

science group

9 September 2021

SCIENCE GROUP PLC

(‘Science Group’ or the ‘Group’)

TP Group General Meeting

Science Group notes that TP Group plc (“TP Group”) has posted a Circular (the “Circular”) to its shareholders for the requisitioned General Meeting in relation to the constitution of the TP Group Board. The date of the meeting is 1 October 2021.

At close of business on 8 September 2021, Science Group owned 209,388,987 shares in TP Group, equivalent to 26.9% of the issued voting share capital. Science Group is the largest shareholder in TP Group and owns more shares than the aggregate of the irrevocable undertakings (25.4%) obtained by the Board of TP Group in relation to the General Meeting.

The Board of TP Group make a number of statements which Science Group considers to be misrepresentative. The TP Group Board also notably avoids accepting any responsibility for the poor financial performance of the business, the failure of corporate governance and the destruction of shareholder value in recent years. Indeed, the announcement by TP Group on 7 September and the shareholder Circular allocate a disproportionate amount of commentary to wholly unrelated matters to try to distract TP Group shareholders from the failures of the TP Group Board.

Science Group also wishes to clarify that, contrary to the perception portrayed by the TP Group Board, the General Meeting requisitions are simply to replace two non-executive directors who have presided over the substantial deterioration in shareholder value and have failed to provide the corporate governance reasonably expected of their role by TP Group shareholders. At no time has Science Group indicated or inferred in any way that it intends to remove the newly appointed Chief Executive or the Finance Director.

The TP Group Board should cease the scaremongering and accept their responsibility for the poor performance of TP group in recent years. It is farcical to suggest that Science Group’s investment one month ago will “*undermine the stability of TP Group’s businesses*” after (i) the poor financial performance of TP Group resulting in the going concern commentary in the TP Group 2020 Annual Report; (ii) the inconsistent strategy related to TPG Maritime; and (iii) the abrupt departure of the former CEO.

Science Group believes that the honourable course of action of any Chairman/director, who has presided over such a destruction in value and failure of governance, is to resign and to effect a smooth transition to a reconstituted Board, avoiding further costs for the company and disruption for all TP Group stakeholders.

Science Group Withdrawn Offer for TP Group

The Board of TP Group also misrepresents the background to the withdrawn potential offer by Science Group. Prior to acquiring any shares, Science Group approached TP Group initially regarding a strategic investment and later a possible merger/acquisition. Following the initial purchase of shares in TP Group, Science Group repeatedly tried to engage in dialogue with the TP Group Board. Despite the poor track record of TP Group, and the potential substantial premium of 67% (to the closing TP Group share price on the trading day prior to Science Group investment), the Board of TP Group, refused to engage in any meaningful dialogue.

The Science Group indicative offer was always subject to certain pre-conditions including the receipt of satisfactory due diligence. As previously announced, The TP Group Board were unwilling to provide access to due diligence information unless certain conditions were agreed which were unacceptable to Science Group. As a result, the Science Group potential offer was withdrawn on 3 September 2021, denying TP Group shareholders a potential liquidity event at a substantial premium.

Furthermore, the TP Group Board has incorrectly suggested that Science Group would have been unable to fund the acquisition of TP Group. It is quite normal that acquisition funding is arranged in parallel with discussions between parties. In accordance with standard practice, Science Group and its advisors provided TP Group with customary assurances which the TP Group Board and its advisors inexplicably rejected.

It is therefore noteworthy that following the withdrawal of the indicative offer for TP Group, on 7 September 2021 Science Group completed an over-subscribed placing (“Placing”) of new shares to raise approx. £17.8 million, net of costs. The Placing was completed at a premium to the Science Group closing share price, a very strong message of confidence from institutional investors. This Placing strengthened Science Group’s existing cash resources, which at 31 August 2021 were £17.2 million, at which time Science Group already owned 24% of TP Group. In addition, as announced on 6 September 2021, Science Group is exploring extending its bank facilities and, with a strong track record of profitability and cash flow, additional facilities are anticipated to be available. In summary, it is, and always was, readily apparent that the indicative offer could have been funded by Science Group if the TP Group Board had cooperated and the due diligence was satisfactory.

The Board of TP Group also makes a number of inferences which do not reflect the protections inherent in the UK City Code on Takeovers and Mergers (the “Code”). Despite the lengthy rhetoric in the Circular, TP Group has failed to define any example where Science Group has not complied with the provisions of the Code, as applicable. The restrictions and exceptions related to any future potential offer were set out in the Science Group announcements on 24 August 2021 and 3 September 2021.

In summary, for the avoidance of any doubt and contrary to the inferences made by the TP Group Board, the General Meeting is not related to any offer or potential offer for TP Group by Science Group or any other party. The Science Group potential offer was withdrawn on 3 September 2021. The General Meeting requisitions are simply to replace two non-executive directors who have presided over the substantial deterioration in TP Group shareholder value and have failed to provide the appropriate level of corporate governance reasonably expected of their role by TP Group shareholders.

Science Group Strategic Investment and General Meeting

The strategic investment model formed the basis of the initial approach to TP Group and on 16 August 2021, just one week after making the initial investment, Science Group informed shareholders of both companies that the strategic investment model was increasingly likely and this scenario was consistently reiterated in subsequent announcements.

As the largest shareholder in TP Group, the Science Group strategy is to manage its investment in an active manner. To that end, Science Group requisitioned the Board of TP Group to call a general meeting of TP Group shareholders to consider the constitution of the TP Group Board. Science Group again reiterates that the General Meeting requisitions are simply to replace two non-executive directors who have failed to provide the corporate governance expected of their role. At no time has Science Group indicated or inferred in any way that it intends to remove the newly appointed Chief Executive or the Finance Director and the majority of the TP Group directors would remain unchanged.

With regard to the current incumbents who are proposed to be replaced, Mr McCree was appointed a non-executive director on 1 October 2014 and Chairman on 1 January 2017. Mr Jeremy Warner-Allen was appointed as a non-executive director on 2 March 2017. Since Mr McCree’s appointment as Chairman up to 6 August 2021 (the last trading day prior to the Science Group investment), the TP Group share price had declined by 64.6%. For reference the FTSE AIM All-Share index increased by 49.3% during the same period. After such destruction of value, the honourable course of action is for Mr McCree and Mr Warner-Allen to resign and effect a smooth transfer.

With regard to the nominated directors, Mr Ratcliffe was appointed Chairman of Science Group plc (then called Sagentia plc) on 15 April 2010. In contrast to the poor performance of TP Group, (i) since Mr Ratcliffe's appointment in 2010, the Science Group share price has increased by 1,163.9% and (ii) between 1 January 2017 and 6 August 2021 (ie the same reference points as above for Mr McCree) the Science Group share price has increased by 179.9%. Mr Ratcliffe and Mr Bertram are experienced directors of listed companies who have a track record of delivering value to shareholders. If appointed, the experience of Mr Ratcliffe and Mr Bertram would add significant value to TP Group and benefit all TP Group stakeholders.

Science Group, the largest shareholder in TP Group, encourages all shareholders to vote in favour of the resolutions to (i) remove Mr McCree and Mr Warner-Allen as directors of TP Group plc, and (ii) appoint Mr Ratcliffe and Mr Bertram as directors of TP Group plc.

Enquiries:

Science Group plc

Martyn Ratcliffe, Chairman

Tel: +44 (0) 1223 875 200

www.sciencegroup.com

Stifel Nicolaus Europe Limited (Nominated Adviser and Joint Broker)

Nick Adams, Alex Price, Richard Short

Tel: +44 (0) 20 7710 7600

Liberum Capital Limited (Joint Broker)

Neil Patel, Cameron Duncan

Tel: +44 (0) 20 3100 2000

MHP Communications (PR Adviser to Science Group)

Reg Hoare

Tel: +44 (0)20 3128 8793