

8 January 2021

IG Design Group PLC

(the "Company", the "Group" or "Design Group")

New Long Term Incentive Scheme

IG Design Group plc announces its intention to grant awards to certain 'persons discharging managerial responsibilities' of the Company ("PDMRs") under a new Long Term Incentive Value Creation Scheme (the "VCS") approved by the Remuneration Committee of the Company and aligned with the Company's growth strategy. The Company has historically granted incentive awards annually following the publication of full year audited financial results, however, the Remuneration Committee determined it was appropriate to delay the awards made under the VCS due to the uncertainty caused by Covid-19. Participants in the VCS will not be granted any other long-term incentive awards during the three-year performance period of the VCS although the annual bonus and the existing in-flight long term incentives will continue to operate.

In summary, VCS awards will allow participants to share, in total, in up to 12.5 per cent. of the value created for investors (the "VCS Pool"), provided that a minimum 7.5 per cent. CAGR on the "Opening Valuation" (as described below) of the Company is achieved over a three-year performance period from 1 April 2020 to 31 March 2023. In addition, a performance underpin will be included such that, ordinarily, no VCS awards will vest unless the Adjusted profit before tax for the 12 months to 31 March 2023 is at least \$60 million.

The value created for investors will be measured by any increase in the market capitalisation of the Company from an "Opening Valuation" of £433.7 million (being the market capitalisation based on a base share price of £4.50 and the number of shares in issue at 1 April 2020 – 96,366,796). The Remuneration Committee determined the share price used for the purposes of the Opening Valuation from an average of closing share prices in 2020. The closing market capitalisation will be based on the volume weighted average share price over the period of 30 days following announcement of the audited results for the 12 months ending on 31 March 2023.

Appropriate adjustments shall be made in respect of any capital raised from or returned to shareholders during the measurement period.

Following the calculation of the VCS Pool, each participant's allocation will be converted into a number of ordinary shares in the Company by reference to the share price used to determine the size of the VCS Pool. No individual award can be greater than £12.5 million and the VCS has a total 7.5% dilution limit. Shares will be released to the participants either following the calculation of the VCS Pool or, in the case of the PDMR and certain other senior executives' awards, following the end of a further two year holding period. Awards may be structured as nil-cost options which can be exercised from release until the tenth anniversary of grant of the awards, or as conditional awards which deliver shares for nil-cost automatically at release. The Remuneration Committee retains the flexibility to settle awards in cash.

The PDMR awards, expressed as a percentage of the VCS Pool, are set out below:

PDMR	% allocation of VCS Pool
Paul Fineman	17.5%
Giles Willits	12.5%
Lance Burn	7.5%

In addition to the PDMR awards, further awards relating in aggregate to a 62.5% allocation of the VCS Pool, are proposed to be granted under the VCS to over 60 senior management employees across the group, including a small percentage being held for future new senior management employees. The awards have been made to align the senior management team with the delivery of the Company's growth plans.

The detailed terms of any awards granted will be set out in the rules of the VCS which will include the treatment of VCS awards on a change of control of the Company and in the event of termination of

employment. VCS awards shall ordinarily be forfeited upon cessation of employment within the Company's group during the vesting period, other than in the case of "Good Leavers". The VCS will include malus and clawback provisions.

The information contains inside information.

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About IG Design Group plc

IG Design Group plc, the largest consumer gift packaging business in the world, is a designer, innovator and manufacturer of products that help people celebrate life's special occasions. Design Group works with more than 11,000 customers in over 80 countries throughout the UK, Europe, Australia and the USA.

Its products are found in over 210,000 retail outlets, including several of the world's biggest retailers, for example Walmart, Target, Amazon, Costco, Lidl and Aldi. Its brand, Tom Smith, also holds the Royal Warrant for the supply of Christmas crackers and Christmas wrapping paper to the Royal family. Design Group is a diverse business operating across multiple regions, categories, seasons and brands.

Its five major product categories are: Celebrations, Craft, Stationery and Creative Play, Gifting, and Not-for-resale consumables. It offers customers a full end-to-end service from design through to distribution, offering both branded and bespoke products from the value-focused through to the higher-margin ends of the market.

The Company was admitted to the Alternative Investment Market of the London Stock Exchange in 1995 under the name 'International Greetings plc' and rebranded to IG Design Group plc in 2016. For further information please visit www.thedesigngroup.com.