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**FOR IMMEDIATE RELEASE**

**17 July 2019**

**CASH OFFER**

**by**

**SCIENCE GROUP PLC  
(Science Group)**

**for**

**FRONTIER SMART TECHNOLOGIES GROUP LIMITED  
(Frontier)**

**Offer unconditional as to acceptances**

**Extension of Offer**

## **1. Introduction**

It was announced on 1 July 2019 that Science Group would make an offer (the **Offer**) to acquire the entire issued and to be issued share capital of Frontier at a price of 35 pence per Frontier Share. On 2 July 2019, Science Group published an offer document setting out the full terms and conditions of the Offer (the **Offer Document**).

Science Group made its first formal approach, which included an indicative offer, to the board of Frontier (the **Frontier Board**) on 8 May 2019. Despite repeated attempts by Science Group to engage with the Frontier Board over the past ten weeks, the Frontier Board has consistently elected not to cooperate with Science Group.

## **2. Level of acceptances**

As at 5.00 p.m. (London time) on 16 July 2019, Science Group had acquired 15,349,754 Frontier Shares through on market purchases, including through the Panmure Gordon Trading Facility, representing approximately 37.7 per cent. of the voting rights of Frontier.

As at 1.00 p.m. (London time) on 16 July 2019, Science Group had received valid acceptances of the Offer in respect of 1,269,399 Frontier Shares, representing approximately 3.1 per cent. of the voting rights of Frontier.

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Therefore as at 5.00 p.m. (London time) on 16 July 2019, Science Group was interested in, in aggregate, 16,619,153 Frontier Shares representing **approximately 40.8 per cent.** of the voting rights of Frontier.

### **3. Offer unconditional as to acceptances**

As the largest shareholder in Frontier with a shareholding of 40.8 per cent., Science Group considers that there is a high probability that Science Group would succeed in effecting change through a vote on an ordinary resolution, or opposing change through a vote on either an ordinary or special resolution, at a General Meeting of Frontier Shareholders, should that be required.

(Science Group notes that the Memorandum and Articles of Association on the Investor Pages of the Frontier website are not the current Articles, as approved on 14 May 2019 at the Annual General Meeting of Frontier.)

**As a result, the board of Science Group is pleased to announce that it has decided to waive the Acceptance Condition, in accordance with the Offer Document and to declare the Offer unconditional as to acceptances.**

Further details are set out below.

### **4. Extension of Offer**

The Offer, which remains subject to the terms and conditions set out in the Offer Document (save for condition (a)), will remain open for acceptances until 1.00 p.m. (London time) on 19 July 2019 (the **Extended Closing Date**).

The Panmure Gordon Trading Facility will also remain open until 1.00 p.m. (London time) on the Extended Closing Date.

**Both the Offer and the Panmure Gordon Trading Facility will close at 1.00 p.m. on the Extended Closing Date and will not be further extended. Thereafter, Frontier Shareholders should note that the Offer will not be open for acceptance and, whilst Science Group may at its discretion make purchases of Frontier Shares in the market, it is not required to make purchases at the Offer Price.**

Science Group reminds Frontier Shareholders that since Science Group's interest was first announced on 20 May 2019, no other offer for Frontier has been made publicly by any party. The only offer made for Frontier is Science Group's Offer at 35 pence per Frontier Share which represents:

- (a) a premium of 137.3 per cent. to the closing mid-market share price of Frontier on 17 May 2019 of 14.75 pence per share, being the last trading day prior to the announcement of Science Group's approach to Frontier; and
- (b) a premium of 161.6 per cent. to the closing mid-market share price of Frontier on 9 May 2019 of 13.4 pence per share, being the date of the trading update issued by the board of directors of Frontier.

Frontier Shareholders who have yet to accept the Offer should be aware that if they fail to do so by the Extended Closing Date, the Offer will be closed and they will not be entitled to receive any consideration for their Frontier Shares in respect of the Offer.

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## 5. Action to be taken

Science Group encourages Frontier Shareholders to accept the Offer, or sell their Frontier Shares through the Panmure Gordon Trading Facility, as soon as possible and in any event prior to 19 July 2019.

## 6. Next steps

Science Group reminds Frontier Shareholders that Frontier is incorporated in the Cayman Islands and therefore the UK City Code on Takeovers and Mergers (the **City Code**) does not apply to Frontier. Although the Frontier Board (in its various forms) has had ample opportunity over the past 14 years (including the current board at the most recent Annual General Meeting in May 2019) to change the jurisdiction of incorporation of Frontier, it has consistently elected not to do so. As a consequence, Science Group is not restricted from buying further Frontier Shares at any price following the Extended Closing Date, nor do any other provisions or constraints of the City Code apply.

The Offer Document sets out the intentions of Science Group following the Offer becoming wholly unconditional, which includes the possible execution of a statutory merger in accordance with Cayman Islands Companies Law (the **Statutory Merger**) and cancellation of the admission to trading of Frontier Shares on AIM (the **Delisting**). Science Group does not, at the present time, support changing the jurisdiction of incorporation of Frontier except through the Statutory Merger proposed in the Offer.

In the event that Science Group does not acquire sufficient Frontier Shares or voting rights of Frontier, or sufficient support from other Frontier Shareholders, to enable the Statutory Merger and Delisting to proceed, Frontier Shareholders should understand that share trading liquidity in Frontier may be severely limited. Science Group may provide some exit liquidity after the Extended Closing Date for Frontier Shareholders by buying further Frontier Shares but such purchases are not required to be made at the Offer Price.

According to reported Frontier shareholding information, with 40.8% of the voting shares, Science Group is the largest shareholder in Frontier. Science Group will be seeking changes to the Frontier Board to reflect the transformation of the Frontier shareholder base resulting from Science Group's substantial shareholding. Thereafter, the strategy of Frontier will be evaluated. Science Group continues to believe in the fundamental opportunities and capabilities within Frontier and considers the Frontier employees to be a key strength of the company. This strategy review may or may not include the possibility of arm's-length cooperation with parts of Science Group.

Unless otherwise stated, terms used in this announcement have the same meanings as given to them in the Offer Document.

- Ends -

## For further information:

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## **IMPORTANT NOTICES**

Panmure Gordon (UK) Limited is acting exclusively for Science Group and for no one else in relation to the matters described in this announcement 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 Panmure Gordon (UK) Limited or for providing advice in relation to the matters described in this announcement.

The statements contained in this announcement are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the Offer or the contents of this announcement, you should consult your own legal, financial and/or tax adviser for legal, business, financial and/or tax advice.

## **Further information**

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Offer or otherwise. The Offer is made solely by means of the Offer Document and the Form of Acceptance accompanying the Offer Document, which contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. Any response to the Offer should be made only on the basis of information contained in those documents. Frontier Shareholders are advised to read the formal documentation in relation to the Offer carefully.

This announcement has been prepared for the purposes of complying with English law and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside the United Kingdom.

## **Overseas Shareholders**

The release, publication or distribution of this announcement and/or any accompanying documents (in whole or in part) in jurisdictions other than the United Kingdom or the United States may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom or the United States should inform themselves about, and observe, any applicable restrictions and legal and regulatory requirements.

Frontier Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant jurisdiction without delay. Any failure to

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comply with such restrictions and/or requirements may constitute a violation of the securities laws of any such jurisdiction.

This announcement has been prepared for the purpose of complying with English law and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The Offer is subject to the applicable requirements of English Law, the AIM Rules and the FCA. Frontier is not subject to the City Code or any requirements of the Panel.

Unless otherwise determined by Science Group, and permitted by applicable law and regulation, the Offer is not and will not be made available, directly or indirectly, in or into or from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer is not and will not be capable of acceptance by any such use, means, instrumentality or facilities or from or within any Restricted Jurisdiction.

Accordingly, copies of this announcement and all documents relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including any custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Any person (including any custodian, nominee or trustee) who has a contractual or legal obligation, or may otherwise intend, to forward this announcement and/or any other related document to a jurisdiction outside the United Kingdom or the United States should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction and must not mail, send or otherwise forward or distribute them in, into or from any Restricted Jurisdiction. Doing so may render any purported acceptance of the Offer invalid.

## **Notes to U.S. holders of Frontier Shares**

The Offer is made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the US Exchange Act, subject to the exemptions provided by Rule 14d-1(c) and otherwise in accordance with the requirements of English law. Accordingly, the Offer is subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The Offer is made for the securities of a Cayman Islands-incorporated company with its shares admitted to trading on AIM. The Offer is subject to AIM Rule disclosure requirements, which are different from certain United States disclosure requirements. The financial information on Frontier included in this announcement has been extracted from Frontier financial statements which are stated by Frontier to have been prepared in accordance with IFRS and may therefore not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash pursuant to the Offer by a US holder of Frontier Shares may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as

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well as foreign and other, tax laws. Each Frontier Shareholder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of accepting the Offer. Furthermore, the payment and settlement procedure with respect to the Offer will differ from the United States payment and settlement procedures, particularly with regard to the date of payment of consideration.

The Offer is made (including in the United States) by Science Group and no one else. None of Panmure Gordon nor any of its affiliates is making the Offer in or outside the United States.

It may be difficult for US holders of Frontier Shares to enforce their rights and any claim arising out of US federal securities laws, since Science Group is incorporated under the laws of England and Frontier is incorporated under the laws of the Cayman Islands and some or all of their officers and directors are residents of non-US jurisdictions. In addition, most of the assets of Science Group and Frontier are located outside the United States. US holders of Frontier Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

This announcement does not constitute an offer of securities for sale in the United States or an offer to acquire securities in the United States. No offer to acquire securities or to exchange securities for other securities has been made, or will be made, directly or indirectly, in or into, or by the use of the mails of, or by any means or instrumentality of interstate or foreign commerce or any facilities of a national securities exchange of, the United States or any other country in which such offer may not be made other than: (i) in accordance with the tender offer requirements under the US Exchange Act, or the securities laws of such other country, as the case may be; or (ii) pursuant to an available exemption from such requirements.

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved the Offer, passed comment upon the fairness or merits of the Offer or passed comment upon the adequacy or completeness of this announcement. Any representation to the contrary is a criminal offence in the United States.

To the extent permitted by applicable law, in accordance with normal UK market practice, Science Group or its nominees or brokers (acting as agents) or their respective affiliates may from time to time make certain purchases of, or arrangements to purchase, shares or other securities in Frontier, other than pursuant to the Offer, at any time prior to completion of the Offer (including, without limitation, under the Panmure Gordon Trading Facility). These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any such purchases, or arrangements to purchase, will comply with all applicable UK and Cayman Island rules, the AIM Rules and Rule 14e-5 under the US Exchange Act to the extent applicable. In addition, in accordance with, and to the extent permitted by normal UK market practice, Panmure Gordon and its affiliates will continue to act as exempt principal traders in Frontier Shares on AIM and engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law. To the extent required by the applicable law, any information about such purchases will be disclosed on a next day basis to a Regulatory Information Service including the Regulatory News Service on the London Stock Exchange website, [www.londonstockexchange.com](http://www.londonstockexchange.com). To the extent that such information is made public in the United Kingdom, this information will also be deemed

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to be publicly disclosed in the United States.

## **Cautionary note regarding forward-looking statements**

This announcement contains statements about Science Group and Frontier which are, or may be deemed to be, “forward-looking statements” and which are prospective in nature. All statements other than statements of historical fact included in this announcement may be forward-looking statements. They are based on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “plans”, “expects”, “is expected”, “is subject to”, “budget”, “scheduled”, “estimates”, “forecasts”, “predicts”, “intends”, “anticipates”, “believes”, “targets”, “aims”, “projects”, “future-proofing” or words or terms of similar substance or the negative of such words or terms, as well as variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.

These forward-looking statements are not guarantees of future financial performance and have not been reviewed by the auditors of Science Group or Frontier. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. All subsequent oral or written forward-looking statements attributable to Science Group or any of its members, directors, officers or employees or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. Science Group disclaims any obligation to update any forward-looking or other statements contained herein, except as required by applicable law.

No member of Science Group, nor any of its associates, directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

Other than in accordance with its legal or regulatory obligations, Science Group is not under any obligation and Science Group expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

All subsequent oral or written forward-looking statements attributable to Science Group, or any of its associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

## **No profit forecasts or estimates**

No statement in, or referred to in, this announcement or incorporated by reference into this announcement is intended as or shall be deemed to be a profit forecast or estimate for any

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period. No statement in, or referred to in, this announcement or incorporated by reference into this announcement should be interpreted to mean that cash flow from operations, free cash flow, earnings or earnings per share for Frontier, Science Group or the Enlarged Group (as applicable) for the current or future financial years would necessarily match or exceed the historic published cash flow from operations, free cash flow, earnings or earnings per share for Frontier, Science Group or the Enlarged Group (as applicable).

## **Publication on website and availability of hard copies**

A copy of this announcement will be available free of charge subject to certain restrictions relating to persons resident in Restricted Jurisdictions on Science Group's website at [www.sciencegroup.com](http://www.sciencegroup.com) as soon as reasonably practicable following the date of publication of this announcement.

Save as expressly referred to in this announcement, neither the contents of Science Group's website (nor the contents of any website accessible from hyperlinks on Science Group's website) are incorporated into, or form part of, this announcement.

## **No Representations**

No adviser, dealer, salesperson or other person is authorised by Science Group to give any information or to make any representations with respect to the Offer other than such information or representations contained in this announcement and, if given or made, such information or representations must not be relied upon as having been authorised by Science Group.

## **Rounding**

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

## **Definitions**

Unless otherwise stated, defined terms used in this announcement shall have the same meaning given to them as in the Offer Document.

## **Time**

All times shown in this announcement are London times, unless otherwise stated.