

13 December 2017

Franchise Brands plc
("Franchise Brands" or the "Company")

Grant of Share Options

Franchise Brands (AIM: FRAN) announces that its remuneration committee yesterday awarded a total of 1,766,672 options over ordinary shares of 0.5 pence each in the Company ("Ordinary Shares") to a director and certain employees of the Company (the "Options"). These Options were granted under the Company's long term incentive plan share option scheme (the "Scheme").

The Options are exercisable at the closing mid-market price of Ordinary Shares on 12 December 2017, being 49.5 pence per Ordinary Share (the "Exercise Price"). The Options expire on 12 December 2027 if not exercised.

The Options are exercisable in the following circumstances:

- 1) As to 20 per cent. after reported fully diluted adjusted earnings per share achieves compound annual growth of 8 per cent. over each of the next three financial years;
- 2) As to 100 per cent. after reported fully diluted adjusted earnings per share achieves compound annual growth of 15 per cent. over each of the next three financial years; and
- 3) On a sliding scale basis on earnings per share growth between the targets in 1) and 2) above.

Of the 1,766,672 Options issued, 759,090 have been issued to a director and certain members of senior management of the Company as set out below, and the other 1,007,582 Options have been issued to certain employees of the Company:

| Director | Position | Number of Options granted | Total options held following the grant |
|-----------------|--------------------------------|----------------------------------|---|
| Chris Dent | Chief Financial Officer | 303,030 | 303,030 |
| Peter Molloy | Managing Director of Metro Rod | 153,030 | 303,030 |
| Colin Rees | Chief Information Officer | 303,030* | 303,030 |

* The options granted to Colin Rees replace the options granted to him upon his appointment, as announced on 3 April 2017, in order to align his options with those of other employees

The Company is highly cash generative and it therefore intends to repurchase shares to offset the dilutive impact of share awards, focusing on overall shareholder return. The Company intends to propose a resolution at its next general meeting to enable it to buyback Ordinary Shares and hold them in treasury and used, inter alia, to satisfy the exercise of any Options. This will mean that, dependent on the number of Ordinary Shares held in treasury, the exercise of Options will not result in dilution of the interests of existing shareholders in the Company. Should the Company not obtain authority to buyback shares or have sufficient shares in treasury, the exercise of Options will be satisfied by the issue of new Ordinary Shares, to the extent required.

Following the grant of the Options, the total number of Ordinary Shares outstanding under option arrangements is 3,467,747 representing 4.46 per cent. of the Company's issued share capital.

Enquiries:**Franchise Brands plc**

Stephen Hemsley, Executive Chairman
 Chris Dent, Chief Financial Officer
 Julia Choudhury, Corporate Development Director

+44 (0) 800 012 6462**Allenby Capital Limited (Nominated Adviser and Joint Broker)**

Jeremy Porter/ James Thomas/ Liz Kirchner

+44 (0) 20 3328 5656**Dowgate Capital Stockbrokers (Joint Broker)**

James Serjeant

+44 (0) 20 3903 7715**MHP Communications (Financial PR)**

Katie Hunt/Ivana Petkova

+44 (0) 20 3128 8100

Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them

| | | | |
|----------|--|---|-----------|
| 1 | Details of the person discharging managerial responsibilities / person closely associated | | |
| a) | Name | Christopher Dent | |
| 2 | Reason for the notification | | |
| a) | Position/status | Chief Financial Officer | |
| b) | Initial notification /Amendment | Initial notification | |
| 3 | Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor | | |
| a) | Name | Franchise Brands plc | |
| b) | LEI | 213800CFRX6CJ8LCKN37 | |
| 4 | Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted | | |
| a) | Description of the financial instrument, type of instrument Identification code | Ordinary shares of 0.5p each in Franchise Brands plc Identification code (ISIN) for Franchise Brands plc ordinary shares: GB00BD6P7Y24 | |
| b) | Nature of the transaction | Grant of options over ordinary shares | |
| c) | Price(s) and volume(s) | Price(s) | Volume(s) |
| | | 49.5p | 303,030 |
| d) | Aggregated information - Aggregated volume - Price | N/A | |
| e) | Date of the transaction | 12 December 2017 | |
| f) | Place of the transaction | Outside a trading venue | |