15 June 2021

Ramsdens Holdings PLC

(“Ramsdens”, the “Group”, the “Company”)

Interim Results for the six months ended 31 March 2021

Resilient performance and well positioned to resume our growth strategy

Ramsdens, the diversified financial services provider and retailer, today announces its Interim Results for the six months ended 31 March 2021 (the “Period”).

The first UK national lockdown was introduced on 23 March 2020, and so the comparable period for the six months to 31 March 2020 was not substantially impacted by these restrictions.

	6 months ended 31 March 2021 (unaudited) HY21	6 months ended 31 March 2020 (unaudited) HY20	18 months ended 30 September 2020 (audited)
Gross Revenue	**£20.8m**	£27.0m	£76.9m
Gross Profit	**£10.5m**	£16.7m	£47.1m
Profit/(Loss) before tax	**(£0.1m)**	£2.3m	£9.2m
Net Cash	**£15.0m**	£11.1m	£15.9m

Highlights:

- Resilient performance against challenging trading conditions caused by Covid-19 restrictions, with pre-tax losses limited to £0.1m (HY20: £2.3m profit)
- Gross revenue decreased 23% to £20.8m (HY20: £27.0m)
- Jewellery retail revenue increased 14% to £8.1m (HY20: £7.1m) despite the regional lockdown periods. Online revenue doubled year on year and now represents 17% of total jewellery sold
- Pawnbroking gross profit decreased 26% to £3.5m (HY20: £4.7m) as a result of the loan book falling as customers repaid their loans during lockdown and subdued demand for new loans
- Foreign Currency Exchange severely impacted by the Covid-19 travel restrictions resulting in income down 78% to £1.0m (HY20: £4.7m)
- Gross profit from purchases of precious metals decreased 28% to £2.3m (HY20: £3.2m), reflecting reduced high street footfall during the regional lockdown periods
- Administration expenses decreased 26% to £10.4m (HY20: £14.2m) with overheads well controlled. The Company received £0.9m under the CJRS furlough scheme which is presented as a reduction to salary costs.

- Net Assets increased £0.5m to £35.5m (31 March 2020: £35.0m)
- At the Period end, net cash was £15.0m and the Company's revolving credit facility of £10m was undrawn

Given the ongoing impact of the Covid-19 pandemic and the impact on profitability in the Period, as well as the Group's continuing use of Government support schemes, the Board believes it is prudent and in the long-term interests of shareholders to preserve the Group's available cash resources. Consequently, the Board is not recommending an interim dividend for the Period. As restrictions ease, the Board expects the business to return to profitability and allow it to recommence the payment of dividends, in accordance with its dividend policy.

Peter Kenyon, Chief Executive, commented:

"We are pleased to have delivered a resilient performance during the Period despite the difficult trading conditions experienced. This is a testament to the strength of Ramsdens' diversified business model, our loyal customer base, and the commitment of our employees, whom I would like to thank for their continued dedication to serving our local communities throughout the pandemic.

We are encouraged by the current easing of restrictions across the UK including the re-opening of non-essential retail and the lifting of some international travel restrictions.

Whilst the UK Government 'green list' for tourism is currently very limited, meaning we are unable to provide guidance for this summer's FX trading, we believe there is significant underlying consumer demand for international travel which the Group is well positioned to capitalise on.

Despite restrictions, during the Period we continued to focus on delivering against our long-term growth strategy. We currently have six new Ramsdens stores in the pipeline including debut sites in London and the South East and will continue to appraise new site opportunities in line with our expansion plans."

ENDS

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Lucy Wollam

About Ramsdens

Ramsdens is a growing, diversified, financial services provider and retailer, operating in the four core business segments of foreign currency exchange, pawnbroking loans, precious metals buying and selling and retailing of second-hand and new jewellery. Ramsdens does not offer unsecured high cost short term credit.

Headquartered in Middlesbrough, the Group operates from 154 stores within the UK (including 3 franchised stores) and has a growing online presence.

Ramsdens is FCA authorised for its pawnbroking and credit broking activities.

www.ramsdensplc.com
www.ramsdensforcash.co.uk
www.ramsdensjewellery.co.uk

CHIEF EXECUTIVE'S REPORT

This interim report covers the six months ended 31 March 2021 (the "Period"). The Period was undoubtedly challenging, with the Group operating for four months of the Period under lockdown restrictions in one or all parts of the UK. This contrasts sharply to the comparable prior period, with the majority of the six month period to 31 March 2020 being unaffected by the Covid-19 pandemic.

Our strategic priorities during this unusual Period have been to:

1. operate a secure and safe environment for our staff, customers and the local communities we serve;
2. accelerate the Group's online strategic objectives;
3. maintain a healthy financial position; and
4. prepare to capitalise on changes across the sector arising from the disruption caused by Covid-19.

FINANCIAL REVIEW

Despite all of the challenges, the Group broadly broke even with a reported Loss Before Tax of £0.1m (HY20: profit of £2.3m). Gross profit for the Period decreased 37% to £10.5m (HY20: £16.7m) as a result of the impact of Covid-19 restrictions.

Administration expenses were reduced by 26% to £10.4m (HY20: £14.2m) with overheads well controlled and the UK Government CJRS furlough grants of £0.9m presented as a reduction to salary costs.

The Group's balance sheet remained strong with net assets of £35.5m (HY20: £35.0m), broadly consistent with the position reported at 30 September 2020 (£35.6m). The Group's main assets are cash (including foreign currency), pawnbroking loans secured on gold jewellery and watches, and retail jewellery stock. Net cash as at 31 March 2021 was £15.0m. The Group also has the benefit of a £10.0m revolving credit facility, which is currently undrawn. The facility was extended for a further year during the Period and expires in March 2024.

Capital expenditure in the Period of £0.9m (HY20: £0.5m) includes the cost of relocating stores, store refurbishments and the purchase of two store freehold properties for £0.15m.

Given the ongoing impact of the Covid-19 pandemic, no profitability in the Period and the Group continuing to receive UK Government support in the form of furlough to protect jobs, the Board believes it is prudent and in the long-term interests of shareholders to preserve its available cash resources. Consequently, the Board is not recommending an interim dividend. As Covid-related restrictions ease, the Board expects the business to return to profitability and allow it to recommence the payment of dividends, in accordance with its dividend policy.

SEGMENTAL REVIEW

Foreign Currency Exchange

The foreign currency exchange (FX) segment primarily comprises the sale and purchase of foreign currency notes to holiday-makers. Ramsdens also offers prepaid travel cards and international bank-to-bank payments.

	HY21	HY20	YOY
Total Currency exchanged	£20m	£181m	(89%)
Income	£1.0m	£4.7m	(78%)
Online click & collect orders	£1.6m	£18.5m	(91%)
% of online FX	8%	10%	(2%)
Percentage of GP	10%	28%	(18%)

The restrictions on international travel due to the Covid-19 pandemic and the associated quarantine regulations put in place by governments across the globe have severely impacted the demand for international holidays and, as a result, the demand for foreign currency exchange.

The Group has successfully managed commission margins in order to minimise the impact on profitability of the reduction in total currency exchanged.

As we look forward, the income from this service is anticipated to grow with the easing of restrictions and the return of international travel. We strongly believe that customers' desire to travel abroad remains high. While we have seen more people use card payments in the UK, we are confident that the need for foreign currency cash will remain high given the popular holiday destinations and known spending patterns while abroad.

Pawnbroking

Pawnbroking is a small subset of the consumer credit market in the UK and a simple form of asset backed lending dating back to the foundations of banking. In a pawnbroking transaction an item of value, known as a pledge (in Ramsdens’ case this is jewellery and watches) is held by the pawnbroker as security against a six-month loan. Customers pay interest on this loan, repay the capital sum borrowed and recover their pledged item. If a customer defaults on the loan, the pawnbroker sells the pledged item to repay the amount owed and returns any surplus funds to the customer. Pawnbroking is regulated by the FCA in the UK and Ramsdens is FCA authorised.

000's	HY21	HY20	YOY
Gross profit	£3,480	£4,706	(26%)
Total loan book	£5,749	£7,747	(26%)
Past due	£893	£1,115	(20%)
In date loan book	£4,856	£6,632	(27%)
Percentage of GP	33%	28%	5%

The various national lockdowns have impacted the borrowing patterns of our customer base, in reducing their borrowing needs alongside an increase in customers repaying their loans. If, as we expect, the borrowing pattern is similar to that following lockdown in 2020, we will see normal lending volumes return in the summer and the loan book will rebuild over time. The typical pawnbroking customer is cautious; they know that the item pledged is their store of wealth and that this enables them to borrow when needed.

The average loan value as at 31 March 2021 was £265 (30 September 2020: £248). The loan book is considered to be of high quality with a low loan to value ratio of approximately two thirds of the gold price at the Period end. Where loans are not repaid, the current high gold price enables an improved recovery of interest where goods that are not appropriate for retailing are scrapped.

The online pawnbroking facility has continued to be popular amongst customers to make loan repayments. This facility allows the customer to save interest by repaying when they have the funds and prior to any store visit. Only a limited number of customers have chosen to borrow via the website because the goods still need to be posted to Ramsdens.

Jewellery Retail

The Group retails new and second-hand jewellery to customers both in store and online. The Board continues to believe there is further growth potential for Ramsdens in this segment which can be achieved by leveraging the Group's store estate and e-commerce operations and by cross-selling to existing customers and acquiring new customers.

Retailing of new jewellery products complements the Group's second-hand offering to give our customers greater choice in breadth of products and price, and enables the Group to attract some customers who prefer not to buy second-hand. New jewellery items now account for 39% (HY20: 31%) of jewellery retail revenue.

000's	HY21	HY20	YOY
Revenue	£8,074	£7,054	14%
Gross Profit	£3,168	£3,113	2%
Margin %	39%	44%	(5%)
Jewellery retail stock	£10,810	£8,919	21%
Online sales*	£1,560	£779	100%
% of sales online*	17%	9%	8%
Percentage of GP	30%	19%	11%

* based on total jewellery sold which includes ex-pledge items

Store sales have been limited through the Period due to varying restrictions during the lockdown periods. However, we have seen an increase in demand for higher value items, in particular premium watches where sales were up 13%. The ongoing development of the premium watch sales offering continues to generate higher cash margin per product sold but at a lower percentage margin. The Board continues to believe that watch sales represent incremental revenue and profit for the Group.

The investment in our online retail jewellery website, www.ramsdensjewellery.co.uk continues to deliver improved results. The total jewellery sold through our ecommerce activities doubled to £1.6m (HY20: £0.8m) for the Period. We are continuing to make further investments in improving the customer experience, retargeting campaigns, pay per click campaigns, affiliate schemes and search engine optimisation. The ecommerce department is managed as a separate business unit and is profitable.

We believe there is an ongoing opportunity for improving and growing our jewellery retail business. Our investment in strengthening the retail team, each with a product category focus, is supporting ongoing growth. Additionally, the Group has focused on enhancing the appeal of its jewellery stock offering through better displays, range expansion and regular replenishment of the new jewellery range, increased investment in pre-owned premium watches, and undertaking targeted promotional activity to reinforce the Ramsdens brand's value-for-money reputation.

Purchases of Precious Metals

Through the precious metals buying and selling service, Ramsdens buys unwanted jewellery, gold and other precious metals from customers for cash. Typically, a customer brings unwanted jewellery into a Ramsdens store and a price is agreed with the customer depending upon the retail potential, weight or carat of the jewellery. The Group has second-hand dealer licences and other permissions and adheres to the approved "gold standard" for buying precious metals.

Once jewellery has been bought from the customer, the Group's dedicated jewellery department assesses whether or not to retail the item through the store network or online. Income derived from jewellery, which is purchased and then retailed, is reflected in jewellery retail income and profits. The residual items are smelted and sold to a bullion dealer for their intrinsic value and the proceeds are reflected in the accounts as precious metals buying income.

000's	HY21	HY20	YOY
Revenue	£5,623	£7,499	(25%)
Gross Profit	£2,330	£3,214	(28%)
Percentage of GP	22%	19%	3%

In comparing the two six month periods, the average sterling gold price increased by 14% in HY21.

The weight of gold purchased has decreased primarily due to the reduced high street footfall as a consequence of the lockdowns plus a reduced need for additional cash and a lower volume of foreign currency customers to whom we have traditionally cross-sold this service. We anticipate the weight purchased will increase as trading conditions normalise. In the near term, we believe the gold price will remain high, assisting margins.

Other services
In addition to the four core business segments, the Group also provides additional services in cheque cashing, Western Union money transfer and credit broking and it receives franchise fees.

000's	HY21	HY20	YOY
Revenue	£540	£1,029	(48%)
Gross Profit	£540	£937	(42%)
Percentage of GP	5%	6%	(1%)

Whilst this has been a steady source of income, cheque cashing was and continues to be a service in decline and represents a large proportion of the reduction in gross profit in this segment.

OPERATIONAL REVIEW

The retail estate continues to be actively managed. In the main, landlords have been realistic to the current high street situation. Where appropriate, lease renewals have generally resulted in rent reductions, greater flexibility or sometimes both. Two stores were closed and merged with nearby stores where we could not agree reasonable lease terms with our landlords. Four stores were relocated to take advantage of better locations with higher footfall and two stores were refurbished to provide a better customer experience. During the next twelve months, we anticipate relocating a further six stores and refurbishing six stores.

Our new store opening strategy has recommenced. We have a strong pipeline of target locations and have advanced six locations into various stages of the planning and legal process. This expansion includes - for the first time – locations in London and the South East and we have recruited Deborah Papas, an experienced pawnbroker and jeweller, to head up this geographic expansion opportunity which we believe presents a greater opportunity to acquire independent pawnbrokers. The first store in Kent is scheduled to open in July.

We have promoted Claire Gebski to head up our staff engagement and staff development. This important role will ensure that we continue to focus on our people and develop our culture of seeking continuous improvement. Amongst other things, our staff forum team have been challenged to see how we can further improve our environmental footprint and have recently launched a “Think Green” initiative.

Ernst & Young have been engaged as our auditors for nine years and the Board is grateful for their support and challenge over this period. Following a review, the Board has made the decision to appoint Grant Thornton for the 2021 audit.

I would like to take this opportunity to thank each and every staff member for their dedication, commitment, willingness to strive for continuous improvement and their focus on delivering fantastic service to our customers.

OUTLOOK

Hopefully, we are nearing the time when the UK Government will further ease social distancing measures in the UK and also lift varying restrictions enabling freer but safe international travel.

The Group has a strong financial footing, the benefit of diversified income streams, a growing online presence and a well-invested store network. These attributes, as well as our belief that there is strong underlying consumer demand for our services, gives the Board confidence that Ramsdens is well placed to not only navigate the near term challenges, but also to emerge in a strong position to return to growth and deliver our strategy to create value for all of the Group's stakeholders.

Peter Kenyon
Chief Executive Officer

Interim Condensed Financial Statements

Unaudited condensed consolidated statement of comprehensive income

For the six months ended 31 March 2021

	Note	6 months Ended 31 March 2021 Unaudited £'000	6 months ended 31 March 2020 Unaudited £'000	18 months ended 30 September 2020 Audited £'000
Revenue	2	20,835	26,984	76,938
Cost of sales		(10,290)	(10,309)	(29,789)
Gross profit	2	10,545	16,675	47,149
Other Income		-	-	725
Administrative expenses		(10,446)	(14,151)	(37,858)
Operating profit		99	2,524	10,016
Finance Costs	3	(232)	(240)	(795)
(Loss) / profit before tax		(133)	2,284	9,221
Income tax expense		29	(592)	(2,103)
Total comprehensive (loss) / income for the period		(104)	1,692	7,118
Basic earnings per share in pence	4	(0.3)	5.5	23.1
Diluted earnings per share in pence	4	(0.3)	5.3	22.5

Unaudited condensed consolidated statement of changes in equity

For the six months ended 31 March 2021

	6 months ended 31 March 2021 Unaudited £'000	6 months ended 31 March 2020 Unaudited £'000	18 months ended 30 September 2020 Audited £'000
Opening total equity	35,555	33,962	30,377
Total comprehensive income for the period	(104)	1,692	7,118
Transactions with shareholders:			
Share capital issued	6	-	-
Dividends paid	-	(832)	(2,313)
Share based payments	103	164	398
Deferred tax on share based payments	(42)	(25)	(25)
Total transactions with shareholders	67	(693)	(1,940)
Closing total equity	35,518	34,961	35,555

Unaudited condensed consolidated statement of financial position
At 31 March 2021

	Note	6 months ended 31 March 2021 Unaudited £'000	6 months ended 31 March 2020 Unaudited £'000	18 months ended 30 September 2020 Audited £'000
Assets				
Non-current assets				
Property, plant and equipment		5,207	5,354	4,845
Intangible assets		807	1,089	870
Investments		-	-	-
Right-of-use assets		8,286	9,009	8,536
Deferred tax assets		76	273	182
		14,376	15,725	14,433
Current Assets				
Inventories		13,644	13,055	13,360
Trade and other receivables		7,729	10,147	8,743
Cash and short term deposits		14,996	11,051	15,873
		36,369	34,253	37,976
Total assets		**50,745**	**49,978**	**52,409**
Current liabilities				
Trade and other payables		6,169	4,551	6,422
Lease liability		1,745	1,818	2,005
Income tax payable		70	809	1,157
		7,984	7,178	9,584
Net current assets		28,385	27,075	28,392
Non-current liabilities				
Lease liability		7,049	7,647	7,094
Accruals and deferred income		133	-	153
Deferred tax liabilities		61	192	23
		7,243	7,839	7,270
Total liabilities		15,227	15,017	16,854
Net assets		**35,518**	**34,961**	**35,555**
Equity				
Issued capital	5	314	308	308
Share premium		4,892	4,892	4,892
Retained earnings		30,312	29,761	30,355
Total equity		35,518	34,961	35,555

Unaudited condensed consolidated statement of cash flows
For the six months ended 31 March 2021

	6 months ended 31 March 2021 Unaudited £'000	6 months ended 31 March 2020 Unaudited £'000	18 months ended 30 September 2020 Audited £'000
Operating activities			
(Loss) / profit before tax	(133)	2,284	9,221
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant & equipment	506	686	2,238
Depreciation of right-of-use assets	1,080	1,213	3,523
Amortisation and impairment of intangible assets	76	188	616
Loss on disposal of property, plant and equipment	10	44	185
Share based payments	103	164	398
Finance costs	232	240	795
Working capital adjustments:			
Movement in trade and other receivables and prepayments	1,124	833	1,781
Movement in inventories	(284)	(1,206)	(702)
Movement in trade and other payables	(273)	(1,904)	170
	2,441	2,542	18,225
Interest paid	(232)	(240)	(795)
Income tax paid	(1,066)	(929)	(1,678)
Net cash flows from operating activities	1,143	1,373	15,752
Investing activities			
Proceeds from sales of property, plant and equipment	10	-	4
Purchase of property, plant and equipment	(888)	(527)	(1,787)
Purchase of intangible assets	(13)	(13)	(258)
Net cash flows used in investing activities	(891)	(540)	(2,041)
Financing Activities			
Dividends paid	-	(832)	(2,313)
Share capital issued	6	-	-
Payment of lease liabilities	(1,135)	(1,268)	(3,645)
Bank loans drawn down	-	-	2,600
Repayment of bank borrowings	-	(3,884)	(7,900)
Net cash flows used in financing activities	(1,129)	(5,984)	(11,258)
Net (decrease) / increase in cash and cash equivalents	(877)	(5,151)	2,453
Cash and cash equivalents at start of period	15,873	16,202	13,420
Cash and cash equivalents at end of period	14,996	11,051	15,873

Unaudited notes to the interim condensed financial statements

For the six months ended 31 March 2021

1. Basis of preparation

The interim condensed financial statements of the group for the six months ended 31 March 2021, which are neither audited or reviewed, have been prepared in accordance with the International Financial Reporting Standards ('IFRS') accounting policies adopted by the group and set out in the annual report and accounts for the year ended 30 September 2020. As permitted, this interim report has been prepared in accordance with the AIM rules and not in accordance with IAS 34 "Interim financial reporting". While the financial figures included in this preliminary interim earnings announcement have been computed in accordance with IFRS's applicable to interim periods, this announcement does not contain sufficient information to constitute an interim financial report as that term is defined in IFRS's.

The financial information contained in the interim report also does not constitute statutory accounts for the purpose of section 434 of the Companies Act 2006. The financial information for the period ended 30 September 2020 is based on the statutory accounts for period ended 30 September 2020 which have been filed with the Registrar of Companies and are available on the group's website www.ramsdensplc.com. The auditors, Ernst & Young LLP, reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The financial information for the 6 months ended 31 March 2020 in respect of the consolidated income statement of comprehensive income is based on the movement between the figures stated in the unaudited interim financial information for the 12 month period ended 31 March 2020 and the unaudited Interim accounts covering the 6 month period ended 30 September 2019. The Consolidated statement of financial position at 31 March 2020 is per the unaudited financial information as at that date.

The Board have conducted an extensive review of forecast earnings and cash over the next twelve months, considering various scenarios and sensitivities given the Covid-19 situation and uncertainty around the future economic environment. At 31 March 2021 the Group had cash resources of c£15m and an undrawn RCF facility of £10m expiring in March 2024.

The Group’s activities include services deemed essential services by the government and therefore the Group’s stores are likely to be able to open in the event of a further lockdown. The Group’s essential services include pawnbroking, foreign currency, money transfer and cheque cashing. The Group has a strong asset base and the ability to generate cash quickly through the sale of jewellery stock for its intrinsic value or by restricting new pawnbroking lending. The Group has shown resilient trading through the last year of Covid-19 restrictions, assisted by government support.

The Board have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the interim condensed financial statements.

2. Segmental Reporting

	6 months ended 31 March 2021 Unaudited £'000	6 months ended 31 March 2020 Unaudited £'000	18 months ended 30 September 2020 Audited £'000
Revenue			
Pawnbroking	5,571	6,697	18,911
Purchases of precious metals	5,623	7,499	23,024
Retail Jewellery sales	8,074	7,054	17,109
Foreign currency margin	1,027	4,705	14,859
Income from other financial services	540	1,029	3,035
Total Revenue	20,835	26,984	76,938
Gross profit			
Pawnbroking	3,480	4,706	12,248
Purchases of precious metals	2,330	3,214	9,856
Retail Jewellery sales	3,168	3,113	7,701
Foreign currency margin	1,027	4,705	14,859
Income from other financial services	540	937	2,485
Total Gross profit	10,545	16,675	47,149
Other income	-	-	725
Administrative expenses	(10,446)	(14,151)	(37,858)
Finance costs	(232)	(240)	(795)
(Loss) / Profit before tax	(133)	2,284	9,221

Income from other financial services comprises of cheque cashing fees, Electronics & buybacks, agency commissions on miscellaneous financial products.

The Group is unable to meaningfully allocate administrative expenses, or financing costs between the segments due to the fact that these include staff costs who undertake all services in branches. Accordingly, the Group is unable to disclose an allocation of items included in the Consolidated Statement of Comprehensive Income below Gross profit, which represents the reported segmental results.

Unaudited notes to the interim condensed financial statements (continued)

For the six months ended 31 March 2021

2. Segmental Reporting

	6 months ended 31 March 2021 Unaudited	6 months ended 31 March 2020 Unaudited	18 months ended 30 September 2020 Audited
Other information	**£'000**	**£'000**	**£'000**
Capital additions (*)	1,742	1,610	2,045
Depreciation and amortisation (*)	1,672	2,134	2,854
Assets			
Pawnbroking	8,557	11,844	9,685
Purchases of precious metals	768	1,765	1,664
Retail Jewellery sales	11,005	9,089	9,707
Foreign currency margin	3,345	9,019	5,692
Income from other financial services	175	90	145
Unallocated (*)	26,895	18,171	25,516
	50,745	49,978	52,409
Liabilities			
Pawnbroking	434	347	375
Purchases of precious metals	3	19	3
Retail Jewellery sales	3,061	1,365	2,130
Foreign currency margin	70	32	471
Income from other financial services	469	31	438
Unallocated (*)	11,190	13,223	13,437
	15,227	15,017	16,854

(*) The Group is unable to meaningfully allocate this information by segment due to the fact that all segments operate from the same stores and the assets and liabilities are common to all segments.

Fixed assets are therefore included in unallocated assets and lease liabilities are included in unallocated liabilities.

Unaudited notes to the interim condensed financial statements (continued)

For the six months ended 31 March 2021

3. Finance costs

	6 months ended 31 March 2021 Unaudited £'000	6 months ended 31 March 2020 Unaudited £'000	18 months ended 30 September 2020 Audited £'000
Interest on debts and borrowings	42	31	181
Interest on right-of-use assets	190	209	614
Total finance costs	232	240	795

4. Earnings per share

	6 months ended 31 March 2021 Unaudited	6 months ended 31 March 2020 Unaudited	18 months ended 30 September 2020 Audited
Profit for the period (£'000)	(104)	1,692	7,118
Weighted average number of shares in issue	31,393,207	30,837,653	30,837,653
Earnings per share (pence)	(0.3)	5.5	23.1
Fully diluted earnings per share (pence)	(0.3)	5.3	22.5

5. Issued capital and reserves

Ordinary shares issued and fully paid	**No.**	**£'000**
At 30 March 2020	30,837,653	308
At 30 September 2020	30,837,653	308
Share capital issued	555,554	6
At 31 March 2021	31,393,207	314

During the period 555,554 ordinary 1p shares were issued at par pursuant to the Group's Long Term Incentive Plan (LTIP). A further 250,000 share options have fully vested under the LTIP but have yet to be exercised.

Unaudited notes to the interim condensed financial statements (continued)

For the six months ended 31 March 2021

6. Dividends

No dividends have been approved since the 2nd December 2019 as a result of the Coronavirus pandemic.
On 2 December 2019, the directors approved a 2.7 pence interim dividend which equates to a dividend payment of £832,000 the dividend was paid on 20 February 2020. The final dividend for the year ended March 2019 of 4.8p per share was paid on 20 September 2019 totalling £1,480,000.