

science group

12 July 2019

Science Group plc

Investment in Frontier Smart Technologies Group Limited ("Frontier")

Science Group plc (Science Group") notes the announcement by Frontier today.

Science Group has been trying to engage with Frontier since its initial approach on 8 May 2019. This week, subsequent to the Science Group Offer being posted, discussions were again initiated by Science Group to try to find an amicable resolution to outstanding matters. These discussions included the possibility of a slightly increased offer subject to material conditions. Frontier agreed that this arrangement would enable its Board to recommend a Science Group revised offer, if issued. However, during the drafting stage, Frontier sought to rescind key conditions, including the Frontier board structure and suspension of the Joint Venture discussions. Talks were therefore suspended.

While Frontier has this morning agreed to revert to the original terms of the agreement, there is an essential and considerable amount of documentation outstanding, which Science Group would not characterise as "mechanical and procedural". For example, clarification of share option (and JSOP) arrangements are necessary and while Science Group has requested these several times over past weeks, they were only provided by Frontier for review this morning. Furthermore, the key arrangements for the statutory merger require to be agreed and have not commenced.

The board of Science Group will not be pressurised into making an injudicious decision. Due to Frontier attempting to change fundamental aspects of the agreement, time has expired and at this late stage, after many weeks of trying to get the Frontier board to engage, Science Group does not consider that the increased cost to Science Group shareholders is warranted. For the avoidance of any doubt, Science Group does not anticipate increasing its Offer.

At 11 July 2019, Science Group owns the equivalent of 35.8% of the voting share capital of Frontier. The closing date for the Science Group Offer is **Tuesday 16 July 2019**. At the present time, Science Group does not anticipate extending the Offer, nor the Panmure Gordon Trading Facility, but retains the option to do so if considered appropriate at the sole discretion of the Science Group Board

Science Group encourages Frontier Shareholders to accept the Science Group Offer, or sell their shares through the Panmure Gordon Trading Facility, as soon as possible and in any event prior to the closing date of Tuesday 16 July 2019.

- Ends -

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