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Water Intelligence PLC
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Water Intelligence plc

(“WATR” or the “Company”)

Reacquisition of South Atlanta Franchise

Timing of 2018 Trading and Corporate Updates

Water Intelligence plc (AIM: WATR.L), a leading multinational provider of precision, minimally-invasive leak detection and remediation solutions for both potable and non-potable water is pleased to announce the reacquisition of its American Leak Detection South Atlanta franchise for \$425,000.

The reacquisition is strategic for various reasons, all beneficial for reinforcing the Company’s growth trajectory and more fully realizing its plan to unlock equity value as previously discussed in our annual reports.

First, South Atlanta is a central area for creating a regional corporate presence to help accelerate development of southeastern franchises, including a couple of large franchises that could still accelerate their growth given the size of regional market. Today’s reacquisition follows January’s reacquisition of Ontario, Canada to create a similar regional corporate presence in northeast Canada and upstate New York.

Second, the franchise achieved approximately \$320,000 of sales during 2018. However, with corporate financial support it is expected that this territory can grow much faster reinforcing the Company’s 2019 plan.

Third, there is significant undeveloped territory in southern Georgia as part of the franchise. In terms of the evolution of corporate strategy, now that Water Intelligence has had significant experience in growing corporate locations as well as franchise locations, more options are available to unlock value. Water Intelligence has the opportunity not only to accelerate growth in the developed part of the South Atlanta territory but also to now resell the undeveloped territory as part of a new right-sized franchise. Given the increasing equity value of franchises, especially because of the additional support from established regional corporate hubs, Water Intelligence already has received expressions of interest to purchase any new territory made available.

Finally, the current franchise owner has agreed to stay with American Leak Detection and open a new corporate location given his experience. Water Intelligence is currently reviewing new locations to push further market capture. Much like the Ontario transaction, the Company plans to grow from within and retain experienced managers after reacquisition.

Corporate Development and Administration

New Technologies Update. As noted in previous releases, during 2018 Water Intelligence has invested in certain new technologies to advance its leadership in the market and fuel growth. First, the Company, as planned, introduced its new sewer diagnostic product at the Water and Wastewater Equipment, Treatment and Transport Show February 20-23 in Indianapolis. Given favourable

reaction, the Company will be introducing the proprietary tool to the ALD franchise system in Q2 to initiate a new line of service.

Further, as previously announced in December 2017 and January 2018, the Company set up partnerships with Tagasauris and Flo Technologies to introduce artificial intelligence and video e-commerce of products for the water industry and the Company's national insurance customers. Water Intelligence will be introducing its video player in Tokyo during the week of 18 March in collaboration with a major Japanese corporation that is also interested in deploying the video player for its consumer strategy. Water Intelligence will be rolling out its video player during Q2 as well.

2018 Trading Update. It is anticipated that the 2018 Trading Update will be released on Tuesday, 12 March. The Company's 2018 audit process has begun with the audited results and Annual Report anticipated in early May as typical.

Dr. Patrick DeSouza, Executive Chairman, commented: "The first quarter has been very productive in continuing the strong trajectory that the Company has enjoyed consistently over the last several years. We aim high and deliver. We will provide a detailed update with our 2018 Trading Update. We continue to look forward to a strong 2019 building upon our record and our goal of significant and sustainable multinational growth."

The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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