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NS Final Results

FINAL RESULTS

REACT GROUP PLC

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REACT Group plc
("REACT", the "Group" or the "Company")

Final results for the year ended 30 September 2025

REACT Group plc (AIM: REAT.L), the leading specialist support services provider to the FM industry, is pleased to announce its audited final results for the year ended 30 September 2025.

Financial highlights

- Revenue increased by 20% to £24.9m (2024: £20.7m)
 - 93% recurring revenue (2024: 87%)
 - Sixth successive year of growth through strong organic performance and strategic acquisitions
- Gross profit strengthened 40% to £8.0m (2024: £5.7m)
- Gross profit margin enhanced by 450 basis points to 32.1% (2024: 27.6%)
- Adjusted EBITDA¹ up 27% to £3.1m (2024: £2.4m)
- Cash of £1.2m (2024: £1.8m)

Operational highlights

- Strong H2 rebound following a softer H1, supported by improved business mix and disciplined cost control
- Robust cash conversion enabling reinvestment and resilience
- Major new and renewed commercial wins across RNS, retail and industry sectors. National accounts have been secured with The Works, BP Forecourts and H&M, while multi-year industrial wins include Danatrol, Flexi Coventry and Haldex. Infrastructure clients added include Homes England and Smart Managed Solutions
- Project Sparkle fully embedded, delivering real-time operational visibility
- Strengthened leadership driving performance and scalable growth
- Digital platform positioned to scale nationwide window-cleaning operations
- Acquisition of 24hr Aquaflow completed in October, enhancing technical capability and expanding Growth Service breadth
- Sustained demand for essential reactive and planned services with expanding cross-sell and upsell opportunities across the Group

Current trading and outlook

- Headwinds experienced in the first half have eased and the Group is now operating in a more favourable environment; despite the usual seasonal slowdown, early FY26 trading has been encouraging, supported by sustained demand for reactive and planned services
- The Group continues to take a cautious approach to discretionary project work, while the overall market backdrop is increasingly supportive of the Group's strategic ambitions
- Focus remains on delivering high-quality critical services, deepening customer relationships and investing in capabilities to support long-term value creation, alongside driving operational efficiencies and expanding cross-sell and upsell initiatives
- Cost pressures (including National Insurance and National Living Wage changes) are being managed with agility; with strengthened operational foundations and a clear strategy, the Board looks ahead with measured confidence

Commenting on the results Shaun Doak, Chief Executive Officer of REACT, said:

"The Group delivered a strong operational performance during the year, which is slightly ahead of market expectations². Throughout the year, the Group demonstrated operational discipline, improving revenue, gross margin and Adjusted EBITDA

while maintaining robust cash conversion. All four divisions contributed to growth, and the Group delivered a 450-basis-point improvement in overall gross margin to 32.1%, reflecting both the value of our proposition and an improved business mix.

While we remain attentive to broader macroeconomic conditions, the headwinds experienced in the first half of the year have eased, and we are now operating in a more favourable trading environment. Despite the usual seasonal slowdown over the festive period, early trading in the new financial year has been encouraging, supported by sustained demand for both reactive and planned services. With the initial pressures of the prior year now receding, management sees a strengthening set of opportunities ahead."

¹Adjusted EBITDA represents earnings before separately disclosed acquisition costs, impairment of intangibles, share-based payments & and other restructuring costs (as well as before interest, tax, depreciation and amortisation)

²The Company considers that market expectations are for revenues of £24.5m and Adjusted EBITDA of £2.75m

The Report and Accounts for the year ended 30 September 2025 will be available on the Group's website www.reactsc.co.uk on 5 February 2026.

Results Presentation

REACT Group plc is pleased to announce that Shaun Doak, Chief Executive Officer and Spencer Dredge, Chief Financial Officer will provide a live presentation relating to the Final Results via Investor Meet Company on 10 February 2026, 12:00 GMT.

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 09 February 2026, 09:00 GMT, or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet REACT GROUP PLC via:

<https://www.investormeetcompany.com/react-group-plc/register-investor>

Investors who already follow REACT GROUP PLC on the Investor Meet Company platform will automatically be invited.

For more information:

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About Us:

REACT Group plc, the UK's leading support services provider to the facility management (FM) sector, operates with four divisions: LaddersFree, one of the largest commercial window cleaning businesses in the UK; Fidelis Contract Services ("Fidelis"), a contract cleaning and soft facilities maintenance business; REACT business, which primarily provides a solution to emergency and specialist cleaning situations, both through long-term framework agreements and on an ad-hoc basis and recently acquired 24hr Aquaflow Services Ltd, a commercial drainage, plumbing and pump services business which delivers services to clients in the south east of England.

Executive Chairman's Statement

For the year ended 30 September 2025

It gives me great pleasure to present the Chairman's Statement for the year ended 30th September 2025. This has been a year of meaningful progress for REACT Group plc, delivered against a backdrop of economic uncertainty and continued cost pressures across the sector. The Group has remained disciplined, resilient and focused on its strategic priorities, resulting in another year of strong financial and operational performance.

The Board is encouraged by the momentum achieved across all divisions, the continued strengthening of our operational platform and the clear progress made in enhancing the quality and visibility of earnings. These developments reflect the effectiveness of our strategy and the commitment of our people, and they position the Group well as we enter the new financial year.

The year under review saw the Group deliver a robust financial performance, with revenue increasing by 20% to £24.9m and Adjusted EBITDA rising by 27% to £3.1m. This progress was achieved despite a challenging macroeconomic backdrop characterised by inflationary pressures, supply-chain disruption and increases to statutory wage levels.

These results underline the strength of our business model, which is anchored in high-value, specialist services delivered through long-term, recurring customer relationships. Contracted and recurring revenue reached 93%, and gross margin improved to 32.1%, providing the Group with a stronger foundation and enhanced earnings quality as we move into the new financial year.

The acquisition of 24hr Aquaflow on 28 October 2024 contributed positively to this performance, adding further technical capability, strengthening our service breadth and enhancing the Group's ability to capture higher-value, specialist work.

The Board is pleased with the strategic progress made during the year. Management continued to advance the Group's priorities, with a particular focus on operational efficiency, digital transformation and capability expansion.

The successful embedding of Project Sparkle, our digital job-management platform, has materially improved operational visibility and efficiency within our commercial window-cleaning operations. This investment provides a scalable foundation for future growth and enhances the Group's ability to deliver high-quality services nationwide.

Strengthening the leadership team in this division, including the appointment of a highly experienced commercial leader shortly before year end, has further enhanced our ability to drive performance and scale the operation effectively.

The integration of 24hr Aquaflow, acquired early in the financial year, has progressed well. Following the period end, the launch of the Pump Division has further extended our technical capability and positions the Group to capture a greater share of higher-value, specialist work. The business is performing in line with expectations and is already contributing to the Group's operational and commercial momentum.

Separately, the Board sees significant opportunity to build on the digital platform now supporting our nationwide window-cleaning operations, which is expected to unlock further efficiencies and expand cross-selling potential across the Group.

The Board remains committed to maintaining strong governance, effective oversight and a culture that supports high performance. Our governance framework continues to evolve in line with the needs of a growing AIM-listed business, ensuring that decision-making processes, controls and risk-management practices remain robust and proportionate.

Our people remain the driving force behind the Group's success. Their professionalism, resilience and commitment to our customers have been evident throughout the year. On behalf of the Board, I extend my sincere thanks to every member of the team.

While the Board remains mindful of the broader macroeconomic environment, the conditions that affected the first half of the year have eased, and the Group is now operating in a more supportive trading landscape. Early activity in the new financial year has been encouraging, with demand for both reactive and planned services remaining resilient. With the pressures of the prior year continuing to recede, the Board sees a strengthening set of opportunities as we move through the year.

We will continue to take a measured approach to discretionary project work, but the overall backdrop is increasingly aligned with the Group's strategic priorities. Our focus remains on delivering high-quality, essential services, deepening customer relationships and investing in the capabilities that underpin long-term value creation. Alongside this, we are driving further operational efficiencies, expanding cross-selling and upselling initiatives and evaluating high-quality assets that have the potential to enhance the portfolio and support future growth.

The successful acquisition and integration of 24hr Aquaflow demonstrates the Group's disciplined approach to identifying and onboarding high-quality businesses that strengthen our technical capability and broaden our service offering. The Board continues to see attractive opportunities in the market that align with our strategy and support our ambition to build a scalable, resilient and diversified platform

We are managing cost pressures, including changes to National Insurance and the National Living Wage, with discipline and agility, ensuring our core services remain resilient and competitively positioned. With strengthened operational foundations, a clear strategy and the commitment of our people and customers, the Group enters the new financial year with a solid platform for sustainable progress. The Board looks ahead with measured confidence.

Mark Braund

Chair

5 February 2026

Chief Executive Officer's Report and Strategic Review

The Group delivered a strong operational performance during the year. REACT Group achieved meaningful advances across all financial and operational metrics for the year ended 30th September 2025. Revenue increased by 20% to £24.9m (2024:

£20.7m), while Adjusted EBITDA grew by 27% to £3.1m (2024: £2.4m). This performance was delivered despite a challenging macroeconomic backdrop characterised by inflationary pressures, supply-chain disruption and increases to statutory wage levels.

The first half of the year was shaped by prolonged uncertainty surrounding the Government Budget announced on 30th October 2024, one month into our financial year. The extended period of speculation leading up to the Budget, combined with the immediate aftermath as customers assessed its implications, resulted in delayed decision-making and temporarily moderated our growth trajectory.

During this period, and throughout the remainder of H1, we supported customers navigating heightened cost pressures. In selected cases - most notably within our commercial window cleaning operations - we worked with financially constrained clients to adjust service frequencies in a way that reduced short-term expenditure without materially affecting the quality of outcomes. This approach enabled us to retain relationships, protect margin integrity and reinforce our reputation as a flexible, partnership-oriented provider.

Throughout the year, the Group demonstrated operational discipline, improving revenue, gross margin and Adjusted EBITDA while maintaining robust cash conversion. All four divisions contributed to growth, and the Group delivered a 450-basis-point improvement in overall gross margin to 32.1%, reflecting both the value of our proposition and an improved business mix.

As conditions stabilised in the second half, some customers began to return to their original schedules. While this trend is still emerging, it reflects the resilience of underlying demand and the value placed on the support we provided earlier in the year. This has strengthened customer loyalty and further enhanced the Group's long-term revenue visibility.

Our performance continues to be supported by strong customer relationships, high retention and disciplined cross-selling across the Group. Alongside this, we secured a healthy flow of new business wins in all divisions:

- **24hr Aquaflow**, acquired early in the financial year and now fully integrated into the Group, broadened its diverse client base with Smart Managed Solutions, The Roof Gardens Kensington and Homes England. The business has performed in line with expectations and is contributing positively to Group momentum.
- **LaddersFree**, our nationwide commercial window cleaning business, added national retail brands including The Works, BP Forecourts and H&M, demonstrating its capability to deliver scalable, consistent services across the UK.
- **REACT Specialist Cleaning**, our nationwide specialist cleaning and emergency decontamination division, secured new and renewed contracts with NHS Trusts and construction clients, including Ashleigh (Scotland Builders) and FI Construction.
- **Fidelis**, our Midlands-based soft-FM contract cleaning business, won multi-year agreements with industrial and manufacturing customers such as Danatrol, Flexi Coventry and Haldex, further strengthening its regional footprint.

These wins reflect the Group's growing reputation for reliability, responsiveness and specialist expertise, and they provide a solid platform for continued commercial momentum.

We monitor a focused set of KPIs to ensure the Group remains aligned with its strategic objectives and continues to deliver sustainable long-term value. These metrics provide clear visibility of performance, support disciplined decision-making and ensure every part of the business contributes to growth.

The Group delivered strong year-on-year growth across its core financial metrics, with a notable improvement in gross margin reflecting both operational discipline and an enhanced business mix. Contracted and recurring revenue pushed higher at 93%, underscoring the resilience of our income streams.

Our KPIs are closely aligned with the Group's three core service lines, each of which plays a critical role in driving recurring revenue and supporting long-term customer relationships:

1. **Planned Services** - scheduled maintenance, compliance-led works and routine service delivery across drainage, plumbing, pump maintenance, nationwide commercial window cleaning, specialist environments and regional soft-FM contracts.
2. **Emergency Response** - 24/7/365 rapid-response services delivered through formal contracts and framework agreements, covering urgent drainage, plumbing and pump issues, specialist cleaning and emergency decontamination, and time-critical property recovery.
3. **Project Services** - one-off, non-contracted works addressing specific client requirements outside routine operations, including technical interventions, specialist assignments and infrastructure-related tasks.

This balanced service model provides a stable foundation for growth, combining predictable recurring income with higher-margin project opportunities across the Group's diverse operational capabilities.

REACT has continued to strengthen its position as a leading consolidator and trusted partner within the specialist support services sector. Our strategy remains centred on high-value, high-margin services where quality, compliance and rapid response are critical, supporting predictable recurring revenues and long-term customer relationships.

Following the successful rollout of Project Sparkle within LaddersFree, our nationwide commercial window cleaning business, we now have the capability to transition this operation from an analogue model to a fully digital workflow. This shift has the potential to materially enhance the division's efficiency and service quality by streamlining job allocation, improving consistency and accelerating delivery. It also meets growing customer demand for greater transparency and access, strengthening our real-time reporting, auditability and operational resilience.

Importantly, the platform enables the business to scale without the need for incremental administrative resource, reducing manual processes and creating a foundation for further automation over time. With the rollout now complete, expansion of this division is significantly easier to execute, and we were pleased to appoint a highly experienced commercial leader shortly before the year end. She has already brought greater focus, pace and commercial discipline to the business, and we are seeing early indications of progress, with growth emerging from both new customers and existing clients extending the scope of their services.

Within 24hr Aquaflow, acquired early in the financial year, we have made strong progress integrating the business and aligning its operations with the wider Group. Following the period end, we launched a dedicated Pump Division, significantly broadening our technical capability and positioning the business as a comprehensive solutions partner. This development increases opportunities for cross-selling, strengthens long-term maintenance prospects and enhances the Group's platform for sustainable, long-term growth.

On behalf of the Board, I extend our sincere thanks to our customers and partners. Your trust and collaboration have been instrumental in enabling the Group to navigate a challenging economic environment while continuing to deliver high-impact, critical services.

I would also like to recognise the exceptional commitment of our people. Their professionalism, resilience and energy throughout a demanding year have been central to our success. The strength of our culture and the dedication of our teams give me great confidence in our ability to continue building momentum.

While we remain attentive to broader macroeconomic conditions, the headwinds experienced in the first half of the year have eased, and we are now operating in a more favourable trading environment. Despite the usual seasonal slowdown over the festive period, early trading in the new financial year has been encouraging, supported by sustained demand for both reactive and planned services. With the initial pressures of the prior year now receding, management sees a strengthening set of opportunities ahead.

We continue to apply appropriate caution to discretionary project work; however, the overall backdrop is increasingly supportive of the Group's strategic ambitions. Our focus remains on delivering high-quality, critical services, deepening customer relationships and investing in the capabilities that will support long-term value creation. We are driving further operational efficiencies, expanding high-impact cross-selling and upselling initiatives and assessing high-quality assets that have the potential to strengthen the portfolio and enhance shareholder value.

We are managing cost pressures, including changes to National Insurance and the National Living Wage, with agility, ensuring our core services remain resilient and competitively positioned. With strengthened operational foundations, a clear strategy and the commitment of our people and customers, the Group enters the new financial year with a solid platform for sustainable progress. We look ahead with measured confidence.

Shaun D Doak

Chief Executive Officer

5 February 2026

Chief Financial Officer's Report

Revenue and profitability

I am pleased to present the financial results for REACT Group plc for the year ended 30 September 2025. The Group delivered a strong financial performance despite a challenging macroeconomic backdrop, reflecting the operational discipline, strategic focus and capability enhancements outlined in the CEO's report.

This was a year in which we combined resilient trading with targeted investment to strengthen the platform for long-term growth. Alongside solid underlying performance, we completed the acquisition of 24hr Aquaflow Service Ltd, renewed our banking facilities, deployed the new digital operating platform within LaddersFree and invested in the development of the Pump Division within 24hr Aquaflow. Each of these actions directly supports our strategic priorities: enhancing operational efficiency, expanding high-value technical capability and improving the quality and visibility of earnings.

Revenue for the year was £24,932,000, an increase of over 20% on the prior year (2024: £20,749,000).

On a comparable basis, excluding the contribution from 24hr Aquaflow, revenue was £18,938,000 (2024: £20,749,000). The prior year included £1,224,158 from a major rail-sector client, where we were engaged during the COVID-19 period to deliver highly specialised cleaning and decontamination services. This work was always expected to have a finite life span. As national standards and operational pressures normalised, the cost of maintaining these enhanced protocols could no longer be justified by the operator, and the programme concluded - later than originally anticipated. As such, this revenue stream is best

regarded as discontinued business rather than a baseline for ongoing growth. Excluding this temporary COVID-related activity, the Group's underlying revenue profile demonstrates stability and continued progress, consistent with the strategic themes outlined in the CEO's report.

Gross profit increased to £7,996,000 (2024: £5,725,000), with gross margin improving to 32.1% (2024: 27.6%). This significant uplift reflects the Group's strategic shift toward higher-margin, specialist services, particularly through 24hr Aquaflow, which operates at close to 50% gross margin. The remainder of the Group delivered a gross margin of 26.1%, demonstrating continued operational discipline and an improved business mix.

Group overheads were £7,792,000 (2024: £5,438,000), driven primarily by the inclusion of 24hr Aquaflow's operating costs (£1,726,000) and amortisation of acquired intangible assets (£527,000). These increases reflect deliberate investment in capability and infrastructure to support scalable growth.

Adjusted EBITDA increased to £3,057,000, up 27% on the prior year (2024: £2,410,000). This performance demonstrates the strength of our recurring revenue base and the benefits of improved operational efficiency, consistent with the CEO's strategic focus.

Reconciliation of Profit before Interest and Tax to Adjusted EBITDA

	2025	2024
	£'000	£'000
Operating profit	204	287
Depreciation & Amortisation	2,455	1,781
EBITDA	<u>2,659</u>	<u>2,068</u>
Acquisition costs/restructuring costs	267	253
Share based payments	131	89
	<u>398</u>	<u>342</u>
Adjusted EBITDA	<u>3,057</u>	<u>2,410</u>
Adjusted EBITDA	3,057	2,410
Weighted average shares in issue	23,476,719	21,551,761
Adjusted EBITDA earnings per share	<u>13.02p</u>	<u>11.18p</u>

Earnings per share

The basic loss per share from continuing operations was (1.45p) (2024: profit of 0.08p).

Adjusted EBITDA per share was 13.02p (2024: 11.18p), reflecting the underlying strength of the Group's core operations.

Intangible assets and goodwill

Intangible assets totalled £12,254,000 (2024: £7,840,000), comprising goodwill of £9,581,000 and other intangible assets of £2,673,000. The acquisition of 24hr Aquaflow contributed £4,135,000 of goodwill and £2,301,000 of intangible assets.

Goodwill has been tested for impairment, and management is satisfied that the carrying value is supported by current projections. Amortisation of intangible assets was £2,022,000 (2024: £1,643,000). These assets, acquired through business combinations, are amortised over four years.

Cash flow

Cash and cash equivalents at 30 September 2025 were £1,238,000 (2024: £1,778,000), a reduction of £540,000 (2024: increase of £138,000). This movement reflects lower operating cash generation and increased investment activity during the year, partially offset by inflows from financing activities.

Operating cash inflows were £821,000 (2024: £2,788,000). Working capital movements were adverse by £1,130,000 (2024: £640,000), primarily due to changes in the Group's VAT settlement arrangements. Corporation tax payments totalled £842,000 (2024: £9,000), including £154,582 relating to FY2023.

Financing activities generated net cash inflows of £3,011,000 (2024: outflow of £233,000). This included £1,010,000 from the issue of new ordinary shares (net of fees) and £2,734,000 from the new bank term loan, net of repayments. These inflows were offset by interest payments of £473,000 and lease payments of £260,000. The new £3,500,000 bank loan is repayable over four years, with total loan repayments during the year of £766,000.

Investing cash outflows were £4,372,000 (2024: £2,417,000), comprising £3,870,000 for the acquisition of 24hr Aquaflow (net of cash acquired) and £505,000 of capital expenditure (2024: £410,000). Capital investment included the Sparkle digital platform, a new combination tanker for 24hr Aquaflow and other asset upgrades across the Group. These investments directly support the Group's strategic priorities of enhancing digital capability, expanding technical services and strengthening operational infrastructure.

Free cash flow is a key KPI for the Group and has historically tracked closely to Adjusted EBITDA. However, the significant investment made during 2025 - both acquisitive and organic - has altered this relationship. The acquisition of 24hr Aquaflow, funded largely through new bank facilities, together with capital investment in the Sparkle platform and the expansion of drainage and pump capabilities, has reduced free cash flow in the year. As the Group continues to deleverage while investing in organic growth, we expect these KPIs to diverge. The Board remains confident that this investment-led approach will support long-term value creation and equity growth.

In 2025, the Group generated negative free cash flow of £155,000 (2024: £2,265,000). This reflects corporation tax payments relating to pre-acquisition trading at 24hr Aquaflow (£467,200), settlement of FY2023 corporation tax (£154,582), timing of VAT payments £700,000, interest payments of £473,000 (2024: £113,000), lease liabilities of £260,000 (2024: £42,000) and capital expenditure of £505,000 (2024: £400,000). The corporation tax relating to pre-acquisition trading was funded from retained cash at completion. Based on current financial projections, the Group has sufficient cash resources to support its operational and strategic plans.

Taxation

The Group reported a loss for the year after recognising a tax charge of £71,000 (2024: £138,000). This mainly comprised of a corporation tax charge of £419,000 (2024: £405,000) and a deferred tax credit of £348,000 (2024: £267,000).

At the balance sheet date, the corporation tax liability due for settlement in 2026 was £385,000 (2024: £659,000). The Group held a deferred tax asset of £67,000 (2024: £58,000) and a deferred tax liability of £894,000 (2024: £576,000), primarily relating to tax associated with intangible assets recognised on acquisitions £668,000 (2024: £562,000).

Statement of financial position

The Group's balance sheet strengthened during the year, with net assets increasing to £9,963,000 (2024: £8,662,000). This reflects the contribution of the acquired business, continued investment in operational capability and disciplined financial management.

Net debt

Net debt at the yearend is £2,898,000 (2024: net cash £994,000). Net debt has increased as a result of the new term bank loan drawn in the year, total bank debt £3,437,000 (2024: £687,000), alongside finance lease arrangements £699,000 (2024: £97,000) off-set by cash and cash equivalents £1,238,000 (2024: £1,778,000). Net debt will reduce as the Group settles the bank loan arrangements which are settled monthly.

Acquisition of 24hr Aquaflow Service Ltd and HSBC Banking Arrangements

On 25 October 2024, the Group acquired 100% of the issued share capital of 24hr Aquaflow Services Limited, a successful commercial drainage and plumbing business headquartered in Essex and serving customers across London and the South East.

The initial consideration was £5,069,000, comprising £4,116,000 in cash, £500,000 in new ordinary shares issued as equity consideration and £453,000 of deferred consideration. A further £2,019,000 of contingent consideration is payable subject to performance conditions over a two-year earn-out period, giving a maximum potential consideration of £7,088,000.

To part-fund the acquisition, the Group entered into a new £3,500,000 term loan with HSBC, carrying interest at 3.0% above the Bank of England base rate and repayable monthly over four years. As a result, the Group now has two term loans with HSBC. The new facility is subject to three banking covenants: debt service cover, net debt to EBITDA and EBITDA interest cover.

Deferred consideration is recognised on a discounted cash flow basis using a discount rate of 7.75% (cost of debt). As the liability unwinds, the difference between the carrying value and the cash settled is recorded as an interest expense. An interest charge of £173,000 was recognised during the year.

During the year, the first of six scheduled deferred consideration payments of £477,000 was made. After the year end, a further payment of £477,000 was made, representing the first contingent payment following 24hr Aquaflow meeting its year-one earn-out performance target.

Share Capital

To support working capital and the acquisition of 24hr Aquaflow, the Group issued 1,358,025 new ordinary shares at 81 pence per share via a placing with key existing shareholders, raising £1,115,000 in cash. A further 617,284 new ordinary shares were issued as equity consideration for the acquisition and are subject to a three-year lock-in period. At the year end, the Company had 23,636,610 shares in issue (2024: 21,551,761).

Project Sparkle

During the year, the Group launched the first version of Sparkle, the new digital operational platform for LaddersFree. The platform has been delivered in line with the initial project scope and is now fully live. Early feedback from third-party members has been positive, and we will continue to work closely with users as we expand the membership model and explore further operational efficiencies and growth opportunities across the service portfolio.

Investment in Sparkle totalled £359,000, comprising £204,000 of third-party development costs and capitalised internal staff costs associated with the project.

Spencer Dredge
Chief Financial Officer
5 February 2026

**Consolidated Statement of Comprehensive Income
For the year ended 30 September 2025**

	Notes	2025 £'000	2024 £'000
Continuing Operations			
Revenue	2	24,932	20,749
Cost of sales		(16,936)	(15,024)
Gross profit		7,996	5,725
Administrative expenses		(7,792)	(5,438)
<i>Adjusted EBITDA*</i>			
<i>Depreciation</i>		(433)	(138)
<i>Amortisation</i>		(2,022)	(1,643)
<i>Exceptional items</i>		(267)	(253)
<i>Share-based payments</i>		(131)	(89)
Operating profit		204	287
Finance charge		(473)	(131)
Taxation	3	(71)	(138)
(Loss)/profit for the year		(340)	18
Other comprehensive Income		-	-

Total comprehensive (Loss)/profit for the year attributable to the equity holders of the company		<u>(340)</u>	<u>18</u>
Basic and diluted earnings per share - pence	4		
Basic profit per share		<u>(1.45p)</u>	<u>0.08p</u>
Diluted profit per share		<u>(1.45p)</u>	<u>0.08p</u>

**Consolidated Statement of Financial Position
As at 30 September 2025**

	Notes	2025 £'000	2024 £'000
ASSETS			
Non-current assets			
Intangible assets - Goodwill		9,581	5,446
Intangible assets - Other		2,673	2,394
Property, plant & equipment		1,095	427
Right-of-use assets		670	95
Deferred tax asset		67	58
		<u>14,086</u>	<u>8,420</u>
Current assets			
Stock		4	3
Trade and other receivables		5,329	3,720
Cash and cash equivalents		1,238	1,778
		<u>6,571</u>	<u>5,501</u>
TOTAL ASSETS		<u>20,657</u>	<u>13,921</u>
EQUITY			
Shareholders' Equity			
Called-up equity share capital		2,955	2,694
Share premium account		1,259	10
Reverse acquisition reserve		(5,726)	(5,726)
Merger relief reserve		1,328	1,328
Share-based payments		345	214
Accumulated surplus		9,802	10,142
Total Equity		<u>9,963</u>	<u>8,662</u>
LIABILITIES			
Current liabilities			

Trade and other payables	3,112	3,240
Loans and other borrowings	1,261	235
Lease liabilities within one year	322	48
Deferred consideration within one year	917	-
Corporation tax	385	659
	<u>5,997</u>	<u>4,182</u>
Non-current liabilities		
Loans and other borrowings	2,176	452
Lease liabilities over one year	377	49
Deferred consideration over one year	1,250	-
Deferred tax liability	894	576
	<u>4,697</u>	<u>1,077</u>
TOTAL LIABILITIES	<u>10,694</u>	<u>5,259</u>
TOTAL EQUITY AND LIABILITIES	<u>20,657</u>	<u>13,921</u>

**Consolidated Statement of Changes in Equity
For the year ended 30 September 2025**

	Share capital £'000	Share Premium £'000	Merger Relief Reserve £'000	Capital Redemption Reserve £'000	Reverse Acquisition Reserve £'000	Share- Based Payments £'000	Accumulated Surplus/(deficit) £'000	Total Equity £'000
At 1 October 2023	2,644	10,910	1,328	3,337	(5,726)	125	(4,123)	8,495
Issue of shares	50	10	-	-	-	-	-	60
Share-based payments	-	-	-	-	-	89	-	89
Capital reduction	-	(10,910)	-	(3,337)	-	-	14,247	-
Profit for the year	-	-	-	-	-	-	18	18
At 30 September 2024	<u>2,694</u>	<u>10</u>	<u>1,328</u>	<u>-</u>	<u>(5,726)</u>	<u>214</u>	<u>10,142</u>	<u>8,662</u>
Issue of shares	261	1,249	-	-	-	-	-	1,510
Share-based payments	-	-	-	-	-	131	-	131
Loss for the year	-	-	-	-	-	-	(340)	(340)
At 30 September 2025	<u>2,955</u>	<u>1,259</u>	<u>1,328</u>	<u>-</u>	<u>(5,726)</u>	<u>345</u>	<u>9,802</u>	<u>9,963</u>

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the amount subscribed for shares in excess of the nominal value, net of any directly attributable issue costs.

Merger relief reserve arises from the 100% acquisition of REACT SC Holdings Limited and REACT Specialist Cleaning Limited in August 2015 whereby the excess of the fair value of the issued ordinary share capital issued over the nominal value of these shares is transferred to this reserve in accordance with section 612 of the Companies Act 2006.

Accumulated surplus/(deficit) represents the cumulative profits/(losses) of the Group attributable to the owners of the company.

Reverse acquisition reserve is the effect on equity of the reverse acquisition of REACT Specialist Cleaning Limited.

The capital redemption reserve represents the value of deferred shares cancelled as a result of a share buyback.

The share-based payments reserve represents the cumulative expense in relation to the fair value of share options and warrants granted.

Following the Court hearing on the 30 April 2024, the Company affected a capital reduction by effectively cancelling both the share premium account of £10,909,617 and capital redemption reserve account of £3,336,916, enabling a distributable reserve equal to the balance of both.

Consolidated Statement of Cash Flows
For the year ended 30 September 2025

	2025	2024
	£'000	£'000
Cash flows from operating activities		
Cash generated by operations	821	2,788
Net cash inflow from operating activities	<u>821</u>	<u>2,788</u>
Cash flows from financing activities		
Proceeds of share issue	1,115	60
Transaction costs of issuing shares	(105)	-
Lease liability payments	(260)	(42)
Bank loans	2,734	(138)
Interest paid	(473)	(113)
Net cash inflow/(outflow) from financing activities	<u>3,011</u>	<u>(233)</u>

Cash flows from investing activities

Disposal of fixed assets	3	-
Capital expenditure	(505)	(410)
Acquisition of subsidiary, net of cash acquired	(3,870)	(2,007)
Net cash outflow from investing activities	<u>(4,372)</u>	<u>(2,417)</u>
(Decrease)/increase in cash, cash equivalents and overdrafts	(540)	138
Cash, cash equivalents and overdrafts at beginning of year	1,778	1640
Cash, cash equivalents and overdrafts at end of year	<u>1,238</u>	<u>1,778</u>

**Notes to the Consolidated Statement of Cash Flows
For the year ended 30 September 2025****Reconciliation of profit for the year to cash inflow from operations**

	2025	2024
	£'000	£'000
(Loss)/profit after taxation	(340)	18
(Increase)/decrease in stocks	(1)	4
(Increase)/decrease in trade and other receivables	(176)	741
Decrease in trade and other payables	(953)	(105)
Depreciation and amortisation charges	2,455	1,781
Finance cost	473	131
Tax charge	71	138
Loss/(profit) on disposal of fixed assets	3	-
Share based payment	131	89
Tax paid	(842)	(9)
Net cash inflow from operations	<u>821</u>	<u>2,788</u>

Cash and cash equivalents and overdrafts

	2025 £'000	2024 £'000
Cash at bank and in hand	1,238	1,778
	<hr/> 1,238 <hr/>	<hr/> 1,778 <hr/>

1. General Information

Basis of preparation of financial statements

While the financial information included in this annual financial results announcement has been prepared in accordance with the recognition and measurement principles of International Accounting Standards in conformity of the requirements of the Companies Act 2008, this announcement does not contain sufficient information to comply therewith.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 30 September 2025 or 2024 but is derived from those accounts. Statutory accounts for the year ended 30 September 2024 have been delivered to the Registrar of Companies and those for the year ended 30 September 2025 will be delivered following the Company's annual general meeting.

The auditors have reported on those accounts; their reports were unqualified and did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their reports.

Their reports for the year end 30 September 2025 and 30 September 2024 did not contain statements under s498 (2) or (3) of the Companies Act 2006.

The consolidated financial statements are drawn up in sterling. The functional currency of REACT Group plc.

The level of rounding for the financial statements is the nearest thousand pounds.

2. Segmental Reporting

In the opinion of the Directors, the Group has one class of business, with the following specialisms, in specialist cleaning, decontamination and hygiene sector, contracted commercial cleaning, commercial window cleaning and specialist emergency decontamination work. Although the Group operates in only one geographic segment, which is the UK, it has also analysed the sources of its business into the segments of Contract Maintenance, Contract Reactive or Ad Hoc work.

	2025				
	Contract Maintenance	Contract Reactive	Ad Hoc	Plc/Holdings Ltd	Total
	£000	£000	£000	£000	£000
Revenue	16,456	3,361	5,115	-	24,932
Cost of sales	(10,408)	(2,069)	(2,804)	-	(15,281)
Direct costs	(920)	(297)	(438)	-	(1,655)
Gross profit	5,128	995	1,873	-	7,996
Administrative Expenses	(2,483)	(610)	(1,107)	(3,592)	(7,792)
Operating Profit/(loss) for the year	2,645	385	766	(3,592)	204
Adjusted EBITDA	2,921	454	887	(1,205)	3,057
Total Assets	6,938	404	1,069	12,246	20,657
Total Liabilities	(3,578)	(140)	(560)	(6,416)	(10,694)
	2024				
	Contract Maintenance	Contract Reactive	Ad Hoc	Plc/Holdings Ltd	Total
	£000	£000	£000	£000	£000
Revenue	15,450	2,629	2,670	-	20,749
Cost of sales	(10,297)	(1,899)	(1,818)	-	(14,014)
Direct costs	(699)	(156)	(155)	-	(1,010)

Gross profit	4,454	574	697	-	5,725
Administrative Expenses	(1,994)	(330)	(409)	(2,705)	(5,438)
Operating Profit/(loss) for the year	2,460	244	288	(2,705)	287
Adjusted EBITDA	2,575	278	322	(765)	2,410
Total Assets	4,079	441	661	8,740	13,921
Total Liabilities	(3,061)	(286)	(450)	(1,462)	(5,259)

3. Taxation

	2025	2024
	£'000	£'000
Current tax	(504)	(507)
Adjustment: prior periods	85	102
	<u>(419)</u>	<u>(405)</u>
Deferred tax	348	267
	<u>(71)</u>	<u>(138)</u>

Analysis of tax expense:

	2025	2024
	£'000	£'000
(loss)/profit on ordinary activities before income tax	<u>(269)</u>	<u>156</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in UK of 25% (2024: 25%)	(67)	39
Effects of:		

Expenses not deductible for tax	160	130
Adjustments relating to previous periods	(22)	(28)
Other timing differences	-	(3)
Corporation tax charge/(credit)	<u>71</u>	<u>138</u>

The Group has estimated excess management expenses carried forward of approximately £200,000 (2024: £200,000). The tax losses have resulted in a deferred tax asset of approximately £51,000 (2024: £51,000) which together with other temporary items has been recognised as the positive trading outlook for the Group means that there is likely to be sufficient future taxable profits to utilise the remaining losses.

4. Earnings per Share (basic and adjusted)

The calculations of earnings/(loss) per share (basic and adjusted) are based on the net (loss)/profit and adjusted EBITDA per share (before; interest, tax, depreciation, amortisation of acquired intangible assets, exceptional items and share-based payments).

For diluted earnings per share, the weighted average number of shares is adjusted to assume conversion of all dilutive potential ordinary shares.

	2025	2024
	£'000	£'000
(Loss)/profit for the financial period	(340)	18
Finance cost	473	131
Taxation	71	138
Operating profit	<u>204</u>	<u>287</u>
Adjustments:		
Depreciation	433	138
Amortisation	2,022	1,643
Exceptional items	267	253
Share based payments	131	89
Adjusted EBITDA	<u>3,057</u>	<u>2,410</u>
	Number	Number
Weighted average shares in issue for basic earnings per share	23,476,719	21,551,761
Weighted average dilutive share options and warrants	2,322,884	2,042,097

Average number of shares used for dilutive earnings per share	25,799,603	23,593,858
	pence	pence
Basic profit/(loss) per share	(1.45p)	0.08p
Diluted profit/(loss) per share	(1.45p)	0.08p
Adjusted EBITDA earnings per share	13.02p	11.18p
Adjusted diluted EBITDA earnings per share	11.85p	10.22p

5. Business combinations

On 25 October 2024, the Group acquired 100% of the issued share capital and voting rights of 24hr Aquaflow Services Limited ('Aquaflow'), a successful commercial drainage and plumbing business headquartered in Essex providing services to customers based in London and the South East of England. The acquisition is expected to be earnings enhancing and accretive, and along with broadening the Groups service offering as well as enlarging the Groups client base, we anticipate the combination will enable cross selling of wider group services.

Aquaflow was acquired for an initial consideration of £5,069,000, payable as £4,116,000 in cash and £500,000 through the issue of new ordinary shares as equity consideration and deferred consideration of £453,000. A further £2,019,000 of contingent consideration is payable subject to Aquaflow meeting certain performance conditions over a two year earn out period. The acquisition has a total capped consideration of £7,088,000 should the performance conditions be fully met.

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