

# 2024 Preliminary Results

---

**Martyn Ratcliffe**  
Executive Chair

**Dan Edwards**  
Group Managing Director

**Jon Brett**  
Group Finance Director

To be read in conjunction with the audited preliminary results announcement released on 24 March 2025.

In addition to IFRS measures, alternative performance measures are used in this presentation. Refer to Note 1 to the Financial Statements within the preliminary results announcement for detail and explanation.

# Financial Summary

## Group Revenue

£110.7m

2023: £113.3m

## Adjusted Operating Profit

£21.5m

2023: £20.5m

## Group Cash (excl. client funds)

£38.6m

2023: £30.9m

## Net Funds

£26.8m

2023: £18.0m

## Earnings Per Share (adj. basic)

36.2p

2023: 33.3p

## Ricardo Investment (at 19/3/25)

£25.6m

Market value

(Group cash of £25.7m  
and net funds of £13.8m at 19/3/25)

## Record AOP

AOP of £21.5m (2023: £20.5m)

AOP margin of 19.5% (2023: 18.1%)

Services AOP margin of 24.9% (2023: 25.0%)

Systems business AOP margin of 15.4% (2023: 7.0%)

## Division Summary

Resilient Consultancy performance in challenging market, combined with reduction in low margin Defence activities

CMS2 turnaround successful

Frontier break-even despite continued weak CE market

## Shareholder Returns

£8.6m returned to shareholders

Proposed dividend of 8p (2023:8p)

2025 share buyback anticipated over £6.0m (2024: £5.0m)

## Strong Balance Sheet

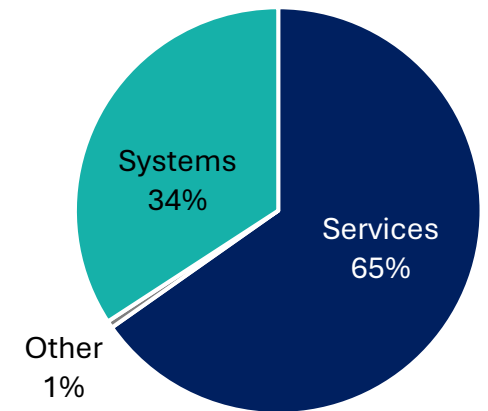
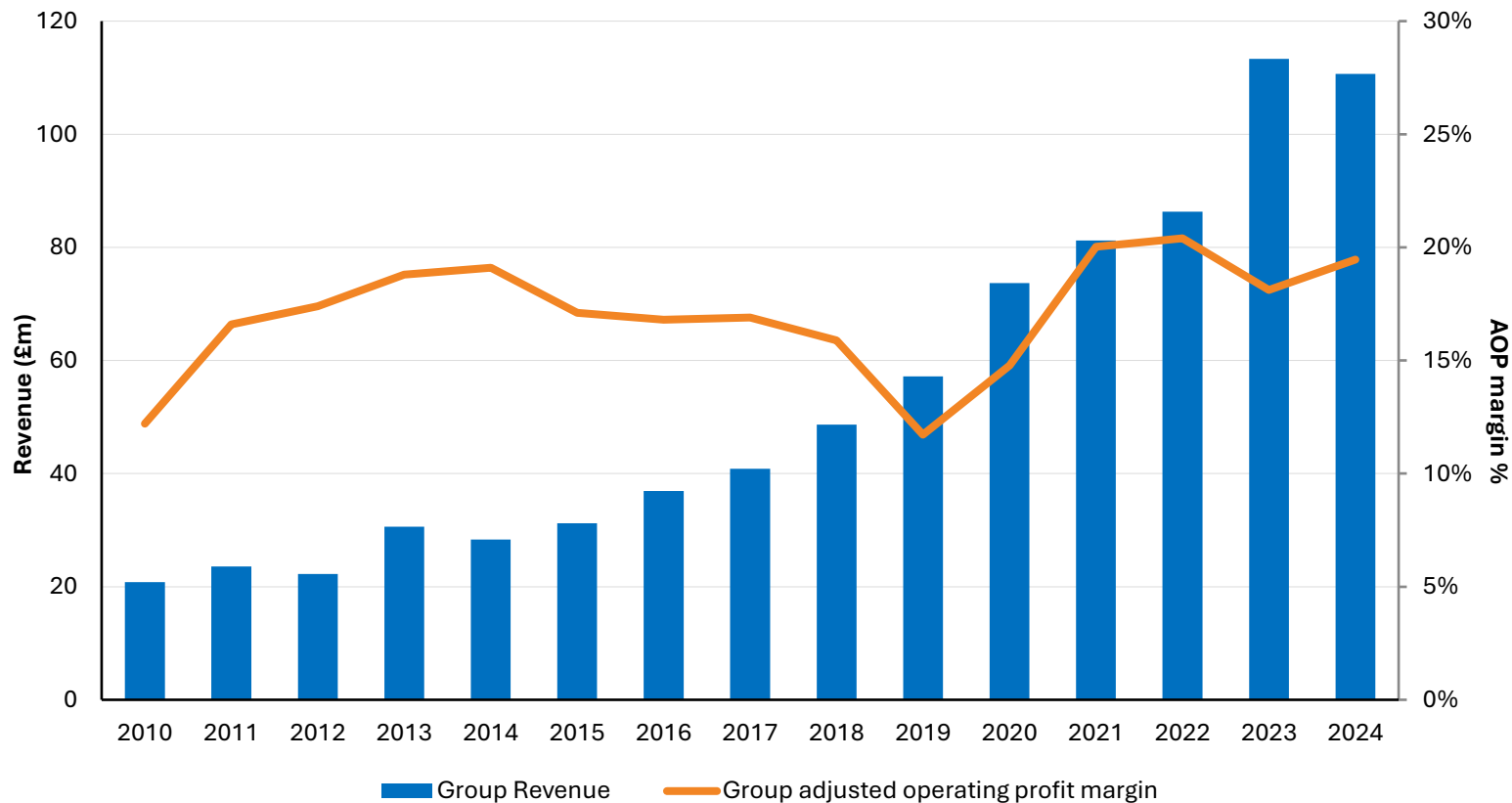
Net funds at 31 December of £26.8m (2023: £18.0m)

Refinancing of term loans and RCF in March 2025

Investment in Ricardo in Feb/March 2025

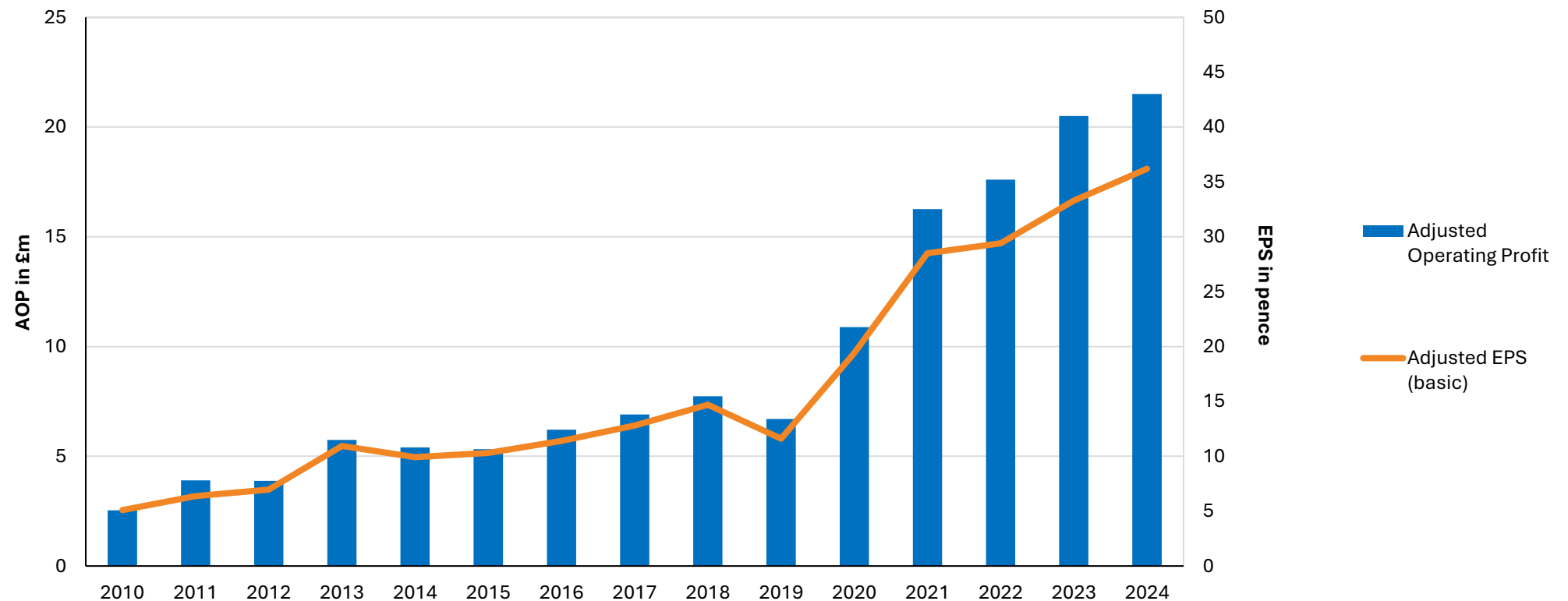
# Group Revenue & AOP Margin

- Revenue of £110.7m (2023: £113.3m)
- Consultancy Services revenue resilient in challenging market
  - Managed reduction in low margin areas in Defence sector
  - Strong prior year comparator in Medical sector
- Systems businesses revenue increase driven by CMS2



# Delivering Shareholder Value

- Record AOP of £21.5m (2023: £20.5m)
- Record adjusted EPS of 36.2 pence (2023: 33.3 pence)
- Solid performance despite economic and political volatility
- Cash generated from operations (before tax and interest payments) of £21.8m





# Corporate, Property and ESG

- **Corporate**

- Underlying corporate costs of £2.9m (2023: £2.6m)
  - Increased costs due to corporate activity
- Increased returns to shareholders of £8.6m (2023: £6.1m)
  - £3.7m in dividend payments (2023: £2.3m)
  - £5.0m in share buybacks (2023: £3.9m)
  - Propose to maintain dividend at 8.0p (2023: 8.0p)
  - 2025 share buyback programme anticipated to be over £6.0m
- Investment in Ricardo plc

- **Property**

- Group owns two UK freehold properties : Cambridge & Epsom
  - Balance sheet value on cost basis at £20.8m (2023: £21.0m)
  - Dec 2023 market valuation in the range of £16.9m to £31.6m
  - Total income of £3.9m (2023: £4.2m) including £0.6m (2023: £0.8m) from third parties
- Reduction of 6 leased offices in 2023/24 reducing fixed cost base

- **Environmental Reporting**

- Group continued with SECR reporting with increased coverage and accuracy - emissions are broadly similar to prior year
- Group undertook TCFD-aligned reporting - Group exposure to climate-related risks concluded to be low



# Investment in Ricardo plc

## Ricardo Strategic Financial Targets

- May 22 – CMD defined strategy incl financial targets
- Feb/Mar 25 - c.15 year low share price after Jan 25 profit warning and reset strategic targets

## Science/technology consultancy and engineering business

- Similar skills to Science Group in complementary markets
- Revenue per head significantly lower than Science Group
- Underlying operating profit (continuing) in H1-FY25 of 4.9%

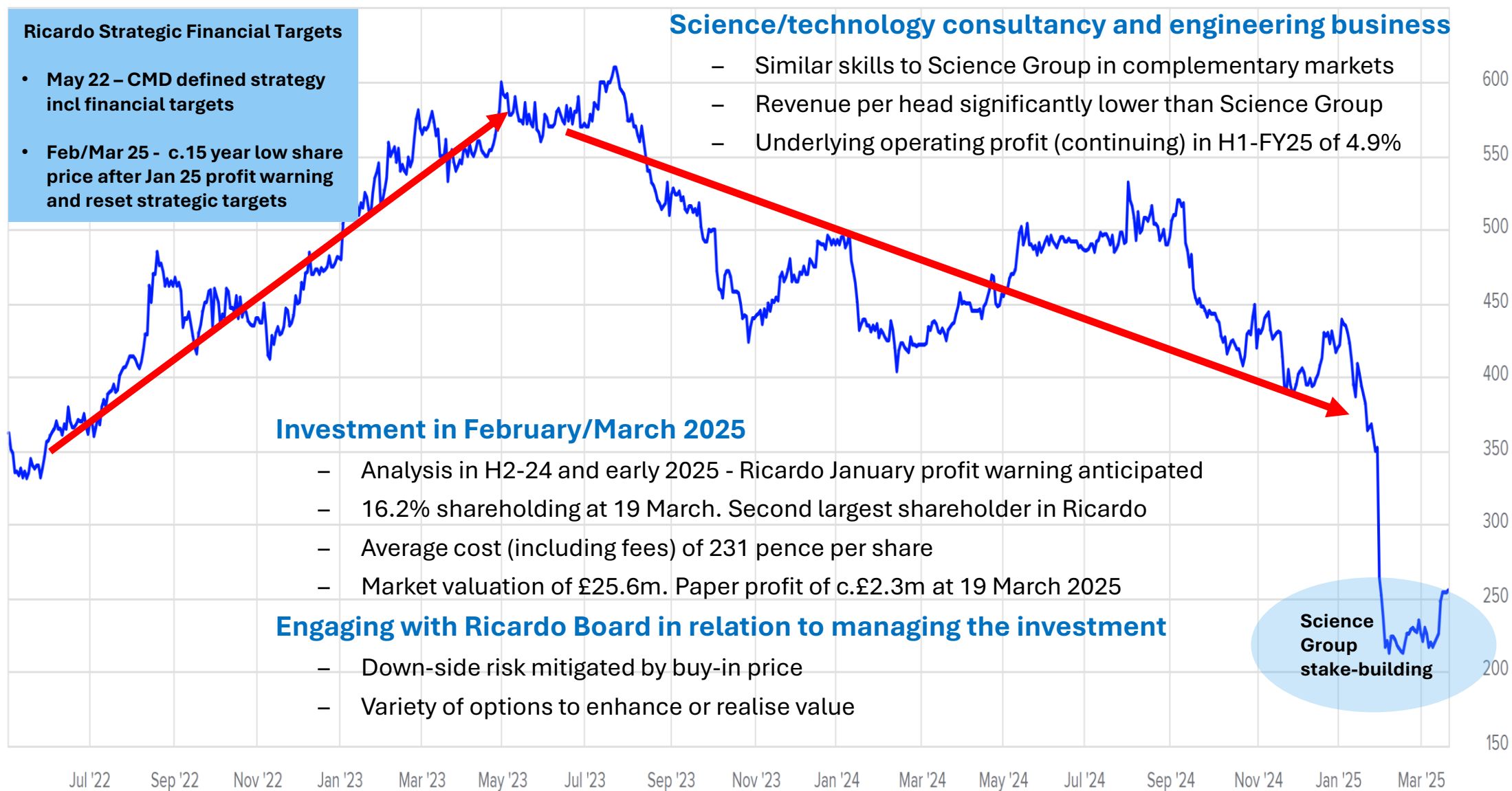
## Investment in February/March 2025

- Analysis in H2-24 and early 2025 - Ricardo January profit warning anticipated
- 16.2% shareholding at 19 March. Second largest shareholder in Ricardo
- Average cost (including fees) of 231 pence per share
- Market valuation of £25.6m. Paper profit of c.£2.3m at 19 March 2025

## Engaging with Ricardo Board in relation to managing the investment

- Down-side risk mitigated by buy-in price
- Variety of options to enhance or realise value

Science Group stake-building



# Renewal and Extension of Bank Facilities (March 2025)

- Existing banking arrangements

- Loan facility and Revolving Credit Facility (RCF) due to expire in 2026
- Early process to refinance these facilities in support of Corporate strategy
- Existing banking partner after market evaluation

- Two New Term Loans

- Replaces 2016 loan
- Combined value of £12.0m
- 10 years expiring in March 2035
- Secured solely on freehold properties – 2 independent loans
- No operating covenants
- Margin of 2.6% - same as the previous Term Loan agreed in 2016
- Interest rate swaps to fully hedge the two loans - 10-year fixed effective interest rate of approximately 7.3%
- Cash benefit from existing hedge arrangements of £0.6m to be realised in 2025

- Revolving Credit Facility

- £30.0m RCF (with £10.0m Accordion)
- New 5 year term to March 2030
- Operating covenants to be maintained - Net leverage less than 3x and Interest cover greater than 4x
- Significantly lower margin of 1.95%, compared with 3.3% on the 2021 RCF
- RCF is currently undrawn



science group plc

# Divisional Overview



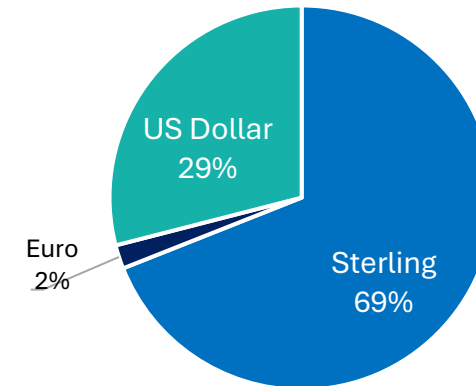


# Consultancy Division

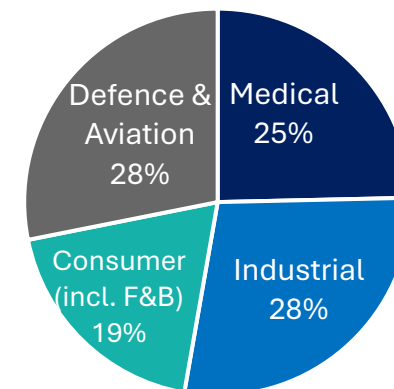
- Revenue\* of £72.2m (2023: £81.3m)
  - Resilient Consultancy performance in a challenging market
  - Managed reduction of some legacy, low-margin Defence activity
  - Tough prior year comparator in Medical sector as large projects completed in H1 2023
- AOP of £17.9m (2023: £20.4m)
  - AOP margin of 24.9% (2023: 25.0%)
  - Defence & Aerospace margin lower than other sectors
- Increasingly integrated operations
  - Division branding being migrated to Sagentia
  - Single finance organisation
  - Consistent IT systems
- 2025 Outlook
  - Complete transition out of legacy, low-margin activities in Defence
  - Offset by growth in other sectors
  - UK Oct-24 budget NI cost increase mitigated for 2025

\*includes M&E

## Revenue split by currency



## Revenue split by sector

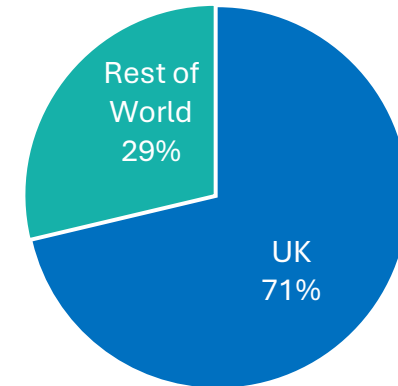


# Systems Businesses

## CMS2

- Successful turnaround
- Revenue of £25.9m (2023: £21.3m in 11 months)
  - Incl. c.£5.6m of low-margin pass-through materials (2023: £3.4m)
  - Incl. benefit of prior year chargeable rate reconciliation (£0.8m)
- AOP increased to £5.7m (2023: £3.6m in 11 months)
  - AOP margin of 22.2% (2023: 17.0%)
- Continued investment
  - Developing new technology and IP, supported by Sagentia
  - Improving support services through contracted revenue model
- 2025 Outlook: continued progress anticipated

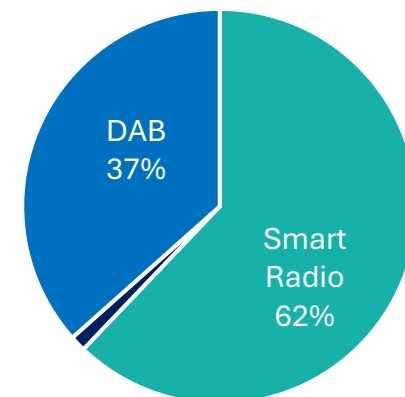
## Revenue split by geography



## Frontier

- Revenue of £12.0m (2023: £10.0m)
  - Business returned to break-even in 2024
  - R&D investment in new products expensed. No R&D capitalisation
- Products and services
  - Services that support Connected Audio products (including SmartRadio) transitioned to third-party reducing cost and complexity
  - New audio module, Auria, anticipated into production H2-2025
- 2025 Outlook: continued recovery anticipated

## Revenue split by product line



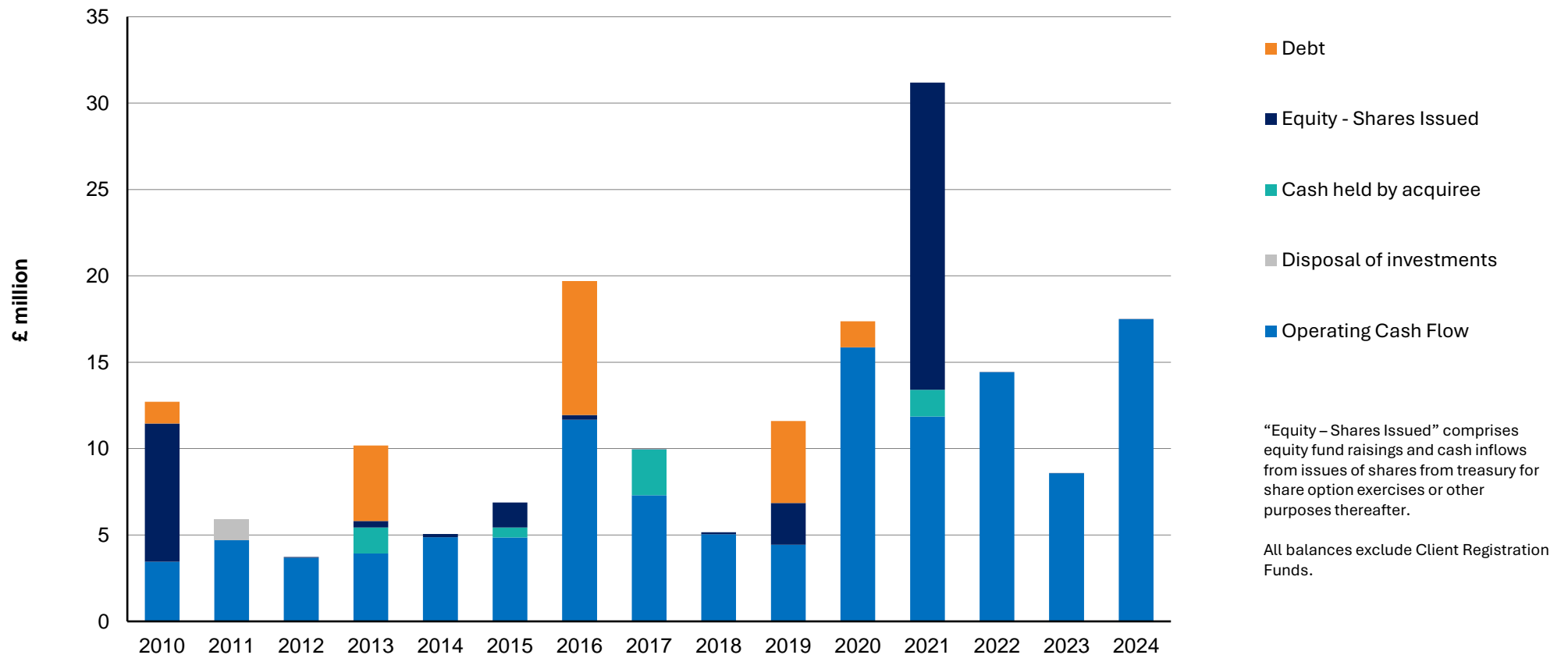
science group plc

Appendix

Annual Review:  
Capital Sources & Allocation

# Capital Sources 2010-2024

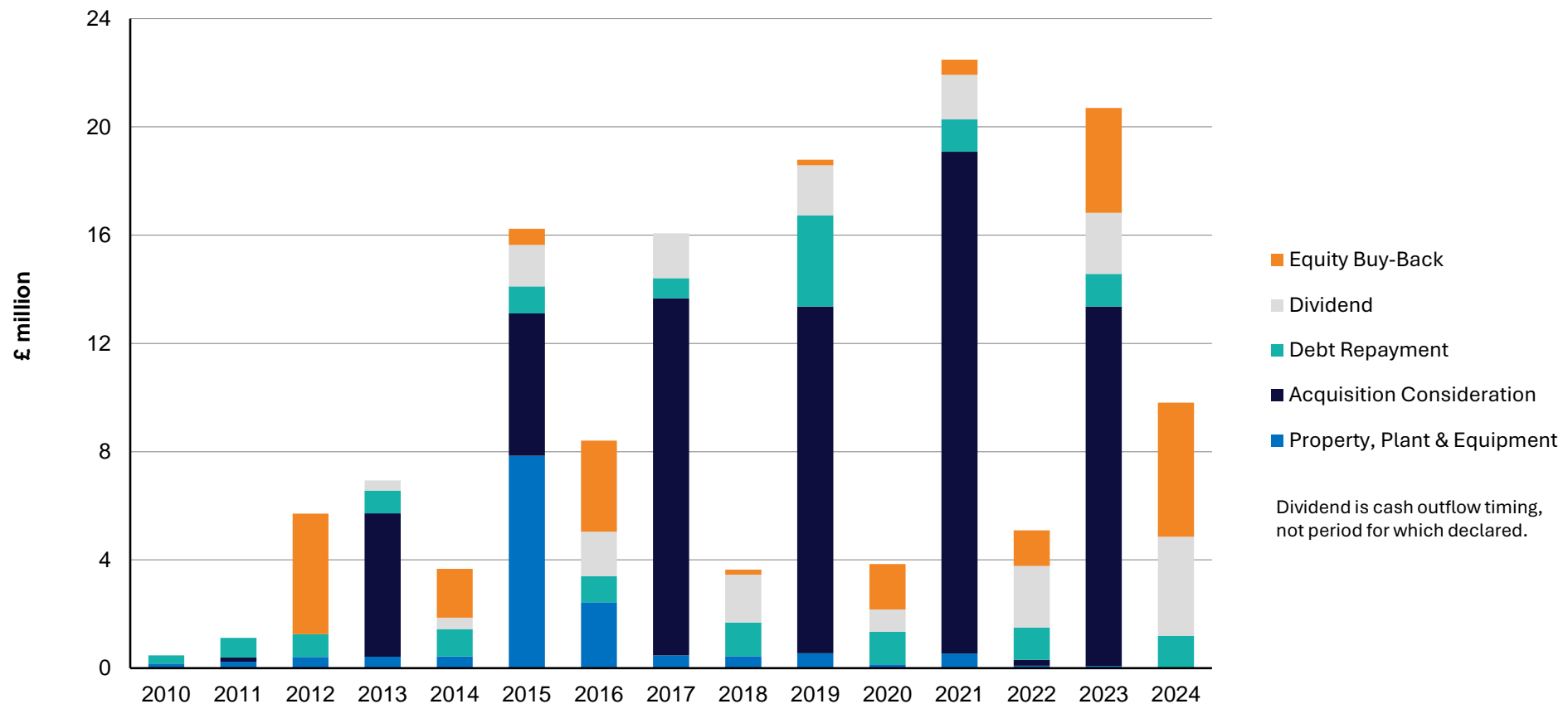
- Consistently strong underlying operating cash flow
- Term debt renewed in March 2025 – replaced 2016 loan and 2019/20 adjustments
- New Revolving Credit Facility of £30m in March 2025 (undrawn)
- Equity placings in 2010 and 2021





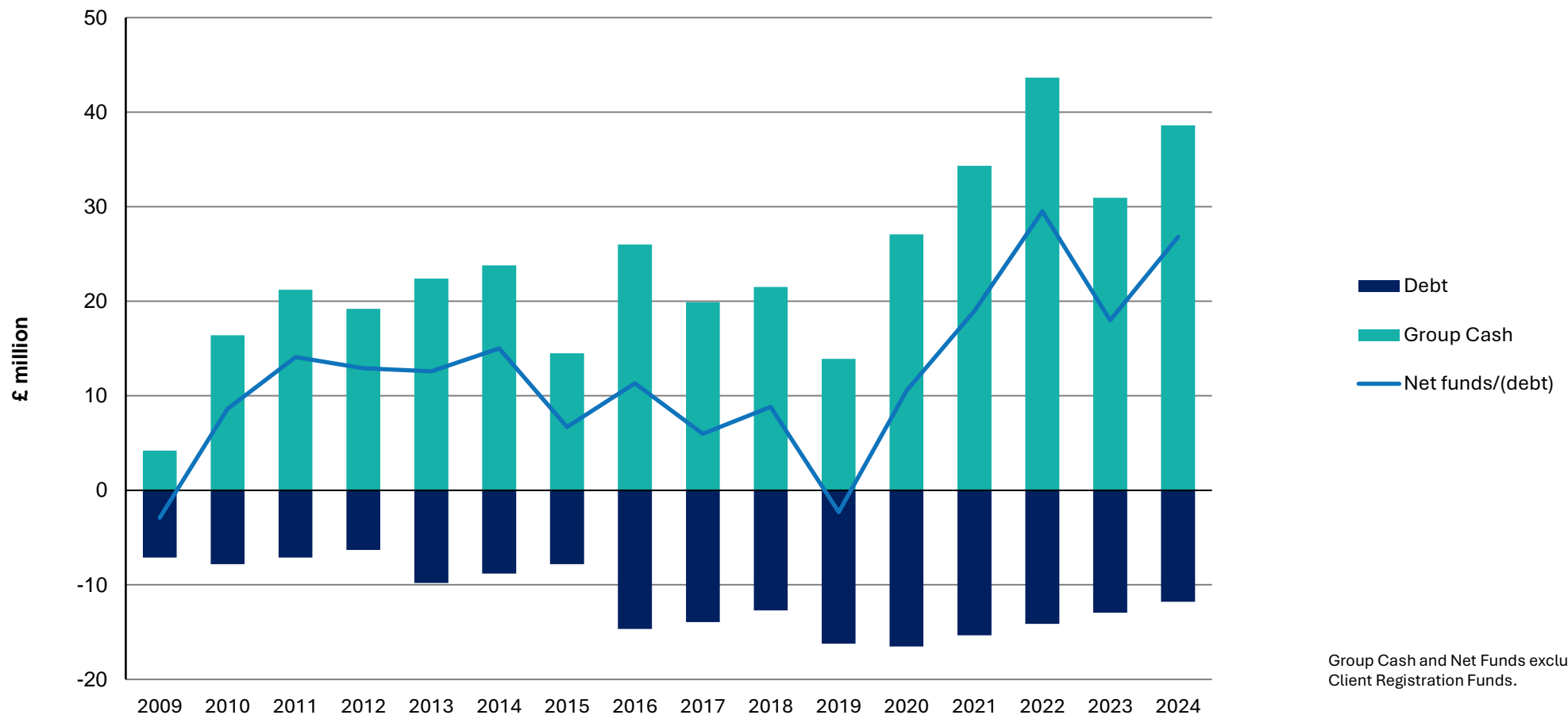
# Capital Allocation 2010-2024

- Major capital deployments related to acquisitions
- £8.6m returned to shareholders in 2024
  - Share buy-back of £4.96m (2023: £3.88m)
  - Dividend payment of £3.66m (2023: £2.26m)
- (February/March 2025 capital allocation to Ricardo investment)



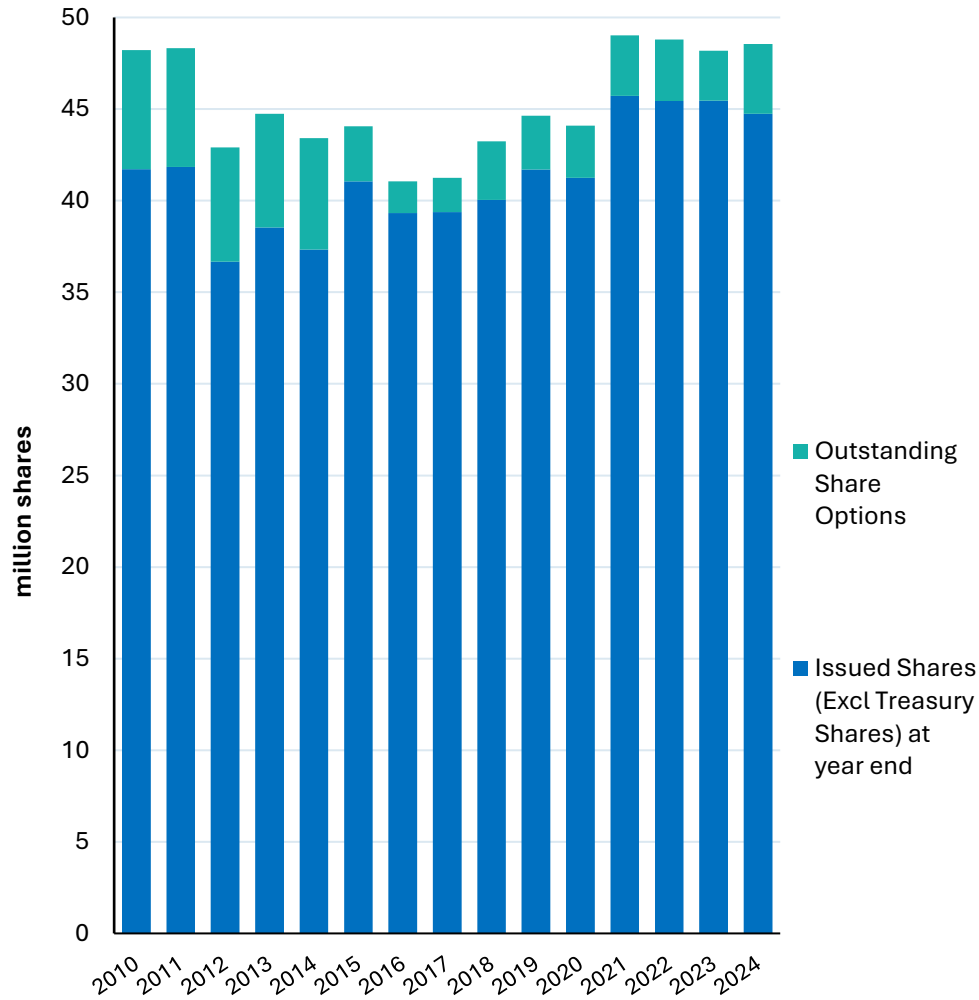
# Cash & Debt 2009-2024

- Group Cash at 31 December 2024 of £38.6m and Net Funds of £26.8m
- After increased shareholder returns through share buy-back programme and dividend
- Term Loan renewed in March 2025
- New Revolving credit facility of £30.0m undrawn
- (At 19 March 2025 : gross cash of £25.7m and net funds of £13.8m. Ricardo investment valuation of £25.6m)

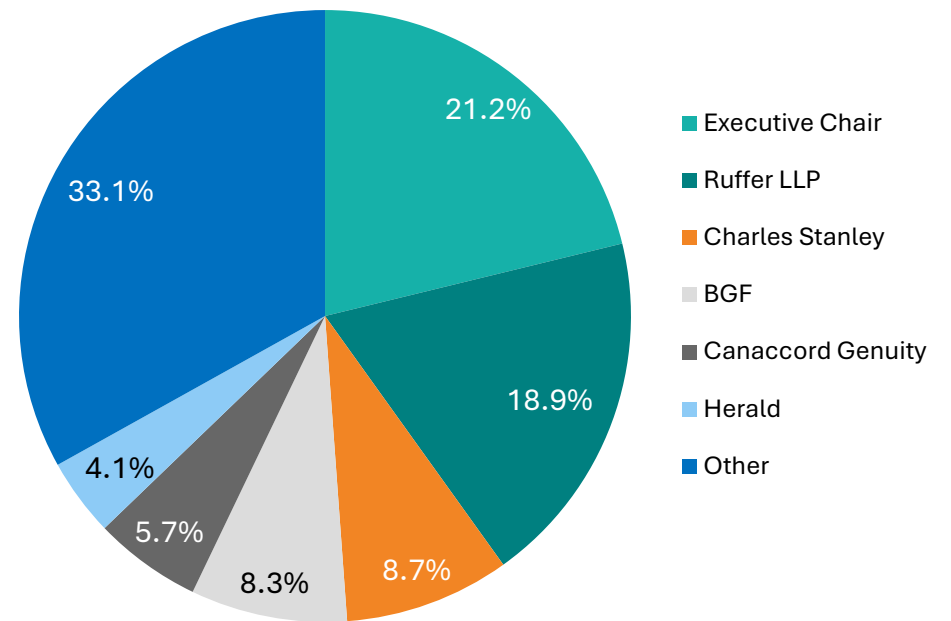


# Equity Share Capital

## Issued Share Capital



## Major Shareholdings



Shareholdings at 21/3/25  
excluding Treasury

## Disclaimer Statement

This document contains forward-looking statements. These have been made by the Board in good faith based on the information available to them and it is believed that the expectations reflected in these statements are reasonable. However, due to the inherent uncertainties, including both economic and other risk factors underlying such forward-looking information, the Directors can give no assurance that these expectations will prove to be correct. Actual results may differ materially from those expressed or implied, and investors should not place undue reliance on any such forward-looking statements. Nothing in this document should be construed as a profit forecast, or a guide as to the performance, financial or otherwise of the Company whether in the current or any future financial year.

No representation or warranty is made as to the achievement or reasonableness of, and no reliance should be placed on such forward-looking statements. The forward-looking statements contained in this document speak only as of the date of this document. The Company undertakes no obligation to update or revise any information contained in this document, except as may be required by applicable law or regulation.

The Board, officers, members, employees, agents or advisers of the Company expressly disclaim any liability for any direct, indirect or consequential loss or damage (including, without limitation, loss of profit) suffered by any person as a result of any obligation or undertaking to disseminate any updates, revisions or corrections to any forward looking statements or other information contained in the document, including to reflect any change in the Company's expectations with regard thereto, any new information or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.