

science group

14 December 2018

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

Trading Update and Termination of Formal Sale Process

Trading for the 11 months to 30 November 2018 remains in line with the Board's expectations.

At 30 November, the Group's cash balance was £19.3 million with net funds of £6.4 million. The debt of £13.0 million, expiring in 2026, is secured on the Group's freehold property assets with the interest rate fixed by matching swap instruments.

Termination of Formal Sale Process

As set out in the announcements on 21 September 2018, the Board of Science Group plc, has been undertaking a Formal Sale Process ("FSP") as one component of the review of the Group's corporate strategy.

The purpose of the FSP was to explore the merits of the Group remaining as an independent organisation, relative to the alternative options available to the Group being reviewed. Panmure Gordon has undertaken the FSP and interest from a number of organisations, across a range of geographies, has been explored.

However, during this period, stock markets around the world have been volatile, with a global negative trend. In parallel, in recent weeks, the uncertainty regarding Brexit has substantially increased, the eventual conclusion of which may have a significant impact on Sterling exchange rates.

As a result, in the current uncertain political and economic climate, the Board has concluded that it is unlikely that the FSP would produce the most attractive outcome from the Strategic Review. The Board has therefore decided to terminate the FSP and the Company is no longer in an offer period.

The Strategic Review is continuing. This process is still anticipated to be completed by the time of the release of the Group's preliminary results. In the current environment, the timing has proven to be apposite.

Buy-Back Programme

As a result of the termination of the FSP, the suspension of the buy-back programme, managed independently by Panmure Gordon, will be lifted. The parameters of this programme were set out in the announcement dated 19 April 2018.

science group

For further information:

Martyn Ratcliffe, Chairman

Tel : 01223 875200

Panmure Gordon (UK) Limited

Dominic Morley/Alina Vaskina (Corporate Finance)

Tel: +44 (0) 20 7886 2500

The information communicated in this announcement is inside information for the purposes of Article 7 of the Market Abuse Regulation 596/2014.