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Water Intelligence Plc

Reacquisition of Portland, Oregon Territory

Water Intelligence plc (the "Company" or the "Group"), a leading provider of minimally-invasive leak detection and remediation services for residential, commercial and municipal customers, is pleased to announce the reacquisition of the territories of Portland, Oregon and certain parts of Washington State (the "Portland Region") from a current franchise holder within the Group's American Leak Detection subsidiary ("ALD"). That franchise holder will remain in the ALD franchise system and continue to grow and pay royalties on its significant remaining operations in southern Oregon.

For full year 2017, the Portland Region generated approximately \$1.05 million of revenue and \$0.35 million of pre-tax profits. The Portland Region is on pace to exceed its 2017 numbers for both revenue and profits for full year 2018. The transaction is expected to be immediately accretive to earnings. Tangible assets acquired are approximately \$0.2 million. The purchase price is \$1.3 million in cash to be paid from existing resources.

Portland is one of the bigger cities in the northwest United States. As a strategic matter, the acquisition enables ALD corporate operations to set up a regional office to support the growth of its franchisees in the northwest United States. In doing so, ALD will now have corporate-operated locations across the United States: northeast, southeast, central, southwest and northwest. These regional centers help execute ALD's national business-to-business channels, such as insurance and property management, and reinforce national brand management.

The northwest region for ALD is also notable in that franchisees located there execute a significant amount of municipal leak detection work in addition to traditional service offerings for residential and commercial customers. As a strategic matter, ALD's UK-based sister company - Water Intelligence International ("WII") - specializes in municipal offerings and is looking to work with ALD franchisees to increase the amount of municipal sales for the entire Group. The Portland Region, now offers a corporate base of operations to further sales of WII municipal solutions to US franchisees and their customers. Year-to-date, WII has already increased its work with select ALD franchises and corporate locations in the US and Australia to expand their respective municipal sales. The reacquisition of the Portland Region now enables the Group to accelerate such cross-sales opportunities.

Executive Chairman, Patrick DeSouza, commented:

"We continue to deliver our announced strategic plan. We are excited by the Portland Region's opportunities to unlock synergies for our franchisees and corporate operations. Much like our

sizeable Louisville transaction earlier this year that now integrates operations in the Midwest US, this transaction has a similar strategic profile: (i) integration of ALD corporate and franchise operations in the Northwest US to accelerate sales growth derived from national channels such as insurance and property management and (ii) acceleration of our UK-based municipal business with new US sales opportunities generated by ALD's existing reputation in communities for minimally invasive leak detection solutions. Hence we are layering-in residential, commercial and municipal sales for the Group by lowering execution trade-offs. Finally, we are pleased that, like Louisville, there is a strong and growing base of revenue and profits in the acquired territory from which to build our broader business."

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The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014