

Certain 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 ("MAR") as applied in the United Kingdom. Upon publication of this Announcement, this information is now considered to be in the public domain.

24 May 2021

RTC Group Plc

("RTC", "the Company" or "the Group")

Offer to Cancel Share Options and Share Buyback

The Company has today written to all employees who hold vested share options and offered to cancel them for a one-off cash consideration of 46.5p per share ("the Cash Cancellation Offer"), being the mid-market closing price per RTC Share on 21 May 2021, the last business day prior to this announcement (the "Mid-market Closing Price").

In addition, the Company intends to commence utilising the authority granted by shareholders at the Company's Annual General Meeting on 21 April 2021 to make market purchases of up to 2,195,091 ordinary shares of 1 pence each in the capital of the Company.

Option holders will have until 5pm on 28 May 2021 to confirm the number of options that they wish to be part of the Cash Cancellation. There are currently 2,046,605 share options capable of being exercised under the Cash Cancellation. If all such options are part of the Cash Cancellation Offer this would result in a payment of approximately £0.95m being made to option holders. The Cash Cancellation Offer will be funded from the Company's cash resources and bank facilities.

Related Party Transaction

Andy Pendlebury, Chief Executive Officer of the Company and Sarah Dye, Group Finance Director of the Company who hold 933,749 options and 679,259 options respectively have indicated that they will accept the Cash Cancellation Offer in respect of their options. The participation of Mr Pendlebury and Ms Dye in the Cash Cancellation Offer will be a related party transaction for the purposes of the AIM Rules.

Bill Douie, Chairman, who will not participate in the Cash Cancellation Offer ("the Independent Director"), believes that the Cash Cancellation Offer provides a cost-effective way of reducing the fully diluted number of shares in circulation, at a fair and fixed price. The Independent Director believes that this will enhance potential future fully diluted earnings per share and future dividends per share for shareholders. The Cash Cancellation Offer also provides a cost-effective way of providing remuneration due to the Chief Executive Officer, the Group Finance Director and certain employees in respect of their share options and also reflects their performance under the ongoing highly stressful conditions well beyond the normal course of business.

The Independent Director therefore considers, having consulted with Spark, the Company's nominated adviser, that the terms of the Cash Cancellation Offer are fair and reasonable in so far as Shareholders are concerned.

RTC Group Plc

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Andy Pendlebury, Chief Executive

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About RTC

RTC Group Plc is an AIM listed recruitment business that focuses on white and blue-collar recruitment, providing temporary and permanent labour to a broad range of industries and customers in both domestic and international markets through its geographically defined operating divisions.

UK division

Through its Ganymede and ATA Recruitment brands the Group provides a wide range of recruitment services in the UK.

Ganymede specialise in recruiting the best technical and engineering talent and providing complete workforce solutions to help build and maintain infrastructure and transportation for a wide range of UK and international clients. Ganymede is a market leader in providing a diverse range of people solutions to the rail, energy, construction, highways and transportation sectors. With offices strategically located across the country, Ganymede provides its clients with the benefit of a national network of skilled personnel combined with local expertise.

ATA Recruitment provide high-quality technical recruitment solutions to the manufacturing, engineering and technology sectors. Working as an engineering recruitment partner supporting businesses across the UK. ATA Recruitment has a strong track record of attracting and recruiting the best engineering talent for our clients. ATA's regional offices which are strategically located in Leicester and Leeds each have dedicated market-experts to ensure ATA delivers excellence to both our clients and candidates.

The Group headquarters are located at the Derby Conference Centre which also provides office accommodation for its operating divisions in addition to generating rental and conferencing income from space not utilised by the Group.

International division

Through its GSS brand the Group works with customers across the globe that are focused on delivering projects in a variety of engineering sectors. GSS has a track record of delivery in some of the world's most hostile locations. Working closely with its customers GSS provides contract and permanent staffing solutions on an international basis, providing key personnel into new projects and supporting ongoing large-scale project staffing needs. GSS typically recruit across a range of disciplines and skills from operators and supervisors, through to senior management level.

www.rtcgroupplc.co.uk