

# THE FULHAM SHORE PLC

31 July 2019

Dear shareholders

I am pleased to enclose the Report and Financial Statements of The Fulham Shore PLC ("**Fulham Shore**" or "**Company**") for the year ended 31 March 2019 (the "**Annual Report**").

You will find the notice for Annual General Meeting (the "**Notice**") on pages 84 to 86 of the Annual Report. We will be holding our Annual General Meeting ("**AGM**") at our recently opened Franco Manca restaurant in Birmingham. The Fulham Shore board hopes that you are able to attend but if you are unable to, please complete the enclosed a separate proxy card for the AGM.

May I draw your attention to resolution 6 which seeks shareholders' approval pursuant to section 190 of the Companies Act 2006, for the acquisition of the minority interests in Fulham Shore's subsidiary undertakings Kefi Limited and Franco Manca Holdings Limited from two directors of the Company. Further information can be found in the Company's announcement dated 16 July 2019, a copy is attached for your convenience.

The Board looks forward to seeing you at the AGM.

Yours faithfully,

**Nicholas Wong**  
*Finance Director*

**The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (“MAR”).**

16 July 2019

**The Fulham Shore PLC**  
**(“Fulham Shore” or the “Company”)**

**Proposed acquisition of minority interests in subsidiaries**

Fulham Shore announces its proposed acquisition, subject to shareholder approval, of the approximately 1 per cent. minority interests in two of its subsidiaries: Kefi Limited (“**Kefi**”), which owns the subsidiary that owns and operates The Real Greek restaurants; and Franco Manca Holdings Limited (formerly Rocca Limited) (“**FM Holdings**”), which owns the subsidiary that owns and operates the Franco Manca pizzeria, for a total consideration of up to £650,658, payable in cash.

**Background**

At the time of the acquisitions of Kefi in October 2014 and FM Holdings in April 2015, David Page (Chairman of the Company) and Nabil Mankarious (Managing Director of the Company), both of whom were vendors of Kefi and FM Holdings, each retained an approximately 0.5 per cent. interest in the two companies (the “**Minority Interests**”), further details of which were set out in the Company’s AIM admission document dated 30 September 2014 and circular dated 30 March 2015.

The Directors of the Company, excluding David Page and Nabil Mankarious (the “**Independent Directors**”) now consider that it is prudent to acquire the Minority Interests so that both Kefi and FM Holdings are wholly owned by the Company. The Independent Directors commissioned an independent valuation report from a firm of accountants in order to determine the appropriate valuation for the purchases of the Minority Interests. Based on this valuation report, the Independent Directors have determined that the appropriate benchmark to value the Minority Interests is the market valuation of the ordinary shares in the Company, since Kefi and FM Holdings are the Company’s only two operating businesses. Therefore, the proposed maximum consideration payable for the Minority Interests is £650,658, being approximately 1 per cent. of the Company’s market capitalisation as at close of business on 15 July 2019.

The total consideration will be adjusted downwards, if required, on a pro-rata basis if the Company’s share price as at the close business on the day of the Company’s Annual General Meeting on 28 August 2019 is lower than that of the 15 July 2019, being 11.5p.

It is the Independent Directors’ belief that the current price of the Company’s ordinary shares continues to undervalue the Company based on its trading performance and prospects and it is therefore the appropriate time to acquire the Minority Interests at this price.

Subject to shareholder approval for the purchase of the Minority Interests, the consideration will be satisfied using the Company’s existing cash up to a maximum of £650,658.

As disclosed in the Company’s Final Results for the year ended 31 March 2019, also announced today, the Company reported profit attributable to non-controlling interests of £22,000 relating to Kefi and FM Holdings combined and equity attributable to non-controlling interests of £125,000.

### Terms of the purchases

On 15 July 2019, the Company entered into conditional share purchase agreements with David Page and Nabil Mankarious to acquire the Minority Interests for a total consideration of up to £650,658 based on the approximate 1 per cent. of the Company's market capitalisation as at close of business on 15 July 2019 but such consideration will be adjusted down on a pro-rata basis if the Company's share price as at the close of the AGM on 28 August 2019 is lower than that of 15 July 2019, as follows:

<i>Vendor</i>	<i>Company</i>	<i>No. shares purchased</i>	<i>% of issued share capital of Kefi/FM Holdings</i>	<i>Maximum Consideration (£)</i>
David Page	Kefi	50,000 ordinary shares of £0.00001 each	0.48	Up to 105,203
Nabil Mankarious	Kefi	50,000 ordinary shares of £0.00001 each	0.48	Up to 105,203
David Page	FM Holdings	371,040 ordinary shares of £0.000003 each	0.5	Up to 220,126
Nabil Mankarious	FM Holdings	371,040 ordinary shares of £0.000003 each	0.5	Up to 220,126

Pursuant to section 190 of the Companies Act 2006, the acquisition of the Minority Interests is subject to the approval of shareholders in the Company. The Company's notice of annual general meeting ("**AGM**"), being posted to shareholders in due course, will contain an ordinary resolution seeking approval for the Company to purchase the Minority Interests on the terms set out above.

### Related party transactions

As David Page and Nabil Mankarious are directors of the Company the purchases of the Minority Interests constitute transactions with a related party pursuant to the AIM Rules for Companies. The Independent Directors consider, having consulted with the Company's nominated adviser, that the terms of the transactions are fair and reasonable insofar as the Company's shareholders are concerned.

– Ends –

For further information, please contact:

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## **Notes for editors**

### **Information on The Fulham Shore PLC**

Fulham Shore was incorporated in March 2012. The Directors believed that there were attractive investment opportunities within the restaurant sector in the UK and that, given their collective experience in the restaurant sector, they could take advantage of the opportunities which existed.

The ordinary shares of the Company were admitted to trading on AIM in October 2014 in order to capitalise on such opportunities and to give the company employees, customers and public the ability to share in the enterprise.

Today, Fulham Shore owns and operates “The Real Greek” ([www.therealgreek.com](http://www.therealgreek.com)) and “Franco Manca” ([www.francomanca.co.uk](http://www.francomanca.co.uk)) restaurants.

### **The Real Greek**

Since its foundation in London in 1999, The Real Greek group has grown steadily, now offering modern Greek cuisine in 16 restaurants across London and Southern England.

The Real Greek food centres on the delicious, healthy diet of the Eastern Mediterranean, staying true to the Greek ethos of food, family and friends. Dishes are created using premium ingredients sourced from Greece and Cyprus whenever possible, and developed by Tonia Buxton, the face of Greek food in the UK.

The Real Greek’s menu and atmosphere retain the spirit of eating in Greece, encouraging diners to take their time eating amongst friends and family, be it a relaxed dinner, family get-together, or a fully catered party.

### **Franco Manca**

Franco Manca opened its first restaurant in 2008 and now has 47 restaurants, primarily in London, but with recent openings in Exeter, Birmingham, Cambridge, Bath, Oxford and Bristol. Other locations outside London are in the opening pipeline for the next 12 months. Franco Manca also has a franchised pizzeria on the island of Salina in Italy.

Franco Manca’s pizza is made from slow-rising sourdough and is baked in an oven that produces high heat. The slow levitation and blast cooking process lock in the flour’s natural aroma and moisture, giving a soft and easily digestible crust. Where possible, locally sourced and organic ingredients are used. Pizza prices start from £5.00.

Franco Manca has received the following accolades:

Winner of the R200 Best Value Restaurant Operator– Over 20 Sites Award 2017

Winner of the CGA Peach Hero and Icon Awards Best Concept award 2016

“Franco Manca is quite possibly the best pizza restaurant to ever exist in London.” – Metro (2016)