

**THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT  
AND REQUIRE YOUR IMMEDIATE ATTENTION.**

**If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or from another appropriately authorised independent financial adviser if you are resident in a territory outside the United Kingdom. The whole of this document should be read.**

If you have sold or transferred all of your shares in Richoux Group Plc (the “**Company**”) please send this document and the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, these documents should not be forwarded or transmitted into any jurisdiction where such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The Directors, whose names appear on page 4 of this document, and the Company accept responsibility, collectively and individually, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.



## **Richoux Group Plc**

*(Incorporated in England and Wales under the Companies Act 1985 with registered no. 03517191)*

**Notice of General Meeting in relation to resolutions to (i) approve and confirm the appointment of Jonathan Kaye as Chief Executive Officer of Richoux Group plc; (ii) approve the grant of the Share Incentive to Jonathan Kaye; and (iii) approve a waiver of the obligation to make a Mandatory Offer pursuant to Rule 9 of the Takeover Code**

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Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 4 to 9 (inclusive) of this document and which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

**Notice of a General Meeting of the Company, to be held at Richoux, 3 Circus Road, St. John's Wood, London NW8 6NX at 11.00am on 15 November 2016, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Capita, by not later than 11.00am on 11 November 2016 (or, in the case of an adjourned meeting, no later than 48 hours before the time of such meeting, excluding any part of a day that is not a working day). Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.**

Any person entitled to receive a copy of documents and information relating to the Rule 9 Waiver, including this document, is entitled to receive such documents in hard copy form. Such person may request that all future documents and information in relation to the Rule 9 Waiver are sent to them in hard copy form. You may request a hard copy of this document and/or any information incorporated into this document by reference to another source by contacting the Company at 5-8 Cochrane Mews, St. John's Wood, London NW8 6NY.

The distribution of this document in certain jurisdictions may be restricted by law. Accordingly, this document may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons outside the UK into whose domain this document comes should inform themselves about and observe any such restrictions.

#### **FORWARD-LOOKING STATEMENTS**

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "forecasts", "plans", "prepares", "anticipates", "projects", "expects", "intends", "may", "will", "seeks", "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Company's and the Directors' intentions, beliefs or current expectations concerning, amongst other things, the Company's prospects, growth and strategy. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, achievements and financial condition may differ materially from those expressed or implied by the forward-looking statements in this document. In addition, even if the Company's results of operations, performance, achievements and financial condition are consistent with the forward-looking statements in this document, those results or development may not be indicative of results or developments in subsequent periods. Any forward-looking statements that the Company makes in this document speak only as of the date of such statement and (other than in accordance with their legal or regulatory obligations) neither the Company, nor Cenkos nor any of their respective associates, directors, officers or advisers undertakes any obligation to update such statements. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

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## Part I

### Letter from the Chairman of Richoux Group Plc

(Incorporated in England and Wales under the Companies Act 1985 with registered no. 03517191)



#### **Directors:**

Phillip Shotter (*Non-Executive Chairman*)  
Salvatore Diliberto (*Executive Director*)  
Robert Rayne (*Non-Executive Director*)

#### **Registered office:**

5-8 Cochrane Mews  
St John's Wood  
London  
NW8 6NY

27 October 2016

*To the holders of Ordinary Shares and for information purposes to the holder of options over Ordinary Shares*

Dear Shareholder

**Notice of General Meeting in relation to resolutions to  
(i) approve and confirm the appointment of Jonathan Kaye as Chief Executive Officer of Richoux Group plc; (ii) approve the grant of the Share Incentive to Jonathan Kaye; and  
(iii) approve a waiver of the obligation to make a Mandatory Offer pursuant to Rule 9 of the Takeover Code**

#### **1. Introduction**

The Company announced on 10 October 2016 that it intended to appoint Jonathan Kaye as Chief Executive Officer of the Company. Under the terms of Jonathan Kaye's service agreement, which was signed on 26 October 2016, his appointment is conditional on the Resolutions set out in this document being passed.

Jonathan Kaye's appointment as Chief Executive Officer does not require shareholder approval, however the Board is proposing his appointment is voted on by Shareholders as it believes it is appropriate to ensure that the appointment has the support of Shareholders.

Further the Board is proposing to grant Jonathan Kaye an incentive that will give him the right to acquire up to 23,027,403 Ordinary Shares, representing 20 per cent. of the fully diluted ordinary share capital of the Company (the "**Share Incentive**"). 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 price of 10 pence per Ordinary Share (i.e. value above 10 pence per Ordinary Share). Due to the size of the Share Incentive grant, the Board believes it is appropriate to ensure that the Share Incentive has the support of Shareholders.

Finally, a number of Jonathan Kaye's extended family members have an existing shareholding in the Company. Due to the close family link, Jonathan Kaye and members of his extended family are considered a concert party for the purposes of Rule 9 of the Takeover Code and accordingly their beneficial interests in the Company are aggregated. In total, the Concert Party, as at the date of this document, holds 24,570,863 Ordinary Shares, representing 26.7 per cent., of the Company's current issued share capital. Following the Share Incentive, the Concert Party will be interested in Ordinary Shares carrying, on a fully diluted basis, 41.3 per cent. of the Company's voting rights which, without a waiver of the obligations under Rule 9 of the Takeover Code (commonly referred to as a "**Whitewash**"), would oblige the Concert Party to make a general offer to Shareholders under Rule 9 of the Takeover Code. The Panel has agreed to a waiver, subject to the Whitewash Resolution being approved at the General Meeting (on a poll) by Independent Shareholders who hold in excess of 50 per cent. of the shares held by the Independent Shareholders.

The purpose of this document is to explain the background to, and the reasons for, the Resolutions and to explain why your Board considers the passing of the Resolutions to be in the best interests of the Company and its Shareholders as a whole. In addition, this document sets out why the Directors recommend that you vote in favour of the Resolutions. Notice of the General Meeting, at which the Independent Shareholders will be asked to consider and vote on the Whitewash Resolution on a poll and the Shareholders as a whole will be asked to confirm the appointment of Jonathan Kaye as a director of the Company, approve the Share Incentive and grant the Directors authority to allot shares to enable the Directors to implement the Share Incentive, is set out at the end of this document.

In the event that Jonathan Kaye's appointment is not confirmed by the approval of the requisite majority of Shareholders at the General Meeting or the Rule 9 Waiver 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's Service Agreement will lapse and he will not be appointed to the Board of the Company.

Your attention is drawn to the information set out in Part III of this document, which contains important information in relation to the Rule 9 Waiver.

## **2. Background to, and reasons for, the appointment of Jonathan Kaye as Chief Executive Officer**

In December 2010 the Group operated thirteen restaurants. The Company raised £2.0 million at 8 pence per Ordinary Share during 2010 and a further £2.0 million at 8 pence per Ordinary Share in 2012 in order to expand its Deans Diner (formerly known as Frankie's Easy Diner), Zippers and Villagio restaurant brands. These restaurant brands were expected to contribute to the core growth of the Company going forward, in addition to the Group's four established Richoux restaurants.

Today the Group operates twenty-three restaurants. Despite the increase in the number of restaurants operated by the Group which has led to turnover increasing from £5.8 million in 2010 to £13.0 million in 2015, the profit after tax of the Group has decreased from £0.5 million in 2010 to £0.4 million in 2015. The Directors believe that while certain of the Deans Diner (formerly known as Frankie's Easy Diner), Zippers and Villagio restaurants have in isolation provided satisfactory rate of returns on investment, overall their contribution to profit has been unsatisfactory. Over the past 12 months, therefore, the Directors have been reviewing the growth strategy of the Group and its ability to execute a revised growth strategy going forward.

The Directors concluded the Company would benefit from new leadership and therefore approached Jonathan Kaye to become Chief Executive Officer. Jonathan Kaye is the founder and former CEO of Prezzo plc. Jonathan Kaye floated Prezzo plc on AIM in 2002, with a market capitalisation of £9.1 million. Jonathan Kaye grew Prezzo over a 13 year period to over 245 restaurants operating under the Prezzo (207 units) and Chimichanga (39 units) brands. Prezzo was sold to TPG Capital in 2015 for £304 million, following which Jonathan Kaye focussed his attention on a range of other business interests in property and other leisure companies. Jonathan Kaye indicated that he would be willing to become Chief Executive Officer subject to him being able to acquire Ordinary Shares in the Company through a meaningful incentive package. Following negotiations the Board and Jonathan Kaye agreed the Service Agreement and Share Incentive, further details of which are set out below.

## **3. The Share Incentive and Service Agreement of Jonathan Kaye**

In order to attract Jonathan Kaye to the role of Chief Executive Officer the Board has negotiated the following Director's Share Incentive and Service Agreement with Jonathan Kaye:

### *The Share Incentive*

As part of Jonathan Kaye's remuneration package, he will be granted an incentive that will give him the right to acquire up to 23,027,403 Ordinary Shares at a price per share set out in the paragraph below, representing 20 per cent. of the fully diluted ordinary share capital of the Company (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 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 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 price of 10 pence per Ordinary Share (i.e. value above 10 pence per Ordinary Share).

#### *Service Agreement*

On 26 October 2016, Jonathan Kaye entered into the Service Agreement with Richoux Limited, a wholly owned subsidiary of the Company, which will become effective upon the passing of the Resolutions. Under the terms of the Service Agreement Jonathan Kaye has agreed to act as Chief Executive Officer of the Company with effect from the passing of the Resolutions. Jonathan Kaye can terminate the Service Agreement by giving six months' notice. Richoux Limited can terminate the Service Agreement by giving six months' notice, such notice to expire on or after the date falling three years from the commencement of his employment. Jonathan Kaye will be paid an annual salary of £20,000 in accordance with his Service Agreement. Jonathan Kaye has agreed to provide services to the Company on a full time basis.

The Board believes it is appropriate for Jonathan Kaye to receive, what it considers, a low annual salary due to the proposed Share Incentive.

#### **4. The Concert Party**

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**") and accordingly their beneficial interests in the Company will be aggregated for consideration of Rule 9 of the Takeover Code.

#### **5. Details of the Concert Party**

Phillip Kaye co-founded and floated Golden Egg restaurants and City Hotels before establishing Garfunkel's Restaurant in 1980. Phillip Kaye expanded Garfunkel's Restaurants plc, now a part of the Restaurant Group plc, remaining as chief executive until 1993. He has since held a number of Non-Executive Director roles for listed companies and held significant shareholdings in Ask plc and Prezzo plc. Phillip has been a long term supporter of Richoux and today owns 23.9 per cent. of the Company's current issued share capital. Jonathan Kaye, aged 38, whose background is described in paragraph 2 of Part I of this document, is the nephew of Phillip Kaye. In addition, three of Jonathan Kaye's cousins, Adam Kaye, Sam Kaye and Samantha Sanson, have small shareholdings in the Company, as detailed below.

On the basis that the maximum number of new Ordinary Shares is issued pursuant to the Share Incentive, the Concert Party's beneficial interest in the Enlarged Share Capital will be a maximum controlling position of approximately 41.3 per cent.

Registered Holder	The Concert Party's beneficial interest in the Company as at the date of this document		The Concert Party's beneficial interest in the Company assuming Jonathan Kaye acquires in full the 23,027,403 Ordinary Shares granted under the Share Incentive*	
	Ordinary Shares		Ordinary Shares	
	Number	% of voting rights	Number	% of voting rights
Phillip Kaye	22,081,814	23.9%	22,081,814	19.2%
Samantha Sanson	1,123,706	1.2%	1,123,706	1.0%
Jonathan Kaye	625,000	0.7%	23,652,403	20.5%
Sam Kaye	450,172	0.5%	450,172	0.4%
Adam Kaye	290,171	0.3%	290,171	0.3%
<b>Total Concert Party</b>	<b>24,570,863</b>	<b>26.7%</b>	<b>47,598,266</b>	<b>41.3%</b>

\*assuming no other subscription rights or options are exercised in the Company prior to the acquisition by Jonathan Kaye of Ordinary Shares under the Share Incentive

**Assuming Jonathan Kaye acquires in full the 23,027,403 Ordinary Shares granted under the Share Incentive, the Concert Party would be interested in Ordinary Shares carrying 30 per cent. or more of the Company's voting rights, but will not hold Ordinary Shares carrying more than 50 per cent. of such voting rights. As such, for the purposes of the provisions of Rule 9 of the Takeover Code, any further increase in the aggregate number of Ordinary Shares held by the Concert Party will be subject to the provisions of Rule 9 of the Takeover Code.**

**In the event that the Independent Shareholders vote in favour of the Whitewash Resolution at the General Meeting, the Concert Party will not be restricted from making an offer for the Company.**

## 6. The Takeover Code

The Takeover Code is issued and administered by the Takeover Panel. The Takeover Code applies, *inter alia*, to all public companies which have their registered office in the United Kingdom. The Company is such a company and Shareholders are therefore entitled to the protections afforded by the Takeover Code.

Under Rule 9 of the Takeover Code, any person who acquires an interest (as such term is defined in the Takeover Code) in shares which, taken together with the shares in which he and persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights in a company that is subject to the Takeover Code, is normally required to make a general offer to all of the remaining shareholders to acquire their shares. Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights but does not hold shares carrying more than 50 per cent. of the voting rights of such a company, a general offer will normally be required if any further interests in shares are acquired by any such person. These limits apply to the entire concert party as well as the total beneficial holdings of individual members. Such an offer would have to be made in cash at a price not less than the highest price paid by him, or by any member of the group of persons acting in concert with him, for any interest in shares in the company during the 12 months prior to the announcement of the offer. A shareholder will, in such circumstances, incur an obligation to make a mandatory offer unless the consent of the Takeover Panel to a waiver of such an obligation is obtained.

## 7. Waiver

The issuance of new Ordinary Shares pursuant to the Share Incentive will result in the Concert Party being beneficially interested in up to 41.3 per cent. of the Enlarged Share Capital. The Panel has agreed 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, subject to the approval of the Independent Shareholders, taken on a poll. Accordingly, the Whitewash Resolution is being proposed at the General Meeting to approve the Rule 9 Waiver. Members of the Concert Party will not be entitled to vote on the Whitewash Resolution.

## **8. Intentions of the Concert Party**

The Concert Party has confirmed that, if the Whitewash Resolution is passed by the Independent Shareholders on a poll, there is no agreement, arrangement or understanding for the transfer of their Ordinary Shares to any third party. Save as set out below, the Concert Party is not intending to seek any changes in respect of: (i) the composition of the Board, nor the Company's plans with respect to the continued employment of employees and management of the Company and its subsidiaries (including any material change in conditions of employment); (ii) the Company's future business and its strategic plans; (iii) the location of the Company's place of business; (iv) employer contributions into any of the Company's pension schemes, the accrual of benefits for existing members, nor the admission or new members; (v) redeployment of the Company's fixed assets; or (vi) the continuation of the Ordinary Shares being admitted to trading on AIM.

If the Whitewash Resolution is passed by the Independent Shareholders and Jonathan Kaye is confirmed as Chief Executive Officer of the Company, Jonathan Kaye and the Board intend to review the restaurant brands the Company currently operates. The review by Jonathan Kaye and the Board will assess whether the restaurant brands currently operated by the Group are suitable for further investment and expansion or whether a new restaurant brand needs to be developed by the Group. The review by Jonathan Kaye and the Board may therefore lead to the introduction of one or more additional restaurant brands in the future. Jonathan Kaye also intends to review the Company's restaurant estate and may seek to re-brand certain restaurants.

## **9. Current trading**

The Company released its interim results for the 28 week period ending 10 July 2016 on 9 September 2016. A copy of the interim results is available on the Company's website at: <http://www.richouxgroup.co.uk/>. The Directors can confirm trading has remained in line with the results reported within interim results.

## **10. Independent advice provided to the Board**

The Takeover Code requires the Board to obtain competent independent advice regarding the merits of the transaction which is the subject of the Whitewash Resolution, the controlling position it will create and the effect it will have on the Shareholders generally.

Accordingly, Cenkos, as the Company's financial adviser, has provided formal advice to the Board regarding the Share Incentive. Cenkos confirms that it is independent of Jonathan Kaye and Philip Kaye and has no commercial relationship with Jonathan Kaye or Philip Kaye.

## **11. General Meeting**

You will find set out at the end of this document a notice convening a general meeting of the Company to be held at 11.00 a.m. on 15 November 2016 at Richoux, 3 Circus Road, St. John's Wood, London NW8 6NX, at which the Resolutions will be proposed.

In accordance with the requirements of the Takeover Panel for granting the Rule 9 Waiver in relation to the Option, the Whitewash Resolution will be taken on a poll of Independent Shareholders.

## **12. Action to be taken**

A Form of Proxy is enclosed for use at the General Meeting. Whether or not you intend to be present at the meeting you are requested to complete, sign and return the Form of Proxy to the Company's registrars, Capita Asset Services, at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF by no later than 11.00 a.m. on 11 November 2016 (or, in the case of an adjourned meeting, no later than 48 hours before the time of such meeting, excluding any part of a day that is not a working day). The completion and return of a Form of Proxy will not preclude you from attending the meeting and voting in person should you wish to do so.

## **13. Further Information**

Your attention is drawn to the further information set out in Part III of this document, which provides additional information on the matters set out herein, and to the Company's consolidated financial statements for the two financial years ended 28 December 2014 and 27 December 2015 and the Company's interim results

for the 28 week period ended 10 July 2016, which are incorporated by reference into this document and are available at <http://www.richouxgroup.co.uk/>. You are advised to read the whole document and not merely rely on key or summarised information in this letter.

#### **14. Recommendation**

**The Directors, who have been so advised by Cenkos, consider that the Rule 9 Waiver is fair and reasonable and in the best interests of the Independent Shareholders and the Company as a whole. In providing advice to the Directors, Cenkos has taken into account the Directors' commercial assessments.**

**The Directors unanimously recommend that Shareholders vote in favour of the Resolutions, as they intend to do in respect of their own beneficial holdings, representing approximately 38.2 per cent. in aggregate of the issued share capital of the Company.**

Yours sincerely

**Phillip Andrew Shotter**  
Non-Executive Chairman

## Part II

### Financial Information on Richoux Group Plc

The information listed below relating to the Company is hereby incorporated by reference into this document.

#### **No Information**

1. Revenue, profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share for the Company for the 52 week period ended 28 December 2014 and the 52 week period ended 27 December 2015.

#### **Source of Information**

Annual Report & Accounts 2014 and 2015, Consolidated Statement of Comprehensive Income on page 14 for 2014 and page 14 for 2015.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

2014:<http://www.richouxgroup.co.uk/media/announcements/Richoux%20Group%20plc%20Report%20&%20Accounts%202014.pdf>

2015:<http://www.richouxgroup.co.uk/media/announcements/Richoux%20Group%20Annual%20Report%202015.pdf>

2. A statement of the assets and liabilities shown in the audited accounts for the Company for the 52 week period ended 27 December 2015.

Annual Report & Accounts 2015, Consolidated Balance Sheet on page 17.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.richouxgroup.co.uk/media/announcements/Richoux%20Group%20Annual%20Report%202015.pdf>

3. A cash flow statement as provided in the audited accounts for the Company for the 52 week period ended 27 December 2015.

Annual Report & Accounts 2015, Consolidated Cash Flow Statement on page 18.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.richouxgroup.co.uk/media/announcements/Richoux%20Group%20Annual%20Report%202015.pdf>

**No Information**

4. Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures.

**Source of Information**

Annual Report 2014 and 2015 and the Notes to the Accounts on pages 19 to 24 for 2014; and pages 19 to 24 for 2015 respectively.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

2014:<http://www.richouxgroup.co.uk/media/announcements/Richoux%20Group%20plc%20Report%20&%20Accounts%202014.pdf>

2015:<http://www.richouxgroup.co.uk/media/announcements/Richoux%20Group%20Annual%20Report%202015.pdf>

5. The Company's interim results for the 28 week period ending 10 July 2016.

<http://www.richouxgroup.co.uk/media/announcements/Interim%20Results%20Richoux%20Group%20plc%2010%20July%202016.pdf>

The results for the Company for the 52 week period ended 28 December 2014 and the 52 week period ended 27 December 2015 are available free of charge on the Company's website provided above.

## Part III

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1 The Directors, whose names appear below in paragraph 2, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information for which they are responsible contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The members of the Concert Party accept responsibility for the information contained in this document relating to them. To the best of the knowledge and belief of the members of the Concert Party, who have taken all reasonable care to ensure that such is the case, the information for which they are responsible contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. Directors

<b>Director</b>	<b>Function</b>
Phillip Shotter	<i>(Non-Executive Chairman)</i>
Salvatore Diliberto	<i>(Executive Director)</i>
Robert Rayne	<i>(Non-Executive Director)</i>

#### 3. Interests and Dealings

##### 3.1 *Interests of the Concert Party in Relevant Company Securities*

As at the close of business on the Latest Practicable Date, the direct and indirect interests in Ordinary Shares of the Concert Party, were as follows:

	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>
Phillip Kaye	22,081,814	24.0%
Samantha Sanson	1,123,706	1.2%
Jonathan Kaye	625,000	0.7%
Sam Kaye	450,172	0.5%
Adam Kaye	290,171	0.3%
<b>Total</b>	<b>24,570,863</b>	<b>26.7%</b>

As at the close of business on the Latest Practicable Date, save as disclosed above, no member of the Concert Party, persons connected with him or any person acting in concert with him or any of the above had:

- (a) any interest in, or right to subscribe for, Relevant Company Securities;
- (b) any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in Relevant Company Securities; or
- (c) borrowed or lent any Relevant Company Securities.

##### 3.2 *Dealings of the Concert Party in Relevant Company Securities*

As at the close of business on the Latest Practicable Date, no member of the Concert Party or any person acting in concert with the Concert Party has dealt in any Relevant Company Securities during the 12 months prior to the date of this document.

### 3.3 *Interests of the Company and the Directors in Relevant Company Securities*

As at the close of business on the Latest Practicable Date, the interests in Relevant Company Securities of the Company of the Directors and their immediate families and persons connected with them, were as follows:

<i>Independent Director</i>	<i>Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>
Phillip Shotter	Nil	Nil
Salvatore Diliberto	19,908,672	21.6%
Robert Rayne	15,259,449	16.6%
<b>Total</b>	<b>35,168,121</b>	<b>38.2%</b>

	<i>As at start of period</i>	<i>Exercise Price</i>	<i>Date from which exercisable</i>	<i>Expiry Date</i>
Salvatore Diliberto	750,000	27.5p	17-Sep-2010	17-Sep-2017
Salvatore Diliberto	200,000	9p	10-Dec-2012	10-Dec-2019
Salvatore Diliberto	500,000	12p	10-Oct-2015	9-Oct-2022
Salvatore Diliberto	300,000	14.5p	11-Dec-2017	10-Dec-2025
Phillip Shotter	150,000	9p	10-Dec-2012	10-Dec-2019
Phillip Shotter	100,000	12p	10-Oct-2015	9-Oct-2022
Phillip Shotter	100,000	14.5p	11-Dec-2017	10-Dec-2025

As at the close of business on the Latest Practicable Date, save as disclosed above, none of the Directors, their immediate families, persons connected with them or any person acting in concert with the Company or any of them had:

- any interest in, or right to subscribe for, Relevant Company Securities;
- any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in Relevant Company Securities; or
- borrowed or lent any Relevant Company Securities.

## 4. **Directors' service contracts and terms of appointment**

### 4.1 *Service Contract of Jonathan Kaye*

On 26 October 2016, Jonathan Kaye entered into the Service Agreement with Richoux Limited, a wholly owned subsidiary of the Company, which will become effective upon the passing of the Resolutions. Under the terms of the Service Agreement Jonathan Kaye has agreed to act as Chief Executive Officer of the Company with effect from the passing of the Resolutions. Jonathan Kaye can terminate the Service Agreement by giving six months' notice. Richoux Limited can terminate the Service Agreement by giving six months' notice, such notice to expire on or after the date falling three years from the commencement of his employment. Jonathan Kaye will be paid an annual salary of £20,000 in accordance with the Service Agreement. Jonathan Kaye has agreed to provide services to the Company on a full time basis.

### 4.2 *Service Contract of Salvatore Diliberto*

On 27 September 2007, Salvatore Diliberto entered into a service agreement with the Company effective as of 10 August 2007. No amendments have been made to the service agreement during the six months prior to the Latest Practicable Date. The service agreement will continue until terminated by either party on 12 months' notice. Salvatore Diliberto is paid an annual salary of £100,000 in accordance with his service agreement. The service agreement provides, among other things, for health insurance and a discretionary annual bonus as may be determined by the Board. There are no benefits payable on termination of Salvatore Diliberto's service agreement. Salvatore Diliberto has agreed to provide services to the Company on a full time basis.

#### 4.3 *Terms of appointment of the Chairman and the non-executive Directors*

Philip Shotter was appointed non-executive Director and Chairman of the Board under a letter of appointment dated 21 May 2008. Under the letter of appointment, Philip Shotter is entitled to an annual fee of £20,000 and reimbursement of reasonable expenses.

The Hon. Robert Rayne was appointed non-executive Director under a letter of appointment dated 3 November 2010. Under the letter of appointment, the Hon. Robert Rayne is entitled to an annual fee of £20,000 and reimbursement of reasonable expenses.

#### 4.4 *Save as disclosed above:*

- (a) there are no service contracts in force between any director or proposed director of the Company; and
- (b) none of the service contracts described above were entered into during the six months preceding the date of this document, nor have any amendments been made to any such service contract during that period.

### 5. **Middle market quotations**

The table below sets out the middle market quotations for an Ordinary Share, as derived from the AIM Appendix of the London Stock Exchange Daily Official List on the first business day of each of the six months preceding the date of this document and on the Latest Practicable Date:

<i>Date</i>	<i>Price per Ordinary Share (pence)</i>
26 October 2016	29.0
3 October 2016	21.5
1 September 2016	21.0
1 August 2016	18.5
1 July 2016	18.5
1 June 2016	18.5
2 May 2016	21.3

### 6. **Nature of the business and financial information**

The Company's principal activities are the operation of restaurants.

The Company's consolidated financial statements for the two financial years ending 27 December 2015, are incorporated by reference into this document and are available at <http://www.richouxgroup.co.uk/>.

### 7. **No significant change**

There has been no significant change in the Company's financial or trading position since 10 July 2016, being the date up to which the interim financial information statements of the Company have been published.

### 8. **Material contracts**

Save for the Director's Share Incentive set out in paragraph 9 below, neither the Company or its subsidiaries have entered into any material contracts otherwise than in the ordinary course of business within the two years immediately preceding the date of this document.

### 9. **The Director's Share Incentive**

- 9.1 The Share Incentive will be delivered by Jonathan Kaye subscribing for 23,027 A ordinary shares in Richoux Limited (the "**Restricted Shares**"), a wholly owned subsidiary of the Company, which may, following the achievement of the performance targets, be exchanged for up to 23,027,403 Ordinary Shares in Richoux Group plc.

## 9.2 *Performance targets*

The Share Incentive will vest in respect of 14,994,588 Ordinary Shares (14 per cent. of the fully diluted ordinary share capital) if the average closing mid-market price of an Ordinary Share is at least 40p measured over any period of ten consecutive Dealing Days. It will vest in respect of a further 8,032,815 Ordinary Shares (bringing the total to 20 per cent. of the fully diluted ordinary share capital of the Company) if the average closing mid-market price of an Ordinary Share is at least 55p measured over any period of ten consecutive Dealing Days.

## 9.3 *Vesting*

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 full Share Incentive will vest early in the event of a change of control of the Company if the market value of a share in the capital of the Company on (or as a result of) the change of control is at least 40p. The Share Incentive may also vest early if Jonathan Kaye ceases employment (see paragraph 9.4 below).

## 9.4 *Leaver*

If Jonathan Kaye voluntarily resigns or his employment is terminated summarily without notice in accordance with the terms of his Service Agreement he will cease to have any rights under the Share Incentive. If Jonathan Kaye leaves for any other reason and the performance target(s) have been met, the Share Incentive may vest early.

## 9.5 *Rights and restrictions*

The Restricted Shares will not give Jonathan Kaye the right to vote or to receive dividends.

The Restricted Shares will give the holder the right to require the Company buy the Restricted Shares from him once the Restricted Shares have vested. The Company can acquire the Restricted Shares by issuing new Ordinary Shares and this is the intended way to proceed. The Company can purchase the Restricted Shares for cash if this is preferable at the time.

For example, if the market value of an Ordinary Share is 55p, Jonathan Kaye may require the Company to exchange his Restricted Shares for 18,840,273 Ordinary Shares in the Company worth 23,027,403 x (55p-10p), that is £10,362,150. Based on the current total number of Ordinary Shares in issue, the market capitalisation of the Company at that time would be £63,325,358.

Ordinary Shares issued in exchange for Restricted Shares will rank *pari passu* with existing Ordinary Shares and the Company will apply for such shares to be admitted to trading on AIM.

## 9.6 *Clawback*

The Company's Remuneration Committee may apply clawback at any time if it is discovered that the participant committed an act or omission prior to vesting that justified, or would have justified, summary dismissal from office or employment.

## 9.7 *Other terms*

The Share Incentive may not be assigned, charged or transferred.

The existence of the Share Incentive does not affect the Company's ability to change its share capital structure or to merge, consolidate, issue bonds, debentures or preferred stock, dissolve or liquidate the Company, or sell or transfer any part of its assets or business.

## 10. General

- 10.1 There is no agreement, arrangement or understanding (including any compensation arrangement) which exists between Jonathan Kaye or any person acting in concert with Jonathan Kaye and any of the Directors, recent Directors of the Company, Shareholders, recent Shareholders, or any person interested or recently interested in the Ordinary Shares, having any connection with or dependence upon the Option.
- 10.2 There is no relationship (personal, financial or commercial), arrangement or understanding between Jonathan Kaye or any person acting in concert with Jonathan Kaye and Cenkos or any person who is, or is presumed to be, acting in concert with Cenkos.
- 10.3 There are currently no arrangements for the transfer of securities acquired upon exercise of the Share Incentive.
- 10.4 Cenkos has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the reference to its name in the form and context in which it is included.

## 11. Documents available for inspection

- 11.1 **Copies of the following documents will be on the Company's website, <http://www.richouxgroup.co.uk/> and available for inspection during normal business hours on any Business Day at the registered office of the Company from the date of this document up to and including the date of the General Meeting and for the duration of the General Meeting:**
- (a) the memorandum and articles of association of the Company;
  - (b) the last two years' audited consolidated financial statements of the Company;
  - (c) the consent letter from Cenkos referred to in paragraph 10.4 of this document;
  - (d) Jonathan Kaye's Service Agreement described in paragraph 4.1 of Part III of this document;
  - (e) documents relating to the Share Incentive described in paragraph 9 of Part III of this document; and
  - (f) this document.
- 11.2 You may request a hard copy of this document and the information incorporated into this document by reference by contacting the Company at 5-8 Cochrane Mews, St. John's Wood, London NW8 6NY or by contacting the Company on telephone: 020 7483 7000. A hard copy of the documents incorporated by reference will not be sent unless requested.

27 October 2016

## DEFINITIONS

*The following words and expressions shall have the following meanings in this document unless the context otherwise requires:*

<b>acting in concert</b>	shall have the meaning ascribed thereto in the Takeover Code
<b>Board or Directors</b>	the directors of the Company
<b>Business Day</b>	a day (other than a Saturday or Sunday) on which banks are open for general business in London
<b>Capita</b>	Capita Registrars Limited
<b>Cenkos</b>	Cenkos Securities plc, with registered number 05210733 and with its registered office at 6.7.8 Tokenhouse Yard, London EC2R 7AS
<b>Group</b>	the Company and its subsidiaries
<b>Company</b>	Richoux Group Plc, incorporated in England and Wales under registered number 03517191
<b>Concert Party</b>	Jonathan Kaye, Phillip Kaye, Sam Kaye, Adam Kaye and Samantha Sanson
<b>Enlarged Share Capital</b>	the share capital of the Company as enlarged by the issue of the maximum number of new Ordinary Shares pursuant to the Share Incentive, comprising 115,137,015 Ordinary Shares
<b>Form of Proxy</b>	the form of proxy for use at the General Meeting which accompanies this document
<b>General Meeting</b>	the general meeting of the Company, notice of which is set out at the end of this document
<b>Independent Shareholders</b>	Shareholders other than Jonathan Kaye, Phillip Kaye, Sam Kaye, Adam Kaye and Samantha Sanson
<b>Latest Practicable Date</b>	26 October 2016, being the latest date before the publication of this document when it was practicable to obtain information included in this document
<b>Notice of General Meeting</b>	the notice of the General Meeting which is set out at the end of this document
<b>Ordinary Shares</b>	ordinary shares of 4 pence each in the capital of the Company
<b>Regulatory Information Service</b>	a regulatory information service that is approved by the Financial Conduct Authority and that is on the list of regulatory information service providers maintained by the Financial Conduct Authority
<b>Relevant Securities</b>	shares (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof
<b>Relevant Company Securities</b>	shares in the Company (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof, including, for the avoidance of doubt, the Ordinary Shares
<b>Resolutions</b>	the resolutions set out in the Notice of General Meeting

<b>Richoux Limited</b>	Richoux Limited, incorporated in England and Wales under registered number 01454511
<b>Rule 9 Waiver</b>	the waiver by the Panel of the obligation of the Concert Party to make a general offer under Rule 9 of the Takeover Code (which would otherwise arise as a consequence of the grant of the Share Incentive) granted by the Takeover Panel conditional upon the approval of the Independent Shareholders by the passing of the Whitewash Resolution
<b>Service Agreement</b>	the agreement dated 26 October 2016 and made between the Company and Jonathan Kaye, details of which are set out in paragraph 4.1 of Part III of this document
<b>Share Incentive</b>	the incentive to be granted to Jonathan Kaye to acquire Ordinary Shares as described in paragraph 9 of part III of this document
<b>Shareholder(s)</b>	holder(s) of Ordinary Shares
<b>Takeover Code</b>	The City Code on Takeovers and Mergers
<b>Takeover Panel</b>	the Panel on Takeovers and Mergers
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>voting rights</b>	means all voting rights attributable to the share capital of the Company which are currently exercisable at a general meeting
<b>Whitewash Resolution</b>	the resolution numbered 1 set out in the Notice of General Meeting

## **RICHOUX GROUP PLC (THE "COMPANY")**

*(Incorporated in England and Wales under the Companies Act 1985 with registered no. 03517191)*

### **NOTICE OF GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a general meeting of the Company will be held at 11.00 a.m. on 15 November 2016 at Richoux, 3 Circus Road, St. John's Wood, London NW8 6NX to consider and, if thought fit, approve resolution 1, as an ordinary resolution, which will be taken on a poll on which only shareholders who are considered independent for the purposes of Rule 9 of The City Code on Takeovers and Merger are entitled to vote, and resolutions 2, 3 and 4, which will be proposed as ordinary resolutions.

### **ORDINARY RESOLUTIONS**

- 1. THAT** 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 of the Company as a result of the share incentive arrangements for Jonathan Kaye to acquire up to 23,027,403 ordinary shares in the capital of the Company, as is more fully described in the circular dated 27 October 2016 of which this notice of General Meeting forms part, be and is hereby approved.
- 2. THAT** subject to the passing of Resolutions 1, 3 and 4, and in addition to all unexercised powers and authorities, the directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act") to allot equity securities up to an aggregate nominal value of £921,096.12 in connection with the share incentive arrangements for Jonathan Kaye to acquire up to 23,027,403 ordinary shares in the capital of the Company, as is more fully described in the circular dated 27 October 2016 of which this notice of General Meeting forms part, provided that this authority will, until removed, varied or revoked by the Company in general meeting, expire on the date falling five years from the date of this resolution and the directors shall be entitled under the authority conferred by section 551(7) of the Act under this resolution to make at any time prior to the expiry of the above authority any offer or agreement which would or might require the equity securities of the Company to be allotted after the expiry of that authority.
- 3. THAT** subject to the passing of Resolutions 1, 2 and 4, the share incentive arrangements pursuant to which Jonathan Kaye may acquire up to 23,027,403 ordinary shares in the capital of the Company, as is more fully described in the circular dated 27 October 2016 of which this notice of General Meeting forms part, be and is hereby approved.
- 4. THAT** subject to the passing of Resolutions 1, 2 and 3, Jonathan Kaye be and is hereby elected as a Director of the Company.

### **BY ORDER OF THE BOARD**

Susan Ludley

*Company Secretary*

Date: 27 October 2016

Registered Office: 5-8 Cochrane Mews, St John's Wood, London, NW8 6NY

## Notes

- (i) The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), specifies that only those members registered in the Register of Members of the Company at the close of business on 11 November 2016 (or if the Meeting is adjourned, members entered on the Register of Members of the Company not later than the close of business which is two working days before the date of the adjourned Meeting) shall be entitled to attend, speak and vote at the General Meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries on the Register of Members of the Company after this time shall be disregarded in determining the rights of any person to attend, speak or vote at the Meeting.
- (ii) A member entitled to attend, speak and vote at the Meeting is entitled to appoint a proxy to exercise all or any of his/her rights to attend, speak and to vote instead of him/her. A proxy need not be a member of the Company but must attend the Meeting in person. If a member wishes his/her proxy to speak on his/her behalf at the Meeting he/she will need to appoint his/her own choice of proxy (not the Chairman) and give his/her instructions directly to them. Completion and return of a form of proxy will not preclude a member from attending, speaking and voting at the Meeting or any adjournment thereof in person. If a proxy is appointed and the member attends the Meeting in person, the proxy appointment will automatically be terminated.
- (iii) A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please sign and date the form of proxy and attach a schedule listing the names and addresses (in block letters) of all of your proxies, the number of shares in respect of which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) and indicating how you wish each proxy to vote or abstain from voting. If you wish to appoint the Chairman as one of your multiple proxies, simply write "the Chairman of the Meeting".
- (iv) A form of proxy is enclosed and details of how to appoint and direct a proxy to vote on each resolution are set out in the notes to the form of proxy. To be valid the form of proxy must be completed and signed, and lodged with the Registrars of the Company, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not less than 48 hours before the time fixed for the Meeting or for any adjournment thereof together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority. In the case of a member which is a Company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
- (v) In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy. In the event that more than one of the joint holders purports to appoint a proxy, the appointment submitted by the first named on the Register of Members of the Company will be accepted to the exclusion of the other joint holder.
- (vi) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative.
- (vii) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of the Meeting by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID:RA10) no later than 48 hours before the Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- (viii) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution, and if no voting indication is given, a proxy may vote or abstain from voting at his/her or her discretion. A proxy may vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
- (ix) In order to revoke a proxy instruction a member will need to send a signed hard copy notice clearly stating your intention to revoke a proxy appointment to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority. In the case of a member, which is a company, the notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

- (x) Except as provided above, members who have general queries about the Meeting should write to the Company Secretary at the address of our registered office. You may not use any electronic address provided either in this notice of General Meeting or any related documents (including the annual report and accounts and proxy form) to communicate with the Company for any purposes other than those expressly stated.

