

H2O America Quadvest Acquisition

July 2025

H₂O America

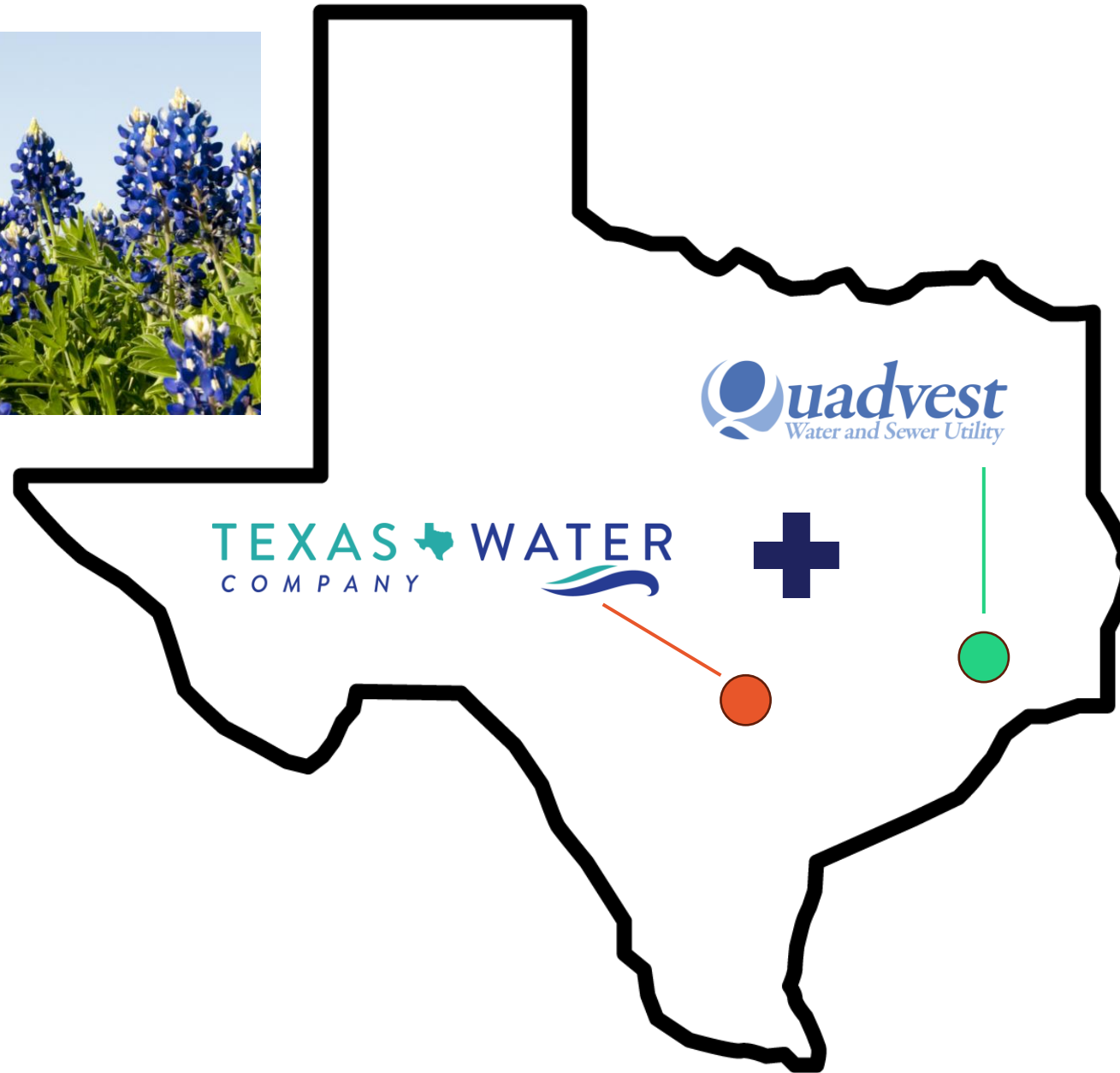


Forward-Looking Statements

This presentation 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.

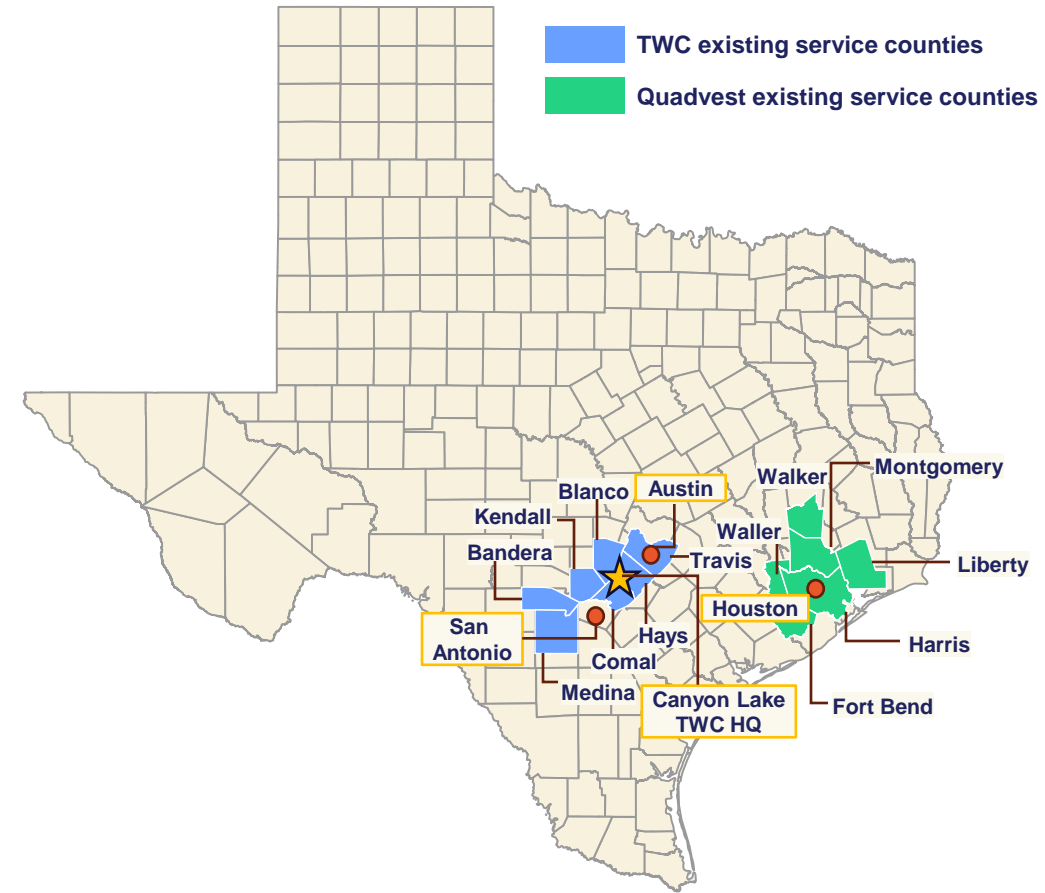
The risks, uncertainties and other factors may cause the actual results, performance or achievements of H2O America to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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.



H2O America to Significantly Expand and Diversify Footprint with TWC's Acquisition of Quadvest

- The Texas Water Company (“TWC”), a H2O America company, along with its affiliate Texas Water Operation Services (“TWOS”), respectively, have agreed to acquire the assets of Quadvest LP and Quadvest Wholesale LLC, collectively referred to as “Quadvest,” for a total of \$540mm
- Quadvest is one of the largest water and wastewater utilities in Texas with over 47,000 active connections
- Upon close, Quadvest will bring operational scale, a strong development pipeline, and increased exposure to one of America’s fastest growing regions, Houston, TX
- Texas customers will comprise approximately 17% of H2O America’s total customer connections based upon 2024 year-end close; double-digit customer growth enhances H2O America’s growth profile



Quadvest Brings Fast Growth and a Strong Legacy of Local Relationships and Reliable Service

- Providing water and sewer service in Southeast Texas for nearly 50 years through two operating entities, Quadvest LP and Quadvest Wholesale LLC
- Over 47,000 active connections and over 89,000 connections under contract and pending development

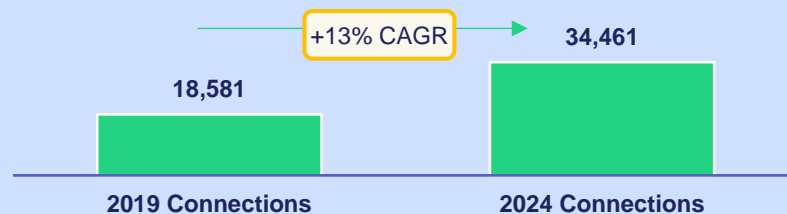
Quadvest LP (Regulated)

Regulated water and wastewater utility;
purchase price of \$483.6mm

64 subdivisions serving 34,500+ connections and
pipeline of 57,500+ connections under contract

Excellent relationships with leading developers in Houston region that
will continue to drive future growth

13% CAGR of connections over last five years supports projected
double-digit customer growth rate over next five years



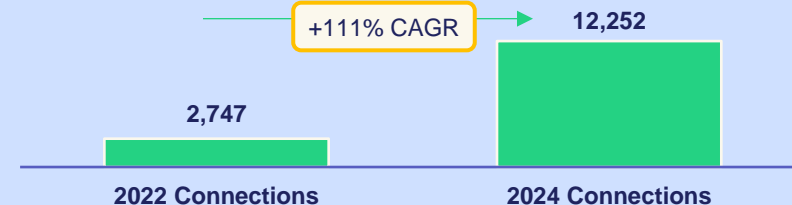
Quadvest Wholesale (Utility-like)

Water and wastewater infrastructure services for municipal
utilities and developers; purchase price of \$56.4mm

4 subdivisions serving 12,500+ connections and 31,500+ under contract
and pending future development

Constructs, operates and maintains water and wastewater facilities under
30+-year contracts with Municipal Utility Districts

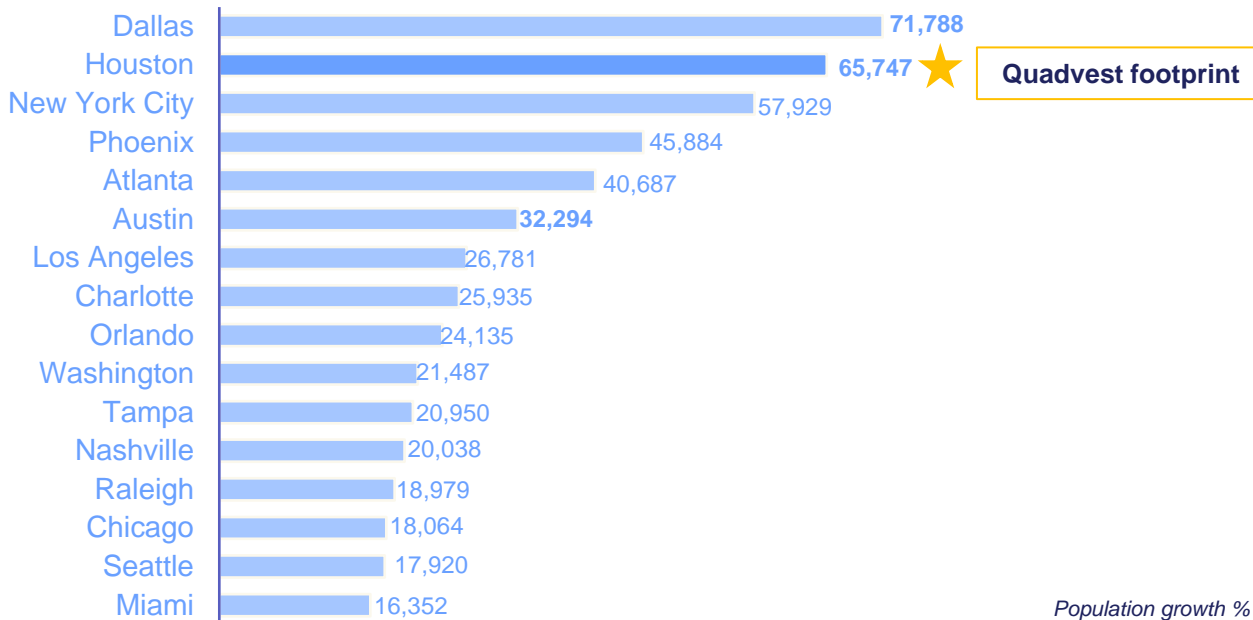
Growth fueled by buildout of master planned communities by multiple
home builders in one of America's fastest growing regions



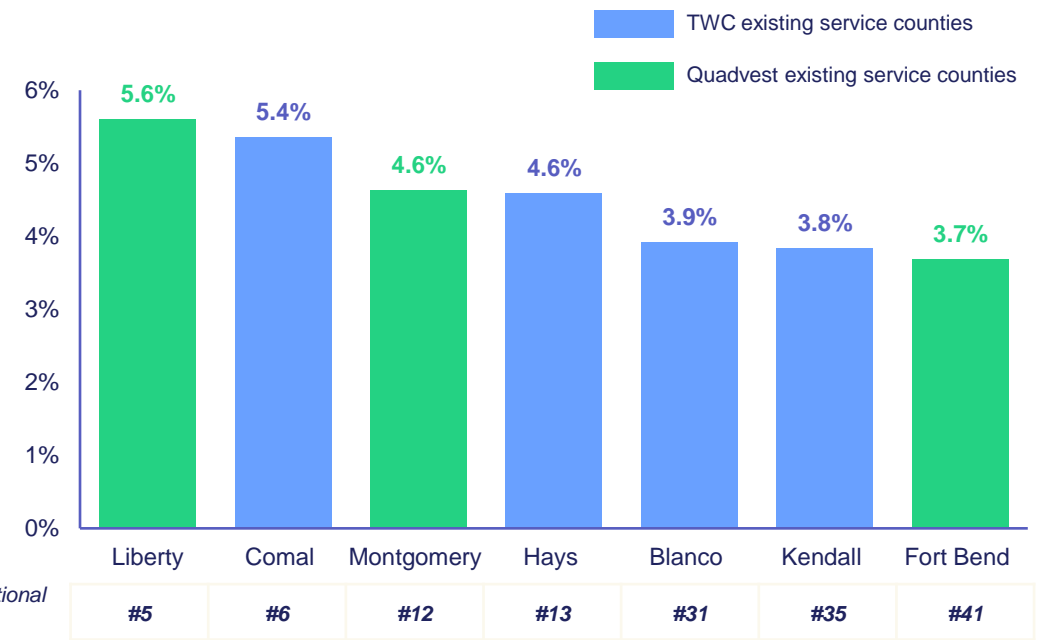
Texas Provides a Large and Growing Market Opportunity

- Houston and surrounding counties have experienced significant growth over the past decade
- Quadvest operates mainly in the counties surrounding Houston, namely Montgomery, Liberty, Waller and Fort Bend Counties
 - Liberty, Montgomery and Waller counties have all experienced cumulative double-digit population growth over the past 5 years
- Combination provides scale across Texas market by strategically expanding beyond TWC's existing footprint along the San Antonio and Austin corridor

Largest New Private Housing Units Authorized in U.S. Metropolitan Area (2024)

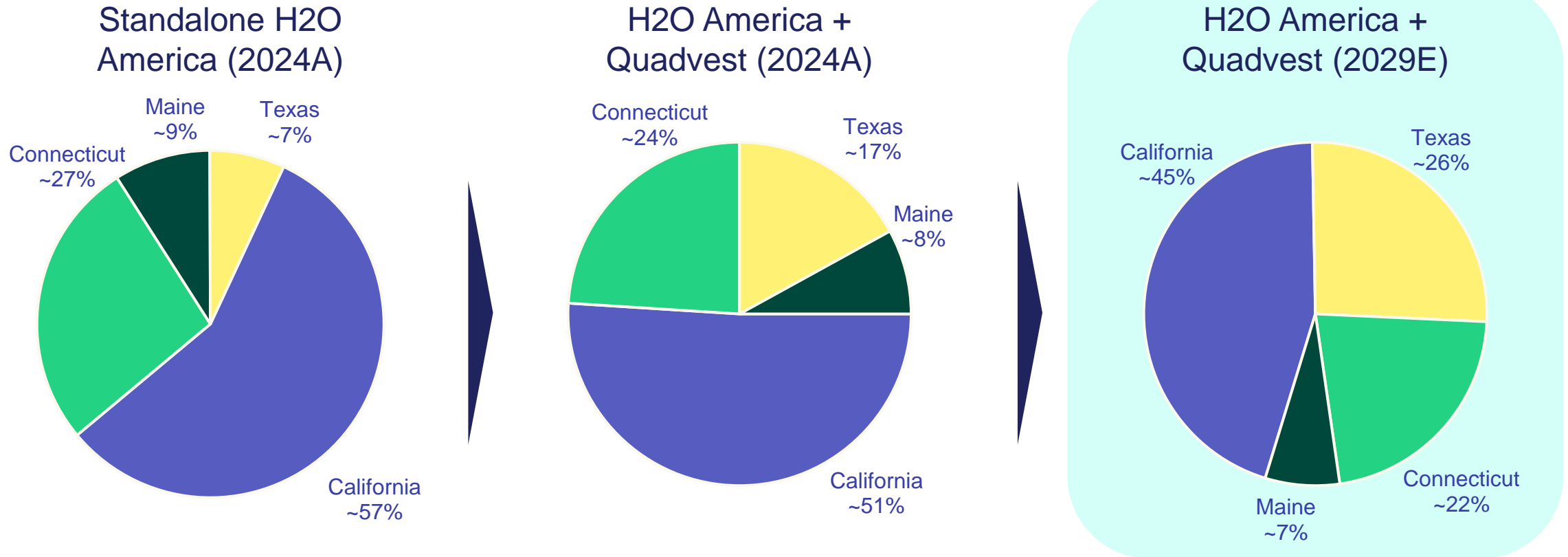


Texas county populations 2020-2024 compound annual growth rate



Population growth % national rank: 2020 - 2024

Transaction Strengthens H2O America's Position by Customer Connections Nationwide



Acquisition creates a more balanced portfolio of water utilities across California, Texas, Connecticut, and Maine

Transaction Enhances Strategic Profile

Enhances Scale	<ul style="list-style-type: none">✓ Creates second largest regulated private Texas water and wastewater utility✓ Strengthens H2O's objective to strategically diversify the business, extend exposure to fast-growing regions, and enhance service nationwide
Increases Exposure to Constructive Texas Market	<ul style="list-style-type: none">✓ Strong Texas economic development and growth will continue to support long-term growth for H2O America✓ Strong relationships with housing developers and customers in Texas present significant capital investment opportunity to continue robust track-record of growth and on-going delivery of reliable and valuable water and wastewater services✓ Constructive regulatory framework and associated mechanisms, incl. Fair Market Value and infrastructure recovery
Customer Focus	<ul style="list-style-type: none">✓ Well positioned to increase value for customers with improved operational excellence, customer service, and infrastructure investment, while maintaining commitment to local expertise✓ Enhance reliability, customer value, and customer service through shared technology and operational best practices
Continued Commitment to Communities and Employees	<ul style="list-style-type: none">✓ Expanding Texas investments with over \$500M planned across TWC and Quadvest over the next 5 years, strengthening our local roots and capacity to meet the state's rapid growth.✓ Company to retain a passionate, dedicated team of locally-based employees and leadership✓ Shared foundation of values and community engagement expressed through charitable giving, employee volunteerism, and environmental stewardship

Transaction and Financing Details

- Meaningfully accretive to EPS growth targets
 - Dilutive to EPS at closing and accretive to EPS and credit metrics by 2028
- Transaction will be structured as a debt-free transaction, with purchase price of \$540mm subject to customary closing adjustments
- Transaction will be financed by combination of privately placed debt and equity from H2O America that allows the company to maintain its strong balance sheet and credit metrics, including:
 - \$350 – 450mm of H2O common equity
 - \$100 – 200mm of H2O and operating company debt
 - Further recapitalization expected following our first rate case
- Closing expected by mid-2026, subject to expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and approval from the Public Utilities Commission of Texas

We protect
what's
precious.

H₂O America

