July 28, 2026

Energy Recovery Signs Lease for New Manufacturing Facility Near Dammam, Saudi Arabia

- New facility will carry out key stages of Energy Recovery's proprietary PX® Pressure Exchanger® manufacturing process
- Facility expected to be operational in 2027 and will serve desalination customers in the Kingdom of Saudi Arabia and across the broader Middle East and North Africa region
- Supports Saudi Arabia's Vision 2030 and reinforces its position as a global center of desalination excellence

SAN LEANDRO, Calif.--(BUSINESS WIRE)-- Energy Recovery (Nasdaq: ERII), a global leader in energy-efficient technology enabling affordable, reliable water and reduced emissions, today announced it has finalized a lease for a new manufacturing facility near Dammam Second Industrial City in Dammam, Saudi Arabia. The facility marks Energy Recovery's first in-Kingdom manufacturing operation and is expected to be operational in 2027.

Saudi Arabia and the broader Gulf region rely on desalination for a substantial share of their potable water supply and to fuel industrial growth. Saudi Arabia has long stood as a global center and world leader of desalination excellence and innovation. As regional demand for reliable, affordable water grows, proximity between manufacturing and the customers who depend on that water has become an increasingly important part of how the industry serves the market. Energy Recovery's new facility is a direct response to that dynamic, bringing production of its flagship PX Pressure Exchanger closer to the world's largest desalination market.

"Geographic diversity in our manufacturing footprint has been a linchpin of our operating strategy, and this facility is a concrete step in that direction," said Alex Buehler, Interim President and Chief Executive Officer and member of Energy Recovery's Board of Directors. "A Saudi Arabian manufacturing presence complements our existing operations in California and positions us closer to the customers and markets at the center of global desalination."

Energy Recovery will operate in Saudi Arabia through “Energy Recovery Company,” a fully registered entity in Saudi Arabia and 100 percent owned by Energy Recovery. The new manufacturing facility is 3,750 square meters and will carry out key stages of Energy Recovery's proprietary manufacturing process, including machining, assembly, and testing. The facility will serve desalination customers in the Kingdom and across the wider Middle East and North Africa region. It will create skilled local jobs and support further development of in-Kingdom manufacturing expertise, contributing to the knowledge transfer that underpins Saudi Arabia's Vision 2030 goals for industrial localization and water security.

“Localizing advanced water technologies and manufacturing capabilities is fundamental to strengthening Saudi Arabia’s water security and achieving the objectives of Vision 2030.

Energy Recovery’s decision to establish manufacturing operations in Dammam reflects the Kingdom’s success in attracting high-value industrial investments that support technology localization, develop national capabilities, enable Saudi talent, and build a competitive and resilient domestic supply chain. We welcome this investment as an important contribution to Saudi Arabia’s long-term ambition to become a regional hub for advanced water technologies and sustainable industrial growth,” said Eng. Mohammed Alshaikh, VP of Strategic Partnerships and Local Content, Saudi Water Authority.

"This lease signing reflects Energy Recovery's long-term commitment to the Kingdom of Saudi Arabia and to the customers we serve here and across the broader region," said Imad Al-Sharif, Vice President, Sales and General Manager of Energy Recovery Company. "Manufacturing our proprietary PX technology closer to the world's largest desalination market allows us to support Saudi Arabia's water security and Vision 2030 goals more directly and to build lasting in-Kingdom expertise. On behalf of Energy Recovery, I want to thank the Saudi Water Authority for its continuous support, guidance, and collaboration throughout this process."

Energy Recovery has served the desalination industry for more than 30 years, and its pressure exchanger technology today helps clean 43.6 million cubic meters of water daily in facilities running an Energy Recovery ERD (energy recovery device), the equivalent of roughly 17,000 Olympic-sized swimming pools, while saving customers an estimated $7.2 billion in energy expenses annually. In seawater desalination, Energy Recovery's technology reduces energy consumption by up to 60 percent.

About Energy Recovery

Energy Recovery (Nasdaq: ERII) designs and manufactures world-class energy-saving technology for critical infrastructure that communities rely on every day, driving a more resilient and sustainable future. Grounded in more than 30 years of leadership in the desalination industry, today we use our proprietary pressure exchanger technology to help customers in multiple industries improve their operations and lower their emissions. Headquartered in the San Francisco Bay Area, we operate manufacturing and R&D facilities throughout California, with sales and on-site technical support available globally. For more information, please visit www.energyrecovery.com.

Forward-Looking Statements

Certain matters discussed in this press release are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the timing of the new facility becoming operational and Energy Recovery's plans to manufacture products in Saudi Arabia. These forward-looking statements are based on information currently available to us and on management's beliefs, assumptions, estimates, or projections and are not guarantees of future events or results. Potential risks and uncertainties and any other factors that may have been discussed herein regarding the risks and uncertainties of the Company's business, and the risks discussed under "Risk Factors" in the Company's Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") for the year ended December 31, 2025, as well as other reports filed by the Company with the SEC from time to time. Because such forward-looking statements involve risks and uncertainties, the Company's actual results may differ materially from the predictions in these forward-looking

statements. All forward-looking statements are made as of today, and the Company assumes no obligation to update such statements.

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