



PRESS RELEASE
For immediate release

H₂O Innovations and Cycle Capital Holds Initial Close for C\$30 Million Watertech Fund to Advance Sustainable Water Solutions

Quebec, June 26, 2024 – H₂O Innovation Inc. (“H₂O Innovation” or the “Corporation”) and Cycle Capital announce the initial close of Cycle H₂O Fund, a watertech venture capital fund with a targeted size of C\$30 million fund dedicated to investing in innovative water technologies. The Government of Québec, through Investissement Québec, acted as anchor investor and was joined by Boann Capital, Fonds Climat du Grand Montréal, The Atmospheric Fund, a number of family offices, and private investors as limited partners.

The fund aims to support the development and commercialization of seed and early stage innovative watertech companies from Québec and Eastern Canada (in sustainable agriculture, green chemistry and water treatment digital technologies related to industrial water processes and water conservation) to meet the growing need for market-ready solutions.

Managed by Cycle Capital and H₂O Innovation, and led by Cycle Capital’s Senior Partner Simon Olivier, the Cycle H₂O fund will capitalize on Cycle Capital’s more than a decade-long experience of ClimateTech venture investing globally, and H₂O Innovation’s expertise in developing and commercializing water treatment solutions internationally.

“To build a green and sustainable economy, we need to accelerate the development and marketing of clean technology. With our investment in the Cycle H₂O Fund, our government is providing the Québec of tomorrow with innovative solutions for the intelligent use of its water,” Pierre Fitzgibbon, Minister of Economy, Innovation and Energy, Minister Responsible for Regional Economic Development and Minister Responsible for the Metropolis and the Montréal Region.

“We need innovative technologies that will help us adapt our way of life and combat climate change effectively. This is particularly true of water, a shared resource that Québec is actively seeking to preserve. We have announced record sums for ensuring there is adequate, predictable and sustained funding of initiatives that will protect, restore and enhance water, by means of the Fonds bleu. And the investment we have announced today will support the creation of the Cycle H₂O Fund. This new fund is another example of our government’s firm commitment to water and of Québec’s desire to actively contribute to global efforts that will protect and sustainably manage this precious resource,” added Benoit Charette, Minister of the Environment, the Fight against Climate Change, Wildlife and Parks and Minister responsible for the Laurentides region.



“Cycle Capital’s experience in the ClimateTech sector has shown us the transformative power of specialized venture funds to tackle some of the most pressing environmental challenges. With the Cycle H2O Fund, we are expanding our focus to include water, a sector ripe for disruption to tackle water scarcity. We look forward to collaborating with our partner H2O Innovation and seeing the impact this fund will have on the global water landscape,” said Andrée-Lise Méthot, Founder and Managing Partner at Cycle Capital.

“Since our founding in 2000, our vision to address growing and complex water issues has been clear: provide state-of-the-art technologies and solutions to municipal and industrial customers across Canada and abroad. However, the lack of awareness from the public and from the investment community in general, as well as the absence of specialized water investment platforms in Canada made us struggle in our early days. Today we want to give back and share our knowledge and experience with new “water entrepreneurs” willing to develop technologies and grow businesses in a sector that will never slow down: water. The opportunity to combine capital and experience in this fund fits perfectly with our desire to support companies in their seed and growing phases,” stated Frédéric Dugré, President and Chief Executive Officer of H2O Innovation.

About H₂O Innovation

Innovation is in our name, and it is what drives the organization. H₂O Innovation is a 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 components 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 [H₂O Innovation](#).

Cycle Capital

Cycle Capital is a leading ClimateTech venture capital platform scaling impactful sustainable innovation. Founded in 2009, Cycle Capital invests across North America, Europe and Asia in growing companies commercializing solutions to the major ecological challenges and contributing to a net-zero transition. Cycle Capital is the founder of Cycle Momentum Accelerator + Innovation Engine. Cycle Capital has developed an ESG and impact assessment methodology integrated into the investment workflow from the pre-investment phase to the exit of the portfolio company. For more information on CycleH2O, visit: [CycleH2O – Cycle Capital](#)



Source:

H₂O Innovation Inc.

www.h2oinnovation.com

Contact:

Communications Department

+1 418-688-0170

communication@h2oinnovation.com

Cycle Capital

www.cyclecapital.com

Contact:

Catherine Bérubé

+1 514 629-1022

cberube@cyclecapital.com