

**28 May 2020**

## **Scholium Group plc - Trading update**

This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.

The Directors of Scholium Group plc (the “Group”) provide an update on trading for the 12 months ended 31 March 2020.

The Group’s trading was severely disrupted due to the restrictions imposed internationally as a result of the unfolding onset of Covid-19 during March, normally one of the Group’s busiest and most profitable months.

However, the Group anticipates, as a whole, only a small loss for the six months to 31 March 2020, compared with the profit of £64,000 for the six months ended 30 September 2019.

The Group still expects to have traded profitably for the year as a whole to 31 March 2020, which is a pleasing improvement compared to the small loss for the prior year.

The performance of its three constituent businesses, Shapero Rare Books, Scholium Trading and Mayfair Philatelics improved when compared with the prior year to 31 March 2019.

The Group entered the lockdown period in a reasonably strong position with over £8 million of stock and over £280,000 of cash with no borrowings. Despite the closure of the Group’s retail premises and the cancellation of all of the fairs both in the UK and overseas in the current financial year to date, sales have continued on the internet, by telephone and by post. These sales are at considerably reduced levels and the Group is currently loss making. Cash balances have however remained positive and the £0.5 million overdraft facility remains undrawn. Management remains focussed on generating as many sales as possible during this unprecedented period.

It is the Board’s present expectation that the Group will incur a loss in the first half of the year to 30 September 2020 as a result of the disruption from Covid-19. The Board currently expects that not all of the anticipated first half loss will be recouped in the second half of the year. However, the continuing sales to date in present circumstances provide some encouragement that the Group will prevail to take advantage of opportunities as conditions hopefully begin to improve. The Group’s retail premises are expected to re-open in mid-June.

The Directors expect to release the preliminary statement relating to the results for the year ended 31 March 2020 by the end of August 2020.