

This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014 (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018) ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

17 October 2022

PipeHawk plc
("PipeHawk", "Company" or the "Group")

Update re. Major contract with Ventive Limited

PipeHawk provides the following update in relation to the contract entered into between QM Systems Limited ("QM"), one of the Group's principal subsidiaries, and Ventive Limited ("Ventive") announced on 10 March 2022.

In order to meet production deliverables associated with the "Ventive Home" System, Ventive needed to raise additional development capital. Pipehawk understands that Ventive is at an advanced stage of discussions to secure such funding.

The receipt of the additional development capital by Ventive has taken longer than originally anticipated. As a result, production of the "Ventive Home" System, which was scheduled to begin in June 2022, is now expected to commence in September 2023, with the product coming to market in the fourth quarter of 2023. As a consequence, revenues for QM associated with contract manufacturing of the "Ventive Home" System, which were expected to occur in the year ending 30 June 2023, are now expected to accrue in the subsequent financial year. QM continues to expect to receive revenue in connection with the building of the "Ventive Home" System production line within the year ending 30 June 2023.

Gordon Watt, Chairman of PipeHawk plc commented:

"While I am disappointed that the timing of production has been delayed for this project which has delayed the commencement of revenue for PipeHawk, I do recognise the challenges faced when bringing new and innovative disruptive technology to market. As a business, we thrive on being at the forefront of technological development, in particular where that technology has the capacity to have positive impact on our world. I look forward to Ventive securing the additional development capital and working with Ventive to bring this innovative and exciting product to market"

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For further information on the Company and its subsidiaries, please visit: www.pipehawk.com