



PROPOSED SHARE CONSOLIDATION & NOTICE OF AGM

[REACT GROUP PLC](#)

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React Group PLC
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REACT Group plc ("REACT" or the "Company")

Proposed Share Consolidation & Notice of AGM

The Board of REACT (AIM: REAT), the leading specialist cleaning, hygiene and decontamination company, announces that it has posted a circular to shareholders detailing the Board's proposal to consolidate the Company's share capital with the aim of improving the marketability of the Ordinary Shares. The Circular also contains the Notice of the Annual General Meeting to be held at midday on Thursday 28th March 2024 in the Bishops Suite at Novotel London Blackfriars, 46 Blackfriars Road, London SE1 8NZ.

Extracts from the Circular in connection with the Share Capital Consolidation can be found below. Capitalised terms in this announcement will have the same meaning as set out in the Circular.

Admission Statistics

Number of Existing Ordinary Shares	1,067,648,507
Number of Ordinary Shares in issue as at the Share Consolidation Record Date	1,067,648,550
Conversion ratio of Existing Ordinary Shares to New Ordinary Shares	50:1
Nominal value of an Ordinary Share following the Share Consolidation	12.5p
Number of Ordinary Shares in issue immediately following the Share Consolidation	21,352,971
TIDM	REAT
LEI	213800H54C4GOFN7M032

Expected Timetable of Principal Events

Publication and posting of the Circular and the Form of Proxy to Shareholders	5 March 2024
Latest time and date for receipt of completed Forms of Proxy and receipt of electronic proxy appointments via the CREST system	midday on 26 March 2024
Time and date of the Annual General Meeting	midday on 28 March 2024
Announcement of result of the Annual General Meeting	28 March 2024
Record Date in respect of the Share Consolidation	6.00 p.m. on 28 March 2024
Admission expected to become effective and dealings expected to commence in the New Ordinary Shares on AIM	8.00 a.m. on 2 April 2024
CREST accounts expected to be credited in respect of New Ordinary Shares in uncertificated form	2 April 2024
Expected date by which certificates in respect of New Ordinary Shares are to be despatched to certificated Shareholders	within 10 business days of Admission

Notes:

1. Unless otherwise stated, all references to time in the Circular and in the above timetable are to the time in London, United Kingdom.
2. Some of the times and dates above are indications only and it any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
3. Events listed in the timetable above are conditional upon, amongst other things, on the passing at the Annual General Meeting of the Resolutions.

Share Consolidation

Reasons for the Share Consolidation

The Directors believe that the Company's existing share capital structure is no longer appropriate. The Company has grown in size and the high number of shares in issue combined with the relatively low price per share is thought to result in excess volatility, reduced liquidity and a widening in the bid/offer spread of the Existing Ordinary Shares. The Directors are therefore proposing to consolidate the Existing Ordinary Shares so that every 50 Existing Ordinary Shares are consolidated into one new ordinary share of 12.5p. The Share Consolidation will reduce the number of shares in issue from 1,067,648,507 Existing Ordinary Shares to 21,352,971 New Ordinary Shares.

The Share Consolidation is expected to:

- increase the Company's share price proportionately;
- help improve the market liquidity of, and trading activity in, the Company's shares;
- provide the basis for a narrowing in the spread of its bid and offer price; and
- enhance the perception of the Company and its prospects and help improve the marketability of the Company's shares to a wider group of investors.

The Share Consolidation requires the approval of Shareholders by way of a special resolution at the AGM.

Application will be made in accordance with the AIM Rules for the New Ordinary Shares arising from the Share Consolidation to be admitted to trading on AIM, subject to Shareholders passing Resolution 6 at the Annual General Meeting. It is expected that if Resolution 6 is passed, Admission in respect of such New Ordinary Shares will become effective and that dealings in those New Ordinary Shares will commence on 2 April 2024. The new ISIN Code and SEDOL Code will be notified once these have been allocated.

Procedure

As at the date of the Circular, the Company has 1,067,648,507 Existing Ordinary Shares in issue, with a closing mid-market price of 1.38 pence per Existing Ordinary Share as at 4 March 2024 (being the latest practicable Business Day prior to the date of the Circular).

It is therefore proposed, pursuant to the Share Consolidation, that the Existing Ordinary Shares are consolidated on a 50 for 1 basis, so that every 50 Existing Ordinary Shares are consolidated into one ordinary share of 12.5 pence in nominal value.

No Shareholder will be entitled to a fraction of a New Ordinary Share. Instead, their entitlement will be rounded down to the nearest whole number of New Ordinary Shares. If a Shareholder holds fewer than 50 Existing Ordinary Shares at the Record Date, such that the rounding down process results in a Shareholder being entitled to zero New Ordinary Shares, then as a result of the Share Consolidation they will cease to hold any Ordinary Shares (of any description) in the capital of the Company.

Remaining fractional entitlements to New Ordinary Shares will be aggregated and sold on behalf, and for the benefit, of the Company. Under the Company's articles of association, the Directors have a discretion as to how to deal with fractional entitlements, including by accounting to Shareholders for the net proceeds of any sale. The maximum fractional entitlement that any Shareholder would be entitled to would be worth only 12.25p and so, given the cost of remitting the net proceeds of sale to Shareholders, the Directors believe that the most sensible approach is to apply the net proceeds of sale for the benefit of the Company.

In order to ensure that the Share Consolidation does not result in a fraction of a New Ordinary Share being created, the Company will prior to the Record Date issue such number of Ordinary Shares as will result in the total number of Existing Ordinary Shares being divisible by 50. These additional Ordinary Shares will be issued to the Registrars and will only represent a fraction of a New Ordinary Share. This fraction will be aggregated with the other fractions referred to above and sold in the market.

For the avoidance of doubt, the Company is only responsible for dealing with fractions arising on registered holdings. For Shareholders whose Existing Ordinary Shares are held in nominee accounts of UK stockbrokers, the effect of the Share Consolidation on their individual shareholdings will be administered by the stockbroker or nominee in whose account the relevant Existing Ordinary Shares are held. The effect is expected to be the same as for shareholdings registered in beneficial names, however, it is the stockbroker's or nominee's responsibility to deal with fractions arising within their customer accounts, and not the Company's responsibility.

Assuming a share capital of 1,067,648,507 Existing Ordinary Shares immediately prior to the Record Date (plus 43 additional Ordinary Shares to be allotted to the Registrars), following completion of the Share Consolidation the Company will have 21,352,971 New Ordinary Shares in issue.

Shareholders intending to attend the Annual General Meeting are asked to register their intention by midday on 26th March 2024 by sending an email to info@reactsc.co.uk.

Shareholders may participate in the AGM via the Investor Meet Company ("IMC") platform but should note that this remote participation will not constitute attendance at the AGM and will not enable shareholders to vote at the AGM. Shareholders wishing to participate in the AGM via IMC should sign up for free ahead of the AGM via <https://www.investormeetcompany.com/react-group-plc/register-investor> and request to meet the Company. Registered shareholders will automatically be emailed an invitation which they should accept in order to receive a unique link to access the AGM. Shareholders are encouraged to register with IMC before the day of the AGM to avoid entry to the meeting being delayed.

For more information:

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About Us:

REACT Group plc is the UK's leading specialist and contract cleaning business and operates with three divisions: LaddersFree, one of the largest window cleaning businesses in the UK; Fidelis Contract Services ("Fidelis"), a contract cleaning and facilities maintenance business; and 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.

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