



H2O America Announces Pricing of Offering of Equity Units

October 29, 2026

SAN JOSE, Calif., Oct. 29, 2026 (GLOBE NEWSWIRE) -- H2O America (NASDAQ: HTO) (the "Company") announced today that it has priced its previously announced underwritten public offering of 6.5 million equity units (the "Offering"). Each equity unit will be issued in a stated amount of \$50 (\$325.0 million aggregate stated amount) and will initially be in the form of a corporate unit consisting of a contract to purchase the Company's common stock in the future (the "purchase contract") and a 1/20 undivided beneficial ownership interest in \$1,000 principal amount of the Company's 5.300% Remarketable Senior Notes due 2031. The Remarketable Senior Notes are subject to remarketing, subject to certain conditions and during certain periods. The Offering is expected to close on November 3, 2026, subject to customary closing conditions.

In connection with the Offering, the Company has granted the underwriters an option to purchase up to an additional 975,000 equity units (\$48.75 million additional aggregate stated amount), solely for the purpose of covering over-allotments, within the 13-day period beginning on the day the Company first issues the corporate units.

The Company intends to apply to list the corporate units on the Nasdaq Global Select Market and expects trading to commence within 30 days of the date of initial issuance (subject to listing approval).

Total annual distributions on the equity units will be at the rate of 7.750% per year, consisting of interest payments of 5.300% per year on the Remarketable Senior Notes due 2031 and contract adjustment payments of 2.450% per year under the related stock purchase contracts. Under the purchase contracts, holders are required to purchase a variable number of shares of the Company's common stock no later than November 1, 2029. The reference price for the purchase contracts is \$58.5686 per share, which is approximately equal to the closing price of the Company's common stock on the Nasdaq Global Select Market on October 29, 2026. The minimum settlement rate under the purchase contracts is 0.7265 shares of the Company's common stock, which is approximately equal to the \$50 stated amount per equity unit divided by the threshold appreciation price of \$68.8231 per share, which represents a premium of approximately 17.5% over the reference price. The maximum settlement rate under the purchase contracts is 0.8537 shares of the Company's common stock, which is approximately equal to the \$50 stated amount per equity unit divided by the reference price. Each of the settlement rates is subject to adjustment in certain circumstances.

The Company estimates that the net proceeds from the Offering will be approximately \$315.3 million (or approximately \$362.5 million if the underwriters' option to purchase additional units is exercised in full), after deducting the underwriting discounts and commissions but before deducting other offering expenses. The Company intends to use the net proceeds of the Offering for general corporate purposes, which may include acquisitions, capital expenditures or debt repayment.

Wells Fargo Securities and J.P. Morgan are acting as joint book-running managers and as representatives of the underwriters for the Offering.

The Offering is being made pursuant to an effective shelf registration statement filed with the Securities and Exchange Commission (the "SEC"). The Offering is being made only by means of a prospectus supplement, including the accompanying base prospectus. Before you invest, you should read the preliminary prospectus supplement and accompanying prospectus, the registration statement, and the other documents that the Company has filed with the SEC for more complete information about the Company and the Offering. Copies of the preliminary prospectus supplement and the final prospectus supplement, when available, may be obtained by visiting EDGAR on the SEC's website at www.sec.gov or from Wells Fargo Securities, LLC, 90 South 7th Street, 5th Floor, Minneapolis, MN 55402, Attention: WFS Customer Service, toll-free at 1-800-645-3751 or by email at WFScustomerservice@wellsfargo.com or J.P. Morgan Securities LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717 or by email at prospectus-eq_fi@jpmchase.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 1.7 million people. H2O America includes the following 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, including Quadvest's operations.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any state or other jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as

amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, but not limited to, statements relating to the proposed Offering and expected use of net proceeds, which statements are made pursuant to the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Some of these forward-looking statements can be identified by the use of forward-looking words such as “believes,” “expects,” “estimates,” “anticipates,” “intends,” “seeks,” “plans,” “projects,” “may,” “should,” “will,” “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 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 risks associated with the Quadvest and Cibolo Valley transactions, including, the risk of the proposed Cibolo Valley transaction not closing on the anticipated timeline, or at all, and the ability to successfully integrate Quadvest's and Cibolo Valley's operations and realize the projected financial and other benefits of the proposed transactions; (2) 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, PFAS and other decisions; (3) changes in demand for water and other services; (4) unanticipated weather conditions and changes in seasonality including those affecting water supply and customer usage; (5) the effect of the impact of climate change; (6) unexpected costs, charges or expenses; (7) our ability to successfully evaluate investments in new business and growth initiatives; (8) contamination of our water supplies and damage or failure of our water equipment and infrastructure; (9) the risk of work stoppages, strikes and other labor-related actions; (10) catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, hurricanes, terrorist acts, physical attacks, cyber-attacks, epidemic, or similar occurrences; (11) changes in general economic, political, legislative, business and financial market conditions; (12) the ability to obtain financing on favorable terms, 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; and (13) legislative and general market and economic developments. 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.

Other factors that may cause actual results, performance or achievements to materially differ are described in the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

H2O America Contacts:

Ann P. Kelly
Chief Financial Officer and Treasurer
(408) 385-4752
Ann.Kelly@H2O-America.com

Jonathan G. Reeder
Senior Director of Treasury & Investor Relations
(475) 414-1034
InvestorRelations@H2O-America.com