

26 September 2018

**The Barkby Group PLC
("Barkby" or the "Company")**

Interim Results for the six months ended 30 June 2018

The Barkby Group PLC (NEX: BARK), is pleased to announce its interim results for the six months ended 30 June 2018.

Enquiries:

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THE BARKBY GROUP PLC

INTERIM RESULTS

CHAIRMAN'S STATEMENT

I am pleased to present the interim results for The Barkby Group plc for the six months ended 30 June 2018.

On 26 June 2018 the Company completed the acquisition of the assets and business of a boutique hospitality group focused on premium gastropubs, inns and function spaces in Gloucestershire and Oxfordshire, comprising three gastropubs with 38 hotel rooms (the "Acquisition"). As previously stated, Barkby will seek to grow through the acquisition of other properties in the hospitality sector, a number of which have been presented to Barkby and are currently being reviewed.

The quarter ending 31 July 2018 saw strong trading across the three gastropubs: unaudited management accounts show revenues for that quarter amounted to £949,643, with profit before tax* and exceptional items (IPO costs) of £132,777. The new controls and management systems implemented by Barkby have provided considerable improvements, suppliers have been rationalised and staffing rotas driven by customer needs. In the quarter to 31 July 2018, occupancy rates across all three sites were also ahead of management's expectations, reaching an average of 77% due to an improved offering and better use of social media marketing and booking platforms.

Trading during August 2018 has also continued at equally strong levels, with occupancy rates continuing to increase, reaching an average of 85% for the month.

*after amortisation, depreciation and interest

As the Company did not complete a reverse takeover under the AIM rules within a year of the Company becoming an AIM Rule 15 cash shell, the Company's ordinary shares ceased to be admitted to trading on AIM on 22 January 2018. In conjunction with the Acquisition, the Company achieved admission to the NEX Exchange Growth Market ("Admission"). On Admission, the Company had a market capitalisation of approximately £3.42 million based on the issue price of 9p.

In conjunction with Admission, the Company also undertook a share consolidation and changed its name from Sovereign Mines of Africa PLC to The Barkby Group PLC.

The total consideration for the Acquisition is up to £1,205,000, payable as an initial consideration of £645,000, which was satisfied as £125,000 in cash and £520,000 through the issue of ordinary shares in the Company, and deferred consideration of up to £560,000, which is payable in tranches subject to the satisfaction of certain profit targets over the next three years ending 31 May 2021. In addition, the Company assumed certain liabilities associated with the three gastropubs.

The Directors believe that the Acquisition represents a transformational step in respect of the Company's future and an opportunity to benefit from an established business, which the Company believes provides a platform for significant growth through expansion to other properties. Having seen the opportunity with the high-end demographic of customer that the gastropubs target and serve, the Board will also consider the acquisition of other complementary assets and businesses that serve a similar demographic.

We would like to thank all our shareholders for their continued support during this period of change within the Company and we look forward to the second half of 2018 with confidence.

Financial

The financial results presented in this report cover the six-month period to 30 June 2018 and therefore prior to the Acquisition and a period where the Company had no operating business whilst it sought a suitable business acquisition.

The Company reports a loss from continuing operations of £541,584 for the six-month period ended 30 June 2018, compared to a loss of £95,433 for the corresponding period in 2017. The loss in the period represents the costs of completing the Acquisition, admission to the NEX Exchange Growth Market and running the Company during this transitional phase.

The Company had cash resources of £348,530 at 30 June 2018 which, together with the funds raised at the time of the Acquisition and available bank facilities, will provide sufficient finance to cover the Company's ongoing expenditure.

C G Clarke
Chairman
26 September 2018

THE BARKBY GROUP PLC

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2018

	Note	Six months ended 30-Jun-18 Unaudited £	Six months ended 30-Jun-17 Unaudited £	Year ended 31-Dec-17 Audited £
Turnover		<u>44,312</u>	<u>-</u>	<u>-</u>
Administrative costs				
Other administrative expenses	1/ 2	(509,681)	(95,433)	(370,922)
Finance income		<u>1,399</u>	<u>0</u>	<u>584,660</u>
Profit/ (loss) on ordinary activities before taxation		(463,970)	(95,433)	213,738
Tax on profit/ (loss) on ordinary activities		<u>-</u>	<u>-</u>	<u>-</u>
Profit/ (loss) for the financial period from continuing operations		(463,970)	(95,433)	213,738
Profit from discontinued operation		<u>-</u>	<u>656,140</u>	<u>-</u>
Profit/ (Loss) for the period attributable to owners of the parent		(463,970)	560,707	213,738
Other comprehensive income				
Revaluation of available for sale investments		<u>-</u>	<u>144,894</u>	<u>-</u>
Total comprehensive income/ (loss) for the period attributable to owners of the parent		<u>(463,970)</u>	<u>705,601</u>	<u>213,738</u>
Total comprehensive income/ (loss) attributable to owners of the parent arising from:				
Continuing operations		(463,970)	(95,433)	213,738
Discontinued operations		<u>-</u>	<u>801,034</u>	<u>-</u>
		<u>(463,970)</u>	<u>705,601</u>	<u>213,738</u>
Earnings/(loss) per ordinary share (pence)				
From continuing and discontinued operations:				
Basic and diluted	3	(1.22)	0.065	0.02

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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	As at 30-Jun-18 Unaudited £	As at 30-Jun-17 Unaudited £	As at 30-Dec-17 Audited £
FIXED ASSETS				
Tangible assets	4	948,329	-	-
Available for sale financial assets		-	801,034	
Intangible assets		<u>918,550</u>	<u>-</u>	<u>-</u>
		1,866,879	801,034	-
CURRENT ASSETS				
Other receivables		203,488	11,652	13,529
Cash at bank		<u>528,811</u>	<u>278,235</u>	<u>615,108</u>
		732,299	289,887	628,637
CURRENT LIABILITIES				
Trade and other payables		<u>(853,136)</u>	<u>(27,348)</u>	<u>(50,857)</u>
NET CURRENT ASSETS		<u>1,746,042</u>	<u>262,539</u>	<u>577,780</u>
LONG TERM LIABILITIES	5	(563,279)	-	-
NET ASSETS		<u>1,182,763</u>	<u>1,063,573</u>	<u>577,780</u>
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital	6	125,228	3,163,589	3,163,589
Share premium account		6,591,878	5,563,520	5,563,520
Reconstruction reserve			(586,100)	
Share-based payment reserve		702,167	696,097	702,167
Capital redemption reserve		3,077,503		
Retained earnings		<u>(9,314,013)</u>	<u>(7,773,533)</u>	<u>(8,851,496)</u>
TOTAL EQUITY		<u>1,182,763</u>	<u>1,063,573</u>	<u>577,780</u>

THE BARKBY GROUP PLC

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

Six months ended 30 June 2018

	Six months to 30-Jun-18 Unaudited £	Six months to 30-Jun-17 Unaudited £	Year ended 31-Dec-17 Audited £
Net cashflow used in operating activities	(87,696)	(121,211)	(368,998)
Finance income	<u>1,399</u>	<u>-</u>	<u>584,660</u>
Net decrease in cash and cash equivalents	(86,297)	(121,211)	215,662
Cash and cash equivalents at beginning of period	<u>615,108</u>	<u>399,446</u>	<u>399,446</u>
Cash and cash equivalents at end of period	<u><u>528,811</u></u>	<u><u>278,235</u></u>	<u><u>615,108</u></u>

All cashflows are from continuing operations.

THE BARKBY GROUP PLC

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2018

	Share capital	Share premium	Reconstruction reserve	Capital redemption reserve	Share-based payment reserve	Retained earnings	Total
	£	£	£	£	£	£	£
At 1 January 2017	3,163,589	5,563,520	(586,100)	-	690,126	(8,479,134)	352,001
Loss and total comprehensive income for six months to 30 June 2017	-	-	-	-	-	705,601	705,601
Share-based payment expense	-	-	-	-	5,971	-	5,971
At 30 June 2017	3,163,589	5,563,520	(586,100)	-	696,097	(7,773,533)	1,063,573
Loss and total comprehensive income for six months to 31 December 2017	-	-	-	-	-	(1,077,963)	(1,077,963)
Reconstruction movement	-	-	586,100	-	-	-	586,100
Share-based payment expense	-	-	-	-	6,070	-	6,070
At 31 December 2017	3,163,589	5,563,520	-	-	702,167	(8,851,496)	577,780
Total comprehensive income for six months ended 30 June 2018	-	-	-	-	-	(463,970)	(463,970)
Re structure of Equity after purchase of asset	(3,038,361)	1,028,358	-	3,077,503	-	1,453	1,068,953
At 30 June 2018	125,228	6,591,878	-	3,077,503	702,167	(9,314,013)	1,182,763

THE BARKBY GROUP PLC

Notes to the interim consolidated financial information

Six months ended 30 June 2018

1. GENERAL

These unaudited consolidated interim financial statements are for the six months ended 30 June 2018. They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2017, which were prepared under International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”). A number of new standards, amendments to existing standards and interpretations were effective from 1 January 2017.

The statutory accounts for the year ended 31 December 2017 have been filed with the Registrar of Companies. Those accounts have received an unqualified audit report and did not contain statements or matters to which the auditors drew attention under the Act.

The Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, these interim financial statements have been prepared on a going concern basis as the Directors are of the opinion that the Company has sufficient funds to meet their ongoing working capital and committed capital expenditure requirements

The interim financial information is unaudited, but has been reviewed by the Company’s auditor. The Company’s operations are not subject to seasonality or cyclicity. No dividend has been declared or paid in this interim period.

2. ACCOUNTING POLICIES

The principal accounting policies and methods of computation have remained unchanged from those used in the preparation of the 2017 annual financial statements and are expected to be used for the 31 December 2018 annual financial statements.

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Notes to the interim consolidated financial information

Six months ended 30 June 2018

3. LOSS/EARNINGS PER SHARE

	Six months to 30-Jun-18 Unaudited	Six months to 30-Jun-17 Unaudited	Year ended 31-Dec-17 Audited
Weighted average number of ordinary shares in issue	37,947,751	860,858,859	860,858,859
Dilutive potential ordinary shares	-	-	150,000,000
	<u>37,947,751</u>	<u>860,858,859</u>	<u>1,010,858,859</u>
Profit/(loss) after taxation (£)			
From continuing operations	(463,970)	(95,433)	213,738
From discontinued operations	-	656,140	-
	<u>(463,970)</u>	<u>560,707</u>	<u>213,738</u>
Basic earnings/(loss) Per Share (pence)			
From continuing operations	(1.22)	0.065	0.02

4. FIXED ASSETS

	Six months to 30-Jun-18 Unaudited	Six months ended 30-Jun-17 Audited	Year ended 31-Dec-17 Audited
Tangible Assets	£	£	£
The Plough- Freehold	671,866	-	-
Fixtures & Fittings	152,018	-	-
Computer Equipment	6,012	-	-
Kitchen Equipment	118,433	-	-
Total tangible assets	<u>948,329</u>	-	-
Intangible Assets			
Available for sale financial assets		801,034	
Investment in subsidiary	918,550	-	-
Total Fixed Assets	<u>1,866,879</u>	<u>801,034</u>	-

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Notes to the interim consolidated financial information

Six months ended 30 June 2018

5. LONG TERM LIABILITIES

	Six months to 30-Jun-18 Unaudited £	Six months ended 30-Jun-17 Audited £	Year ended 31-Dec-17 Audited £
Long Term Liabilities			
Directors loans- Seb & Lana Snow	(25,076)	-	-
Kitchen equipment leases	28,355	-	-
Contingent investment	560,000	-	-
Total Long Term Liabilities	563,279	-	-

6. SHARE CAPITAL

Issued and fully paid:

	2018 No. of shares	2017 No. of shares	2018 £	2017 £
Ordinary shares of £0.0001 each	<u>37,947,751</u>	<u>860,859,050</u>	<u>125,228</u>	<u>3,163,589</u>

7. COPIES OF INTERIM REPORT

Copies of the interim report are available to the public from the Company at Lakeside Fountain Lane, St Mellons, Cardiff, United Kingdom, CF3 0FB during normal office hours, Saturdays and Sundays excepted, for 14 days from today and are available on the website at www.barkbygroup.com.