

17 August 2021

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

TP Group plc

(the "Company", "TP Group" or the "Group")

Statement on Rejection of Science Group plc's Indicative Proposal

The Board of TP Group ("Board"), the provider of mission-critical solutions for a more secure world, notes the recent announcement on 16 August 2021 made by Science Group plc ("Science Group") regarding its conditional indicative proposal in relation to the entire issued and to be issued ordinary shares of the Company. Whilst this announcement was silent as to price, the letter from Science Group received on 13 August 2021 referred to a conditional possible offer for the entire issued and to be issued ordinary shares of the Company at 5.8p per share, payable in cash (the "Proposal").

The Board states its unanimous rejection of this Proposal and maintains its recommendation that its Shareholders take no action at this time for the following reasons:

- **A price of 5.8p per share significantly undervalues TP Group.**
- **TP Group is well placed to create shareholder value as a standalone business.**
- **Cost reduction and new strategic plan already agreed and being implemented by the new CEO.**
- **No detail has been provided on the cash funding of the Proposal.**
- **The Proposal is opportunistic and seeks to capitalise on the short-term impact suffered by the Company as a result of the COVID-19 pandemic, from which it is already recovering.**

Andrew McCree, Non-Executive Chairman of TP Group, said:

"On behalf of the Board, I confirm that we have carefully considered and unanimously rejected Science Group's approach which is opportunistic, conditional and unsolicited. The challenges that TP Group has faced over the last 18 months, alongside many other companies as the COVID-19 pandemic has continued, are well documented but are largely behind us. In David Lindsay, we have a new CEO leading the Company and a plan for growth. The approach by Science Group undervalues TP Group, and is an unwelcome distraction from implementing our growth plan."

Since joining TP Group, David Lindsay has developed a strategic plan that will focus the Group on becoming a leading international consultancy underpinned by more focused leadership and a clearer direction. The Board fully supports the plan which will build upon TP Group's strong position in the

markets in which it operates and aims to deliver growth and enhanced shareholder value. The TP Group business model going forward will demonstrate increased focus on objectives, accountability and performance measurement and stronger divisional leadership coupled with cost savings across the Group. Changes on all these fronts are underway.

The Board believes that there are good growth opportunities for the Group in the highly regulated areas in which it already operates. In particular, there is growing demand from aviation, defence and space customers for systems that are dependable, autonomous and environmentally sustainable. TP Group's consulting business ("TP Consulting") has an enviable customer base including Babcock, BAE Systems, the MoD, Airbus and the European Space Agency. The Board believes that TP Consulting's highly skilled staff are well placed to win additional high value contracts across the sectors in which they operate. Furthermore, TP Group owns several software applications that can potentially generate high margin revenue growth.

As was well documented, the Company received interest from parties seeking to acquire its Maritime division. Whilst the indicative offers did not meet the Board's valuation requirements, the Group will consider any further interest in this division. Any future disposal proceeds could potentially be used to reduce bank debt, fund a special dividend to shareholders and provide growth capital to be invested in TP Consulting.

The Board believes that the refocused Group, led by its new CEO, together with its highly skilled and dedicated employees will take the next steps to establish a leading, high growth, high margin, cash generative international consultancy with a clear dividend policy.

Science Group

The Board will do all it can to ensure that any attempts to undermine the value or reputation of the Group will be strongly resisted in the best interests of its Shareholders and customers. The Board would like to draw Shareholders' attention to the process leading up to the takeover by Science Group of Frontier Smart Technologies Group Limited.

The Board notes the comments expressed by Science Group in its RNS of 10 August 2021 relating to TP Group and also in its announcement of 16 August 2021, which made reference to a "qualification" in the Independent Auditor's Report in the TP Group plc 2020 Annual Report. The Board would point out that this is incorrect and misleading and that TP Group received an unqualified Audit Opinion from its auditor on its 2020 Annual Report.

In addition, the Board has not been given any evidence that the Proposal can be funded from the existing resources of Science Group. Further, there is no detail in the announcement from Science Group of 16 August 2021 of what the "clear operational synergies" might be, nor has there been in any correspondence with the Board or its advisers. It is the view of the Board that these operational synergies do not exist, given that the markets and fields in which the two companies operate are fundamentally different.

On 16 August 2021 the Company received a requisition from Science Group under s303 of the Companies Act 2006 for the Board to convene a general meeting of the Company to propose resolutions to remove Andrew McCree and Jeremy Warner-Allen as directors and appoint to the Board in their place Martyn Ratcliffe and Peter Bertram, currently both directors of Science Group. The Board is required to convene a general meeting of the Company to consider these resolutions and further information will be provided to Shareholders in due course.

Conclusion

The Board reiterates its unanimous rejection of the Proposal, which significantly undervalues TP Group in its current composition taking account of identified cost savings. In addition, the Board believes that significant additional value can be created by deploying funds into the TP Consulting business. Accordingly, the Board concludes that an offer of 5.8p significantly undervalues the Group. Therefore, the Board has no intention of engaging with Science Group on the Proposal and has unanimously rejected it in order to focus on delivering its plan for TP Group and creating shareholder value.

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As set out in the Company's previous announcement, in accordance with Rule 2.6(a) of the Takeover Code, Science Group is required, by no later than 5.00 p.m. on 7 September 2021, to either announce a firm intention to make an offer for the Company in accordance with Rule 2.7 of the Takeover Code or announce that it does not intend to make an offer for the Company, in which case the announcement will be treated as a statement to which Rule 2.8 of the Takeover Code applies. This deadline can be extended with the consent of the Panel on Takeovers and Mergers in accordance with Rule 2.6(c) of the Takeover Code.

There can be no certainty either that an offer will be made nor as to the terms of any offer, if made. A further announcement will be made if and when appropriate.

This announcement has been made without the agreement or approval of Science Group plc.

Publication on website

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at www.tpgroupglobal.com, by no later than 12 noon (London time) on 18 August 2021.

The content of the website referred to above is not incorporated into and does not form part of this announcement.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

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