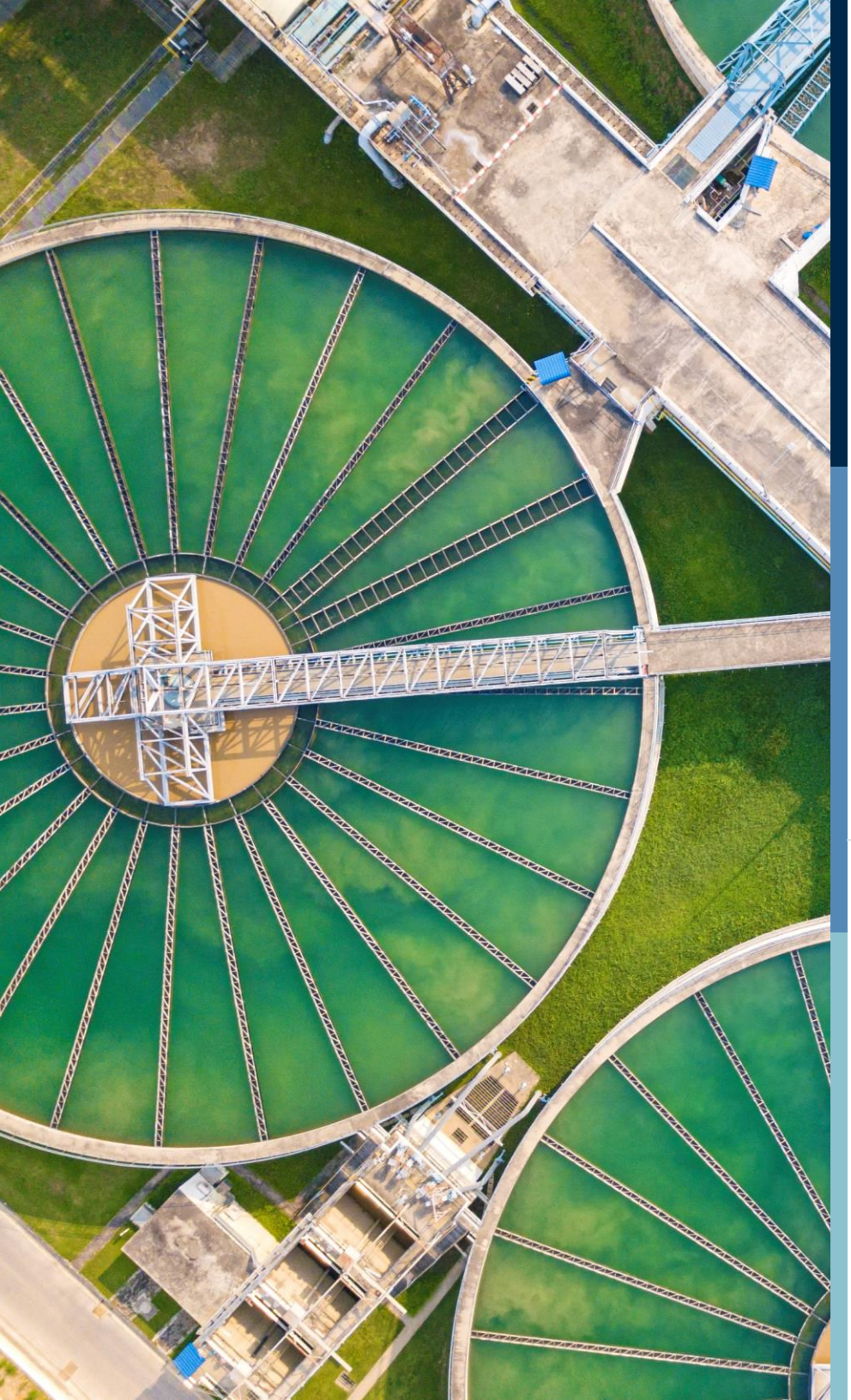

RAYMOND JAMES | INVESTMENT BANKING

WATER QUARTERLY

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

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For Institutional Use Only

SPRING 2026

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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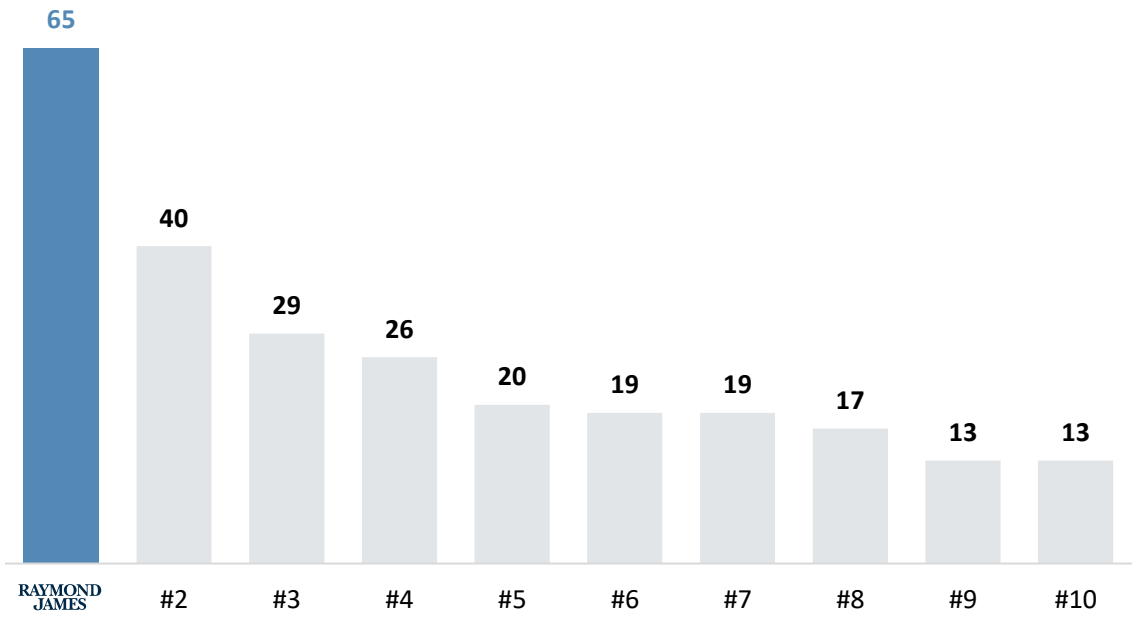
#1 GLOBAL WATER INVESTMENT BANK(1)



April 2026

SCRUGGS COMPANY

a portfolio company of

ROX CAPITAL PARTNERS

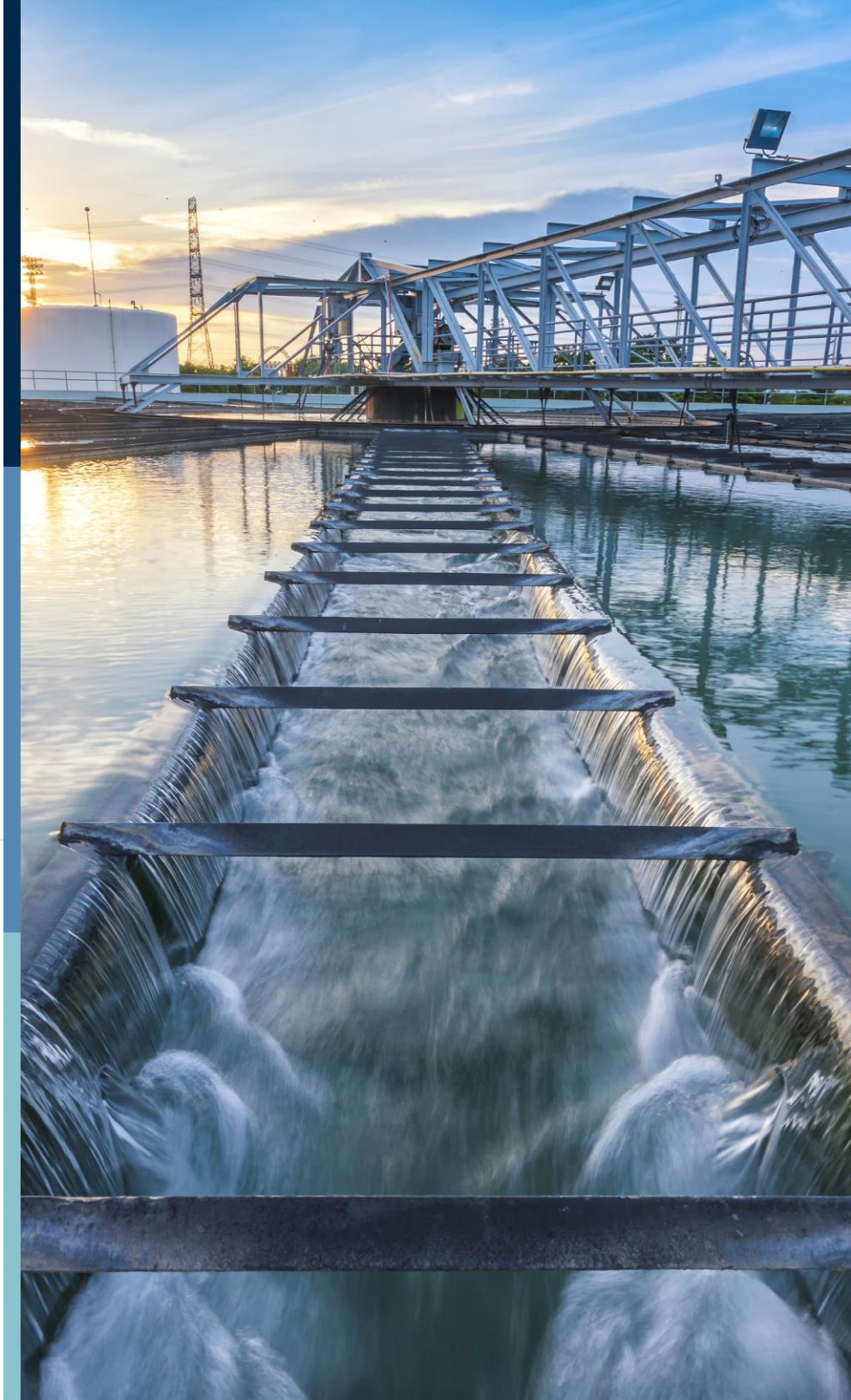
has been acquired by

THE STERLING GROUP

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 Icons

April 2026

SCRUGGS COMPANY

a portfolio company of

ROX CAPITAL PARTNERS

has been acquired by

THE STERLING GROUP

Target	Acquiror
Scruggs	The Sterling Group
Date	**Deal Size**
April 2026	Not Disclosed

BACKGROUND

- In April 2026, Scruggs (or the "Company"), a portfolio company of Rox Capital Partners, announced that it had agreed to be acquired by The Sterling Group
- The Company is a leading regional provider of municipal water infrastructure solutions, delivering highly technical products and services across the Southern U.S.
- The Company provides valve, actuation, instrumentation, SCADA, pump and blower solutions through a diversified service and distribution platform
- Scruggs serves the municipal end market, with aging infrastructure driving robust repair and replacement demand across its core geographies

RAYMOND JAMES' ROLE

- Raymond James served as the exclusive sell-side advisor to Scruggs in its sale to The Sterling Group
- Conducted a targeted process focused on a select group of high-conviction financial sponsors and strategic parties
- Positioned Scruggs as a market-leading municipal water infrastructure solutions provider with a highly technical employee base, exclusive Tier 1 OEM relationships and a strong Southern U.S. footprint
- Following a competitive process that yielded multiple LOIs, Scruggs was ultimately acquired by The Sterling Group

SUCCESSFUL OUTCOME

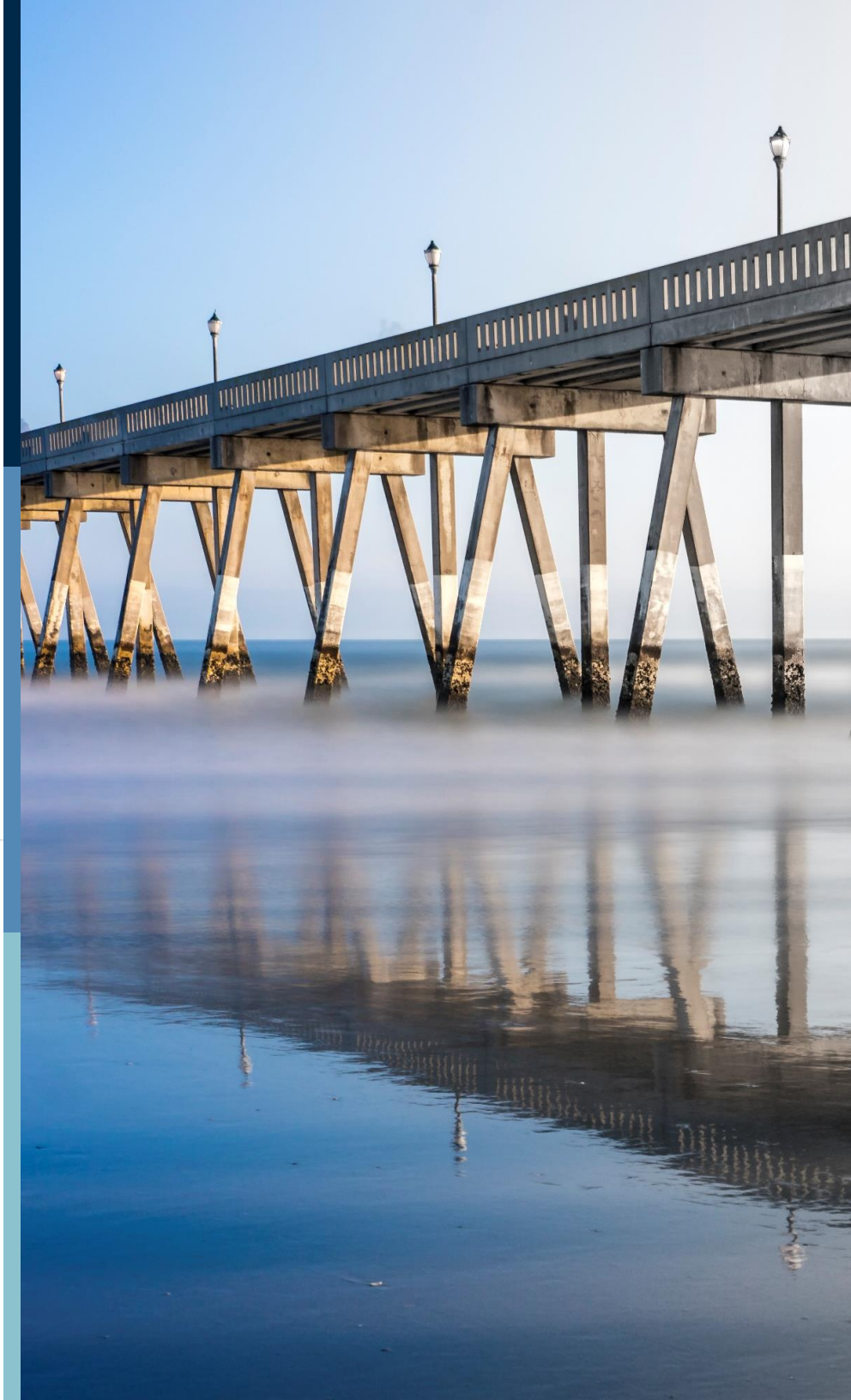
- The transaction delivered a successful outcome for Scruggs, Rox Capital Partners and the Company's management team
- The Sterling Group recognized Scruggs as an attractive platform investment within the municipal water infrastructure market, supported by durable repair and replacement demand
- The Company's diversified revenue profile, blue-chip supplier relationships and expansive geographic reach supported strong buyer interest throughout the process
- The transaction positions Scruggs to continue scaling its municipal water infrastructure solutions platform through organic expansion and M&A

KEY VALUE DRIVERS

- ✓ Regional market-leading position
- ✓ Highly technical employee base
- ✓ Diversified service and distribution profile
- ✓ Exclusive Tier 1 OEM partnerships
- ✓ Attractive municipal end-market exposure
- ✓ Proven organic and M&A growth

SECTION 02

Contribution Corner



Rising Water and Sewer Costs Reflect Mounting Pressures on U.S. Utilities

Contribution Corner:

Household water and sewer costs across the U.S. continue to climb, with 2025 marking a notable inflection point. According to Bluefield Research's latest U.S. Municipal Water & Sewer Rate Index, combined bills rose 5.1% over the past year—outpacing inflation and pushing costs to a five-year high.

While a single year of increases is not unusual, the longer-term trajectory tells a more consequential story. Over the past five years, household water and sewer bills have increased by a cumulative 24.2%, reflecting sustained financial pressure on utilities and, increasingly, on ratepayers.

Diverging Cost Drivers

Although often grouped together, drinking water and wastewater services are influenced by different underlying cost dynamics. Between 2024 and 2025, household water rates rose 6.0% versus 4.8% for wastewater on average.

Drinking water costs reflect supply-side investments such as imported water, reuse initiatives, water quality regulatory compliance, and efforts to reduce water loss in distribution systems. Wastewater rates are shaped by the scale and complexity of treatment infrastructure alongside rising energy and labor costs. Notably, even with slower growth, sewer service charges have exceeded water charges by an average of US$19.23 per month over the past five years.

Cost Pressures Intensify

Utilities are navigating a challenging cost environment. Key inputs—including electricity, treatment chemicals, construction materials, and financing—have all seen sharp increases.

Recent examples highlight the scale of these pressures. In 2025, Baltimore reported a 22% increase in water treatment chemical costs and received a wastewater construction bid 14% above the original engineer's estimate. Oklahoma City cited an 85% rise in electricity costs and a 155% increase in chemical expenses over recent years as factors behind its upcoming rate adjustments. Some utilities, like Houston, have responded by directly linking rate changes to inflation indices.

A Longer-Term Pattern

These increases are part of a broader, decades-long pattern. Since January 2000, prices for water, sewer, and trash collection services have risen 207%—more than double the 93% increase in overall inflation over the same period.

The tangible household impact is significant: covering an average monthly water and sewer bill now requires approximately 11.5 hours of minimum-wage labor.

"2025 marks a five-year high for year-over-year increases in combined water and sewer bills," says Megan Bondar, an analyst at Bluefield Research.

"Although rates are rising faster than consumer inflation, utilities are facing their own inflationary pressures, which are increasing the cost of maintaining and modernizing outdated infrastructure."

Regional differences and Investment Needs

Rate pressures vary widely by region. Households in the Northeast (US$147/month) and West (US$143/month) face the highest average combined bills. In the West, utilities are investing in climate resilience—flood protection, alternative water supplies, and seismic upgrades. In the Northeast, aging infrastructure including combined sewer systems, water quality concerns, and higher energy costs are key investment drivers.

Outlook

Many utilities are responding to affordability pressures proactively. Cities such as Seattle, San Antonio, and Philadelphia have implemented customer assistance programs offering bill discounts, lifeline rates, and targeted financial support. Others—including Fort Worth, Cleveland, and Portland—are providing detailed public reporting on how ratepayer revenues are allocated,

Note: Raymond James is not affiliated with and does not endorse Bluefield Research or Megan Bondar.

Rising Water and Sewer Costs Reflect Mounting Pressures on U.S. Utilities (Cont.)

building consumer trust through transparency.

Despite these efforts, the outlook points to continued upward pressure on rates. As Bondar notes, utilities face difficult decisions about how to maintain reliable service while keeping water affordable. With aging infrastructure, rising operating costs, and increasingly stringent regulatory requirements, there is no indication that the upward trajectory in rates will change anytime soon.

About the Author:

Megan Bondar

Megan Bondar is an analyst specializing in the U.S. water and wastewater utilities sector, with a particular focus on privately owned utilities and system consolidation. She has experience in statistical inference and visualization.

Megan received a Bachelor of Science in Mathematics, with concentrations in Statistics and Data Science and Applied Mathematics, from the University of Massachusetts Amherst.

Please feel free to reach out to Megan at mbondar@bluefieldresearch.com or connect with her on LinkedIn here.

Note: Raymond James is not affiliated with and does not endorse Bluefield Research or Megan Bondar.

Debunking the Myths of the Data Center Water Footprint

Key Questions Addressed:

1. Is the AI-driven data center boom redefining water risk—from municipal cooling systems to the power generation fleet?
2. Are data centers triggering a structural reversal in industrial water demand?
3. Which fuel pathway—natural gas, nuclear, or extended coal—creates the most material water exposure over the next decade?
4. Are we concentrating data center expansion in regions where power is affordable but water is constrained—and what does that mean long term?
5. Where do market opportunities exist across the value chain?
6. Do data centers use a lot of water?

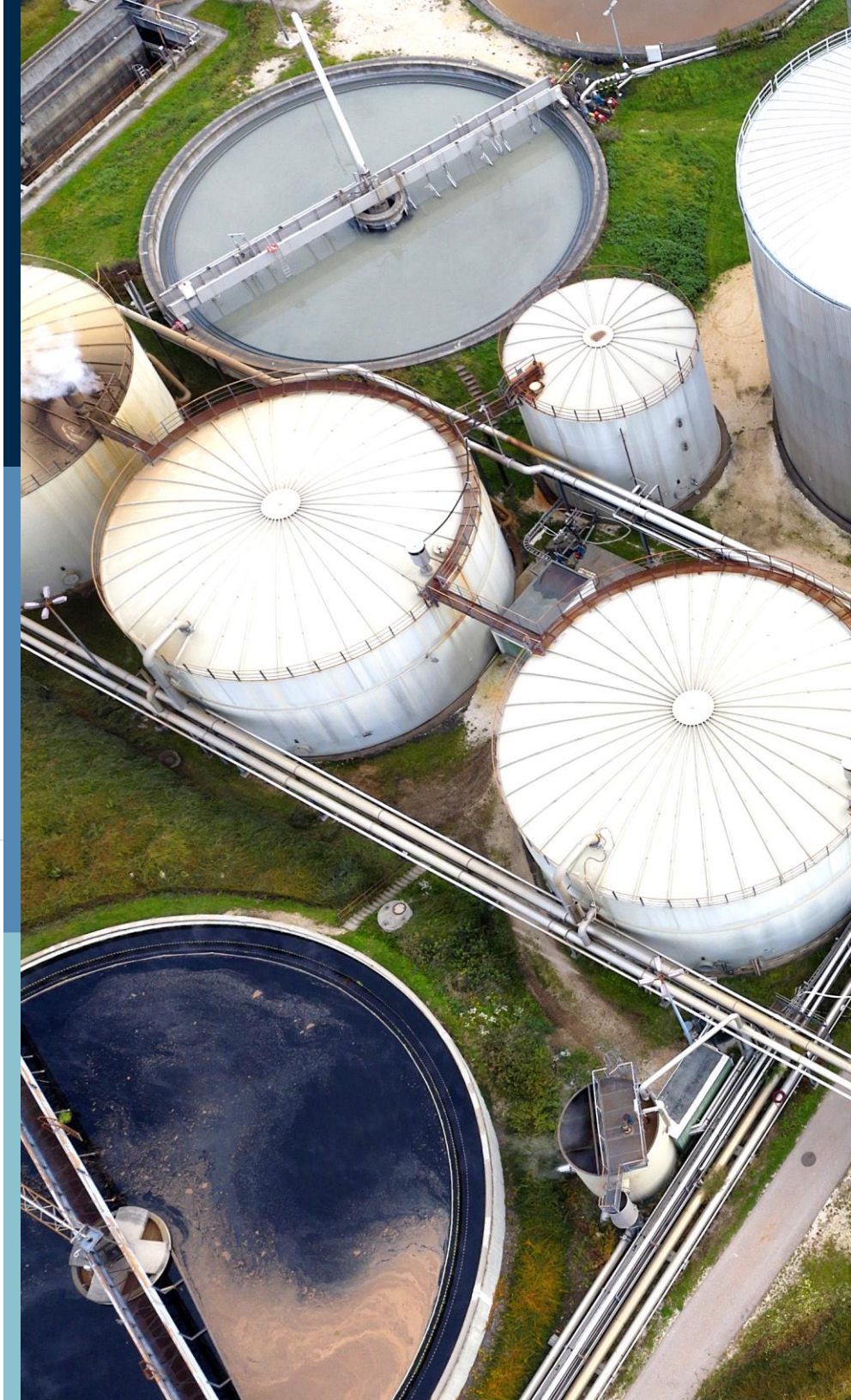
About The Water Values Podcast:

The Water Values Podcast series is presented in collaboration with Bluefield Research. This podcast series breaks down the hottest topics impacting the water industry. The Future of Water is where they talk about all the ways in which companies, utilities and people are addressing the challenges and opportunities in water.

Note: Raymond James is not affiliated with and does not endorse Bluefield Research or The Future of Water Podcast.

SECTION 03

Economic and Political Commentary



Economic Thoughts of the Week

WEEKLY ECONOMIC COMMENTARY
May 29, 2026

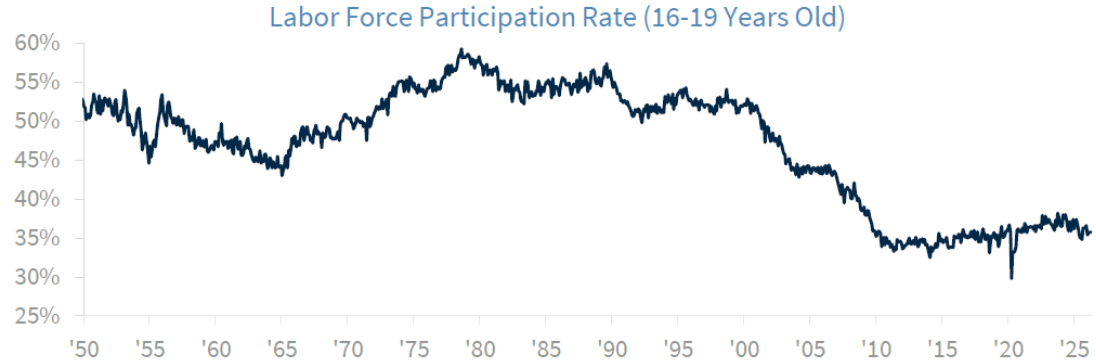
Eugenio J. Aleman, Ph.D.
Chief Economist
Raymond James Private Client Group

Where Did All the Teen Summer Jobs Go?

Ahead of next week's May employment report, the summer jobs market is coming into focus as teenagers and students finish the school year. According to Challenger, Gray & Christmas, teen hiring from May through July is expected to total just 790,000 jobs this summer, down slightly from 801,000 last summer.[1] If realized, that would be the weakest summer for teen hiring in the history of the BLS data, which begins in 1948. Last summer was already the prior low; before that, the weakest readings were in 1949, in the post-war demobilization period, and in 2010, in the aftermath of the global financial crisis.

That historical context is important. Unlike 1949 or 2010, last year's weak teen hiring did not coincide with a recession, and a recession is not our baseline for this year either. In our view, the weakness in teen summer employment looks less like a traditional recession signal and more like the result of structural changes in teen labor supply colliding with a more cautious hiring environment. Since the early 2000s, teen labor force participation has fallen significantly as shown in the chart below. Although it has recovered somewhat in recent years, it remains well below the levels that prevailed for much of the second half of the 20th century. A large part of that decline likely reflects changing priorities among students and families. Summer jobs now compete with AP coursework, test preparation, college admissions activities, club sports, camps, internships, volunteer work, and other structured activities that are often viewed as part of the college and career-building process.

At the same time, summer employment remains an important steppingstone for younger and entry-level workers. These jobs provide early exposure to the workforce, helping teens develop soft skills such as communication, teamwork, responsibility, and time management. They also give young workers a better understanding of workplace expectations, professional environments, and the day-to-day realities of different industries and career paths. For many, a summer job serves as a first opportunity to build confidence, establish work habits, gain financial independence, and develop practical experience that can benefit them later in their careers.



Source: Raymond James Private Client Group.
(1) Link

Economic Thoughts of the Week (Cont.)

WEEKLY ECONOMIC COMMENTARY
May 29, 2026

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

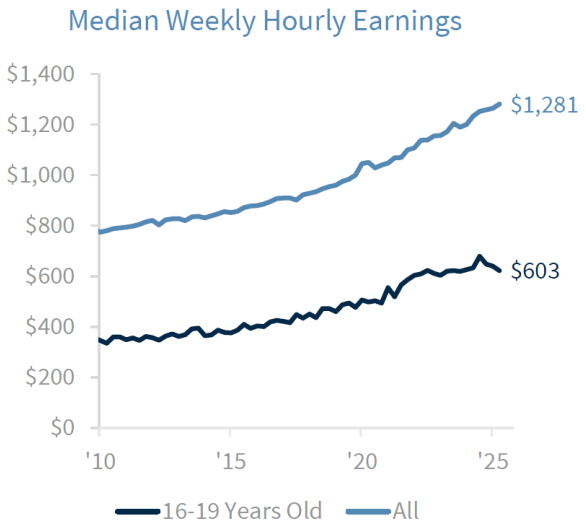
At the same time, demand for teen workers is also under pressure. The industries that typically hire teenagers during the summer like restaurants, retailers, amusement parks, camps, hotels, and other leisure operators, are still dealing with higher labor, input, and fuel costs. For small businesses, that can mean waiting to see actual demand before adding seasonal workers. AI and automation may also be playing a small but growing role, especially in routine entry-level tasks such as ordering, scheduling, inventory checks, and basic customer service.

Importantly, weak teen hiring should not be interpreted as a clear sign that the consumer is rolling over. The consumer backdrop still looks bifurcated rather than recessionary. Higher-income households remain relatively resilient, while lower-income and more price-sensitive consumers are showing more strain. That split has also been visible in recent earnings report, where higher-end companies have generally fared better than lower-tier, more price-sensitive businesses. Similarly, high-frequency services data do not point to a uniform pullback: air travel has softened because of higher airfare prices, but restaurant demand has been growing double digits.

From a broader labor-market perspective, teen employment is too small to move the headline numbers very much. As of April, employment among 16-to-19-year-olds was about 5.4 million, or roughly 3.3% of total employment. The teen labor force was about 6.3 million, or roughly 3.7% of the total labor force.

That means the unemployment-rate math is very small. Holding the labor force constant, it would take roughly 170,000 additional unemployed workers to lift the unemployment rate by 0.1 percentage point. Challenger's forecast implies teen summer job gains fall by only 11,000 versus last summer, from 801,000 to 790,000. Even if every one of those missing jobs translated into an actively unemployed teen, the mechanical impact on the unemployment rate would be only about 0.006 percentage point, far below anything that would move the headline number.

The income effect should also be limited. In the first quarter of 2026, full-time wage and salary workers ages 16 to 19 earned median weekly pay of $603, compared with $1,235 for all full-time wage and salary workers. In other words, teen earnings are less than half the overall median, further limiting the aggregate spending impact from softer teen hiring.



Source: RJ Economics, FactSet, data as of 5/29/2026

Source: Raymond James Private Client Group.

Economic Thoughts of the Week (Cont.)

WEEKLY ECONOMIC COMMENTARY
May 29, 2026

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

Bottom Line

Teen summer jobs still matter a lot to the individuals who get them. They provide income, independence, and early workplace skills that can have long-term benefits. But from a macro perspective, this year's projected weakness in teen hiring looks more like a structural and sector-specific pressure point than a recession warning or a meaningful driver of the overall employment report.

Source: Raymond James Private Client Group.

Housing, Highways, Hormuz, and Hawkishness Into Memorial Day

WASHINGTON POLICY RESEARCH
May 29, 2026

Edward Mills
Managing Director
Raymond James Equity Research

Week in Review

U.S.-Iran negotiations remain in a familiar pattern: while signals throughout the week have suggested that the two countries are inching towards a deal, key issues (such as Iran's nuclear program) continue to complicate the final stretch. U.S.-Mexico trade talks this week have reaffirmed the likely central role that rules of origin/supply chain concerns will play as USMCA renegotiation looms.

Looking Ahead

The $72 billion immigration-focused reconciliation bill is in limbo as Senate Republicans push back on the White House's "anti-weaponization" fund — dimming prospects for an additional (and likely defense-focused) party-line bill later this year. The CFTC is nearing the release of a proposed rule to regulate prediction markets, further shifting the prediction markets battle to a federal vs. state showdown.

Iran Update

The holding pattern of recent weeks has intensified, with growing optimism for a deal being backstopped by military flareups and last-stage hurdles/details of consequence. President Trump has yet to sign off on a deal that was reportedly hammered out by U.S. and Iranian negotiators this week, with the president asking for several days to consider the arrangement. Conflicting signals throughout the week have compounded the cloudy path to a resolution, but the details of the potential framework to end the war are continuing to clarify. An optimistic read would suggest that a deal could be finalized in the coming week or week(s) given the incremental signs of progress, but these talks are continuing to take place on a knife's edge.

On Thursday (5/28), Axios reported that the U.S. and Israel had reached a final deal — pending the signoff of senior leadership. The reporting follows Wednesday media from Iran suggesting that a deal had been finalized (which would include restoration of passage through the Strait under joint Iranian-Omani oversight), which the White House quickly dismissed. The memorandum of understanding (MoU) would include:

- 60-day timeframe: The MoU would set a 60-day period to extend the ceasefire and conduct negotiations on the future of Iran's nuclear program.
- Strait of Hormuz: During the 60-day period, transit through the Strait would be "unrestricted" (i.e., no tolls or military harassment), and Iran would have 30 days to remove all mines. The U.S. blockade of Iran would be lifted in tandem with easing flows of commercial shipping.

Source: Raymond James Private Client Group.

Housing, Highways, Hormuz, and Hawkishness Into Memorial Day (Cont.)

WASHINGTON POLICY RESEARCH
May 29, 2026

Edward Mills
Managing Director
Raymond James Equity Research

- Nuclear: The majority of nuclear provisions would be negotiated over the extended timeframe, but the MoU would include commitments from Iran to not pursue a nuclear weapon. HEU disposal and enrichment capabilities would be addressed later.
- Financial relief: The U.S. would agree to sanctions relief and the release of frozen Iranian assets.
- End to hostilities: The MOU refers to "regional peace" – i.e., Iran's proxy groups.

The design of the MoU is consistent with expectations — a phased approach that allows both sides to save face and remain at the negotiating table. Iranian state media indicated that Tehran was still considering the terms of the deal, while Vice President JD Vance said that both countries were "very close" to a deal but "not there yet," reiterating that a "couple of language points" (including enrichment) remain the holdup.

During a Wednesday (5/27) Cabinet meeting, President Trump both expressed confidence that a deal could be reached soon and threatened that "maybe we have to go back and finish it" with additional military operations, especially if a "perfect" deal cannot be reached. He also reiterated his insistence that the Strait of Hormuz not be under Iranian control and that he "doesn't care about the midterms" (with regard to political pressure to end the war).

Even with growing optimism for a deal, military flareups continued to take place throughout the week — underscoring the fragile status of negotiations and a desire by both parties to continue to pressure the other on a deal. On Wednesday (5/27), the U.S. struck a military site in southern Iran and struck down Iranian drones around the Strait. Iran launched a ballistic missile towards Kuwait and fired warning shots on four ships seeking to cross the Strait in response on Thursday (5/28), which the U.S. described as an "egregious ceasefire violation." This comes on the heels of additional strikes traded on Monday (5/25). The ceasefire is still holding in name despite the flareups. On Thursday (5/28), the Treasury Department also announced an additional phase of sanctions, targeting oil sales, Iran's Persian Gulf Strait Authority (PGSA), Iranian airlines' access to landing spots, refueling, and ticket sales. Treasury Secretary Scott Bessent additionally warned any corporate or state entities against paying tolls to Iran to transit the Strait — following Trump's Wednesday comments that he would "blow up" Oman, should it work with Iran to regulate control of the waterway. Israeli and Lebanese negotiators returned to D.C. on Friday (5/29) to continue ceasefire talks amid the backdrop of ongoing Israeli military operations in Southern Lebanon. See our note from earlier this week: Iran Update: Are We Inching Towards a Deal?

Source: Raymond James Private Client Group.

Housing, Highways, Hormuz, and Hawkishness Into Memorial Day (Cont.)

WASHINGTON POLICY RESEARCH
May 29, 2026

Edward Mills
Managing Director
Raymond James Equity Research

Ebola Outbreak Update

Ebola is a viral hemorrhagic fever primarily found in sub-saharan Africa that is a severe, often fatal viral illness that causes inflammation, tissue damage, and internal bleeding. There are no Ebola cases in the United States. However, in the Democratic Republic of Congo and Uganda there have already been more than 900 cases and 220 suspected deaths. Both counts are expected to grow as the outbreak is surging and likely to become the largest outbreak in recent memory. The widespread outbreak could lead to spread outside of this region. Travel restrictions and increased monitoring have been put in place by much of the developed world in response. Secretary of State Marco Rubio stated, "We cannot and will not allow any cases of Ebola to enter the United States." The U.S. government is working to set up what amounts to a field hospital of around 50 beds in Kenya to monitor Americans who have been exposed to Ebola and treat individuals. The U.S. has 13 domestic hospitals that are considered capable of treating at least one Ebola patient and there are other quarantine units in the U.S. However, the return of individuals needing monitoring for potential Hantavirus has resulted in most of their quarantine monitoring beds being occupied. We do not currently expect this Ebola outbreak to materially impact the market.

Trade/Tariff Update: Chip Tariffs on Pause, Section 122 Tidbits, USMCA Latest, China Tariffs

- Chip tariffs: Last Friday (5/22), U.S. Trade Representative Jamieson Greer told reporters at a Micron facility that the U.S. will not impose tariffs on semiconductors in the near future, saying that while "having tariffs on semiconductors is really important; what's even more important, than having protection for facilities like this, is making sure we do it on the right timing and in the right amount" (Semafor). He also suggested that Trump's recent China visit has not changed the calculus on this front. In January, the long-awaited semiconductor tariffs were announced, which ultimately amounted to a punt, threatening "significant," wider chip tariffs down the line while only imposing limited duties on specific chips bound for re-export. For more background on the semiconductor tariffs, see our January note: Limited Initial Scope for Semi Tariffs/Critical Minerals Tariffs Punted
- Section 122: During remarks to the Council on Foreign Relations on Tuesday (5/26), Greer suggested that the White House could pursue another set of Section 122 trade investigations after the current round expire. D.C. expectations (and our own) have been that Section 301 investigations currently underway will replace the Section 122 tariffs once they expire in late July, but the openness to re-using Section 122 duties suggests that the process may be taking longer than anticipated. Greer specifically told CFR that "When you look at that statute, it says

Source: Raymond James Private Client Group.

Housing, Highways, Hormuz, and Hawkishness Into Memorial Day (Cont.)

WASHINGTON POLICY RESEARCH
May 29, 2026

Edward Mills
Managing Director
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- they expire… but it doesn't say when you can redo it." We are skeptical that they practically can be reimposed, but the consideration alone is of note. The Court of International Trade (CIT) recently found the administration's use of Section 122 to be illegal; however, the ruling only provided relief to the plaintiffs, and the U.S. Court of Appeals later issued a stay on the decision. The White House will continue to collect Section 122 tariffs in the interim. For more background, see our previous notes: Court Strikes Down Section 122 Tariffs - Initial Reactions; Weekly Wrap: Trump-Xi Takeaways, CLARITY Act Advances to Senate Floor
- USMCA: The U.S. and Canada met for a round of bilateral USMCA negotiations this week in Mexico (5/27-29), with the stated focus on "economic security and rules of origin for key industrial goods." Our overall expectation continues to be that the U.S. will not seek to extend the trade agreement by the July 1 deadline, thus triggering annual reviews through 2036. U.S. negotiations with Mexico have made significantly more progress than with Canada. During the CFR event described above, Greer also reiterated the administration's sentiment that the U.S.'s very different relationships with Mexico and Canada respectively warrant different treatment from a trade/tariff perspective; this has been stated several times, and is a driving factor behind the view that greater emphasis will be placed on the bilateral trade deals that the U.S. is negotiating with both countries (especially with this delta in negotiating progress). Rules of origin have been a key focus for the trade talks, with the U.S. seeking to place greater restrictions on products with origins in third countries (i.e., China). We would also highlight a move last Thursday (5/21) by Canada's broadcasting regulator ordering streaming companies with Canadian revenues of more than $18 million annually to spend 15% of that revenue on Canadian and Indigenous programming. The requirement was previously set at 5% in 2024; it is unclear when the new rules will come into effect. We view this as likely to further dampen slowed U.S.-Canada trade talks, given that the move falls into the realm of digital services taxes — which the Trump administration has strongly opposed.
- China: The Trump administration will seek public comment on which Chinese goods should be eligible for tariff reductions, per Greer, as part of the "Board of Trade" pursued by the U.S. and China. This comment process will help identify ~$30 billion of goods in sectors that are not problematic from a national security perspective. A public notice is expected soon.
- India: The U.S. and India will hold trade talks next week to advance the long-delayed bilateral trade deal; the discussions will take place June

Source: Raymond James Private Client Group.

Housing, Highways, Hormuz, and Hawkishness Into Memorial Day (Cont.)

WASHINGTON POLICY RESEARCH
May 29, 2026

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CFTC Rulemaking on Prediction Markets Nears Release; Rhode Island and Minnesota Case Update

The regulatory fight over prediction markets continues to move into an explicit federal versus state battle, with the CFTC set to pair new rulemaking with aggressive state-level litigation to preserve exclusive jurisdiction over event contracts. On Tuesday (5/26) the CFTC officially submitted its proposed rule to regulate prediction markets, and is under White House review following its March notice of proposed rulemaking (NPRM) seeking public comment on which prediction market contracts may be prohibited as "contrary to the public interest," including those tied to elections, gaming, and sports. We see the direction of travel clearly moving away from prohibition and toward a federal "rules of the road" framework as the agency has increasingly framed event contracts as "swap-like" derivatives under the Commodity Exchange Act. That framing, coupled with Trump's social media post this week publicly backing the CFTC's authority over prediction markets, sends a clear signal that the White House wants "rules of the road" that favor prediction markets and wants them under federal supervision rather than be constrained as "de facto" gambling under state laws.

In parallel with the rulemaking, the CFTC continues to be an aggressive litigant in defense of its claimed exclusive jurisdiction, filing a lawsuit against Rhode Island, after it sought to apply state gambling laws against a CFTC-registered designated contract market. We would note that CFTC Chair Selig explicitly characterized Rhode Island's move as part of an "onslaught" of state lawsuits that threaten user access to event contracts and "undermine the CFTC's sole regulatory jurisdiction." Chair Selig also continued to frame event contracts as commodity derivatives that let businesses and individuals hedge event-driven risks, manage exposures, insisting that any state attempts to regulate designated contract markets are preempted by the Commodity Exchange Act. The Rhode Island action follows litigation in Arizona, Connecticut, Illinois, New York, and Minnesota (which we discussed last week), with Kalshi filing a lawsuit in federal court after Minnesota enacted a prediction market ban, seeking a temporary restraining order and preliminary injunction before the law takes effect on August 1. Minnesota has now become a particularly important test case because a state win could provide a model for other jurisdictions to restrict prediction markets through direct bans, while a win for the prediction markets could strengthen the federal preemption argument and deter other similar legislation.

We do not expect Congress to resolve the issue soon, as committees remain focused on crypto market structure, housing, affordability, bank regulation, and other higher-priority legislative items, and there appears to be limited appetite to reopen the Commodity Exchange Act for event contract legislation while courts are actively considering the preemption question. The CFTC rulemaking process could also provide more clarity around sports contracts, and prohibited categories,

Source: Raymond James Private Client Group.

Housing, Highways, Hormuz, and Hawkishness Into Memorial Day (Cont.)

WASHINGTON POLICY RESEARCH
May 29, 2026

Edward Mills
Managing Director
Raymond James Equity Research

including the role of Rule 40.11 (the "Special Rule"), but any final rule may face legal challenge from either states, gaming interests, or industry depending on the breadth of the rule.

DOJ Nears Decision on Paramount/Skydance Deal Amid Leadership Transition

The DOJ is potentially on the verge of approving Paramount Skydance's deal for Warner Bros. Discovery, a further signal that the Trump administration remains more open to clearing and approving deals, rather than holding them up for longer antitrust review. According to reports, Paramount CEO David Ellison and other senior Paramount executives, met with the DOJ including and acting Assistant Attorney General for Antitrust Omeed Assefi with Ellison reiterating Paramount's commitment to continued release of movies in theatres and pushing back on concerns that the combined company would shift more content away from theaters and into streaming.

We would note that the DOJ was reportedly investigating whether the deal would "substantially lessen competition" under Section 7 of the Clayton Act or "create a monopoly" under Section 2 of the Sherman Act. The DOJ also reportedly pressed Paramount on whether the company would be less inclined to send films to theaters, drawing comparisons to Disney's acquisition of Fox, after which Disney prioritized its own streaming platform. The deal will be an early and important test for Assefi of whether he maintains former DOJ AAG Slater's consumer welfare frameworks or if he aligns himself more toward the Trump administration's preferences. If Assefi were to clear the deal after a thorough review, we believe that would likely mean continuity with Slater's "scalpel versus sledgehammer" approach to antitrust, where enforcement is tied to actual consumer harms, market concentration, barriers to entry, and pricing effects. If pressure builds on Assefi, driven primarily by the White House pressure or Trump himself, while we don't think media M&A would slow dramatically, the ability for the administration (or Trump himself) to give the "all clear" would be further factored into any tech/media deals.

Leadership at the DOJ adds another layer of uncertainty for active and prospective deals. Assefi is expected to depart in the near future, and the administration is reportedly considering several candidates to lead the division, including Adam Candeub, Mike Murray, and Adam Cella. Candeub is the most notable candidate, in our view, as he currently serves as FCC general counsel under Chair Brendan Carr, previously served as acting head of the National Telecommunications and Information Administration (NTIA) in Trump's first term, and played a key role in the first Trump administration's push to narrow Section 230 protections for social media platforms after disputes over online content moderation. In a 2024 interview, Candueb noted he supports the consumer welfare standard – a sign that the broader consumer welfare focused antitrust framework is likely to persist — while also explaining that he supports kids' online safety, privacy, and investigating other

Source: Raymond James Private Client Group.

Housing, Highways, Hormuz, and Hawkishness Into Memorial Day (Cont.)

WASHINGTON POLICY RESEARCH
May 29, 2026

Edward Mills
Managing Director
Raymond James Equity Research

non-monetary harms during antitrust reviews. As such, we expect his policy agenda to emphasize "Big Tech market" competition, Section 230 reform, kids' online safety (KOSA/COPPA 2.0), and a broader view of platform-related harms, while still allowing a more deal-friendly approach in traditional media, and telecom deals.

We continue to expect DOJ and FTC leadership to avoid the neo-Brandeis "big equals bad" model as a general rule but instead see targeted scrutiny of deals and conduct that can be tied to consumer harm and market concentration. Looking ahead, the key catalysts are the final DOJ decision on the WBD / Paramount Skydance transaction, the timing of Assefi's departure, and the administration's choice for permanent or longer-term Antitrust Division leadership. A near-term approval would likely be interpreted positively for media and telecom deals, while a Candeub nomination would sharpen the market's focus on "Big Tech" enforcement risks.

Will drones become an industrial policy priority under Trump's tech agenda?

The administration is increasingly treating drones as a strategic national security and advanced manufacturing priority, with reports that the Pentagon is evaluating direct financing support for domestic drone components and platforms. Combined with the administration's June executive order on drones and broader AI Action Plan, these developments signal that drones may be moving onto the same policy track as semiconductors, critical minerals, and quantum computing, where the government is willing to support supply chains through both procurement, and potentially through financing, debt, and ownership stakes.

According to reports, the Pentagon and Office of Strategic Capital have been engaged in discussions with several drone firms for potential funding support. Unlike traditional defense procurement, the focus appears to be on expanding domestic manufacturing capacity, reducing production costs, and strengthening the industrial base while supporting future drone deployments. Some of the contemplated arrangements could reportedly include debt or equity-like structures, potentially giving the federal government a direct stake in selected suppliers, potentially mirroring INTC, MP, LAC, and QBTS.

This policy momentum builds on the administration's June executive order, which directed agencies to accelerate drone integration into the broader economy, prioritize U.S.-manufactured systems, strengthen supply chain security, and reduce reliance on foreign suppliers. Notably, the drone push also directly aligns with Pillar I of the U.S. AI Action Plan, which identifies robotics, autonomous systems, and next-generation manufacturing as critical components of U.S. tech leadership. It specifically directs Commerce and NTIA to work with industry to identify supply chain

Source: Raymond James Private Client Group.

Housing, Highways, Hormuz, and Hawkishness Into Memorial Day (Cont.)

challenges facing U.S. robotics and drone manufacturing, placing drones within the same policy framework as AI infrastructure and advanced manufacturing initiatives. In terms of direction, the Blue UAS Cleared List and Blue UAS Framework both included a detailed list of suppliers, manufacturers, and components that could see government support or attention, as the lists establish trusted procurement pathways for those firms with approved drone platforms and components that can be integrated into government supply chains.

Looking ahead, we believe the path forward will involve a combination of accelerated procurement, direct financing, expanded Blue UAS certifications, and tighter restrictions on foreign-sourced components. If implemented, these initiatives would represent a meaningful expansion of U.S. industrial policy and could provide significant support for domestic drone manufacturers and component suppliers.

WASHINGTON POLICY RESEARCH
May 29, 2026

Edward Mills
Managing Director
Raymond James Equity Research

Source: Raymond James Private Client Group.

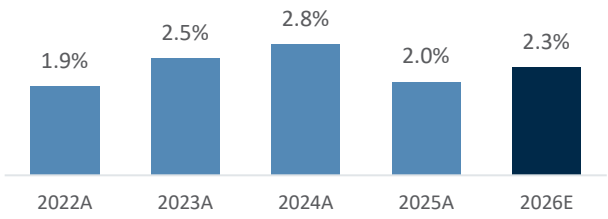
SECTION 04

Sector & Economic Indicators

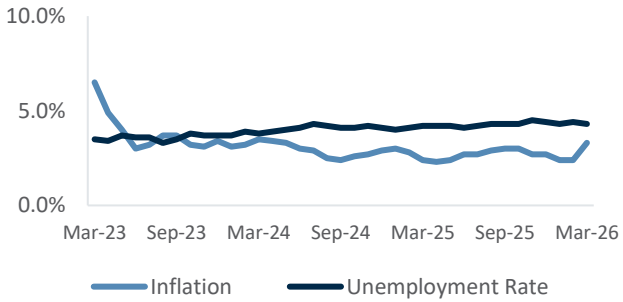
Macro Indicators

U.S. ECONOMY

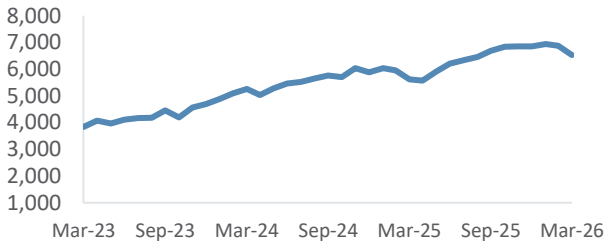
GDP GROWTH



INFLATION VS. UNEMPLOYMENT

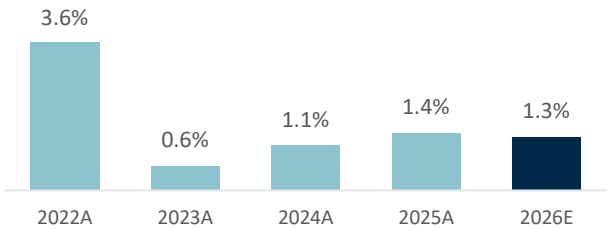


S&P 500 INDEX

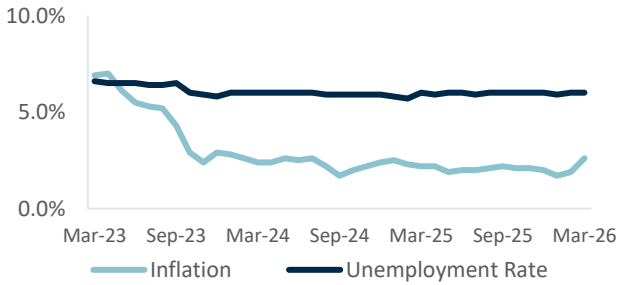


EUROPE ECONOMY

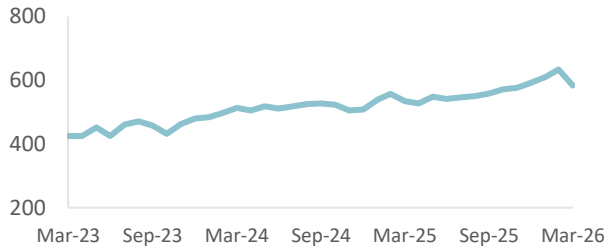
GDP GROWTH



INFLATION VS. UNEMPLOYMENT

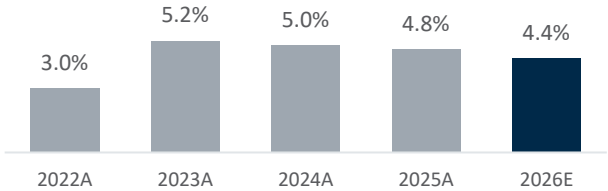


STOXX 600 INDEX

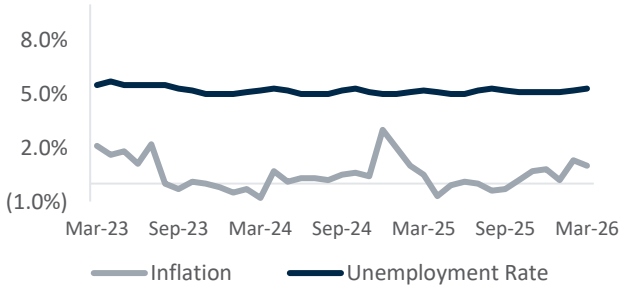


CHINA ECONOMY

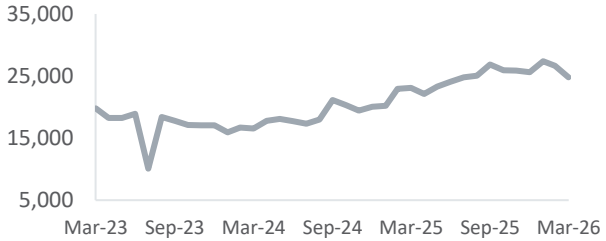
GDP GROWTH



INFLATION VS. UNEMPLOYMENT



HANG SENG INDEX

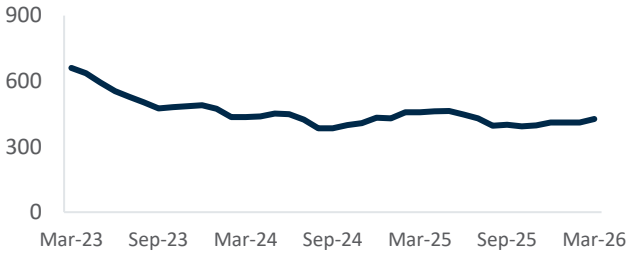


Source: Bloomberg, U.S. Bureau of Labor Statistics, National Bureau of Statistics of China, Market data as of 3/31/2026.

Select Water End Market Indicators

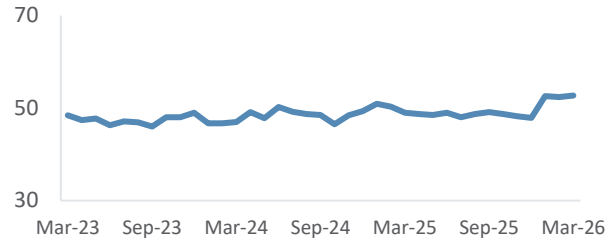
AGRICULTURE

U.S. CORN FUTURES[1]

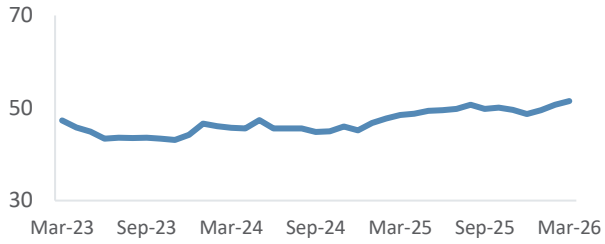


INDUSTRIAL

U.S. PMI

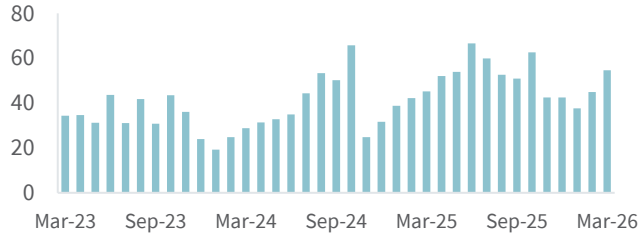


EU PMI

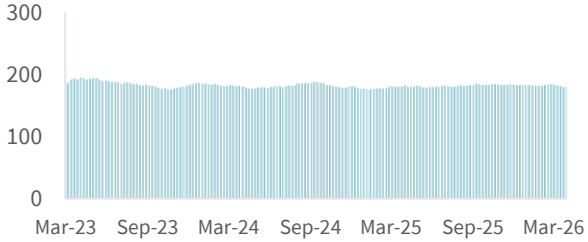


U.S. MUNICIPAL

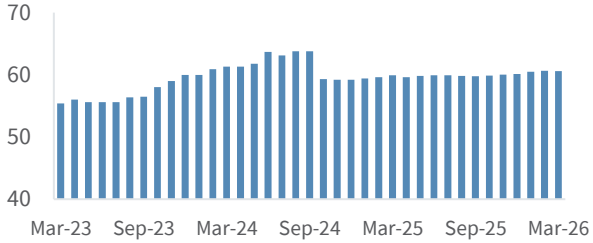
MUNI BOND ISSUANCE
($ billions)



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

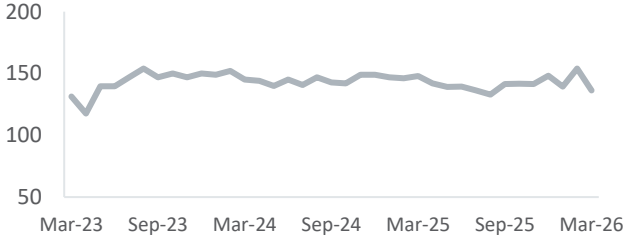


WATER UTILITY EMPLOYMENT
(000s)

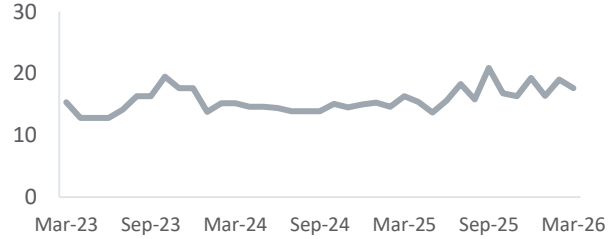


BUILDING / INFRASTRUCTURE

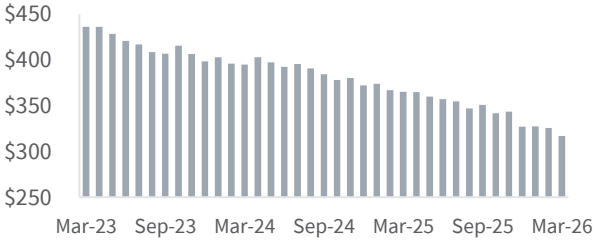
U.S. BUILDING PERMITS
(000s)



GERMAN BUILDING PERMITS
(000s)



U.S. DUCTILE IRON PIPE PRICE PER METRIC TON

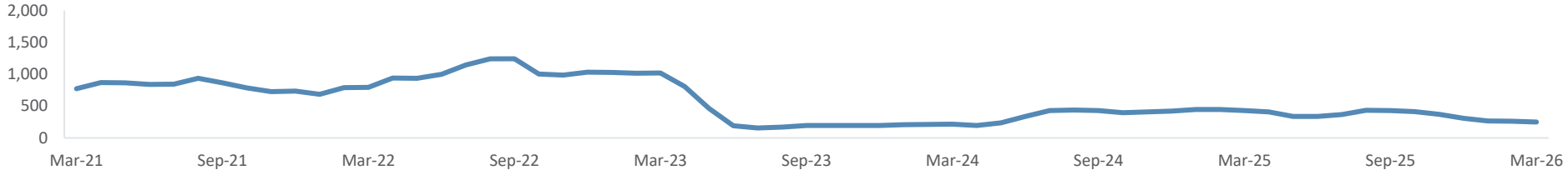


Source: Bloomberg, Municipal Securities Rulemaking Board, Bureau of Labor Statistics. Market data as of 3/31/2026.
(1) Corn Futures Contract from Chicago Board of Trade. Contract size is 5,000 bushels.

Water Scarcity Indicators

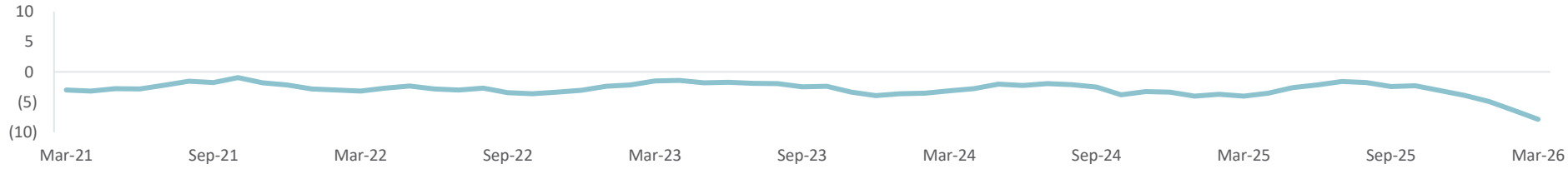
NASDAQ VELES CALIFORNIA WATER INDEX (NQH2O)[1] ($ PER ACRE FOOT)

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.



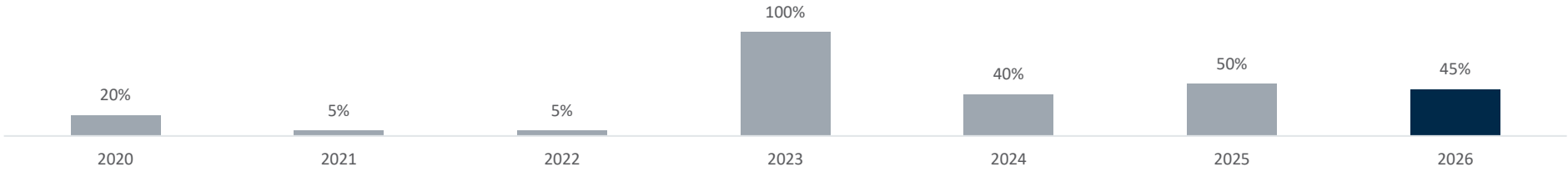
PALMER DROUGHT SEVERITY ("PDSI") INDEX[2]

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 3/31/2026. 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 3/31/2026.

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[1]
3/31/26	CITCO Water	Pump & Process Equipment	Provider of pumping systems, treatment equipment and process solutions as a manufacturers' representative	-	-	-
3/24/26	Vestum AB (publ)	PJT Pumping Services Ltd	Provider of pumping, drainage and water infrastructure services including design, installation, maintenance	-	-	-
3/24/26	Valicor Environmental	Pittsburgh-area wastewater	Provider of centralized non-hazardous wastewater treatment and oil recycling services	-	-	-
3/18/26	Apex Companies	CWE	Provider of civil infrastructure, water resources and environmental engineering services	-	-	-
3/4/26	Ardurra Group, Inc.	Remington & Vernick	Provider of municipal and water engineering, planning and construction management services	-	-	-
3/2/26	MasTec, Inc.	Mckee Utility Contractors, Inc.	Provider of large-diameter water and wastewater pipeline construction services for complex municipal utility	$276.0	-	-
2/26/26	XPV Water Partners	Weisinger Incorporated	Provider of water well drilling, rehabilitation and pump and motor services for groundwater supply systems	-	-	-
2/26/26	Nexterra Environmental	R. H. Moore & Associates, Inc.	Provider of erosion control and stormwater management products with technical, consultative support	-	-	-
2/25/26	Azuria Water Solutions, Inc.	Waterline Renewal Tech	Provider of engineered products and equipment for trenchless rehabilitation of wastewater and stormwater	-	-	-
2/17/26	Azuria Water Solutions, Inc.	Infrastructure Systems, Inc.	Provider of water and sewer pipeline rehabilitation and installation services including slip lining and drilling	-	-	-
2/17/26	Pine Environmental Services	Terratech, LLC	Provider of environmental sampling equipment rentals, sales and calibration services	-	-	-
2/16/26	HQ Water Solutions LLC	PA Water & Energy Solutions	Provider of residential and commercial water treatment services including water softening, reverse osmosis	-	-	-
2/13/26	United Flow Technologies	CS3 Water Works	Distributor of valves and related waterworks solutions for municipal water infrastructure	-	-	-
2/11/26	Azuria Water Solutions, Inc.	Caliagua, Inc.	Provider of engineering and construction services for water treatment plants, pump stations, pipelines	-	-	-
2/10/26	Dober Chemical Corp.	Agronomy business of Lygos	Manufacturer of Soltellus biopolymer specialty chemicals for agronomy and water treatment applications	-	-	-
1/27/26	Nexterra Environmental	Getsco, Inc.	Provider of erosion and sediment control products and stormwater quality solutions plus agricultural chemical	-	-	-
1/22/26	Mobiltex Data Ltd.	IngeniousWare GmbH	Provider of AI-enabled hydraulic modelling and predictive analytics software for water distribution	-	-	-
1/20/26	Sylmar Group Partners LLC	Atlantic Water Management	Provider of cooling tower and boiler water treatment programs and ongoing technical services in New England	-	-	-
1/9/26	Kemira Oyj	AquaBlue, Inc.	Provider of wastewater and industrial water treatment services for regulated and process-intensive facilities	$10.0	-	-
1/8/26	Verdantas LLC	PACE Engineers, Inc.	Provider of multidisciplinary civil, structural, surveying and environmental engineering services	-	-	-
1/6/26	Windjammer Capital Investors	MFG Chemical, LLC	Manufacturer of specialty water treatment and industrial coatings chemicals including polymers and surfactants	-	-	-
1/6/26	Garney Holding Company, Inc.	Emery & Sons Construction	Provider of heavy civil and underground utility construction services for large-scale water infrastructure projects	-	-	-
1/5/26	Core & Main, Inc.	Pioneer Supply, LLC	Distributor of water, wastewater and storm drainage products serving municipal, residential and non-residential	-	-	-
1/5/26	DXP Enterprises, Inc.	Mid Atlantic Storage Systems	Provider of integrated pump systems for fire protection, water, wastewater, HVAC and process applications	-	-	-
12/24/25	Cizzle Brands Corporation	Flow Water Mfg. Business	Provider of large-scale beverage co-manufacturing services with in-house Tetra Pak packaging capabilities	$61.1	1.8x	-

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

(1) EV / EBITDA multiples may vary based on the use of forward or trailing EBITDA figures. Disclosed multiples for publicly listed companies may also reflect post-synergy EBITDA and / or potential tax benefits.

Select Transactions in Last Twelve Months (Cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA[1]
12/17/25	Wateralia S.P.A.	Aquatec Environmental Group	Provider of engineered pumping, treatment and odor control systems for water and wastewater management	-	-	-
12/8/25	Altor Equity Partners AB	Evac Oy	Provider of integrated water and waste management systems for marine, offshore and land-based applications	-	-	-
12/8/25	Verdantas LLC	Crawford Environmental	Provider of environmental investigation, remediation, compliance and emergency response services	-	-	-
12/8/25	Berkshire Partners LLC	United Flow Technologies	Technical distributor and solutions provider of pumps, flow control, automation and process equipment	-	-	-
12/5/25	Vessco Midco Holdings, LLC	Unico Mechanical Corp	Provider of engineered rotating-equipment repair, heavy industrial machining and field services	-	-	-
12/5/25	ITT Industries Holdings, Inc.	SPX FLOW, Inc.	Manufacturer of highly engineered pumps, valves, mixers and process flow equipment	$4,779.2	3.6x	16.1x
12/4/25	Eagle Merchant Partners	Atlantic Pipe Services, LLC	Provider of inspection, cleaning and trenchless rehabilitation services	-	-	-
12/3/25	Hawkins, Inc.	Assets of Redbird Chemical	Distributor of water treatment and industrial chemicals serving customers across eastern Texas	$4.6	-	-
12/3/25	DXP Enterprises, Inc.	Pump Solutions, Inc.	Distributor of pumps, controls and related service and repair solutions for water and wastewater systems	-	-	-
12/2/25	Sylmar Group Partners LLC	Prochem, Inc.	Provider of custom-engineered water reuse, wastewater treatment systems	-	-	-
12/1/25	BluMetric Environmental Inc.	DS Consultants Ltd.	Provider of geotechnical, environmental and hydrogeological engineering consulting services	$15.8	-	5.6x
11/30/25	Opus Water, Inc.	Yeary & Associates, Inc.	Manufacturer of precision control valves, actuators and flow control accessories	-	-	-
11/25/25	Veralto Corporation	In-Situ Inc.	Manufacturer of water monitoring instruments for environmental and aquaculture use	$435.0	5.4x	19.0x
11/21/25	EQT Future	Desotec NV	Provider of mobile activated carbon filtration systems delivered through a circular Filtration-as-a-Service model	-	-	-
11/20/25	Rivean Capital B.V.	Engelmann Sensor GmbH	Manufacturer of heat, cooling and water metering devices with integrated gateways, software and data services	-	-	-
11/20/25	Komline-Sanderson	BI Pure Water (Canada) Inc.	Provider of custom-engineered modular water and wastewater treatment systems and services	-	-	-
11/17/25	Watts Water Technologies	Superior Boiler Works, Inc.	Designer and manufacturer of customized steam and hot water boilers and ancillary heating equipment	-	-	-
11/17/25	Leonard Green & Partners, L.P.	Jones Lake Management	Provider of pond and lake management, aquatic treatment and ecological improvement services	-	-	-
11/17/25	Ardurra Group, Inc.	MKN & Associates, Inc.	Provider of water and wastewater engineering and design services for municipal and public sector clients	-	-	-
11/13/25	UCC Environmental LLC	Trimay Wear Plate Ltd.	Manufacturer of advanced wear overlay and cladding technologies protecting industrial equipment	-	-	-
11/12/25	A. O. Smith Corporation	Leonard Valve Company, LLC	Manufacturer of digital and thermostatic mixing valves and boiler control technologies	$470.0	-	12.0x
11/11/25	Parker-Hannifin Corporation	Filtration Group Corporation	Manufacturer of proprietary filtration and separation technologies	$9,250.0	4.6x	19.6x
11/7/25	The Rapid Group	O&M Solutions	Provider of operations and maintenance services for wastewater treatment plants	-	-	-
11/7/25	HF Equity	Rohrsanierung Jensen GmbH	Provider of trenchless rehabilitation and maintenance services for sewage pipes and sewer systems in Germany	-	-	-
11/6/25	Neenah Foundry Company	Bingham and Taylor Corp.	Manufacturer of underground infrastructure access products including meter and valve boxes, lids and pits	-	-	-

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

(1) EV / EBITDA multiples may vary based on the use of forward or trailing EBITDA figures. Disclosed multiples for publicly listed companies may also reflect post-synergy EBITDA and / or potential tax benefits.

Select Transactions in Last Twelve Months (Cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA[1]
11/5/25	Watts Water Technologies	Haws Corporation	Manufacturer of emergency safety showers, eyewashes and hydration fixtures	-	-	-
11/3/25	TJC LP	Lindsay Precast, LLC	Manufacturer of precast concrete and steel products for water, utility and transportation infrastructure	-	-	-
10/31/25	North American Pipeline	Atlantic Coast Contractors	Provider of trenchless and conventional water and sewer rehabilitation services for municipal infrastructure	-	-	-
10/27/25	American Water Works	Essential Utilities, Inc.	Provider of regulated water, wastewater and natural gas utility services across the United States	$20,237.8	8.5x	15.2x
10/20/25	FloWorks International LLC	Slater Controls LLC	Distributor of valve automation, instrumentation and relief valve products for process industries	-	-	-
10/15/25	Visu-Sewer LLC	Sheridan Plumbing & Sewer	Providers of utility and commercial wastewater infrastructure, pipe cleaning, inspection and locating services	-	-	-
10/13/25	Enpro Inc.	AlpHa Measurement Solutions	Manufacturer of liquid analytical sensing technologies and instrumentation	-	-	-
10/13/25	Vortex Companies, LLC	Primeline Products, Inc.	Provider of trenchless rehabilitation products, equipment and materials for plumbing and utility contractors	-	-	-
10/8/25	S. J. Electro Systems, Inc.	LangeTech Inc.	Provider of automation consulting, programming and system integration services	-	-	-
10/8/25	Verdantas LLC	Colibri Ecological Consulting	Provider of ecological planning, regulatory permitting and field survey services	-	-	-
10/6/25	The Toro Company	Tornado Infrastructure	Manufacturer of hydrovac and vacuum trucks used for safe excavation and utility exposure	$220.3	2.1x	18.1x
10/6/25	Itron, Inc.	Urbint, Inc.	Provider of AI-powered software for predicting and preventing utility infrastructure and public safety incidents	$325.0	-	-
10/6/25	Vestum AB	Dynamic Fluid Solutions Ltd	Provider of industrial pump and pipework systems with rental, design, installation and aftermarket services	$385.0	2.7x	7.0x
10/2/25	Parsons Corporation	Applied Sciences Consulting	Provider of water and stormwater engineering solutions focused on infrastructure resilience for public agencies	-	-	-
10/2/25	AURELIUS Equity	Water metering of Xylem	Manufacturer of mechanical and static water and heat meters for residential smart metering markets in Europe	-	-	-
10/1/25	Crom, LLC	C.F.G. Industries, L.L.C.	Provider of specialized water infrastructure rehabilitation services including coatings and structural repairs	-	-	-
10/1/25	Rain Bird Corporation	Rachio, Inc.	Provider of cloud-connected smart irrigation controllers and home water management technology	-	-	-
10/1/25	Visu-Sewer LLC	MOR Construction Services	Provider of utility and commercial wastewater infrastructure services	-	-	-
10/1/25	Hasa, Inc.	B's Pool Supplies	Provider of chemical supply and delivery for recreational and commercial aquatic water treatment	-	-	-
9/29/25	Genuit Group plc	Davidson Holdings Ltd	Manufacturer of plumbing, heating and water conservation products for residential and commercial buildings	$65.8	1.5x	8.5x
9/24/25	Cleanwater1, Inc.	Pure Air Filtration, LLC	Provider of gas-phase air purification / filtration systems for removal of corrosive gases, odors and toxic vapors	-	-	-
9/23/25	Advanced Drainage Systems	National Diversified Sales	Provider of residential and commercial stormwater, wastewater and irrigation water management solutions	$1,000.0	3.2x	16.1x
9/23/25	Netmore Group AB	ArsonData Metering S.L.	Provider of remote meter reading and smart management technologies for water and gas supply networks	-	-	-
9/18/25	Strategic Acquirer	High Tide Technologies (HTT)	Provider of SaaS-based remote SCADA and end-to-end asset monitoring and control	-	-	-
9/16/25	Kemira Oyj	Water Engineering, Inc.	Provider of industrial water treatment chemicals, services and equipment	$150.0	2.5x	-

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

(1) EV / EBITDA multiples may vary based on the use of forward or trailing EBITDA figures. Disclosed multiples for publicly listed companies may also reflect post-synergy EBITDA and / or potential tax benefits.

Select Transactions in Last Twelve Months (Cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA[1]
9/12/25	Workdry International Ltd	Atlas Dewatering, LLC	Provider of wellpoint and drainage installation services plus pump rental and maintenance	-	-	-
9/11/25	Excellere Partners	Hinterland Group	Provider of mission-critical pipeline rehabilitation solutions	-	-	-
9/10/25	Purgo Holdings, LLC	Puroflux Corporation	Manufacturer of industrial and commercial water filtration systems, pump packages and control panels	-	-	-
9/9/25	Shenandoah Industrial	Nu-Pipe LLC	Provider of trenchless pipe rehabilitation services using SAPL, CIPP and injection grouting technologies	-	-	-
9/4/25	Smartvatten Oy	AQVA.IO Oy	Provider of submetering and IoT-enabled water monitoring solutions	-	-	-
9/2/25	Ardurra Group, Inc.	J. R. Wauford & Company	Provider of engineering, planning, design and consulting services for water and wastewater systems	-	-	-
9/2/25	Valicor Environmental	ECO-FIRST, Inc.	Provider of environmental and waste management services including waste collection, treatment and recycling	-	-	-
9/2/25	Core & Main, Inc.	Canada Waterworks	Distributor of water, wastewater and storm drainage products serving municipal and contractor customers	-	-	-
8/29/25	Hawkins, Inc.	StillWaters Technology, Inc.	Distributor of water treatment chemicals and equipment serving customers across Alabama	$4.3	-	-
8/27/25	SJWTX, Inc.	Assets of South Central Water	Provider of wastewater treatment plants, collection systems and utility services for Texas communities	-	-	-
8/27/25	Coltala Holdings, LLC	Alsay Incorporated	Provider of deep water well drilling, pump systems and water infrastructure services	-	-	-
8/22/25	Abu Dhabi National Energy	GS INIMA ENVIRONMENT	Provider of global water desalination, treatment and wastewater solutions	$1,214.9	2.9x	10.6x
8/22/25	Rochester Midland	Decon Water Technologies	Provider of customized water treatment programs combining proprietary chemistry and automation	-	-	-
8/20/25	Grundfos Holding A/S	Newterra Corporation, Inc.	Provider of modular water, wastewater and groundwater treatment products and services	$320.0	-	-
8/18/25	Pentair plc	Hydra-Stop LLC	Provider of specialty valve solutions	$290.0	5.8x	-
8/14/25	Axius Water	S&N Airoflo, LLC	Supplier of surface aeration systems	-	-	-
8/12/25	Ecolab Inc.	Electronics division of Ovivo	Provider of advanced water and wastewater treatment equipment, technology and systems	$1,800.0	3.6x	-
8/6/25	Western Midstream Partners	Aris Water Solutions, Inc.	Provider of full-cycle water management and recycling solutions	$2,696.6	5.7x	12.9x
8/5/25	ATLAS-SSI, Inc.	WTR Engineering, LLC	Provider of mechanical water filtration	-	-	-
8/1/25	Xylem Inc.	EnviroMix	Provider of compressed gas mixing and biological process solutions	-	-	-
7/14/25	United Flow Technologies	Bissnuss, Inc.	Distributes process and chemical feed equipment for water and wastewater treatment	-	-	-
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	-	-	-

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

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Select Transactions in Last Twelve Months (Cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA[1]
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	-	-	-
6/30/25	Stellex Capital Management	Dürr Systems Environmental	Provider of Solens exhaust air purification technology and sound insulation systems	-	-	-
6/27/25	Ambienta SGR S.p.A.	No Dig Alliance	Provider of renewal, installation and maintenance services for pipelines	-	-	-
6/24/25	Aqua Pennsylvania, Inc.	City of Beaver Falls wastewater	Provider of wastewater treatment to approximately 3,200 customers in the City of Beaver Falls	$37.8	-	-
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 decentralized water and wastewater treatment solutions through a Water-as-a-Service model	-	-	-
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	-	-	-
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 customized container-based solutions	-	-	-
5/8/25	Vortex Companies, LLC	FORACTION INC.	Provider of trenchless watermain renewal services	-	-	-

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

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Select Transactions in Last Twelve Months (Cont.)

RECENT WATER TRANSACTIONS						
Date Announced	Buyer / Investor	Target	Target Description	Transaction ($ mm)	EV / LTM	
					Revenue	EBITDA[1]
5/8/25	Advanced Drainage Systems	River Valley Pipe LLC	Manufacturer of high-performance corrugated plastic pipe systems serving the agriculture market	-	-	-
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
5/6/25	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	-	-
5/6/25	Madison IAQ LLC	Research Products	Provider of indoor air solutions for both residential and commercial environments	$2,585.0	5.0x	-
5/5/25	Rochester Midland	Ocs Chemical Engineering, LLC	Provider of on-site service, chemical analyses and monitoring	-	-	-
5/2/25	Atlas Copco AB	Clearpro Construction Water	Provider of specialized mobile water treatment solutions	-	-	-
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	6.4x	20.0x
4/25/25	Vortex Companies, LLC	Prism Contractors & Engineers	Provider of civil engineering and surveying, trenchless rehabilitation and utility construction	-	-	-
4/25/25	Hawkins, Inc.	Assets of Surplus Management	Provider of sustainable water treatment solutions	$203.7	-	20.4x
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 and wastewater infrastructure projects	-	-	-
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, control valves and ductile iron fabrications	-	-	-
Median				**$325.4**	**2.9x**	**12.9x**
Mean				**$2,041.7**	**3.6x**	**13.6x**

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

(1) EV / EBITDA multiples may vary based on the use of forward or trailing EBITDA figures. Disclosed multiples for publicly listed companies may also reflect post-synergy EBITDA and / or potential tax benefits.

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 Let's Solve Water
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 Let's Solve Water

SPECIALTY CHEMICAL

Clariant
Ecolab
Hawkins
Kemira
Kurita

SPECIALTY DISTRIBUTION

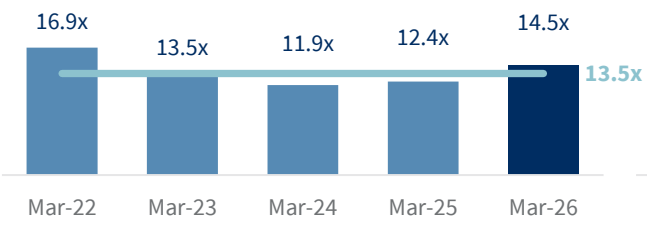
Core & Main
Ferguson
Grainger
MSC
Pool Corp
SiteOne Landscape Supply

UTILITIES

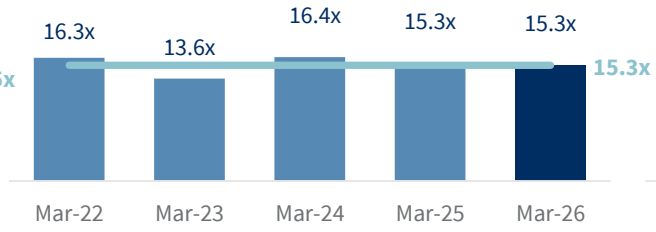
American States Water Company
American Water
Artesian
California Water Service Group
Consolidated Water
GWR Global Water Resources
H2O America
Middlesex Water Company
Pennon
Severn Trent
United Utilities
York Water

Public Company Valuation: EV / LTM EBITDA

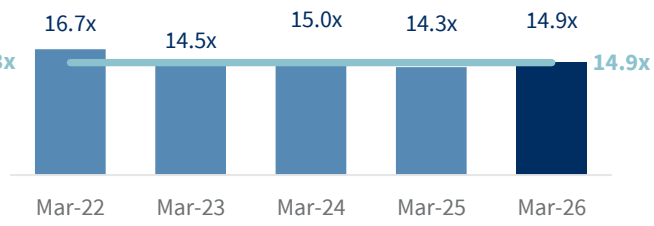
AGRICULTURE



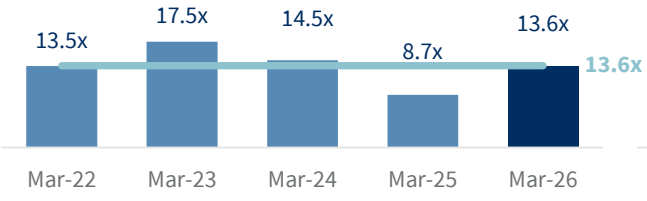
ENGINEERED SOLUTIONS



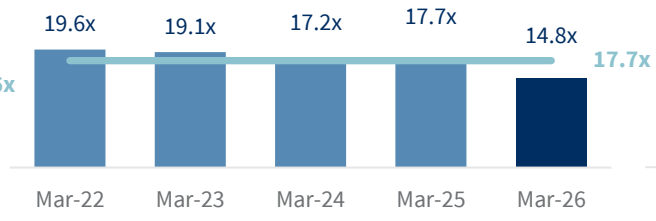
FLOW CONTROL



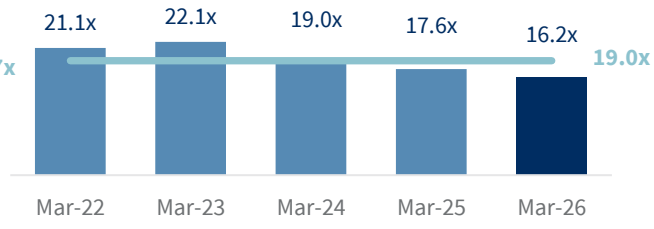
INFRASTRUCTURE



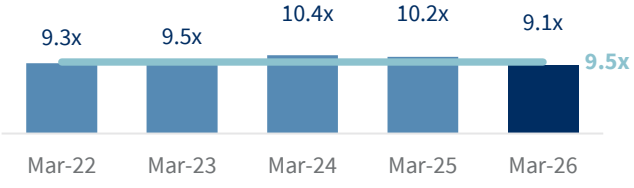
RESIDENTIAL & COMMERCIAL SERVICES



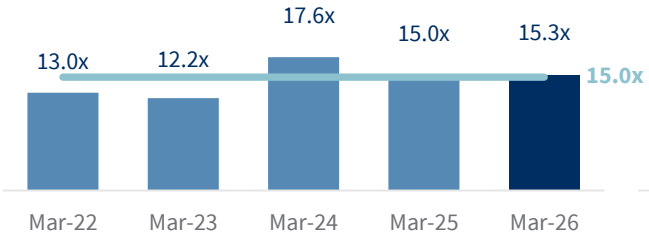
SMART TECH



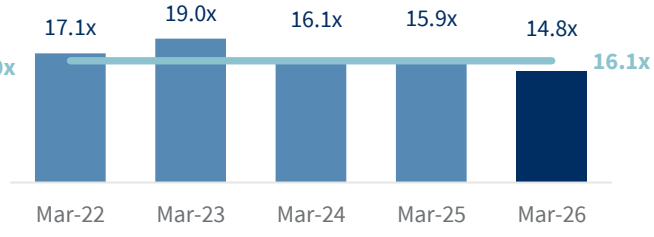
SPECIALTY CHEMICAL



SPECIALTY DISTRIBUTION



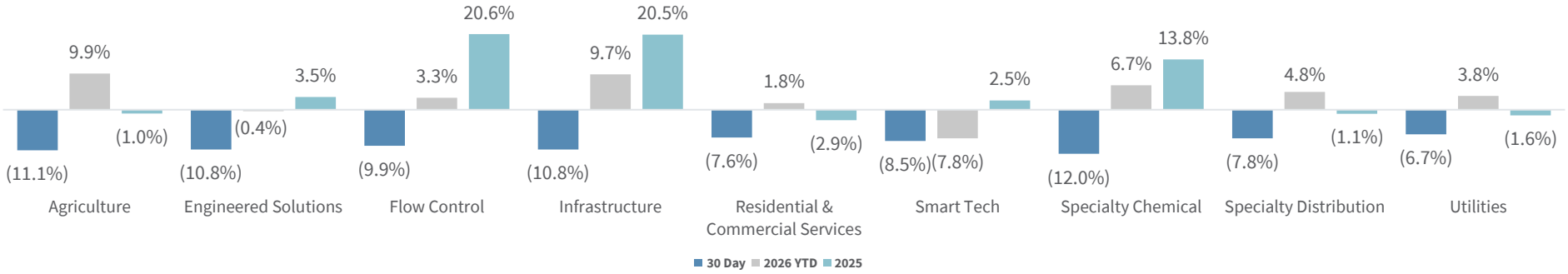
UTILITIES



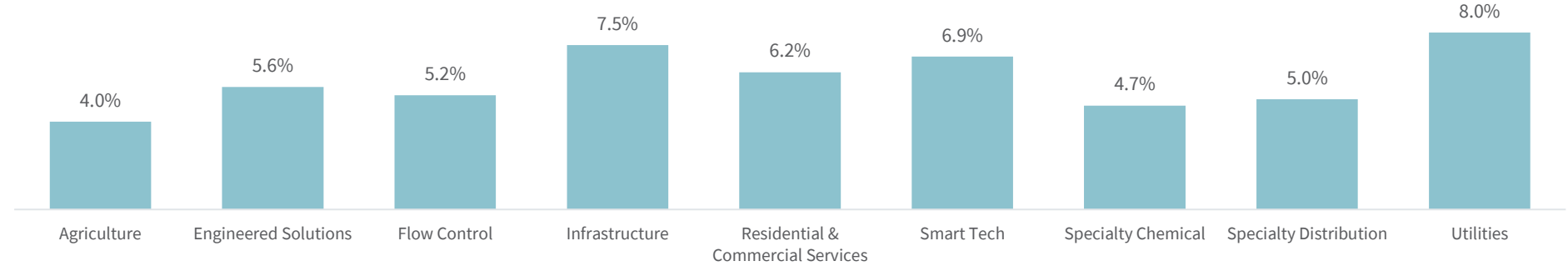
Source: CapIQ market data as of 3/31/2026.
Note: Values represent the median EV / LTM EBITDA multiples for each sector at the specified date. For additional detail on the companies within each sector, see detail pages in the back of the newsletter. Light blue line and bold value represent the median of the five multiple medians shown.

Industry Performance Overview

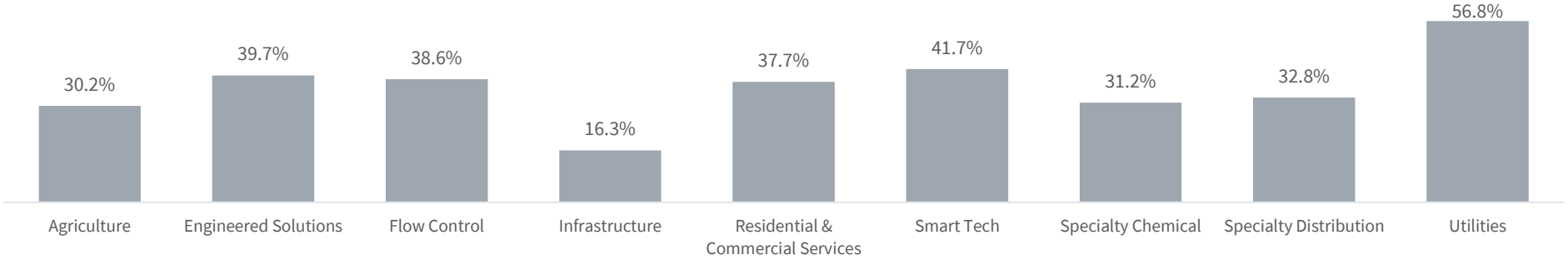
STOCK PRICE PERFORMANCE



REVENUE CAGR (2026-2028)



GROSS MARGIN (LTM)



Source: CapIQ market data as of 3/31/2026.
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

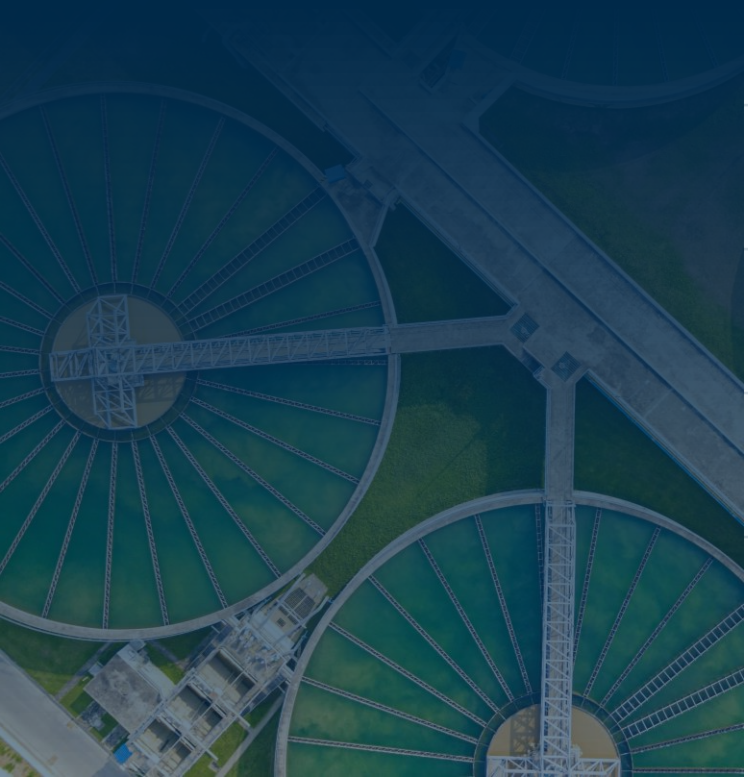
April 2026 Scruggs Company a portfolio company of ROX Capital Partners has been acquired by The Sterling Group	February 2026 Azuria Water Solutions a portfolio company of NMC New Mountain Capital has acquired Waterline Renewal Technologie a portfolio company of Behrman Capital	December 2025 Eagle Merchant Partners has acquired APS Atlantic Pipe Services	November 2025 Lindsay Precast a portfolio company of Underground Coatings has been acquired by TJC	October 2025 Aurelius has acquired Sensus International, the water and heat metering business outside of North America of xylem
September 2025 HIG Hinterland Group Inc. has been acquired by Excellere Partners	August 2025 newterra a portfolio company of Frontenac has been acquired by Grundfos	July 2025 EnviroMix a portfolio company of GEF Capital Partners has been acquired by xylem	July 2025 Faircloth Skimmer a portfolio company of Aiglon Capital 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 Castle Capital has acquired WATR a portfolio company of Borsodchem	December 2024 cerberus has acquired Landmark a portfolio company of Graycliff Partners	September 2024 Orenco Systems has been acquired by Infiltrator Water Technologies ADS
September 2024 Shenandoah a portfolio company of KLH Capital has been acquired by GenNx360 Capital Partners	July 2024 SePRO a portfolio company of Platinum Equity 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	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 Pollution Control Systems	July 2023 Hydro International from funds advised by Agilitas has been acquired by Oldcastle Infrastructure a company of CRH	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	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

SECTION 07

Water Conference Calendar

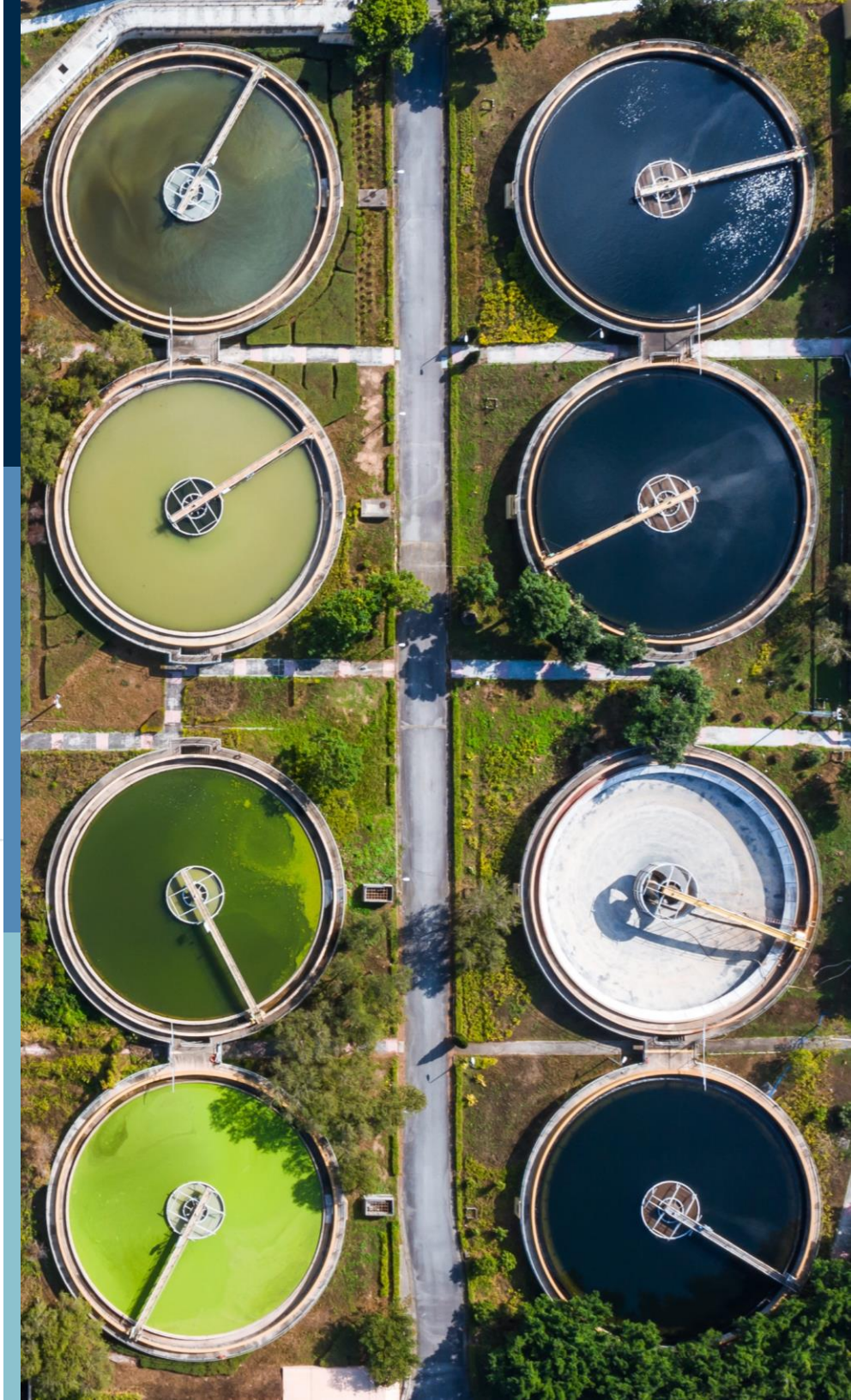
Upcoming Water Conference Calendar

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



American Water Works Association ACE Annual Conference & Exposition	6/21/2026 – 6/24/2026	Washington, D.C.	Large global gathering of water professionals featuring education, exhibits, networking and technologies to address key water system challenges
World Water Week	8/24/2026 – 8/28/2026	Stockholm, Sweden	Largest annual global water conference focused on solving the greatest challenges in water
weftec the water quality event	9/26/2026 - 9/30/2026	New Orleans, LA	The largest event of its kind in North America, offering comprehensive water quality education and training
wexglobal Water and Energy Exchange	2/1/2027 – 2/3/2027	Madrid, Spain	Global conference aimed at connecting water professionals in the water and energy markets
wwett by informa	2/22/2027 – 2/25/2027	Indianapolis, IN	The world's largest trade show for wastewater and environmental service professionals
WORLD WATER-TECH INNOVATION SUMMIT London, February 23-24, 2027	2/23/2027 – 2/24/2027	London, UK	Global summit for water industry leaders as well as investors from around the world
AQUA TECH AMSTERDAM	3/9/2027 – 3/12/2027	Amsterdam, Netherlands	Global trade event focused on showcasing innovations and solutions in the water treatment, wastewater and water purification space
NASTT NO-DIG SHOW 2027	3/21/2027 – 3/25/2027	Raleigh, NC	Largest trenchless technology conference in the world
WQA Convention & Exposition	4/28/2027 – 4/30/2027	Phoenix, AZ	Most comprehensive gathering of water treatment professionals connecting technology and industry knowledge
GLOBAL WATER SUMMIT 2027	5/24/2027 – 5/26/2027	Prague, Czech Republic	International conference aimed at connecting water leaders, industry experts and other stakeholders in the global water sector

Appendix



Comparable Companies Detail

As of 03/31/2026.
(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 '24 - '26	Revenue CAGR '26 - '28	Leverage: LTM Gross	LTM Net	Valuation Metrics: EV / Revenue LTM	EV / Revenue NTM	EV / EBITDA LTM	EV / EBITDA NTM
Agriculture																			
CNH Industrial N.V.	United States	$11.00	77%	122%	1.0%	$38,785	$13,647	$18,093	$1,082	18.5%	6.0%	(5.7%)	8.4%	-	-	2.1x	2.2x	35.8x	43.4x
Lindsay Corporation	United States	$119.07	79%	112%	1.4%	$1,181	$1,245	$637	$89	30.0%	13.9%	4.7%	3.1%	1.6x	-	1.9x	1.7x	13.3x	11.4x
The Toro Company	United States	$93.44	89%	150%	1.7%	$10,064	$9,057	$4,552	$643	33.2%	14.1%	2.1%	3.0%	1.9x	1.6x	2.2x	2.1x	15.7x	13.1x
Valmont Industries, Inc.	United States	$399.57	82%	160%	0.6%	$8,588	$7,810	$4,164	$639	30.4%	15.3%	2.8%	4.9%	1.5x	1.2x	2.1x	2.0x	13.4x	11.7x
Mean					**1.2%**	**$14,655**	**$7,940**	**$6,861**	**$613**	**28.0%**	**12.3%**	**1.0%**	**4.8%**	**1.6x**	**1.4x**	**2.1x**	**2.0x**	**19.6x**	**19.9x**
Median					**1.2%**	**$9,326**	**$8,434**	**$4,358**	**$641**	**30.2%**	**14.0%**	**2.4%**	**4.0%**	**1.6x**	**1.4x**	**2.1x**	**2.1x**	**14.5x**	**12.4x**
Engineered Solutions																			
A. O. Smith Corporation	United States	$65.94	81%	112%	2.5%	$9,126	$9,116	$3,812	$795	38.8%	20.9%	1.3%	4.1%	0.8x	0.6x	2.4x	2.3x	11.5x	10.7x
Advanced Drainage Systems, Inc.	United States	$137.13	76%	146%	0.5%	$11,142	$10,682	$3,050	$888	38.3%	29.1%	7.0%	-	2.1x	1.8x	3.7x	3.3x	12.5x	10.8x
Alfa Laval AB (publ)	Sweden	$53.36	94%	139%	1.6%	$23,476	$22,054	$7,264	$1,432	36.6%	19.7%	11.2%	5.6%	1.4x	1.0x	3.2x	3.1x	16.4x	15.1x
DuPont de Nemours, Inc.	United States	$45.80	55%	137%	1.7%	$21,651	$18,729	$6,918	$1,553	35.0%	22.4%	(24.2%)	3.9%	2.1x	1.6x	3.1x	3.0x	13.9x	12.4x
Halma plc	United Kingdom	$50.20	90%	164%	0.5%	$19,804	$18,958	$3,241	$772	54.1%	23.8%	17.0%	9.7%	1.5x	1.1x	6.1x	5.5x	25.7x	22.1x
IDEX Corporation	United States	$189.55	87%	124%	1.4%	$15,427	$14,065	$3,530	$952	44.4%	27.0%	4.4%	5.3%	2.0x	1.4x	4.4x	4.3x	16.2x	16.1x
METAWATER Co., Ltd.	Japan	$21.38	81%	200%	2.5%	$962	$934	$1,320	$105	22.4%	7.9%	9.5%	5.6%	2.4x	0.7x	0.7x	0.7x	9.2x	8.6x
Pentair plc	United States	$87.11	76%	117%	1.4%	$15,742	$14,077	$4,202	$1,101	41.2%	26.2%	2.8%	4.7%	1.9x	1.8x	3.7x	3.7x	14.3x	13.2x
Veralto Corporation	United States	$88.42	80%	105%	0.6%	$22,562	$21,713	$5,503	$1,357	59.9%	24.7%	6.1%	5.6%	2.1x	0.6x	4.1x	3.9x	16.6x	15.2x
Mean					**1.3%**	**$16,346**	**$15,151**	**$4,379**	**$1,020**	**41.5%**	**22.6%**	**4.2%**	**5.8%**	**1.9x**	**1.3x**	**3.6x**	**3.4x**	**15.6x**	**14.2x**
Median					**1.4%**	**$17,773**	**$16,403**	**$3,866**	**$1,026**	**39.7%**	**24.2%**	**6.6%**	**5.6%**	**2.0x**	**1.2x**	**3.7x**	**3.5x**	**15.3x**	**14.1x**
Flow Control																			
Flowserve Corporation	United States	$73.51	80%	197%	1.3%	$10,418	$9,355	$4,653	$741	35.5%	15.9%	4.5%	5.3%	2.5x	1.5x	2.2x	2.1x	14.1x	11.8x
Franklin Electric Co., Inc.	United States	$92.17	83%	117%	1.1%	$4,210	$4,071	$2,176	$346	35.2%	15.9%	5.2%	-	0.8x	0.6x	1.9x	1.9x	12.2x	12.2x
Graco Inc.	United States	$84.65	88%	117%	1.6%	$13,462	$14,034	$2,248	$721	52.3%	32.1%	5.6%	5.8%	-	-	6.0x	5.7x	18.7x	17.4x
Mueller Water Products, Inc.	United States	$27.49	89%	125%	1.1%	$4,292	$4,299	$1,464	$340	37.6%	23.2%	5.2%	-	1.3x	-	2.9x	2.9x	12.6x	11.8x
Rotork plc	United Kingdom	$4.13	79%	117%	2.7%	$3,294	$3,376	$1,046	$265	50.0%	25.4%	5.7%	4.6%	0.2x	-	3.1x	3.1x	12.4x	11.6x
Sulzer AG	Switzerland	$205.21	91%	161%	3.3%	$7,272	$6,923	$4,484	$651	34.4%	14.5%	8.3%	3.1%	2.3x	0.5x	1.6x	1.6x	11.2x	9.8x
The Gorman-Rupp Company	United States	$62.13	91%	201%	1.0%	$1,929	$1,635	$695	$129	31.5%	18.6%	4.5%	-	2.3x	2.0x	2.8x	2.7x	14.9x	14.4x
The Weir Group PLC	United Kingdom	$36.95	78%	149%	1.7%	$11,225	$9,530	$3,452	$661	40.0%	19.1%	6.1%	6.1%	3.6x	2.6x	3.3x	3.1x	17.0x	12.8x
Watts Water Technologies, Inc.	United States	$290.29	84%	163%	0.8%	$9,564	$9,678	$2,558	$559	49.2%	21.8%	9.5%	5.0%	0.5x	-	3.7x	3.5x	17.1x	16.1x
Xylem Inc.	United States	$119.50	77%	119%	1.6%	$30,320	$29,055	$9,091	$1,912	38.6%	21.0%	4.2%	4.9%	1.1x	0.7x	3.3x	3.3x	15.9x	14.2x
Zurn Elkay Water Solutions Corporation	United States	$44.84	84%	162%	0.9%	$7,765	$7,513	$1,740	$392	45.4%	22.5%	7.2%	5.3%	1.4x	0.7x	4.5x	4.3x	19.8x	16.2x
Mean					**1.6%**	**$9,432**	**$9,043**	**$3,055**	**$611**	**40.9%**	**20.9%**	**6.0%**	**5.0%**	**1.6x**	**1.2x**	**3.2x**	**3.1x**	**15.1x**	**13.5x**
Median					**1.3%**	**$7,765**	**$7,513**	**$2,248**	**$559**	**38.6%**	**21.0%**	**5.6%**	**5.2%**	**1.4x**	**0.7x**	**3.1x**	**3.1x**	**14.9x**	**12.8x**
Infrastructure																			
AECOM	United States	$84.82	63%	102%	1.7%	$13,265	$10,966	$15,986	$1,277	7.7%	8.0%	1.9%	-	2.6x	1.8x	0.8x	0.8x	10.4x	10.0x
Fluor Corporation	United States	$46.65	81%	160%	-	$4,006	$6,676	$15,184	($353)	-	-	(0.8%)	7.5%	-	7.4x	0.3x	0.2x	-	7.3x
NWPX Infrastructure, Inc.	United States	$77.86	94%	211%	-	$853	$745	$548	$76	20.2%	13.9%	5.8%	2.8%	1.4x	1.3x	1.6x	1.5x	11.2x	11.1x
Orion Group Holdings, Inc.	United States	$10.90	73%	235%	-	$500	$437	$880	$36	12.3%	4.1%	3.7%	-	3.7x	3.5x	0.6x	0.5x	14.0x	9.0x
Primoris Services Corporation	United States	$143.04	82%	291%	0.3%	$8,173	$7,757	$7,487	$466	10.4%	6.2%	13.6%	8.3%	2.0x	1.2x	1.1x	1.0x	17.5x	14.4x
Stantec Inc.	Canada	$86.15	75%	110%	0.9%	$11,362	$9,827	$4,754	$702	54.2%	14.8%	12.5%	-	2.6x	2.3x	2.4x	2.2x	16.2x	12.4x
Tetra Tech, Inc.	United States	$30.12	70%	110%	0.9%	$8,645	$7,856	$4,403	$661	21.8%	15.0%	(3.2%)	-	1.7x	1.3x	2.0x	2.0x	13.1x	13.3x
Mean					**1.0%**	**$6,686**	**$6,324**	**$7,035**	**$409**	**21.1%**	**10.3%**	**4.8%**	**6.2%**	**2.3x**	**2.7x**	**1.2x**	**1.2x**	**13.7x**	**11.1x**
Median					**0.9%**	**$8,173**	**$7,757**	**$4,754**	**$466**	**16.3%**	**11.0%**	**3.7%**	**7.5%**	**2.3x**	**1.8x**	**1.1x**	**1.0x**	**13.6x**	**11.1x**

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

Comparable Companies Detail (Cont.)

As of 03/31/2026.
(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 '24 - '26	Revenue CAGR '26 - '28	Leverage: LTM Gross	LTM Net	Valuation Metrics: EV / Revenue LTM	EV / Revenue NTM	EV / EBITDA LTM	EV / EBITDA NTM
Residential & Commercial Services																			
Aramark	United States	$40.54	91%	135%	0.9%	$16,811	$10,655	$18,786	$1,332	15.5%	7.1%	6.8%	6.2%	4.9x	4.6x	0.9x	0.8x	12.6x	10.6x
Compass Group PLC	United Kingdom	$27.53	74%	103%	2.1%	$53,383	$46,812	$48,485	$3,810	72.4%	7.9%	10.7%	6.9%	2.4x	2.3x	1.1x	1.0x	14.0x	10.3x
Ecolab Inc.	United States	$266.02	86%	120%	1.2%	$83,515	$75,130	$16,452	$4,041	44.4%	24.6%	5.7%	6.3%	2.3x	2.2x	5.1x	4.8x	20.7x	19.1x
Primo Brands Corporation	United States	$18.83	53%	131%	2.0%	$12,187	$6,839	$6,676	$1,323	31.0%	19.8%	(0.7%)	3.4%	4.3x	4.1x	1.8x	1.8x	9.2x	8.1x
Rentokil Initial plc	United Kingdom	$6.17	95%	153%	2.0%	$19,214	$15,517	$6,908	$1,233	13.8%	17.8%	2.6%	4.8%	5.0x	3.1x	2.8x	2.7x	15.6x	12.6x
Wall to Wall Group AB	Sweden	$3.43	53%	109%	0.0%	$71	$46	$85	$2	73.7%	2.5%	-	-	-	-	0.8x	-	33.8x	-
Mean					**1.4%**	**$30,864**	**$25,833**	**$16,232**	**$1,957**	**41.8%**	**13.3%**	**5.0%**	**5.5%**	**3.8x**	**3.2x**	**2.1x**	**2.2x**	**17.7x**	**12.1x**
Median					**1.6%**	**$18,013**	**$13,086**	**$11,680**	**$1,328**	**37.7%**	**12.9%**	**5.7%**	**6.2%**	**4.3x**	**3.1x**	**1.5x**	**1.8x**	**14.8x**	**10.6x**
Smart Tech																			
ABB Ltd	Switzerland	$78.84	88%	170%	1.1%	$146,252	$143,114	$34,572	$7,010	40.4%	20.3%	5.9%	6.9%	1.3x	0.5x	4.2x	4.0x	20.9x	18.3x
Badger Meter, Inc.	United States	$152.35	59%	109%	1.3%	$4,232	$4,446	$897	$201	41.4%	22.4%	8.4%	8.0%	-	-	4.7x	4.4x	21.0x	18.5x
Emerson Electric Co.	United States	$131.02	79%	145%	1.6%	$85,959	$73,633	$18,316	$5,875	52.7%	32.1%	4.4%	5.6%	2.4x	2.1x	4.7x	4.5x	14.6x	15.7x
Energy Recovery, Inc.	United States	$10.07	55%	108%	-	$466	$532	$137	$30	64.3%	21.9%	(9.2%)	20.2%	0.3x	-	3.4x	3.9x	15.6x	12.3x
Itron, Inc.	United States	$89.63	63%	107%	-	$4,257	$3,972	$2,347	$361	38.8%	15.4%	(0.1%)	7.0%	4.4x	2.5x	1.8x	1.8x	11.8x	10.9x
Schneider Electric S.E.	France	$264.15	82%	134%	1.6%	$166,378	$148,470	$47,143	$9,307	42.1%	19.7%	13.1%	8.8%	2.5x	1.9x	3.5x	3.3x	17.9x	15.3x
Veralto Corporation	United States	$88.42	80%	105%	0.6%	$22,562	$21,713	$5,503	$1,357	59.9%	24.7%	6.1%	5.6%	2.1x	0.6x	4.1x	3.9x	16.6x	15.2x
Xylem Inc.	United States	$119.50	77%	119%	1.6%	$30,320	$29,055	$9,091	$1,912	38.6%	21.0%	4.2%	4.9%	1.1x	0.7x	3.3x	3.3x	15.9x	14.2x
Mean					**1.3%**	**$57,553**	**$53,117**	**$14,751**	**$3,257**	**47.3%**	**22.2%**	**4.1%**	**8.4%**	**2.0x**	**1.4x**	**3.7x**	**3.6x**	**16.8x**	**15.1x**
Median					**1.4%**	**$26,441**	**$25,384**	**$7,297**	**$1,635**	**41.7%**	**21.5%**	**5.2%**	**6.9%**	**2.1x**	**1.3x**	**3.8x**	**3.9x**	**16.2x**	**15.3x**
Specialty Chemical																			
Clariant AG	Switzerland	$9.64	79%	118%	5.3%	$5,129	$3,169	$4,937	$743	31.2%	15.0%	2.8%	2.2%	3.4x	2.4x	1.0x	1.1x	6.9x	5.9x
Ecolab Inc.	United States	$266.02	86%	120%	1.2%	$83,515	$75,130	$16,452	$4,041	44.4%	24.6%	5.7%	6.3%	2.3x	2.2x	5.1x	4.8x	20.7x	19.1x
Hawkins, Inc.	United States	$153.60	83%	151%	0.5%	$3,481	$3,211	$1,084	$168	22.6%	15.5%	8.9%	-	1.6x	1.5x	3.2x	3.1x	20.8x	18.2x
Kemira Oyj	Finland	$21.68	88%	111%	4.3%	$3,806	$3,201	$3,139	$500	17.2%	15.9%	3.7%	3.6%	1.8x	1.2x	1.2x	1.2x	7.6x	6.2x
Kurita Water Industries Ltd.	Japan	$46.09	83%	198%	1.3%	$5,352	$5,043	$2,534	$588	38.0%	23.2%	3.9%	5.9%	1.1x	0.4x	2.1x	2.0x	9.1x	9.1x
Mean					**2.5%**	**$20,257**	**$17,951**	**$5,629**	**$1,208**	**30.7%**	**18.8%**	**5.0%**	**4.5%**	**2.0x**	**1.5x**	**2.5x**	**2.4x**	**13.0x**	**11.7x**
Median					**1.3%**	**$5,129**	**$3,211**	**$3,139**	**$588**	**31.2%**	**15.9%**	**3.9%**	**4.7%**	**1.8x**	**1.5x**	**2.1x**	**2.0x**	**9.1x**	**9.1x**
Specialty Distribution																			
Core & Main, Inc.	United States	$49.40	74%	114%	-	$11,595	$9,291	$7,647	$914	26.9%	12.0%	3.0%	4.8%	2.7x	2.4x	1.5x	1.5x	12.7x	12.0x
Ferguson Enterprises Inc.	United Kingdom	$230.03	88%	160%	-	$50,804	$45,344	$31,058	$3,043	30.7%	9.8%	4.6%	6.6%	2.0x	1.7x	1.6x	1.6x	16.7x	15.0x
MSC Industrial Direct Co., Inc.	United States	$92.27	95%	135%	3.3%	$5,690	$5,149	$3,833	$420	40.8%	11.0%	2.9%	5.0%	1.3x	1.2x	1.5x	1.4x	13.5x	12.4x
Pool Corporation	United States	$202.33	59%	103%	2.7%	$8,856	$7,426	$5,356	$638	29.7%	11.9%	1.1%	4.2%	2.5x	2.4x	1.7x	1.6x	13.9x	13.3x
SiteOne Landscape Supply, Inc.	United States	$133.11	79%	131%	-	$6,731	$5,918	$4,706	$377	34.9%	8.0%	4.2%	5.0%	3.0x	2.8x	1.4x	1.4x	17.9x	15.1x
W.W. Grainger, Inc.	United States	$1,090.81	90%	122%	0.8%	$54,310	$51,628	$18,378	$3,085	39.2%	16.8%	5.0%	6.8%	0.9x	0.7x	3.0x	2.9x	17.6x	16.8x
Mean					**2.3%**	**$22,998**	**$20,793**	**$11,830**	**$1,413**	**33.7%**	**11.6%**	**3.5%**	**5.4%**	**2.1x**	**1.9x**	**1.8x**	**1.7x**	**15.4x**	**14.1x**
Median					**2.7%**	**$10,225**	**$8,358**	**$6,501**	**$776**	**32.8%**	**11.4%**	**3.6%**	**5.0%**	**2.2x**	**2.1x**	**1.6x**	**1.5x**	**15.3x**	**14.1x**

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Utilities																			
American States Water Company	United States	$75.62	91%	109%	2.6%	$3,875	$2,955	$679	$263	57.1%	38.7%	-	-	3.5x	3.5x	5.7x	-	14.7x	-
American Water Works Company, Inc.	United States	$136.09	88%	112%	2.9%	$42,352	$26,576	$5,205	$2,836	60.8%	54.5%	8.9%	7.3%	5.5x	5.5x	8.1x	7.8x	14.9x	13.6x
Artesian Resources Corporation	United States	$31.85	88%	104%	3.9%	$513	$330	$115	$50	49.4%	43.9%	-	-	3.7x	3.6x	4.5x	-	10.2x	-
California Water Service Group	United States	$45.34	88%	110%	3.0%	$4,272	$2,704	$1,011	$344	53.2%	34.0%	3.4%	5.6%	4.9x	4.8x	4.2x	3.9x	12.4x	10.9x
Consolidated Water Co. Ltd.	United States	$33.12	85%	146%	1.9%	$413	$529	$128	$24	36.6%	18.8%	(1.4%)	-	0.1x	-	3.2x	3.1x	17.1x	17.6x
Global Water Resources, Inc.	United States	$7.59	68%	107%	4.2%	$353	$218	$57	$22	71.3%	39.3%	9.7%	10.7%	6.3x	6.2x	6.2x	5.6x	15.9x	12.1x
H2O America	United States	$58.67	99%	134%	3.0%	$4,410	$2,454	$816	$314	56.8%	38.5%	9.7%	8.0%	6.0x	5.5x	5.4x	5.1x	14.0x	12.5x
Middlesex Water Company	United States	$52.05	78%	118%	2.8%	$1,380	$964	$199	$93	53.2%	46.9%	7.5%	8.3%	4.6x	4.6x	6.9x	6.4x	14.8x	15.8x
Pennon Group Plc	United Kingdom	$6.99	87%	124%	5.4%	$9,114	$3,299	$1,583	$538	95.2%	34.0%	25.1%	9.4%	-	11.0x	5.8x	5.2x	17.0x	12.0x
Severn Trent PLC	United Kingdom	$40.80	94%	130%	4.0%	$24,594	$12,285	$3,738	$1,776	32.0%	47.5%	16.1%	8.9%	8.2x	7.6x	6.6x	6.2x	13.8x	12.5x
The York Water Company	United States	$30.45	83%	103%	3.1%	$673	$440	$79	$43	72.7%	53.9%	6.4%	5.1%	5.6x	5.6x	8.5x	7.9x	15.8x	14.0x
United Utilities Group PLC	United Kingdom	$17.36	94%	136%	3.9%	$24,308	$11,840	$3,455	$2,113	-	61.2%	18.8%	4.9%	7.2x	6.1x	7.0x	6.7x	11.5x	11.0x
Mean					**3.4%**	**$9,688**	**$5,383**	**$1,422**	**$701**	**58.0%**	**42.6%**	**10.4%**	**7.6%**	**5.1x**	**5.8x**	**6.0x**	**5.8x**	**14.3x**	**13.2x**
Median					**3.1%**	**$4,073**	**$2,579**	**$748**	**$288**	**56.8%**	**41.6%**	**9.3%**	**8.0%**	**5.5x**	**5.5x**	**6.0x**	**5.9x**	**14.8x**	**12.5x**

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

Notes and Disclosures

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