

Plexus Holdings PLC / Index: AIM / Epic: POS / Sector: Oil equipment & services

This announcement contains inside information

6th March 2023



Plexus Holdings PLC ('Plexus' or 'the Company')

c.£5m Contract Award

Plexus Holdings PLC, the AIM quoted oil and gas engineering services business and owner of the proprietary POS-GRIP® friction-grip method of wellhead engineering, known for its safety, time, and cost-saving capabilities is pleased to announce a major contract.

Plexus has secured an order for its proprietary POS-GRIP "HG®" wellhead equipment and sealing technology for a specialised project application, which is to be deployed over the next 12 months. The current value of the order is more than £5m. Approximately £2.5m of milestone payments will be received and accounted for as deferred revenue in the current financial year, and the full value of the contract will be recognised as sales revenues in the financial year ending 30 June 2024.

Plexus will supply the equipment on a rental basis, and part of the equipment deployment required for the project will be the operation of POS-GRIP components, including leak proof metal to metal "HG" seals, in a subsea environment. This will help to demonstrate key elements and functionality of a full Python® Subsea Wellhead, as well as further developing the potential for the rental of specialised wellhead systems.

Ben van Bilderbeek Plexus' CEO said - "I am delighted that our Aberdeen team have been able to use their exceptional engineering and equipment design skills to secure this major contract, which significantly increases the visibility of our future revenue and cash flow projections, and Plexus' reputation as a "can do" surface or subsea equipment solutions provider. This contract win is an example of how POS-GRIP's proprietary subsea engineering can be deployed as a bespoke solution for a unique application, which bodes well for the role Plexus can play in the future of the growing decommissioning market."

"I believe that a combination of our developing remedial and decommissioning capabilities, our Python® subsea wellhead products, and the rental and sale of Plexus exploration and production wellhead systems, places Plexus in a good position to capitalise on a growing range of opportunities as indicated in our recent AGM Statement of the 23 December 2022. I was also particularly encouraged by a "Research and Markets" January 2023 report on the global wellhead equipment market that projects a compound annual growth rate of circa 9.3%, resulting in a doubling of market size between now and 2030 to, circa \$11.8 billion.

"As the oil and gas markets emerge from eight-years of recession, during which time Plexus has had to sit out a three year non-compete period before being able to return to the previously profitable rental exploration wellhead sector, we had to adapt our remaining business to cope with the market downturn. Encouragingly, as evidenced by today's announcement we are now experiencing an increasing number of enquiries, including for our revamped Exact EXexploration rental wellhead and mudline hanger technologies, which are offered in partnership with Schlumberger (SLB) on a worldwide basis. I believe Plexus is finally turning the corner and will prosper in the coming years, both organically, and with major technology licensees such as TechnipFMC and SLB, who have recognised and adopted the unique benefits of the ESG and NetZero compliant POS-GRIP method of wellhead engineering."

****ENDS****

For further information please visit www.plexusplc.com or contact:

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NOTES

Plexus Holdings plc (AIM: POS)

Plexus is an IP led company focussed on establishing its patented leak-proof POS-GRIP® wellhead and associated equipment as the go-to technology for energy markets whilst making a genuine contribution to the oil and gas industry's ESG and NetZero goals by championing "through the BOP" (Blow-out Preventer) designs, and lifetime leak-proof HG® metal-to-metal sealing systems. Having protected the environment for many years through these technological innovations, the Company was awarded the London Stock Exchange's Green Economy Mark in July 2021 and continues to place emphasis on its ability to reduce harmful methane emissions and unnecessary maintenance and intervention costs.

Headquartered in Aberdeen, the Company has provided leak-free wellhead performance in over 400 wells worldwide and worked with an array of blue-chip oil and gas company clients. As well as generating direct revenues from securing orders for surface production wellheads particularly in the UK and European North Sea regions, the Company has several licencing/collaboration agreements with major partners including FMC Technologies, which is a subsidiary of TechnipFMC and Cameron, a Schlumberger Group company. Cameron has a non-exclusive licence to use the POS-GRIP and HG® metal-to-metal seal method of wellhead engineering for the development of conventional and unconventional oil and gas surface wellheads, and Plexus entered into a Cooperation Agreement, which enabled Plexus to return to the Jack-up Exploration (Adjustable) Wellhead rental business for 'through the BOP' jack-up applications, where Cameron will help to provide Plexus with sales leads and market insight through a formal Sales Advisory Board.

Plexus' current suite of products and applications include: "HG" wellheads, which combine POS-GRIP technology with gas tight leak free metal-to-metal sealing; the Python® subsea wellhead, developed in a Joint Industry Project with several industry leaders; the POS-SET™ Connector for the de-commissioning and abandonment market; and Tersus-PCT, an innovative HP/HT tie back connector product. Having proved the superior uniquely enabling qualities of POS-GRIP Technology, Plexus is now also focused on establishing its technology and equipment in other markets such as Plug and Abandonment de-commissioning, carbon capture, gas storage, hydrogen and geothermal where it can play an important role in reducing harmful methane emission risks as operators strive to deliver on ESG commitments and NetZero goals in a safe and cost-effective way.

For more information visit: <https://www.plexusplc.com/>

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