**Reacquisition of Middle Georgia Franchise**

**Presentation at Canaccord Genuity's 45th Annual Growth Conference**

Water Intelligence plc (AIM: WATR.L) ("Water Intelligence" or "Group"), a leading multinational provider of precision, minimally-invasive leak detection and remediation solutions for both potable and non-potable water is pleased to provide an update on two aspects of corporate development: (i) reacquisition of an ALD franchise in Georgia ("ALDGA") and (ii) presentation of its growth strategy at Canaccord Genuity's 45th Annual Growth Conference August 12-14.

The Group has agreed to acquire ALDGA for an initial payment of $350,000 in cash. The Group will pay the seller of ALDGA four times the profits generated by ALDGA in the trailing twelve months from August 1, 2027, in cash less the initial payment. In the last twelve months, ALDGA generated revenues of $600,000 and profits of $150,000.

**Reacquisition and Recombination for Strategic Value Creation**

ALDGA illustrates the success of ALD's reacquisition strategy over time in terms of value creation and efficient territory development. It also offers a roadmap to the Group's plan to increase profitability given its ability to scale across the US. As set forth below, we stated these objectives clearly in 2019 when we announced the original transactions to reconfigure franchise territory to unlock shareholder value. We are pleased now to report on our delivery of value for the shareholders from the original investment – a question that our shareholders have asked us to present.

In March 2019, the Group announced the acquisition of its South Atlanta and Middle Georgia franchise for $425,000 based on $320,000 of sales and approximately $75,000 of profits. In April, the Group then sold the Middle Georgia portion of reacquired territory for $168,750 to create a net purchase price of $256,250 for the corporate unit and a growth opportunity for a new franchisee.

Today, both units are growing and well-positioned to scale as a combined entity. The South Atlanta corporate unit has reached $650,000 in sales and approximately $225,000 in profits for the last twelve months. The Middle Georgia franchise unit has reached approximately $600,000 of sales and $150,000 of profits for the last twelve months, as well as assets of approximately $50,000.

We have executed on that original vision of unlocking growth. The Group is pleased to announce that it is now reacquiring the Middle Georgia franchise unit from its owner for four times profits based on the trailing twelve months from August 1, 2027, delivering an accretive result for shareholders. The franchise owner – Johnny English - will remain in place as a corporate manager incentivized to continue his growth trajectory with corporate guidance. The newly combined corporate territory will now have critical mass of approximately $1.25 million in sales and $0.38 million in profits for the last twelve months. Quite an improvement from the original franchise unit pre-2019.

It is useful to underscore that we have been steadfast in our objective to stimulate growth through right-sizing. In 2019, we stated as part of the original franchise announcements: "[From the March announcement] … Strategically, there is significant undeveloped territory in Georgia. In terms of the evolution of corporate strategy … Water Intelligence now 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 …[From the April announcement] Strategically, the [transactions] can be a model for optimization of franchise territory across the US enabling more sales coverage in support of our national channels and incentivizing ever greater collaboration among corporate and franchise operation towards execution of our growth plan."

Looking ahead, the opportunity to reacquire the franchise today unlocks further growth synergies from its bigger base of operations throughout the southeast region of the US. First, today's combined South Atlanta / Middle Georgia operation will be part of a regional hub that also includes a recent franchise reacquisition in February 2025 with $1.55 million in sales and $0.55 million in profits covering other territories in Georgia and South Carolina. Hence the regional corporate block spanning South Atlanta to South Carolina will have combined scale of $2.8 million in sales and approximately $0.93 million in profits with all operations more efficiently integrated through Salesforce. Second, the Group's new southeast regional hub will have the ability to work closely on execution with ALD's strategic partner StreamLabs, a Chubb company. StreamLabs' headquarters is located in Atlanta.

More broadly, today's acquisition follows the guidance, as noted in the Chairman's Statement to the recent Annual Report, that the Group plans to further increase profit margins across the US by combining corporate locations into regional operations via its "Dallas Template;" Dallas and Fort Worth are currently being combined to set up ALD's new national headquarters.

**Canaccord Growth Conference**

The Group will be presenting its growth plan, competitive strategy (which includes its StreamLabs partnership) and updated capital allocation strategy at the Canaccord Growth Conference in Boston August 12-14. As previously communicated, Canaccord will be the lead broker for the Group and plans to initiate research coverage.

Executive Chairman, Dr. Patrick DeSouza commented: "Today's transaction demonstrates the valuable and scalable water infrastructure platform that we have created to customize "turn-key" solutions for clients to manage water proactively: (i) a comprehensive suite of solutions for failing water infrastructure from high quality 24/7 monitoring to minimally invasive and technology driven products and services; (ii) business-to-business national insurance channels that are demanding our preventive maintenance solutions; (iii) operating scale across the US and in several countries for delivering our solutions as first responders; (iv) a data-driven technology backbone via Salesforce to provide analytic products to reduce risk of water loss and (v) aftercare for customers leveraging proprietary video technology. Additionally, we have the ability to add significant shareholder value through the reacquisition of franchises and operating synergies of regional hubs.

We will communicate our confidence both through our presentation at the Canaccord Growth Conference and through a video update provided immediately thereafter."

*The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.*


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