

25 March 2024

Leeds Group plc
("Leeds" or the "Company")

Further re Disposal, Loan Agreements and Related Party Transactions

The Board of Leeds Group plc ('Board') announces that, further to the announcement on 29 February 2024, the Proposed Sale of Hemmers is expected to complete on 26 March 2024. The Company also announces that it has entered into loan agreements for, in aggregate, EUR 2.0 million (together the "Loan Agreements" or "Transactions") with Bronsstadet AB, a company controlled by Peter Gyllenhammar, a substantial shareholder of the Company, and CA Fastigheter AB, a company controlled by Johan Claesson, a Non-executive Director of the Company (together the "Lenders").

Loan Agreements

Pursuant to the Loan Agreements, the Company has received EUR 1.0 million (together the "Funding Loans") from each of the Lenders which will be utilised as bridge loan financing to pay in full a loan guarantee to KSK Bank of EUR 1.1 million in relation to the KMR insolvency and withholding tax of EUR 0.8 million. The Funding Loans are unsecured and each bear an interest rate of 8 per cent. per annum with a one-off EUR 10,000 handling fee. The Funding Loans are expected to be repaid from bank loans of EUR 2 million anticipated to be received by the Company's subsidiary LG Nordhorn Property GmbH once the Proposed Sale of Hemmers is completed, recovery of EUR 0.6 million of withholding tax from the German tax authorities and a distribution of approximately EUR 0.9 million by the KMR insolvency administrator. The Recovery of the withholding tax and distribution from the KMR Insolvency administrator are expected within 3-6 months of the transaction completion.

Related Party Transactions

The Loan Agreements constitute related party transactions for the purposes of Rule 13 of the AIM Rules by virtue of Johan Claesson being a substantial shareholder and director of the Company and controller of CA Fastigheter AB, and Peter Gyllenhammar being a substantial shareholder of the Company and controller of Bronsstadet AB, therefore CA Fastigheter AB and Bronsstadet AB are considered related parties. Jan Holmstrom and David Cooper, being directors of the Company independent of the Transactions, having consulted with the Company's nominated adviser, Cairn Financial Advisers LLP, consider that the terms of the Transactions are fair and reasonable in so far as the Company's shareholders are concerned.

Capitalised terms used in this Announcement shall, unless otherwise defined, have the same meaning as set out in the announcement on 15 December 2023.

This announcement contains inside information for the purposes of UK Market Abuse Regulation and has been arranged for release by Jan G Holmstrom, Chairman.

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Cautionary statement

Certain statements made in this announcement are forward-looking statements. Such statements are based on current expectations and assumptions and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results expressed or implied in these forward-looking statements. Persons receiving this announcement should not place undue reliance on forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, the Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

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