

science group

23 August 2019

**Science Group plc
(the "Company" or "Science Group")**

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

Further to the announcement by Frontier on 21 August 2019, the Company confirms that it has now entered into the Subscription Agreement and the Standby Facility referred to in that announcement.

Under the Subscription Agreement Science Group has conditionally subscribed £1 million for 4 million new Frontier ordinary shares. Following Admission, Science Group's shareholding in Frontier will be 23,447,431 ordinary shares, equivalent to 52.3% of the voting share capital.

Frontier's net assets will be consolidated into the accounts of Science Group. In the year ended 31 December 2018 Frontier made a loss before taxation of \$3.3 million and had gross assets at 31 December 2018 of \$33.9 million. Following Admission, the total consideration paid by Science Group for 23,447,431 ordinary shares in Frontier is £6.9 million.

The Standby Facility will expire on 30 April 2022 and will be on broadly the same terms and conditions as the Bank facility, save that, reflecting the current circumstances of Frontier:

- (i) it is structured as a term loan rather than revolving credit facility;
- (ii) the interest rate on drawn amounts will be 12% above 3 month LIBOR;
- (iii) Science Group has agreed that the first covenant test date will be March 2020;
and
- (iv) any amount drawn will be convertible, at Science Group's sole discretion, into new Frontier shares at 25 pence per share at any time on or after 1 January 2020.

If not drawn, either fully or in part, by 30 April 2021, the Standby Facility will be withdrawn.

- Ends -

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The information contained within this announcement is considered by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information will be considered to be in the public domain.