

8 February 2010

Petards Group plc
(“Petards” or “the Group”)

Trading Update

Petards, the AIM quoted developer of advanced security and surveillance systems, is pleased to provide an update on trading following the end of its financial year on 31 December 2009.

As was anticipated in our Interim Statement issued on 25 September 2009, revenues for the year were weighted towards the second six months at better than expected margins. Consequently the Company’s view is that its profit before tax for the full year will be higher than market expectations. Cash generation in the second half was also stronger than envisaged due to lower working capital and we expect to report net debt of approximately £0.8m at 31 December 2009, reduced from £1.8m at the end of June 2009. Working capital is expected to increase over the course of 2010.

Our financial position has been further strengthened following the extension of our term loan facilities to 31 December 2012.

For further information:

Petards Group plc

Andy Wonnacott, Finance Director

www.petards.com

Tel: 0191 420 3000

Collins Stewart Europe Limited

Piers Coombs, Stewart Wallace

Tel: 020 7523 8350

Walbrook PR Limited

Ben Knowles

Tel: 020 7933 8788

Mob: 07900 346 978

ben.knowles@walbrookpr.com