



NOTICE IS HEREBY GIVEN

Annual General Meeting  
**of IQE plc**

Wednesday 23 June 2021 at 3:00 pm.

## Dear Shareholder,

I am pleased to enclose notice of IQE plc's ("the Company") Annual General Meeting ("AGM") which will be held at 3:00 pm on Wednesday 23 June 2021 at IQE plc, IQE Newport, Celtic Way, Marshfield, Newport, NP10 8BE.

## Arrangements

Continued uncertainty in respect of Covid-19 and our ongoing commitment to protect the health and wellbeing of our shareholders, officers and employees has required the Board to decide that this year's AGM will be held electronically. The only people permitted to physically attend the Company's office address for the AGM will be those necessary to form a quorate meeting.

You can join the AGM webcast at: <https://webcasting.brrmedia.co.uk/broadcast/6093e6d7576c9638976d3e8c>. You will need your unique Shareholder Reference Number which can be found printed on your proxy card or Notice of Availability. The webcast will start promptly at 3:00 pm and will last for approximately one hour.

If you have any questions regarding the AGM which you would like the Board to answer, I encourage you to submit those questions using the above link prior to the AGM or by emailing [AGM@iqep.com](mailto:AGM@iqep.com). The webcast will also, for a limited period of time, enable you to submit written questions, and a selection of those will then be put to the Board during the Q&A part of the AGM. The Company will publish written responses to questions on our website following the close of the meeting and we reserve the right to consolidate questions of a similar nature.

## Voting

You will not be able to vote during the webcast and so I strongly encourage you to complete and submit your proxy vote in advance of the AGM using one of the following methods:

- Electronic Proxy Voting: [www.sharevote.co.uk](http://www.sharevote.co.uk). Use your unique Voting ID, Task ID and Shareholder Reference Number as printed on the proxy form or Notice of Availability. Alternatively, if you have already registered with the Company Registrars' online portfolio service, Shareview, you can submit your proxy by logging on to your portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using your usual user ID and password, or you can register if you have not previously done so. To register you will require your Shareholder Reference Number.
- Paper Proxy Voting: To submit your proxy vote via paper, please complete the proxy form and return to our Registrars.
- CREST: CREST members who wish to appoint a proxy via the CREST electronic proxy appointment service should refer to note 4 on page 4 of this document.

Shareholders are strongly encouraged to appoint the Chair of the meeting as their proxy rather than a named individual as no other named individuals will be permitted to attend the meeting. Proxy votes must be received no later than 3:00 pm on Monday 21 June 2021.

The Company will conduct the votes on all resolutions by way of a poll to ensure that votes of all shareholders are counted, the results of which will be announced during the meeting.

The Board believes that the proposed resolutions set out in the Notice of Meeting are in the best interests of the Company and its members as a whole, and are most likely to promote the success of the Company for the benefit of its members as a whole. The Directors unanimously recommend that you vote in favour of the resolutions to be put to the meeting, as all members of the Board intend to do in respect of their own beneficial shareholdings.

## Further information

Further information regarding the arrangements for this year's AGM is available on the Company's website at [www.iqep.com/investors/agm/](http://www.iqep.com/investors/agm/).

Additionally, the full Annual Report and accounts in respect of the financial year ended 31 December 2020 has been published on the Company's website at [www.iqep.com/investors/results-reports-presentations/](http://www.iqep.com/investors/results-reports-presentations/). A copy of the Report will be enclosed with this notice if you have requested a printed copy.

If you are unable to locate any of the documents on the Company's website, need help with voting online or require a paper proxy form sent to you, please contact our Registrar, Equiniti, on 0371 384 2030 if calling from the United Kingdom or +44 (0) 371 384 2030 if calling from outside of the United Kingdom.

Yours faithfully,



**Phil Smith, Chairman**

21 May 2021

IQE plc, Pascal Close, Cardiff, CF3 0LW, UK

Tel: +44 29 2083 9400

Website: [www.iqep.com](http://www.iqep.com)

Company Registered in England No. 3745726

# Notice of Meeting

IQE plc (“the Company”) Notice of Meeting

## NOTICE IS HEREBY GIVEN

That the twentieth Annual General Meeting (“AGM”) of IQE plc will be held on **Wednesday 23 June 2021 at 3:00 pm. The meeting will be held electronically with only those needed to form a quorum allowed to attend.** The AGM will transact the following business:

### Ordinary Business

To consider and, if thought fit, pass the following Resolutions which will be proposed as Ordinary Resolutions:

1. To receive the Directors’ Report and Audited Financial statements for the financial year ended 31 December 2020 and the Auditors’ report. **Resolution 1**
2. To approve the Directors’ Remuneration Policy set out on pages 58 to 63 of the Company’s Annual Report and Accounts for the year ended 31 December 2020. The policy was updated in the later part of 2019 and into the first few months of 2020, and included within the Company’s Annual Report for the financial year ended 31 December 2019. The policy was adopted by the Company in 2020 and approval is sought to continue the policy through to 31 December 2022. **Resolution 2**
3. To approve the Directors’ Annual Report on Remuneration, other than the parts containing the Directors’ Remuneration Policy, for the year ended 31 December 2020 (this is an advisory vote). **Resolution 3**
4. To re-elect Derek Jones who retires pursuant to Article 107 of the Articles and offers himself for re-election. **Resolution 4**
5. To re-elect Tim Pullen who retires pursuant to Article 107 of the Articles and offers himself for re-election. **Resolution 5**
6. To re-appoint KPMG LLP as Auditors of the Company to hold office from the conclusion of the Meeting to the conclusion of the next Meeting at which the Accounts are laid before the Company, and authorise the Directors to fix their remuneration. **Resolution 6**

### Special Business

To consider and, if thought fit, pass the following Resolutions as an Ordinary Resolution in respect of the Resolution numbered 7 and as a Special Resolution in respect of the Resolutions numbered 8 and 9:

7. To generally and unconditionally authorise the Directors, in substitution for all existing authorities to the extent unused, to exercise all the powers of the Company to allot shares in accordance with article 15 of the Articles up to an aggregate number of 294,354,786 ordinary shares of 1p each. This is calculated as one third of the total shares in issue, plus the number of un-exercised employee share options outstanding at 21 May 2021,  
  
PROVIDED that this authority shall expire on the earlier of 15 months after the date of passing of this Resolution and the conclusion of the Annual General Meeting of the Company next following the passing of this Resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to such offer or agreement as if the authority conferred hereby had not expired. **Resolution 7**
8. Subject to the passing of the previous Resolution, to empower the Directors pursuant to article 16 of the Articles to allot equity securities (within the meaning of Section 560 of the Companies Act 2006 (“the Act”)) of the Company pursuant to the general authority conferred by the previous Resolution as if Section 561 (1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
  - (a) the allotment (otherwise than pursuant to sub-paragraph (b) below) of equity securities which are, or are to be, wholly paid up in cash to an aggregate number of 80,129,368 ordinary shares of 1p each; and
  - (b) the allotment of equity securities in connection with a rights issue or any other pre-emptive offer in favour of the holders of ordinary shares and other persons entitled to participate therein in proportion (as nearly as may be) to their respective holdings of ordinary shares (or, as appropriate, the number of ordinary shares which they are deemed to hold for such purpose), subject only to such exclusions or arrangements as the Directors may consider appropriate to deal with fractional entitlements or legal or practical problems under the laws of the territory or the requirements of any recognised regulatory body or any stock exchange  
  
and shall expire on the earlier of 15 months after the date of passing of this Resolution and the conclusion of the Annual General Meeting of the Company next following the passing of this Resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require the allotment of equity shares pursuant to such offer or agreement as if the power conferred hereby had not expired. **Resolution 8**
9. To approve and adopt amended articles of association of the Company (the “New Articles”) to align the provisions relating to the retirement and appointment of directors with those in provision 18 of the UK Corporate Governance Code which requires the annual re-election of all directors. A copy of the New Articles, showing the proposed changes to the Company’s existing Articles of Association, is available on the Company’s website at [www.iqep.com/investors/aim-rule-26/](http://www.iqep.com/investors/aim-rule-26/). **Resolution 9**

### Any Other Business

To transact any other ordinary business which may be transacted at an Annual General Meeting.

By Order of the Board of Directors



**Tom Dale**  
General Counsel & Company Secretary  
21 May 2021

## Notes:

1. A member who would be ordinarily entitled to attend and vote at the AGM may appoint one or more proxies (who need not be a member of the Company) to attend and to speak and to vote on his or her behalf whether by show of hands or on a poll. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. Please note the temporary measures that the Company has put in place for this year's AGM and the Company's suggestions regarding the appointment of a proxy.
2. In order to vote at the AGM or any adjourned meeting (and also for the purpose of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company and submitted their proxy votes by 3:00 pm on 21 June 2021 (or close of business two days before any adjourned meeting). 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.
3. Any member has the right to ask any question relating to the business being dealt with at the meeting. The Company has provided members with means to ask questions prior to the meeting because members are unable to attend the meeting. The Company will answer any such questions following the meeting unless exempted by the provisions of section 319A of the Act.
4. In order to be valid an appointment of proxy (together with any authority under which it is executed or a copy of the authority certified notary) must be returned by one of the following methods: (a) in hard copy form by post, by courier or by hand to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA; (b) via [www.sharevote.co.uk](http://www.sharevote.co.uk). Alternatively, if you have already registered with the Company's Registrars' online portfolio service, Shareview, you can submit your proxy by logging on to your portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using your usual user ID and password. Once logged in, simply click 'View' on the 'My Investments' page, click on the link to vote then follow the on-screen instructions. If you have not previously registered for this facility, you will first be asked to register as a new user, for which you will require your Shareholder Reference Number (which can be found on your proxy form or Notice of Availability); (c) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below and in each case must be received by the Company not later than 3:00 pm on Monday 21 June 2021. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment thereof 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. In order for a proxy appointment, or instruction, made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('EUI') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it relates to the appointment of a proxy or to 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(s) for receipt of proxy appointments specified in the Notice of Meeting. 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 Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. CREST members, and where applicable, their CREST sponsors or voting service providers, should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is therefore 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(s), to procure that his or her 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.
5. Biographical details of the Directors, including their membership of Board committees, are set out in the Annual Report and Accounts for the year ended 31 December 2020.
6. The issued share capital of the Company as at 21 May 2021 was 801,293,684 ordinary shares, carrying one vote each. Therefore, the total number of voting rights in the Company on 21 May 2021 was 801,293,684.
7. Copies of the service contracts of the Directors are available for inspection at the registered office of the Company during normal business hours on any weekday.