

7 August 2009

Sabien Technology Group Plc ("Sabien" or "the Company") General Capital's Loan Agreement and Shareholdings in the Company

Introduction

Sabien is pleased to announce that it has entered into a £400,000 loan agreement ("the Loan Agreement") with TVI 2 Limited ("TV2"), a company incorporated and registered in Jersey which is advised by Thames Valley Capital Limited and which is owned by Bruce Gordon. The purpose of the Loan Agreement is to finance the repayment of Sabien's existing secured convertible loan from General Capital Venture Finance Limited ("General Capital") which was originally repayable in December 2009.

In addition, Sabien has been notified that TV2 has bought from General Capital 3,000,000 Sabien ordinary shares, representing 11.29 per cent of the issued share capital of Sabien. General Capital has security over a further 500,000 Sabien ordinary shares as collateral over a loan made to a third party, representing 1.88 per cent of the issued share capital of Sabien, but has granted TV2 a right of first refusal to buy these shares should it take possession of these and decide to dispose of them within the next twelve months.

Details of the transaction

The Loan Agreement will have an initial term of six months and will be extendable by Sabien for a further period of 18 months. If the loan is extended, then Sabien will incur a premium of £85,000 which will be added to the new loan. The new loan will be secured by a fixed and floating charge over the assets of all the companies in the Sabien group of companies. A fixed interest rate of 8 per cent. per annum will be payable quarterly in arrears from the date of completion. Sabien will have the right to make repayments of the new loan at any time without penalty.

It is proposed that during the first six months of the Loan Agreement, Bruce Gordon will attend Sabien's Board meetings as an observer. Sabien has agreed to pay a monitoring fee of £2,000 per month while the loan is outstanding and such fee will be waived if Sabien appoints a Non Executive Director who is approved by TV2.

In addition the Company has issued TV2 with warrants to subscribe for 2,952,279 Sabien ordinary shares representing 10% of the enlarged share capital of the Company at an exercise price of 6.6 pence (subject to certain adjustments) per ordinary share ("the Warrants"). The exercise price represents a premium of 14.78% to the average mid market price of a Sabien ordinary share during the 30 trading day period of the London Stock Exchange ending on 31 July 2009 of 5.75 pence.

The Warrants are exercisable as to 75%, at any time following the date falling 6 months from the date of issue of the Warrants with the remaining 25% being exercisable after 9 months. The Warrants will lapse to the extent not exercised by the fifth anniversary of the date of issue.

In the event that Sabien repays the new loan by 7 February 2010, then Warrants to subscribe for 1,476,140 ordinary shares representing 50% of the Warrants and 5% of the enlarged share capital of the Company will be cancelled.

If Sabien repays the new loan together with the repayment premium and all accrued interest on the new loan after 7 February 2010 but before 7 May 2010, then Warrants to subscribe for 738,070 ordinary shares representing 25% of the Warrants and 2.5% of the enlarged share capital of the Company will be cancelled.

Bruce Gordon

From 2001 to 2008 he was a senior partner of Deloitte LLP responsible for the southern region. His clients included a number of FTSE100 and FTSE350 companies. He was a member of the UK board of partners and served on various board committees. Prior to joining Deloitte in 2001 he was the UK regional managing partner at Arthur Andersen. He is the founder of Thames Valley Capital Limited, a company which advises venture capital funds.

RELATED PARTY TRANSACTION

General Capital is a substantial shareholder (as defined in the AIM Rules) of the Company. Accordingly, the early repayment of the existing loan from General Capital will be classified as a transaction with a related party for the purposes of the AIM Rules ("the Related Party Transaction"). In accordance, therefore, with the AIM Rules, the directors of the Company, having consulted with the Company's nominated adviser, Arbuthnot Securities Limited, consider that the terms of the Related Party Transaction are fair and reasonable insofar as the Company's shareholders are concerned.

Alan O'Brien, Chief Executive Officer, said:

"I am delighted to have been able to repay General Capital's convertible loan early and enter into a new and extended loan with TV2. This refinancing provides certainty of loan finance to the Company for the next two years. I am also pleased that the purchase by TV2 of the majority of General Capital's shares in Sabien puts these shares in the hands of an investor with a long term view. I look forward to working with Bruce in the future development of Sabien."

For further information:

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About Sabien

Sabien Technology Group (AIM: SNT) is focused on the manufacture and sale of M2G and M3G energy saving devices which are proven to reduce energy consumption on commercial boilers and air conditioning units by up to 35% with typical pay back in less than two years.