

15 January 2019

FRANCHISE BRANDS PLC
("Franchise Brands", "the Group" or "the Company")

Trading Update and Notice of Annual Results

Franchise Brands plc (AIM: FRAN), a multi-brand international franchisor, provides the following trading update for the year ended 31 December 2018.

The Board expects revenue and profits for the year to 31 December 2018 to be at least in line with consensus market expectations*.

This strong performance reflects the very encouraging progress made with the Board's "Vision 2023" growth strategy for Metro Rod which has delivered impressive top-line growth in the period. All elements of the strategy are gathering real momentum and the investment we are making in the business systems is already delivering improvements, with sustained benefits expected to be realised over the longer term at Metro Rod.

ChipsAway, Ovensclean and Barking Mad continue to be highly cash generative, and, whilst franchise recruitment has slowed, sound underlying trading and investment by existing franchisees has driven an increase in Management Service Fee income.

The Board is also pleased to report that trading in the initial weeks of 2019 has been positive, with job intake at Metro Rod up on the same period from 2018 and healthy levels of franchise enquiries at ChipsAway, Ovensclean and Barking Mad.

The full results for the year ended 31 December 2018 are expected to be announced on 13 March 2019 and the Board looks forward to updating shareholders with further details at that time.

Stephen Hemsley, Executive Chairman, commented:

"We are very encouraged by the prospects for Franchise Brands as we enter 2019. Our Vision 2023 growth strategy for Metro Rod has met with real engagement from a re-invigorated franchise community, with half of the network recording double-digit sales growth in 2018. Our balance sheet and strong cash-flows from our brands support our buy-and-build strategy. We look forward to an exciting year ahead."

*Consensus market expectations are as follows:

- Revenue: £32,784k
- Net profit: £2,246k
- Basic EPS: 2.89p

END

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