

science group

13 January 2025

Science Group plc
(the “Company”, “Group” or “Science Group”)

FY24 Trading Update and 2025 Share Buy-Back Programme

Science Group’s trading performance for the year ended 31 December 2024 is, subject to audit, anticipated to deliver another record year of adjusted operating profit in line or slightly ahead of Board expectations. The 2024 audited results are anticipated to be released in late March or early April.

Science Group retains a strong balance sheet with significant cash resources. At 31 December 2024, the Group had gross cash of £38.6 million and net funds of £26.8 million, after returning a total of £8.6 million to shareholders in 2024 (2023: £6.1 million) through the share buy-back programme (£4.96 million) and the increased dividend (£3.66 million).

The Group’s Term Loan and (undrawn) Revolving Credit Facility expire in 2026. As announced on 11 November 2024, in support of the Group’s corporate strategy, the Board has initiated an early refinancing with term sheets agreed. The legal documentation to renew, increase and extend these facilities is progressing satisfactorily.

Share Buy-Back Programme

Science Group has a track record of delivering strong operating results and cash flow. However the Board note that this consistent operating performance has not been reflected in the Company’s stock market valuation. However, while the FTSE 100 has increased by 10.7% and the S&P 500 by 23.4% over the three years to the end of 2024, the table below compares the Company’s share price development relative to UK and US indices for small and mid-market companies, for periods to 31 December 2024.

	1 Year	3 Years	5 Years	10 Years
AIM All-Share	-5.7%	-40.9%	-24.9%	+2.5%
FTSE Fledgling	+3.7%	-14.4%	+15.3%	+65.7%
FTSE Small Cap	+6.5%	-8.2%	+15.0%	+56.8%
Russell Microcap	+12.2%	-6.8%	+31.8%	+71.0%
FTSE 250	+4.7%	-12.2%	-5.8%	+28.2%
Russell 2000	+10.0%	-0.7%	+33.7%	+85.1%
Science Group plc	+15.6%	-0.4%	+81.9%	+282.3%

Source: Canaccord Genuity Limited/LSEG Workspace

In summary, while the Company’s absolute value accretion has not kept pace with the Group’s operating performance, Science Group’s share price has outperformed all the major UK and US micro-cap and small/mid-cap indices over a 1, 3, 5 and 10 year period, a very respectable relative performance. (The index data does highlight the variability related to market listing,

and the Board is monitoring UK regulatory and market developments, although a change in geographical listing location is not considered appropriate.)

In an efficient market, consistent operating performance should translate into market value accretion. Market inefficiencies are a factor for consideration in capital allocation. Accordingly, subject to market dynamics and/or material corporate activity, the Board intends to increase the capital allocation to the 2025 share buy-back programme to between £6 million and £10 million, equivalent (at the current share price) to a reduction in total voting rights of between approximately 3 and 5%.

As previously announced, the execution of the share buy-back programme is now delegated to Panmure Liberum Limited based on parameters defined by the Board at certain windows. The increase in capital allocation will be instructed at the next window following the release of the 2024 results.

This announcement contains inside information for the purposes of article 7 of the Market Abuse Regulation (EU) 596/2014 as amended by regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. With the publication of this announcement, this information is now considered to be in the public domain.

- Ends -

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