

# science group plc

13 January 2022

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### 2021 End-of Year Trading Update

The momentum reported during 2021, which resulted in multiple profit forecast upgrades during the year, continued through the final months. As a result, 2021 will be another record for Science Group with revenue in excess of £80 million and adjusted operating profit anticipated to be in the order of £16 million, an increase of over 45% on the prior year (£10.9 million) and more than double that reported in 2019, the year before the pandemic outbreak.

This outstanding performance, delivering a very strong operating margin, has been achieved in a challenging environment due to the ongoing Covid pandemic and global supply chain constraints. All the divisions have contributed to this success, with the Group overall benefitting from the operational efficiencies resulting from the greater scale following the 2019 Frontier acquisition.

The past year has seen significant corporate activity, including the acquisition of a strategic shareholding in TP Group, a royalty buy-out and the acquisition of Magic Systech. Even so, due to the excellent operating cash conversion, enhanced by the Group's first equity fund raising in over a decade, at 31 December 2021 the Group had gross cash of £34.3 million and net funds of £19.0 million. In addition, Science Group signed a new £25 million revolving credit facility with its bank in December. The Group's robust balance sheet and undrawn facilities, enable the Board to continue to explore further corporate development opportunities in the year ahead.

Reflecting this resilient performance and significant earnings growth, the Board anticipate recommending a 25% increase, to 5 pence per share, in the dividend payment to Science Group shareholders at the next Annual General Meeting. In parallel, the Group's profit share and bonus schemes will be sharing the success with the employees and management whose commitment and dedication throughout the two years of the pandemic have continued to deliver value to Science Group shareholders.

**End**

**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). The person responsible for this announcement is Martyn Ratcliffe, Chairman.