

Stock Data

Share Price: 0.78p
Market Cap: £4.3m
Shares in issue: 502.7m

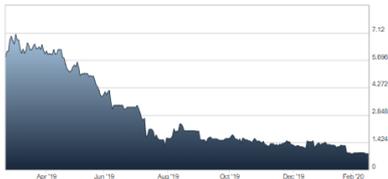
Company Profile

Sector: Elect. & Electr. Eq.
Ticker: MWG
Exchange: AIM

Activities

Modern Water ('the Company', 'MWG') is an AIM listed Water Technology Group that was established in 2006 by IP Group Plc to develop and commercialise IP and technologies related to the treatment of water. It has spent £20m over the last 14 years developing a portfolio of over 100 patents and cutting-edge technology focused on making the treatment and recycling of water more efficient.

Share price performance



Source: [LSE](#)

Past performance is not an indication of future performance.

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Modern Water plc

Having now strengthened its balance sheet and refreshed its Board through the appointment of a series of highly experienced and well-connected individuals, Modern Water is now poised to capture the obvious and growing global water market opportunity through cutting-edge technology focused on making the treatment and recycling of water more efficient. In light of its recent successful placing, negotiations over the potential sale of its Monitoring Division have been suspended pending the outcome of a review by the new Board. It has also confirmed action to significantly reduce overhead costs across the whole business which has now been undertaken. The results of this and MWG's vision for capturing its business opportunity is expected to be reflected within its forthcoming release of financial results and statement for the year ending December 2019. Significantly, the new Board introduces a commercial focus with extensive expertise in sales & marketing, while also offering access to distribution channels in target markets, including the chemical, biofuel, wastewater, dairy and agricultural production industries. Potentially higher value-added and improved margins could even be found from MWG's existing clients by adding real-time water monitoring through the adoption of Rinocloud AI and data analysis technologies successfully operated by the new Chairman's own skin-health related businesses.

Further to the Company's announcement of 24 January 2020 and following the completion of the placing, the Company has confirmed the appointment of Dr Nigel Burton to the Board of Modern Water as a Non-executive Director ('NED'). Dr Burton has spent 15 years as Chief Financial Officer or Chief Executive Officer of a number of private and public companies. He is currently a NED of AIM-quoted companies Remote Monitored Systems plc, Digitalbox plc, Regency Mines plc, eEnergy Group plc and Mobile Streams plc. The Company also expects to appoint Gerard Brandon, CEO of Integumen plc (AIM:SKIN), as NED and Chairman of the Board shortly and a further announcement will be made in due course. Piers Clark and Mike Townend, Non-executive Chairman and NED, respectively, have resigned.

As a pioneering and innovative technology company specialising in membrane water treatment solutions and advanced monitoring products, Modern Water finds itself ideally positioned to exploit the rapidly expanding market opportunity for the bulk supply of clean and healthy water resources across the world. Significantly, six different countries have already legislated that Modern Water monitoring test systems are written into their environmental protection legislation.

On 24 January 2020, MWG announced that it had conditionally raised £1.85 million gross (£1.68 million net), before expenses, by way of an oversubscribed placing of 370,000,000 new Ordinary Shares at a price of 0.5 pence per share. The Placing was approved by Shareholders at a General Meeting held on 14 February 2020. Simon Humphrey, Modern Water's CEO, has confirmed that the funds raised from the Placing will allow his Company to address its outstanding liabilities, while also providing working capital to alter the business model with a view to increasing revenues by collaborations and revenue sharing opportunities that build and extend existing sales, marketing and distribution channels.

Operational and development progress continues to be made in MWG's two principal divisions (Membrane and Monitoring). As announced on 25 November 2019, the Membrane Division was awarded an innovative project in South Korea through its Chinese partner, Hangzhou Shangtuo Environmental Technology Co. Ltd. In this project, salt is produced by concentrating deep seawater and further demonstrates the wide-ranging applications/capabilities of its patented technologies. Further to this, on 23 December 2019 the Company confirmed its largest-ever single order for its Microtox® CTM to a customer in China; the total value of the order was US\$335,000. Microtox® CTM is a site-based, broad range monitor which continuously measures the chemical toxicity of a water source.

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