

WATER QUARTERLY

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

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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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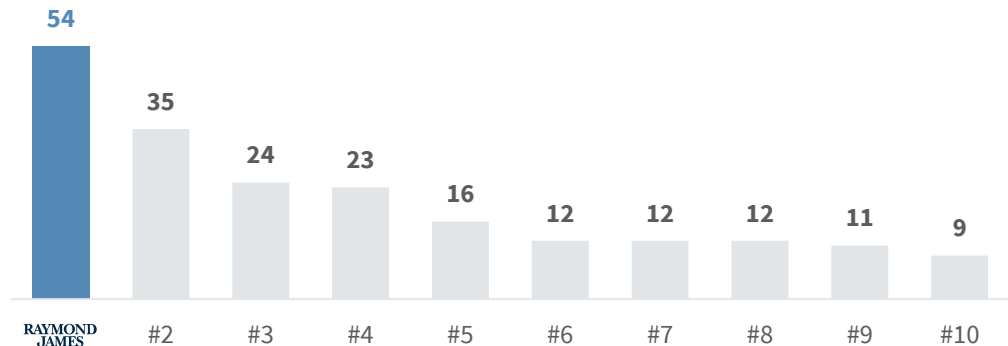
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#1 GLOBAL WATER INVESTMENT BANK⁽¹⁾

2024 completed transactions

<p>January 2025</p>  <p>A portfolio company of</p>  <p>Has been acquired by</p> 	<p>December 2024</p>  <p>Has acquired</p>  <p>A portfolio company of</p> 	<p>November 2024</p>  <p>Has acquired</p>  <p>A portfolio company of</p> 
<p>September 2024</p>  <p>Has been acquired by</p>  <p>A wholly owned subsidiary of</p> 	<p>September 2024</p>  <p>A portfolio company of</p>  <p>Has been acquired by</p> 	<p>July 2024</p>  <p>A portfolio company of</p>  <p>Has received a majority investment from</p>  <p>And a minority co-investment from</p> 

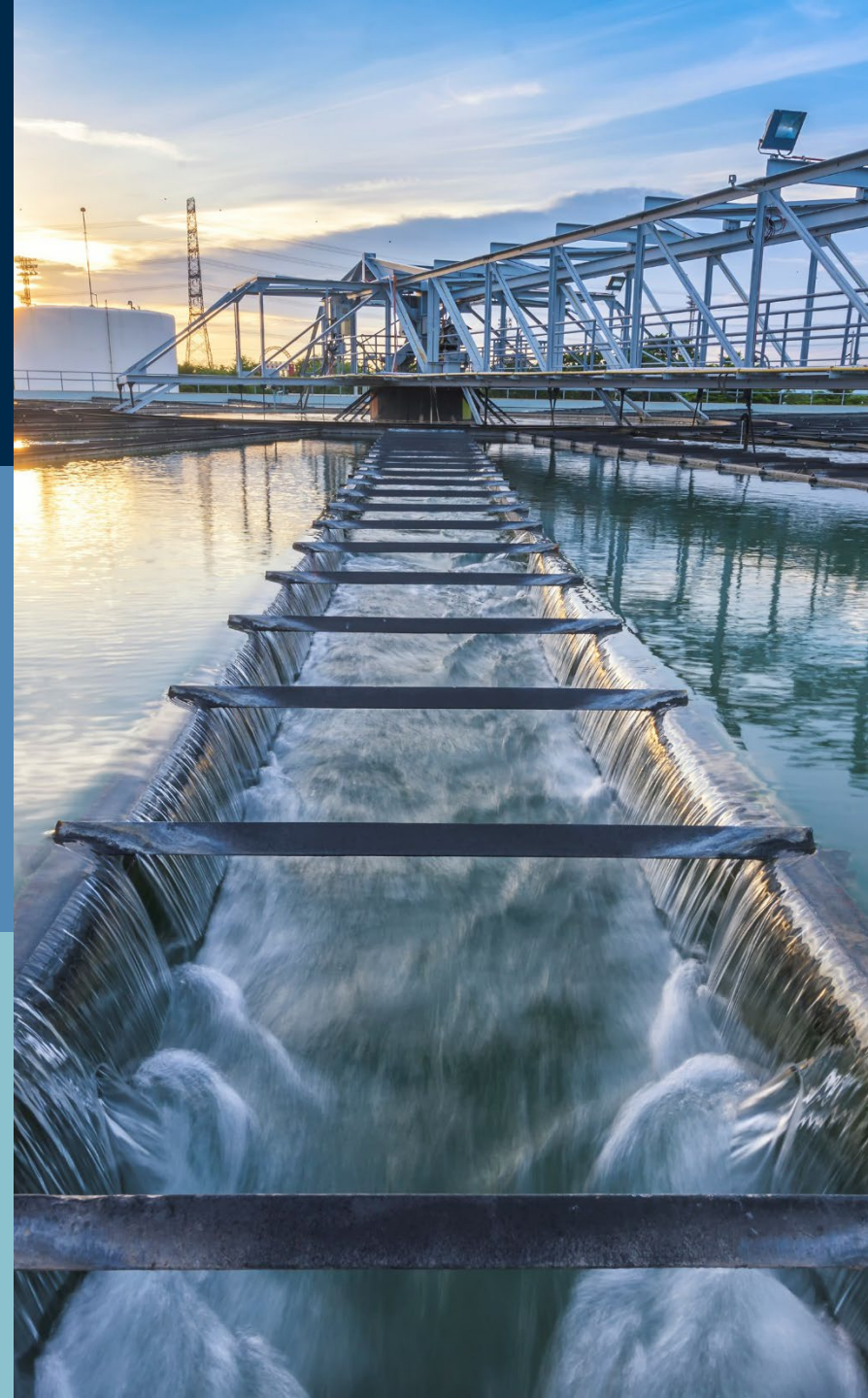
Completed transactions since 2016



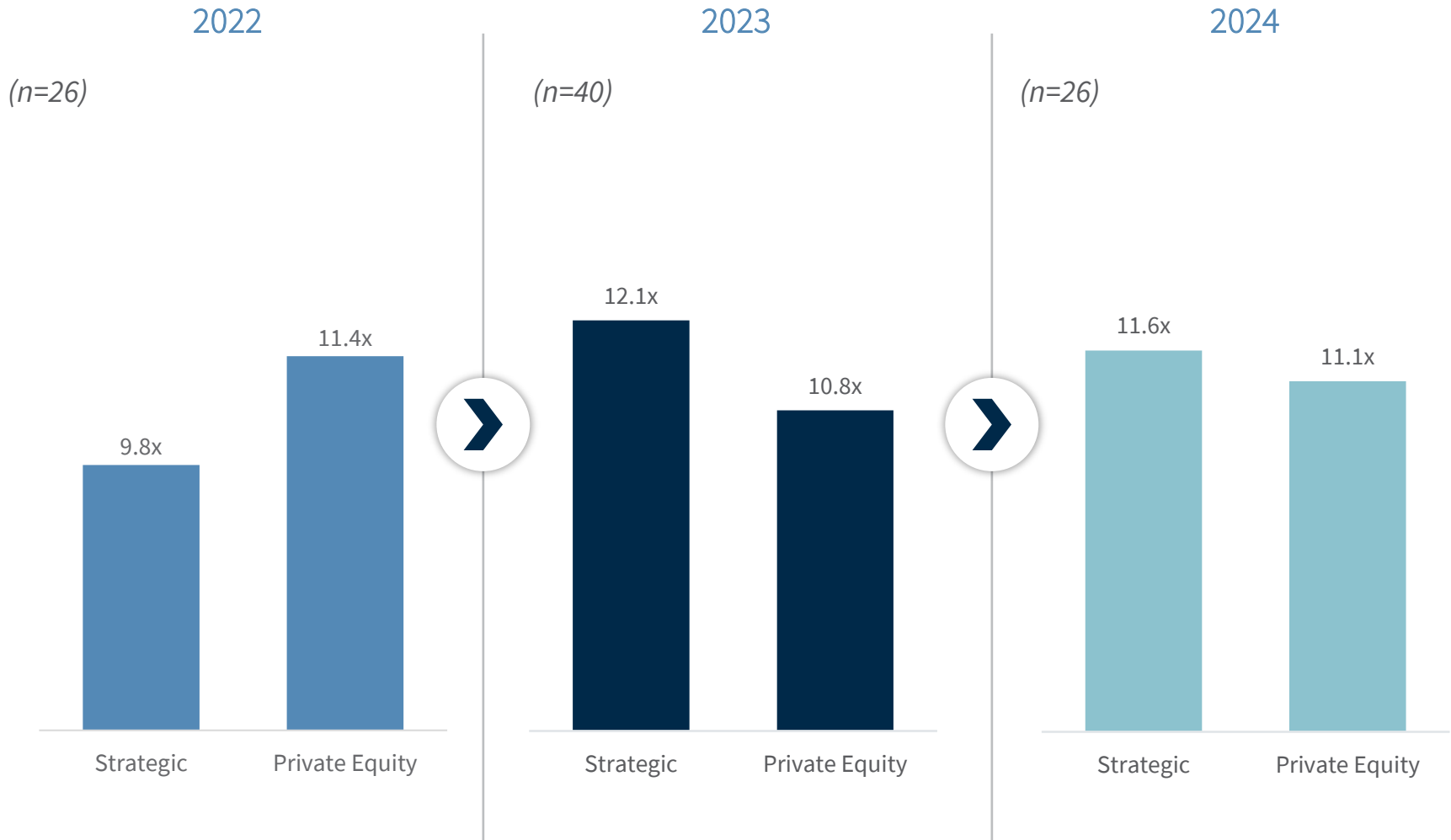
Source: Proprietary Raymond James
(1) “#1 Water Investment Bank” refers to number of transactions closed in the Water sector relative to other banks since 2016.

SECTION 01

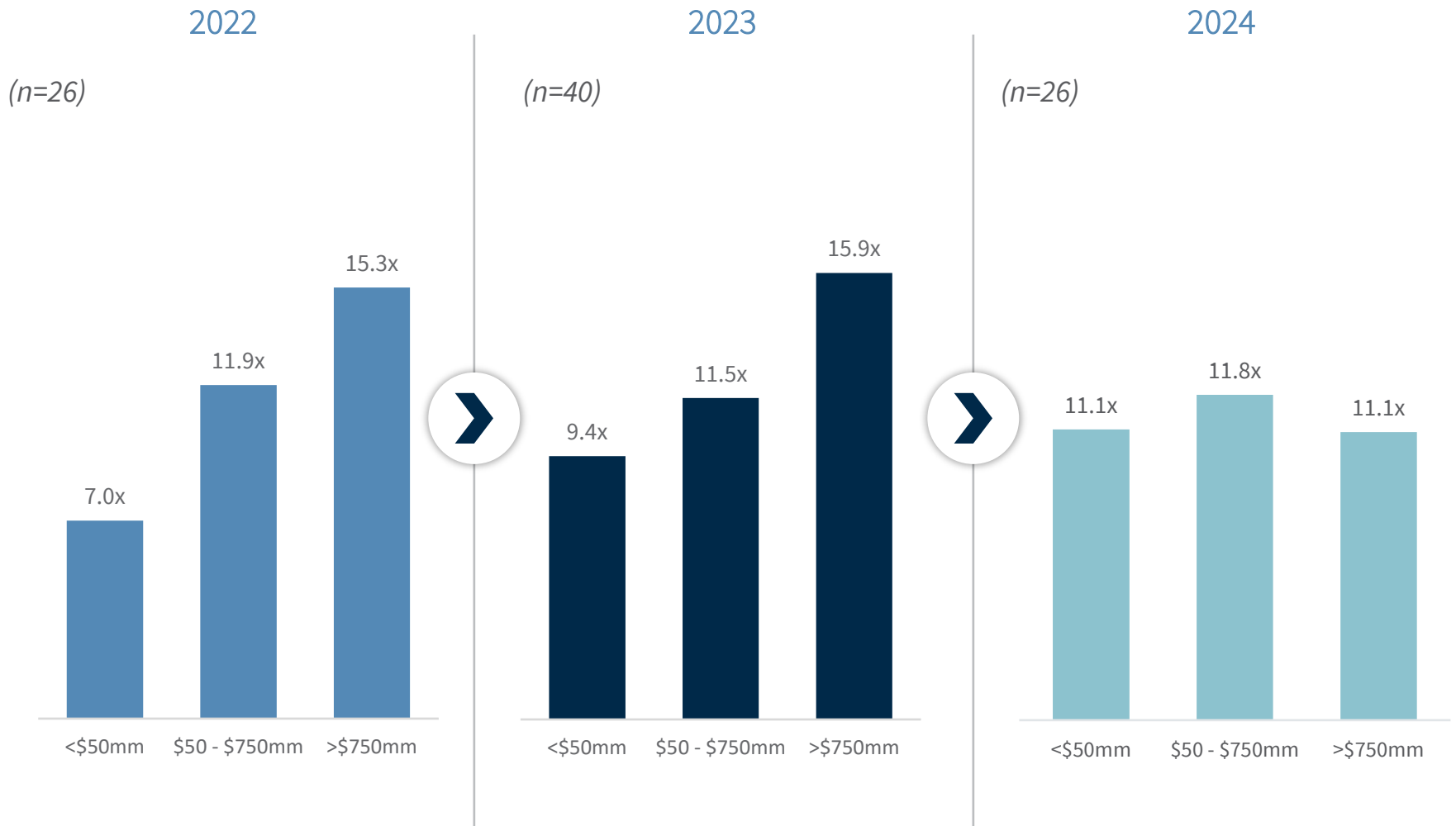
2024 Year in Review: Water M&A



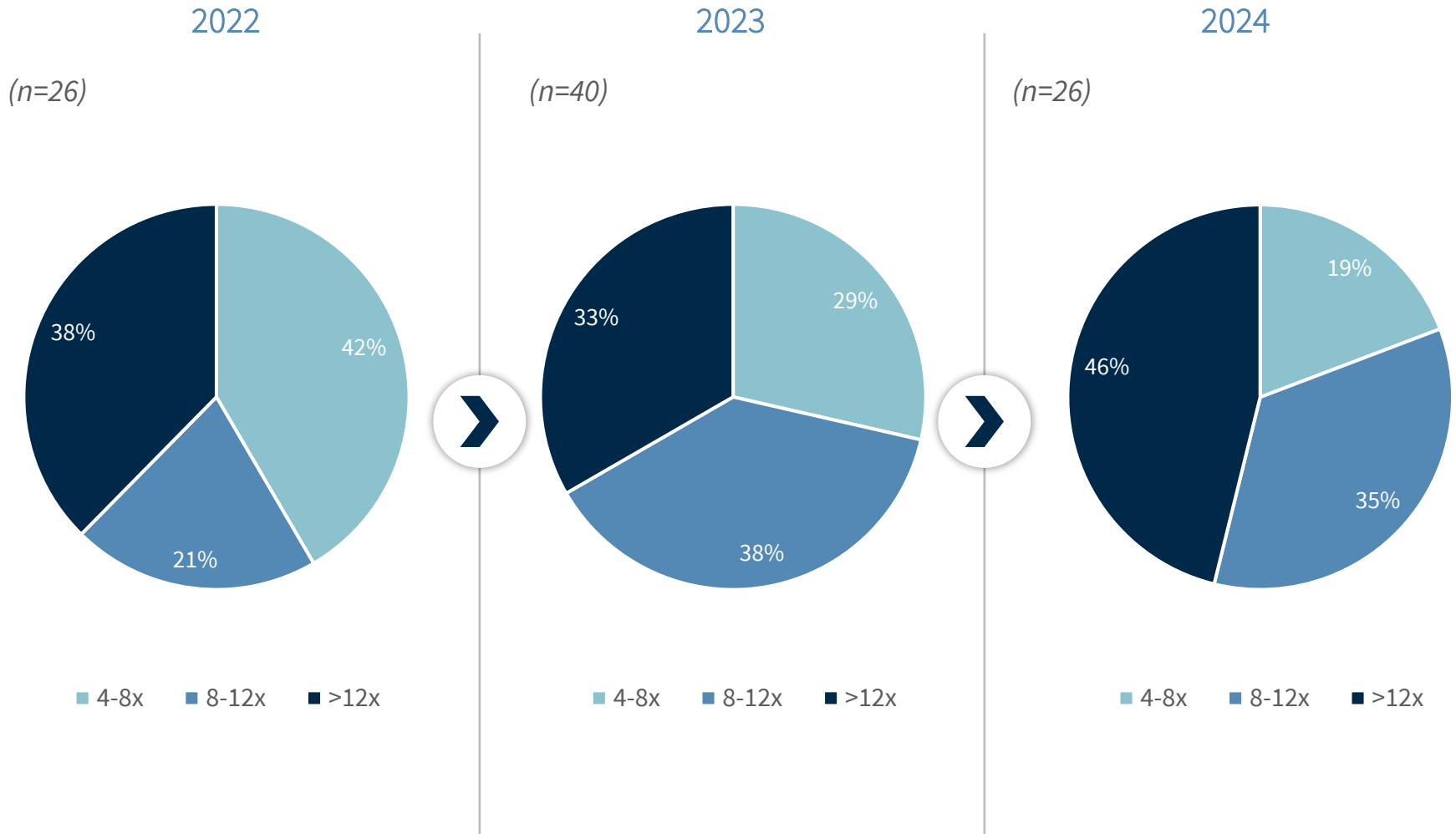
EV / EBITDA by Acquirer



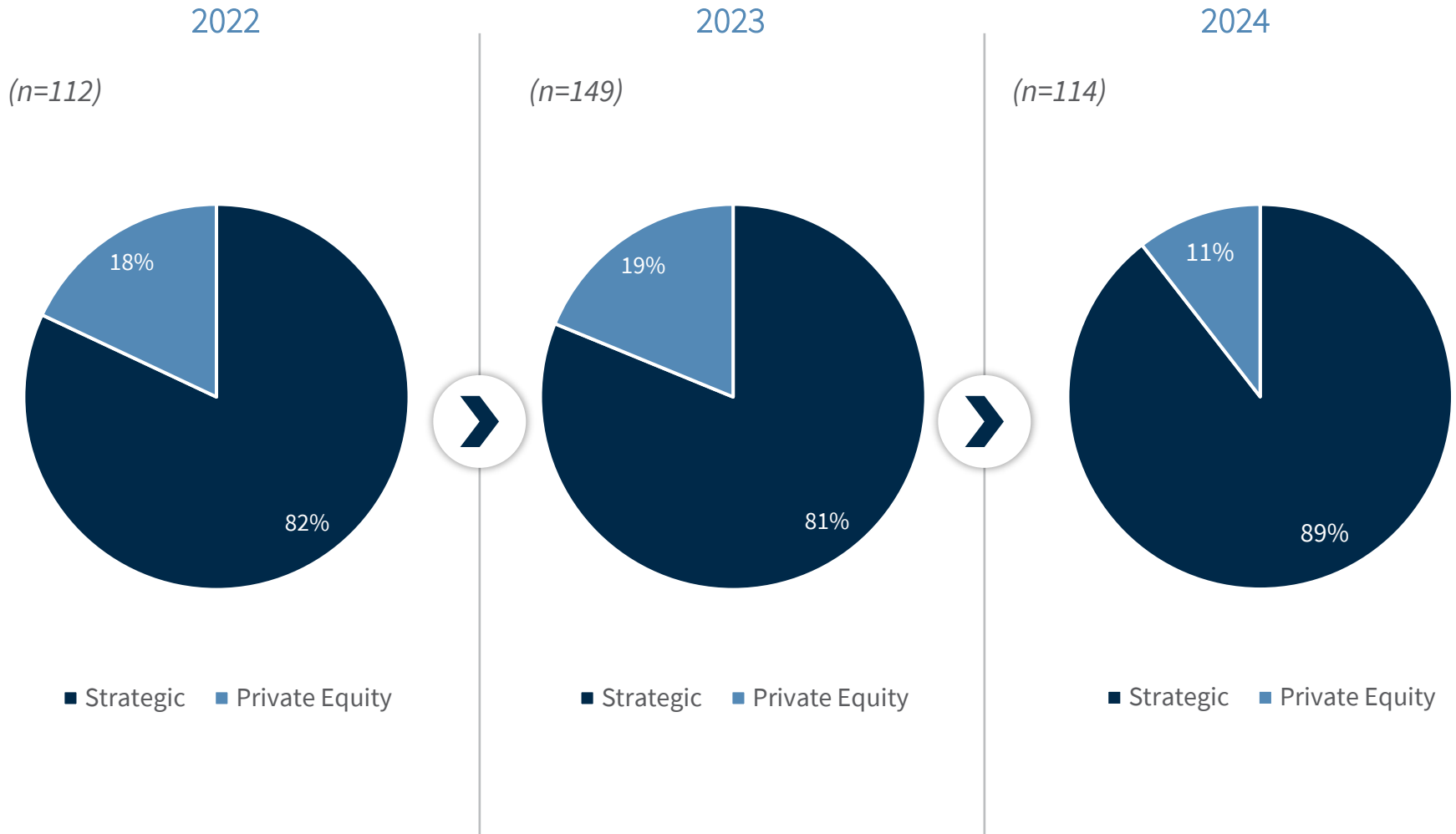
EV / EBITDA by Size



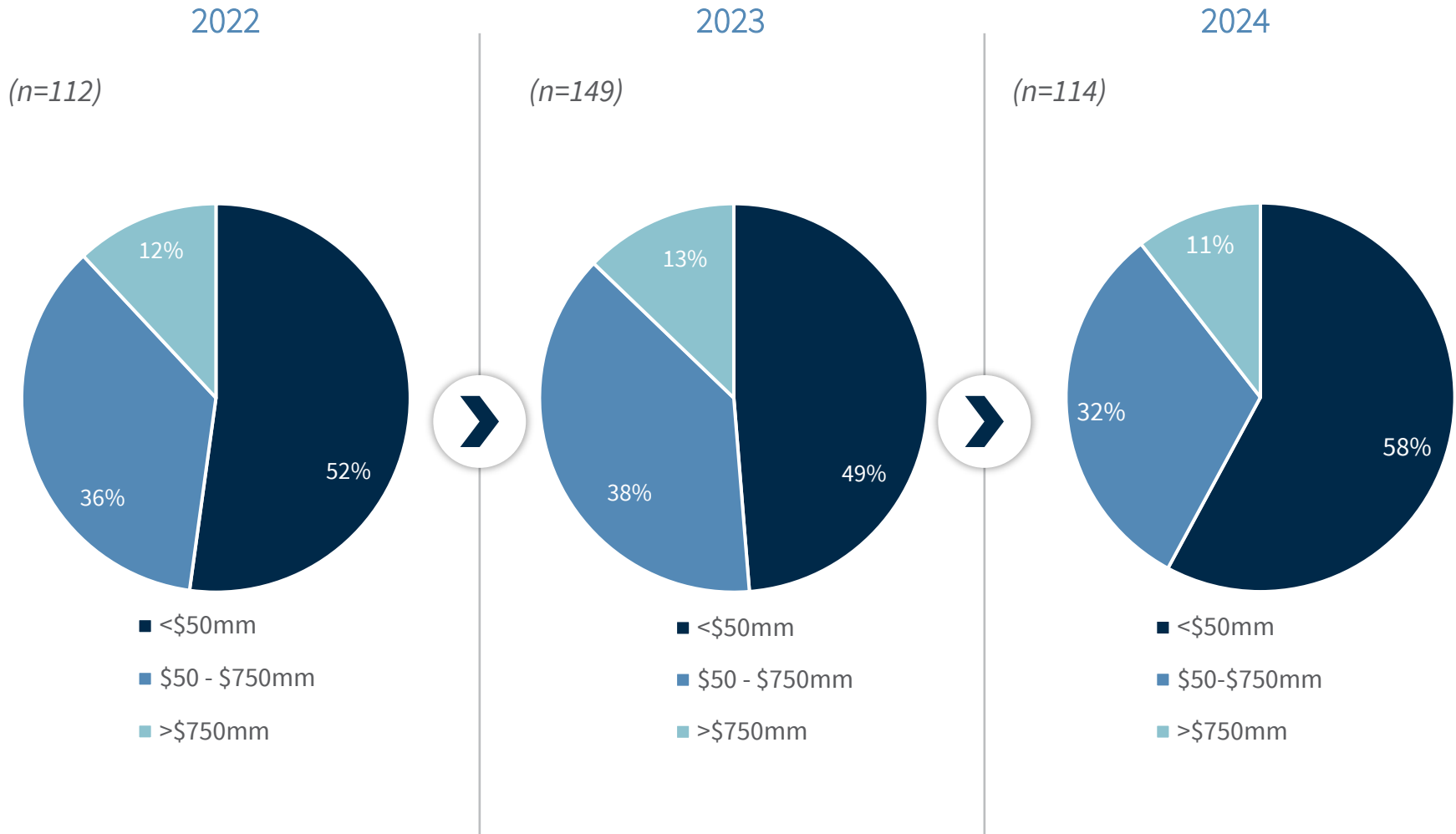
EV / EBITDA by Multiple



Deals by Acquiror Type

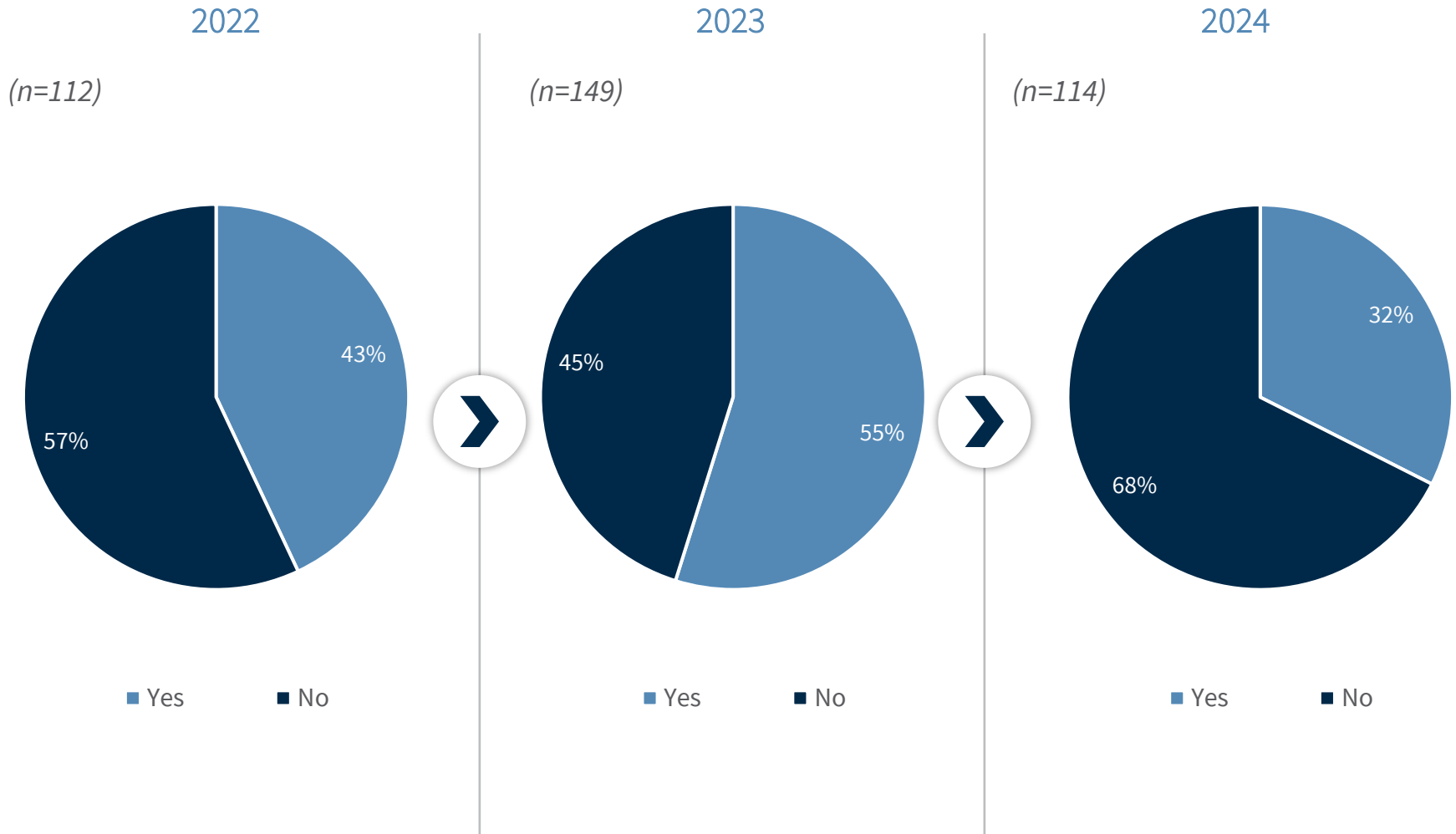


Deals by Size



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

Cross-Border Deals



Most Notable Transactions in 2024

Date Announced	Target	Acquiror	Deal Value (\$mm)	Sector	Target Overview
12/19/24	 LANDMARK		ND	Water Infrastructure	Cerberus acquired Landmark Structures, a provider of design, construction and maintenance services for water storage tanks and related infrastructure
11/7/24	 WATR <small>group</small>	 CASTIK CAPITAL	ND	Water Management	Castik Capital acquired a majority stake in WATR Group, a market leader in groundwater management and water purification services
11/5/24	 BARCLAY <small>WATER MANAGEMENT</small>		ND	Water Treatment	Ecolab acquired Barclay Water Management, a provider of water treatment solutions, focusing on optimizing water quality and system performance for commercial, institutional and industrial clients
10/31/24	 Lanes <small>Group</small>	 GLOBAL INFRASTRUCTURE PARTNERS	ND	UIM Services	Global Infrastructure Partners made a significant investment in Lanes Group, a provider of water and wastewater services such as drain cleaning, sewer maintenance and pipeline repair
9/12/24	 SHENANDOAH	 GenNx360 <small>Capital Partners</small>	ND	UIM Services	GenNx360 acquired Shenandoah Industrial Solutions, a provider of underground infrastructure services that specializes in sanitary and stormwater pipe clearing, inspection and rehabilitation services

Note: ND denotes deal value 'not disclosed'.

Most Notable Transactions in 2024 (cont.)

Date Announced	Target	Acquiror	Deal Value (\$mm)	Sector	Target Overview
9/9/24			ND	Water Management	Gryphon Investors successfully closed a single-asset continuation vehicle for Vessco Water, a distribution and services platform in the water and wastewater treatment end markets
9/5/24			ND	Critical Infrastructure Technologies	Indicor acquired Ovarro, a provider of water management and process control solutions including industrial monitoring
8/20/24			ND	Water Management	Infiltrator Water Technologies acquired Orenco Systems, a manufacturer of wastewater treatment products for decentralized and municipal applications
8/5/24			ND	Water Treatment	TJC acquired USALCO, which offers a comprehensive portfolio of coagulants used in municipal and industrial water treatment processes
7/29/24			ND	Water Treatment	Stanley Capital acquired SePRO, a provider of water and wastewater treatment equipment including filtration, separation and chemical dosing systems to customers in the water management, greenspaces and agricultural end markets

Note: ND denotes deal value 'not disclosed'.

Most Notable Transactions in 2024 (cont.)

Date Announced	Target	Acquiror	Deal Value (\$mm)	Sector	Target Overview
7/17/24	 HOLLAND FINISH FASTER	 WORKDRY INTERNATIONAL	ND	Water Management	Workdry acquired Holland Pump, which specializes in pump rental and dewatering solutions, serving industries such as construction, agriculture and municipal infrastructure services
7/8/24	 PURIS	 J.F. Lehman & Company	ND	UIM Services	J.F. Lehman successfully closed a single-asset continuation vehicle for Puris, a water infrastructure solutions provider that specializes in trenchless pipe rehabilitation technologies for municipal markets
6/27/24	 MGroup Services	 CVC	\$1,265	Infrastructure Services	CVC Capital Partners acquired M Group Services, which supports major infrastructure providers in water, energy, telecom and transportation by offering recurring repair and maintenance services
5/14/24	 consor	 NMC NEW MOUNTAIN CAPITAL	ND	Infrastructure Services	New Mountain Capital acquired Consor Holdings, a provider of transportation and water infrastructure engineering and consulting services
2/22/24	 USAWATER	 LEVINE LEICHTMAN CAPITAL PARTNERS	ND	Water Management	LLCP acquired USA Water, a provider of water quality monitoring and testing solutions, ensuring safe and compliant water systems for residential, commercial and municipal clients

Note: ND denotes deal value 'not disclosed'.

SECTION 02

Deals in Focus



Case Study: WATR Group

November 2024



CASTIK CAPITAL

Has acquired



A portfolio company of



Key highlights

Raymond James' expertise in the water management space allowed Castik to form a detailed strategic roadmap and development avenues for WATR

The strategic roadmap is underpinned by various add-ons and targeted towards a strategic exit

Background & company overview

- WATR Group ("WATR" or the "Company") has developed into a leading group of water management specialists in Germany and the Netherlands, encompassing dewatering and groundwater management services, mobile water purification, temporary pump installations as well as related ground protection products
- The Company is one of the leading providers of dewatering services for infrastructure construction projects and is helping the industrial and construction sectors meet environmental and sustainability standards for water management and treatment
- Castik Capital ("Castik"), a European multi-strategy investment manager, acquired WATR Group in November 2024 from Borromin Capital Management

Key stats



20%+

2021A – 2024E revenue CAGR



50+

Years of experience

Transaction overview

- Raymond James served as the exclusive buy-side advisor to Castik on its acquisition of WATR, for an undisclosed amount
- "Hands-on" approach by the Raymond James team paired with deep process intelligence allowed Castik to smoothly enter into exclusivity and a respective signing afterwards
- Raymond James developed an in-depth and thoughtful strategic roadmap for WATR to pursue targeted growth avenues in order to benefit from fueled industry megatrends
 - In-depth market intelligence and regular discussions with key players in the market (e.g., potential buyers of WATR) enabled the Raymond James team to develop the strategic roadmap and to target the planned development of WATR towards the interests of potential buyers and respective valuation uplifts for the exit
 - Raymond James levered and developed deep relationships with potential add-ons providing Castik with a strong and actionable M&A pipeline underpinning the strategic roadmap

Case Study: Landmark Structures

December 2024

cerberus

Has acquired

 **LANDMARK**

A portfolio company of

 **GRAYCLIFF**
PARTNERS

Key highlights

Raymond James' expertise in the water storage space paired with familiarity for Landmark's operations allowed Cerberus to navigate the acquisition with confidence

This confidence allowed for a seamless transaction while positioning the Company for sustainable growth in the infrastructure sector

Background & company overview

- Landmark Structures ("Landmark" or the "Company") is a leading full-service provider of water storage solutions including the design, engineering and maintenance of storage tanks for various industrial, utility and municipal applications
- The Company provides comprehensive maintenance services for high-capacity elevated & ground-supported tanks and process & pressure vessels, as well as custom engineering & design services for the water, wastewater and industrial end-markets
- Cerberus Capital Management ("Cerberus"), a global alternative investment firm, acquired Landmark in December 2024 from Graycliff Partners

Industry stats



\$532B

US Water Infrastructure CAPEX⁽¹⁾



\$2,100M

US / Canada Potable Water
Storage Market

Transaction overview

- Raymond James acted as the exclusive buy-side advisor to Cerberus on its acquisition of Landmark, for an undisclosed amount
- Raymond James provided Cerberus with advisory support, ensuring a seamless acquisition process
- Comprehensive industry analysis performed by Raymond James enabled the team to help Cerberus identify key growth opportunities for Landmark, aligning its expansion strategy with broader infrastructure investment trends
 - By leveraging its deep sector expertise and relationships, Raymond James advised Cerberus on key industry trends and competitive positioning dynamics
 - Raymond James played a pivotal role in identifying multiple strategic M&A opportunities that not only supported Landmark's inorganic growth but also seamlessly integrated with their long-term organic growth strategy as well

(1) Reflective of 2016-2025 time period.

SECTION 03

Contribution Corner



Seven Things That Will Shape Water in 2025

Contribution Corner:



1) The Professionalization of Industrial Water Services

Historically, most industrial companies managed water in-house at the plant level. The supply chain typically relied on local non-specialist contractors and niche equipment suppliers. Operations were delivered by payroll staff. Over the past decade, industrial water management has steadily become more professional, as the C-suite has grown more aware of the risks inherent in industrial water use. It has created a huge opportunity for water technology companies like Veolia, Xylem, Gradiant, Nijhuis, and SKion. Each industrial sub-sector needs a certain set of technologies, process expertise, and geographic presence. The game is to find the niche acquisitions which will deliver the full set for the fastest growing sub-sectors, and then to convert plant sales into long-term operations contracts. It is a painting by numbers strategy that is amazingly earnings accretive, delivering both up-front sales and longer-term revenues.

2) The Division of Major Project Risk

Here is the problem: construction risk in water projects is much greater than process risk, yet from the customer's point of view, the value in a project is in the process equipment,

rather than in the construction. Before COVID, the cost of this mismatch was largely borne by whoever took the EPC (engineering, procurement and construction) risk on a project. They bid on tiny margins and lost a lot of money when things didn't work out. In recent years there has been a market shake-out, with companies either collapsing (Hyflux, Abengoa) or withdrawing from the EPC market (Veolia, Doosan). Now the cost of the risk is largely borne by the customer. There is much less competition in the market, and project price inflation continues to rise. In the long term, the solution isn't about finding a fairer division of the risk among the contractor, the process equipment supplier, and the customer. It has to be about finding a better way to reduce the overall project risk. This will involve turning complex construction projects into simple technology products requiring minimal onsite assembly.

3) Citizen Regulators

The big question for the US market this year is supposed to be whether or not Trump will uphold the Biden administration's crazily low proposal for PFAS regulation. That is because there is perhaps a \$200 billion opportunity in compliance. My guess is that what the Environmental Protection Agency decides will have a lot less impact on what happens with PFAS than might have been the case if it had been introduced 20 years ago. That is because

the real water quality regulator in the US is no longer the EPA; it is the American public and whatever scare story they can cook up on social media. Who will want to discharge PFAS in excess of the detection limit, regardless of what the EPA finally decides? The growing power of citizen regulators is likely to be a bonanza for the water treatment industry. The public are not good at doing cost-benefit analyses around situations where there is a tiny risk of a potentially terrible outcome.

4) Time is Running Out on SDG6 Finance

We still don't have a good way of getting capital to where it is needed in order to deliver the Sustainable Development Goals for Water and Sanitation. There are two immediate problems: the first is that the utilities which need the most money are the least creditworthy. The second is that the countries that need the money the most are also the most highly indebted, and represent the biggest exchange rate risks. We now have a third problem. Time is running out on the whole official development assistance industry. In 2024, two stalwarts of creative finance for international water projects – Sweden and the Netherlands – started to pull their funding. Others will follow if we don't start to see better ways of getting the money to where it is needed soon.

Seven Things That Will Shape Water in 2025 (cont.)

5) Double Bubble Trouble

In the last quarter of 2024 I visited the US three times and the GCC three times. I came away from each trip with the feeling that I had been in a bubble economy. The water sector in both regions seems to be doing incredibly well, but in the shadow of economies which seem to be doing even better. My guess is that the GCC bubble will probably outlast the US bubble, but my question is how much of the buoyancy of the water industry will survive the popping of the broader economic bubble. I suspect quite a lot. Very little of the water spending in the US is actually growth-related: it is publicly financed, and relates to long-term resiliency goals. In the GCC, there is a serious problem of congestion in the project market: backlogs of projects are growing on the client side faster than they can be delivered. It is quite possible that capital programmes could be cut by 50% with no impact on the rate of annual capital spending. It makes me feel that 2025 will be a year of outperformance for water stocks: water investments are uniquely resilient to bubbles.

6) The Water Reuse Revolution

Water reuse has been growing at twice the rate of seawater desalination for most of the past decade, with the result that installed capacity is now twice that of desalination. The market is continuing to pick up pace, driven by the eye-wateringly large amounts of money being spent on reuse projects in Southern

California. I don't see any obstacles to the continued acceleration of the market. It seems that the world is deciding that reuse is the most elegant solution to urban water security

7) New Models for Utility Finance

The crisis at Thames Water is likely to make both governments and investors think twice before getting involved in privately financed water infrastructure. The former see the political mess that has been created, while the latter are likely to question whether water is, in fact, a low-risk investment. But I don't think it will be the end of private finance in water. 2025 will see a surge of investment in the Brazilian water concessions programme, which I hope will provide an inspiring alternative to the UK model. The problem with privatisation in the UK is that it was designed to deliver two objectives: to get the private sector to finance the required investment in upgrading the networks; and to raise as much money as possible from the sale of the existing assets so the cash could be used elsewhere by the government. This latter objective meant that the privatised utilities had stupendously large balance sheets, and quickly discovered that there was more money to be made from financial engineering than water engineering. By contrast, the Brazilian concessions programme has just one objective: to universalise water and wastewater services by 2033. The concessionaires will need to invest huge amounts of money, but all of it will go towards

achieving that, rather than providing off-balance sheet finance for the government. If Brazil's concession model does deliver rapid universalisation of water services, I suspect that the rest of the world will soon forget about Thames Water.

About The Author:



Christopher Gasson

Christopher Gasson is the owner and publisher of Global Water Intelligence ("GWI"), and has extensive experience in journalism, corporate finance and information services, with a specialized focus in the global water industry.

Note: Raymond James is not affiliated with and does not endorse Christopher Gasson or GWI.

The Year in Water 2024 with Reese Tisdale



About The Water Values Podcast:

The Water Values Podcast series is presented in collaboration with Bluefield Research. This podcast series explores water issues from a variety of perspectives with the goal of uncovering the true value of water. Each episode will delve into one aspect of water, such as water utilities, water treatment, water resources, water reuse and more.

SECTION 04

Economic and Political Commentary



Economic thoughts of the week

WEEKLY ECONOMIC COMMENTARY
January 24, 2025

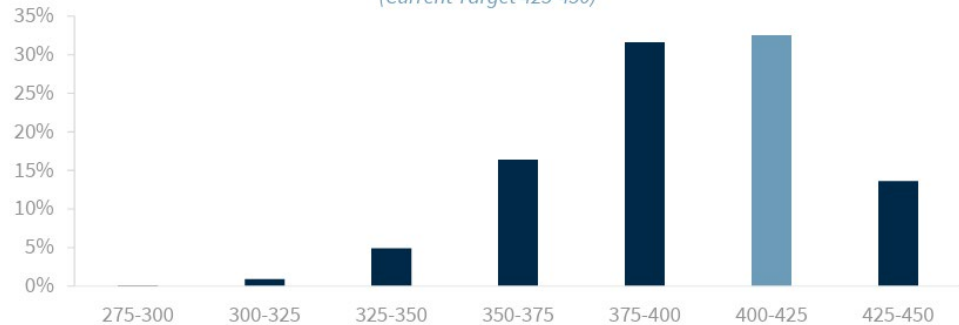


Eugenio J. Aleman, Ph.D.
Chief Economist
Raymond James Private Client Group

Pay Close Attention to the Fed Chairman’s Press Conference

Next week we will have the first Federal Open Market Committee (FOMC) meeting decision on interest rates of the year, where Federal Reserve (Fed) officials are expected to leave the federal funds rate unchanged after cutting the rate by 25 basis points during the last meeting of last year in December. At that meeting, we also had the release of the Summary of Economic Projections (SEP) and the dot plot that indicated the Fed expected to cut interest rates twice during 2025. However, financial markets today have priced one rate cut for the entire year as the most probable outcome. No SEP will be released during this meeting of the FOMC so we will have to watch the press conference given by Fed Chairman Jerome Powell after the end of the meeting to try to pierce into what the Fed’s intentions are for the rest of the year.

Target Rate Probabilities For December 2025
(Current Target 425-450)



Source: CME Group, RJ Economics

If the December dot plot is still in play, and we believe it is, then the Fed chairman will probably start a campaign to convince markets of the need to stick to the two rate cuts, even in the face of the current uncertainty given the potential effects of tariffs on inflation going forward. The problem is that he would not say it in simple words, so analysts will have to interpret his comments during the press conference.

We believe Fed officials already included their tariff expectations and believed at that time, i.e., December 2024, that two rate cuts during this year were necessary to keep the US economy growing and inflation continuing its path toward the 2.0% target. However, they know that if tariffs are implemented during this year, then the path to the target will take longer.

Economic thoughts of the week (cont.)

WEEKLY ECONOMIC COMMENTARY
January 24, 2025



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

Thus, in December, they decided to extend the period in which they expect to hit the 2.0% inflation target, as measured by the PCE price index. That is: they moved their timing for hitting the target from 2026, according to the September SEP, to 2027 during the December SEP. This means that they have already baked some of the uncertainty into their expectations for inflation going forward to include the potential for tariffs.

For Fed officials, the biggest issue today is inflation expectations. The first view from the January release of long-term inflation expectations from the preliminary release of the Michigan Consumer Sentiment report was not positive. Long-term inflation expectations increased to 3.3% in the preliminary release from 3.0% in December of 2024. This was the highest rate for long-term inflation expectations since June of 2008. At that time in 2008, inflation expectations were reacting to petroleum prices of almost \$134.00 per barrel compared to today's price of about \$76.00 per barrel. Thus, it is clear that petroleum prices and/or gasoline prices are not what are driving inflation expectations higher today—the main driver of the increase in long-term inflation expectations today is potential tariffs. However, today's Michigan Consumer Sentiment Index's final release showed that long-term inflation expectations increased somewhat but not as much as it was shown in the preliminary release early this month, to 3.2%, which was the same rate we had in November of 2024. Still high, but not as high as in the preliminary release.



Source: Raymond James Private Client Group, FactSet, RJ Economics.

Economic thoughts of the week (cont.)

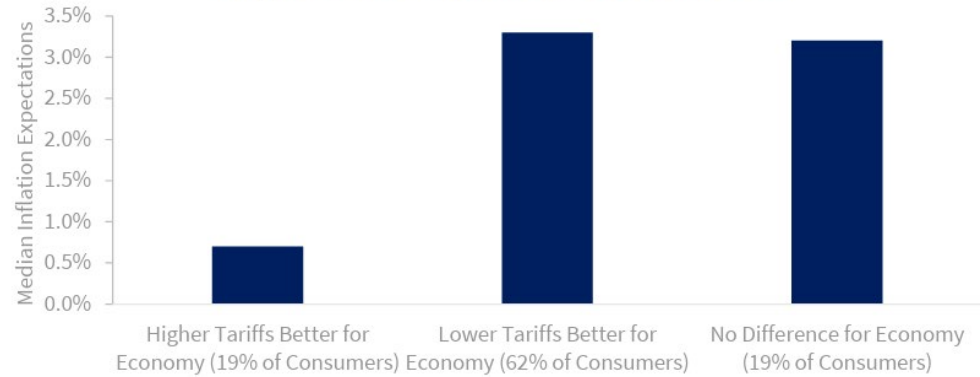
WEEKLY ECONOMIC COMMENTARY

January 24, 2025



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

Long-Run Inflation Expectations – Views on Policies



Source: FactSet, University of Michigan, RJ Economics

It is true that December’s Fed expectations regarding tariffs as well as the potential effects on inflation could be incorrect. This means that the Fed may revise them in the coming months. However, based on current information, we believe that two rate cuts for this year are still in line with the achievement of the Fed’s inflation target of 2.0%, which has now moved to 2027.

Weekly Wrap: Trump's Return Dominates DC Narrative

WASHINGTON
POLICY RESEARCH
January 24, 2025



Edward Mills
Managing Director
Raymond James Equity Research

Week in Review:

President Trump's return to a second term in office kicked off on Monday, with his inaugural address and flurry of executive orders setting out his near-term priorities: immigration, energy, deregulation, trade/tariffs, and TikTok. Reconciliation bill discussions this week between Trump and Congressional Republican leadership suggest a lean towards a one-bill approach — likely pushing the passage of TCJA extensions and new defense, border, and energy spending later into the year.

Looking Ahead:

While the direct imposition of new tariffs was ultimately excluded from Trump's Day One to-do list, his trade policy EO laid a pathway for new tariffs and tech restrictions in the coming months. We view his threats of placing a 25% tariff on Canada and Mexico and 10% on China as real, but the February 1 implementation date is likely not firm at this stage. Enforcement of the TikTok ban was suspended for 75 days via EO; we are watching for whether Beijing will approve of a sale, with questions remaining open as to what political/non-monetary concessions may have to be made.

Inauguration Day Recap:

An inaugural address and executive orders (EOs) covering trade, energy, immigration, healthcare, a regulatory freeze, the next steps for TikTok, and the establishment of the Department of Government Efficiency (DOGE) capped an active Day One of the second Trump presidency. President Trump's inaugural address previewed his priorities for his second term as president: a broad desire to quickly reverse course on many Biden administration policies and pursue aggressive actions on the border, energy, and more. The speech was unusually heavy on policy specifics, compared to other inaugural addresses — a broader reflection of what is likely to be an intense, activity-heavy start to his second term in office. The speech was followed by Trump signing a flurry of EOs, which will have significant impacts but will also be constrained in places by the need for congressional authorization (e.g., tax extensions and changes to existing laws).

We summarize the key themes of both the inaugural address and the EOs below:

Immigration and border security: Trump made immigration and the border a centerpiece of his speech and executive orders, and vowed to implement aggressive measures similar to his prior term. Day One immigration EOs included a reinterpretation of birthright citizenship, the declaration of a national emergency at the southern border, the designation of cartels as foreign terrorist organizations, border security provisions, and changes to the refugee admissions program. The birthright citizenship EO was blocked on Thursday, previewing the legal challenges that Trump's aggressive immigration agenda is likely to face. These challenges (alongside logistical and political

Weekly Wrap: Trump's Return Dominates DC Narrative (cont.)

WASHINGTON
POLICY RESEARCH
January 24, 2025



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challenges) may ultimately limit the labor supply and inflationary impacts of his agenda.

Trade and Tariffs: Trump called for an “overhaul of our trade system” in his speech and signed a sweeping America First Trade Policy executive order, which stopped short of imposing Day One tariffs but laid the groundwork for future tariffs. We provide more background in the next section of this note.

Energy: Calls to “drill, baby, drill” and bring down the cost of energy were followed by the declaration of a “national energy emergency” via executive order, which, among other provisions, explicitly identified critical minerals as a target for build-out. Other executive orders signed on Day One include pushes to expand exploration and production on federal lands, restart LNG export reviews, waivers to allow for year-round sales of E15 gasoline, the removal of offshore wind leases, and the removal of restrictions on oil and gas exploration in Alaska.

Deregulation and DOGE: Trump kicked off his broader deregulatory effort through freezing the proposal or issuance of any new rule until a Trump-appointed department or agency head reviews and approves the rule. Certain pending rules will be withdrawn and/or postponed. He also established DOGE through reorganizing and renaming the existing United States Digital Service. This will give DOGE an immediate budget to draw upon in enacting on its top objective of federal technology and software modernization.

Inflation: Trump directed his cabinet to tackle rising costs in his “Delivering Emergency Price Relief for American Families and Defeating the Cost of Living-Crisis” EO, which he previewed in his inauguration speech. The EO identifies “regulatory oppression” as a key driver of cost increases and seeks to deliver “emergency price relief” through deregulatory actions. We will be watching for how his separate efforts on tax policy and tariffs could act as a countervailing force to this broader anti-inflation efforts.

TikTok: Trump delayed enforcement of the TikTok ban for 75 days via executive order. The delay is separate from the 90-day extension provided for by the law, and questions remain open as to the legal viability of the suspension. We provide more background in a later section of this note.

Health: Trump revoked a 2023 executive order signed by former President Biden that sought to reduce potential risks posed by artificial intelligence. The Biden-era order had directed the Commerce Department’s National Institute of Standards and Technology (NIST) to develop guidance for companies to identify and correct flaws in AI models, including biases. Biden’s order required developers of AI systems that pose risks to U.S. national security, the economy, public health or safety to share the results of safety tests with the U.S. government, in line with the Defense Production Act, before they were released to the public. Trump has yet to release further specifics on the direction of AI policy under his second administration.

Weekly Wrap: Trump's Return Dominates DC Narrative (cont.)

WASHINGTON
POLICY RESEARCH
January 24, 2025



Edward Mills
Managing Director
Raymond James Equity Research

Tariff EO Reaffirms Expectations That Tariffs Are Coming — But Maybe Not by Next Week.

President Trump's "America First Trade Policy" executive order (EO) offered a roadmap for the tariff agenda over the coming months, but did not directly impose any new tariffs on Day One. However, subsequent comments made by Trump are a reminder that sweeping tariffs on China, Canada, and Mexico could be coming soon; while the floated date of February 1 in and of itself is likely fluid/not set in stone, it is a signal of momentum and an effective date that is likely approaching. Based on our deep-dive analysis of the EO, the likely policy and market outcomes can be grouped into the following categories:

- The imposition or justification of new/increased tariffs
- Changes and additions to U.S. trade agreements
- Changes to U.S. tariff and trade rules
- Strengthened tech restrictions
- Political messaging

In response to a question asking whether he could make a deal with China, Trump responded, "I can do that" and said he would "rather not" have to impose tariffs on Beijing. He was also generally positive on the U.S.-China relationship in his Davos address. We do not think this contradicts our outlook that the imposition of tariffs can be avoided if Trump gets his desired policy outcomes — but he is also fully prepared to impose them. From a market perspective, we consistently view clients as downplaying the impact of tariffs in Trump 2.0. During our Monthly Macro call on Tuesday, 73% of clients answered "no" to the question: "Will President Trump impose a universal tariff in 2025?" In our conversations with DC contacts, we consistently hear of the high probability that a universal tariff will be imposed and a view within the new administration that Trump was too slow to impose tariffs/spent too much time negotiating during his first term.

Strategy and specifics still a moving target for reconciliation bills — debt limit likely bipartisan.

While discussions this week among congressional leaders suggest that the House and Senate are moving towards a one-bill approach for reconciliation, key specifics remain up for debate, and the release of a sweeping "menu" of potential payfors and provisions late last week illustrates the still preliminary stage of the current discussions. The question of whether to tackle the reconciliation agenda through one or two bills (or three, as proposed by Senator Ron Johnson (R-WI) this week)

Weekly Wrap: Trump's Return Dominates DC Narrative (cont.)

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Managing Director
Raymond James Equity Research

will need to be addressed before Congress formally begins the budget-drafting step of the reconciliation process. House Majority Leader Steve Scalise (R-LA) indicated this week that Republican leaders will take up one bill to advance the tax, energy, border, and defense priorities; we continue to expect that the market outcomes will likely be agnostic of the specific number of bills, with one caveat on timing. We view Scalise and House Speaker Mike Johnson (R-LA)'s Easter deadline for the bill as likely overly ambitious, and the combination of the priorities into one bill could easily push their finalization significantly later into the year.

Meetings this week where cuts of up to \$3 trillion were pitched and the circulation of a 50-page policy “menu” last week both illustrate the scope of the task at hand, with discussions ongoing as to which policy offsets to use to pay for the reconciliation bill priorities. The detailed list provides both offsets and spending options across a broad range of committees/policy verticals, including (non-exhaustive list):

- Tax: IRA repeals (\$796B in savings — we provide more thoughts on this in a later section of this note), various SALT options (repeal, make permanent and double for married couples, \$15-30K cap), home mortgage interest deduction repeal (\$1T in savings), repealing exclusion of interest on state and local bonds (\$250B in savings), replacing HSAs (\$110B in savings), tax on tips (\$106B cost), tax on overtime (\$750B cost), R&D expensing (\$169B cost), corporate rate reduction to 15% (\$522B cost) or 20% (\$73B cost).
- Trade: codification of Section 301 tariffs on China (\$100B in savings), 10% tariff (\$1.9T in savings), China de minimis reforms (\$24B in savings), border adjustment tax (\$1.2T in savings).
- Social programs: work requirements, SSI sliding scale requirements (\$5B in savings), TANF reductions (\$15B in savings), SNAP work requirements (\$5B in savings).
- Energy: permitting and leasing provisions (\$7.5B in savings), EPA tailpipe rule repeal (\$111.3B in savings).
- Tech: spectrum auctions (\$70B in savings)

The breadth of the options offered, the political challenges associated with issues like the IRA, entitlement reform, and SALT deductions, and need to identify which priorities to advance or not suggest that getting to the final bill(s) will likely take longer than anticipated. SALT cap reforms remain a likely major battleground, and Wednesday reporting suggests that current discussions are leaning towards a raise to the cap — a key demand of Republicans representing high-tax states. Revisions to the \$ threshold (e.g., raising it from \$10,000 to \$20,000), tweaks to the “marriage penalty”, and income restrictions remain possible avenues for reforms. The reported February timeframe for developing a figure for SALT will act as an important temperature check for potential political turbulence in reaching the final bill, given any opposition to SALT cap raises will likely be

Source: Raymond James Private Client Group.

Weekly Wrap: Trump's Return Dominates DC Narrative (cont.)

WASHINGTON POLICY RESEARCH

January 24, 2025



Edward Mills

Managing Director
Raymond James Equity Research

met with the withdrawal of votes from the so-called “SALT Republicans”.

Separately, we continue to expect that legislation to raise the debt limit will need to be passed on bipartisan lines and not as part of the reconciliation bills. New reporting this week that appropriators are considering tying a potential debt limit raise with a government funding deal is consistent with our expectation that the March 14 expiration of government funding is a likely catalyst for raising the debt limit. Potential additions to the government funding and debt limit package could include wildfire aid for California and additional funding for the border, per Politico. Negotiations have begun this week, with an aim to set a top-line number by next week.

SECTION 05

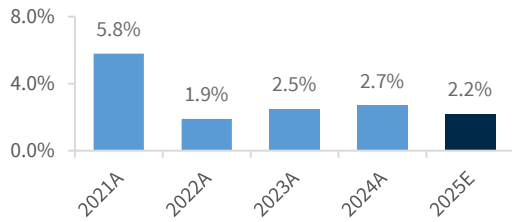
Sector & Economic Indicators



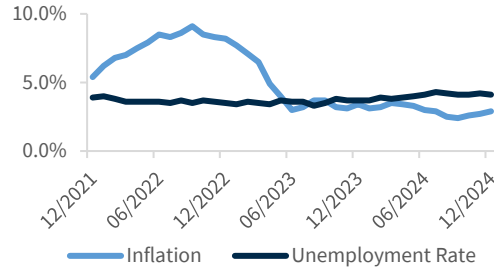
Macro Indicators

 US ECONOMY

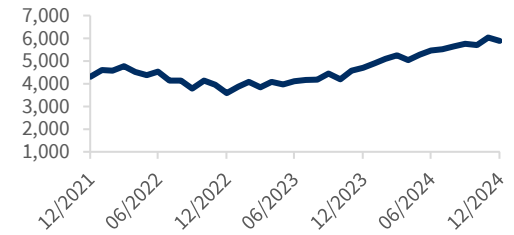
GDP Growth



Inflation vs Unemployment

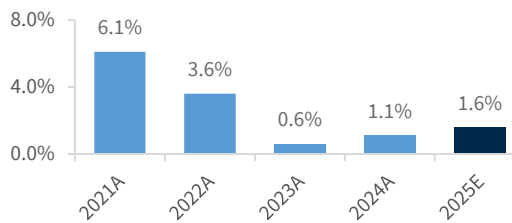


S&P 500 Index

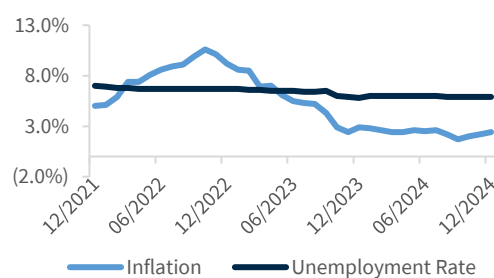


 EUROPE ECONOMY

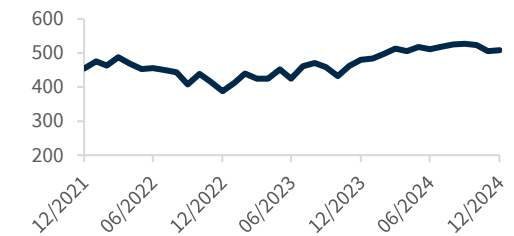
GDP Growth



Inflation vs Unemployment

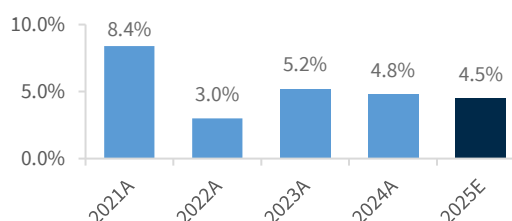


STOXX 600 Index

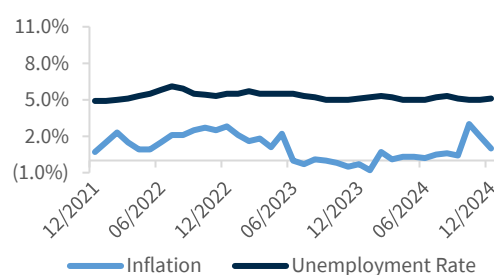


 CHINA ECONOMY

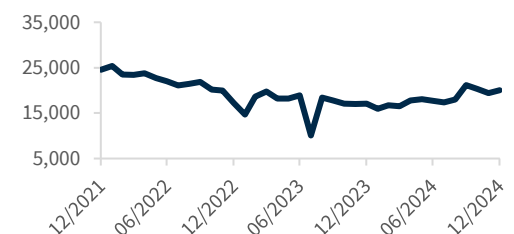
GDP Growth



Inflation vs Unemployment



Hang Seng Index

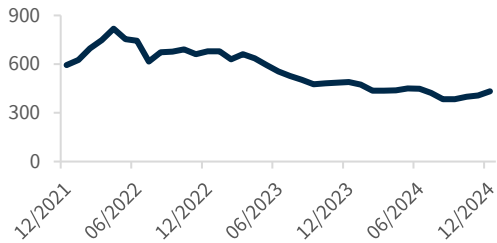


Source: Bloomberg, US Bureau of Labor Statistics, National Bureau of Statistics of China, Market data as of 12/31/2024.

Select Water and Market Indicators

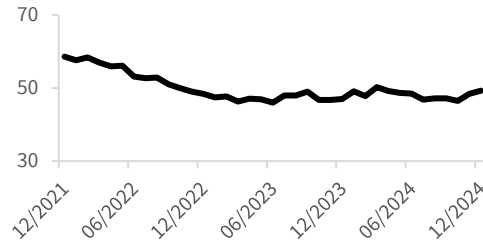
AGRICULTURE

US Corn Futures⁽¹⁾

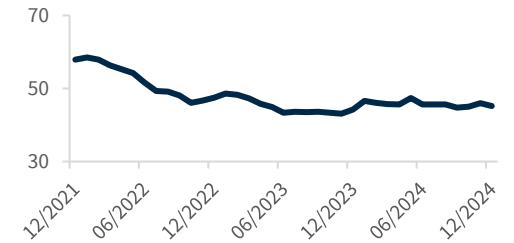


INDUSTRIAL

US PMI

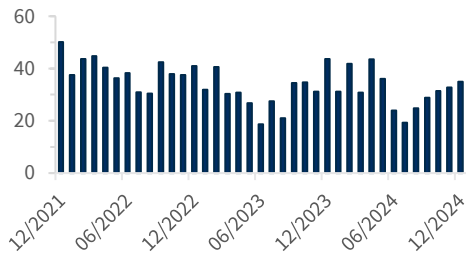


EU PMI

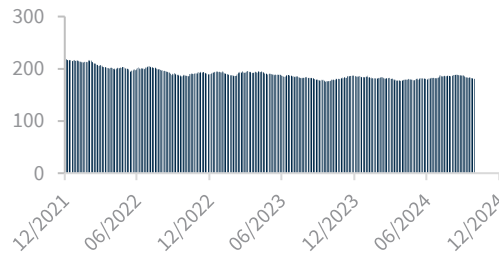


US MUNICIPAL

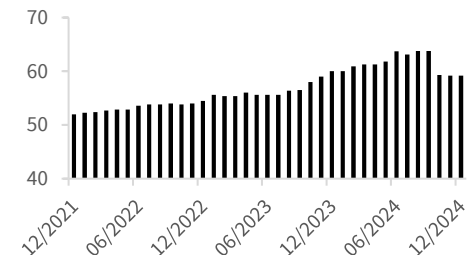
Muni Bond Issuance (\$ Billions)



AAA 10-Yr Muni Index to 10-Yr Treasury Ratio

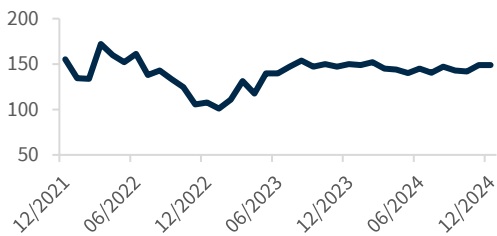


Water Utility Employment (000s)

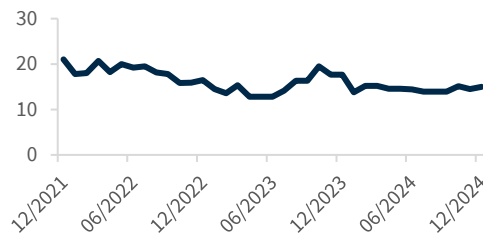


BUILDING / INFRASTRUCTURE

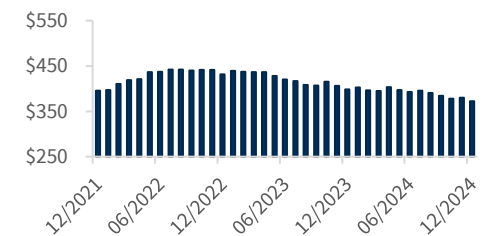
US Building Permits (000s)



German Building Permits (000s)



US Ductile Iron Pipe Price Per Metric Ton

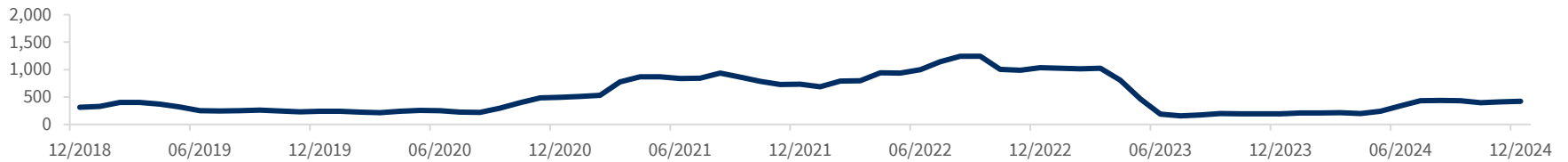


Source: Bloomberg, Municipal Securities Rulemaking Board, Bureau of Labor Statistics. Market data as of 12/31/2024.
 (1) Corn Futures Contract from Chicago Board of Trade. Contract size is 5,000 bushels.

Water Scarcity Indicators

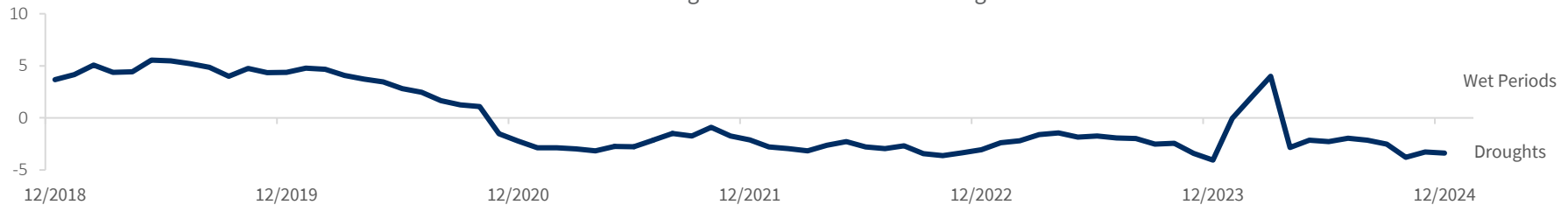
NASDAQ Veles California Water Index (NQH2O)⁽¹⁾ (\$ Per Acre Foot)

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.



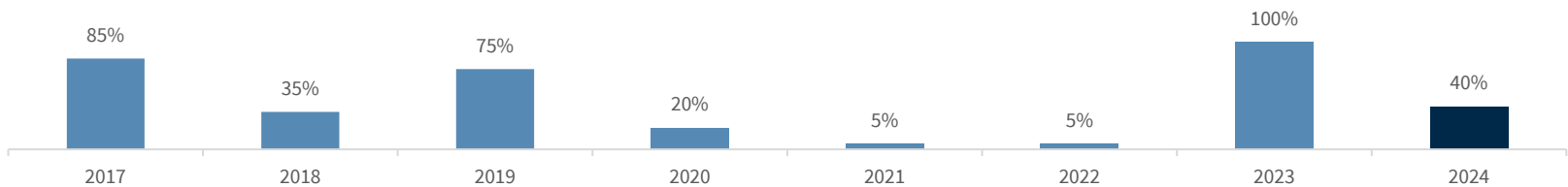
Palmer Drought Severity (“PDSI”) Index⁽²⁾

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 12/31/2024. 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 12/31/2024.

SECTION 06

Trading & M&A Comparables



Select Transactions in Last Twelve Months

RECENT WATER TRANSACTIONS

Date Announced	Buyers/Investors	Target	Target Description	Transaction	
				(\$mm)	EV / LTM Revenue EBITDA
12/19/24	Cerberus Capital Management, L.P.	Landmark Structures I, L.P.	Provider of designing, fabricating and constructing services for tanks and vessels	-	-
12/16/24	Xylem Inc.	Heusser Water Solutions	Provider of water management solutions including advanced pumping systems and treatment solutions	-	-
12/13/24	Vortex Companies, LLC	Tri-State Utilities Co./Pipevision LLC	Tristate: Provider of full-service trenchless infrastructure solutions; Pipevision: pipe cleaning and inspection services	-	-
12/12/24	Reworld Holding Corporation	Envirovac Waste Transport Systems, Inc.	Provider of hazardous and non-hazardous waste transportation services	-	-
12/10/24	Xylem Inc.	Global Omnium Idrica, S.L.	Provider of water cycle management services to enhance operations and asset management using AI and ML	-	-
12/4/24	Indicor, LLC	Aquam Water Services/Orbis Intelligent Systems	Provider of trading and distribution services, along with pipeline infrastructure monitoring devices	-	-
12/3/24	Aquarion Water Company, Inc.	Municipal Wastewater System of City of Ansonia, Connecticut	Municipal Wastewater System	\$41.0	-
12/2/24	Sylmar Group Partners LLC	Eastern Technologies, Inc.	Provider of water treatment products, including filtration, reverse osmosis and deionization systems	-	-
11/27/24	Castik Capital S.à r.l.	WATR Group GmbH	Provider of groundwater management and (ground-)water purification	-	-
11/25/24	Apex Companies, LLC	Weiler Engineering Corporation	Provider of civil and structural engineering services	-	-
11/21/24	United Flow Technologies	The TDH Company	Provider of water and wastewater systems, offering engineering assistance and product selection	-	-
11/18/24	Azuria Water Solutions, Inc.	Performance Pipeline Technologies, Inc.	Provider of trenchless rehabilitation services for sewer, storm drain, potable water and high-pressure pipelines	-	-
11/17/24	Discovery Marketing And Distributing, LLC	Envirotech International Inc	Provider of whole-house water and air treatment systems for families	-	-
11/15/24	Azuria Water Solutions, Inc.	North American Pipeline Management, Inc.	Provider of utility construction services, utility asset inspection and management and specialty site solutions	-	-
11/13/24	Veralto Corporation	Axine Water Technologies Inc.	Provider of chemical-free systems for treating complex, toxic organics and ammonia	\$15.0	-
11/13/24	Verdantas LLC	Groundwater Sciences Corporation	Provider of groundwater and soil remediation, water supply development and geologic advisory services	-	-
11/12/24	Erma First Esk Engineering Solutions S.A.	Ecochlor, Inc.	Provider of ballast water treatment solutions, including filtration and ClO2 treatment for ship builders	-	-
11/12/24	Tempo; Themis Group	Eden Water	Bottled mineral water marketing company	-	-
11/6/24	Azuria Water Solutions, Inc.	A Portion of Miller Pipeline LLC's Municipal Services Division Operations	Provider of cured-in-place pipe (CIPP) lining services for the water and wastewater market, Expanded-In-Place PVC Lining Systems (EX Method)	-	-
11/5/24	Ecolab Inc	Barclay Water Management, Inc.	Provider of water treatment solutions, including environmental hygiene and Legionella risk management, for industrial and commercial clients	-	-
11/5/24	Integrated Water Services, Inc.	HI Industries, Inc.	Manufacturer of fabricated equipment	-	-
11/4/24	Baker Manufacturing Company, LLC	Pump Division of A.Y. McDonald Mfg. Co	Provider of a full pump product line, including submersible pumps, booster pumps and pressure tanks for residential and agricultural markets	-	-
11/1/24	A.O. Smith	Pureit Business	Leading manufacturer of residential and commercial water heaters and boilers	\$71.9	2.1x
10/31/24	Global Infrastructure Partners ("GIP")	Lanes Group Plc	Provider of comprehensive utility wastewater and drainage services, offering drain cleaning, inspections, sewer rehabilitation and waste management	-	-
10/7/24	Ullico Investment Advisors, Inc	Vista Ridge Water Pipeline in San Antonio	Water pipeline located in San Antonio	-	-
10/6/24	Norvestor Partners	Serwent Holding AS	Provider of mission critical above and underground infrastructure maintenance services	-	-
10/1/24	H2O Innovation Inc	NextEra Distributed Water	Provides sustainable wastewater treatment	-	-
9/27/24	Water Engineering, Inc	Scientific Boiler Water Conditioning Co., Inc.	Provides water treatment services, equipment and chemicals	-	-
9/24/24	BluMetric Environmental Inc	Gemini Water, LLC	Designs, builds, installs and commissions large-scale desalination and wastewater treatment plants	\$5.1	-
9/24/24	OCU Group Limited	Purestream Industries Ltd	Offers water treatment and clean energy services	-	-
9/16/24	AllClear Underground Solutions, LLC	Engineered Spray Solutions, LLC	Offers structural rehabilitation and corrosion protection for water and wastewater assets	-	-
9/12/24	GenNx360 Capital Partners	Shenandoah Industrial Solutions, LLC	Provides program management, pipe cleaning and inspection, pipe rehabilitation and infrastructure rehabilitation services	-	-
9/9/24	Earth Finance, Inc	Water Foundry	Provider water strategy consulting services to solve water scarcity and water quality challenges	-	-
9/5/24	Rochester Midland Corporation	Industrial Water Technologies, Inc.	Offers a wide range of services across water treatment applications	-	-
9/5/24	Axius Water	MITA Water Technologies S.r.l	Designs, manufactures and markets equipment for the purification and filtration of civil and industrial wastewater	-	-
9/5/24	Indicor, LLC	Ovarro Limited	Developer of remote telemetry units, remote monitoring systems and data analytics software	-	-
8/29/24	Rochester Midland Corporation	Norkem Inc/ Jacklyn Industries Inc/Solutions Water Management Inc	Provider of a boiler water, cooling water and wastewater treatment solutions	-	-
8/27/24	NVS Global, Inc	California Water Resources Group	Provides statutory environmental regulatory compliance services for ports, waterways and watersheds	-	-
8/23/24	Vortex Companies, LLC	Premier Pipe USA	Manufacturer of cured-in-place pipe (CIPP) liners to rehabilitate damaged or deteriorated pipes	-	-
8/22/24	Precision Pipeline, LLC	Allegheny Contracting, LLC	Provides pipeline contracting services for oil and gas industries	-	-
8/20/24	Infiltrator Water Technologies, LLC	Orenco Systems, Inc.	Manufacturer and seller of wastewater collection and treatment systems	-	-
8/20/24	Landmark Aquatic, LLC	Commercial Pool Repair	Designs, constructs, maintains, repairs and renovates aquatic solutions	-	-
8/19/24	Core & Main, Inc	Substantially All Of The Assets of Green Equipment Company	Manufacturer of utility products and provider of comprehensive damage prevention solutions	-	-
8/13/24	Miramar Search Partners 2019, LP; Trilog Search Partners, LLC	Infrastructure Technologies, LLC	Developer of an iTipies platform that provides a comprehensive suite to get actionable intelligence from inspections	-	-

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

Select Transactions in Last Twelve Months (cont.)

Date Announced	Buyers/Investors	Target	Target Description	Transaction	EV / LTM	
				(\$mm)	Revenue	EBITDA
8/13/24	Ferguson Enterprises Inc	United Water Works, Inc.	Distributor of fire protection, water, sewer and storm drain materials	-	-	-
8/12/24	Core & Main, Inc.	Substantially All Assets of GroGreen Solutions Georgia, LLC	Provider of erosion control products	-	-	-
8/5/24	T.J.CLP	USALCO, LLC	Manufacturer and distributor of aluminum-based chemical commodities	-	-	-
7/29/24	Goldman Sachs Asset Mgmt L.P.; Stanley Capital Partners LLP	SePRO Corporation	Develops, manufactures and markets products for aquatics, turf and ornamental horticulture	-	-	-
7/17/24	Workdry International Ltd	Holland Pump Company	Water handling and pump rental services provider	-	-	-
7/15/24	A. O. Smith India Water Products Private Limited	Pureit Business	Offers a range of water purification solutions	\$120.0	2.1x	-
7/9/24	Core & Main, Inc	All assets of HM Pipe Products, Inc. and HM Pipe Products Kitchener Inc.	Distributes water and wastewater products	-	-	-
7/8/24	J.F. Lehman and Company, LLC	PURIS Continuation Vehicle	Water infrastructure solutions provider	-	-	-
7/1/24	Fuss & O'Neill, Inc	Onsite Engineering, Inc.	Offers drinking water, wastewater and stormwater engineering and consulting services	-	-	-
6/28/24	Ground Water Treatment/Technology, LLC	Carbonworks USA, LLC	Offers water treatment services	-	-	-
6/27/24	CVC Capital Partners	M GROUP Services Limited	Provides a variety of infrastructure services	\$1,264.5	-	-
6/26/24	Hayward Holdings, Inc.	Chlorking, Inc.	Provider of water sanitization services	\$62.5	-	-
6/25/24	Compass Group Equity Partners	Integrity Pump & Motor Group LLC/Continental Pump Co	Manufactures a variety of water pumping services	-	-	-
6/25/24	Markel Group Inc.	Valor Environmental SE, LLC	Stormwater management and erosion control services	\$159.6	-	-
6/24/24	TIGRIS Aquatic Services LLC	Aquatic Analysts, Inc.	Offers comprehensive environmental consulting and water management services	-	-	-
6/20/24	Clean Water Environmental Services	Florida Silt Fencing	Offers erosion control and stormwater management services	-	-	-
6/17/24	BlueTriton Brands, Inc. (nka:Primo Brands Corporation)	Primo Water Corporation	Provider of sustainable hydration services in the large format water sector	\$4,997.1	2.8x	13.4x
6/11/24	Industrial and Financial Systems, IFS AB (publ)	Copperleaf Technologies Inc.	Provider of enterprise decision analytics software solutions	\$621.5	10.0x	-
6/10/24	Azuria Water Solutions, Inc.	Iron Horse Excavation, LLC	Provider of excavation, earthwork and site development services	-	-	-
6/5/24	NW Natural Water Company, LLC	Infrastructure Capital Holdings LLC	Provider of water, wastewater and energy utility services	\$34.0	-	-
6/4/24	Holland Pump Company	C&R Distribution, Inc.	Provider of drainage services	-	-	-
6/3/24	Interpump Group S.p.A.	Alfa Valvole Srl	Manufactures ball and trunnion valves and closing and metering pumps for a range of end markets	\$45.5	1.5x	-
5/22/24	Grundfos	Culligan Water (Commercial and Industrial Business)	Provider of water treatment services	-	-	-
5/14/24	New Mountain Capital	Consor Engineering	Transportation and water engineering and inspection firm providing structural assessments and construction services	-	-	-
5/9/24	Government Services Group, Inc	Convergence Controls & Engineering, LLC	Provides engineering services and specializes in designing and deploying industrial and commercial automated control systems	-	-	-
5/7/24	Sterling Investment Partners Advisors, LLC	Verdantas LLC	Project development and engineering consulting company that specializes in environment and infrastructure	-	-	-
5/6/24	Vessco Midco Holdings, LLC	G. A. Fleet Associates, Inc.	Operates as a distributor of water infrastructure solutions	-	-	-
5/3/24	Pro-Vac	HydroMax	Provider of hydro excavation services	-	-	-
5/3/24	Water Engineering, Inc.	JTA Solutions, Inc.	Provider of water and wastewater treatment solutions	-	-	-
4/30/24	Goldman Sachs Asset Management International	Adler and Allan Group Limited	Offers oil and environmental services	-	-	-
4/30/24	Ufenau Capital Partners AG; Ufenau VII Asset Light, SLP	IPP Group	Manufacturers extensive stockholder & bespoke fabricators of specialist piping products	-	-	-
4/29/24	Hydrite Chemical Co	Fife Water Services, Inc.	Supplier of water treatment and water process products and automation	-	-	-
4/29/24	Hydrite Chemical Co	Precision Polymer Corporation	Manufactures and distributes wastewater treatment chemicals	-	-	-
4/18/24	Precision Pipeline, LLC	SabCon Underground, LLC	Underground utility and natural gas pipeline contractor	-	-	-
4/17/24	AllClear Underground Solutions, LLC	Metals & Materials Engineers, LLC	Provider of stormwater repair, system rehabilitation and maintenance services	-	-	-
4/16/24	Optimarin As	Hyde Marine UV business of Industrie De Nora S.p.A.	Provider of UV technology for ballast water treatment and disinfection	-	-	-
4/8/24	Core & Main, Inc.	Geothermal Supply Company, Inc.	Distributor and fabricator of high-density polyethylene pipe and other related products	-	-	-
3/25/24	Core & Main, Inc	Substantially all of the assets of EGW Utilities, Inc.	Distributor of waterworks and plumbing products	-	-	-
3/6/24	A. O. Smith Corporation	Impact Water Products Inc.	Provider retails water treatment products	-	-	-
2/29/24	Shamrock Environmental Corporation	JC Environmental, LLC	Provides cleaning, transportation and disposal solutions for a range of industrial clients	-	-	-
2/29/24	Fortune Brands Innovations, Inc.	SpringWell Water Filtration Systems	Water treatment technology provider	\$104.2	-	-
2/27/24	CST Industries, Inc.	Ostsee Tank Solutions GmbH	Provider of tank solutions, including aluminum domes and covers for the industrial end-market	-	-	-
2/22/24	Kinderhook Industries	DenBeste Water Solutions LLC	Designs, sources and leases specialty storage tanks and bins for several industrial end-markets	-	-	-
2/22/24	Levine Leichtman Capital Partners, LLC	USA Water Holdings, LLC	Provides water and wastewater operations and maintenance services	-	-	-

Select Transactions in Last Twelve Months (cont.)

Date Announced	Buyers/Investors	Target	Target Description	Transaction		
				(\$mm)	EV / LTM Revenue	EBITDA
2/19/24	Hasa, Inc.	Chem Eleven Products, Inc.	Operates a salt-to-bleach manufacturing site serving municipal and commercial water treatment	-	-	-
2/15/24	Ovivo Inc.	E2metrix Inc.	Water treatment technology provider	-	-	-
2/14/24	Adler and Allan Limited	Public Sewer Services Ltd	Water pipeline service provider	-	-	-
2/13/24	Rivus Capital GmbH	Cornelsen Umweltechnologie GmbH	Provides technical solutions and the provision of plant and equipment fabrication services for water purification	-	-	-
2/8/24	BRITA GmbH	LARQ, Inc.	Manufactures and sells self-cleaning water bottles and water purification systems	-	-	-
2/5/24	Newterra Corporation, Inc.	Aeration and Mixing Assets of Aeromix Systems Inc.	Provides treatment of organic wastewater for both the industrial and municipal wastewater markets	\$2.0	-	-
2/2/24	MIXER DIRECT, INC.	Branch Environmental Corp	Provides a range of environmental cleanup services responding to the release of contaminants into the environment	-	-	-
2/2/24	Clean Harbors, Inc.	HEPACO, LLC	Environmental provider of field and emergency response services	\$400.0	1.5x	11.1x
2/1/24	Montrose Environmental Group, Inc.	Epic Environmental Pty Ltd	Environmental science and engineering consultancy providing industry-specific environmental solutions	\$36.5	-	-
1/30/24	Core & Main, Inc.	Dana Kepner Company, LLC	Distributes waterworks material for the water and wastewater industries	-	-	-
1/23/24	Fort Point Capital, LLC	Ice House America, LLC	Manufactures and distributes ice vending machines and ice vending huts	-	-	-
1/16/24	Verdantas LLC	Flatwoods Consulting Group, LLC	Provides environmental regulations consulting services such as environmental permitting and compliance	-	-	-
1/16/24	Atlas-Ssi, Inc.	ABASCO LLC	Provides solutions for industrial cleaning and environmental services	-	-	-
1/15/24	Microsaic Systems plc	Certain assets of DeepVerge plc/Certain assets of Innovenn Limited	Water monitoring solutions provider	-	-	-
1/10/24	Edison Partners	120Water Audit	Digital water management provider	-	-	-
1/9/24	Business Opportunities for L'Oréal Development	Gjosa SA	Developer of water saving showerheads	-	-	-
1/9/24	Ferguson Enterprises Inc	Yorkwest Plumbing Supply Inc.	Distributor of plumbing, municipal, hydronics, institutional, H.V.A.C. and industrial products	-	-	-
1/9/24	Ferguson Enterprises Inc	Grove Supply, Inc.	Plumbing supply company that offers range of plumbing fixtures, fittings and accessories	-	-	-
1/9/24	Core & Main, Inc.	Substantially All of the Assets of Eastern Supply Inc.	Water equipment distributor	-	-	-
1/8/24	ALL4 Inc.	Whatcom Environmental Services, Inc.	A regulatory compliance and remediation solutions provider	-	-	-
1/8/24	ABB Ltd	Real Tech Inc.	Provider of optical sensor technology	\$23.0	3.8x	23.0x
1/4/24	Culligan	European Division of Primo	Water cooler producer	\$575.0	-	11.0x
1/4/24	Voyager Interests, LLC	Aegion Coating Services, LLC	Field joint coating services for natural gas, crude oil, potable water and saltwater pipelines	-	-	-
1/3/24	USALCO, LLC	Coagulant Manufacturing Business of Brenntag Southwest, Inc.	Chemicals and ingredients distributor	-	-	-
1/3/24	Badger Meter, Inc.	Water Monitoring Assets of Trimble Inc.	Software service providing remote water monitoring technology	\$3.0	-	-
1/2/24	Headwater Companies, LLC	Substantially all of the assets of LCA Pump, LLC	Missouri limited liability company which operates Water Works Pump	-	-	-
Median				\$62.5	2.1x	12.3x
Mean				\$451.7	3.4x	14.6x

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-US companies to reflect the addition of the water-related bankers in Europe.

AGRICULTURE



ENGINEERED SOLUTIONS



FLOW CONTROL



INFRASTRUCTURE



RESIDENTIAL & COMMERCIAL SERVICES



SMART TECH



SPECIALTY CHEMICAL



SPECIALTY DISTRIBUTION

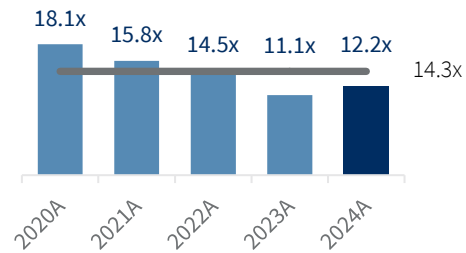


UTILITIES

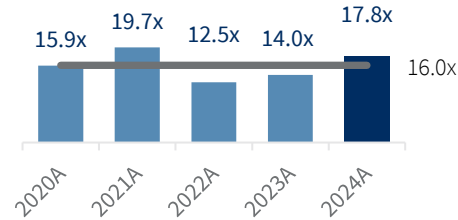


Public Company Valuation: EV / LTM EBITDA

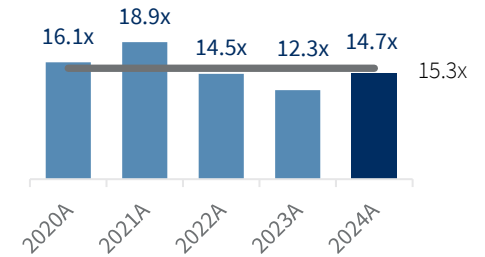
AGRICULTURE



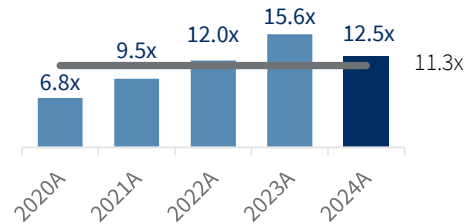
ENGINEERED SOLUTIONS



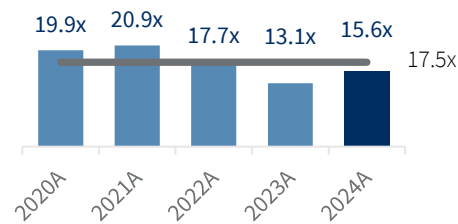
FLOW CONTROL



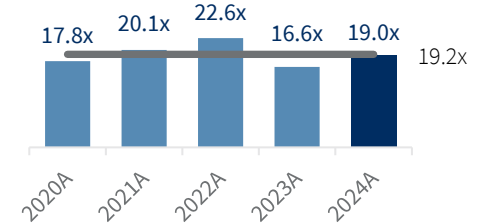
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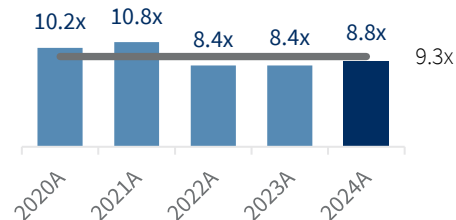
RESI & COMM SERVICES



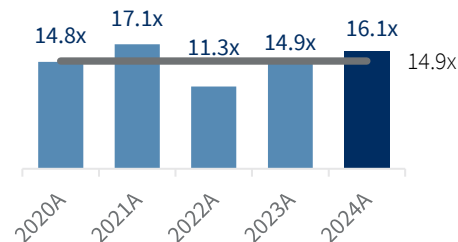
SMART TECH



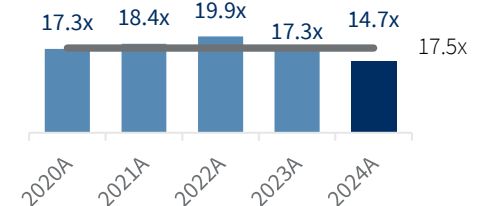
SPECIALTY CHEMICAL



SPECIALTY DISTRIBUTION



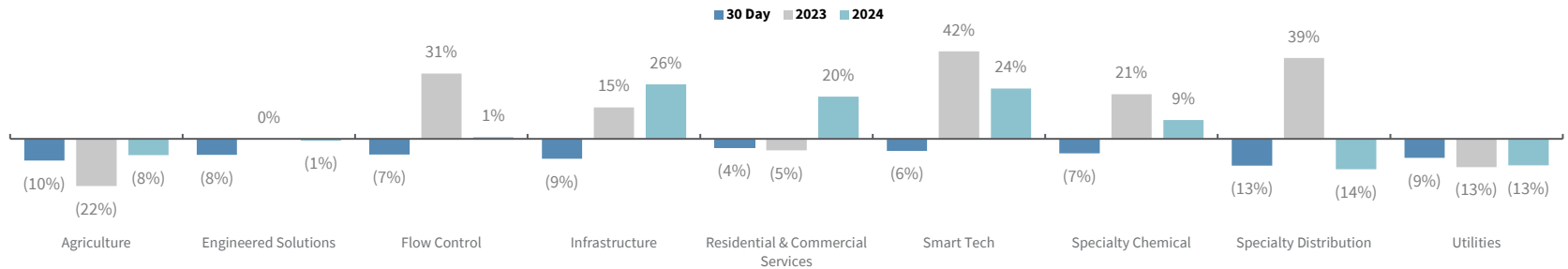
UTILITIES



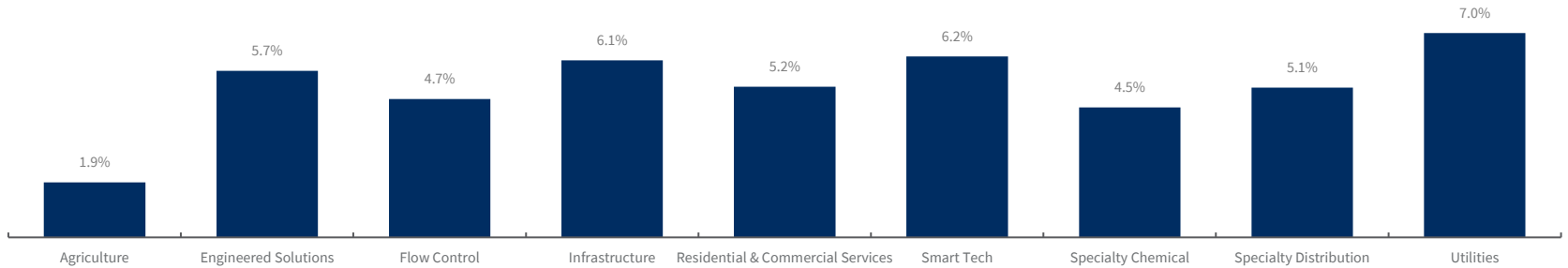
Source: Bloomberg market data as of 12/31/2024.
 Note: Values represent the median EV / LTM EBITDA multiples for each sector at the specified date. For additional detail on the companies within each sector, see detail pages in the back of the newsletter. Grey line and bold value represent the average of the five multiple medians shown.

Industry Performance Overview

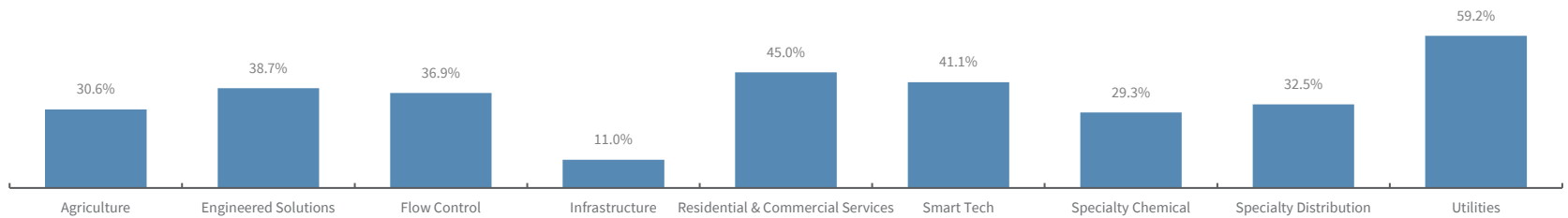
Stock Price Performance



Revenue CAGR ('24 - '26)



Gross Margin (LTM)



Source: CapIQ market data as of 12/31/2024.

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 07

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

<p>January 2025</p> <p>CROM a portfolio company of</p> <p>sciens WATER</p> <p>has been acquired by</p> <p>Frontenac</p>	<p>December 2024</p> <p>cerberus</p> <p>has acquired</p> <p>LANDMARK</p> <p>a portfolio company of</p> <p>GRAYCLIFF PARTNERS</p>	<p>November 2024</p> <p>CASTLE CAPITAL has acquired</p> <p>WATR</p> <p>a portfolio company of</p> <p>BOBWIN</p>	<p>September 2024</p> <p>Orenco SYSTEMS</p> <p>has been acquired by</p> <p>INFILTRATOR a wholly owned subsidiary of</p> <p>ADS CORPORATE TECHNOLOGIES, INC.</p>	<p>September 2024</p> <p>SHENANDOAH</p> <p>a portfolio company of</p> <p>KLH CAPITAL</p> <p>has been acquired by</p> <p>GenNx360 Capital Partners</p>
<p>July 2024</p> <p>SePRO</p> <p>a portfolio company of</p> <p>has received a majority investment from</p> <p>STANLEY</p> <p>and a minority co-investment from</p> <p>LEONARDO SIFRA SIFRA-USA</p>	<p>December 2023</p> <p>MUNICIPAL DISTRICT SERVICES</p> <p>has been acquired by</p> <p>FCC Aqualia</p>	<p>December 2023</p> <p>Ember Infrastructure</p> <p>has acquired</p> <p>h2o Innovation</p> <p>C\$395,000,000</p>	<p>August 2023</p> <p>ENVIRONMENTAL SITE SOLUTIONS</p> <p>has been acquired by</p> <p>newterra</p> <p>a portfolio company of</p> <p>Frontenac</p>	<p>August 2023</p> <p>SES</p> <p>a portfolio company of</p> <p>ROSEWOOD PRIVATE INVESTMENTS</p> <p>has been acquired by</p> <p>PALLADIUM</p>
<p>July 2023</p> <p>Hydro International</p> <p>from funds advised by</p> <p>AGILITAS</p> <p>has been acquired by</p> <p>Oxidcaste Infrastructure</p> <p>a company of</p> <p>BBK</p>	<p>June 2023</p> <p>TREATMENT TECHNOLOGIES a subsidiary of</p> <p>SHELTON ASSOCIATES</p> <p>has been acquired by</p> <p>INFRA-MARK</p> <p>a portfolio company of</p> <p>SLC New Business Center</p>	<p>June 2023</p> <p>GWTT</p> <p>a portfolio company of</p> <p>HUDSON FERRY CAPITAL</p> <p>has been acquired by</p> <p>Ember Infrastructure</p>	<p>February 2023</p> <p>Morgan Stanley CAPITAL PARTNERS has acquired</p> <p>APEX</p> <p>a portfolio company of</p> <p>Sentinel</p>	<p>December 2022</p> <p>COMVEST PARTNERS</p> <p>has acquired</p> <p>DUKE'S ROOT CONTROL, INC.</p> <p>a portfolio company of</p> <p>Altamont SPECIAL PURPOSE</p>
<p>September 2022</p> <p>TRILL IMPACT</p> <p>has entered into a growth partnership with</p> <p>komet</p>	<p>June 2022</p> <p>UGSI Solutions</p> <p>a portfolio company of</p> <p>RIVERWOOD CAPITAL</p> <p>has been acquired by</p> <p>Baird Capital Baird</p>	<p>March 2022</p> <p>AQUA-CHEM GLOBAL WATER SOLUTIONS</p> <p>has been acquired by</p> <p>saur</p>	<p>December 2021</p> <p>AqueoUS VETS</p> <p>has been acquired by</p> <p>BainCapital DOUBLE IMPACT</p>	<p>November 2021</p> <p>Lindsay FERTILISERS</p> <p>has been acquired by</p> <p>Altamont SPECIAL PURPOSE</p>
<p>August 2021</p> <p>AdEdge</p> <p>has been acquired by</p> <p>CHART</p>	<p>July 2021</p> <p>QUALITY WATER SERVICE</p> <p>has been acquired by</p> <p>waterlogic Better Drinking. Better Water.</p>	<p>June 2021</p> <p>Anaergia Breaking Barriers to Sustainability</p> <p>Initial public offering</p> <p>C\$175,000,000</p>	<p>June 2021</p> <p>Audax Group</p> <p>has acquired</p> <p>SJE RHOMBUS</p>	<p>March 2021</p> <p>kendo</p> <p>Private Placement</p>
<p>March 2021</p> <p>CMP</p> <p>a portfolio company of</p> <p>TENEX CAPITAL MANAGEMENT</p> <p>has been acquired by</p> <p>FLUIDRA \$245,000,000</p>	<p>March 2021</p> <p>Itron</p> <p>Follow-on Offering</p> <p>\$350,000,000</p>	<p>November 2020</p> <p>WATSON</p> <p>has acquired</p> <p>VENCO</p> <p>a portfolio company of</p> <p>O2 The Infrastructure Platform, Ltd.</p>	<p>June 2020</p> <p>AQUAM</p> <p>simultaneous carve-out divestitures of</p> <p>Water Services ORBIS</p> <p>by way of an MBO backed by</p> <p>CADENCE</p>	<p>May 2020</p> <p>energy recovery</p> <p>Block Trade</p> <p>\$11,200,000</p>

SECTION 08

Water Conference Calendar



Upcoming Water Conference Calendar

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

	 2/10/2025 - 2/12/2025	 Valencia, ES	Global conference aimed at connecting water professionals in the water and energy markets
	 2/17/2025 - 2/20/2025	 Indianapolis, IN	The world's largest trade show for wastewater and environmental services
	 2/25/2025 - 2/26/2025	 London, UK	Global summit for water industry leaders as well as investors from around the world
	 3/11/2025 - 3/14/2025	 Amsterdam, NL	Global trade event focused on showcasing innovations and solutions in the water treatment, wastewater and water purification space
	 3/16/2025 - 3/20/2025	 Cape Town, ZA	Conference aimed to explore the opportunities and barriers for water reuse
	 3/30/2025 - 4/3/2025	 Denver, CO	Largest trenchless technology conference in the world
	 4/22/2025 - 4/24/2025	 Long Beach, CA	Most comprehensive gathering of water treatment professionals connecting technology and industry knowledge
	 5/12/2025 - 5/14/2025	 Paris, FR	Major international event aimed at bringing together key stakeholders in the water industry, including executives, corporations and government agencies
	 9/27/2025 - 10/1/2025	 Chicago, IL	The largest event of its kind in North America, offering water quality education and training

Appendix



Comparable Companies Detail

Company		Listing Exchange	Listing Country	Stock Price	% of 52 Week		Dividend Yield	Enterprise Value	Market Cap	LTM Financial Performance				Growth		Leverage		Valuation Metrics			
					High	Low				Revenue	EBITDA	Gross Margin	EBITDA Margin	Revenue CAGR '22 - '24	'24 - '26	Gross	Net	EV / Revenue LTM	NTM	EV / EBITDA LTM	NTM
Agriculture																					
	CNH Industrial N.V.	NYSE	United States	\$11.33	85%	122%	3.6%	\$40,494	\$14,151	\$21,752	\$2,611	21.6%	12.0%	(9.7%)	(3.2%)	10.6x	10.0x	1.9x	2.3x	9.9x	23.8x
	Lindsay Corporation	NYSE	United States	\$118.31	88%	108%	1.1%	\$1,228	\$1,284	\$612	\$97	31.2%	15.9%	3.4%	1.6%	1.4x	-	2.0x	1.9x	12.6x	12.3x
	The Toro Company	NYSE	United States	\$80.10	79%	104%	1.8%	\$8,947	\$8,105	\$4,584	\$662	33.8%	14.4%	(3.2%)	2.2%	1.6x	1.3x	2.0x	1.9x	13.5x	12.4x
	Valmont Industries, Inc.	NYSE	United States	\$306.67	87%	152%	0.7%	\$7,042	\$6,144	\$4,053	\$599	29.9%	14.8%	(5.2%)	3.5%	1.8x	1.4x	1.7x	1.7x	11.8x	11.1x
	Mean						1.8%	\$14,428	\$7,421	\$7,750	\$992	29.1%	14.3%	(3.7%)	1.0%	3.8x	4.2x	1.9x	1.9x	11.9x	14.9x
	Median						1.4%	\$7,994	\$7,125	\$4,319	\$630	30.6%	14.6%	(4.2%)	1.9%	1.7x	1.4x	1.9x	1.9x	12.2x	12.3x
Engineered Solutions																					
	A. O. Smith Corporation	NYSE	United States	\$68.21	74%	101%	2.0%	\$9,778	\$9,890	\$3,818	\$796	38.1%	20.8%	3.7%	2.9%	0.3x	-	2.6x	2.5x	9.8x	11.6x
	Advanced Drainage Systems, Inc.	NYSE	United States	115.60 kr	63%	102%	0.5%	\$9,750	\$8,963	\$2,914	\$858	39.1%	29.5%	(8.2%)	5.9%	1.6x	0.9x	3.3x	3.2x	11.4x	10.4x
	Alfa Laval AB (publ)	OM	Sweden	\$462.60	93%	127%	1.5%	\$18,033	\$17,277	\$6,555	\$1,185	33.9%	18.1%	25.4%	6.4%	1.1x	0.7x	2.8x	2.7x	15.2x	12.8x
	DuPont de Nemours, Inc.	NYSE	United States	\$76.25	85%	125%	2.0%	\$38,320	\$31,869	\$12,192	\$2,978	36.4%	24.4%	(5.2%)	5.2%	2.6x	2.0x	3.1x	3.0x	17.8x	11.4x
	Halma plc	LSE	United Kingdom	\$26.89	96%	128%	0.7%	\$13,524	\$12,714	\$2,892	\$652	52.6%	22.6%	36.6%	6.9%	1.7x	1.3x	4.7x	4.7x	20.7x	19.8x
	IDEX Corporation	NYSE	United States	\$209.29	85%	110%	1.2%	\$17,317	\$15,848	\$3,195	\$883	44.4%	27.0%	4.5%	7.2%	2.4x	1.7x	5.4x	4.9x	20.1x	17.9x
	METAWATER Co., Ltd.	TSE	Japan	\$1,818.00	76%	117%	2.8%	\$490	\$505	\$1,102	\$78	21.1%	7.1%	0.4%	1.6%	2.4x	0.4x	0.4x	0.4x	6.3x	6.6x
	Pentair plc	NYSE	United States	\$100.64	91%	148%	1.0%	\$18,152	\$16,829	\$4,095	\$979	38.7%	23.9%	(0.7%)	4.2%	1.8x	1.6x	4.4x	4.3x	18.6x	16.8x
	Veralto Corporation	NYSE	United States	\$101.85	89%	138%	0.4%	\$26,740	\$25,188	\$5,136	\$1,265	59.4%	24.6%	-	5.7%	2.2x	1.2x	5.2x	4.9x	21.1x	19.7x
	Mean						1.4%	\$16,901	\$15,431	\$4,655	\$1,073	40.4%	22.0%	-	5.7%	1.8x	1.2x	3.6x	3.4x	15.7x	14.1x
	Median						1.2%	\$17,317	\$15,848	\$3,818	\$863	38.7%	23.9%	2.1%	5.7%	1.8x	1.3x	3.3x	3.2x	17.8x	12.8x
Flow Control																					
	Flowserv Corporation	NYSE	United States	\$57.52	92%	147%	1.3%	\$8,428	\$7,557	\$4,543	\$578	31.6%	12.7%	13.0%	5.7%	2.5x	1.4x	1.9x	1.7x	16.8x	12.1x
	Franklin Electric Co., Inc.	NASDAQGS	United States	\$97.45	87%	107%	1.0%	\$4,500	\$4,452	\$2,009	\$307	35.5%	15.3%	(0.8%)	4.6%	0.5x	0.1x	2.2x	2.2x	14.7x	14.2x
	Graco Inc.	NYSE	United States	\$84.29	89%	109%	1.3%	\$13,515	\$14,232	\$2,113	\$657	53.1%	31.1%	0.7%	13.4%	-	-	6.4x	6.1x	20.6x	18.3x
	Mueller Water Products, Inc.	NYSE	United States	\$22.50	86%	167%	1.2%	\$3,690	\$3,522	\$1,315	\$273	34.9%	20.8%	3.4%	2.8%	1.7x	0.6x	2.8x	2.7x	13.5x	12.2x
	Rotork plc	LSE	United Kingdom	£3.14	86%	106%	2.1%	\$3,174	\$3,321	\$943	\$234	48.4%	24.9%	10.8%	5.1%	-	-	3.4x	3.3x	13.5x	12.9x
	Sulzer Ltd	SWX	Switzerland	131.00 CHF	90%	161%	2.5%	\$5,156	\$4,898	\$3,761	\$478	33.8%	12.7%	5.9%	4.0%	2.7x	0.5x	1.4x	1.3x	10.8x	9.0x
	The Gorman-Rupp Company	NYSE	United States	\$37.92	87%	124%	1.9%	\$1,338	\$995	\$658	\$117	31.3%	17.9%	12.6%	3.8%	3.3x	2.9x	2.0x	2.0x	11.4x	10.8x
	The Weir Group PLC	LSE	United Kingdom	£21.84	93%	124%	1.6%	\$7,988	\$7,052	\$3,214	\$541	38.6%	16.8%	8.0%	5.2%	3.2x	1.7x	2.5x	2.4x	14.8x	11.0x
	Watts Water Technologies, Inc.	NYSE	United States	\$203.30	91%	116%	0.8%	\$6,684	\$6,777	\$2,259	\$448	47.1%	19.8%	6.9%	2.6%	0.5x	-	3.0x	3.0x	12.3x	11.9x
	Xylem Inc.	NYSE	United States	\$116.02	79%	106%	1.2%	\$29,307	\$28,186	\$8,424	\$1,689	36.9%	20.0%	25.1%	5.2%	1.2x	0.7x	3.5x	3.3x	19.0x	15.7x
	Zurn Elkay Water Solutions Corporation	NYSE	United States	\$37.30	91%	135%	0.9%	\$6,697	\$6,330	\$1,553	\$337	45.2%	21.7%	8.1%	4.7%	1.6x	1.1x	4.3x	4.2x	21.6x	16.3x
	Mean						1.4%	\$8,225	\$7,938	\$2,799	\$515	39.7%	19.4%	8.5%	5.2%	1.9x	1.1x	3.0x	2.9x	15.4x	13.1x
	Median						1.3%	\$6,684	\$6,330	\$2,113	\$448	36.9%	19.8%	8.0%	4.7%	1.7x	0.9x	2.8x	2.7x	14.7x	12.2x
Infrastructure																					
	AECOM	NYSE	United States	\$106.82	90%	130%	1.0%	\$15,912	\$14,150	\$16,105	\$1,104	6.7%	6.9%	8.4%	-	2.9x	1.4x	1.0x	0.9x	14.4x	13.3x
	Fluor Corporation	NYSE	United States	\$49.32	82%	141%	-	\$6,659	\$8,459	\$15,875	\$303	2.7%	1.9%	8.5%	7.7%	3.7x	-	0.4x	0.4x	11.3x	10.3x
	Northwest Pipe Company	NASDAQGS	United States	\$48.26	84%	173%	-	\$638	\$479	\$483	\$65	19.1%	13.4%	3.5%	1.9%	2.6x	2.5x	1.3x	1.3x	9.9x	8.8x
	Orion Group Holdings, Inc.	NYSE	United States	\$7.33	60%	166%	-	\$362	\$285	\$781	\$30	10.7%	3.9%	8.9%	6.0%	3.5x	2.5x	0.5x	0.4x	12.0x	7.9x
	Primoris Services Corporation	NYSE	United States	\$76.40	90%	247%	0.4%	\$5,097	\$4,104	\$6,141	\$406	11.0%	6.8%	18.9%	4.9%	3.3x	2.4x	0.8x	0.8x	12.5x	11.9x
	Stantec Inc.	TSX	Canada	CAD 112.78	91%	109%	0.7%	\$10,379	\$8,941	\$4,168	\$567	54.2%	13.6%	11.0%	7.3%	3.0x	2.7x	2.5x	2.4x	18.3x	14.2x
	Tetra Tech, Inc.	NASDAQGS	United States	€39.84	78%	126%	0.6%	\$11,450	\$10,667	\$4,504	\$609	19.9%	13.5%	10.0%	6.1%	1.8x	1.4x	2.5x	2.5x	23.5x	17.8x
	Mean						0.7%	\$7,214	\$6,726	\$6,865	\$441	17.8%	8.5%	9.9%	5.7%	3.0x	2.2x	1.3x	1.2x	14.6x	12.0x
	Median						0.7%	\$6,659	\$8,459	\$4,504	\$406	11.0%	6.9%	8.9%	6.1%	3.0x	2.5x	1.0x	0.9x	12.5x	11.9x

Source: CapIQ.

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

Comparable Companies Detail (cont.)

		LTM Financial Performance											Growth		Leverage		Valuation Metrics			
Company	Listing Exchange	Listing Country	Stock Price	% of 52 Week		Dividend Yield	Enterprise Value	Market Cap	Revenue	EBITDA	Gross Margin	EBITDA Margin	Revenue CAGR		LTM		EV / Revenue		EV / EBITDA	
				High	Low								'22 - '24	'24 - '26	Gross	Net	LTM	NTM	LTM	NTM
Residential & Commercial Services																				
Aramark	NYSE	United States	\$37.31	88%	136%	1.1%	\$14,742	\$9,883	\$17,401	\$1,133	15.3%	6.5%	4.0%	5.8%	4.9x	4.3x	0.8x	0.8x	13.0x	10.4x
Compass Group PLC	LSE	United Kingdom	£26.62	96%	127%	1.7%	\$61,647	\$56,553	\$42,002	\$3,374	72.6%	8.0%	52.0%	1.8%	1.8x	1.6x	1.5x	1.4x	18.3x	13.8x
Ecolab Inc.	NYSE	United States	\$234.32	89%	121%	1.0%	\$73,423	\$66,350	\$16,675	\$3,539	43.2%	22.6%	10.8%	4.6%	2.3x	2.0x	4.7x	4.6x	20.7x	19.4x
Norva24 Group AB (Publ)	OM	Sweden	26.40 kr	76%	117%	-	\$573	\$434	\$332	\$34	46.8%	10.4%	28.3%	7.1%	5.3x	4.4x	1.7x	1.7x	8.4x	7.9x
Primo Brands Corporation	TSX	Canada	CAD 37.40	96%	196%	-	\$15,801	\$11,662	\$4,841	\$871	31.1%	18.0%	-	5.7%	5.0x	4.8x	3.3x	2.2x	27.5x	11.6x
Rentokil Initial plc	LSE	United Kingdom	£4.01	77%	119%	2.3%	\$16,726	\$12,602	\$6,837	\$1,330	82.5%	19.4%	51.7%	3.6%	4.6x	3.1x	2.4x	2.4x	12.6x	11.2x
Mean						1.5%	\$30,485	\$26,247	\$14,515	\$1,713	48.6%	14.2%	29.4%	4.8%	4.0x	3.4x	2.4x	2.2x	16.8x	12.4x
Median						1.4%	\$16,263	\$12,132	\$11,256	\$1,231	45.0%	14.2%	28.3%	5.2%	4.8x	3.7x	2.1x	2.0x	15.6x	11.4x
Smart Tech																				
ABB Ltd	SWX	Switzerland	49.07 CHF	94%	140%	1.8%	\$103,229	\$99,545	\$32,850	\$5,944	37.4%	18.1%	3.9%	6.7%	1.4x	0.4x	3.1x	3.1x	17.4x	16.3x
Badger Meter, Inc.	NYSE	United States	\$212.12	89%	152%	0.6%	\$5,986	\$6,239	\$827	\$190	39.8%	23.0%	12.8%	7.9%	-	-	7.2x	6.8x	31.5x	29.6x
Emerson Electric Co.	NYSE	United States	\$123.93	92%	135%	1.6%	\$81,223	\$70,582	\$17,492	\$4,614	52.1%	26.4%	(2.7%)	5.3%	1.8x	1.0x	4.6x	4.4x	17.6x	16.2x
Energy Recovery, Inc.	NASDAQGS	United States	\$14.70	73%	120%	-	\$744	\$851	\$135	\$19	66.1%	13.9%	8.3%	14.9%	0.6x	-	5.5x	3.3x	28.1x	14.9x
Itron, Inc.	NASDAQGS	United States	\$108.58	87%	162%	-	\$5,203	\$4,896	\$2,405	\$311	34.2%	12.9%	17.5%	3.2%	4.1x	0.9x	2.2x	2.2x	16.8x	16.9x
Schneider Electric S.E.	ENXTPA	France	€240.90	95%	141%	1.4%	\$152,464	\$139,944	\$39,046	\$7,479	42.3%	19.2%	4.3%	8.0%	2.2x	1.6x	3.9x	3.7x	20.4x	17.3x
Veralto Corporation	NYSE	United States	\$101.85	89%	138%	0.4%	\$26,740	\$25,188	\$5,136	\$1,265	59.4%	24.6%	-	5.7%	2.2x	1.2x	5.2x	4.9x	21.1x	19.7x
Xylem Inc.	NYSE	United States	\$116.02	79%	106%	1.2%	\$29,307	\$28,186	\$8,424	\$1,689	36.9%	20.0%	25.1%	5.2%	1.2x	0.7x	3.5x	3.3x	17.4x	15.7x
Mean						1.2%	\$50,612	\$46,929	\$13,289	\$2,689	46.0%	19.8%	9.9%	7.1%	1.9x	1.0x	4.4x	4.1x	21.3x	18.3x
Median						1.3%	\$28,024	\$26,687	\$6,780	\$1,477	41.1%	19.6%	8.3%	6.2%	1.8x	1.0x	4.3x	4.0x	19.0x	16.6x
Specialty Chemical																				
Clariant AG	SWX	Switzerland	10.09 CHF	67%	104%	4.1%	\$5,663	\$3,662	\$4,633	\$642	29.3%	13.9%	(9.3%)	4.3%	3.7x	2.8x	1.2x	1.2x	8.8x	6.9x
Ecolab Inc.	NYSE	United States	\$234.32	89%	121%	1.0%	\$73,423	\$66,350	\$16,675	\$3,539	43.2%	22.6%	5.3%	4.6%	2.3x	2.0x	4.7x	4.6x	20.7x	19.4x
Hawkins, Inc.	NASDAQGS	United States	\$52.65	88%	225%	0.7%	\$2,671	\$2,565	\$952	\$153	23.0%	16.1%	3.5%	-	0.8x	0.8x	2.8x	2.7x	17.5x	16.5x
Kemira Oyj	HLSE	United Kingdom	£19.52	79%	122%	3.2%	\$3,450	\$3,112	\$3,386	\$508	16.0%	15.0%	(10.6%)	1.9%	1.6x	0.7x	1.0x	1.1x	6.8x	5.9x
Kurita Water Industries Ltd.	TSE	Japan	¥5,544.00	77%	111%	1.7%	\$4,238	\$3,966	\$2,736	\$546	35.7%	20.0%	0.8%	4.8%	1.2x	0.5x	1.5x	1.6x	7.8x	8.0x
Mean						2.1%	\$17,889	\$15,931	\$5,476	\$1,078	29.4%	17.5%	(2.1%)	3.9%	1.9x	1.4x	2.3x	2.2x	12.3x	11.3x
Median						1.7%	\$4,238	\$3,662	\$3,386	\$546	29.3%	16.1%	0.8%	4.5%	1.6x	0.8x	1.5x	1.6x	8.8x	8.0x
Specialty Distribution																				
Core & Main, Inc.	NYSE	United States	\$50.91	82%	137%	-	\$12,389	\$9,683	\$7,183	\$900	26.6%	12.5%	11.5%	5.5%	2.9x	2.9x	1.7x	1.6x	13.8x	14.9x
Ferguson Enterprises Inc.	LSE	United Kingdom	£139.00	78%	102%	-	\$39,742	\$34,705	\$29,699	\$2,913	30.5%	9.8%	(0.2%)	4.8%	1.9x	1.7x	1.3x	1.3x	13.6x	13.1x
MSC Industrial Direct Co., Inc.	NYSE	United States	\$74.69	71%	103%	4.2%	\$4,722	\$4,174	\$3,795	\$461	41.0%	12.1%	(5.2%)	5.0%	1.2x	1.1x	1.2x	1.2x	10.2x	11.6x
Pool Corporation	NASDAQGS	United States	\$340.94	81%	116%	1.4%	\$14,121	\$12,975	\$5,327	\$679	29.8%	12.8%	(15.2%)	4.8%	1.8x	1.7x	2.7x	2.6x	20.8x	20.0x
SiteOne Landscape Supply, Inc.	NYSE	United States	\$131.77	70%	115%	-	\$6,839	\$5,946	\$4,493	\$357	34.5%	8.0%	12.5%	5.3%	2.7x	2.4x	1.5x	1.4x	19.1x	16.3x
W.W. Grainger, Inc.	NYSE	United States	\$1,054.05	86%	132%	0.8%	\$53,450	\$51,332	\$17,168	\$2,890	39.4%	16.8%	10.3%	6.6%	1.1x	0.7x	3.1x	3.0x	18.5x	17.7x
Mean						2.1%	\$21,877	\$19,602	\$11,277	\$1,367	33.6%	12.0%	0.4%	5.6%	2.0x	1.8x	1.9x	1.9x	16.0x	15.6x
Median						1.4%	\$13,255	\$11,329	\$6,255	\$790	32.5%	12.3%	(0.2%)	5.1%	1.9x	1.7x	1.6x	1.5x	16.1x	15.6x
Utilities																				
American States Water Company	NYSE	United States	\$77.72	89%	118%	2.4%	\$3,868	\$2,938	\$578	\$227	59.7%	39.3%	9.1%	4.3%	4.2x	4.1x	6.7x	6.0x	17.0x	14.4x
American Water Works Company, Inc.	NYSE	United States	\$124.49	83%	110%	2.5%	\$37,489	\$24,262	\$4,515	\$2,408	59.9%	53.3%	9.8%	6.4%	5.6x	5.5x	8.3x	7.9x	15.6x	13.9x
Artesian Resources Corporation	NASDAQ	United States	\$31.62	76%	102%	3.9%	\$498	\$325	\$106	\$47	50.3%	44.3%	5.1%	4.2%	3.9x	3.3x	4.7x	4.6x	10.6x	-
California Water Service Group	NYSE	United States	\$45.33	81%	104%	2.5%	\$3,952	\$2,696	\$1,029	\$404	57.0%	39.3%	10.5%	0.0%	3.2x	3.1x	3.8x	4.3x	9.8x	11.8x
Consolidated Water Co. Ltd.	NASDAQGS	United States	\$25.89	72%	110%	1.7%	\$314	\$410	\$159	\$37	35.5%	23.2%	22.9%	28.7%	-	-	2.0x	2.2x	8.5x	11.0x
Essential Utilities, Inc.	NYSE	United States	\$36.32	87%	108%	3.7%	\$17,414	\$9,974	\$1,961	\$1,069	59.2%	54.5%	2.2%	7.5%	7.0x	7.0x	8.9x	7.7x	16.3x	13.7x
Global Water Resources, Inc.	NASDAQ	United States	\$11.50	82%	102%	2.6%	\$387	\$279	\$52	\$21	74.3%	41.4%	8.6%	7.0%	5.9x	5.0x	7.5x	7.2x	14.5x	14.7x
Middlesex Water Company	NASDAQ	United States	\$52.63	74%	116%	2.6%	\$1,316	\$940	\$183	\$83	52.7%	45.2%	6.7%	8.0%	4.6x	4.5x	7.2x	6.5x	15.9x	15.7x
Pennon Group Plc	LSE	United Kingdom	£5.94	77%	115%	7.8%	\$7,483	\$2,124	\$1,321	\$375	94.0%	28.4%	13.0%	11.3%	-	-	5.7x	5.4x	14.7x	9.3x
Severn Trent PLC	LSE	United Kingdom	£25.08	89%	109%	4.7%	\$19,144	\$9,426	\$3,205	\$1,259	24.3%	39.3%	9.5%	8.9%	9.4x	8.3x	6.0x	6.1x	15.2x	13.1x
SJW Group	NASDAQ	United States	\$49.22	74%	101%	3.2%	\$3,408	\$1,637	\$722	\$279	56.7%	38.7%	8.8%	3.4%	6.4x	6.3x	4.7x	4.5x	12.2x	11.0x
The York Water Company	NASDAQ	United States	\$32.72	78%	100%	2.8%	\$669	\$470	\$74	\$41	74.0%	55.6%	12.7%	5.2%	4.8x	4.8x	9.0x	8.6x	16.2x	-
United Utilities Group PLC	LSE	United Kingdom	£10.52	92%	111%	4.9%	\$20,099	\$8,976	\$2,756	\$1,399	89.9%	50.0%	7.0%	12.3%	10.2x	8.5x	7.3x	7.0x	14.4x	12.8x
Mean						3.5%	\$8,926	\$4,958	\$1,282	\$588	60.6%	42.6%	9.7%	8.3%	5.9x	5.5x	6.3x	6.0x	13.9x	12.9x
Median						2.8%	\$3,868	\$2,124	\$722	\$279	59.2%	41.4%	9.1%	7.0%	5.6x	5.0x	6.7x	6.1x	14.7x	13.1x

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

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