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If you have recently sold or transferred all of your shares in REACT Group PLC, please forward this document, together with the accompanying Form of Proxy, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares. If you have sold or transferred only part of your holding of shares in REACT Group PLC, please contact the stockbroker, bank or other agent who arranged the sale or transfer as soon as possible.

The distribution of this document in jurisdictions other than the UK may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdictions. In particular, this document should not be forwarded or transmitted in or into the United States, Canada, Australia, South Africa, Japan or any other jurisdiction where it would be illegal to do so. The Ordinary Shares have not been registered under the United States Securities Act 1933 (as amended) or under any of the relevant securities laws of any state of the United States or of Canada, Australia, South Africa or Japan. Accordingly, none of the Ordinary Shares may (unless an exemption under relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Canada, Australia, South Africa or Japan or for the account or benefit of any such person located in the United States, Canada, Australia, South Africa or Japan.

This document does not constitute an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), Ordinary Shares or an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), the Placing Shares. This document does not contain an offer of transferrable securities within the meaning of section 102B of FSMA and does not constitute a prospectus within the meaning of section 85 of FSMA. This document has not been examined or approved by the Financial Conduct Authority, the London Stock Exchange or any other regulatory authority.

Application has been made for the Placing Shares to be admitted to trading on AIM, with dealings expected to commence on 3 September 2018, on the assumption that, inter alia, the Resolutions are passed. The Placing Shares will, when issued, rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares and otherwise rank *pari passu* in all respects with the Existing Ordinary Shares.

REACT GROUP PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05454010)

Placing of 140,000,000 new Ordinary Shares at 0.3 pence per share

NOTICE OF GENERAL MEETING

A notice of a General Meeting of the Company to be held at the Peterhouse Capital's offices at 15 Eldon Street, London, EC2M 7LD at 11.00 a.m. on 31 August 2018, is set out at the end of this document.

The Directors accept responsibility for the information contained in this document. To the best of the knowledge and belief of all the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Whether or not you intend to be present at the General Meeting, please complete, sign and return the enclosed form of proxy, in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event, in order to be valid, so as to be received by Neville Registrars Limited no later than 11.00 a.m. on 29 August 2018. The completion and return of a form of proxy will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

If you hold your shares in uncertificated form in CREST you may appoint a proxy or proxies by utilising the CREST electronic proxy appointment service in accordance with the procedures described in the CREST Manual as set out in the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Neville Registrars Limited (ID 7RA11) no later than 11.00 a.m. on 29 August 2018. The appointment of a proxy using the CREST electronic proxy appointment service will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

Copies of this document will be available on the website of the Company at <http://www.reactplc.co.uk>.

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise.

“Act”	the Companies Act 2006
“Admission”	admission of the Placing Shares to trading on AIM
“AIM”	AIM, a market operated by the London Stock Exchange
“Articles”	the Company’s Articles of Association
“Company”	REACT Group PLC, a public limited company incorporated in England and Wales with registered number 05454010
“Directors” or “Board”	the existing directors of the Company
“Form of Proxy”	the form of proxy attached to this document
“General Meeting”	the general meeting of the Company to be held at 11.00 a.m. on 31 August 2018 at 15 Eldon Street, London, EC2M 7LD
“London Stock Exchange”	London Stock Exchange plc
“Notice”	the notice of General Meeting which forms part of this document
“Ordinary Shares”	ordinary shares of 0.25 pence each in the capital of the Company
“Peterhouse”	Peterhouse Capital Limited

“Placing Agreement”	the conditional agreement dated 14 August 2018 between the Company, SPARK Advisory Partners Limited and Peterhouse relating to the Placing
“Placing”	the Placing to raise £420,000 (before expenses) as announced on 14 August 2018
“Placing Shares”	the 140,000,000 new Ordinary Shares to be issued pursuant to the Placing
“Placing Price”	0.3 pence per Ordinary Share
“Resolutions”	the resolutions set out in the notice convening the General Meeting
“Shareholders”	holders of Ordinary Shares

REACT GROUP PLC

Registered Office: 115 Hearthcote Street, Swadlincote, Derbyshire DE11 9DU

Directors:

Gillian Leates (Executive Chairman)

Lesley Innes (Non-executive Director)

To Shareholders and, for information only, to Option Holders

14 August 2018

Dear Shareholder,

Notice of General Meeting

I am writing to give you details of the resolutions to be proposed at the General Meeting which is to be held at 11.00 a.m. on 31 August 2018 at Peterhouse Capital's offices at 15 Eldon Street, London, EC2M 7LD. The resolutions are set out in the notice of General Meeting at the end of this document.

1. Background to and reasons for the General Meeting

Today, 14 August 2018, the Company announced that it had conditionally raised gross proceeds of £420,000 via the placing of 140,000,000 new Ordinary Shares with new and existing investors of the Company at a price of 0.3 pence per Placing Share. The Placing was undertaken by Peterhouse.

The Placing is subject to the requisite Shareholder approval and, accordingly, the issue of the abovementioned new Ordinary Shares is conditional on, inter alia, the passing of certain resolutions by the Company's shareholders at a duly convened general meeting of the Company.

As such, the Board is seeking the authority to allot and issue the Placing Shares, as well as Ordinary Shares (and/or rights to subscribe to them) up to the aggregate nominal value of £400,000.

2. The Placing

The Placing is conditional upon, inter alia:

- the Resolutions (as defined below) being duly passed at the General Meeting by 31 August 2018, and Admission becoming effective on or before 8:00 a.m. on 3 September 2018 or such later time and/or date as the Company, Peterhouse and SPARK may agree, but in any event by no later than 8:00 a.m. on 10 September 2018;
- the Placing Agreement having become unconditional in all respects and not having been terminated;

The Placing is not being underwritten.

The Placing Agreement contains warranties from the Company in favour of Peterhouse and SPARK in relation to, inter alia, the accuracy of the information in this document and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Peterhouse and SPARK in relation to certain liabilities it may incur in respect of the Placing. Peterhouse and SPARK each have the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties.

The Placing Shares will be allotted on 31 August 2018, with Admission expected on 3 September 2018.

3. Use of Proceeds

The Placing will strengthen the Company's balance sheet and provide additional working capital which will enable it to target larger contracts in its core areas of expertise. The Company will also invest in additional sales and marketing as well as continuing to improve its internal systems and controls.

4. Related Party Transaction

Helium Rising Stars Fund ("Helium") and Mr Rogerson (and connected parties) own 65,385,029 and 32,500,000 shares respectively, representing 23.74% and 11.80% of the current issued share capital of the Company, and are "substantial shareholders" in the Company.

Each of Helium and Mr Rogerson (and connected parties) have agreed that they will participate in the Placing, by subscribing £99,708 and £49,568.25, for 33,236,000 and 16,522,750 Placing Shares as set out below. Helium and Mr Rogerson are participating on the same terms as all other placees.

<i>Name</i>	<i>Amount subscribed</i>	<i>Number of Placing Shares</i>	<i>No of Ordinary Shares held post Admission</i>	<i>% of Ordinary Share Capital held post Admission</i>
Helium	£99,708	33,236,000	98,621,029	23.74%
Mr S Rogerson (and connected parties)	£49,568.25	16,522,750	49,022,750	11.80%

The participation in the Placing by Helium and Mr Rogerson (and connected parties) constitutes a related party transaction under the AIM Rules for Companies.

The Directors, who are considered to be independent directors of the Company for the purposes of AIM Rule 13 in relation to the related party transaction, have considered the participation of Helium and Mr Rogerson (and connected parties) in the Placing. Having consulted with SPARK Advisory Partners Limited, the Company's nominated adviser, the independent directors consider that the terms of Helium's and Mr Rogerson's (and

connected parties') participation in the Placing are fair and reasonable insofar as Shareholders are concerned.

5. Resolutions

A summary and brief explanation of the resolutions to be proposed at the General Meeting ("Resolutions") is set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice at the end of this document. The following resolutions will be proposed at the General Meeting:-

Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors to allot the Placing Shares and further new Ordinary Shares up to an aggregate nominal value of £400,000; and

Resolution 2, which will be proposed as a special resolution and which is subject to the passing of Resolution 1, dis-applies statutory pre-emption rights, provided that such authority shall be limited to the Placing Shares, and further new Ordinary Shares having an aggregate nominal value of £400,000.

The authorities contained in the Resolutions replace those granted to Directors at the most recent Annual General Meeting.

6. Action to be taken by Shareholders

A Form of Proxy for use at the General Meeting is enclosed. Please complete and sign the Form of Proxy and return it to the Company's Registrars at the address set out on page 9 below, so as to arrive no later than 48 hours excluding non-business days before the time fixed for the General Meeting (being by 11.00 a.m. on 29 August 2018). The return of the Form of Proxy will not, however, prevent you from attending the General Meeting and voting in person should you wish to do so.

7. Board Recommendation

The Directors of the Company consider that the Placing and all of the proposals to be considered at the General Meeting are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of all of the proposed resolutions as they intend to do in respect of their own beneficial holdings of 585,201 Ordinary Shares, representing 0.21% of the issued ordinary share capital.

Yours sincerely

Gillian Leates
Executive

Chairman

NOTICE OF GENERAL MEETING

REACT GROUP PLC

Incorporated in England and Wales under the Companies Act 1985 with registered number 05454010

Notice is hereby given that the general meeting ("General Meeting") of REACT Group PLC ("Company") will be held at Peterhouse Capital's offices at 15 Eldon Street, London, EC2M 7LD, on 31 August 2018 at 11.00 a.m. to consider and, if thought fit, pass the resolutions below. Words and expressions used or defined in the circular to Shareholders of even date herewith and of which this notice forms part shall have the same meaning in this notice.

ORDINARY RESOLUTION

1) THAT, in accordance with section 551 of the Companies Act 2006 ("CA 2006"), the board of directors of the Company ("Directors") be generally and unconditionally authorised to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being "Relevant Securities") such authority being limited to:

- a) the Placing Shares; and
- b) shares up to a maximum nominal value of £400,000

provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or, if earlier, at the close of business on the date falling 18 months after the date of the passing of this resolution save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTION

2) THAT, subject to the passing of resolution 1, the Directors be authorised to allot equity securities (as defined in section 560 of the CA 2006) for cash under the authority conferred by that resolution and/or to sell ordinary shares held by the Company as treasury shares as if section 561 of the CA 2006 did not apply to any such allotment or sale, provided that such authority shall be limited to:

- a) the allotment of equity securities in connection with an offer of equity securities (including, without limitation, a rights issue and an open offer):
 - i) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
 - ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- b) the allotment of the Placing Shares; and
- c) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to paragraph (a) of this resolution) to any person up to an aggregate nominal amount of £400,000.

The authority granted by this resolution will expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or, if earlier, at the close of business on the date falling 18 months after the date of the passing of this resolution, save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted (or treasury shares to be sold) after the authority expires and the Directors may allot equity securities (or sell treasury shares) in pursuance of any such offer or agreement as if the authority had not expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities or sell treasury shares as if section 561 of the CA 2006 did not apply but without prejudice to any allotment of equity securities or sale of treasury shares already made or agreed to be made pursuant to such authorities.

By order of the Board

Lesley Innes
Company secretary

14 August 2018

Registered office:

115 Hearthcote Street Swadlincote,
Derbyshire DE11 9DU

Notes:

1) Only those shareholders registered in the Company's register of members at:

- 6.00 p.m. on 29 August 2018; or,
- if the General Meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting,

shall be entitled to attend, speak and vote at the General Meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

- 2) If you are a shareholder who is entitled to attend and vote at the General Meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a form of proxy with this Notice of General Meeting. A proxy does not need to be a shareholder of the Company but must attend the General Meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
- 3) You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, you may photocopy the form of proxy or request additional copies of the form of proxy from Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD, tel: 0121 585 1131. You will need to state clearly on each form of proxy the number of shares in relation to which the proxy is appointed. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.
- 4) Shareholders can:
- Appoint a proxy or proxies and give proxy instructions by returning the enclosed form of proxy by post (see note 6).
 - If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 7).
- 5) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
- 6) The notes to the form of proxy explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the form of proxy, the form must be:
- completed and signed;
 - sent or delivered to Neville Registrars Limited at Neville House, Steelpark Road, Halesowen B62 8HD; and
 - received by Neville Registrars Limited no later than 11.00 a.m. on 29 August 2018.

In the case of a shareholder which is a company, the form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the form of proxy is signed (or a duly certified copy of such power or authority) must be included with the form of proxy.

If you have not received a form of proxy and believe that you should have one, or if you require additional forms of proxy, please contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD, tel: 0121 585 1131.

- 7) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instructions made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Neville Registrars Limited (ID 7RA11) no later than 11.00 a.m. on 29 August 2018, or, in the event of an adjournment of the General Meeting, 48 hours before the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will

therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- 8) In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
- 9) Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy form of proxy and would like to change the instructions using another hard-copy form of proxy, please contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD, tel: 0121 585 1131.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

- 10) A shareholder may change a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Neville Registrars Limited no later than 11.00 a.m. on 29 August 2018.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the General Meeting and vote in person.

Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

- 11) A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.
- 12) You may not use any electronic address provided either:
 - in this Notice of General Meeting; or
 - any related documents (including the chairman's letter and form of proxy),

to communicate with the Company for any purposes other than those expressly stated.