

This document is important and requires your immediate attention.

If you are in any doubt as to the action to be taken, please consult an appropriately authorised financial adviser immediately. If you have sold or transferred all of your holding of ordinary shares in Horizon Discovery Group plc (“Horizon” or the “Company”), you should pass this document and the documents accompanying it on to the stockbroker, bank or other agent through or to whom the sale or transfer was effected for transmission to the purchaser.

Horizon Discovery Group plc

(Incorporated in England and Wales with registered number 8921143)

Notice of Annual General Meeting

Notice is hereby given that the 2018 Annual General Meeting of the Company will be held at the offices of Horizon Discovery Group plc at Building 8100 Cambridge Research Park, Waterbeach, Cambridge, CB25 9TL on Monday 18 June 2018 at 12:00 p.m. to consider and, if thought fit, to pass the resolutions set out below. Resolutions 1 to 7 will be proposed as ordinary resolutions and resolutions 8 and 9 will be proposed as special resolutions.

Forms of Proxy for the Annual General Meeting must be received by the Company’s registrars as soon as possible but in any event not later than 12:00 p.m. on 14 June 2018.

Horizon Discovery Group plc

Notice of Annual General Meeting

Ordinary resolutions

1. To receive and adopt the Company's Annual Report and Accounts (the "Annual Report") for the financial year ended 31 December 2017, together with the Directors' Report, and the Independent Auditor's Report on those accounts.
2. To reappoint as a Director Mr Grahame Cook who is retiring by rotation in accordance with the Company's articles of association and, being eligible, is offering himself for reappointment.
3. To reappoint as a Director Mr Ian Gilham who is retiring by rotation in accordance with the Company's articles of association and, being eligible, is offering himself for reappointment.
4. To reappoint as a Director Dr Susan Galbraith who is retiring by rotation in accordance with the Company's articles of association and, being eligible, is offering herself for reappointment.
5. To reappoint as a Director Mr Terry Pizzie who, having been appointed as a Director since the last annual general meeting of the Company, is retiring in accordance with article 30.2 of the Company's articles of association and, being eligible, is offering himself for reappointment.
6. To reappoint Deloitte LLP as auditors of the Company from the conclusion of the meeting until the conclusion of the next AGM of the Company at which accounts are laid and to authorise the directors to determine their remuneration.
7. That the directors be and are hereby generally and unconditionally authorised, pursuant to section 551 of the Companies Act 2006 (the "Act"), (which authority shall be in addition to all existing authorities of the directors to allot relevant securities for the purposes of section 551 of the Act which shall continue in full force and effect), 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 (all of which transactions are hereafter referred to as an allotment of "relevant securities") up to an aggregate nominal amount of £496,970; and
 - b. allot further equity securities (within the meaning of section 560(1) of the Act) up to an aggregate nominal amount of £496,970 in connection with a rights issue, open offer, scrip dividend, scheme or other pre-emptive offer to holders of Ordinary Shares where such issue, offer, scrip dividend, scheme or other allotment is proportionate (as nearly as may be) to the respective number of Ordinary Shares held by them on a fixed record date (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with legal or practical problems under the laws of any overseas territory, the requirements of any regulatory body or any stock exchange in any territory, in relation to fractional entitlements, or any other matter which the directors consider merits any such exclusion or other arrangements),

provided that, in each case, such authority shall expire 15 months after the date of the passing of this resolution or at the conclusion of the next AGM of the Company following the passing of this resolution, whichever occurs first (unless previously renewed, revoked or varied by the Company in general meeting), but the Company may before this authority expires (or is renewed, revoked or varied) make an offer or agreement which would or might require relevant securities to be allotted after this authority expires (or is revoked or varied) and the directors may allot relevant securities pursuant to such offer or agreement as if this authority had not expired or been renewed, revoked or varied.

Special resolutions

8. That, subject to and conditional on the passing of Resolution 7 above, the directors be and are hereby empowered to allot equity securities (as defined in section 560(1) of the Act) for cash under the authority given by Resolution 7 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited:
 - a. to the allotment of equity securities pursuant to a rights issue, open offer, scrip dividend, scheme or other pre-emptive offer, which is in each case in favour of holders of Ordinary Shares and any other persons who are entitled to participate in such issue, offer, dividend, scheme or other pre-emptive offer where the equity

securities offered to each such holder and other person are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held or deemed to be held by them for the purposes of their inclusion in such issue, offer, dividend, scheme or other pre-emptive offer on the record date applicable thereto, but subject to such exclusions or other arrangements as the directors may deem fit or expedient to deal with:

- i. fractional entitlements;
 - ii. legal or practical problems under the laws of any overseas territory;
 - iii. the requirements of any regulatory body or stock exchange in any territory; or
 - iv. any other matter which the directors consider merits any such exclusion or other arrangements; and
- b. to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to an aggregate maximum nominal amount of £74,545, such authority to expire at the end of the next AGM of the Company following the passing of this resolution, whichever occurs first (unless previously renewed, revoked or varied by the Company in general meeting), but, in each case, prior to its expiry, renewal, revocation or variation the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires, or is otherwise revoked or varied and the directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if this authority had not expired or been revoked or varied.
9. That, subject to and conditional on the passing of Resolution 7 above, the directors be and are hereby empowered in addition to any authority granted under Resolution 8 to allot equity securities (as defined in section 560(1) of the Act) for cash under the authority given by Resolution 7 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be:
 - a. limited to the allotment of equity securities or sale of treasury shares up to an aggregate maximum nominal amount of £74,545; 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 directors of the Company determine 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 of Meeting, such authority to expire at the end of the next AGM of the Company following the passing of this resolution or, 15 months after the date of the passing of this resolution, whichever occurs first (unless previously renewed, revoked or varied by the Company in general meeting) but, in each case, prior to its expiry, renewal, revocation or variation the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires, or is otherwise revoked or varied and the directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if this authority had not expired or been revoked or varied.

By order of the Board of Directors of the Company.



R. Vellacott
Company Secretary
Dated: 17 May 2018

Horizon Discovery Group plc
Building 8100
Cambridge Research Park, Waterbeach
Cambridge
Cambridgeshire, CB25 9TL

Registered in England and Wales with number 08921143

Notes:

Attendance and Voting

1. The right to vote at the meeting is determined by reference to the register of members. Only those shareholders registered in the register of members of the Company as at close of business on 14 June 2018 (or, if the meeting is adjourned, shareholders on the register of members not later than close of business two working days prior to the date fixed for the adjourned meeting) shall be entitled to attend and vote at the above meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. Any member attending the Annual General Meeting is entitled pursuant to section 319A of the Companies Act 2006 (the "Act") to ask any question relating to the business being dealt with at the meeting. The Company will cause to be answered any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Proxies

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company.
2. A Form of Proxy is enclosed. To be valid proxies must be completed and lodged with the Company's Registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, by no later than 12:00 p.m. on 14 June 2018.
3. Completion and return of the Form of Proxy does not preclude a member from attending and voting at the Annual General Meeting should he or she subsequently decide to do so.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
5. In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
6. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the

meeting, insert their full name in the box on your proxy form. If you sign and return your proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.

7. To direct your proxy how to vote on the resolutions mark the appropriate box on your proxy form with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
8. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
9. Any power of attorney or any other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be included with your proxy form.
10. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
11. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. If you have any questions on how to complete the Form of Proxy, please contact Link Asset Services on telephone number 0371 664 0300. Calls cost 12p per minute plus network extras. Outside the UK, please call +44 371 664 0300. Calls outside the UK will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. Please note that calls to the helpline may be monitored or recorded and that the helpline is not able to advise on the merits of the matters set out in this document or provide any personal legal, financial or taxation advice.

13. 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(s) of the Annual General Meeting by using the procedures described in the CREST manual available at www.euroclear.com. 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.

14. 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 instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or 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 Company's agent (ID RA10) 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 Company'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.

15. CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timing 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 personal CREST member or sponsored member or has appointed a voting service provider(s), 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, a CREST sponsor voting service provider are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

16. 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.

17. To be valid, any form of proxy or other instrument appointing a proxy, must be returned by no later than 12:00 p.m. on 14 June 2018 through any of the following methods:

- i) by post, courier or (during normal business hours only) hand to the Company's UK registrar at:
Link Asset Services
PXS1
34 Beckenham Road
Beckenham
BR3 4ZF;
- ii) electronically through the Company's UK registrar at www.signalshares.com; or
- iii) in the case of shares held through CREST, via the CREST system.

Documents on display

18. Copies of the Company's memorandum of association, articles of association, and directors' service contracts and letters of appointment will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturday, Sunday and public holidays excepted) from the date of this notice up to and including the date of the meeting and at the place of the meeting for 15 minutes prior to and during the meeting.

Communication

19. You may not use any electronic address provided either in this Notice of Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

Explanation of the resolutions to be proposed at the Annual General Meeting

For the benefit of shareholders, we provide the following notes concerning the resolutions to be placed before them at the Annual General Meeting:

(a) Resolution 1: Accounts and reports

For each financial period, the directors are required to lay the audited accounts, the directors' report and the auditors' report before the Company in a general meeting.

(b) Resolutions 2, 3, 4 and 5: Reappointment of directors

In accordance with the Company's articles of association, at every annual general meeting all directors holding office at the start of business on the day of the notice convening such meeting and who also held office at the time of both of the two immediately preceding annual general meetings and did not retire at either such meeting, shall retire from office. Accordingly, Grahame Cook, Ian Gilham and Susan Galbraith, who each held office at the time of both of the two immediately preceding annual general meetings and did not retire at either such meeting are retiring and standing for reappointment as a director. In addition, Terry Pizzie has been appointed as a director of the Company since the last annual general meeting of the Company and in accordance with the Company's articles of association is submitting himself for

reappointment. Biographical details of all directors are contained on pages 30 and 31 of the Annual Report.

(c) Resolution 6: Reappointment of auditors

At each general meeting at which accounts are laid before shareholders, the Company is required to appoint auditors to serve until the next such meeting. Accordingly, Resolution 6 seeks the reappointment of Deloitte LLP as the Company's auditors to serve until the next AGM of the Company and, in accordance with normal practice, authority for the directors to determine their remuneration.

(d) Resolutions 7, 8 and 9: Directors' authority to allot shares

Under section 551 of the Act, the directors cannot allot shares in the Company (other than shares allotted pursuant to an employee share scheme) unless they are authorised to do so by the Company in general meeting. Resolution 7 is proposed as an ordinary resolution to seek a new authority that the directors be authorised to allot unissued shares or to grant rights to subscribe for or to convert any security into shares in the Company, subject to the normal pre-emption rights reserved to shareholders contained in the Act, up to an aggregate maximum nominal amount of £496,970, representing approximately one-third of the issued share capital of the Company as at 15 May 2018, being the last practicable date before the publication of this Notice of Meeting. The authority will also permit the directors to allot an additional one-third of the Company's issued share capital provided such shares are reserved for rights issues, open offers, scrip dividends, schemes or other pre-emptive offers to holders of Ordinary Shares.

On 12 March 2015, the Pre-Emption Group ("PEG") approved a new Statement of Principles for the disapplication of pre-emption rights and, on 5 May 2016, PEG subsequently published template resolutions outlining good practice in requests for disapplication of pre-emption rights. Accordingly, Resolutions 8 and 9, which reflect the recommendations set out in PEG's Statement of Principles for the disapplication of pre-emption rights and the template resolutions published by PEG, seek to modify the pre-emption rights of existing shareholders as follows:

- Sub-paragraph (a) of Resolution 8 seeks authority for the directors to allot new shares for cash by way of a pre-emptive offer or rights issue and to make any arrangements which may be necessary to deal with any legal, regulatory and practical problems arising from a rights issue or other pre-emptive offer, for example, by excluding affected shareholders from the rights issue or other pre-emptive offer;
- Sub-paragraph (b) of Resolution 8 seeks authority to issue new shares up to a maximum aggregate nominal value of £74,545, equivalent to 5 per cent of the

Company's issued Ordinary Share capital as at 15 May 2018, being the last practicable date before the publication of this Notice of Meeting;

- Resolution 8 limits the modification of pre-emption rights to a maximum time period of 15 months or the conclusion of the next AGM of the Company, whichever occurs first;
- Sub-paragraph (a) of Resolution 9 seeks authority to issue new shares up to a further maximum aggregate nominal value of £74,545, equivalent to 5 per cent of the Company's issued Ordinary Share capital as at 15 May 2018, being the last practicable date before the publication of this Notice of Meeting; and
- Sub-paragraph (b) of Resolution 9 requires that such shares are issued for cash in connection with an acquisition or specified capital investment.

It is the Company's intention that the authority in Resolution 9 would only be used in connection with an acquisition or a specified capital investment which the Company would announce at the same time as it announces the issue of shares in reliance on such authority, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue of the shares.

If granted, the authorities set out in Resolutions 8 and 9 will enable the directors to allot new shares without first offering them to existing shareholders in proportion to their existing holdings and without further reference to shareholders.

However, the interests of existing shareholders are protected in that their proportionate interests in the Company cannot be reduced by more than 5 per cent through the issue of new shares for cash and cannot be reduced by more than a further 5 per cent through the issue of new shares for cash in connection with an acquisition or a specified capital investment. The directors confirm that the authority granted by Resolution 9 will only be used in accordance with the PEG guidance.

The proposed authorities, if granted, will expire at the conclusion of the 2019 AGM of the Company or, 15 months from the date of the passing of the resolutions, whichever occurs first. It is the directors' intention to renew these authorities annually.

Recommendation

The directors consider that each of the proposals detailed in the Notice of Meeting will be of benefit to and in the best interests of the Company and the shareholders as a whole. The directors intend to vote in favour of all resolutions in respect of their own beneficial holdings of Ordinary Shares in the Company and unanimously recommend other shareholders to do so.