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Water Intelligence plc

Reacquisition of Orlando, Florida Franchise

Water Intelligence plc (the "Company" or "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 its Orlando, Florida franchise ("Orlando") within the Group's American Leak Detection subsidiary ("ALD"). Orlando is a significant reacquisition that enables the Group to leverage an already strong business to add scale to Water Intelligence, both financially and operationally.

For full year 2018, Orlando generated approximately \$1.02 million of revenue and \$0.2 million of pre-tax profits. The transaction is expected to be immediately accretive to earnings. Assets acquired are approximately \$0.3 million as of December 31, 2018. The purchase price is \$1.17 million in cash to be paid in three payments by March 2020; such payments can be met from current cash.

The demographics and economy of Orlando are fast growing and a prime area for accelerated growth for both our American Leak Detection and Water Intelligence International businesses. With a variety of commercial customers from hotels and resorts to theme parks, water leak issues are everywhere. Our national accounts - insurance and property management - have significant demand for Water Intelligence solutions in Orlando.

As noted, Orlando is one of the bigger cities in the southeast United States. As a strategic matter, the acquisition enables ALD corporate operations to set up another regional office in Florida to support the growth of the ALD business throughout the southeast United States. Already, ALD has fast-growing corporate operations in Miami / South Florida that have grown from approximately \$250,000 in sales to over \$2 million in sales within four years. Orlando is in an even better location from which to achieve similar success. The city has the business attributes to support a strong growth path. The Group, moreover, has an execution advantage in Orlando given that corporate operations will start from a bigger base enabling ready scale. Together, Orlando and Miami provide a critical mass of operating personnel to grow the entire southeast United States providing residential, commercial and municipal solutions. During 2H, the Company will be opening a Water

Intelligence International office in either Miami or Orlando in order to advance the Group's municipal line of business.

Importantly, the former owner of the Orlando franchise will be joining the corporate leadership team not only to grow Orlando much faster from its already strong base with additional working capital but also to help execute ALD's growth strategy across the franchise system.

Executive Chairman, Patrick DeSouza, commented:

"We continue to deliver on our strategic plan. Our recent 2018 trading update communicated another strong year compounding 40%+ sales growth but also significantly increasing profits. 2019 has only reinforced this trajectory. As we have previously remarked, the first quarter started in rapid fashion with a variety of corporate development wins from a franchise reacquisition (Canada) to a sale of franchise territory (Ohio) to commercial release of our proprietary sewer technology. Meanwhile, our business, as always, is growing organically with our national channels such as insurance and new municipal contracts in different parts of the world. The reacquisition of Orlando now provides a great close to the first quarter and significant momentum for a very strong second quarter."

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