

H2O Innovation CEO Dugré on increasing revenue through Clearlogx technology acquisition

October 27, 2015 – Frédéric Dugré, CEO and Director for H2O Innovation Inc. (TSXV: HEO | OTCQX: HEOFF) in an interview with **InvestorIntel** Publisher Tracy Weslosky discuss their increase in revenue, which includes 60% growth from project business and 18% from the specialty production. Tracy also asks Frédéric about the acquisition of a new technology company Clearlogx® and that will both increase revenue and recurring revenues as well.

Tracy Weslosky: I was reading your 2015 year ends and you're up 40% and nearly \$50 million in revenue last year. Is that correct?

Frédéric Dugré: That's correct. Pretty sustained growth over the year exclusively organically coming from our project business. 60% growth from our project business only and then 18% from the specialty production service group as well.

Tracy Weslosky: Now you just had more good news this last week, a deal with Clearlogx®?

Frédéric Dugré: That's correct. We just acquired a new technology, a new company based in the U.S., around Denver. Actually complements very nicely our project business. It's a technology that will differentiate the project business. It's a controller that allows us to measure the proper level of coagulant chemicals we need to have into a water solution to avoid premature falling of our membrane. It both complements the business, the project business, as well as expand our

chemical offering.

Tracy Weslosky: Now I believe I read in the Clearlogx® news release that you managed to do this with debt financing from a bank and you haven't diluted the shares.

Frédéric Dugré: This is something we're pretty proud of. After 15 years of building this company and now being able to acquire and bolt-on new acquisition without diluting the shareholders. This is accomplishment because it will be extremely accretive. Obviously we're adding about \$1 to \$1.5 million in revenues and it's a profitable and it's a profitable business as well and with no dilution impact as you said financed through a senior debt.

Tracy Weslosky: The part I heard is that this will increase revenue. Is that correct?

Frédéric Dugré: That's correct and recurring revenues as well. That's what we like.

Tracy Weslosky: Dr. Duchesne at InvestorIntel called your technology 'revolutionary', 'ground-breaking' – this membrane filter system: can you give our audience a bit of an overview?

Frédéric Dugré: The membrane systems or membrane technologies have been around for about 15 years now. Essentially what's different and what's new in H20 is the way we are integrating these membranes into an open source platform...to access the complete interview, [click here](#)

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