounts.

Dr Caroline Brown and Aedhmar Hynes were appointed since the date of the last Annual General Meeting of the Company and, under the Company's articles of association, they retire at the close of the AGM. Both Caroline and Aedhmar are offering themselves for election at the AGM. Accordingly, they will be proposed for election pursuant to separate resolutions which, if approved, will take effect from the conclusion of the AGM.

The Nomination Committee, which considers the balance of the Board and the mix of skills, knowledge and experience of its members, has considered and recommends the proposed elections due to their considerable experience as described above. The Board considers that both Dr Caroline Brown and Aedhmar Hynes are independent in character and judgement and there are no relationships which are likely to affect, or which could appear to affect, their character or the exercise of their judgement. Furthermore, both persons have confirmed, and the Board is satisfied, that they have sufficient time to discharge the requirements of their respective roles.

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Resolutions 7 to 14 (inclusive) – Re-election of other Directors

In line with the provisions of the UK Corporate Governance Code, all of the Directors other than Dr Caroline Brown and Aedhmar Hynes (for the reasons set out above) and Jonathan Brooks are presenting themselves for annual re-election by shareholders at the AGM. As announced on 11 March 2020, Jonathan Brooks retired from the Company after nine years of service on the Board of the Company and the Company expresses its thanks to Jonathan for his excellent contribution and input during his long period of service.

Each of the Directors (other than Jonathan Brooks, Dr Caroline Brown and Aedhmar Hynes) will be proposed for re-election pursuant to separate Resolutions which, if approved, will take effect from the conclusion of the meeting. Biographical details for each of these Directors appear on pages 78 to 80 of the Annual Report and Accounts.

The Nomination Committee has considered the effectiveness of the Directors offering themselves for re-election. All the proposed appointees have been subject to a formal evaluation in the last 12 months. Following that evaluation, the Chairman confirms that each of the Directors offering themselves for re-election is and continues to be valuable and effective, that each of them has demonstrated the appropriate level of commitment to his or her role and that each of the non-executive Directors continues to be fully independent in both character and judgement and there are no relationships or circumstances which are likely to affect, or which could appear to affect, their character or exercise of their judgement.

Full details on each Director's experience and qualifications provided in the appendix to this letter are given in support of the Board and Nomination Committee's recommendation to re-elect each of the Directors of the Company.

SPECIAL BUSINESS

Resolutions 15 to 21 (inclusive) all constitute the special business of the AGM and are described below:

Resolution 15 – Authority to Allot Shares

The Directors were authorised to allot shares or to grant rights in respect of shares in the Company at the AGM in 2019 ("**2019 AGM**"), but their authorisation expires at the end of this AGM. Accordingly, this Resolution seeks to renew the authority to allot shares and to grant such rights. This authority is limited to the amount set out in paragraph (a) of the Resolution, being approximately one third of the issued ordinary share capital as at 15 April 2020, the latest practicable date prior to the publication of the Notice of AGM (the "**Latest Practicable Date**").

In addition to the above authority and in accordance with the guidance issued by the Investment Association on authority to allot, paragraph (b) of this Resolution seeks to authorise the Directors to allot equity securities of the Company in connection with a fully-pre-emptive rights issue only. This authority is limited to the amount set out in paragraph (b), being approximately a further one third of the total ordinary share capital in issue as at the Latest Practicable Date. This authority will allow the Company to implement a rights issue within that limit without needing a separate shareholders' meeting.

As at 15 April 2020, the Company did not hold any shares in the Company in treasury. The above authorities will remain in force until the conclusion of the Company's 2021 Annual General Meeting ("**2021 AGM**") or 18 September 2021, whichever is the earlier.

The purpose of giving the Directors such authorities is to maintain the Company's flexibility to take advantage of any appropriate opportunities that may arise. The directors have no present intention to exercise these authorities except in connection with the Company's employee share plan but consider it prudent to obtain the flexibility that this authority provides. The authorities are in line with guidelines issued by the Investment Association.

Resolution 16 – Disapplication of Pre-emption Rights

This Resolution, which will be proposed as a Special Resolution, seeks to renew the authority conferred on the Directors at the 2019 AGM to issue equity securities of the Company for cash without first offering them to existing shareholders in proportion to their existing shareholdings. Under this Resolution, the Directors will be authorised to allot equity securities for cash up to an aggregate nominal value of £1,062,353.73, representing approximately 5% of the Company's issued ordinary share capital as at the Latest Practicable Date.

The renewed authority will remain in force until the conclusion of the Company's 2021 AGM or 18 September 2021, whichever is the earlier. The Directors have no present intention to exercise the authority conferred by this resolution.

Resolution 16 is in line with the Pre-Emption Group's Statement of Principles (as updated in March 2015) (the "**Statement of Principles**").

The Directors also confirm that in accordance with the Statement of Principles, they do not intend to allot equity securities for cash representing more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period other than to existing shareholders, save as permitted in connection with an acquisition or specified capital investment as described below, unless shareholders have been notified and consulted in advance.

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Resolution 17 – Further Disapplication of Pre-emption Rights

This Resolution, which will be proposed as a Special Resolution, is to extend the Directors' authority to allot equity securities for cash up to a further maximum nominal amount of £1,062,353.73, bringing the combined authority under Resolutions 16 and 17 to an aggregate nominal value of £2,124,707.46, representing approximately 10% of the Company's issued ordinary share capital as at the Latest Practicable Date.

This authority will remain in force until the conclusion of the Company's 2021 AGM or 18 September 2021, whichever is the earlier.

Resolution 17 is in line with the Statement of Principles.

In compliance with the Statement of Principles, the Directors confirm that they will not allot equity securities for cash on a non-pre-emptive basis pursuant to the authority in Resolution 17 other than in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

In addition, the Directors also confirm that in accordance with the Statement of Principles, they do not intend to allot equity securities for cash representing more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period other than to existing shareholders, save as permitted in connection with an acquisition or specified capital investment as described above, unless shareholders have been notified and consulted in advance.

Resolution 18 – Political Expenditure

Although it has been the Company's practice not to incur political expenditure or otherwise to make payments to political parties and it intends that this will remain the case, the Directors are proposing to renew the authority obtained at the 2019 AGM to incur political expenditure in the terms of Resolution 18 as a precautionary measure, in case any of its normal operating activities are caught by the broad definition of political expenditure contained in section 365 of the Companies Act 2006. The authority sought is capped at £50,000 and will cover the period from the date Resolution 18 is passed until the conclusion of the Annual General Meeting in 2021 (unless such authority has been renewed, revoked, or varied by the Company in general meeting sooner).

The Company and its subsidiaries made no political donations and incurred no political expenditure in the current year.

Resolution 19 – Authorisation to Make Market Purchases

The Company is seeking a limited authority to make purchases in the market of its own shares as permitted by the Companies Act 2006. The authority limits the number of shares which the Company may purchase pursuant to this authority to a maximum of 106,235,373 ordinary shares (being approximately 10% of the Company's issued ordinary share capital as at the Latest Practicable Date) and sets maximum and minimum prices.

The Companies Act 2006 allows the Company to hold shares which have been repurchased as treasury shares and either re-sell them for cash, cancel them (either immediately or in the future) or use them for the purposes of its employee share schemes. This provides the Company with additional flexibility in the management of its share capital. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares. There is no statutory limit on the percentage of share capital that the Company is permitted to hold as treasury shares. However, in keeping with the Investment Association's guidelines, the Company will continue to limit the number of shares that it will hold as treasury shares to no more than 10% of its issued share capital.

In seeking this authority, which will be proposed as a Special Resolution, the Directors are not indicating any commitment to buy back any of the Company's shares. The Directors will only exercise the authority if, in the light of market conditions prevailing at the time, they consider that the purchase of shares can be expected to result in an increase in earnings or net assets per share and is in the best interests of the Company's shareholders generally. The Directors do, however, consider it desirable for this authorisation to be available to provide flexibility in the management of the Company's capital reserves. This authority shall (unless previously renewed or revoked) expire on the earlier of the Company's 2021 AGM and 18 September 2021.

Resolution 20 - Notice of General Meetings

At the 2019 AGM and pursuant to the ability in the Companies Act 2006 to do so, a resolution was passed as a Special Resolution that the minimum period of notice for all general meetings (other than Annual General Meetings) be reduced from 21 clear days' notice to not less than 14 clear days' notice. The Directors wish to continue to preserve this ability and, accordingly, Resolution 20 proposes a renewal of that resolution. This reduced notice period will not be used as a matter of routine for general meetings but only where, taking into account all of the circumstances (including whether the business of the meeting is time sensitive), the Directors consider it appropriate. The approval of this Resolution 20 will be effective until the conclusion of the Company's 2021 AGM when it is intended that a similar Resolution will be proposed. The provisions of the Companies Act 2006 require that, in order for the Company to use this ability to call a general meeting on less than 21 clear days' notice, it will also need to make a means of electronic voting available to shareholders for that meeting.

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Resolution 21 – Approval of Long Term Incentive Plan Rules

At the 2019 AGM, the Directors' remuneration policy was approved by shareholders with 96.63% of votes cast in its favour.

In order to facilitate the operation of the remuneration policy, the Company now seeks approval of the IP Group Long Term Incentive Plan ("**LTIP**") by shareholders, in accordance with the Listing Rules (produced by the UK Financial Conduct Authority). A summary of the LTIP is set out in the Appendix to the Notice.

The LTIP includes additional good practice corporate governance features including, but not limited to:

- the Remuneration Committee of the Company being able to determine that an award is subject to an additional holding period;
- wider malus and clawback triggers;
- the Remuneration Committee's ability to over-ride formulaic outcomes in certain circumstances; and
- an additional limit on the number of shares which may be issued under the LTIP together with any other discretionary share plan adopted by the Company of 5% of the issued ordinary share capital of the Company from time to time.

In addition, notwithstanding the 400% limit specified in the remuneration policy, the LTIP also imposes a reduced limit that awards will not be granted to a participant in respect of any financial year over shares with a market value in excess of 300% of basic salary.

The Company will not allow any existing awards to vest, nor will it make any further grants under the LTIP, until shareholders have formally approved the LTIP.

ACTION TO BE TAKEN

If you would like to vote on the Resolutions set out in the Notice of AGM, please fill in the proxy form sent to you with this document and return it, together with the power of attorney or other authority (if any) under which it is signed, to our registrars, Link Asset Services, by hand only to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or in accordance with the replied paid details, as soon as possible. They must receive it by no later than 11:00am on 16 June 2020. Alternatively, you may vote electronically via our registrars' website at www.signalshares.com. In order for you to be able to vote in this way, you will need your Investor Code which is printed on the enclosed proxy card. Shareholders can only appoint the "Chairman of the meeting" as proxy, as no other proxy will be permitted to attend the meeting.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 11am on 16 June 2020 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST messages must be received by the issuer's agent (CREST ID No. RA10) by no later than 11:00am on 16 June 2020.

RECOMMENDATION

The Board considers that all the Resolutions to be put to the meeting are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them in respect of their own shareholdings and unanimously recommends that you do so as well.

Yours sincerely,

Sir Douglas Flint
Chairman

Inspection of documents

Subject to the COVID-19 restrictions, the following documents will be available for inspection at the registered office of IP Group plc (which is also the location of the AGM) during business hours on any weekday from the date of this document until the end of the AGM:

- copies of the Executive Directors' service contracts;
- copies of the letters of appointment of the Non-executive Directors; and
- a copy of the rules of the LTIP.

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APPENDIX TO CHAIRMAN'S LETTER

Resolution 7 – Alan Aubrey

Chief Executive Officer: Appointed to the Board in January 2005

Committees: None

Experience and Qualifications: Mr Aubrey was the joint founder and Chief Executive of Techtran Group, which went on to merge with IP2IPO Limited and the combined business was subsequently renamed IP Group. From 1995-2002 Mr Aubrey was a partner in KPMG where he specialised in providing advice to fast growing technology businesses. Mr Aubrey holds a BA in Economics from the University of Leeds, an MBA with Distinction from the University of Bradford and is a fellow of the Institute of Chartered Accountants of England and Wales. Mr Aubrey is also Non-Executive Chairman of Proactis Holdings plc, an AIM-listed software company based in York, Non-executive Director of Oxford Sciences Innovation plc and Non-Executive Chairman of Ceres Power Holdings plc.

Resolution 8 – David Baynes

Chief Operating Officer: Appointed to the Board in March 2014

Committees: None

Experience and Qualifications: Mr Baynes was appointed to the Board in March 2014 following the acquisition of Fusion IP plc, where he was Chief Executive Officer and one of the founders. Mr Baynes had been a board director of Fusion IP plc since 2004, having been a director of Fusion IP Trading since 2003. Previously, he worked at Celsis International plc from its incorporation to its flotation on the full list of the London Stock Exchange in July 1993; and at Toad plc (now 21st Century Technology PLC), which he also co-founded where he was responsible for taking the company from start-up to a full listing on the London Stock Exchange. David was also CFO of Codemasters Limited, the UK's largest privately held games company. Mr Baynes is also Non-Executive Director of Xeros Technology Group plc and Intelligent Ultrasound Group plc.

Resolution 9 – Professor David Begg

Senior Independent Director: Appointed to the Board in October 2017

Committees: Audit, Remuneration and Nomination

Experience and Qualifications: Professor Begg was appointed to the Board in October 2017 following the acquisition of Touchstone Innovations plc, where he was a non-executive director. He joined Touchstone Innovations plc from Imperial College London, where he was Professor of Economics and Principal of the Business School from 2003 until 2012. He also acted as Vice Provost for Research for the College. During his earlier career, Professor Begg held a number of distinguished advisory and academic appointments, including Professor of Economics at Birkbeck College, Visiting Fellow at the Reserve Bank of Australia, and Visiting Professor at M.I.T. and at INSEAD, and Economic Policy Advisor in the Bank of England. Professor Begg became Senior Independent Director of the Company in January 2018.

Resolution 10 – Heejae Chae

Non-Executive Director: Appointed to the Board in May 2018

Committees: Nomination, Audit and Remuneration (Chair)

Experience and Qualifications: Mr Chae is an experienced public company director, bringing both knowledge of finance and industry, having spent the early part of his career in finance at The Blackstone Group and Credit Suisse First Boston before moving into industry. He was also former Group Chief Executive of Volex Group plc and Group General Manager for Amphenol Corporation. Mr Chae is the Chief Executive Officer of Scapa Group plc and is also on the Board of Overseers at Boston Children's Hospital.

Resolution 11 – Sir Douglas Flint

Chairman: Appointed to the Board in September 2018

Committees: Nomination (chair) and Remuneration

Experience and Qualifications: Sir Douglas has a strong track record of Board leadership and in depth knowledge of financial reporting, banking and investment business and brings this wealth of finance and governance experience and expertise to the Board. Former positions include Group Chairman of HSBC for 7 years, HSBC's Group Finance Director for 15 years and Non-executive director of BP plc for 6 years. Sir Douglas was formerly a partner in KPMG.

Part I continued

Resolution 12 – Greg Smith

Chief Financial Officer: Appointed to the Board in June 2011

Committees: None

Experience and Qualifications: Mr Smith joined the Company as Group Financial Controller in January 2008 and was appointed Chief Financial Officer in June 2011. Prior to joining the Company, Mr Smith worked at Tarchon Capital Management, a multi-billion dollar fund of hedge funds business where he built and managed the operations and accounting team and the operational due diligence process for investee hedge funds. He originally trained as an accountant in KPMG's London Financial Services practice working with asset management, insurance and banking clients. Mr Smith is a Fellow of the ICAEW and holds a degree in Mathematics from the University of Warwick.

Resolution 13 – Dr Elaine Sullivan

Non-Executive Director: Appointed to the Board in July 2015

Committees: Audit, Remuneration and Nomination

Experience and Qualifications: Dr Sullivan has over 25 years' international experience working in the pharmaceutical industry and was a member of the senior management teams in R&D at Eli Lilly and Astra Zeneca. Dr Sullivan is also co-founder and former CEO of Carrick Therapeutics. She has extensive experience in partnerships with venture, equity and strategic collaborations and was a member of the Investment Committees of Lilly Ventures and Lilly Asian Ventures. She has an outstanding track record of identifying drug hunting cutting edge technologies at beta stage and working with the inventors to produce the commercial product. She is also a Member of the Supervisory Board of Evotec AG, a drug discovery solutions company.

Resolution 14 – Michael Townend

Executive Director: Appointed to the Board in March 2007

Committees: None

Experience and Qualifications: Mr Townend joined the Company's Board in 2007 from Lehman Brothers where he was Managing Director of European Equities and Head of Equity Sales to Hedge Funds. He has 17 years' experience in all aspects of equity capital markets and the investment process and was also a key member of the senior relationship management programme at Lehman Brothers. Prior to this, he was an Executive Director at Donaldson, Lufkin and Jenrette with responsibility for building the bank's business with hedge funds and alternatives. Mr Townend has sourced, co-led or led numerous private and public transactions. He is the Company's representative on the board of Applied Graphene Materials plc. He is also a non-executive director of Green Urban Transport Ltd.




IP GROUP PLC

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **ANNUAL GENERAL MEETING** of IP Group plc (the "**Company**") will be held at its offices at The Walbrook Building, 25 Walbrook, London, EC4N 8AF at 11:00am on 18 June 2020 for the purposes of considering and, if thought fit, passing the following Resolutions of which Resolutions 1 to 15 (inclusive), 18 and 21 will be proposed as Ordinary Resolutions and Resolutions 16, 17, 19 and 20 will be proposed as Special Resolutions.

1. To receive the Directors' Report, the Audited Statement of Accounts and Auditor's Report of the Company for the financial year ended 31 December 2019 (the "**Annual Report and Accounts**").
2. To approve the Directors' Remuneration Report for the year ended 31 December 2019.
3. To re-appoint KPMG LLP as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid before the shareholders in accordance with the provisions of the Companies Act 2006 (the "**Act**").
4. That the Directors be authorised to fix the remuneration of KPMG LLP as auditor of the Company.
5. To elect Dr Caroline Brown as a Director of the Company.
6. To elect Ms Aedhmar Hynes as a Director of the Company.
7. To re-elect Mr Alan Aubrey as a Director of the Company.
8. To re-elect Mr David Baynes as a Director of the Company.
9. To re-elect Professor David Begg as a Director of the Company.
10. To re-elect Mr Heejae Chae as Director of the Company.
11. To re-elect Sir Douglas Flint as a Director of the Company.
12. To re-elect Mr Greg Smith as a Director of the Company.
13. To re-elect Dr Elaine Sullivan as a Director of the Company.
14. To re-elect Mr Michael Townend as a Director of the Company.
15. That the Directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "**Act**") to exercise all the powers of the Company to:
 - (a) allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares in the Company ("**Rights**") up to an aggregate nominal amount of £7,082,358.22 (being approximately one third of the Company's issued ordinary share capital as at 15 April 2020, being the latest practicable date prior to the publication of this notice of meeting the "**Latest Practicable Date**"); and
 - (b) allot equity securities of the Company (as defined in section 560 of the Act) up to a further aggregate nominal amount of £7,082,358.22 (being approximately one third of the Company's issued share capital as at the Latest Practicable Date) in connection with an offer by way of a rights issue,

provided that (i) such authorities shall expire on the earlier of the conclusion of the Company's 2021 AGM and 18 September 2021, and (ii) before such expiry the Company may make any offer or agreement which would or might require shares or equity securities to be allotted or Rights to be granted after such expiry and the Directors may allot such shares or equity securities and grant such Rights pursuant to any such offer or agreement as if the authority conferred by this Resolution 15 had not expired. These authorities shall be in substitution for all other authorities granted to the Directors to allot shares or equity securities and grant Rights.

For the purposes of this Resolution 15 and Resolution 16 below, "rights issue" means an offer to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class) to subscribe for further securities by means of the issue

Part II continued

of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions of such securities, the issue, transfer and/or holding of any securities in certificated form or in uncertificated form, the use of one or more currencies for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares or any legal or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory.

16. That, subject to and conditional on the passing of Resolution 15, the Directors be and are hereby generally empowered pursuant to sections 570 and 573 of the Companies Act 2006 (the "**Act**") to allot equity securities (as defined in section 560 of the Act), payment for which is to be wholly in cash as if section 561(1) of the Act did not apply to any such allotment provided that such power shall be limited:

- (a) pursuant to the authority conferred on the Directors by paragraph (a) of Resolution 15:
 - (i) to or in connection with any rights issue, open offer or other pre-emptive offer, open for acceptance for a period determined by the Directors, to the holders of ordinary shares on the register on any fixed record date in proportion (as nearly as may be practicable) to their holdings of ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions of such securities, the issue, transfer and/or holding of any securities in certificated form or in uncertificated form, the use of one or more currencies for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares or any legal or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory; and
 - (ii) to the allotment of equity securities (other than pursuant to paragraph (a) of this Resolution 16) up to an aggregate nominal amount of £1,062,353.73, representing approximately 5% of the nominal value of the issued ordinary share capital of the Company as at the Latest Practicable Date; and
- (b) pursuant to the authority conferred on the Directors by paragraph (b) of Resolution 15, to the allotment of equity securities in connection with a rights issue.

References herein to the allotment of equity securities shall include the sale of treasury shares (within the meaning of section 724 of the Act). The authority given by this Resolution 16 shall expire at such time as the authorities conferred on the Directors by Resolution 15 expire save that, before the expiry of this authority, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

17. That, subject to and conditional on the passing of Resolution 15, the Directors be and are hereby generally empowered pursuant to sections 570 and 573 of the Companies Act 2006 (the "**Act**") and in addition to any authority granted under Resolution 16, to allot equity securities (as defined in section 560 of the Act), payment for which is to be wholly in cash as if section 561(1) of the Act did not apply to any such allotment provided that such power shall be limited pursuant to the authority conferred on the Directors by Resolution 15:

- (a) to the allotment of equity securities up to an aggregate nominal amount of £1,062,353.73 representing approximately 5% of the nominal value of the issued ordinary share capital of the Company as at the Latest Practicable Date; and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice.

References herein to the allotment of equity securities shall include the sale of treasury shares (within the meaning of section 724 of the Act). The authority given by this Resolution 17 shall expire at such time as the authorities conferred on the Directors by Resolution 15 expire save that, before the expiry of this authority, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

18. That, in accordance with section 366 of the Companies Act 2006 (the "**Act**"), the Company and all companies that are subsidiaries of the Company at any time during the period for which this Resolution 18 has effect be and are hereby authorised to incur political expenditure (as defined in section 365 of the Act) not exceeding £50,000 in total during the period beginning with the date of the passing of this Resolution and ending at the conclusion of the Company's 2021 AGM.

Part II continued

19. That the Company generally be authorised for the purposes of section 701 of the Companies Act 2006 (the "**Act**") to make market purchases (as defined in section 693(4) of the Act) of the Company's ordinary shares on such terms and in such manner as the Directors may from time to time determine, provided that:
- (a) the maximum number of ordinary shares hereby authorised to be purchased is 106,235,373 ordinary shares, being approximately 10% of the Company's issued ordinary share capital as at the Latest Practicable Date;
 - (b) the minimum price (exclusive of expenses) that may be paid is 2 pence for each ordinary share being the nominal value thereof;
 - (c) the maximum price (exclusive of expenses) which may be paid for such shares for so long as the Company's ordinary shares are listed on the Official List shall be the higher of (i) 5% above the average of the middle market quotations taken from the London Stock Exchange Daily Official List for the 5 business days before the purchase is made; and (ii) the amount stipulated by Article 5 (i) of the EU Buy-back and Stabilisation Regulation (being the higher of the price of the last independent trade and the highest current independent bid for an ordinary share in the Company on the trading venues where the market purchases by the Company pursuant to the authority conferred by this Resolution 19 will be carried out);
 - (d) the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the Company's 2021 AGM and 18 September 2021; and
 - (e) the Company may make a contract to purchase its own shares under the authority hereby conferred prior to the expiry of such authority, which will or may be executed wholly or partly after the expiry of such authority; and may make a purchase of its ordinary shares in pursuance of any such contract.
20. That a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.
21. That:
- (a) the rules of the IP Group Long Term Incentive Plan 2020 in the form produced to the meeting and initialled by the Chairman of the meeting for the purposes of identification (the "**LTIP**"), the principal terms of which are summarised in the Appendix to this notice, be and are hereby approved and the directors of the Company be and are hereby authorised to adopt the LTIP and do all acts and things which they may, in their discretion, consider necessary or expedient to give effect to the LTIP; and
 - (b) the directors of the Company be and are hereby authorised to adopt further plans based on the LTIP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against any limits on individual or overall participation on the LTIP.

Registered Office

The Walbrook Building
25 Walbrook
London
EC4N 8AF

By Order of the Board

Angela Leach
Company Secretary

16 April 2020

Registered in England and Wales No. 04204490

Notes

The following notes remain subject to Government restrictions that may be in place at the time of the AGM arising from the COVID-19 situation. It is the Company's intention to proceed with holding the AGM on 18 June 2020 at 11.00am with the minimum quorum of shareholders present in order to conduct the business of the meeting (being two shareholders). Whilst the current guidance remains in place, no other shareholders will be permitted to physically attend the meeting. Any shareholder who attempts to attend the meeting in person will be refused entry.

1. Members are only entitled to appoint the Chairman of the meeting as a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. If you are outside the United Kingdom, please call +44 371 664 0391. Calls outside the United Kingdom will be charged at the applicable international rate. The lines are open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales.
2. To be valid, the proxy form must be completed and lodged, together with the power of attorney or other authority (if any) under which it is signed, or a duly certified copy of such power or authority, with the Company's registrars, Link Asset Services, by hand only to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, BR3 4TU or in accordance with the replied paid details, not less than 48 hours before the time appointed for holding the Annual General Meeting (excluding non-working days). Alternatively you may vote electronically via the registrars' website at www.signalshares.com. In order for you to be able to vote in this way, you will need your Investor Code which is printed on the enclosed proxy card.
3. If you are appointing a proxy using the Proximity platform, your proxy must be lodged by 11am on 16 June 2020 in order to be considered valid.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the member by whom he/she was nominated, have the Chairman of the meeting appointed as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights. Such persons should direct any communications and enquiries to the registered holder of the shares by whom they were nominated and not to the Company or its registrars.
5. The statement of the rights of members in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.
6. To be entitled to vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), members must be registered in the Register of Members of the Company at the close of business on 16 June 2020 (or, if the Annual General Meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the Annual General Meeting.
7. As at 15 April 2020 (being the last business day prior to the publication of this notice of meeting) the Company's issued share capital consisted of 1,062,353,734 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 15 April 2020 were 1,062,353,734.
8. CREST members who wish to appoint a proxy through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK and Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (CREST ID No. RA10) by 11.00am on 16 June 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

Notes

10. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular message. 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, 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 means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
12. To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the Form of Proxy and would like to change the instructions using another Form of Proxy, please contact Link Asset Services. The deadline for receipt of proxy appointments (see paragraph 2 above) also applies in relation to amended instructions. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, those received last by Link Asset Services will take precedence.
13. Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the members requesting such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act to publish on a website.
14. Any member has the right to ask questions. The Company requests that members submit questions by 11am on 16 June 2020 to cosec@ipgroupplc.com. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company for the question to be answered. Responses to the questions will be published on the Company's website as soon as possible after the AGM.
15. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at <http://www.ipgroupplc.com/investor-relations>.
16. You may not use any electronic address provided either in the Notice of AGM or any related documents (including the Chairman's letter and proxy form) to communicate for any purposes other than those expressly stated.

APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING

The terms of the IP Group Long Term Incentive Plan 2020 (the 'LTIP' or 'Plan') are summarised below.

The Plan

Operation

The Plan will be administered by the Remuneration Committee of the Board or by any duly authorised committee of it (the '**Committee**'). Any employee of the Company's group ('**Group**') is eligible to receive an award under the Plan at the Committee's discretion.

Awards made under the Plan to directors of the Company ('**Directors**') (and payments subsequently received under the Plan by Directors) will be made and paid in accordance with the Company's relevant remuneration policy at the time.

Grant of awards

Awards may be granted by the Committee as conditional awards or an award of split interest shares (part ownership of shares together with a nil cost option over the remaining interest); however there is no current intention to use split interest shares. Awards are made in respect of ordinary shares in the Company ('**Shares**').

Awards can only be granted in the six weeks following the day on which the Plan is approved by shareholders, the announcement by the Company of its results for any period, any day on which a restriction on the grant of awards is lifted or any day on which the Committee determines that exceptional circumstances exist which justify the grant of awards. Awards are not transferable except on death and will not form part of pensionable earnings.

No awards may be made under the LTIP after the tenth anniversary of its adoption and therefore it will need to be renewed at that time by the Company.

Performance conditions

The vesting of awards will be subject to the satisfaction of such performance conditions as the Committee may determine. Awards made under the LTIP will usually be subject to one or more performance conditions and the period over which any performance condition will be assessed will not ordinarily be less than three years.

Any performance condition may be amended or substituted if one or more events occur which cause the Committee to consider that an amended or substituted performance condition would be fairer and would not be materially more or less difficult to satisfy.

Individual limit

Awards will not be granted to a participant under the LTIP in respect of any financial year of the Company over Shares with a market value (as determined by the Committee) in excess of three times their basic salary at the date of grant. This limit also applies to recruitment and retention awards.

Overall limits

In any rolling ten year period, the number of Shares which may be issued under the Plan and any other employee share plan adopted by the Company may not exceed 10% of the issued ordinary share capital of the Company from time to time.

In any ten year period, the number of Shares which may be issued under the Plan and any other discretionary share plan adopted by the Company may not exceed 5% of the issued ordinary share capital of the Company from time to time.

Treasury Shares will be treated as newly issued Shares for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

Vesting, exercise and release of awards

Awards subject to performance conditions will normally vest as soon as reasonably practicable after the end of the performance period (or on such later date as the Board determines) to the extent that the performance conditions have been satisfied and subject to any appropriate adjustment to the outcome as the Committee may decide (including by reducing to nil).

Awards not subject to performance conditions will vest on the date the Committee determines (which would normally be no earlier than the third anniversary of grant).

In addition, the Committee may determine that a vested award is also subject to an additional "holding period" (a '**Holding Period**') during which the Shares that are the subject of an award will not be delivered to participants. At the end of the Holding Period, the awards will be "released" and the Shares will be delivered to participants. The Holding Period will be a period of two years following the end of the performance period (or such other period as the Committee determines).

Dividend equivalent payments

The Committee may decide to award dividend equivalent payments in respect of the Shares that vest under awards in respect of dividends paid in a period determined by the Committee between grant and release. Dividend equivalents may be paid in Shares or cash and may assume the reinvestment of the dividends in Shares.

Leavers

Awards will usually lapse on the individual's cessation of office or employment with the Group except where cessation is as a result of the individual's death, ill health, injury or disability, redundancy, where the participant's employer is no longer a member of the Group, or for any other reason that the Committee determines prior to the end of the participant's employment ('**Good Leavers**').

Unvested awards held by Good Leavers will continue until the normal vesting date (or where an award is subject to a Holding Period, the end of the Holding Period). The extent to which the award vests will be reduced to reflect the number of complete months of the performance period during which the Good Leaver was in employment.

If a participant ceases to be an officer or employee of the Group during a Holding Period for any reason, their award will normally be released at the end of the Holding Period except in the case of death, or if the Board determines that it should be released as soon as reasonably practicable following his or her cessation of office or employment. However, if the cessation is for reasons of gross misconduct, the award will lapse immediately.

Malus and clawback

If during the period ending on the fifth anniversary of the grant date there is:

- a material misstatement of a member of the Group's financial results;
- an error in assessing a performance condition or assumptions on which the award was granted, vested or released;
- any action or inaction on the part of a participant resulting in serious reputational damage;
- serious misconduct by a participant or participants;
- a material corporate failure in any member of the Group or relevant business unit; or
- any other circumstances that the Committee in its discretion considers to be similar in their nature or effect to the above circumstances,

the Committee may (before the fifth anniversary of the grant date) reduce awards (to zero, if appropriate), impose additional conditions on the awards, require that the participant has to either return some or all of the Shares acquired under his or her award or make a cash payment to the Company in respect of any Shares which may have already been delivered.

Corporate events

In the event of a change of control of the Company or in the event that the Company passes a resolution for its voluntary winding up, unvested awards will vest to the extent determined by the Committee, taking into account the extent to which any performance condition has been satisfied (or an alternative condition that the Committee considers to be appropriate and proportionate) and such other factors that the Committee considers relevant to determine whether an adjustment of an award is appropriate. Awards to the extent vested will then be released.

Alternatively, in the case of a scheme of arrangement the Committee may permit awards to be exchanged for shares in the acquiring company. If the change of control is an internal reorganisation of the Group, participants will be required to exchange their awards (rather than awards vesting/being released as part of the transaction).

Adjustment of awards

The Committee may adjust the number of Shares under an award in the event of a variation of the Company's share capital in such manner as the Committee decides is appropriate.

Amendments

The Committee may amend the Plan at any time, provided that prior approval of the Company's shareholders will be required for amendments to the eligibility of employees to become award holders, the limitations on the number of the Shares subject to the Plan, the maximum entitlement for any one award holder, the advantage of participants relating to the basis for determining their entitlements under the Plan and adjustments to them in the event of a variation of share capital. However, any minor amendment to benefit the administration of the Plan, to take account of legislative changes, or to obtain or maintain favourable tax, exchange control or regulatory treatment may be made by the Committee without shareholder approval.

No alteration can be made that would adversely affect the rights attached to any awards granted prior to the alteration except with the written consent of participants holding not less than three-quarters of all the Shares which are at that time the subject of awards under the Plan.

Satisfying awards and termination of Plan

Awards may be satisfied using newly issued Shares, Shares held in treasury or Shares purchased in the market.

Awards to participants subject to US income tax

Awards may be granted under the Plan to participants subject to US income tax, with certain modifications to comply with Sections 409A and 451 of the US Internal Revenue Code of 1986, as amended.

Rules of the Plan

Subject to COVID-19 restrictions, the rules of the Plan will be available for inspection at the registered office of the Company (which is also the location of the AGM) during business hours on any weekday from the date of this document until the end of the AGM (including for at least 15 minutes before and during the AGM).