



Nine Months Trading Update: Strong Profit Acceleration

Water Intelligence plc (AIM: WATR.L) (the “Group” or “Water Intelligence”), a leading multinational provider of preventive maintenance solutions for water and wastewater infrastructure ranging from wireless monitoring to precision, minimally-invasive leak detection and remediation is pleased to provide its Q3 Trading Update for the nine-month period ended 30 September.

The Group performed strongly during Q3 along all measures: revenue; profit; EBITDA (earnings before interest, taxes, depreciation, amortization) and margins thus reinforcing Q2 momentum. Operating improvements, conceptualized in the 2024 Annual Report as the “Dallas Template,” produced increased efficiencies. The Group continues to be in-line with market expectations for 2025 and is increasingly confident about expectations for 2026.

The Water Intelligence balance sheet remains strong and under-levered. Capital allocation included a significant amount of share repurchases during Q3 in addition to investments for accelerating organic growth and acquisitions.

Financial Highlights: 9 months ended 30 September 2025

- Group Revenue increased by 9.2% to \$69.3 million (Q3 2024: \$63.5 million)
 - Franchise royalty decreased by 8% to \$4.7 million (Q3 2024: \$5.2 million) reflecting franchise acquisitions removing available income from franchise royalty streams
 - Franchise-related activities (franchise sales, equipment sales, business-to-business channels) decreased by 10% to \$7.5 million (Q3 2024: \$8.3 million) reflecting fewer franchises due to acquisitions by corporate
 - US Corporate sales increased by 8.2% to \$46.2 million (Q3 2024: \$42.7 million)
 - International Corporate sales rose by 49.4% to \$11.0 million (Q3 2024: \$7.3 million)
- Group Statutory EBITDA rose by 14% to \$12.7 million (Q3 2024: \$11.1 million)
- Group Adjusted EBITDA (before non-cash share-based payments; and non-core costs) rose by 25% to \$13.9 million (Q3 2024: \$11.1 million)
- Group Statutory PBT grew by 4% to \$6.5 million (Q3 2024: \$6.3 million)
- Group Adjusted PBT (before non-cash expenses of amortization and share-based payments; and non-core costs/gains) increased by 23% to \$8.5 million (Q3 2024: \$6.9 million)
- Adjusted PBT margins increased to at 12.2% (Q3 2024: 10.9%)
- Adjusted EBITDA margins increased to 20% (Q3 2024: 18%)
- Balance sheet strong at 30 September 2025
 - Cash and equivalents at \$9.2 million

- Net Total Debt of \$23.2 million
- Net Total Debt to EBITDA Adjusted TTM ratio: 1.1

Financial Highlights: Q3 2025 vs. Q3 2024

- Group Revenue: \$24.3 million +10.7%
- EBITDA Adjusted: \$4.6 million +52.6%
- EBITDA Adjusted Margin: 19% (Q3 2024: 14%)
- PBT Adjusted: \$2.8 million +68.2%
- PBT Adjusted Margin: 12% (Q3 2024: 8%)

Operational Improvements from “Dallas Template”: (% of sales Q3 2025 vs. Q3 2024)

- Direct Labor costs down by 2%
- Overhead Labor costs down by 1.8%
- Consumables costs down by 1%
- Vehicle/Fleet expense down by 1%
- Bad Debt down by 1%

Q3 Capital Allocation / Corporate Development

- Organic Growth: Launch of wireless monitoring business line from *StreamLabs* Partnership after six months of investment training, workflow changes, technology applications, inventory management processes
- Acquisitions:
 - Reacquisition of Middle Georgia franchise
 - Reacquisition of South Brisbane & Gold Coast, Australia franchise
- Share Repurchases:
 - During Q3: 118,000
 - YTD: 398,000
 - Total currently in Treasury: 514,150
- Strategy Presentation at Canaccord Genuity’s Annual Growth Conference, Boston, Massachusetts
 - Competitive Strategy: Preventive Maintenance
 - Technology Enabled Services Business Model enhanced by initiation of wireless water monitoring sales leveraging *StreamLabs* partnership
 - Dallas “Template” leading to higher operating margins and reduced overhead from regional consolidations

Commenting on the Group’s performance, Executive Chairman, Dr. Patrick DeSouza remarked:

“We had a strong Q3 in terms of both revenue and profits which builds upon the momentum from Q2. Leadership at each of our two operating subsidiaries – American Leak Detection and Water Intelligence International delivered outstanding results that are expected to continue in

2026. This is just the beginning, as product partnerships for the smart home, such as *StreamLabs* which we are now launching across the American Leak Detection network after six months of training, will supplement both our current established base of revenue and our outlook for 2026.

With our strong balance sheet, execution of the “Dallas Template” and our efficient, scalable, technology-enabled *Preventive Maintenance* platform for water infrastructure, we can deploy capital more readily to accelerate growth – both organic and acquisition-driven.”

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the “UK MAR”) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company’s obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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