



MODERNWATER

26 November 2012

**Modern Water plc**  
(“Modern Water” or “the Group”)

**MODERN WATER AND KAZEMA GLOBAL HOLDING SIGN COOPERATION AND AGENCY AGREEMENT IN KUWAIT**

Modern Water plc (LSE: MWG), the owner of leading water technologies for the production of fresh water and monitoring of water quality, signed a Cooperation and Agency Agreement with Kazema Global Holding KSCH in Kuwait.

The agreement will result in Modern Water and Kazema working together in Kuwait to promote Modern Water’s forward osmosis technology for make-up water. The make-up water will be used in evaporative cooling systems including district cooling and industrial cooling applications as a practical alternative to using potable water or treated sewage effluent. It is expected that the size of the refrigeration industry in the Middle East will almost quadruple by 2015, requiring approximately US\$19.5 billion of investment.

Modern Water is already successfully operating the world’s first commercial forward osmosis desalination plant in Oman and now becomes the first company in the world to offer the use of forward osmosis for make-up water production in evaporative cooling systems.

Kazema is an established Kuwaiti conglomerate and has been active in the industrial sector for many years. Kazema already operates in the air-conditioning and refrigeration industries and is keen to expand into evaporative cooling, both for district cooling and industrial cooling purposes.

District cooling is the process which sees chilled water produced at a central district cooling plant and then distributed to buildings for use in air conditioning. District cooling has recently gained popularity and is now being used widely in business districts and institutional buildings. Industrial cooling is central to a wide range of different industries and uses chilled water to remove heat from components and industrial equipment.

The agreement was signed at Kazema’s head office in Kuwait today by Mr Neil McDougall, Executive Chairman of Modern Water and Fadhel Al Kazemi, CEO of Kazema.

Neil McDougall commented:

“We are delighted to be working with Kazema and bringing our technologies to new communities and industries. This agreement demonstrates our commitment to offering world-leading solutions and shows the diverse ways in which the forward osmosis technique can be applied.”

Fadhel Al Kazemi, CEO of Kazema has been a key advocator for the recent demand for district cooling systems in Kuwait and remarked:

“District cooling systems have been proven in neighbouring Gulf Cooperation Council (GCC) countries, driven by the growing need to achieve energy savings and reduce the environmental impact. We look forward to working with Modern Water and using innovative, energy saving solutions to help us achieve this in Kuwait.”

## **For further information**

Modern Water plc +44 1483 696 000  
Neil McDougall, Executive Chairman

HeadLand Consultancy  
Tessa Cumming-Bruce +44 20 7367 5245  
Tom Gough +44 20 7367 5228

## **Notes to editors**

### Modern Water

Modern Water owns, installs and operates world-leading membrane technology and develops and supplies advanced systems for water monitoring. Its shares trade on the Alternative Investment Market of the London Stock Exchange.

Modern Water's patented Forward Osmosis (FO) technology has been proven to significantly reduce costs, lower energy consumption and lessen environmental impact in a variety of industries. With a sales presence in over 60 countries, the Group's Monitoring Division includes the world's only real-time continuous toxicity monitor and trace metal analysers for monitoring the quality of drinking water.

[www.modernwater.co.uk](http://www.modernwater.co.uk)

### Kazema Global Holding KSCH

Kazema owns and invests in approximately 22 companies ranging from the provision of utilities to contracting, service and the distribution of air-conditioning and refrigeration. The business was founded in 1976 and the company's offices, warehouses, distribution centers, sales outlets are all over Kuwait and currently expanding regionally in GCC, Arab and Middle East countries.

[www.kazema.com](http://www.kazema.com)