



Welcome Note

January 7, 2013

Happy New Year !! Welcome back to those of you who haven't visited us since last year... and welcome to our first-time visitors.

It's 2013 and we are full of optimism that this may be the best year yet for DEWS. We have good reason to believe that, including some of the latest developments in late 2012 that point to new and bigger opportunities materializing this year, expanding our footprint further in our existing space, and also tapping into new markets.

We usually start with a few updates from the past quarter that we believe are worth sharing:

- We started our business association with Retap ApS of Denmark, manufacturers of high-quality, stylishly designed, and award-winning drinking water bottles, which are a nice complement to our eco-friendly drinking water offering and help our customers to further reduce their use of and dependence on disposable plastic bottles and cups at office or home.
- Abela & Co. became our first customer opting for an eco-friendly total drinking water solution by installing PHSI dispensers at its head offices and introducing Retap re-usable glass bottles for all its employees.
- We saw new success in the hospitality segment when we landed a major deal with a new hotel in Dubai, which chose PHSI bottle-free dispensers for use at the property and the staff house – more than 35 dispensers at the 2 locations. This is a sizable win for us and was followed by another large order for Retap bottles for the same customer. We intend to build on it and repeat the same success at other hotel chains.
- We continue to work on niche opportunities, such as solar-to-water and we're exploring local or regional production to improve feasibility.
- On the major project front, we made progress on the few 2012 active opportunities, particularly in water recycling, sea water R.O., and offshore wastewater treatment. We are also actively involved in a large-scale O&G project, where we are offering pumps for water and wastewater services on artificial islands. While the projects have been rather slow to materialize, we expect to begin seeing the fruits of our long and serious efforts in the new year.

Finally, you may have noticed that we have refreshed our Website and added new material or updated some of the other resources. As we continue shifting our focus to water and wastewater treatment, while expanding our portfolio and reach, expect to see more changes in the weeks and months to come.... So, please visit us again and do so as often as your time allows.

Thank you for your visit today and please don't hesitate to share your comments and ideas, which are always welcome and sincerely appreciated.

Bassem P. Fakhry
President