Annual Report & Financial Statements
Scholium Group plc

Year ended 31 March 2024

Summary Information

Scholium is engaged in the business of trading in rare books and modern prints. Its wholly-owned operating subsidiary, Shapero Rare Books Limited, is one of the leading UK dealers trading internationally in rare and antiquarian books and works on paper, and also trades as Shapero Modern, a leading UK dealer in the growing marketplace for modern and contemporary prints.

Operating Highlights

- An encouraging 2% increase in revenue to £9,266k from £9,060k
- Profit before tax increased by 30% to £300k from £231k
- Group net asset value per share continues to rise from 71p per share to 73p this year
- Group continued to trade profitably in the first three months of the current year

Financial Highlights

Years ended 31 March (£'000)	**2024**	**2023**
Revenue	9,266	9,060
Gross Profit	3,648	3,447
Gross Margin	39.4%	38.1%
Profit before tax	300	231
Total earnings pence per share	2.21p	1.70p
NAV/Share	73p	71p

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Company Information

Officers of the Company

David Harland	Chairman
Bernard Shapero	Chief Executive Officer
Philip Tansey	Finance Director & Company Secretary
Charles Sebag-Montefiore CBE	Senior Independent Non-Executive
Philip Blackwell	Non-Executive
Thomas James Jennings CBE	Non-Executive
Graham Noble	Non-Executive

Registered Office

94 New Bond Street
London
W1S 1SJ

Registrars

Link Group
Central Square
29 Wellington Street
Leeds LS1 4DL

Broker & Nominated Adviser

Zeus Capital Limited
125 Old Broad Street
London EC2N 1AR

Auditors

Wenn Townsend
30 Giles Street
Oxford OX1 3LE

Company Website

http://scholiumgroup.com/

Registration Number

Registered in England and Wales with Number 08833975

Chairman's Statement

I am delighted to present my statement and to report that the Group's revenues for the year ended 31 March 2024 increased by 2% to £9.3 million (2023: £9.1 million). The Board's focus on driving revenue in both books and art has been successfully pursued and has resulted in a third successive profitable year, with profits before tax increasing by 30% to £300k (2023: £231k).

The Board is pleased with the continuing turnaround of the business achieved over the last three financial years and remains focused on further enhancing shareholder value through the implementation of strategic changes including developing new revenue channels, broadening our areas of expertise with selective hires, incentivising staff and continuing to search for further opportunities in related areas.

Staff

The Group's operations continue to rely on the hard work and dedication of our small number of employees and I would like to take this opportunity of thanking them for their contribution and effort, during the year.

Current Trading and Prospects

Trading conditions, after a slow start, improved in the year under review, particularly for the final four months and this has continued into the first three months of the current year, which have been profitable, and which is encouraging for the financial year ahead. The utilization of external funding for securing art collections is reflected in the increases in stock as well as borrowings which is anticipated to generate further revenues and profits in the new financial year.

Although the global outlook continues to be challenging, our strategic plans, including our new flagship property in Mayfair, the expansion of staff and the proactive seeking of major collections of books and art, leads us to be cautiously optimistic.

Strategy

I and my Board are certain that there is still significant value that is not fully reflected in these financials which we are focused on quantifying and exploiting in the coming year with, it is anticipated, enhanced shareholder value. The first part of our 'job' which has been to secure the business and stabilize its profitable platform is nearing an end and now the second part, the drive towards that enhanced value, is in progress as is witnessed by the seeking out of collections of books and art made in the year under review and the active plan to widen sales of rare books and art through the selective hire of sector leading experts.

We can never be certain of the continuing effects on our businesses of global events, or the general political and financial destablisation of the world. However, the active strategic decisions taken by the Board and Management accompanied by the ongoing assessment of further strategic opportunities will, I am confident, lead to further progress in the coming year.

DAVID HARLAND

Chairman

25 July 2024

Chief Executive Officer's Report

This has been another year of achievement but not without its challenges, which I expand on below and I am most thankful for the excellent team with whom I work and who have been so dedicated and proactive over the year resulting in a third consecutive year of increasing annual Group profits.

Overview

Scholium Group has built upon the success of the prior financial year 2022/23 with the highlights being;

- 2% increase in revenue
- Group profitability increased year-on-year by 30% for a third consecutive profitable year
- The consolidating of separate locations into our new flagship Bond Street premises.

The Year 2023/24

Despite wars and other alarming events in the year, the market for Books and Art remained encouraging and progressed, particularly in the second half of the year, away from the sluggish activity witnessed in the last three months of the prior financial year and the first months of the year under review. The market turned noticeably better over the last four months, particularly in Art.

We proactively acquired collections of art in the financial year, leveraging external funding which is reflected in the additional stock and borrowing levels. Part of that collection was sold within the year under review, but the major impact will be felt in the year ahead, particularly in the first half.

Overall revenue increased by 2% to £9,266k (2023: £9,060k).

A full calendar year of fairs took place but on a far more selective basis than in the past, as it was determined that we could focus our resources more effectively, which has been borne out by the results.

Taking all this into account, the Group recorded a 30% increase in profit before tax to £300k (2023: £231k).

Looking forward

Encouragingly, the performance of the business in the first quarter of the new financial year continued to be profitable. The active decision to seek out and execute wider opportunities will continue this year with some additional selective hires of new sector experts. Global economic headwinds present challenges but the strategic review undertaken by the Board acted upon as noted sees a greater focus on expanding the business in new specialty areas with recently hired experts, more proactive securing of book and art collections and a more forensic focus on costs.

Our new and exciting premises, in a refurbished flagship location which we moved into in July, an extensive online presence and exhibitions at international trade fairs, all supplemented by hires of some very focused sector specific staff will, I believe, lead to continuing progress in the current year.

Staff

I have a fabulous team around me without whom the positive results for the year could not have been achieved and I thank them for their dedication and hard work throughout the year and I look forward to welcoming our new hires in the coming financial year.

Shareholders

I am delighted with the support and guidance received from my fellow Board members and our major shareholders and look forward to taking the Group to future success.

BERNARD SHAPERO

Group Chief Executive

25 July 2024

Strategic Report

This report provides an overview of the Group's strategy and business model; gives a review of the performance of the operating entities and of the financial position at 31 March 2024 and it sets out the principal risks to which the Group is exposed. In addition, it comments briefly on the future prospects of the business.

Principal Activities & Review of the Business

The Group comprises four legal entities; Scholium Group PLC (the "Company") which is the publicly traded holding company and which incurs the central costs of the group and its three wholly owned subsidiaries, Shapero Rare Books Limited, the only trading entity as detailed below, and two dormant companies, Scholium Trading Limited and Mayfair Philatelic Limited. The four together are referred to as the "Group".

The Group is engaged in the business of dealing in rare books and fine art. The majority of the business transacted is as a dealer — buying, owning and selling items, either on its own or together with third parties who also deal as principals. The Group generates value through its expertise, astute buying and the profitable sale of stock.

Shapero Rare Books is the larger part of the business of the Group. It is a leading international dealer in rare and collectible books and works on paper with special expertise in Natural History, Illustrated, Travel and Exploration and Literature trading under the name of Shapero Rare Books. The business also trades as Shapero Modern in modern and contemporary prints and limited editions by established artists.

Strategy & Key Objectives

The Group's strategy is to:

- build, organically or by acquisition, a portfolio of rare books and art focused businesses to enable further growth of its revenue and profit streams;
- attract individuals or teams of specialists in markets complementary to the Group's existing businesses;
- optimise working capital in existing businesses to provide funds for new business development; and,
- trade alongside other dealers in high value rare books and art and participate in the acquisition for onward sale of large consignments.

Review of the year from continuing operations

The Group's revenues increased to £9.3m from £9.1m in the prior year as sales in each of the constituent businesses increased. The Group's core businesses were profit-making during both the first and second half of the financial year. Gross profit increased by 30% compared with the prior year ended 31 March 2023, and the margin made on sales rose from 38.1% last year to 39.4% in the year ended 31 March 2024 as a result of increased activity in the market and the active drive by management to improve such margins.

Total expenses including direct costs, such as art fairs and accompanying marketing costs, and administrative overheads rose 2% to £3,252k (2023: £3,175k).

The Group's profit before tax for the year to 31 March 2024 increased by 30% to £300k (2023: £231k).

An analysis of the Group's profit before tax for the year to 31 March 2024 between the two halves of the financial year is set out in the table below:

(£'000)	H1*	H2	Full year total
Revenue	3,835	5,431	9,266
Gross Profit	1,511	2,137	3,648
Profit before tax	43	257	300

*H1 Unaudited figures published November 2023

The value of the Group's stock at 31 March 2024 was £10,955k compared with the prior year's total of £9,812k and Group cash at 31 March 2024 was in net overdraft at £(124)k. Furthermore, the original £250k Covid bank loan, taken down in 2020, was reduced by repayment over the year from £187k to £137k. The Group's overdraft facility of £500k remains in place and from time-to-time, depending on timing differences in significant purchases and onward sales, was drawn during the year. An additional and specific loan facility was taken in the final quarter of the year secured against a specific collection of art works purchased as part of a joint venture agreement with a fellow art dealer. ~~T~~he balance outstanding as at the year-end date was £634k. (2023: £nil) – see note 22.

Key Performance Indicators

The Group is managed by and reports on a few key performance indicators (KPIs).

The current principal KPIs are:

- sales, gross profit, gross margin and profit before tax;
- stock ageing and turnover; and
- cash position.

Key Performance Indicators (on continuing business)

Years ended 31 March (£'000)	2024	2023	Variance
Revenue	9,266	9,060	2%
Gross Profit	3,648	3,447	6%
Gross Margin	39.4%	38.1%	3%
Stock Turnover (months)	23.0	21.0	10%
Net (borrowings) / Net cash	(896)	(241)	9%
Net Profit before tax	300	231	30%

Group Performance

Shapero Rare Books

Shapero Rare Books Limited (SRB) traded profitably through the year ended 31 March 2024 off the back of increased activity in physical as well as on-line sales and a full calendar of trade fairs. The year's sales were £9,266k, 2% above the prior year's sales of £9,060k, and gross profit at £3,648k for the year ended 31 March 2024 was 6% above the prior year total of £3,447k.

Direct costs, including the attendance at fairs, exhibitions, and catalogues, decreased from £815k in the prior year to £778k in the year to 31 March 2024 as a result of the active approach to maximising the benefit from fewer but more productive fairs taken by management. Administrative costs in total increased 4% from £2,360k in the prior year to £2,474k in the year to 31 March 2024. Financial expenses for the year were £63k (2023: £41k).

SRB therefore recorded a profit before tax of £714k compared with the £565k in the prior year.

Central Costs

Central costs, which are incurred by the holding company, Scholium Group PLC, include the Board members as well as those costs associated with the Group's AIM public status. The central costs, before the non-operational accounting charge for the employee option scheme of £32k, were £382k in the year to 31 March 2024, an increase of £48k from the prior year's total of £334k. The inclusion of the costs of the option scheme takes the total to £414k. These costs include the cost of managing the Group, its audit, tax and professional fees, financing costs and maintaining the AIM membership for the Company's shares.

Year ended 31 March 2024 (£'000)

	Shapero Rare Books			**Continuing**
	Books	**Gallery**	**Central**	**business**
Revenue	6,992*	2,274	-	9,266
Gross Profit	3,057	591	-	3,648
Gross Margin	44%	26%	-	39%
Profit/(Loss) before tax	714		(414)	300

Year ended 31 March 2023 (£'000)

	Shapero Rare Books			**Continuing**
	Books	**Gallery**	**Central**	**business**
Revenue	7,283*	1,777	-	9,060
Gross Profit	2,841	606	-	3,447
Gross Margin	39%	34%	-	38%
Profit/(Loss) before tax	565		(334)	231

*The revenue for Books includes the small amounts of other income. See Note 5 - Revenue

Dividend

The Board does not propose to declare a dividend for the financial year ended 31 March 2024. (2023: £Nil).

Alternative accounting presentation

The Board is focused on enhancing shareholder return. It is important therefore for an analysis of the core performance of the Group's trading business to be prepared excluding those costs that are more concerned with the non-trading elements such as the costs of maintaining its public company status and other non-directly related or one-off costs not typically expected to be incurred in a 'normal' year.

Year ended 31 March (£'000)	2024	2023
Pre-tax Profit for the year	300	231
Add back:		
Central costs	414	334
Discontinued business losses	-	-
Depreciation & amortisation (Note 6)	374	347
Finance expenses (Note 11)	63	41
Re-stated Operational EBITDA for the year	1,151	953

Principal Risks & Uncertainties

Continuing supply of rare books, works on paper and prints.

By definition, rare books and other works on paper and prints are not commonly available. The availability of fresh stock of such items onto the market is often driven by major life events, such as inheritance, unrecovered debt, divorce or downsizing due to economic malaise. The business of Shapero Rare Books is reliant upon individual works and collections of works coming onto the market and upon the Group being able to access those business opportunities. There is no guarantee that fresh stock will come onto the market in sufficient quantities to meet the Group's plans for continued growth.

When works become available for sale or purchase, they are often dealt with privately and discretely and, accordingly, there is no guarantee that the Group's employees will be able to access such business opportunities or to negotiate successfully the purchase of fresh stock coming onto the market.

Reliance on key international trade fairs

A significant proportion of the Group's sales are made at international trade fairs. The cessation of these fairs would have a material effect on the ability of the Group to sell its stock. There are a limited number of stands at international trade fairs and as a result places are highly sought after. Whilst the Group have been exhibiting at these fairs for many years, there can be no certainty that it will continue to secure places in the future.

Competition

The market in books and works on paper and prints in which the Group trades is competitive and the Group faces various competitive pressures from auctioneers as well as a wide range of dealers and smaller operators.

The Group is likely to face continued and/or increased competition in the future both from established competitors and/or from new entrants to the market. The Group's competitors include businesses with greater financial and other resources than the Group. Such competitors may be in a better position than the Group to compete for future business opportunities. If the Group is unable to compete effectively in the markets in which it operates, it could lead to a material adverse effect on the Group's business, financial condition, and operations.

Co-owned goods

In the case of high value items or collections, the Group will often acquire the items jointly with another third-party bookseller or dealer and if not expressly provided for there is a risk that the Group will not be able to sell the entire asset without the agreement of all joint owners. In this and other respects the Group relies on the honesty and integrity of other dealers. Whilst the Group takes care to deal only with established counterparties and experienced dealers who are well known to senior management and/or the Directors, there can be no guarantee that co-owners will comply with the agreed terms (including, for example not changing the items) or that such co-owners will not enter into administration or other insolvency procedure, and in the event there is a loss of the co-owned goods it is uncertain the Group could claim on its insurance policy in relation thereto.

Stock valuation and liquidity

The Group trades in rare items, which may be highly illiquid. The value of goods acquired is difficult to assess and it may not be possible for the Group to sell the assets at or above the price for which they were acquired. The value of assets may not always represent the actual resale value achievable.

Theft, loss or damage

Rare and collectible items are highly mobile goods. Furthermore, such goods are frequently transported internationally for trade shows or other marketing opportunities. Whilst precautions are taken to ensure safe passage, the Group's assets may be lost, damaged or stolen. While the Group carries specialist insurance, there is no guarantee that the Group's insurance cover will be adequate in all circumstances. Assets of the Group will be placed with third parties for sale on commission. While the Group intends to take appropriate precautions when placing assets with third parties, there is a risk that these assets outside of the Group's direct control may be stolen or replaced by unscrupulous third parties with fakes or forgeries.

Authenticity and export authority

The Directors of the Group will ensure that due diligence is undertaken on the authenticity of the assets acquired for sale. Nonetheless fakes and forgeries do exist in the market and despite due diligence the Group may acquire these believing them to be authentic. Further, the attribution of works to a writer or artist is not always an exact science, and there can be no guarantee that assets of the Group will not have been mistakenly attributed in this way. Lack of authenticity is not covered by the Group's insurance. Whilst the Group takes appropriate care when acquiring works which may be of material importance in the state of origin, there can be no guarantee that works acquired by the Group are not subject to restrictions on export or sale.

Insurance

The Group carries a specialist insurance policy under the Antiquarian Booksellers Association Insurance Scheme which covers each of the businesses. The Directors believe that the Group carries appropriate insurance for a business of its size and nature but there can be no guarantee that the extent or value of the cover will be sufficient, in relation to stock in transit or on consignment. The Directors review the Group's insurance arrangements on an annual basis and endeavour to insure its stock adequately, but there is no certainty that future claims will not fall within the exclusions under the policy or that the insurer will pay out any claim if made. Further, there can be no guarantee that the necessary insurance will be available to the Group in the future at an acceptable cost or at all.

Premises

Like many of the established dealers in the market, the Group has publicly accessible galleries in Mayfair, London from where it operates and sells both books and works of art. Although there is a risk that the increasing demand for online retail will render 'high street' premises uneconomic, the Directors believe that a central London location is an important factor in the success of the business as a whole.

Terms of sale

In the past, the contractual arrangements which the Group has entered into with clients, customers and other dealers have not always included (amongst other things) terms dealing specifically with:

1. transfer of ownership and risk,
2. contract formation,
3. price and payment,
4. limitations and exclusions of liability, and
5. governing law and jurisdiction.

There is no guarantee that the Group's arrangements with its customers will not be terminated on short notice or that the Group will not at some future time face challenges or disputes regarding the contractual or other arrangements with its clients.

If the Group became involved in a contractual dispute and/or a third party was successful in any contractual dispute with the Group, any resultant loss of revenues or exposure to litigation costs or other claims could have a material adverse effect on the Group's reputation, business, financial condition and/or operations or financial results. The Group has revised its standard terms of sale to ensure that, henceforth, the arrangements with clients, customers, dealers and others will include terms dealing with each of the aforementioned areas.

Employees

The Group is reliant on a small number of key employees, and in particular the Chief Executive Officer, for their knowledge and the reliance customers place on their integrity and service. If a key employee was to leave, the business may suffer a short term decrease in performance whilst it adjusts to the level of resources available to it.

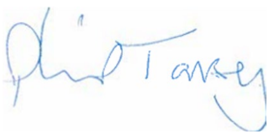
Currency risk

The Group conducts certain transactions other than in Pounds Sterling, its functional currency. Movements in foreign exchange rates may impact the Group's performance. The Group does not enter into any hedging contracts in respect of currency positions.

Future prospects

The Group continued to trade profitably in the first three months of the current year. The core businesses are Shapero Rare Books, one of the leading UK rare book dealers, and Shapero Modern, one of the leading UK dealers in modern art and prints, both with a solid international customer base. Further attention will be required to continue to improve return on capital employed, particularly to margins achieved and to stock turnover. The Board has implemented several initiatives to target this.

The Board continues to review further strategic opportunities within a tightly managed cost framework to improve the Group's profitability and create improved shareholder value. During the year ending 31 March 2025 the Board will implement initiatives regarding property, further enhanced selling channels and improving the sales of slower-moving and aged stock.



Philip Tansey

Finance Director

25 July 2024

Directors' Report

The Directors present their annual report and audited financial statements for the year ended 31 March 2024.

Results, Future Developments and dividend

The results of the Group are discussed in the Strategic Report. Further details are shown in the consolidated statement of comprehensive income on page 32 and the related notes.

The directors intend in due course to adopt a dividend policy that takes into account the Group's expected future profitability, underlying growth prospects, availability of cash and distributable reserves, and the need for funding to support the development of the business.

The Directors' strategy and plans for the future development of the Group are set out in the Strategic Report on page 5.

The Board will not declare a dividend for the year ended 31 March 2024 (2023: no dividend).

Going Concern

The financial statements of the Group have been prepared on a going concern basis. In making this assessment, the Directors have prepared financial forecasts for the period to September 2025 which consider the funding and capital position of the Group. Those forecasts make assumptions in respect of future trading conditions, notably the economic environment and its impact on the Group's revenues and costs. The forecasts consider foreseeable downside risks, based on the information that is available to the Directors at the time of the approval of these financial statements. The recent financial years have provided a thorough test of those assessments and the resilience of the business.

Based on all the aforementioned, the Directors believe the Group has sufficient liquidity to meet its liabilities as they become due and the preparation of these financial statements on a going concern basis remains appropriate.

Capital structure

The Company has 1 million outstanding options over the share capital of the Company (2023: none). See Directors' interests below and note 23 – Share Capital.

The shares of the Company are traded on AIM, a market operated by the London Stock Exchange plc.

Each share carries the right to one vote at general meetings of the Company. The percentage of the issued nominal value of the ordinary shares is 100% of the total issued nominal value of all share capital. There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the articles of association and prevailing legislation. The directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

An employee share option scheme was granted in June 2023. No person has any special rights of control over the Company's share capital and all issued shares are fully paid. With regard to the appointment and replacement of Directors, the Company is governed by its articles of association, the Companies Act 2006 and related legislation. The articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the main board terms of reference, copies of which are available on request and in the corporate governance statement on pages 14.

Directors

The Directors of the Company are:

Name	*Function*
David Harland [123]	Chairman
Bernard Shapero	Chief Executive Officer
Philip Tansey	Finance Director
Charles Sebag-Montefiore CBE[23]	Senior Independent Non-Executive Director
Philip Blackwell[2]	Non-Executive Director
Thomas James Jennings CBE [1]	Non-Executive Director
Graham Noble [13]	Non-Executive Director

*1 Member of the Remuneration Committee
*2 Member of the Nomination Committee
*3 Member of the Audit Committee

Directors' interests in the Company

Director	Number of ordinary shares 2023	Percentage of issued share capital 2023	Number of ordinary shares 2022	Percentage of issued share capital 2022
David Harland	-	-	-	-
Bernard Shapero	324,736	2.39	324,736	2.39
Philip Blackwell	2,101,042	15.45	2,101,042	15.45
Philip Tansey	-	-	-	-
Charles Sebag-Montefiore CBE	40,000	0.3	40,000	0.3
Thomas James Jennings CBE	2,931,320	21.6	2,931,320	21.6
Graham Noble	-	-	-	-

As at the date of these financial statements there were 1 million options over the ordinary shares of the Company in issue (see also note 30) with 400,000, 200,000 and 100,000 being granted to Bernard Shapero, David Harland and Philip Tansey respectively in June 2023.

Directors' remuneration for the year to 31 March 2024:

Director	Salary/fees £	Benefits £	Bonus £	Total £
David Harland	60,000	-	-	60,000
Bernard Shapero	234,000	10,000	-	244,000
Philip Blackwell	20,000	500	-	20,500
Philip Tansey	49,500	15,367	-	64,867
Charles Sebag-Montefiore CBE	20,000	-	-	20,000
Thomas James Jennings CBE	20,000	-	-	20,000
Graham Noble	20,000	-	-	20,000
	423,500	25,867	-	449,367

Directors' remuneration for the year to 31 March 2023:

Director	Salary/fees £	Benefits £	Bonus £	Total £
David Harland[1]	60,000	-	-	60,000
Bernard Shapero[2]	204,000	28,055	-	232,055
Philip Blackwell	12,500	500	-	13,000
Peter Floyd[4]	4,125	605	-	4,730
Philip Tansey[3]	49,500	8,240	-	57,740
Charles Sebag-Montefiore CBE	20,004	-	-	20,004
Thomas James Jennings CBE	12,500	-	-	12,500
Graham Noble	12,500	-	-	12,500
	375,129	37,400	-	412,529

1 Appointed 8 November 2021
2 Appointed 1 March 2022
3 Appointed 29 March 2022
4 Resigned 29 March 2022
5 Resigned 8 November 2021

Political and charitable donations

The Group made charitable donations in the year of £2k (2023: £5k).

Post-balance sheet events

Following the balance sheet date the Company entered into a new lease for premises at 94 New Bond Street. The existing lease for 105/105 New Bond Street terminated on 29 June. Further details are referenced in note 30 - Post Balance Sheet Date Events.

Major Shareholders

Those shareholders with disclosable interests were as follows:

	No. of Shares July 2024	% holding June 2024	Shares June 2023	% holding June 2023
Thomas James (Shamus) Jennings CBE	2,931,320	21.55%	2,931,320	21.55%
Gresham House Asset Management (formerly Livingbridge)	2,000,000	14.71%	2,000,000	14.71%
Philip Blackwell	2,101,042	15.45%	2,101,042	15.45%
Peter Gyllenhammar	1,916,273	14.09%	1,913,352	14.07%
FIJ PTC Limited	1,495,575	11.00%	1,495,575	11.00%

Auditors

In the case of each person who was a Director at the time this report was approved:

- so far as they were aware, there was no relevant available information of which the Company's auditor is unaware: and
- that Director has taken all steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor was aware of that information.

A resolution to reappoint Wenn Townsend as auditor to the Company will be proposed at the forthcoming Annual General Meeting.

Corporate Governance

The Board have adopted the Quoted Companies Alliance (QCA) Corporate Governance Code in line with the London Stock Exchange's requirement that all AIM-traded companies adopt and comply with a recognised corporate governance code. This report sets out in broad terms the present compliance status. Annual updates will be provided in July/August each year in the Annual Report and on the Company's website in September/October to coincide with the Company's Annual General Meeting for its shareholders.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

The Group's strategy is set out in the Strategic Report.

Principle 2: Seek to understand and meet shareholder needs and expectations

Scholium remains committed to listening and communicating openly with its shareholders to ensure that its strategy, business model and performance are clearly understood. Further details of this are set out on the Company's website http://scholiumgroup.com.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long term success.

Scholium believes that engagement with stakeholders strengthens relationships and contributes to better business decisions to deliver our strategy. Further details of this are set out on the Company's website http://scholiumgroup.com.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

Financial controls

The Group has an established framework of internal financial controls, the effectiveness of which is regularly reviewed by Executive Management, the Audit Committee and the Board in light of an ongoing assessment of significant risks facing the Group.

The Board is responsible for reviewing and approving overall Group strategy, acquisitions and divestments, approving revenue and capital budgets and plans, and for determining the financial structure of the Group including treasury, tax and dividend policy. Monthly results and variances from budgets are reported to and reviewed by the Board.

The Audit Committee has primary responsibility for monitoring the quality of internal controls ensuring that the financial performance of the Company is properly measured and reported on. It receives and reviews reports from the Company's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit Committee meets no less than two times each financial year and has unrestricted access to the Company's auditors. The Audit Committee comprises Charles Sebag-Montefiore (as Chair), David Harland and Graham Noble.

There are comprehensive procedures for budgeting and planning, and for monitoring and reporting to the Board the Group's performance against budgets and plans. These include revenues and costs, cash flows, capital expenditure and balance sheets. Monthly results are reported against budget and compared with the prior year, and forecasts for the current financial year are regularly revised considering actual performance.

Non-financial controls

The Board recognises that maintaining sound controls and discipline is critical to managing risk. Page 8 of the Annual Report sets out the principal risks facing the Group. The controls over the management of these risks and the more specific issues that arise from these risks are considered by the Board at their meetings. In particular:

- The Board are advised of the current market conditions regarding the supply of items the Group may wish to acquire

- Attendance at and invitations to trade fairs are reviewed quarterly by executive management and the Board annually
- Regular reports are produced on the Group's competitors
- The position regarding co-owned items is reviewed monthly by executive management and six monthly by the Board
- The Group's stock valuation and liquidity is managed daily and its effectiveness reviewed by the Board at its meetings
- As well as the procedures in place to reduce the risks involved, insurance cover is purchased by the Group against the risks of theft, loss and damage. The Group's employees are responsible for authenticating items and have access to external advisers when these are required.

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group.

The principal elements of the Group's internal control system include:

- close management supervision and involvement in the day-to-day activities of the Group by the Executive Directors
- a recognised structure with defined levels of responsibility, which promotes entrepreneurial decision-making and rapid implementation while recognising risks
- a comprehensive annual budgeting process producing a detailed integrated profit and loss, balance sheet and cash flow, which is approved by the Board
- detailed monthly reporting of performance against budget
- central control over key areas such as capital expenditure and banking facilities, with two directors required to sign all important documents.

The Group continues to review its system of internal control to ensure compliance with best practice, while also having regard to its size and the resources available. In view of the Group's size, there is no internal audit function.

Standards and policies

The Board is committed to maintaining appropriate standards for all the Group's business activities and ensuring that these standards are set out in written policies.

All material contracts are required to be reviewed and signed by a senior Director of the Company and reviewed by the relevant Company board. Both executive management and the Board have ready access to independent external legal advice if required.

The staff handbook includes guidance on business integrity, anti-bribery, gifts, intellectual property and design rights and it is sent to everyone in the Group.

Principle 5: Maintaining the Board as a well-functioning, balanced team led by the Chair

The Board comprises the Chairman, two Executive Directors and four Non-Executive Directors, one of whom, Charles Sebag-Montefiore, also acts as Senior Independent Director (SID). The Chairman is David Harland. Bernard Shapero as Chief Executive Officer and Philip Tansey as Chief Financial Officer are the Executive Directors. The remaining three Non-Executive Directors are Thomas James Jennings, Graham Noble and Philip Blackwell, all of whom represent significant shareholders in the Company. Although Charles Sebag-Montefiore is the only Independent Director, the Board considers, after careful review, that the Non-Executive Directors bring an independent judgement to bear.

The Chief Executive liaises regularly with the Chairman, the SID and the other Board members to ensure that the Board is fully briefed on all relevant business affairs.

The Board is therefore satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Group on the other, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

The Chairman holds regular update meetings with each Director to ensure they are performing as they are required. During the year five Board meetings took place. These were held at the Scholium Group office in London. The attendance at meetings including board committees is set out below.

The directors' attendance at scheduled Board meetings and Board committees during the financial year is detailed in the table below:

Director	Board meeting	Audit Committee Meeting	Remuneration Committee meeting
David Harland	6	2	1
Philip Blackwell	5	-	-
Thomas James Jennings	6	-	1
Graham Noble	5	2	1
Charles Sebag-Montefiore	5	2	-
Bernard Shapero	6	-	-
Philip Tansey	6	-	-
TOTAL	6	2	1

Key Board activities this year included

- input into the Group's strategy and budgets, including consideration of the impact of Covid
- consideration of acquisitions and divestments
- continuing an open dialogue with the investment community
- reviewing both financial and non-financial policies
- discussing the Group's capital structure and financial strategy, including capital investments, shareholder returns and the dividend policy
- discussing internal governance processes
- reviewing feedback from shareholders after the full and half year results

Directors' conflict of interest

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, including in the areas of retailing, trading, finance, ecommerce and marketing. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The Group reports monthly on its trading performance against its agreed budget, and the Board reviews monthly updates on performance and any significant variances are reviewed at each meeting.

Each non-executive Director performs either a board or board level function within another recognised entity and in addition advice is received from the Group's professional advisers. Each executive director has the advice and counsel of the non-executive Directors available to them, as well as attending appropriate courses and seminars recognised by their network of professional services organisations. These are the principal means by which their skills and knowledge are kept up-to-date.

Details of the Directors of the Company are set out below.

David Harland: Chairman (74)

Appointment as Chairman November 2021

David Harland is an experienced Chairman and CEO in both public and private arenas. He is a mentor for Imperial College in their Imperial Venture Mentor Services group and was, until 2017, a partner of Lyceum Capital Partners. He has been involved with a wide number of businesses over the past forty years, specialising in performance and growth improvement.

Scholium Group Plc – member of Audit Committee, Remuneration and Nomination Committees.

Skills brought to the Board: Business management, Corporate Finance, Corporate Governance, Investor Relations, Experience of dealing in Art and Collectibles.

Bernard Shapero: Chief Executive Director (60)

Appointment date: March 2022

Bernard John Shapero is a British dealer in antiquarian rare books and works on paper with over 40 years of experience, the founder of Shapero Rare Books of 106 New Bond Street, Mayfair and internationally well known as noted by Slate in 2005 who called him "London's most successful rare-book dealer and arguably the top dealer in the world today"

Committees: None.

External appointments: Vice President of the Antiquarian Booksellers Association (International) – a private limited company by guarantee;

Skills brought to the Board: Art, books, collectibles, leading businesses.

Philip Tansey: Finance Director (65)

Appointment date: March 2022

Experience: 30 years in a range of businesses, primarily in financial services, including acting as the group finance director in a number of publicly traded businesses. He is a fellow of the Institute of Chartered Accountants in England and Wales.

Committees: None.

Skills brought to the Board: Finance, M&A, investor relations and public markets experience.

Charles Sebag-Montefiore CBE: Non-Executive Director and Senior Independent Director (74)

Appointment date: March 2014

Experience: qualified as a chartered accountant with Touche Ross, and then moved to investment banking, mostly with Kleinwort Benson. Since 1994 as a non-executive director of several companies, including inter alia the insurance, healthcare, investment trust and publishing sectors. Collected books since the 1970s.

Committees: Chairman of Audit Committee; Member of the Nomination Committee

External appointments: Trustee of the National Gallery Trust and the Lord Burghley 500 Foundation; Trustee and Treasurer of the Friends of the National Libraries, the National Manuscripts Conservation Trust and of the Society of Dilettanti Charitable Trust.

Skills brought to the Board: finance, the rare book market, investor and media relations.

Sector experience: finance, the rare book market, investor relations and public markets.

Philip Blackwell: Non-Executive Director (66)

Appointment Date: 2014

Experience: 40 years in media and commerce including an MBA from the London Business School, being Group CEO of Blackwell's the Oxford publisher and bookseller; Management Consulting Director of five years in eCommerce at Cap Gemini PLC, and roles at Harper Collins and Hachette Livre. He is a non-executive director/chairman of several companies in media &bookselling, human capital, asset-backed finance and engineering.

Committees: Chair of the Nomination Committee

External appointments: former museum trustee, development board of the Bodleian library, Google content advisory board, Booksellers Association investment committee.

Skills brought to the Board: general management, finance, e-business, international business, PR & investor relations

Sector experience: bookselling, finance, PR & investor relations.

Thomas James ("Shamus") Jennings CBE: Non-Executive Director (70)

Appointment date: 2014.

Experience: a qualified chartered engineer from 1975 with, and ultimately Managing Director and Chairman of, Rotary Group Limited, a global engineering company. He is also Chairman of the holding company for the Cromwell Hospital Group in London, has held numerous board appointments in a diverse range of business sectors including civil engineering, property investment and development, hospitality, manufacturing etc. Currently the Chairman of a Family Office with investments held and managed across a wide range of industries.

Committees: Member of the Remuneration Committee.

External appointments: Director and Chairman of Ducales Capital Limited, Director and Chairman of Havana Limited.

Skills brought to the Board: Merger and Acquisitions, Commercial and External Finance, Risk Analysis, Human Resources and General Management.

Sector experience: Finance, investor relations and public markets.

Graham Noble: Non-Executive Director (50)

Appointment date: 2014.

Experience: worked in the financial services sector for over 20 years in various senior roles, having worked for Credit Suisse and UBS in London. Founded a number of asset management business servicing the UK wealth management market. Founder and current Chief Executive of both UK Agricultural Finance & Detach Lending. Chief Investment Officer for a large London based single family office. FCA regulated for over 20 years.

Committees: Member of the Audit and Chair of the Remuneration Committee.

External appointments: CEO UK Agricultural Finance, CIO – Ilona Rose Investments, CEO – Detach Lending.

Skills brought to the Board: Finance, business management.

Sector experience: Finance, property, lending, growth small businesses.

All Directors retire by rotation at regular intervals in accordance with the Company's Articles of Association.

Appointment, removal and re-election of Directors

The Board makes decisions regarding the appointment and removal of Directors, and there is a formal, rigorous and transparent procedure for appointments. The Company's Articles of Association require that one-third of the Directors must stand for re-election by shareholders annually in rotation; that all Directors must stand for re-election at least once every three years; and that any new Directors appointed during the year must stand for election at the AGM immediately following their appointment. Bernard Shapero and Graham Noble will retire by rotation this year and, both being eligible, offer themselves for re-election.

Independent advice

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. In addition, the Directors have direct access to the advice and services of the Company Secretary and Chief Financial Officer.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

David Harland has concluded an evaluation of the individual contributions of each of the Board to ensure that:

- their contribution is relevant and effective
- that they are committed
- where relevant, they have maintained their independence.

The outcome of this evaluation was that each individual Director had made a valuable contribution to the Board.

This evaluation also included a review of the performance of the Board as a unit and concluded that the members of the board collectively function in an efficient and productive manner.

The Board is also aware of the need for succession planning and has already ensured that there are a number of candidates both within the Board or personally known to the Board or their professional advisers who could provide the necessary replacements as and when they may be required. The Nomination Committee has not met since it dealt with the departure and subsequent appointment of the Company's Chief Financial Officer.

Principle 8: Promote a culture that is based on ethical values and behaviours

The Board is committed to providing leadership in terms of both ethical values and behaviours that reflect well in the current wider business and economic environment. The culture of the Group is to provide the best possible service to its customers, suppliers, shareholders and people.

The executive members of the Board have their desks in the retail premises in Mayfair and are therefore available to promote an appropriate culture throughout the Group and through observation and their presence to monitor compliance with the necessary behaviours.

The Board considers the present state of the Group's culture to be satisfactory. No adverse matters have been reported to the Board during the past 12 months and there have been no instances of unethical behaviour noted to date.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Board programme

The Board plans to meet at least six times each year in accordance with its scheduled meeting calendar. The Board sets direction for the Group through a formal schedule of matters reserved for its decision. Prior to the start of each financial year, a schedule of dates for that year's six Board meetings is compiled to align as far as reasonably practicable with the Company's financial calendar on the one hand, and its trading calendar on the other, while also ensuring an appropriate spread of meetings across the financial year. This may be supplemented by additional meetings as and when required. During the year to 31 March 2023, the Board met for all of its six scheduled meetings. The Board and its Committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting, and Board and Committee papers are distributed several days before meetings take place. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and then followed up by the Company's management.

Roles of the Board

The Board is responsible for the long-term success of the Group. There is a formal schedule of matters reserved to the Board. It is responsible for overall Group strategy; approval of acquisitions and divestments, major investments (whether capex or direct or overhead costs); approval of the annual and interim results; annual budgets; dividend policy; and Board structure. It monitors the exposure to key business risks and reviews the strategic direction of all trading subsidiaries, their annual budgets and their performance in relation to those budgets. There is a clear division of responsibility at the head of the Company. The Chairman is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction and implementing it once the strategy has been approved and overseeing the management of the Group.

All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The business reports monthly on its headline performance against its agreed budget, and the Board reviews the monthly update on performance and any significant variances are reviewed at each meeting. Senior executives below Board level attend Board meetings where appropriate to present business updates. Board meetings throughout the year are held at the Group's London office, where all the subsidiary companies presently have their retail premises therefore ensuring the Board, in particular the Non-Executive Directors, have access to the trading subsidiaries to gain a greater understanding of the Group's activities.

The Executive Directors are Bernard Shapero and Philip Tansey. They, with the Chairman, are responsible for formulation of the proposed strategic focus for submission to the Board, the day-to-day management of the Group's businesses and its overall trading, operational and financial performance in fulfilment of that strategy, as well as plans and budgets approved by the Board of Directors. They also manage and oversee key risks, management development and corporate responsibility programmes. The controls applied by the Group to financial and non-financial matters are set out earlier in this document, and the effectiveness of these controls is regularly reported to the Audit Committee and the Board.

Board committees

The Board is supported by the Audit, Remuneration and Nomination committees. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties. The terms of reference of the Audit Committee are set out above in Principle 4.

The Remuneration Committee reviews the performance of executive Directors and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The committee also makes recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation at the time. The Remuneration Committee comprises David Harland, Graham Noble (as Chairman) and Shamus Jennings.

The Nomination Committee meets whenever there is business to discuss. The committee will consider appointments to the Board and be responsible for nominating candidates to fill Board vacancies and for making recommendations on Board composition. The nomination committee comprises Philip Blackwell (as Chair), Charles Sebag-Montefiore and David Harland.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The company is governed by the Board and its committees as described elsewhere in this report.

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year announcements, regular announcements to the Stock Exchange RNS service as required, the Annual General Meeting (AGM) and one-to-one meetings with large existing or potential new shareholders. A range of corporate information (including all Company announcements) is also available to shareholders, investors and the public on the Company's corporate website, www.scholiumgroup.com.

The detailed voting results of the AGM will be posted on the Company's website in due course.

The Board receives regular updates on the views of shareholders through briefings and reports from the Chairman and the Company's brokers. The Company communicates with institutional investors frequently through briefings with management. In addition, analysts' notes and brokers' briefings are reviewed to achieve a wide understanding of investors' views. The Group regularly canvases staff views and is planning to complete an employee survey in the next 12 months.

The Audit Committee reported to the Board in respect of its two meetings during the year, both of which were attended by the Group's external auditors, Wenn Townsend as set out below.

The first meeting of the Audit Committee in respect of the financial year ended 31 March 2024 was in November 2023 when the Committee considered the Group's interim results for the six months ended 30 September 2023 prior to their publication. The second meeting was held in July 2024 to consider the Group's annual results, its preliminary announcement and the annual report for the year ended 31 March 2024.

Both Audit Committee meetings were attended by the Group's auditors, Wenn Townsend. In addition, the Group's chief financial officer was in attendance at both meetings at the invitation of the Committee, and other senior executives were available to the Committee during their meetings as required. The Committee received the report from the auditors and it was then discussed and reviewed in detail. The main issues in the Report at both of the meetings included IFRS 15: Revenue from Contracts with Customers, the approach taken by the Group and its impact on the results and financial position of the Group, all of which are set out in the financial statements for the year ended 31 March 2024.

The Committee in November then reviewed the texts of the interim results and concluded that they could be presented to the board for approval later that day and in July, appointed a sub-committee comprising members of the Board to finalise the final results for the year in time for the recognised publication date.

The Committee, at its July meeting, considered the re-appointment of Wenn Townsend. It was then concluded that shareholders be requested to approve the re-appointment of Wenn Townsend as the Group's auditors at the forthcoming Annual General Meeting in September 2024.

The Remuneration Committee also reported to the Board regarding the Directors' remuneration for the year ended 31 March 2024 and as part of the full Board considered and approved the implementation of the Group EMI staff share option scheme in June 2023.

The Remuneration Committee have noted that their recommendations for remuneration payable to the Directors of the Company have been implemented in full in respect of the year ended 31 March 2024. The aggregate remuneration of the Board has increased from £412,529 for the year ended 31 March 2023 to £449,367 for the year ended 31 March 2024.

No bonuses were payable to any Director in respect of the year ended 31 March 2024 (2023: £nil).

Appointment or Resignation of a Director

There have been no changes in the composition of the Board of Directors during the year.

Directors' Indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors during the year and remain in force at the date of this report. Directors' and officers' indemnity insurance with an annual limit of £2 million is maintained.

Streamlined energy and carbon reporting

Scholium Group, operating though its three locations in Bond Street and Maddox Street, has followed the 2019 UK Government environmental reporting guidance and has used the 2023 UK Government conversion factors. Energy usage covered in this disclosure covers all properties and transport and is primarily electricity for the shop, gallery and offices. Usage of electricity has been calculated based on meter readings.

We measure carbon emissions by looking at Scopes 1,2 and 3.

Scope 1 refers to all direct emissions of carbon; fuel usage such as petrol and gas oil, liquified petroleum gas ("LPG"), and kerosene though this is zero for the Group as there are no examples of direct emissions of note.

Scope 2 covers indirect emissions of carbon such as electricity purchased which is the prime consumption of the Group and is measured by reference to electricity statements. The records for this are set out in the table below.

Scope 3 refers to supplier emissions including shipping and transport. The Group does use specialist courier firms for the collection and delivery of purchase and sale of stock. Transportation, by truck and air couriers which is measured in kilometres, is used for the delivery sales to customers across the globe and of presentation stock at the various fairs that we exhibit at. The impact in terms of consumption is as indicated in the table below.

Energy Consumption derives from the following fuel types:

	Year ended 31 March 2024		**Year ended 31 March 2023**	
Fuel Type	**Consumption (kwh)**	**CO2e (Tonnes)**	**Consumption (kwh)**	**CO2e (Tonnes)**
Gas and Fuel Oil (scope 1)	-	-	-	-
Transportation (scope 1)	-	-	-	-
Electricity (scope 2)	41,997	13	61,620	18
Transportation (scope 3)	n/a	45	*	*
Electricity (scope 3)	2,853	1	*	*
Total	44,850	59	61,620	18

*No available information was available in the year ended 2023 to allow for an estimate has historically been tracked.

Energy Efficiency Actions

The Group is committed to responsible energy management and will practise energy efficiency throughout the organisation, wherever it's cost effective. As far as is possible as much waste generated within the offices is reused and if not able to be reused then recycled including wrapping and protective material used in the transportation of books and works of art. We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions even though the Group is in relative terms a minor consumer of energy and materials.

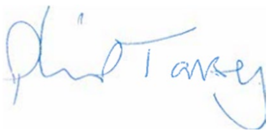
Intensity Ratio

Intensity ratios compare emissions data with an appropriate business metric or financial indicator and The Group has chosen to use tonnes of CO_2 per £m of sales for its Intensity Ratio as set out in the table below.

	Year ended 31 March 2024		**Year ended 31 March 2023**	
	Sales (£m)	**Intensity Ratio (CO2 / Turnover)**	**Sales (£m)**	**Intensity Ratio (CO2 / Turnover)**
Total tonnes of CO2 per £million of sales	9.3	6.34	9.1	1.95

Annual General Meeting

Notice of the Annual General Meeting of the Company for 2024 is on page 61.



On behalf of the Board

Philip Tansey

Director

25 July 2024

Section 172 (1) STATEMENT

The Board sets the Group's strategic direction and manages its operational performance in order to promote its long-term success for the benefit of its members as a whole. An important aspect of this process is the engagement with key stakeholders and reflecting on their responses appropriately. Set out below are the key stakeholder groups that the Directors have engaged with in the financial year, together with the benefits of doing so for the long-term success of the Group.

The Directors have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing their duties under S172.

a) Shareholders: The Directors endeavour to obtain shareholder support for our strategic objectives and their execution. Value is created for our shareholders by the generation of sustainable results that will translate into dividends. The desire is for an investor base that is interested in a long term holding in the Company.

b) Employees: The Group's long-term success is dependent on the commitment and delivery of our staff to our strategy and its consistent demonstration of our values. To maintain our competitive advantage and meet the growing demands of the environment in which we operate, the Group requires its staff to be adaptive and whose skill base constantly evolves. The Group also values employees with long term practical experiences and knowledge. The staff are consulted to ensure that the workplace is an environment that encourages them that best supports their well-being. The Group subscribes to the concept that staff training benefits both the individual and the Group and that such investment helps to retain employees and reduce absenteeism and turnover rates.

c) Customers: In a highly competitive retail environment, success depends on meeting customer needs and requirements more effectively than our competitors. The Group therefore recognises the benefits of engagement with our customers to ensure that our inventory contains items of interest to our customers and their evolving interests.

d) Suppliers and co-owners: Our suppliers and co-owners are fundamental to the quality and variety of our stock of rare books, works on paper, works of art and philatelic items and to ensuring that the high standards of conduct that the Group sets can be achieved. The Group works closely with its suppliers and co-owners and ensures that there is a wide base from which the supply of new inventory is sourced to mitigate against the risk of the required inventory not being available.

e) Lenders: Continued access to working capital is of vital importance to the long-term success of our business. Ongoing engagement with the Group's bankers is therefore required to ensure that there is adequate working capital available for the Group's needs.

f) Pension: The Group has no defined benefit pension schemes. The long-term importance of pension arrangements for our employees is recognised and the Group contributes to each eligible employee's personal pension plan.

g) The Environment and Communities: The Directors believe that conducting the Group's business responsibly brings benefits for the environment as well as for the wider society and assists our commercial success.

h) Regulatory Bodies and Trade Associations: The Group operates in an environment which is impacted by regulatory changes and consequently it engages with regulators and trade associations to assist with the compliance framework, training and new working practices. This also assists with the development of the Group's strategic direction.

The Directors define principal decisions as both those that are material to the Group, but also those that are significant to any of our key stakeholder groups. In taking actions and making principal decisions during the year the Board considers that it has acted in the way that, in good faith, is most likely to promote the success of the Group and for the benefit of its members as a whole. The Directors have considered responses from their stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the Company. Details of the engagement with respective stakeholders and the principal decisions made by the Board during the year are disclosed in the Strategic Report, including the section on Corporate Responsibility, Directors' Report and Corporate Governance report.

Statement of Directors’ Responsibilities

The Directors are responsible for preparing the Director’’ report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and have also elected to prepare the parent company financial statements in accordance with those standards. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company and the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s and Group’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

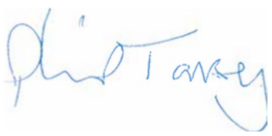
The Directors are responsible for ensuring that the Annual Report and Financial Statements are made available on a website.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions. The Directors’ responsibility also extends to ongoing integrity of the financial statements contained therein.

The Directors are responsible for preparing the annual report in accordance with applicable law and regulations. The Directors consider the annual report and the financial statements, taken as a whole, provide the information necessary to assess the company’s performance, business model and strategy and are fair, balanced and understandable.

To the best of our knowledge:

- the group financial statements, prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and Directors’ Report include a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.



On behalf of the Board

Philip Tansey
Director
25 July 2024

Independent Auditor's Report to the Members of Scholium Group plc

1. OPINION

We have audited the financial statements of Scholium Group plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31st March 2024 which comprise the consolidated statements of comprehensive income, consolidated and parent statements of financial position, consolidated and parent statements of changes in equity, consolidated and parent statement of cash flows, and the related notes, including the accounting policies in note 2. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31st March 2024 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are described below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to SME listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

2. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows:

The Risk	Our Response
Risk relating to the Group: **Revenue Recognition and application of IFRS 15** (£9.3 million; 2023 £9.1 million) There is a risk that revenue can be recorded in advance of performance obligations being completed. In respect of Shapero Rare Books, there is a risk that revenue is recorded before goods have been transferred to the customer.	Our procedures included: **Review of inventory records** To ensure goods have been correctly removed from stock at the point of sale. **Confirmation of delivery of goods** In the absence of a formal despatch system for some orders, confirmed management's system for identifying goods that have been invoiced but not yet delivered. In addition, we sought verification from customers over the delivery of goods and the existence of a debt at 31 March 2024.

Inventory valuation and recoverability (£10.6 million; 2023 £9.8 million) Inventory is carried in the financial statements at the lower of cost and net realisable value. Obtaining reasonable assurance as to the existence of any inventory impairment is considerably subjective. This is due to difficulties in determining appropriate net realisable values for items of inventory within the antiquities sector, as many items are generally one-of-a-kind, in terms of availability within the market and/or by condition. Authenticity of items purchased is a key risk identified by the directors. Any inauthentic inventory items would likely be overvalued and would also be very damaging to the Group's reputation in the event they were marketed to customers.	Our procedures included: **Reviewing ageing of stock** Analysis of the ageing of stock to ensure that older items were being sold and confirmation that a stock provision was not necessary. **Valuation** Ensuring that stock was being sold at a value greater than its stated cost value. Ensuring that significant stock purchases had been approved during the year. Impairment review, particularly including dialogue with the directors and online research over high value items. **Existence** Attendance at year end stocktake and obtaining 3rd party confirmation for stock items held on approval. **Authenticity** Reviewed purchases in year to confirm they had been approved with certificates of authenticity.
Accounts receivable recoverability (£2.4 million; 2023: £1.7 million) Recoverability of year-end debtor balances and the impact of any previously unidentified bad debts resulting in misstatements, that may individually or in aggregate, be material to the financial statements.	Our procedures included: **After date cash verification** A sample of debt balances are traced through to receipt of cash. **Third party confirmation** Where cash had not been received, direct confirmation was obtained from customers confirming the year-end balances.

Risks relating to the Parent only: Recoverability of Parent Company's investment in subsidiaries	Our procedures included:
(£2.4 million; 2023: £2.4 million) The Parent's carrying value of investments in subsidiaries represents a significant proportion of the Parent's total assets. The main value relates to the investment in Shapero Rare Books Limited, with the other two subsidiaries being dormant. The company recognises the value of its investment in Shapero Rare Books Limited at fair value based upon the initial share placing price on admission to AIM as adjusted for any impairment.	**Test of details** Comparison of the carrying value of subsidiaries to their net asset value, being an approximation of their minimal recoverable amount, as well as the historical profitability of the subsidiaries. We reviewed the last completed valuation model and assumptions and considered any changes required to the assumptions as a result of the subsidiaries' performance in 2023/2024. We reviewed 2024/2025 budgets and assessed the Group's ability to produce accurate information.

3. OUR APPLICATION OF MATERIALITY AND AN OVERVIEW OF THE SCOPE OF OUR AUDIT

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of financial statements. Materiality provides a basis for determining the nature and extend of audit procedures (ISA 320).

Materiality for the Group financial statements as a whole was set at £135,000 (2023: £135,000), determined with reference to a benchmark of turnover, of which it represents 1.5% (2023: 1.5%).

Materiality for the Parent Company financial statements as a whole was set at £135,000 (2023: £130,000), determined with reference to a benchmark of company total assets, of which it represents 1.5% (2023: 1.5%).

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £5,000 (2023: £5,000) in addition to other identified misstatements that warranted reporting on qualitative grounds.

Both of the Group's two (2023: two) operating components, including the Parent Company, were subject to full scope audits for Group purposes, all of which were performed by the Group audit team. These audits accounted for 100% (2023: 100%) of total Group revenue, 100% (2023: 100%) of Group profit before taxation and 100% (2023: 100%) of total Group assets and were each performed to a component materiality level not exceeding £135,000 (2023: £135,000) having regard to the mix of size and risk profile of the Group across these components.

Performance materiality

This is the application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality (ISA 320).

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that the performance Group materiality should be set at approximately 75% (2023: 75%) of Group materiality, the top end of our range, namely £100,000 (2023: £100,000); although we reduce our testing threshold in areas of significant risk to appropriately reflect our assessment of risk or material misstatement and focus on the key judgements and estimates.

The audits of the individual group entities are performed at a materiality level calculated by reference to a proportion of the Group overall materiality of £135,000 (2023: £135,000) appropriate to the relative scale and risk of the business concerned. Shapero Rare Books Limited was allocated a performance materiality of £100,000 (2023: £100,000). This was calculated by reference to the Group reporting method of approximately 75% of 1.5% of turnover.

Reporting threshold

This is an amount below which identified misstatements are considered as being clearly trivial (ISA 450).

It was agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £5,000 (2023: £5,000), which is set by reference to approximately 4% of Group materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitate measures of Group materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

4. CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

6. MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

7. RESPECTIVE RESPONSIBILITIES

Responsibilities of directors

As explained more fully in their statement set out on page 25, the directors are responsible for the preparation of the financial statements including being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Completed debtors' circularization to confirm validity of debts;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

8. USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the terms of our engagement by the Company. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ajay Bahl BA BFP FCA
(Senior Statutory Auditor)

for and on behalf of
Wenn Townsend, Statutory Auditor
Chartered Accountants
30 St Giles
Oxford
OX1 3LE

25 July 2024

Consolidated Statement of Comprehensive Income

	Note	Year ended 31 Mar 2024 £000	Year ended 31 Mar 2023 £000
Revenue	5	9,266	9,060
Cost of Sales		(5,618)	(5,613)
Gross profit		3,648	3,447
Distribution expenses		(778)	(815)
Administrative expenses		(2,476)	(2,360)
Total expenses		(3,252)	(3,175)
Profit from operations		394	272
Charge for share options granted to employees		(31)	-
Financial (expense)	11	(63)	(41)
Profit before taxation		300	231
Income tax (expense)	12	-	-
Profit for the year from continuing operations and total comprehensive income attributable to equity holders of the parent company		300	231
Profit for the year and total comprehensive income attributable to equity holders of the parent company		300	231
Earnings per share (in pence):	13		
From continuing operations		2.21	1.70
Total Earnings per share		2.21	1.70

The notes on pages 40 to 60 form part of these financial statements.

Consolidated Statement of Financial Position

	Note	31 Mar 2024 £000	31 Mar 2023 £000
Assets			
Non-current assets			
Property, plant and equipment	14	717	877
Deferred corporation tax asset	16	-	-
		717	877
Current assets			
Inventories	17	10,569	9,812
Trade and other receivables	18	2,760	2,058
Cash and cash equivalents	20	245	216
		13,574	12,086
Total assets		14,291	12,963
Current liabilities			
Bank overdrafts	20	262	259
Trade and other payables	21	2,536	1,983
Loans and borrowings	22	523	47
Right-of-use asset lease liabilities	25	188	227
Total current liabilities		3,509	2,516
Non-current liabilities			
Loans and borrowings	22	249	140
Right-of-use asset lease liabilities	25	572	676
Total non-current liabilities		821	816
Total liabilities		4,330	3,333
Net assets/liabilities		9,961	9,630
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	23	136	136
Share Premium		9,516	9,516
Merger reserve	2	82	82
Retained Profit / (loss)		227	(104)
Total equity		9,961	9,630

The notes on pages 40 to 60 form part of these financial statements.

The financial statements were approved by the Board of Directors and recommended for issue on 25 July 2024.

Phil Tansey

P Tansey
Director

Consolidated Statement of Changes in Equity

	Share Capital £000	Share Premium £000	Merger reserve £000	Retained earnings £000	Total equity £000
Balance at 31 March 2021	136	9,516	82	(512)	9,222
Profit for the year from continued and discontinued operations	-	-	-	177	177
Total comprehensive income for the period	-	-	-	177	177
Balance at 31 March 2022	136	9,516	82	(335)	9,399
Profit for the year from continued and discontinued operations	-	-	-	231	231
Total comprehensive income for the period	-	-	-	231	231
Balance at 31 March 2023	136	9,516	82	(104)	9,630
Profit and total comprehensive income for the year	-	-	-	301	301
Employee share option scheme				31	31
Balance at 31 March 2024	**136**	**9,516**	**82**	**227**	**9,961**

There were no transactions with owners in the year.

The following describes the nature and purpose of each reserve within owners' equity:

Share capital	Amount subscribed for shares at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value less attributable share issue expenses.
Merger reserve	Amounts attributable to equity in respect of merged subsidiary undertakings.
Retained earnings	Cumulative profit/(loss) of the Group attributable to equity shareholders.

The notes on pages 40 to 60 form part of these financial statements.

Consolidated Statement of Cash Flows

	31 Mar 2024 £000	31 Mar 2023 £000
Cash flows from operating activities		
Profit before tax	301	231
Employee share option scheme charge	31	-
Depreciation of property, plant and equipment	374	353
Amortisation of intangible assets	-	4
Interest paid	63	41
	769	629
(Increase)/decrease in inventories	(757)	(228)
Decrease/(increase) in trade and other receivables	(702)	161
Increase/(decrease) in trade and other payables	553	(885)
Net cash generated from operating activities	(906)	(952)
Cash flows from investing activities		
Purchase of property, plant and equipment	(21)	(21)
Purchase of right-to -use assets	(194)	(239)
Net cash (used) in investing activities	(215)	(260)
Cash flows from financing activities		
Lease repayments for right-of-use assets	(143)	(77)
Non-bank loan financing	634	-
Bank loan	(49)	(48)
Interest paid	(63)	(41)
Net cash generated / (used) from financing activities	379	(166)
Net increase / (decrease) in cash and cash equivalents	27	(749)
Cash and cash equivalents at the beginning of the year	(44)	705
Cash and cash equivalents at the end of the year	(17)	(44)
Components of cash and cash equivalents		
Cash at bank and in hand	245	216
Bank overdrafts	(262)	(260)
Total cash and cash equivalents	(17)	(44)

The notes on pages 40 to 60 form part of these financial statements.

Company Statement of Financial Position

	Note	31 Mar 2024 £000	31 Mar 2023 £000
Assets			
Non-current assets			
Group Investments	15	2,391	2,391
Deferred tax asset		-	-
		2,391	2,391
Current assets			
Trade and other receivables	18	7,623	7,559
Cash and cash equivalents	20	-	-
		7,623	7,559
Total assets		10,014	9,950
Current liabilities			
Overdrafts	20	190	164
Trade and other payables	21	184	143
Loans and borrowings	22	47	47
Total current liabilities		421	354
Non-current liabilities			
Loans and borrowings	22	91	140
Total liabilities		512	494
Net assets/liabilities		9,502	9,456
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	23	136	136
Share Premium		9,516	9,516
Merger reserve	24	-	-
Retained earnings/(deficit)		(150)	(196)
Total equity		9,502	9,456

The financial statements were approved by the Board of Directors and recognised for issue on 25 July

Phil Tansey

2024.
P. Tansey
Director

The notes on pages 40 to 60 form part of these financial statements.

Statement of Changes in Company Equity

	Share Capital £000	Share Premium £000	Retained earnings £000	Total equity £000
Balance at 1 Apr 2021	136	9,516	(191)	9,461
Loss for the year	-	-	(409)	(409)
Total comprehensive income for the period	-	-	(231)	(231)
Balance at 31 March 2022	136	9,516	(600)	9,052
Profit for the year	-	-	404	404
Total comprehensive income for the period	-	-	404	404
Balance at 31 March 2023	136	9,516	(196)	9,456
Profit for the year	-	-	46	46
Total comprehensive income for the period	-	-	46	46
Balance at 31 March 2024	136	9,516	(150)	9,502

The following describes the nature and purpose of each reserve within owners' equity:

Share capital	Amount subscribed for shares at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value less attributable share-issue expenses.
Retained earnings	Cumulative profit/(loss) of the Group attributable to equity shareholders.

The notes on pages 40 to 60 form part of these financial statements.

Company Cashflow

	31 Mar 2024 £000	31 Mar 2023 £000
Cash flows from operating activities		
Profit/(Loss) before tax	46	404
Decrease/(increase) in trade and other receivables	(64)	(444)
(Decrease)/increase in trade and other payables	41	84
Net cash generated from operating activities	23	44
Cash flows from investing activities		
Dividends receivable from subsidiary undertakings	-	-
Net cash generated from investing activities	-	-
Cash flows from financing activities		
Bank loan	(49)	(48)
Net cash (used)/generated from financing activities	(49)	(48)
Net (decrease) in cash and cash equivalents	(26)	(4)
Cash and cash equivalents at the beginning of the year	(164)	(160)
(Overdraft)/cash and cash equivalents at the end of the year	(190)	(164)

The notes on pages 40 to 60 form part of these financial statements.

Notes to the Consolidated Financial Statements

1 General information

Scholium Group plc and its subsidiaries (together 'the Group') are engaged in the trading and retailing of rare books, works on paper and stamps primarily in the United Kingdom. The Company is a public company limited by shares domiciled and incorporated in England and Wales (registered number 08833975). The address of its registered office is 94 New Bond Street, London W1S 1SJ.

2 Basis of preparation and accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations issued by the International Accounting Standards Board and in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

The consolidated and Company financial statements are prepared on an historical cost basis.

The preparation of financial statements in conformity with IFRSs requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3 below.

The functional and presentational currency of the Group and the Company is pounds sterling. The financial information is shown to the nearest £1,000.

The principal accounting policies applied by the Group in the preparation of these consolidated financial statements for the years ended 31 March 2024 and 31 March 2023 are set out below. These policies have been consistently applied to all periods presented.

Going concern

The Directors have reviewed the activities of the Group since 1 April 2023 with a view to determining whether there are any material uncertainties which may impact whether the Group can be considered to be a going concern. The Group's primary activities can be classified as retail, and therefore the Directors have considered the Group's position in the light of the retail industry as a whole as well as the Group's own circumstances. The Group's leases on its retail premises are at relatively low rents, and in the case of the 94 New Bond Street lease, has a relatively short term date of April 2029 and which is subject to a break-clause that can be exercised in three years in July 2027. The Group therefore does not have any exposure to any onerous leases. The Group has an international customer base and is not dependent solely on footfall generating sales from its London premises, or its presence at international fairs.

The Group in 2020 made use of a government £250,000 Covid loan, which at the year-end date, following repayments made during the year, has £137,500 (2023: £187,500) outstanding. This is repayable over five years and therefore is not exposed to any liabilities where the terms of repayment may change. The Group has no creditors over one year, and no liabilities to a defined benefit pension scheme.

The Group has enjoyed a third consecutive successful year and continues to expand sales channels and sector types. The Directors have prepared revised "stressed" forecasts taking account of the results to date, current expected demand, and cost savings identified. This has been conducted together with an assessment of the liquidity headroom against the cash and bank facilities including the new Covid loan.

The Directors recognise that the current difficult geo-political and resulting economic environment could impact business but have concluded that there are no material uncertainties over the Group and Company's ability to continue as a going concern. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months, therefore it is appropriate to adopt a going concern basis for the preparation of the Financial Statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Group and Company were unable to continue as a going concern.

Companies Act s408 exemption

The Company has taken advantage of the exemptions allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The Group profit for the year included a Company profit on ordinary activities after tax of £46,000, (2023: a profit on ordinary activities after tax of £404,000) which included the receipt of dividends by the Company of £nil (2023: £nil).

New standards and interpretations

The various amendments to IFRSs that are effective 1 January 2024 are not considered to have a material impact on the future reporting of the group.

Basis of consolidation

Where the Group has power, either directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities, it is classified as a subsidiary. The statement of financial position at 31 March 2024 incorporates the results of all subsidiaries of the Group for all years and periods, as set out in the basis of preparation.

Revenue Recognition

The Group's revenues derive from the sale of rare books and works on paper and works of art. Sales are made on a retail basis, as well as by auction. In addition, commissions are received for the sale of items on behalf of third parties. Other income can also be received for the performance of services ancillary to the sale.

The Group co-owns a number of its rare books and works on paper and works of art. The Group accounts for its part share only in accordance with the principles it applies for the rare books and works on paper and works of art where it owns 100 per cent of the items. Where co-owned items are sold, the share of the items that is not owned by the Group is recorded as a liability to the relevant co-owners.

The Group includes in its accounts the commission income earned when items belonging to third parties are sold where the Group acts as agent for the owner of items. Where the Group is the owner of the items, the Group recognizes the sales price achieved in the accounts in accordance with the principles below.

To determine whether to recognise revenue, the Group follows a five-step process:

- Identifying the contract with customers
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/ as performance obligations are satisfied

Identifying the contract with customers

The contract with customers who purchase retail items is created when an irrevocable request is made by the customer to purchase an item from the Group's stock and the Group recognises and accepts such a request. A contract is created for auction customers at the fall of the auctioneer's hammer by the specific identification of that customer at the end of the bidding process for each lot. Commission income is also earned by reference to a written agreement with the third party on whose behalf the Group is transacting business.

Identifying the performance obligations

The primary performance obligations for the Group in its activities is the creation of a sales invoice and the physical delivery of the item to the customer, whereby the Group no longer has control of the items and therefore is no longer in a position to derive any further economic benefits from the item. For commission income, the Group raises a sales invoice when it has undertaken and completed the performance obligations set out in the contract with the third party.

Determining the transaction price

The transaction price is agreed between the Group and its customers at the time or as part of the process of negotiating the transaction in the normal method of offer and acceptance common to all contracts and is the sales invoice price. For auction customers, the transaction price is the hammer price together with such buyers' premium and other consideration as set out in the Group's sales catalogues. The transaction price for commission income is as set out in the contract with the third party.

Allocating the transaction price to the performance obligations

The performance obligations of the Group are straightforward and both of the primary performance obligations relate solely to the transaction price, i.e., the retail or auction price. The Group does not undertake long term contracts, and as a retailer, the transaction price arises at the time the sales invoice is created.

Recognising revenue when/as performance obligations are satisfied

The Group recognises revenue when its primary performance obligations have been satisfied, i.e., providing the sales invoice has been created and received by the customer, and the item has been delivered to the customer thereby depriving the group of the ability to sell the item to another party.

Retirement Benefits: Defined contribution schemes

Contributions to defined contribution schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs.

Depreciation is provided on all items of property, plant and equipment so as to write off their carrying value over the expected useful economic lives. It is provided at the following rates:

Bibliography	– 15% on cost per annum
Plant and machinery	– 15% to 33% on cost per annum
Fixtures and fittings	– 15% to 33% on cost per annum
Motor vehicles	– 25% on cost per annum

Intangible assets

Intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over five years.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost incurred in bringing each product to its present location and condition is accounted for as follows:

Finished goods - purchase cost on a first-in, first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to customers (e.g., trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transactions costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms of the receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash.

Financial instruments and liabilities

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are charged to the Statement of Profit and Loss over the tenure of the financial assets or financial liabilities.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL.

Gains or Losses, including any interest expense on liabilities held for trading, are recognised in the Statement of Comprehensive Income.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Comprehensive Income.

Impairment of financial assets:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per IFRS 9, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. Thus probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive Income On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

De-recognition of financial assets and financial liabilities:

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability for amounts it has to pay.

On de-recognition of a financial asset, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

The Company de-recognises financial liabilities when and only when, the Company’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Comprehensive Income .

Financial liabilities and equity instruments:

- Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised as the proceeds received.

Derivative financial instruments:

The Company enters into derivative financial instruments viz. a residual of the convertible loan instrument. The Company does not hold derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

Share Capital

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Group's ordinary shares are classified as equity instruments.

Leased Assets

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Group (an 'operating lease'), the total rentals payable under the lease are charged to the consolidated statement of comprehensive income on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction of the rental expense over the lease term.

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are reflected in profit or loss.

The Group applies IFRS 16 Leases. Accordingly, leases are all accounted for in the same manner:

- A right of use asset and lease liability is recognised on the statement of financial position, initially measured at the present value of future lease payments;
- Depreciation of right-of-use assets and interest on lease liabilities are recognised in the statement of Comprehensive Income;
- The total amount of cash paid is recognised in the statement of cash flows, split between payments of principal (within financing activities) and interest (also within financing activities).

The initial measurement of the right of use asset and lease liability takes into account the value of lease incentives such as rent-free periods.

The costs of leases of low value items and those with a short term at inception are recognised as incurred.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be used.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable group company; or
- different company entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets and liabilities are expected to be settled or recovered.

Foreign currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency) which is pounds sterling. For the purpose of the consolidated financial statements, the results and financial position of the Group are expressed in pound sterling which is the presentation currency for the Group and Company financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

Exchange differences arising on the settlements of monetary items and on the retranslation of monetary items are included in the income statement for the period.

Operating Segments

The Board considers that the Group's project activity constitutes one operating and one reporting segment, as defined under IFRS 8.

The total profit measures are operating profit and profit for the year, both disclosed on the face of the consolidated income statement. No differences exist between the basis of preparation of the performance measures used by management and the figures in the Group financial information.

All of the revenues generated relate to the trading and retailing of rare and antiquarian books and works on paper, and modern works of art, ancillary income including commission receivable and sub-rental income. An analysis of revenues appears in note 5 below. All revenues are wholly generated within the UK. Accordingly, there are no additional disclosures provided to the financial information.

Operating profit and loss

Operating profit and loss comprise revenues less operating costs. Operating costs comprise adjustments for changes in inventories, employee costs including share-based payments, amortisation, depreciation and impairment and other operating expenses.

Expenditure

Expenditure is recognised in respect of goods and services received when supplied in accordance with contractual terms. Provision is made when an obligation exists for a future liability relating to a past event and where the amount of the obligation can be reasonably estimated.

Exceptional items of expense

Exceptional items of expense are administrative costs which are large or unusual in nature and are not expected to recur on a regular basis.

Discontinued operations

The Group present its results from its discontinued operations separately from its continuing operations. In line with IFRS 5, an operation is classed as discontinued if it has been or in the process of being disposed, represents either a separate major line of business or a geographical area of operations or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operation.

3 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future.

The significant estimates or judgements made by the Group include the valuation of its inventories. The value of inventories or stock carried at the end of the financial year ended 31 March 2024 was £10.6million (2023: £9.8million) In the normal course of business, the Group acquires inventory from a number of sources with a view to achieving sales of such inventory to its retail customers at retail prices, either from its premises, at trade fairs, online or, by telephone or post. The Group can decide whether to accept or reject offers made by customers that are not consistent or below the group’s desired sale price for each of its items.

The value of the Group’s inventory of rare and antiquarian books and works on paper may vary with market conditions and judgement is required in assessing the effect on the carrying values of related expenditure.

Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

4 Financial instruments – risk management

The Board has overall responsibility for the determination of the Group’s risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group’s competitiveness and flexibility. The Group does not use derivative financial instruments such as forward currency contracts, interest rate swaps or similar instruments. The Group does not issue or use financial instruments of a speculative nature.

The Group is exposed to the following financial risks:

Credit risk, liquidity risk and market interest rate risk

To the extent financial instruments are not carried at fair value in the consolidated statement of financial position, book value approximates to fair value at 31 March 2024, 31 March 2023 and 31 March 2022.

Trade and other receivables are measured at book value and amortised cost. Book values and expected cash flows are reviewed by the Board and any impairment charged to the consolidated statement of comprehensive income in the relevant period.

Cash and cash equivalents are held in sterling and placed on deposit in UK banks.

Trade and other payables are measured at book value and amortised cost.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. At 31 March 2024 the Group has trade receivables of £2,389k, (2023: £1,713k).

The Group is exposed to credit risk in respect of these balances such that, if one or more of the customers encounters financial difficulties, this could materially and adversely affect the Group's financial results. The Group attempts to mitigate credit risk by assessing the credit rating of new customers prior to entering into contracts and by entering contracts with customers with agreed credit terms. In addition, the group accepts items to sell on behalf of some customers and purchases joint shares in some items it holds for sale. Thus, the credit risk is mitigated by the Group's obligation to pay the customers for items it has sold on their behalf.

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet its expected cash requirements.

Market interest rate risk

Market interest rate risk arises in respect of cash balances held pending investment in the growth of the Group's operations. The effect of interest rate changes in the Group's interest-bearing assets and liabilities and the re-pricing of its interest-bearing liabilities are set out in note 19.

Capital Management

The Group's capital is made up of share capital, share premium, merger reserve and retained earnings totaling £9.962 million (31 March 2023: £9.630 million).

The Group's objectives when maintaining capital are:

- To safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The capital structure of the Group consists of shareholders' equity as set out in the consolidated statement of changes in equity. All funding required to acquire rare and antiquarian books and works on paper and stamps and other purposes are financed from existing cash resources.

5 Revenue

	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Sales of Stock - Books	6,887	7,042
Sales of Stock - Gallery	2,274	1,777
Commissions	20	177
Other income	85	64
	9,266	9,060

6 Profit Before Taxation

Profit before taxation is after charging/(crediting):	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Depreciation of property, plant and equipment (note 14)	372	347
Amortisation of intangible assets	-	4
Foreign currency losses	-	-
Employee costs (note 7)	840	736
Fees payable to the Company's auditors (note 9)	46	38

7 Employee costs excluding Directors

	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Wages	756	663
Social security costs	60	50
Pension costs	19	15
Other employee benefits	5	8
	840	736

All employee costs are included in administrative expenses.

Defined contribution pension schemes.

The Group operates a defined contribution retirement benefit scheme for qualifying employees. The total cost charged of £44k (2023: £38k) represents contributions payable to the scheme by the Group at rates specified in the plan rules. As at 31 March 2024, contributions due in respect of the current reporting period of £10k (2023: £3k) not paid over to the schemes are included within payables.

8 Average number of employees

	31 Mar 2024 Group Number	31 Mar 2023 Group Number
Management	6	4
Operations	15	13
	21	17

9 Auditors' remuneration

Fees payable to the Company's auditors for:	31 Mar 2024 Group £000	31 Mar 2023 Group £000
The audit of the Company's consolidated financial statements	11	9
The audit of subsidiary undertakings of the Company	29	25
For other services	6	4
	46	38

10 Directors' remuneration

	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Salaries and fees	424	375
Social security costs	50	43
Pension costs	24	23
Other employee benefits	26	15
Total	524	456
Information regarding the highest paid Director, Bernard Shapero (2023: Bernard Shapero):		
Salary	234	204
Benefits	10	28
Total	244	232

There are two (2023 – two) directors accruing a defined contribution pension liability.

The Directors are considered to be the Company's key management personnel.

11 FINANCIAL (EXPENSE)

	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Interest payable	(41)	(16)
Unwinding of discount on right-to-use liabilities	(22)	(25)
	(63)	(41)

12 INCOME TAX

	31 Mar 2024 £000	31 Mar 2023 £000
Current tax (credit)/expense		
Current tax	-	-
Deferred tax	-	-
Total tax expense	-	-

The charge for the year can be reconciled to the profit per the income statement as follows:

	31 Mar 2024 £000	31 Mar 2023 £000
Profit before tax	300	177
Applied corporation tax rates:	25%	19%
Tax at the UK corporation tax rate of 25% (2023: 19%):	75	44
Tax payable covered by available tax losses	(75)	(44)
Tax losses not recognised as deferred tax assets		
Origination and reversal of temporary differences	-	-
Taxation charge	-	-

13 Earnings per share

	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Profit used in calculating basic and diluted earnings per share attributable to the owners of the parent		
Continuing operations	300	231
Total	300	231
Number of shares		
Weighted average number of shares for the purpose of basic and diluted earnings per share	13.6m	13.6m
Basic earnings per share from continuing operations (pence per share)	2.21	1.70
Total basic and diluted earnings pence per share	2.21	1.70

All shares shown above are authorised, issued and fully paid up. Ordinary shares carry the right to one vote per share at general meetings of the Company and the rights to share in any distribution of profits or returns of capital and to share in any residual assets available for distribution in the event of a winding up.

14 Property, plant & equipment

	31 March 2024 Group £000 Library	31 March 2024 Group £000 Plant & vehicles	31 March 2024 Group £000 Fixtures & Fittings	31 March 2024 Group £000 Right of Use assets	31 March 2024 Group £000 Total
Cost					
At 31 March 2022	106	199	92	1,381	1,778
Prior year adjustment		(30)		(173)	(203)
Acquired in the year	2	15	4	353	374
Disposals in the year				(328)	(328)
At 31 March 2023	108	184	96	1,233	1,621
Acquired in the year	2	14	4	192	212
Disposals in the year	(88)	(138)	(43)	(279)	(548)
At 31 March 2024	**22**	**60**	**57**	**1,146**	**1,285**
Depreciation					
At 31 March 2022	95	171	56	486	808
Prior year adjustment		(24)		(173)	(197)
Charge for the year	4	17	9	300	330
Eliminated disposal				(197)	(197)
At 31 March 2023	99	164	65	416	744
Eliminated disposal	(88)	(138)	(43)	(279)	(548)
Charge for the year	3	15	9	345	372
At 31 March 2024	**14**	**41**	**31**	**482**	**568**
Net book value					
At 31 March 2024	8	19	26	664	717
At 31 March 2023	9	20	31	814	877
At 31 March 2022	11	28	36	895	970

The company leases properties and some equipment. The two property leases in Bond Street and the gallery in Maddox Street had, at the year-end date, 3 months and 6.5 years of unexpired lease term respectively. There are no options to purchase at the end of the life of the leases. In all cases, the lease obligations are secured by the lessor's title to the leased assets.

The adjustment in the year (2023: £nil) is on account of the earlier than expected termination of the Bond Street property lease which was exercised at the landlord's option.

15 Investment in subsidiaries

	31 Mar 2024 Company £000
At 7 January 2014: nominal value of shares issued	28
Fair-value adjustment taken to merger reserve	2,809
Write-off of merger reserve on 31 March 2020	(2,809)
Deferred consideration	2,363
Balance at 31 March 2024	2,391
Balance at 31 March 2023	2,391

The investments in Group undertakings are originally recorded at cost which is the fair-value of the consideration paid. At 31 March 2019 the amount was £5,200,000. The Company's merger reserve was written off as at 31 March 2020 due to the assessment of the subsidiary company's value following the adverse impact of Covid-19. As such, the investment is now valued at £2,391,000.

The principal subsidiaries of the Company, all of which are incorporated in the UK and wholly owned have been included in the consolidated financial information, are: Shapero Rare Books Ltd (a dealer in rare books and art), Scholium Trading Ltd and Mayfair Philatelics Ltd. Scholium Trading Ltd and Mayfair Philatelics Ltd. are dormant companies, their activities having been transferred in to Shapero Rare Books Limited in 2020.

16 Deferred Corporation Tax

	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Balance at the beginning of the year	-	-
Income statement	-	-
Balance at the end of the year	-	-

Deferred tax has historically been calculated in full on temporary differences under the liability method using the tax rates expected for future periods of 25%. The deferred tax had arisen in past periods due to the availability of trading losses. The Group, on account of recent profits, has £163,000 un-utilised tax allowances available at expected tax rates for use in future periods at the year-end date (2023: £238,000).

17 Inventories

	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Finished goods	10,569	9,812
Finished goods expensed in the year	5,618	5,613

Note that the cost of sales incurred in the year ended 31 March 2024 was £5.6million (2021: £5.6million) and there were no impairment charges taken in either year. The value of finished goods at 31 March 2024 include approximately £634k attributable to art collections acquired as part of an equal risk-sharing joint venture agreement with a fellow dealer financed by non-bank loans detailed in Note 22.

18 Trade & other receivables

	31 Mar 2024 Group £000	31 Mar 2023 Group £000	31 Mar 2024 Company £000	31 Mar 2023 Company £000
Trade debtors	2,389	1,713	-	-
Other debtors	-	25	-	-
Amounts due from Group undertaking	-	-	7,611	7,460
Prepayments and accrued income	371	320	12	99
	2,760	2,058	7,623	7,559

The age profile of trade debtors comprises:	£000
Current	988
One month past due	476
Two months past due	176
Over three months past due	749
Provision for doubtful debts	-
	2,389

At 31 March 2024, trade receivables of £nil (31 March 2023 £nil, 31 March 2022 £nil) were considered past due and impaired. The other debtor balances are categorised as loans and receivables. All amounts shown under trade and receivables are due for payment within one year. Some receivables will be settled against trade payables in due course.

Amounts due from Group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

19 Financial Assets

The Group's financial assets comprise cash and cash equivalents.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit or loss before tax through the impact on bank deposits and cash flows. There is no impact on the Group's equity.

	Change in rate	2024 £000	Change in rate	2023 £000
Bank deposits		-		-
	-0.5%	(1)	-0.5%	-
	-1.0%	(2)	-1.0%	-
	-1.5%	(3)	-1.5%	-
	+0.5%	1	+0.5%	-
	+1.0%	2	+1.0%	-
	+1.5%	3	+1.5%	-

20 Cash and cash equivalents

	31 Mar 2024 Group £000	31 Mar 2023 Group £000	31 Mar 2024 Company £000	31 Mar 2023 Company £000
Cash at bank and in hand	245	216	-	-
Overdrafts	(262)	(259)	(190)	(164)
	(17)	(44)	(190)	(164)

21 Trade & other payables

	31 Mar 2024 Group £000	31 Mar 2023 Group £000	31 Mar 2024 Company £000	31 Mar 2023 Company £000
Trade creditors	1,451	1,253	147	108
Other taxes and social security	37	32	-	-
Accruals and deferred income	917	664	12	10
Other creditors	131	34	25	25
	2,536	1,983	184	143

22 Loans and Borrowings

	31 Mar 2024 Group £000	31 Mar 2023 Group £000	31 Mar 2024 Company £000	31 Mar 2023 Company £000
At the beginning of the year	187	235	187	235
Non-bank loan taken out in year	634	-	-	-
Bank loans (repaid) in the year	(49)	(48)	(49)	(48)
At the end of the year	772	187	138	187
loan liabilities maturity analysis				
Due within one year	523	47	47	47
Due after more than one year	249	140	91	140
Total loans and borrowings	772	187	138	187

On 7 February 2024 a US$800k (in sterling, £681k) loan was drawn down from a non-bank lender that was secured on certain specific art assets acquired as part of a joint venture with a partnering art firm. The loan is repayable by 6 August 2025. As at 30th June 2024 the amount outstanding was $565k.

23 Share Capital

	31 Mar 2024 Group and Company £000	31 Mar 2023 Group and Company £000
Ordinary shares of £0.01 each		
At the beginning of the year	136	136
At the end of the year	136	136

Number of shares	31 Mar 2024 Group and Company	31 Mar 2023 Group and Company
Ordinary shares of £0.01 each	Number	Number
At the beginning of the year	13,600,000	13,600,000
At the end of the year	13,600,000	13,600,000

All shares shown above are authorised, issued and fully paid up. Ordinary shares carry the right to one vote per share at general meetings of the Company and the rights to share in any distribution of profits or returns of capital and to share in any residual assets available for distribution in the event of a winding up.

24 Merger reserve

	31 Mar 2024 Group £000	31 Mar 2023 Group £000	31 Mar 2024 Company £000	31 Mar 2023 Company £000
Merger reserve at 1 April	82	82	-	-
At 31 March	82	82	-	-

The Company's merger reserve was written off as at 31 March 2020 due to the assessment of the Company's value following the adverse impact of Covid-19.

25 Right of use Asset lease Liabilities

	31 Mar 2024 Group £000	31 Mar 2023 Group £000
Land and buildings and motor vehicle	760	903
Lease liability maturity analysis		
Due within one year	188	227
Due after more than one year	572	676
Total right-of-use lease liabilities	760	903

See also note 14 for the corresponding asset. The charge for the year for depreciation of right of use assets was £346k (2023: £317k).

26 Capital Commitments

As at 31 March 2024 there were capital commitments for the new property lease, that commenced on 26 April 2024, amounting to approximately £200,000 relating to office and shop fit-out costs. (31 March 2023: nil).

27 Post balance sheet date events

Property Leases

Following the year-end, the lease for the Group's property at 105 and 106 New Bond Street, which were due to come to an end in August 2024, was determined by the landlord in line with an early break clause and terminated on 30 June 2024.

A new five year lease, for an improved retail and office location, again in New Bond Street, commenced on 26 April 2024 with a term date of 26 April 2029 and a mutual break clause that could be determined in July 2027.

Employee Option Scheme

In June 2023 the Company granted options under the Company's Enterprise Management Incentive Share Option Scheme ("EMI Option Scheme") over a total of 1,000,000 ordinary shares of 1 penny in the Company ("Option Shares") to certain employees of which 700,000 were granted to Directors as detailed within the Remuneration report. The Option Shares have an exercise price of 37.5p per share (being the closing mid-market share price on 16 June 2023), vest over the three years from the date of grant (ensuring the employees remain in continuous employment within the Group) and once vested, are exercisable at any time up to ten years after the date of grant.

There have been no other material events directly affecting the Group since the end of the financial year date.

28 Related party Transactions

Transactions with subsidiaries of Scholium Group plc (the Company)

In the year ended 31 March 2023 the Company made an administrative charge for management expenses to Shapero Rare Books Limited of £428,000 (2023: £741,000), to Scholium Trading Limited £nil (2022: £nil) and to Mayfair Philatelics £nil (2022: £nil). At 31 March 2024 Scholium Trading owed the Company £nil (2023: £nil), Shapero Rare Books owed the Company £7,611,322 (2023: £7,459,944) and Mayfair Philatelics owed the Company £nil (2023: £nil).

In the year ended 31 March 2024, a dividend of £nil (2023: £nil) was paid by Shapero Rare Books to the Company and a dividend of £nil (2023: £nil) was paid by Scholium Trading Limited to the Company.

29 Control

The company is controlled by a small number of shareholders, none of whom has overall control.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Scholium Group plc, please forward this document and the accompanying form of proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

A form of proxy for the Annual General Meeting is enclosed. Whether or not you intend to be present at the meeting, please complete the form of proxy and return it in accordance with the instructions printed on it so as to reach the Company's registrar no later than 10.00 a.m. on Friday, 20 September 2024. Further details are given in the notes to this document on page 4. Completion and return of the form of proxy will not prevent you from attending and voting at the meeting in person, should you so wish.

NOTICE OF ANNUAL GENERAL MEETING

SCHOLIUM GROUP PLC

(REGISTERED IN ENGLAND AND WALES NO. 08833975)

Notice is hereby given that the annual general meeting (AGM) of Scholium Group plc (the Company) will be held at 94 New Bond Street, London W1S 1SJ on Thursday, 26 September 2024 at 10.00 a.m. for the purposes of considering and, if thought fit, passing the following resolutions, of which resolutions 1-7 shall be proposed as ordinary resolutions and resolutions 8 and 9 shall be proposed as special resolutions:

Resolution 1

To receive and adopt the accounts for the financial year ended 31 March 2024 together with the reports of the directors of the Company and the auditors of the Company thereon.

Resolution 2

To receive and approve the directors' remuneration report for the financial year ended 31 March 2024.

Resolution 3

To re-appoint Wenn Townsend as auditors of the Company, to hold office from the conclusion of this AGM to the conclusion of the next AGM of the Company.

Resolution 4

To authorise the directors to determine the remuneration of the auditors.

Resolution 5

THAT Bernard Shapero be re-elected a director of the Company.

Resolution 6

THAT Graham Noble be re-elected a director of the Company.

Resolution 7

THAT in accordance with section 551 of the Companies Act 2006 (the Act), the directors of the Company be and they are hereby generally and unconditionally authorised in substitution for all existing authorities:

1) to allot shares in the capital of the Company and to make offers or agreements to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company (Relevant Securities) up to an aggregate nominal amount of £45,288; and

2) to allot equity securities (as defined by section 560 of the Act) up to an additional nominal amount of £90,576 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant to the authority conferred in paragraph (a) above) in connection with an offer by way of a rights issue:

    a) in favour of the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and

    b) in favour of the holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

    but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange.

This authority shall expire on the date of the next annual general meeting of the Company or 31 October 2025 whichever is earlier (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities or equity securities as the case may be to be allotted after such expiry and the directors may allot Relevant Securities or equity securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.

Resolution 8

THAT subject to the passing of Resolution 7, the directors be and they are hereby empowered to allot equity securities (as defined by section 560 of the Act) for cash, either pursuant to the authority conferred by resolution 5 or by way of a sale of treasury shares, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

1) the allotment of equity securities in connection with an offer by way of a rights issue:

    a) in favour of the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and

    b) in favour of the holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

    but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

2) the allotment of equity securities up to an aggregate nominal amount of £6,800

and shall expire on the date of the next annual general meeting of the Company or 31 October 2025 whichever is earlier (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

Resolution 9

THAT the Company be and it is hereby generally and unconditionally authorised for the purposes of Section 701 of the Act to make market purchases (as defined in Section 693 of the Act) of ordinary shares of £0.01 each in the capital of the Company (Ordinary Shares) on such terms and in such manner as the directors may from time to time determine provided that:

1) the maximum aggregate number of Ordinary Shares which may be purchased is 1,360,000.

2) the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is £0.01.

3) the maximum price (exclusive of expenses) which may be paid for any Ordinary Share does not exceed 10% of the average of the middle market prices of the Ordinary Shares on the Daily Official List of the UK Listing Authority for the five business days immediate preceding the date on which the Company agrees to buy the shares concerned.

In exercising this authority the Company may purchase shares using any currency, including pounds sterling, US dollars and euros.

This authority shall expire on the conclusion of the next annual general meeting of the Company or on 31 October 2025 whichever is the earlier, provided that, the Company may before such expiry make a contract to purchase Ordinary Shares which will or may be executed or completed after such expiry.

By order of the Board

Philip Tansey

Company Secretary

Date: 25 July 2024

Registered Office:

94 New Bond Street
London
W1S 1SJ

Registered in England with number: 08833975

NOTES:

Entitlement to attend and vote at the AGM

1) Only holders of ordinary shares are entitled to attend and vote at the AGM meeting.

2) Pursuant to the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the AGM (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company no later than 6.00pm on Friday, 20 September 2024. Changes to entries on the register of members after this time (or after 6.00pm on the day which is two days before any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Proxies

3) A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, to speak and to vote at the AGM. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A proxy need not be a member of the Company. A form of proxy for the meeting is enclosed with this notice.

4) To be valid any proxy form or other instrument appointing a proxy must be received by post or by hand (during normal business hours only) by the Company's registrar, Link Group at: Central Square, 29 Wellington Street, Leeds LS1 4DL, no later than 10.00 am on Friday, 20 September 2024 or not less than 48 hours before the time of commencement of any adjourned meeting. If you are a CREST member, see note 7 below.

5) Completion of a form of proxy, or other instrument appointing a proxy or any CREST Proxy Instruction will not preclude a member attending and voting in person at the meeting if he/she wishes to do so.

6) Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained below.

7) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company's articles of association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK and International Limited's (**Euroclear**) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (IDRA10) by the latest time(s) for receipt of proxy appointments specified in the notice of the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate Representatives

8) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Right to ask Questions at the AGM

9) Any member attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Documents available for inspection

10) Copies of executive directors' service agreements, copies of the terms and conditions of appointment of non-executive directors and a copy of the existing memorandum and articles of association will be available for inspection at the Company's registered office during normal business hours from the date of this notice until the close of the AGM (Saturdays, Sundays and public holidays excepted) and will be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting. A copy of this notice can be found at www.scholiumgroup.com.

Issued share capital and total voting rights

11) As at 25 July 2024 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consisted of 13,600,000 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at that date are 13,600,000.

Electronic Communications

12) You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this Notice of Meeting (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

EXPLANATORY NOTES

Explanatory notes to the Resolutions to be proposed to shareholders at the AGM are set out below:

Resolution 1. This resolution is to receive the Company's audited financial statements for the financial year ended 31 March 2024 as well as the reports of the Company's Directors and the Company's auditors thereon. You can find the Directors' report on pages 11 to 23 and the auditors' report on pages 26 to 32 of the annual report and accounts for the year ended 31 March 2024.

Resolution 2. This resolution is to approve the directors' remuneration report for the financial year ended on 31 March 2024. You can find the remuneration report on page 12 of the annual report and accounts for the year ended 31 March 2024.

Resolutions 3 and 4. These resolutions are for the re-appointment of Wenn Townsend as the Company's auditors to hold office until the next annual general meeting of the Company and to authorise the directors to fix their remuneration.

Resolutions 5 and 6. These resolutions are for the re-election of Bernard Shapero and Graham Noble as directors of the Company.

Resolution 7. This resolution, which is an ordinary resolution, is to renew the directors' authority to allot Relevant Securities in the Company in accordance with section 551 of the Act. This resolution complies with guidance issued by the Association of British Insurers ('ABI') in December 2008 (and revised in November 2009) and will, if passed, authorise the directors to allot:

Relevant Securities up to a maximum nominal amount of £45,288 which represents approximately 33.3% of the Company's issued ordinary shares (excluding treasury shares) as at 25 July 2024.

in relation to a pre-emptive rights issue only, equity securities (as defined by section 560 of the Act) up to a maximum nominal amount of £90,576 which represents approximately 66.6% of the Company's issued ordinary shares (excluding treasury shares) as at 25 July 2024. This maximum is reduced by the nominal amount of any equity securities allotted under the authority set out paragraph (a).

Therefore, the maximum nominal amount of Relevant Securities (including equity securities) which may be allotted under this resolution is £90,576.

As at close of business on 25 July 2024, the Company did not hold any treasury shares.

The authority granted by this Resolution will expire on the date of the next annual general meeting of the Company or 31 October 2025 whichever is earlier.

The directors have no present intention to exercise this authority.

In this Note, 'Relevant Securities' has the meanings set out in Resolution 5

Resolution 8. This resolution will, if passed, give the directors power, pursuant to the authority to allot granted by Resolution 5, to allot equity securities (as defined by section 560 of the Act) or allot shares for cash without first offering them to existing shareholders in proportion to their existing holdings:

(a) in relation to a rights issue or other pre-emptive offer; and

in any other case up to a maximum nominal amount of £6,800 which represents approximately 5% of the Company's issued ordinary shares (excluding treasury shares) as at 25 July 2024.

In compliance with the guidelines issued by the Pre-emption Group, the directors will ensure that, other than in relation to a rights issue, no more than 7.5% of the issued ordinary shares (excluding treasury shares) will be allotted for cash on a non-pre-emptive basis over a rolling three year period unless shareholders have been notified and consulted in advance.

This Resolution complies with relevant guidance issued by the Pre-emption Group and the Association of British Insurers.

The power granted by this Resolution will expire on the date of the next annual general meeting of the Company or 31 October 2025 whichever is earlier.

The directors consider the authority in Resolution 6 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict guidelines of the statutory pre-emption provisions.

Resolution 9. Authority is sought in Resolution 7 for the Company to be able to make market purchases of its own shares.

If passed, Resolution 7 will give the Company authority to purchase up to 1,360,000 of its ordinary shares, representing 10% of its issued share capital as at 25 July 2024 by way of market purchases.

Ordinary shares will not be purchased for a price less than one pence per share being the nominal value of each share, nor for more than 5% above the average middle market quotations of the ordinary shares over the preceding five business days nor will they be purchased during any period in which the Company is otherwise prohibited from making market purchases. Purchases will be made using available reserves. Once purchased Ordinary Shares will be cancelled and the number of shares in issue will be reduced accordingly.

The directors will only exercise this authority if they believe that the effect of such purchases will be to increase the underlying value per Ordinary Shares having regard to the interest of shareholders generally.

The authority granted by this Resolution will expire on the date of the next annual general meeting of the Company or 31 October 2025 whichever is earlier.

The Directors have no present intention of purchasing any shares pursuant to this authority.