

13 May 2021

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

Trading Update

PHSC (AIM: PHSC), a leading provider of health, safety, hygiene and environmental consultancy services and security solutions to the public and private sectors, announces an unaudited update on its performance for its financial year ended 31 March 2021 and summary of the effect of the COVID-19 pandemic on the Group's activities.

Trading for the year ended 31 March 2021

Unaudited management accounts for the year ended 31 March 2021 show consolidated Group revenue of approximately £3.29 million (31 March 2020: £4.44 million) and underlying EBITDA of approximately £520,000 for the period (31 March 2020: £255,000). As at 31 March 2021, the unaudited net asset value per share was approximately 35.42 pence.

Revenues for the second half of the financial year to 31 March 2021 were approximately £1.92 million, representing an improvement on H1 revenues (approximately £1.38 million) as the Group adapted to changes in the economic environment caused by COVID-19. . Similarly, there was an improvement in EBITDA from approximately £182,000 in H1 to approximately £338,000 in the second half of the financial year to 31 March 2021.

The Group was heavily reliant upon the Coronavirus Job Retention Scheme in the first half, but less so in the second half, and income under that scheme along with grant funding totalled approximately £440,000 for the financial year to 31 March 2021.

The Group's health and safety division saw increased activity over the financial year in certain operational segments, such as risk assessment, but was unable to service many clients in the leisure and education sectors due to the requirement for their premises to close or to operate at a reduced capacity as a result of COVID-19 restrictions. Our management systems subsidiary remained profitable despite reduced revenues. The security division, which is primarily a supplier to the retail sector, continued to suffer as a consequence of lockdown and the closure of non-essential retail, however, with grant funding and the Coronavirus Job Retention Scheme contribution, it was able to operate at breakeven. There were also certain corporate failures of clients such as Debenhams and Edinburgh Woollen Mill, which resulted in the write-off of certain amounts due to the Group.

Full details regarding the performance of individual subsidiaries will be provided at the time of the Company's final results announcement for the year ended 31 March 2021. All of the above financial information for the year to 31 March 2021 has been extracted from the Group's management accounts and is subject to audit and consequently may change in due course.

Current bank balances (as at 12 May 2021) stand at approximately £1.2 million, providing the Group with a strong cash position.

The Group currently expects to announce its final results for the year ended 31 March 2021 by the end of August 2021. In line with its responsibilities and as part of the audit process, the Board will consider whether any further impairment provisions are appropriate in relation to the Group's trading subsidiaries.

The Group will continue to keep all COVID-19 related measures under review, prioritising the safety of all of its stakeholders and will provide any further updates as appropriate.

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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.