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Richoux Group PLC

21 September 2012

Richoux Group plc

Subscription of 25,000,000 Ordinary Shares at a price of 8 pence per share and Notice of General Meeting

The Company today announces that it had raised approximately £2.0 million (gross) by way of a subscription (the "**Subscription**") of 25,000,000 new Ordinary Shares (the "**Subscription Shares**") at a price of 8 pence per Ordinary Share (the "**Subscription Price**"). The Subscription is conditional, inter alia, upon the Company obtaining approval from its Shareholders to disapply statutory pre-emption rights and to grant the board of Directors (the "**Board**") authority to issue and allot the Subscription Shares and admission of the Subscription Shares to trading on the AIM market of the London Stock Exchange ("**Admission**").

Background to and reasons for the Subscription

The Company operates four brands: Richoux, Dean's Diner, Zippers and Villagio. As set out in the interim results for the 28 weeks ended 8 July 2012 which were announced on 31 August 2012, the Board intends to re-commence its programme of new openings. As a result, the Group is currently in negotiations to acquire two new sites, one of which is intended to trade as a Villagio, the other as a Dean's Diner.

In order to facilitate the re-commencement of new openings, the Board believes it appropriate to raise further funds via the Subscription to fund future site acquisitions and an opening program.

Details of the Subscription

Following Admission, the Company will have 92,019,612 Ordinary Shares in issue and a market capitalisation of approximately £7.4 million at the Subscription Price. The Subscription Shares will represent 27.2 per cent. of the issued ordinary share capital of the Company immediately following Admission. The Subscription Price is at a discount of 18 per cent. to the closing mid-market price per Ordinary Share on 20 September 2012, being the last dealing day prior to the announcement of the Subscription. At the Subscription Price, the Subscription will raise approximately £1.9 million for the Company, net of expenses. Application will be made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM and it is expected that Admission will occur on 11 October 2012.

The Subscription is neither a rights issue nor an open offer and the Subscription Shares will not be offered generally to Shareholders on a pre-emptive basis. The Directors believe that the considerable extra cost and delay involved in a rights issue or open offer would not be in the best interests of the Company in the circumstances, and accordingly, the Board considers that it is in the best interests of the Company and Shareholders as a whole for the funds to be raised through the Subscription.

The Subscription is conditional, inter alia, upon (i) the Company obtaining approval from its Shareholders to disapply pre-emption rights and to grant the Board the necessary authority to allot the Subscription Shares; and (ii) Admission. The Subscription will not be underwritten.

Related party transactions

Salvatore Diliberto, The Hon. Robert Rayne, Edward Standring, Phillip Kaye and Michinoko Limited (the "**Related Parties**") will each subscribe for Subscription Shares pursuant to the Subscription ("**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 Subscription Shares placed with Related Parties and their resultant shareholdings following the Subscription, assuming the successful subscription of all of the Subscription Shares, is set out below:

| Name | Role | Existing Shareholding | % of Existing Issued Share Capital | Subscription Shares subscribed for | Shareholding as at Admission | % of issued share capital as at Admission |
|-----------------------|-------------------------|-----------------------|------------------------------------|------------------------------------|------------------------------|---|
| Salvatore Diliberto | Chief Executive Officer | 13,627,422 | 20.3% | 5,781,250 | 19,408,672 | 21.1% |
| Edward Standring | Managing Director | n/a | n/a | 1,875,000 | 1,875,000 | 2.0% |
| The Hon. Robert Rayne | Non-Executive Director | 9,478,199 | 14.1% | 5,781,250 | 15,259,449 | 16.6% |
| Phillip Kaye | Substantial shareholder | 16,243,746 | 24.2% | 5,781,250 | 22,024,996 | 23.9% |
| Michinoko Limited | Substantial shareholder | 9,927,046 | 14.8% | 5,781,250 | 15,708,296 | 17.1% |

Philip Shotter, being the independent Director not participating in the Subscription (the "**Independent Director**"), considers, having consulted with Cenkos Securities plc, 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 have undertaken to the Company and Cenkos Securities plc that they will not vote on the resolutions.

General Meeting

A circular has today been sent to Shareholders convening a General Meeting, to be held at Richoux, 3 Circus Road, St. John's Wood, London NW8 6NY on 10 October 2012 at 10.00 a.m. The following resolutions will be proposed at the General Meeting:

- authorise the Directors, pursuant to section 551 of the Companies Act 2006 (the "Act") to allot shares or grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal value of £2,214,659; and
- disapply the pre-emption rights conferred by the Act in connection with the allotment of Ordinary Shares pursuant to the Subscription, offers by way of rights and otherwise in respect of the allotment of equity securities up to a maximum aggregate nominal value of £1,736,157.

Subject to the passing of the resolutions and following Admission, the Directors will have the authority to allot Ordinary Shares up to a nominal value of £1,214,659 and to disapply pre-emption rights in connection with the allotment of Ordinary Shares up to a nominal value of £736,157, representing, respectively, approximately 33 per cent. and 20 per cent. of the enlarged issued share capital of the Company.

A copy of the circular will be made available by the Company on its website (www.richouxgroup.co.uk).

Recommendation

The Independent Director considers the terms of the proposals outlined above to be in the best interests of the Company and Shareholders as a whole. Accordingly, the Independent Director recommends that you vote in favour of the resolutions to be proposed at the General Meeting.

21 September 2012

Enquiries

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