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The Directors of Comptoir Group plc (the "**Company**"), whose names, business addresses and functions appear on page 7 of this document, and the Company accept responsibility, individually and collectively, in accordance with the AIM Rules for Companies ("**AIM Rules**"), for the information contained in this document. To the best of the knowledge 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.

This document, which comprises an admission document drawn up in accordance with the AIM Rules, has been issued in connection with the proposed admission of the issued and to be issued Ordinary Shares to trading on AIM, a market operated by the London Stock Exchange plc ("**AIM**"). This document does not contain an offer or constitute any part of an offer to the public within the meaning of sections 85 and 102B of FSMA, the Companies Act 2006 or otherwise. This document is not an approved prospectus for the purposes of section 85 of FSMA and a copy of it has not been, and will not be, delivered to or approved by the Financial Conduct Authority (the "**FCA**") in accordance with the Prospectus Rules or delivered to or approved by any other authority which could be a competent authority for the purposes of the Prospectus Directive.

Comptoir Group plc

(Incorporated and registered in England and Wales under the Companies Act 2006
with registered number 07741283)

Placing of 32,000,000 Ordinary Shares of 1p each at 50p per share Admission to trading on AIM

Nominated Adviser and Broker



The Placing is conditional, *inter alia*, on Admission taking place on or before 21 June 2016 (or such later date as the Company and Cenkos Securities plc ("**Cenkos**") may agree but, in any event, no later than 30 June 2016). The Placing Shares will, on Admission, rank *pari passu* in all respects with the issued ordinary share capital of the Company on Admission including the right to receive all dividends or other distributions declared, paid or made after Admission.

A copy of this document will be available, free of charge, during normal business hours on any weekday (except Saturdays, Sundays and public holidays), at the offices of the Company being Suite 4, Strata House, 34a Waterloo Road, London NW2 7UH, for a period of one month from the date of Admission.

Application will be made for the Ordinary Shares (including the Placing Shares) to be admitted to trading on AIM ("**Admission**"). It is expected that Admission will take place and that dealings in the issued and to be issued Ordinary Shares will commence on 21 June 2016. **AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the official list of the United Kingdom Listing Authority (the "Official List"). A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.** In particular, it should be remembered that the price of securities and the income from them can go down as well as up. The AIM Rules are less demanding than those of the Official List. **Each AIM company is required pursuant to the AIM Rules to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers.** It is emphasised that no application is being made for the Ordinary Shares to be admitted to the Official List or to any other recognised investment exchange. **Further, neither the London Stock Exchange nor the FCA has examined or approved the contents of this document.**

This document does not constitute an offer to sell, or a solicitation of an offer to buy Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this document is not for distribution in or into the United States, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan, except that the document may be provided in certain limited circumstances to persons in the United States in connection with a placing of Ordinary Shares in private placements exempt from the registration requirements of the US Securities Act of 1933, as amended ("**Securities Act**"). The Ordinary Shares have not been and will not be registered under the Securities Act, any state securities laws in the United States or any securities laws of Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan or in any country, territory or possession where to offer them without doing so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not, subject to certain limited exceptions, be offered or sold, directly or indirectly, in the United States, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan or to, or for the account limited or benefit of, any person in, or any national, citizen or resident of the United States, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan. The distribution of this document outside the United Kingdom may be restricted by law and, therefore, persons outside the United Kingdom into whose possession this document comes should inform themselves about and observe any restrictions as to the Placing, the Ordinary Shares or the distribution of this document.

Cenkos is authorised and regulated in the United Kingdom by the FCA and is advising the Company and no one else in connection with the Placing and Admission (whether or not a recipient of this document), and is acting exclusively for the Company as nominated adviser and broker for the purpose of the AIM Rules. Cenkos will not be responsible to any person other than the Company for providing the protections afforded to its customers, nor for providing advice in relation to the Placing and Admission or the contents of this document. In particular, the information contained in this document has been prepared solely for the purposes of the Placing and Admission and is not intended to inform or be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and, accordingly, no duty of care is accepted in relation to them. Without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by Cenkos as to the contents of this document. No liability whatsoever is accepted by Cenkos for the accuracy of any information or opinions contained in this document, for which the Directors and the Company are solely responsible, or for the omission of any information from this document for which it is not responsible.

FORWARD-LOOKING STATEMENTS

This document contains forward looking statements relating to the Company's future prospects, developments and strategies, which have been made after due and careful enquiry and are based on the Directors' current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are subject to, *inter alia*, the risk factors described in Part II of this document. The Directors believe that the expectations reflected in these statements are reasonable, but may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

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PLACING STATISTICS

Placing Price	50 pence
Number of New Ordinary Shares being issued pursuant to the Placing	16,000,000
Number of Existing Ordinary Shares being sold by the Selling Shareholders	16,000,000
Number of Ordinary Shares on Admission	96,000,000
Market capitalisation on Admission (<i>approximately</i>)	£48.0 million
Percentage of the issued Ordinary Share capital being placed pursuant to the Placing	40.0 per cent.
Estimated proceeds of the Placing receivable by the Company, net of expenses (<i>approximately</i>)	£7.3 million
AIM 'ticker'	COM.L
SEDOL	BYT1L20
ISIN number	GB00BYT1L205
Free Float	30.5 per cent.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	15 June 2016
Admission and dealings in the Ordinary Shares to commence on AIM	21 June 2016
CREST accounts credited for Placing Shares in uncertificated form	21 June 2016
Despatch of definitive share certificates, where applicable	5 July 2016

References to time are to London time unless otherwise stated. Each of the dates in the above timetable is subject to change without further notice.

DEFINITIONS

In this document, where the context permits, the expressions set out below shall bear the following meaning:

“Act”	the Companies Act 2006, as amended from time to time
“Admission”	the admission of the Ordinary Shares issued and to be issued pursuant to the Placing, to trading on AIM and such admission becoming effective in accordance with the AIM Rules
“Admission Document”	this document
“AIM”	the market of that name operated by London Stock Exchange plc
“AIM Rules”	the London Stock Exchange’s AIM Rules for Companies
“AIM Rules for Nominated Advisers”	the AIM Rules for Nominated Advisers setting out the eligibility, ongoing obligations and certain disciplinary matters in relation to nominated advisers published by the London Stock Exchange as amended from time to time
“Articles”	the articles of association of the Company, adopted on 8 June 2016
“Business Day”	a day, other than a Saturday or Sunday, on which banks are open for commercial business in the City of London
“certificated” or “certificated form”	the description of a share or other security which is not in uncertificated form (that is not in CREST)
“Company” or “Comptoir Group” or “Comptoir”	Comptoir Group plc, a company incorporated in England and Wales with registered number 07741283 and having its registered office at Suite 4, Strata House, 34a Waterloo Road, London NW2 7UH
“CREST”	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertificated form which is administered by Euroclear UK & Ireland Limited
“CREST Manual”	the compendium of documents entitled CREST Manual issued by CRESTCo from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules, CCSS Operations Manual, and the CREST Glossary of Terms
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
“CREST Rules”	the rules from time to time issued by CRESTCo governing the admission of securities to and the operation of the CREST UK System
“CREST UK System”	the facilities and procedures of the relevant systems of which CRESTCo is the Approved Operator pursuant to the CREST Regulations
“CRESTCo”	Euroclear UK and Ireland Limited, the operator of the CREST UK System or such other person as may for the time being be approved by HM Treasury as operator under the CREST Regulations
“Code”	the City Code on Takeovers and Mergers
“Directors” or “Board”	the directors of the Company whose names appear on page 7 of this document
“Disclosure Rules” or “DTR”	the Disclosure and Transparency Rules made by the UKLA in accordance with section 73(A)(3) of FSMA relating to the disclosure of information in respect of financial instruments which have been admitted to trading on a regulated market

“Executive Directors”	Chaker Hanna and Tony Kitous
“Existing Ordinary Shares”	the Ordinary Shares in issue in the Company as at the date of this document
“Financial Services and Markets Act” or “FSMA”	the Financial Services and Markets Act 2000 (as amended)
“FCA”	the Financial Conduct Authority
“Group”	the Company and its subsidiaries from time to time
“HMRC”	Her Majesty’s Revenue & Customs
“Historical Consolidated Financial Information”	the Group’s financial statements for the periods ended 31 December 2013, 31 December 2014 and 31 December 2015
“IFRS”	International Financial Reporting Standards, as adopted for use in the European Union
“Lock-in Agreements”	the agreement by which certain Directors have agreed, with Cenkos and the Company, certain undertakings with respect to their holdings of Ordinary Shares on Admission, as more particularly described in paragraph 12.2 of Part V of this document
“London Stock Exchange”	London Stock Exchange plc
“New Ordinary Shares”	the new Ordinary Shares proposed to be issued and allotted pursuant to the Placing
“Memorandum”	the memorandum of association of the Company
“Nominated Adviser”, “Nomad” or “Cenkos”	Cenkos Securities plc, the nomad and broker to the Company
“Official List”	the Official List maintained by the FCA in accordance with section 74(1) of FSMA for the purpose of Part VI of FSMA
“Ordinary Shares” or “Shares”	the ordinary shares of 1 pence each in the capital of the Company
“Placees”	purchasers or subscribers (as applicable) for the Placing Shares, as procured by Cenkos on behalf of the Company and the Selling Shareholders (as appropriate) pursuant to the Placing Agreement
“Placing”	the conditional placing by Cenkos of the Placing Shares on behalf of the Company and the Selling Shareholders (as appropriate), all at the Placing Price pursuant to and on the terms set out in the Placing Agreement
“Placing Agreement”	the conditional agreement dated 15 June 2016 between (i) Cenkos; (ii) the Company; (iii) the Directors; and (iv) the Selling Shareholders relating to the Placing, further details of which are set out in paragraph 11 of Part V of this document
“Placing Price”	50 pence per Placing Share
“Placing Shares”	the 16,000,000 New Ordinary Shares and 16,000,000 Existing Ordinary Shares to be issued or transferred (as applicable) to Placees pursuant to the Placing
“QCA”	Quoted Companies Alliance
“Registrar” or “Capita”	Capita Asset Services
“Remuneration Committee”	the remuneration committee of the Board
“Selling Shareholders”	Chaker Hanna and Tony Kitous
“Share Option Scheme”	the Share Option Scheme established by the Company, the terms of which are summarised in paragraph 8.1 of Part V
“Shareholders”	holders of Ordinary Shares

“Subsidiary” or “Subsidiaries”	the Company’s subsidiaries or any one of them upon Admission, as set out in paragraph 3.1 of Part V
“Takeover Panel”	the Panel on Takeovers and Mergers
“UKLA”	United Kingdom Listing Authority

DIRECTORS, SECRETARY AND ADVISERS

Directors	Richard Howard Kleiner <i>Non-Executive Chairman</i> Chaker Hanna <i>Chief Executive Officer</i> Ahmed (Tony) Kitous <i>Founder and Creative Director</i> Jonathan Samuel Kaye <i>Non-Executive Director</i>
Company Secretary	AIS Secretarial Services Limited
Registered Office of the Company	Suite 4 Strata House 34a Waterloo Road London NW2 7UH
Nominated Adviser and Broker	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS
Auditors and Reporting Accountants to the Company	UHY Hacker Young LLP Quadrant House 4 Thomas More Square London E1W 1YW
Solicitors to the Company	Howard Kennedy LLP No.1 London Bridge London SE1 9BG
Solicitors to the Nominated Adviser and Broker	Holman Fenwick Willan LLP Friary Court 65 Crutched Friars London EC3N 2AE
Registrars	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

PART I

INFORMATION ON THE GROUP

Introduction

Comptoir Group currently owns and/or operates 15 Lebanese and Eastern Mediterranean restaurants based in the Greater London and Manchester area. The core restaurant brand of the Comptoir Group is Comptoir Libanais. Comptoir Group operates 11 Comptoir Libanais restaurants and also generates franchise revenue by franchising the Comptoir Libanais brand to other restaurant operators. The Comptoir Group also operates two smaller Lebanese and Eastern Mediterranean outlets under the Shawa brand and a further two standalone high end restaurants, called Levant and Kenza.

The Placing is raising approximately £16.0 million (gross), of which £8.0 million will be raised by the Company to expand the number of restaurants operated by the Group and £8.0 million will be raised for the Selling Shareholders.

History

In 2000, Tony Kitous opened Levant Restaurant in Wigmore Street, Central London, under the company name of Timerest Limited. Tony Kitous opened a further five restaurants between September 2007 and 2009 under the name of Timerest Limited and Chabane Limited, including four Comptoir Libanais and the Group's Kenza Restaurant in Liverpool Street, London. Both Timerest Limited and Chabane Limited faced financial difficulty during 2009 and in April 2010 both companies entered into company voluntary arrangements. As part of the company voluntary arrangements two Comptoir Libanais restaurants were closed. Further details on the company voluntary arrangement are set out in paragraph 7.11 of Part V.

Chaker Hanna joined the Company in March 2010. Chaker Hanna has significant restaurant operational experience and was able to assist Tony in the turnaround and expansion of the Group. Chaker Hanna was allotted 25 per cent. of the issued share capital of the Group in 2011 with the remaining 75 per cent. continuing to be held by Tony Kitous.

Since Chaker Hanna joined the Company, a further ten Comptoir Libanais restaurants have been opened, which includes two restaurants opened through a franchise agreement with The Restaurant Group (2013) and the Group's first Comptoir Libanais outside of Greater London in Manchester (November 2015). In addition, the Group has opened two Shawa outlets. In April 2016, a Comptoir Libanais restaurant in Soho, London was closed following the expiration of its lease. A new Comptoir Libanais is expected to open in Soho, London in August 2016.

In 2015, the Group moved into a 15,300 square foot Central Production Unit (CPU) to produce food sold only to the Group's restaurants. The CPU allows the Group to operate both its Comptoir Libanais and Shawa brands from Class A3 commercial premises, which have a "food and drink" business use, and Class A1 commercial premises, which have a "shops and retail outlets" business use.

During 2015, the Group undertook an investment and recruitment programme in order to allow an increased level of restaurant rollout in future years. The investment in infrastructure within the Group included the recruitment of an Operations Director, a Recruitment Manager, a Training, Learning and Development Manager, a Head of Franchise and a dedicated designer.

As part of the Group's strategy to increase the number of restaurants it operates, the Executive Directors began strategic discussions in 2015 with Jonathan Kaye and connected parties. These discussions led the Executive Directors to conclude that the Placing, including an investment of £4.0 million from Jonathan Kaye and connected parties, was the best way to finance the future expansion of its Comptoir Libanais and Shawa restaurant brands.

The Comptoir Group Business

The Comptoir Group's lead brand is Comptoir Libanais. The Comptoir Group also operates the Shawa brand and two standalone high end restaurants called Levant and Kenza. Further detail on each brand is set out below:

Comptoir Libanais

Comptoir Libanais is a Lebanese and Eastern Mediterranean focused restaurant. The restaurant seeks to offer an all-day dining experience based around healthy and fresh food in a friendly, colourful and vibrant environment. Lebanese and Eastern Mediterranean food, in the Directors' opinion, is a popular current food trend due to its flavoursome, healthy, low fat and vegetarian friendly ingredients as well as the ability to easily share and graze the food with friends. The Directors believe that because of these attributes, and the quality of food offered by the Group, the Comptoir Libanais menu specifically, but not exclusively, appeals to females and vegetarian consumers.

The Directors seek to design each Comptoir Libanais restaurant with a bold and fresh design that is welcoming to all age groups and types of consumer. Each Comptoir Libanais restaurant has posters and menus showing an artist's impression of Sirine Jamal al Dine, an iconic Arabian actress, providing a Middle Eastern café culture feel. The design of each restaurant is complemented by Comptoir Libanais's retail offering that seeks to sell in-store a range of Arabic products, including embroidered bags, harissa tins, pastries and sweets.

The Group currently operates nine Comptoir Libanais restaurants, ranging in size from approximately 500 sq. ft. to 6,000 sq. ft. The average number of covers within the Comptoir Libanais restaurant estate is 128. Of the nine current Group owned Comptoir Libanais restaurants, six have outdoor seating space.

Comptoir Libanais is the key brand of the Group and the Directors expect it to be the key roll out concept of the Company over the short to medium term. The Directors believe that the Comptoir Libanais brand is appealing to both consumers and landlords, specifically in city centre sites or destination shopping locations, as it offers an all day trading concept and a healthy alternative to common restaurant cuisines such as Italian, American or Asian food.

The Group has given The Restaurant Group plc the right to franchise the Comptoir Libanais brand in UK airports. The Restaurant Group plc currently operates two Comptoir Libanais restaurants under franchise in Gatwick and Heathrow Airports, both of which opened in 2013. In addition, the Group has signed an agreement with HMS Host to expand into Middle Eastern airports and are in discussions with other potential international franchise partners with the prospect of further expanding internationally.

Shawa

Shawa is a Lebanese grill serving lean, grilled meats, rottiseried chicken, homemade falafel, halloumi and fresh salad wrapped up into traditional shawarmas through a service counter offering, located in high footfall locations. The Group's current Shawa outlets are located in the Westfield and Bluewater shopping centres.

The Directors believe that the Shawa concept allows the Group to offer its Lebanese and Eastern Mediterranean food in smaller locations and, therefore, provides flexibility for future roll out. The Directors believe the target size for a Shawa unit is 700 to 1,000 sq. ft.

Levant and Kenza

Levant and Kenza offer high end Lebanese and Middle Eastern cuisine. These premium restaurants appeal to a Western consumer looking for a Lebanese and Middle Eastern dining experience as well as Arabic diners. Levant and Kenza both offer a set menu for diners as well as an à la carte menu and nightly entertainment.

Locations

The Comptoir Group's restaurants are situated in the following locations;

Brand	Location	Covers	Opened
Comptoir Libanais	Westfield, London,	n/a	November 2008
Comptoir Libanais	Wigmore Street, London	72	February 2009
Comptoir Libanais	Westfield Stratford, London	n/a	September 2011
Comptoir Libanais	Exhibition Road, London	90	November 2011
Comptoir Libanais	Bluewater Shopping Centre	158	October 2013
Comptoir Libanais	Duke of York Square, London	122	December 2013
Comptoir Libanais	Gatwick Airport, West Sussex	82	December 2013
Comptoir Libanais	Heathrow Airport, Middlesex	84	December 2013
Comptoir Libanais	Riverside Walk, Kingston	184	April 2014
Comptoir Libanais	Liverpool Street, London	110	May 2015
Comptoir Libanais	Spinningfields, Manchester	250	November 2015
Shawa	Westfield, London	n/a	June 2010
Shawa	Wintergarden, Bluewater	n/a	November 2015
Kenza	Liverpool Street, London	180	September 2007
Levant	Wigmore Street, London	150	September 2000

The Group operated a Comptoir Libanais in Soho, London between June 2012 and April 2016 which, while successful, had to close following the expiration of its lease. The Comptoir Group is in advanced negotiations on a new lease in Soho, London where the Directors expect to open a new larger Comptoir Libanais in August 2016.

Menu Preparation and Operations

Tony Kitous travels extensively gathering inspiration and ideas for dishes to put on the Comptoir Libanais restaurant menu.

Menu updates involve a preliminary tasting session where the proposed dishes are discussed and tried by Tony Kitous, Chaker Hanna, the Operations Team and the Marketing Manager. Following the initial tasting session, dishes are evolved through subsequent tasting and pricing discussions by the tasting team. Some of the new dishes are trialled through monthly specials across the Group's restaurants. Following restaurant and consumer feedback, prices and/or dishes are altered, if needed, and placed on the menu.

Food sold by the Comptoir Group is prepared within the Group's Central Production Unit (CPU) based in West Hendon, London. The food products prepared within the Group's CPU are a mix of fresh vegetables, meat and dry goods. The Group has traceability on all products purchased and brought into the CPU. Fresh items prepared within the Group's CPU are currently distributed through the Group's own chilled vans. In May 2016, the Comptoir Group entered into an agreement with a logistics company to undertake approximately 30 per cent. of its deliveries. The Comptoir Group's suppliers are sourced by a purchase consultant and the supplier premises are audited by the Group's food safety consultant annually.

The CPU is 15,300 square foot in size and the Directors estimate that, to date, the Comptoir Group has invested over £1.0 million in fitting out the site to the Company's requirements. As set out in paragraph 12.12 of Part V, the Group has the option to acquire the CPU freehold for approximately £1.6 million based on current open market value. The Directors intend to exercise this option following Admission.

Sales and Pricing Strategy

Sales, Marketing and Collections

The Group sells primarily to individual customers and groups where the customer pays at the restaurant. All sales are made by cash or credit card directly to pay for the food and services. Any events requiring deposits are received in full before an event has taken place.

The Group has been active online across the main social media channels (Facebook, Instagram, and Twitter) since late 2012 and utilises this media to reach out to a large audience at minimal cost. The Group is also active on more traditional web media, with a presence on restaurant booking websites such as Open Table and Design my Night.

Comptoir Libanais, Levant and Kenza all have strong email databases dating back to 2011, to which an e-newsletter is distributed to customers including details of new openings, new recipes and set menus.

Pricing Strategy

The Directors estimate that the average spend per head at Comptoir Libanais is £14. The average spend per head at Shawa is lower than this, while at Levant and Kenza it is higher reflecting their respective food offerings.

Comptoir Libanais and Shawa have dishes and products within the same category at different price ranges which is used to cater for the customers' needs and budget. For Levant and Kenza, there are fixed price menus on offer which include popular dishes for the customer, to try. Other factors in determining pricing include competitor pricing and combinations of food and services to bring more value than offered individually.

The Group offers seasonal promotions, for example during Christmas set menus are offered for group parties. Promotions are advertised through digital media in order to generate product and brand awareness through the social media platforms as well as the e-newsletter. The Group also uses physical advertisements such as posters and table cards.

Growth Strategy

The Directors believe that there is a significant opportunity for the Group to expand the number of restaurants it operates within the UK. The Directors expect to open at least eight Comptoir Libanais restaurants during the next 18 months. In addition to the expansion of the Comptoir Libanais brand, the Directors expect to open further Shawa outlets where appropriate. The Directors expect the Group to have over 50 restaurants within the next five years.

The Directors have been approached by a number of third parties to enter into further Comptoir Libanais franchise and concession agreements both in the UK and overseas. The Directors intend to enter into new franchise arrangements where beneficial and where it does not harm the organic growth ambitions of the Group. Future franchise arrangements may cover specific locations, such as airports or within large retail stores, or geographic areas overseas.

Market and Competition

The Directors believe that, with its clearly differentiated Lebanese and Eastern Mediterranean offering, there are no rival national restaurant chains which compete directly with Comptoir Libanais or the Group's Shawa offering. However, the Directors do believe that Comptoir Libanais's principal competition is from other branded restaurant concepts within the casual dining sector such as growing ethnic brands that share the same opportunity in educating the customers of their cuisine whilst providing healthy and interesting alternatives to traditional high street chains. Shawa's principal competition comes from other service counter food concepts as well as "grab and go" outlets.

The Directors believe that competition for the Group also comes from the increasing number of restaurants within the UK providing both the consumer and landlord with more choice. As more branded restaurant chains compete for sites the Directors expect rental costs to increase, including acquisition premiums, and a differentiated offering will become increasingly important. The Directors believe that, whilst the market for casual dining will continue to be competitive, the Company, through its clearly differentiated offering, is well positioned to continue its growth.

Key Strengths

The Directors believe that the key strengths of Comptoir Libanais are as follows:

- it operates within the small but growing sector of the casual dining market for Lebanese and Eastern Mediterranean cuisine. Further, as a recognised high quality restaurant chain operating in a niche cuisine area, competitive pressure is reduced;
- it seeks to meet rising consumer demands for providing healthy, fresh and low fat food;
- it appeals to an underserved sub-sector of the restaurant market, being healthy eating and vegetarian customers;
- it provides a competitively priced all-day dining offering that is attractive to both landlords and consumers;

- it appeals to an international market, which could provide future franchise revenue opportunities;
- the restaurants have established customer loyalty and benefit from positive word-of-mouth recommendations from customers; and
- the restaurants have a high quality and consistent food offering due to the Group's Central Production Unit.

The Group is also able, by utilising its Central Production Unit, to operate its Comptoir Libanais brand from Class A3 commercial premises, which allow a "food and drink" business use, and Class A1 commercial premises, which allow a "shops and retail outlets" business use. The Directors believe that flexibility on future premises and the planning permission attached to these premises gives the Group a competitive advantage against other restaurant operators when competing for new sites. The Directors believe that a majority of competitor branded restaurant concepts can only operate on premises with a Class A3 commercial use.

The Directors believe that the Group has a motivated and dedicated team of personnel ensuring high standards across all divisions from culinary, operations, training, learning and development, to human resources, recruitment and marketing.

Financial Information

The summary financial information relating to the Company set out below has been derived from, and should be read in conjunction with, the Financial Information set out in Part III of this document.

	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2014 £'000</i>	<i>Year ended 31 December 2015 £'000</i>
Number of restaurants open at year end	10	11	14
Turnover	10,862	15,179	17,727
Cost of sales	(5,827)	(8,315)	(9,173)
Gross profit	5,035	6,864	8,554
Adjusted EBITDA*	1,301	1,949	2,081
Operating profit	904	1,407	1,385
Profit before income tax	841	1,341	1,317
Profit for the year	704	1,134	1,022
Total Assets	5,370	6,944	8,776
Total Liabilities	(3,082)	(4,114)	(5,593)
Net Assets	2,288	2,830	3,183
Net cash from operating activities	1,007	2,390	1,648

* Adjusted EBITDA is operating profit adding back depreciation and restaurant pre-opening costs.

The Executive Directors have historically been paid through shareholder dividends. Upon Admission, the Executive Directors will enter into service agreements further details of which are set out in paragraph 10 of Part V.

Further detail on the current net assets of the Company is set out in Part III.

Current Trading and Prospects

The Board is pleased with current trading across the Group's restaurants, with strong growth in 2016. The Group has a good pipeline of new site openings planned for 2016, including, Comptoir Libanais openings in London, Leeds and Exeter as well as a Shawa opening in Haymarket, London. The Group is also in discussions on a number of new international franchise opportunities.

Following 31 December 2015, the Group received bank loans totalling £0.8million in relation to the financing of the Group's Manchester and Bluewater restaurants which were opened near the end of

the financial year ended 31 December 2015 and funded from the working capital of the Group. Further, following 31 December 2015, the Group repaid director loans totalling £0.6 million. The effect of these events, and the receipt of the net proceeds from the Placing by the Company following Admission, is set out in Part IV of this document.

The Board is confident in the prospects of the Group moving forward.

Reasons for Admission, the Placing and Use of Proceeds

The net proceeds of £7.3 million received from the Placing by the Company, together with the Group's existing banking facilities and net cashflow, will be principally used to enable the Company to proceed with its expansion strategy with a view to opening at least eight new Comptoir Libanais over the next eighteen months. The Group also intends to exercise its option to acquire the freehold of its Central Production Unit, as set out in paragraph 12.12 of Part V, which the Directors expect to initially cost the Group £0.7 million based on current open market value, with the remaining £0.9 million acquisition cost to be funded by debt secured against the property. The Placing will also allow the Selling Shareholders to receive £8.0 million gross from the sale of 16,000,000 Existing Ordinary Shares.

In addition to the financial benefits of the Placing and Admission, the Directors believe that the Company's status as a publicly traded company will provide further benefits including:

- strengthening financial covenant with landlords and their agents;
- creating a market in the Ordinary Shares;
- having the ability to incentivise the Company's key management and employees under the Share Option Scheme;
- assist in recruiting and incentivising skilled employees;
- being able to access capital in the future; and
- raising the Company's profile.

Dividend Policy

The Directors intend to retain future earnings from operations to finance the future expansion of the Group. As a result, the Directors do not anticipate paying cash dividends in the short to medium term.

Relationship Agreement

On Admission the Executive Directors will, together, hold 64,000,000 Ordinary Shares, representing approximately 66.7 per cent. of the issued Ordinary Share capital.

Due to the number of Ordinary Shares held by the Executive Directors, both have agreed to enter into a Relationship Agreement with the Company pursuant to which they agree that, so long as they remain controlling shareholders, the Company will be capable of carrying on its business independently of the Executive Directors and that all future transactions between the Company and the Executive Directors will be at arms' length and on a normal commercial basis.

Directors and Key Personnel

At Admission, the Board will comprise two executive directors and two non-executive directors. The Group intends to appoint a finance director as it grows and a suitable candidate is identified. The Company currently engages AIS Accountants Limited to provide a complete outsourced accountancy service to the Group, including budgeting, forecasting, assisting in corporate governance, dealing with auditors and other areas of finance.

The biographical details of the Board are set below:

Executive Directors

Chaker Hanna, Chief Executive, age 55

Mr Hanna was born and educated in Lebanon and joined Mr Kitous as a partner in the business in 2010. Mr Hanna has experience within the restaurant industry including both nationally and internationally renowned brands such as Chili's, Pizza Hut, Bella Italia, Maggiano's and Romano's Macaroni Grill. Mr Hanna was one of the team who launched the first Bella Italia assisting in the

roll-out of the brand. Mr Hanna is responsible for the overall management and strategic direction of the Group.

Tony Kitous, Creative and Founding Director, age 45

Mr Kitous opened his first restaurant 23 years ago and has been widely recognised for making Lebanese and Middle Eastern food accessible on the high street within the UK. Mr Kitous has featured on various television shows explaining and demonstrating his passion for Lebanese and Middle Eastern food. Mr Kitous has released two cookbooks in the UK and internationally. Mr Kitous is responsible for all design and creative aspects of the Group.

Non-Executive Directors

Richard Kleiner, Non-Executive Chairman, age 57

Mr Kleiner is a chartered accountant by profession with many years experience in corporate finance, public markets and mergers and acquisitions. In addition to being the chief executive officer of Gerald Edelman, Chartered Accountants, Mr Kleiner is also a director of Avanti Capital Plc, the AIM-listed investment company, and has a number of other private company non-executive directorships. Mr Kleiner has substantial experience in guiding companies through their various phases of corporate development and growth including flotations and trade sales.

Jonathan Kaye, Non-Executive Director, age 37

Mr Kaye was the founder and Chief Executive Officer of Prezzo plc. Prior to founding Prezzo, Mr Kaye worked in a number of roles at ASK Cental plc. Prezzo was floated on AIM in 2002, with a market cap of £9.1 million. Mr 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 in 2015 for £304 million to TPG Capital. Mr Kaye has a range of other business interests in property and other leisure companies.

Share Option Scheme

The Company has established an enterprise management incentive scheme (the “**Share Option Scheme**”).

The maximum value of Ordinary Shares to be made available under the Option Plan or any unapproved option plan will not exceed ten per cent. of the Company’s issued ordinary share capital in any ten year period when added to any other options granted under all Group employee share schemes and similar individual share option agreements.

Following Admission, the Company intends to immediately grant 666,000 options over Ordinary Shares to certain senior management employees. The exercise price of any options granted within twelve months of Admission will be at the Placing Price. Further details of the Share Option Scheme are set out in paragraph 8.1 of Part V of this document.

In addition to the Share Option Scheme, the Company has granted 480,000 options over Ordinary Shares to Jonathan Kaye, a Non-Executive Director. The options are exercisable at the Placing Price between the third and tenth anniversary of Admission. A further 480,000 options over Ordinary Shares have also been granted to Adam Kaye and Sam Kaye respectively on the same terms. Further details on these options are set out in paragraph 8 of Part V of this document.

Corporate Governance

On Admission, the Company will not comply with any corporate governance code.

The UK Corporate Governance Code published by the Financial Reporting Council does not apply to AIM companies. However, the Directors recognise the importance of good corporate governance and will comply with the provisions of the Corporate Governance Code for Small and Mid-size Quoted Companies, published from time to time by the Quoted Companies Alliance, to the extent that they believe it is appropriate in the light of the size, stage of development and resources of the Company.

The Company has adopted, and will operate a share dealing code for Directors and other applicable employees under the equivalent terms to those provided by Rule 21 of the AIM Rules for Companies. The Board has established an Audit Committee and a Remuneration Committee with formally delegated duties and responsibilities as described below.

(a) *Audit Committee*

The Audit Committee will have the primary responsibility of monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on. It will receive and review reports from the Group's management and external auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit Committee will meet not less than twice in each financial year and will have unrestricted access to the Group's external auditors. At Admission, the Audit Committee will be chaired by Richard Kleiner and also include Jonathan Kaye.

(b) *Remuneration Committee*

The Remuneration Committee will be chaired by Richard Kleiner and will also include Jonathan Kaye. The Remuneration Committee will review the performance of the Executive Directors and make recommendations to the Board on matters relating to their remuneration and terms of service. The Remuneration Committee will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any employee share option scheme or equity incentive plans in operation from time to time. The Remuneration Committee will meet as and when necessary. In exercising this role, the Directors shall have regard to the recommendations put forward in the UK Corporate Governance Code and the Quoted Companies Alliance Corporate Governance Code for Small and Mid-size Quoted Companies 2013.

(c) *Share Dealing Code*

The Board intends to comply, and to procure compliance, with Rule 21 of the AIM Rules relating to dealings in the Company's securities by the Directors and other applicable employees. To this end, the Company has adopted a code for directors' dealings appropriate for a company whose shares are admitted to trading on AIM and will take all reasonable steps to ensure compliance by the Directors and any relevant employees. The form of this code is substantially the same (so far as is practicable taking into account the requirements of the AIM rules) as the Model Code contained in the rules of the Official List.

The Placing and Admission

On Admission the Company will have 96,000,000 Ordinary Shares in issue and a market capitalisation of approximately £48.0 million. Cenkos has agreed, pursuant to the Placing Agreement and conditional, *inter alia*, on Admission, to use its reasonable endeavours to place 16,000,000 New Ordinary Shares and 16,000,000 Existing Ordinary Shares with institutional and other investors. The Placing will raise in total £8.0 million gross for the Company and £8.0 million gross for the Selling Shareholders.

The Placing, which is not being underwritten, is conditional, *inter alia*, upon:

- the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms prior to Admission; and
- Admission becoming effective not later than 21 June 2016, or such later date as Cenkos and the Company may agree, being not later than 30 June 2016.

The Placing Shares will rank *pari passu* in all respects with the Ordinary Shares including the right to receive all dividends and other distributions declared, paid or made after the date of issue.

None of the Placing Shares have been marketed to or will be made available in whole or in part to the public in conjunction with the application for Admission. Application has been made to the London Stock Exchange for the Ordinary Shares to be admitted to trading on AIM. Admission is expected to become effective and dealings in the Ordinary Shares issued and to be issued are expected to commence on 21 June 2016.

Further details of the Placing Agreement are set out in paragraph 11 of Part V of this document.

Lock-Ins and Orderly Market Agreements

Each of the Executive Directors has undertaken not to sell, transfer or dispose of any Ordinary Shares held by them at Admission for a period of 12 months following Admission. These restrictions are subject to certain exceptions including any sale or disposal with the prior consent of Cenkos.

In addition, each of the Executive Directors have undertaken not to dispose of any Ordinary Shares during the period of 12 months from the first anniversary of Admission other than through

Cenkos, who will arrange such disposal within 5 Business Days or the relevant party will otherwise be free to make such disposal.

At Admission, these restrictions will apply in respect of 64,000,000 Ordinary Shares representing 66.7 per cent. of the issued Ordinary Share capital.

Settlement and CREST

Application has been made for all of the Ordinary Shares to be eligible for admission to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place in CREST if the relevant Shareholder so wishes. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a share certificate and transferred otherwise than by written instrument. The Articles permit the holding and transfer of Ordinary Shares under the CREST system. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. Persons acquiring shares as a part of the Placing may elect to receive Ordinary Shares in uncertificated form if, but only if, that person is a "system-member" (as defined in the CREST Regulations) in relation to CREST.

It is expected that, subject to the satisfaction of the conditions of the Placing, the Placing Shares will be registered in the names of the placees subscribing for or purchasing them (as applicable) and issued either: in certificated form, where the placee so elects, with the relevant share certificate expected to be dispatched by post, at the placees risk, or in CREST, where the placee so elects and only if the placee is a "system member" (as defined in the CREST Regulations) in relation to CREST, with delivery (to the designated CREST account) of the Ordinary Shares subscribed for or purchased (as applicable) expected to take place on 21 June 2016. Notwithstanding the election by placees as to the form of delivery of the Placing Shares, no temporary documents of title will be issued. All documents or remittances sent by or to a placee, or as they may direct, will be sent through the post at their risk. Pending the dispatch of definitive share certificates (as applicable), instruments of transfer will be certified against the Company's register of members.

Taxation

Your attention is drawn to the taxation section contained in paragraph 13 of Part V of this document. If you are in any doubt as to your tax position, you should consult your own independent financial adviser immediately

Further information

Your attention is drawn to the additional information set out in Part V of this document.

PART II

RISK FACTORS

THE FOLLOWING FACTORS DO NOT PURPORT TO BE AN EXHAUSTIVE LIST OR EXPLANATION OF ALL THE RISK FACTORS INVOLVED IN INVESTING IN THE COMPANY. IN PARTICULAR, THE COMPANY'S PERFORMANCE MIGHT BE AFFECTED BY CHANGES IN MARKET AND/OR ECONOMIC CONDITIONS AND IN LEGAL, REGULATORY AND TAX REQUIREMENTS. ADDITIONALLY, THERE MAY BE RISKS OF WHICH THE BOARD IS NOT AWARE OR BELIEVES TO BE IMMATERIAL WHICH MAY, IN THE FUTURE, ADVERSELY AFFECT THE GROUP'S BUSINESS AND THE MARKET PRICE OF THE ORDINARY SHARES. IN SUCH CASES, THE MARKET PRICE OF THE ORDINARY SHARES MAY DECLINE AND HOLDERS OF ORDINARY SHARES MAY LOSE ALL OR PART OF THEIR INVESTMENT.

RISKS RELATING TO THE GROUP

A failure to successfully implement the Group's roll out strategy

The Group's core strategy is to open further Comptoir Libanais restaurants and Shawa outlets. There is no guarantee however that the Group will be able to locate or secure a sufficient number of appropriate sites to meet its growth and financial targets. Further, it is possible that new openings may take time to reach profitable operating levels or to match historic financial returns due to a lack of brand awareness, competition and other factors.

The success of any new opening undertaken by the Group will depend on a number of factors, many of which are beyond the Company's control, including the following:

- the ability to identify and secure available and suitable sites on an economic basis;
- the ability to secure all necessary operating approvals and licences in a timely manner and in a satisfactory form;
- the extent of the competition for sites and in markets in new locations generally;
- the ability to conclude a lease on acceptable terms;
- the ability to fit out new sites at an economic cost;
- delays in the timely development of all sites;
- general economic conditions; and
- planning consents.

Damage to the Group's reputation or brands could negatively impact the business, financial performance and the results of operations

The Group operates two principal brands, Comptoir Libanais and Shawa. The Directors believe that the reputation and the quality of these brands is critical to the business and its success. The Directors specifically believe that the Group's brands have and will be built on the high quality of its food and service and the atmosphere and design of each restaurant. Any incident, therefore, that negatively affects consumer loyalty for the Group's brands could significantly reduce the operating and financial performance of the Group.

The brands of the Group may be negatively affected by any negative publicity, regardless of accuracy. This includes any negative commentary on social media platforms, including weblogs, social media websites and other forms of internet based communications that provide individuals with access to a broad audience of consumers and other interested persons.

The Group's operating and financial performance is subject to seasonal fluctuations and new site openings

Restaurant businesses are susceptible to seasonal fluctuations in that sales are typically higher during the summer months and December (Christmas). Any adverse weather conditions during these periods are, therefore, likely to have a disproportionate affect on the financial performance on the Group.

The financial performance of the Group during any given year will be impacted by new site openings.

Dependence on key individuals / management

Given the relatively small size of the Group, the Company's future success is substantially dependent on a relatively small number of people and the Directors therefore view the continued service of Chaker Hanna, Tony Kitous, senior management and certain other key personnel as important. While the Directors are taking steps to ensure that knowledge, skills and expertise are shared so as to avoid the Group being unduly dependent on individuals, they acknowledge that such measures may prove not to be effective if there were adverse circumstances beyond the Group's control affecting one or more key personnel.

In order to be able to develop, support and maintain its business, the Group must also recruit and retain suitably qualified personnel. There is no assurance that it will always be able to do so on a timely basis.

Risk relating to Controlling Shareholders

Immediately following Admission, Chaker Hanna and Tony Kitous will continue to own approximately 66.7 per cent. of the issued Ordinary Share capital of the Company. As a result, Mr Hanna and Mr Kitous will be able to exercise significant influence to pass or veto matters requiring Shareholder approval, including the future issues of any Ordinary Shares, the election of directors and fundamental changes of business. This concentration of ownership may have the effect of delaying, deferring, deterring or preventing a change in control, depriving Shareholders of the opportunity to receive a premium for their Ordinary Shares as part of a sale of the Company, impending merger, consolidation, takeover or other business combination or discouraging a potential acquirer from making a tender offer or otherwise attempt to obtain control. The concentration of ownership could also affect the market price and liquidity of the Ordinary Shares.

The Company is a party to the Relationship Agreement with Mr Hanna and Mr Kitous. The Relationship Agreement is intended to allow the Company to operate its business independently from Mr Hanna and Mr Kitous and ensure that commercial transactions and relationships with Mr Hanna and Mr Kitous are conducted on an arm's length basis. However, the Relationship Agreement may not contemplate all instances in which the interests of Mr Hanna and Mr Kitous differ from those of other Shareholders and/or may be difficult to enforce. If Mr Hanna and Mr Kitous seek to influence the Company's business in a manner that may not be in the interests of other Shareholders, the Company's business, results of operations, financial condition and prospects and the trading price of the Ordinary Shares could be adversely affected.

Risks relating to Employment Law and any increase in labour costs could adversely affect the Group's profitability

As a result of recent case law and government consultation surrounding overtime, tips, bonus, commission payments and holiday pay there is a potential future liability or increase in labour costs as the Group may have to make additional payments to its employees in future.

A significant proportion of the Group's employees are paid at a rate at or around the level of the National Minimum Wage. Increases in the National Minimum Wage and availability of minimum wage workers in certain areas may impact the business, results of operations and financial condition of the Group.

The Group may be affected by adoption of and changes to the Living Wage. The Living Wage is an informal benchmark based on the amount an individual needs to earn to cover the basic cost of living. However, unlike the National Minimum Wage, the Living Wage is not a legally enforceable minimum level of pay. The Living Wage has received political support but limited endorsement by employers. Nonetheless, the Group's status as a quoted business following Admission may result in pressure on the Group to pay the Living Wage to its employees. As the Living Wage is significantly greater than the National Minimum Wage, if adopted, the Group's results of operations and financial condition may be affected.

Increasing food and other costs could adversely affect the Group's profitability

An increase in any of the Group's operating costs may negatively affect the Group's profitability. Factors such as increased employee benefit costs, food costs, petrol and delivery costs and inflation may adversely affect the Group's operating costs. Most of the factors affecting costs are beyond the Group's control and, in many cases, the Group may not be able to pass on these increased costs to its customers. The Group has no control over fluctuations in the price and

availability of ingredients or variations in products caused by these factors. The Group typically does not rely on written contracts or long-term arrangements with its suppliers, as is customary for the industry in which the Group operates. Although the Group has not experienced significant problems with its suppliers in the past, its suppliers may implement significant price increases or may not meet the Group's requirements in a timely fashion, if at all, and alternative supplies may not be available, or available on commercially acceptable terms.

Increasing property costs could adversely affect the Group's financial performance

The Group's operating performance depends in part on its ability to secure leases in desired locations at rents it believes to be reasonable.

The leases for the Group's restaurant generally require that their annual rent be reviewed on an "upwards-only" basis. If agreement on "open market" rent cannot be reached between the two parties, the matter is referred to an independent surveyor, who determines the premises' open-market rent. The annual rent for the premises then becomes the greater of such open market rental value and the previous contractually agreed rent. As a result, the Group is unable to predict or control the amount of any future increases in its rental costs arising from the review of rents it pays for its units and is unable to benefit from any decline in the open market rental value of its stores. Any substantial increase in the rent paid by the Group on its units could adversely affect the Group's business, financial and other conditions, profitability and results of operations.

Each lease agreement also provides that the lessor may terminate the lease for a number of reasons, including if the Group defaults in any payment of rent or taxes or if the Group breaches any covenant or agreement in the lease. Termination of any of the Group's leases could harm the results of the Group's operations. Although the Group believes that it will be able to renew its existing leases, it can offer no assurances that it will succeed in obtaining extensions in the future, or that any such extensions will be at rental rates that the Group believes to be reasonable.

The Group may also decide to enter into lease arrangements that are linked to the turnover of the restaurant. Any turnover linked lease entered into by the Group may, therefore, have a negative impact on the profit margin of any restaurant.

The Group has a range of lease rental periods. Certain restaurants within the Group's estate are on short term leases which means the Group will no longer operate from these sites once the lease has ended unless an extension to the lease can be agreed.

Intellectual Property Risk

The Group has a collection of trade mark registrations and applications which it uses within its restaurants. It is not clear however who created the design for the 'Comptoir Libanais' trade mark. The Company believes that the image of the woman with the flower in her hair originally appeared in a Egyptian movie poster in the 1950's. The Company does not have a licence to use the image in connection with its trade marks. The Company has sought to identify the creator and beneficial owner of the copyright in the image but has been unsuccessful. There is a risk, therefore, that the Company may in the future face an infringement claim from the copyright owner of the image. If this is the case then the Company may be forced to pay damages based on the licence fee that might have been payable had the Company obtained a licence, plus any costs awarded. Given that the Company is aware that it does not have permission to use the image, it might also face a claim for additional damages on the basis that the infringement is flagrant.

In addition to any damages and costs arising out of any settlement or litigation, the Company would also need to re-brand. The Directors do not believe that the cost of re-branding would be significant, however, it may negatively affect consumer loyalty for the Group's restaurants which could significantly reduce the operating and financial performance of the Group.

The restaurant market is competitive and open to new entrants

The Company is likely to face competition from existing and new branded restaurant groups. Further, any competitor may have greater resources than the Company and, as a result, the Company could be affected by the competitive pressures that result.

Dependence on Central Production Unit key suppliers

The Group's store operations are dependent on timely deliveries of fresh ingredients, including fresh produce and dairy products from the Group's Central Production Unit and various other key

suppliers. The Group depends on third party distributors and suppliers for some of these deliveries. While, historically, the Group's suppliers have supplied the Group with an adequate volume of ingredients, in the future they may be unable to provide the Group with the volume of ingredients sufficient for the Company to meet customer demand for its products. Further, if the quality of the Group's Central Production Unit food and/or suppliers' ingredients decline, the Group may not be able to obtain replacement food or quality ingredients on commercially agreeable terms in the open market. If the Group's food quality declines due to the lower quality of its ingredients or due to interruptions in the flow of fresh ingredients and similar factors (including poor preparation at the Central Production Unit), customer traffic may decline and negatively affect the Group's financial results. In the event of a major disruption to the timely supply of quality, fresh ingredients, alternative suppliers of food and/or distribution services (as the case may be) may only be available at higher prices which would negatively affect the Group's financial results.

Health and safety

The Group's activities are and will continue to be subject to health and safety regulations. Health and safety legislation is likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance and a heightened degree of responsibility for companies and their directors and employees. Failure by the Group to comply with such requirements in respect of its own operations may result in fines, penalties, closure of restaurants and/or litigation which could adversely affect the Group's reputation and business, results of operations, financial condition or prospects.

Changes in the cost of labour and employment risk

An increase in labour and employee benefit costs may adversely affect the Group's operating costs. Any shortage in the labour pool or other general inflationary pressures or changes will increase the Group's labour costs. Any increases in labour costs could have a material adverse effect on the Group's prospects, results of operations and financial condition.

The Company pays certain individuals, professional firms and limited companies in relation to services provided without deduction of tax and national insurance contribution. The Company regards these persons as independent, self-employed individuals who work primarily from their own premises. There is a risk that HMRC may disagree with the Company's assessment of the services and request that the Company pays historically owed tax and national insurance contribution directly and also in the future. Any such payment could have a material adverse effect on the Group's prospects, results of operations and financial condition.

RISKS RELATING TO THE ORDINARY SHARES

Suitability

Investment in the Ordinary Shares may not be suitable for all prospective investors. Prospective investors are, accordingly, advised to consult a person authorised under FSMA who specialises in investments of this nature before making any investment decisions.

No prior market for the Ordinary Shares

Before Admission, there has been no market for the Ordinary Shares. Although application has been made for the Ordinary Shares to be admitted to trading on AIM, an active public market may not develop or be sustained following Admission.

Investment in AIM-traded securities

Investment in shares traded on AIM involves a higher degree of risk and such shares may be less liquid than shares in companies which are listed on the Official List. The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for the admission of the Company's securities to the Official List. An investment in the Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Group. Investors may, therefore, realise less than, or lose all of, their investment.

Share price volatility and liquidity

The share price of quoted companies can be highly volatile and shareholdings can be illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its operations and others which may affect quoted companies generally. These factors could include the performance of the Group, large purchases or sales of the Ordinary Shares, legislative changes and general economic, political, regulatory or social conditions.

Access to further capital

The Group may require additional funds to respond to business challenges, to further expand the Group or to enhance existing products and services. Accordingly, the Group may need to engage in equity or debt financings to secure additional funds. If the Company raises additional funds through further issues of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities could have rights, preferences and privileges superior to those of current shareholders. Any debt financing secured by the Group in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which may make it more difficult for the Group to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, the Company may not be able to obtain additional financing on terms favourable to it, if at all. If the Group is unable to obtain adequate financing or financing on terms satisfactory to it, when the Group requires it, the Group's ability to continue to support its business growth and to respond to business challenges could be significantly limited or could affect its financial viability.

Future sale of Ordinary Shares

The Company is unable to predict when and if substantial numbers of Ordinary Shares will be sold in the open market following Admission. Any such sales, or the perception that such sales might occur, could result in a material adverse effect on the market price of the Ordinary Shares. The Group may require additional capital in the future which may not be available to it. The Company may raise capital in the future through public or private equity financings or by raising debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the Company's existing shareholders. Moreover, the further issue of Ordinary Shares could have a negative impact on the trading price and increase the volatility of the market price of the Ordinary Shares. The Company may also issue further Ordinary Shares, or issue further options over Ordinary Shares, as part of its employee remuneration policy, which could in aggregate create a substantial dilution in the value of the Ordinary Shares and the proportion of the Company's share capital in which investors are interested.

Forward-looking statements

Some of the statements in this document include forward-looking statements which reflect the Company's or, as appropriate, the Directors' current views with respect to financial performance, business strategy, plans and objectives of management for future operations (including development plans relating to the Group's business). These statements include forward-looking statements both with respect to the Group and the sectors and industry in which the Group operates. All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Group's actual results to differ materially from those indicated in these statements. These factors include, but are not limited to, those described in this Part II of this document which should be read in conjunction with the other cautionary statements that are included in this document. Any forward-looking statements in this document reflect the Company's or, as appropriate, the Directors' current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's operations, results of operations, growth strategy and liquidity.

These forward-looking statements speak only as at the date of this document. Subject to any applicable obligations, the Company undertakes no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise, unless required by the Prospectus Rules, AIM Rules and Disclosure and Transparency Rules, as appropriate. All subsequent written and oral forward-looking statements attributable to the

Company or individuals acting on behalf of the Company are expressly qualified in their entirety by this paragraph. Prospective investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision.

PART III

FINANCIAL INFORMATION

Section A – Accountants’ Report on the Historical Consolidated Financial Information



UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

The Directors
Comptoir Group plc
Suite 4, Strata House
34a Waterloo Road
London
NW2 7UH

Cenkos Securities plc
6.7.8 Tokenhouse Yard
London
EC2R 7AS

15 June 2016

Dear Sirs

Comptoir Group plc (the Company)

We report on the financial information on Comptoir Group plc for the three years ended 31 December 2015 set out in Part III Section B of the AIM Admission Document dated 15 June 2016 relating to the AIM admission of the Company. This financial information (the Historical Financial Information) has been prepared for inclusion in the AIM admission document dated 15 June 2016 of Comptoir Group plc (the “AIM Document”) on the basis of the accounting policies set out in note 3 of the Historical Financial Information.

This report is required by Paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with those requirements and for no other purpose.

Responsibilities

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies, to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other persons other than Comptoir Group plc and/or Cenkos Securities plc for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purpose of complying with paragraph (a) of Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the AIM Document.

The directors of Comptoir Group plc are responsible for preparing the Historical Financial Information in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS).

It is our responsibility to form an opinion on the Historical Financial Information and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the Historical Financial Information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the

Historical Financial Information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the AIM Document, a true and fair view of the state of affairs of Comptoir Group plc as at the date stated and of its profits and losses, comprehensive income, changes in equity and cash flows for the period ended 31 December 2015 in accordance with the basis of preparation set out in of Section B Part III and in accordance with International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies, we are responsible for this report as part of the AIM Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the AIM Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

UHY Hacker Young LLP

PART III
FINANCIAL INFORMATION

Section B – Historical Consolidated Financial Information

The consolidated financial information set out below for Comptoir Group plc for the three years ended 31 December 2015 has been prepared by the Directors on the basis set out in note 2.

The accompanying notes represent an integral part of the financial information. The financial information contained within this section does not constitute statutory financial statements within the meaning of section 434 of Companies Act 2006.

Statements of comprehensive income

	Notes	Year ended 31 December 2013 £'000	Year ended 31 December 2014 £'000	Year ended 31 December 2015 £'000
Continuing operations				
Revenue	5	10,862	15,179	17,727
Cost of sales		(5,827)	(8,315)	(9,173)
Gross profit		<u>5,035</u>	<u>6,864</u>	<u>8,554</u>
Depreciation		397	542	696
Other administrative expenses		3,736	4,915	6,523
Total administrative expenses		(4,133)	(5,457)	(7,219)
Other operating income	2	<u>2</u>	<u>—</u>	<u>50</u>
Operating profit	6	904	1,407	1,385
Finance costs (net)	7	(63)	(66)	(68)
Profit before income tax		<u>841</u>	<u>1,341</u>	<u>1,317</u>
Income tax	8	(137)	(207)	(295)
Profit for the year		<u><u>704</u></u>	<u><u>1,134</u></u>	<u><u>1,022</u></u>
Other comprehensive income		<u>—</u>	<u>—</u>	<u>—</u>
Total comprehensive income		<u><u>704</u></u>	<u><u>1,134</u></u>	<u><u>1,022</u></u>
Earnings per share				
Basic and diluted earnings per share attributable to ordinary equity shareholders (£)				
	21	<u><u>70</u></u>	<u><u>113</u></u>	<u><u>102</u></u>

Consolidated statements of financial position

ASSETS	Notes	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Non-current assets				
Property, plant and equipment	11	3,383	3,910	6,226
Current assets				
Inventories	13	136	172	304
Trade and other receivables	14	957	1,098	1,591
Cash and cash equivalents	15	894	1,764	655
		<u>1,987</u>	<u>3,034</u>	<u>2,550</u>
Total Assets		<u><u>5,370</u></u>	<u><u>6,944</u></u>	<u><u>8,776</u></u>
LIABILITIES				
Current liabilities				
Trade and other payables	16	(1,917)	(2,697)	(3,660)
Borrowings	17	(315)	(397)	(578)
		<u>(2,232)</u>	<u>(3,094)</u>	<u>(4,238)</u>
Non-current liabilities				
Borrowings	17	(787)	(929)	(1,236)
Provision for liabilities	18	(63)	(91)	(119)
		<u>(850)</u>	<u>(1,020)</u>	<u>(1,355)</u>
Total Liabilities		<u>(3,082)</u>	<u>(4,114)</u>	<u>(5,593)</u>
Net Assets		<u><u>2,288</u></u>	<u><u>2,830</u></u>	<u><u>3,183</u></u>
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital	19	—	—	—
Retained earnings		<u>2,288</u>	<u>2,830</u>	<u>3,183</u>
Total Equity and Reserves		<u><u>2,288</u></u>	<u><u>2,830</u></u>	<u><u>3,183</u></u>

Consolidated statements of changes in equity

	Share capital £'000	Retained earnings £'000	Total equity £'000
Year ended 31 December 2013			
At 1 January 2013	—	1,755	1,755
Dividends – paid	—	(171)	(171)
Total comprehensive income	—	704	704
	<hr/>	<hr/>	<hr/>
At 31 December 2013	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Year ended 31 December 2014			
At 1 January 2014	—	2,288	2,288
Dividends – paid	—	(592)	(592)
Total comprehensive income	—	1,134	1,134
	<hr/>	<hr/>	<hr/>
At 31 December 2014	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Year ended 31 December 2015			
At 1 January 2015	—	2,830	2,830
Dividends – paid	—	(163)	(163)
Dividends – payable	—	(506)	(506)
Total comprehensive loss for year	—	1,022	1,022
	<hr/>	<hr/>	<hr/>
At 31 December 2015	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Consolidated statements of cash flows

	Year ended 31 December 2013 £'000	Year ended 31 December 2014 £'000	Year ended 31 December 2015 £'000
Operating activities			
Profit before tax			
Adjustments for:	841	1,341	1,317
Depreciation charges	397	542	696
Dilapidation provision	6	5	7
Finance costs (net)	63	66	68
Operating profit before working capital changes	1,307	1,954	2,088
Increase in inventory	(45)	(37)	(131)
Increase in receivables	(364)	(166)	(494)
Increase in payables	236	874	472
Cash generated from operations	1,134	2,625	1,935
Interest paid	(63)	(66)	(68)
Income tax paid	(64)	(169)	(219)
Net cash from operating activities	1,007	2,390	1,648
Investing activities			
Purchases of property, plant and equipment	(1,392)	(1,069)	(3,012)
Net cash used in investing activities	(1,392)	(1,069)	(3,012)
Financing activities			
Proceeds from bank borrowings	713	47	581
Proceeds from other borrowings	186	94	—
Repayments of bank borrowings	(170)	—	(69)
Repayments of other borrowings	(38)	—	(94)
Dividends paid to equity holders	(171)	(592)	(163)
Net cash from/(used in) financing activities	520	(451)	255
Increase/(decrease) in cash and cash equivalents	134	870	(1,109)
Cash and cash equivalents at 1 January	760	894	1,764
Cash and cash equivalents at 31 December	894	1,764	655

Notes to the historical consolidated financial information

1. Reporting entity

Comptoir Group plc (the “Company”) is a company incorporated and domiciled in England & Wales with a company registration number of 07741283. The Company was formally called Levant Restaurants Group Limited and on 8 June 2016 it re-registered as a public limited company and changed its name to Comptoir Group plc. The address of the Company’s registered office is Suite 4, Strata House, 34A Waterloo Road, London, NW2 7UH.

The consolidated financial information of the Company for the three years ended 31 December 2013, 2014 and 2015 includes the financial information of the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”). The Group’s principal activity is that of operating restaurants positioned in the smart but affordable segment of the UK casual dining market with Lebanese/Middle Eastern offering.

2. Basis of preparation

The consolidated financial information is prepared on a going concern basis and in accordance with International Financial Reporting Standards, as adopted by the European Union (“IFRS”) and issued by the International Accounting Standards Board (“IASB”).

The Group has adopted IFRS for the first time in this historical financial information. The Company’s transition date to IFRS is 1 January 2013.

The financial information has been prepared under the historical cost convention with the exception of certain items which are measured at fair value as disclosed in the accounting policies below. The principal accounting policies set out below have been consistently applied to all periods presented. The historical financial information has been prepared solely for the purposes of the Admission Document.

IFRS transition

IFRS 1 ‘First-time Adoption of International Financial Reporting Standards’ permits companies adopting IFRS for the first time to take certain optional exemptions from the full retrospective application of IFRS. The Group adopted FRS 102 ‘The financial reporting standard applicable in the UK and Republic of Ireland’ in its financial statements for the year ended 31 December 2015 with a restatement of its financial comparatives. FRS 102, also known as new UK Generally Accepted Accounting Practice (“new UK GAAP”) is materially consistent to IFRS for the Group. No further transition disclosures are required from the conversion of the Group’s new UK GAAP financial statements to this IFRS financial information.

Going concern

After reviewing the Group’s forecasts, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the consolidated financial information.

Functional and presentation currency

The financial information is presented in Pounds Sterling (£), which is the both the functional and presentational currency of the Group. All amounts are rounded to the nearest thousand (£’000), except where otherwise indicated.

New IFRS Standards and Interpretations not yet adopted

At the date of approval of the financial information, a number of new IFRS standards, amendments and interpretations have been issued but are not yet effective and have not been applied in preparing the financial information.

The Directors do not anticipate that adoption of the standards, amendments and interpretations will have a material impact on the financial information of the Group in future years.

Standard/ interpretation	Content	Applicable for financial periods beginning on or after
IAS 16 and IAS 38	Clarification of acceptable methods of depreciation and amortisation	1 January 2016
IFRS 9	Financial Instruments	1 January 2018
IFRS 7	Financial instruments Disclosure	1 January 2018
IFRS 15	Revenue from Contracts with Customers	1 January 2017

Significant accounting judgements and estimates

The preparation of financial information in conformity with IFRS's requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates may differ from the related actual results. The estimates and assumptions that have a risk of causing material adjustment to the carrying amounts of assets and liabilities within the future financial years are as follows:

Estimates

Depreciation, useful lives and residual values of property, plant & equipment

The Directors estimate the useful lives and residual values of property, plant & equipment in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the statement of comprehensive incomes and the carrying values of the property, plant & equipment in the statements of financial position.

Deferred tax liability

The Group estimates future profitability in arriving at the fair value of the deferred tax assets and liabilities. If the final tax outcome is different to the estimated deferred tax amount the resulting changes will be reflected in the statement of comprehensive income, unless the tax relates to an item charged to equity in which case the changes in tax estimates will also be reflected in equity.

Judgments

In the process of applying the Group's accounting policies, management has made the following significant judgment, apart from those involving estimations, which may have a significant effect on amounts recognized in the financial statements; impairment of assets (including receivables and property, plant and equipment).

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the historical consolidated financial information, unless otherwise indicated.

Basis of consolidation

The financial information consolidates the financial information of the Company and all its subsidiary undertakings drawn up to 31 December each year.

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account and control generally accompanying a shareholding of more than one half of the voting rights. The consolidated financial information has been prepared by using the principles of acquisition accounting (“the purchase method”), which includes the results of the subsidiaries in the consolidated financial information from their date of acquisition (i.e. when control commences) until the date that control ceases.

The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated fully on consolidation. The gain or loss on disposal of a subsidiary company is the difference between net disposals proceeds and the Group’s share of its net assets together with any goodwill and exchange differences.

Foreign currency translation

Functional and presentational currency

Items included in the financial results of each of the Group’s entities are measured using the currency of the primary economic environment in which the entities operate (the functional currency). The consolidated financial information is presented in Pounds Sterling (£) which is the Company’s functional and operational currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

Financial instruments

Financial assets and financial liabilities are measured initially at fair value plus transactions costs. Financial assets and financial liabilities are measured subsequently as described below.

Financial assets

The Group classifies its financial assets as ‘loans and receivables’. The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date, which are classified as non-current assets. Loans and receivables are classified as ‘trade and other receivables’ in the Statement of Financial Position.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulty, high probability of bankruptcy or a financial reorganisation and default are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The loss is recognised in the profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

Financial liabilities

The Group's financial liabilities include trade and other payables.

Trade payables are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest method ("EIR" method).

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Income Statement.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

The Group recognises an accrual for annual holiday pay accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within 12 months. The accrual is measured at the salary cost payable for the period of absence.

Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

Depreciation is provided to write off the cost less the estimated residual value of each asset over their expected useful economic lives, as follows:

Plant and Machinery	15% reducing balance
Fixtures and equipment	10% reducing balance
Leasehold land and building	Over the length of the lease

The carrying values of plant and equipment are reviewed at each statement of financial position date to determine whether there are any indications of impairment. If any such indication exists, the assets are tested for impairment to estimate the assets' recoverable amounts. Any impairment losses are recognized in the statement of comprehensive income.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within the statement of comprehensive income.

Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the profit or loss in those expense categories consistent with the function of the impaired asset.

Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and comprise cash in hand, cash at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts that are repayable on demand are included within borrowings in current liabilities on the statement of financial position.

Inventories

Inventories are stated at the lower of costs and net realisable value. Cost comprises direct materials, and those direct overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

Pre-opening expenses

Property rentals and related costs incurred up to the date of opening of a new restaurant are written off to the income statement in the period in which they are incurred. Promotional and training costs are written off to the income statement in the period in which they are incurred.

Provisions for liabilities and for leasehold property dilapidation repairs

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Provisions for leasehold property dilapidation repairs are recognised when the Group has a present obligation to carry out dilapidation work on the leasehold premises before the property is vacated. The amount recognised as a provision is the best estimate of the costs required to carry out the dilapidations work and is spread over the expected period of the tenancy.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue represents amounts received and receivable for services and goods provided in the Group's restaurants (excluding value added tax and gratuities left by customers for the benefit of employees) and is recognised at the point of sales.

Financial income and expenses

Financial income comprises interest receivable on cash balances and deposits. Interest income is recognized when the right to receive payments is established.

Financial expenses comprise interest payable on bank loans, hire purchase liabilities' charges and other financial costs and charges. Interest payable is recognised on an accrual basis.

Employee benefits

Short term employee benefits

Wages, salaries, paid annual leave, paid sick leave and bonuses are recognised as an expense in the period in which the associated services are rendered by employees.

Pensions and other post employment benefits

The Group pays monthly contributions to defined contribution plans. The legal or constructive obligation of the Group is limited to the amount that they agree to contribute to the plan. The contributions to the plan are charged to the statement of comprehensive income in the period to which they relate.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Current and deferred income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered or paid to the taxation authorities. A provision is made for corporation tax for the reporting period using the tax rates that have been substantially enacted for the company at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income.

Deferred income tax is provided in full on an undiscounted basis, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Ordinary shares

Ordinary shares are classified as equity. Costs directly attributable to the increase of new shares or options are shown in equity as a deduction from the proceeds.

Dividend distributions

Dividend distributions proposed by the Directors which are unpaid at the statement of financial position date are not recognized in the financial statements as a liability (and deduction to equity) until they have been appropriately approved by the shareholders. Unpaid dividends that are not approved are disclosed in the notes to the financial information.

Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses related to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Chief Operating Decision Maker has been identified as the Board of Executive Directors, at which level strategic decisions are made.

4. Operating segments

The Group has only one operating segment: the operation of restaurants with Lebanese and Middle Eastern offering and one geographical segment (the United Kingdom). The Group's brands meet the aggregation criteria set out in paragraph 22 of IFRS 8 "Operating Segments" and as such the Group reports the business as one reportable segment.

None of the Group's customers individually contribute over 10% of the total revenue.

5. Revenue

Revenue is derived from the Group's principal activity of operating Lebanese and Middle Eastern Restaurants. All revenue was derived from sales in the UK.

6. Operating profit

	2013	2014	2015
	£'000	£'000	£'000
Operating profit is stated after charging:			
Staff costs (note 9)	3,429	5,043	5,735
Depreciation (note 11)	397	542	696
Restaurant pre-opening costs	91	32	232
Property dilapidation (note 18)	6	5	7
Operating lease rentals – property	1,128	1,549	1,839
	<u>1,128</u>	<u>1,549</u>	<u>1,839</u>

7. Finance costs (net)

Recognised in profit for the year

	2013	2014	2015
	£'000	£'000	£'000
<i>Finance costs</i>			
Interest payable	63	66	68
<i>Finance income</i>			
Less: Interest received	—	—	—
<i>Finance costs (net)</i>	<u>63</u>	<u>66</u>	<u>68</u>

8. Income tax

	2013	2014	2015
	£'000	£'000	£'000
Current tax expense			
Current year	105	188	274
Prior year adjustment	—	(4)	—
	<u>105</u>	<u>184</u>	<u>274</u>
Deferred tax income			
Current year	32	23	21
	<u>32</u>	<u>23</u>	<u>21</u>
Total income tax charge	<u>137</u>	<u>207</u>	<u>295</u>

A reconciliation between the tax expense and the accounting loss multiplied by the tax rate for each period is as follows:

	2013	2014	2015
	£'000	£'000	£'000
Profit before taxation	841	1,341	1,317
Current taxation at standard tax rate (2015: 20.25%, 2014: 21.5%, 2013: 23%)	193	288	267
<i>Reconciliation to actual income tax charge:</i>			
Tax losses utilised	(109)	(71)	—
Non-deductible expenses	12	34	17
Depreciation over capital allowances	(3)	(41)	(48)
Other tax adjustments	12	(22)	(35)
Prior year adjustment	—	(4)	(23)
Deferred tax	32	23	21
Total tax charge	<u>137</u>	<u>207</u>	<u>295</u>

Deferred taxes

Details of the deferred tax liabilities are given on note 18.

9. Employee information

	2013	2014	2015
	£'000	£'000	£'000
Salaries, wages, bonuses and allowances	3,242	4,738	5,355
Defined contribution pension costs	—	10	28
Social security costs	188	287	352
	<u>3,430</u>	<u>5,035</u>	<u>5,735</u>

The average monthly number of persons employed (including Directors) by the Group, analysed by category, was as follows:

	2013	2014	2015
	Number	Number	Number
Kitchen and floor	269	282	440
Administration	47	54	67
Management	2	3	3
	<u>318</u>	<u>339</u>	<u>510</u>

Included in staff costs above is Directors' remuneration as follows:

	2013	2014	2015
	£'000	£'000	£'000
Salaries, wages, bonuses and allowances	72	75	75
Defined contribution pension costs	—	—	—
	<u>72</u>	<u>75</u>	<u>75</u>

Key management is considered to be the Directors only and so key management remuneration is as disclosed above.

10. Capital commitments

At the years ended 31 December 2013, 2014 and 2015 there were no 'approved and contracted for' capital commitments in relation to property, plant and equipment costs for new restaurants.

11. Property, plant and equipment

	Leasehold land & buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 January 2013	2,643	1,068	497	4,208
Additions in year	770	238	383	1,391
At 31 December 2013	3,413	1,306	880	5,599
Additions in year	597	114	358	1,069
At 31 December 2014	4,010	1,420	1,238	6,668
Additions in year	1,647	999	367	3,013
At 31 December 2015	5,657	2,419	1,605	9,681
Depreciation				
At 1 January 2013	1,017	506	296	1,819
Depreciation charge for year	256	106	35	397
At 31 December 2013	1,273	612	331	2,216
Depreciation charge for year	341	116	86	543
At 31 December 2014	1,614	728	417	2,759
Depreciation charge for year	410	183	103	696
At 31 December 2015	2,024	911	520	3,455
Net book values				
At 31 December 2013	2,140	694	549	3,383
At 31 December 2014	2,396	692	822	3,910
At 31 December 2015	3,633	1,508	1,085	6,226

Leasehold land and buildings comprise property improvement on the Group's leased restaurant properties. Depreciation is included within administrative expenses in the income statement. There were no disposals of property, plant and equipment in the three years. Property, plant and equipment are pledged as security for the Group's bank loans. Plant and machinery with a carrying value of £144,000 (2014: £168,000; 2013: £176,000) and fixtures, fittings and equipment with a carrying value of £126,000 (2014: 140,000; 2013: £Nil) are held under finance leases contracts.

12. Group entities

Details of the Company's subsidiary companies at 31 December 2015 were as follows:

Subsidiary companies	Equity interests			Principal activities
	2013	2014	2015	
	%	%	%	
Timerest Limited	100	100	100	Restaurateurs
Chabane Limited	100	100	100	Restaurateurs
Shawa Limited	100	100	100	Restaurateurs
Comptoir Stratford Limited	100	100	100	Restaurateurs
Comptoir South Ken Limited	100	100	100	Restaurateurs
Comptoir Soho Limited	100	100	100	Restaurateurs
Comptoir Group Limited	100	100	100	Intermediate holding company
Comptoir Wigmore Limited	100	100	100	Restaurateurs
Comptoir Bluewater Limited	100	100	100	Restaurateurs
Comptoir Westfield London Limited	100	100	100	Restaurateurs
Comptoir Central Production Limited	100	100	100	Food production
Comptoir Franchise Limited	100	100	100	Restaurateurs
TKCH Limited	100	100	100	Dormant
Comptoir Kingston Limited	100	100	100	Restaurateurs
Comptoir Chelsea Limited	100	100	100	Restaurateurs
Comptoir I.P. Limited	100	100	100	Dormant
Comptoir Group Limited	100	100	100	Dormant
Comptoir Broadgate Limited	—	100	100	Restaurateurs
Comptoir Bath Limited	—	100	100	Dormant
Comptoir Exeter Limited	—	100	100	Dormant
Comptoir Manchester Limited	—	—	100	Restaurateurs
Shawa Bluewater Limited	—	—	100	Restaurateurs
Comptoir Leeds Limited	—	—	100	Dormant
Comptoir Oxford Limited	—	—	100	Dormant
Shawa Group Limited	—	—	100	Dormant
Comptoir Restaurants Limited	—	—	100	Dormant

Comptoir Manchester Limited was incorporated on 21 January 2015 and Shawa Bluewater Limited was incorporated on 27 August 2015 for two restaurants that were opened in 2015. All subsidiaries are incorporated when they are required. There were no business combinations or acquisitions of subsidiaries or associates in the three years to 31 December 2015.

13. Inventories

	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Raw materials, consumables and crockery utensils	136	172	304

In the Directors' opinion, there is no material difference between the realisable value of inventories and the carrying values above. Inventories are pledged as security for the Group's bank loans.

14. Trade and other receivables

	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Trade receivables	194	219	310
Prepayments	359	551	603
Other receivables	404	328	678
	<u>957</u>	<u>1,098</u>	<u>1,591</u>

All amounts shown above are due for payment within one year. The Group has no significant concentration of credit risk that may arise from exposure to a single receivable or the groups of receivables. Exposure to credit and currency risks related to trade and other receivables is disclosed in note 22.

The Directors consider that the carrying amount of trade and other receivables approximates to their fair values as they are comprised of short term receivables.

All of the Group's trade receivables have been reviewed for indicators of impairment. None of the trade receivables were found to be impaired and no provision has been made.

15. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise the following:

	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Cash at bank	<u>894</u>	<u>1,764</u>	<u>655</u>

The Group's exposure to interest rate risk for financial assets and liabilities is disclosed in note 22.

16. Trade and other payables

	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Trade payables	567	457	816
Corporation tax payable	169	216	240
Other taxes and social security	476	647	826
Directors' loans	70	86	573
Other payables	385	923	637
Accruals	250	368	568
	<u>1,917</u>	<u>2,697</u>	<u>3,660</u>

Accruals at 31 December 2015 includes a holiday pay accrual of £42,000 (2014: £Nil; 2013: £Nil) as a result of services rendered which employees are entitled to carry forward to the next year.

Directors' loans are repayable on demand, are interest free and unsecured. The amount due at 31 December 2015 includes a £506,250 dividend payable which was approved at the year end. The directors' loan amount of £573,000 due at 31 December 2015 was repaid subsequent to the year end.

The normal trade credit terms granted to the Group are 30 days. Exposure to liquidity and currency risks related to trade and other payables is disclosed in note 22.

The Directors consider that the carrying amount of trade and other payables approximates to their fair values.

17. Borrowings

	31 December	31 December	31 December
	2013	2014	2015
	£'000	£'000	£'000
<i>Current</i>			
Bank loans	235	302	495
Finance leases liabilities	80	95	83
	<u>315</u>	<u>397</u>	<u>578</u>
	<u><u>315</u></u>	<u><u>397</u></u>	<u><u>578</u></u>
<i>Non-Current</i>			
Bank loans	772	820	1,209
Finance leases liabilities	15	109	27
	<u>787</u>	<u>929</u>	<u>1,236</u>
	<u><u>787</u></u>	<u><u>929</u></u>	<u><u>1,236</u></u>

The bank loans are secured by a fixed charge over the assets of the Group and a personal guarantee by the director, A Kitous. The loans held in the subsidiaries have an interest rate of 3.25% p.a. over base rate.

The bank loans are repayable are follows:

	31 December	31 December	31 December
	2013	2014	2015
	£'000	£'000	£'000
Within one year	235	302	495
Between one and two years	168	248	495
Between two and five years	603	572	714
More than five years	—	—	—
Total bank loan debt	<u>1,007</u>	<u>1,122</u>	<u>1,704</u>
	<u><u>1,007</u></u>	<u><u>1,122</u></u>	<u><u>1,704</u></u>

Finance lease payments represent leases payable by the Group for certain items of plant and machinery. Finance lease liabilities are secured on the related assets (plant and machinery and fixtures, fittings and equipment) held under finance leases (note 11).

Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Future lease payments in respect of finance leases are due as follows:

	31 December	31 December	31 December
	2013	2014	2015
	£'000	£'000	£'000
Within one year	80	95	83
Within two to five years	15	109	27
After five years	—	—	—
Present value of lease obligations	<u>95</u>	<u>204</u>	<u>110</u>
	<u><u>95</u></u>	<u><u>204</u></u>	<u><u>110</u></u>

There are no finance leases where the Group is itself a lessor. The interest rate applied in calculating the present value of the payments is the incremental borrowing cost of the Group in relation to each lease.

18. Provisions for liabilities

The Group's provisions for liabilities comprise:

	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Deferred tax liabilities	47	70	91
Provision for leasehold properties' dilapidations	16	21	28
	<u>63</u>	<u>91</u>	<u>119</u>

The deferred tax balances arose on timing differences and was as follows:

	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Deferred tax liabilities			
As at 1 January	15	47	70
Charge to the statement of comprehensive income	32	23	21
Balance as at 31 December	<u>47</u>	<u>70</u>	<u>91</u>

Provisions for leasehold property dilapidation repairs are recognised when the Group has a present obligation to carry out dilapidation work on the leasehold premises before the property is vacated. The amount recognised as a provision is the best estimate of the costs required to carry out the dilapidations work and is spread over the expected period of the tenancy, as follows.

	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Property dilapidation repairs			
As at 1 January	10	16	21
Charge to the statement of comprehensive income	6	5	7
Balance as at 31 December	<u>16</u>	<u>21</u>	<u>28</u>

19. Share capital

	31 December 2013 £	31 December 2014 £	31 December 2015 £
Authorised, issued and fully paid			
5,000 ordinary A shares of 1p each	—	50	50
5,000 ordinary B shares of 1p each	—	50	50
100 ordinary shares of £1 each	100	—	—
	<u>100</u>	<u>100</u>	<u>100</u>

In 2014 the Company reorganised its share capital from 100 ordinary shares of £1 each to 5,000 ordinary A Shares of 1p each and 5,000 ordinary B Shares of 1p each.

Dividend per ordinary A share for 2014 and 2015 (adjusted for 2013 for comparison)	<u>34</u>	<u>118</u>	<u>134</u>
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20. Operating lease commitments

The future minimum rentals payable under operating leases over the remaining lives of the leases are:

	31 December 2013 £'000	31 December 2014 £'000	31 December 2015 £'000
Within one year	967	994	1,138
Within two to five years	2,902	2,962	3,724
After five years	5,533	4,565	3,612
Present value of lease obligations	<u>9,402</u>	<u>8,521</u>	<u>8,474</u>

The Group has entered into a number of property leases on standard commercial terms. There are no restrictions imposed by the Group's operating lease arrangements, either in the current or prior year.

21. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic earnings per share computations:

	31 December 2013	31 December 2014	31 December 2015
Net income attributable to ordinary equity holders for basic earnings (£)	<u>£704,000</u>	<u>£1,134,000</u>	<u>£1,022,000</u>
Weighted average number of ordinary shares for basic earnings per share (Number)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Earnings per share (basic and diluted) (£)	<u>70</u>	<u>113</u>	<u>102</u>

22. Financial instruments

Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its risks. The Group does not engage in speculative transactions or hedging transactions.

The Group's principal financial instruments consist of cash and cash equivalents and loans. The main purpose of these financial instruments is to finance the Group's operations. The Group has other financial instruments such as trade receivables and trade payables that arise directly from its operations.

The Directors have overall responsibility for the establishment and oversight of the Group's risk management and they recognise that financial risk management is an area in which they may need to develop specific policies should the Group become exposed to further financial risks as the business develops. The Directors currently ensure that the Group has sufficient cash and cash equivalents to ensure there is sufficient reserves to support the business operations. The exposure to other financial instruments are limited to those generated through the operations and borrowings.

The main risks arising from the Group's financial instruments are credit risk, interest rate risk, currency risk, liquidity risk, and market price risk. This note presents information about the Group's exposure to each of these risks. The Board reviews and agrees policies for managing each of these risks as and when they arise. Further quantitative disclosures are included throughout the financial information.

There has not been any material changes in respect of the exposure to financial risks during the periods presented.

Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets held at the balance sheet date. The Group's maximum exposure to credit risk by type of financial asset equals the carrying value of the financial asset shown in 2013, 2014 and 2015.

All receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. In practice, the company has limited exposure to credit risk as the receivables in the balance sheet are predominantly receivable from well established trade suppliers or landlords. These relationships are monitored closely and given the ongoing nature with such counterparts, the likelihood of default is considered to be limited. As a result, no provision for doubtful debts has been made in the financial statements.

Group policy is that cash collected at the restaurants is banked on a regular and frequent basis to ensure that security risks are minimised and that cash resources are utilised efficiently. An analysis of cash deposits held is provided to Board Directors on a weekly basis and any changes in strategy for the treasury function are discussed and approved at Board level at regular monthly meetings. Cash is deposited with UK based financial institutions, in funds that are readily converted into known amounts of cash and the credit risk on such assets is considered to be limited.

Market price risk

Market price risk is the risk that changes in market prices such as foreign exchange and interest rates will affect the Group's income. The Directors do not consider market price risk to be a material risk to the Group.

Interest rate risk

Interest rate risk is the risk that the value of financial assets will fluctuate due to changes in market interest rates. The Group's income and operating cash flows and the value of its financial assets are largely independent of changes in market interest rates. Low levels of surplus funds are invested in short term secured deposit accounts such that the Group is not unduly exposed to market interest rate fluctuations.

The Group's exposure to interest rate movements on borrowings has been historically controlled through the use of floating rate debt and by achieving a balanced interest rate profile. The Group does not currently have any interest rate swaps in place as the current market conditions results in a low level of exposure. The Group's exposure will continue to be monitored and the use of interest rate swaps may be considered in the future.

Currency risk

The Company's operations are entirely in the United Kingdom resulting in minimal exposure to currency risk. No sensitivity analysis of currency risk has therefore been shown.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. As part of its overall prudent liquidity risk management, the Group actively manages its operating cash flows and the availability of funding through an adequate amount of committed credit facilities and ability to close out market positions. The contractual maturity of the financial liabilities, including both principal and interest, are as follows:

	Less than one year £'000	More than one year £'000	Total £'000
2013			
Trade and other payables	1,917	—	1,917
Borrowings	315	787	1,102
Other liabilities	—	63	63
	<u>2,232</u>	<u>850</u>	<u>3,082</u>
2014	£'000	£'000	£'000
Trade and other payables	2,697	—	2,697
Borrowings	397	929	1,326
Other liabilities	—	91	91
	<u>3,094</u>	<u>1,020</u>	<u>4,114</u>
2015	£'000	£'000	£'000
Trade and other payables	3,660	—	3,660
Borrowings	578	1,236	1,814
Other liabilities	—	119	119
	<u>4,238</u>	<u>1,355</u>	<u>5,593</u>

Fair values

The carrying amounts of all financial assets and liabilities of the Group as disclosed in the notes to the financial information are approximately their fair values.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital with an appropriate level of leverage for the size of the business so as to maintain investor, creditor and market confidence and to sustain future development of the business. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. There have been no changes to the Group's approach to capital management during the three year period ended 31 December 2015.

23. Subsequent events

Since 31 December 2015, the Group has obtained two new bank loans totalling £825,000. These loans are in respect of two restaurants that were opened in 2015 (and funded from working capital of the Group during 2015). No new restaurants have been opened since 31 December 2015 to the date of this report. The Group's restaurant in Soho, London was closed in April 2016. Since 31 December 2015 the Group has also repaid the amounts due to directors which totalled £573,000 as at 31 December 2015.

No other significant events have taken place since 31 December 2015.

24. Control

At 31 December 2015 the Company was controlled by its two Executive Directors.

25. Related party transactions

Transactions with key management personnel

Key management personnel of the Group are defined as those persons having authority and responsibility for the planning, directing and controlling the activities of the Company, directly or indirectly. Key management of the Company are considered to be the Directors of Comptoir Group plc, details of their remuneration are shown in note 9.

During the year ended 31 December 2013, the shareholders of the Company, C Hanna and A Kitous, received dividend payments of £99,000 and £72,000 respectively.

Included within payables at 31 December 2013 is the amount of £70,000 owed to the Director, A Kitous. The amount is interest free and repayable on demand.

During the year ended 31 December 2014 the shareholders, C Hanna and A Kitous, received a dividend of £429,000 and £163,000 respectively.

Included within payables at 31 December 2014 is the amount of £86,000 owed to the Director, A Kitous. The amount is interest free and repayable on demand.

During the year to 31 December 2015, the Directors, C Hanna and A Kitous received a dividend of £120,000 and £43,000 respectively. At 31 December 2015 there are dividends payable to C Hanna and A Kitous of £232,000 and £275,000, respectively. These dividends payable are included in directors' loans in payables (note 16).

Included within payables at 31 December 2015 is the amount of £66,350 owed to the Director, A Kitous. The amount is interest free and repayable on demand (note 16).

PART IV

Unaudited Pro Forma Statement of Net Assets of Comptoir Group plc

Set out below is an unaudited *pro forma* statement of net assets of Comptoir Group plc as at 31 December 2015. The *pro forma* statement of net assets has been prepared on the basis set out in the notes below to illustrate the effect on the net assets of Comptoir Group plc of the Admission, Placing and certain other subsequent events, as described in the notes below, as if they had taken place at 31 December 2015. It has been prepared for illustrative purposes only.

Because of its nature, the unaudited *pro forma* statement of net assets addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position as at 31 December 2015 or its results to that date. It is based on the audited net assets of the Group as at 31 December 2015 as shown in Section B of Part III 'Historical Consolidated Financial Information' of this document. It may not, therefore, give a true picture of the Group's financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. Shareholders and prospective investors should read the whole of this Document and not rely solely on the summarised financial information contained in this Part IV.

	Comptoir Group plc net assets at 31 December 2015 Note 1 £'000	Adjustments			Pro forma net assets at 31 December 2015 Note 5 £'000
		Placing proceeds received by the Company and costs Note 2 £'000	Repayment of directors' loans Note 3 £'000	Bank loan proceeds received Note 4 £'000	
Assets					
Non-current assets					
Property, plant and equipment	6,226	—	—	—	6,226
Total non-current assets	6,226	—	—	—	6,226
Current assets					
Inventories	304	—	—	—	304
Trade and other receivables	1,591	—	—	—	1,591
Cash and cash equivalents	655	7,283	(573)	825	8,190
Total current assets	2,550	7,283	(573)	825	10,085
Total Assets	8,776	7,283	(573)	825	16,311
Liabilities					
Current liabilities					
Trade and other payables	(3,660)	—	573	—	(3,087)
Borrowings	(578)	—	—	(180)	(758)
Total current liabilities	(4,238)	—	573	(180)	(3,845)
Non-current liabilities					
Borrowings	(1,236)	—	—	(645)	(1,881)
Provision for liabilities	(119)	—	—	—	(119)
Total non-current liabilities	(1,355)	—	—	(645)	(2,000)
Total Liabilities	(5,593)	—	573	(825)	(5,845)
Net Assets	3,183	7,283	—	—	10,466

Notes:

- The financial information has been extracted, without material adjustment, from the statement of financial position of Comptoir Group plc as at 31 December 2015, as set out in Part III 'Historical Consolidated Financial Information'.
- On Admission, the Company will raise £8.0 million by the issue of 16,000,000 new Ordinary Shares. The net proceeds raised by the Company are £7.28 million, after approximately £717,000 (inclusive of VAT) of expenses related to the Placing and Admission. The Placing and Admission costs will be allocated between the Placing and Admission, the costs of the Admission will be expensed and the costs of the Placing will be deducted from share premium in the 2016 financial statements of the Group.
- Repayment of directors' loans of £573,000 previously owed to the Executive Director as at 31 December 2015. Repayment will be made prior to the Placing using the existing cash resources of the Group.
- Bank loan funding of £825,000 received after 31 December 2015 relating to two restaurants that were opened prior to 31 December 2015.
- This column represents the sum of the preceding columns and represents the *pro forma* net assets of the Group as at 31 December 2015 assuming the Admission, the Placing proceeds received by the Company, the new bank loans and the repayment of the directors' loans by the Company had occurred on that date.

PART V

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Company and the Directors, whose names appear in paragraph 4 below, accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules for Companies. To the best of the knowledge of the Company and the Directors (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 contains no omission likely to affect the import of such information.

2. THE COMPANY

- 2.1 The Company was incorporated with limited liability in England and Wales on 16 August 2011 as a private limited company under the Companies Act 2006 (“**Act**”), with registered number 07741283 under the name Levant Restaurants Group Limited.
- 2.2 On 8 June 2016 the Company was re-registered as a public limited company with the name Comptoir Group plc and adopted new articles of association appropriate to a public company, details of which are set out in paragraph 6 of this Part V.
- 2.3 The Company is domiciled in England and Wales.
- 2.4 The legal and commercial name of the Company is Comptoir Group plc.
- 2.5 The Company’s registered office address and principal place of business is Suite 4 Strata House, 34a Waterloo Road, London, NW2 7UH and its telephone number is 0207 486 1111. The address of the Company’s website on which the information required by Rule 26 of the AIM Rules is available is www.investors.comptoirlibonais.com.
- 2.6 The principal legislation under which the Company operates is the Companies Act 2006 (the “**Act**”) and the regulations made thereunder.
- 2.7 The Company’s principal objects and activities, which are set out in its memorandum of association, are to act as a general commercial company.
- 2.8 The liability of the members of the Company is limited.
- 2.9 The accounting reference date of the Company is 31 December and the current accounting period will end on 31 December 2016.

3. THE GROUP

3.1 The Company is the ultimate parent company of the Group and has the following subsidiary undertakings:

Name	Country of Incorporation	Date of Incorporation	Proportion of Ownership held (%)	Registered Office	Company number
Levant Restaurants Group Limited	England and Wales	23 November 2012	100	Suite 4 Strata House, 34a Waterloo Road, London, NW2 7UH	08304884
Timerest Limited	England and Wales	4 September 2000	100	Suite 4 Strata House, 34a Waterloo Road, London, NW2 7UH	04064058
Comptoir Central Production Limited	England and Wales	23 November 2012	100	Suite 4 Strata House, 34a Waterloo Road, London, NW2 7UH	08305898
Chabane Limited	England and Wales	3 November 2006	100	Suite 4 Strata House, 34a Waterloo Road, London, NW2 7UH	05987441
Shawa Group Limited	England and Wales	24 November 2015	100	Suite 4 Strata House, 34a Waterloo Road, London, NW2 7UH	09887341
TKCH Limited	England and Wales	8 November 2012	100	Suite 4 Strata House, 34a Waterloo Road, London, NW2 7UH	08285572

3.2 Levant Restaurants Group Limited has nineteen wholly owned subsidiaries, namely Comptoir Stratford Limited, Comptoir South Ken Limited, Comptoir Bluewater Limited, Comptoir Soho Limited, , Comptoir I.P Limited, Comptoir Franchise Limited, Comptoir Wigmore Limited, Comptoir Westfield London Limited, Comptoir Chelsea Limited, Comptoir Kingston Limited, Comptoir Exeter Limited, Comptoir Bath Limited, Comptoir Broadgate Limited, Comptoir Manchester Limited, Comptoir Leeds Limited, Comptoir Oxford Limited (dormant), Comptoir Restaurants Limited and Comptoir Reading Limited (dormant).

3.3 Shawa Group Limited has four wholly owned subsidiaries, namely Shawa Limited, Shawa Bluewater Limited, Shawa Haymarket Limited (dormant) and Shawa Rupert Street Limited (dormant).

4. THE DIRECTORS

The directors of the Company are:

Name	Function	Date of Appointment
Chaker Hanna	Chief Executive Officer	16 August 2011
Tony Kitous	Founder and Creative Director	16 August 2011
Richard Kleiner	Non-Executive Chairman	1 March 2014
Jonathan Kaye	Non-executive Director	25 May 2016

Their business address is the same as for the registered office of the Company.

Further details relating to the Directors are disclosed in paragraph 7 of this Part V.

5. SHARE AND LOAN CAPITAL

- 5.1 On incorporation, the issued share capital of the Company was £90 comprising ninety ordinary shares of £1 each. Ninety ordinary shares each were issued, credited as fully paid to the subscribers to the memorandum of association of the Company. The Company does not have an authorised share capital.
- 5.2 On 16 August 2012 a further 10 ordinary shares of £1 each in the capital of the Company were issued to Chaker Hanna credited as fully paid.
- 5.3 By resolution of the members passed on 14 July 2014 each ordinary share of £1 each in the capital of the Company was sub-divided into 100 new ordinary shares of £0.01 each.
- 5.4 By resolution of the members passed on 14 July 2014, 5,000 ordinary shares of £0.01 each in the capital of the Company were re-designated as 5,000 B ordinary shares of £0.01 each.
- 5.5 By resolution of the members of the Company passed on 8 June 2016, it was resolved:
- 5.5.1 to re-designate all of the issued B ordinary shares of £0.01 each in the capital of the Company as ordinary shares of £0.01 each;
- 5.5.2 that, the directors of the Company be and hereby are empowered pursuant to Sections 570 and 573 of the Act to allot or make offers to or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of the Act) for cash pursuant to the authority given pursuant to the below resolution as if Section 561(1) of the Act did not apply to such allotment, provided that the power provided by this resolution shall expire on the conclusion of the annual general meeting of the Company to be held in 2017 (unless renewed, varied or revoked by the Company in general meeting) provided that this power shall be limited to:
- (i) the allotment of equity securities for cash up to an aggregate nominal amount of £256,000;
- (ii) the allotment of equity securities in connection with an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange, but so that this authority shall allow the Company to make offers or agreements before the expiry and the directors may allot equity securities in pursuance of such offers or agreements as if the powers conferred hereby had not so expired;
- 5.5.3 that the Directors be authorised to:
- 5.5.3.1 capitalise a sum not exceeding £799,900 standing to the credit of the Company's reserves and to appropriate such sum to the members of the Company by applying such sum in paying up, in full at par, up to 79,990,000 Ordinary Shares of 1p each in the capital of the Company; and

- 5.5.3.2 pursuant to Section 551 of the Companies Act 2006 to allot and issue such Ordinary Shares credited as fully paid up, up to an aggregate nominal amount of £799,900, to the existing holders of Ordinary Shares on a *pro rata* basis for each share held and recorded on the register of members of the Company on the date of the passing of this resolution; and
- 5.5.3.3 to do all acts and things they may consider necessary or desirable to give effect to this resolution and to satisfy any entitlement to Ordinary Shares howsoever arising; and
- 5.5.4 that, in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to allot and issue shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £480,000, provided that, the authority conferred by this resolution shall expire on the conclusion of the annual general meeting of the Company to be held in 2017 (unless renewed, varied or revoked by the Company in a general meeting) but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry.
- 5.6 On 8 June 2016, 79,990,000 new Ordinary Shares were allotted and issued to the existing shareholders of the Company pro rata to their holdings in accordance with the authority described in paragraph 5.5.3 of this Part V.
- 5.7 Up to 16,000,000 new Ordinary Shares are to be allotted and issued pursuant to the Placing. The Placing Shares are denominated in Sterling and created under the Act. It is anticipated that the Placing Shares will be allotted on 15 June 2016, conditional upon Admission. Admission is expected to take place on 21 June 2016.
- 5.8 The Placing Price of 50 pence per Placing Share is payable in full on Admission under the terms of the Placing.
- 5.9 The Company's ISIN (International Security Identification Number) is GB00BYT1L205.
- 5.10 At the date of this document the issued fully paid share capital of the Company is:

Class of shares	Issued (fully paid)
Ordinary Shares	80,000,000

- 5.11 The issued fully paid share capital of the Company immediately following Admission will be as follows (on the assumption that the Placing is fully subscribed):

Class of shares	Issued (fully paid)
Ordinary Shares	96,000,000

- 5.12 The amount and percentage of immediate dilution resulting from the Placing is approximately 16.7 per cent.
- 5.13 The par value of the Ordinary Shares is 1 pence.
- 5.14 Save as disclosed in this paragraph 5 of Part V of this document, there has been no issue of share or loan capital of the Company since its incorporation, all issued shares have been fully paid or credited as fully paid and no further share issues are currently proposed in the near future, other than pursuant to the Placing.
- 5.15 Save as disclosed in paragraph 11.2.1 of Part V of this document, no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company since its incorporation.

- 5.16 Save as disclosed in paragraph 8 of Part V of this document, on Admission, no share or loan capital of the Company will be under option or will be agreed conditionally or unconditionally to be put under option.
- 5.17 None of the Ordinary Shares have been marketed or are available in whole or in part to the public in conjunction with the application for the Ordinary Shares to be admitted to AIM.
- 5.18 The Placing Shares will be in registered form and may be held in certificated or uncertificated form. No temporary documents of title will be issued and prior to the issue of definitive certificates, transfers will be certified against the register. It is expected that definitive share certificates for the Placing Shares which are not to be held through CREST will be posted to allottees or purchasers (as applicable) within 10 Business Days of Admission. Placing Shares to be held through CREST will be credited to CREST accounts on Admission. The Articles, which have been adopted, permit the holding of Ordinary Shares in CREST.
- 5.19 The provisions of section 561 of the Act (which, to the extent not disapplied pursuant to section 570 of the Act, confer on shareholders rights of pre-emption in respect of the allotment of equity securities (as defined in section 560(1) of the Act) which are, or are to be, paid up in cash (other than any allotments to employees under an employees' share option scheme)) apply to the authorised but unissued share capital of the Company except to the extent already disapplied (see paragraph 5.5.2 above).
- 5.20 No Ordinary Shares are held in treasury. No Ordinary Shares are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 5.21 The Placing Shares will rank in full for all dividends or other distributions hereafter declared, paid or made on the ordinary share capital of the Company.
- 5.22 There are no pre-emption rights (other than statutory pre-emption rights under the Act), redemption provisions or conversion provisions attaching to the Ordinary Shares.
- 5.23 There are no listed or unlisted securities of the Company not representing Ordinary Share capital.
- 5.24 Other than the current application for admission to AIM, the Ordinary Shares are not being admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements in place for there to be such dealings in the Ordinary Shares.

6. ARTICLES

As described in paragraph 2.2 of this Part V, the Company has recently adopted new Articles. The Articles contain, *inter alia*, the following provisions:

6.1 Share capital

The Company may by ordinary resolution:

- 6.1.1 increase its share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe;
- 6.1.2 consolidate its share capital into shares of larger amounts than its existing shares;
- 6.1.3 cancel any shares which have not been taken, or agreed to be taken, by any person and diminish the amount of its share capital by the amount of the shares so cancelled; and
- 6.1.4 sub-divide its shares, or any of them, into shares of smaller amounts than is fixed by the Memorandum.

The Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any manner subject to the provisions of the Act. The Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholders. Subject to the provisions of the Act and the rights of holders of any class of shares, the Company may purchase its own shares, including redeemable shares.

6.2 Voting

Subject to any special terms as to voting upon which any shares for the time being may be held, on a show of hands every member who (being an individual) is present in person or by proxy not being himself a member or (being a corporation) is present by its duly appointed representative shall have one vote, and on a poll every member present in person, or by representative, or proxy, shall have one vote for every share in the capital of the Company held by him. A proxy need not be a member of the Company. Where, in respect of any shares, any registered holder or any other person appearing to be interested in such shares fails to comply with any notice given by the Company under section 212 of the Act then, not earlier than 14 days after service of such notice, the shares in question may be disenfranchised. All shareholders, irrespective of the source of their shareholdings, hold shares which have equal voting rights.

6.3 Dividends

The Company may by ordinary resolution in general meeting declare dividends provided that they shall be paid in accordance with the Act and out of profits available for distribution and shall not exceed the amount recommended by the Directors. The Directors may from time to time pay such interim dividends as appear to the Directors to be justified by the profits of the Company and are permitted by the Act.

Subject to the rights of persons, if any, holding shares with special dividend rights, and unless the terms of issue otherwise provide, all dividends shall be apportioned and paid *pro rata* according to the amount paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is payable. Amounts paid or credited as paid in advance of calls shall not be regarded as paid on shares for this purpose.

All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of 12 years after having been declared shall, if the Directors so resolve, be forfeited and shall revert to the Company.

Where, in respect of any shares, any registered holder or any other person appearing to be interested in the shares of the Company fails to comply with any notice given by the Company under section 212 of the Act then, provided that the shares concerned represent at least 0.25 per cent. in nominal value of the issued shares of the relevant class, the Company may withhold dividends on such shares.

There is no fixed date on which an entitlement to a dividend arises.

6.4 Modification of rights

All or any of the special rights for the time being attached to any class of shares for the time being forming part of the capital of the Company may, subject to the provisions of the Act, be varied or abrogated either:

6.4.1 in such manner (if any) as may be provided by such rights; or

6.4.2 in the absence of any such provision, with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class, but not otherwise. To every such meeting all the provisions of the Articles relating to general meetings and to the proceedings thereat shall, so far as applicable and with the necessary modifications, apply except that the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons at least, holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question and any holder of shares of the class in question present in person or by proxy may demand a poll.

6.5 Transferability

The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The Directors may, subject to not affecting the free transferability of any such share on AIM, decline to recognise any instrument of transfer unless:

- 6.5.1 the instrument of transfer (duly stamped) is deposited at the Company's registered office accompanied by the share certificate for the shares to which it relates and such other evidence as the Directors may reasonably require showing the right of the transferor to make the transfer;
- 6.5.2 the instrument of transfer is in respect of only one class of share;
- 6.5.3 the instrument of transfer is in favour of not more than four transferees; and
- 6.5.4 the instrument of transfer is in respect of a share in respect of which all sums presently payable to the Company have been paid. Where, in respect of any shares, any registered holder or any person appearing to be interested in such shares fails to comply with any notice given by the Company under section 212 of the Act then, provided that the shares concerned represent at least 0.25 per cent. in nominal value of the issued shares of the relevant class, the Company may prohibit transfers of such shares or agreements to transfer any of such shares.

6.6 Directors of the company

Unless otherwise determined by ordinary resolution, the number of directors (other than alternative directors) shall be not less than two. Subject to certain exceptions, a Director shall not vote (or be counted in the quorum) in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest and, if he shall do so, his vote shall not be counted.

Any remuneration paid for the services of the Directors, as fixed (initially at £950,000) by the Company in general meeting, may be divided between the Directors as they shall agree or, failing agreement, equally and shall be deemed to accrue from day to day. The Directors may remunerate a Director who serves on any committee or devotes special attention to the business of the Company, or who otherwise performs services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director, by way of salary, lump sum, percentage of profits or otherwise as the Directors may determine.

At each annual general meeting of the Company, one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, shall retire. A retiring Director may, if eligible, offer himself for re-election. In addition, any Director who as at the date of the relevant annual general meeting, has been in office more than three years since his appointment or last election or who was elected or last elected at the annual general meeting preceding by three years the relevant annual general meeting, and who in either case is not otherwise to retire by reason of the Articles, shall also retire by rotation.

Each Director (other than an alternate director) may appoint another Director or (subject to the approval of a majority of the Directors) any other person to be an alternate director of the Company, and may at any time remove an alternate director so appointed by him from office and, subject to any requisite approval, appoint another person in his place.

The Company may purchase and maintain for any Director insurance against any liability which by virtue of any law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

6.7 Borrowing powers

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, assets and uncalled share capital, and (subject to the Act) to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and its subsidiaries so as to ensure that the aggregate of the amounts borrowed by the Company and all its subsidiaries and remaining outstanding at any time shall not, without previous sanction of an ordinary resolution of the Company, exceed a multiple of three times the "Adjusted Capital and Reserves" amount (as such term is defined in the Articles), which is effectively the aggregate of the nominal capital of the Company issued and paid up and the amount standing to the credit of the consolidated reserves of the Company, less specified adjustments, exclusions and deductions.

6.8 Distribution of assets on liquidation

If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company or any other sanction required by the Act, divide amongst the members in specie or in kind the whole or any part of the assets of the Company, those assets to be set at such values as he deems fair. The liquidator may also vest the whole or part of the assets of the Company in trustees on trust for the benefit of the contributories.

6.9 Uncertificated shares

The Directors may implement such arrangements as they think fit in order for any class of shares to be held, evidenced and transferred in uncertificated form. The Company will not be required to issue a certificate to any person holding shares in uncertificated form.

6.10 General meetings

Annual general meetings of the Company shall be held at such time and place as the Board may determine. All general meetings other than annual general meetings are deemed special general meetings and the Board may convene a special general meeting whenever, and at such time and place as it thinks fit. The Board shall also convene an extraordinary general meeting on the requisition of shareholders pursuant to the Act. The quorum for meetings is two or more Shareholders present in person or by proxy. No Shareholder is entitled to be present at or vote at any general meeting of the Company unless all amounts due in respect of his shares have been paid.

6.11 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Ordinary Shares have been made eligible for settlement in CREST by means of a resolution of the Board passed on 15 June 2016. The Company has applied for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted, and accordingly enabled for settlement in CREST, as soon as practicable after Admission has occurred.

7. DIRECTORS' AND OTHER INTERESTS

7.1 The interests (all of which are beneficial) of the Directors and their immediate families and, so far as is known to the Directors or could with reasonable diligence be ascertained by them, persons connected with them (which expression shall be construed in accordance with the AIM Rules) which, if the connected person were a Director would otherwise be disclosed pursuant to this paragraph, in the share capital of the Company as at the date of this document and on Admission, are or are expected to be, as follows:

	<i>As at the date of this document</i>		<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
<i>Director</i>				
Chaker Hanna	20,000,000	25.0%	14,000,000	14.6%
Tony Kitous	60,000,000	75.0%	50,000,000	52.1%
Richard Kleiner	Nil	0.0%	60,000	0.1%
Jonathan Kaye	Nil	0.0%	2,666,666	2.8%

7.2 The Company is aware of the following persons who, at the date of this document have, or who are expected following Admission to have, an interest in three per cent. or more of the issued share capital of the Company:

<i>Interested Person</i>	<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
Chaker Hanna	14,000,000	14.6%
Tony Kitous	50,000,000	52.1%
Schroders plc	5,000,000	5.2%

- 7.3 Save as disclosed in paragraph 7.2 of this Part V, the Company is not aware of any person who will, immediately following Admission, (on the basis that the Placing is fully subscribed) be interested, directly or indirectly, in three per cent. or more of the issued share capital of the Company or could, directly or indirectly, jointly or severally, exercise control over the Company.
- 7.4 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.
- 7.5 Save as disclosed in paragraphs 10, 11.1, 12.2, 12.13 and 12.14 of this Part V, no Director has any interest in any transactions which are or were unusual in their nature or conditions or which are or were significant to the business of the Group and which were effected by any member of the Group in the current or immediately preceding financial year or which were effected during an earlier financial year and which remain in any respect outstanding or unperformed.
- 7.6 The persons, including the Directors, referred to in paragraph 4 of this Part V, do not have voting rights in respect of the Ordinary Share capital at the Company (issued or to be issued) which differ from any other shareholder of the Company.
- 7.7 In addition to directorships of the Company and its subsidiaries the Directors currently hold, and have during the five years preceding the date of this document held, the following directorships or partnerships (or otherwise been a member of the administrative, management or operating bodies thereof):

Name	Current Directorships/partnerships	Previous directorships/ partnerships
Chaker Hanna	None	None
Tony Kitous	K-Tous Limited Kitous Limited	Timerest Limited Chabane Limited Flamingo Restaurant Limited London Street Restaurants Limited
Richard Kleiner	Innovista Sensors Finance UK Limited Innovista Sensors Midco Limited Innovista Sensors Limited Genesis Wealth Limited 27 St Anselms Place (Freehold) Limited The Nursery Window Limited Gerald Edelman (Cornhill) Limited Reko Properties Limited Martina Properties Limited Jess Properties Limited Richard Kleiner LLP Genesis Asset Management Limited Riley Property Developments Limited Odyssey Capital Partners LLP Harley Street Nominees Limited The GE Property Investment LLP Rayjon (North) Limited Avanti Nominees Limited Avanti Capital Plc Avanti Holdings Plc Avanti Partners NV Odyssey Partners Limited Sparkle (Childrens Charity) Limited	Custom Sensors & Technologies Newco Limited Eclectic Bar Group Plc Ambit Ventures LLP Ambit Ventures (Poland) Limited Gerald Edelman Transaction Services Limited Cliff Street Residents Management Company Limited Gerald Edelman Wealth Management Limited Avanti Partners (UK) Limited Odyssey Corporate Finance Limited Odyssey Real Estate Limited Hanover Investments Limited Business Grooming Limited K M Homes (SW) Limited
Jonathan Kaye	Regina 2015 Limited Prezzo Holdings Limited Double ECH Limited ECH Properties Limited The Ultimate Burger Limited Jonathans Restaurants Limited Regis 2000 Limited	Prezzo plc MLG Holdings Limited The English Cheesecake Cafe Limited

- 7.8 The Directors have neither any unspent convictions in relation to indictable offences nor any convictions in relation to fraudulent offences.
- 7.9 None of the Directors have been the subject of any public criticism, public incrimination or sanctions by any statutory or regulatory authority (including recognised or designated professional bodies).
- 7.10 None of the Directors has been a director of a company at the time of, or within the 12 months preceding the date of, that company being the subject of a receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors.
- 7.11 Save as set out below none of the Directors has been a partner of a partnership at the time of, or within 12 months preceding the date of, that partnership being placed into compulsory liquidation or administration or being entered into a partnership voluntary arrangement, nor in that time have the assets of any such partnership been the subject of a receivership.
- Tony Kitous was a director of Timerest Limited and Chabane Limited at the time that they entered into company voluntary arrangements in April 2010, under which arrangements creditors accepted 4.7p and 5.6p in the pound respectively, and agreed to write off the balance of £3,272,444.10 in aggregate.
- Tony Kitous was a director of Flamingo Restaurant Limited at the time that it entered into liquidation in April 2010 pursuant to which arrangement unsecured creditors received 5.2 pence in the pound. The balance outstanding was approximately £430,000. Flamingo Restaurant Limited was subsequently dissolved.
- Tony Kitous was a director of London Street Restaurant Limited at the time that it entered into a company voluntary arrangement in April 2010 under which arrangement creditors accepted 2.7 pence in the pound respectively, and agreed to write off the aggregate balance of £680,928.07.
- Richard Kleiner was a director and shareholder of Riley Property Developments Limited, a property development company, which was subject to a Law of Property Act receivership in January 2013. The total amount outstanding to creditors is unknown.
- 7.12 No asset of any Director has at any time been the subject of a receivership.
- 7.13 None of the Directors are or has been bankrupt or made at any time an individual voluntary arrangement.
- 7.14 None of the Directors is or has ever been disqualified by a court from acting as a director of a company or from acting in the management, administration, supervision or conduct of the affairs of any company.
- 7.15 There are no outstanding loans granted by any member of the Group to any of the Directors nor has any guarantee been provided by any member of the Group for their benefit.

8. SHARE OPTION ARRANGEMENTS

8.1 Share Option Scheme

The Share Option Scheme was established on 15 June 2016 and is administered by the Remuneration Committee. EMI Options may be granted under the Share Option Scheme. The main features of the Share Option Scheme are set out below.

8.1.1 Eligibility

All persons who at the date at which an option is granted under the Share Option Scheme are employees (or employees who are also office-holders) of a member of the Group. The Remuneration Committee decides to whom options are granted, the number of ordinary shares under an option, the exercise date(s) (subject to the below) of an option and the performance conditions (if any) which must be achieved in order for the option to be exercisable.

8.1.2 Grants of options

Grants of options may normally only be made within 42 days after the date on which the Share Option Scheme is adopted by the Company and 42 days after the preliminary announcement of the Company's interim or final results in each year. Options may also be granted in circumstances determined by the Remuneration

Committee to be exceptional, such as following the appointment of a new eligible employee. No options may be granted more than 10 years after the date on which the Share Option Scheme is adopted by the Company.

8.1.3 Option price

The exercise price for options will be the Placing Price at IPO of the Ordinary Shares, or if granted subsequent to the IPO, at the closing price of the Ordinary Shares on the business day immediately prior to the grant of the relevant options.

8.1.4 Variation of share capital

In the event of any variation of the share capital of the Company, the option price of any options granted and/or the number of Ordinary Shares subject to any such option, may be varied in such manner as the Remuneration Committee considers to be fair and reasonable. The option price must not be reduced or adjusted in respect of any Ordinary Share to be less than the nominal value of such share.

8.1.5 Vesting of options

Options will become exercisable once they have vested. The vesting period will be specified on grant, but shall not exceed a period of four years from the date of grant, contingent upon the option holder's continued employment throughout this period. The Remuneration Committee may specify that vesting is contingent upon the option holder meeting performance conditions to be determined at the discretion of the Remuneration Committee.

8.1.6 Leavers

When an option holder ceases to be employed by the Company their option will be immediately suspended. The Remuneration Committee will then have 30 days within which to determine if the option holder is a good or bad leaver. Good leavers are those who leave by reason of illness, injury, disability, retirement, redundancy, the option holders employer ceasing to be a member of the Group or any other reason at the Remuneration Committee's discretion. All other leavers will be bad leavers. Bad leavers lose all their options. Options of good leavers shall vest in respect of a proportion of the shares under option equivalent to the proportion of the vesting period which has passed.

8.1.7 Rights and restrictions

An option granted under the Share Option Scheme is not transferable. Options are exercisable (regardless of whether they have vested in full) within a limited period on the takeover or liquidation of the Company. The Company shall specify the period within which Options may be exercised in connection with a takeover or liquidation (which shall not exceed six weeks after completion of the takeover or liquidation) and the Options will lapse if not so exercised before the end of this period.

8.1.8 Allotment of Ordinary Shares

The shares allotted under the Share Option Scheme will rank *pari passu* with the Company's issued Ordinary Shares save that any allotment made after the earlier of the date of announcement of a proposed dividend or other distribution and the record date of a proposed dividend or other distribution will be made upon terms that the Ordinary Shares so allotted are not entitled to participate therein.

8.1.9 Share Option Scheme limits

The aggregate number of Ordinary Shares issued or remaining issuable under the Share Option Scheme on (and including) any date of grant together with the number of Ordinary Shares issued or remaining issuable under options or share awards granted in the previous ten years may not exceed 10 per cent. of the number of Ordinary Shares in issue immediately prior to such date of grant. The Share Option Scheme limits the value of Ordinary Shares which can be subject to EMI Options at any time to no more than £3 million. In addition, no individual may hold EMI Options over Ordinary Shares worth more than £250,000. In each case the value of the Ordinary Shares for these purposes is their value on the date of grant of the EMI Options.

8.1.10 Alteration

The Remuneration Committee may alter the Share Option Scheme except that (apart from minor amendments to benefit the administration of the Share Option Scheme, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for eligible employees, participants or the Group or to correct typographical or other minor errors) no alteration will be made without the previous sanction of the Company in general meeting which would be an alteration to the advantage of eligible employees and participants or altering the scheme limits noted above. No alteration may be made which would alter to the material disadvantage of a participant any rights already accrued to him or her except with his or her prior written consent.

- 8.2 On 15 June 2016 the Company entered into an option agreement with Jonathan Kaye entitling him to subscribe for 480,000 new Ordinary Shares with an aggregate price of £4,800 to expire not less than 10 years following Admission at an exercise price equal to £0.50.
- 8.3 On 15 June 2016 the Company entered into an option agreement with Adam Kaye entitling him to subscribe for 480,000 new Ordinary Shares with an aggregate price of £4,800 to expire not less than 10 years following Admission at an exercise price equal to £0.50.
- 8.4 On 15 June 2016 the Company entered into an option agreement with Samuel Kaye entitling him to subscribe for 480,000 new Ordinary Shares with an aggregate price of £4,800 to expire not less than 10 years following Admission at an exercise price equal to £0.50.

9. PREMISES

9.1 The following are the principal premises leased by the Company:

Address	Tenure	Lease start date	Lease expiry date
717B Staples Corner, North Circular Road, London NW2 7AZ	Lease	17 November 2014	16 November 2024
Unit L052 Lower Level, Thames Walk, Bluewater, Kent	Lease	9 September 2013	28 September 2028
Ground floor and mezzanine level, units 53/54 at C Block, Duke of York's Square, Chelsea	Lease	2 October 2013	28 September 2023
Second Floor, Instone House, Instone Road, Dartford, Kent DA1 2AG	Lease	4 February 2014	3 February 2019
Unit 3 Riverside Walk, Bishops Palace House, Kingston-upon-Thames	Lease	11 December 2013	10 December 2033
Unit RS 07 Bluewater, Kent (storage)	Lease	24 October 2015	28 September 2030
Unit EVL03, Lower level of Wintergarden, Bluewater, Kent	Lease	24 October 2015	28 September 2030
1-5 Exhibition Road, South Kensington, London SW7	Lease	12 July 2011	11 July 2026
Ground floor, retail unit, 59 Broadwick Street, London W1	Lease	10 September 2012	23 June 2015
Ground floor, retail unit, 59 Broadwick Street, London W1	Reversionary Lease	9 January 2016	29 April 2016
Unit K2013, Balcony and storage area P2005 Westfield, London	Lease	1 July 2013	30 June 2018
Basement restaurant, Mandeville Hotel, London	Lease	1 July 2008	31 May 2015
Basement restaurant, Mandeville Hotel, London	Tenancy at will	29 May 2015	Terminable at any time by either party
10 Devonshire Square, Cutlers Gardens	Lease	16 October 2003	15 October 2018
Units G18 and G19 in 3 Hardman Street, Spinningfields, Manchester	Lease	12 November 2015	11 November 2040
Unit T4, Broadgate Circle, London EC2	Lease	16 February 2015	15 February 2025
Ground and Basement Floors, 65 Wigmore Street, London W1U 1JT	Lease	7 April 2015	6 April 2030
Unit FC2002, Café Court, First Floor Level, Westfield, Stratford City	Lease	1 July 2011	30 June 2016
Unit 2135, The balcony and storage area, P3003, Westfield, London	Lease	1 January 2010	31 December 2018

10. DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

- 10.1 On 15 June 2016, Chaker Hanna entered into a service agreement with the Company under which he agreed to serve as Chief Executive Officer of the Company at an annual salary of £187,500 (exclusive of pension contributions). The agreement is terminable by either party on twelve months' prior written notice. The agreement imposes certain restrictions on Chaker Hanna as regards the use of confidential information and intellectual property. In addition, Chaker Hanna will be subject to certain restrictive covenants following the termination of the agreement.
- 10.2 On 15 June 2016, Tony Kitous entered into a service agreement with the Company under which he agreed to serve as Creative Director of the Company at an annual salary of £187,500 (exclusive of pension contributions). The agreement is terminable by either party on twelve months' prior written notice. The agreement imposes certain restrictions on Tony Kitous as regards the use of confidential information and intellectual property. In addition, Tony Kitous will be subject to certain restrictive covenants following the termination of the agreement.
- 10.3 Each non-executive Director entered into a letter of appointment with the Company which provides for them to act as a Non-Executive Director of the Company. Pursuant to such letters, Richard Kleiner will receive a fee of £30,000 and Jonathan Kaye a fee of £25,000 per annum. Each appointment letter is terminable by either party giving to the other six month's prior written notice.
- 10.4 It is estimated that the aggregate remuneration and benefits in kind payable to the Directors by members of the Group in respect of the current financial year (under the arrangements in force at the date of this document) will be approximately £617,500.
- 10.5 None of the Directors' agreements with the Company provide for benefits upon termination of employment.

11. PLACING ARRANGEMENTS

- 11.1 Under an agreement (the "Placing Agreement") dated 15 June 2016 and made between: the Company (1); the Directors (2); the Selling Shareholders (3); and Cenkos (4), Cenkos has agreed (conditionally, *inter alia*, on Admission taking place not later than 30 June 2016) as agent for the Company to use its reasonable endeavours to procure subscribers and purchasers (as applicable) for the Placing Shares at the Placing Price.
- 11.2 Under the Placing Agreement and subject to its becoming unconditional:
- 11.2.1 the Company has agreed to pay Cenkos a commission of 5 per cent. of the value at the Placing Price of those Ordinary Shares raised from placees introduced by Cenkos, together with a corporate finance fee of £80,000 together with any applicable VAT;
- 11.2.2 the Selling Shareholders have agreed to pay Cenkos a commission of 5 per cent. of the value of the Placing Price of those Selling Shares placed with placees introduced by Cenkos; and
- 11.2.3 the Company will pay certain other costs and expenses (including any applicable VAT) of, or incidental to, the Placing including all fees and expenses payable in connection with Admission, expenses of the registrars, printing and advertising expenses, postage and all other legal, accounting and other professional fees and expenses.
- 11.3 The Placing Agreement contains warranties and indemnities given by the Company, and warranties given by the Directors to Cenkos as to the accuracy of the information contained in this document and other matters relating to the Group and its business and warranties given by the Selling Shareholders to Cenkos as to the title to their Placing Shares. Cenkos is entitled to terminate the Placing Agreement in certain specified circumstances prior to Admission. Under the Placing Agreement Chaker Hanna is selling 6,000,000 Existing Ordinary Shares and Tony Kitous is selling 10,000,000 Existing Ordinary Shares.
- 11.4 Each of the Executive Directors has undertaken, subject to certain limited exceptions, not to dispose of any Ordinary Shares he will hold immediately following Admission for 12 months following Admission save in accordance with the AIM Rules. Further orderly market

provisions apply after the expiry of the lock-up arrangements for a further period of 12 months.

12. MATERIAL CONTRACTS

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or any member of the Group within the two years immediately preceding the date of this document and which (i) are, or may be, material or (ii) contain provisions under which the Group has an obligation or entitlement which is or may be material:

- 12.1 The Placing Agreement, details of which are set out in paragraph 11 above;
- 12.2 Lock-in agreements dated 15 June 2016 and made between the Company (1); the Executive Directors (2) and Cenkos (3), pursuant to which each Executive Director has undertaken to the Company (subject to certain limited exceptions) not to dispose of any Ordinary Shares held by them at any time prior to the first anniversary of Admission without the prior written consent of Cenkos. They have also undertaken not to dispose of any Ordinary Shares for the twelve months following the first anniversary of Admission otherwise than through the Company's broker from time to time;
- 12.3 A nominated adviser and broker agreement dated 15 June 2016 between the Company and Cenkos pursuant to which the Company has appointed Cenkos to act as nominated adviser and broker to the Company. The Company has agreed to pay to Cenkos an annual fee for its services under this agreement payable in advance and with effect from 1 January 2018. The agreement may be terminated by either party giving three months' notice but such notice cannot be given prior to 15 June 2017 following the appointment (but can be immediately terminated in certain circumstances). The agreement contains an indemnity given by the Company in favour of Cenkos as to the accuracy of information contained in this document and other matters relating to the Group and its business.
- 12.4 A loan agreement dated 16 December 2013 between the Company and National Westminster Bank Plc ("**Natwest**") providing for a loan of £450,000 to assist with the refurbishment of Unit N L052 Lower Mall, Bluewater, Greenhithe, Dartford, Kent. Interest is currently payable at 3.25 per cent. above base rate. The loan is repayable on 59 instalments of £8,232.95 and a final instalment of £8,233.57. This loan is secured by way of a first legal mortgage over the Group's premises, and a fixed and floating debenture granted by the Company in favour of Natwest, together with intergroup cross guarantees and a charge over deposit monies.
- 12.5 A loan agreement dated 16 December 2013 between the Company and Natwest for £425,000 to assist with the Company's own funds originally utilised to assist with the refurbishment of the ground floor and mezzanine level of Unit 53/54, C Block, Duke of York's Square, London. Interest is currently payable at 3.25 per cent. above base rate. The loan is repayable on 59 instalments of £7,775.57 and a final instalment of £7,775.83. This loan is secured by way of a first legal mortgage over the Group's premises, and a fixed and floating debenture granted by the Company in favour of Natwest, together with intergroup cross guarantees and a charge over deposit monies;
- 12.6 A loan agreement dated 16 March 2015 between the Company and Natwest for £500,000 to assist with the refurbishment of 717B North Circular Road, London, NW2 7AH. Interest is currently payable at 3.25 per cent. above base rate. The loan is repayable on monthly instalments of £9,149.30 and a final instalment of an amount sufficient to repay the loan and interest in full. This loan is secured by way of a first legal mortgage over the Group's premises, and a fixed and floating debenture granted by The Company in favour of Natwest, together with intergroup cross guarantees and a charge over deposit monies;
- 12.7 A loan agreement dated 30 November 2015 between the Company and Natwest for £175,000 to assist with the development of EVLO3 Wintergarden, Bluewater, Greenhithe, Dartford, Kent. Interest is currently payable at 3.25 per cent. above base rate. The loan is repayable on monthly instalments of £3,202 and a final instalment of an amount sufficient to repay the loan and interest in full. This loan is secured by way of a first legal mortgage over the Group's premises, and a fixed and floating debenture granted by the Company in favour of Natwest, together with intergroup cross guarantees and a charge over deposit monies;

- 12.8 A loan agreement dated 9 October 2012 between the Company and Natwest for £200,000 to assist with the refurbishment of 59 Broadwick Street, London, W1F 9QH. Interest is currently payable at the capped variable rate contained in the interest schedule. The loan is repayable on instalments detailed in the interest schedule (details of which have not been filled in), to ensure full repayment 36 months after the date the capped variable rate is agreed. This loan is secured by way of a first legal mortgage over the Group's premises, and a fixed and floating debenture granted by the Company in favour of Natwest, together with intergroup cross guarantees and a charge over deposit monies;
- 12.9 A loan agreement dated 16 July 2014 between the Company and Natwest for £375,000 to assist with the refurbishment of Unit 3 Riverside, Riverside Walk, Kingston Upon Thames, KT1. Interest is currently payable at 3.25 per cent. above base rate. The loan is repayable on 59 instalments of £6,861.41 and a final instalment of £6,861.58. This loan is secured by way of a first legal mortgage over the Group's premises, and a fixed and floating debenture granted by the Company in favour of Natwest, together with intergroup cross guarantees and a charge over deposit monies; and
- 12.10 A loan agreement dated 4 December 2015 between the Company and National Westminster Bank Plc ("**Natwest**") providing for a loan of £650,000 to assist with the refurbishment of Unit G18 and G19, 3 Hardman Street, Spinningfields, Manchester repayable within 60 months after the loan is drawn. Interest is currently payable at 3.25 per cent. above base rate. The loan is repayable on monthly instalments of £11,893.08 and a final instalment of an amount sufficient to repay the loan and interest in full. This loan is secured by way of a first legal mortgage over the Group's premises, and a fixed and floating debenture granted by the Company in favour of Natwest, together with intergroup cross guarantees and a charge over deposit monies.

Each of the loan agreements described in paragraphs 12.4 to 12.10 above is subject to a restriction on changes of control without the consent of Natwest. Such consent would therefore need to be sought from Natwest in the event of a future takeover or other similar corporate action constituting a change of control while those loans were still outstanding. If such consent was not forthcoming, these loans might become repayable on demand.

- 12.11 The Directors' service agreements and letters of appointment, details of which are set out in paragraph 10 above;
- 12.12 An option to purchase reversion agreement entered into by Mason Bakery Products Limited and the Company under which the Company was granted an option to acquire the freehold of the property comprising the CPU at Open Market Value (defined in the option) less the rent deposit and all rent (net of VAT) paid before the completion of the option. The option expires on 16 November 2016;
- 12.13 Relationship Agreement dated 15 June 2016 made between the Company, Chaker Hanna and Tony Kitous, details of which are set out on page 13; and
- 12.14 Guarantee dated 12 December 2013 whereby Tony Kitous acts as guarantor for the loan summarised in paragraphs 12.4 to 12.10 above, up to an amount of £1,385,000.
- 12.15 The option agreements, details of which are set out in paragraphs 8.2, 8.3 and 8.4 above.

13. TAXATION

- 13.1 The information in this paragraph 13 is based on the Directors' understanding of UK current tax law and HMRC's published practice. The following is a summary and should not be construed as constituting advice. Prospective Shareholders are strongly advised to take independent tax advice but certain potential tax benefits are summarised below in respect of an individual resident in the UK for tax purposes.

13.2 United Kingdom Taxation

- 13.2.1 Shareholders who are not resident or ordinarily resident in the UK (or temporarily non-resident) and do not carry on a trade, profession or vocation through a branch or agent in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

13.2.2 The following information is based upon the laws and practice currently in force in the UK and may not apply to persons who do not hold their Ordinary Shares as investments.

13.3 Dividends – Individuals

13.3.1 With effect from 6 April 2016, the first £5,000 of dividend income is tax free. A UK resident individual Shareholder will be liable to income tax at a rate of 7.5 per cent. on the gross dividend to the extent that the dividend falls within the starting rate or basic rate bands.

13.3.2 A UK resident individual Shareholder who is liable to income tax at the higher rate will be subject to tax at a rate of 32.5 per cent., on the dividend.

13.3.3 The rate of income tax applying to dividends received by a UK resident individual liable to income tax at the additional rate on income in excess of £150,000 will be 38.1 per cent. of the gross dividend.

13.3.4 Individual holders of Ordinary Shares who are UK resident or ordinarily resident but who are not domiciled in the UK and who have made a claim to be taxable on the remittance basis, will only be subject to UK income tax as described above if and to the extent that such income is remitted or deemed to be remitted to the UK.

13.3.5 Under current United Kingdom tax legislation, no taxation should be withheld at source from dividend payments made by the Company to its Shareholders.

13.4 Dividends – Companies

Companies that are resident in the UK for tax purposes will generally be exempt from corporation tax on dividends received. There are various exceptions to this exemption, depending on the size of the shareholder, and whether certain anti-avoidance provisions apply. Corporate Shareholders should confirm their tax position with a specialist tax adviser.

13.5 Chargeable Gains – Individuals

In the case of those Shareholders who are individuals or otherwise not within the charge to corporation tax and who hold their Ordinary Shares as investments, capital gains tax may be payable on a disposal of Ordinary Shares, subject to any reliefs that may be available. The rate of capital gains tax is currently 10 per cent. for basic rate tax payers and 20 per cent. for higher rate taxpayers.

13.6 Chargeable Gains – Companies

Shareholders within the charge to UK corporation tax may be subject to corporation tax on capital gains in respect of any gain arising on a disposal of Ordinary Shares. Indexation allowance may apply to reduce any chargeable gain arising on disposal of the Ordinary Shares

13.8 Stamp Duty and Stamp Duty Reserve Tax

13.8.1 No liability to stamp duty or stamp duty reserve tax (“SDRT”) will arise on the allotment of Issue Shares by the Company pursuant to the Issue, save that special rules apply to persons operating clearance services or depositary receipt services.

13.8.2 Subsequent sales of Ordinary Shares outside CREST should not give rise to any liability to *ad valorem* stamp duty, unless the transfer document is signed in the UK, or relates to any matter or thing done or to be done in the UK. Sales of Ordinary Shares outside CREST where the transfer document is signed in the UK or which relate to any matter or thing done or to be done in the UK will generally be liable to *ad valorem* stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration.

13.8.3 Similarly an unconditional agreement to transfer such Ordinary Shares outside CREST will not normally give rise to SDRT, provided that (i) the Ordinary Shares are not registered on a share register kept in the UK, and (ii) the Ordinary Shares are not paired with shares issued by a body corporate incorporated in the UK.

13.8.4 Under the CREST system for paperless share transfers, no stamp duty or SDRT will arise on a transfer of shares into the system, unless the transfer into CREST is itself for consideration in money or moneys’ worth, in which case a liability to SDRT will arise, at the rate of 0.5 per cent. of the amount or value of consideration

given. Transfers of shares within CREST are generally liable to SDRT. However, an exemption from SDRT is available in such circumstances provided that (i) the Ordinary Shares are not registered on a share register kept in the UK, and (ii) the Ordinary Shares are not paired with shares issued by a body corporate incorporated in the UK.

13.8.5 SDRT at a rate of 0.5 per cent. will be payable (generally by the purchaser) in respect of agreements to transfer Depositary Interests (whether electronic or written) because the Depositary Interests do not meet all the criteria set out for the SDRT exemption granted in the Stamp Duty Reserve Tax (UK Depositary Interests in Foreign Securities Regulations 1999 (SI 1999/2383) as amended by SI 2000/1871 and SI 2001/3779. This applies to transfers within CREST.

13.8.6 The above statements are intended as a general guide to the current stamp duty and SDRT position. Certain categories of person, including market makers, brokers, dealers and persons connected with depositary arrangements and clearance services, are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable for the tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986.

13.9 RELATED PARTY ARRANGEMENTS

13.9.1 Other than the agreements summarised in paragraphs 10, 11.1, 12.2, 12.13 and 12.14 of this Part V, the Company has not entered into any related party transactions (being those set out in the standards adopted according to the Regulation (EC) No. 1606/2002) since the date of its incorporation.

13.9.2 The Company has engaged Gerald Edelman, Chartered Accountants to provide services to the Company for the production of an integrated financial model and the Company's EMI share option scheme, for aggregate fees of £17,500, plus VAT. Richard Kleiner has an interest in Gerald Edelman, Chartered Accountants as its chief executive officer and has an interest in Richard Kleiner LLP, a partner of Gerald Edelman, Chartered Accountants.

14. REASONS FOR THE PLACING AND USE OF PROCEEDS

The reasons for the Placing and the estimated net amount of the proceeds broken into each principal intended use and presented by order of priority of such uses is as follows:-

14.1 £6.6 million to proceed with the Group's strategy of opening at least eight new Comptoir Libanais over the next eighteen months;

14.2 £0.7 million to part fund the acquisition cost of purchasing the Group's Central Production Unit; and

14.3 £8.0 million following the sale of 16,000,000 Ordinary Shares by the Selling Shareholders.

15. MANDATORY OFFERS AND COMPULSORY ACQUISITION OF SHARES

The Company is subject to the Takeover Code which, *inter alia*, provides that if any person, or group of persons acting in concert, acquires Ordinary Shares carrying 30 per cent. or more of the voting rights exercisable in general meetings, that person shall be required to make an offer for all the issued Ordinary Shares not already held by him (or persons acting in concert with him) in cash at the highest price paid by that person, or any person acting in concert with him, during the 12 month period prior to the purchase of shares which triggered the obligation. There are certain circumstances where no such offer may be required. The Act provides that if an offer is made for the issued share capital of the Company, the offeror is entitled to acquire compulsorily any remaining shares if it has received acceptances or purchased shares subsequent to the making of the offer amounting (in aggregate) to 90 per cent. of the shares to which the offer relates. Certain time limits apply. The Articles also permit a minority shareholder to require an offeror to buy his shares if that offeror has received acceptances or purchased shares subsequent to the making of the offer amounting (in aggregate) to 90 per cent of the shares to which the offer relates. Certain time limits apply.

16. WORKING CAPITAL

The Directors are of the opinion (having made due and careful enquiry) that, after taking into account the net proceeds of the Placing, the Group has sufficient working capital for its present requirements, that is for at least the period of 12 months from Admission.

17. LITIGATION

- 17.1 No member of the Group has at any time in the 12 months immediately preceding the date of this document been engaged in any governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened by or against any member of the Group, nor of any such proceedings having been pending or threatened at any time in the 12 months preceding the date of this document in each case which may have, or have had in the recent past, a significant effect on the Company's or the Group's financial position or profitability.

18. CONFLICTS OF INTEREST

Chaker Hanna and Tony Kitous are both Shareholders and Executive Directors in the Company. Under English law shareholders do not have to act in the best interests of companies in their capacity as shareholders. Chaker Hanna and Tony Kitous are interested in the Director's service contracts summarised in paragraph 10.1 and 10.2 above. Save as set out in this paragraph, there are no other potential conflict of interests between any duties to the Company, the Directors and their private interests.

19. THIRD PARTY INFORMATION

Where information has been sourced from a third party, the Company confirms that this information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

20. MISCELLANEOUS

- 20.1 There has been no significant change in the financial or trading position of the Group since 31 December 2015, being the date to which the financial information in this document relating to the Group was prepared with the exception of the matters referred to in notes 3 and 4 of Part III, being the Group obtaining bank loans of £0.8m to fund the opening of two restaurants which were opened in 2015; and the repayment of loan amounts due to the Directors of £0.6m which was due at 31 December 2015.
- 20.2 The total costs and expenses relating to the Placing (including those fees and commissions referred to in paragraph 11 above) payable by the Company are estimated to be approximately £0.7 million including any VAT payable. The net proceeds of the Placing receivable by the Company will be £7.3 million (assuming that the Placing is subscribed in full) and the net proceeds of the Placing receivable by the Selling Shareholders (assuming the Placing is subscribed in full) is £7.9 million.
- 20.3 In making any investment decision in respect of the Placing, no information or representation should be relied on in relation to the Placing, the Group or the Placing Shares, other than as contained in this document. No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representations must not be relied on as having been authorised. Neither the delivery of this document nor any subscription or purchase made under it shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Group since the date of this document or that the information in this document is correct as at any time subsequent to the date of this document.
- 20.4 UHY Hacker Young LLP, Chartered Accountants and Registered Auditors, of Quadrant House, Floor 6, 4 Thomas More Square, London E1W 1YW, accepts responsibility for the information contained in Parts III and IV of this document. To the best of the knowledge of UHY Hacker Young LLP (which has taken all reasonable care to ensure that such is the case) the information in Parts III and IV of this document is in accordance with the facts and

makes no omission likely to effect the impact of such information. UHY Hacker Young LLP is a member of the Institute of Chartered Accountants of England and Wales.

- 20.5 UHY Hacker Young LLP has given and has not withdrawn its written consent to the inclusion of its report and statement in this document and the references to the report and statement and to its name in the form and context in which they are included.
- 20.6 Cenkos Securities plc is registered in England and Wales under number 05210733 and its registered office is at 6.7.8 Tokenhouse Yard, London EC2R 7AS. Cenkos Securities plc is regulated by the FCA.
- 20.7 Cenkos Securities plc has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.
- 20.8 Save as otherwise disclosed in this document:
- 20.8.1 there are no patents or other intellectual property rights, licences or particular contracts (including industrial, commercial or financial contracts) or new manufacturing processes which are of fundamental importance to the Group's business or upon which the Group's business is otherwise dependent;
- 20.8.2 there have been no interruptions in the Group's business in the 12 months preceding the publication of this document which may have or had a significant effect on the Group's financial position;
- 20.8.3 there have been no principal investments, nor are there any in progress or under active consideration or in respect of which firm commitments have been made;
- 20.8.4 there are no known environmental issues that might affect the Company's utilisation of its tangible fixed assets; and
- 20.8.5 there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.
- 20.9 No person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has:
- 20.9.1 received, directly or indirectly, from any member of the Group within the 12 months preceding the date of application for Admission; or
- 20.9.2 entered into contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from any member of the Group on or after Admission any of the following:
- 20.9.2.1 fees totalling £10,000 or more;
- 20.9.2.2 securities in any member of the Group with a value of £10,000 or more calculated by reference to the Placing Price; or
- 20.9.2.3 any other benefit with a value of £10,000 or more at the date of Admission.
- 20.10 No Director or a member of a Director's family has any related financial products referenced to the Ordinary Shares.
- 20.11 There are no family relationships between the Directors.
- 20.12 The average monthly number of employees in the Group each financial year for the period covered by the historical consolidated financial information set out in Part III above was:

	<i>2013</i>	<i>2014</i>	<i>2015</i>
Kitchen / floor	269	282	440
Management	49	57	67
Total	318	339	507

- 20.13 The financial information set out in Part III does not constitute statutory accounts within the meaning of section 434(3) of the Act.
- 20.14 A shareholder in a public company incorporated in the United Kingdom whose shares are admitted to trading on AIM is required pursuant to rule 5 of the Disclosure and Transparency Rules to notify the Company of the percentage of his voting rights if the

percentage of voting rights which he holds as a shareholder or through his direct or indirect holding of financial instruments reaches, exceeds or falls below, certain thresholds. Pursuant to Part 22 of the Act, the Company is empowered by notice in writing to require any person whom the Company knows, or has reasonable cause to believe to be or, at any time during the three years immediately preceding the date on which the notice is issued, within a reasonable time, to disclose to the Company particulars of any interests, rights, agreements or arrangements affecting any of the shares held by that person or in which such other person as aforesaid is interested.

22. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of this document are available free of charge to the public at the offices of the Company at Suite 4, Strata House, 34a Waterloo Road, London, NW2 7UH during normal business hours on any weekday (public holidays excepted) until the date falling one month after the date of Admission. Copies of this document are also available to the public free of charge on the Company's website at www.investors.comptoirlibanais.com in accordance with the AIM Rules.

Dated 15 June 2016

