

Richoux Group plc ("Richoux" or the "Company")

£2.0 million placing to develop new concepts

The Company is pleased to announce a placing to raise approximately £2.0 million, before expenses.

The placing

The Company today announces that it has conditionally raised approximately £2.0 million, before expenses, by way of a placing (the "Placing") of 25,000,000 new ordinary shares of 4 pence each (the "Ordinary Shares") in the capital of the Company (the "Placing Shares") at a price of 8 pence per Ordinary Share (the "Placing Price"). The Placing Price is at a premium of 4.9 per cent. to the closing mid-market price per Ordinary Share on 4 October 2010, being the last dealing day prior to the date of this announcement. Following the admission of the Placing Shares to trading on the AIM market of the London Stock Exchange ("Admission"), the Company will have 67,019,612 Ordinary Shares in issue and a market capitalisation of approximately £5.4 million at the Placing Price. The Placing Shares will represent 37.3 per cent. of the issued share capital of the Company immediately following Admission.

The Placing is conditional, *inter alia*, on shareholder consent and Admission. A circular will be sent to shareholders today convening a general meeting of the Company (the "General Meeting") for 21 October 2010 at which resolutions will be proposed to provide the authority to the directors of the Company (the "Directors") to allot the Placing Shares and to disapply pre-emption rights in connection with the allotment of the Placing Shares. The Placing will not be underwritten.

The Company operates three brands: Richoux, Zippers and Frankie's Easy Diner, although the Company intends to shortly change the name of Frankie's Easy Diner to a new name which will be announced in due course. As set out in the interim results for the 28 weeks ended 11 July 2010 which were announced on 13 September 2010, the Board intends to expand the number of Zippers and Frankie's Easy Diner (to be renamed) outlets in order to assess the viability of these concepts. In line with this strategy the Board has identified a number of sites it hopes to acquire in order to open as either Zippers or Frankie's Easy Diner (to be renamed). The Placing, alongside the existing cash resources of the Company, will fund the site acquisition and opening program.

Salvatore Diliberto, The Hon. Robert Rayne and Phillip Kaye (the "Related Parties") will each subscribe for Placing Shares pursuant to the Placing (the "Related Party Subscriptions"). Each of the Related Parties is a "related party" of the Company as defined by the London Stock Exchange's AIM Rules for Companies (the "AIM Rules") by virtue of either being a Director or an existing substantial shareholder in the Company. The Related Party Subscriptions are, accordingly treated as "related party transactions" under the AIM Rules.

The number of Placing Shares placed with Related Parties and their resultant shareholdings following the Placing, assuming the successful placing of all of the Placing Shares, is set out below:

Name	Title	Existing holding	% of existing issued share capital	Placing Shares subscribed for	Shareholding as at Admission	% of issued share capital as at Admission
Salvatore Diliberto	Chief Executive Officer	4,512,820	10.7	6,250,000	10,762,820	16.1
The Hon. Robert Rayne*	Non-Executive Director	628,442	1.5	6,250,000	6,878,442	10.3
Phillip Kaye	Substantial shareholder	7,129,144	17.0	6,250,000	13,379,144	20.0

*The Hon. Robert Rayne, a Non-Executive Director of the Company, is also director of LMS Capital plc, a shareholder in the Company. The Hon. Rayne and LMS Capital plc will therefore have an aggregated beneficial and non-beneficial shareholding upon Admission of 16,886,476 Ordinary Shares, representing 25.2 per cent. of the issued share capital as at Admission.

Philip Shotter, being the independent Director not participating in the Placing (the "Independent Director"), considers, having consulted with Evolution Securities Limited, the Company's Nominated Adviser for the purposes of the AIM Rules, that the terms of the Related Party Subscriptions with the Related Parties are fair and reasonable insofar as the Shareholders are concerned.

Each of the Related Parties and LMS Capital plc have undertaken to the Company and Evolution Securities Limited that they will not vote on the resolutions at the General Meeting.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM and it is expected that Admission will occur at 8.00 a.m. on 22 October 2010.

Philip Shotter, Chairman said:-

"We are delighted to have raised these funds to support the further development of our Zippers and 1950s American diner style concepts. Both have been trialled and we are encouraged by their progress thusfar. We are actively seeking additional sites to further assess the viability of the concepts."

5 October 2010

Enquiries:

Richoux Group plc
Philip Shotter, Chairman

(020) 7483 7000

College Hill
Matthew Smallwood
Justine Warren

(020) 7457 2020

Evolution Securities
Bobbie Hilliam
Patrick Castle

(020) 7071 4300