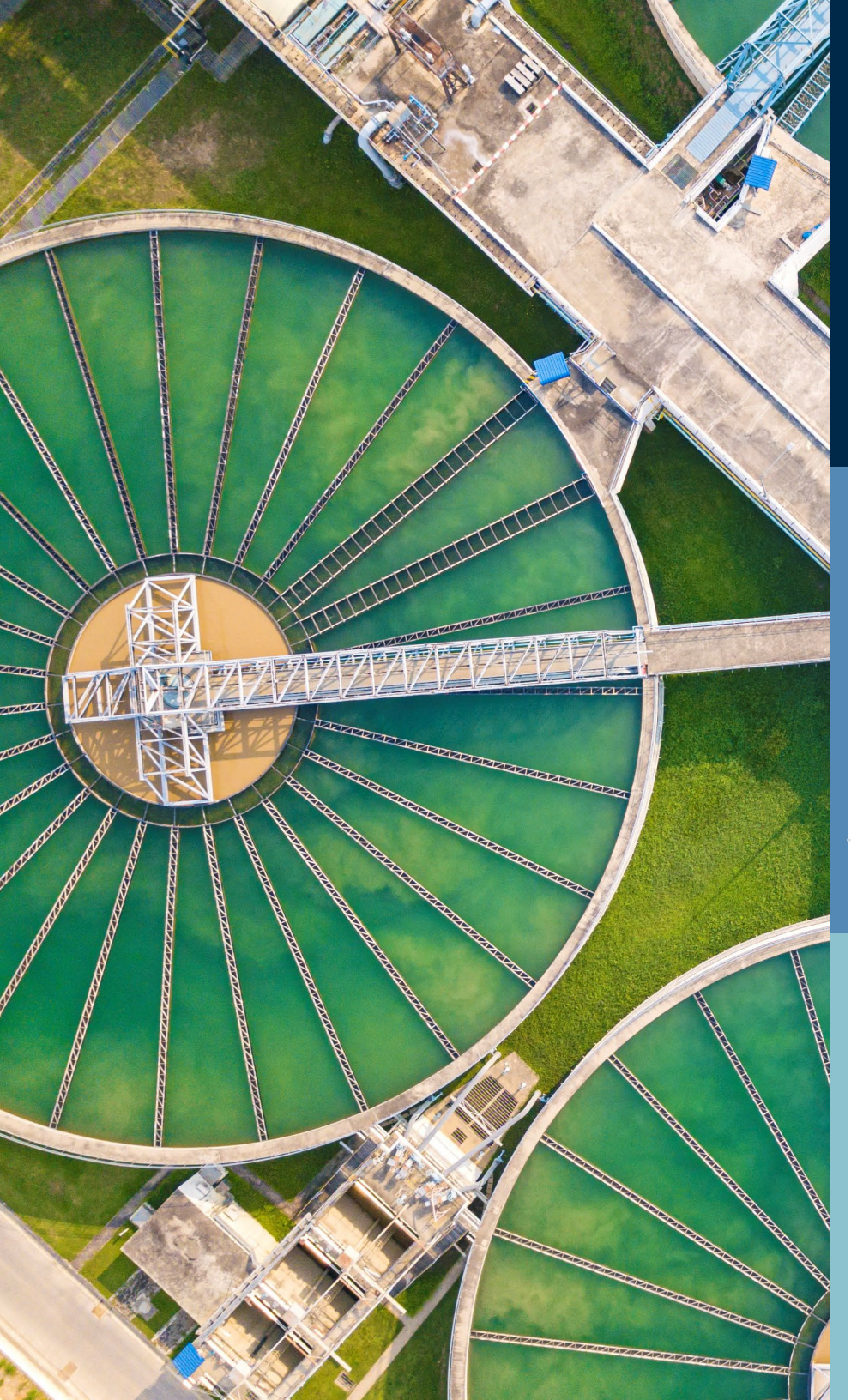

RAYMOND JAMES | INVESTMENT BANKING

WATER QUARTERLY

MERGERS & ACQUISITIONS,
PUBLIC & PRIVATE FINANCINGS
AND FINANCIAL ADVISORY SERVICES

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For Institutional Use Only

SUMMER 2025

Your Success is our Business

Companies offering highly-engineered products, disruptive / "game-changing" technologies or comprehensive services to help solve the world's growing water problems can turn to the Raymond James Water team for results. The team's expansive industry relationships and deep market insight allow us to provide extensive service to our clients, particularly those addressing the industry's biggest secular trends: water scarcity, water quality and aging infrastructure.

As the only investment banking team with a dedicated focus on the industry, you can expect informed advice and quality results.

Learn how our deep industry expertise and commitment to each transaction can help you achieve your business objectives

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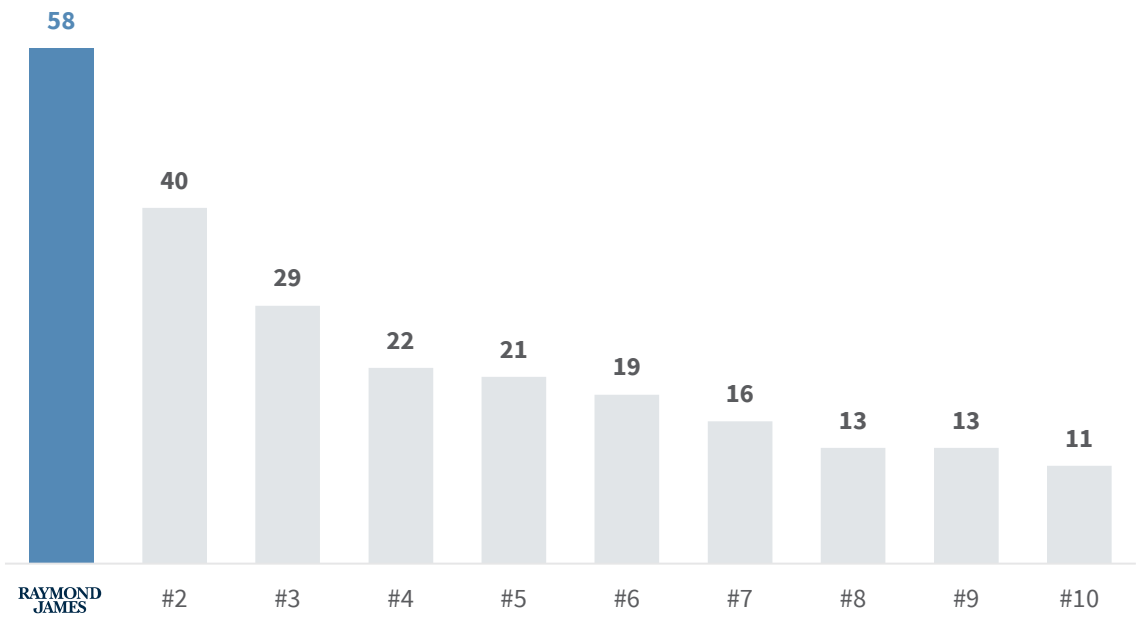
#1 GLOBAL WATER INVESTMENT BANK(1)



Announced June 2025

newterra

A portfolio company of

Frontenac

Has been acquired by

GRUNDFOS

July 2025

Faircloth Skimmer

A portfolio company of

AIGLON CAPITAL MANAGEMENT

Has been acquired by

StormTrap

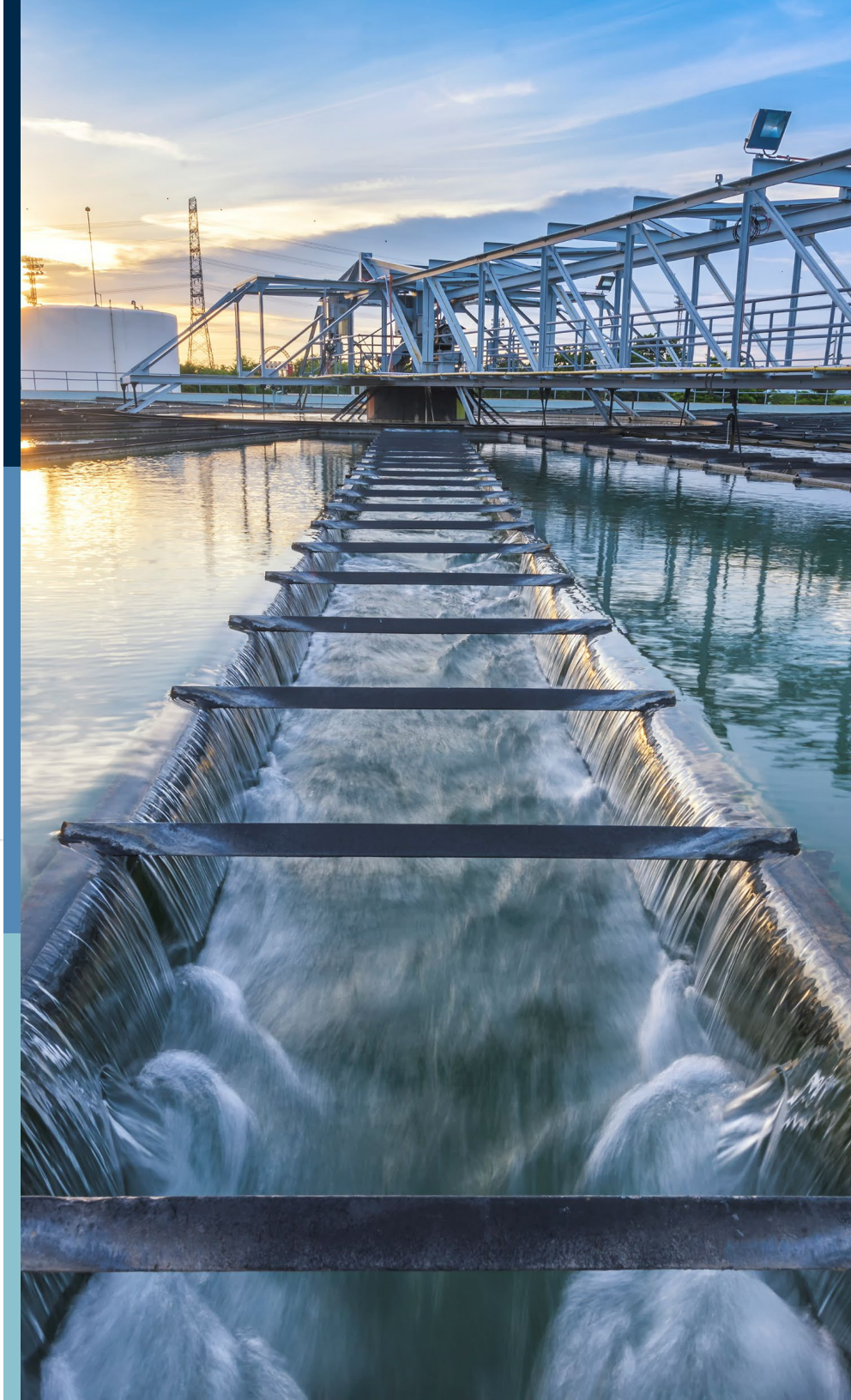
A portfolio company of

PSP PARTNERS

Source: S&P Capital IQ, MergerMarket, Raymond James Research.
(1) "#1 Global Water Investment Bank" refers to number of transactions closed in the Water sector relative to other banks since 2016.

SECTION 01

Deals in Focus



Case Study: Project Sundance

Announced June 2025

newterra

a portfolio company of

Frontenac

has been acquired by

GRUNDFOS

Target	Acquiror
Newterra	Grundfos
Date	**Deal Size**
Announced June 2025	Not Disclosed

BACKGROUND

- On June 24, 2025, Newterra (the "Company"), a portfolio company of Frontenac, announced that it had agreed to be acquired by Grundfos Holdings A/S ("Grundfos" or the "Buyer") subject to regulatory approval
- The Company is a leading provider of engineered, modular and decentralized water & wastewater treatment solutions and services
- The Company operates two segments with distinct yet complementary service offerings for a diverse range of use cases, end markets and customer types

RAYMOND JAMES' ROLE

- RJ pursued a broad process including financial and strategic buyers with prior experience or an interest in the water sector; a formal sell-side process was launched in March 2025 as the Company continued to demonstrate strong performance with growth in backlog and bookings despite market uncertainties stemming from tariffs following Trump's "Liberation Day"
- RJ positioned Newterra as an industry leader in on-site, modular water & wastewater treatment solutions, which was ultimately reflected in the multiple paid by the Buyer

SUCCESSFUL OUTCOME

- Despite putting the process on a brief hold to analyze the Company's potential tariff exposure, RJ achieved an outlier valuation and found an attractive partner in Grundfos to help facilitate the next stage of global growth for Newterra
- Grundfos identified Newterra as a market leader in the Water & Wastewater Treatment space and an M&A opportunity to establish a beachhead in North America
- The acquisition highlights Grundfos's desire to establish a water treatment platform capable of serving complex and growing treatment needs of North American customers
- "This acquisition is a natural next step towards realizing our ambitious growth plans for the US. Strengthening our capabilities in water treatment enables Grundfos and our customers to make an even bigger positive impact on the world's water and climate challenges" – Inge Delobelle, EVP & Divisional CEO, Industry Division, Grundfos

KEY VALUE DRIVERS

- ✓ Market-leading position in water & wastewater treatment solutions
- ✓ Track-record of integrating acquisitions into the "One Newterra" platform
- ✓ Reoccurring revenue profile and strong backlog of projects
- ✓ Attractive and diverse end-market exposure
- ✓ Growing and high-margin Lifecycle Services offerings

Case Study: Project Hurricane

July 2025

Faircloth Skimmer

a portfolio company of

AIGLON CAPITAL MANAGEMENT

has been acquired by

StormTrap

a portfolio company of

PSP PARTNERS

Target	Acquiror
Faircloth Skimmer	StormTrap
Date	**Deal Size**
July 2025	Not Disclosed

BACKGROUND

- J.W. Faircloth & Sons, Inc. ("Faircloth Skimmer" or the "Company") is a leading, national designer and manufacturer of custom surface water drains for stormwater and sediment basins headquartered in Hillsborough, NC
- In addition to its surface drains, the Company also provides compliance assistance and engineering services to ensure that customer's basins meet regulatory standards and can withstand the anticipated flow rates
- The Company's products reduce the number of total suspended solids in the water by draining from the surface, releasing the cleanest water instead of draining from the bottom as conventional outlets do

RAYMOND JAMES' ROLE

- Raymond James was selected as Faircloth Skimmer's exclusive financial advisor due to its expertise in the water M&A market, especially in the stormwater and infrastructure services space
- Successfully positioned the Company as the preeminent name in the industry due to product quality, high touch customer service and vast distribution network across the United States
- Structured and negotiated a transaction that helped achieve the stakeholders' objectives, including attractive reinvestment and incentive equity packages for management
- Facilitated an expedient direct negotiation process, with initial outreach on the opportunity to closing taking less than five months

SUCCESSFUL OUTCOME

- Faircloth Skimmer was acquired by StormTrap, a portfolio company of PSP Partners, in July 2025
- StormTrap is committed to supporting Faircloth Skimmer's growth plans, including the execution of accretive add-on acquisitions and the organic growth of the newly-patented permanent stormwater skimmer
- "Their cutting-edge products are a natural complement to our existing solutions, and this acquisition allows us to offer a more complete suite of stormwater management tools to our customers" – Nate Olds, StormTrap CEO

KEY VALUE DRIVERS

- ✓ Market Leader with Best-In-Class Customer Service & Product Quality
- ✓ Emerging Services Division Provides Recurring Revenue Opportunities
- ✓ National Presence with Significant Market Share in Fastest Growing Geographies
- ✓ Vast Whitespace in Post-Construction Stormwater Market
- ✓ Sticky Relationships with a Diverse Group of Customers
- ✓ Ample Near-Term M&A Opportunities to Support Growth

SECTION 02

Contribution Corner

Cheap Desalination Becomes Expensive Very Quickly

Contribution Corner:

As population grows, global water scarcity intensifies and climate change destabilizes traditional freshwater supplies, desalination is emerging as a strategic solution. But in the race to secure this vital resource, many overlook a hard truth: when it comes to desalination, going cheap can end up being very expensive.

At first glance, the appeal of low-cost desalination is obvious—governments and private developers alike are tempted by attractive upfront pricing, rapid deployment promises, and simplified technologies. But this "bargain" approach often masks long-term liabilities that compound over time, draining public budgets and investor returns alike.

False Economies in CAPEX:

In many desalination tenders, selection is heavily weighted toward the lowest capital expenditure (CAPEX). This can encourage bidders to downplay essential infrastructure—opting for substandard intake systems, minimal redundancy, less efficient energy recovery devices, undersized pretreatment, or deficient material selection. These shortcuts save money today but degrade performance tomorrow, leading to frequent breakdowns, higher energy consumption, and costly retrofits.

OPEX Surprises:

Desalination is energy-intensive by nature. Plants that skimp on high-efficiency pumps, energy recovery devices, or membrane quality often face operating expenditures (OPEX) 15–20% higher than expected. Poor design also increases chemical use, fouling rates, and labor needs. When energy prices rise—as they inevitably do—these "cheap" systems hemorrhage money.

Downtime Destroys Value:

Availability is king in desalination. Every day a plant is offline is a day without water—and without revenue. Lower-cost plants with weak engineering or immature automation can suffer availability rates below 85%, far from the industry benchmark of 95–98%. This not only impacts water supply but erodes public trust and financial viability.

Environmental and Regulatory Blowback:

Cheaper desalination projects often ignore or minimize environmental safeguards—such as diffusers for brine discharge or robust environmental impact assessments. This oversight invites regulatory penalties, legal delays, and community opposition, all of which can derail projects or inflate their lifecycle costs.

Financiers Beware:

For banks, investors, and infrastructure funds, the risks are clear. Project finance structures that rely on aggressive financial modeling, short payback periods, or underestimated lifecycle costs are exposed when desalination projects underperform. In many cases, the original cost "savings" are wiped out by performance penalties, litigation, or refinancing needs.

A Smarter Path Forward:

Desalination is not inherently risky or expensive. On the contrary, when properly planned and executed—with experienced EPC partners, conservative engineering, and realistic performance guarantees—it is a resilient and bankable solution. But there's no shortcut to quality. Cutting corners in design, technology, or operations leads to compounding liabilities that are difficult to recover from.

For decision-makers, the message is simple: the cheapest desalination plant on paper is rarely the cheapest in practice. Water security demands long-term thinking—and the financial community must be vigilant in demanding robust, future-proofed infrastructure. Because in desalination, as in so many other capital-intensive industries, you get what you pay for.

About the Author:

Borja Blanco

Borja is the Managing Partner and Founder of Aqua Advise, with more than 25 years of experience in the water industry. Please feel free to reach out to Borja at bblanco@aquaadvise.com

Note: Raymond James is not affiliated with and does not endorse Aqua Advise or Borja Blanco.

European Water Resilience Strategy

Contribution Corner:

RAYMOND JAMES

More than three quarters of Europeans are calling for stronger EU action on water, prompting the European Commission to present its long-awaited European Water Resilience Strategy. This marks a significant shift in how water is perceived, recognizing it as a central pillar of Europe's future prosperity rather than a secondary environmental concern.

As climate shocks, pollution and water scarcity intensify across the continent, the strategy sets a clear path: repair Europe's water cycle, build a water smart economy and ensure clean, affordable water for all. It highlights a growing consensus among EU institutions and Member States that resilient water management is crucial for Europe's competitiveness, security and wellbeing.

Repair Europe's Water Cycle:

The EU is stepping up efforts to restore the natural water cycle by enforcing key legislation like the Water Framework Directive and supporting nature-based solutions. Healthy soils, wetlands, and forests are essential to retain, filter, and release water, and the upcoming "Sponge Facility"[1] will coordinate projects that increase water retention across rural and urban areas.

To address drought and water scarcity, the Commission will introduce new indicators and provide guidance on drought planning. In urban areas, "sponge city approaches" that use green infrastructure will help absorb and gradually release water, reducing the impact of heavy rainfall.

Tackling pollution remains a priority. The EU plans to reduce PFAS and nutrient runoff at the source, clean up legacy pollution, and promote circular nutrient use in agriculture. These actions will help restore water quality and quantity from catchments to coasts.

Build a Water-Smart economy:

To secure Europe's future water supply, demand across all sectors must decrease. The EU promotes the "water efficiency first" principle, giving priority to savings and reuse instead of increasing supply. A ten percent efficiency improvement by 2030 is the shared goal.

Accurate tracking of water use is essential. Most water in the EU is abstracted directly at the source, yet many Member States still lack reliable data. A new EU initiative on smart metering aims to close this gap, helping authorities monitor flows more precisely and reduce losses in public supply systems, where leakage rates currently range from 8 to 57 percent.

Industry must also adapt through water-smart planning. Key sectors such as battery production, semiconductors and data centers will face minimum standards for water consumption, while water reuse in agriculture and industry is set to expand.

Clean & Affordable Water for all Europeans:

While most EU citizens enjoy access to safe drinking water and sanitation, gaps remain, especially in remote, outermost and less affluent regions. The EU aims to close these gaps through targeted investment, inclusive planning and stronger support for vulnerable groups.

New tools like the Ecodesign for Sustainable Products Regulation and the Unified Water Label will guide consumers towards water efficient choices. In the built environment, initiatives like the New European Bauhaus and the Affordable Housing Plan will promote water smart buildings that combine energy and water savings.

Awareness is also key. Better public information and digital tools will help citizens adopt water saving behaviors and understand risks like floods and droughts.

Lastly, fair and transparent water pricing, based on actual use and environmental impact, is essential to guarantee affordable access and promote efficient use, ensuring that water resilience benefits all citizens.

Toward a Resilient Water Future:

The Strategy sets a clear direction for building water resilience across Europe. Through smarter use, stronger protection, and targeted investment, it lays the groundwork for a future where water supports people, nature, and the economy alike.

Source: Water Europe, European Water Resilience Strategy (European Commission).
(1) EU program to boost water retention projects.

Underground Water Infrastructure & Rehab Tech

Contribution Corner:

Over the last 12-18+ months, we've seen a lot of our private equity clients spending time and investing into sectors that support the broad aging infrastructure thesis. Even more recently, the number of underground infrastructure projects happening around our neighborhoods has noticeably increased. Whether it be corrosion crusted gas pipes being replaced by HDPE, freshly paved Tremont St downtown (we're from Boston), or a cracked wastewater pipe requiring either a full replacement or a less invasive rehabilitation treatment.

These examples are just a few signs of the growing attention – and investment – being directed towards the systems beneath our feet.

Underground Water Infrastructure Overview:

Underground water infrastructure is made up of three primary systems:

Potable Water Infrastructure: Carries clean, treated water suitable for human consumption and daily use

Wastewater Infrastructure: Transports used water and sewage from homes and businesses to treatment facilities

Stormwater Infrastructure: Designed to carry rainwater runoff and surface drainage away from densely populated areas to prevent flooding

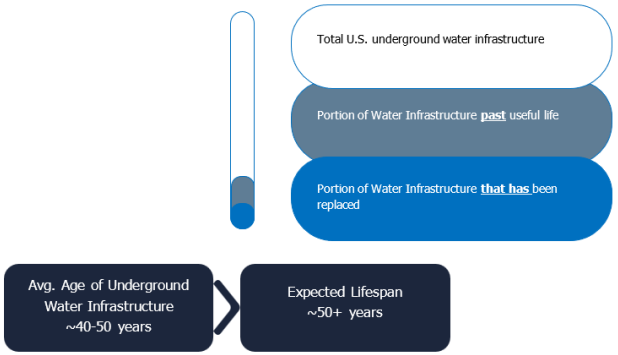
Most water pipes across the U.S. are at or approaching their expected lifespan (50+ years) as the current average age of underground water infrastructure is ~40-50 years of age. Thus, creating significant near and mid-term demand for repair and rehabilitation services.

Providers who can tackle these issues possess significant expertise in the various water systems and rehabilitation technologies that are applied to our water pipes. However, due to the capital-intensive nature of these businesses, and the niche, skilled labor pool, provider backlogs are long (sometimes 6-8+ months) and growing. Investors interested in addressing this growing problem will be able to reap the reward of the underlying tailwinds by properly scaling and optimizing businesses.

Underlying Market Tailwinds:

Aging Infrastructure

Across the three water infrastructure systems, there is estimated to be ~7,500,000+ miles of public underground water pipe across the U.S.. STEER has estimated that only ~1,000,000 miles (~10-15%) of our underground water infrastructure has been rehabilitated or replaced since the 1970s. With <1% of the available water pipeline infrastructure being addressed / rehabbed every year, there is significant near and mid-term work to be done.



"I've worked on projects in the U.S. where we are rehabilitating a pipe that was already treated with CIPP lining 50 years ago. There's so much work to be done to address water infrastructure systems, and simply not enough people or cities out there that are doing the work." – Provider of Underground Water Infrastructure Services.

Funding & Funding Gap

The IIJA (2021) has dedicated $50B+ of funding to water infrastructure. Now, despite these funds becoming available 4 years ago, it is estimated (as of 12/31/24) only ~17% of all IIJA funds dedicated to infrastructure have been expended (physically spent). Moreso, it is estimated that less than 17% of the dedicated $50B+ of funding to water infrastructure has been expended.

Municipal budgets are another source of funding for these projects. When federal and state level funding sources are unavailable, local municipalities have been able to draw on their reserves, property taxes, and charges for service to fund these critical, large-scale, time sensitive, water infrastructure projects.

Underground Water Infrastructure & Rehab Tech (cont.)

Now despite these funding boosts, there still is a significant gap in what is required to address this aging infrastructure issue:

2024-2033

	Needed	Funded	Funding Gap
Drinking Water	$670B	$361B	$309B
Wastewater & Stormwater	$983B	$293B	$690B
Total	$1,653B	$654B	$999B

*Source: ASCE

Across all infrastructure investment, the ASCE projected a total gap in funding of ~$3.7T, a 24% increase from their 2021 estimate.

Underground Water Infrastructure Technologies & STEER Perspectives:

Broad stroke, there are two main types of water infrastructure repair and rehabilitation solutions: Open cut, and trenchless. Open cut is a more invasive and disruptive process, as it requires fully digging up the section of pipe that is damaged. However, if / when a pipe reaches a certain damage threshold, fully replacing the physical pipe is the only viable option.

Open Cut & Full Pipe Replacement: Traditional method of pipeline installation or repair that involves digging a trench to access the pipeline, which then fully replaced

Trenchless rehabilitation solutions do not require full excavation and typically only need a small access hole to conduct the repair. These techniques are significantly easier to perform, specifically when there are concerns about disrupting land or other underground utilities. From an end user perspective, trenchless solutions are quicker to perform and can be up to ~35% less expensive.

There are three primary methods for trenchless rehabilitation:

Cured-in-Place-Pipe (CIPP): Flexible liner coated with resin is inserted into a damaged pipe, then cured to treat a new pipe within the old one

Slip Lining: A smaller-diameter pipe is inserted into an existing pipe to reinforce the structure and restore flow capacity

Geopolymer Line Coating: A spray-applied, cement-like material is used to coat the interior of an existing pipe, restoring structural integrity and protecting against corrosion.

CIPP, in particular, has seen technological improvements over recent years. Previously, CIPP was most often used for wider diameter pipes (wastewater, stormwater). Now, CIPP solutions are able to treat smaller diameter pipe systems (potable, private water service lines). Given the cost savings and less intrusive nature of trenchless solutions, the CIPP, and broader trenchless solutions market, is expected to outpace the broader underground water infrastructure rehabilitation industry.

About STEER:

STEER is a boutique consulting firm advising middle-market private equity sponsors, portfolio companies and corporate clients.

Through our targeted primary research-based approach, we provide market insights and actionable results to support growth and investment strategies.

If you are interested in learning more, reach out to Amit Rao at arao@steerpartners.com.

Note: Raymond James is not affiliated with and does not endorse Water Foundry Ventures, Atlantean Media or Amit Rao.

SECTION 03

Economic and Political Commentary

Economic Thoughts of the Week

WEEKLY ECONOMIC COMMENTARY
July 11, 2025

Eugenio J. Aleman, Ph.D.
Chief Economist
Raymond James Private Client Group

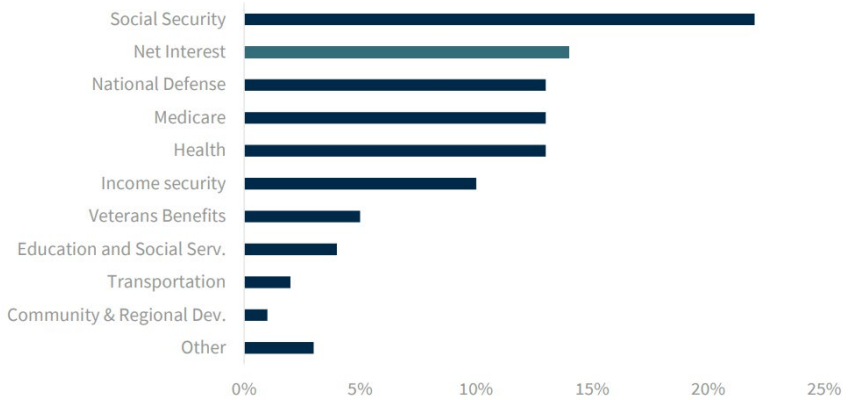
One Big, Beautiful Missed Opportunity

The Republicans in Congress had a unique opportunity to do things right, and they completely missed it. The One Big Beautiful Bill Act (OBBBA) is nothing but a 'keep on borrowing today and paying back some day, but certainly not today' politically motivated bill1. But not in the vein of Elon Musk's criticism of the bill, which makes no sense whatsoever. According to Mr. Musk, the OBBBA is a 'disgusting abomination' filled with 'pork' because, according to him, the bill increases spending considerably. However, even if the bill has, as any politically negotiated bill does, 'pork' inside it, the OBBBA lowers spending. It cuts spending on many social programs favored by Democrats, especially on Medicaid, SNAP, student loans, etc. The estimate is that Medicaid spending will be cut by approximately $1 trillion during the next decade, with most of the cuts starting after the midterm election, just in case. Those are real cuts in spending, irrespective of whether you view them favorably or not.

But those are the least of the problems of the OBBBA. The problem is not that the OBBBA is not cutting government expenditures, the problem is that the proposed tax cuts, which includes the extension of the 2017 TCJA tax cuts, would bring fiscal revenues down by approximately $5 trillion on a conventional basis or by about $4 trillion if we consider economic growth during the next ten years. 2 That is, the OBBBA cuts government spending all right, contrary to what Mr. Musk argues, but the cuts in taxes and thus, cuts in expected tax revenues, are more than three times the size of the cuts in expenditures during the decade. This means that the US fiscal deficit will increase by about $3 trillion during the next decade. 3 And this is just the increase in the primary deficit; it does not include the added cost of financing the increase in borrowing these deficits will incur.

So, what happened to the 'fiscally responsible' GOP? What happened was that it is always easier to be an opposition party than to be in power. Because when you hold power, you are the one who will be blamed. The role of opposition parties is to challenge the party that is in power. But when the opposition moves into power, they typically become what they criticize.

US Government Spending, FYTD 2025



Source: RJ Economics, FactSet, data as of 7/11/2025.

Source: Raymond James Private Client Group.

Economic Thoughts of the Week (cont.)

WEEKLY ECONOMIC COMMENTARY
July 11, 2025

Eugenio J. Aleman, Ph.D.
Chief Economist
Raymond James Private Client Group

OBBBA is Bad for Deficits, What About Economic Growth?

Although the OBBBA is all bad news for the fiscal deficit and the sustainability of the US debt, there are some provisions that are going to be positive for economic growth, especially during the next several years, as government spending and lower taxes plus subsidies are going to occur during the first several years. However, the increase in tax revenues from higher tariffs is going to have negative effects on economic growth. Thus, the net result depends on the assumptions made when estimating these changes. The Tax Foundation, a conservative leaning think tank, estimates that the OBBBA will increase GDP slightly over the long run.

However, the Wharton Budget Model estimates that the effects on GDP will be slightly lower during the next ten years. We estimate that GDP is going to be slightly higher over the long run and more in line with the estimate from The Tax Foundation. But this slight increase in GDP will not help bring down the fiscal deficit.

Bottom Line

The biggest problem with what is happening today with the political process and the OBBBA is that the longer we procrastinate addressing the unsustainable growth in the debt, that is, the more we procrastinate in bringing down the primary fiscal deficit and stabilize the growth rate of the debt, the more difficult it will be when we have no alternative or when the bond vigilantes push us to do it, as happened to Great Britain several years ago.

Politics is the 'Art of What is Possible" and Republicans, once again, when faced with what is possible and what is not, concluded that they could not lower expenses meaningfully enough to make a dent in the deficit without increasing taxes/tax receipts. But instead of facing the problem head-on, they continued to behave as Republicans, that is, spend as Democrats and cut taxes as Republicans. This is the reason why right, left, and center-leaning think tanks agreed that this strategy will increase deficits and bring us closer to the day of reckoning. It is clear that they also know that it is not possible to reduce spending in Social Security, interest payments on the debt, defense spending, Medicare, veterans' benefits, etc., while the rest of the components of the budget are not large enough to change the trajectory of the deficits.

This would have indicated that it was time to put forward a different strategy, one that does not include continuing to lower taxes if there is no chance that they can lower expenditures meaningfully. However, it seems that they did not receive the new strategy memo!

Thus, at some point during the next decade, but hopefully well before that, we will have to take the medicine, and not even Mary Poppins will be able to sing 'A Spoonful of Sugar' to make the medicine go down or make it more palatable. The longer we wait to fix the trajectory of the deficit/debt, the harder it is going to be in the future. The more we wait, the more we will have to cut expenditures and/or raise taxes/tax collections in the future, putting economic growth, the US dollar, and US exceptionalism on the chopping block.

Source: Raymond James Private Client Group.

Trade Tensions Resume as Reciprocal Tariff Deadline Pushed to Aug 1

WASHINGTON POLICY RESEARCH
July 11, 2025

Edward Mills
Managing Director
Raymond James Equity Research

Week in Review:

The trade landscape shifted as the Trump administration punted the reciprocal tariff deadline to August 1, issuing new tariff letters (25-50% for most countries) with notable hikes for Brazil and Canada, aimed at pressuring partners into deals, while pharma and copper tariffs signal further sectoral escalation ahead. The Bureau of Industry and Security worked to finalizing AI chip export controls for Malaysia and Thailand to curb China's access via intermediaries. The FHFA also confirmed lenders will soon be able to choose between FICO and Vantage credit scores, with Fannie Mae and Freddie Mac likely expected to implement within three to four months.

Looking Ahead:

Next week's "Crypto Week" in the House will shape U.S. digital asset regulation, with votes on the GENIUS Act, CLARITY Act, and other crypto regulation. As we approach the August 1 reciprocal tariff deadline, the administration's use of tariffs, transshipment focus, and evolving rules of origin signals ongoing negotiations and likely near-term volatility, even as the White House appears willing to use deadlines and threats as leverage for concessions.

Trade/tariff update: state of play, reciprocal tariff deadline punted, countries begin to receive new rates, pharma/copper tariffs, path ahead

The deadline for the re-imposition of President Trump's elevated reciprocal tariffs has slipped from this week (July 9) to August 1; however, the wave of letters this week marked a near-term escalation in the trade agenda (July 7 fact sheet). The tariff letters — with announced rates spanning 25-50% at this time of writing — mostly do not materially diverge from the original April 2 tariff rates (with the exception of Brazil, which was assigned a 50% rate, up from its original 10%, and Canada's 35% rate, up from its 25% rate over Fentanyl and non-USMCA compliant goods). The new announcements should, overall, be viewed as intended to renew pressure on countries to conclude negotiations before the new August 1 deadline. We also note that we do not automatically view Trump's escalatory moves as negative — these actions often indicate negotiations are advancing. Escalation can be a tactic to secure final concessions and close deals, as seen in past negotiations with Canada on digital service taxes.

Trump's conflicting statements on the seriousness of the new deadline, his demonstrated pattern of backing down/extending deadlines, and a market becoming increasingly comfortable with tariff-related volatility is a combination that could further elevate risks in the weeks ahead. We are watching for whether the muted market reaction to the latest round of deals emboldens the White

Source: Raymond James Private Client Group.

Trade Tensions Resume as Reciprocal Tariff Deadline Pushed to Aug 1 (cont.)

WASHINGTON POLICY RESEARCH
July 11, 2025

Edward Mills
Managing Director
Raymond James Equity Research

Trade/tariff update: state of play, reciprocal tariff deadline punted, countries begin to receive new rates, pharma/copper tariffs, path ahead (cont.)

House to implement the elevated tariffs as planned, raise the rates further, or take other more aggressive actions.

On a technical level, between the various tariff letters and the recent announcement of a trade deal with Vietnam, the path ahead appears likely to feature a 10% baseline tariff, the risk potential for rates in excess of 10% (which may ultimately be time-limited, depending on the trajectory of negotiations), a renewed focus on transshipment, and a desire to force concessions on issues such as market access. We expect to continue to see additional tariff rates announced in the coming days and weeks ahead of August 1. The new deadline was implemented by a Monday EO, which also clarifies that the separate deadline for China also remains in place.

BIS planning AI chip export controls for Malaysia, Thailand

The Bureau of Industry and Security (BIS) is preparing new measures to restrict the flow of advanced AI chips to Malaysia and Thailand alongside the formal rescission of the AI diffusion rule, per Bloomberg — the latest in a renewed effort to address export control evasion/circumvention by China. The draft rule is still being finalized, but reporting describes a broader aim to prevent China from obtaining the advanced semiconductors from intermediaries based in the two countries, and will be combined with the AI diffusion rule rescission (the process of which is underway and is not being enforced as of May). Provisions are also being considered to allow U.S.- headquartered/firms headquartered in allied countries to continue to ship AI chips to the impacted countries for several months after the rule goes into effect. The development of the Southeast Asia-specific curbs is unsurprising, in our view, given the recent DC scrutiny of the volumes of advanced chips being imported into the region (with Singapore receiving particularly close attention). We also view the effort as consistent with a broader, ongoing effort to continue to tighten export control enforcement. While the demonstrated pattern of tying U.S. semiconductor/semi cap equipment export controls to China's restrictions on rare earths elements/critical minerals may place some limits on the aggressiveness of new measures, we continue to see a high degree of political willingness to advance the current restrictions.

The reporting on the Malaysia/Thailand curbs follows indications last week that the administration has lifted some of the export controls on EDA software and ethane as part of the recent U.S.-China agreement struck in London (Reuters). Synopsys, Cadence Design Systems, and Siemens have all

Source: Raymond James Private Client Group.

Trade Tensions Resume as Reciprocal Tariff Deadline Pushed to Aug 1 (cont.)

WASHINGTON POLICY RESEARCH
July 11, 2025

Edward Mills
Managing Director
Raymond James Equity Research

BIS planning AI chip export controls for Malaysia, Thailand (cont.)

reportedly restored access to their software/technology for Chinese customers. As a reminder, this round of U.S. curbs was implemented in the wake of escalating U.S.-China tensions and through "is informed" letters (vs. the formal regulatory process). The bilateral agreement exchanged a reversal on the EDA curbs for a six-month resumption of rare earths export licensing by China. China's Commerce Ministry stated last Friday that “While the licensing process for Chinese rare earths elements has resumed, the extent to which they are actually clearing the process and being shipped remains significantly less clear.”

FHFA’s new policy allows lenders to pick FICO or Vantage

The Federal Housing Finance Agency (FHFA), under Director Bill Pulte, through Director Bill Pulte’s recent tweet has confirmed a major change in mortgage credit scoring policy, with lenders soon having the choice to use either FICO or Vantage credit scores for mortgage underwriting. As a result, we expect to see an immediate acceptance of Vantage and retention of the trimerge system that incorporates data from all three major credit bureaus. This move is expected to be formally documented within the next couple of weeks, in our view, with Fannie Mae and Freddie Mac implementing lender choice over the next three to four months. This shift, which is expected to be formally announced within the next one to two weeks and implemented by Fannie Mae and Freddie Mac over the following three to four months, will end the mandatory use of FICO and allow lenders to select their preferred scoring model, rather than requiring both scores or a combined approach. While the trimerge system — incorporating data from all three major credit bureaus — will remain in place, the uptake of Vantage as a primary score remains an open question.

House “Crypto Week” set to reshape U.S. digital asset regulation

Congress is entering a pivotal “Crypto Week” as the House prepares to vote on three major digital asset bills that could reshape the U.S. regulatory landscape for cryptocurrencies. The legislative push comes amid heightened pressure from President Trump and Senate Republicans to deliver on campaign promises to make the U.S. the global leader in crypto. The House will bring three major bills to the floor: the GENIUS Act (stablecoin regulation), the CLARITY Act (market structure reform), and the AntiCBDC Surveillance State Act (barring a Federal Reserve digital currency). The GENIUS Act, which passed the Senate with bipartisan support, is expected to be voted on as a “clean” bill — without amendments — before heading to President Trump’s desk for signature, underscoring the administration’s desire for an immediate “win” for cryptocurrency regulation. The CLARITY Act and Anti-CBDC bill, if passed, will move to the Senate for further consideration.

Source: Raymond James Private Client Group.

Trade Tensions Resume as Reciprocal Tariff Deadline Pushed to Aug 1 (cont.)

WASHINGTON POLICY RESEARCH
July 11, 2025

Edward Mills
Managing Director
Raymond James Equity Research

House "Crypto Week" set to reshape U.S. digital asset regulation (cont.)

We would note that the GENIUS Act establishes a comprehensive federal framework for payment stablecoins, requiring issuers to maintain 1:1 reserves in U.S. currency and Treasuries, submit to annual anti-money laundering certifications, and comply with restrictions on nonfinancial public company issuers. Its passage would likely create a structural source of demand for short-dated Treasuries through its 1:1 reserve requirement provision, potentially supporting liquidity and anchoring yields. Notably, Senate Republicans have made clear they will not take up a revised version of the bill or combine it with broader market structure reforms, with a "clean" House vote the most likely path forward.

Alongside the GENIUS Act, the House will vote on the CLARITY Act, a sweeping market structure bill that divides oversight of digital assets between the SEC and CFTC, introduces a registration regime, and codifies protections for decentralized finance and self-custody. The bill advanced out of the House Financial Services (32-19) and Agriculture (47-6) committees with bipartisan support, but its final passage is subject to ongoing negotiations. House Democrats are withholding support unless the bill includes robust conflict-of-interest provisions that would bar the president and family members from issuing crypto tokens.

Adding to the momentum, the Trump administration's Working Group on Digital Asset Markets is set to deliver its first major policy report by July 22. The report, developed in coordination with Treasury, Commerce, the SEC, and the CFTC, is anticipated to outline a federal framework for digital assets, recommend the creation of a strategic Bitcoin reserve, and propose measures to ensure fair banking access for crypto firms. We expect the report to serve as the administration's "crypto roadmap," and influence both the regulatory and legislative agendas.

Source: Raymond James Private Client Group.

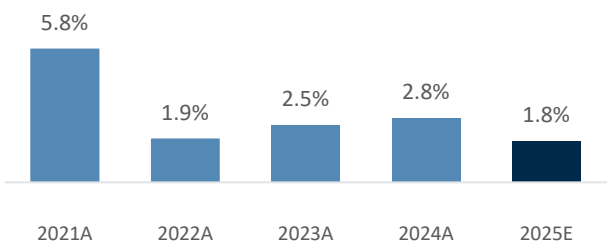
SECTION 04

Sector and Economic Indicators

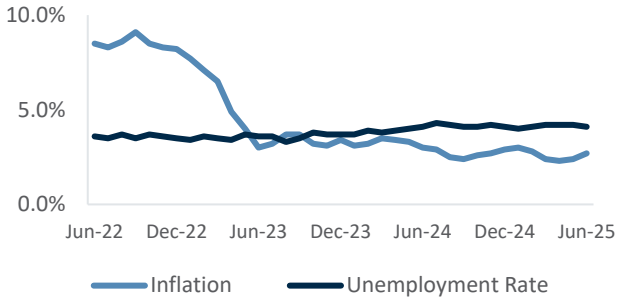
Macro Indicators

U.S. ECONOMY

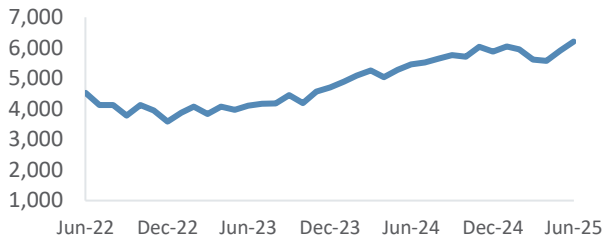
GDP GROWTH



INFLATION VS. UNEMPLOYMENT

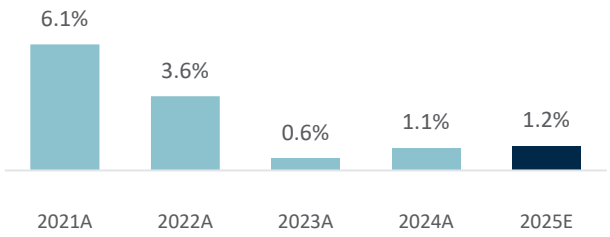


S&P 500 INDEX

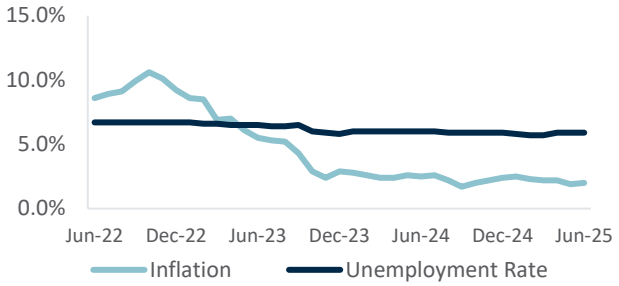


EUROPE ECONOMY

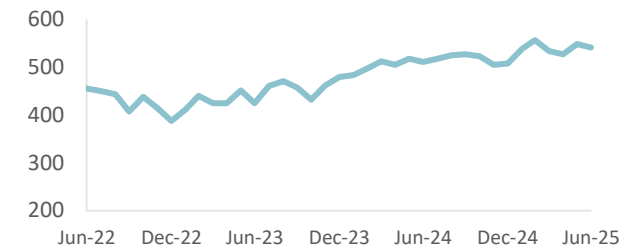
GDP GROWTH



INFLATION VS. UNEMPLOYMENT

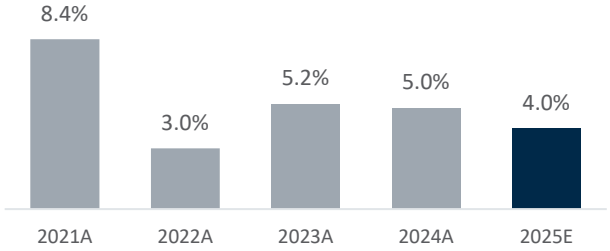


STOXX 600 INDEX

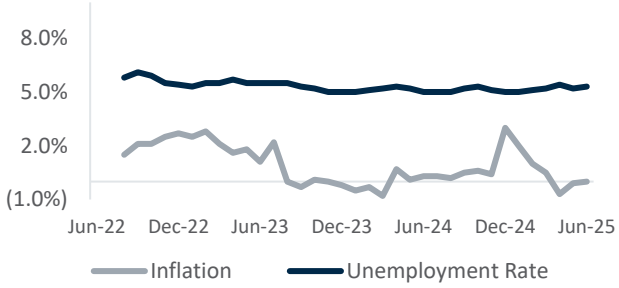


CHINA ECONOMY

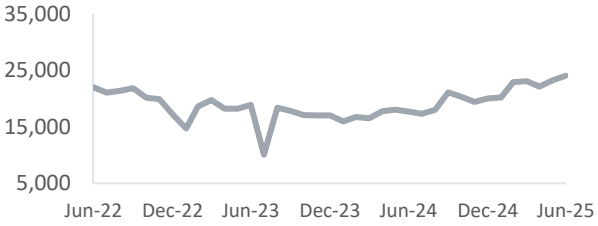
GDP GROWTH



INFLATION VS. UNEMPLOYMENT



HANG SENG INDEX

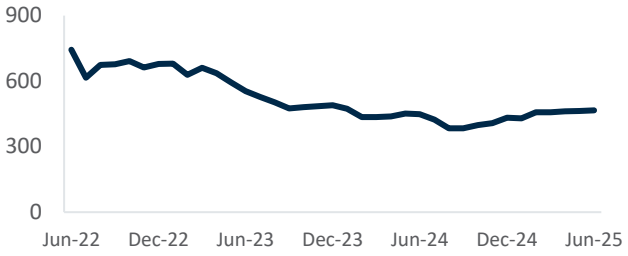


Source: Bloomberg, U.S. Bureau of Labor Statistics, National Bureau of Statistics of China, Market data as of 6/30/2025.

Select Water End Market Indicators

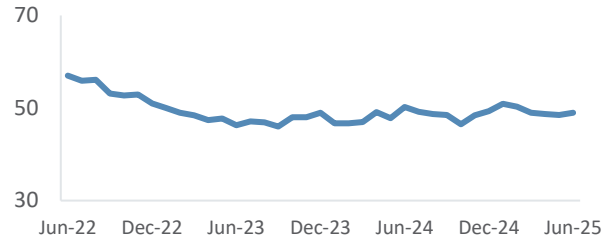
AGRICULTURE

U.S. CORN FUTURES[1]

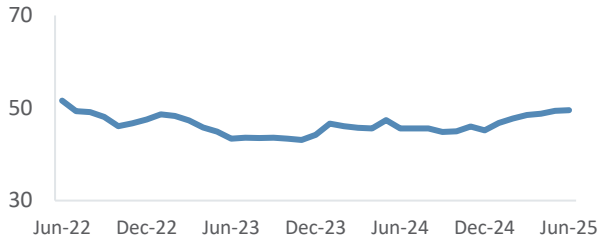


INDUSTRIAL

U.S. PMI

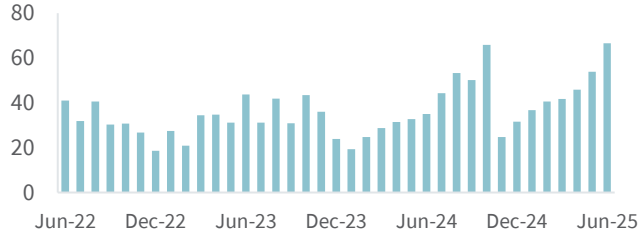


EU PMI

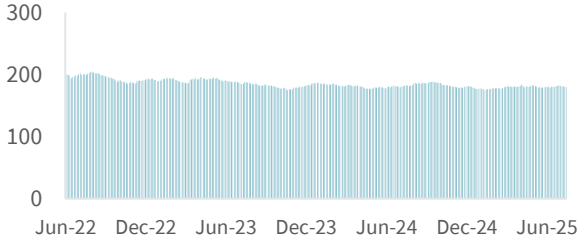


U.S. MUNICIPAL

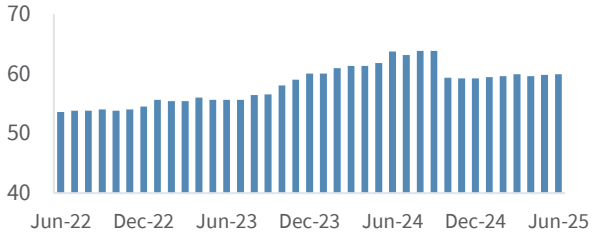
MUNI BOND ISSUANCE
($ billions)



AAA 10-YR MUNI INDEX TO 10-YR TREASURY RATIO

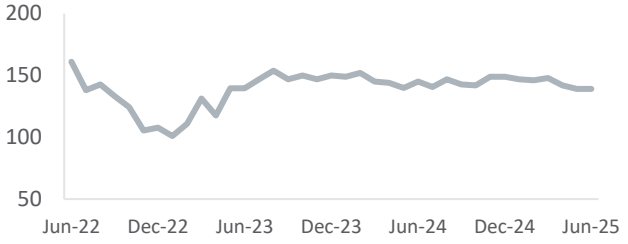


WATER UTILITY EMPLOYMENT
(000s)

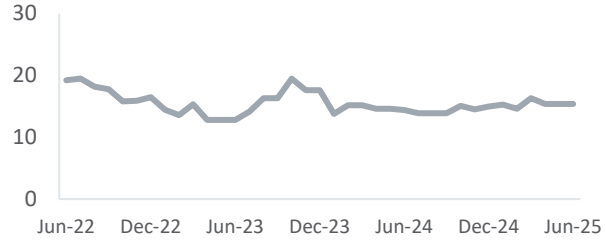


BUILDING / INFRASTRUCTURE

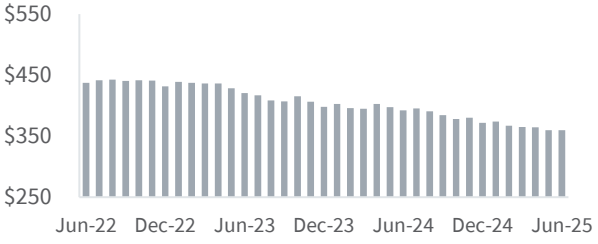
U.S. BUILDING PERMITS
(000s)



GERMAN BUILDING PERMITS
(000s)



U.S. DUCTILE IRON PIPE PRICE PER METRIC TON

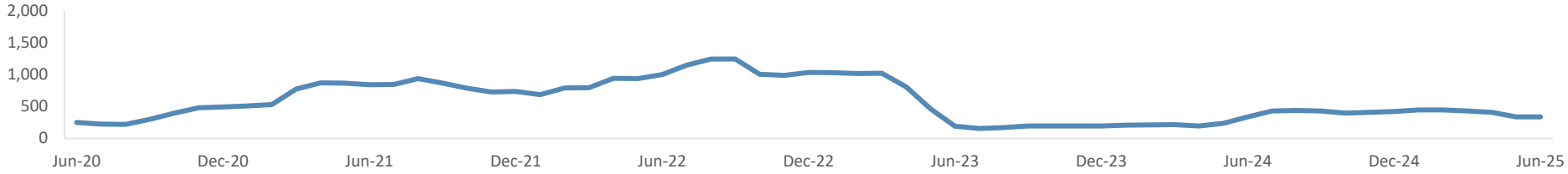


Source: Bloomberg, Municipal Securities Rulemaking Board, Bureau of Labor Statistics. Market data as of 6/30/2025.
(1) Corn Futures Contract from Chicago Board of Trade. Contract size is 5,000 bushels.

Water Scarcity Indicators

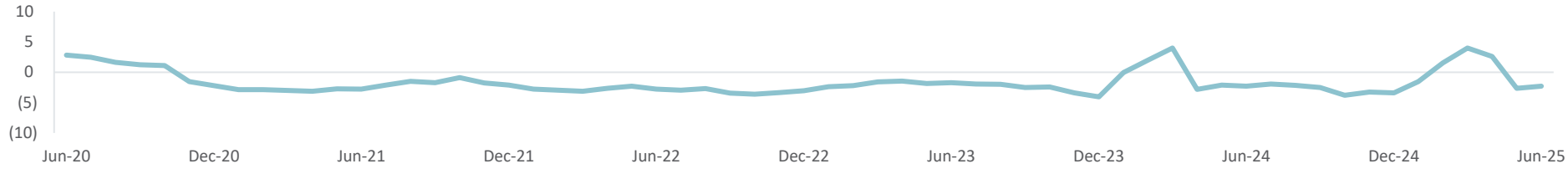
NASDAQ VELES CALIFORNIA WATER INDEX (NQH2O)[1] ($ PER ACRE FOOT)

The NQH2O Index benchmarks the price of water across California in a way that supports price discovery and enables the creation of a tradable financial instrument.



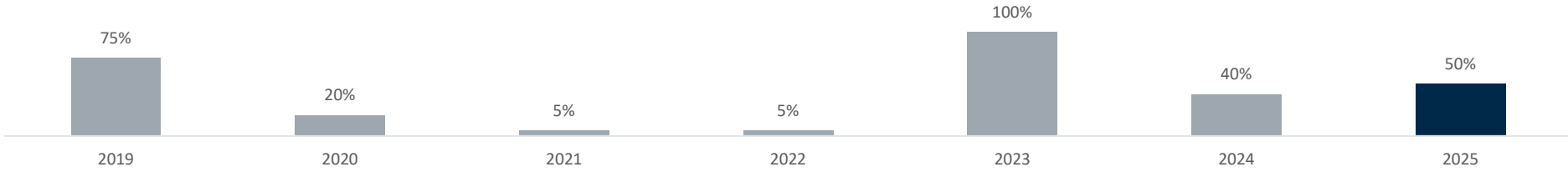
PALMER DROUGHT SEVERITY ("PDSI") INDEX[2]

The PDSI Index uses readily available temperature and precipitation data to estimate relative dryness nationwide. Positive numbers indicate wet periods, zero is normal and negative numbers indicate droughts.



STATE WATER PROJECT (SWP) LONG-TERM WATER SUPPLY CONTRACT ALLOCATION LEVELS[3]

The allocation is the % of each long-term water user's contracted volume that the state will actually provide during a given year. In dry years, the allocation is lower because less water is available for delivery. In wet years, the allocation is higher because more water is available for delivery.



(1) Bloomberg. Market data as of 6/30/2025. Used with permission from NASDAQ.
(2) U.S. Department of Commerce, National Environmental Satellite, Data and Information Service.
(3) California Department of Water Resources, as of 6/30/2025.

SECTION 05

Trading and M&A Comparables

Select Transactions in Last Twelve Months

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA
7/14/25	HKW	Sepratech Liquid Solutions	Provider of industrial water and wastewater treatment services across the Gulf Coast	-	-	-
7/8/25	H2O America	Quadvest, L.P.	Provider of water and wastewater utility services to residential communities and municipal utility districts	$540.0	-	-
7/8/25	StormTrap, LLC	J.W. Faircloth & Son, Inc.	Provider of stormwater dewatering solutions through surface skimmers designed to improve water quality	-	-	-
7/2/25	FSN Capital Partners AS	Volue Infrastructure AS	Provider of niche infrastructure software	-	-	-
7/1/25	Charger Investment Partners	Versa-Drill	Provider of premium drilling rigs used in water well, geothermal, and cathodic protection applications	-	-	-
7/1/25	Water Engineering, Inc.	LDW Water Technologies, Inc.	Provider of industrial water treatment services	-	-	-
6/30/25	Inframark, LLC	Systems East Inc.	Provider of custom control systems for municipal water, wastewater, and industrial facilities	-	-	-
6/30/25	Economic Alternatives Inc	LaMotte Water Management	Provider of custom-engineered water treatment solutions with a focus on chemical and green technologies	-	-	-
6/27/25	Ambienta SGR S.p.A.	No Dig Alliance	Provider of renewal, installation and maintenance services for pipelines	-	-	-
6/25/25	Grundfos Holding A/S	Newterra Corporation, Inc.	Provider of modular water, wastewater and groundwater treatment products and services	-	-	-
6/19/25	Solenis LLC	NCH Corporation	Provider of water treatment and industrial solutions	-	-	-
6/19/25	Azuria Water Solutions, Inc.	Guildner Pipeline Maintenance	Provider of sewer and underground infrastructure maintenance and rehabilitation services	-	-	-
6/18/25	STRABAG	EVN AG	Provider and transporter of electricity to water treatment, natural gas supply and waste management business	-	-	-
6/17/25	Azuria Water Solutions, Inc.	BLD Water Solutions	Manufacturer and installer of cured-in-place pipe (CIPP) lateral liners	-	-	-
6/10/25	USALCO, LLC	Fontus Blue	Provider of digital solutions for water utilities	-	-	-
6/9/25	Aquatech International LLC	Century Water Systems	Provider of ultrapure process water and wastewater recycling solutions	-	-	-
6/4/25	Flowserve Corporation	Chart Industries, Inc.	Provider of comprehensive industrial process technologies and services	$10,922.0	2.6x	11.0x
5/27/25	Easton Select Group, LLC	New England Aquatics, Inc.	Provider of water and wastewater treatment solutions to governmental, municipal, industrial and hospitality	-	-	-
5/22/25	EQT AB	Seven Seas Water Group	Provider of water and wastewater treatment solutions to governmental, municipal, industrial and hospitality	-	-	-
5/20/25	Boyne Capital Management	McNish	Provider of highly engineered products for the municipal water and wastewater treatment industries	-	-	-
5/20/25	MKB Company, LLC	Silt-Saver, Inc.	Provider of inlet protection, silt fence and other sediment control products that enable better solutions	-	-	-
5/20/25	GEF Capital Partners, LLC	Mcmillan-Mcgee Corp	Provider of in-situ soil remediation and treatment services	-	-	-
5/20/25	Azureon	Henry Bona Pools & Spas	Provider of full-service maintenance and construction services	-	-	-
5/19/25	American Water Works	Nexus Regulated Utilities, LLC	Provider of safe, reliable and cost-effective water and wastewater utility services	$315.0	-	-
5/19/25	Ardurra Group, Inc.	Cannon & Cannon, Inc.	Provider of civil engineering services in the water, sewer, stormwater and transportation end markets	-	-	-

Source: S&P LCD, CapIQ, MergerMarket, press releases and Raymond James internal resources.

Select Transactions in Last Twelve Months (cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA
5/19/25	Rochester Midland	Comprehensive Chemical	Provider of water treatment services	-	-	-
5/15/25	Renta Group	Containertech Rental	Provider of design and manufacturing services for customised container-based solutions	-	-	-
5/8/25	Vortex Companies, LLC	FORACTION INC.	Provider of trenchless watermain renewal services	-	-	-
5/8/25	Advanced Drainage Systems	River Valley Pipe LLC	Manufacturer of high-performance corrugated plastic pipe systems serving the agriculture market	-	-	-
5/6/25	Shenandoah Industrial	Pro-Pipe Services, LLC	Provider of sanitary and stormwater pipe cleaning and inspection services for public and private customers	-	-	-
5/6/25	Unitil Corporation	Aquarion Water Company	Provider of ~330 miles of water distribution mains and serve ~12,000 customers	$100.0	-	-
5/7/25	Veolia Environnement SA	Veolia Water Technologies &	Provider of products and services for water treatment, water management and wastewater treatment	$5,833.3	1.6x	11.4x
5/5/25	Rochester Midland	Ocs Chemical Engineering, LLC	Provider of on-site service, chemical analyses and monitoring	-	-	-
5/1/25	Tetra Tech, Inc.	SAGE Group Holdings Ltd	Provider of municipal water and industrial manufacturing automation, smart infrastructure and systems	-	-	-
5/1/25	Hasa, Inc.	Clearwater Chemicals	Provider of commercial and recreational pools, competitive aquatic systems and water cooling tower systems	-	-	-
4/30/25	Aquanexa	TacAm	Provider of drinking water and wastewater treatment plants for both the municipal and industrial markets	-	-	-
4/28/25	Glenwood PE	LG Chem	Provider of reverse osmosis membranes	$692.0	-	20.0x
4/25/25	Vortex Companies, LLC	Prism Contractors & Engineers	Provider of civil engineering & surveying, trenchless rehabilitation and utility construction	-	-	-
1/21/25	Azureon	PelicanPools, Inc.	Provider of pool installation, renovation, maintenance and other services to residential and commercial	-	-	-
4/21/25	Azuria Water Solutions, Inc.	Am-Liner East, Inc.	Provider of trenchless pipeline rehabilitation	-	-	-
4/21/25	Azuria Water Solutions, Inc.	TSW Utility Solutions, Inc.	Provider of potable pipeline services, including lead service replacement	-	-	-
4/10/25	Vortex Companies, LLC	Mcallister Specialist	Provider of trenchless water and sewer rehabilitation services in the UK and Ireland	-	-	-
4/10/25	Clairvest Group	NCS Engineers	Provider of mission-critical engineering services for water infrastructure projects including water and wastewater	-	-	-
4/10/25	West Point Partners	Sigma Companites	Manufacturer of waterworks infrastructure products including fittings, pipe restraints, municipal construction	-	-	-
4/3/25	Cerberus Capital	Aquatech	Provider of water and process technology solutions	-	-	-
4/3/25	United Flow Technologies	GP Jager, Inc.	Supplier of water and wastewater treatment equipment	-	-	-
4/3/25	United Flow Technologies	Moss Kelley, Inc.	Representative of manufacturers serving the municipal water and wastewater market	-	-	-
4/3/25	United Flow Technologies	Quality Controls Inc	Provider of QC serves and distributor for valves, valve automation, process equipment and instrumentation	-	-	-
4/2/25	Tencarva Machinery	Atlantic Valve & Equipment	Provider of gate valves, butterfly valves, plug valves, hydraulic/electric control valves and ductile iron fabrications	-	-	-
4/1/25	Goldman Sachs	ATLAS-SSI, Inc.	Provider of screening and material handling solutions for the municipal, industrial, utility and commercial	-	-	-

Source: S&P LCD, CapIQ, MergerMarket, press releases and Raymond James internal resources.

Select Transactions in Last Twelve Months (cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA
3/10/25	METAWATER Co., Ltd.	Schwing Bioset	Provider of custom-engineered waster solutions for municipal, mining and industrial customers	-	-	-
3/6/25	New Jersey-American Water	South Orange Village	Provider of a municipal water system that services South Orange Village	$19.7	-	-
3/5/25	Ulteig Engineers, Inc.	Paradigm Environmental, Inc.	Provider of watershed analysis, stormwater management, software and web applications	-	-	-
3/4/25	Vessco Water	Innovative Flow Solutions	Provider of flow control equipment	-	-	-
3/4/25	Vessco Water	Tek-Sales, Inc.	Provider of flow control solutions intended for municipal and industrial water and wastewater treatment systems	-	-	-
3/3/25	Whitewater Management Ltd.	Orion Water Solutions, Llc	Provider of water treatment and waste minimization solutions	-	-	-
3/3/25	PPC Investment Partners LP	Buckman Laboratories	Provider of specialty solutions for water treatment and industrial processes	-	-	-
2/24/25	PURIS LLC	Insight Pipe Contracting, L.P.	Provider of infrastructure services that specializes in trenchless pipeline rehabilitation services	-	-	-
2/24/25	Stratus Team LLC	Engineering Strategies, LLC	Provider of consulting engineering services to industrial and municipal projects involving water supply	-	-	-
2/21/25	Uniwater AB	Noka AS	Provider of membrane filtration and UV disinfection water treatment solutions	-	-	-
2/19/25	Franklin Electric Co., Inc.	PumpEng Pty Ltd	Provider of service for submersible pumps for the mining sector	-	-	-
2/19/25	Quench USA, Inc.	Stonybrook Water Company	Supplier of point-of-use water and ice appliances	-	-	-
2/18/25	General Pump Company, Inc.	Legend Pump & Well Service	Provider of water well and pump repairing services	-	-	-
2/17/25	Veralto Corporation	Aquafides GmbH	Manufacturer and designer of high-quality UV treatment systems for drinking water and wastewater	$20.0	-	-
2/14/25	Trelleborg AB	NuFlow Technologies	Provider of specialist liners, resins and equipment for small-diameter pipe repair	-	-	-
2/14/25	Franklin Electric	Barnes de Colombia	Manufacturer and distributer of industrial and commercial pumps	-	-	-
2/14/25	Republic Services	Shamrock Environmental	Provider of industrial waste and wastewater treatment services	-	-	-
2/14/25	Sontex	Wehrle	Manufacturer of water meters and technical components	-	-	-
2/7/25	Solinst Canada	Eureka Water Probes	Manufacturer of multi-parameter water quality sondes designed for in-situ analyses of natural waters worldwide	-	-	-
2/6/25	Consor Holdings LLC	Murfee Engineering Company	Provider of engineering solutions for a variety of end markets including water, wastewater and erosion	-	-	-
2/4/25	Kingspan Holdings	Nordic Waterproofing Holding	Manufacturer of waterproofing products and services for buildings and other infrastructure	$463.7	1.2x	11.6x
2/4/25	The Charles Machine Works	ProKASRO Services USA, Inc.	Provider of robotic solutions and rehabilitation equipment for repairing underground water and wastewater	-	-	-
2/3/25	Hawkins, Inc.	Amerochem Corporation	Distributer of water treatment chemical systems and equipment	-	-	-
2/3/25	Frontenac Company LLC	The Crom Corporation	Provider of water infrastructure solutions	-	-	-
2/3/25	Godspeed Capital	InSite Engineering	Provider of engineering and design services in wastewater systems, municipal projects and civil engineering	-	-	-

Source: S&P LCD, CapIQ, MergerMarket, press releases and Raymond James internal resources.

Select Transactions in Last Twelve Months (cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA
2/3/25	Ingersoll Rand Inc.	SSI Aeration	Manufacturer of aeration diffusers & wastewater treatment systems	-	-	10.0x
1/31/25	Badger Meter, Inc.	SmartCover Systems, Inc.	Provider of sensors, software and related services to monitor sewer levels 24/7	$184.9	5.3x	-
1/30/25	ATLAS-SSI, Inc.	Pro-Line Water Screen	Provider of water screens for industries that require large-scale intake water filtration	-	-	-
1/30/25	Clearwater Industries, Inc.	Artech Water Systems, Inc.	Provider of water softening, conditioning and system maintenance services to residential, commercial	-	-	-
1/27/25	Aquarion Water Authority	Aquarion Water Company, Inc.	Provider of public water supply for more than 700,000 people in 60 towns throughout CT, NH and MA	$2,400.0	-	-
1/16/25	Repipe Specialists	A-1 Total Service Plumbing	Provider of residential, commercial, municipal and industrial plumbing and lining services	-	-	-
1/14/25	Verdantas LLC	Civil West Engineering	Provider of water, wastewater, and stormwater engineering services, including transportation design	-	-	-
1/9/25	DPS Group Ltd	Oasis Software Solutions	Provider of automation and control system services intended for both brownfield and greenfield sites	-	-	-
1/9/25	Verdantas LLC	M-H-M, Inc.	Provider of water and land development services including water supply, storage, distributon, irrigation, etc.	-	-	-
1/8/25	The Arab Energy Fund-Led	Metito (Overseas) Limited	Manufacturer and designer of water and wastewater treatment systems	-	-	-
1/8/25	Axius Water	Aero-Mod	Supplier of proprietary mechanical and biological wastewater treatment systems	-	-	-
1/8/25	True Environmental, Inc.	Ensero Solutions, Inc.	Provider of a variety of consulting services inclusing permitting, environmental assessment	-	-	-
1/6/25	Watts Water Technologies	I-CON Systems	Provider of designing, manufacturing and installation of intelligent plumbing solutions	-	-	-
1/2/25	Vortex Companies, LLC	ETECAS UG	Provider of UV curing systems and other equipment for the trenchless pipeline rehabilitation industry	-	-	-
12/20/24	Insituform Technologies, LLC	Pipe Pros LLC	Provider of sewer, sanitation and storm utility contractor services	-	-	-
12/19/24	Cerberus Capital	Landmark Structures I, L.P.	Provider of designing, fabricating and constructing services for tanks and vessels	-	-	-
12/16/24	Xylem Inc.	Heusser Water Solutions	Provider of water management solutions including advanced pumping systems and treatment solutions	-	-	-
12/13/24	Vortex Companies, LLC	Tri-State Utilities	Provider of full-service trenchless infrastructure solutions, pipe cleaning and inspection	-	-	-
12/12/24	Reworld Holding Corporation	Envirovac Waste Transport	Provider of hazardous and non-hazardous waste transportation services	-	-	-
12/10/24	Solinst Canada Ltd.	Flexible Liner Underground	Provider of environmental site assessments and remedial design investigation services	-	-	-
12/10/24	Xylem Inc.	Global Omnium Idrica, S.L.	Provider of water cycle management services to enhance operations and asset management using AI and ML	$429.0	-	-
12/4/24	Indicor, LLC	Aquam Water Services	Provider of trading and distribution services, along with pipeline infrastructure monitoring devices	-	-	-
12/3/24	Pentair plc	G&F Manufacturing, LLC	Manufacturer of heat pumps for pools	-	-	-
12/3/24	Aquarion Water Company, Inc.	Municipal Wastewater System	Provider of municipal wastewater system to Ansonia, Connecticut	$41.0	-	-
12/2/24	Diehl Metering GmbH	Preventio GmbH	Provider of an AI-based predictive maintenance platform to predict and prevent building damages	-	-	-

Source: S&P LCD, CapIQ, MergerMarket, press releases and Raymond James internal resources.

Select Transactions in Last Twelve Months (cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA
12/2/24	Sylmar Group Partners LLC	Eastern Technologies, Inc.	Provider of water treatment products, including filtration, reverse osmosis and deionization systems	-	-	-
11/27/24	Castik Capital S.à r.l.	WATR Group GmbH	Provider of groundwater management and (ground-)water purification	-	-	-
11/25/24	Apex Companies, LLC	Weiler Engineering	Provider of civil and structural engineering services	-	-	-
11/21/24	United Flow Technologies	The TDH Company	Provider of water and wastewater systems, offering engineering assistance and product selection	-	-	-
11/18/24	Azuria Water Solutions, Inc.	Performance Pipeline	Provider of trenchless rehabilitation services for sewer, storm drain, potable water and high-pressure pipelines	-	-	-
11/17/24	Discovery Marketing	Envirotech International Inc	Provider of whole-house water and air treatment systems for families	-	-	-
11/15/24	Azuria Water Solutions, Inc.	North American Pipeline	Provider of utility construction services, utility asset inspection and management and specialty site solutions	-	-	-
11/13/24	Veralto Corporation	Axine Water Technologies Inc.	Provider of chemical-free systems for treating complex, toxic organics and ammonia	$15.0	-	-
11/13/24	Verdantas LLC	Groundwater Sciences	Provider of groundwater and soil remediation, water supply development and geologic advisory services	-	-	-
11/12/24	Erma First Esk Engineering	Ecochlor, Inc.	Provider of ballast water treatment solutions, including filtration and ClO2 treatment for ship builders	-	-	-
11/12/24	Tempo; Themis Group	Eden Water	Provider of bottled mineral water marketing	-	-	-
11/6/24	Azuria Water Solutions, Inc	Miller Pipeline	Provider of cured-in-place pipe (CIPP) lining services for the water and wastewater market	-	-	-
11/5/24	Ecolab Inc	Barclay Water Management	Provider of water treatment solutions, including environmental hygiene and Legionella risk management	-	-	-
11/5/24	Integrated Water Services,	Hl Industries, Inc.	Manufacturer of fabricated equipment	-	-	-
11/4/24	Solenis International	BASF	Provider of potable water distribution monitoring software	-	-	-
11/4/24	Baker Manufacturing	A.Y. McDonald Mfg. Co	Provider of a full pump product line, including submersible pumps, booster pumps and pressure tanks	-	-	-
11/1/24	Kinetico Incorporated	La Fantana SRL	Provider of water bottles and water system services for commercial and private customers	-	-	-
11/1/24	A.O. Smith	Pureit Business	Manufacturer of residential and commercial water heaters and boilers	$71.9	-	-
10/31/24	Global Infrastructure Partners	Lanes Group Plc	Provider of comprehensive utility wastewater and drainage services, offering drain cleaning, inspections	-	-	-
10/30/24	Hawkins, Inc.	Water Guard, Inc.	Distributor of water treatment chemicals	$18.0	-	-
10/10/24	General Pump, Inc.	Water Well Solutions Service	Provider of full-service water well contracting	-	-	-
10/9/24	Core & Main, Inc.	Eastcom Associates, Inc.	Distributor of on-site utility products including pipe and cable locators, metal detectors and product accessories	-	-	-
10/7/24	Ullico Investment Advisors	Vista Ridge Water Pipeline	Provider of water pipeline located in San Antonio	-	-	-
10/6/24	Norvestor Partners	Serwent Holding AS	Provider of mission critical above and underground infrastructure maintenance services	-	-	-
10/1/24	H2O Innovation Inc	NextEra Distributed Water	Provider of sustainable wastewater treatment	-	-	-

Source: S&P LCD, CapIQ, MergerMarket, press releases and Raymond James internal resources.

Select Transactions in Last Twelve Months (cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA
9/29/24	Vessco Water	Jim House & Associates	Distributor of water and wastewater equipment based in Irondale, Alabama	-	-	-
9/27/24	Water Engineering, Inc	Scientific Boiler Water	Provider of water treatment services, equipment and chemicals	-	-	-
9/24/24	BluMetric Environmental Inc	Gemini Water, LLC	Provider of large-scale desalination and wastewater treatment plants	$5.1	-	-
9/24/24	OCU Group Limited	Purestream Industries Ltd	Provider of water treatment and clean energy services	-	-	-
9/23/24	Sylmar Group Partners LLC	Clearwater Industries, Inc.	Provider of water treatment, specializing in boiler water, cooling tower water, closed loops	-	-	-
9/16/24	AllClear Underground	Engineered Spray Solutions	Provider of structural rehabilitation and corrosion protection for water and wastewater assets	-	-	-
9/12/24	GenNx360 Capital Partners	Shenandoah Industrial	Provider of program management, pipe cleaning and inspection, pipe rehabilitation	-	-	-
9/9/24	Earth Finance, Inc	Water Foundry	Provider of water strategy consulting services to solve water scarcity and water quality challenges	-	-	-
9/5/24	Rochester Midland	Industrial Water Technologies	Provider of a wide range of services across water treatment applications	-	-	-
9/5/24	Axius Water	MITA Water Technologies	Manufacture and designer of equipment for the purification and filtration	-	-	-
9/5/24	Indicor, LLC	Ovarro Limited	Provider and developer of remote telemetry units, remote monitoring systems and data analytics software	-	-	-
8/29/24	Rochester Midland	Norkem Inc/ Jacklyn Industries	Provider of a boiler water, cooling water and wastewater treatment solutions	-	-	-
8/27/24	NV5 Global, Inc	California Water Resources	Provider of statutory environmental regulatory compliance services for ports, waterways and watersheds	-	-	-
8/23/24	Vortex Companies, LLC	Premier Pipe USA	Manufacturer of cured-in-place pipe (CIPP) liners to rehabilitate damaged or deteriorated pipes	-	-	-
8/22/24	Precision Pipeline, LLC	Allegheny Contracting, LLC	Provider of pipeline contracting services for oil and gas industries	-	-	-
8/20/24	Infiltrator Water Technologies	Orenco Systems, Inc.	Manufacturer and seller of wastewater collection and treatment systems	-	-	-
8/20/24	Landmark Aquatic, LLC	Commercial Pool Repair	Provider of aquatic solutions including design, construction, maintenance, repairs and renovation	-	-	-
8/19/24	Core & Main, Inc	Green Equipment Company	Manufacturer of utility products and provider of comprehensive damage prevention solutions	-	-	-
8/15/24	Verdantas LLC	Cbec Eco Engineering, LLP	Provider of water resource engineering services	-	-	-
8/13/24	Trilogy Search Partners	Infrastructure Technologies	Provider of an IT pipes platform that provides a comprehensive suite to get actionable intelligence	-	-	-
8/13/24	Ferguson Enterprises Inc	United Water Works, Inc.	Distributor of fire protection, water, sewer and storm drain materials	-	-	-
8/12/24	Core & Main, Inc.	GroGreen Solutions Georgia	Provider of erosion control products	-	-	-
8/7/24	Glanua Group Limited	Aqua Operations Limited	Provider of industrial maintenance services, specializing in water and wastewater treatment	-	-	-
8/5/24	TJC LP	USALCO, LLC	Manufacturer and distributor of aluminum-based chemical commodities	-	-	-
8/1/24	Vessco Water	TSC-Jacobs	Distributor of water and wastewater technology products based in Tampa, Florida	-	-	-

Source: S&P LCD, CapIQ, MergerMarket, press releases and Raymond James internal resources.

Select Transactions in Last Twelve Months (cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA
7/29/24	Goldman Sachs Asset Mgmt	SePRO Corporation	Manufacturer and developer of products for aquatics, turf and ornamental horticulture	-	-	-
7/17/24	C&L Water Systems Inc.	Twin D, Inc.	Provider of recurring maintenance plans for waste and storm water systems services	-	-	-
7/17/24	Workdry International Ltd	Holland Pump Company	Provider of water handling and pump rental services	-	-	-
7/15/24	A. O. Smith India Water	Pureit Business	Provider of a range of water purification solutions	$120.0	2.1x	-
7/9/24	ATLAS-SSI, Inc.	Golden Harvest, Inc.	Manufacturer of water control gates for the water and wastewater markets in the U.S. and internationally	-	-	-
7/9/24	Core & Main, Inc	HM Pipe Products	Distributer of water and wastewater products	-	-	-
7/8/24	J.F. Lehman and Company	PURIS Continuation Vehicle	Provider of water infrastructure solutions	-	-	-
7/4/24	Nijhuis Saur Industries B.v.	Industrial Water Engineers	Provider of water and wastewater treatment services	-	-	-
7/1/24	Hawkins, Inc.	Wofford Water Service, Inc.	Distributer of water treatment chemicals and equipment	-	-	-
7/1/24	Fuss & O'Neill, Inc	Onsite Engineering, Inc.	Provider of drinking water, wastewater and stormwater engineering and consulting services	-	-	-
Median				**$56.5**	**2.1x**	**10.8x**
Mean				**$315.7**	**2.7x**	**10.8x**

Source: S&P LCD, CapIQ, MergerMarket, press releases and Raymond James internal resources.

Public Company Comparable Universe

Set forth below, we have classified select publicly traded companies within the water universe into nine subsectors. We recently recategorized the sector groups given the growing importance on smart tech, services and engineered solutions providers. In addition, we increased the representation of non-U.S. companies to reflect the addition of the water-related bankers in Europe.

AGRICULTURE

CNH Industrial
Lindsay Corporation
Toro
Valmont

ENGINEERED SOLUTIONS

ADS
Alfa Laval
A.O. Smith
DuPont
Halma
IDEX Corporation
MetaWater
Pentair
Veralto

FLOW CONTROL

Flowserve
Franklin Electric
Gorman-Rupp Company
Graco
Mueller Water Products
Rotork
Sulzer
Watts
Weir
Xylem
Zurn Elkay

INFRASTRUCTURE

AECOM
Fluor
Northwest Pipe Company
Orion
Primoris
Stantec
Tetra Tech

RESIDENTIAL & COMMERCIAL SERVICES

Aramark
Compass Group
Ecolab
Primo Water
Rentokil
WtW Group

SMART TECH

ABB
Badger Meter
Emerson
energy recovery
Itron
Schneider Electric
Veralto
Xylem

SPECIALTY CHEMICAL

Clariant
Ecolab
Hawkins
Kemira
Kurita

SPECIALTY DISTRIBUTION

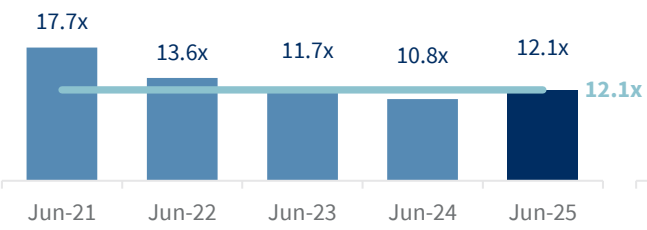
Core & Main
Ferguson
Grainger
MSC
Pool Corp
SiteOne

UTILITIES

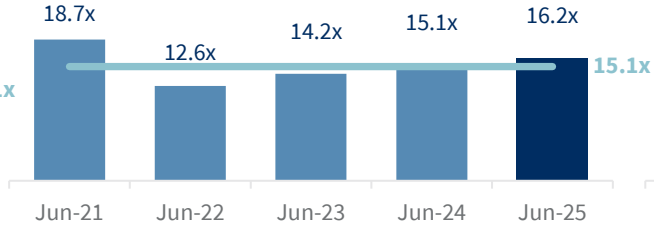
American States Water Company
American Water
Artesian
California Water Service Group
Consolidated Water
Essential
GWR
Middlesex Water Company
Pennon
Severn Trent
SJW Group
United Utilities
York Water

Public Company Valuation: EV / LTM EBITDA

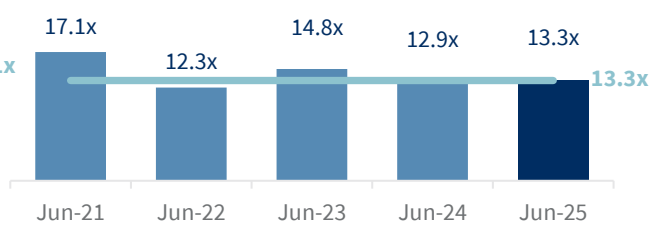
AGRICULTURE



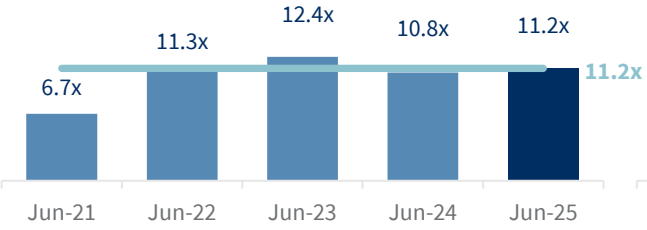
ENGINEERED SOLUTIONS



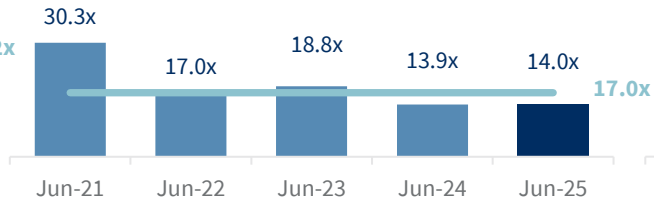
FLOW CONTROL



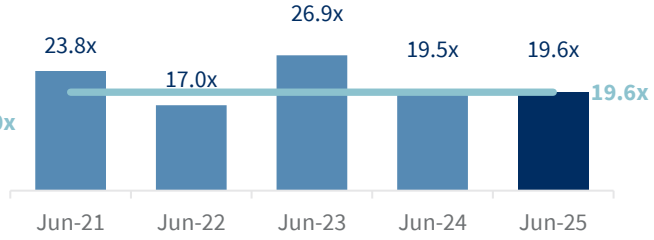
INFRASTRUCTURE



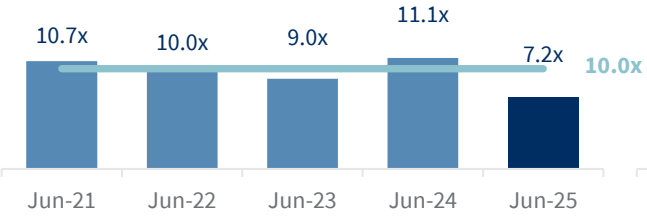
RESIDENTIAL & COMMERCIAL SERVICES



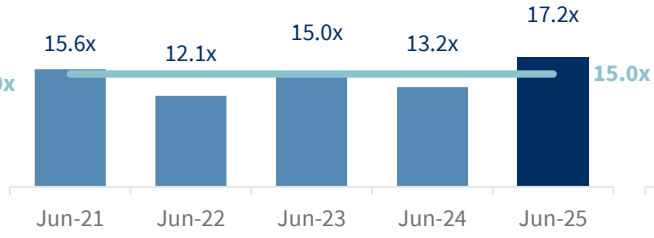
SMART TECH



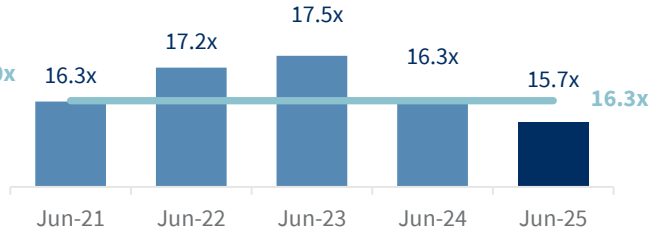
SPECIALTY CHEMICAL



SPECIALTY DISTRIBUTION



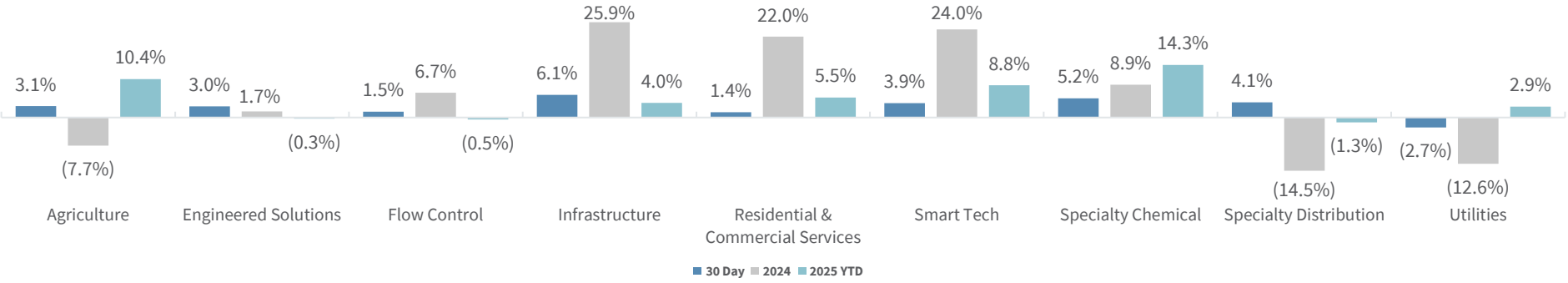
UTILITIES



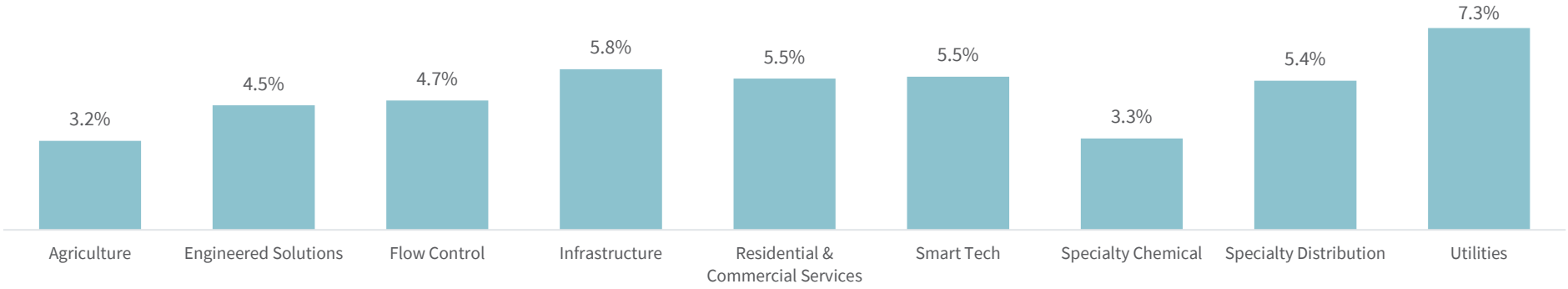
Source: CapIQ market data as of 6/30/2025.
Note: Values represent the median EV / LTM EBITDA multiples for each sector at the specified date. For additional detail on the companies within each sector, see detail pages in the back of the newsletter. Light blue line and bold value represent the average of the five multiple medians shown.

Industry Performance Overview

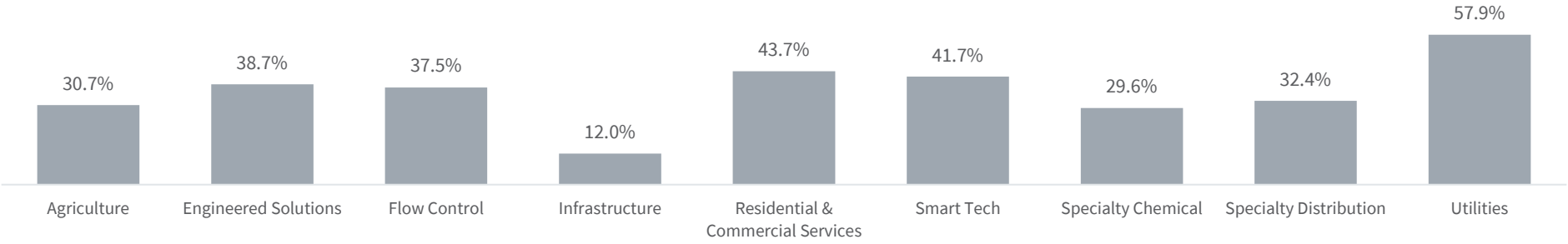
STOCK PRICE PERFORMANCE



REVENUE CAGR (2025-2027)



GROSS MARGIN (LTM)



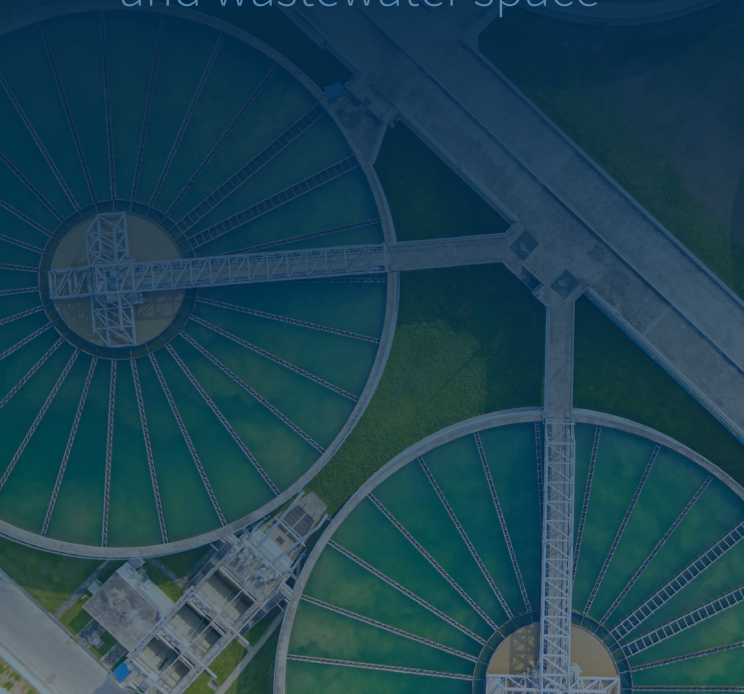
Source: CapIQ market data as of 6/30/2025.
Note: Values represent the median price, revenue CAGR and gross margin for each sector over the course of the period. For additional detail on the companies within each sector, see detail pages in the back of the newsletter.

SECTION 06

Representative Credentials

Representative Credentials

Raymond James has participated in many industry-shaping transactions, including mergers and acquisitions, strategic advisory, fairness opinions and equity and debt capital raises, within the water and wastewater space



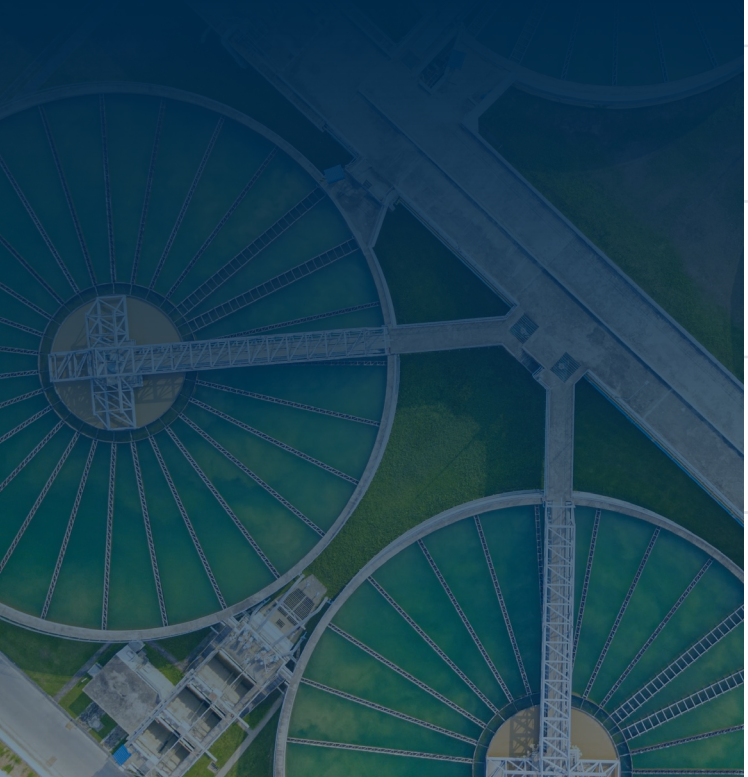
Announced June 2025 newterra A portfolio company of Frontenac Has been acquired by GRUNDFOS	July 2025 Faircloth Skimmer A portfolio company of Aiglon Capital Management Has been acquired by StormTrap A portfolio company of PSP Partners	March 2025 ATLAS SSI A portfolio company of XPV Water Partners Has been acquired by Goldman Sachs Alternatives	February 2025 nuflow A subsidiary of AQUAM Has been acquired by TRELLEBORG	January 2025 CROM A portfolio company of sciens WATER Has been acquired by Frontenac
January 2025 Castik Capital Has acquired WATR A portfolio company of BORROMIN	December 2024 cerberus Has acquired LANDMARK A portfolio company of GRAYCLIFF PARTNERS	September 2024 Orenco Systems Has been acquired by INFILTRATOR ADS	September 2024 SHENANDOAH A portfolio company of KLH CAPITAL Has been acquired by GenNx360	July 2024 SePRO A portfolio company of Has received a majority investment from STANLEY And a minority co-investment from Goldman Sachs Alternatives
December 2023 Municipal District Services Has been acquired by FCC Aqualia	December 2023 Ember Infrastructure Has acquired h2o innovation C$395,000,000	September 2023 Hydro International From funds advised by AGILITAS Has been acquired by Oldcastle Infrastructure A company of CRH	August 2023 ENVIRONMENTAL SITE SOLUTIONS Has been acquired by newterra A portfolio company of Frontenac	August 2023 SES A portfolio company of ROSEWOOD PRIVATE INVESTMENTS Has been acquired by PALLADIUM
June 2023 GWTT A portfolio company of HUDSON FERRY CAPITAL Has been acquired by Ember Infrastructure	June 2023 TREATMENT TECHNOLOGIES A subsidiary of SHELTON ASSOCIATES Has been acquired by INFRAMARK A portfolio company of NMC New Mountain Capital LLC	January 2023 Morgan Stanley CAPITAL PARTNERS Has acquired APEX A portfolio company of Sentinel Capital Partners	December 2022 COMVEST PARTNERS Has acquired DUKE'S ROOT CONTROL, INC. A carve-out of DOUGLAS PRODUCTS A portfolio company of Altamont Capital Partners	September 2022 TRILL IMPACT Has entered into a growth partnership with komet
June 2022 UGSI Solutions A portfolio company of RIVERWOOD CAPITAL Has been acquired by Baird Capital	March 2022 AQUA CHEM A portfolio company of CRIMSON Has been acquired by saur A portfolio company of EQT	December 2021 AqueoUS VETS Has been acquired by BainCapital DOUBLE IMPACT	November 2021 Lindsay Has been acquired by MiddleGround Capital	August 2021 AdEdge Has been acquired by CHART
July 2021 QUALITY WATER SERVICE Has been acquired by waterlogic	June 2021 Anaergia Breaking Barriers to Sustainability Initial public offering C$175,000,000	June 2021 Audax Group Has acquired SJE RHOMBUS	April 2021 Franklin Electric Has acquired PURONICS	March 2021 CMP A portfolio company TENEX Capital Management Has been acquired by FLUIDRA $245,000,000

SECTION 07

Water Conference Calendar

Upcoming Water Conference Calendar

Planning to attend the following conferences? Contact the team to schedule a meeting!



World Water Week	8/24/2025 - 8/28/2025	Stockholm, SWE	Largest annual global water conference focused on solving the greatest challenges in water
weftec the water quality event™	9/27/2025 - 10/1/2025	Chicago, IL	The largest event of its kind in North America, offering comprehensive water quality education and training
wexglobal Water and Energy Exchange	2/9/2026 - 2/11/2026	Seville, Spain	Global conference aimed at connecting water professionals in the water and energy markets
wwett25	2/16/2026 - 2/19/2026	Indianapolis, IN	The world's largest trade show for wastewater and environmental service professionals
WORLD WATER-TECH INNOVATION SUMMIT London, February 25-26, 2025	2/24/2026 - 2/25/2026	London, UK	Global summit for water industry leaders as well as investors from around the world
NASTT MARCH 30-APRIL 3 | DENVER, CO NO-DIG SHOW 2025	3/29/2026 - 4/2/2026	Palm Springs, CO	Largest trenchless technology conference in the world
WQA CONVENTION & EXPOSITION	4/28/2026 - 4/30/2026	Miami Beach, CA	Most comprehensive gathering of water treatment professionals connecting technology and industry knowledge
AQUA TECH AMSTERDAM	3/9/2026 – 3/12/2026	Amsterdam, NL	Global trade event focused on showcasing innovations and solutions in the water treatment, wastewater and water purification space
GLOBAL WATER SUMMIT 2025	May 2026	Madrid, Spain	International conference aimed at connecting water leaders, industry experts and other stakeholders in the global water sector

Appendix

Comparable Companies Detail

As of 06/30/2025.
(In millions of USD, except per share data)

Company	Listing Country	Stock Price	% of 52 Week High	% of 52 Week Low	Dividend Yield	Enterprise Value	Market Cap	LTM Financial Performance: Revenue	LTM Financial Performance: EBITDA	LTM Financial Performance: Gross Margin	LTM Financial Performance: EBITDA Margin	Growth: Revenue CAGR '23 - '25	Growth: Revenue CAGR '25 - '27	Leverage: LTM Gross	Leverage: LTM Net	Valuation Metrics: EV / Revenue LTM	Valuation Metrics: EV / Revenue NTM	Valuation Metrics: EV / EBITDA LTM	Valuation Metrics: EV / EBITDA NTM
Agriculture																			
CNH Industrial N.V.	United States	$12.96	93%	140%	1.9%	$41,225	$16,193	$18,846	$1,842	20.3%	9.8%	(31.0%)	5.0%	-	-	2.2x	2.4x	11.4x	30.1x
Lindsay Corporation	United States	$144.25	96%	132%	1.1%	$1,491	$1,567	$678	$111	31.2%	16.4%	2.8%	2.9%	1.2x	-	2.2x	2.2x	13.4x	15.0x
The Toro Company	United States	$70.68	70%	113%	2.1%	$8,010	$6,975	$4,546	$655	33.7%	14.4%	3.2%	2.4%	1.9x	1.6x	1.8x	1.8x	12.2x	11.0x
Valmont Industries, Inc.	United States	$326.57	86%	131%	0.8%	$7,290	$6,555	$4,067	$614	30.2%	15.1%	(2.6%)	3.6%	1.4x	1.1x	1.8x	1.8x	11.9x	11.3x
Mean					**1.5%**	**$14,504**	**$7,822**	**$7,034**	**$805**	**28.9%**	**13.9%**	**(6.9%)**	**3.5%**	**1.5x**	**1.3x**	**2.0x**	**2.0x**	**12.2x**	**16.8x**
Median					**1.5%**	**$7,650**	**$6,765**	**$4,306**	**$634**	**30.7%**	**14.7%**	**0.1%**	**3.2%**	**1.4x**	**1.3x**	**2.0x**	**2.0x**	**12.1x**	**13.1x**
Engineered Solutions																			
A. O. Smith Corporation	United States	$65.57	71%	111%	2.0%	$9,414	$9,318	$3,803	$769	38.0%	20.2%	0.1%	4.4%	0.4x	0.1x	2.5x	2.4x	12.2x	11.4x
Advanced Drainage Systems, Inc.	United States	$114.86	64%	122%	0.6%	$9,960	$8,911	$2,904	$836	37.8%	28.8%	2.6%	4.1%	1.8x	1.2x	3.4x	3.4x	10.1x	11.3x
Alfa Laval AB (publ)	Sweden	$397.80	80%	109%	2.0%	$17,856	$17,290	$6,825	$1,270	35.1%	18.6%	17.2%	3.8%	1.0x	0.4x	2.6x	2.5x	12.3x	11.3x
DuPont de Nemours, Inc.	United States	$68.59	76%	128%	2.2%	$34,957	$28,705	$12,521	$3,178	37.1%	25.4%	5.9%	4.8%	2.4x	1.8x	2.8x	2.7x	15.9x	10.5x
Halma plc	United Kingdom	$32.00	96%	138%	0.7%	$17,293	$16,559	$2,905	$665	50.7%	22.9%	30.9%	6.1%	1.6x	1.0x	6.0x	5.3x	26.0x	22.0x
IDEX Corporation	United States	£175.57	74%	114%	1.6%	$14,635	$13,263	$3,283	$885	44.6%	27.0%	5.5%	5.2%	2.2x	1.6x	4.5x	4.2x	16.5x	15.3x
METAWATER Co., Ltd.	Japan	$2,218.00	99%	143%	2.4%	$728	$671	$1,196	$91	21.6%	7.6%	19.3%	3.3%	3.0x	0.3x	0.6x	0.5x	8.0x	7.5x
Pentair plc	United States	¥102.66	93%	140%	1.0%	$18,704	$16,890	$4,076	$1,037	39.7%	25.4%	0.9%	4.3%	1.9x	1.7x	4.6x	4.5x	17.9x	16.8x
Veralto Corporation	United States	$100.95	88%	120%	0.4%	$26,604	$25,022	$5,279	$1,314	59.9%	24.9%	8.6%	5.6%	2.1x	1.2x	5.0x	4.9x	20.2x	19.3x
Mean					**1.4%**	**$17,592**	**$15,914**	**$4,874**	**$1,159**	**40.8%**	**22.6%**	**11.4%**	**4.6%**	**2.0x**	**1.2x**	**3.7x**	**3.5x**	**15.9x**	**14.2x**
Median					**1.3%**	**$17,575**	**$16,725**	**$3,679**	**$961**	**38.7%**	**25.1%**	**7.3%**	**4.5%**	**2.0x**	**1.2x**	**3.9x**	**3.8x**	**16.2x**	**13.3x**
Flow Control																			
Flowserve Corporation	United States	$52.35	80%	140%	1.6%	$8,034	$6,846	$4,615	$616	32.5%	13.4%	6.1%	3.3%	2.7x	1.8x	1.7x	1.6x	13.0x	10.9x
Franklin Electric Co., Inc.	United States	$89.74	80%	114%	1.2%	$4,236	$4,092	$2,016	$305	35.6%	15.1%	0.4%	-	0.7x	0.5x	2.1x	2.0x	13.9x	13.0x
Graco Inc.	United States	$85.97	93%	119%	1.3%	$13,883	$14,368	$2,149	$672	52.8%	31.2%	1.3%	5.6%	-	-	6.5x	6.1x	20.7x	19.1x
Mueller Water Products, Inc.	United States	$24.04	84%	137%	1.1%	$3,916	$3,767	$1,374	$294	34.8%	21.4%	7.9%	-	1.6x	0.5x	2.9x	2.7x	13.3x	11.9x
Rotork plc	United Kingdom	£3.21	88%	120%	2.4%	$3,508	$3,676	$944	$208	49.3%	22.0%	9.1%	4.9%	0.1x	-	3.7x	3.2x	16.9x	12.6x
Sulzer Ltd	Switzerland	143.20 CHF	86%	140%	2.9%	$6,218	$6,078	$3,896	$512	33.5%	13.1%	7.2%	4.5%	2.5x	0.2x	1.6x	1.3x	9.7x	8.7x
The Gorman-Rupp Company	United States	$36.72	84%	119%	2.0%	$1,297	$966	$664	$119	31.0%	17.9%	2.0%	-	3.0x	2.8x	2.0x	1.9x	10.9x	10.6x
The Weir Group PLC	United Kingdom	£24.90	97%	136%	1.5%	$9,532	$8,787	$3,137	$572	40.2%	18.2%	3.4%	5.6%	2.4x	1.2x	3.0x	2.6x	12.6x	11.5x
Watts Water Technologies, Inc.	United States	$245.89	99%	140%	0.7%	$8,065	$8,207	$2,239	$460	47.6%	20.5%	5.8%	3.7%	0.4x	-	3.6x	3.5x	12.5x	11.9x
Xylem Inc.	United States	$129.36	90%	129%	1.2%	$32,795	$31,480	$8,598	$1,727	37.5%	20.1%	9.5%	5.2%	1.2x	0.6x	3.8x	3.7x	19.0x	17.1x
Zurn Elkay Water Solutions Corporation	United States	$36.57	89%	132%	1.0%	$6,565	$6,153	$1,582	$351	45.4%	22.2%	3.1%	4.5%	1.6x	1.2x	4.2x	4.0x	18.7x	15.7x
Mean					**1.5%**	**$8,914**	**$8,583**	**$2,838**	**$531**	**40.0%**	**19.6%**	**5.1%**	**4.7%**	**1.6x**	**1.1x**	**3.2x**	**3.0x**	**14.6x**	**13.0x**
Median					**1.3%**	**$6,565**	**$6,153**	**$2,149**	**$460**	**37.5%**	**20.1%**	**5.8%**	**4.7%**	**1.6x**	**0.9x**	**3.0x**	**2.7x**	**13.3x**	**11.9x**
Infrastructure																			
AECOM	United States	$112.86	95%	137%	0.9%	$16,629	$14,900	$16,048	$1,153	7.1%	7.2%	6.6%	-	2.7x	1.3x	1.0x	1.0x	14.4x	13.6x
Fluor Corporation	United States	$51.27	85%	176%	-	$7,077	$8,442	$16,563	$518	3.7%	3.1%	6.9%	6.3%	2.1x	-	0.4x	0.4x	2.7x	11.2x
NWPX Infrastructure, Inc.	United States	$41.01	71%	127%	-	$535	$405	$495	$64	19.1%	13.0%	5.2%	3.6%	2.1x	2.0x	1.1x	1.1x	8.3x	8.1x
Orion Group Holdings, Inc.	United States	$9.07	75%	195%	-	$437	$359	$824	$35	12.0%	4.2%	8.3%	-	2.6x	2.3x	0.5x	0.5x	6.4x	9.5x
Primoris Services Corporation	United States	$77.94	86%	170%	0.4%	$4,917	$4,209	$6,602	$439	11.2%	6.6%	8.5%	5.8%	2.4x	1.6x	0.7x	0.7x	11.2x	10.9x
Stantec Inc.	Canada	CAD 148.17	98%	143%	0.6%	$13,713	$12,392	$4,209	$591	54.5%	14.0%	12.2%	9.2%	2.4x	2.1x	3.3x	2.8x	17.5x	16.2x
Tetra Tech, Inc.	United States	€35.96	70%	132%	0.7%	$10,520	$9,476	$4,555	$617	19.8%	13.5%	5.9%	2.3%	2.0x	1.7x	2.3x	2.4x	18.6x	16.7x
Mean					**0.6%**	**$7,690**	**$7,169**	**$7,042**	**$488**	**18.2%**	**8.8%**	**7.7%**	**5.4%**	**2.3x**	**1.8x**	**1.3x**	**1.3x**	**11.3x**	**12.3x**
Median					**0.6%**	**$7,077**	**$8,442**	**$4,555**	**$518**	**12.0%**	**7.2%**	**6.9%**	**5.8%**	**2.4x**	**1.9x**	**1.0x**	**1.0x**	**11.2x**	**11.2x**

Source: CapIQ.
Note: Values that exceed or fail to reach an appropriate threshold for each category are excluded.

Comparable Companies Detail (cont.)

As of 06/30/2025.
(In millions of USD, except per share data)

Company	Listing Country	Stock Price	% of 52 Week High	% of 52 Week Low	Dividend Yield	Enterprise Value	Market Cap	LTM Financial Performance: Revenue	LTM Financial Performance: EBITDA	LTM Financial Performance: Gross Margin	LTM Financial Performance: EBITDA Margin	Growth: Revenue CAGR '23 - '25	Growth: Revenue CAGR '25 - '27	Leverage: LTM Gross	Leverage: LTM Net	Valuation Metrics: EV / Revenue LTM	Valuation Metrics: EV / Revenue NTM	Valuation Metrics: EV / EBITDA LTM	Valuation Metrics: EV / EBITDA NTM
Residential & Commercial Services																			
Aramark	United States	$41.87	99%	140%	1.0%	$16,867	$10,973	$17,624	$1,205	15.6%	6.8%	2.3%	5.9%	5.7x	4.9x	1.0x	0.9x	14.0x	11.4x
Compass Group PLC	United Kingdom	£24.67	86%	117%	1.7%	$64,307	$57,362	$43,826	$3,559	72.8%	8.1%	14.6%	7.9%	2.0x	1.8x	1.5x	1.4x	18.1x	13.7x
Ecolab Inc.	United States	£269.44	98%	122%	1.0%	$83,613	$76,390	$15,685	$3,649	43.7%	23.3%	4.4%	5.5%	2.3x	2.0x	5.3x	5.2x	22.9x	21.4x
Primo Brands Corporation	Canada	$37.40	96%	136%	-	$16,295	$11,056	$5,630	$1,016	31.9%	18.0%	-	3.9%	5.6x	5.2x	2.9x	2.3x	16.0x	9.8x
Rentokil Initial plc	United Kingdom	3.52 kr	68%	115%	2.5%	$16,525	$12,123	$6,805	$1,242	83.9%	18.2%	7.9%	3.3%	4.2x	3.2x	2.4x	2.2x	10.7x	10.5x
Wall to Wall Group AB	Sweden	£52.00	62%	108%	2.0%	$95	$74	$89	$3	72.8%	3.7%	-	-	8.7x	6.2x	1.1x	-	29.2x	-
Mean					**1.6%**	**$32,950**	**$27,996**	**$14,943**	**$1,779**	**53.4%**	**13.0%**	**7.3%**	**5.3%**	**4.7x**	**3.9x**	**2.4x**	**2.4x**	**18.5x**	**13.3x**
Median					**1.7%**	**$16,696**	**$11,590**	**$11,245**	**$1,224**	**58.3%**	**13.1%**	**6.1%**	**5.5%**	**4.9x**	**4.1x**	**1.9x**	**2.2x**	**17.1x**	**11.4x**
Smart Tech																			
ABB Ltd	Switzerland	47.31 CHF	88%	127%	1.7%	$112,083	$108,566	$33,576	$6,718	38.2%	20.0%	3.7%	5.2%	1.5x	0.7x	3.3x	3.2x	16.7x	16.1x
Badger Meter, Inc.	United States	$244.95	96%	151%	0.7%	$7,083	$7,215	$874	$207	41.2%	23.7%	15.0%	7.6%	-	-	8.1x	7.5x	30.8x	31.5x
Emerson Electric Co.	United States	$133.33	99%	148%	1.4%	$88,128	$74,998	$17,607	$4,853	52.8%	27.6%	8.1%	5.5%	3.1x	2.7x	5.0x	4.7x	18.2x	16.7x
Energy Recovery, Inc.	United States	$12.78	63%	118%	-	$624	$697	$141	$25	66.9%	17.8%	5.1%	-	0.4x	-	4.4x	3.9x	23.7x	16.4x
Itron, Inc.	United States	$131.63	98%	146%	-	$6,164	$6,001	$2,445	$333	34.8%	13.6%	6.7%	5.5%	3.8x	0.4x	2.5x	2.5x	13.4x	18.6x
Schneider Electric S.E.	France	€225.80	83%	132%	1.7%	$160,757	$148,758	$39,500	$7,655	42.6%	19.4%	9.4%	7.2%	2.2x	1.3x	4.1x	3.3x	21.0x	15.5x
Veralto Corporation	United States	$100.95	88%	120%	0.4%	$26,604	$25,022	$5,279	$1,314	59.9%	24.9%	4.2%	5.6%	2.1x	1.2x	5.0x	4.9x	20.2x	19.3x
Xylem Inc.	United States	$129.36	90%	129%	1.2%	$32,795	$31,480	$8,598	$1,727	37.5%	20.1%	9.5%	5.2%	1.2x	0.6x	3.8x	3.7x	19.0x	17.1x
Mean					**1.2%**	**$54,280**	**$50,342**	**$13,502**	**$2,854**	**46.7%**	**20.9%**	**7.7%**	**6.0%**	**2.1x**	**1.2x**	**4.5x**	**4.2x**	**20.4x**	**18.9x**
Median					**1.3%**	**$29,699**	**$28,251**	**$6,939**	**$1,521**	**41.9%**	**20.0%**	**7.4%**	**5.5%**	**2.1x**	**1.0x**	**4.2x**	**3.8x**	**19.6x**	**16.9x**
Specialty Chemical																			
Clariant AG	Switzerland	8.43 CHF	56%	126%	4.7%	$5,568	$3,478	$4,582	$620	29.6%	13.5%	(0.5%)	3.9%	3.4x	2.6x	1.2x	1.1x	6.8x	6.2x
Ecolab Inc.	United States	$269.44	98%	122%	1.0%	$83,613	$76,390	$15,685	$3,649	43.7%	23.3%	2.2%	5.5%	2.3x	2.0x	5.3x	5.2x	22.9x	21.4x
Hawkins, Inc.	United States	$142.10	98%	163%	0.5%	$3,122	$2,964	$974	$159	23.1%	16.3%	6.0%	-	1.0x	1.0x	3.2x	2.9x	19.6x	16.2x
Kemira Oyj	United Kingdom	£19.67	84%	116%	3.8%	$3,847	$3,568	$3,352	$575	18.4%	17.2%	(4.8%)	2.7%	1.4x	0.6x	1.1x	1.1x	6.7x	5.9x
Kurita Water Industries Ltd.	Japan	¥5,698.00	79%	154%	2.0%	$4,659	$4,430	$2,731	$705	36.2%	25.8%	4.4%	2.4%	0.9x	0.3x	1.7x	1.6x	6.6x	8.0x
Mean					**2.4%**	**$20,162**	**$18,166**	**$5,465**	**$1,142**	**30.2%**	**19.2%**	**1.5%**	**3.6%**	**1.8x**	**1.3x**	**2.5x**	**2.4x**	**12.5x**	**11.5x**
Median					**2.0%**	**$4,659**	**$3,568**	**$3,352**	**$620**	**29.6%**	**17.2%**	**2.2%**	**3.3%**	**1.4x**	**1.0x**	**1.7x**	**1.6x**	**6.8x**	**8.0x**
Specialty Distribution																			
Core & Main, Inc.	United States	$60.35	99%	162%	-	$14,061	$11,446	$7,611	$918	26.6%	12.1%	16.2%	5.5%	2.8x	2.8x	1.8x	1.8x	15.3x	14.1x
Ferguson Enterprises Inc.	United Kingdom	£159.20	91%	146%	-	$48,246	$42,936	$30,211	$2,937	30.5%	9.7%	7.1%	6.5%	2.0x	1.8x	1.6x	1.5x	16.4x	15.4x
MSC Industrial Direct Co., Inc.	United States	$85.02	94%	125%	3.9%	$5,294	$4,737	$3,744	$408	40.9%	10.9%	(6.8%)	5.1%	1.4x	1.2x	1.4x	1.4x	13.0x	13.0x
Pool Corporation	United States	$291.48	74%	103%	1.6%	$12,234	$10,958	$5,276	$634	29.5%	12.0%	(4.1%)	4.5%	2.4x	2.3x	2.3x	2.3x	19.3x	18.3x
SiteOne Landscape Supply, Inc.	United States	$120.94	75%	119%	-	$6,444	$5,419	$4,575	$338	34.3%	7.4%	10.9%	5.3%	3.1x	3.0x	1.4x	1.3x	19.1x	15.7x
W.W. Grainger, Inc.	United States	$1,040.24	85%	117%	0.9%	$52,352	$49,972	$17,239	$2,917	39.4%	16.9%	8.5%	6.9%	0.9x	0.7x	3.0x	2.9x	17.9x	17.3x
Mean					**2.1%**	**$23,105**	**$20,912**	**$11,443**	**$1,359**	**33.5%**	**11.5%**	**3.1%**	**5.7%**	**2.1x**	**2.0x**	**1.9x**	**1.9x**	**16.8x**	**15.6x**
Median					**1.6%**	**$13,147**	**$11,202**	**$6,444**	**$776**	**32.4%**	**11.5%**	**7.1%**	**5.4%**	**2.2x**	**2.1x**	**1.7x**	**1.6x**	**17.2x**	**15.5x**

Source: CapIQ.
Note: Values that exceed or fail to reach an appropriate threshold for each category are excluded.

Comparable Companies Detail (cont.)

As of 06/30/2025.
(In millions of USD, except per share data)

Company	Listing Country	Stock Price	% of 52 Week High	% of 52 Week Low	Dividend Yield	Enterprise Value	Market Cap	LTM Financial Performance: Revenue	EBITDA	Gross Margin	EBITDA Margin	Growth: Revenue CAGR '23 - '25	'25 - '27	Leverage: LTM Gross	Net	Valuation Metrics: EV / Revenue LTM	NTM	EV / EBITDA LTM	NTM
Utilities																			
American States Water Company	United States	$76.66	88%	109%	2.5%	$3,878	$2,952	$608	$239	59.6%	39.3%	7.9%	3.4%	4.0x	3.9x	6.4x	5.9x	16.2x	15.2x
American Water Works Company, Inc.	United States	$139.11	89%	117%	2.4%	$41,448	$27,128	$4,815	$2,602	60.3%	54.0%	9.1%	6.7%	5.6x	5.5x	8.6x	8.3x	15.9x	14.4x
Artesian Resources Corporation	United States	$33.56	81%	114%	3.7%	$522	$346	$109	$48	49.8%	43.9%	5.8%	-	3.7x	3.7x	4.8x	4.6x	10.9x	-
California Water Service Group	United States	$45.48	81%	109%	2.6%	$4,129	$2,709	$970	$345	54.5%	35.6%	6.6%	5.5%	4.2x	4.1x	4.3x	4.1x	12.0x	12.1x
Consolidated Water Co. Ltd.	United States	$30.02	99%	132%	1.9%	$379	$478	$128	$22	34.4%	17.2%	(12.2%)	-	0.1x	-	3.0x	2.5x	9.8x	13.9x
Essential Utilities, Inc.	United States	$37.14	89%	112%	3.5%	$18,180	$10,412	$2,258	$1,240	59.0%	54.9%	(0.3%)	7.9%	6.3x	6.3x	8.1x	8.0x	14.7x	13.7x
Global Water Resources, Inc.	United States	$10.19	73%	109%	3.0%	$373	$280	$54	$22	73.6%	42.0%	3.8%	-	5.5x	4.1x	7.0x	6.6x	14.7x	13.4x
H2O America	United States	$51.97	84%	116%	3.3%	$3,616	$1,776	$767	$302	56.8%	39.4%	9.9%	3.8%	6.2x	6.1x	4.7x	4.5x	15.7x	11.1x
Middlesex Water Company	United States	£54.18	77%	112%	2.5%	$1,366	$971	$196	$90	52.5%	45.9%	7.7%	-	4.4x	4.4x	7.0x	6.7x	18.3x	9.3x
Pennon Group Plc	United Kingdom	£5.02	73%	131%	6.5%	$8,915	$3,242	$1,352	$373	NA	27.6%	25.5%	9.2%	-	-	6.6x	5.2x	23.9x	11.5x
Severn Trent PLC	United Kingdom	$27.34	97%	118%	4.6%	$23,113	$11,264	$3,135	$1,282	25.8%	40.9%	11.6%	11.7%	9.8x	8.7x	7.4x	6.0x	18.0x	13.0x
The York Water Company	United States	$31.60	75%	106%	2.8%	$667	$455	$76	$42	73.5%	56.0%	5.6%	-	5.0x	5.0x	8.8x	8.3x	15.7x	-
United Utilities Group PLC	United Kingdom	£11.42	96%	123%	4.7%	$23,154	$10,664	$2,772	$1,420	91.1%	51.2%	15.6%	9.8%	9.8x	8.3x	8.4x	6.6x	16.6x	10.9x
Mean					**3.4%**	**$9,980**	**$5,591**	**$1,326**	**$618**	**57.6%**	**42.2%**	**7.4%**	**7.2%**	**5.4x**	**5.5x**	**6.5x**	**5.9x**	**15.6x**	**12.6x**
Median					**3.0%**	**$3,878**	**$2,709**	**$767**	**$302**	**57.9%**	**42.0%**	**7.7%**	**7.3%**	**5.3x**	**5.0x**	**7.0x**	**6.0x**	**15.7x**	**13.0x**

Source: CapIQ.
Note: Values that exceed or fail to reach an appropriate threshold for each category are excluded.

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