



Pure-Play Regulated Water & Wastewater Utility Company



Forward-Looking Statements

Certain statements in this presentation include certain forward-looking statements which reflect the company's expectations regarding future events. The forward-looking statements involve a number of assumptions, risks, uncertainties, and other factors that could cause actual results to differ materially from those contained in the forward-looking statements. These forward-looking statements include, but are not limited to, statements about our strategies; expectations about future business plans, prospective performance, growth, and opportunities, including expected growth in and around metropolitan Phoenix and Tucson and the resulting potential for new service connections; future financial performance; regulatory and Arizona Corporation Commission ("ACC") proceedings, decisions, and approvals, such as the anticipated benefits resulting from rate decisions, including any collective revenue increases due to new water and wastewater rates, our beliefs and expectations pertaining to ACC actions relating to our Southwest Plant, as well as the outcome, timing and other statements regarding our plans, expectations and estimates relating to our rate cases and other applications with the ACC, including estimated rate base; our plans relating to future filings of our rate cases with the ACC; acquisition plans and our ability to complete additional acquisitions, including the anticipated acquisition of seven isolated public water systems from the City of Tucson, the expected increase in active water service connections, and the anticipated timing of the consummation of such acquisition; population and growth projections; technologies, including expected benefits from implementing such technologies; revenues; metrics; operating expenses; trends relating to our industry, market, population and job growth, and housing permits; the adequacy of our water supply to service our current demand and growth for the foreseeable future; liquidity and capital resources; plans and expectations for capital expenditures; cash flows and uses of cash; dividends; depreciation and amortization; tax payments; our ability to repay indebtedness and invest in initiatives; the anticipated impact and resolutions of legal matters; the anticipated impact of new or proposed laws, including regulatory requirements, tax changes, and judicial decisions; the anticipated impact of accounting changes and other pronouncements; and other statements that are not historical facts, as well as statements identified by words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", or the negative of these terms, or other words of similar meaning.

These statements are based on our current beliefs or expectations and are inherently subject to a number of risks, uncertainties, and assumptions, most of which are difficult to predict and many of which are beyond our control. Actual results may differ materially from these expectations due to changes in political, economic, business, market, regulatory, and other factors. Additional risks and uncertainties include, but are not limited to, whether all conditions precedent in the asset purchase agreement to acquire the seven isolated public water systems from the City of Tucson will be satisfied and other risks to consummation of the acquisition, including circumstances that could give rise to the termination of the asset purchase agreement and the risk that the transaction will not be consummated without undue delay, cost or expense, or at all. Factors that may also affect future results are disclosed under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our filings with the Securities and Exchange Commission (the "SEC"), which are available at the SEC's website at www.sec.gov. This includes, but is not limited to, our most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings with the SEC. Accordingly, investors are cautioned not to place undue reliance on any forward-looking statements, which reflect management's views as of the date hereof.

We undertake no obligation to publicly update any forward-looking statement, except as required by law, whether as a result of new information, future developments or otherwise.

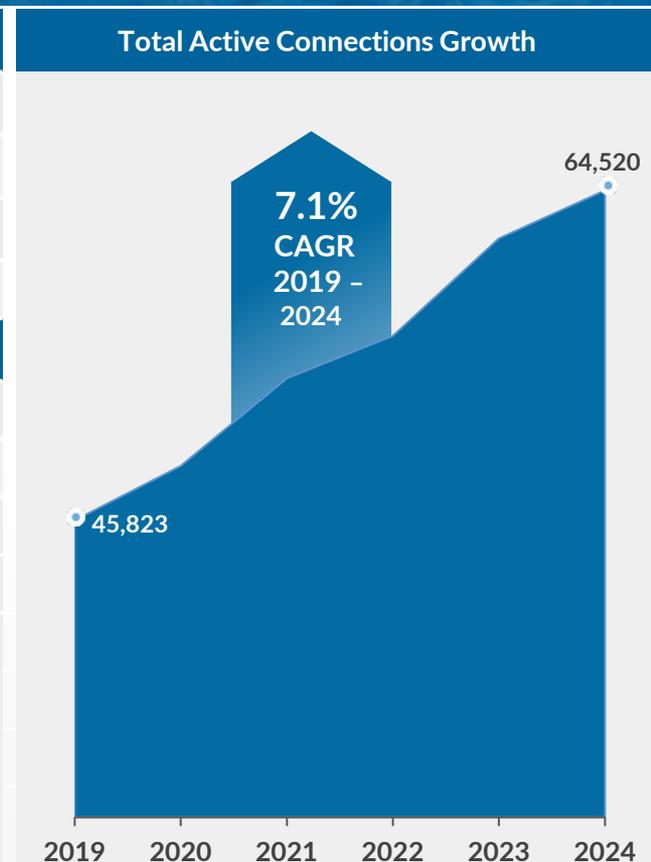
Investors are advised that this presentation contains only summary financial information. For a complete understanding of the Company's financial position, cash flow, and results of operations, investors need to review the whole financial statement and related notes as contained in our SEC filings. This includes, but is not limited to, our most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings with the SEC. This presentation is not a substitute for a thorough review of our complete financial statements.

Global Water Resources Key Stats (NASDAQ: GWRS)



Stock Price 3/4/25	\$11.41
52 Week Low-High	\$11.05-\$13.98
Avg. Volume (3 mo.)	32K
Shares Outstanding	24.2M
Public Free Float est.	47%
Insider Holdings, est.	53%
Institutional Holdings	29%
Market Cap	\$276M
Enterprise Value	\$389M
Founded	2003
U.S. IPO	2016
Total Employees @ 12/31/24	125
Active Connections @ 12/31/24	~64.5K

Total Revenue ttm	\$52.7M
Net Income ttm	\$5.8M
Net Income Margin ttm	11.0%
Adjusted EBITDA ttm ¹	\$26.7M
Adjusted EBITDA Margin ttm ¹	50.6%
Capital Resources²	\$24M
Total Assets @ 12/31/24	\$405.1M
Total Debt @ 12/31/24	\$122.4M
Annualized Interest Expense	\$6.1M
Dividend Yield @ 12/31/24	2.7%



¹Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. For the definition of Adjusted EBITDA and Adjusted EBITDA margin and their reconciliation to GAAP net income and GAAP net income margin, see "Reconciliation of GAAP to Non-GAAP Financial Measures" slide in Appendix.

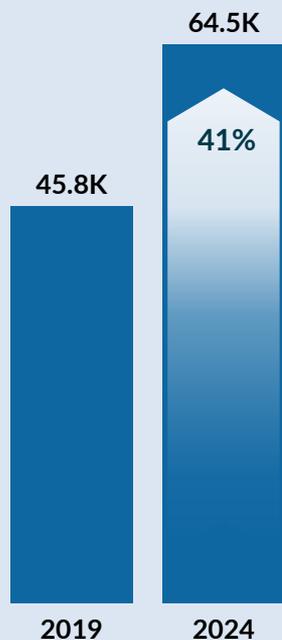
²Capital resources as of Dec. 31, 2024, includes cash and cash equivalents and \$15M of unused revolving credit facility.

ttm = Trailing twelve months ended Dec. 31, 2024.

Sources: Capital IQ, IPREO, Nasdaq.com & company estimates

Operational & Financial Highlights

Active Connections



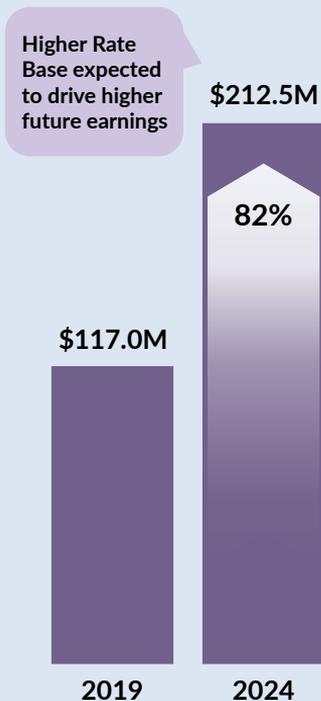
Revenues



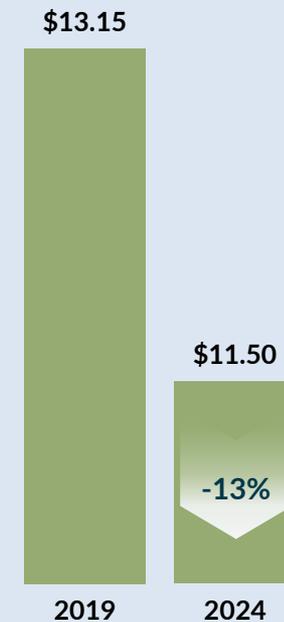
EPS



Estimated Rate Base¹



Stock Price Year End



1) For 2019, the rate base amount is derived from the amount approved in Decision 78644. For 2024, estimated rate base includes all investments in plant as well as estimated post test year plant as part of the 2024 rate case application for our Global Water - Santa Cruz Water Company, Inc. and Global Water - Palo Verde Utilities Company, Inc. utilities (includes Southwest Plant and estimated 2025 investments).

Global Water Resources – Who We Are



**Fast-Growing Provider
of Water Resource
Management**



**Service Area Primarily in
the Growth Corridors of
Metropolitan Phoenix &
Tucson, Arizona.**



Own & Operate 32 Systems

**Providing Water,
Wastewater & Recycled
Water Service**



**Active M&A Strategy in
Highly Fragmented State**

**12 Utilities Acquired
Since 2017**

1 Billion+
**Gallons of Water
Recycled Annually**



MISSION

Aggregate water & wastewater utilities so that we and our customers can realize the benefits of consolidation, regionalization and environmental stewardship in the face of today's water scarcity.

VISION

Grow an enduring utility company with a professional staff focused on:

- Excellent customer service
- Quality water resource delivery
- Management of water scarcity through innovation in water recycling and technologies

Our Commitment



Deliver high-quality service at a fair value.



Leverage advanced technologies that benefit customers, employees and environment.

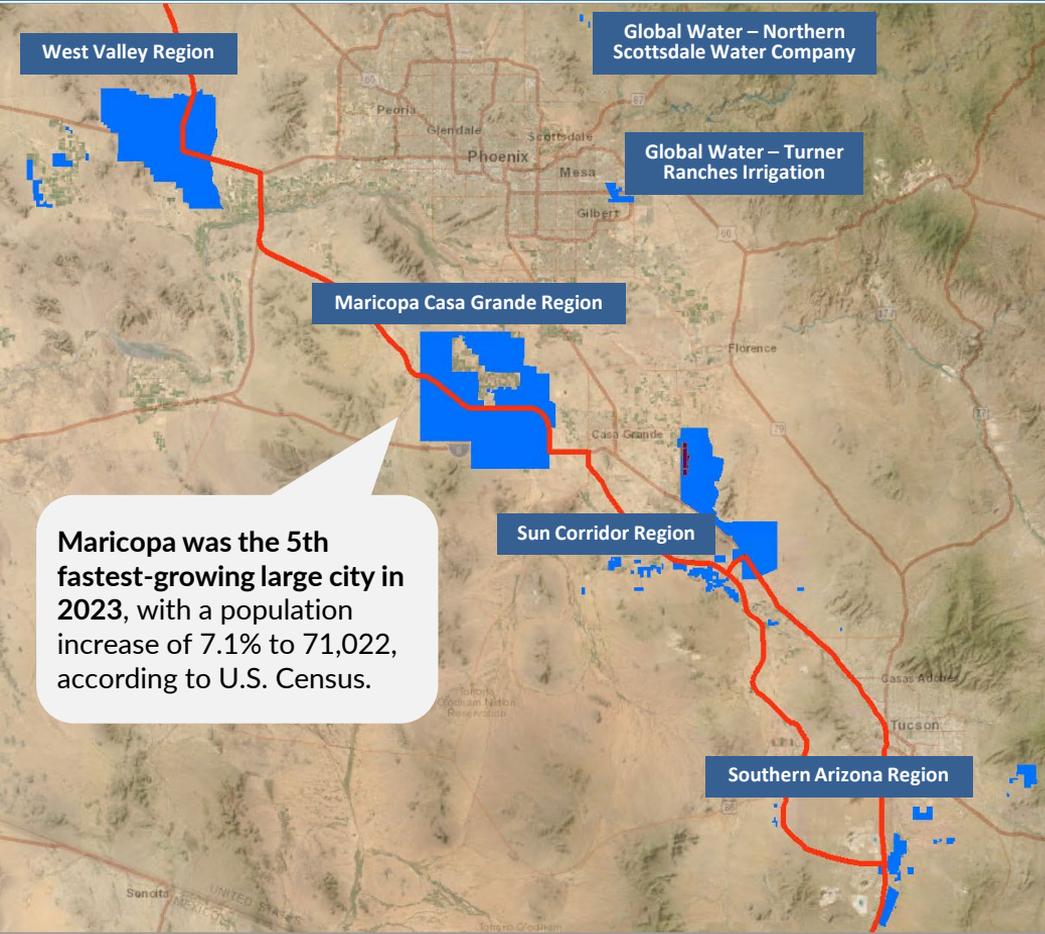


Manage entire water cycle through Total Water Management. Protecting our most precious resource and ensuring long-term sustainability for the communities we serve.



Create an attractive investment opportunity focused on long-term value creation.

We Establish Large Contiguous Investor-Owned Water Utility Service Areas, Strategically Located in Growth Corridors



Located in Two Fast-Growing Counties¹

Maricopa County

Projected to grow **21%** to 4.6 million people in 2024 compared to 3.8 million in 2010.

1) Source: [World Population Review](#), 2010-2024P.

Pinal County

Projected to grow **33%** to ~503,000 people in 2024 from ~379,000 in 2010.

1) Source: [World Population Review](#), 2010-2024P.

64,520 Total Active Connections

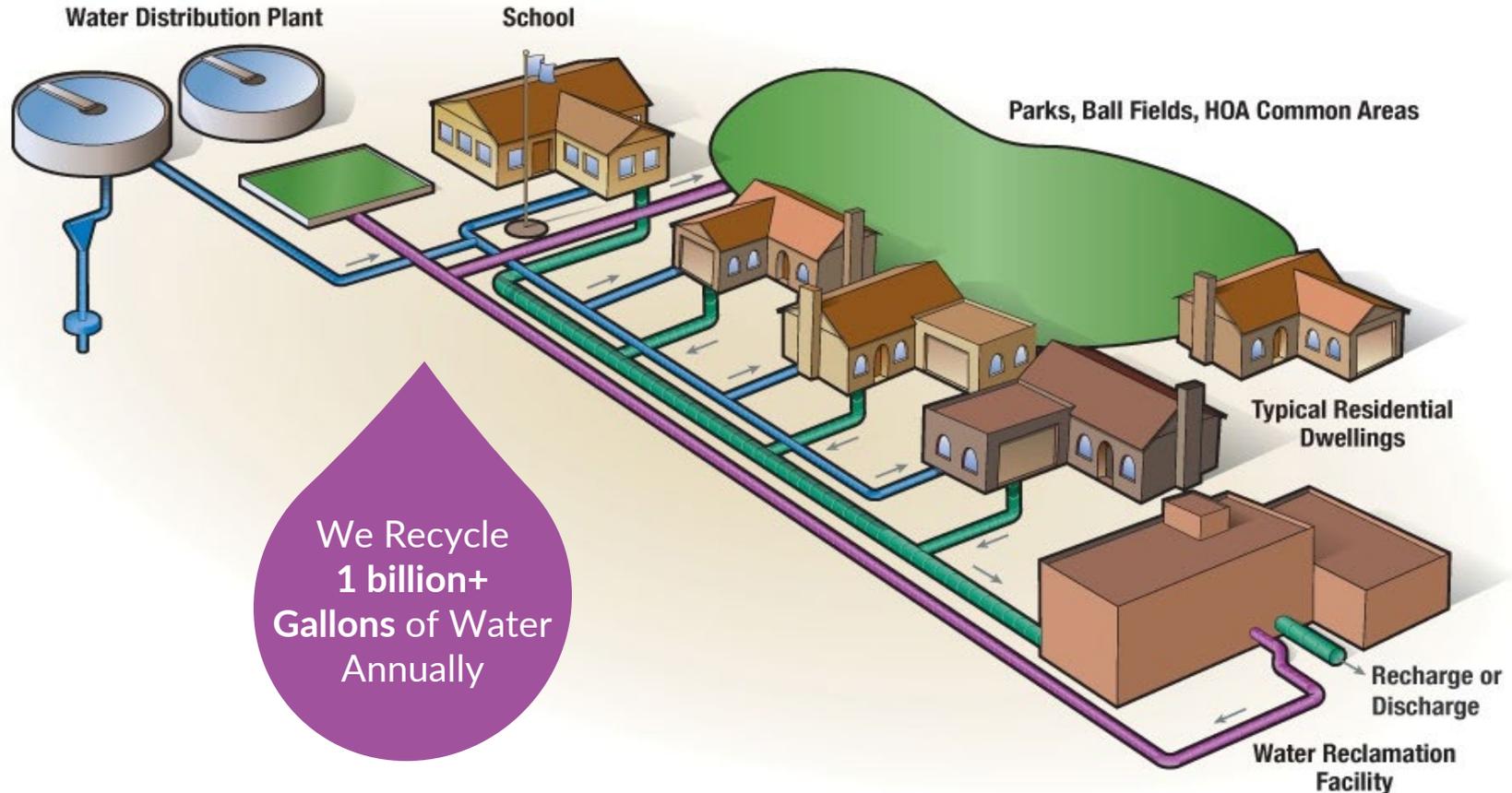
@ December 31, 2024

500+ Square Miles

Permitted Service Territory

~409 square miles of certificated service area

We Manage the Entire Water Cycle Through Our Operating Model of Total Water Management

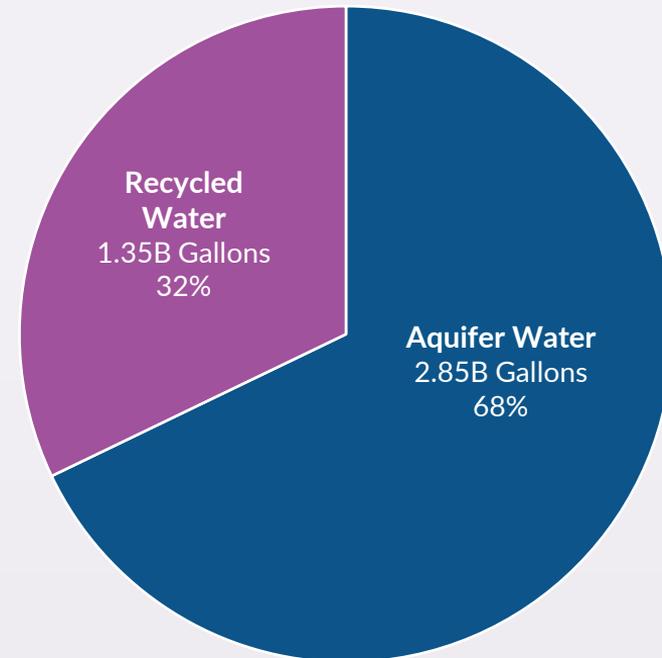


We Recycle
1 billion+
Gallons of Water
Annually

Our Recycled Water Relieves Aquifer Demand

- Water use in 2023 totaled 4.2 billion gallons.
 - 68% aquifer water or 2.85 billion gallons.
 - 32% recycled water or 1.35 billion gallons.
- Our Total Water Management practices **reduced demand** on the Maricopa Stanfield Sub-basin aquifer by **32% in 2023**.

Global Water's Full Year 2023 Water Usage



2023 Water Usage

	Gallons Used	Gallons per Acre Foot	Acre Feet	% of Total Water Usage
DAWS/Aquifer Water Used	2,851,196,250	325,851	8,750	68%
Recycled Water Used	1,348,992,000	325,851	4,140	32%
Total Water Used	4,200,188,250		12,890	100%

Aquifer water source is Maricopa Stanfield Sub-basin aquifer

Utilization of Advanced Technology Results in Conservation, Improved Service Levels & Efficiencies



Advanced Treatment Systems



Automated Asset Management



Centralized Call Centers



Automated Meter Infrastructure



Real-time Monitoring

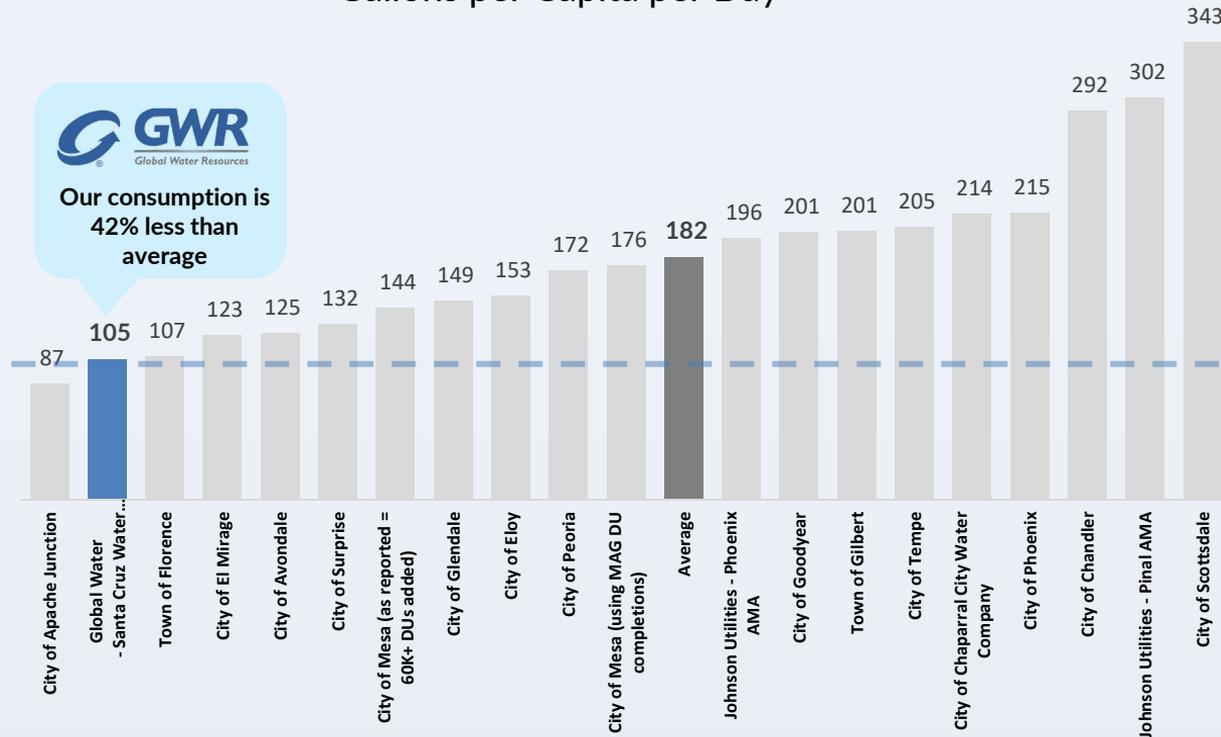


Sophisticated Team of Engineers, Analysts & Technicians

We Use 42% Less Water than Average

- Total Water Management water reuse practices enables less water consumption compared to other service providers.
- In fact, we use on average **105 gallons** of water per capita per day.
- Our daily consumption is **42% less** than the average consumption of 182 gallons of water per capita per day.

Average Daily Consumption by Designated Service Provider Gallons per Capita per Day



Reliable Source of Fresh Water Supply

- **Underground aquifers are our primary source of fresh water supply.**
- **We do not rely on the Colorado River for water.**
- **We have an existing assured water supply from the Maricopa-Stanfield Sub-basin aquifer.**
- **We are well positioned to grow notwithstanding regional water constraints.**
- **Global Water is at forefront of water resource management and involved with developing long-term water solutions.**

Maricopa-Stanfield Sub-basin Aquifer

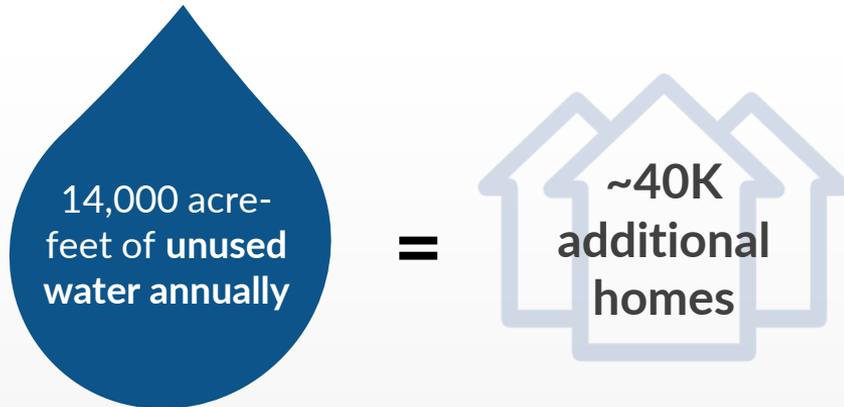


Maricopa-Stanfield Sub-basin aquifer sits under the City of Maricopa, Arizona, located just south of Phoenix.

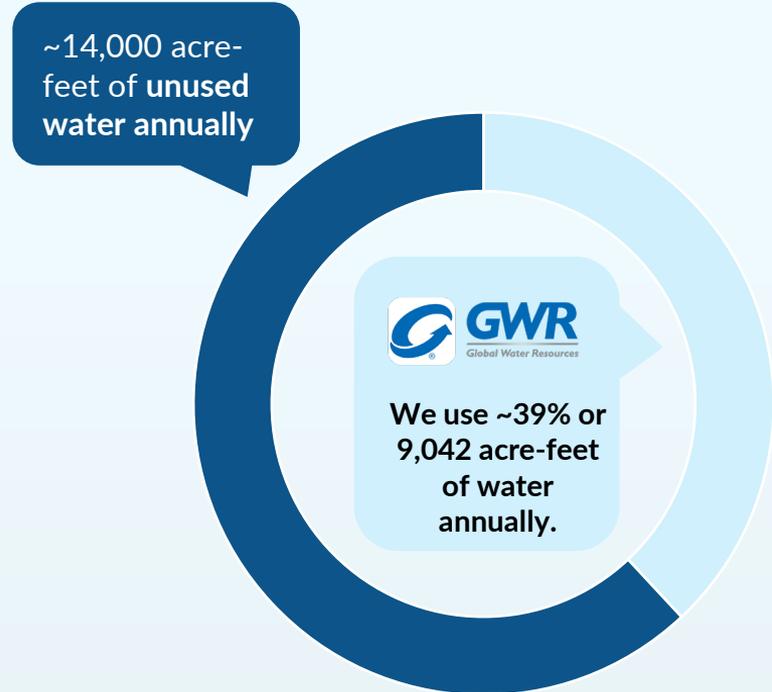
At **~23,000** acre-feet of water per year, our Assured Water Supply is **one of the largest in the region.**

Ample Underground Water Supply

- **Global Water** uses only ~39% of its allocated portion of the Maricopa-Stanfield Sub-basin aquifer's annual capacity.
- 14,000 acre-feet annually of **untapped water** can support **~40K additional homes**.



Maricopa-Stanfield Sub-basin Aquifer
Global Water has ~23,000 acre-feet annual capacity





Organic Growth

Grow our customer base with addition of new active connections in our service areas.



New Service Areas

Expand our service areas in Arizona growth corridors.



Acquisitions

Make accretive acquisitions of water and wastewater utilities.



Utility Rate Increases

Rate increases from rate cases with Arizona Corporation Commission.

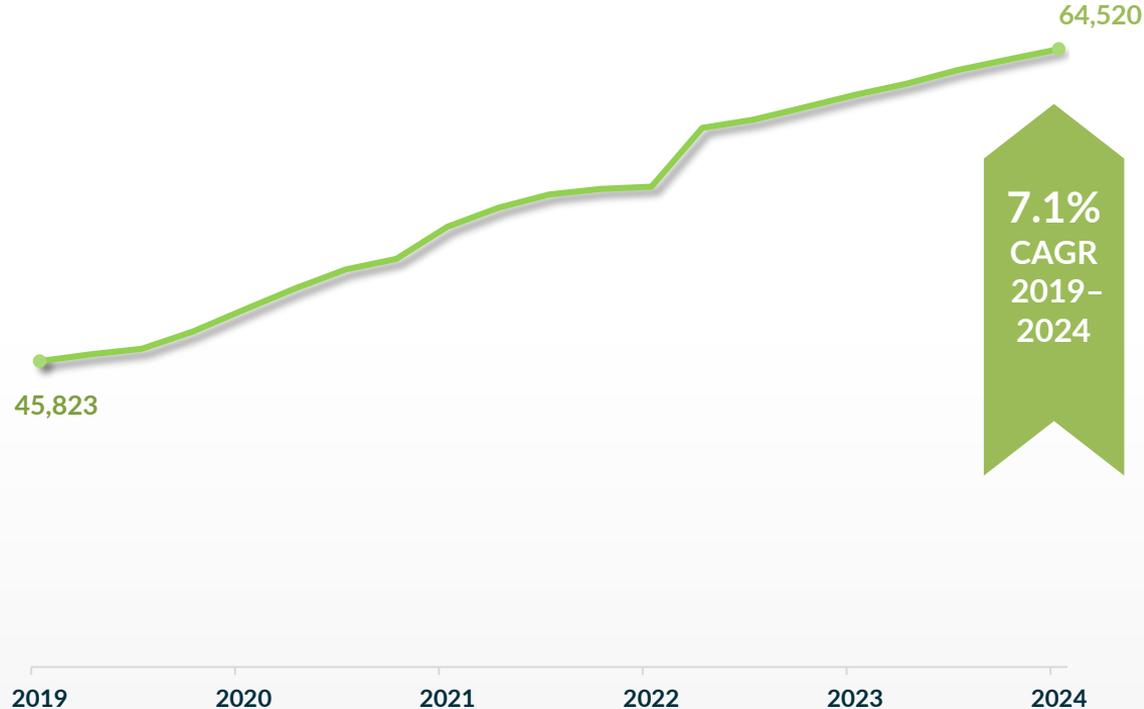


Organic Growth Continues

Up 4.4% y/y
at Dec. 31, 2024

Additional Growth Opportunities through Acquisitions & New Service Areas

Total Active Connections





Maricopa/Pinal County Business Boom



Aerospace & Defense

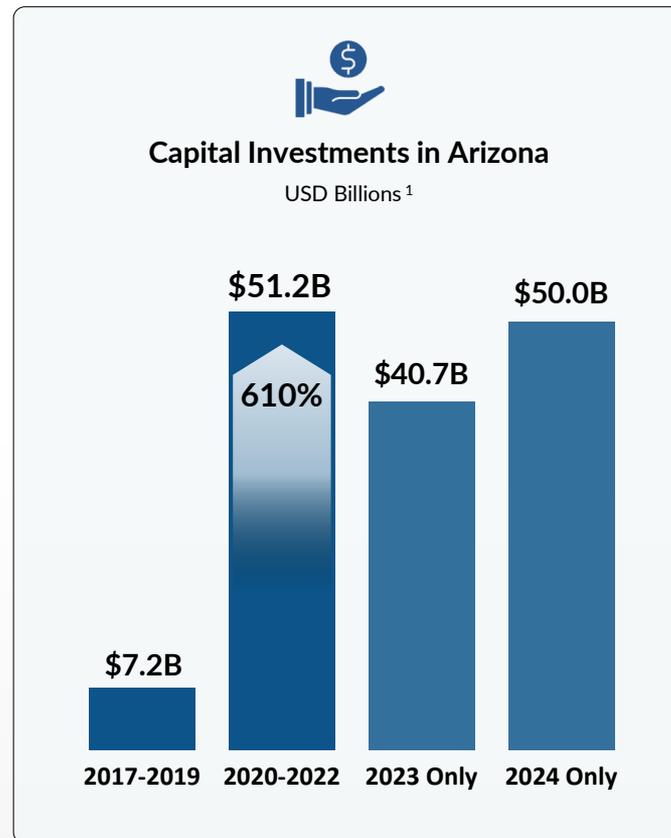
Data Centers

Semiconductor

Automated & EVs



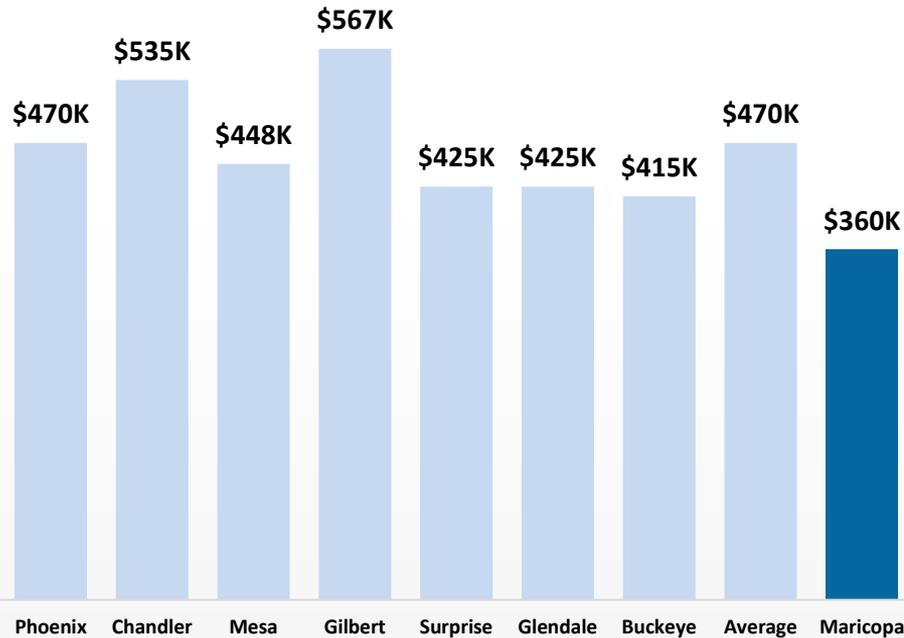
- **\$50.0B** of capital invested in Arizona in 2024.¹
- **\$51.2B** of capital invested in Arizona for the years 2020 through 2022 was up **610%** vs. preceding three years.¹
- Major new manufacturing facility announcements by TSMC, Intel and P&G:
 - **March 2025:** TSMC announced **\$100B** investment for three additional chip facilities, building upon the company's previously announced \$65B investment in its north Phoenix fab site.
 - Intel and Canada's Brookfield Asset Management announced deal to jointly fund Intel fabrication facilities in Chandler, AZ for up to **\$30B**.²
 - P&G announced **\$500M** investment for new manufacturing facility at Inland Port, AZ.
- ~486,000 new jobs expected to be created in AZ by 2033, an annualized growth rate of 1.3%, more than three times the U.S. rate.³
- **Arizona has become a central business hub:**
 - Ranked #2 in U.S. for infrastructure and #5 for economy in 2024.⁴
 - State individual income tax at 2.5%, among lowest in U.S.⁵
 - Corporate income tax at 4.9%, among lowest in U.S.⁵



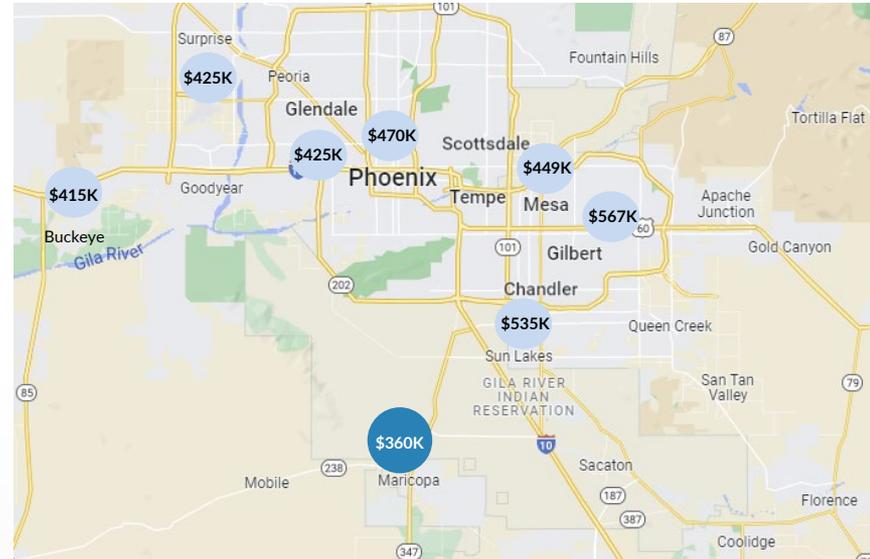


City of Maricopa's Favorable Median Home Prices

Median Home Prices February 2025¹



Median Home Prices by City



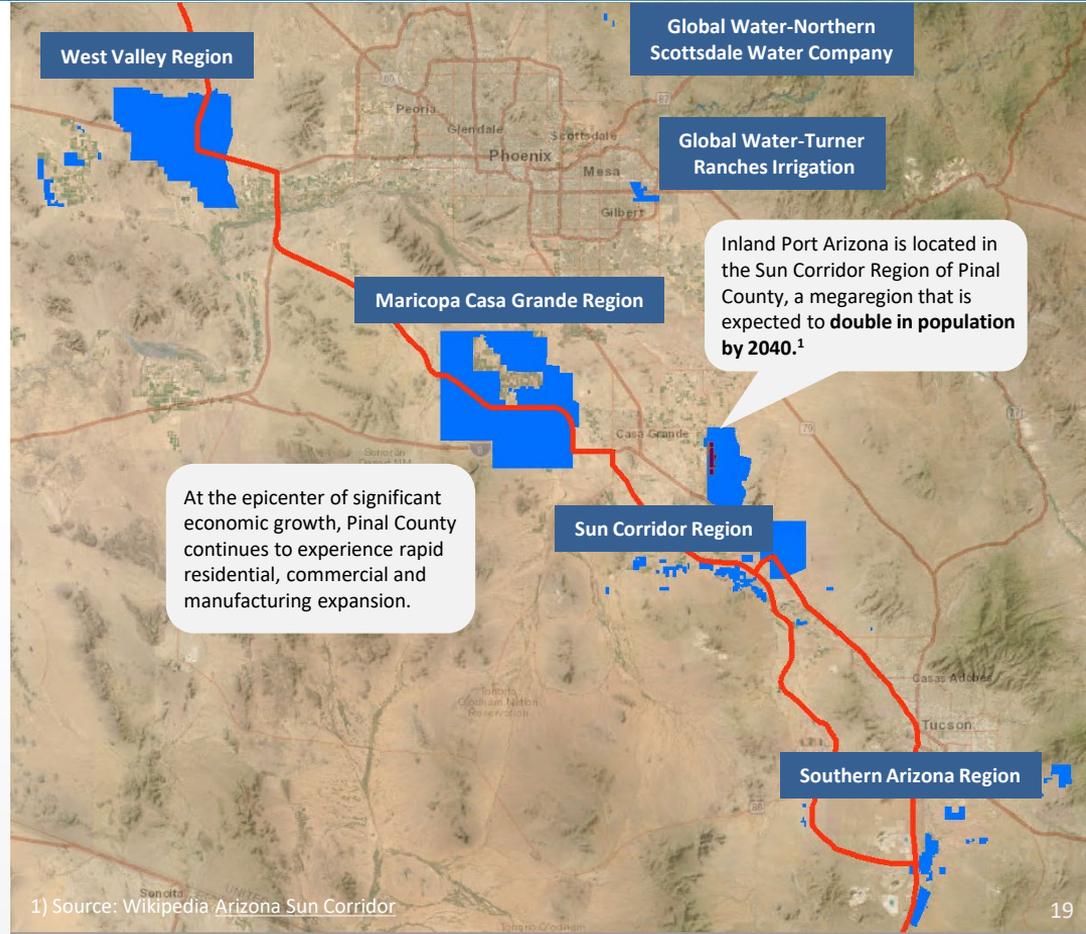
Maricopa's median home price of \$360K is at a 23% discount to the average median home price of ~\$470K in the Phoenix Metro area.

1. Redfin.com; All Home Types



Global Water to Service 30 sq. Mile Planning Area & 2,700 Acre Industrial Mega-Site

- Signed agreements with City of Coolidge and Saint Holdings to provide water, wastewater, and recycled water service to Phoenix-area industrial mega-site under development.
- Located southeast of Phoenix in **Sun Corridor** where large-scale economic development projects are underway:
 - 2,700 sq. acre industrial mega-site served by rail and major highways.
 - Also, signed franchise agreement with Coolidge for the surrounding 30 sq. miles of their southern planning area.
 - Received ACC permit for major portion of planning area.
 - Actively engaged with developers to provide utility solutions for new projects in this expansive area, from factories and large offices to retail centers and residential.
- **Nov. 2022:** P&G received approval of an economic development agreement to build a **new manufacturing facility on 427 acres at Inland Port** in our approved service area adjacent to Nikola.
 - Represents **\$500M** investment by P&G.
 - Expected to create **~500 new jobs**.
 - We will work directly with P&G to establish **water, wastewater and recycled water service** for the facility.
 - We are planning to service the facility by 2026.



1) Source: Wikipedia: Arizona Sun Corridor



Acquired 12 Utilities Since 2017



- Eagletail Water
- Turner Ranches
- Red Rock Water
- Red Rock Wastewater
- Mirabell Water
- Francesca Water
- Tortolita Water
- Lyn-Lee Water
- Twin Hawks
- Rincon
- Las Quintas Serenas
- Farmers Water Company

Acquisitions added



- 7,670 connections.
- ~60.9 square miles of service area.
- Over \$4 million in annual revenue.

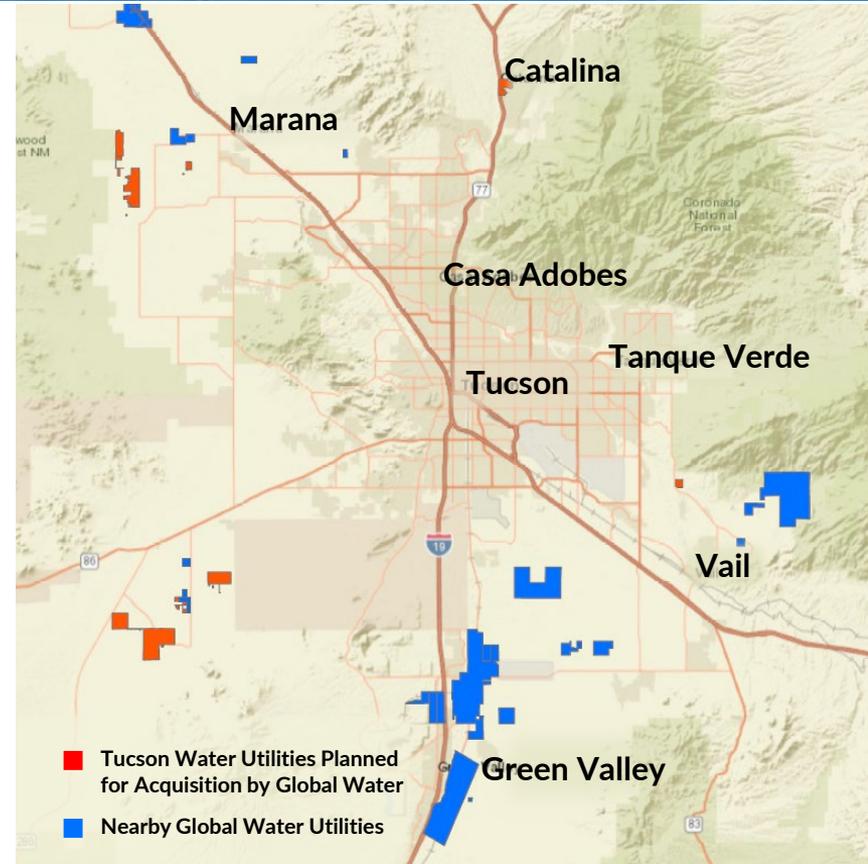


- In preliminary discussions with several other utilities.
- Significant opportunities and need for consolidation in Arizona.
- 300+ investor-owned water & wastewater utilities in the state.¹

1) Source: Arizona Corporation Commission (ACC) website



- **May 7, 2024:** Agreed to acquire seven public water systems from the City of Tucson for \$8.4 million in cash.
- Acquisition expected to add:
 - ~2,200 active water service connections.
 - ~\$7.8M in estimated rate base.
- Would bring total connections count in Pima County to **~7,200**.
- Plan to upgrade water connections from manually read meters to Smart Meters.
- Anticipate completing acquisition in first half of 2025, subject to customary closing conditions.



Tucson Water Utilities Planned for Acquisition



August 2020: Filed case for new rates covering 96% of our active service connections.

2020/2021

2022



Outcome of July 2022 rate case: \$2.2 million annualized revenue increase fully phased-in by January 1, 2024.



Completed Rate Case Saguaro Region (Pima County)

June 2024: ACC approved a revenue increase totaling ~\$0.4M annually to be phased-in over five periods that began in Q3-24.

2024

New Rate Case



Santa Cruz-Water & Palo Verde-Wastewater

Filed general rate case application for our two largest utilities on Mar 5, 2025.

If approved, would provide \$6.5M of increased annual revenue to be phased-in over two periods beginning May 2026. Anticipate rate case decision in 2026.¹

2025



July 2024: Filed rate case for Farmers Water utility, requesting revenue increase.

Testimony of Utilities Division staff regarding the application filed in December 2024.

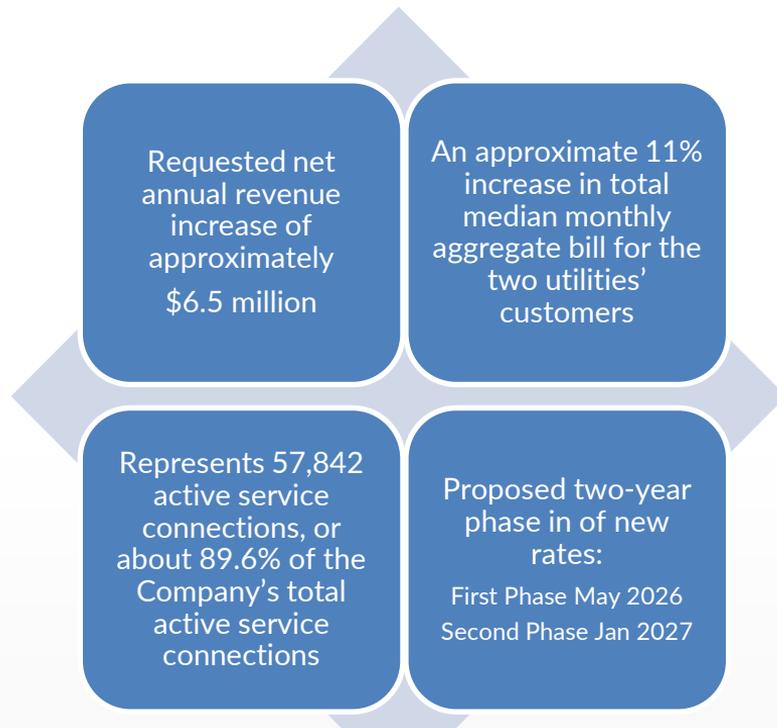


January 2025: Filed settlement agreement for Farmers Water general rate case application.

If approved, would provide \$1.1M of increased annual revenue to be phased-in over three periods beginning May 2025.

Anticipate rate case decision in first half of 2025.¹

¹ There can be no assurance that the ACC will approve requested rate increases, and the ACC could take other actions as a result of the rate cases. Further, it is possible that the ACC may determine to decrease future rates.



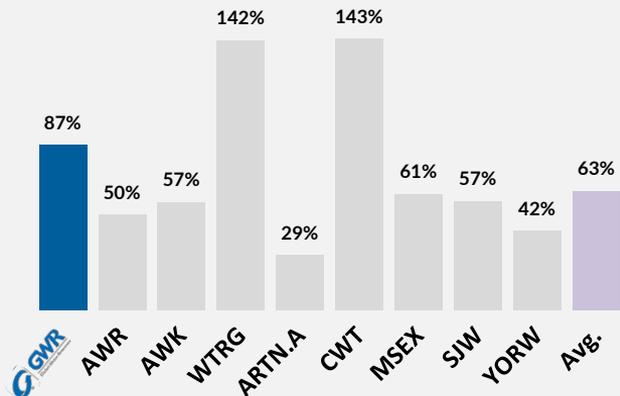
Requested rate increase reflects proposed resolution of matters relating to the Company's Southwest Plant with the ACC. The Company invested approximately \$32.2 million related to the Southwest Plant prior to the Great Recession (2005-2009).

¹ There can be no assurance that the ACC will approve requested rate increases, and the ACC could take other actions as a result of the rate cases. Further, it is possible that the ACC may determine to decrease future rates.

We Compare Favorably to Our Peers Across Key Metrics

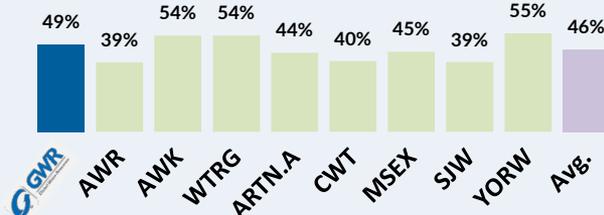
EBITDA Growth^{1,2,3}

TTM vs FY 2016



EBITDA Margin^{1,3}

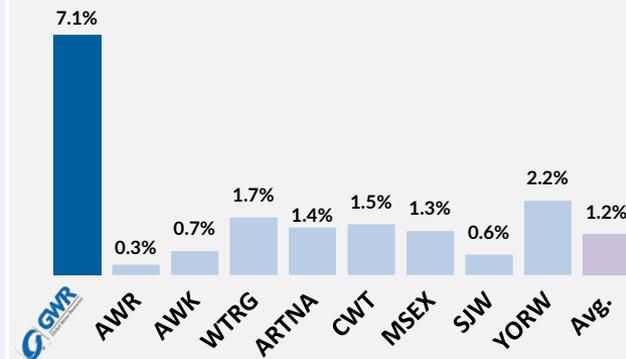
TTM



Active Connection Growth

5-Year Average³

@12/31/2024



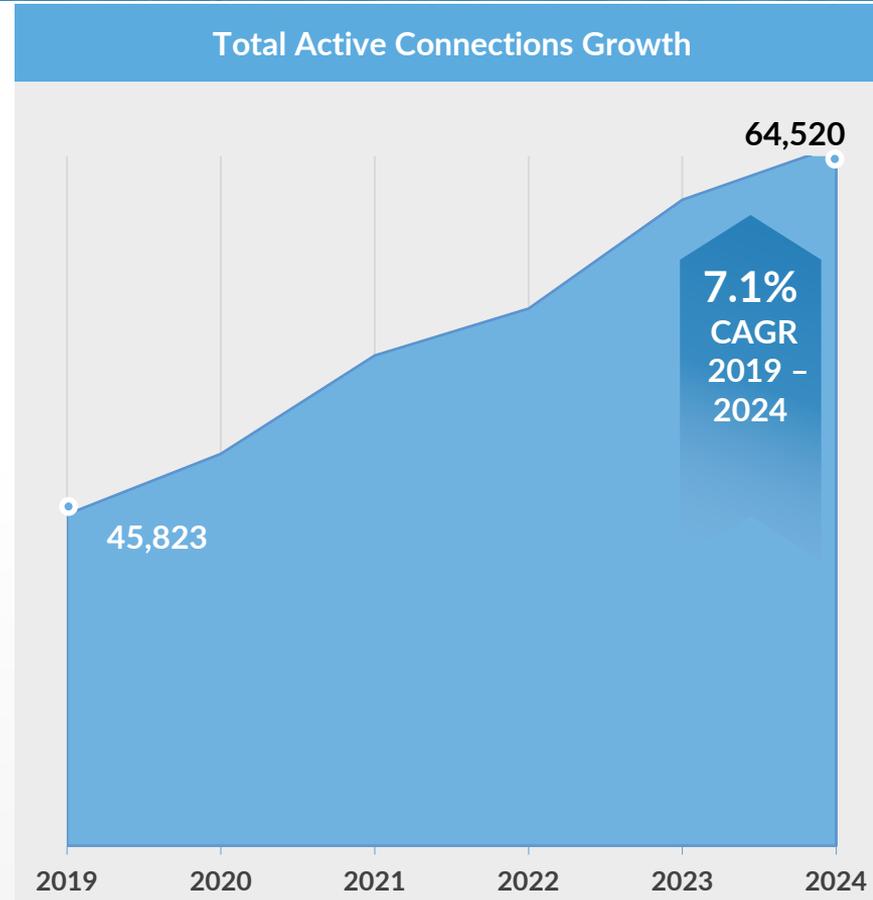
	Global Water Resources (GWRs)	American States Water Company (AWR)	American Water Works Company (AWK)	Essential Utilities, Inc. (WTRG)	Artesian Resources Corp. (ARTNA)	California Water Service Group (CWT)	Middlesex Water (MSEX)	SJW (SJW)	The York Water Co. (YORW)	Peer Comp. Average
EBITDA Growth ^{1,2,3}	87%	50%	57%	142%	29%	143%	61%	57%	42%	63%
EBITDA Margin ^{1,3}	49%	39%	54%	54%	44%	40%	45%	39%	55%	46%
Active Connection Growth 5-Year Avg. ³	7.1%	0.3%	0.7%	1.7%	1.4%	1.5%	1.3%	0.6%	2.2%	1.2%

GWRs: Strong EBITDA Margin and EBITDA Growth, and Leading Active Connection Growth vs. Peers

Financial information is based on trailing 12 mo. (TTM) as of 12/31/2024, unless otherwise noted. Sources: Capital IQ & company estimates. EBITDA Growth is TTM at December 31, 2024 compared to full year 2016. The Company's non-GAAP measures, including EBITDA and EBITDA margin, may not be calculated the same way by other companies. Footnote: 1) EBITDA and EBITDA margin are non-GAAP financial measures. For their definition and reconciliation to GAAP, see "Reconciliation of GAAP to Non-GAAP Financial Measures" slide in Appendix. 2) EBITDA growth peer comp average excludes WTRG due to a multibillion-dollar acquisition of the natural gas distribution company Peoples in 2020. 3) Artesian data as of 9/30/2024.

Global Water Resources Key Takeaways

- **Pure-play, high growth** water resource management company, focused on conservation.
- **High Connection Growth Rate** – 7.1% CAGR in active service connections from 2019 to 2024.
- **Acquisitions & new service** area growth strategy.
- **Rate Case** opportunities.
- **Exclusive** right to provide service in large service areas.
- **Capacity** to significantly grow customer base with existing water supplies.
- **Highly automated utilities** focused on operational efficiency, technology and future expansion.
- **Strong dividend policy** driving value creation.



Contact Us

Global Water Resources, Inc.

Ron Fleming

President & CEO

T: 480.999.5290

ron.fleming@gwresources.com

Mike Liebman

SVP & CFO

T: 480.999.5104

mike.liebman@gwresources.com

Chris Krygier

Chief Operating Officer

T: 623.377.2603

christopher.krygier@gwresources.com

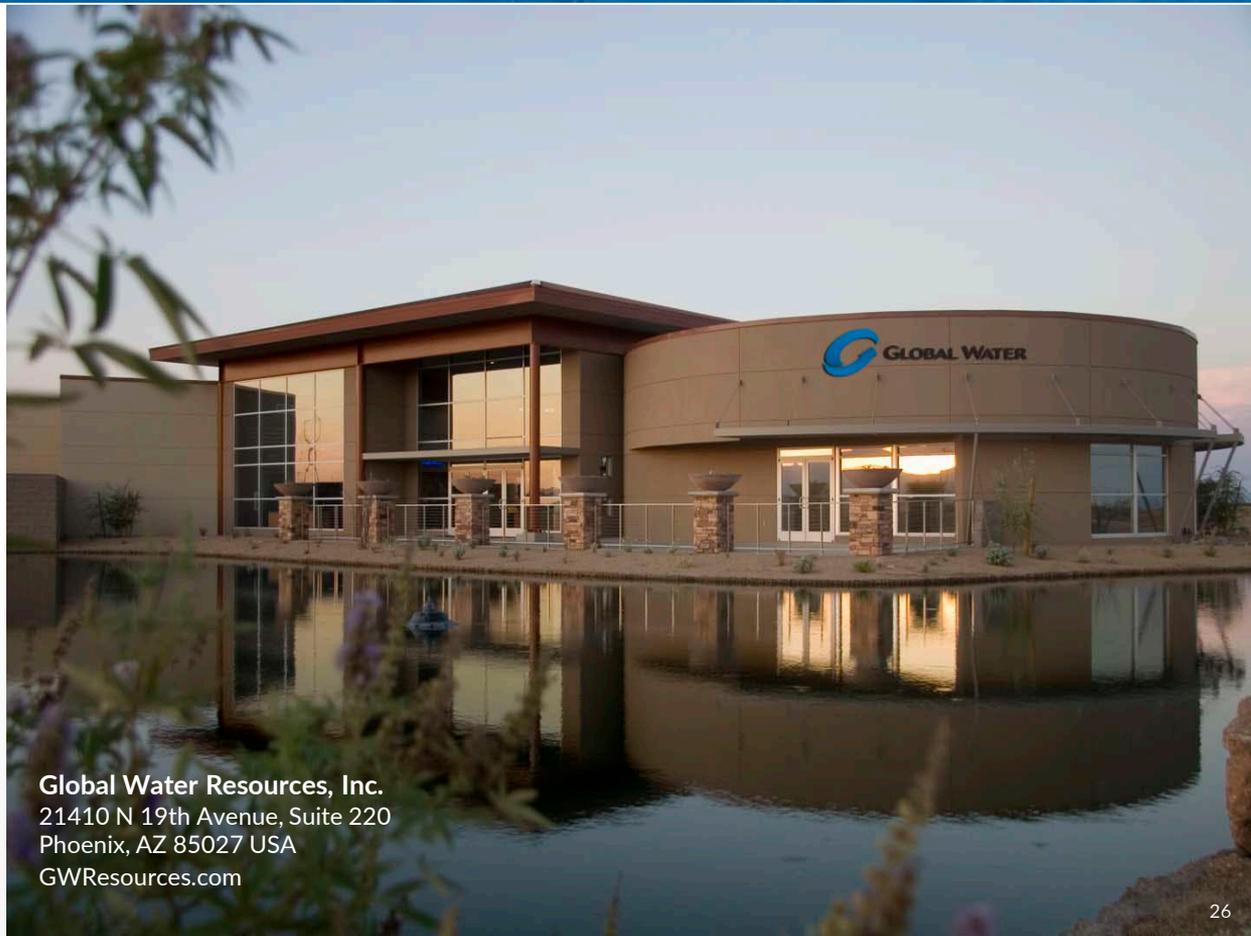
Investor Relations

Ron Both or Grant Stude

CMA Investor Relations

T: 949.432.7566

GWR@cma.team



Global Water Resources, Inc.

21410 N 19th Avenue, Suite 220

Phoenix, AZ 85027 USA

GWRResources.com

Appendix

Leadership Team



Ron L. Fleming
President, CEO & Director



Mike Liebman
CFO & SVP



Chris Krygier
COO



Joanne Ellsworth
EVP of Corporate Affairs



Robert J. Kuta
EVP of Engineering & Environmental Resources

20+ years of related management and utility experience, including project management on numerous large-scale heavy civil infrastructure projects throughout Arizona.

Previously served as Global Water's project manager, general manager, vice president and chief operations officer.

Serves on the board of directors for the National Association of Water Companies, Maricopa Economic Development Alliance and Pinal Partnership where he is the Co-Chair of the Water Resources Committee.

B.A., Construction Management, School of Engineering at Northern Arizona University.

23+ years of finance and management experience.

10+ years at Global Water raising over \$200 million of capital during that time.

Prior to Global Water, was Sr. Director at Alvarez and Marsal, where he successfully negotiated the restructuring of over \$3 billion in capital and raised \$750 million of new capital for clients.

Certified Public Accountant (CPA).

B.A., Accounting, Northern Arizona University.

15+ years' experience in operational management, regulatory strategy, and capital deployment for large projects and transactions, along with multi-state experience and industry knowledge.

Serves as president of Water Utilities Association of Arizona, Arizona's largest consortium of water IOUs.

Earlier held several positions of increasing responsibility at several of Arizona's largest water & wastewater investor-owned utilities.

Certified Management Accountant and CFA charter holder.

B.S., Economics; MBA, Finance, Arizona State University, W. P. Carey School of Business.

Joined Global Water in 2011, with 17 years of experience as an attorney, including representing municipalities regarding economic development, infrastructure financing and construction, condemnation, and zoning.

Member of the Missouri Bar, a graduate of the University of Kansas and the University of Missouri Kansas City – School of Law (UMKC), where she was a member and editor of the UMKC Law Review.

Joined Global Water in January 2025 with 35+ years of experience in the water industry, from operations, project delivery and strategic planning to development and execution of innovative business performance models and regulatory strategies.

Previously served as VP of engineering and chief water quality and environmental affairs compliance officer at Cal Water, the country's third largest investor-owned water utility.

At Cal Water, he oversaw capital expenditures of \$1.4B under a three-year development and infrastructure expansion program.

B.S. degree in Biology from Central Michigan University and MBA from University of Phoenix.

Consolidated Balance Sheets

Financial information in this and the following slides are presented in thousands (except share and per share amounts).

	December 31, 2024	December 31, 2023
ASSETS		
UTILITY PLANT:		
Utility plant	\$ 512,993	\$ 465,688
Less accumulated depreciation	(153,614)	(142,367)
Net utility plant	359,379	323,321
CURRENT ASSETS:		
Cash and cash equivalents	9,047	3,087
Accounts receivable, net	3,233	3,388
Unbilled revenue	3,109	2,755
Taxes, prepaid expenses and other current assets	4,080	2,494
Total current assets	19,469	11,724
OTHER ASSETS:		
Goodwill	9,486	10,820
Intangible assets, net	8,427	8,841
Regulatory assets	4,032	2,898
Restricted cash	2,109	1,676
Right-of-use assets	2,157	1,741
Other noncurrent assets	78	74
Deferred tax assets	—	—
Total other assets	26,289	26,050
TOTAL ASSETS	\$ 405,137	\$ 361,095

	December 31, 2024	December 31, 2023
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION		
Common stock, \$0.01 par value, 60,000,000 shares authorized; 24,570,994 and 24,492,918 shares issued as of December 31, 2024 and December 31, 2023, respectively.	\$ 240	\$ 240
Treasury stock, 344,978 and 317,677 shares at December 31, 2024 and December 31, 2023, respectively.	(2)	(2)
Additional paid-in capital	47,366	47,585
Retained earnings	—	797
Total shareholders' equity	47,604	48,620
Long-term debt, net	118,518	101,341
Total Capitalization	166,122	149,961
CURRENT LIABILITIES:		
Accounts payable	2,051	1,027
Customer and meter deposits	1,609	1,628
Long-term debt, current portion	3,926	3,880
Leases, current portion	871	553
Accrued expenses and other current liabilities	13,801	7,129
Total current liabilities	22,258	14,217
OTHER LIABILITIES:		
Line of credit	—	2,315
Long-term lease liabilities	1,450	1,370
Deferred revenue - ICFA	21,517	19,656
Regulatory liabilities	5,386	6,076
Advances in aid of construction	126,467	111,529
Contributions in aid of construction, net	36,834	32,823
Deferred income tax liabilities, net	9,698	8,284
Other noncurrent liabilities	15,405	14,864
Total other liabilities	216,757	196,917
TOTAL CAPITALIZATION AND LIABILITIES	\$ 405,137	\$ 361,095

Consolidated Statements of Operations

	Years Ended December 31,	
	2024	2023
REVENUE:		
Water service	\$ 26,064	\$ 24,860
Wastewater and recycled water service	26,628	25,382
Unregulated revenue	—	2,786
Total revenue	52,692	53,028
OPERATING EXPENSES:		
Operations and maintenance	13,726	12,669
General and administrative	16,882	16,636
Depreciation and amortization	12,720	11,437
Total operating expenses	43,328	40,742
OPERATING INCOME	9,364	12,286
OTHER INCOME (EXPENSE):		
Interest income	946	52
Interest expense	(6,098)	(4,882)
Other, net	3,650	3,398
Total other expense	(1,502)	(1,432)
INCOME BEFORE INCOME TAXES	7,862	10,854
INCOME TAX EXPENSE	(2,073)	(2,872)
NET INCOME	\$ 5,789	\$ 7,982
Basic earnings per common share	\$ 0.24	\$ 0.33
Diluted earnings per common share	\$ 0.24	\$ 0.33
Dividends declared per common share	\$ 0.30	\$ 0.30
Weighted average number of common shares used in the determination of:		
Basic	24,204,706	24,044,950
Diluted	24,303,340	24,129,542

Reconciliation of GAAP to Non-GAAP Financial Measures

Cautionary Statement Regarding Non-GAAP Measures

This presentation contains certain financial measures that are not recognized measures under accounting principles generally accepted in the United States of America ("GAAP"), including EBITDA, adjusted EBITDA, EBITDA margin and adjusted EBITDA margin. EBITDA is defined for the purposes of this presentation as net income before interest, income taxes, depreciation, and amortization. Adjusted EBITDA is defined as EBITDA excluding the gain or loss related to (i) nonrecurring events; (ii) option expense related to awards made to management; (iii) restricted stock expense related to awards made to employees and the board of directors; (iv) disposal of assets; and (v) ICFA revenue recognition, as applicable. EBITDA margin and adjusted EBITDA margin are defined as EBITDA and adjusted EBITDA, respectively, divided by total revenues.

Management believes that EBITDA, adjusted EBITDA, EBITDA margin and adjusted EBITDA margin are useful supplemental measures of our operating performance and provide our investors meaningful measures of overall corporate performance. EBITDA and EBITDA margin are also presented because management believes that they are frequently used by investment analysts, investors, and other interested parties as measures of financial performance. Adjusted EBITDA and adjusted EBITDA margin are also presented because management believes that they provide our investors additional measures of our recurring core business. However, non-GAAP measures do not have a standardized meaning prescribed by GAAP, and investors are cautioned that non-GAAP measures, such as EBITDA, adjusted EBITDA, EBITDA margin and adjusted EBITDA margin, should not be construed as alternatives to net income or loss or other income statement data (which are determined in accordance with GAAP) as indicators of our performance or as measures of liquidity and cash flows. Management's method of calculating EBITDA, adjusted EBITDA, EBITDA margin and adjusted EBITDA margin may differ materially from the method used by other companies and accordingly, may not be comparable to similarly titled measures used by other companies.

A reconciliation of net income (loss) to EBITDA and adjusted EBITDA and a reconciliation of net income (loss) margin to EBITDA margin and adjusted EBITDA margin, the most comparable GAAP measures, are included on this slide.

	Years Ended December 31,	
	2024	2023
Net Income	\$ 5,789	\$ 7,982
<i>Net Income Margin</i>	11.0 %	15.1 %
Income tax expense	2,073	2,872
Interest income	(946)	(52)
Interest expense	6,098	4,882
Depreciation	12,720	11,437
EBITDA	25,734	27,121
<i>EBITDA Margin</i>	48.8 %	51.1 %
ICFA revenue	—	(2,786)
Board restricted shares	—	92
Management option expense	—	(63)
Gain on disposal of fixed assets	308	(63)
Restricted stock expense	767	972
Acquisition (gain) loss resulting from regulatory decision	(37)	—
Gain on adjustment of contingent consideration liability	(119)	—
EBITDA adjustments	919	(1,785)
Adjusted EBITDA	\$ 26,653	\$ 25,336
<i>Adjusted EBITDA Margin</i>	50.6 %	47.8 %
Total revenue	\$ 52,692	\$ 53,028

	Year Ended December 31,	
	2016	
Net Loss	\$ (2,852)	
<i>Net Loss Margin</i>	(10)%	
Income tax benefit	(1,489)	
Interest income	(18)	
Interest expense	11,866	
Depreciation	6,279	
EBITDA	13,786	
<i>EBITDA Margin</i>	46 %	
Loss on sale of Willow Valley	54	
Board option expense	648	
Gain on sale of Sonoran acquisition liability	(954)	
Equity investment loss	340	
EBITDA adjustments	88	
Adjusted EBITDA	\$ 13,874	
<i>Adjusted EBITDA Margin</i>	47 %	
Total revenue	\$ 29,799	

Reconciliation of GAAP to Non-GAAP Financial Measures

Cautionary Statement Regarding Non-GAAP Measures

This presentation contains certain financial measures that are not recognized measures under GAAP, including adjusted net income and adjusted diluted earnings per common share. Adjusted net income and adjusted diluted earnings per common share reflect net income and diluted earnings per common share excluding (i) nonrecurring events; (ii) ICFA revenue; (iii) the amortization related to ICFA intangible assets; (iv) loss on disposal of assets and (v) the tax effects of each of these items, as applicable.

Management believes that adjusted net income and adjusted diluted earnings per common share are useful supplemental measures of our operating performance and provide our investors meaningful measures of overall corporate performance. Adjusted net income and adjusted diluted earnings per common share are presented because management believes that they provide our investors additional measures of our recurring core business. However, non-GAAP measures do not have a standardized meaning prescribed by GAAP, and investors are cautioned that non-GAAP measures, such as adjusted net income and adjusted diluted earnings per common share, should not be construed as an alternative to net income or loss, diluted earnings per common share or other income statement data (which are determined in accordance with GAAP) as an indicator of our performance or as a measure of liquidity and cash flows. Management's method of calculating adjusted net income and adjusted diluted earnings per common share may differ materially from the method used by other companies and accordingly, may not be comparable to similarly titled measures used by other companies.

A reconciliation of net income to adjusted net income and a reconciliation of diluted earnings per common share to adjusted diluted earnings per common share, the most comparable GAAP measures, are included on this slide.

A reconciliation of net income to adjusted net income for the years ended December 31, 2024 and 2023 is as follows:

	Years Ended December 31,	
	2024	2023
Net Income	\$ 5,789	\$ 7,982
ICFA revenue	—	(2,786)
ICFA intangible amortization expense	280	414
Loss on disposal of assets ¹	308	—
Gain on adjustment of contingent consideration liability	(119)	—
Acquisition gain loss resulting from regulatory decision	(37)	—
Income tax effect of items above	114	598
Adjusted Net Income	\$ 6,335	\$ 6,208

A reconciliation of diluted earnings per share to adjusted diluted earnings per share for the years ended December 31, 2024 and 2023 is as follows:

	Years Ended December 31,	
	2024	2023
Diluted earnings per common share	\$ 0.24	\$ 0.33
ICFA revenue	—	(0.12)
ICFA intangible amortization expense	0.01	0.02
Loss on disposal of assets ¹	0.01	—
Income tax effect of items above	—	0.03
Adjusted diluted earnings per common share	\$ 0.26	\$ 0.26
Weighted average number of common shares used in determination of:		
Diluted earnings per common share and		
Adjusted diluted earnings per common share	24,303,340	24,129,542

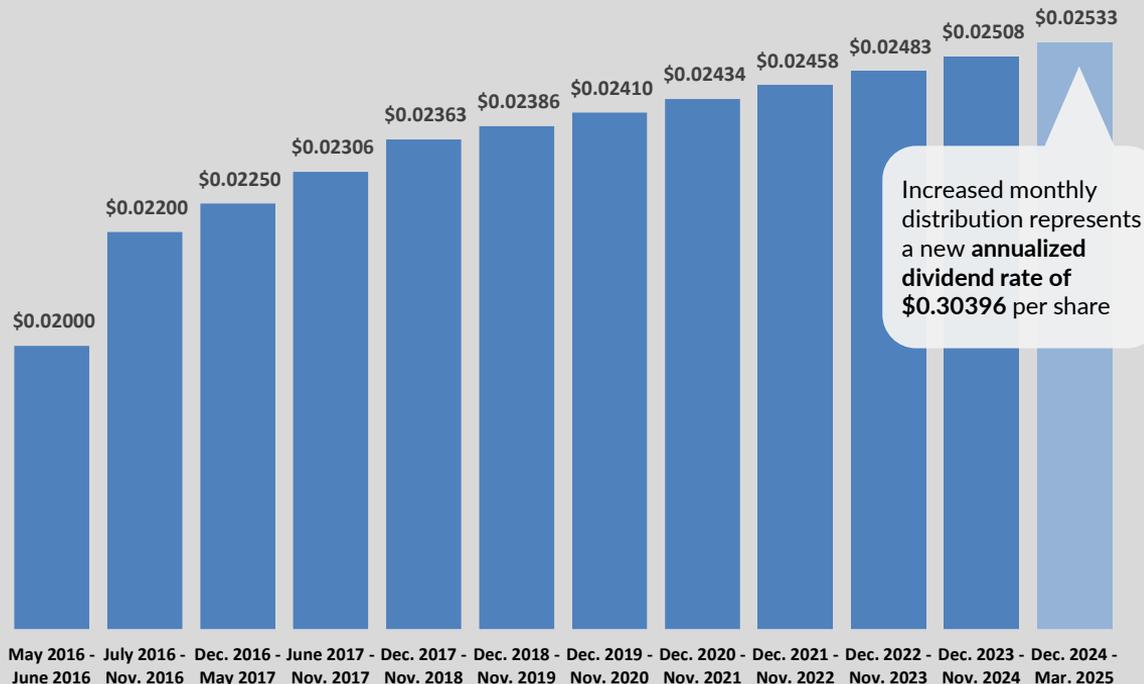
1) The 2024 loss was related to disposal of certain obsolete assets from the Southwest Plant.

Financial Highlights

Full Year 2024 Financial Results

- **Total active connections:** up 4.4% y/y to 64,520 at December 31, 2024.
- **Total revenues:** down 0.6% to \$52.7M, primarily due to \$2.8M in ICFA¹ revenue in year-ago that did not reoccur in 2024.
- **Regulated revenues:** up 4.9% to \$52.7M.
- **Net income:** decreased 27.5% to \$5.8M or \$0.24 per share.
- **Net income margin:** 11.0%.
- **Adjusted net income:** up 2.0% to \$6.3M or \$0.26 per share.²
- **Adjusted EBITDA:** up 5.2% to \$26.7M.²
- **Capital resources:** ~\$24.0M.³

Monthly Dividend Growth



Dividend Payment Date

1) Infrastructure coordination and financing agreement (ICFA)

2) Non-GAAP financial measure. For its definition and reconciliation to GAAP net income, see "Reconciliation of GAAP to Non-GAAP Financial Measures" slides in Appendix.

3) Total capital resources as of December 31, 2024. Reflects cash & cash equivalents and full amount available for borrowing under \$15M revolving line of credit.

Our Operational Foundation is Based on Four Core Beliefs

- **Water is a scarce commodity** that must be conserved and actively managed.
- **Recycled water is a renewable resource** that must be used to the benefit of our customers and environment.
- **100% compliance with all regulatory requirements** is paramount and is in the public interest.
- **True success requires a partnership** with our customers and other stakeholders.

