H2O America Receives Regulatory Approval for Texas Subsidiary's Acquisition of Quadvest

August 17, 2026

Transactions Expected to Close October 1, 2026

SAN JOSE, Calif. and MAGNOLIA, Texas, Aug. 17, 2026 (GLOBE NEWSWIRE) -- H2O America (NASDAQ: HTO) today announced that its regulated Texas water and wastewater utility, The Texas Water Company, Inc. ("TWC"), along with its affiliate Texas Water Operation Services, LLC ("TWOS"), and Quadvest, a regulated investor-owned water and wastewater utility operating in the Houston metro area, have received the state and federal regulatory approvals needed to complete their respective agreements pursuant to which TWC and TWOS will acquire all of the assets owned by Quadvest. The transactions are expected to close on October 1, 2026.

Upon closing, the combination will significantly expand H2O America's presence in Texas and advance its strategy to diversify and strengthen its regulated utility operations in markets across the U.S., including the high-growth Houston area. The addition of Quadvest's water and wastewater operations across Houston to TWC's existing footprint will provide greater scale to support continued infrastructure investment, operational excellence and high-quality customer service.

"We are pleased to have received the regulatory approvals necessary to move forward with this acquisition and are grateful to everyone who helped us reach this milestone," said Andrew F. Walters, chief executive officer of H2O America. "TWC has built a strong foundation under the leadership of President Aundrea Williams, and we are excited about what the addition of Quadvest and its team will mean for all of our stakeholders. Together, TWC and Quadvest will bring complementary local expertise and create a stronger platform for H2O America's continued evolution in Texas."

Additional information is available at www.twcandquadvest.com.

About Texas Water Company

The Texas Water Company has successfully provided high-quality and reliable water and wastewater service to its customers in Texas since 2006 and safeguards public health, promotes environmental stewardship, and delivers sustainable solutions in seven counties. We provide a broad range of solutions to the communities we serve, from management of water and wastewater treatment infrastructure to the design and implementation of water reuse technology, water supply development and more. For more information about The Texas Water Company, please visit www.txwaterco.com.

About H2O America

H2O America is among the largest investor-owned pure-play water and wastewater utilities in the United States, providing life-sustaining and high-quality water service to over 1.6 million people. H2O America's locally led and operated water utilities - San Jose Water Company in California, The Connecticut Water Company in Connecticut, The Maine Water Company in Maine, and SJWTX, Inc. (dba The Texas Water Company) in Texas - possess the financial strength, operational expertise, and technological innovation to safeguard the environment, deliver outstanding service to customers, and provide opportunities to employees. H2O America remains focused on investing in its operations, remaining actively engaged in its local communities, and delivering continued sustainable value to its stockholders. For more information about H2O America, please visit www.h2o-america.com.

About Quadvest

Quadvest is a family-owned and operated water and wastewater utility company proudly serving residential and commercial customers throughout the Greater Houston area. For over four decades, Quadvest has remained committed to delivering high-quality, reliable water services while prioritizing customer care, community growth, and sustainable practices. Unlike many utilities, Quadvest is privately owned, which allows us to offer a unique customer-first approach with faster response times, transparent service, and local decision-making. Quadvest continues to innovate by investing in modern infrastructure, smart water technologies, and process improvements that ensure safe, efficient, and affordable water solutions. Learn more at www.quadvest.com.

Forward Looking Statements

This communication contains forward-looking statements within the meaning of the federal securities laws relating to the proposed asset acquisitions by TWC and TWOS and the transaction timeline, as well as the anticipated future performance, financial and other benefits, scale, diversification, synergies, and strategic direction of the combined operations. These statements are based on current expectations, estimates, forecasts, and projections about H2O America and its subsidiaries, and the industries in which H2O America and its subsidiaries operate, as well as the beliefs and assumptions of the management of H2O America. Some of these forward-looking statements can be identified by the use of forward-looking words such as “believes,” “expects,” “projects,” “plans,” “estimates,” “anticipates,” “intends,” “seeks,” “plans,” “will,” “may,” “should,” “approximately,” “strategy,” or the negative of those words or other comparable terminology. These forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict. Therefore, actual results may differ materially and adversely from those expressed or forecasted in any forward-looking statements. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions including, but not limited to, the following factors: (1) the ability to obtain required regulatory approvals, including from the Public Utility Commission of Texas and the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976; (2) the risk that the transaction may not close on the anticipated timeline, or at all; (3) the ability to successfully integrate Quadvest’s operations and realize the projected financial and other benefits of the transaction, including the expectation that it will be accretive to H2O America’s long-term EPS growth rate; (4) the accuracy of projections regarding the anticipated growth in Texas; (5) the continued availability and performance of Quadvest’s and H2O America’s workforce and leadership teams during and after the transition; (6) the effect of water, utility, environmental and other governmental policies and regulations, including regulatory actions concerning rates, authorized return on equity, authorized capital structures, capital expenditures, per- and polyfluoroalkyl substances and other decisions; (7) changes in demand for water and other services; (8) catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, hurricanes, terrorist acts, physical attacks, cyber-attacks, epidemic, or similar occurrences; (9) unanticipated weather conditions and changes in seasonality including those affecting water supply and customer usage; (10) the effect of the impact of climate change; (11) unexpected costs, charges, expenses, delays or operational challenges in scaling infrastructure and expanding service; (12) our ability to successfully evaluate investments in new business and growth initiatives; (13) contamination of our water supplies and damage or failure of our water equipment and infrastructure; (14) the risk of work stoppages, strikes, and other labor-related actions; (15) changes and developments in general economic, political, legislative, business and financial market conditions; and (16) the ability to obtain financing on favorable terms, or at all (including financing for the transaction in a timely manner), which can be affected by various factors, including credit ratings, changes in interest rates, compliance with regulatory requirements, compliance with the terms and conditions of our outstanding indebtedness, and general market and economic conditions.

The risks, uncertainties and other factors may cause the actual results, performance or achievements of H2O America to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

In addition, actual results are subject to these and other risks and uncertainties that relate more broadly to our overall business, including those more fully described in our filings with the SEC, including our most recent reports on Form 10-K, Form 10-Q and Form 8-K. Forward-looking statements are not guarantees of future performance, and speak only as of the date made, and H2O America undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

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