



2021 - INVESTMENT OPPORTUNITY

Unique patented process for renewing aged water pipes without the need to dig up the pipes

Website: www.aqualiner.co.uk

Location: Loughborough, UK

Stage: First sales

Fundraise this round: £2.5M with HMRC EIS advanced assurance

Overall funding to date: £6.3 mil

Current Burn Rate: £45k/month

Pre-money valuation: £12mil

Team

- Chairman: Dr Dec Downey
- CEO: Archie Adams
- NED: Julian Rogers-Coltman

Year established: 2007

Key developments: Live installation with Severn Trent Water, UK & US Regulatory approved process, new patent grants.

Expectation of return on investment: Aqualiner is projecting in 2024 it should reach an annual install rate of 1,500km which represents 0.03% of the European and US network resulting in a pre-tax profit of £17mil. **Post the £2.5m funding, this would equate to approximately £0.58 per share in earnings.**

INTRODUCTION

The Aqualiner process was developed in conjunction with Severn Trent, Anglian, Yorkshire and Wessex Water. **In February 2021 Aqualiner completed its initial live installation with Severn Trent Water.** The next phase is to modify our equipment ready to be repetitively used by utility contractors. We plan to now raise funds to launch our global lining capabilities in qtr. 2-2022.

MARKET & OPPORTUNITY

The UK has 405,000km of water pipes. It is estimated that 120,000km are in need of replacement. **The revenue opportunity is approximately £35k/Km installed.** The US EPA estimates that water infrastructure repairs may be US\$633bil over 20 years. The Company is projecting an annual install rate of 1,500km in 2024 only represents 0.03% of the 5,000,000kms of European & US drinking water pipes.

PRODUCT

Process/product has the critical UK & US Regulatory approvals required for installation in drinking water pipes. The process involves winching a thermoplastic sock into a pipe. An inflation tube then pushes a heated "pig" through the sock, melting it against the pipe. It then cools to form a solid pipe. The business model is to protect the technology, to exploit the IP & know how by licensing to utility contractors and to sell them equipment and materials. **The Company continues to focus on expanding its global patent portfolio with further patents already granted in 2021 in 9 international territories.**

COMPETITION

Aqualiner has the only fully structural drinking water liner with UK regulatory approval. Traditional replacement methods involve laying or drilling a new pipe in or by inserting a pipe in the existing host pipe. These methods are either slow to install, significantly reduce the pipe flow capacity, very disruptive in urban environments both above and below ground and/or are expensive.

FUNDING REQUIREMENT

The Company now plans to issue up to 5,000,000 shares at 50p per share to raise £2.5m, at a pre money valuation of £12m. We have received EIS advanced assurance from HMRC(UK) for this funding. The proceeds of the funding will be split as follows:

- 38% - Product Expanded Capability & IP Development
- 22% - Lining Materials Manufacturing & Supply
- 15% - Marketing, Sales, Training Operation and Product Support
- 25% - Operation, Management Expansion, financing costs & working Cap

EXIT TIMETABLE

Planned IPO in 12-18 months. **A successful trade sale is also possible having already received two independent offers to buy the business, one for US\$21 million.**

Achieving installations in 10% of the European & US market equates to in excess of £20bn in revenue

Archie Adams - Managing and Finance Director Mobile: +44 7768 774311 Email: a.adams@aqualiner.co.uk

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Registered Office: Unit 13, Aerodrome Close, Loughborough, Leicestershire LE11 5RJ Company Reg No 6109806