

19 March 2024

PHSC PLC
("PHSC" or the "Company")

Commencement of Further Share Buyback Programme

PHSC (AIM: PHSC), a leading provider of health, safety, hygiene and environmental consultancy services and security solutions to the public and private sectors, is pleased to announce the commencement of a further share buyback programme in respect of ordinary shares of 10p each in the capital of the Company ("**Ordinary Shares**") up to a maximum of 1,777,053 Ordinary Shares or such number of Ordinary Shares as may be acquired for a gross amount of £200,000, whichever is the lower (the "**Buyback Programme**"). The Buyback Programme forms part of the Company's broader strategy to deliver returns to its shareholders and the Company intends to buy Ordinary Shares in the market as well as any larger parcels of Ordinary Shares, to the extent they become available.

The Company's board of directors (the "**Board**") has decided to effect the Buyback Programme in light of the Company's previous successful buyback programmes conducted in 2021, 2022 and 2023 and the fact that PHSC's closing middle market share price as at 18 March 2024, being the latest practicable date prior to this announcement, of 21.5p represents a significant discount to the pro-forma net asset value per share of approximately 32.2p (unaudited) as at 30 September 2023. The Board believes that the Buyback Programme will enable the Company to further optimise its capital structure.

The Buyback Programme will be managed by Novum Securities limited ("**Novum**"), the Company's broker. The Buyback Programme will be implemented in accordance with the terms of the Company's pre-existing authority to make market purchases of its Ordinary Shares (the "**Authority**"), as granted at the Company's annual general meeting held on 28 September 2023 and will be conducted within certain set parameters.

Pursuant to the Authority, the maximum price to be paid per Ordinary Share is to be no more than 105 per cent. of the average middle market closing price of an Ordinary Share over the five business days preceding the date of purchase. The Buyback Programme will commence today and will continue, subject to not being completed earlier, until 12 April 2024, when its efficacy will be further reviewed.

Any shareholders wishing to sell Ordinary Shares pursuant to the Buyback Programme should contact Novum on the telephone number set out below. Any repurchases shall be at the sole discretion of the directors of the Company (other than the Concert Party Directors, as defined below) and shall be effected in such manner and on such terms as they may from time to time determine in line with the Authority.

Any Ordinary Shares acquired by the Company pursuant to the Buyback Programme will be announced to the market and will initially be held in treasury and may be cancelled at a later date.

Due to the limited liquidity in the issued Ordinary Shares, any buyback of Ordinary Shares pursuant to the Authority on any trading day may represent a significant proportion of the daily trading volume in the Ordinary Shares on AIM and may exceed 25 per cent. of the average daily trading volume, being the limit laid down under Article 5(1) of the Market Abuse Regulation (EU) No. 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended, and, in such circumstances, the Company will not benefit from the exemption contained in that Article.

The Company's cash position as at 14 March 2024 was approximately £677,500.

The Company confirms that it currently has no unpublished price sensitive information other than that which has been disclosed above.

City Code Considerations, Concert Party and Related Party Transaction

The Board notes that certain of the Company's directors, namely Stephen King (Chairman and CEO) and Nicola Coote (Deputy Chairman and Deputy CEO), co-founders and longstanding executive directors of the Company, are deemed, along with their respective spouses and close relatives, to be members of a concert party in respect of the Company as defined in the City Code on Takeovers and Mergers (the "**City Code**") (the "**Concert Party**"). The Concert Party is currently interested, in aggregate, in 4,789,322 Ordinary Shares representing approximately 43.40 per cent. of the Company's existing issued share capital.

The City Code, which is issued and administered by The Panel on Takeovers and Mergers (the "**Panel**"), applies to the Company, as an AIM quoted company with a UK registered office, and, as such, the Company's shareholders are entitled to the protections afforded by the City Code. As the Buyback Programme may result in an increase in the proportionate voting interests of each Shareholder who retains an unaltered shareholding following any share purchases effected by the Company, it gives rise to certain considerations under the City Code.

Under Rule 9 of the City Code, where any person acquires, whether by a series of transactions over a period of time or not, an interest (as defined in the City Code) in shares which (taken together with shares in which such person is already interested and in which persons acting in concert with such person are interested) carry not less than 30 per cent. but does not hold more than 50 per cent. of the total voting rights of a company which is subject to the City Code, that person, and any person(s) acting in concert with them, is normally required by the Panel to make a general offer in cash to all of the remaining shareholders to acquire the remaining shares in that company not held by it and/or its concert parties (a "**Rule 9 Offer**"). Rule 37.1 of the City Code further provides that when a company redeems or purchases its own shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9 of the City Code.

Accordingly, certain members of the Concert Party, namely Stephen King and Nicola Coote (the "**Concert Party Directors**"), have agreed, prior to any share purchases occurring pursuant to the Buyback Programme, to enter into irrevocable undertakings in respect of the Buyback Programme (the "**Irrevocables**"). Pursuant to the terms of the Irrevocables, the Concert Party Directors will irrevocably and unconditionally agree to sell (in the case of Stephen King, via his SIPP provider, the entity which holds the majority of his interest in the Ordinary Shares) to the Company such number of Ordinary Shares as is required to ensure that the existing aggregate percentage holding of the Concert Party does not increase at any time as a result of the implementation of the Buyback Programme. Any such disposals shall be conducted at the same time and on the same terms as the third-party trade(s) under the Buyback Programme triggering the requirement, and it is intended that such trades be effected so as to broadly maintain Stephen King's and Nicola Coote's existing respective percentage holdings. The Irrevocables shall ensure that the Concert Party's existing aggregate interest of approximately 43.40 per cent. in the Company's existing issued share capital does not increase as a result of the Buyback Programme and, accordingly, that no mandatory Rule 9 Offer shall be triggered or be required in connection with the Buyback Programme under the City Code. The Concert Party Directors shall also undertake pursuant to the terms of the Irrevocables not to otherwise participate in the Buyback Programme.

Entry into the Irrevocables by the Concert Party Directors is deemed to constitute a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies. Accordingly, the Board (excluding the Concert Party Directors, who are not deemed to be independent) (the "**Independent Directors**") consider, having consulted with the Company's nominated adviser, Strand Hanson Limited, that the terms of the Irrevocables are fair and reasonable insofar as the Company's shareholders are concerned.

For further information please contact:

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About PHSC

PHSC, through its trading subsidiaries, Personnel Health & Safety Consultants Ltd, RSA Environmental Health Ltd, QCS International Ltd, Inspection Services (UK) Ltd and Quality Leisure Management Ltd, provides a range of health, safety, hygiene, environmental and quality systems consultancy and training services to organisations across the UK. In addition, B2BSG Solutions Ltd offers innovative security solutions including tagging, labelling and CCTV.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019.