

The information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").

REACT Group Plc

("REACT" or the "Company")

Trading update

REACT (AIM: REAT.L), the leading specialist cleaning, hygiene and decontamination company, is pleased to announce a trading update for the year ended 30 September 2020.

REACT has continued to make strong progress in the period, achieving 42% organic growth in revenue to approximately £4.4m* (12 months ended 30 September 2019: £3.1m).

Growth in revenue was as the result of both strong underlying performance in the core business and demand driven by COVID-19 decontaminations. Healthcare, rail, and facilities management sectors performed well, augmented by incremental business in other areas such as education and residential care homes.

The Board expects profit before tax for the year ended 30th September 2020 to be ahead of market expectations driven by both COVID-19 related decontaminations and a number of non-COVID-19 related projects.

The Company's financial position is robust and underlying cash generation remained strong during the year ended 30 September 2020. Net cash at 30th September 2020 was also ahead of market expectations at £1.8m*.

REACT intends to publish its audited results for the year ended 30th September 2020 towards the end of January 2021.

**Figures remain subject to audit*

Shaun Doak, Chief Executive of REACT, said:

"We are pleased to have delivered another year of strong progress in which we saw accelerating organic growth and achievement of the Group's first full year profit.

Whilst we have seen a level of disruption from COVID-19, we have also experienced incremental demand. Core sectors of the business performed well alongside net new customer relationships that have evolved in areas of development such as education and residential care homes. This was not true of every sector however, work declined at the height of lockdown in the judiciary where we sanitise and decontaminate courtrooms, cells, and custody vehicles. The sector has since been returning to near normal activity as restrictions have eased.

The new financial year has started well with momentum continuing. The immediate outlook is positive, although we are mindful that the seemingly ever-changing environment in which we work can bring with it both opportunities and challenges. As a management team we are reviewing tactics almost daily to ensure REACT remains an effective solution for our customers, our colleagues remain safe, and the business profitable.

The last year has presented challenges and opportunities in almost equal measure. On behalf of the Board I wish to express our thanks and appreciation to the terrific team that make up the REACT business. They have responded with focus and commitment throughout, ensuring we continue to deliver services that help our customers return their property to safe operational use."

For more information:

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