

## The Clapham House Group PLC – Unaudited Preliminary Results

**8 June 2004**

### **Unaudited Preliminary Results for the period ended 31 March 2004**

The Clapham House Group PLC (“Clapham House” or “the Company”) announces its preliminary results for the period ended 31 March 2004. These relate to the period from incorporation on 1 October 2003 until 31 March 2004.

#### **Highlights :**

- Placing and admission to AIM on 10 November 2003, raising £14.75m (before flotation expenses of £0.5m) at 100p per share
- Completion of first acquisition, The Real Greek, in December 2003
- Net cash as at 31 March 2004 of £ 13.3 million
- Loss before exceptional costs and taxation for the period ended 31 March 2004 of £84,000
- Completion of second acquisition, The Bombay Bicycle Club, in April 2004
- Secondary placing raising £7.0m at 140p per share to complete in June 2004

David Page, Executive Chairman, commented:

“We are delighted to have made such a positive start as a new public company and to have already acquired two excellent businesses, The Real Greek and The Bombay Bicycle Club. We are engaged in a number of discussions with a view to adding a third brand, which will represent the achievement of our initial target to acquire three restaurant formats in the first two years of the Company’s existence.

In addition, discussions are underway on a number of packages of properties which, if successful, will enable Clapham House to accelerate its plans to expand these formats.”

#### **Enquiries**

The Clapham House Group PLC  
David Page, Executive Chairman  
Paul Campbell, Chief Executive

Telephone: 07836 346934  
Telephone: 07785 228299

Noble & Company Limited  
John Llewellyn-Lloyd  
David Ovens

Telephone: 020 7763 2200  
Telephone: 0131 225 9677

Citigate Dewe Rogerson  
Sue Pemberton

Telephone: 020 7638 9571

[www.claphamhousegroup.com](http://www.claphamhousegroup.com)

**The Clapham House Group PLC**  
**Unaudited Preliminary Results**  
**for the period ended 31 March 2004**

**Chairman's Statement**

*Results*

The Company was incorporated on 1 October 2003 and these results cover the period from that date until 31 March 2004. Clapham House successfully completed a placing and admission to AIM on 10 November 2003, raising 14.75m (before flotation expenses) at 100p per share. Flotation expenses of £510,000 have been charged to the Company's share premium account.

During this period, the Company acquired The Real Greek Food Company Limited ("The Real Greek") on 18 December 2003 and the results therefore include fifteen weeks' trading for this business. These are typically the quietest months of the year for any restaurant business.

Loss before exceptional costs and taxation for the period ended 31 March 2004 was £84,000.

As at 31 March 2004, Clapham House's net cash balances amounted to £13.3 million.

*Dividends*

As described in the Company's Prospectus dated 29 October 2003, it is the Board's policy that, subject to the availability of distributable reserves, dividends will be paid to shareholders when the Directors believe it is appropriate and prudent to do so. However, the main focus of the Company will be in delivering capital growth for shareholders.

*Outlook*

On 1 April 2004 the Company acquired the entire issued share capital of Nilecroft Ltd, Odsey Ltd, Overpark Ltd, and Seahawk Ltd, comprising the business and assets of The Bombay Bicycle Club operation ("The Bombay Bicycle Club").

On 13 May 2004, the Company announced a placing to raise £7.0 m (before expenses) at 140p per share. I am pleased to announce that the resolutions approving the placing were passed by shareholders at an Extraordinary General Meeting on 7 June 2004, and it is expected that dealings in the new ordinary shares will commence on or around 11 June 2004.

I am very pleased that we have acquired two excellent platform businesses so soon after commencing trading. This puts us well ahead of the timetable we set ourselves at flotation and we are currently examining a number of businesses which may become our next acquisition. This would represent the achievement of our initial target to acquire three restaurant formats in the first two years of the Company's existence and would put us in a position to focus on the integration and expansion of these brands. To this end we have already acquired a new 4,000 sq. foot unit on the South Bank for The Real Greek Souvlaki and Bar, which will open this summer, and we are in negotiations on a number of units for The Bombay Bicycle Club. As disclosed at the time of our secondary placing, we are also talking to a number of companies about acquiring packages of premises which may be available for acquisition as a result of industry consolidation or rationalisation.

The Directors believe that the rationalisation of the restaurant sector will continue to provide attractive opportunities and we look forward to the current financial year with confidence.

David Page  
Chairman  
8 June 2004

**The Clapham House Group PLC**  
**Unaudited Consolidated Profit and Loss Account**  
**for the period ended 31 March 2004**

	Notes	Period from 1 October 2003 to 31 March 2004 Unaudited £'000
<b>Turnover</b>		534
Cost of sales		(381)
<b>Gross Profit</b>		<u>153</u>
Administrative expenses – excluding exceptional costs		(418)
<b>Operating loss before exceptional costs</b>		<u>(265)</u>
Exceptional costs – issue of restricted shares	3	(305)
<b>Operating loss</b>		<u>(570)</u>
Net interest receivable		181
<b>Loss on ordinary activities before taxation</b>		<u>(389)</u>
Taxation	4	5
<b>Loss for the period</b>		<u><u>(384)</u></u>
Loss per share		
Basic and diluted	5	(3.3p)

All amounts relate to acquired operations and continuing activities. The amounts have not been separately disclosed as the acquired operations form the initial trading activities of the Group.

All recognised gains and losses are included in the profit and loss account.

**The Clapham House Group PLC**  
**Unaudited Consolidated Balance Sheet**  
**as at 31 March 2004**

	Notes	As at 31 March 2004 Unaudited £'000
<b>Fixed Assets</b>		
Intangible assets		6,938
Tangible assets		489
Investments		-
		<hr/> 7,427
<b>Current Assets</b>		
Stocks		83
Debtors		203
Cash at bank and in hand		13,444
		<hr/> 13,730
<b>Current Liabilities</b>		
Creditors: amounts falling due within one year		(990)
		<hr/> 12,740
<b>Net current assets</b>		<hr/> 12,740
<b>Total assets less current liabilities</b>		<hr/> 20,167
<b>Creditors: amounts falling due after more than one year</b>		(6,035)
<b>Provisions for liabilities and charges</b>		(6)
<b>Net assets</b>		<hr/> 14,126
<b>Capital and Reserves</b>		
Called up share capital		1,475
Share premium account		13,035
Profit and loss account		(384)
Equity shareholders' funds	6	<hr/> 14,126 <hr/> <hr/>

**The Clapham House Group PLC**  
**Unaudited Consolidated Cash Flow Statement**  
**for the period ended 31 March 2004**

	<b>Notes</b>	<b>Period from 1 October 2003 to 31 March 2004 Unaudited £'000</b>
Net cash outflow from operating activities	7a	(198)
Returns on investment and servicing of finance		181
Capital expenditure and financial investment		(23)
Acquisitions and disposals	7b	(592)
Cash outflow before use of liquid resources and financing		<u>(632)</u>
Financing	7c	13,969
<b>Increase in cash in the period</b>		<u><u>13,337</u></u>

**Reconciliation of net cash flow to movement in net funds**

	<b>Notes</b>	<b>Period from 1 October 2003 to 31 March 2004 Unaudited £'000</b>
Increase in cash in the period		13,337
Cash outflow from change in debt		271
Change in net fund resulting from cash flows		<u>13,608</u>
Debt acquired with subsidiary		(271)
<b>Net funds at end of period</b>	7d	<u><u>13,337</u></u>

**The Clapham House Group PLC**  
**Notes to the Unaudited Preliminary Results**  
**for the period ended 31 March 2004**

1. Basis of preparation

The preliminary results have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

2. Turnover

The turnover and loss for the period are attributable to the principal activities of the group, which are carried on entirely within the United Kingdom.

3. Exceptional costs

The exceptional costs represent the cost of granting 300,000 ordinary shares under the Group's Restricted Share Plan to the executive directors at a cost of £270,000 and associated employers' national insurance contribution amounting to £35,000.

4. Taxation

The taxation charge in the period represents the deferred taxation arising from origination and reversal of timing differences.

5. Loss per share

Basic loss per ordinary share is based on the loss for the period of £384,000 and on 11,742,328 ordinary shares of 10p each being the weighted average number of ordinary shares in issue during the period.

Basic and diluted earnings per share are the same as there are no potential ordinary shares that would increase net loss per share from continuing operations in the period.

6. Reconciliation of movements in equity shareholders' funds

	<b>Period from 1 October 2003 to 31 March 2004 Unaudited £'000</b>
Shares issued (net of flotation expenses)	14,560
Share redeemed	(50)
Loss for the period	(384)
Closing equity shareholders' funds	<u>14,126</u>

7. Notes to the consolidated cash flow statement

a. Reconciliation of operating loss to net cash flow from operating activities

	<b>Period from 1 October 2003 to 31 March 2004 Unaudited £'000</b>
Operating loss	(570)
Restricted shares issued	270
Depreciation	21
Increase in stocks	(12)
Increase in debtors	(116)
Increase in creditors	209
Net cash outflow from operating activities	<u>(198)</u>

b. Acquisitions and disposals

	<b>Period from 1 October 2003 to 31 March 2004 Unaudited £'000</b>
Purchase of subsidiary undertaking	(499)
Net overdraft acquired with subsidiary	(93)
Net cash outflow from acquisition	<u>(592)</u>

c. Financing

	<b>Period from 1 October 2003 to 31 March 2004 Unaudited £'000</b>
Capital repayments on bank loans	(59)
Capital repayments of other loans	(212)
Net proceeds of redeemable shares issued	50
Redemption of redeemable shares	(50)
Gross proceeds of ordinary shares issued	14,750
Issue costs	(510)
Net cash inflow from financing	<u>13,969</u>

d. Analysis of net funds

	<b>Period from 1 October 2003 to 31 March 2004 Unaudited £'000</b>
<i>Cash in hand and at bank</i>	
Cash flow	13,444
As at end of the period	<u>13,444</u>
<i>Overdrafts</i>	
Cash flow	(107)
As at end of the period	<u>(107)</u>
<i>Debt due after one year</i>	
Cash flow	(271)
Acquisition	271
As at end of the period	<u>-</u>
<i>Closing net funds</i>	
Cash flow	13,066
Acquisition	271
As at end of the period	<u>13,337</u>

8. Report and accounts

The financial information set out in this preliminary announcement, which was approved by the Board on 7 June 2004, is unaudited and does not constitute the Company's statutory accounts for the period ended 31 March 2004, but is derived from those accounts.

The statutory accounts for the period ended 31 March 2004 will be prepared following accounting policies consistent with those set out in the Prospectus dated 29 October 2003.

The statutory accounts for the period ended 31 March 2004 will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Company's annual general meeting.

9. Further copies

The statutory accounts for the period will be posted to shareholders in due course and further copies will be available, free of charge, for a period of one month following posting to shareholders from the registered office of the Company or the Company's nominated Adviser and Broker, Noble & Company Limited, 76 George Street, Edinburgh, EH2 3BU, Telephone: 0131 225 9677.