



24 November 2014

Flowgroup plc
(the "Company")

Expansion and improvement of Jabil manufacturing deal

Flowgroup plc (AIM: FLOW), which develops and commercialises alternative and efficient energy technology products, announces that it has expanded its manufacturing deal with Jabil Circuit Inc ("Jabil").

The number of electricity-generating Flow boilers to be manufactured under the agreement will increase from 390,000 to 500,000. In addition, Flowgroup and Jabil have agreed to collaborate on the Company's future Flow mCHP product developments. As well as this closer collaboration around product development, the amended agreement also includes an extension of the drawdown period of the previously announced loan facility, which now expires on 31 December 2015, and improvements to the credit terms for a period of time to support the initial launch of the Flow boiler in the UK.

Tony Stiff, Group CEO of Flowgroup, commented: *"We are delighted that Jabil will now manufacture 500,000 game-changing Flow boilers, rather than the original 390,000. As our two companies have worked together in the run up to the recent initiation of production of the Flow boiler, it has become clear that a closer relationship and greater collaboration could bring real benefits. It will allow Flowgroup to accelerate current product development, which potentially allows us to grow our boiler business more quickly, both in the UK and abroad, and the reduction of manufacturing costs. As with our original deal with Jabil, this represents an excellent opportunity for the Company."*

David Kipling, Senior Director Corporate Investment at Jabil, added: *"We are pleased that the relationship with Flowgroup continues to develop and we remain enthusiastic about Flowgroup's products and its business model. Jabil looks forward to continuing to provide support to Flowgroup in the pursuit of its business plans and production requirements."*

Flowgroup plc

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