23 March 2017

FRANCHISE BRANDS PLC

("Franchise Brands", the "Company" or the "Group")

Final results for the year ended 31 December 2016

Franchise Brands plc, a multi-brand international franchisor, is pleased to announce its full year results for the year ended 31 December 2016.

Financial highlights:

- Total revenue up 11% to £4.87m (2015: £4.38m)
- Underlying profit before tax, after adjusting for non-recurring IPO and acquisition costs, increased by 11% to £1.24m (2015: £1.12m)
- Profit before tax was £784,000 (2015: £1.12m)
- Adjusted earnings per share of 2.40p (2015: 2.44p)*
- Basic earnings per share of 1.28p (2015: 2.44p)*
- Cash generated from operations of £1.11m (2015: £1.25m)
- Cash balance at 31 December 2016 of £3.00m (2015: £0.50m)
- Maiden final dividend of 0.17p per share recommended (2015: nil) - payable on 28 April 2017 to shareholders on the register on 7 April 2017; the ex dividend date is 6 April 2017

** calculated on the basis of the weighted number of shares outstanding during the year*

Operational highlights:

- Admission of Franchise Brands to AIM on 5 August 2016 raising a net £2.9m
- Acquisition of Barking Mad on 31 October 2016 which marked the Group's first acquisition since IPO
- Appointed David Poutney and Rob Bellhouse as independent non-executive directors
- Total number of UK franchisees across all brands increased from 364 to 389 in the year**
- 69 franchises were sold in the period (2015: 58)

*** including Barking Mad on a pro-forma basis*

Proposed c.£28m acquisition of Metro Rod announced separately today:

- A leading provider of drain clearance and maintenance services with 40 Franchisees
- Reported profit before tax and exceptional items of £3.2m in the year to 30 April 2016, a circa 52% increase compared to the year ended 30 April 2014
    - Profit before tax was £2.4m after exceptional items***
- Directors believe it will be significantly earnings enhancing
- To be funded by an intended £20m share placing and new bank facilities of up to £17m
- Constitutes a reverse takeover and is subject to shareholder approval

**** exceptional items included £639,000 related to the impairment of intangible fixed assets, a £127,000 loss incurred on franchisee closure and redundancy costs £11,000*

Current trading and outlook:

- Trading is in line with management expectations at the start of 2017
- The integration of Barking Mad is progressing well
- 2017 promises to be a year of further transformation and growth

Stephen Hemsley, Executive Chairman, commented

"2016 has been a successful and eventful year with the Group's IPO putting the Company in a position to make selective, complementary acquisitions of franchise businesses that could benefit from our central services, including marketing expertise and franchising experience.

"Our first acquisition of Barking Mad, the leading franchise provider of professionally-organised dog sitting services in the UK, is already starting to benefit from our shared support services and our Ovenclean and ChipsAway businesses have performed well. As a result, we are pleased to be able to recommend a maiden dividend in recognition of our confidence in the business model.

"We have announced separately today the proposed acquisition of Metro Rod, a leading provider of drain clearance and maintenance services, which represents a transformational step in implementing the Group's buy and build strategy and an attractive opportunity to enter the B2B franchising market at a size, scale and price that we believe will be significantly earnings enhancing.

"These acquisitions, our strengthened management team and Board and the entrepreneurial skill of our franchisees mean we are in a strong position to further develop this great business and we look forward to 2017 which promises to be a further year of further transformation and growth."

- Ends -

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Chairman's statement

In my first Chairman's Statement since our IPO in August 2016 I would like to welcome our new shareholders. I would also like to recognise our original shareholders from the formation of the Company in 2008, who have not only all stayed with us, but in many cases added to their investment in the Company at the IPO. Thank you all for your support.

The main purpose of the IPO was to put the Company in a position to make complementary acquisitions of other franchise businesses using a combination of cash and, most importantly, quoted paper. The management team at Franchise Brands, whilst very experienced, is small and it was therefore vital that any acquisition brought with it talented and committed management. I believe that such management would only be attracted to the opportunity offered by joining Franchise Brands if part of the consideration was paid in marketable equity that allowed them to share in the rewards of further growing their businesses.

Another key-objective of the IPO was to allow our long-serving team members and franchisees, who are vital to our future growth, the opportunity to participate in the ownership of the Company. As a result all Franchise Brands team members employed at the time of the IPO are now shareholders or option holders. This is an opportunity we will be offering to team members of the businesses we acquire in the future. I am also pleased to report that a number of franchisees subscribed for shares in the offer made to them.

Overall, the IPO raised £2.87 million (net of expenses) which, combined with the highly cash generative nature of our business, gave us the capability to pursue a number of acquisition opportunities we had been considering. The first was completed in October 2016, with the acquisition of Barking Mad, the leading franchise provider of professionally-organised dog sitting services in the UK.

As part of this acquisition, we are delighted to welcome Lee Dancy, Barking Mad's founder and Managing Director, to our senior management team. Lee and her husband received a consideration of £900,000 for their business, of which £400,000 was paid in Franchise Brands shares at the price prevailing at completion.

Our second proposed acquisition has just been announced. We have agreed, subject to shareholder approval, to acquire Metro Rod Limited, a leading provider of drain clearance and maintenance services, which are delivered on a predominately reactive basis by 40 regional franchisees. The total consideration for this acquisition will be £28 million (subject to adjustment based on the financial position of Metro Rod Limited at completion), which together with estimated costs of £1.8 million, will be satisfied in cash at completion.

It is proposed that the consideration, associated costs and additional working capital will be funded by the issue of new Ordinary Shares to raise £20 million and bank facilities of up to £17 million. Given the scale of the proposed acquisition when compared to the existing Group, the transaction is considered under the AIM Rules to be a Reverse Takeover and therefore requires us to issue a new Admission Document and seek Shareholders approval at a General Meeting scheduled for 10 April 2017.

I am pleased to confirm that the new equity fund raising will once again be well supported by your Board, with approximately £12 million of the £20 million required being committed by Board members and their associates. As part of the fund raising, Nigel Wray, my founding partner, and I will each be subscribing £5 million. I am also pleased to confirm that the existing senior management of Metro Rod Limited will be staying with the business, joining the

Franchise Brands leadership team and will be investing in the fund raising. Full details are presented in the new AIM Admission Document which will be sent to shareholders today.

The Directors believe the acquisition represents a transformational step in respect of implementing the Group's stated buy and build strategy. In particular, the Directors believe the Acquisition represents an opportunity to enter the B2B franchising market at a size and scale that is attractive strategically and at an acquisition price that the Directors consider is significantly accretive to Shareholders. Furthermore, the Directors believe the range of potential future acquisition opportunities for the Group is likely to be increased as a result of the Acquisition, as both the B2B and B2C franchise sectors would be within its scope. The Directors also believe the Acquisition is likely to lead to an enhanced range of shared services within the Group which have the capability to be leveraged across its range of brands and furthermore, will potentially allow the Group to optimise some activities that were previously sub-scale.

The Directors propose a dividend of 0.17 pence in respect of the year ended 31 December 2016. We recognise the importance of dividend income to Shareholders and, subject to the availability of distributable reserves, the retention of funds required to finance future growth of the Enlarged Group, both organically and by acquisition, and such other factors which the Directors may from time-to-time deem relevant, anticipate paying a regular dividend. Our results, trading and outlook are detailed within the Financial Review. At the same time, the Directors consider the social, ethical and environmental impact of Group activities in line with its Corporate Social Responsibilities.

2016 has seen a strengthening of the Group's Board. I would like to welcome David Poutney and Rob Bellhouse as independent Non-Executive Directors. David brings with him a wealth of experience in capital markets, having until recently been Head of Corporate Broking at Numis Securities.

Rob is a very experienced corporate governance professional, having been Company Secretary at several FTSE 100 and 250 companies.

The wisdom and experience they bring to our Board will be of tremendous value as we grow the Group.

Andrew Mallows joined the Board prior to the IPO as Finance Director of the Group. Following a short break, he has now returned as part-time Finance Director of the ChipsAway, Ovenclean and Barking Mad brands. I would also like to welcome Paul Below, an experienced interim CFO, who has recently joined us in the Group role to assist with the current acquisition and reverse takeover. We will be recruiting his permanent replacement in due course.

Finally, I would like to thank and pay tribute to our franchisees who are the backbone of our business.

Their entrepreneurial skill and application in delivering the Group's brands to our customers each and every day is what sets us apart from our competition. I would also like to recognise and thank our team members for the great job they do in supporting our franchisees. It is this teamwork and mutual support that is allowing us to further develop this great business.

Stephen Hemsley

Executive Chairman

Financial review

The year ended 31 December 2016 has been both a successful and eventful year for your Company. We have become a publicly quoted company, made our first acquisition since the IPO, repaid all the original shareholders' loans and embarked on a further transformational acquisition that we hope to complete in April 2017. We are also proposing to pay a small dividend in recognition of our confidence in the business model.

Sales

In the year ended 31 December 2016 statutory revenue increased 11 per cent to £4,870,000 (2015: £4,379,000). Statutory revenue includes management service fees ("MSF") received from franchisees on a monthly basis (41 per cent of Franchise Brand's revenues); fees generated from the sale of franchise territories (30 per cent of revenue); and income from the sale of products to franchisees, mainly to ChipsAway franchisees used in the repair of vehicles (19 per cent of revenue) and other income including national accounts sales (9 per cent of revenue). The ChipsAway brand currently generates approximately 80 per cent of total revenue with most of the balance generated by Ovenclean in 2016, although this will obviously change in 2017 following the acquisition of Barking Mad.

The MSF income and that generated from the sale of product to the franchisees, which represents 61 per cent of our income, is dependent on the number of franchisees in the system and the sales revenue they generate. In the year to 31 December 2016, the number of UK franchisees in the Group (excluding Barking Mad) grew from 307 to 320. Including Barking Mad on a pro-forma basis the number grew from 364 to 389. Whilst the improvement may seem small, it represents good progress in stabilising the system after an extended period of decline that resulted from our efforts to improve the quality (rather than quantity) of the franchisees that operate our brands.

The revenue generated from the sale of franchise territories is primarily driven by the recruitment of new franchisees into new virgin territories. However, an important part of this activity is also re-selling the territories of franchisees who leave the system and selling additional franchise territories to existing franchisees who wish to expand their businesses.

In 2016, 69 franchises were sold of which 62 were new territories sold to new franchises, 7 were new territories sold to existing franchisees. We consider that the mix of the franchise sales to both new and existing franchisees to be a good indication of the health and viability of the system.

Cost of Sales and Gross Profit

The rate of growth of gross profit exceeded the growth in revenue as a result of lower cost of sales achieved through efficiency in franchisee launches. This resulted in gross profit increasing in the year by 14 per cent to £3,298,000 (2015: £2,892,000). Cost of sales includes the cost of product sold to franchisees and the launch cost of new franchisees.

Trading Results

Administrative expenses increased by £737,000 from £1,770,000 to £2,507,000. These included £455,000 of non-recurring costs. Other costs increased by £282,000. Overheads included staff costs (42 per cent), sales and marketing costs incurred in recruiting new franchisees (17 per cent) and establishment expenses (6 per cent). Operating profit was £791,000 (2015: £1,122,000).

During 2016 the Group continued to trial the MyHome brand to establish if a full relaunch would be economically worthwhile. The total costs incurred in 2016 were £92,000. We concluded that a full re-launch of the domestic cleaning business would not be in our shareholders long-term interest and these costs will therefore not recur in future years. Our research did however, highlight other opportunities in the domestic services sector, particularly for small repairs and maintenance. To test this opportunity we have a single franchisee operating under the brand "The Handyman Van" using similar branding to MyHome. This test will be cost neutral for the Group.

Barking Mad was acquired on 31 October 2016 and the results for the two months to 31 December 2016 are included within the consolidated accounts. Barking Mad incurred a small loss of £12,000 in this period due to the seasonality of its recruitment income.

Non-Recurring Items

Non-recurring costs include the element of the costs incurred in the IPO that were written off against profits of £397,000. A further £233,000 was set off against the share premium arising on the issue of the new shares, bringing the total IPO costs to £630,000. The balance of the non-recurring costs related to costs of £58,000 incurred in the acquisition of Barking Mad.

Earnings and Dividend

Profit before tax in the year was £784,000 (2015: £1,115,000). The tax charge in 2016 represented 33.2 per cent (2015: 20.4 per cent) of profit before tax, which is greater than the statutory rate of 20 per cent because of certain costs being disallowable for tax, in particular, the non-recurring costs of the IPO and the acquisition. If adjustment is made for these non-recurring costs, underlying profit before tax would have increased by 11 per cent to £1,239,000 (2015: £1,115,000) and the tax charged would have fallen to 21 per cent.

Profit for the year was £524,000 (2015: £888,000), and the average number of shares in issue during the year were 40,837,885 (2015: 36,324,429), resulting in basic earnings per share of 1.28 pence (2015: 2.44 pence). Based on adjusted profit after tax of £979,000, earnings per share in 2016 would have been 2.40 pence per share (2015: 2.44 pence).

The Board is pleased to propose a dividend of 0.17 pence per share (2015: Nil). This represents a pro-rata dividend in respect of the five month period since the IPO. Had the Company been a public company for the whole year the dividend recommendation would have been 0.41 pence per share.

The cost of the proposed dividend of £81,000 is 12.1 times covered by adjusted profit after tax of £979,000. Subject to the needs of the business and compliance with any future banking covenants, it is the intention of the Directors to adopt a progressive dividend policy with the cost of any dividend being approximately five times covered by profit after tax.

Balance Sheet

The balance sheet of the Group has strengthened significantly over the last twelve months following another year of successful and cash generative trading, the fund raising at the IPO and the subsequent acquisition of Barking Mad.

The Group started the year with net liabilities of £380,000, funded by interest-free shareholder loans totalling £1,764,000. The cash generation of the business and a structured interest bearing loan of £500,000 from companies owned by Nigel Wray and me, allowed the shareholders loans that were originally put in place to fund the acquisition of the original businesses, to be repaid in full immediately prior to the IPO.

Cash generated from operations in the year was £1,112,000 (2015: £1,246,000).

The IPO raised gross proceeds of £3,500,000, which after expenses of £630,000 netted the Company £2,870,000. In October 2016 the Company acquired Barking Mad for a total consideration of £900,000, of which £500,000 was settled in cash and the remainder by the issue of 761,193 shares at the then market price of 52.5 pence per share.

At 31 December 2016 the Group was in a very strong position, with net assets of £3,903,000 (2015: net liabilities £380,000) of which cash in hand totalled £2,999,000 (2015: £496,000) and debt of £519,000 (2015: £1,905,000).

Current Trading and Prospects

Trading at the start of 2017 has been in line with management expectations. The integration of Barking Mad into the Group is progressing well and the business is beginning to benefit from our shared support services particularly in the areas of marketing and IT. The proposed acquisition of Metro Rod Limited will significantly increase the size and scale of the Group and we are looking forward to integrating this business into the Group. 2017 promises to be a further year of transformation and growth which we are very much looking forward to.

Consolidated statement of comprehensive income

For the year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Revenue	3	**4,870**	4,379
Cost of sales		**(1,572)**	(1,487)
Gross Profit		**3,298**	2,892
Administrative expenses before exceptional costs		**(2,052)**	(1,770)
Costs of acquisition of subsidiary	4	**(58)**	–
IPO costs	4	**(397)**	–
Total administrative expenses		**(2,507)**	(1,770)
Operating Profit	4	**791**	1,122
Finance income		**2**	1
Finance expense		**(9)**	(8)
Profit before tax		**784**	1,115
Tax expense		(260)	(227)
Profit for the year and comprehensive income attributable to equity holders of the parent company		**524**	888
All amounts relate to continuing operations			
Earnings per share	5		
Basic		**1.28**	2.44
Adjusted basic		**2.40**	2.44
Diluted		**1.28**	2.44
Adjusted diluted		**2.39**	2.44

Consolidated statement of financial position

As at 31 December 2016

	2016 £'000	2015 £'000
Assets		
Non-current assets		
Intangible assets	**2,142**	1,260
Property, plant and equipment	**121**	162
Trade and other receivables	**112**	115
Total non-current assets	**2,375**	1,537
Current assets		
Inventories	**193**	170
Trade and other receivables	**307**	249
Cash and cash equivalents	**2,999**	496
Total current assets	**3,499**	915
Total assets	**5,874**	2,452
Liabilities		
Current liabilities		
Trade and other payables	**1,078**	785
Loans and borrowings	**167**	1,764
Obligations under finance leases	**29**	35
Current tax liability	**211**	111
Total current liabilities	**1,485**	2,695
Non-current liabilities		
Loans and borrowings	**250**	–
Obligations under finance leases	**73**	106
Deferred tax liability	**163**	31
Total non-current liabilities	**486**	137
Total liabilities	**1,971**	2,832
Total net assets/(liabilities)	**3,903**	(380)
Issued capital and reserves attributable to owners of the parent		
Share capital	**239**	120
Share premium	**3,214**	–
Share-based payment reserve	**30**	–
Merger reserve	**396**	–
Retained earnings/(deficit)	**24**	(500)
Total equity/(deficit) attributable to equity holders	**3,903**	(380)

Consolidated statement of cash flows

For the year ended 31 December 2016

	2016 £'000	2015 £'000
Cash flows from operating activities		
Profit for the year	**524**	888
Adjustments for:		
Depreciation of property, plant and equipment	**66**	63
Amortisation of intangible fixed assets	**10**	–
Share-based payment expense	**30**	–
Finance income	**(2)**	(1)
Finance expense	**9**	8
Profit on sale of property, plant and equipment	**–**	(8)
Income tax expense	**260**	226
	897	1,176
(Increase)/decrease in trade and other receivables	**(31)**	87
Increase in inventories	**(15)**	(61)
Increase in trade and other payables	**261**	44
Cash generated from operations	**1,112**	1,246
Income taxes paid	**(203)**	(206)
Net cash generated from operating activities	**909**	1,040
Cash flows from investing activities		
Purchases of property, plant and equipment	**(10)**	(16)
Proceeds from sale of property, plant and equipment	**–**	11
Interest received	**2**	1
Acquisition of subsidiary, net of cash acquired	**(333)**	(83)
Net cash used in investing activities	**(341)**	(87)
Cash flows from financing activities		
Other loans – repaid	**(1,847)**	(1,470)
Other loans – received	**500**	–
Interest paid – other loan	**(6)**	–
Interest paid – finance leases	**(3)**	(8)
Share capital issued at IPO	**3,500**	–
Share capital issued on incorporation	**62**	–
Share issue expenses and other costs of IPO	**(233)**	–
Capital element of finance lease repaid	**(38)**	(31)
Net cash generated from/(used in) financing activities	**1,935**	(1,509)
Net increase/(decrease) in cash and cash equivalents	**2,503**	(556)
Cash and cash equivalents at beginning of year	**496**	1,052
Cash and cash equivalents at end of year	**2,999**	496

Consolidated statement of changes in equity

Group	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Merger reserve £'000	Retained earnings/ (deficit) £'000	Total Equity £'000
1 January 2015	120	–	–	–	(1,388)	(1,268)
Profit and total comprehensive income for the year	–	–	–	–	**888**	888
					888	**888**
31 December 2015 and 1 January 2016	**120**	–	–	–	**(500)**	**(380)**
Profit and total comprehensive income for the year	–	–	–	–	**524**	**524**
Contributions by and distributions to owners	–	–	–	–	**524**	**524**
Exercise of Share Options in FB Holdings Limited	**1**	–	–	–	–	**1**
Issue of shares on incorporation	**61**	–	–	–	–	**61**
Issue of shares on acquisition of Barking Mad Limited	**4**	–	–	**396**	–	**400**
Costs of issue of new equity	–	**(233)**	–	–	–	**(233)**
Issue of shares at IPO	**53**	**3,447**		–	–	**3,500**
Share-based payment expense	–	–	**30**	–	–	**30**
Total contributions by and distributions to owners	**119**	**3,214**	**30**	**396**	–	**3,759**
31 December 2016	**239**	**3,214**	**30**	**396**	**24**	**3,903**

2015 comparatives are based on the capital structure of the previous holding company, FB Holdings Limited.

1. *Basis of preparation of financial statements*

While the financial information included in the annual financial results announcement has been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards as endorsed for use in the European Union (IFRSs), this announcement does not contain sufficient information to comply with IFRSs.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2016 or 2015, but is derived from those accounts. Statutory accounts for F B Holdings Limited for the year ended 31 December 2015 have been delivered to the Registrar of Companies and those of Franchise Brands plc for the year ended 31 December 2016 will be delivered following the Company's annual general meeting.

The auditors have reported on those accounts; their reports were unqualified and did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their reports.

Their reports for the year end 31 December 2016 and 31 December 2015 did not contain statements under s498 (2) or (3) of the Companies Act 2006.

With the exception of the group reorganisation undertaken immediately prior to the Group listing on AIM, which has been accounted for as a group reconstruction, the consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

2. *Segmental reporting*

Management has determined that the Group has one operating segment. This is based on the operating reports reviewed by the Chief Executive Officer that are used to assess both performance and strategic decisions. Management has identified that the Chief Executive Officer is the chief operating decision maker in accordance with the requirements of IFRS 8 'Operating segments'.

Whilst the Group operates multiple franchise brands, across various business sectors, the Board has concluded that the key management and financial data used to manage them is the same, as the key drivers are attributable to them being franchises rather than the activity of the franchise.

All segment revenue and profit before taxation are attributable to the principal activity of the Group.

3. *Revenue*

	2016	2015
	£'000	£'000
Sale of services	3,861	3,508
Sale of goods	1,009	871
	4,870	4,379

The 2015 comparatives have been adjusted to correct a misallocation of £710,000 between the sale of goods and sale of services.

An analysis of revenue by geographical market is given below:

United Kingdom	4,821	4,332
Europe	19	19
Rest of the World	30	28
	4,870	4,379

4. *Operating profit*

	2016 £'000	2015 £'000
Operating profit is stated after charging:		
Depreciation	66	63
Amortisation	10	–
Share-based payment expense	30	–
IPO costs	397	–
Costs of acquisition of subsidiary	58	–
Operating lease rentals	124	91
Auditor's remuneration:		
Fees for audit of the Company and the Group	15	10
Fees for the audit of subsidiaries	33	23
Other taxation services	15	10

In addition to the amount disclosed above, auditor's remuneration of £75,000 in respect of corporate finance activities and £22,000 in respect of other assurance services has been included within share issue costs and has been allocated between the share premium and IPO costs.

During the year, the Company incurred significant costs associated with both its admission to the Alternative Investment Market (AIM) and its acquisition of Barking Mad Limited which are not part of the usual course of business of Franchise Brands plc. Costs charged in arriving at profit from operations amounted to £397,000 and £58,000 respectively.

5. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of Ordinary Shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of Ordinary Shares outstanding during the year plus the weighted average number or Ordinary Shares that would have been issued on the conversion of all dilutive potential Ordinary Shares into Ordinary Shares at the start of the period or, if later, the date of issue.

Adjusted Earnings per share

During the year, the Group incurred significant exceptional costs associated with the flotation of the Company and the acquisition costs of Barking Mad. If these costs, of £397,000 and £58,000 respectively, which were not deductible for corporation tax, were added back and the resultant profit taxed at 20.5 per cent being the Group's underlying tax rate, the profit attributable would be £979,000.

Comparative earnings per share are calculated on the share capital of Franchise Brands plc of 36,324,729 as if it had been the parent company throughout 2015 and the share for share exchange for 12,171,344 shares of 1 pence each of the former holding company had taken place as at 1 January 2015.

Earnings per share

	2016	2015
	£'000	£'000
Profit attributable to owners of the parent	**524**	888
Exceptional Items	**455**	–
Adjusted profit attributable to owners of the parent	**979**	888
	Number	Number
Basic weighted average number of shares	**40,837,885**	36,324,429
Dilutive effective of share options	**147,654**	–
Diluted weighted average number of shares	**40,985,539**	36,324,429
	Pence	Pence
Basic earnings per share	**1.28**	2.44
Diluted earnings per share	**1.28**	2.44
Adjusted Earnings per share	**2.40**	2.44
Adjusted diluted earnings per share	**2.39**	2.44

6. Annual report and accounts

The annual report and accounts will be posted to shareholders shortly and will be available to members of the public at the Company's registered office at 5 Edwin Avenue, Hoo Farm Industrial Estate, Kidderminster, Worcestershire, DY11 7RA and on the Company's website today at www.franchisebrands.co.uk/investor-relations.

7. Annual General Meeting

The first Annual General Meeting of Franchise Brands plc will be held on 27 April 2017, notice of which will be sent to shareholders with the annual report and accounts.