Outline/Agenda

- Who We Are
- Commercial Applications Watts Building Solutions
- Focusing on the City of the Future
- Innovation VS Conventional Systems
- onAER
- Case Study
- Q&A
Who We Are

GLOBAL LEADER IN COMMERCIAL / RESIDENTIAL WATER PRODUCTS

$1.5B GLOBAL COMPANY

- Global leading brands in highly fragmented industry
- Broad solutions across balanced geographies and end markets
- Strong presence in repair / replace and new construction
- Strong cash flow generation and disciplined capital allocation
- Seasoned and experience management team
- 4,800 employees located at 30+ facilities worldwide

REVENUE SOURCE

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Americas</td>
<td>65%</td>
</tr>
<tr>
<td>Europe</td>
<td>30%</td>
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<tr>
<td>APMEA</td>
<td>5%</td>
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END MARKETS

<table>
<thead>
<tr>
<th>Market</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Repair / Retrofit</td>
<td>65%</td>
</tr>
<tr>
<td>New Construction</td>
<td>35%</td>
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<tr>
<td>Non-Residential</td>
<td>60%</td>
</tr>
<tr>
<td>Residential</td>
<td>40%</td>
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Global Leader / Expanding Geographically
History of Innovation

1874
Watts Regulator Co. founded by Joseph Watts in Lawrence, Massachusetts

1880s
Received first of 18 Patents

1895
Purchased by Robert Pickles and George Dodson

1918
Acquired by Burchard Horne

1930s
Introduced T&P Relief Valve

1930s
Became leader in industry education

1950s
Burchard’s son, George Horne, expanded presence in U.S. and entered International Markets

1961–62
Opened first manufacturing facilities in Canada & England

1959
Relocated manufacturing facility from Lawrence, MA to Franklin, New Hampshire

1970
Entered Backflow market

1986
Became a publicly traded company as Watts Industries

1984
First company acquisition

1980s
George’s son, Tim Horne, expanded into new markets / products & implemented robust acquisition program

1990s
Entered “Do-It-Yourself” market

1999
Opened first manufacturing facility in China

2006
Exited acquired industrial, oil and gas business

2008
Entered stainless steel drains market

2011
Expanded water safety presence in Europe

2013
Established bronze foundry in Franklin, NH as a “lead-free” pioneer

2014–15
Entered heating solution markets

2015
Established a publically traded company as Watts Industries

2018
Established a publically traded company as Watts Industries

Driving innovation with smart products & connected customers
Commercial Applications Watts Building Solutions

- **Guestroom**
  - Anti-Scald Shower & Lavatory Valves
  - Stainless Steel Shower Drains
  - Underfloor Heating Systems

- **Public Restroom Safety**
  - Thermostatic Mixing Valves
  - Floor Drains
  - Closet & Lavatory Carriers

- **Water Quality (Point of Entry)**
  - OneFlow Anti-Scale Systems
  - Water Softeners
  - SmartStream UV System

- **Driveway / Sidewalk**
  - Electronic Temperature Controls
  - Snow Melt Hydronic Systems
  - Manifolds

- **Water Safety (Point of Entry)**
  - Backflow Preventers
  - Automatic Control Valves
  - Pressure Reducing Valves
  - Ball, Gate, & Butterfly Valves

- **Drainage / Rain Water Harvesting**
  - Cast Iron and Stainless Drains & Pipe
  - Rain / Water Harvesting
  - Roofs, Parking Garages, Bathrooms, Kitchens

- **Fire Protection Systems**
  - Cross Connection Systems
  - Automatic Control Valves
  - Isolation Valves

- **Commercial Kitchens**
  - Gas Connectors
  - Point of Use Filtration Systems
  - Stainless Steel Drains
  - Backflow Preventers

- **Boiler / Mechanical Room**
  - Hot Water Heaters / Boilers
  - Digital Thermostatic Mixing Stations
  - Boiler & Pump Controls
Focusing on the City of the Future

Internet of Things

- IntelliStation
- tekmar branded products
- Radiant Floor Heating Controls
- PVI Boiler Temperature Control (BTC)
- Snow melt
- SunStat Thermostats
- WATTS® Vision®
System Simplicity is The Key

System Components

Logistics of Getting into Mechanical Room

Common Venting

High Power Consumption
No Circulator

No Mixing Valve

No Storage Tank

Storage Tank Efficiency

A Picture’s Worth a Thousand Words
onAER

Most advanced yet incredibly user-friendly platform to track the Benchmark Platinum’s performance. With onAER’s predictive maintenance, saving money and time just became a whole lot easier!

- **Predictive Maintenance**
  - List all sites, buildings, plants.
  - Plant efficiency, Average plant load, Peak plant load, Available units, etc.
  - Critical boiler operation data
  - Historical trending
  - Service & maintenance alerts & actions

- **Plant Overview**
  - Sites by status
  - Sites list
  - Trending graph
  - Favorites
  - Action required
  - Check status
  - Maintenance due

Access your Plant Remotely – https://onaer.aerco.com

User Types can be changed by Admin
- **Unit Overview**
  - Select desired unit from SITES BY STATUS

- **Technical Data**
  - All 11 Variables can be graphed together

User Friendly Dashboard
Case Study

5 Star Hotel Project

**Project Details**

- Project Name: Hotel Project
- Job Description: Full solution for hotel with 322 rooms with restaurant, laundry & swimming pool

**Project Data**

- 322 Guest Rooms with:
  - Private Lavatory
  - Shower And Tub
  - Domestic Kitchen Sink
- Restaurant
- Laundry

**Calculations**

Reference: AERCO Innovation Sizing Guideline

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<th>BtuH Required</th>
<th>System Design Load GPM</th>
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<tr>
<td>2,965,222</td>
<td>83</td>
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Proposed Solution for 5 Star Hotel

AERCO Innovation Tankless System with Digital Water Mixing Station & Filtration System

- (4) AERCO Innovation 1060
- (1) Powers IntelliStation®
- (1) Commercial Micro Z™ Filter
- (1) OneFlow Anti Scale System
Conclusions

• For over 140 years, we have been committed to improving the comfort, safety, and quality of life for people around the world through our expertise in water technologies.

• Our mission is simple, we want to provide high-quality products, systems, and solutions for the conveyance, conservation, control, and safe use of water. And with over 50 locations around the world, we are dedicated to increasing energy efficiencies and reducing waste inside all of our offices and manufacturing facilities.

• We do all we can to enable our employees, customers, and partners in the innovation, development, and manufacturing of water technologies, systems, and solutions.
QUESTIONS?

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