



## **SJW Group Announces Texas Subsidiary Has Closed on Acquisition of Kendall West and Bandera East Water Utilities**

Closing follows approval from the Public Utilities Commission of Texas

SAN JOSE, Calif. — Dec. 21, 2021 — SJW Group (NYSE: SJW) today announced that its Texas subsidiary, SJWTX Inc., which does business as the Canyon Lake Water Service Company, has closed on the purchase of two water/wastewater acquisitions that were under common ownership. The Kendall West and the Bandera East utilities have more than 1,600 water and wastewater service connections, and serve approximately 4,000 people in Kendall, Bandera and Medina counties in Texas. With the addition of Kendall County, SJWTX will operate in three of the top five fastest percentage growth counties in the US according to the US Census Bureau.

“SJWTX has a strong record of integrating acquisitions in this rapidly growing area to deliver exceptional water quality and service,” stated Eric W. Thornburg, chair, president and CEO of SJW Group. Mr. Thornburg further stated, “Building scale across our Texas operation and combining it with access to capital, management and technical resources available across SJW Group benefits customers, communities and the environment through efficient operations and smart-use of water resources.”

The Kendall West and Bandera East utilities and Canyon Lake Water Service Company rely on water resources from Canyon Lake and the Trinity aquifer. In addition, Kendall West also provides wastewater services that deliver recycled water for landscape irrigation — stretching the use of scarce water resources.

Thomas Hodge, president of SJWTX, stated, “Our team of local Texas water professionals looks forward to serving our new customers.” Mr. Hodge further stated, “SJWTX is continually investing in infrastructure to serve this growing region. Our planned capital budget for our Texas operations is \$24.5 million in 2022, with significant investments planned in our water distribution system to enhance system reliability and water quality, and to reduce water lost to leaks.” The acquisition will not affect the current rates of customers of the Kendall West and Bandera East utilities or those of the Canyon Lake Water Service Company.

This is the 14<sup>th</sup> acquisition by SJWTX since 2006. Over the past 15 years, the company has more than tripled in size from 6,500 to more than 23,900 water and wastewater service connections, including Kendall West. Its service area extends across seven counties, including Comal, Hays, and Kendall counties in the corridor between Austin and San Antonio.

SJWTX has an application before the Public Utilities Commission of Texas to acquire Texas Country Water, which would add another 100 customers. A decision on that application is expected in the first quarter of 2022

### **About SJWTX dba Canyon Lake Water Service Company**

SJWTX, a subsidiary of SJW Group, is a public water utility providing service to approximately 65,000 people through approximately 23,900 water and wastewater service connections in a service area comprising about 250 square miles in Bandera, Comal, Blanco, Hays, Kendall, Medina and Travis counties; it is located between Austin and San Antonio.

## About SJW Group

SJW Group 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 nearly 1.5 million people. SJW Group's locally led and operated water utilities — San Jose Water Company in California, Connecticut Water Company in Connecticut, Maine Water Company in Maine and SJWTX Inc. (dba Canyon Lake Water Service Company) in Texas — possess the financial strength, operational expertise and technological innovation to deliver outstanding service to customers, safeguard the environment and provide opportunities to employees. SJW Group remains focused on investing in its operations, remaining actively engaged in its local communities and delivering continued sustainable value to its shareholders. For more information about SJW Group, please visit [www.sjwgroup.com](http://www.sjwgroup.com).

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## Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Some of these forward-looking statements can be identified by the use of forward-looking words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “estimates,” “projects,” “strategy,” or “anticipates,” 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.

These forward-looking statements involve a number of risks, uncertainties and assumptions including, but not limited to, the following factors: (1) the effect of water, utility, environmental and other governmental policies and regulations, including actions concerning rates, authorized return on equity, authorized capital structures, capital expenditures and other decisions; (2) changes in demand for water and other services; (3) the impact of the Coronavirus (“COVID-19”) pandemic on our business operation and financial results; (4) unanticipated weather conditions and changes in seasonality including those affecting water supply and customer usage; (5) climate change and the effects thereof; (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, 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 SJW Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Results for a quarter are not indicative of results for a full year due to seasonality and other factors. Other factors that may cause actual results, performance or achievements to materially differ are described in SJW Group'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. Forward-looking statements are not guarantees of performance, and speak only as of the date made. SJW Group undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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