

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("UK MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

Scholium Group plc (“Scholium”, the “Company” or the “Group”)

Proposed cancellation of admission of Ordinary Shares to trading on AIM

Scholium Group plc announces the proposed cancellation of the admission of its ordinary shares (“Ordinary Shares”) to trading on AIM (the “Cancellation”) in accordance with Rule 41 of the AIM Rules for Companies (“AIM Rules”), subject to shareholder approval at a General Meeting which is expected to take place on 18 December 2024. The Directors unanimously recommend that Shareholders vote in favour of the Cancellation. It is expected that subject to the resolution being passed, Cancellation will occur on 6 January 2025.

Background to the Proposal

Scholium has been admitted to trading on AIM since March 2014.

As was highlighted in the annual report of the Group for the year ended 31 March 2024, the Group has been bearing the cost of maintaining its public company status. The Board estimates that the Group could, by cancelling the admission of its Ordinary Shares to trading on AIM, reduce its overheads by at least £75,000 per annum, in respect, primarily, of professional adviser fees, stock exchange related expenses and other costs associated with the running of a quoted company. This reduction would have increased profit before taxation in the year ended 31 March 2024 by at least 25 per cent.

Through cancelling the admission of its shares to trading on AIM, the Board is confident that the cost savings so secured will contribute to greater profits, thereby enabling greater investment in the business and an opportunity to pay dividends to Shareholders.

In addition, over the last 30 months the mid-price of each Ordinary Share has not exceeded 45 pence, notwithstanding the significant discount that that price represents to net asset value per share. This discount amounted to over 50 per cent. at 30 September 2024, the date of the Company’s most recent interim statement (based on the closing price per share of 36 pence on 27 November 2024). This has significantly hampered the ability of the Group to grow by acquisition.

The Board has therefore resolved to seek Shareholder approval to cancel the admission of the Ordinary Shares to trading on AIM.

Principal effects of the Proposed Cancellation

The Directors are aware that Shareholders may wish to acquire or dispose of Ordinary Shares in the Company following the Proposed Cancellation, to the extent that they have not sold their shares on AIM before the Proposed Cancellation takes effect. Should the Resolutions be approved by Shareholders at the General Meeting, the Company is

seeking to implement a Matched Bargain Facility, which is to be provided by J P Jenkins. J P Jenkins is an appointed representative of Prosper Capital LLP, which is authorised and regulated by the FCA.

Under the Matched Bargain Facility, Shareholders or persons wishing to acquire or dispose of Ordinary Shares will be able to leave an indication with J P Jenkins, through their stockbroker (J P Jenkins is unable to deal directly with members of the public) of the number of Ordinary Shares that they are prepared to buy or sell at an agreed price. In the event that J P Jenkins is able to match that order with an opposite sell or buy instruction, it would contact both parties and then effect the bargain (trade). Shareholdings remaining in CREST can be traded during normal business hours via a UK regulated stockbroker. Should the Proposed Cancellation become effective and the Company put in place the Matched Bargain Facility, details will be made available to Shareholders on the Company's website at <https://scholiumgroup.com/>.

The Matched Bargain Facility is expected to operate for 12 months after the Proposed Cancellation takes effect.

If Shareholders wish to buy or sell Ordinary Shares prior to the Proposed Cancellation becoming effective, they can buy or sell shares on or before the last day of dealings in the Ordinary Shares on AIM. As noted above, in the event that Shareholders approve the Proposed Cancellation, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 3 January 2025 and that the effective date of the Proposed Cancellation will be 6 January 2025.

Rule 41 of the AIM Rules requires any AIM company that wishes the London Stock Exchange to cancel the admission of its shares to trading on AIM to notify Shareholders and to separately inform the London Stock Exchange of its preferred cancellation date at least 20 clear Business Days prior to such date. In accordance with AIM Rule 41, the Directors have notified the London Stock Exchange of the Company's intention, subject to the Resolutions approving the Proposed Cancellation being passed at the General Meeting, to cancel the admission of its Ordinary Shares to trading on AIM on 6 January 2025. Accordingly, if the Resolutions are passed at the General Meeting, the Proposed Cancellation will become effective at 7.00 a.m. on 6 January 2025.

If the Proposed Cancellation becomes effective, Zeus Capital Limited ("Zeus") will cease to be the nominated adviser of the Company pursuant to the AIM Rules and the Company will no longer be required to comply with the AIM Rules, however the Company will remain subject to the City Code on Takeovers and Mergers (the "the Takeover Code") until 3 February 2027.

Under the AIM Rules, it is a requirement that the Proposed Cancellation must be approved via a special resolution by Shareholders holding not less than 75 per cent. of votes cast by Shareholders (by proxy or in person) at the General Meeting. Accordingly, the Notice of General Meeting set out at the end of this document includes a resolution to approve the Proposed Cancellation.

The principal effects of the Proposed Cancellation would include the following:

- there will be no formal market mechanism enabling Shareholders to trade in the Ordinary Shares (other than any limited off-market mechanism provided by the Matched Bargain Facility);

- there will be no formal market quote or live pricing for the Ordinary Shares, therefore it may be more difficult to sell Ordinary Shares or for Shareholders to determine the market value of their investment in the Company, compared to shares of companies admitted to trading on AIM (or any other recognised market or trading exchange);
- it is possible that immediately following the publication of this document, the liquidity and marketability of the Ordinary Shares may be reduced and their value adversely affected as a result;
- the regulatory and financial reporting regime applicable to companies whose shares are admitted to trading on AIM will no longer apply, albeit the Company will remain subject to the Takeover Code until 3 February 2027;
- Shareholders will no longer be afforded the protections given by the AIM Rules, such as the requirement to be notified of price sensitive information or certain events, and the requirement that the Company seek shareholder approval for certain corporate actions, including reverse takeovers and fundamental changes in the Company's business;
- the levels of disclosure and corporate governance within the Company will not be as stringent as would otherwise be required for a company whose shares are admitted to trading on AIM;
- the Company will no longer be subject to UK MAR regulating inside information and other matters;
- the Company will no longer be required to publicly disclose any change in major shareholdings in the Company under the Disclosure Guidance and Transparency Rules;
- whilst the Company's CREST facility will remain in place following the Proposed Cancellation, and it is anticipated that this will be maintained for 12 months, the Company's CREST facility may be cancelled in the future and, although the Ordinary Shares will remain transferable, they may cease to be transferable through CREST (in which case, Shareholders who hold Ordinary Shares in CREST will receive share certificates);
- stamp duty will be due on transfers of shares and agreements to transfer shares unless a relevant exemption or relief applies to a particular transfer; and
- the Proposed Cancellation may have personal taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent tax adviser.

The above considerations are not exhaustive and Shareholders should seek their own independent advice when assessing the likely impact of the Proposed Cancellation on them.

For the avoidance of doubt, the Company will remain registered with the Registrar of Companies in England & Wales in accordance with, and subject to, the Companies Act, notwithstanding the Proposed Cancellation and adoption of the Proposed Articles of Association.

The Company currently intends to continue to provide certain facilities and services to Shareholders that they currently enjoy as shareholders of an AIM company. The Company intends to:

- continue to communicate information about the Company (including annual accounts) to its Shareholders, as required by the Companies Act; and
- continue, for at least 12 months following the Proposed Cancellation, to maintain its website, www.scholiumgroup.com, and to post updates on the website from time to time, although Shareholders should be aware that there will be no obligation on the Company to include all of the information required under the Disclosure Guidance and Transparency Rules, UK MAR or AIM Rule 26, or to update the website as currently required by the AIM Rules.

Proposed Articles of Association

In the event that the Proposed Cancellation is approved and implemented, the Directors have also resolved to seek Shareholder approval to the adoption of new articles of association appropriate to an unquoted company (“Proposed Articles of Association”). A copy of the Proposed Articles of Association is available at www.scholiumgroup.com.

The Proposed Articles of Association will not contain certain of the provisions of the existing articles of association of the Company which are common for quoted companies, and which will not be necessary for the Company following the Proposed Cancellation.

For example, the existing articles of association of the Company contain provisions requiring a director to retire from office at the third annual general meeting after the general meeting at which that director was appointed. These provisions are not included in the Proposed Articles of Association. The Proposed Articles of Association will also no longer require any director appointed by the Board to be re-appointed by the Shareholders at the next annual general meeting following his or her appointment, as is currently required.

Options

Options over Ordinary Shares granted to certain individuals will remain in situ.

General Meeting

The Company will be circulating to Shareholders a notice convening a General Meeting to be held at 10.30am on 18 December 2024 at 94 New Bond Street, London W1S 1SJ at which the resolutions will be proposed as special resolutions to approve the cancellation of admission of the Ordinary Shares to trading on AIM and the adoption of the Proposed Articles of Association (if such cancellation is approved).

Irrevocable undertakings

The Board has received irrevocable undertakings from Messrs Bernard Shapero, Philip Blackwell, Charles Sebag-Montefiore CBE, Thomas Jennings CBE and Peter Gyllenhammar, and FIJ PTC Limited (representing in aggregate approximately 66.48 per cent. of the Ordinary Shares), to vote in favour of the Resolutions.

The person responsible for arranging the release of this announcement on behalf of the Company is Philip Tansey, Chief Financial Officer of the Company.

For further information please visit www.scholiumgroup.com or contact:

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