



Q1 Trading Update

Significantly Stronger Growth; Acceleration of Preventive Maintenance Strategy

Water Intelligence plc (AIM: WATR.L) (the “Group” or “Water Intelligence”), a leading multinational provider of precision, minimally-invasive leak detection and remediation solutions for both potable and non-potable water is pleased to provide its unaudited Q1 Trading Update for the quarter ended 31 March 2026, as well as, an update on progress with its preventive maintenance competitive strategy. Q1 results demonstrate strong growth momentum on both financial and operating dimensions. Momentum in performance was reinforced in April.

- Group reaffirms FY 2026 guidance
- Q1 Year on Year revenue growth more than doubles to 9% despite adverse weather conditions limiting execution during January
- Growth drivers: US B2B channels for insurance and property management (+16%) and non-US international segment (+38%)
- Paid Pilots initiated for both *StreamLabs* and *Bluebot* water monitoring products feeding B2B customer demand
- April results reinforce Q1 especially B2B channel

Operating Update. During 2025 and Q1 2026, the Group’s core business – American Leak Detection (ALD) - created proprietary workflows and trained its technicians and professionals for “Five Star” service level agreements incorporating cutting-edge wireless monitoring devices pioneered by *Streamlabs* and *Bluebot* respectively into ALD’s technology-based minimally-invasive leak detection and repair services.

During Q1, ALD launched paid pilots with B2B customers for both types of monitoring products. The Group is now able to provide service level data to its customers regarding integrated coverage from monitoring of water infrastructure on digital dashboards to precision leak detection and minimally-invasive repair services to aftercare solutions upon the emergence of new issues. Customer data is stored securely within ALD’s Salesforce CRM. The Group sees strong market demand for such integrated offerings.

Capital Allocation. During Q1, the Group continued its previously announced capital allocation policy prioritizing organic growth and reinforcing its *Preventive Maintenance* growth strategy. The Group also has sufficient resources to continue to be opportunistic with respect to acquisitions and to provide shareholders liquidity with share repurchases.

Q1 Financials

- Revenue increased by 9% to \$23.2 million (Q1 2025: \$21.3 million)
 - Doubling of revenue growth rate year over year (Q1 2025 grew 4% vs. Q1 2024)
 - Franchise royalty declined 2% to \$1.58 million reflecting franchise reacquisitions reducing the pool of franchise royalties (Q1 2025: \$1.61 million)
 - Franchise-related activities (franchise sales, equipment sales, business-to-business channels) grew by 14% to \$2.6 million (Q1 2025: \$2.2 million); B2B segment with represents most of this segment grew +16%.
 - US Corporate locations increased by 3% to \$14.7 million (Q1 2025: \$14.3 million)
 - International Corporate locations increased by 38% to \$4.3 million (Q1 2025: \$3.1 million) reflecting strong growth in Ireland

- EBITDA Adjusted* increased by 8% to \$4.4 million (Q1 2025: \$4.1 million)
- EBITDA Adjusted* margins remain at 19% vs. Q1 2025
- Balance sheet remains strong at 31 March 2026
 - Cash at \$5.5 million
 - Total Debt at \$26.9 million; Net Debt at \$21.4 million
 - Net Total Debt to EBITDA Adjusted Ratio of 1.35

Subsequent Events

- April revenue and EBITDA growth reinforced Q1 growth momentum.
- Strategic Partnership announced with Bluebot to sell wireless monitoring products
- Appointment of Michael Moulton as Group Chief Financial Officer (non-board)

* EBITDA adjusted for non-cash share-based payments and non-core costs; PBT adjusted for non-cash expenses of amortization, share based payments and non-core costs

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

“We are pleased with our team’s operating progress in integrating leading wireless monitoring products with our market-leading minimally-invasive leak detection and repair services offerings. We are now able to offer first-class solutions and provide a great user experience for our water infrastructure customers, especially insurance companies and property management. We see strong market demand for such integrated offerings.

Q1 2026 financial results were much stronger than in Q1 2025. April reinforced this momentum. We anticipate continued growth momentum for our technology-enabled solutions platform as customers look to preventive maintenance to reduce the cost of water and the cost of damage from water leaks.”

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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