

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

14 March 2019

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

**Interim Results for the six months ended 31 December 2018**

The Barkby Group PLC (NEX: BARK), is pleased to announce its unaudited interim results for the six months ended 31 December 2018. The Company has changed its financial year end to 31 May and therefore the next audited results of the Company will be for the 17-month period ending 31 May 2019, which will be published by 31 October 2019.

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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 31 December 2018. The period has seen Barkby expand its growing portfolio of assets. The George at Burpham and Centurian Automotive have both been added to the Group and more recently, we have signed an Operating Agreement with the Queens Arms which further adds to the Group's premium hospitality offering.

On 30 November 2018 the Company entered into a new ten-year leasehold agreement for The George at Burpham, a 17th century gastropub in the village of Burpham in the South Downs in West Sussex. The George offers customers excellence in food and service, showcasing the best produce with a convivial atmosphere and modern style, which fits perfectly with Barkby's proposition and is a strong addition to the Group.

This new lease represents further implementation of the Company's strategy to develop a portfolio of premium hospitality properties. The Company's hospitality portfolio now consists of a freehold and three leasehold gastropubs and inns, as well as the recently announced 8-year operating contract for the Queens Arms.

The Queens Arms is an award-winning 18th century pub, restaurant and hotel located in an area of outstanding natural beauty in Berkshire, approximately equidistant from London and the West Country. The restaurant offers an innovative and seasonal menu using local produce wherever possible and the Queens Arms' 12 bedrooms provide luxury accommodation for guests. The property also benefits from a 120-capacity function room, the Queens Lodge. Under the terms of the operating contract Barkby has taken over the day to day operations of the Queens Arms.

In February 2019, Barkby completed the acquisition of the entire share capital of Centurian Automotive Limited ("Centurian Automotive"). The initial consideration payable was approximately £201,000, satisfied by the issue of new ordinary shares in Barkby and deferred consideration of up to approximately £251,000 over three years based on performance targets, also to be satisfied by the issue of new ordinary shares in Barkby.

Centurian Automotive is an award-winning automotive dealership with a strong and fast growing online digital presence. Centurian Automotive prides itself on its best-in-class customer experience and was recently chosen by Autotrader from 13,000 motor dealers in the UK to represent the benchmark for all dealership training, marketing and master classes.

The board of Barkby believes that this acquisition is complementary to Barkby's existing high-end consumer offering and will be immediately earnings enhancing.

The next few months for Barkby will be spent consolidating the deals completed since June and presenting a strong set of year end results for May 2019, and to continue our policy of controlled expansion.

## **Financial**

The financial results presented in this report cover the six-month period to 31 December 2018.

The period saw strong trading across the three gastropubs leased and owned for the full period: unaudited management accounts show revenues for that period amounted to £1,820,439, with profit before tax\* and exceptional items of £117,120. The new controls and management systems implemented by Barkby have provided considerable improvements; food and drink margins are up, and staff turnover is considerably under the industry average, at 4.5%. A new back office system for the EPOS and room booking systems has also seen an increase in room bookings online due to the improved booking system.

The Company reports a loss from continuing operations of £17,881 for the period, compared to a profit from finance income of £309,171 for the corresponding period in 2017. The loss in the period represents the exceptional items of completing the acquisitions, entering into the lease for The George, and a staff restructure and bonuses.

The Company had cash resources of £36,674 at 31 December 2018, pending the grant of a mortgage over the freehold of The Plough in Kelmscott pub, and a VAT refund. The mortgage monies received at the beginning of January provide sufficient finance to cover the Company's ongoing expenditure.

We would like to thank all our shareholders for their continued support. It is an exciting time for The Barkby Group and we look forward to delivering on the Group's potential.

**C G Clarke**  
**Chairman**

14 March 2019

\*after amortisation, depreciation and interest

THE BARKBY GROUP PLC

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
Six months ended 31 December 2018

|   | Note | Six months ended<br>31-Dec-18<br>Unaudited<br>£ | Six months ended<br>31-Dec-17<br>Unaudited<br>£ | Year ended<br>31-Dec-17<br>Audited<br>£ |
|---|------|---|---|---|
| <b>Turnover</b>   |      | <b>1,820,439</b>                                | -   | -                                       |
| <b>Administrative costs</b>   |      |   |   |   |
| Other administrative expenses   | 1/ 2 | (1,838,319)                                     | (275,489)                                       | (370,922)                               |
| Finance income  |      | 0   | 584,660   | 584,660                                 |
| <b>Profit/ (loss) on ordinary activities before taxation</b>                                  |      | <b>(17,880)</b>                                 | 309,171   | 213,738                                 |
| Tax on profit/ (loss) on ordinary activities  |      | -   | -   | -                                       |
| <b>Profit/ (loss) for the financial period from continuing operations</b>                     |      | <b>(17,880)</b>                                 | 309,171   | 213,738                                 |
| <b>Profit from discontinued operation</b>   |      | -   | (656,140)                                       | -                                       |
| <b>Profit/ (Loss) for the period attributable to owners of the parent</b>                     |      | <b>(17,880)</b>                                 | (346,969)                                       | 213,738                                 |
| <b>Other comprehensive income</b>   |      |   |   |   |
| Revaluation of available for sale investments   |      | -   | (144,894)                                       | -                                       |
| <b>Total comprehensive income/ (loss) for the period attributable to owners of the parent</b> |      | <b>(17,880)</b>                                 | (491,863)                                       | 213,738                                 |
| <b>Total comprehensive income/ (loss) attributable to owners of the parent arising from:</b>  |      |   |   |   |
| Continuing operations   |      | (17,880)  | 309,171   | 213,738                                 |
| Discontinued operations   |      |   | (801,034)                                       |   |
|   |      | <b>(17,880)</b>                                 | <b>(491,863)</b>                                | <b>213,738</b>                          |
| <b>Earnings/(loss) per ordinary share (pence)</b>   |      |   |   |   |
| From continuing and discontinued operations: Basic and diluted                                | 3    | (0.05)  | 0.02  | 0.02                                    |

**THE BARKBY GROUP PLC**

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**As at 31 December 2018**

|   | <b>Note</b> | <b>As at<br/>31-Dec-18<br/>Unaudited<br/>£</b> | <b>As at<br/>30-Jun-18<br/>Unaudited<br/>£</b> | <b>As at<br/>30-Dec-17<br/>Audited<br/>£</b> |
|---|-------------|--|--|--|
| <b>FIXED ASSETS</b>   |             |  |  |  |
| Tangible assets   | <b>4</b>    | 1,036,030                                      | 948,329  | -  |
| Available for sale financial assets                         |             | -  | -  | -  |
| Intangible assets   |             | 918,550  | 918,550  | -  |
|   |             | <u>1,954,580</u>                               | <u>1,866,879</u>                               | -  |
| <b>CURRENT ASSETS</b>                                       |             |  |  |  |
| Other receivables   |             | 435,285  | 203,488  | 13,529                                       |
| Cash at bank  |             | 36,674   | 528,811  | 615,108                                      |
|   |             | <u>471,959</u>                                 | <u>732,299</u>                                 | <u>628,637</u>                               |
| <b>CURRENT LIABILITIES</b>                                  |             |  |  |  |
| Trade and other payables                                    |             | <u>(709,956)</u>                               | <u>(853,136)</u>                               | <u>(50,857)</u>                              |
| <b>NET CURRENT ASSETS</b>                                   |             |  |  |  |
|   |             | <u>1,716,584</u>                               | <u>1,746,042</u>                               | <u>577,780</u>                               |
| <b>LONG TERM LIABILITIES</b>                                |             |  |  |  |
|   | <b>5</b>    | (551,701)                                      | (563,279)                                      | -  |
| <b>NET ASSETS</b>   |             |  |  |  |
|   |             | <u><u>1,164,883</u></u>                        | <u><u>1,182,763</u></u>                        | <u><u>577,780</u></u>                        |
| <b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b> |             |  |  |  |
| Share capital   | <b>6</b>    | 125,228  | 125,228  | 3,163,589                                    |
| Share premium account                                       |             | 6,591,878                                      | 6,591,878                                      | 5,563,520                                    |
| Reconstruction reserve                                      |             |  |  |  |
| Share-based payment reserve                                 |             | 702,167  | 702,167  | 702,167                                      |
| Capital redemption reserve                                  |             | 3,077,503                                      | 3,077,503                                      |  |
| Retained earnings   |             | <u>(9,331,893)</u>                             | <u>(9,314,013)</u>                             | <u>(8,851,496)</u>                           |
| <b>TOTAL EQUITY</b>   |             |  |  |  |
|   |             | <u><u>1,164,883</u></u>                        | <u><u>1,182,763</u></u>                        | <u><u>577,780</u></u>                        |

THE BARKBY GROUP PLC

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

Six months ended 31 December 2018

|   | Six months<br>to<br>31-Dec-18<br>Unaudited<br>£ | Six months<br>to<br>31-Dec-17<br>Unaudited<br>£ | Year ended<br>31-Dec-17<br>Audited<br>£ |
|---|---|---|---|
| <b>Net cashflow used in operating activities</b>        | <b>(578,434)</b>                                | (247,787)                                       | (368,998)                               |
| Finance income  | <b>0</b>  | 584,660   | 584,660                                 |
| <b>Net decrease in cash and cash equivalents</b>        | <b>(578,434)</b>                                | 336,873   | 215,662                                 |
| <b>Cash and cash equivalents at beginning of period</b> | <b>615,108</b>                                  | 278,235   | 399,446                                 |
| <b>Cash and cash equivalents at end of period</b>       | <b>36,674</b>                                   | 615,108   | 615,108                                 |

All cashflows are from continuing operations.

THE BARKBY GROUP PLC

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 31 December 2018

|  | Share capital  | Share premium    | Reconstruction reserve | Capital redemption reserve | Share-based payment reserve | Retained earnings  | Total              |
|--|----------------|------------------|------------------------|----------------------------|-----------------------------|--------------------|--------------------|
|  | £              | £                | £                      | £                          | £                           | £                  | £                  |
| At 30 June 2017  | 3,163,589      | 5,563,520        | (586,100)              | -                          | 696,097                     | (7,773,533)        | <b>1,063,573</b>   |
| Loss and total comprehensive income for six months to 31 December 2017 | -              | -                | -                      | -                          | -                           | (1,077,963)        | <b>(1,077,963)</b> |
| Reconstruction movement  | -              | -                | 586,100                | -                          | -                           | -                  | <b>586,100</b>     |
| Share-based payment expense  | -              | -                | -                      | -                          | 6,070                       | -                  | <b>6,070</b>       |
| At 31 December 2017  | 3,163,589      | 5,563,520        | -                      | -                          | 702,167                     | (8,851,496)        | <b>577,780</b>     |
| Total comprehensive income for six months ended 30 June 2018           | -              | -                | -                      | -                          | -                           | 309,171            | <b>309,171</b>     |
| Re structure of Equity after purchase of asset                         | (3,038,361)    | 1,028,358        | -                      | 3,077,503                  | -                           | (771,688)          | <b>295,812</b>     |
| At 30 June 2018  | 125,228        | 6,591,878        | -                      | 3,077,503                  | 702,167                     | (9,314,013)        | 1,182,763          |
| Total comprehensive income for six months ended 31 December 2018       | -              | -                | -                      | -                          | -                           | (17,880)           | <b>(17,880)</b>    |
| <b>At 31 December 2018</b>   | <b>125,228</b> | <b>6,591,878</b> | <b>-</b>               | <b>3,077,503</b>           | <b>702,167</b>              | <b>(9,331,893)</b> | <b>1,164,883</b>   |

# THE BARKBY GROUP PLC

## Notes to the interim consolidated financial information

### Six months ended 31 December 2018

#### 1. GENERAL

These unaudited consolidated interim financial statements are for the six months ended 31 December 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.

#### 3. LOSS/EARNINGS PER SHARE

|   | Six<br>months to<br>31-Dec-18<br>Unaudited | Six months to<br>31-Dec-17<br>Unaudited | Year ended<br>31-Dec-17<br>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                             | 150,000,000                        |
|   | <b>37,947,751</b>                          | <b>1,010,858,859</b>                    | <b>1,010,858,859</b>               |
| <b>Profit/(loss) after taxation (£)</b>             |  |   |                                    |
| From continuing operations                          | <b>(17,880)</b>                            | 213,738                                 | 213,738                            |

|                              |                 |                |                |
|------------------------------|-----------------|----------------|----------------|
| From discontinued operations | -               | 0              | -              |
|                              | <u>(17,880)</u> | <u>213,738</u> | <u>213,738</u> |

**Basic earnings/(loss) Per Share  
(pence)**

|                            |        |      |      |
|----------------------------|--------|------|------|
| From continuing operations | (0.05) | 0.02 | 0.02 |
|----------------------------|--------|------|------|

**4. FIXED ASSETS**

|                                     | <b>Six months to<br/>31-Dec-18<br/>Unaudited<br/>£</b> | <b>Six months<br/>ended<br/>31-Dec-17<br/>Audited<br/>£</b> | <b>Year ended<br/>31-Dec-17<br/>Audited<br/>£</b> |
|-------------------------------------|--|---|---|
| <b>Tangible Assets</b>              |  |   |   |
| The Plough- Freehold                | 671,866  | -   | -   |
| Fixtures & Fittings                 | 206,731  | -   | -   |
| Computer Equipment                  | 48,879   | -   | -   |
| Kitchen Equipment                   | 108,554  | -   | -   |
| <b>Total tangible assets</b>        | <b>1,036,030</b>                                       | -   | -   |
| <b>Intangible Assets</b>            |  |   |   |
| Available for sale financial assets |  |   |   |
| Investment in subsidiary            | 918,550  | -   | -   |
| <b>Total Fixed Assets</b>           | <b>1,954,580</b>                                       | -   | -   |

**5. LONG TERM LIABILITIES**

|                                    | <b>Six months<br/>to<br/>31-Dec-18<br/>Unaudited<br/>£</b> | <b>Six months<br/>ended<br/>31-Dec-17<br/>Audited<br/>£</b> | <b>Year ended<br/>31-Dec-17<br/>Audited<br/>£</b> |
|------------------------------------|--|---|---|
| <b>Long Term Liabilities</b>       |  |   |   |
| Directors loans                    | (25,076)   | -   | -   |
| Kitchen equipment leases           | 16,777   | -   | -   |
| Contingent investment              | 560,000  | -   | -   |
| <b>Total Long Term Liabilities</b> | <b>551,701</b>   | -   | -   |



## 6. SHARE CAPITAL

### Issued and fully paid:

|                                 | <b>2018</b>              | 2017               | <b>2018</b>           | 2017             |
|---------------------------------|--------------------------|--------------------|-----------------------|------------------|
|                                 | <b>No. of shares</b>     | No. of shares      | <b>£</b>              | £                |
| Ordinary shares of £0.0001 each | <b><u>37,947,751</u></b> | <u>860,859,050</u> | <b><u>125,228</u></b> | <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](http://www.barkbygroup.com).