

**Stock Data**

Share Price: 0.75p  
Market Cap: £3.8m  
Shares in issue: 502.7m

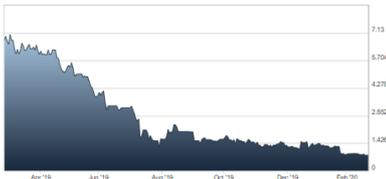
**Company Profile**

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

MWG has further extended its operations and market opportunity through the signing of a non-binding Heads of Terms ('HOT') agreement with the private extractions and chemicals company, Cellulac plc. Having recently strengthened its balance sheet and refreshed its Board through the appointment of a series of highly experienced and well-connected individuals, this association now opens new target sales and distribution channels across the expanding global water market. Its participation in the Integumen-led ecowaterOS consortium, also recognises the urgent international need for an end-to-end water contamination detection and decontamination provider network, that offers the ability to provide customers with real-time monitoring solutions. Altogether, today's news reflects the new dynamism that has been injected into the Company through its recent reorganisation, both in terms of ambition, product offering and customer targeting. Significantly also, the incorporation of data-management and AI solutions through Integumen's subsidiary, Rinocloud, reflects the modernisation of its approach designed to satisfy demands from new customers, along with the improved margins that might be extract from its existing clients.

MWG has today announced a Heads-of-Terms ('HOT') agreement with [Cellulac plc](#) ('Cellulac'). This non-binding HOT proposes a multi-year framework services agreement to be completed on or before 31 March 2020 for the supply of water contamination monitoring equipment, services and decontamination membrane solutions across Cellulac's sales, marketing and distribution channels in wastewater, chemical, biochemical, biofuel and biodegradable plastic industries. Cellulac is a vertically integrated group of companies with operations in Ireland and the UK, that introduces extensive associations in consumer industries, including in cosmetics, food and health care. Its production division capabilities include process engineering, chemical engineering, biochemistry and polymer science; it also produces commercial scale batches of Omega 3 oil for human consumption.

Transitioning to a revenue-sharing collaborative and commercial partnership strategy, today MWG has also confirmed its participation in a consortium of companies and research institutions, including Rinocloud (a subsidiary of [Integumen plc](#) ('Integumen')) and Cellulac, in the launch of ecowaterOS ('Ecological Water Operating System'), a green-tech data management eco-system that monitors and analyses water for bacteria contamination using artificial intelligence. ecowaterOS will provide a broad range of clients from water utilities to consumers with real-time alerts covering the contamination of water supplies and the provision of services from different decontamination providers. Rising awareness of the direct impact of climate change on systems vital to the international population's continuing health and wellbeing, opens significant, long-term opportunity for such an integrated, hi-tech, and potentially game-changing solution to community, regional and continental-wide water shortages.

MWG's Membrane division already has well established and commercially deployed technologies; its Monitoring division's testing platform has also been written into the environmental legislation of 6 different countries. The Company's global customer base extends across the US, EU, China, Oman and India. In this respect, MWG's association with Integumen and Cellulac might be considered strategic with a view to speed both its modernisation, product/service/customer development and future direction. Integumen with respect to providing access to new data-management and AI technologies through Rinocloud along with its laboratory-based bacterial detection facilities, which could become key to it satisfying the expanding needs of existing and future customers. Cellulac as an engineering company with extensive downstream refined chemical extraction capabilities, along with a substantial distribution network through association with biofuels, chemicals and wastewater industries.

On 20 February 2020, along with other Board-level changes, MWG confirmed that it expects to appoint Integumen and Cellulac's CEO, Mr Gerard Brandon, as non-executive director and Chairman shortly. A further announcement will be made in due course.

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