

# science group plc

11 May 2020

## AGM Update, Capital Allocation and Dividend Policy

The Annual Report for the year ended 31 December 2019, together with the notice of the Annual General Meeting of the Company (“AGM”), will be posted to shareholders on 15 May 2020 and will be available on the Group’s website shortly thereafter.

As announced on 31 March 2020, the AGM will be held at the Group’s London office on 16 June 2020. In the current exceptional circumstances, the meeting will only address formal matters, have only sufficient attendees to be quorate and will not provide any opportunity for questions. In accordance with UK Government guidelines on gatherings, the Board requests that shareholders do not attend and that all shareholders appoint the Chairman of the meeting as their proxy.

### Capital Allocation and Dividend Policy

Despite the wider impact of the Covid-19 pandemic on the business environment, Science Group’s financial performance continues to be in line with the Board’s expectations prior to the outbreak. As set out on 31 March 2020 and 4 May 2020, the Board has not revised its expectations and the Group remains both profitable and cash generative. Furthermore, the Group benefits from a strong balance sheet with net cash and significant freehold property assets.

However, prudence is an important consideration in the current unpredictable climate and the Board has therefore continued to consider the appropriateness of paying a dividend at the present time, whilst also evaluating the best use of capital resources in the long-term interests of all stakeholders. In this regard, the Board has consulted with the Group’s major shareholders.

In particular, the Board has considered the acquisitive strategy of the Group and the potential benefits to be derived from increasing the scale of Science Group through opportunities for corporate development which may arise in the months ahead. The Board also recognises that the pandemic has exacerbated the lack of liquidity in small cap shares.

In summary, the Board has concluded that, at the present time, the Company’s best long-term interests are served by:

- (i) Not recommending a dividend at the AGM, but to consider an interim dividend later in the financial year if appropriate;
- (ii) Subject to approval of the resolutions at the AGM to renew the buy-back facility, to provide market liquidity through share buy-backs as appropriate; and
- (iii) To continue to evaluate opportunities to deploy capital resources to increase the scale of the Group in line with the Board’s strategic plans.

The resolutions to be put to shareholders at the AGM will reflect the above conclusions.

### Science Group plc

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Note: This announcement contains inside information which is disclosed in accordance with the Market Abuse Regulation (No 596/2014).