



**PRESS RELEASE**  
For immediate release

**TSX: HEO**  
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## **H<sub>2</sub>O Innovation Officializes the Launch of its Mobile Fleet and Increases Blue Loan Credit Facility by \$10 M to Support it**

*All amounts are in Canadian dollars unless otherwise stated.*

**Quebec City, July 13, 2023** – (TSX: HEO) – H<sub>2</sub>O Innovation Inc. (“H<sub>2</sub>O Innovation” or the “Corporation”) is pleased to launch its mobile fleet of water and wastewater treatment systems and secure three new leasing contracts totalling \$3.4 M. This new service offering will require CAPEX investment, which is made possible by the recent agreement with National Bank of Canada on June 30, 2023. This agreement led to a \$10 M increase in the Corporation’s Blue Loan credit facility, which now stands at \$75 M. This strategic initiative should enable H<sub>2</sub>O Innovation to broaden its range of services, strengthen its customer relationships through the sale of consumables required to operate the fleet assets, and thus improve its profit margins.

As part of its mission to offer comprehensive solutions for industrial and municipal clients in North America, H<sub>2</sub>O Innovation is launching its mobile fleet of water and wastewater treatment systems, under the Corporation’s Water Technologies & Services (WTS) business line. The Corporation designs and manufactures two different types of mobile water treatment systems: the FlexBox™ line, which comprises containerized ultrafiltration (UF) or reverse osmosis (RO) systems designed for drinking water treatment, industrial wastewater and water reuse, as well as the SILO™ system, which employs membrane bioreactor (MBR) technology and is specifically designed for wastewater and water reuse treatment. Over the last two years, H<sub>2</sub>O Innovation has manufactured a fleet of 9 mobile units. Due to the demand in this market sector, the Corporation is expanding its fleet with the objective of reaching 40 units within the next five years.

“H<sub>2</sub>O Innovation’s mobile fleet of water and wastewater treatment systems provides versatile, practical, and timely solutions for clients in need, as they ensure immediate access to clean water and sanitation in temporary situations or emergencies. With flexible lease options, the FlexBox™ and SILO™ also offer a cost-effective alternative to purchasing complete systems, providing clients with the flexibility to optimize their CAPEX and OPEX budget as needed. The new credit facility will allow the expansion of our mobile fleet, which should help us improve our EBITDA margin profile,” **stated Frédéric Dugré, President, Chief Executive Officer and co-Founder of H<sub>2</sub>O Innovation.**

Recently, the Corporation was awarded three new contracts for the supply of mobile units, including the FlexBox™ RO, FlexBox™ UF, and SILO™ technologies for an aggregate value of \$3.4 M. Once designed and manufactured, two FlexBox™ UF units will be delivered and leased for an initial period of 18 months to a mining client in Eastern USA. The second project awarded to the Corporation is for a 12-month lease of two SILO™ units for a private sector client in Quebec. Finally, the third contract involves the 24-month lease of a FlexBox™ RO system to be deployed to a First Nation community in Western Canada.

These three projects served as the driving force behind the Corporation's decision to expand its mobile fleet, which will consist of 14 units. The need for an increased capacity and availability became evident and prompted H<sub>2</sub>O Innovation to take action. A larger fleet will allow the Corporation to better meet the growing



demand and provide its clients with access to safe water and sanitation whenever and wherever they require it.

### **Prospective disclosures**

Certain information and statements contained in this press release and in other Corporation's oral and written public communications regarding the Corporation's business and activities and/or describing management's objectives, projections, estimates, expectations or forecasts may constitute forward-looking statements within the meaning of the applicable securities legislation. Forward-looking statements include the use of words such as "plan", "should" or "will", and other similar expressions, as well as those usually used in the future and the conditional, although not all forward-looking statements include such words. H<sub>2</sub>O Innovation would like to point out that forward-looking statements involve a number of uncertainties, known and unknown risks and other factors which may cause the actual results, performance or achievements of the Corporation, or of its industry, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Major factors that may lead to a material difference between the Corporation's actual results and the projections or expectations set forth in the forward-looking statements include, without limitation, the execution and delivery of projects in a timely manner and without additional costs, considering the challenges resulting from the labor shortage and the inflation rate on goods and services, the payment by customers under the terms provided in their respective agreements, the risks related to the development of new technologies and products, the risks related to interest rate fluctuations, the Corporation's ability to repay its credit facility and such other risks as described in the Corporation's Annual Information Form dated September 27, 2022, which is available on SEDAR ([www.sedar.com](http://www.sedar.com)). The forward-looking information contained in this press release is based on information available as of the date of the release and is subject to change after this date. Unless otherwise required by the applicable securities laws, H<sub>2</sub>O Innovation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **About H<sub>2</sub>O Innovation**

Innovation is in our name, and it is what drives the organization. H<sub>2</sub>O Innovation is a complete water solutions company focused on providing best-in-class technologies and services to its customers. The Corporation's activities rely on three pillars: i) Water Technologies & Services (WTS) applies membrane technologies and engineering expertise to deliver equipment and services to municipal and industrial water, wastewater, and water reuse customers, ii) Specialty Products (SP) is a set of businesses that manufacture and supply a complete line of specialty chemicals, consumables and engineered products for the global water treatment industry, and iii) Operation & Maintenance (O&M) provides contract operations and associated services for water and wastewater treatment systems. Through innovation, we strive to simplify water. For more information, visit [www.h2oinnovation.com](http://www.h2oinnovation.com).

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### **Source:**

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