

14 July 2020

Filta Group Holdings plc
("Filta" the "Company" or the "Group")

AGM Statement

Filta Group Holdings plc (AIM: FLTA), a provider of fryer management and other services to commercial kitchens, provides the following trading update ahead of its Annual General Meeting to be held at 11.00 a.m. today:

"Since our preliminary announcement of results on 28 May 2020, our focus has been on preserving cash and preparing for the easing of social distancing restrictions. As expected, our core services operated at well below full capacity through May and June in the UK and, whilst there has been a considerable variation in activity levels amongst our US franchisees, according to the profile of their underlying customers, the overall activity level in the US was similarly reduced until restrictions were eased in mid-June. Nonetheless the Group has seen gradual monthly improvements with May turnover some 14% up on April and June a further 38% up on May.

"In our previous announcement, we referred to the launch in May of our sanitisation and protect service, FiltaShield. Whilst it is early in its lifecycle, and with demand strongly influenced by the timing of reopenings, we have been pleased with the interest we have received from both businesses in the food and beverage sector and from others unconnected with that sector but where the welfare of people, in large or close gatherings, is of paramount importance. In the week commencing 6 July 2020, FiltaShield generated c.£50k in revenue and, with the number and value of customer quotations continuing to increase, we are optimistic that, as our markets in the US and UK continue to reopen over the coming weeks and months, we will see an increasing contribution from that service.

"We are pleased to report that the Group continues to maintain a strong cash position. Indeed, since the beginning of the year, the Company has been cash generative and we held gross cash at the end of May of £3.6m (£2.9m at 31 December 2019), with net debt being £1.4m (£2.1m at 31 December 2019). This has been achieved through diligent cash flow management and the utilisation of available government support schemes. Additionally, the Group received proceeds of £1.2m from the Coronavirus Business Interruption Loan Scheme ("CBILS") on 10 July, further strengthening our cash position. We continue to work proactively on protecting profit and conserving cash and are actively managing costs as we ramp up the business to meet increasing demand.

"We are mindful that the Coronavirus pandemic remains highly unpredictable and will undoubtedly lead to some level of continued disruption to trading in the coming months. However, the mitigating steps that we have taken leave us well placed to weather these unprecedented trading conditions. Whilst it still remains too early to provide full year guidance, the trend remains positive with progress being achieved in all of our operating regions and, barring a major second wave of the pandemic, we anticipate the revenue trend seen in late Q2 to continue into Q3."

This announcement contains inside information.

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