



Badger Meter

First Quarter 2026 Financial Results

April 17, 2026



Badger Meter





Forward Looking Statements

Certain statements contained in this presentation as well as other information provided from time to time by Badger Meter, Inc. (the “Company”) or its employees, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those statements. The words “anticipate,” “believe,” “estimate,” “expect,” “think,” “should,” “could” and “objective” or similar expressions are intended to identify forward looking statements. All such forward looking statements are based on the Company’s then current views and assumptions and involve risks and uncertainties. The Company’s results are subject to its ability to develop and manufacture technologically advanced products that are accepted by the market, supply chain risk, legal and regulatory risks, political and general economic risks, risks related to doing business in foreign countries, including foreign currency risk, competition for skilled employees, material and labor cost increases, competitive pricing and operating efficiencies, the effects of climate change, cybersecurity attacks and disruptions to our information technology and the successful integration of acquisitions. See the Company’s Form 10-K filed with the SEC for further information regarding risk factors, which are incorporated herein by reference. The Company disclaims any obligation to publicly update or revise any forward-looking statements as a result of new information, future events or any other reason.

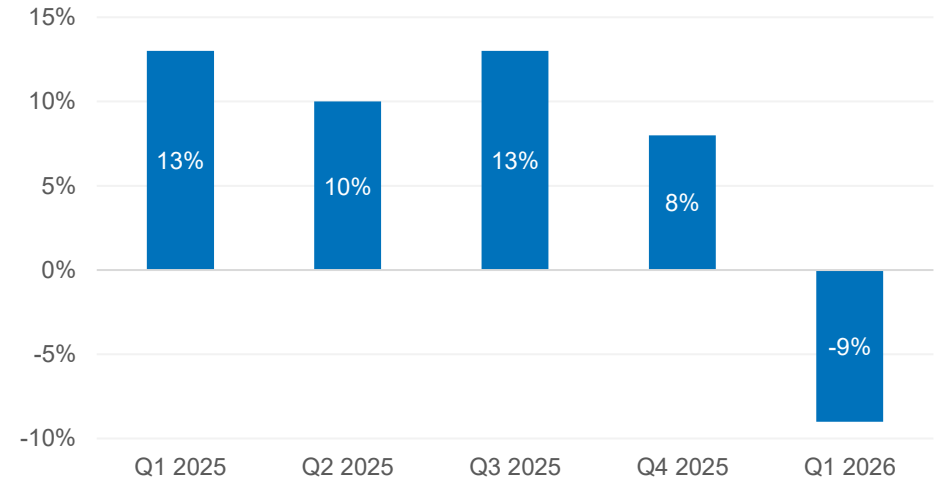
In this presentation certain non-GAAP financial measures may be used. Please see the supplemental financial schedules at the end of this presentation for a reconciliation to the appropriate GAAP measure.



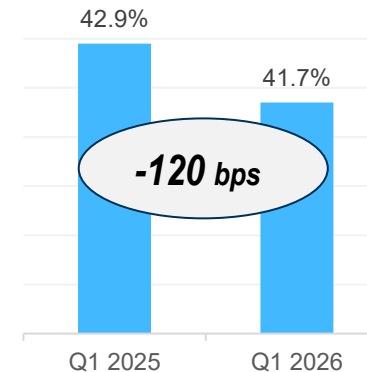
First Quarter 2026 Results Influenced by Project Pacing and Lower Short-Cycle Order Rates; Long-Term Demand Outlook Remains Intact

- Sales of \$202.3M declined 9% YoY reflecting project pacing and weaker short-cycle municipal order rates.
- Operating margin of 17.4% compared to a record 22.2% margin in the prior-year quarter, as sales declined and SEA costs increased.
- Diluted EPS of \$0.93, down from \$1.30 in Q1 2025.
- Quarterly free cash flow of \$29.5 million in-line with Q1 2025.
- Announced the acquisition of UDLive, the UK leader in sewer line monitoring, adding to the BlueEdge® suite of solutions.

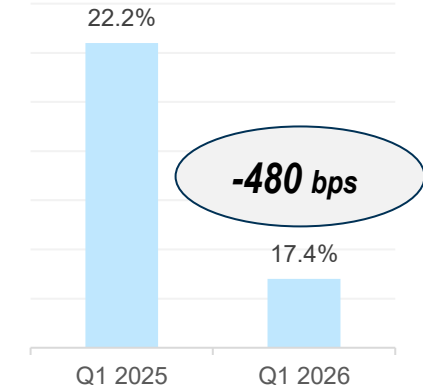
YOY Sales Growth Trend



Gross Margin



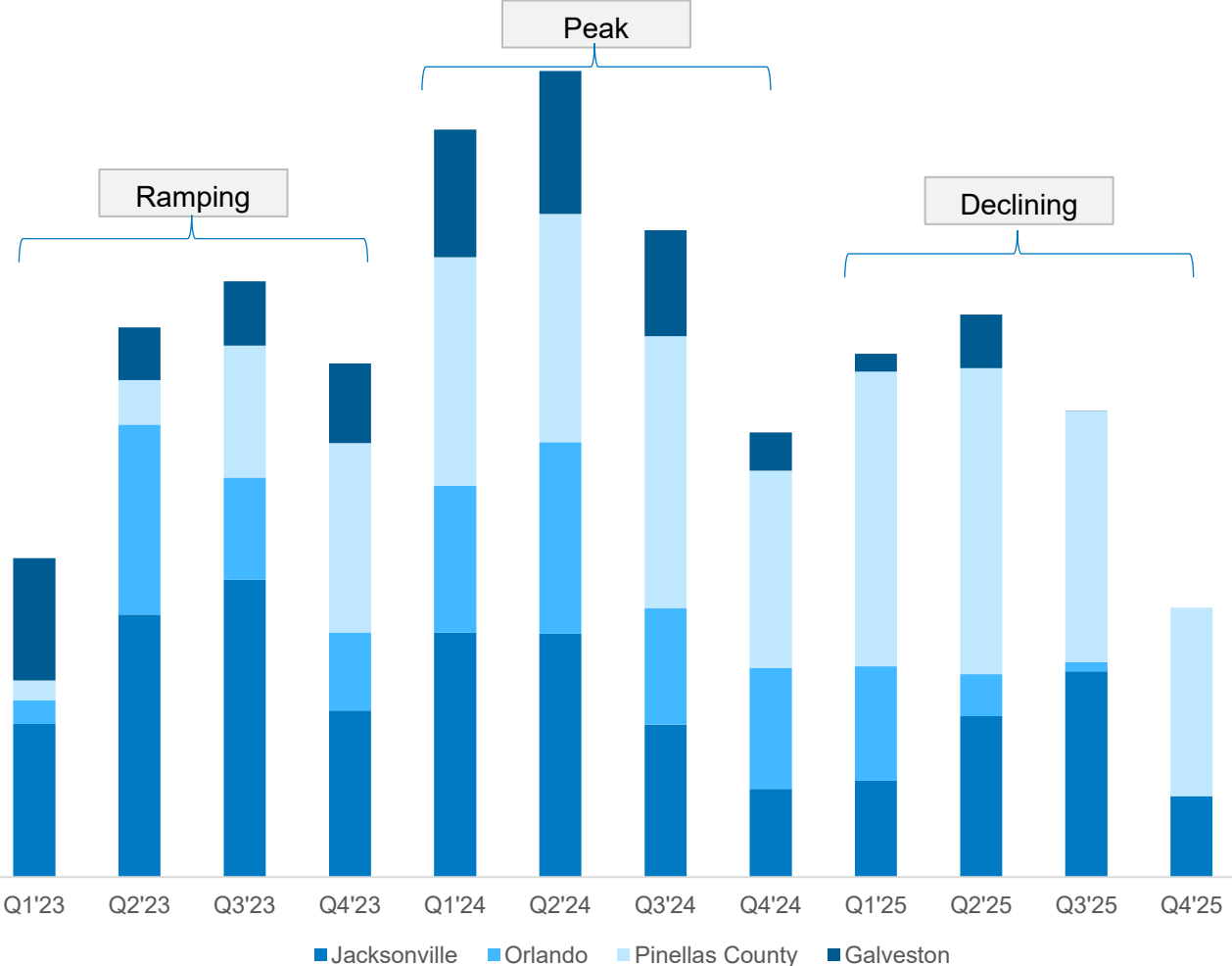
Operating Profit Margin





Project Pacing Dynamics Represent a Significant Contributor to First Quarter Revenue Outcome

Historical Revenue Profile of Cohort
(Four Actual Projects, ~800K Connections)



| Customer | State | BMI Scope | # of Connections |
|-------------------------------------|---------|-------------|------------------|
| Jacksonville Energy Authority (JEA) | Florida | Supply Only | 450K |
| Orlando Utility Commission (OUC) | Florida | Supply Only | 160K |
| Pinellas County Utilities (PCU) | Florida | Turnkey | 120K |
| Galveston | Texas | Turnkey | 27K |

| | 2023 | 2024 | 2025 | 2026 |
|--------------------------|----------|----------|-------------|-------------|
| Generalized BMI Backlog | Elevated | Elevated | Normalizing | Normalized |
| Pacing of Cohort | Ramping | Peak | Declining | Nearly Done |
| BMI Base* Revenue Growth | 23.7% | 16.7% | 6.1% | Flattish |
| Prior-Year Revenue** | \$566M | \$704M | \$826M | \$917M |

*Excludes acquisition revenue within the year

**Revenue comparison point for current year growth



Subset of Awarded Projects That Inform 2026 and Beyond Revenue Outlook

| Project | BMI Scope | # of Connections | Primary Funding Source | Initial Indication of Award | Approximate Deployment Start |
|--------------|-------------|-------------------------|------------------------|-----------------------------|------------------------------|
| PRASA | Supply Only | 1.6M | Federal (FEMA) | Q2 2025 | 2H'26 |
| Utility 2 | Turnkey | 330K | Utility CIP* | Q2 2025 | Late '26 → Scale '27 |
| Utility 3 | Supply Only | 210k | Utility CIP* | Q4 2023 | 2H'26 |
| Utility 4 | Supply Only | 125k pilot / 600k total | Rate case | Q4 2024 | Late '26 → Scale '27 |
| Utility 5 | Supply Only | 125k pilot / 475k total | Rate case | Q4 2025 | 2H '26 → Scale '27 |
| Glendale, AZ | Turnkey | 65k | Revenue bond / grant | Q1 2025 | 2H'26 |
| Utility 7 | Turnkey | 50k | CIP* / grant | Q4 2024 | 2H'26 |
| Utility 8 | Turnkey | 45k | Utility CIP* | Q4 2024 | 2H'26 |
| Utility 9 | Turnkey | 30k | Utility CIP/ WIFIA | Q1 2024 | 2H'26 |

Strength of ORION® Cellular AMI Solution Illustrated By:

- 7 of 9 projects are full or partial competitive meter conversions
- 4 of 9 projects represent manual-read to cellular AMI
- 2 projects are multi-state platform standardizations of mixed meter and communications systems
- Representative projects span municipal (of all sizes) and investor-owned utilities

CIP = Capital Improvement Plan

~2.6M to 3.6M awarded connections to be deployed over multiple years



Strong Gross Margin and Cash Flow Persist Amidst Lower Sales in Q1 2026

(US\$ in millions, except per share data)

| | <u>Q1 2026</u> | <u>Q1 2025</u> | <u>Change</u> |
|-----------------|----------------|----------------|--------------------|
| Sales | \$202.3 | \$222.2 | -9.0% |
| Gross Margin | 84.3 41.7% | 95.4 42.9% | -11.6% -120 bps |
| SEA | 49.2 24.3% | 46.0 20.7% | 7.0% 360 bps |
| Op Income | 35.2 17.4% | 49.4 22.2% | -28.7% -480 bps |
| Income Tax Rate | 24.8% | 24.4% | |
| EBITDA | 44.3 21.9% | 57.7 26.0% | -23.2% -410 bps |
| EPS | 0.93 | 1.30 | -28.5% |
| Free Cash Flow | \$29.5 | \$30.0 | -1.7% |

- Utility water sales decreased 10%, driven by project pacing and slower short-cycle order rates
- Flow instrumentation sales decreased 4% as modest growth in water-related markets was more than offset by lower demand in de-emphasized end markets
- Gross margins declined 120 bps off record highs YoY
- SEA as a percent of sales increased 360 bps YoY, inclusive of \$1.2 million of acquisition costs for UDLive and a full quarter of SmartCover SEA, partially offset by lower incentive costs
- Quarterly free cash flow reflects typical seasonality related to prior-year incentive and deferred compensation contributions

See appendix for reconciliation of GAAP to Non-GAAP measures

UDlive is a UK Leader in Sewer Line Monitoring Solutions

Snapshot

- Founded in 2017 in the UK
- 90% competitive tender success rate
- TTM sales of \$22M
- Gross margins in-line with BMI normalized range
- Positive operating profit
- \$100M purchase price
- 2-year performance-based earnout
- Accretive to EPS in Year 1
- Will be reported as part of the Utility Water product line



- Leadership position in sewer line monitoring in the UK with ~60% share
- Utility demand for collection and stormwater management driven by increasing frequency of extreme weather events
- Supported by UK regulation and AMP8 spending commitments
- Hardware-enabled software model; low power, long-range radar sensors, long battery life and proprietary visualization and analytics software
- Sensors at the manhole for 24/7 monitoring and notification

Base Revenue Visibility

80% of revenue attached to multi-year framework contracts

Growing Installed Base

Leads to future replacement-driven revenue

Recurring Revenue

High-margin software represents ~14% of sales



Pixel II



Pixel XT



Combination of SmartCover and UDLive Creates Global Leader in Sewer Line Monitoring

Advances BMI Strategy for Targeted International Expansion

- Adds to SmartCover's predominately U.S. presence, securing a **global leadership position** for sewer line monitoring
- Provides additional growth lever for BlueEdge in select international markets

Expands Technological Capability in Stormwater Management

- Adds radar and cellular connectivity to SmartCover's ultrasonic and satellite capabilities
- Ultra-long battery life, industry-leading remote monitoring range and superior precision

Laneways for Future Growth and Profitability

- Leverage Badger Meter sales network to accelerate municipal adoption of sewer line monitoring through BlueEdge suite of solutions
- Leverage Badger Meter's resources to improve operating costs
- Leverage communication expertise to advance and extend connectivity resilience



Outlook Continues to Support Long-Term Shareholder Value Creation with Favorable Demand and Industry Dynamics

- Innovation leader with expanding technology-enabled software offerings
- Attractive bid funnel
- Growing SaaS revenue base

Consistently Resilient Results



- Durable macro trends support long-term smart water solution adoption
- 85% replacement-driven base demand
- Demonstrated benefits of efficiency, resiliency and sustainability

Constructive Industry Backdrop



- Strong cash flow and borrowing capacity
- Organic and inorganic strategic growth investments
- Dividend aristocrat

Investing for Growth



- Differentiated performance despite evolving macro-challenges
- Positive structural sales mix and SEA leverage drive margins

Differentiated Execution



- Strong engagement
- Values-driven
- Customer-focused execution
- Continuous improvement focus across enterprise

Exceptional Team





Questions

Please [register for the webcast](#) of Badger Meter's Investor Day on May 21, 2026.

For your planning purposes, Badger Meter Q2 2026 earnings are tentatively scheduled for July 22, 2026



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GAAP To Non-GAAP Reconciliations

EBITDA

(US\$ in millions)

| | <u>Q1 2026</u> | <u>Q1 2025</u> |
|----------------------|----------------|----------------|
| Net Earnings (GAAP) | \$27.3 | \$38.4 |
| Interest income | (1.1) | (1.3) |
| Income tax provision | 9.0 | 12.4 |
| Depreciation | 2.8 | 2.8 |
| Amortization | <u>6.3</u> | <u>5.4</u> |
| EBITDA | \$44.3 | \$57.7 |

Free Cash Flow

(US\$ in millions)

| | <u>Q1 2026</u> | <u>Q1 2025</u> |
|----------------------|----------------|----------------|
| Cash from Ops (GAAP) | \$33.9 | \$33.0 |
| Capital Expenditures | <u>(4.4)</u> | <u>(3.0)</u> |
| Free Cash Flow | \$29.5 | \$30.0 |