

## Richoux Group plc (the "Company")

### Publication of Shareholder Circular

The Company today announces that a circular containing a notice of General Meeting has today been posted to shareholders of the Company ("**Shareholders**"). In the notice of General Meeting independent shareholders, being Shareholders other than members of the Concert Party (as defined below), ("**Independent Shareholders**") have been asked to consider and vote on the waiver granted by the Panel on Takeovers and Mergers of any requirement under Rule 9 of The City Code on Takeovers and Mergers for the Concert Party to make a general offer to Shareholders as a result of the proposed share incentive arrangements for Jonathan Kaye (the "**Whitewash Resolution**") on a poll and the Shareholders as a whole have been asked to confirm the appointment of Jonathan Kaye as a director of the Company, approve a share incentive grant to Jonathan Kaye and grant the Directors authority to allot shares to enable the Directors to implement the share incentive.

Under the terms of the share incentive being presented to Shareholders (the "**Share Incentive**") Jonathan Kaye may acquire up to 14,994,588 Ordinary Shares (14 per cent. of the then issued share capital of the Company) if the share price of the Company reaches 40p per Ordinary Share and a further 8,032,815 Ordinary Shares (bringing the total to 20 per cent. of the then issued share capital), if the share price of the Company reaches 55p per Ordinary Share. The Share Incentive will vest on the later of the second anniversary of the date of grant and the date(s) on which the performance targets are met.

The Share Incentive will be provided through the immediate acquisition of a special class of restricted shares in Richoux Limited, a wholly owned subsidiary of the Company, which may on vesting be exchanged for the relevant number of Ordinary Shares. The number of Ordinary Shares that may be acquired will be equal in value to the net benefit that would be delivered to Jonathan Kaye if the Share Incentive was provided by way of a share option over Ordinary Shares at an exercise of 10 pence per Ordinary Share (i.e. value above 10p per Ordinary Shares).

A number of Jonathan Kaye's extended family members have an existing shareholding in the Company. In particular, Phillip Kaye, the uncle of Jonathan Kaye, is the Company's largest shareholder, holding 22,081,814 Ordinary Shares in the Company, representing 24.0 per cent. of the Company's current issued share capital. Due to the close family link, Jonathan Kaye and members of his extended family are considered a concert party (collectively, the "**Concert Party**") for the purposes of Rule 9 of The City Code on Takeovers and Mergers.

If the new Ordinary Shares pursuant to the Share Incentive are issued in full, the Concert Party will be beneficially interested in up to 41.3 per cent. of the enlarged Ordinary Share capital of the Company. Accordingly, the Company has obtained from the Panel on Takeovers and Mergers' consent to waive the obligation on the Concert Party to make a general offer that would otherwise arise as a result of the issue of Ordinary Shares under the Share Incentive (commonly referred to as a "**Whitewash**"). The consent of the Panel on Takeovers and Mergers' is subject to the approval of Independent Shareholders taken on a poll.

In the event that Jonathan Kaye's appointment as director is not confirmed by the approval of the requisite majority of Shareholders at a General Meeting or a Rule 9 waiver is not obtained or the Share Incentive or the authorities necessary to authorise the Directors to complete the grant of the Share Incentive are not approved by the requisite majorities, Jonathan Kaye will not be appointed to the Board of the Company.

A copy of the circular is available on the Company's website: [www. http://www.richouxgroup.co.uk/](http://www.richouxgroup.co.uk/). The General Meeting to consider the Resolutions is to be held at 11.00am on 15 November 2016 at Richoux, 3 Circus Road, St. John's Wood, London NW8 6NX.

27 October 2016

ENQUIRIES:

Richoux Group plc (020) 7483 7000  
Susan Ludley, Financial Controller

Cenkos Securities plc (020) 7397 8900  
Bobbie Hilliam