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**If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you sell or have sold or otherwise transferred all of your Ordinary Shares in Science Group, please forward this document 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. If you sell or have sold part only of your holding of Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected. Numis Securities Limited is acting exclusively for Science Group and for no one else in relation to the matters described in this document and is not advising any other person and accordingly will not be responsible to anyone other than Science Group for providing the protections afforded to the customers of Numis Securities Limited or for providing advice in relation to the matters described in this document.

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**SCIENCE GROUP PLC**

(Incorporated in England and Wales with registered number 06536543)

**NOTICE OF ANNUAL GENERAL MEETING**

**WAIVER OF OBLIGATIONS UNDER RULE 9 OF THE CITY CODE ON TAKEOVERS AND MERGERS**

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This document should be read as a whole. Your attention is drawn to the letter to Shareholders from the Chairman of Science Group which is set out in Part 1 of this document. The letter contains a recommendation that you vote in favour of the Resolutions at the Annual General Meeting referred to below.

**Notice of the Annual General Meeting of Science Group to be held at the offices of Numis Securities Limited at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT at 9 a.m. on 19 May 2016 is set out at the end of this document.** A Form of Proxy to be used in connection with the Resolutions to be proposed at the Annual General Meeting is enclosed. Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it as soon as possible by post or (during normal business hours only) by hand so as to be received by Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA as soon as possible but in any event so as to arrive **by no later than 9 a.m. on 17 May 2016.**

## PART 1

### **Letter from the Chairman of Science Group plc** (Incorporated in England and Wales with registered number 06536543)

#### **Directors:**

Martyn Ratcliffe	Chairman
Rebecca Hemsted	Finance Director
David Courtley	Non-Executive Director
Michael Lacey-Solymer	Non-Executive Director

#### **Registered Office:**

Harston Mill  
Royston Road  
Harston  
Cambridge  
United Kingdom  
CB22 7GG

22 April 2016

*To: Shareholders and, for information only, to participants in the Share Option Schemes*

Dear Shareholder,

#### **Annual General Meeting and Waiver of Obligation under Rule 9 of the City Code on Takeovers and Mergers**

This document sets out details of the Company's Annual General Meeting which is to be held at the offices at Numis Securities Limited at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT at 9 a.m. on 19 May 2016. The formal Notice of Annual General Meeting is set out in Part 4 of this document and summary details of the Resolutions to be proposed at the AGM are set out below.

You will also find enclosed with this document the audited Annual Report and Financial Statements for the year ended 31 December 2015, which provides consolidated financial information for the Company together with the Chairman's and other reports describing recent progress made by the Company.

#### **Resolutions to be proposed at the AGM**

Resolutions to be proposed at the AGM are as follows:

#### **Resolution 1 (Ordinary Resolution) – Adoption of the Annual Report and Financial Statements for the year ended 31 December 2015**

UK company law requires the Directors to present their Annual Report and Financial Statements for each year for formal adoption by shareholders. The Annual Report and Financial Statements of the Company for the year ended 31 December 2015 have been sent to Shareholders along with this document.

#### **Resolution 2 (Ordinary Resolution) – The re-appointment of KPMG LLP as auditor to the Company and authority for the Directors to set the auditors' remuneration**

The Company is required to appoint auditors at each AGM at which the accounts are laid before the Company, to hold office until the conclusion of the next such meeting. KPMG LLP was appointed by the Board as external auditors of the Company with effect from 19 June 2015 following a formal review of the Group's auditors during 2015. KPMG LLP replaced the previous Group auditors, Grant Thornton UK LLP.

The Audit Committee has reviewed the independence, effectiveness and objectivity of KPMG LLP, on behalf of the Board, who now propose their re-appointment as auditors of the

Company. This resolution also authorises the Directors, in accordance with standard practice, to negotiate and agree the remuneration of the auditors.

### **Resolutions 3 and 4 (Ordinary Resolutions) – Re-election of Directors**

The articles of association of the Company require that every Director that has been appointed by the Board since the last annual general meeting or who was not appointed or re-appointed at one of the two preceding annual general meetings must retire from office at the AGM and may offer themselves for re-election.

Therefore David Courtley and Michael Lacey-Solymar are retiring and standing for re-election at the AGM.

Brief biographies of the Directors are available on the Company's website ([www.sciencegroup.com](http://www.sciencegroup.com)) and described in the Annual Report.

### **Resolution 5 (Ordinary Resolution) – Declaration of a Dividend**

A final dividend can only be paid after the shareholders at a general meeting have approved it. A final dividend of 4 pence per Ordinary Share is recommended by the Directors for payment to Shareholders who are on the register at the close of business on 20 May 2016.

### **Resolution 6 (Ordinary Resolution) – Authority to allot shares**

Resolution 6 gives the Directors authority to allot Ordinary Shares up to an aggregate nominal amount of £41,177.01 being an amount equal to one tenth of the Company's issued share capital (excluding treasury shares) as at 20 April 2016.

The authorities granted under this resolution will expire at the conclusion of the next AGM or, if earlier, 30 June 2017. This authority would replace an existing similar authority granted at the annual general meeting held on 21 May 2015.

### **Resolution 7 (Special Resolution) – Dis-application of pre-emption rights**

If the Directors wish to allot unissued shares or other equity securities for cash, the Companies Act 2006 requires that such shares or other equity securities are offered first to existing shareholders in proportion to their existing shareholding. This resolution asks Shareholders to grant the Directors authority to allot equity securities or sell treasury shares for cash up to an aggregate nominal value of £41,177.01 (being approximately 10 per cent. of the Company's issued ordinary share capital (excluding treasury shares) as at 20 April 2016) without first offering the securities to existing shareholders.

The authority will expire at the conclusion of the next AGM or, if earlier, 30 June 2017. The authority provides the Company with the flexibility to allot shares or other securities for cash without first offering the securities to existing Shareholders; however the authority will only be exercised if the Directors consider it to be in the best interests of the Company at the time.

This authority would replace an existing similar authority granted at the annual general meeting held on 21 May 2015.

### **Resolution 8 (Ordinary Resolution) – Buyback Authority**

The Company is seeking authority to purchase up to 10 per cent. of the Company's issued ordinary share capital at, or between, the minimum and maximum prices specified in this resolution. This power would be used only after careful consideration by the Directors, having taken into account market conditions prevailing at that time, the investment needs of the Company, its opportunities for expansion and its overall financial position. The Directors would exercise the authority to purchase Ordinary Shares only if they considered it to be in the best interest of Shareholders and if the purchase could be reasonably expected to result

in an increase in earnings per share. The grant of this authority is conditional upon the passing of Resolution 9 below.

Under the Companies Act 2006, the Company is allowed to hold its own shares in treasury following a buyback instead of cancelling them. Such shares may be resold for cash or used for the purpose of employee share schemes but all rights attaching to them, including voting rights and any right to receive dividends, are suspended whilst they are held in treasury. Accordingly, if the Directors exercise the authority conferred by Resolution 8, the Company will have the option of holding these shares in treasury, rather than cancelling them.

The authority sought at the AGM will expire at the conclusion of the next annual general meeting of the Company or, if earlier, 30 June 2017.

### **Resolution 9 (Ordinary Resolution of Independent Shareholders) – Panel Waiver in relation to Buyback Authority**

The authority granted under Resolution 8 is conditional on the passing of this Resolution. Rule 9 of the City Code stipulates, inter alia, that if (a) a person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the City Code; or (b) a person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of the voting rights in which he is interested; such person will normally be required by the Panel to make a mandatory offer to shareholders of that company to acquire the balance of the equity share capital of that company not held by such person or group of persons acting in concert with him. An offer under Rule 9 must be in cash and at the highest price paid by the person required to make the offer or any person acting in concert with him for any interest in shares in the company during the twelve months prior to the announcement of the offer.

Under Rule 37 of the City Code, when a company purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 (although a shareholder who is neither a director nor deemed to be acting in concert with a director will not normally incur an obligation to make an offer under Rule 9).

The aggregate shareholding interest of Martyn Ratcliffe in the Company as at 20 April 2016, being the last practicable date prior to the posting of the Circular, was 13,412,906 Ordinary Shares, representing 32.57 per cent. of the issued share capital of the Company (excluding treasury shares).

Martyn Ratcliffe's aggregate shareholding could be increased as a result of market purchases under the authority granted by the Buyback Resolution.

If the Company were to exercise the authority granted by the Buyback Resolution in full then the resulting reduction in the Company's issued share capital would increase the percentage voting rights of Martyn Ratcliffe to 36.19 per cent. (provided no shares are acquired from Martyn Ratcliffe pursuant to the buyback) of the issued share capital (excluding any shares held in treasury and assuming that there were no further issues of Ordinary Shares).

Following an application by the Independent Directors, the Panel has agreed, subject to the approval of the Waiver Resolution on a poll by Independent Shareholders at the AGM, to grant the Panel Waiver. The effect of the Panel Waiver, if approved by Independent Shareholders, would be that Martyn Ratcliffe would not be required to make a mandatory offer under Rule 9 of the City Code that would otherwise arise due to the increase in his aggregate holding resulting from the purchase by the Company of its own Ordinary Shares pursuant to the authority granted by the Buyback Resolution.

The Waiver Resolution to approve the Panel Waiver is subject to the approval of the Independent Shareholders on a poll and each Independent Shareholder will be entitled to one vote for each Ordinary Share held.

### **Intentions of Martyn Ratcliffe**

Martyn Ratcliffe has confirmed to the Company that he is not currently proposing, following any increase in his aggregate holding as a result of a purchase of Ordinary Shares by the Company pursuant to the Buyback Authority to seek any change in the composition of the Board or in the general nature or any other aspect of the Company's business, including its continued admission to AIM.

Martyn Ratcliffe has confirmed that he does not have any intention to change the Company's business, the locations of the Company's places of business and the continued employment of its employees and management (and those of its subsidiaries) associated with the exercise of the Buyback Authority nor will there be any redeployment of the fixed assets of the Company as a result of the exercise of the Buyback Authority.

Martyn Ratcliffe has not taken part in any decision of the Board relating to the Panel Waiver. Martyn Ratcliffe has confirmed his intention not to vote his Ordinary Shares on the Panel Waiver.

For the avoidance of doubt, nothing in these undertakings prevents the Board from continuing its normal course of business which may or may not include some of the items set out in this paragraph.

### **Action to be taken**

Shareholders will find enclosed a Form of Proxy for use in connection with the AGM. Whether or not Shareholders intend to be present at the AGM, they are requested to complete and return the Form of Proxy as soon as possible and, in any event, so as to be received by Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not later than 9 a.m. on 17 May 2016. The Form of Proxy can be posted free of charge from inside the United Kingdom.

Completion of a Form of Proxy does not prevent you from attending the AGM and voting in person.

### **Recommendation**

The Board considers that the Resolutions are in the best interests of Shareholders as a whole (save that Martyn Ratcliffe has not taken part in any decision of the Board relating to the Panel Waiver).

Accordingly, the Board unanimously recommends that Shareholders vote in favour of Resolutions 1 to 8 to be proposed at the Annual General Meeting as they intend to do in respect of their own beneficial holdings of Ordinary Shares which on 20 April 2016 (the latest practicable date prior to the publication of this document) amounted in aggregate to 13,787,906 Ordinary Shares, representing approximately 33.48 per cent. of the current issued ordinary share capital of Science Group (excluding treasury shares). It should be emphasised that Resolution 8 is conditional upon the approval of Resolution 9.

Further, the Independent Directors (which exclude Martyn Ratcliffe), who have been so advised by Numis, consider that Resolution 9 is in the best interests of the Independent Shareholders and the Company as a whole. In providing its advice to the Independent Directors, Numis has taken into account the Independent Directors' commercial assessments. Accordingly, the Independent Directors unanimously recommend that Shareholders vote in favour of Resolution 9 to be proposed at the Annual General Meeting as they intend to do in respect of their own beneficial holdings of Ordinary Shares which on 20 April 2016 (the latest practicable date prior to the publication of this document) amounted in aggregate to 375,000

Ordinary Shares, representing approximately 0.91 per cent. of the current issued ordinary share capital of Science Group (excluding treasury shares).

Yours faithfully

**Martyn Ratcliffe**

Chairman

## PART 2

### ADDITIONAL INFORMATION

#### 1 Responsibility

The Directors, whose names appear in paragraph 2 below, accept responsibility for the information contained in this document, other than that representing the recommendation relating to the Panel Waiver for which the Independent Directors accept responsibility. To the best of the knowledge and belief of the Directors and, in respect of the recommendation relating to the Panel Waiver, the Independent Directors, (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Martyn Ratcliffe accepts responsibility for the information about himself contained in this document. To the best of the knowledge and belief of Martyn Ratcliffe (who has taken all reasonable care to ensure that such is the case) the information about Martyn Ratcliffe contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2 Directors

2.1 The Directors of Science Group and their principal functions are:

<b>Name</b>	<b>Position</b>
Martyn Ratcliffe	Chairman
Rebecca Hemsted	Finance Director
David Courtley	Senior Independent Director
Michael Lacey-Solymar	Non-executive Director

2.2 The registered office of Science Group, and the business address of each of the Directors of Science Group, is Harston Mill, Royston Road, Harston, Cambridge, Cambridgeshire CB22 7GG. Science Group was incorporated in England and Wales on 17 March 2008 with registered number 6536543.

#### 3 Martyn Ratcliffe

3.1 Martyn Ratcliffe was appointed Chairman on 15 April 2010 following his investment in Science Group. He was Chairman of Microgen plc from 1998 to 2016 and Chairman of RM plc from 2011 to 2013. He was previously Senior Vice President of Dell Computer Corporation responsible for EMEA. He has a degree in Physics from the University of Bath and an MBA from City University (now Cass Business School), London.

3.2 The business address of Martyn Ratcliffe for the purposes of this document is that of the Company.

#### 4 Interests and Dealings

4.1 As at the close of business on 20 April 2016 (being the last practicable date prior to the publication of this document), the interests of Martyn Ratcliffe and the Independent Directors and their immediate families, and the interests of persons connected with them (within the meaning of sections 252 to 255 of the Companies

Act 2006) in the issued share capital of the Company (excluding interests under the Share Option Schemes), were as set out below:

<b>Name</b>	<b>Number of Ordinary Shares</b>
Martyn Ratcliffe	13,412,906
Rebecca Hemsted	-
David Courtley	375,000
Michael Lacey-Solymar	-

- 4.2 As at 20 April 2016 (the latest practicable date prior to the publication of this document), the interests of Martyn Ratcliffe and the Independent Directors in options and awards under the Share Option Schemes were as follows:

<b>Name of holder</b>	<b>Date of grant</b>	<b>Share Scheme</b>	<b>Exercise price (pence)</b>	<b>Exercise period</b>	<b>Number of Ordinary Shares</b>
Martyn Ratcliffe	-	-	-	-	-
Rebecca Hemsted	20 March 2014	PSP Scheme	1.0 pence	20 March 2017 – 20 March 2024	100,000
	3 Sept 2014	PSP Scheme	1.0 pence	3 Sept 2017 – 3 Sept 2024	50,000
	3 Sept 2015	PSP Scheme	1.0 pence	3 Sept 2018 – 3 Sept 2025	25,000
David Courtley	-	-	-	-	-
Michael Lacey-Solymar	-	-	-	-	-

- 4.3 Between 22 April 2015 and 20 April 2016 (being the latest practicable date prior to the date of this document), the Company has not purchased any Ordinary Shares.

- 4.4 On 30 July 2015 Martyn Ratcliffe exercised options held by him under the Share Option Schemes over 2,500,000 Ordinary Shares at an exercise price of 40 pence. These options were the subject of a waiver by the Panel given in 2012. Following disposal of some of the shares arising from the share option exercise to partially satisfy tax obligations associated with the transaction, Mr Ratcliffe made a net additional cash investment of approximately £100,000. As a result, Mr Ratcliffe's shareholding as a percentage of the Company's issued share capital (excluding treasury shares) did not materially change following the share option exercise.

- 4.5 Other than as disclosed in this paragraph 4, during the period of twelve months immediately prior to the date of this document, there have been no dealings in relevant securities nor have any relevant securities been borrowed or lent by the



Company or Martyn Ratcliffe or the Independent Directors (or their immediate families or persons connected with them).

- 4.6 Other than as disclosed in this paragraph 4, neither Martyn Ratcliffe, nor any Independent Director, nor any person acting in concert with the Company or Martyn Ratcliffe or the Independent Directors, no pension fund of the Company, no employee benefit trust of the Company or any connected advisers to anyone acting in concert with the Company, or any person controlling, controlled by or under the same control as any such connected advisers (other than an exempt principal trader or an exempt fund manager) is interested in any relevant securities or has a short position (whether conditional or absolute), any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of or in any Ordinary Share.
- 4.7 Any market or off market purchases of relevant securities by the Company would be made from the Company's distributable reserves and there are no financing arrangements in place. As such, there is no arrangement relating to the purchase of relevant securities where the payment of interest on, repayment of or security for any liability (contingent or otherwise) is dependent to any significant extent on the business of the Company.
- 4.8 In this paragraph 4 references to:
- (i) "control" means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether or not the holding(s) give(s) de facto control; and
  - (ii) "relevant securities" means Ordinary Shares and securities convertible into, rights to subscribe for, derivatives referred to, short positions (including a short position under a derivative) and options (including traded options) in respect of, Ordinary Shares.

## 5 Major interests in shares

As at 20 April 2016 (being the latest practicable date prior to the date of this document) the Company is aware of the following existing Shareholders (other than any Director or member of Senior Management) who by virtue of the notifications made to it pursuant to the Act and/or the Disclosure and Transparency Rules, are interested, directly or indirectly, in 3 per cent. or more of the Company's issued share capital:

<i>As at 20 April 2016</i>		
<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of voting rights</i>
Ruffer LLP	5,036,281	12.23%
Hargreave Hale Limited	4,547,120	11.04%
Miton Asset Management Limited	3,854,731	9.36%
Charles Stanley & Co	1,564,118	3.80%
Allianz Global Investors Europe	1,500,000	3.64%

## 6 Service contracts and letters of appointment of the Directors

### 6.1 Directors

Each Director has a service agreement or letter of appointment with Science Group. The terms are set out below:

- (i) Martyn Ratcliffe was appointed by the Company as Chairman of the Board of the Company pursuant to a letter of appointment which was entered into with effect from 15 April 2010 between the Company and Martyn Ratcliffe for an initial period of three years, subject to termination by either party by giving not less than six months' notice in writing. As at the date of this document, Martyn Ratcliffe is entitled to annual fees of £385,000. Mr Ratcliffe does not receive any employee benefits and does not participate in the Company's executive bonus scheme. The Remuneration Committee, in their absolute discretion, could elect to award Mr Ratcliffe a bonus, and have awarded a bonus of £50,000 for the year ended 31 December 2015. This is the first time since Mr Ratcliffe's appointment that such discretion has been applied and this was in recognition of the significant amount of additional time that Mr Ratcliffe had provided to the Company during 2015 associated with the acquisition of Oakland Innovation Limited and the acquisition of the operating business and assets of Leatherhead Food International Limited.
  - (ii) Rebecca Hemsted has entered into a service contract with the Company dated 1 February 2014, which is subject to termination upon six months' notice by either party. The agreement provides for membership of a private medical insurance scheme, permanent health insurance, life assurance cover and pension contributions. As at the date of this document, Ms Hemsted's annual salary is £140,000. As at the date of this document, Ms Hemsted is entitled to participate in the Company's executive bonus scheme under which an amount of up to 30 per cent of her base salary is payable for "on target" performance. The criteria for the bonus scheme are set by, and any payments under the bonus scheme are subject to the approval of, the Company's remuneration committee.
  - (iii) David Courtley was re-appointed by the Company as a non-executive director pursuant to a letter of appointment which was entered into with effect from 15 April 2016 between the Company and David Courtley for a period of three years, which will automatically renew for further, consecutive periods of 3 years up to an aggregate of 9 years, subject to termination by either party by giving not less than three months' notice in writing. David Courtley is entitled to annual fees of £35,000.
  - (iv) Michael Lacey-Solymar was re-appointed by the Company as a non-executive director pursuant to a letter of appointment which was entered into with effect from 11 October 2015 between the Company and Michael Lacey-Solymar for a period of 3 years, which will automatically renew for further, consecutive periods of 3 years up to an aggregate of 9 years, subject to termination by either party by giving not less than 3 months' notice in writing. Michael Lacey-Solymar is entitled to annual fees of £35,000.
- 6.2 Save as disclosed above, there are no service contracts or letters of appointment in force between any Director or proposed director of Science Group and Science Group or any of its Subsidiaries and no such contract, save as disclosed above, has been entered into or amended during the last six months preceding the date of this document.

- 6.3 Save as mentioned in paragraph 6, there are no entitlements to commissions, profit sharing arrangements or any other specific compensation payments under the Directors' service agreements or letters of appointment.

## **7 General**

- 7.1 There is no agreement, arrangement or understanding (including any compensation arrangement) between Martyn Ratcliffe and any of the Independent Directors, recent Directors, Independent Shareholders or recent Shareholders having any connection with or dependence upon the proposals set out in this document.
- 7.2 No agreement, arrangement or understanding exists whereby the Ordinary Shares acquired by the Company pursuant to the authority conferred by the Buyback Resolution will be transferred to any other person.
- 7.3 There has been no significant change in the financial or trading position of the Company since 31 December 2015, being the date to which its most recent report and accounts were made up.

## **8 Material contracts**

The following are the only contracts (other than contracts entered into by a member of the Group in the ordinary course of business) which are or may be material and which have been entered into by any member of the Group within the two years immediately preceding the date of this document:

- 8.1 On 18 February 2015, the Company entered into an agreement to acquire the entire share capital of Oakland Innovation Limited for a total cash consideration of £5.0 million which was satisfied as to £3,636,364 in cash on completion and as to £1,363,636 satisfied by the sale of Science Group treasury shares, equivalent to 1,043,333 Science Group shares at the average closing mid-market price of 130.7 pence on the five dealing days immediately prior to completion. The Science Group shares are subject to lock-in periods of between 18 months and three years.
- 8.2 On 16 September 2015, SGL1 Limited (now called Leatherhead Research Limited), a wholly owned subsidiary of the Company, entered into an agreement to acquire the operating business and assets, excluding the freehold property and free of debt and defined benefit pension liabilities, of Leatherhead Food International Limited ("Leatherhead") from the administrators of Leatherhead for cash consideration of £1.625 million.
- 8.3 On 11 November 2015, Quadro Design Limited (now called Quadro Epsom Limited), a wholly owned subsidiary of the Company, entered into and completed an agreement to acquire the freehold property at Great Burgh, Yew Tree Bottom Road, Epsom, KT18 5XT for £7.0 million from EauRouge Properties Limited.

## **9 Market quotations**

Set out below are the closing middle market quotations for an Ordinary Share for the first dealing day of each of the six months immediately preceding the date of this document and for 20 April 2016 (being the last practicable date prior to the publication of this document):

<b>Relevant Date</b>	<b>Share Price</b>
2 November 2015	156.5 p
1 December 2015	138.5 p

4 January 2016	138.0 p
1 February 2016	137.5 p
1 March 2016	128.5 p
1 April 2016	141.5 p
20 April 2016	128.5 p

## **10 Numis consent**

### 10.1 Numis consent

Numis has given and not withdrawn its consent to the issue of this document with the inclusion of its name in the form and context in which it appears.

### 10.2 Numis relationships

Numis currently acts as nominated adviser and broker to the Company, of which Martyn Ratcliffe is Chairman. Numis is also financial advisor and broker to RM plc, of which Martyn Ratcliffe was, until 30 April 2013, Executive Chairman. Numis also acted as broker for Martyn Ratcliffe in his personal capacity in acquiring and subsequently selling shares in RM plc. Save as disclosed in this paragraph, Numis has no other relationship, arrangement or understanding with Martyn Ratcliffe.

## **11 Financial and other information**

The audited consolidated report and accounts of the Group for the year ended 31 December 2014 is available on the Company's website (<http://www.sciencegroup.com/financial-reports/>) and incorporated into this document by reference.

The audited consolidated report and accounts of the Group for the year ended 31 December 2015 is enclosed with this Circular and incorporated into this document by reference.

The annual reports are available on and can be printed from the Company's website in "read-only" format. The Company Secretary will provide within two Business Days, without charge, to each person to whom a copy of this document has been delivered, upon their written or verbal request, a copy of any documents incorporated by reference in this document.

Requests for copies of any such document should be directed to the Company Secretary on the details below:

Company Secretary  
 Science Group plc  
 Harston Mill  
 Harston  
 Cambridge  
 CB22 7GG

+44 (0) 1223 875 200

Copies of any documents incorporated by reference in this document will not be provided to Shareholders or other recipients of this document unless such a request is made.

## **12 Documents available for inspection**

Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at Harston Mill, Royston Road, Harston, Cambridge CB22 7GG and at [www.sciencegroup.com](http://www.sciencegroup.com) from the date of this document until the date of the AGM and at the AGM from 15 minutes prior to its commencement until its conclusion:

- (i) the Articles;
- (ii) the published audited consolidated accounts of Science Group for the two financial years ended 31 December 2014 and 31 December 2015;
- (iii) the service contracts and letters of appointment referred to in paragraph 6 above;
- (iv) the written consent of Numis referred to in paragraph 10 above; and
- (v) this document.

Dated 22 April 2016

## PART 3

### DEFINITIONS

The following definitions apply throughout this document and the accompanying Form of Proxy unless the context requires otherwise:

<b>Act</b>	the Companies Act 2006, as amended
<b>AIM</b>	AIM, a market operated by London Stock Exchange
<b>Annual General Meeting or AGM</b>	the Annual General Meeting of Science Group to be held at the offices of Numis Securities Limited at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT at 9 a.m. on 19 May 2016, notice of which is set out at the end of this document
<b>Annual Report</b>	audited annual report and financial statements of the Company for the year ended 31 December 2015
<b>Approved Scheme</b>	the Company's Approved Executive Share Option Scheme
<b>Articles</b>	the articles of association of the Company as in force from time to time
<b>Board or Science Group Board</b>	the board of directors of Science Group
<b>Business Day</b>	a day other than a Saturday or Sunday or public holiday in England and Wales on which banks are open in London for general commercial business
<b>Buyback Authority</b>	the general authority to make market purchases being sought in the Buyback Resolution
<b>Buyback Resolution</b>	the Resolution numbered 8 to be proposed at the Annual General Meeting
<b>Circular</b>	this circular to Shareholders
<b>City Code or Takeover Code</b>	the City Code on Takeovers and Mergers
<b>Company or Science Group</b>	Science Group plc, incorporated in England & Wales with registration number 06536543 and whose registered office is at Harston Mill, Royston Road, Harston, Cambridge, United Kingdom CB22 7GG
<b>Directors</b>	the directors of the Company listed in paragraph 2.1 of Part 2 of this document
<b>Form of Proxy</b>	the form of proxy accompanying this document to be used in connection with the Annual General Meeting
<b>Group</b>	Science Group and its Subsidiaries from time to time
<b>Independent Directors</b>	the Directors other than Martyn Ratcliffe
<b>Independent Shareholders</b>	the Shareholders other than Martyn Ratcliffe

<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Notice of Annual General Meeting</b>	the notice of the Annual General Meeting which appears at the end of this document
<b>Numis</b>	Numis Securities Limited
<b>Ordinary Shares</b>	the ordinary shares of 1 penny each in Science Group
<b>Panel</b>	the Panel on Takeovers and Mergers
<b>Panel Waiver</b>	the waiver by the Panel, subject to approval by Independent Shareholders voting on a poll, of the obligations under Rule 9 of the City Code in respect of Martyn Ratcliffe in connection with the exercise of the Buyback Authority
<b>pounds sterling or £</b>	the lawful currency of the United Kingdom
<b>PSP Scheme</b>	the Company's performance share plan scheme
<b>Resolutions</b>	the resolutions to be proposed at the Annual General Meeting as set out in the Notice of Annual General Meeting
<b>Share Option Schemes</b>	the Approved scheme and the Unapproved scheme and the PSP Scheme
<b>Shareholders</b>	holders of Ordinary Shares from time to time
<b>Subsidiaries</b>	subsidiaries, interpreted in accordance with section 1159 of the Act
<b>Unapproved Scheme</b>	the Company's Unapproved Executive Share Option Scheme
<b>Waiver Resolution</b>	the Resolution numbered 9 concerning the waiver of obligations under Rule 9 of the City Code to be proposed at the Annual General Meeting in relation to the Buyback Authority

References to time in this document are to London time, unless otherwise stated.

## PART 4

### SCIENCE GROUP PLC

(incorporated and registered in England and Wales with number 06536543)  
(the "Company")

#### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of the Company will be held at the offices of Numis Securities Limited at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT at 9 a.m. on 19 May 2016 for the purpose of considering and, if thought fit, passing the following resolutions, in the case of Resolutions 1 to 6 and 8 to 9 as Ordinary Resolutions (Resolution 9 being taken on a poll) and, in the case of Resolution 7 as a Special Resolution.

#### ORDINARY RESOLUTION

- 1 **THAT** the Company's Annual Report and Financial Statements for the year ended 31 December 2015 be received and adopted.

#### ORDINARY RESOLUTION

- 2 **THAT** KPMG LLP are re-appointed as auditor of the Company pursuant to section 489 of the Companies Act 2006 (the "Act") to hold office until the end of the next general meeting at which accounts are laid before the members of the Company and that the Directors are hereby authorised to set the auditors' remuneration.

#### ORDINARY RESOLUTION

- 3 **THAT** David Courtley be re-elected as a Director of the Company.

#### ORDINARY RESOLUTION

- 4 **THAT** Michael Lacey-Solymar be re-elected as a Director of the Company.

#### ORDINARY RESOLUTION

- 5 **THAT** a final dividend of 4 pence per ordinary share be declared payable to the shareholders on the register of members of the Company at the close of business on 20 May 2016.

#### ORDINARY RESOLUTION

- 6 **THAT** in substitution for all subsisting authorities to the extent unused, the Directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Act, to exercise all the powers of the Company to allot relevant securities (as defined below) up to an aggregate nominal amount of £41,177.01 comprising equity securities (as defined in section 560 of the Act) and provided that:
  - (a) the authority hereby conferred shall (unless previously renewed or revoked) expire at the end of the next Annual General Meeting of the Company or, if earlier, 30 June 2017; save that
  - (b) the Company may before such expiry make an offer or agreement which would or might require relevant securities (as so defined) to be allotted after such expiry and the Directors may allot relevant securities (as so defined) in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.



For the purposes of this resolution, “relevant securities” means:

- shares in the Company other than shares allotted pursuant to:
  - an employee share scheme (as defined by section 1166 of the Act);
  - a right to subscribe for shares in the Company where the grant of the right itself constituted a relevant security; or
  - a right to convert securities into shares in the Company where the grant of the right itself constituted a relevant security; and
- any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined by section 1166 of the Act). References to the allotment of relevant securities in the resolution include the grant of such rights.

### **SPECIAL RESOLUTION**

- 7** **THAT**, subject to the passing of Resolution 6 above and in substitution for all subsisting authorities to the extent unused, the Directors be and they are hereby empowered to allot or make offers or agreements to allot for equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority conferred by Resolution above as if section 561(1) of the Act did not apply to any such allotment up to an aggregate nominal amount of £41,177.01 provided that the authority hereby conferred shall (unless previously renewed or revoked) expire at the end of the next Annual General Meeting of the Company or, if earlier, 30 June 2017, 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 Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

### **ORDINARY RESOLUTION**

- 8** **THAT** conditional upon the passing of Resolution 9, the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Ordinary Shares on such terms as the Directors think fit, provided that:
- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 4,117,701 ;
  - (b) the minimum price, exclusive of any expenses, which may be paid for an Ordinary Share is 1p;
  - (c) the maximum price, exclusive of any expenses, which may be paid for each Ordinary Share is an amount equal to the higher of: (a) 105 per cent. of the average of the middle market quotations for an Ordinary Share, as derived from the AIM Appendix of the Daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the Ordinary Share is purchased; and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003; and

the authority hereby conferred shall, unless previously revoked or varied, expire at the end of the next Annual General Meeting of the Company or, if earlier, 30 June 2017 (except in relation to the purchase of Ordinary Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry).

## **ORDINARY RESOLUTION**

- 9** **THAT** the waiver granted by the Panel on Takeovers and Mergers of the obligation that would otherwise arise on Martyn Ratcliffe and all persons connected with him to make a mandatory offer to the shareholders of the Company pursuant to Rule 9 of the Takeover Code as a result of the exercise of the authority granted by Resolution 8 above allowing the Company to make market purchases of Ordinary Shares, be and is hereby approved.

Note: In order to comply with the Takeover Code, Resolution 9 will be taken on a poll and Martyn Ratcliffe has undertaken not to vote on Resolution 9.

By Order of the Board  
Sarah Cole  
Company Secretary  
22 April 2016

Harston Mill  
Harston  
Cambridge  
CB22 7GG

## Notes

1. *Only holders of Ordinary Shares are entitled to attend and vote at this AGM. A Shareholder entitled to attend and vote is entitled to appoint a proxy or proxies to attend, speak and vote instead of him/her. A Shareholder may appoint more than one proxy 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. A Form of Proxy is enclosed with this notice and instructions for its completion are shown on the form. Forms of Proxy and any power of attorney or other authority, if any, under which it is signed or a duly certified copy of such power or authority should reach the office of the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, by 9 a.m. on 17 May 2016. Completing a Form of Proxy does not prevent a Shareholder from attending and voting in person. A vote withheld option is provided on the Form of Proxy to enable you to instruct your proxy to abstain on any particular Resolution. However, it should be noted that a "vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a Resolution.*

*A Shareholder must inform the Company's registrars in writing of any termination of the authority of a proxy.*

*A 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 Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. 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 Shareholder as to the exercise of voting rights.*

*The statements of the rights of Shareholders in relation to the appointment of proxies in this notice do not apply to a Nominated Person. The rights of Shareholders in relation to the appointment of proxies can only be exercised by registered Shareholders of the Company. Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) on matters relating to their investments in the Company.*

2. *Under section 319A of the Companies Act 2006, a Shareholder attending the meeting has the right to ask questions in relation to the business of the meeting. 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 interfere unduly with the preparation for the meeting or 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 or the good order of the meeting that the question be answered.*
3. *As at 20 April 2016 (being the last practicable date prior to any publication of this notice) the Company's issued share capital consists of 42,062,035 Ordinary Shares carrying one vote each, of which 885,029 Ordinary Shares are held in treasury. The total voting rights in the Company as at 20 April 2016 are, therefore, 41,177,006.*
4. *The following documents, which are available for inspection during normal business hours at the registered office of the Company on any weekday (Saturdays, Sundays and public holidays excluded) from the date of this document until the date of the AGM, will also be available for inspection at the place of the AGM from 8.45 a.m. on the day of the AGM until the conclusion of the AGM:*

- (i) copies of the service contracts of the Executive Directors under which they are employed by the Company and the letters of appointment (and other related documents) of the Non-Executive Directors;*
  - (ii) the published audited consolidated accounts of the Company for the two financial years ended 31 December 2014 and 31 December 2015;*
  - (iii) the written consent of Numis referred to in paragraph 10 of Part 2 of the Circular;*
  - (iv) the Articles of the Company.*
5. *The Company specifies that only those Shareholders registered in the register of members of the Company as at 6.00 p.m. on 17 May 2016 shall be entitled to attend and/or vote at the aforesaid AGM (and any adjournment thereof) in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after 6.00 p.m. on 17 May 2016 shall be disregarded in determining the rights of any person to attend or vote at the AGM (and any adjournment thereof).*
6. *Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf of all its powers as a Shareholder provided that they do not do so in relation to the same shares.*
7. *A copy of this notice can be found on the Company's website ([www.sciencegroup.com](http://www.sciencegroup.com)).*
8. *You may not use any electronic address provided either in this notice or in any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.*

**PART 5**

**FOR USE BY THE HOLDERS OF ORDINARY SHARES**

**Science Group plc**  
(incorporated and registered in England and Wales with number 06536543)  
**(the "Company")**

**FORM OF PROXY**

For use at the Annual General Meeting convened for 9 a.m. on 19 May 2016 at the offices of Numis Securities Limited at The London Stock Exchange Building, 10 Paternoster Square, London, EC4M 7LT.

I/We .....

Of .....

being a member/members of the Company hereby appoint (see Note 1)

.....  
whom failing the Chairman of the meeting to be my/our proxy and to attend and vote for me/us on my/our behalf at the above mentioned Annual General Meeting of the Company and at any adjournment thereof. My/our proxy is to vote as indicated below with an 'X' in respect of the Resolutions set out in the Notice of Annual General Meeting (see Note 2):

Resolution		FOR	AGAINST	ABSTAIN
1	To receive and adopt the Company's Annual Report and Financial Statements for the year ended 31 December 2015			
2	To re-appoint KPMG LLP as auditors to the Company and to authorise the Directors to set the auditors' remuneration			
3	To re-elect David Courtley as a Director of the Company			
4	To re-elect Michael Lacey-Solymar as a Director of the Company			
5	To approve the declaration of a final dividend of 4 pence per ordinary share			
6	To authorise the Directors to allot shares under section 551 Companies Act 2006			
7	<b>Special Resolution:</b> To dis-apply statutory pre-emption rights under section 560(1) Companies Act 2006			
8	To authorise the Directors to make market purchases of company shares			
9	To approve the waiver of Rule 9 of the Takeover Code as granted by the Panel on Takeovers and Mergers in respect of the buyback authority			

For an indication of numbers attending only, please advise whether you currently expect to attend the AGM  
Yes / No

Signed or sealed (see Note 3) ..... Dated..... 2016

**Please return this Proxy Form to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive by no later than 9 a.m. on 17 May 2016.**

## Notes

1. If a member wishes to appoint as a proxy a person other than the Chairman of the meeting, the name and address of the other person should be inserted in block capitals in the space provided. A proxy need not be a member of the Company but must attend the meeting in person. Any alteration or deletion must be signed or initialled.
2. A member should put an 'X' under **FOR**, **AGAINST** or **ABSTAIN** to show how they wish their votes to be cast in respect of each of the Resolutions set out in the Notice of Annual General Meeting. Unless so instructed the proxy will vote or abstain as they think fit. The proxy will act at their discretion in relation to any other business arising at the meeting (including any resolution to amend a Resolution or to adjourn the meeting).
3. This Form of Proxy must be signed by the appointer or his attorney duly authorised in writing. If the appointer is a corporation this Form of Proxy should be signed on its behalf by an attorney or duly authorised officer or executed as a deed. In the case of joint holders the signature of any one of them will suffice, but the names of all joint holders should be stated.
4. Use of this Form of Proxy does not preclude a member from attending the meeting and voting in person.
5. To be valid this Form of Proxy must be completed and lodged together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, with the Secretary of the Company or the Chairman of the meeting at the place of meeting, not less than 48 hours (excluding non-working days) before the meeting or any adjournment thereof.
6. At the Annual General Meeting of the Company the votes will be taken on a show of hands unless a poll is demanded and the results will be released to the London Stock Exchange and published on the Company's website [www.sciencegroup.com](http://www.sciencegroup.com).
7. A person to whom this Notice of Annual General Meeting 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 themselves and the Shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
8. The statement of the rights of members in relation to the appointment of proxies in paragraphs 1 to 4 above does not apply to a Nominated Person. The rights described in these paragraphs can only be exercised by registered members of the Company.
9. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual member provided that they do not do so in relation to the same shares.
10. Copies of any contract of service, letters of appointment and deeds of indemnity between the Directors and the Company or any of its subsidiaries (or a memorandum of the terms thereof) will be available at the Registered Office of the Company during normal business hours until the conclusion of the AGM, and at the place of the AGM from at least 15 minutes prior to the AGM until its conclusion. In addition, a copy of the Articles of the Company will be available for inspection at the Registered Office during normal business hours until the conclusion of the AGM and at the AGM for at least 15 minutes prior to the AGM until its conclusion.
11. The Company specifies that only those Shareholders on the register of members as at 6.00 pm on 17 May 2016 (or, if the AGM is adjourned, 6.00 pm on the day two working days prior to the day of the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the AGM in respect of the number of shares registered in their names at the time. Changes to entries on the ordinary register after 6.00 pm on 17 May 2016 shall be disregarded in determining the right of any person to attend or vote at the AGM.
12. All Shareholders and their proxies will have the opportunity to ask questions at the AGM. Questions may not be answered at the AGM if they are deemed not to be in the interests of the Company, would involve the disclosure of confidential information, or would not be to the good order of the AGM. The Chairman may also nominate a Company representative to answer a specific question after the AGM or refer the response to the Company's website.
13. A copy of this Notice of Annual General Meeting, and other information required by Section 311A of the Companies Act 2006 can be found at [www.sciencegroup.com](http://www.sciencegroup.com).
14. Shareholders are advised that, unless otherwise stated, any telephone number, website and email address set out in this Notice of Annual General Meeting, Form of Proxy or Chairman's letter should not be used for the purpose of serving information on the Company (including the service of documents or information relating to the proceedings at the Company's Annual General Meeting).