

TEAMWORKS Karting

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COMPANY UPDATE

ISSUE 28: September 2009-January 2010

OVERVIEW

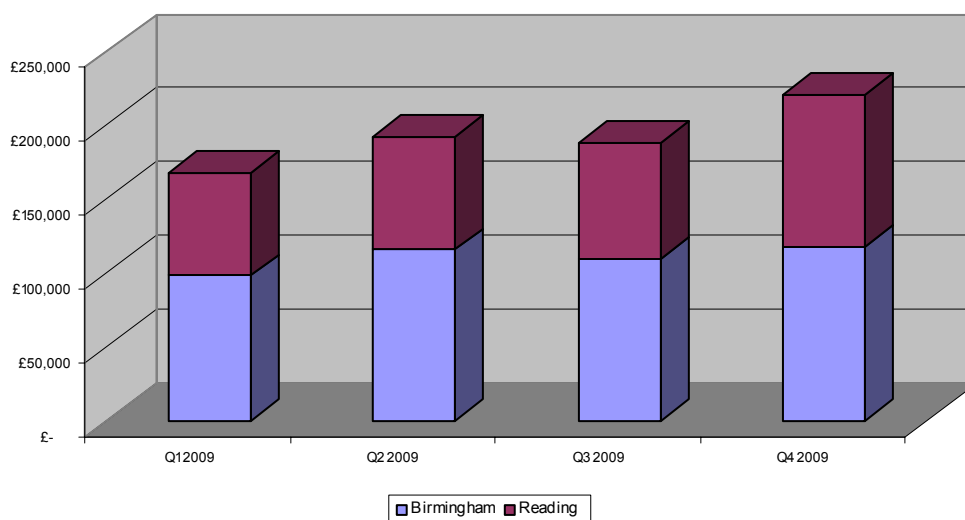
This Company Update has been postponed by a month to allow news of the progress of Teamworks Karting's third circuit to be included.

- Fundraising is now being completed for the new circuit, which is expected to open in May 2010.
- Sales for the Group's existing circuits are slowly starting to return to normal levels after a very hard year of trading, although it is too early to tell whether this is a trend.
- An unusual accident on track in November has confirmed the reliability and robustness of our systems and procedures. A comprehensive review of all aspects of safety has followed, and we can remain proud of our industry-leading safety record.
- As the launch of our third circuit filters across the karting industry, further opportunities are being introduced to us on a regular basis. We are building a pipeline for further acquisition and development in accordance with our business plan.

CURRENT TRADING

Teamworks Karting Quarterly Bookings

(Traditional Quarters: Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)



Having secured the business back to a profitable footing, despite the difficult market, overheads and operating costs continue to be kept to their lowest to retain positive cash flow and ensure the ongoing viability of the business as a whole.

December 2009 saw the first year-on-year increase in bookings since 2008. January's provisional figures have continued this trend, but it is too early to say that we have seen the end of the hard times. The forward bookings diary remains shorter lead than pre-August 2008, but on its present upward trend we are optimistic of a good period of stability and profitability. Encouragingly, corporate bookings which had been hit very hard in the recent downturn are starting to return and this, together with the benefit of the huge amount of hard work by the sales team on retail business, leaves the company well placed to benefit from any upturn.

A serious accident on track in November has occupied a lot of management time and attention, and an independent review of all track procedures has been carried out by the local Environmental Health Office. By coincidence, both the National Karting Association and the EHO had carried out a regular inspection just a few weeks earlier and given the circuit the green light. Our staff have been singled out for praise, and the EHO are expected to deliver their final report and/or recommendations shortly. Any recommendations will be implemented, but we do not anticipate that any fault will be placed on Teamworks regarding the incident.

LETCHWORTH

We are delighted to announce that through the support of several shareholders via a bond issue, and new bank finance from Lloyds TSB, the Company has now secured all of the required finance to open our third circuit. The Directors are hugely appreciative of the support demonstrated by those shareholders in backing the expansion strategy further which was critical in securing the backing from Lloyds TSB. The lease, which remains subject to contract and subject to planning permission, is going through its final stages of drafting.

Teamworks Karting Letchworth, in Hertfordshire, is scheduled to open in May 2010 after a 3 month period of refurbishment. We are now taking provisional bookings from May onwards, so please spread the word! The catchment includes NW London, Luton and Cambridge all within a 40-minute drive. News of developments will be posted at www.teamworkskarting.com/letchworth

VIP invitations to the launch party will be sent shortly and we would be pleased if you could consider inviting any personal or corporate contacts.

FURTHER VENUES:

A number of opportunities for further growth in 2010 and 2011 are being explored. These include both new-build circuits and acquisitions. Our new banking partner, Lloyds TSB, has expressed an appetite for funding further growth, and other industry funding avenues are also being developed as we make the transition from local independent operations towards building a national presence.

It is our intention to manage our growth in line with the capacity of our management, head office and back-end systems. We have invested heavily in administrative efficiencies since launching the Reading circuit in 2008, and we are well placed to take full advantage of any opportunities as they become available.

We hope that the trend in bookings continues to be positive, and we look forward to a very exciting 2010.

ANNUAL GENERAL MEETING

The AGM of Teamworks Karting Group plc will be held at our Birmingham Head Office at 1pm on Tuesday 1st June 2010. Shareholders will receive formal notices and voting forms by post to the service address held by the Company's registrars. If you require voting forms and your shares are held by a nominee company please contact us.

TEAMWORKS KARTING GROUP PLC

8th February 2010

Disclaimer: The Directors of Teamworks Karting Group plc accept full responsibility for this statement