

**Leeds Group plc**  
("Leeds Group" or "the Group" or "the Company")  
**Unaudited Interim Results for the six months ended 30 November 2023**

The unaudited interim results of Leeds Group for the six months ended 30 November 2023 are presented as follows.

This announcement contains inside information for the purposes of UK Market Abuse Regulation and has been arranged for release by Jan G Holmstrom, Chairman. The Directors of the Company accept responsibility for the content of this announcement.

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**Chairman's Statement**

On 15 December 2023, the Board announced that they had conditionally agreed to sell the entire issued share capital of its subsidiary, Hemmers-Itex Textil Import Export GmbH ('Hemmers'), to a subsidiary of Nooteboom Bidco GmbH ('purchaser'). The cash consideration will be approximately £569,000 and is based on the net assets of Hemmers at 30 November 2023, excluding its properties, less an agreed discount. This figure differs from the figure stated in the circular as Hemmers made larger than expected losses in November. Leeds Group will retain three properties currently owned by Hemmers which have an aggregate net book value of £5,209,000.

The disposal was subject, *inter alia*, to the approval by Leeds Group shareholders at a general meeting and competition clearance from the German Cartel Office. The Leeds Group shareholders approved the proposed sale at a general meeting held on 9 January 2024 and on 22 January 2024, the Company received confirmation that the German Cartel Office had cleared the transaction to proceed. The Company is currently waiting for the purchaser to complete the refinancing of the existing Hemmers loans in order for the proposed sale to be completed. This is expected in March 2024. The assets of Hemmers have, therefore, been shown in the accounts as an asset held for sale and its operations have been classified as a discontinued operation.

Going forward the Company will have no trading activities as such although through LG Nordhorn Property GmbH ('LG Nordhorn'), it will own the three properties transferred from Hemmers and these properties will be leased back to Hemmers generating an expected average rental income of approximately £440,000 per annum over the next five years, which will cover the operating expenses of the Company for those five years.

Following the proposed sale, the Board will consider the future of the Group given the Group will be classed as an AIM Rule 15 Cash Shell. As such, the Company must make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules within six months of Completion or be re-admitted to trading on AIM as an investing company under the AIM Rules (which requires the raising of at least £6 million) failing which the Ordinary Shares would then be suspended from trading on AIM pursuant to Rule 40 of the AIM Rules. Admission to trading on AIM would be cancelled six months from the date of suspension, should the reason for the suspension not have been rectified.

**Jan G Holmstrom**  
**Chairman**  
**29 February 2024**

**Consolidated Statement of Comprehensive Income**  
for the six months ended 30 November 2023

	Unaudited 6 months to 30 November 2023			Unaudited 6 months to 30 November 2022			Audited Year to 31 May 2023		
	Continuing operations £000	Discontinued operations £000	Total £000	Continuing operations £000	Discontinued operations £000	Total £000	Continuing operations £000	Discontinued operations £000	Total £000
Revenue	-	11,042	11,042	-	15,575	15,575	-	27,817	27,817
Cost of sales	-	(8,413)	(8,413)	-	(12,666)	(12,666)	-	(22,383)	(22,383)
Gross profit	-	2,629	2,629	-	2,909	2,909	-	5,434	5,434
Other income	-	-	-	-	75	75	-	171	171
Distribution costs	-	(743)	(743)	-	(1,363)	(1,363)	-	(2,203)	(2,203)
Impairment charge (note 5)	-	(4,487)	(4,487)	-	-	-	-	-	-
Gain on discontinued operation	-	-	-	-	-	-	-	138	138
Administrative costs	(215)	(1,951)	(2,166)	(88)	(1,576)	(1,664)	(229)	(3,820)	(4,049)
Total administrative costs	(215)	(6,438)	(6,653)	(88)	(1,576)	(1,664)	(229)	(3,682)	(3,911)
<b>Operating (loss)/profit</b>	<b>(215)</b>	<b>(4,552)</b>	<b>(4,767)</b>	<b>(88)</b>	<b>45</b>	<b>(43)</b>	<b>(229)</b>	<b>(280)</b>	<b>(509)</b>
Finance income/(costs)	103	(354)	(251)	103	(284)	(181)	208	(592)	(384)
<b>(Loss)/profit before taxation</b>	<b>(112)</b>	<b>(4,906)</b>	<b>(5,018)</b>	<b>15</b>	<b>(239)</b>	<b>(224)</b>	<b>(21)</b>	<b>(872)</b>	<b>(893)</b>
Taxation	-	-	-	-	113	113	-	53	53
<b>(Loss)/profit for the period/year</b>	<b>(112)</b>	<b>(4,906)</b>	<b>(5,018)</b>	<b>15</b>	<b>(126)</b>	<b>(111)</b>	<b>(21)</b>	<b>(819)</b>	<b>(840)</b>
<i>Other comprehensive income for the period/year*</i>	-	30	30	-	130	130	-	102	102
<b>Total comprehensive (loss)/profit for the period/year attributable to the equity holders of the Company</b>	<b>(112)</b>	<b>(4,876)</b>	<b>(4,988)</b>	<b>15</b>	<b>4</b>	<b>19</b>	<b>(21)</b>	<b>(717)</b>	<b>(738)</b>
<b>Basic and diluted (loss)/profit per share</b>	<b>(0.4)p</b>	<b>(17.8)p</b>	<b>(18.2)p</b>	<b>0.1p</b>	<b>(0.5)p</b>	<b>(0.4)p</b>	<b>(0.1)p</b>	<b>(3.0)p</b>	<b>(3.1)p</b>

\*Other comprehensive income for the period/year relates to items that are or may be reclassified subsequently to profit or loss  
Foreign operations – foreign currency translation differences

**Consolidated Statement of Financial Position**  
*at 30 November 2023*

	Unaudited As at 30 November 2023 £000	Unaudited As at 30 November 2022 £000	Audited As at 31 May 2023 £000
<b>Assets</b>			
<i>Non-current assets</i>			
Property, plant and equipment	5,209	6,689	6,487
Right-of-use assets	-	173	207
Intangible assets	-	53	46
<b>Total non-current assets</b>	<b>5,209</b>	<b>6,915</b>	<b>6,740</b>
<i>Current assets</i>			
Inventories	-	11,227	8,218
Trade and other receivables	17	3,472	3,199
Cash and cash equivalents	94	1,845	234
Assets held for sale (note 5)	8,169	-	-
<b>Total current assets</b>	<b>8,280</b>	<b>16,544</b>	<b>11,651</b>
<b>Total assets</b>	<b>13,489</b>	<b>23,459</b>	<b>18,391</b>
<b>Liabilities</b>			
<i>Non-current liabilities</i>			
Loans and borrowings	-	(697)	(544)
Lease liabilities	-	(953)	(112)
<b>Total non-current liabilities</b>	<b>-</b>	<b>(1,650)</b>	<b>(656)</b>
<i>Current liabilities</i>			
Trade and other payables	(93)	(2,699)	(1,353)
Loans and borrowings	-	(7,279)	(5,502)
Lease liabilities	-	(635)	(97)
Provisions	(345)	-	(344)
Liabilities directly associated with the assets held for sale (note 5)	(7,600)	-	-
<b>Total current liabilities</b>	<b>(8,038)</b>	<b>(10,613)</b>	<b>(7,296)</b>
<b>Total liabilities</b>	<b>(8,038)</b>	<b>(12,263)</b>	<b>(7,952)</b>
<b>TOTAL NET ASSETS</b>	<b>5,451</b>	<b>11,196</b>	<b>10,439</b>
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	3,279	3,279	3,279
Capital redemption reserve	1,113	1,113	1,113
Foreign exchange reserve	2,182	2,180	2,152
(Accumulated losses)/retained earnings	(1,123)	4,624	3,895
<b>TOTAL EQUITY</b>	<b>5,451</b>	<b>11,196</b>	<b>10,439</b>

**Consolidated Cash Flow Statement**  
for the six months ended 30 November 2023

	Unaudited 6 months to 30 November 2023 £000	Unaudited 6 months to 30 November 2022 £000	Audited Year to 31 May 2023 £000
<b>Cash flows from operating activities</b>			
Loss for the period/year	(5,018)	(111)	(840)
<i>Adjustments for:</i>			
Government assistance credit	-	-	(59)
Depreciation of property, plant and equipment	294	399	608
Depreciation of right-of-use assets	43	56	103
Amortisation of intangible assets	-	-	6
Impairment charge	4,487	-	-
Finance expense – interest on bank loans	248	153	347
Finance expense – interest on lease liabilities	3	28	37
Gain on sale of property	-	(138)	(142)
Loss on sale of right-of-use assets	-	-	3
Gain on discontinued operation, net of tax	-	-	(138)
Taxation credit	-	(113)	(53)
	<b>57</b>	<b>274</b>	<b>(128)</b>
<i>Changes in:</i>			
Inventories	(60)	947	2,744
Trade and other receivables	15	(1,169)	(404)
Trade and other payables	254	499	(101)
<b>Cash generated from operating activities</b>	<b>266</b>	<b>551</b>	<b>2,111</b>
Interest paid on bank loans	(248)	(153)	(347)
Interest paid on lease liabilities	(3)	(28)	(37)
Receipt from government grant	-	-	59
Taxation received/(paid)	-	28	(32)
<b>Net cash from operating activities</b>	<b>15</b>	<b>398</b>	<b>1,754</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	(19)	(22)	(51)
Proceeds from sale of property, plant and equipment	86	517	521
<b>Net cash generated from investing activities</b>	<b>67</b>	<b>495</b>	<b>470</b>
<b>Cash flows from financing activities</b>			
Proceeds from bank loans	-	1,515	-
Proceeds from bank loans disposed of	-	-	868
Repayment of bank loans	(165)	(150)	(539)
Repayment of lease liabilities	(45)	(542)	(661)
<b>Net cash (used in)/generated from financing activities</b>	<b>(210)</b>	<b>823</b>	<b>(332)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(128)</b>	<b>1,716</b>	<b>1,892</b>
Cash and cash equivalents at beginning of period/year	234	126	126
Effect of movements in exchange rates on cash held	-	3	(3)
Cash and cash equivalents disposed of	-	-	(1,781)
<b>Cash and cash equivalents at end of period/year</b>	<b>106</b>	<b>1,845</b>	<b>234</b>
Cash and cash equivalents	94	1,845	234
Cash held in assets held for sale	12	-	-
<b>Cash and cash equivalents at end of period/year</b>	<b>106</b>	<b>1,845</b>	<b>234</b>

**Consolidated Statement of Changes in Equity**  
for the six months ended 30 November 2023

<b>Unaudited</b>	<b>Share capital</b>	<b>Capital redemption reserve</b>	<b>Foreign exchange reserve</b>	<b>(Accumulated losses)/retained earnings</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 June 2023</b>	<b>3,279</b>	<b>1,113</b>	<b>2,152</b>	<b>3,895</b>	<b>10,439</b>
Loss for the period	-	-	-	(5,018)	(5,018)
Other comprehensive income	-	-	30	-	30
<b>At 30 November 2023</b>	<b>3,279</b>	<b>1,113</b>	<b>2,182</b>	<b>(1,123)</b>	<b>5,451</b>

  

<b>Unaudited</b>	<b>Share capital</b>	<b>Capital redemption reserve</b>	<b>Foreign exchange reserve</b>	<b>(Accumulated losses)/retained earnings</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 June 2022</b>	<b>3,279</b>	<b>1,113</b>	<b>2,050</b>	<b>4,735</b>	<b>11,177</b>
Loss for the period	-	-	-	(111)	(111)
Other comprehensive income	-	-	130	-	130
<b>At 30 November 2022</b>	<b>3,279</b>	<b>1,113</b>	<b>2,180</b>	<b>4,624</b>	<b>11,196</b>

  

<b>Audited</b>	<b>Share capital</b>	<b>Capital redemption reserve</b>	<b>Foreign exchange reserve</b>	<b>(Accumulated losses)/retained earnings</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 June 2022</b>	<b>3,279</b>	<b>1,113</b>	<b>2,050</b>	<b>4,735</b>	<b>11,177</b>
Loss for the year	-	-	-	(840)	(840)
Other comprehensive income	-	-	102	-	102
<b>At 31 May 2023</b>	<b>3,279</b>	<b>1,113</b>	<b>2,152</b>	<b>3,895</b>	<b>10,439</b>

The following describes the nature and purpose of each reserve within equity:

<b>Reserve</b>	<b>Description and purpose</b>
Capital redemption reserve	Amounts transferred from share capital on redemption of issued shares
Treasury share reserve	Cost of own shares held in treasury
Foreign exchange reserve	Gains/(losses) arising on retranslation of the net assets of overseas operations into sterling
(Accumulated losses)/retained earnings	Cumulative net gains/(losses) recognised in the consolidated statement of comprehensive income after deducting the cost of cancelled treasury shares

**Notes to the Interim Results**  
for the six months ended 30 November 2023

**1. General information**

Leeds Group plc is an AIM listed public company, limited by shares and incorporated in England and Wales under the Companies Act and its number is 00067863. The address of the registered office is Craven House, 14-18 York Road, Leeds, Wetherby, LS22 6SL.

The interim results for the six months ended 30 November 2023 and 30 November 2022 are unaudited. The interim financial statements have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards as adopted in the United Kingdom (“UK adopted IFRS”) using the accounting policies and methods of computation that were applied when preparing the most recent financial statements for the year ended 31 May 2023. The Group has chosen not to comply with IAS 34 ‘Interim Financial Statement’ in these interim financial statements.

The information presented for the year ended 31 May 2023 does not constitute the Company’s statutory accounts but are extracted from the audited accounts. The financial statements for the year ended 31 May 2023 have been filed with the Registrar of Companies. The Independent Auditor’s Report on the Annual Report and Financial Statements for the year ended 31 May 2023 was qualified on the basis that they were unable to obtain sufficient audit evidence in respect of the subsidiary KMR and its performance, as stated within the Consolidated Statement of Comprehensive Income under discontinued operations. Except for the qualification noted above the Independent Auditor’s Report on the Annual Report and Financial Statements for the year ended 31 May 2023 did not contain a statement under section 498(2) of the Companies Act 2006 or section 498(3).

**2. Accounting policies**

***Going Concern***

When considering its opinion about the application of the going concern basis of preparation of the financial statements, the Directors have assumed that the proposed sale completes in March 2024. They have also prepared other forecasts and sensitivities in case the proposed sale does not complete. Based on all scenarios, the Directors are of the opinion that it is appropriate to apply the going concern basis of preparation to the financial statements.

**2. Loss per share**

Ordinary shares of 12 pence each used in the calculation of earnings per share:

	<b>Unaudited 6 months to 30 November 2023 £000</b>	Unaudited 6 months to 30 November 2022 £000	Audited Year to 31 May 2023 £000
<b>Number of shares (basic and diluted)</b>	<b>27,320,843</b>	27,320,843	27,320,843

**3. Segmental information**

	<b>Unaudited 6 months to 30 November 2023 £000</b>	Unaudited 6 months to 30 November 2022 £000	Audited Year to 31 May 2023 £000
<b>Group external revenue</b>			
<i>Discontinued operations</i>			
Hemmers	<b>11,042</b>	12,679	24,290
KMR	-	2,896	3,527
<b>Group external revenue</b>	<b>11,042</b>	15,575	27,817

<b>Group loss before tax</b>	<b>Unaudited 6 months to 30 November 2023 £000</b>	Unaudited 6 months to 30 November 2022 £000	Audited Year to 31 May 2023 £000
<b><i>Continuing operations</i></b>			
Holding company	(112)	15	(21)
<b><i>Discontinued operations</i></b>			
Hemmers	(419)	(164)	(793)
Hemmers impairment charge (note 5)	(4,487)	-	-
KMR	-	(75)	(79)
	<b>(4,906)</b>	<b>(239)</b>	<b>(872)</b>
<b>Group loss before tax</b>	<b>(5,018)</b>	<b>(224)</b>	<b>(893)</b>
<b>Group net assets</b>			
	<b>Unaudited As at 30 November 2023 £000</b>	Unaudited As at 30 November 2022 £000	Audited As at 31 May 2023 £000
<b><i>Continuing operations</i></b>			
Holding company	<b>2,262</b>	2,770	2,719
<b><i>Discontinued operations</i></b>			
Hemmers	<b>3,189</b>	9,604	7,720
KMR	-	(1,178)	-
	<b>3,189</b>	<b>8,426</b>	<b>7,720</b>
<b>Group net assets</b>	<b>5,451</b>	<b>11,196</b>	<b>10,439</b>

#### 4. Analysis of net bank debt

	<b>Unaudited As at 30 November 2023 £000</b>	Unaudited As at 30 November 2022 £000	Audited As at 31 May 2023 £000
<b>Cash on demand and on short term deposit</b>			
Cash and cash equivalents	<b>94</b>	1,845	234
Cash held in assets for sale	<b>12</b>	-	-
<b>Total cash on demand and on short term deposit</b>	<b>106</b>	<b>1,845</b>	<b>234</b>
<b>Loans and borrowings</b>			
Loans and borrowings			
Current loans and borrowings	-	(7,279)	(5,502)
Non-current loans and borrowings	-	(697)	(544)
	-	(7,976)	(6,046)
<b>Liabilities associated with assets held for sale</b>			
Current loans and borrowings	<b>(5,509)</b>	-	-
Non-current loans and borrowings	<b>(396)</b>	-	-
	<b>(5,905)</b>	-	-
<b>Total loans and borrowings</b>	<b>(5,905)</b>	<b>(7,976)</b>	<b>(6,046)</b>
<b>Net bank debt at end of period/year</b>	<b>(5,799)</b>	<b>(6,131)</b>	<b>(5,812)</b>

## 5. Disposal subsidiary held for sale

On 15 December 2023, the Board signed a conditional agreement to sell the entire share capital of Hemmers, its trading subsidiary in Germany. Accordingly, the net assets of Hemmers have been presented as a subsidiary held for sale in these financial statements and classified as a discontinued operation. The sale is expected to complete in March 2024.

### *Impairment*

The proposed sale price for Hemmers is based on the net assets as at 30 November 2023 excluding freehold properties with a net book value of £5,209,000, and its intercompany loan with the holding company of £2,589,000 less an agreed discount of £4,487,000. The non-monetary assets of Hemmers as at 30 November 2023 have, therefore, been written down by the amount of the discount which has been allocated on a pro-rata basis.

### *Assets and liabilities of subsidiary held for sale*

At 30 November 2023, the subsidiary was stated at fair value and comprised the following assets and liabilities:

	<b>Unaudited As at 30 November 2023 £000</b>
<b>Assets held for sale</b>	
Plant and equipment	497
Right-of-use-assets	87
Intangible assets	23
Stock	4,372
Cash	12
Trade and other receivables	3,178
<b>Assets held for sale</b>	<b>8,169</b>
<b>Liabilities associated with assets held for sale</b>	
Trade and other payables	(1,530)
Loans and borrowings	(5,905)
Lease liabilities	(165)
<b>Liabilities associated with assets held for sale</b>	<b>(7,600)</b>
<b>Net fair value</b>	<b>569</b>

## 6. Forward-Looking Statements

Certain statements made in this announcement are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates, and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not a guarantee of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Company's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions security holders and prospective security holders not to place undue reliance on these forward-looking statements, which reflect the view of the Company only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.