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

ANNUAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2023

At a meeting of the directors held today, the accounts for the year ended 31st December 2023 were submitted and approved by the directors. The accounts statement is as follows:

Chairman's statement

High level results
I am pleased to announce Group revenue for 2023 of £48.2m and profit before tax of £3.3m. These results are discussed further in the Business Review and the Group Strategic Report, however I am delighted with the results given the general economic climate.

Dividends
The Company paid an interim dividend of 5.25p in October 2023. Based on the results above the directors propose paying a second interim dividend of 9.50p on the 24th May 2024 to the holders of the Ordinary and "A" Ordinary Shares on the share register on 10th May 2024. The ex-dividend date is 9th May 2024. This brings the total dividend paid in relation to the 2023 financial year to 14.75p, compared to 13.75p in 2022.

Overall strategy
Our strategy remains largely unchanged, continuing to invest in constantly improving our production processes and exploring new global markets for our niche products and developing new innovations for our customers' engineering challenges.

Staff
I would like to thank all our staff and colleagues who have continued to provide, commitment, ideas and enthusiasm throughout the year. The quality and commitment of our people has been at the heart of our business success. This has been demonstrated in many ways, including the deepening relationships with our customers, and continual development of our product lines and their flexibility in adapting to the ever-changing business landscape.

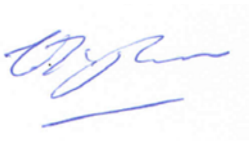
Current trading and outlook
Much of the world economy is currently either in recession, or at risk of being in recession, and although its degree varies across different countries and regions, nevertheless this will inevitably affect our own performance in 2024. This long predicted and widely discussed global economic downturn began in early 2023 but thankfully affected our businesses less, and also much later in the year, than I had thought when I wrote last year's Chairman's statement, and the outlook at the half-year in 2023.

The principal market for a large proportion of the pressed steel components manufactured by Braime Pressings is the commercial vehicle industry; historically this has been the last sector to feel the effects of a downturn in the economy and unfortunately has usually been the last sector to recover. Although Braime Pressings has secured orders for additional products from its customers in this important sector of our business, as well as winning some large additional work for pressed steel components from entirely new industry sectors, in this instance from both the energy and building sectors, nevertheless current levels of sales remain slightly below last year's figures and we expect this situation to continue for much of 2024.

The principal sales of the Group globally, made through the 4B division of the Group, are of components for new equipment used in the "Bulk Material Handling Industry." The highest volume of these sales are used in new machinery required for even larger new facilities to store or process granular products used primarily in food production. Although the construction and final completion of these investments were often delayed on site by the Covid epidemic, the number of investment projects to expand food production actually increased through the post Covid period and continued to do so through 2022 and 2023. The quantity of these investments were the primary reason behind the Group's sequence of positive results. However, we understand that the level of such investments globally is currently much lower, so the activities of the major original equipment manufacturers (OEMs) of new machinery, which require large volumes of both the mechanical and electronic components supplied by the Group, are similarly being supplied in more lower volumes, especially in the Western European market. This leads to more competition for the same demand and pressure on margins because of the increased competition for the supply to the ongoing remaining projects. Eastern and Central Europe, including the Ukraine, and more recently Russia itself, had become major areas of investment in new facilities to store and process cereals, but these regions have largely been closed; and this has also reduced the sales for our newer OEM customers in the Asian markets. Fortunately, in 2024, we continue to benefit from ongoing investment in new facilities in the USA and South America.

The 4B Division of the Group also makes substantial sales to existing facilities we refer to as "End Users" and who provide a significant spares market for our traditional mechanical products and also for the Group's new electronic products, which improve safety and reduce maintenance. This is a business sector that we have targeted and which remained buoyant both through Covid and continues to be so even in the current downturn. This helps provide the Group with stability at a time when we consider the market for new machinery to be running at a low ebb and is a benefit of 4B division's increasing product range and also of the Group's global geographic spread of sales.

So overall, while we expect lower sales volume in 2024, this is offset partially by sales of new product lines launched in late 2023. We remain hopeful, in spite of the current parlous state of the global economy, of a reasonably positive result in 2024.



Nicholas Braime, Chairman

22nd April 2024

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Business review

Business overview

We are delighted that the Group has had another excellent year despite a mixed economic backdrop globally. Our group revenue of £48.2m is a new record. We are pleased that post-covid, we have continued to see year on year sales growth since 2020. Profit from operations was £3.7m and profit before tax was £3.3m.

Much of the sales growth this year has been generated from the strong performance in the USA and South American markets which have continued to see investments in the grain and feed sector. The Americas increased sales by 22% in 2023 to £23m. By contrast, the European market has remained fairly static in part due to the ongoing war in the Ukraine and the economic slowdown and rising inflation across much of the continent which has dampened demand for investment in new bulk handling facilities. We have seen some growth in revenue in Africa while sales in the Asia Pacific region have remained in line with prior year despite a considerable slowdown of the Chinese economy and difficult market conditions in Australia and parts of SE Asia.

In the UK, our steel components manufacturing business has been impacted by a more cautious approach to stock-build by external and internal customers and revenues fell to £10.5m from £11.8m in 2022.

New business product development

As a Group we continue to benefit from our long-term strategy of investment in continually developing new products and markets. The Group benefits from its global presence with subsidiaries located across the world and a great distribution network through its long-term partners. Our strategy going into 2024 is to continue to invest in manufacturing improvements, new innovative products and developing new markets to extend our distribution.

The Group has strengthened its global presence and expanded its multinational trading business with the opening of a new 4B subsidiary branch in the UAE in the summer of 2023. 4B Middle East is 4B's 8th international trading entity, further extending the company's global reach. 4B has been serving customers in the Middle East for many years, across many industries ranging from grain handling to fertilizer and cement. With its local office in the UAE, 4B is now available to provide on-site engineering and after sales support, which are at the heart of 4B's customer service philosophy. The opening of the 4B Middle East office brings us closer to our customers in the region and enables us to directly support them with technological material handling solutions. The Middle East is an area of strategic importance with great resources and is a region of significant economic growth.

The Group remains focused on innovation, a strategy that continues to maintain 4B at the leading edge of technology for our market sector. Recent product releases such as the IE node and 4B Encoder have proven to be great additions to our electronics product portfolio and have been well received by our customers. In 2023, the Group has again launched a number of new innovative electronics products designed for dust hazardous environments and condition monitoring. The recently released IE-GuardFlex strengthens the range and scope of hazard monitoring systems provided by 4B. This centralised controller and distributed node-based solution fits perfectly to large end user systems providing advanced hazard monitoring features suitable for all machine types and offers a cost-effective alternative to traditional PLC based implementations. Our universal speed relay has a simple and intuitive graphical display which allows easy and precise machine set up to monitor over- and under-speed, while our range of Mili-VIB 4-20mA sensors offer a condition monitoring solution for continuous monitoring of vibration levels and temperature in industrial environments and hazardous areas providing reliable and accurate data that can be used to optimise performance and increase equipment longevity.

Our UK manufacturing business has been working closely with customers to convert costly manufacturing processes into lower cost volume presswork. The knowledge and skill set of our manufacturing team has proved fundamental in facilitating this new business and we now see opportunities in the application of these processes to the construction and buildings industries.

New capital investments

The Group continues to spend capital to maintain its productivity and to safeguard its asset base through appropriate redevelopment and refurbishment of plant and property as well as the purchase of new machinery. In 2023, the Group invested £1.6m in capital investments. £0.4m of this relates to enhancements to the chain cell area. As discussed in last year's report, we took advantage of the necessity forced upon us to rebuild the chain cell area to improve the efficiency of production areas and to increase our existing capacity to ensure the ongoing growth of this product line.

We also invested £0.4m on the redevelopment of our manufacturing dispatch yard and the construction of an additional employee car park to the rear of our Hunslet property which includes an attenuation tank to minimise the risk of oil spillages contamination and is also a flood defense. As reported last year, in February 2023 we completed the installation of the second phase of our solar panel installation, an important feature of our sustainability.

In the USA, we strengthened our portfolio of plastic injection moulding machines in our US facility with the purchase of a 528-tonne moulding machine and invested in new tooling for our range of 5 inch projection CC-S buckets. These investments help to strengthen our position as one of the top three manufacturers of plastic elevator buckets in the USA and facilitate our ability to provide a 'one stop shop' package solution of buckets, belts, bolts and belt fasteners to our end user and OEM customers.

Similarly, investments made in our robotic lines for manufacturing steel elevator buckets will help maintain our position as the market leader and enable us to increase volumes while the refurbishment of our large hydraulic 400t press will also enable us to target new business in areas outside of the automotive and materials handling industries.

2023 has built on the process improvements and innovation activities of 2022 and we look forward to an exciting year in 2024 continuing our strategy of investment in improving manufacturing efficiencies, new product development and new market opportunities.

The directors present their strategic report of the Company and the Group for the year ended 31st December 2023.

Principal activities

The principal activities of the Group during the year under review was the manufacture of deep drawn metal presswork and the distribution of material handling components and monitoring equipment. Manufacturing activity is delivered through the Group's subsidiary Braime Pressings Limited and the distribution activity through the Group's 4B division.

Braime Pressings specialises in metal presswork, including deep drawing, multi-stage progression and transfer presswork. Founded in 1888, the business has over 130 years of manufacturing experience. The metal presswork segment operates across several industries including the automotive sector and supplies external as well as group customers.

The subsidiaries within the 4B division are industry leaders in developing high quality, innovative and dependable material handling components for the agricultural and industrial sectors. They provide a range of complementary products including elevator buckets, elevator and conveyor belting, elevator bolts and belt fasteners, forged chain, level monitors and sensors and controllers for monitoring and providing preventative maintenance systems which facilitate handling and minimise the risk of explosion in hazardous areas. The 4B division has operations in the Americas, Europe, the Middle East, Asia, Australia and Africa and in 2023 traded in ninety-eight countries. The US subsidiary also has an injection-moulding plant. All injectionmoulded products are made wholly for 4B internal consumption and this is classed as 4B division activity rather than included in the manufacturing segment.

Performance highlights

The board is pleased to report better results than was anticipated at the start of the year. For the year ended 31st December 2023, the Group generated revenues of £48.2m, up £3.3m from prior year. Profit from operations was £3.7m, down £351,000 from prior year and EBITDA was £5.4m, down £208,000 from prior year.

Profit before tax was £3.3m, down £487,000 from prior year.

At 31st December 2023, the Group had net assets of £20.8m.

Cash flow

Inventories decreased by £702,000 as the Group utilised stock built up during 2022 when sales were rising rapidly. Trade and other receivables similarly decreased, down £998,000 reflecting lower customer activity during the period close to the year end. There was a corresponding decrease in our trade and other payables of £2.1m reflecting the decrease in purchases of stock. In total the business generated funds from operations of £3.2m (2022 - £3.4m). During the year, the Group spent £1.6m on property, plant and equipment; £775,000 of this was on improvements to our Hunslet property in the UK, and £860,000 on purchases of plant and machinery, mainly for our manufacturing division. After the payment of other financial costs and the dividend, the cash balance (net of overdraft) was £2.2m, an increase of £1.4m from the prior year.

Bank facilities

The Group's operating banking facilities are renewed annually. At the year end, the available headroom on its operating facilities was £3.4m. As previously announced, the Group had additionally obtained a development loan facility of £1.5m from its bankers HSBC for the Hunslet Road chain cell project, of which only £978,000 was ever drawn down. Post-year end in February 2024, in line with expectations at the time of taking out the development facility, this was converted to a term loan, repayable over five years at an interest of 2.5% above base rate. The business continues to enjoy good relations with its bankers.

Taxation

The tax charge for the year was £999,000, with an effective rate of tax of 30.0% (2022 – 28.8%). The effective rate is higher than the averaged UK standard tax rate of 23.5% (2022 – 19%); this results from the blending effect of the different rates of tax applied by each of the countries in which the Group operates, in particular, our US operations' tax charge affects the blended rate. In any financial year the effective rate will depend on the mix of countries in which profits are made, however the Group continues to review its tax profile to minimise the impact.

Capital expenditure

In 2023, the Group invested £1.6m (2022 - £2.8m) in property, plant and equipment and intangible assets. In addition to £775,000 spent on the UK chain cell enhancements, solar panels and improved rear car park facilities, the Group has also spent £860,000 enhancing its engineering capabilities, purchasing robotic controls and sensors, a new access control system, a 600t press in the UK, and a new injection moulding machine and plastic bucket moulds in the USA.

Balance sheet

Net assets of the Group have increased to £20.8m (2022 - £19.2m). Sterling strengthened against the United States dollar in 2023 from a low base in 2022. Consequently, a foreign exchange loss of £505,000 (2022 – £815,000 gain) was recorded on the re-translation of the net assets of the overseas operations, which has decreased retained earnings in the year.

Principal exchange rates

The Group reports its results in sterling, its presentational currency. The Group operates in six other currencies and the principal exchange rates in use during 2023 and the comparative figures for 2022 are shown in the table below.

Currency	Symbol	Average rate Full year 2023	Average rate Full year 2022	Closing rate 31st Dec 2023	Closing rate 31st Dec 2022
Australian Dollar	AUD	1.880	1.777	1.868	1.771
Chinese Renminbi (Yuan)	CNY	8.821	8.354	9.041	8.394
Euro	EUR	1.152	1.170	1.154	1.128
South African Rand	ZAR	23.088	20.155	23.307	20.385
Thai Baht	THB	43.423	43.159	43.805	41.589
United States Dollar	USD	1.248	1.232	1.275	1.204

Our business model

The two segments of the Group are very different operations and serve different markets, however together they provide diversification, strength and balance to the Group and their activities.

The focus of the presswork manufacturing business is to produce quality, technically demanding steel components. The use of automated equipment allows us to produce in high volumes whilst maintaining flexibility to respond to customer demands.

The material handling components business operates from a number of locations around the globe allowing us to be close to our core markets. The focus of the business is to provide innovative solutions drawing on our expertise in material handling and access to a broad product range.

Performance of Braime Pressings Limited, manufacturer of deep drawn metal presswork

Braime Pressings Limited sales of £10.5m were down £1.4m on prior year. External sales and intercompany sales were £5.7m and £4.8m as compared to £6.7m and £5.1m respectively in 2022. Profit for the period was £613,000 (2022 – £1.0m). The board believes the business continues to add strategic value through its supply to the 4B division and complementary engineering expertise.

Performance of the 4B division, world-wide supplier of components and monitoring systems for the material handling industry

Revenues increased from £46.3m to £50.3m, with external sales up £4.3m to £42.4m. Profit for the period fell by £550,000 to £2.3m. The North American market continued its strong growth in 2023, with external revenues up 22% to £23m, and Africa also performed strongly with sales up 17%. However, the ongoing war in Ukraine has continued to dampen European sales which are down from 2023 and the Pacific region sales have remained static.

Key performance indicators

The Group uses the following key performance indicators to assess the performance of the Group as a whole and of the individual businesses:

Key performance indicator	**Note**	**2023**	**2022**
Turnover growth	1	7.3%	23.3%
Gross margin	2	46.8%	47.6%
Operating profit before exceptional item	3	3.75m	4.45m
Stock days	4	179 days	206 days
Debtor days	5	52 days	64 days

Notes to KPI's

1. Turnover growth

The Group aims to increase shareholder value by measuring the year on year growth in Group revenue. Whilst growth is lower than 2022, which was an exceptional year, the board remain pleased with the revenue growth achieved particularly in the North American sector.

2. Gross margin

Gross profit (revenue plus change in inventories less raw materials used) as a percentage of revenue is monitored to maximise profits available for reinvestment and distribution to shareholders. The decrease in gross margin is the result of continuing higher material prices, across all product categories.

3. Operating profit before exceptional item

Sustainable growth in operating profit is a strategic priority to enable ongoing investment and increase shareholder value. Reduction in operating profit, follows an exceptionally strong year in 2022 and management remains pleased with the results in the current economic climate.

4. Stock days

The value of period end inventories divided by raw materials and consumables used and changes in inventories of finished goods and work in progress expressed as a number of days is monitored to ensure the right level of stocks are held in order to meet customer demands whilst not carrying excessive amounts which impacts upon working capital requirements. Stock days have decreased due to the unwinding of the inventory build-up in December 2022, which was put in place to mitigate the impact of increases in raw materials costs in 2022.

5. Debtor days

The value of period end trade receivables divided by revenue expressed as a number of days. This is an important indicator of working capital requirements. Debtor days have decreased as a result of lower sales growth compared to 2022, particularly towards the end of the financial year.

Other metrics monitored weekly or monthly include quality measures (such as customer complaints), raw materials buying prices, capital expenditure, line utilisation, reportable accidents and near-misses.

Principal risks and uncertainties

The continued conflict in Ukraine and now Gaza as well as other geo-political pressures create uncertainties in the world markets in which the Group operates.

The Group's short reporting lines of management means it can remain nimble footed to sudden and/or large changes in the business landscape.

General risks

The market remains challenging for our manufacturing division, due to pricing pressures throughout the supply chain. The maintenance of the TS16949 quality standard is important to the Group and allows it to access growing markets within the automotive and other sectors. A process of continual improvement in systems and processes reduces this risk as well as providing increased flexibility to allow the business to respond to customer requirements.

Our 4B division maintains its competitive edge in a price sensitive market through the provision of engineering expertise and by working closely with our suppliers to design and supply innovative components of the highest standard. In addition, ranges of complementary products are sold into different industries. The monitoring systems are developed and improved on a regular basis.

The directors receive monthly reports on key customer and operational metrics from subsidiary management and review these. The potential impact of business risks and actions necessary to mitigate the risks, are also discussed and considered at the monthly board meetings. The directors have put in place formal business continuity and disaster recovery plans with respect to its UK and overseas operations. The more significant risks and uncertainties faced by the Group are set out below:-

- **Raw material price fluctuation**:- The Group is exposed to fluctuations in steel and other raw material prices and to mitigate this volatility, the Group fixes its prices with suppliers where possible.

- **Energy price fluctuation:-** The manufacturing division is energy intensive. It uses forward contracts to mitigate volatility and is continually evaluating its processes to reduce energy consumption and generate energy.

- **Reputational risk**:- As the Group operates in relatively small markets any damage to, or loss of reputation could be a major concern. Rigorous management attention and quality control procedures are in place to maximise right first time and on time delivery. Responsibility is taken for ensuring swift remedial action on any issues and complaints.

- **Damage to warehouse or factory:-** Any significant damage to a factory or warehouse will cause short-term disruption. To mitigate these risks, the Group has arrangements with key suppliers to step up supply in the event of a disruption.

- **Economic fluctuations**:- The Group derives a significant proportion of its profits from outside the UK and is therefore sensitive to fluctuations in the economic conditions of overseas operations including foreign currency fluctuations. As the Covid-19 pandemic has demonstrated, economies are greatly intertwined and reverberations feed through the supply chain.

- **Cyber security**:- All businesses now rely almost totally on computers, networks and systems with 'data' information held on them, and require privacy and integrity of this data. The likelihood of cyber security attacks and security threats are key risks for every organisation. The Group reviews its security measures regularly with its IT providers.

Financial instruments

The operations expose the Group to a variety of financial risks including the effect of changes in interest rates on debt, foreign exchange rates, credit risk and liquidity risk.

The Group's exposure in the areas identified above are discussed in note 19 of the financial statements.

The Group's principal financial instruments comprise sterling and foreign cash and bank deposits, bank loans and overdrafts, other loans and obligations under finance leases together with trade debtors and trade creditors that arise directly from operations. The main risks arising from the Group's financial instruments can be analysed as follows:

Price risk
The Group has no direct exposure to securities price risk, as it holds no listed equity instruments. The Group maintains a defined benefit scheme, the asset valuations are subject to market changes (note 21).

Foreign currency risk
The Group operates a centralised treasury function which manages the Group's banking facilities and all lines of funding. Forward contracts are on occasions used to hedge against foreign exchange differences arising on cash flows in currencies that differ from the operational entity's reporting currency.

Credit risk
The Group's principal financial assets are bank balances, cash and trade receivables, which represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group's credit risk is primarily attributable to its trade receivables. Credit risk is mitigated by a stringent management of customer credit limits by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating. The Group also has credit insurance in place. The amounts presented in the balance sheet are net of allowance for doubtful debts, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk
The Group's policy has been to ensure continuity of funding through acquiring an element of the Group's fixed assets under medium term loans and finance leases and arranging funding for operations via bank overdrafts to aid short term flexibility.

Cash flow interest rate risk
Interest rate bearing assets comprise cash and bank deposits, all of which earn interest at a fixed rate. The interest rate on the bank overdraft is at market rate and the Group's policy is to keep the overdraft within defined limits such that the risk that could arise from a significant change in interest rates would not have a material impact on cash flows. The Group's policy is to maintain other borrowings at fixed rates to fix the amount of future interest cash flows.

The directors monitor the level of borrowings and interest costs to limit any adverse effects on the financial performance of the Group.

Research and development

The Group continues to invest in research and development and from time to time liaises with university engineering groups with a view to improving features of its products. This has resulted in innovations in the products which will benefit the Group in the medium to long term.

Duties to promote the success of the Company

Section 172 of the Companies Act 2006 requires the directors to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the most likely consequences of any decision in the long term;
- the interest of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between the members of the Company.

The board confirms that, during the year, it has had regard to the matters set out above. Further details as to how the directors have fulfilled their duties are set out below and in the Governance Report which in particular, expands on directors' duties and stakeholder liaison.

Corporate social responsibility

Business ethics and human rights

The board is respectful of the Company's long history, and considers the long-lasting impact of its decisions. We are committed to conducting our business ethically and responsibly, and treating employees, customers, suppliers and shareholders in a fair, open and honest manner. As a business, we receive audits by both our independent auditors and by our customers and we look to source from suppliers who share our values. We encourage our employees to provide feedback on any issues they are concerned about and have a whistle-blowing policy that gives our employees the chance to report anything they believe is not meeting our required standards.

The Group is similarly committed to conducting our business in a way that is consistent with universal values on human rights and complying with the Human Rights Act 1998. The Group gives appropriate consideration to human rights issues in our approach to supply chain management, overseas employment policies and practices. Where appropriate, we support community partnering.

Health and safety

We maintain healthy and safe working conditions on our sites and measure our ability to keep employees and visitors safe. We continuously aim to improve our working environments to ensure we are able to provide safe occupational health and safety standards to our employees and visitors. The directors receive monthly H&S reports and we carry out regular risk management audits to identify areas for improvement and to minimise safety risks. As a global business, the Group is able to tap into the experience of its various international locations to share best practice and learning points. The experience of the past two years has improved our plans and procedures in the event of future pandemics.

Employees

The quality and commitment of our people has played a major role in our business success. This has been demonstrated in many ways, including improvements in customer satisfaction, the development of our product lines and the flexibility they have shown in adapting to changing business requirements. Employee performance is aligned to the achievement of goals set within each subsidiary and is rewarded accordingly. Employees are encouraged to use their skills to best effect and are offered training either externally or internally to achieve this. As a global business, the Group fully recognises and seeks to harness the benefits of diversity within its work force.

Environment

The Group's policy with regard to the environment is to understand and effectively manage the actual and potential environmental impact of our activities. Operations are conducted such that we comply with all legal requirements relating to the environment in all areas where we carry out our business and is currently looking at the new reporting requirements that may fall due in the future. The Group continuously looks for ways to harness energy reduction (electricity and gas) and water. The Company has already installed two solar PV systems on its UK premises generating 310 KWh of energy. During the period of this report the Group has not incurred any fines or penalties or been investigated for any breach of environmental regulations. The board is cognizant that climate change will change the business landscape for the future and is working to understand its wide-ranging impact on the Group's activities and operations.

Social and community matters

We recognise our responsibility to work in partnership with the communities in which we operate and we encourage active employee support for their community in particular, in aid of technical awareness and training. We regularly participate in a number of education events encouraging interest in engineering in young people. It is our policy not to provide political donations.

Consolidated income statement for the year ended 31st December 2023 (audited)

	2023	2022
	£'000	£'000
Revenue	**48,155**	44,879
Changes in inventories of finished goods and work in progress	**(426)**	2,925
Raw materials and consumables used	**(25,188)**	(26,456)
Employee benefits costs	**(11,009)**	(10,260)
Depreciation and amortisation expense	**(1,678)**	(1,535)
Other expenses	**(6,270)**	(5,391)
Other operating income	**164**	287
Profit from operations before exceptional item	**3,748**	4,449

Exceptional item	-	(350)
Profit from operations	**3,748**	4,099
Finance expense	**(485)**	(282)
Finance income	**72**	5
Profit before tax	**3,335**	3,822
Tax expense	**(999)**	(1,101)
Profit for the year	**2,336**	2,721
Profit attributable to:		
Owners of the parent	**2,274**	2,768
Non-controlling interests	**62**	(47)
	2,336	2,721
Basic and diluted earnings per share	**162.22p**	188.96p

Consolidated statement of comprehensive income for the year ended 31st December 2023 (audited)

	2023	2022
	£'000	£'000
Profit for the year	**2,336**	2,721
Items that will not be reclassified subsequently to profit or loss		
Net pension remeasurement gain on post employment benefits	**19**	128
Items that may be reclassified subsequently to profit or loss		
Foreign exchange (loss)/gain on re-translation of overseas operations	**(505)**	815
Other comprehensive income for the year	**486**	943
Total comprehensive income for the year	**1,850**	3,664
Total comprehensive income attributable to:		
Owners of the parent	**1,775**	3,727
Non-controlling interests	**75**	(63)
	1,850	3,664

Consolidated balance sheet at 31st December 2023 (audited)

	2023	2022
	£'000	£'000
Assets		
Non-current assets		
Property, plant and equipment	**10,082**	9,782
Intangible assets	**489**	636
Right of use assets	**717**	425
Total non-current assets	**11,288**	10,843
Current assets		
Inventories	**12,587**	13,289
Trade and other receivables	**7,973**	8,760
Cash and cash equivalents	**2,310**	1,458
Total current assets	**22,870**	23,507

Total assets	**34,158**	34,350
Liabilities		
Current liabilities		
Bank overdraft	**138**	672
Trade and other payables	**6,991**	8,635
Other financial liabilities	**3,769**	3,219
Corporation tax liability	**52**	195
Total current liabilities	**10,950**	12,721
Non-current liabilities		
Financial liabilities	**2,325**	2,343
Deferred income tax liability	**44**	92
Provision for liabilities	**-**	-
Total non-current liabilities	**2,369**	2,435
Total liabilities	**13,319**	15,156
Total net assets	**20,839**	19,194
Share capital	**360**	360
Capital reserve	**257**	257
Foreign exchange reserve	**221**	742
Retained earnings	**20,182**	18,091
Total equity attributable to the shareholders of the parent	**21,020**	19,450
Non-controlling interests	**(181)**	(256)
Total equity	**20,839**	19,194

Consolidated cash flow statement for the year ended 31st December 2023 (audited)

	2023	2022
	£'000	£'000
Operating activities		
Net profit	**2,336**	2,721
Adjustments for:		
Depreciation and amortisation	**1,678**	1,535
Foreign exchange (losses)/gains	**(424)**	622
Finance income	**(72)**	(5)
Finance expense	**485**	282
Gain on sale of land and buildings, plant, machinery and motor vehicles	**(80)**	(188)
Adjustment in respect of defined benefit scheme	**69**	132
Income tax expense	**999**	1,101
Income taxes paid	**(1,401)**	(759)
	1,254	2,720
Operating profit before changes in working capital and provisions	**3,590**	5,441
Decrease/(increase) in trade and other receivables	**998**	(2,669)
Decrease/(increase) in inventories	**702**	(3,165)
(Decrease)/increase in trade and other payables	**(2,053)**	4,870
Decrease in provisions	**-**	(1,054)
	(353)	(2,018)
Cash generated from operations	**3,237**	3,423
Investing activities		
Purchases of property, plant, machinery and motor vehicles	**(1,421)**	(2,053)
Purchase of intangible assets	**-**	(725)
Sale of land and buildings, plant, machinery and motor vehicles	**88**	216
Interest received	**22**	1
	(1,311)	(2,561)
Financing activities		
Proceeds from long term borrowings	**977**	236

Repayment of borrowings	**(372)**	(392)
Repayment of hire purchase creditors	**(172)**	(158)
Repayment of lease liabilities	**(283)**	(268)
Bank interest paid	**(404)**	(210)
Lease interest paid	**(64)**	(60)
Hire purchase interest paid	**(17)**	(11)
Dividends paid	**(205)**	(187)
	(540)	(1,050)
Increase/(decrease) in cash and cash equivalents	**1,386**	(188)
Cash and cash equivalents, beginning of period	**786**	974
Cash and cash equivalents, end of period	**2,172**	786

Consolidated statement of changes in equity for the year ended 31st December 2023 (audited)

	Share Capital £'000	Capital Reserve £'000	Foreign Exchange Reserve £'000	Retained Earnings £'000	Total £'000	Non-Controlling Interests £'000	Total Equity £'000
Balance at 1st January 2022	360	257	(89)	15,382	15,910	(193)	15,717
Comprehensive income							
Profit	-	-	-	2,768	2,768	(47)	2,721
Other comprehensive income							
Net pension remeasurement gain recognised directly in equity	-	-	-	128	128	-	128
Foreign exchange gains on re-translation of overseas subsidiaries consolidated operations	-	-	831	-	831	(16)	815
Total other comprehensive income	-	-	831	128	959	(16)	943
Total comprehensive income	-	-	831	2,896	3,727	(63)	3,664
Transactions with owners							
Dividends	-	-	-	(187)	(187)	-	(187)
Total transactions with owners	-	-	-	(187)	(187)	-	(187)
Balance at 1st January 2023	**360**	**257**	**742**	**18,091**	**19,450**	**(256)**	**19,194**
Comprehensive income							
Profit	**-**	**-**	**-**	**2,274**	**2,274**	**62**	**2,336**
Other comprehensive income							
Net pension remeasurement gain recognised directly in equity	**-**	**-**	**-**	**19**	**19**	**-**	**19**
Foreign exchange losses on re-translation of overseas subsidiaries consolidated operations	**-**	**-**	**(521)**	**3**	**(518)**	**13**	**(505)**
Total other comprehensive income	**-**	**-**	**(521)**	**22**	**(499)**	**13**	**(486)**
Total comprehensive income	**-**	**-**	**(521)**	**2,296**	**1,775**	**75**	**1,850**
Transactions with owners							
Dividends	**-**	**-**	**-**	**(205)**	**(205)**	**-**	**(205)**
Total transactions with owners	**-**	**-**	**-**	**(205)**	**(205)**	**-**	**(205)**
Balance at 31st December 2023	**360**	**257**	**221**	**20,182**	**21,020**	**(181)**	**20,839**

1. EARNINGS PER SHARE AND DIVIDENDS

Both the basic and diluted earnings per share have been calculated using the net results attributable to shareholders of Braime Group PLC as the numerator.

The weighted average number of outstanding shares used for basic earnings per share amounted to 1,440,000 shares (2022 – 1,440,000). There are no potentially dilutive shares in issue.

Dividends paid	**2023**	2022

	£'000	£'000
Equity shares		
Ordinary shares		
Interim of 9.00p (2022 – 8.20p) per share paid on 26th May 2023	**43**	39
Interim of 5.25p (2022 – 4.75p) per share paid on 13th October 2023	**25**	23
	68	62
'A' Ordinary shares		
Interim of 9.00p (2022 – 8.20p) per share paid on 26th May 2023	**87**	79
Interim of 5.25p (2022 – 4.75p) per share paid on 13th October 2023	**50**	46
	137	125
Total dividends paid	**205**	187

An interim dividend of 9.50p per Ordinary and 'A' Ordinary share will be paid on 24th May 2024.

2. SEGMENTAL INFORMATION

	Central 2023 £'000	**Presswork Manufacturing 2023 £'000**	**4B 2023 £'000**	**Total 2023 £'000**
Revenue				
External	**-**	**5,710**	**42,445**	**48,155**
Inter Company	**2,567**	**4,747**	**7,819**	**15,133**
Total	**2,567**	**10,457**	**50,264**	**63,288**
Profit				
EBITDA	**490**	**692**	**4,244**	**5,426**
Finance costs	**(255)**	**(94)**	**(136)**	**(485)**
Finance income	**-**	**50**	**22**	**72**
Depreciation and amortisation	**(720)**	**(35)**	**(923)**	**(1,678)**
Tax expense	**(46)**	**-**	**(953)**	**(999)**
(Loss)/profit for the period	**(531)**	**613**	**2,254**	**2,336**
Assets				
Total assets	**7,739**	**10,664**	**15,755**	**34,158**
Additions to non current assets	**1,319**	**40**	**879**	**2,238**
Liabilities				
Total liabilities	**2,337**	**3,000**	**7,982**	**13,319**

	Central 2022 £'000	Presswork Manufacturing 2022 £'000	4B 2022 £'000	Total 2022 £'000
Revenue				
External	-	6,688	38,191	44,879
Inter Company	1,880	5,149	8,087	15,116
Total	1,880	11,837	46,278	59,995
Profit				
EBITDA	(183)	1,118	4,699	5,634
Finance costs	(114)	(63)	(105)	(282)
Finance income	-	4	1	5
Depreciation and amortisation	(612)	(35)	(888)	(1,535)
Tax expense	(198)	-	(903)	(1,101)
(Loss)/profit for the period	(1,107)	1,024	2,804	2,721
Assets				
Total assets	7,225	9,206	17,919	34,350
Additions to non current assets	1,886	8	922	2,816
Liabilities				
Total liabilities	1,918	3,771	9,467	15,156

3. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the UK (IFRSs as adopted by the UK), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention. The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31st December 2023 as described in those financial statements.

4. ANNUAL GENERAL MEETING

The Annual General Meeting of the members of the company will be held at the registered office of the company at Hunslet Road, Leeds, LS10 1JZ on Thursday 27th June 2024 at 11.45am. The annual report and financial statements will be sent to shareholders by 29th May 2024 and will also be available on the company's website (www.braimegroup.com) from that date.

The Company will take into account any Government guidance or legislation in force at the time of the AGM and will implement any measures it believes necessary to protect the health and safety of attendees. Any changes to the format of the AGM will be communicated to shareholders through the Company's website and, where appropriate, by stock exchange announcement.

5. THE ANNOUNCEMENT

The financial information set out in this announcement does not constitute statutory accounts as defined by section 434 of the Company Act 2006. The financial information for the year ended 31st December 2023 has been extracted from the Group's financial statements upon which the auditor's opinion is unqualified, does not include reference to any matters to which they wish to draw attention by way of emphasis without qualifying their report, and does not include any statement under section 498 of the Companies Act 2006. Statutory accounts for the year ended 31st December 2022 have been delivered to the Registrar of Companies, and those for 2023 will be delivered in due course.