

1st June 2021

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 2021.

The Group’s trading was severely disrupted due to the Covid-19 restrictions, in particular the closure of the Group’s Mayfair retail premises for significant parts of the year, and the complete cancellation of all of the domestic and international trade fairs normally attended by the Group.

As a consequence, the Group’s trading has resulted in a loss for the six months to 31 March 2021. This loss, before exceptional costs, was marginally lower than the loss for the first six months to 30 September 2020, which is a pleasing improvement. In addition, the Group relocated its premises in this second half, incurring exceptional costs of approximately £125,000. The new premises will result in considerable annual cost savings for the Group in future years.

Despite moving successfully to achieving a greater proportion of sales taking place online through the website, the decline in footfall meant that the performance of Shapero Rare Books and Scholium Trading could not escape the adverse effects of Covid-19, with both businesses making a loss in the year. Mayfair Philatelics, also loss making, made a successful switch to online auctions.

The Group remains well capitalised with over £8.5 million of stock. At 31 March 2021, cash was £2,000, after drawing down a £250,000 Covid bank loan, but without drawing upon the Group’s £500,000 overdraft facility.

Sales have continued on the internet, by telephone and by post. Whilst the retail premises reopened on 12 April, footfall to date remains much lower than normal. The Directors do not anticipate a return to customary levels of trading until it is possible for visitors to travel to London in safety. Accordingly, the Group is not expected to trade profitably in the first half of the year to 30 September 2021. The Directors have therefore focussed on maximising performance and new sales channels in these difficult circumstances.

The Directors expect to release the preliminary statement relating to the results for the year ended 31 March 2021 by the end of August 2021.