

19 November 2024

**Leeds Group plc**

("Leeds" or the "Company")

**Proposed Cancellation of Admission of Ordinary Shares to trading on AIM  
Re-Registration as a Private Company and Adoption of New Articles  
and  
Notice of Extraordinary General Meeting**

The Company announces that it is proposing to cancel the admission of the Ordinary Shares of the Company to trading on AIM and to re-register the Company as a private company.

On 27 March 2024, Leeds Group announced that the sale of Hemmers-Itex Textil Import Export GmbH ("Hemmers"), previously the main operating subsidiary of the Group, had been completed. The cash consideration of £501,000 was based on the net book value of the assets of Hemmers, excluding its three properties, less an agreed discount. The Group retained the three properties, through its subsidiary company Leeds Group Nordhorn Property GmbH ("LG Nordhorn"), and secured an agreement with Hemmers to lease all three of the properties. However, Hemmers has recently given notice on one of the properties, effective 30 November 2024, and this property is now being marketed for rental.

Following the sale, Leeds Group was considered to be an AIM Rule 15 cash shell as it no longer had any substantial trading activities. Under the AIM Rules, the Company had six months from the date of sale to either make an acquisition, which would constitute a reverse takeover under Rule 14 of the AIM Rules 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 its shares would then be suspended from trading on AIM pursuant to Rule 40 of the AIM Rules. As previously communicated, the Company has not been able to meet these requirements and therefore the Ordinary Shares were suspended from trading on the AIM market on 30 September 2024. Once suspended, the Ordinary Shares cannot be traded on the AIM market. The Ordinary Shares will be automatically cancelled from admission to the AIM market six months from the date of suspension, should the reason for the suspension not have been rectified.

The Directors have, after a period of review, concluded that it is in the best interests of the Company and its Shareholders to seek Shareholder approval for the cancellation of the Admission and for the Company to be re-registered as a private limited company. In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of the date of the proposed Cancellation. As part of the above review, the Directors considered the Company's small capital base, the lack of liquidity in the trading of its Ordinary Shares on AIM and its limited activities (being the ownership and rental of three commercial properties in Germany following the completion of the disposal of Hemmers in March 2024).

The Company is seeking Shareholders' approval for the Cancellation and Re-registration at an EGM, which has been convened for 11.00 a.m. on 11 December 2024 at the Radisson Blu Hotel, Manchester Airport, M30 3RA. If the Cancellation Resolution is passed at the EGM, it is anticipated that the Cancellation will become effective at 7.00 a.m. on 19 December 2024.

The Cancellation Resolution is conditional, pursuant to Rule 41 of the AIM Rules, upon the approval of not less than 75 per cent. of the votes cast by Shareholders (whether present in person or by proxy) at the EGM in respect of the Cancellation Resolution and, accordingly, the Cancellation Resolution will be proposed as a special resolution. Under the Companies Act, the Re-registration and the adoption of the New Articles must be approved by not less than 75 per cent. of votes cast by Shareholders at the EGM in respect of the Re-registration Resolution and, accordingly, the Re-registration Resolution will also be proposed as a special resolution.

A document containing the notice of the EGM has today been posted on the Company's website and has been sent to those Shareholders who have elected to receive hard copies of Shareholder communications to provide information on the background to, and reasons for, the proposed Cancellation and the Re-registration, to explain the consequences of the Resolutions and provide reasons why the Directors unanimously consider the Resolutions to be in the best interests of the Company and its Shareholders as a whole.

Enquiries:

Leeds Group plc  
Dawn Henderson

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Cairn Financial Advisers LLP  
Nominated Adviser  
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The following information has been extracted from the document, and includes the definitions used in the document and this announcement, and an expected timetable of the principal events. As such, references, including page numbers, may be incorrect and Shareholders should read the document in full.

To holders of Ordinary Shares

Dear Shareholder,

**Proposed Cancellation of Admission of Ordinary Shares to trading on AIM**

**Re-Registration as a Private Company and Adoption of New Articles**

**and**

**Notice of Extraordinary General Meeting**

**1. Introduction**

On 19 November 2024, the Company announced the proposal to cancel the admission of the Ordinary Shares to trading on AIM and to re-register the Company as a private company.

On 27 March 2024, Leeds Group announced that the sale of Hemmers, previously the main operating subsidiary of the Group, had been completed. The cash consideration of £501,000 was based on the net book value of the assets of Hemmers, excluding its three properties, less an agreed discount. The Group retained the three properties, through its subsidiary company LG Nordhorn, and secured an agreement with Hemmers to lease all three of the properties. However, Hemmers has recently given notice on one of the properties, effective 30 November 2024, and this property is now being marketed for rental.

Following the sale, Leeds Group was considered to be an AIM Rule 15 cash shell as it no longer had any substantial trading activities. Under the AIM Rules, the Company had six months from the date of sale to either make an acquisition, which would constitute a reverse takeover under Rule 14 of the AIM Rules 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 its shares would then be suspended from trading on AIM pursuant to Rule 40 of the AIM Rules. As previously communicated, the Company has not been able to meet these requirements and therefore the Ordinary Shares were suspended from trading on the AIM market on 30 September 2024. Once suspended, the Ordinary Shares cannot be traded on the AIM market. The Ordinary Shares will be automatically cancelled from admission to the AIM market six months from the date of suspension, should the reason for the suspension not have been rectified.

The Directors have, after a period of review, concluded that it is in the best interests of the Company and its Shareholders to seek Shareholder approval for the cancellation of the Admission and for the Company to be re-registered as a private limited company. In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of the date of the proposed Cancellation. As part of the above review, the Directors considered the Company's small capital base, the lack of liquidity in the trading of its Ordinary Shares on AIM and its limited activities (being the ownership and rental of three commercial properties in Germany following the completion of the disposal of Hemmers in March 2024).

The Company is seeking Shareholders' approval for the Cancellation and Re-registration at the EGM, which has been convened for 11.00 a.m. on 11 December 2024 at the Radisson Blu Hotel, Manchester Airport, M30 3RA. If the Cancellation Resolution is passed at the EGM, it is anticipated that the Cancellation will become effective at 7.00 a.m. on 19 December 2024.

The Cancellation Resolution is conditional, pursuant to Rule 41 of the AIM Rules, upon the approval of not less than 75 per cent. of the votes cast by Shareholders (whether present in person or by proxy) at the EGM in respect of the Cancellation Resolution and, accordingly, the Cancellation Resolution will be proposed as a special resolution. Under the Companies Act, the Re-registration and the adoption of the New Articles must be approved by not less than 75 per cent. of votes cast by Shareholders at the EGM in respect of the Re-registration Resolution and, accordingly, the Re-registration Resolution will also be proposed as a special resolution.

The purpose of this document is to provide information on the background to, and reasons for, the proposed Cancellation and the Re-registration, to explain the consequences of the Resolutions and provide reasons why the Directors unanimously consider the Resolutions to be in the best interests of the Company and its Shareholders as a whole.

The Notice of the EGM is set out in Part III of this document.

## **2. Background to and reasons for the Cancellation**

Following completion of the Disposal announced 27 March 2024, the Company is regarded, pursuant to the AIM Rules, as an AIM Rule 15 cash shell. As the Company had not sought to become an investing company pursuant to AIM Rule 8 or to make an acquisition which constitutes a reverse takeover under AIM Rule 14 ("Readmission Transaction"), the Ordinary Shares were suspended from trading on 30 September 2024 pursuant to AIM Rule 40 and remain suspended. Thereafter, if a Readmission Transaction has not been completed within a further six-month period, Admission will be automatically cancelled.

The Directors have undertaken a review to evaluate the options available to the Company and the benefits and drawbacks to the Company and its Shareholders of retaining the Admission. This review has included, amongst other matters, the public market share trading and valuation volatility of the Company and the increasing costs of maintaining a public listing. There has been limited liquidity in the Ordinary Shares for some time.

Following this review, the Directors have concluded that the Cancellation is in the best interests of the Company and its Shareholders as a whole and that the Company will instead seek admission to JP Jenkins securities matching platform. Further details of the background to and reasons for the Cancellation are set out below:

- following the Disposal of Hemmers, the Company has limited trading activities;
- the Ordinary Shares are currently suspended and the Directors believe that a Readmission Transaction is unlikely to occur prior to Cancellation;
- there is limited liquidity in the Ordinary Shares and, as a result, the Directors believe that continued Admission no longer sufficiently provides the Company with the advantage of providing wider or more cost-effective access to capital in the medium to longer-term;
- as a result of the limited liquidity in Ordinary Shares highlighted above, the Admission does not necessarily offer investors the opportunity to trade in meaningful volumes or with frequency within an active market. With low trading volumes, the Company's share price can move up or down significantly following trades of small volumes of Ordinary Shares; and
- the considerable cost, management time and the legal and regulatory burden associated with maintaining the Admission are disproportionate to the benefits to the Company given that the continued admission to trading on AIM is unlikely to provide the Company with significantly wider or more cost-effective access to capital.

Following careful consideration, the Directors believe that it is in the best interests of the Company and Shareholders to seek the proposed Cancellation and Re-registration.

### **3. Process for, and principal effects of, the Cancellation**

Under the AIM Rules, the Company is required to give at least 20 clear Business Days' notice of Cancellation. Additionally, Cancellation will not take effect until at least five clear Business Days have passed following the passing of the Cancellation Resolution. If the Cancellation Resolution is passed at the EGM, it is proposed that the last day of trading in Ordinary Shares on AIM will be 18 December 2024 and that the Cancellation will take effect at 7.00 a.m. on 19 December 2024.

The principal effects of the Cancellation will be that:

- there will no longer be a formal market mechanism enabling Shareholders to trade their Ordinary Shares through AIM, although it is planned that the Ordinary Shares will be admitted to trading on the JP Jenkins securities matching platform (see below for more details);
- the regulatory and financial reporting regime applicable to companies whose shares are admitted to trading on AIM will no longer apply;
- Shareholders will no longer be afforded the protections given by the AIM Rules, such as the requirement to be notified of certain material developments or events (including substantial transactions, financing transactions, related party transactions and certain acquisitions and disposals) and the separate requirement to seek shareholder approval for certain other corporate events such as reverse takeovers or fundamental changes in the Company's business;
- Cairn would cease to be the Company's nominated adviser and broker;
- the Company will no longer be required to publicly disclose any change in major shareholdings in the Company under the AIM Rules or the DTRs;
- the Company will no longer be subject to UK MAR regulating inside information and other matters;
- whilst the Company's CREST facility will remain in place immediately post the Cancellation, the Company's CREST facility may be cancelled in the future and, although the Ordinary Shares will remain transferable, they may cease to be transferable through CREST (in which case, Shareholders who hold Ordinary Shares in CREST will receive share certificates);

- stamp duty will be due on transfers of shares and agreements to transfer shares unless a relevant exemption or relief applies to a particular transfer;
- the Ordinary Shares are likely to be more difficult to trade compared to shares of companies trading on AIM;
- in the absence of a formal market and quote, it may be more difficult for Shareholders to determine the market value of their investment in the Company at any given time; and
- the Cancellation and Re-registration may have taxation or other commercial consequences for Shareholders. **Shareholders who are in any doubt about their tax position should consult their own professional independent tax adviser.**

Shareholders should also be aware that if the Cancellation and the Re-registration takes place, the Takeover Code will cease to apply to the Company (see below for more details).

**The above considerations are not exhaustive, and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them.**

For the avoidance of doubt, the Company will remain on the register of companies in England & Wales in accordance with and, subject to the Companies Act, notwithstanding the Cancellation and the Re-registration.

The Resolutions to be proposed at the EGM include the adoption of the New Articles, with effect from the Re-registration. A copy of the New Articles can be viewed at [www.leedsgroup.plc.com](http://www.leedsgroup.plc.com).

#### **4. The Takeover Code**

The Takeover Code applies to all offers for companies which have their registered office in the UK, the Channel Islands or the Isle of Man if any of their equity share capital or other transferable securities carrying voting rights are admitted to trading on a UK regulated market or a UK multilateral trading facility or on any stock exchange in the Channel Islands or the Isle of Man.

The Code also applies to all offers for companies (both public and private) which have their registered offices in the UK, the Channel Islands or the Isle of Man which are considered by the Panel to have their place of central management and control in the UK, the Channel Islands or the Isle of Man, but in relation to private companies only if one of a number of conditions is met, including that any of the company's equity share capital or other transferable securities carrying voting rights have been admitted to trading on a UK regulated market or a UK multilateral trading facility or on any stock exchange in the Channel Islands or the Isle of Man at any time in the preceding ten years.

If the Cancellation Resolution and the Re-registration Resolution are both approved by Shareholders at the EGM and become effective, the Company will be re-registered as a private company and its securities will no longer be admitted to trading on a regulated market or a multilateral trading facility in the United Kingdom. In these circumstances, the Takeover Code will only apply to the Company if it is considered by the Panel to have its place of central management and control in the United Kingdom, the Channel Islands or the Isle of Man. This is known as the "residency test". In determining whether the residency test is satisfied, the Panel has regard primarily to whether a majority of a company's directors are resident in these jurisdictions. On Cancellation and Re-registration, the Company will have two Directors, following the intended resignation of Mr Jan Holmstrom after the AGM on 20 November 2024, only one of whom is resident in these jurisdictions, accordingly the residency test will not be satisfied and the Code will no longer apply to the Company.

As a result, in the event that the Cancellation and Re-registration are approved by Shareholders at the EGM and becomes effective, the Code will then cease to apply to the Company and Shareholders will no longer be afforded the protections provided by the Code, including the requirement for a mandatory cash offer to be made if either:

- (a) a person acquires an interest in shares which, when taken together with the shares in which persons acting in concert with it are interested, increases the percentage of shares carrying voting rights in which it is interested to 30% or more; or
- (b) a person, together with persons acting in concert with it, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with it, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which it is interested.

**Accordingly major Shareholders in the Company would be free to acquire further Ordinary Shares from other Shareholders to take their interest to 30% or more without incurring an obligation to make a mandatory cash offer to all other Shareholders.**

Brief details of the Panel, and of the protections afforded by the Code (which will cease to apply following the Re-registration), are set out below and in the Appendix to this document.

Before giving your consent to the Re-registration, you may want to take independent professional advice from an appropriate independent financial adviser.

#### *The Code*

The Code is issued and administered by the Panel. The Code currently applies to the Company and, accordingly, its shareholders are entitled to the protections afforded by the Code.

The Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover, and that shareholders of the same class are afforded equivalent treatment by an offeror. The Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

#### *The General Principles and Rules of the Code*

The Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. The General Principles apply to takeovers and all other matters with which the Code is concerned. They are applied by the Panel in accordance with their spirit to achieve their underlying purpose.

In addition to the General Principles, the Code contains a series of Rules. Some of the Rules provide more detail on how the General Principles will be applied by the Panel and others govern specific aspects of takeover procedure. Like the General Principles, the Rules are to be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as their letter. The Panel may derogate or grant a waiver to a person from the application of a Rule in certain circumstances.

#### *Giving up the protection of the Code*

A summary of key points regarding the application of the Code to takeovers generally is set out in the Appendix. You are encouraged to read this information carefully as it outlines certain important protections which you will be giving up if you agree to the Re-registration.

If the Re-registration Resolution is not passed, the Company will remain as a public company, and the Takeover Code will continue to apply.

## **5. Transactions in the Ordinary Shares prior to and post the proposed Cancellation**

### **5.1 Prior to Cancellation**

Shareholders should note that they are currently unable to trade in the Ordinary Shares on AIM prior to Cancellation as the Ordinary Shares remain suspended from trading. Subject to completion of the Cancellation, Shareholders will hold Ordinary Shares in an unlisted company.

### **5.2 Dealing and settlement arrangements post Cancellation and Matched Bargaining Facility**

In the event that the Cancellation proceeds, there will be no market facility for dealing in the Ordinary Shares and no price will be publicly quoted for Ordinary Shares as from close of business on 18 December 2024, assuming the Cancellation Resolution is approved on 11 December 2024 at the EGM. As such, interests in Ordinary Shares are unlikely thereafter to be readily capable of sale and, where a buyer is identified, it may be difficult to place a fair value on any such sale.

The Company is making arrangements for a Matched Bargain Facility to assist Shareholders to trade in the Ordinary Shares to be put in place from the date of the Cancellation, if the Cancellation Resolution is passed. The Matched Bargain Facility will be provided by JP Jenkins. JP Jenkins is a trading name of InfiniX Limited and is an appointed representative of Prosper Capital LLP, which is authorised and regulated by the FCA.

Under the Matched Bargain Facility, Shareholders or persons wishing to acquire or dispose of Ordinary Shares will be able to leave an indication with JP Jenkins, through their stockbroker (JP Jenkins is unable to deal directly with members of the public), of the number of Ordinary Shares that they are prepared to buy or sell at an agreed price. In the event that JP Jenkins is able to match that order with an opposite sell or buy instruction, it would contact both parties and then effect the bargain (trade). Shareholdings remain in CREST and can be traded during normal business hours via a UK regulated stockbroker. Should the Cancellation become effective, and the Company puts in place the Matched Bargain Facility, details will be made available to Shareholders on the Company's website at [www.leedsgroup.plc.uk](http://www.leedsgroup.plc.uk).

**As noted above, in the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 18 December 2024 and that the effective date of the Cancellation will be 19 December 2024.**

Shareholders will continue to be able to hold their shares in uncertificated form (i.e. in CREST) and should check with their existing stockbroker whether they are willing or able to trade in unquoted shares.

Shareholders should also be aware that the Matched Bargain Facility could be withdrawn at a later date. The provision of a matched bargain facility will be kept under review by the Board and, in determining whether to continue to offer a matched bargain facility, the Company shall consider expected (and communicated) Shareholder demand for such a facility as well as the composition of the Company's register of members and the costs to the Company and Shareholders.

## 6. Current Trading

On 22 October 2024, the Company released its annual report and audited financial results for the year ended 31 May 2024 which included the following financial information on the Company:

	31 May 2024 £'000
Revenue <sup>1</sup>	76
Total comprehensive loss for the year <sup>1</sup>	(410)
Total assets	6,347
Total net assets	4,348
Cash	44

<sup>1</sup>Note these relate to the continuing operations of the Company following completion of the Disposal announced on 27 March 2024

The Company is currently trading in line with expectations. As noted in the annual report, Hemmers has given notice to vacate one of the properties effective 30 November 2024 and the Company's agents in Germany are advertising for alternative tenants.

The Company has still not received any monies from the German withholding tax claim or the KMR insolvency which were included in the year end accounts as other receivables of £548,000 and £660,000 respectively. The Company understands that the German tax authorities are not expected to make any withholding tax repayment until March to June 2025. The KMR Insolvency administrator has been unable to give any timescales with regard to any payments despite requests from the Company. The KMR administrator has also recently indicated that Leeds Group may now be considered as a subordinated creditor. The Company will dispute this as it would result in a lower payment than expected.

## 7. Process for the Re-registration

As set out above, following the Cancellation, the Directors believe that the requirements and associated costs of the Company maintaining its public company status will be difficult to justify and that the Company will benefit from the more flexible requirements and lower costs associated with private limited company status. It is therefore proposed to re-register the Company as a private limited company in accordance with the Companies Act. In connection with the Re-registration, it is proposed that the New Articles be adopted to reflect the change in the Company's status to a private limited company. The principal effects of the Re-registration and the adoption of the New Articles on the rights and obligations of Shareholders and the Company are summarised in Part II of this document.

A copy of the New Articles can be viewed at [www.leedsgroup.plc.com](http://www.leedsgroup.plc.com). Under the Companies Act, the Re-registration and the adoption of the New Articles must be approved by not less than 75 per cent. of votes cast by Shareholders at the EGM in respect of the Re-registration Resolution. Accordingly, the Notice of EGM set out at the end of this document contains a special resolution to approve the Re-registration and adopt the New Articles.

If the Cancellation Resolution and the Re-registration Resolution are approved at the EGM, an application will be made to the Registrar of Companies for the Company to be re-registered as a private limited company. Re-registration will take effect when the Registrar of Companies issues a certificate of incorporation on Re-registration. The Registrar of Companies will issue the certificate of incorporation on Re-registration when it is satisfied that no valid application can be made to cancel the Re-registration Resolution or that any such application to cancel the Re-registration Resolution has been determined and confirmed by the Court.

If the Resolutions are passed at the EGM, it is anticipated that the Re-registration will become effective by 31 January 2025.



## **8. Process for Cancellation**

Under the AIM Rules, it is a requirement that the Cancellation must be approved by not less than 75 per cent. of votes cast by Shareholders (whether present in person or by proxy) at the EGM in respect of the Cancellation Resolution. Accordingly, the Notice of EGM set out in Part III of this document contains a special resolution to approve the Cancellation.

Furthermore, Rule 41 of the AIM Rules requires any AIM company that wishes the London Stock Exchange to cancel the admission of its shares to trading on AIM to notify shareholders and to separately inform the London Stock Exchange of its preferred cancellation date at least 20 Business Days prior to such date. In accordance with AIM Rule 41, the Directors have notified the London Stock Exchange of the Company's intention, subject to the Cancellation Resolution being passed at the EGM, to cancel the Admission on 19 December 2024.

Accordingly, if the Cancellation Resolution is passed, the Cancellation will become effective at 7.00 a.m. on 19 December 2024. If the Cancellation becomes effective, Cairn will cease to be nominated adviser and broker of the Company and the Company will no longer be required to comply with the AIM Rules.

## **9. Extraordinary General Meeting**

The Extraordinary General Meeting will be held at the Radisson Blu Hotel, Manchester Airport, M30 3RA at 11.00 a.m. on 11 December 2024.

The Cancellation Resolution to be proposed at the EGM is a special resolution to approve the Cancellation.

Conditional on the passing of Resolution 1, Resolution 2 to be proposed at the EGM as a special resolution to re-register the Company as a private limited company and to approve the adoption by the Company of the New Articles.

Resolution 1 to approve the Cancellation is not conditional on Resolution 2 to approve the Re-registration, but Resolution 2 is conditional on Resolution 1. If Resolution 1 is passed, but Resolution 2 is not, the Company still intends to proceed with the Cancellation.

## **10. Action to be taken in relation to the Extraordinary General Meeting**

A Shareholder can vote by logging on to <https://investorcentre.linkgroup.co.uk/Login/Login> and following the instructions; in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 6 to the Notice of EGM; in case of institutional investors, by using the Proximity platform in accordance with the procedures set out in note 7 to the Notice of EGM or by requesting a hard copy form of proxy directly from the registrars, Link Group on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. Or email Link Group at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk).

To submit a proxy electronically using the link <https://investorcentre.linkgroup.co.uk/Login/Login> you will need to log into your Link Investor Centre account or register if you have not previously done so. To register you will need your Investor Code which is detailed on your share certificate. If you need help with voting online, please contact our Registrar, Link Group. Link Investor Centre is a free app for smartphone and tablet provided by Link Group (the company's registrar) It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below.



To be valid, the Form of Proxy and any power of attorney or the authority under which it is signed (or a notarial certified copy of it) must be completed and submitted electronically using the Link Investor Centre; CREST system; Proxymity platform; or lodged at the Registrars, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL not later than 11.00 a.m. on 9 December 2024.

The release, publication or distribution of this document and the Form of Proxy in jurisdictions other than the UK may be restricted by laws or regulations and therefore persons into whose possession this document and/or the Form of Proxy come, should inform themselves about, and observe, any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions.

Before deciding what action to take in respect of the Resolutions, you are advised to read the whole of this document and not merely rely on certain sections of this document. If you are in any doubt as to the action you should take, you should immediately seek your own personal financial advice from an appropriately qualified independent professional adviser.

Shareholders are encouraged to appoint the chair of the EGM as their proxy with directions as to how to cast their vote on the Resolutions proposed. The appointment of a proxy will not preclude Shareholders from attending, speaking and voting at the EGM in person should they so wish.

It is important that as many votes as possible are cast. Whether or not you plan to attend the EGM in person, you are encouraged to complete and return your Form of Proxy as soon as possible.

#### **11. Recommendation**

**The Directors consider that the Resolutions are in the best interests of the Company and its Shareholders as a whole and, therefore, unanimously recommend that you vote in favour of the Resolutions at the Extraordinary General Meeting. Certain major Shareholders have confirmed to the Company their intention to vote in favour of the Resolutions in respect of their entire beneficial holdings being, in aggregate, 14,820,549 Ordinary Shares, representing approximately 54.24 per cent. of the Company's existing issued share capital.**

Yours faithfully,

**Jan G Holmstrom**  
Chair of the Board of Directors

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

**2024**

Notice provided to the London Stock Exchange to notify it of the proposed Cancellation	19 November
Publication and posting of this document	19 November
Latest time for receipt of proxy appointments in respect of the Extraordinary General Meeting	11.00 a.m. on 9 December
Extraordinary General Meeting	11.00 a.m. on 11 December
Last day of dealings in Ordinary Shares on AIM	18 December
Cancellation	7.00 a.m. on 19 December
Matched Bargain Facility for Ordinary Shares commences	19 December

**2025**

Expected re-registration as a private company by 31 January

Note:

(1) Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and dates will be notified to Shareholders by an announcement through a Regulatory Information Service

## DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

<b>"Act"</b>	the Companies Act 2006;
<b>"AIM"</b>	the AIM market operated by the London Stock Exchange;
<b>"AIM Rule 15 Cash Shell"</b>	has the meaning given to 'AIM Rule 15 cash shell' in the AIM Rules;
<b>"AIM Rules"</b>	the rules and guidance notes for AIM companies and/or (as the context requires) their nominated advisers issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM;
<b>"Business Day"</b>	a day on which dealings in domestic securities may take place on the London Stock Exchange;
<b>"Cairn"</b>	Cairn Financial Advisers LLP, a limited liability partnership incorporated and registered in England and Wales with registered number OC351689, and the Company's nominated adviser, authorised and regulated by the FCA;
<b>"Cancellation"</b>	the cancellation of Admission in accordance with Rule 41 of the AIM Rules, subject to passing of the Cancellation Resolution;
<b>"Cancellation Resolution"</b>	Resolution 1 to be proposed at the EGM;
<b>"Company" or "Leeds Group"</b>	Leeds Group plc, a company incorporated and registered in England and Wales with registered number 00067863;
<b>"CREST"</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations);
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755);
<b>"Current Articles"</b>	the articles of association of the Company in force as at the date of this document;
<b>"Directors" or "Board"</b>	the directors of the Company whose names are set out on page 5 of this document, or any duly authorised committee thereof;
<b>"Disposal"</b>	the sale of the entire issued share capital of Hemmers;
<b>"DTRs"</b>	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA (as set out in the FCA handbook), as amended from time to time;
<b>"Euroclear"</b>	Euroclear UK & International Limited, the operator of CREST;
<b>"Existing Ordinary Shares"</b>	the 27,320,843 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM;
<b>"Extraordinary General Meeting" or "EGM"</b>	the extraordinary general meeting (or any adjournment thereof) of the Shareholders at which the Resolutions will be proposed to be held at 11.00 a.m. on 11 December 2024 at the Radisson Blu Hotel, Manchester Airport, M30 3RA, notice of which is set out in the Notice of EGM;
<b>"FCA"</b>	the Financial Conduct Authority;
<b>"Form of Proxy"</b>	the hard copy form of proxy for use in connection with the EGM;
<b>"FSMA"</b>	the Financial Services and Markets Act 2000;

<b>"Hemmers"</b>	Hemmers-Itex Textil Import Export GmbH, a company incorporated and registered in Germany with registered number 131127;
<b>"JP Jenkins"</b>	JP Jenkins, a trading name of InfinitX Limited and appointed representative of Prosper Capital LLP;
<b>"KMR"</b>	Stoff-Ideen-KMR GmbH, a company incorporated and registered in Germany with registered number HRB 131456;
<b>"LG Nordhorn"</b>	Leeds Group Nordhorn Property GmbH, a company incorporated and registered in Germany with registered number HRB 219472;
<b>"Link Group"</b>	the trading name of Link Market Services Limited, the Company's share registrar;
<b>"London Stock Exchange"</b>	London Stock Exchange plc;
<b>"Matched Bargain Facility"</b>	the unregulated matched bargain trading facility operated by JP Jenkins for the trading of Ordinary Shares following the Cancellation;
<b>"New Articles"</b>	the new articles of association of the Company proposed to be adopted pursuant to Resolution 2 to be proposed at the EGM, a copy of which can be viewed at <a href="http://www.leedsgroup.plc.com">www.leedsgroup.plc.com</a> ;
<b>"Notice of Extraordinary General Meeting" or "Notice of EGM"</b>	the notice convening the Extraordinary General Meeting which is set out in Part III of this document;
<b>"Ordinary Shares"</b>	the ordinary shares of 12 pence each in the capital of the Company;
<b>"Panel"</b>	the Panel on Takeovers and Mergers;
<b>"Readmission Transaction"</b>	pursuant to AIM Rule 15, the requirement for the Company to make an acquisition or acquisitions which constitutes a reverse takeover under AIM Rule 14 (including seeking re-admission under the AIM Rules) within six months from 26 March 2024. Alternatively, within such time period, the Company could seek to become an investing company pursuant to AIM Rule 8, which requires, inter alia, the raising of at least £6 million and the publication of an admission document;
<b>"Re-registration"</b>	the proposed re-registration of the Company as a private limited company;
<b>"Re-registration Resolution"</b>	Resolution 2 to be proposed at the EGM;
<b>"Resolutions"</b>	the resolutions to be proposed at the EGM in the form set out in Part III of this document;
<b>"Restricted Jurisdiction"</b>	Australia, Canada, Japan, New Zealand, the Republic of South Africa or the United States;
<b>"Shareholders"</b>	holders of Ordinary Shares;
<b>"Takeover Code" or the "Code"</b>	the City Code on Takeovers and Mergers issued by the Panel, as amended and interpreted by the Panel;
<b>"UK" or "United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>"uncertificated" or "in uncertificated form"</b>	an ordinary share recorded on a company's share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.

