

BRAIME GROUP PLC

("Braime" or the "Company" and with its subsidiaries the "Group")

Loan Agreement

As part of the Company's wider strategy to enhance its freehold property at Hunslet Road, Leeds (UK), the Company is redeveloping the rear of the property that is currently a disused part of the site. This redevelopment work will incorporate a new climate-controlled warehouse extension for its CNC chain cell operations, improved dispatching areas for its manufacturing division, and additional parking facilities. The works are expected to be completed at the end of the year and further updates will be provided in due course.

The development cost for this site is anticipated to be £900,000 and the Company has today entered into a loan agreement with HSBC to provide an £850,000 development term loan (the "Loan"). The Loan is repayable over five years and interest accrues annually at a rate of 2.5% over base rate. The balance of the outstanding monies required for the development will come from existing cash resources.

For further information please contact:

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