

PARITY GROUP PLC

NOTICE OF ANNUAL GENERAL MEETING (“AGM”)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser immediately. If you have sold or transferred all your shares in Parity Group plc, please forward this document, together with the accompanying report and accounts and form of proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

ARRANGEMENTS DUE TO COVID-19 PANDEMIC

While the Board highly values the opportunity to meet shareholders in person at the AGM and respond to their questions, at the time of arranging the AGM, compulsory UK government measures are in force that prohibit public gatherings of more than two people and advise against non-essential travel. As a result, the AGM cannot be held in the usual format without creating risks to attendees. The Board have therefore made the difficult decision that the AGM will be a closed meeting, whereby only the formal business of the AGM will be carried out in order to satisfy relevant legal requirements and for shareholders to pass the necessary resolutions. Arrangements have been made for a quorum of two shareholders to be present at the AGM and this will be facilitated by the Company. **On this basis, shareholders are prohibited from attending the AGM in person and any shareholders seeking to attend the AGM in person will be refused entry. If the situation changes the Company will issue a further announcement.**

You are strongly encouraged to vote ahead of the AGM by completing and returning your form of proxy. Shareholders are strongly encouraged to appoint the Chair of the meeting to ensure the appointed proxy is present at the AGM and can vote on their behalf. The form of proxy should be completed, signed and returned according to the instructions thereon no later than 10.00 a.m. on 9 June 2020. You are encouraged to return your form of proxy as early as possible.

Shareholders will be able to listen to the proceedings of the AGM through the Investor Meet Company platform. Shareholders should register via the Investor Meet Company website at www.investormeetcompany.com and follow Parity Group plc. Once registered, shareholders will be automatically invited to this AGM and future online meetings held on the platform. Shareholders will be able to listen to proceedings but will not be able to participate.

To encourage engagement with shareholders, immediately following the conclusion of the AGM there will be a presentation and Q&A session for all shareholders through the Investor Meet Company platform (details above). Shareholders can send questions in advance to investorrelations@parity.net or alternatively shareholders will be able to post questions during the session through the chat feature of the Investor Meet Company platform. Whilst the Company may not be in a position to answer every question it receives, it will address the most

pertinent within the confines of information already disclosed to the market. The presentation will not form part of the AGM.

In the circumstances voting at the AGM will be conducted by way of a poll rather than a show of hands so that the votes of all shareholders are counted in accordance to the number of shares held and all votes tendered are taken into account.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Parity Group plc (the “Company”) will be held at 126 Grand Drive, London, SW20 9DZ on 11 June 2020 at 10.00 a.m. for the purposes set out below.

RESOLUTIONS

To consider and, if thought fit, to pass the following resolutions, of which resolutions 1 to 7 inclusive will be proposed as ordinary resolutions and resolutions 8 and 9 will be proposed as special resolutions. Resolutions 7 to 9 inclusive are items of special business.

ANNUAL REPORT AND ACCOUNTS

1. To receive the accounts of the Company for the financial year ended 31 December 2019 and the reports of the directors and auditors thereon.

REMUNERATION REPORT

2. To approve the directors’ remuneration report contained within the annual report and accounts for the financial year ended 31 December 2019.

RE-ELECTION OF DIRECTORS

3. In accordance with article 98 of the Company’s articles of association, to re-elect Mr G Brandon, who was appointed a director since the last Annual General Meeting.
4. In accordance with article 92 of the Company’s articles of association, to re-elect Mr D Firth as a director.

REAPPOINTMENT OF AUDITORS AND AUDITORS’ REMUNERATION

5. To re-appoint Grant Thornton UK LLP as auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in 2021.
6. To authorise the directors to determine the auditors’ remuneration.

DIRECTORS’ AUTHORITY TO ALLOT SHARES

7. (a) That the board be and it is hereby generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 (the “Act”) to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £684,160

and further,

- (b) that the board be and it is hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company comprising equity securities (within the meaning of section 560 of the Act) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective number of ordinary shares held by them up to an aggregate nominal amount of £684,160 and that the board may make such arrangements or exclusions as it considers necessary or expedient in respect of fractional entitlements or any legal or practical problems arising in any overseas territory or the requirements of any regulatory body or stock exchange,

provided that the foregoing authorities shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted, or rights to be granted, after such expiry and the board may allot shares or grant rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired,

and further,

- (c) that the foregoing authorities are, in substitution for the existing such authorities granted at the Annual General Meeting of the Company held in 2019, but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

PARTIAL DISAPPLICATION OF PRE-EMPTION RIGHTS

8. That, subject to the passing of resolution 7, the board be and it is hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 7 as if sub-section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to the allotment:

- (a) of equity securities in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective number of ordinary shares held by them provided that the board may make such arrangements or exclusions as it considers necessary or expedient in respect of fractional entitlements or any legal or practical problems arising in any overseas territory or the requirements of any regulatory body or stock exchange; and
- (b) (otherwise than pursuant to paragraph (a) above), of equity securities up to an aggregate nominal amount of £102,624 and shall expire at the conclusion of the next Annual General Meeting of the Company to be held in 2021, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

AUTHORITY TO MAKE MARKET PURCHASES OF ITS OWN SHARES

9. That the Company be and it is hereby generally and unconditionally authorised for the purpose of section 701 of the Act to make market purchases (within the meaning of section 693 of the Act) of any of its ordinary shares, provided that:

- (a) the maximum number of ordinary shares hereby authorised to be purchased is 10,262,402;
- (b) the minimum price which may be paid for each ordinary share is two pence, exclusive of the expenses of purchase;
- (c) the maximum price which may be paid for each ordinary share is an amount equal to 105% of the average of the middle market quotations of the ordinary shares derived from the Daily Official List of London Stock Exchange plc for the five business days immediately preceding the day on which such share is contracted to be purchased;
- (d) unless previously revoked or varied, the authority conferred by this resolution shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021; and
- (e) the Company may before the expiry of this authority conclude a contract to purchase ordinary shares which will or may be executed wholly or partly after such expiry and may make such purchase of ordinary shares pursuant to any such contract as if such authority had not expired.

By order of the Board

K Redhead, Company Secretary

13 May 2020

Registered office:
2nd Floor
79-81 Borough Road
London
SE1 1DN

Registered number: 3539413

RECOMMENDATION

Your board considers each of the proposed resolutions to be in the best interests of the Company and its shareholders as a whole. Accordingly, the directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial shareholdings. Explanatory notes in respect of the resolutions proposed are set out in Appendix 1 to this Notice.

NOTES:

1. Only holders of ordinary shares are entitled to vote at the Annual General Meeting. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to vote at the meeting. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A proxy need not be a member of the Company.
2. A form of proxy is enclosed with this Notice and instructions for completion are shown on the form. To appoint a proxy, (a) the form of proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be completed and deposited with the Company's registrars, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with note 5 below, in each case so as to arrive by no later than 10.00 a.m. on 9 June 2020, being 48 hours before the start of the Annual General Meeting, or, if the meeting is adjourned or a poll is taken, not less than 48 hours before the holding of the meeting or the taking of the poll, or if a poll is taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for the taking of the poll.
3. In order to have the right to vote at the meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company at 6.30 p.m. on 9 June 2020, or, in the event of any adjournment, at 6.30 p.m. on the date which is 2 days before the start of the adjourned meeting (ignoring any part of any day that is not a working day). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
4. 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 personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.
5. 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 & Ireland Limited's ("Euroclear UK & Ireland") specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). 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 (ID RA19) by the latest time for the receipt of proxy appointments specified in note 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST 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.
6. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK and Ireland 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
7. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertified Securities Regulations 2001.
8. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of the powers as a member provided that they do not do so in relation to the same shares.
9. As at 12 May 2020 (being the last business day prior to the publication of this Notice), the Company's issued ordinary share capital consisted of 102,624,020 ordinary shares of 2 pence each, carrying one vote each. Therefore, the total voting rights in the Company as at 12 May 2020 were 102,624,020.
10. A copy of this Notice can be found at www.parity.net.
11. You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this Notice or in any related documents (including the Chairman's letter and form of proxy) to communicate with the Company for any purposes other than those expressly stated.
12. Your personal data includes all data provided by you, or on your behalf, which relates to you as a shareholder, including your name and contact details, the votes you cast and your Reference Number (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrars) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.

APPENDIX 1 – EXPLANATORY NOTES ON RESOLUTIONS TO BE PROPOSED AT THE ANNUAL GENERAL MEETING

RESOLUTION 1 – ANNUAL REPORT AND ACCOUNTS

The board of directors will present its report and the accounts of the Company for the financial year ended 31 December 2019 together with the auditors' report thereon.

RESOLUTION 2 – REMUNERATION REPORT

The vote is advisory only but the views of the shareholders will be taken into account by the Company's remuneration committee. The directors' remuneration report is set out on pages 39 to 44 of the report and accounts of the Company for the financial year ended 31 December 2019.

RESOLUTIONS 3 AND 4 RE-ELECTION OF DIRECTORS

Under article 98 of the Company's articles of association, any director appointed since the last Annual General Meeting is required to retire and offer himself or herself for re-election at the next Annual General Meeting. Accordingly, Mr G Brandon retires and offer himself for re-election.

Article 92 of the Company's articles of association requires that one third of the other Directors or, if their number is not a multiple of three, then the number nearest to but not exceeding one third, shall retire from office by rotation. Accordingly, Mr D Firth retires and offers himself for re-election as a director.

The board presents the following biographical information in respect of the directors offering themselves for re-election:

Mr G Brandon, Non-Executive Director

Gerard (Gerry) Brandon, 58, was appointed to the Board as a non-executive Director on 1 May 2020. Gerry is CEO of Integumen, an AIM-listed business focused on artificial intelligence, clinical research, medical device and life sciences. With Gerry's appointment Parity adds additional expertise in the application of data into multiple sectors, including health care and pharmaceuticals. Gerry is also CEO of Cellulac plc and Non-Executive Chairman of Modern Water plc. In 1996 he founded and was CEO of Alltracel Pharmaceuticals plc. In 2004, he was appointed as a Managing Partner for Farmabrand Private Equity. He is a Fellow of the Ryan Academy of Entrepreneurs in Dublin.

Mr D Firth, Non-Executive Director

David Firth, 59, was appointed to the Board as a non-executive Director on 14 September 2016 and is Chairman of the Audit and Remuneration Committees and is a member of the Nominations Committee. David was previously the Finance Director of Penna Consulting plc for over 16 years and has a wealth of experience in the people management and consultancy markets. Prior to that, David held senior finance positions in public companies across a number of sectors including financial markets, recruitment, IT services, motor retailing and advertising. He was a member of the finance team at Parity Group plc for the period 1993 to 1999, serving as its Group Finance Director from 1995.

RESOLUTIONS 5 AND 6 – REAPPOINTMENT OF AUDITORS AND AUDITORS' REMUNERATION

The appointment of Grant Thornton UK LLP as auditors of the Company terminates at the conclusion of this Annual General Meeting. The directors recommend the reappointment of Grant Thornton UK LLP and seek authority to determine their remuneration.

RESOLUTION 7 – DIRECTORS' AUTHORITY TO ALLOT SHARES

Under the Companies Act 2006 (the "Act"), the directors of a company may only allot unissued shares in the capital of the company or grant rights to subscribe for, or convert any security into, shares in the company if they are authorised to do so by the shareholders at a general meeting or by the company's articles of association.

The authority is in two parts. Part (a) limits the directors' authority to allot shares to an aggregate nominal amount of £684,160, representing approximately one-third of the Company's issued ordinary share capital as at 12 May 2020 (being the last business day prior to the publication of this Notice). The Company does not currently hold any shares as treasury shares. This authority will expire at the conclusion of the next Annual General Meeting to be held in 2021 and replaces the existing authority. The Company has passed resolutions on this basis for a number of years.

In line with the guidance issued by the Investment Association part (b) of the authority would confer on the directors authority to issue shares or grant rights to subscribe for or convert any securities into ordinary shares up to an additional aggregate nominal amount of £684,160, representing approximately one-third of the Company's issued ordinary share capital as at 12 May 2020 (being the last business day prior to the publication of this Notice), but only in connection with a rights issue.

The directors have no present intention to use these authorities but consider it desirable that they should have the flexibility to allot unissued shares if circumstances arise where it may be advantageous for them to do so.

RESOLUTION 8 – PARTIAL DISAPPLICATION OF PRE-EMPTION RIGHTS

This resolution will, if approved, renew the directors' authority to allot equity securities (as defined in the Act) for cash and otherwise than to existing shareholders pro rata to their holdings. This authority, which will expire at the conclusion of the Annual General Meeting of the Company to be held in 2021, is limited to the allotment of (a) equity securities in connection with a rights issue and (b) equity securities up to an aggregate nominal amount of £102,624, representing approximately 5% of the Company's issued ordinary share capital as at 12 May 2020 (being the last business day prior to the publication of this Notice). The authority will also include any sale by the Company of shares held as treasury shares. The directors intend to observe the institutional guidelines in respect of allotments of shares for cash. These presently require that the annual authority should not exceed 5% of the issued ordinary share capital and that no more than 7.5% of the issued ordinary share capital should be allotted for cash on a non pre-emptive basis in any rolling three year period without prior consultation with the shareholders.

RESOLUTION 9 – AUTHORITY TO MAKE MARKET PURCHASES OF ITS OWN SHARES

This resolution will, if approved, renew the authority of the Company to purchase up to 10% of its issued ordinary share capital in the market. The maximum and minimum prices are stated in the resolution. This authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2021.

The authority granted by this resolution will only be exercised if the directors believe that to do so would result in an increase in earnings per share and would be in the interests of shareholders generally.

Under the Act, companies whose shares are traded on AIM may hold shares that they purchase in treasury as an alternative to cancelling them. Such shares may subsequently be cancelled, sold for cash or used to satisfy share options or awards under share incentive plans. The Company is not entitled to exercise any rights, including the right to attend and vote at meetings, in respect of these shares whilst held in treasury. In addition, no dividend or other distribution of the Company's assets may be made to the Company in respect of such shares.

If the directors exercise the authority conferred by resolution 9, they may consider holding those shares in treasury rather than cancelling them. The directors believe that holding shares in treasury would give the Company the ability to allot treasury shares quickly and cost effectively and may provide the Company with greater flexibility in the management of its share capital.

The total numbers of options to subscribe for ordinary shares that were outstanding as at 12 May 2020 were 11,960,040. The proportion of the issued ordinary share capital of the Company conferring the right to vote that such options represented at that time was 11.65% and the proportion of the issued ordinary share capital of the Company conferring the right to vote that they will represent if the full authority to purchase shares is used is 12.95%. The Company has no warrants in issue in relation to its shares.