



24 September 2014

**Flowgroup plc  
(the "Company")**

**Flow Products signs testing agreement with major international energy company**

Flowgroup plc (AIM: FLOW), which develops and commercialises alternative and efficient energy technology products, announces that its subsidiary Flow Products, has signed a contract with one of the world's largest energy companies for the testing and evaluation of Flow's innovative microCHP boiler, the Flow boiler. The energy company operates across all major energy markets.

It is Flowgroup's aim to establish suitable routes to market for its microCHP boiler in all appropriate regions globally. The European market is a key target for the Group and conducting this initial test and evaluation of a Flow boiler with a major European energy player, at their facility, supports the objective of launching the Group's unique electricity-generating products across Europe. The market for gas fired heating products in Europe is c.8m units per year according to BRG Building Solutions, with many key markets such as Germany, Italy, France and Netherlands providing incentives and regulations for low carbon heating. This results in attractive market conditions for microCHP in these geographies.

The Company expects these tests to be completed by the end of 2014, following which the potential for commercial agreements will be assessed.

**Tony Stiff, Group CEO of Flowgroup, comments:**

"It has always been our belief that we have a technology platform that has the potential to radically change energy markets around the world. I am delighted to announce that a major international energy company wishes to formally assess the potential of the Flow boiler. Every country faces challenges around growing energy consumption, the rising cost of energy and the need to reduce emissions. We believe that the Flow boiler can play an important role in meeting these challenges and that is why we believe many energy companies worldwide will be interested in what we have to offer. Flow has developed its technology with the objective of expanding into Europe, North America and Asia. These markets represent opportunities for strong potential future growth and we are pleased to be making this announcement about an initial evaluation programme with an important European player."

**Flowgroup plc**

Tony Stiff, Group Chief Executive Officer

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