

Sprue Aegis plc
("Sprue", the "Company" or the "Group")

Sprue secures £2.9m of the £3.2m total funding from DCLG to supply smoke and carbon monoxide ("CO") alarms

Sprue (AIM: SPRP) is pleased to announce that it has secured £2.9m of the £3.2m total DCLG funding to supply smoke and carbon monoxide detectors to the UK's Fire & Rescue Services ("UK F&RS") to be fitted into privately rented properties across the country in 2015.

In total, the DCLG funding will facilitate around 445,000 smoke and 52,000 CO alarms to be fitted free by UK F&RS to private sector landlords whose properties currently do not have alarms. All 46 UK F&RS in England are receiving smoke and CO alarms to distribute according to the number of privately rented properties in their area.

New regulations requiring landlords to install smoke and carbon monoxide alarms in their properties have been laid in Parliament and are expected to come into force, subject to Parliamentary approval, in October 2015. The proposed measures will require landlords to ensure at least one working smoke alarm is installed on every floor of their property and test them at the start of every tenancy.

Commenting on the DCLG funding, Graham Whitworth, Executive Chairman of Sprue, said: "With people at least four times more likely to die in a fire in a home where there is no working smoke alarm, this is another important step towards improving safety in the home and potentially saving lives and we are delighted to have secured £2.9m of the total DCLG funding.

Furthermore, with a potential £5,000 fine for non-compliance per property, Sprue sees this important program as part of wider government initiatives to improve public safety in the home. Whilst Sprue's allocation of the DCLG funding will result in additional sales for Sprue, with a finite number of UK F&RS staff to physically fit the alarms, the incremental benefit for Sprue in 2015 is only currently expected to be relatively modest."

Under the new measures, landlords will be under a duty to install and initially test alarms, but it remains the tenant's responsibility to test them regularly.

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Notes to Editors

About Sprue Aegis plc

Sprue's mission is to protect, save and improve our customers' lives by making innovative, leading edge technology simple and accessible.

Sprue is one of the market leaders in the European home safety products market. Its principal products are smoke alarms and CO alarms and accessories and the Group has an extensive portfolio of patented intellectual property. The introduction of new products and new safety products legislation in Europe, and increasing levels of awareness of the dangers of smoke and CO, continue to drive sales.

Sprue manufactures CO sensors at its subsidiary, Pace Sensors for use in all its CO alarms. All other manufacturing and product assembly is outsourced to two principal third party contract manufacturers in China.

Sprue enjoys a leading footprint in UK Retail and the UK's Fire & Rescue Services. The Group also supplies the UK's Utility and Leisure sector which includes customers such as British Gas and Scottish Gas and has a well-established but relatively low market share of the UK Trade sector. Sprue has a rapidly growing business in Continental Europe mainly selling through a network of independently owned third party distributors.

Sprue plans to launch an internet gateway device later this year which will enable connection and monitoring of its existing Wi-Safe2 products over the internet.

The Group has won a number of prestigious Sunday Times *Virgin Fast Track 100* Awards, which recognises the 100 fastest growing companies in the UK.

Sprue's head office is in Coventry and it has a second office and warehousing in Gloucester.

Patented technology

Sprue has patented its technology in Europe, the US and other selected territories. For further product information, please visit: www.sprue.com or www.fireangel.co.uk or www.pacesensors.co.uk or www.firstalert.co.uk or www.brk.co.uk or www.sonasafety.com

Company ethos

Sprue makes products that save lives. It is a simple philosophy. We design and sell market-leading smoke and CO alarms that achieve this objective.

Sprue is serious about CO and smoke detection and believes everyone should be properly protected with affordable and reliable home safety products from a company with brands you can trust.

Our people work with passion and enjoy being part of a business that designs and sells products that save lives. We encourage our staff to "make a difference" to our business every day.

Our brands

Sold under complementary brands, Sprue's range of products is comprehensive, allowing the Group to tailor the range of smoke alarms, CO alarms and accessories to suit the needs of each customer group across its target market segments.

FireAngel

A market-leading and innovative battery operated alarm principally targeted at UK Retail and UK F&RS customers.

AngelEye

Launched in 2012 to sell, market and distribute Sprue engineered smoke alarms and CO detectors principally into the French market, AngelEye has become a leading brand targeted at the DIY channel in France, which the Directors estimate represents approximately 90% of the French market by value. Sales of home safety products to J Sainsbury plc, a leading UK retailer, under the brand of AngelEye are expected to commence in June 2015.

SONA

A mains powered range of smoke, and heat alarm products plus CO detection that are market leading and which can be wirelessly interconnected with up to 50 products on a single network.

FireAngel Pro

Mains-powered smoke alarm with a 10 year, sealed for life lithium battery back-up. Modern design, quick fitting, tamper-proof mounting plate which locks the alarm head securely in place. Mounting plate has wide, easily accessible connection to the mains feed. Cable knock-out allows for compatibility with YT2 cable trunking.

Pace Sensors

CO sensors used within Sprue's CO products are developed by Sprue and Pace Sensors, Sprue's wholly owned subsidiary in Canada. Pace Sensors' CO sensors are used within all FireAngel, AngelEye and Pace Sensors CO detectors and certain First Alert branded CO detectors.

First Alert

With over 40 years' experience in manufacturing safety products, First Alert is a known global brand in home safety, selling approximately 14 million smoke alarms annually worldwide. First Alert is a BRK Brands' brand and the range of First Alert products also includes ancillary safety products, including fire extinguishers, fire blankets and fire safes. First Alert is marketed as a 'heritage' brand due to its long-term presence in the fire safety market.

BRK

Targeted at wholesalers, specifiers and electrical installation professionals, BRK offers a comprehensive range of 230V mains powered smoke, heat and CO alarms.

Dicon

A BRK brand targeted at customers focused on value.