

# Canadian Equity Fund

**HECONOMIE**  
Global Research

**SECURE**

Investment  
Recommendation

*Secure Waste Infrastructure (TSX:SES)*

---

April 7<sup>th</sup>, 2026



# SECURE

I	EXECUTIVE SUMMARY	3 - 10
II	MACROECONOMIC ANALYSIS	11 - 22
III	INDUSTRY ANALYSIS	23 - 31
IV	INVESTMENT OVERVIEW	32 - 60
A	COMPANY OVERVIEW	32 - 45
B	INVESTMENT THESES	46 - 52
C	VALUATION	53 - 60
V	RISKS & CATALYSTS	61 - 62
VI	APPENDIX	63 - 68

# I. Executive Summary

**HECONOMIE**  
Global Research



# Canadian Equities Investment Division

## Team Overview



**Hugo Brossard**

CIO & Co-Fund Manager

Previous experiences:



**3**  
Years of experience

Interests: Skiing, Hiking, Space Exploration



**Julien Grivaz**

VP & Co-Fund Manager

Previous experiences:



**3**  
Years of experience

Interests: CrossFit, Mountaineering, Jazz



**Nathan Montmarquette**

Associate

Previous experiences:



**2**  
Years of experience

Interests: Hockey, Soccer, History



**Mia Bourbeau**

Analyst

Previous experiences:



Interests: Gym, Traveling, Basketball



**Rosie Dansereau**

Analyst

Previous experiences:



Interests: Gym, Cooking, Hiking



**Kevin Chen**

Intern

Previous experiences:



Interests: Sports, Arts



## Our Raison d'Être



Supercharging Near-Term Performance by Seizing Short-Term Opportunistic Allocation



Strategically Shielding the Portfolio by Anticipating and Mitigating Emerging Risks



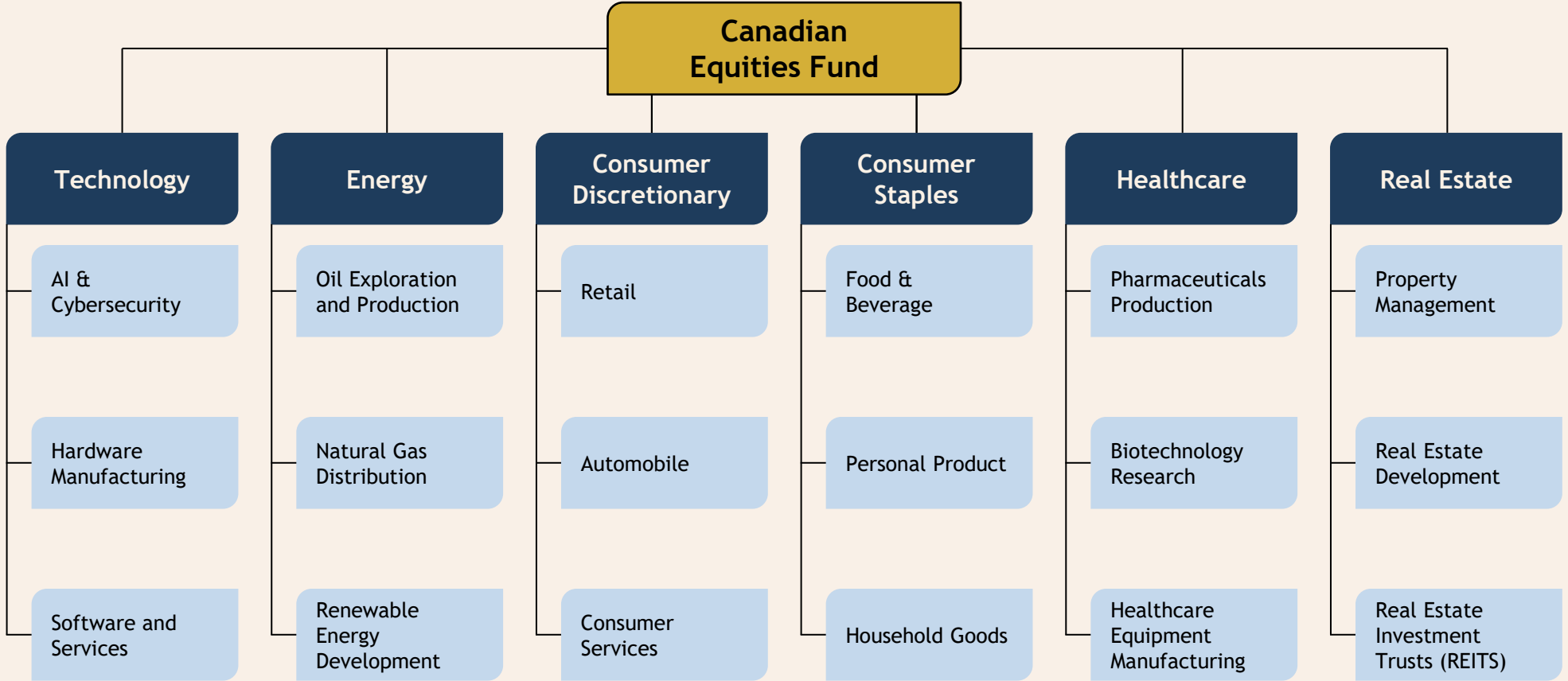
Empowering Portfolio Agility with Real-Time Asset Allocation Adjustments



Maximizing Risk-Adjusted Returns by Continuously Balancing Growth Potential and Stability

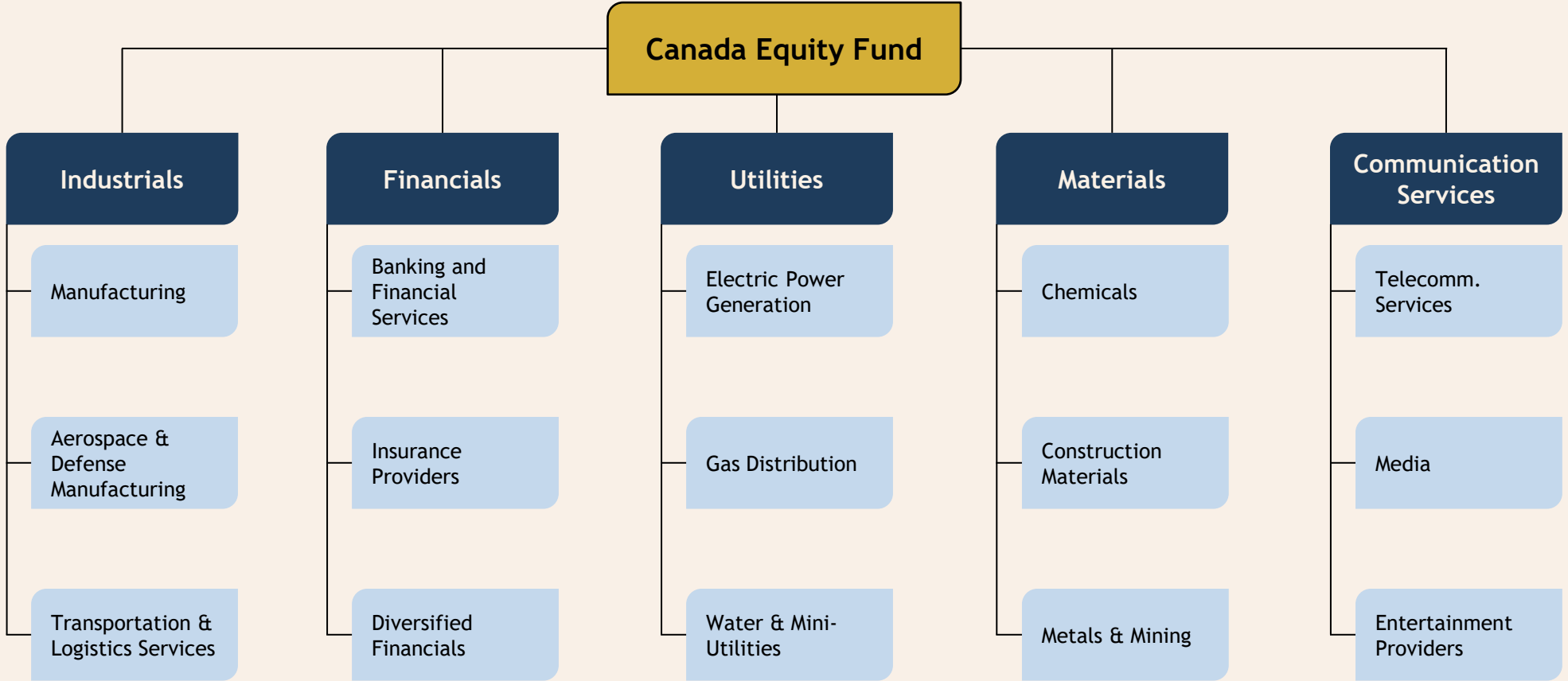
# Overview of CE's Sectors and Industries

- Executive Summary
- Macro-Analysis
- Market Opportunity
- Investment Overview
- Risks & Catalysts
- Appendix



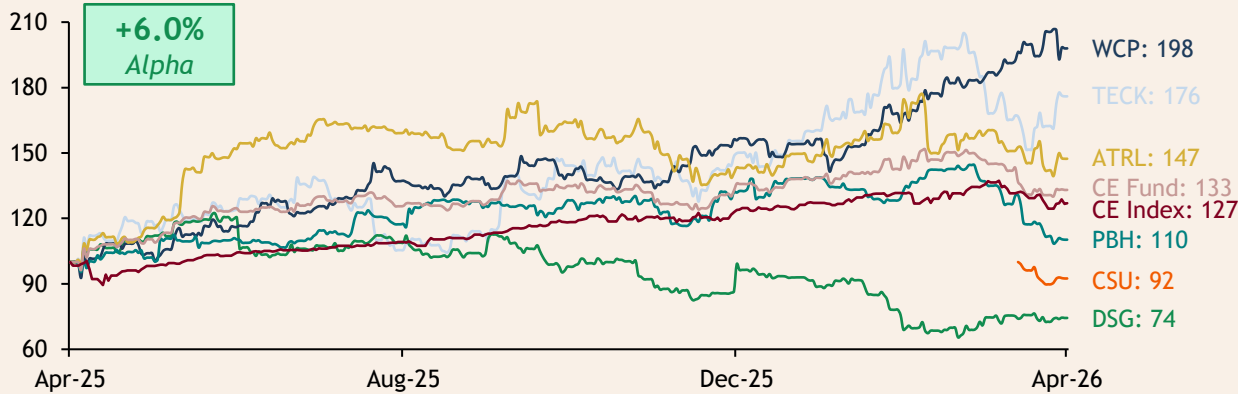
# Overview of CE's Sectors and Industries

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

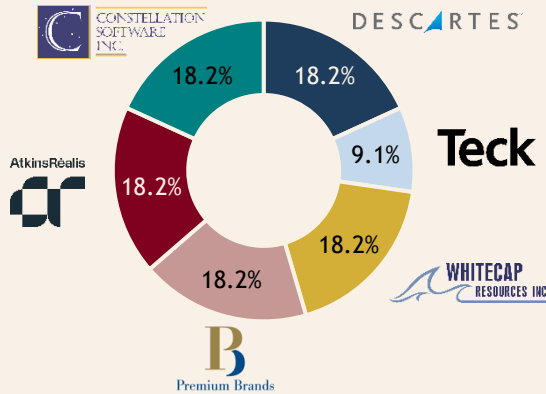


# CE Fund Overview

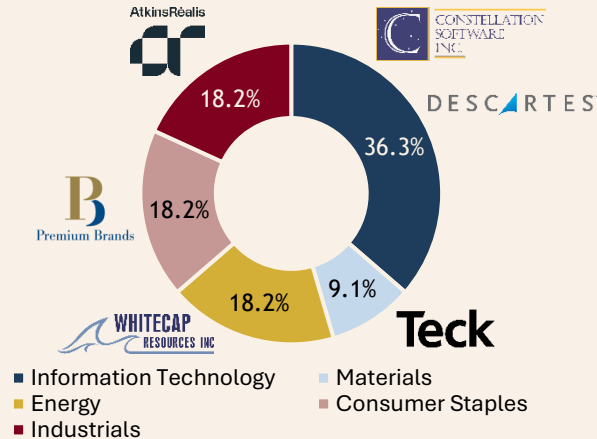
## LTM CE Fund Relative Performance



## Portfolio Composition



## Sectorial Exposure



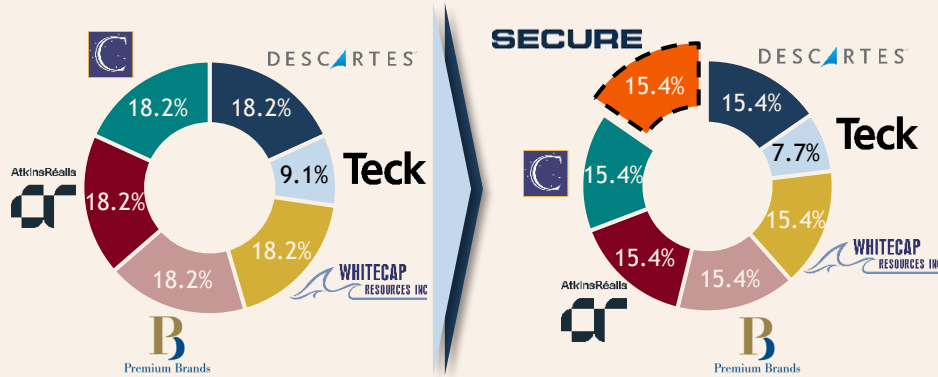
## Commentary

- 1 The CE Fund overperformed compared to its benchmark, the TSX/S&P over the last twelve months.
- 2 Top performers include WCP & TECK, while DSG & PBH have underperformed relative to the index.
- 3 The portfolio consists of 6 stocks, with 40% of capital remaining for deployment in CE.
- 4 HGR's CE current sector allocations are in information technology, materials, energy, consumer staples, industrials.

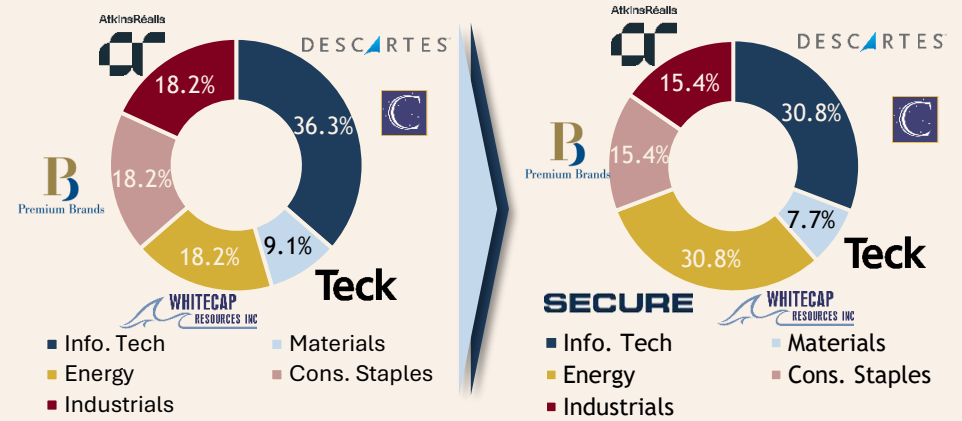
# Rebalancing the Playbook

## Sector Exposure & Allocation Realignment

### Current vs. Proposed Portfolio Composition



### Current vs. Proposed Sectorial Allocation



### LTM Transactions Timeline (HGR's Canadian Equity Team)



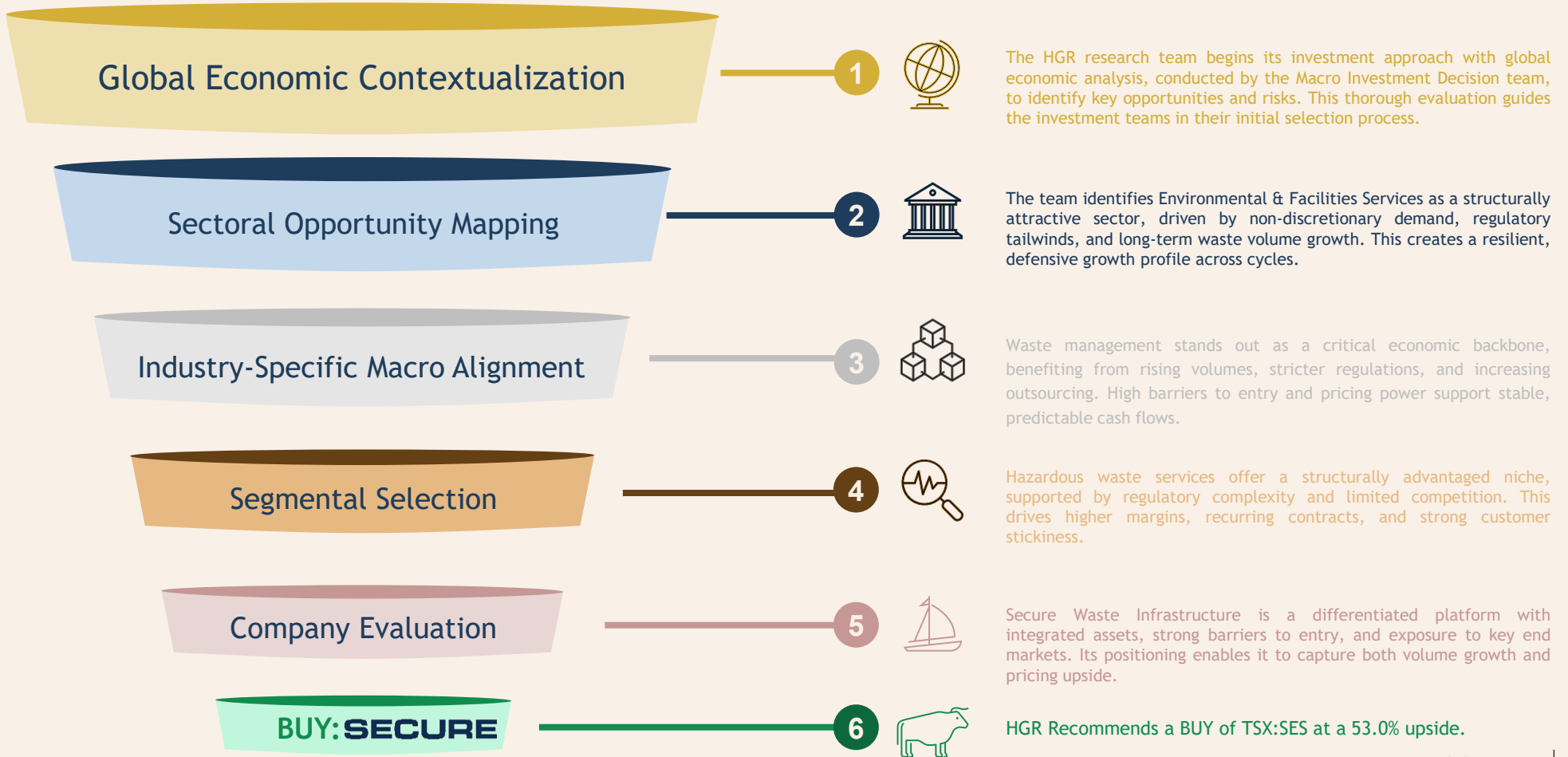
### Portfolio Watchlist



Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

# HGR Macro Selection Process

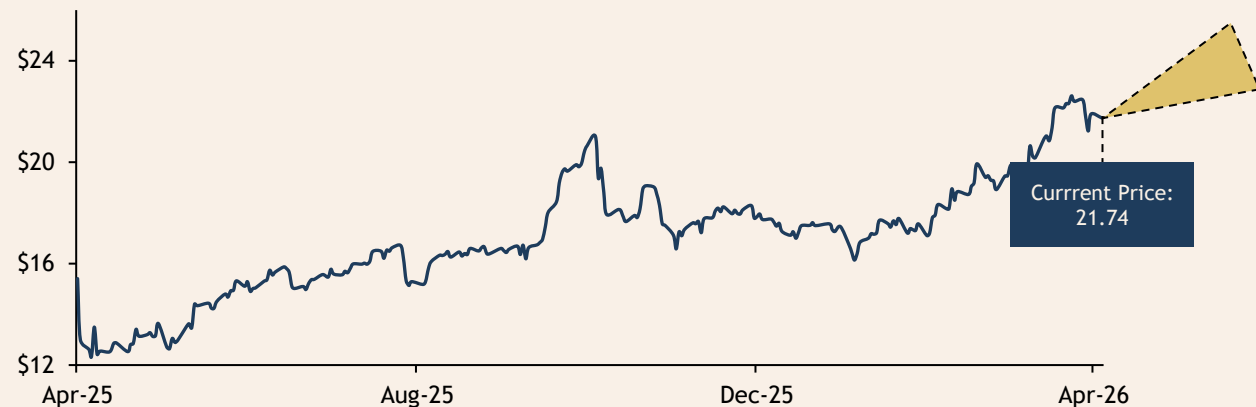
Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix



# Executive Summary

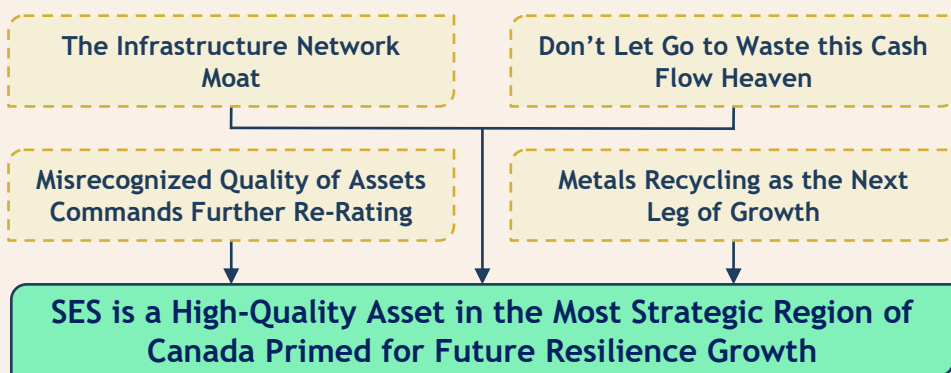
We Issue a Buy Recommendation of TSX:SES Implying a 50.1% Potential Upside

## 12-Month Target Price



<b>Target Price</b>	
\$ 32.63	
<b>Dividend Yield</b>	<b>Upside Potential</b>
1.93%	50.1%

## Investment Theses



## Investment Risks & Catalysts

Catalysts	Risks
1. Change of GICS Code/Sell-Side Analysts	1. Counterparty & Contractual Risk
2. Higher than Awaited Facility Optimizations	2. M&A & Strategy Execution
3. Higher Dividend Upside	3. Safety Accident

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

## II. Macroeconomic Analysis

**HECONOMIE**  
Global Research

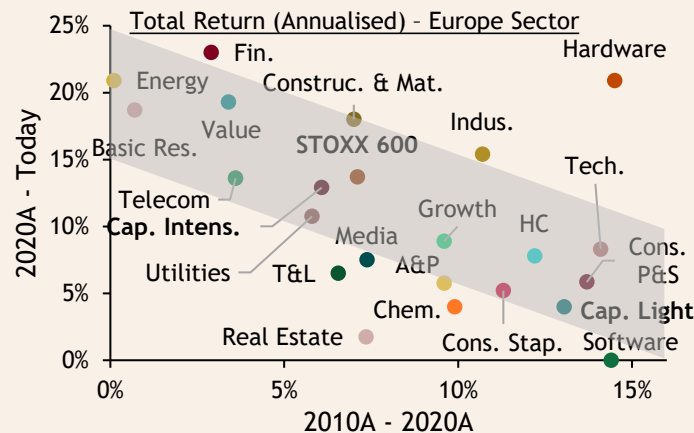


# In the Era of AI Disruption, Capital Intensives Seek to Lead

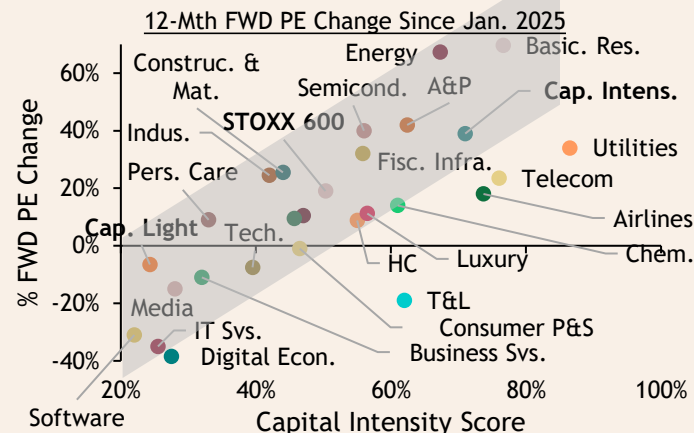
The Forces Supporting Assets that are Costly to Replicate and Less Exposed to Technological Obsolescence are Strengthening

- Repricing Scarcity:** higher real yields, geopolitical fragmentation & supply-chain rewiring have shifted equity leadership back to tangible productive assets.
- AI's Dual Shock:** AI revolution questions margins & terminal values in info. tech. while turning biggest capital light winners into largest capital spenders.
- Focus on HALO (Heavy-Assets, Low Obsolescence):** pairing of substantial physical capital w/ long-lived economic relevance.
- Valuation Convergence:** valuation gap between cap. intens. vs. cap. light has narrowed sharply (almost in line).
- Macro Tailwinds:** fiscal expansion, higher replacement costs and manufact. reshoring support cap. intens. sectors.
- Flows Favour HALO:** strong inflows into value strategies & diversification away from US Tech exposure.
- Earnings Momentum Shift:** consensus expects faster EPS growth & improving ROE for cap. intens. businesses

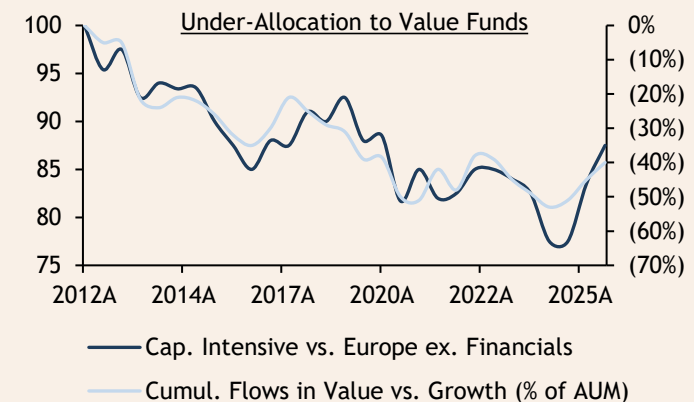
## Shift Away from Growth Assets Post 2020



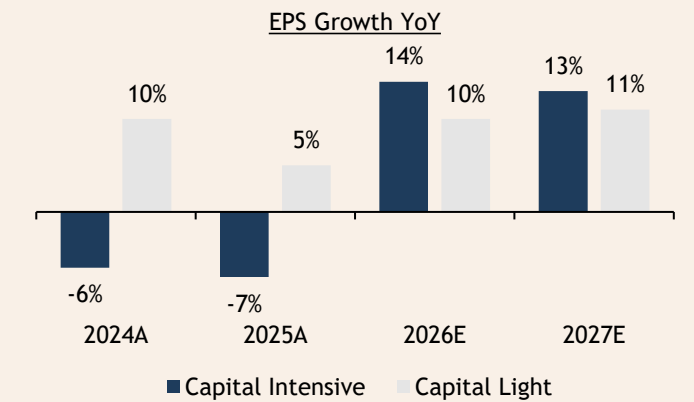
## Capital Intensity Commands Valuations



## Further Room for Capital Intensive



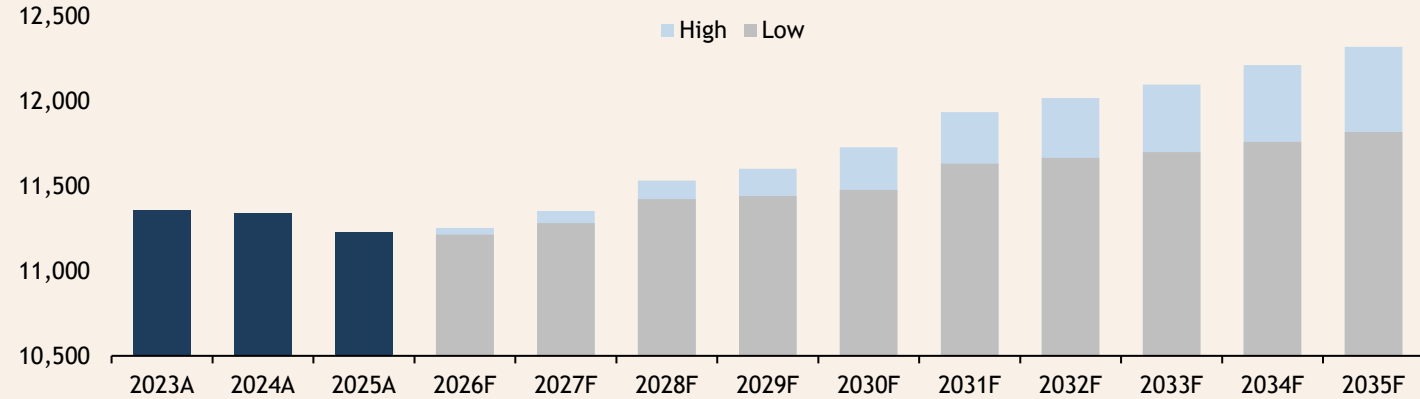
## More Constructive Long-Term Picture



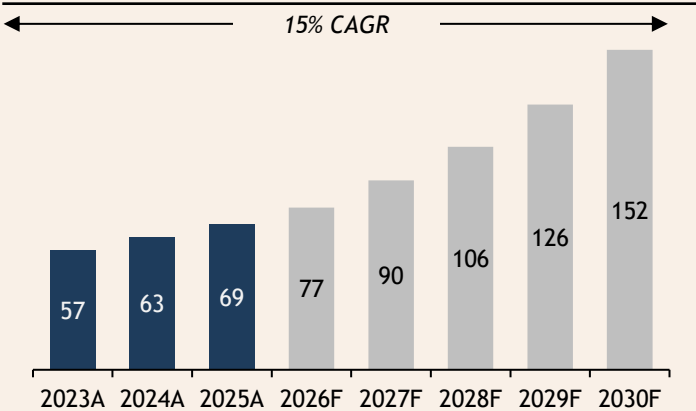
# HGR's Economic Take

## Sector Selection - Overweight on the Energy Sector

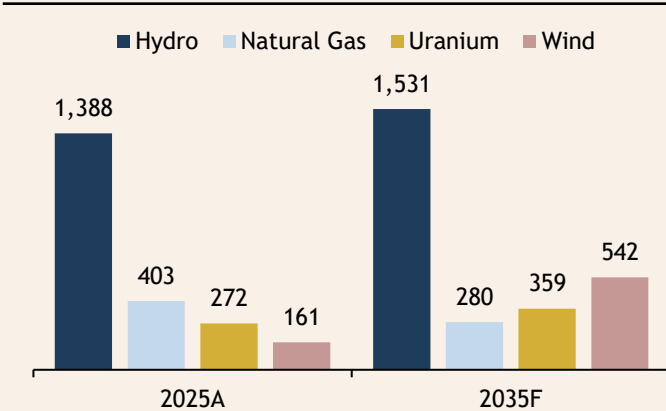
### Total Canadian Energy Demand Forecast (PJ)



### Average Data Center Energy Demand



### Electricity Generation by Technology



### Comments

**1** Total Canadian energy demand is expected to grow exponentially until 2035, growing as a % of GDP every year.

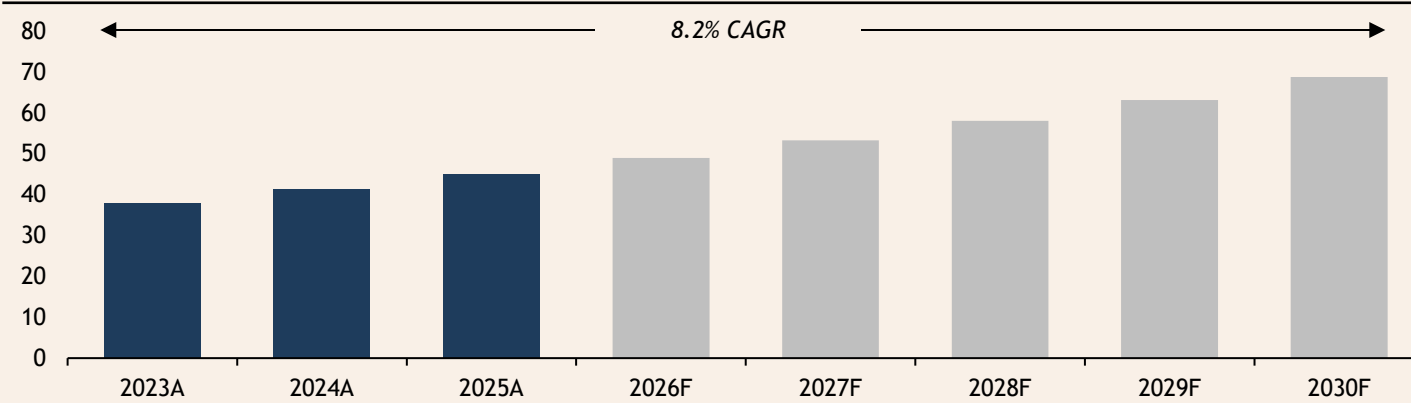
**2** Growing number of data centers are opening in Canada, specifically in Alberta with a \$100B data center investment. They require growing energy to operate.

**3** Canadian electricity is diversified, with hydroelectricity taking the biggest share, with renewables technologies growing most.

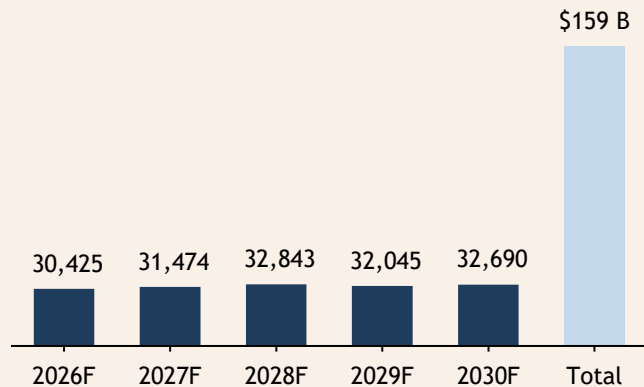
# HGR's Economic Take

Sector Selection - Overweight on the Industrials Sector

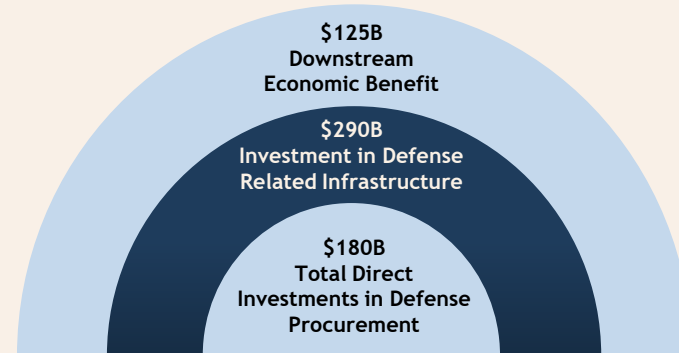
## Industrials Market Size



## Federal Infrastructure Spending Plan



## Investing to Protect Canada's Sovereignty



## Comments

- The global industrial services market is expected to reach \$68.8B by 2030, at an 8.2% CAGR, showing strong future growth.
- \$159B Federal infrastructure spending plan mitigates macroeconomic volatility, with a total CAPEX spending of \$118B, this represents a 35% increase in the next few years.
- The sector is underpinned by a half-trillion dollar sovereignty mandate. A 70% domestic procurement rule stimulates the Canadian industrials industry.

# HGR's Economic Take

## Sector Selection - Overweight on the Energy Sector

1

### Canadian Energy Demand Growth

Total energy demand is projected to grow aggressively through 2035 and will increasingly account for a larger share of Canada's overall GDP.

2

### AI Expansion Tailwinds

Huge AI expansion creates a new wave of energy demand. A massive \$100 billion investment in data centers is expected to nearly triple electricity requirements from 57 GW to 152 GW by 2030.

3

### Energy Technology Diversification

The Canadian economy is diversifying its generation mix to meet the energy demands, with wind and uranium showing significant growth.

**Positive Future Growth Outlook:**  
**Energy Sector**

# HGR's Economic Take

## Sector Selection - Overweight on the Industrials Sector

1

### Recession-Proof Revenue Floor

The \$159B Federal Infrastructure Plan acts as a massive "safety net" for the sector. Even if the broader economy hits a rough patch, industrials will have a guaranteed backlog to work with.

2

### Bullish Overall Market

The 8.2% CAGR proves the sector is outgrowing the general economy. Because these firms serve everything from Motors & Drives to Distribution Control Systems, they aren't tied to the fate of a single industry.

3

### Defense Spending Sovereignty

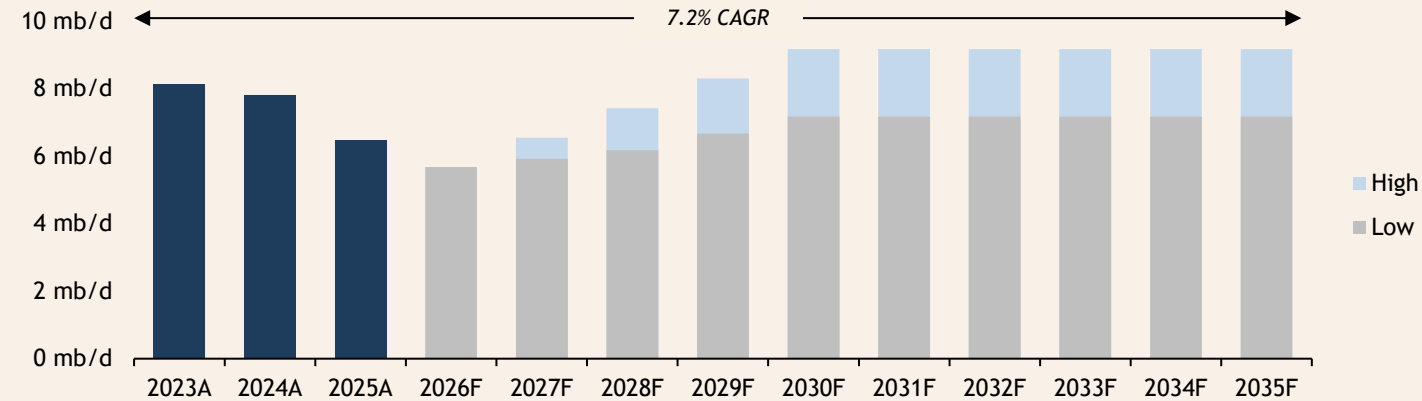
Half a trillion dollars worth of defense spending benefits the entire industrials supply chain, reinforcing Canada's sovereignty and security.

**Positive Future Growth Outlook:**  
**Industrials Sector**

# HGR's Economic Take

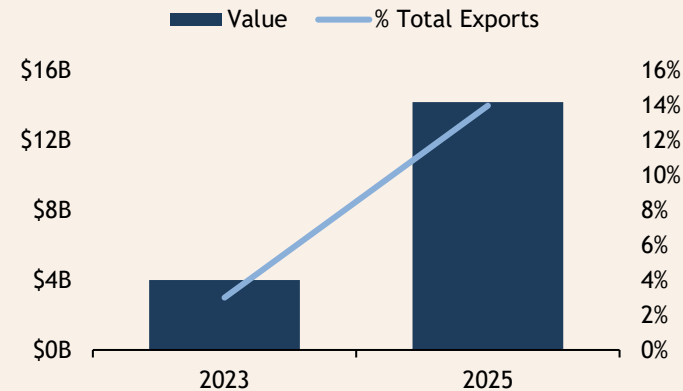
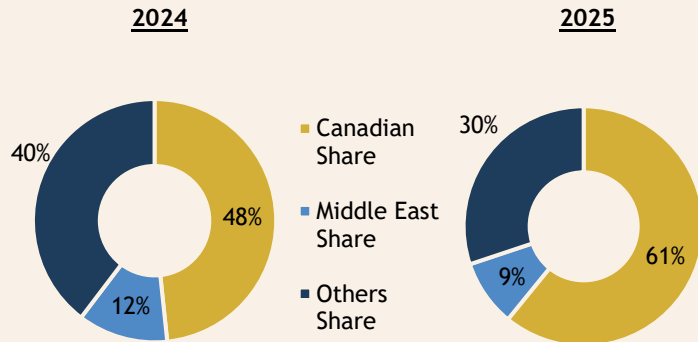
Industry Selection - Overweight on the Oil, Gas & Consumable Fuels Industry

## Total Canadian Oil Production Forecast



## Canada's Share of U.S. Oil Imports

## Canada's Non-U.S. Oil Exports



## Comments

1 Canadian oil production estimated to grow 26% in the next 5 years, reaching 8.2 mb/d (million barrels a day) by 2030.

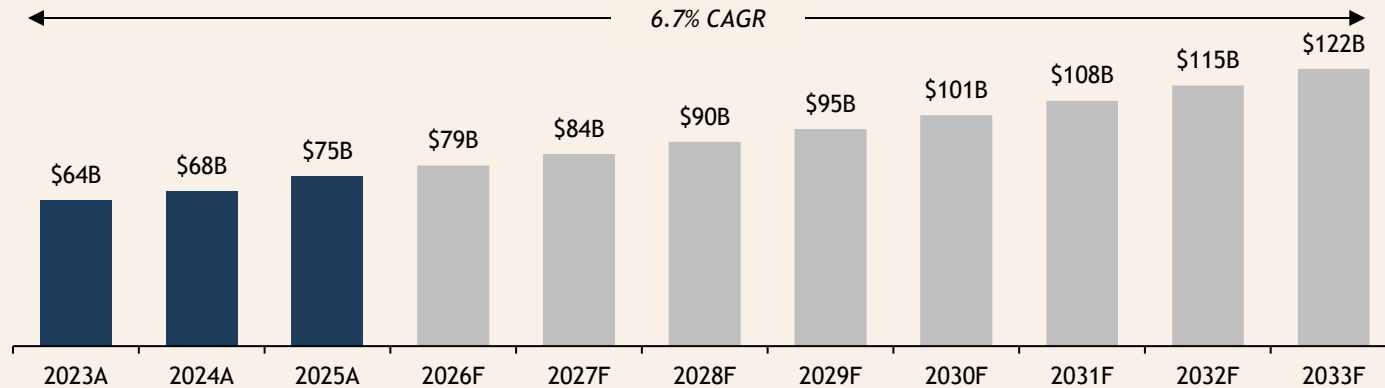
2 The Middle East accounted for less than 10% of total U.S. oil imports in 2025, the lowest since 1980. Growing demand for Canadian crude oil.

3 Trans Mountain Pipeline Project expands the Canadian oil market to Asia. Non-US exports have exploded by 255% in the last 2 years due to this pipeline.

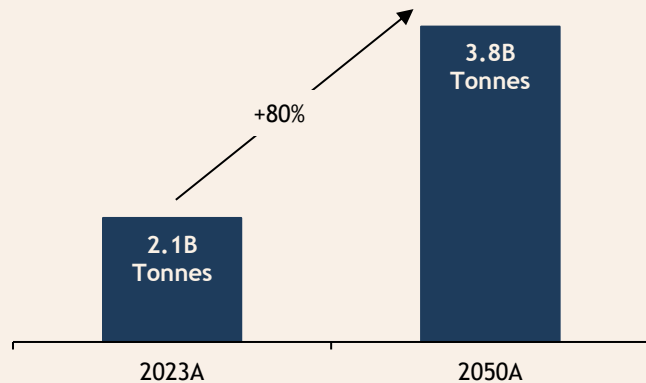
# HGR's Economic Take

Industry Selection - Overweight on the Environmental & Facilities Services Industry

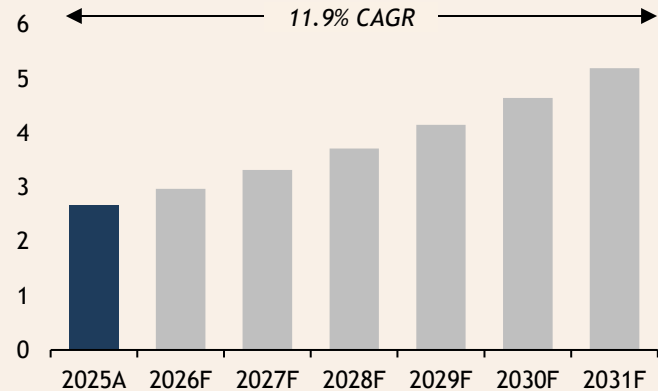
## Canada Waste Services Industry



## Waste Generation



## AI Water Consumption



## Comments

- 1 The Canadian waste services industry is expected to grow at a 6.3% CAGR until 2033, with waste collection being the biggest segment and waste disposal growing the fastest
- 2 Waste Generation is the first step for the majority of the environmental & facilities services industry. Projected to almost double by 2050, shows significant growth and demand.
- 3 Environmental services are now the "gatekeepers" of AI. Without sophisticated cooling and water management, these \$100B data center projects cannot legally or physically operate.

# HGR's Economic Take

*Industry Selection - Overweight on the Oil, Gas & Consumable Fuels Industry*

1

## Canadian Oil Production Recovery

After 4 years of decline, Canadian oil production will recover and rise to meet the huge increase in demand for Canadian crude oil.

2

## Middle East Tension Tailwinds

Tensions in the Middle East have increased demand for Canadian oil, gas & consumable fuels. Notably, exports to the U.S are rising quickly.

3

## Transmountain Expansion

New pipes in the northwest are expanding the Canadian oil market to Asia Pacific, with non-U.S exports almost quadrupling in the past year alone.

**Positive Future Growth Outlook:**  
**Oil, Gas & Consumable Fuels Industry**

# HGR's Economic Take

Industry Selection - Overweight on the Environmental & Facilities Services Industry

1

## Strong Industry Growth

The Canadian waste services industry is expected to grow at a strong 6.3% CAGR driven by waste disposal and waste management.

2

## Waste Generation Explosion

Waste generation, the first step of the entire process, is expected to explode, almost doubling by 2050.

3

## AI Reliance on the Industry

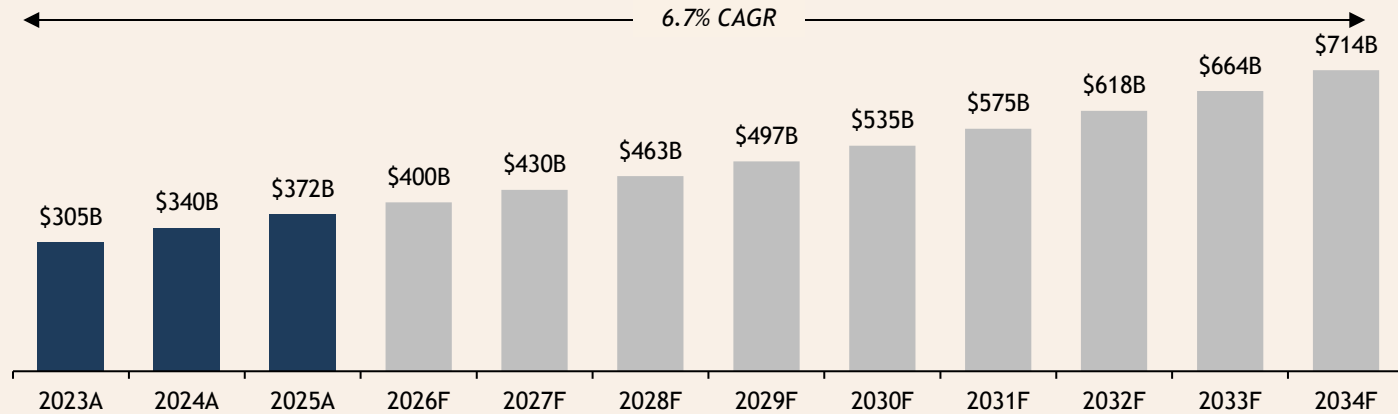
Billion-dollar data centers projects rely on the environmental & facilities services industry to operate, from a both legal and functional perspective.

**Positive Future Growth Outlook:**  
**Environmental & Facilities Services Industry**

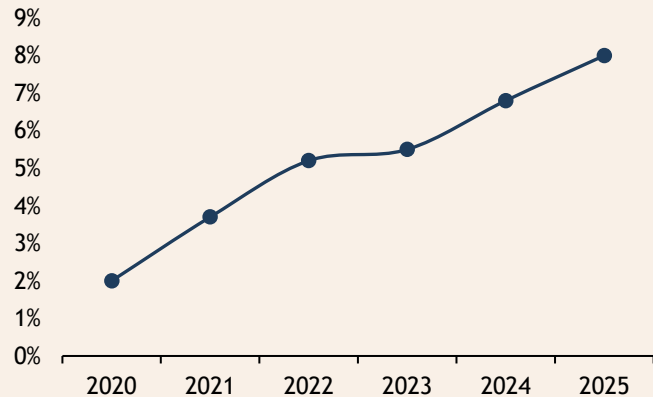
# HGR's Economic Take

Segment Selection - Overweight on Hazardous, Waste Collections, Treatment & Disposal Services

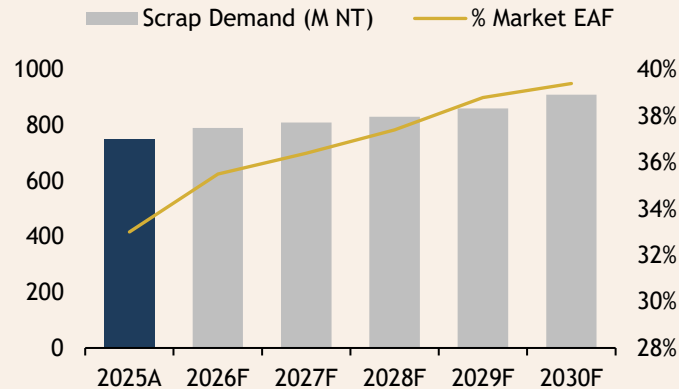
## Water and Wastewater Treatment Market Size



## % of Water Disposal Market Outsourced



## Global Scrap Demand



## Comments

**1** Water and wastewater treatment is necessary to meet the growing demand for clean water resources, serving municipal, agricultural, and critical industrial processes.

**2** Energy companies are realizing they aren't "disposal experts." They are increasingly shutting down their own disposal sites and outsourcing to specialists.

**3** As global scrap demand continues to rise, companies in recycling and waste management start becoming essential raw material suppliers for the future of manufacturing. (EAF: Electric Arc Furnaces).

# HGR's Economic Take

Segment Selection - Overweight on Hazardous, Waste Collections, Treatment & Disposal Services

1

## Water Treatment Necessity

Clean water resources are getting increasingly necessary, which directly affects water treatment demand.

2

## Market Outsourcing

Companies are starting to outsource their waste management, so companies that operate in that segment will be in demand.

3

## Rising Demand for Scrap Metal

Global scrap demand is expected to rise in the following years, making waste collection a necessity to meet demand.

**Positive Future Growth Outlook:**  
**Hazardous, Waste Collections, Treatment & Disposal Services**

# III. Industry Analysis

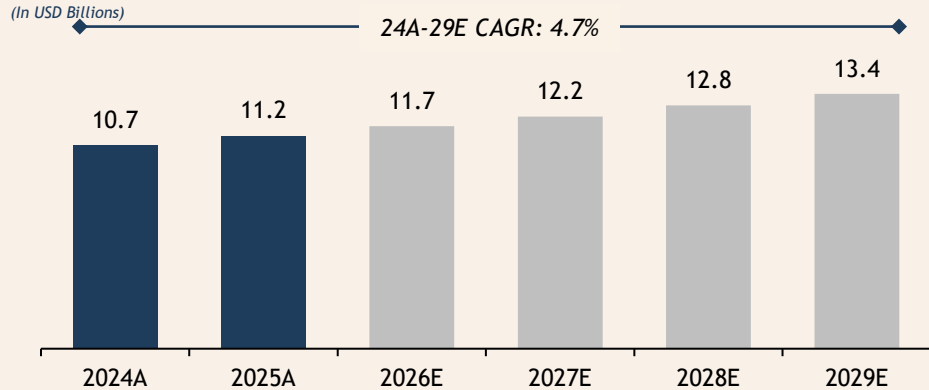
**HECONOMIE**  
Global Research



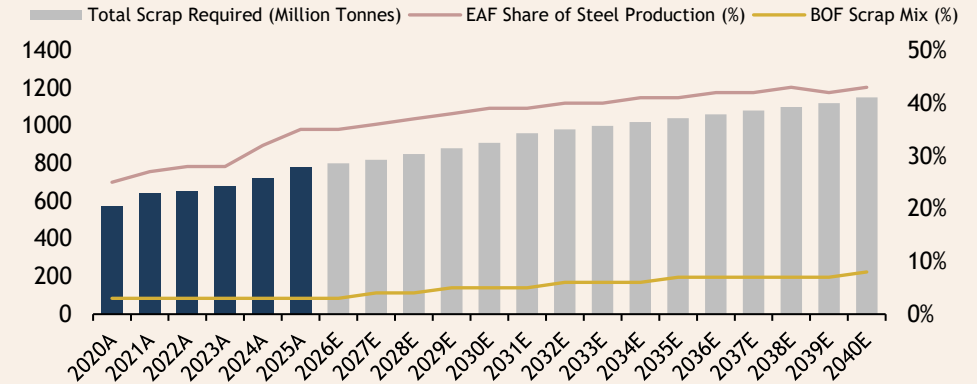
# Industry Overview

## Global Market Trends and Growth Projections in Waste Management and Recycling

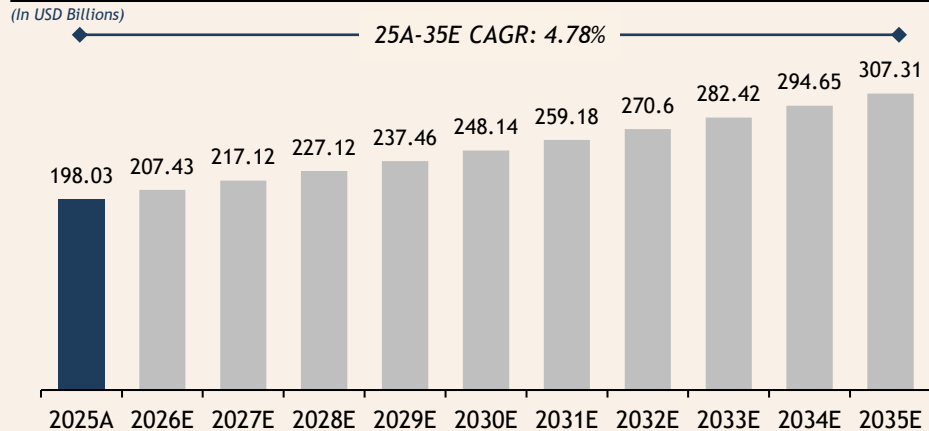
### Projected Market Value of Produced Water Treatment System



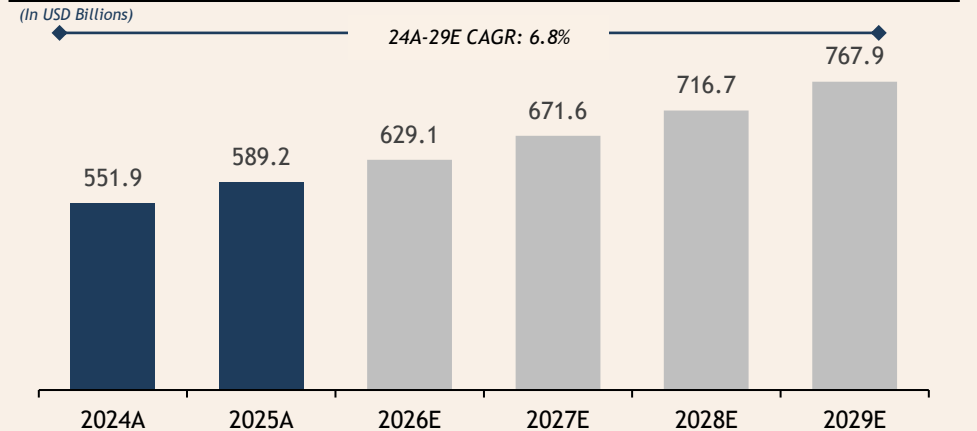
### World Scrap Demand By Year



### Projected Market Value of Industrial Hazardous Waste



### Projected Market Value of Metal Recycling



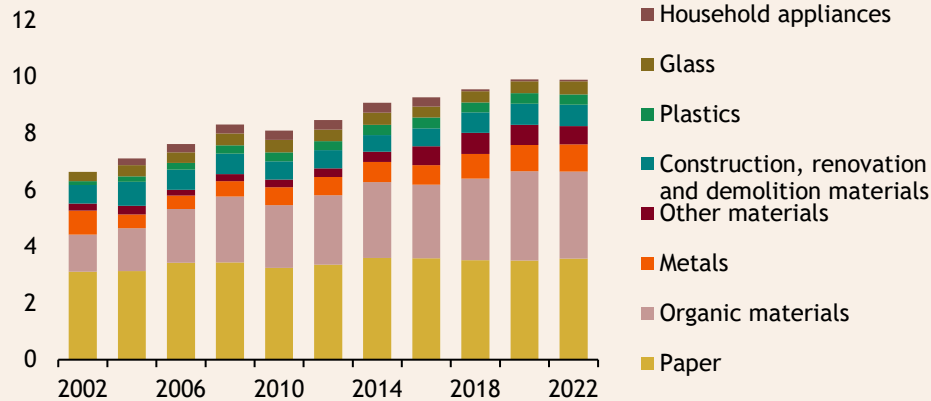
Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

# Industry Overview

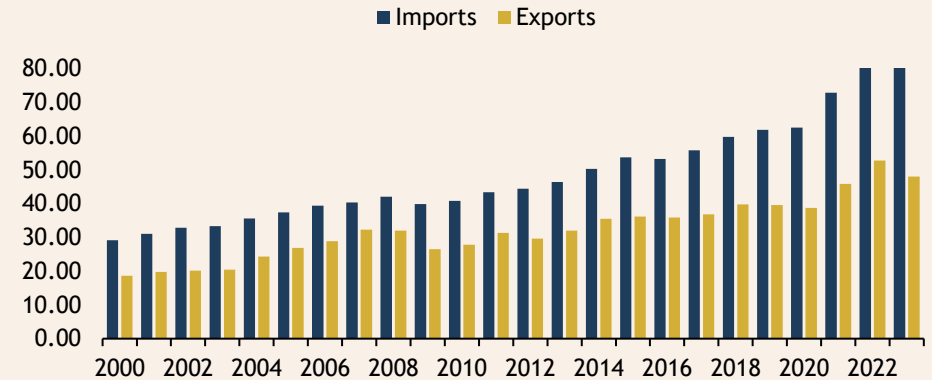
Market Trends, Production, and Regulatory Challenges in Waste and Energy Sectors

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

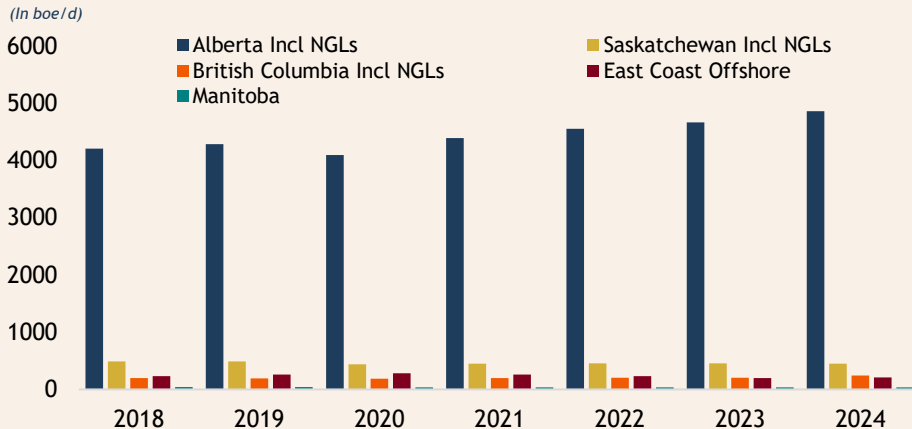
## Solid waste diversion by type of material



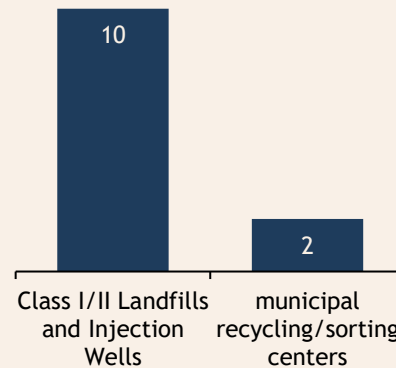
## Imports and exports of the Canadian chemical industry



## Oil and natural gas production by Provinces



## Barriers to entry: Permitting Timelines (In years)



Industrial waste management facilities take longer to permit because they handle hazardous materials, face strict environmental and safety regulations, and require community impact reviews, whereas municipal recycling deals mostly with non-hazardous household waste and faces fewer regulatory hurdles.

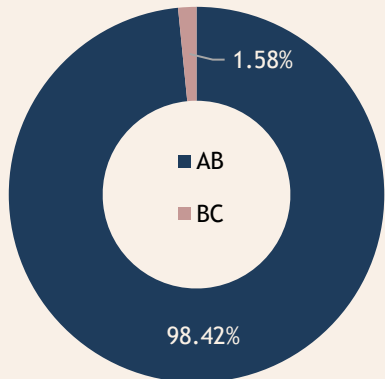
Sources: Statista, ECCC, Alberta Government, AER, CAPP

# Industry Overview

Key Disposal/Releases by Sector & Provinces Reported to NRPI & Canadian Regulations Surrounding Waste

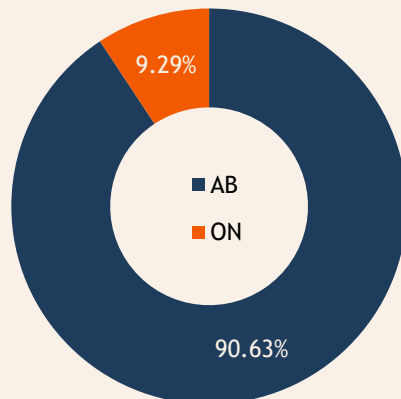
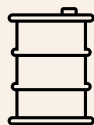
## Services & Oil Extraction

(In % of total releases)



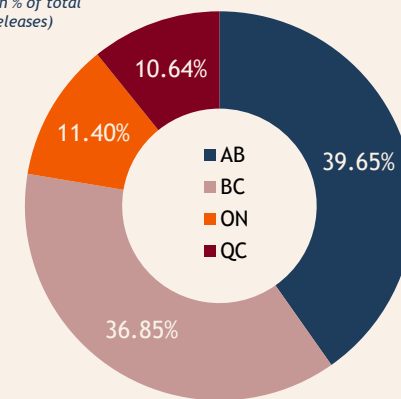
## Chemical (except agricultural) and allied product

(In % of total releases)

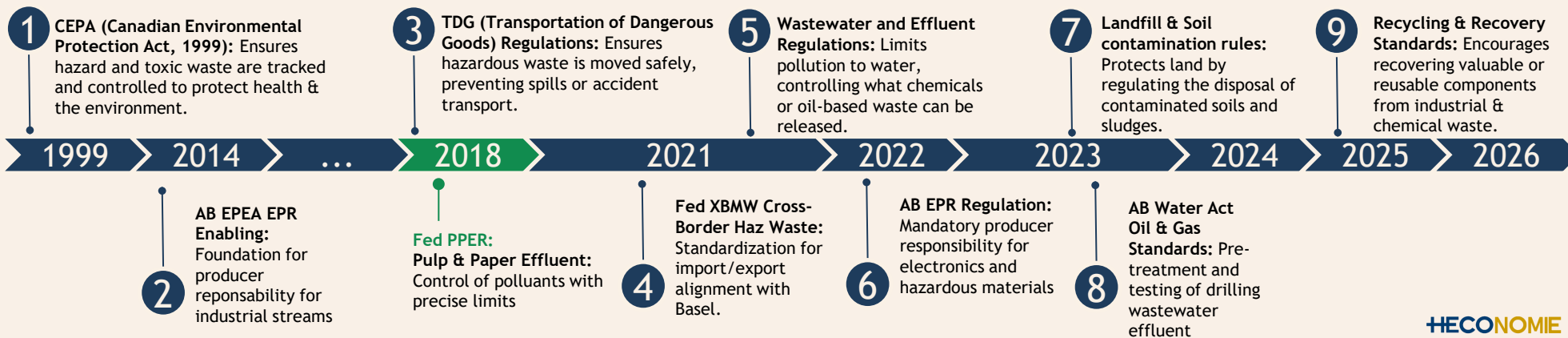


## Waste treatment and disposal

(In % of total releases)



## Waste Regulations In Canada



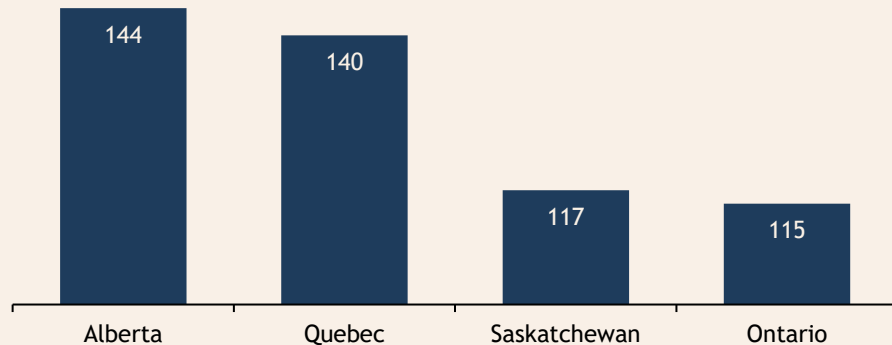
Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

Sources: Catalogues de Données ECC

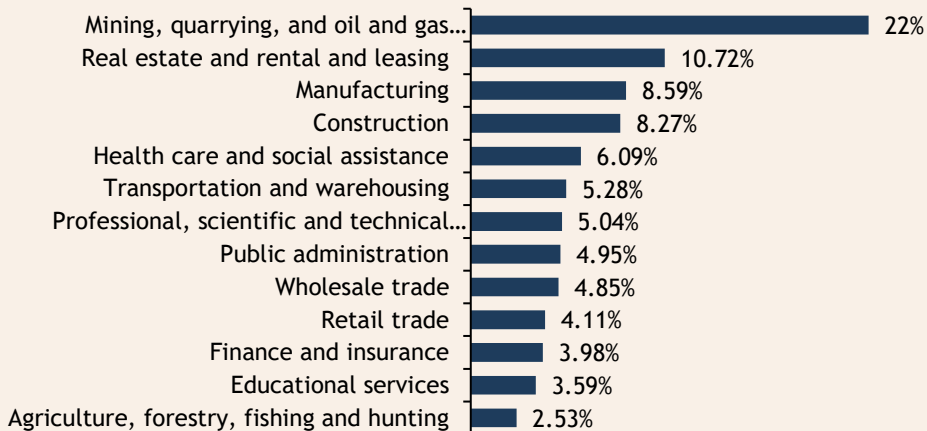
# Industry Overview

## Energy & Waste Sector in Alberta

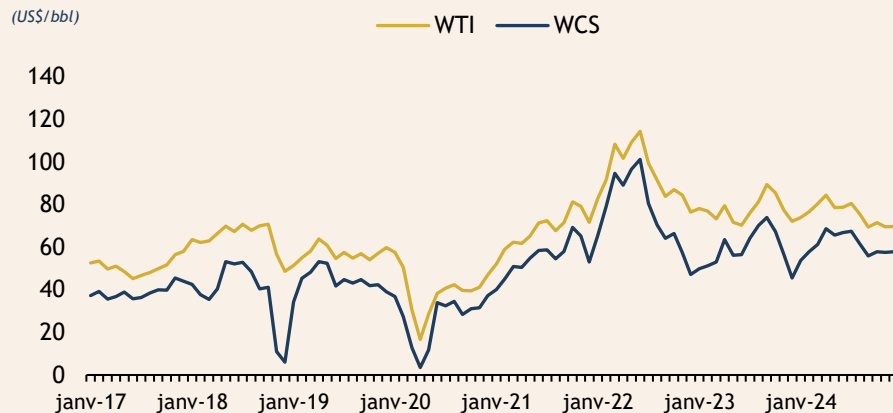
### Number of Publicly Owned Waste Diversion Facilities



### GDP Distribution of Alberta



### The Heavy Oil Discount: WCS and WTI Compared



### Comments

The energy sector remains the backbone of the provincial economy, with mining, quarrying, and oil and gas extraction accounting for 22% of Alberta's total GDP.

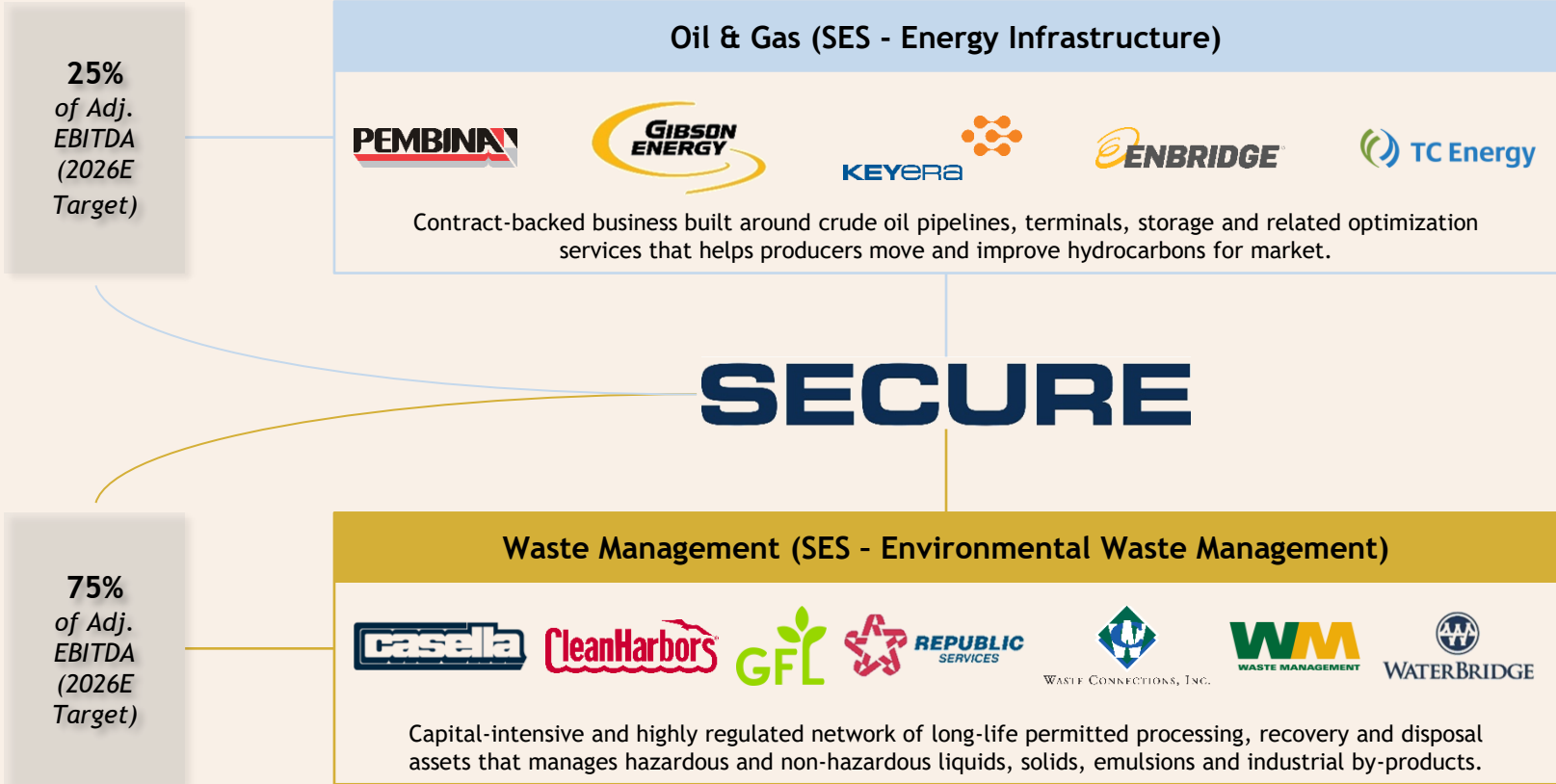
Alberta had 144 waste diversion facilities in 2020, the highest number in the country.

A lower WCS price compared to WTI boosts domestic oil activity, generating more industrial and oilfield waste, which increases demand for local disposal services.

# Competitive Landscape

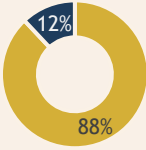
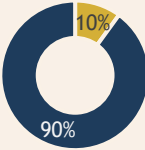
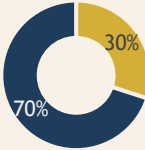

A More Reflective Competitors Set

- Executive Summary
- Macro-Analysis
- Market Opportunity
- Investment Overview
- Risks & Catalysts
- Appendix



# Time is Up Boys !

SES Remains Predominantly Covered by Energy Analysts, Despite Model Evolution

Companies	SECURE	GFL	CleanHarbors	casella
Number of Banks	9	15	15	13
Analysts	<ul style="list-style-type: none"> <li>Konark Gupta</li> <li>Arthur Nagorny</li> <li>John Gibson</li> <li>Steve Hansen</li> <li>Maxim Sytchev</li> <li>Ian Gillies</li> <li>Jamie Kubik</li> <li>Nate Heywood</li> <li>Ken Chmela</li> </ul>	<ul style="list-style-type: none"> <li>Tyler Brown</li> <li>Jon Windham</li> <li>Tobey Sommer</li> <li>James Schumm</li> <li>Bryan Burgmeier</li> <li>Konark Gupta</li> <li>Tami Zakaria</li> <li>Shlomo Rosenbaum</li> <li>Michael Doumet</li> <li>Chris Murray</li> <li>Stephanie Moore</li> </ul>	<ul style="list-style-type: none"> <li>Tyler Brown</li> <li>Jon Windham</li> <li>Tobey Sommer</li> <li>James Schumm</li> <li>Bryan Burgmeier</li> <li>Will Grippin</li> <li>Adam Bubes</li> <li>Jerry Revich</li> <li>Jim Ricchiuti</li> </ul>	<ul style="list-style-type: none"> <li>Tyler Brown</li> <li>Jon Windham</li> <li>James Schumm</li> <li>Will Grippin</li> <li>Tami Zakaria</li> <li>Shlomo Rosenbaum</li> <li>Adam Bubes</li> <li>Trevor Romeo</li> <li>Faiza Alwy</li> </ul>
Specialty Mix				

## Comments

1

SES is still covered by energy analysts, while it's true peer group is dominated by waste specialists

2

Coverage positioning misaligns business model assessment, trends exposure, and operating assumptions

3

This playbook misalignment creates potential for a mispricing, as SES is not yet valued on it's core sector multiples


# Competitive Landscape

A More Reflective Competitors Set

- Executive Summary
- Macro-Analysis
- Market Opportunity
- Investment Overview
- Risks & Catalysts
- Appendix

OUTDATED PEER SET

**Oil & Gas (Energy Infrastructure now = 25% of SES)**



Contract-backed business built around crude oil pipelines, terminals, storage and related optimization services that helps producers move and improve hydrocarbons for market.

# SECURE

PEER SET REFLECTIVE OF TODAY'S REALITY

**Waste Management (Environmental Waste Management now = 75% of SES)**





Capital-intensive and highly regulated network of long-life permitted processing, recovery and disposal assets that manages hazardous and non-hazardous liquids, solids, emulsions and industrial by-products.

Sources: Company Filings, HGR Canadian Equity

# Competitive Landscape

SECURE: Leading Canadian Waste Management with a Strategically Concentrated Network

	SECURE	GFL		CleanHarbors	
<b>Companies</b>					
<b>Geographies as % of revenue</b>	95.72% from Canada 4.28% from the U.S.	47.56% from Canada 52.44% from the U.S.	14% from Canada 86% from the U.S.	12.88% from Canada 87.12% from the U.S.	3.27% from Canada 96.73% from the U.S.
<b>Revenue Segments as % of revenue</b>	16.60% from Energy Infrastructure 83.4% from Waste Management	35.6% from solid waste Canada 79.3% from solid waste U.S. -14.8% from Intercompany Revenue	71% from waste collection 21% from disposal and transfer 3% from recycling 3% from E&P Waste Services	84.2% from environmental services 15.8% from safety-kleen sustainability solutions 0.01% from corporate	88.7% from recycling and waste 9.4% from environmental solutions 1.9% from corporate entities and others
<b>EBITDA Margin</b>	30.6%	24.6%	33%	18.6%	31.0%
<b>Waste Facilities</b>	-80+ facilities & landfills	100+ facilities (landfills, transfer stations, etc.)	94 landfills, more than 100 transfer stations, 70 recycling centers	-870 locations with 100+ disposal facilities	-900+ sites (collection ops, transfer, recycling, landfills)
<b>Total asset turnover</b>	0.61x	0.33x	0.48x	0.80x	0.50x
<b>Competitive Advantage</b>	Integrated, high-moat network of midstream waste assets that are difficult to replicate or permit in Western Canada.	Only major player providing a "one-stop" shop for liquid, solid, and soil remediation services across North America.	Rural/franchised dominance ensures high barriers to entry and superior pricing power.	Controls North America's largest hazardous waste network; near-impossible to permit new competition for high-margin PFAS/chemical disposal.	Leveraging AI-enhanced routing (RISE platform) and "Polymer Centers" to extract higher value from recyclables and lower operational costs.
<b>Main Bottleneck</b>	High sensitivity to oil and gas activity levels and U.S. steel tariffs impacting the metals recycling segment.	Significant debt from aggressive M&A (3.4x net leverage) and the complexity of integrating frequent, large-scale acquisitions.	Complex permitting and landfill liability (ETLF) risk, plus volatile recycling prices..	Performance is tied to heavy industry "turnaround" schedules and refinery volumes, making revenue more volatile than residential waste.	Persistent labor disruptions and "intentional shedding" of low-margin contracts have led to temporary negative volume growth (-1.0%).

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

Sources: Company Filings, S&P Capital IQ

# IV. Investment Overview

**HECONOMIE**  
Global Research



# A. Company Overview

**HECONOMIE**  
Global Research



# Company Overview

SES is Built to Process, Positioned to Compound

## Company Highlights

### Description

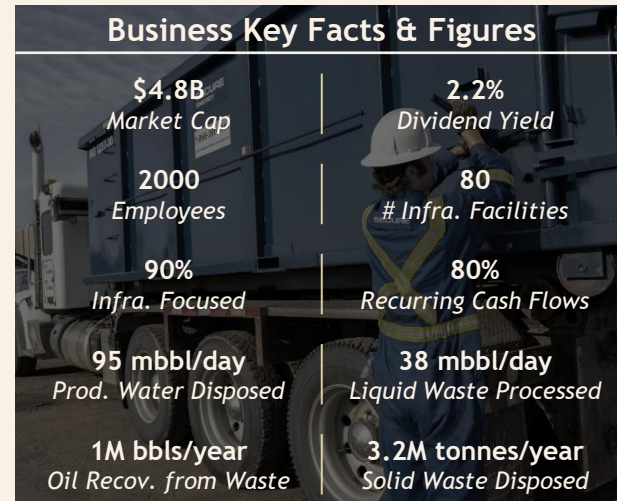
- **History:** SES was founded in 2007. Formely known as Secure Energy Services and changed its name to “Secure Waste Infrastructure” in January 2025.
- **Business Segments (2):** environmental waste management and energy infrastructure.
- **Operations:** collection, processing, recovery, recycling & disposal of waste streams generated by its energy & industrial customers and gathering, optimization, terminalling & storage of crude oil and natural gas liquids.
- **Geographic Presence:** Western Canada (Alberta, the heart of Canadian oil production) and the U.S. (North Dakota).

### Recent Developments

- **January 2025:** Rebranded from Secure Energy Services to SECURE Waste Infrastructure Corp.
- **February 2024:** Sold 29 facilities to Waste Connections for \$1.15B; used proceeds to eliminate debt & buy back shares
- **July 2021:**Tervita merger
- **2016-20:** Pivot toward production & industrial waste volumes

Strategic Shift Toward Stable and Higher-Margin Waste Management Business to Drive Sustainable Longer-Term Value

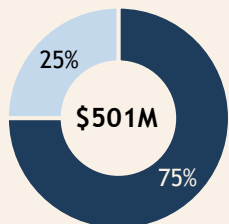
## Business Key Facts & Figures



## Business Segments

(By Adj. EBITDA)

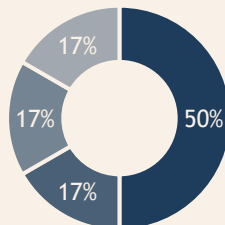
- Waste Management
- Energy Infrastructure



## Waste Management Segment

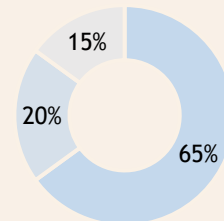
(By Adj. EBITDA)

- Waste Processing Facilities
- Industrial Landfills
- Metals & Industrial
- Specialty Chemicals



## Energy's Source of Waste

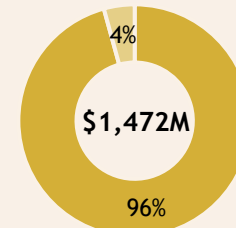
- Production
- Drilling & Completions
- Industrial



## Geographical Exposure

(By revenues)

- Canada
- U.S.



# Company Overview

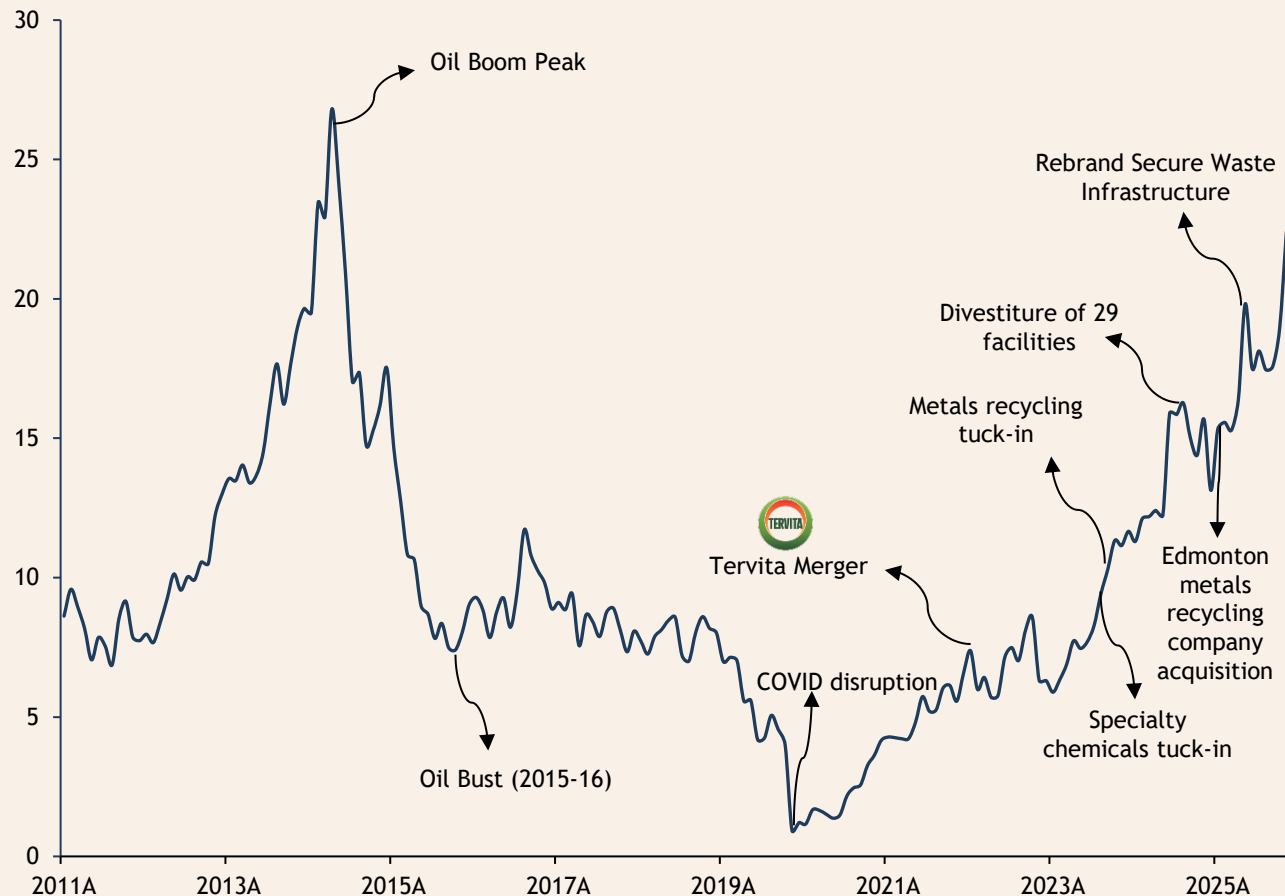
## Strategic Shift Toward Stable and Higher-Margin Waste Management Business to Drive Sustainable Longer-Term Value

Description	Recent Developments	2024	2025
<p><b>2014</b></p> <p><i>Focused on exploiting the value chain in Energy Services</i></p>	<p>January 2025: Rebranded from Secure Energy Services to SECURE Waste Infrastructure Corp.</p> <p>February 2024: Sold Waste Connections to proceeds to eliminate debt &amp; buy back shares</p> <p>July 2023: Servita merger</p> <p>2016-2020: Pivot toward production &amp; industrial waste volumes</p>	<p><b>2025</b></p> <p><i>Focused on Waste Building an Integrated Waste Management &amp; Energy Infrastructure Platform</i></p>	<p><b>2025</b></p> <p><i>Focused on Waste Building an Integrated Waste Management &amp; Energy Infrastructure Platform</i></p>
<p><b>Employees</b></p> <p>1,300</p>		<p><b>Employees</b></p> <p>2,000</p>	<p><b>Employees</b></p> <p>2,000</p>
<p><b>Facilities</b></p> <p>26</p>		<p><b>Facilities</b></p> <p>80</p>	<p><b>Facilities</b></p> <p>80</p>
<p><b>Business Segments</b></p> <p>40% (waste's source tied to production + industrial)</p>		<p><b>Energy's Source of Waste</b></p> <p>80% (waste's source tied to production + industrial)</p>	<p><b>Energy's Source of Waste</b></p> <p>80% (waste's source tied to production + industrial)</p>
<p><b>Recurring Cash Flows</b></p> <p>25%</p>		<p><b>Recurring Cash Flows</b></p> <p>15%</p>	<p><b>Recurring Cash Flows</b></p> <p>15%</p>
<p><b>Diversified Customer Base</b></p> <p>75%</p>		<p><b>Diversified Customer Base</b></p> <p>20%</p>	<p><b>Diversified Customer Base</b></p> <p>20%</p>
<p><b>Infrastructure Focused</b></p> <p>60%</p>		<p><b>Infrastructure Focused</b></p> <p>90%</p>	<p><b>Infrastructure Focused</b></p> <p>90%</p>

# Annotated Stock Chart

SES is Better Positioned to Face Potential Headwinds to the O&G Industry as it Relates to Commodities Volatility

## Stock Chart

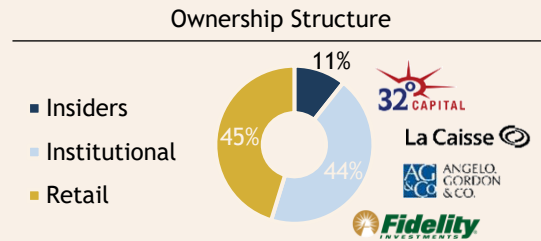


## Market Data

(All \$ amounts in CAD)

Capitalization	
Share Price (Apr-4-2026)	21.9
Basic Shares Outstanding	218.02
<b>Market Capitalization (\$M)</b>	<b>4,775</b>
(-) Cash & Equivalents	(22)
(+) Short-Term Debt	32
(+) Long-Term Debt	988
<b>Enterprise Value (\$M)</b>	<b>5,773</b>

Trading Multiples	
2025A EV/EBITDA	12.2x
2024A EV/EBITDA	13.0x
2023A EV/EBITDA	10.1x
2025A P/EPS	42.5x
2024A P/EPS	29.4x
2023A P/EPS	19.6x



Sources: Company Filings, S&P Capital IQ

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

# From Trash to Cash

*An Integrated Network That Captures, Processes, and Monetizes Waste End-to-End*

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix







## I Waste Generation

Recurring waste volumes generated by ongoing industrial & energy production.

-  **Soils & solids**
-  **Non-hazardous industrial**
-  **Hazardous industrial**
-  **Crude oil emulsion**





## II Collection

Waste is directed into SES's Network through a combination of customer logistics, pipelines, rail & contracted transportation.

-  **10,000 industrial bins**
-  **>50km water pipelines**
-  **282 owned/leased railcars**
-  **45 specialized trucks**

## III Processing & Recovery

Waste is processed at SES's network of infrastructure. Value is created by recovering commodities.

-  **55 liquid waste processing facilities**
-  **12 metals recycling facilities**
-  **5 waste transfer stations**
-  **100 patents & chemical blending infra.**

## IV Re-Use/Disposal

Solid waste is taken to an industrial landfill; water is injected downhole & commodities are transported to market.

-  **12 industrial landfills**
-  **98 water injection wells**
-  **1 cavern**

Sources: Company Filings

# Waste Management Network Overview

Dense, Integrated Network Across Western Canada Enabling cost-efficient, end-to-end waste management

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

## 1. Waste Generation

- Recurring waste from ongoing oil & gas production and industrial activity.*
- Soils & solids
  - Non-hazardous industrial
  - Hazardous industrial
  - Crude oil emulsion

## 2. Collection

- Directed into SECURE's network via customer logistics, pipelines, rail & contracted transport.*
- 10 000 industrial bins
  - > 50 km water pipelines
  - 282 railcars
  - 45 specialized trucks

## 3. Processing & Recovery

- Processed at SECURE's facility network - value created by recovering commodities.*
- 55 liquid waste facilities
  - 12 metals recycling
  - 5 transfer stations
  - 100 patents & chemicals

## 4. Re-use/Disposal

- Solid waste to landfill, water injected downhole, commodities transported to market.*
- 12 industrial landfills
  - 98 water injection wells
  - 1 cavern
  - Recovered oil -> market

### Locations Across Western Canada



### Key Strengths

- Density creates a cost advantage
- SECURE handles the full waste lifecycle
- Recurring volumes that are not only project-based
- SECURE recovers value from waste
- Regulatory tailwind guarantees long-term demand

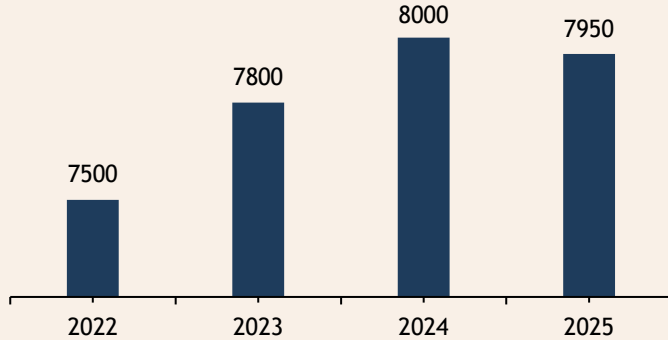
Sources: Company filings

# Waste Management Division Overview

Diversified Waste Platform Driving Volume Growth and Stable, Recurring Earnings

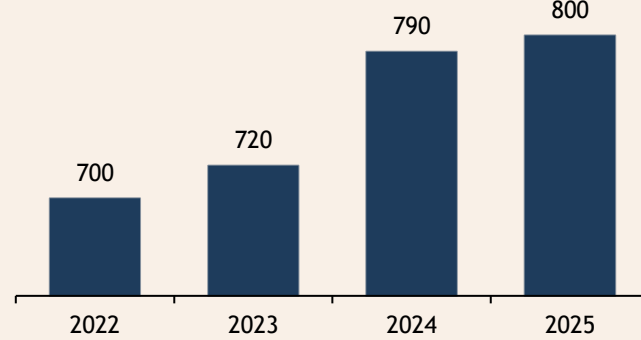
## Waste Processing Volume

In thousand BBL/day



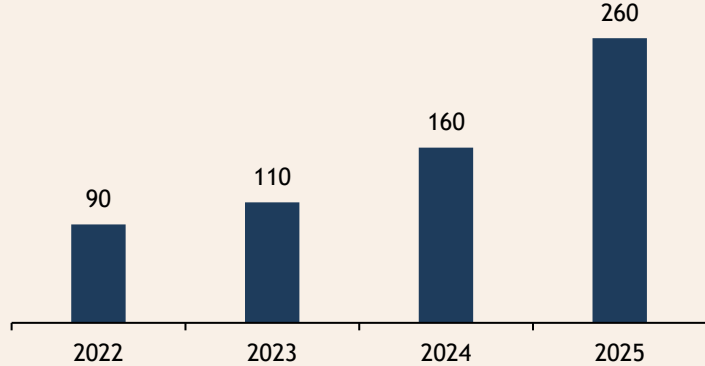
## Industrial Landfills Volume

In thousand tonnes

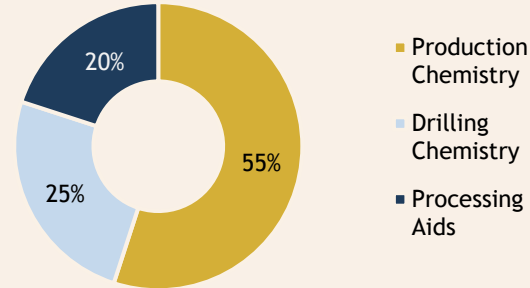


## Metals Recycling Volume

In thousand tonnes



## Specialty Chemicals Volume



## Comments

**1** Waste processing division generates ~50% of total EBITDA. With a network of 55 facilities, the company handles ~95K barrels per day of water and ~1M barrels of oil annually. The strong demand grows regardless of oil prices.

**2** Metals recycling division contributes ~12% of EBITDA, with 12 facilities and doubled volumes since 2023. Demand is driven by rising global scrap demand and increasing adoption of electric arc furnaces.

**3** Industrial landfill division contributes to ~12% of EBITDA. This segment is supported by government-mandated reclamation and abandonment activity, creating stable demand regardless of economic cycles.

**4** Specialty chemicals division generates ~25% of EBITDA. With over 100 patents, the business benefits from strong intellectual property protection and high switching costs once integrated into customer operations.

# Energy Infrastructure Network Overview

Regionally Concentrated Logistics Network Connecting Production to Market Through Integrated Infrastructure

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

## 1. Production/Supply

Crude oil production from Western Canadian basins feeds SECURE's infrastructure network. Volumes are generated from ongoing production activity.

- Oil production sites
- Produced crude volumes
- Linked to drilling & completions activity

## 2. Gathering & Transportation

Crude volumes are gathered and transported through SECURE's network via pipelines, trucking, and rail infrastructure.

- Gathering pipelines
- Trucking fleet
- Railcars

## 3. Terminals & Storage

Crude is received, store, and optimized at SECURE's terminal network, enabling blending, handling and market access.

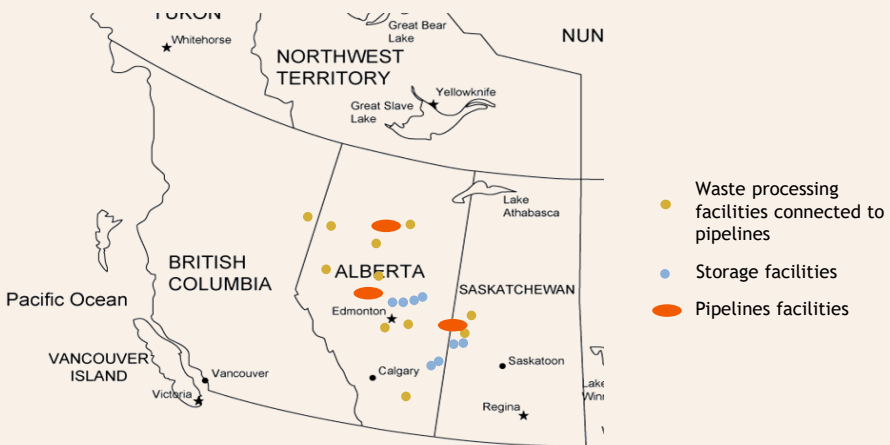
- Terminal facilities
- Storage
- Blending & quality optimization

## 4. Market Delivery

Crude is delivered to end markets, including refineries and downstream pipelines, generating fee-based revenues.

- Access to major pipeline networks
- Market optimization & pricing

### Pipeline Network Locations



### Key Strengths

- Regionally concentrated network minimizes transportation costs
- Direct connectivity to major takeaway pipelines enables efficient market access
- Integrated infrastructure supports logistics flow
- Volume-driven model with growing fee-based exposure enhances revenue visibility

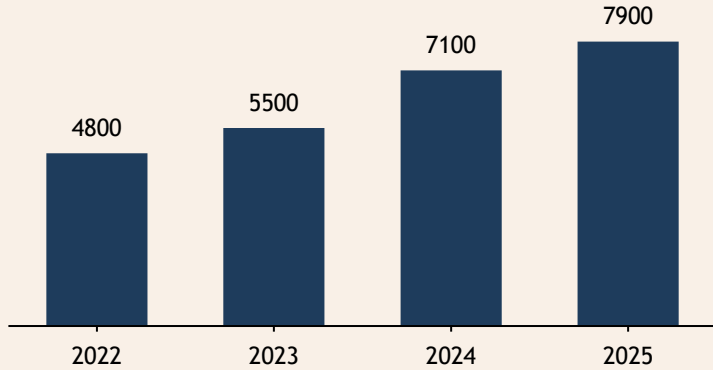
Sources: Company filings

# Energy Infrastructure Division Overview

Fee-based Crude Oil Transportation, Terminalling & Market Optimization

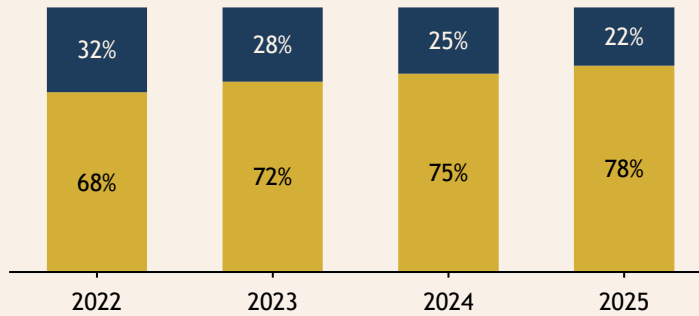
## Pipeline & Terminalling Volumes

In thousand m<sup>3</sup>



## Energy Infrastructure Revenue Mix

■ Fee-Based ■ Market Optimization



## Pipeline Network

3 gathering systems across Alberta & Saskatchewan

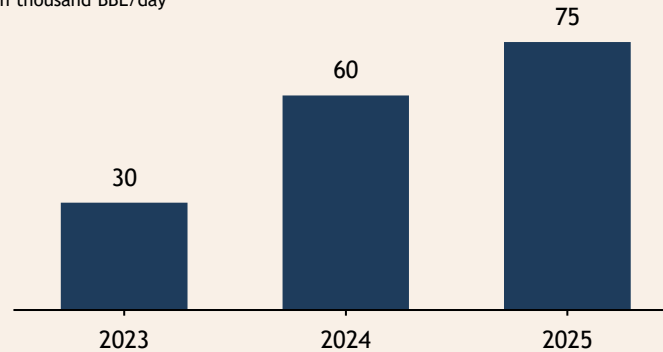
Connected to major takeaway pipelines

Enables direct producer access

Supports volume capture & recurring revenues

## Clearwater Terminal Capacity

In thousand BBL/day



## Comments

1

Pipeline and terminalling volume growth are driven by the Clearwater heavy oil terminal expansion and new long-term commercial agreements in the Montney region.

2

Fee-based revenue has growth steadily, reflecting management's deliberate push toward contracted, take-or-pay infrastructure. Cash flows are becoming more predictable and stable.

3

Clearwater capacity has expanding significantly, reflecting a continued investment in infrastructure to support growing crude volumes. Increased capacity enables higher throughput and supports fee-based revenue growth.

4

The pipeline and terminal network is capital-intensive and took years to build. Producers depend on SECURE for market access.

# Built By Operators, Run Like Owners

Experienced, Incentivized and Aligned Management Team

## Executive Team



**Allen Gransch**  
Director & CEO since 2022  
Joined SECURE in 2007

Previous experiences: **25+** YOY



**Chad Magus**  
CFO since 2017  
Joined SECURE in 2014

Previous experiences: **30** YOY



**Corey Higham**  
COO since 2022  
Joined SECURE in 2007

Previous experiences: **20** YOY



## The Board of Directors is Well Constructed and Aligned to Support the Executive Team

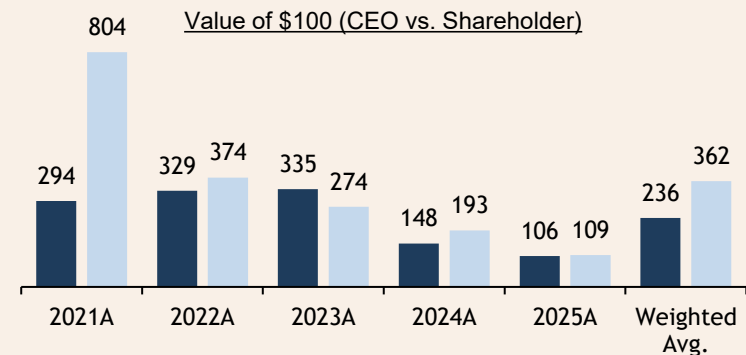
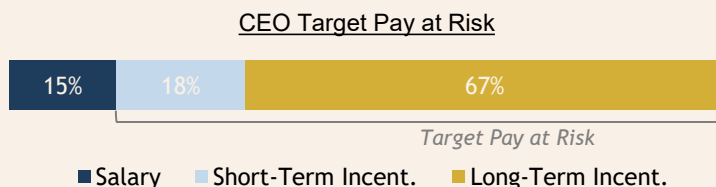
Independ.	Age	Gender	Tenure	Expertise	R.A.	M.B.	M.D.	A.G.	W.H.	J.L.	S.R.	D.Z.
75% (independ.)	58 yrs (avg age)	38% (female)	6 yrs (avg tenure)	Accounting & Financial	√		√	√	√	√	√	√
				Business dev.	√	√	√	√			√	
				Capital Markets & M&A	√	√	√	√		√	√	√
				Commodity Marketing	√		√	√			√	√
				Energy Infrastructure	√		√	√	√		√	√
				ESG/Climate	√	√	√	√			√	
				Public Company Director	√	√	√		√	√	√	√
				Strategic Planning	√	√	√	√	√	√	√	√
				Waste & Recycling	√			√				

	Annual Retainer	Shares/Annual Retainer	Value in Excess
R.A.	\$280,000	148.3x	\$40,689,575
M.B.	\$240,000	14.6x	\$2,788,337
M.D.	\$330,000	26.0x	\$7,603,662
W.H.	\$250,000	9.0x	\$1,506,845
J.L.	-	-	-
S.R.R.	\$240,000	20.6x	\$4,218,294
D.Z.	\$250,000	13.2x	\$2,603,787

## The Executive Team is Well Incentivized

	Function	Share Ownership/Salary	x Salary (Actual)
A.L.	CEO	5.0x	17.2x
C.M.	CFO	2.0x	9.1x
C.H.	COO	2.0x	14.1x
M.C.	GC	2.0x	6.3x
R.R.	VP, ESG	2.0x	5.4x



# Governance Overview

Experienced, Incentivized and Aligned Management Team

## Executive Team



**Allen Gransch**  
Director & CEO since 2022  
Joined SECURE in 2007



Previous experiences:

25+ YOY



## The Board of Directors is Well Constructed and Aligned to support the Executive Team

Independ.	Age	Gender	Tenure	Expertise	R.A.	M.B.	M.D.	A.G.	W.H.	J.L.	S.R.	D.Z.
75% (independ.)	58 yrs (avg age)	38% (female)	6 yrs (avg tenure)	Accounting & Financial	✓		✓	✓	✓	✓	✓	✓
				Business dev.	✓	✓	✓	✓			✓	
				Capital Markets & M&A	✓	✓	✓	✓		✓	✓	✓
				Commodity Marketing	✓		✓	✓			✓	✓
				Energy Infrastructure	✓		✓	✓	✓		✓	✓
				ESG/Climate	✓	✓	✓	✓			✓	✓

	Annual Retainer	Shares/Annual Retainer	Value in Excess
R.A.	\$280,000	148.3x	\$40,689,575
M.B.	\$240,000	14.6x	\$2,788,337
M.D.	\$220,000	26.9x	\$7,692,662

Management appears disciplined, avoiding dilutive expansion and staying focused on core competencies to capture large remaining internal growth.

Previous experiences:

20 YOY



**Corey Higham**  
COO since 2022  
Joined SECURE in 2007

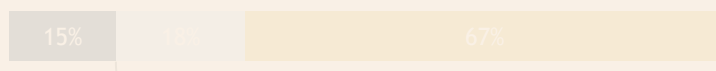


Previous experiences:

20 YOY

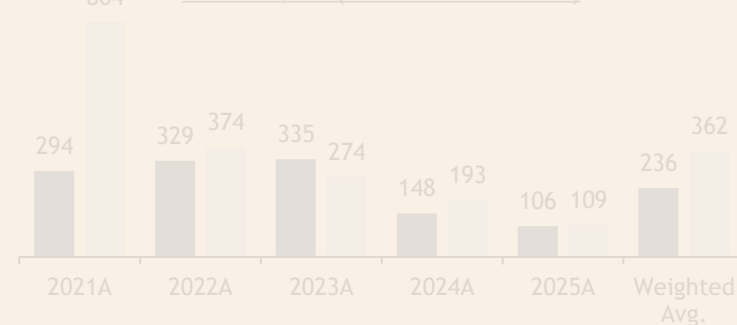
	Function	Share Ownership/Salary	x Salary (Actual)
A.L.	CEO	5.0x	17.2x
C.M.	CFO	2.0x	9.1x
C.H.	COO	2.0x	14.1x
M.C.	GC	2.0x	6.3x
R.R.	VP, ESG	2.0x	5.4x

### CEO Target Pay at Risk



■ Salary ■ Short-Term Incent. ■ Long-Term Incent.

### Value of \$100 (CEO vs. Shareholder)

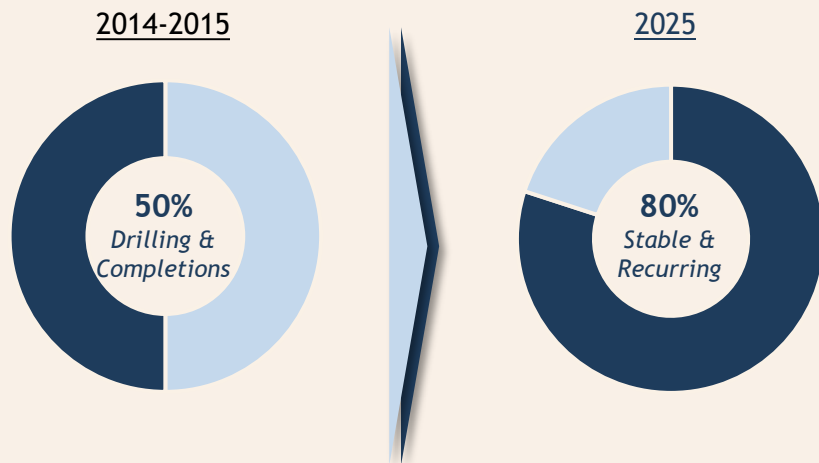


■ CEO ■ Shareholder

# Business Model

Shift Toward a Higher-Quality, More Stable and Infrastructure-Driven Business Model with an Embedded Rev. Baseline

## SECURE's 10 Years Transformation



## Key Drivers of Business Model Strength

**Toll road model:** paid per unit of waste processed, volume-driven, not price-driven, same fee regardless of oil price.

**Regulatory moat:** Alberta mandates cleanup by law, demand is legally guaranteed.

**Recurring volumes:** 80% tied to ongoing production, wells produce waste everyday, not dependent on new drilling.

**Irreplaceable assets:** years of permitting, geologically constrained sites, 25+ years of geology at landfills.

## Yearly Baseline Growth Embedded Into the Business Model

**Yearly Baseline Revenue Growth (>10%)**

### 1 Same Stores Sales Growth

- Canada oil production grows 2%/year on average.
- Waste related to O&G grows at 3%/year on average.
- Facilities operating at 60% utilization rate provides sufficient capacity for increased volumes with incremental capital.

### 2 Organic Growth

- Increased potential volume availability on TMX and Northeast B.C.
- Significant room for facilities optimization as Tervita merger provided assets that were operated under distress.

### 3 Opportunistic M&A

- Still very fragmented markets in B.C.
- Important opportunities to consolidate in metals & water processing in B.C.
- Minimum of 20% IRR on inorganic opportunities.

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

## B. Investment Theses

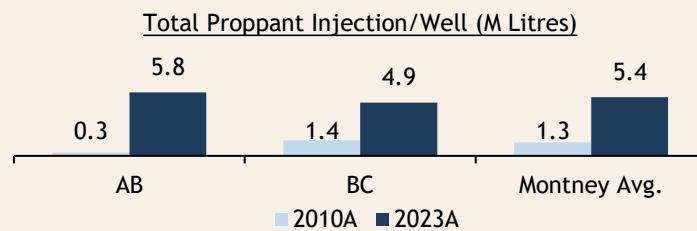
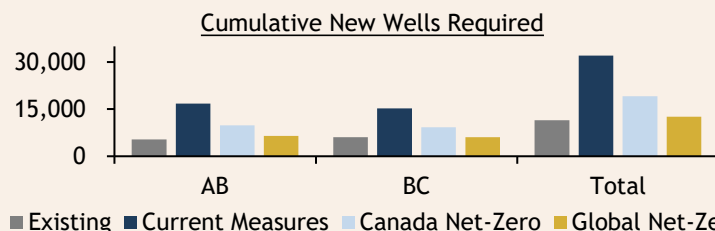
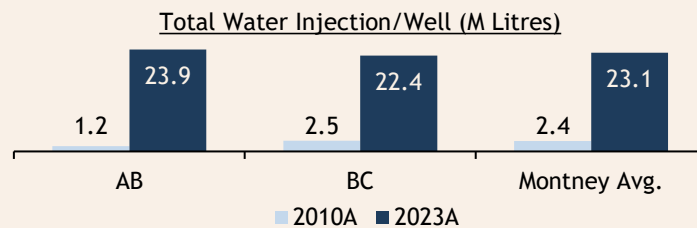
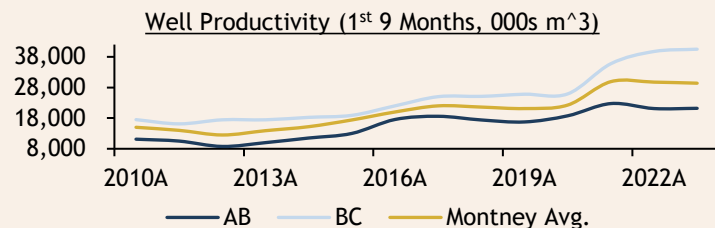
**HECONOMIE**  
Global Research



# The Infrastructure Network Moat

Third-Party Oilfield Waste Management is a Durable and Essential Service for All Players, not a Discretionary One

## Despite Productivity Gains, Wells are More than Ever Producing Waste



- Canadian wells have gotten more productive over the past 2 decades.
- Still, an important number of new wells is projected to be needed in all production scenarios.
- Every well is using water & proppant increasingly more than in the past, which impacts greatly the amount of waste needed to be processed and disposed of.

## Self-Handling Would Create Structural Economic Issues

	Waste Producer	SECURE
Expertise	Production	Waste transportation & disposal
Capital Usage	Diverts capital away from core business	Econ. of scale, higher rate of return
Initial Build Out	Smaller	Larger
Volume	Higher volatility	Lower volatility (more predictable & stable cash flows)
Asset Utilization	Lower (not shared with multiple parties)	Higher (pool of clients enhances productivity, lowers overall cost)

New fracking technology over the past 2 decades increased wells productivity. This has however increased waste output producers are legally bound to treat. Third-Party Waste Managers, beyond expertise, have a deep economic edge over producers who want to self-handle. Also, producers' price sensitivity is low as waste processing & disposal only represents 1-2% of costs.

Ultimately very high barriers to entry drive recurring same store sales: geographically challenging to find suitable locations, difficult to obtain required permits and high capital investment.

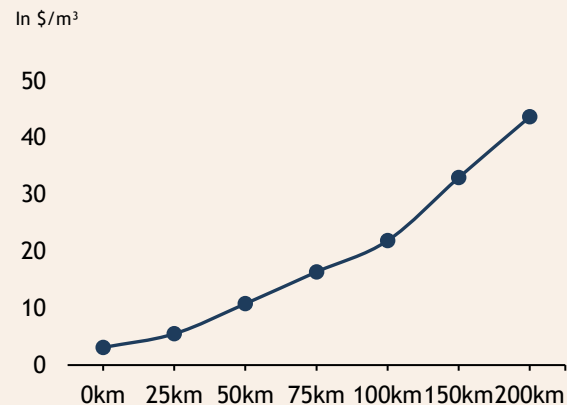
Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

Sources: Company Filings, Canada Energy Regulator, David Suzuki Foundation

# The Moat Is In The Map

A Concentrated, Hard to Replicate Network Actually Represents a Competitive Advantage vs. Peers

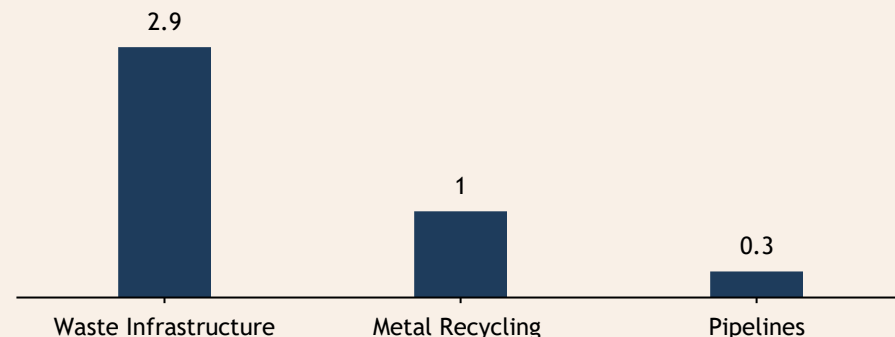
## Trucking Costs per Distance from Facility



SECURE's concentration of infrastructures in Alberta places the facilities close to production site, minimizing transportation costs. This creates a regional logistics moats as replicating a similarly dense network near production areas would require significant capital and permitting.

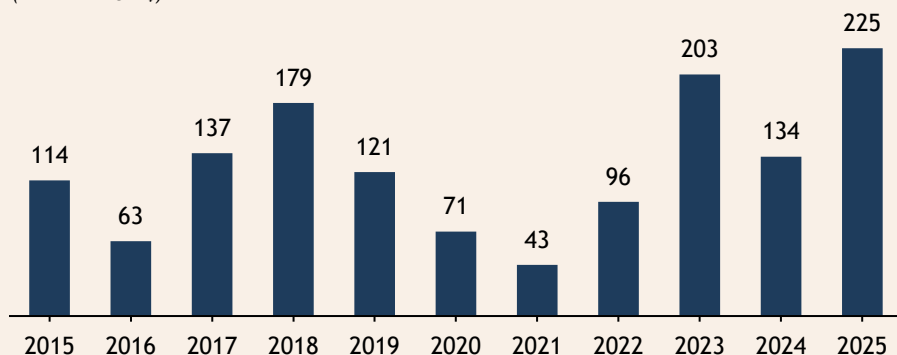
## SECURE's Assets Value

(In billions CAD\$)

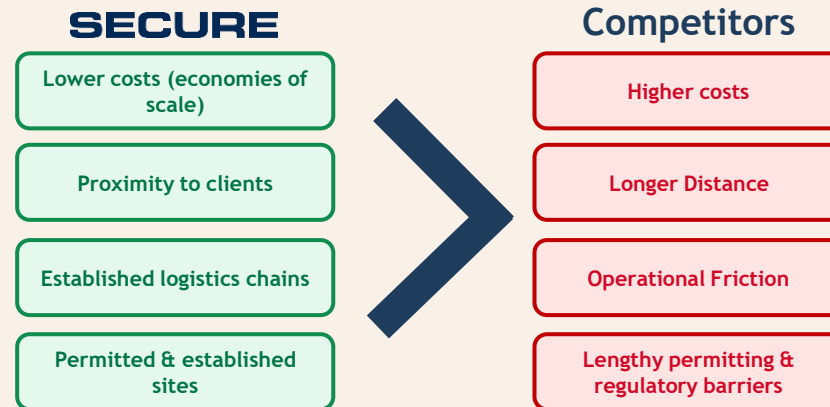


## SECURE's Capex Spending

(In millions CAD\$)



## Best in Class in Canada



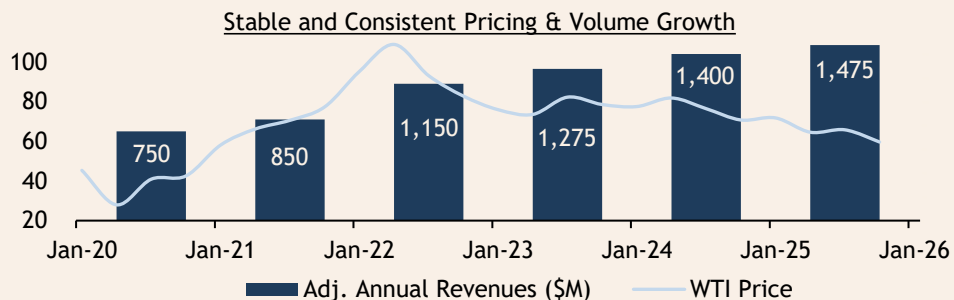
Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

Sources: Mercer Capital, Company filling, S&P Capital IQ

# Don't Let Go to Waste this Cash Flow Heaven

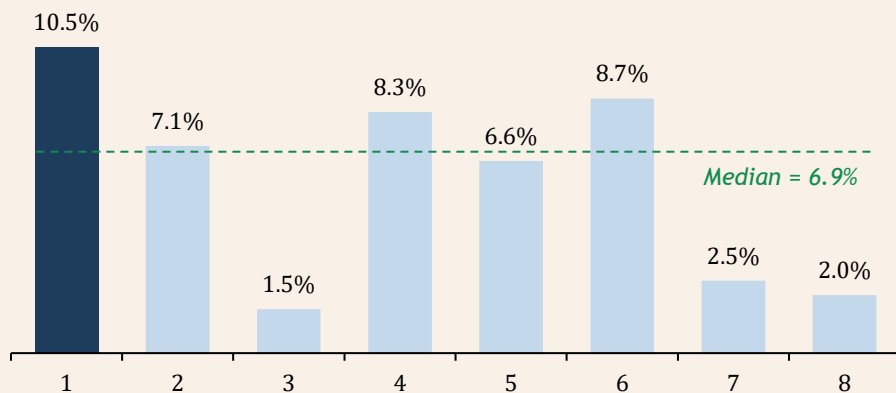
Stronger Cash Generation Capabilities than Peers

## Recurring Return with Limited Commodity Volatility Exposure

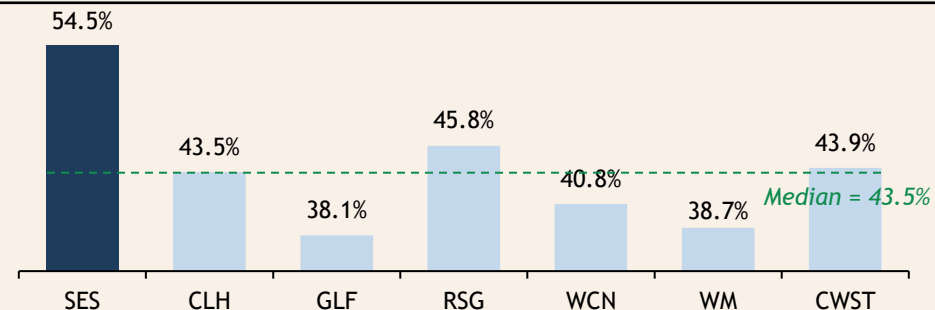


Produced & waste water management profits from the pipeline-connected treatment & disposal infrastructure providing long-term, reliable revenues limited to commodity pricing volatility

## Higher ROC vs. Peers

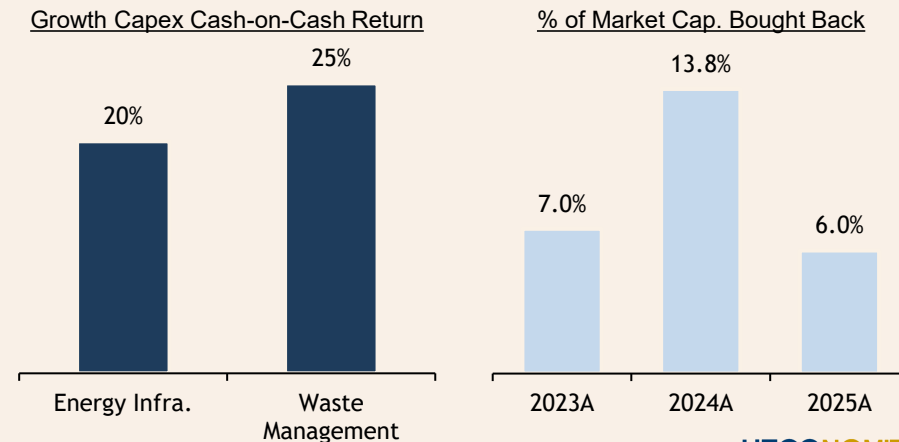


## Higher FCF Conversion vs. Peers



Because SES more than peers has its waste come directly to its infrastructure, not only does it convert more cash flows but it also enables higher relative growth capex/maintenance capex (long-lived vs. short-lived assets)

## More than Effective Capital Allocation



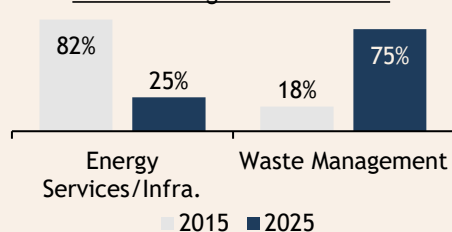
Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

# Misrecognized Quality of Assets Commands Further Re-Rating

The Market Fails to Completely Realize the Business Model has Shifted from Energy Services to Waste Management

## Business Model Transformation Still Misunderstood ...

Business Segments Evolution



- Exit non-core oilfield service lines.
- Sell assets & use proceeds to simplify B/S & fund growth.
- Reinvest in long-life waste, water & processing infra. backed by contracts.
- Add adjacent waste businesses such as metals recycling & specialty chemicals.

More Stable Cash Flows Supported by Recurring Volumes

Market still values legacy business even if management keeps on pounding the narrative

### 1 Company's Change of Name

On January 1<sup>st</sup>, 2025, the company changed its name from Secure Energy Services to Secure Waste Infrastructure, to signal a change in the underlying understanding of the business.

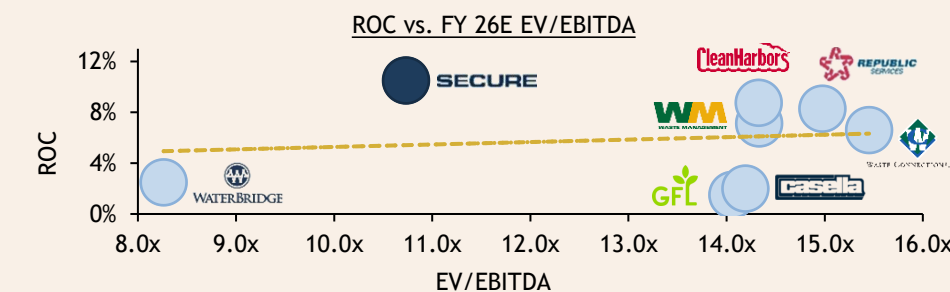
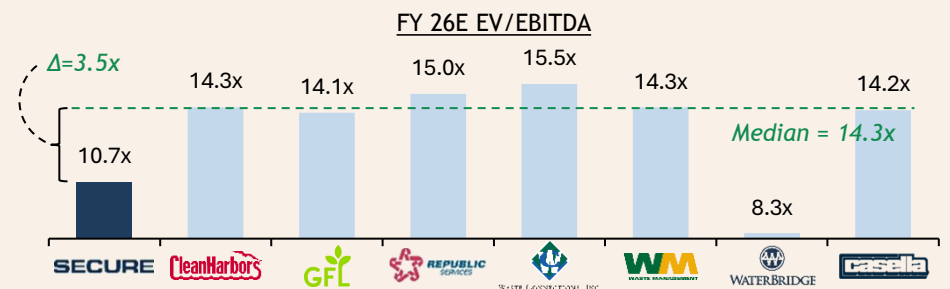
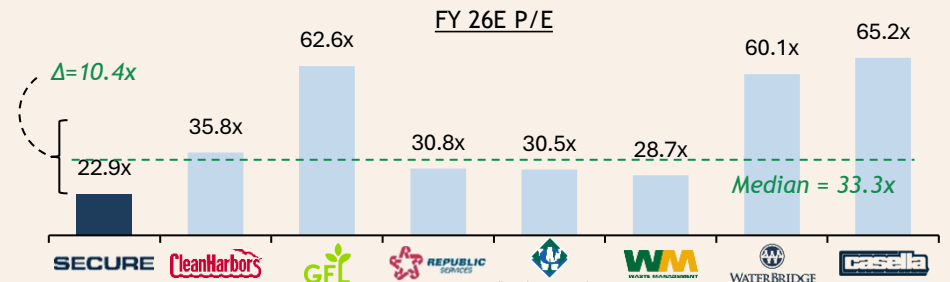
### 2 Future Change in GICS Code

SES plans to request and achieve a GICS code change in 2026 to a classification closer to its WM peers (change from Energy to Industrials). Current GICS: Oil & Gas Storage & Transportation.

### 3 Growth Capex Projects Exclusively Aligned to WM Infrastructure Projects

- a** Completion of Redwater industrials waste processing facility for Q2'26
- b** Expansion capital for 2 waste processing facilities (additional produced water disposal wells, water pipelines & other infra.)
- c** Waste management facility optimization projects & equipment to enhance throughput & reduce downtime

## ... Commands Further Re-Rating Potential

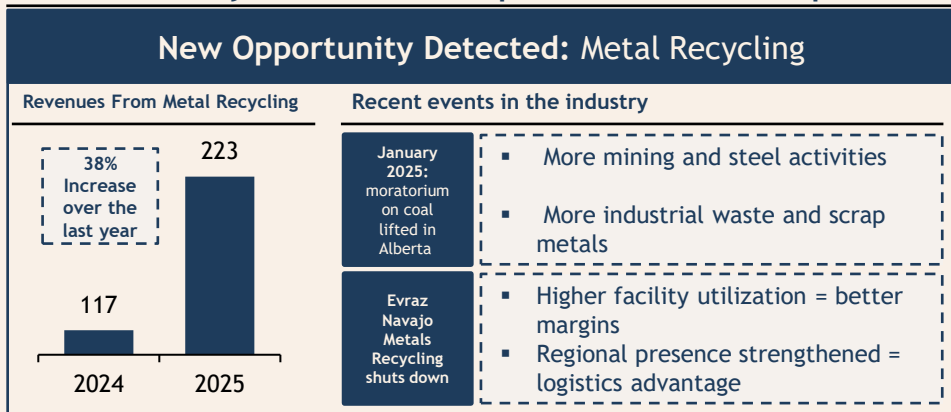


Sources: Company Filings, S&P Capital IQ

# Metals Recycling as the Next Leg of Growth

Expanding Metals Recycling: Strategic Acquisitions and Market Leadership in Western Canada

## SES Is Perfectly Positioned to Capture Value In New Spaces



## Executed With Cold Blood and Control...



Allen Gransch, CEO

- “I mean we’re not -- we don’t need to do these deals. We do deals that we think are going to be accretive to our operations, accretive to overall shareholder value”
- “We’re happy to walk away if it doesn’t meet our expectations”
- “We have also determined not to proceed with the previously announced \$18 million acquisition in our Metal recycling business due to final due diligence outcomes”

## ...Leading to Best-in-Class Capital Allocation

### 1 Edmonton Metal Recycling Platform

**Purchase Price: \$162 million**

- Cornerstone asset featuring a mega shredder
- Doubles Metal volume across network
- Expected 10% EBITDA contribution (2025E)
- Full run synergies expected by 2026.

### 2 Saskatchewan Tuck-in

**Purchase Price: \$31 million**

- Bolt-on
- Strengthens supply and processing footprint
- Supports EBITDA upgrade to \$490M

### 1 \$18M BC metals recycling tuck-in

Cancelled Q1 2025

- Walked away post-DD because of ops & liability risk
- No compromise on quality threshold
- Minimal impact on guidance

### 2 Small tuck-in (~\$6M EBITDA)

Cancelled by Q3 2025.

- Rejected due to metal recycling headwinds (ferrous oversupply, weaker macro conditions).
- Not essential to growth trajectory
- Capital redeployed in higher yield area

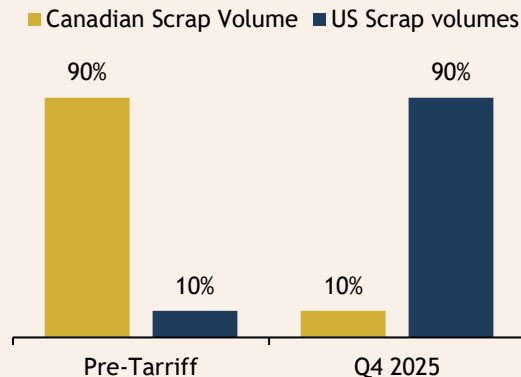
Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

Sources: Company filings

# Metals Recycling as the Next Leg of Growth

Rapid Pivot and Dual-Market Advantage Driving Metals Recycling Growth

## SECURE's Strategic Pivot: 2 Quarters to Redirect The Business

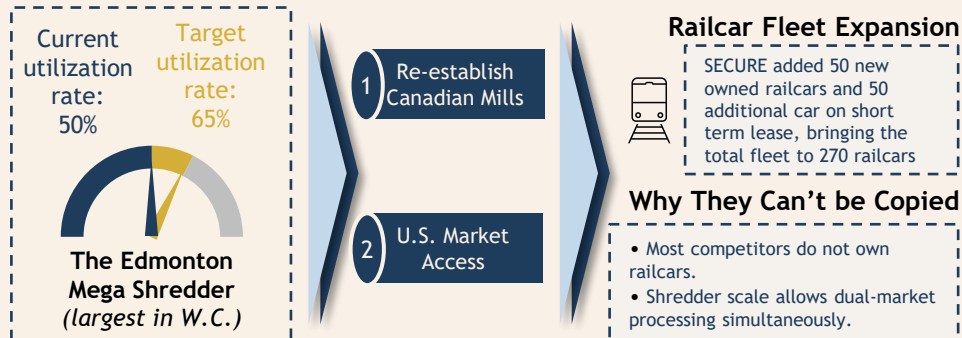


**The Macro Shock :** U.S. imposing 50% tariff on finished steel collapsed domestic Canadian demand.

**The Decisive Reaction:**

- Pivoted 90% of volumes to U.S. in **two quarters**.
- Absorbed \$3-5M EBITDA drag for new customer relationships

## Critical Infrastructure and Scale Competitors Can't Replicate

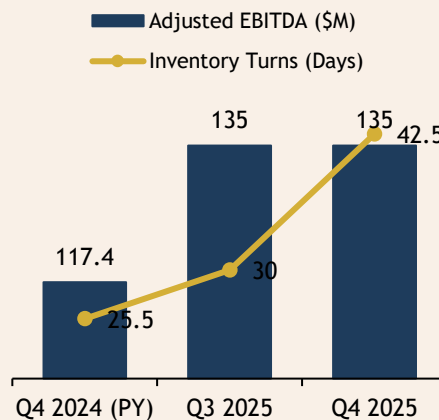


## Navigating Disruption and Maintaining Growth

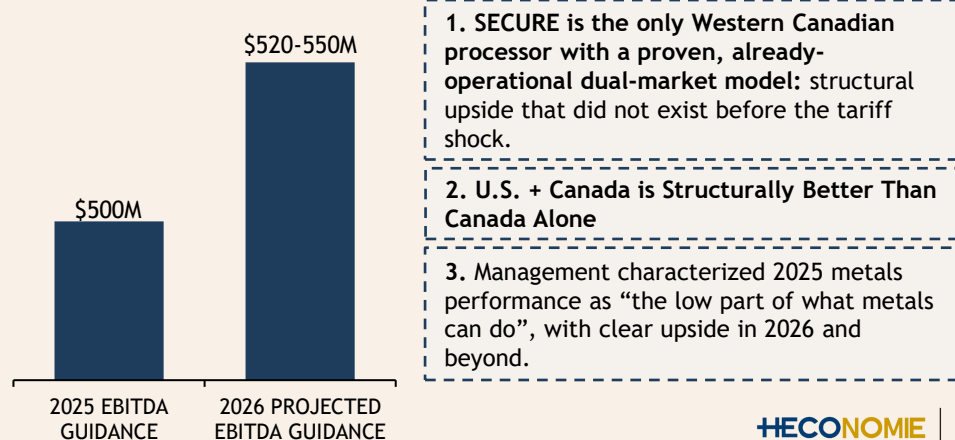
**The Rapid-Response Pivot:**

- Inventory turns increased from 25.5 days to 42.5 days (Management is now compressing this back toward the 30-day target).
- Despite the segment disruption, total Q\$ Adjusted EBITDA hit \$135M, a 15% YoY increase.

**Bottom line:** SECURE's resilience and effective pivot neutralized a massive tariff shock, delivering double digit growth and a unique dual-market adv.



## The Upside Case: A Structural Long-Term Opportunity



Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

# C. Valuation

**HECONOMIE**  
Global Research



# Intrinsic Valuation

## Model's Outputs

### Enable Unlevered Free Cash Flow Growth Following the Period of Intensified Capex

Fiscal year	2026E	2027E	2028E	2029E	2030E
Fiscal Year End Date					
Revenues	1,612	1,792	1,949	2,119	2,299
% growth	9.5%	11.2%	8.7%	8.8%	8.5%
EBITDA	515	582	647	718	794
% margin	31.9%	32.5%	33.2%	33.9%	34.6%
EBIT	332	392	442	498	560
% margin	20.6%	21.9%	22.7%	23.5%	24.4%
Tax on EBIT	65	81	93	106	124
Tax rate	19.7%	20.5%	21.0%	21.3%	22.1%
<b>NOPAT</b>	<b>267</b>	<b>312</b>	<b>349</b>	<b>391</b>	<b>436</b>
Depreciation, Depletion & Amortization	136	138	147	159	167
Change in Net Working Capital	18	(33)	(18)	(20)	(23)
Capital Expenditures	(151)	(169)	(148)	(161)	(167)
<b>Unlevered Free Cash Flows</b>	<b>269</b>	<b>247</b>	<b>330</b>	<b>369</b>	<b>414</b>

### Sensitivity Analysis

Exit EV/EBITDA Multiple								Long-Term Growth Rate									
	\$32.63	13.1x	13.5x	13.9x	14.3x	14.7x	15.1x	15.5x		\$32.63	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
	6.5%	\$35.03	\$35.76	\$36.50	\$37.23	\$37.97	\$38.71	\$39.44		6.5%	\$34.81	\$35.47	\$36.27	\$37.23	\$38.44	\$40.00	\$42.07
	7.0%	\$33.33	\$34.06	\$34.78	\$35.50	\$36.22	\$36.94	\$37.66		7.0%	\$33.52	\$34.07	\$34.72	\$35.50	\$36.45	\$37.64	\$39.16
	7.5%	\$31.86	\$32.57	\$33.27	\$33.98	\$34.68	\$35.39	\$36.09		7.5%	\$32.34	\$32.80	\$33.34	\$33.98	\$34.74	\$35.68	\$36.85
WACC	8.0%	\$30.56	\$31.25	\$31.94	\$32.63	\$33.32	\$34.01	\$34.70	WACC	8.0%	\$31.25	\$31.64	\$32.10	\$32.63	\$33.26	\$34.01	\$34.93
	8.5%	\$29.38	\$30.06	\$30.74	\$31.41	\$32.09	\$32.76	\$33.44		8.5%	\$30.24	\$30.58	\$30.96	\$31.41	\$31.94	\$32.55	\$33.29
	9.0%	\$28.32	\$28.98	\$29.64	\$30.30	\$30.96	\$31.63	\$32.29		9.0%	\$29.29	\$29.59	\$29.92	\$30.30	\$30.74	\$31.26	\$31.87
	9.5%	\$27.34	\$27.99	\$28.63	\$29.28	\$29.93	\$30.58	\$31.23		9.5%	\$28.40	\$28.66	\$28.95	\$29.28	\$29.66	\$30.09	\$30.60

# Intrinsic Valuation

## Model's Assumptions

### Key Rationales Supporting Further Growth

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

### Rationale

### Assumptions

Revenue

SECURE's revenue is driven by the increase in volume in the waste processing segment, and later by the growth of the metals segment as tariffs between the U.S and Canada ease.

26E-27E CAGR: 6.0%  
28E-30E CAGR: 3.9%

26E-27E CAGR: 5.8%  
28E-30E CAGR: 3.8%

26E-27E CAGR: 5.7%  
28E-30E CAGR: 3.7%

Cost of Sales

SES can still optimize its operations by improving its processes and transportation to fully take advantage of short distance between the company and its clients

Cost of sales : -0.4% per year  
26E 59.3% to 30E 57.8%

Cost of sales : -0.25% per year  
26E 59.5% to 30E 58.7%

Cost of sales : -0% per year  
26E 59.2% to 30E 58.9%

Capex

SECURE's infrastructure is still not being used at full capacity, currently operating at around 65%. The company should be able to improve utilization of its infrastructure in the coming years

Assets turnover: +0.15x per year

Assets turnover: +0.1x per year

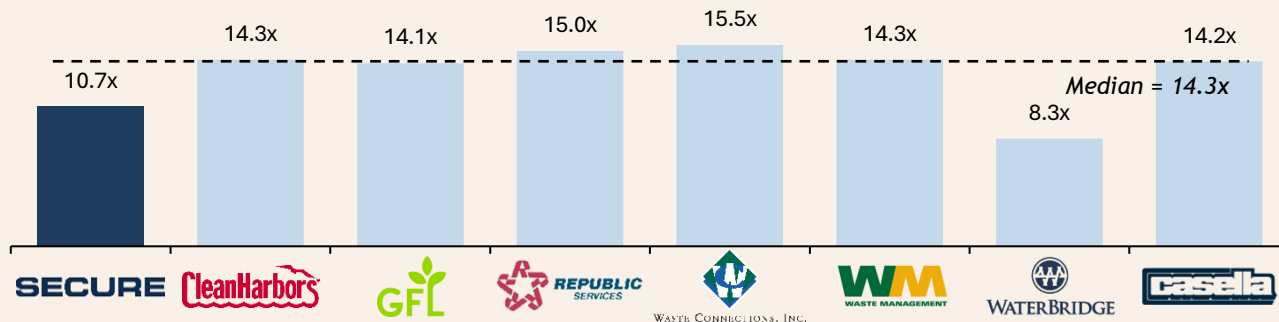
Assets turnover: +0.05x per year

Sources: Company Filings, HGR Canadian Equity

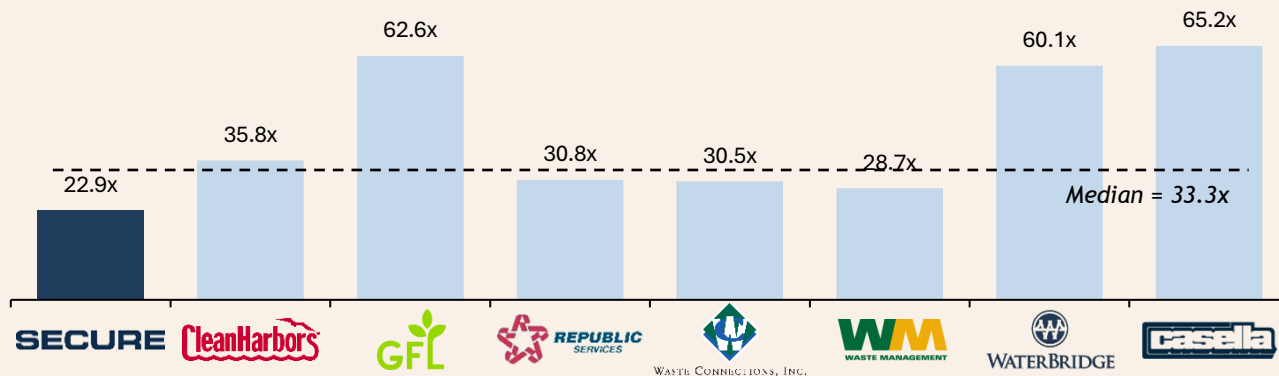
# Comparables Analysis

SES Trades at an Important Discount Both on a Forward-Looking EBITDA and EPS Basis

## FY 26E EV/EBITDA



## FY 26E P/E



## Comments

- When founded in 2007, SES's business was 50/50 between infrastructure (energy & waste) and energy services. The company knew large success as oil prices kept going higher but experience very hard the absence of downside protection in the energy services business when oil prices crashed in 2015-2016.
- The set of peers for the comparables analysis was included major waste management peers in North America (hazardous, solids, fluids). Historically, SES was compared to energy services peers such as Pembina Pipeline, Gibson Energy, Keyera, Enbridge and TC Energy. However, over the past decade SES has undertaken a transformative shift of their business, relying now in high majority to waste management infrastructure.
- On a forward-looking EBITDA basis, SES trades at 10.7x while peers trade at a median of 14.3x, implying a ~34% discount.
- On a forward-looking EPS basis, SES trades at 22.9x while peers trade at a median of 33.3x, implying a ~45% discount.

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

Sources: HGR Canadian Equity, S&P Capital IQ

# Comparables Analysis

## Comparables Analysis Complete Table

(as of 06/04/2026)

Company Name	Market Capitalization	Price/EPS		EV/EBITDA		EV/Rev.		EBITDA Margin	Net Margin	ROC	ROA	Net Debt/EBITDA
		LTM	NTM	LTM	NTM	LTM	NTM	LTM	LTM	LTM	LTM	LTM
<b>Waste Management</b>												
SECURE Waste Infrastructure Corp.	\$3,405.27	38.5x	22.8x	12.7x	10.7x	3.9x	3.7x	30.6%	8.4%	10.5%	7.2%	2.1x
Clean Harbors, Inc.	\$15,854.24	40.4x	36.1x	16.2x	14.4x	3.0x	2.9x	18.6%	6.5%	7.1%	5.6%	1.6x
GFL Environmental Inc.	\$16,213.87	5.9x	62.3x	18.8x	14.1x	4.6x	4.3x	24.6%	58.0%	1.5%	1.2%	4.6x
Republic Services, Inc.	\$68,236.06	31.8x	30.5x	15.9x	14.8x	4.9x	4.8x	31.0%	12.9%	8.3%	6.2%	2.6x
Waste Connections, Inc.	\$42,177.18	39.0x	30.4x	17.0x	15.4x	5.4x	5.2x	31.8%	11.4%	6.6%	5.4%	3.0x
Waste Management, Inc.	\$94,201.18	34.6x	28.5x	15.5x	14.2x	4.7x	4.4x	30.0%	10.7%	8.7%	6.5%	3.0x
WaterBridge Infrastructure LLC	\$1,114.07	NA	60.8x	16.0x	8.3x	7.1x	4.1x	44.4%	NA	2.5%	2.2%	6.0x
Casella Waste Systems, Inc.	\$5,476.88	693.1x	64.5x	16.6x	14.1x	3.6x	3.3x	21.6%	0.4%	2.0%	1.7%	2.6x
<b>Energy Services</b>												
Pembina Pipeline Corporation	\$36,081.57	21.3x	21.9x	14.8x	11.8x	6.6x	6.5x	44.2%	21.8%	5.1%	4.4%	3.8x
Gibson Energy Inc.	\$5,157.76	26.1x	22.7x	15.0x	12.0x	0.7x	0.7x	4.9%	1.8%	6.5%	4.9%	5.0x
Keyera Corp.	\$12,244.20	28.3x	25.7x	13.9x	9.4x	2.4x	1.7x	17.0%	6.3%	6.5%	4.7%	3.3x
Enbridge Inc.	\$164,548.20	22.0x	25.2x	16.0x	13.6x	4.3x	4.5x	26.8%	11.5%	4.3%	3.4%	6.0x
TC Energy Corporation	\$91,760.03	26.1x	23.5x	17.2x	13.9x	10.8x	10.1x	62.5%	23.1%	4.3%	3.6%	6.3x
<b>Overall Median</b>	\$16,213.87	30.0x	28.5x	16.0x	13.9x	4.6x	4.3x	30.0%	10.7%	6.5%	4.7%	3.3x
<b>Overall Mean</b>	\$42,805.42	83.9x	35.0x	15.8x	12.8x	4.8x	4.3x	29.8%	13.2%	5.7%	4.4%	3.8x
<b>SECURE Waste Infrastructure Corp.</b>	<b>\$3,405.27</b>	<b>38.5x</b>	<b>22.8x</b>	<b>12.7x</b>	<b>10.7x</b>	<b>3.9x</b>	<b>3.7x</b>	<b>30.6%</b>	<b>8.4%</b>	<b>10.5%</b>	<b>7.2%</b>	<b>2.1x</b>

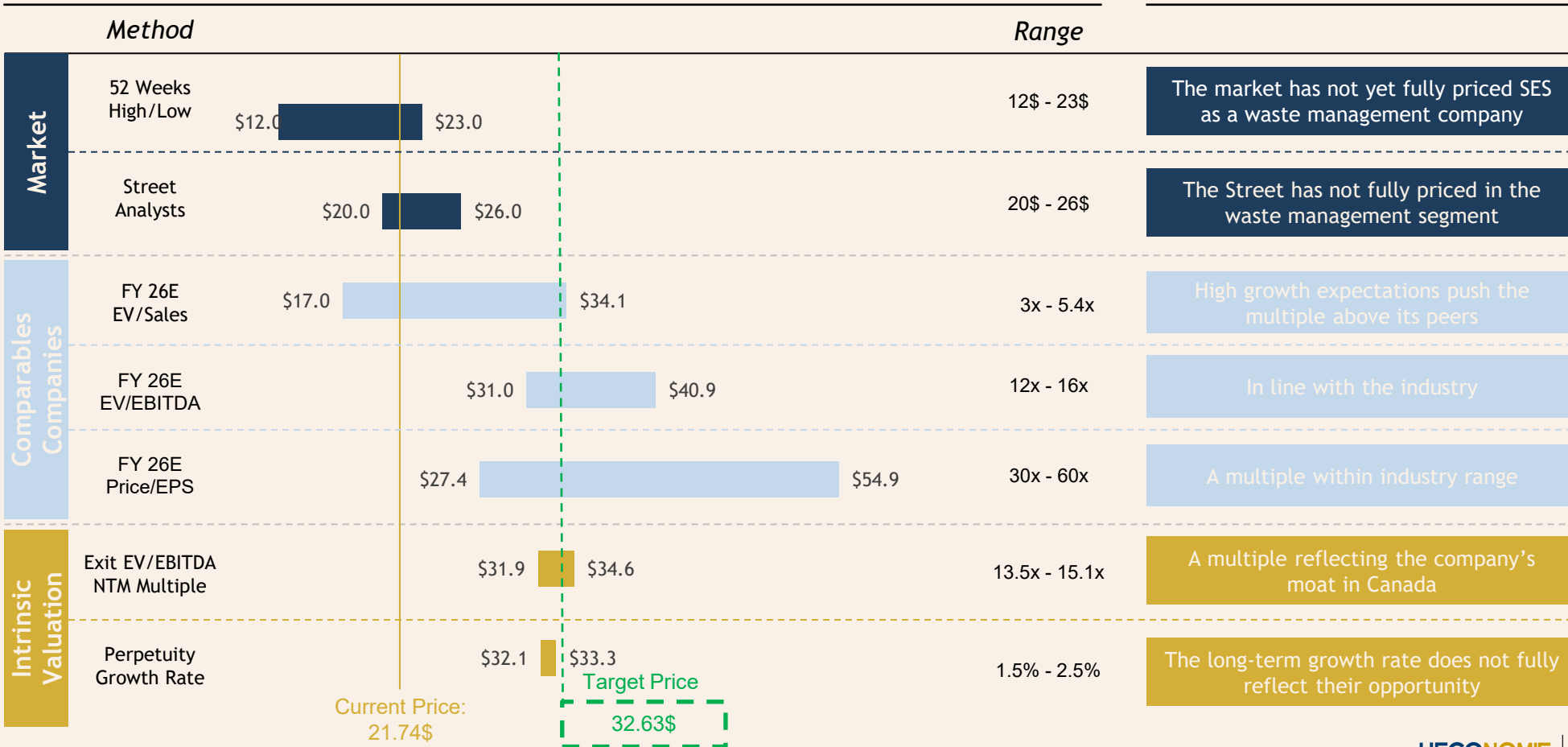
# Valuation

## Football Field

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

### Football Field

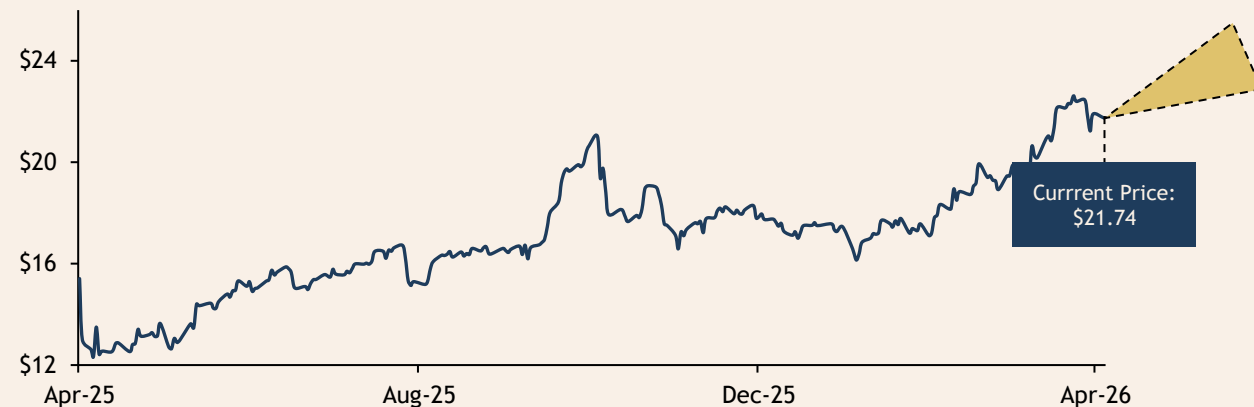
### Rationale



# Investment Overview

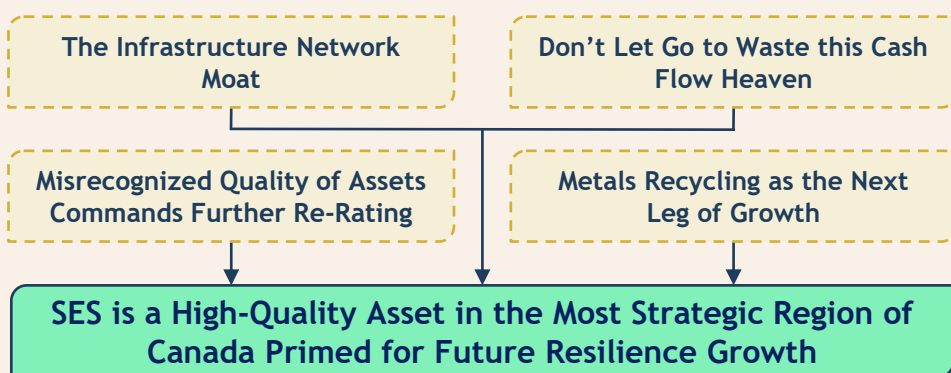
We Issue a Buy Recommendation of TSX:SES Implying a 50.1% Potential Upside

## 12-Month Target Price



Target Price	
\$ 32.63	
Dividend Yield	Upside Potential
1.93%	50.1%

## Investment Theses



## Investment Risks & Catalysts

Catalysts	Risks
1. Change of GICS Code/Sell-Side Analysts	1. Counterparty & Contractual Risk
2. Higher than Awaited Facility Optimizations	2. M&A & Strategy Execution
3. Higher Dividend Upside	3. Safety Accident

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

# The Top-Down Play by Excellence

Executive Summary

Macro-Analysis

Market Opportunity

Investment Overview

Risks & Catalysts

Appendix

## Macro

- Increasingly regulated industry
- Consistently growing industry
- Waste > proportional to oil industry

I

## Micro

- High quality assets not fully recognized
- Infrastructure network moat
- Recurring-driven business model (80%)

II

## Value

- Yields a strong intrinsic valuation
- SES trades at an important discount to its industry peers

III



# V. Risks & Catalysts

**HECONOMIE**  
Global Research



# Risks & Catalysts

## Catalysts



**1. Change of GICS Code/Sell-Side Analysts:** Institutional investors (large funds, banks) have historically been the major investors in waste management, but they are slow to change their perspective.



**2. Higher than Awaited Facility Optimizations:** a significant portion of future growth capex is allocated to facilities optimization to enhance throughput which could pose additional upside as it's hard to forecast.



**3. Disciplined Capital Allocation Supports Accretive Growth:** Focus on high-return, infrastructure-aligned projects (>20% IRR) to provide a buffer for integration costs.



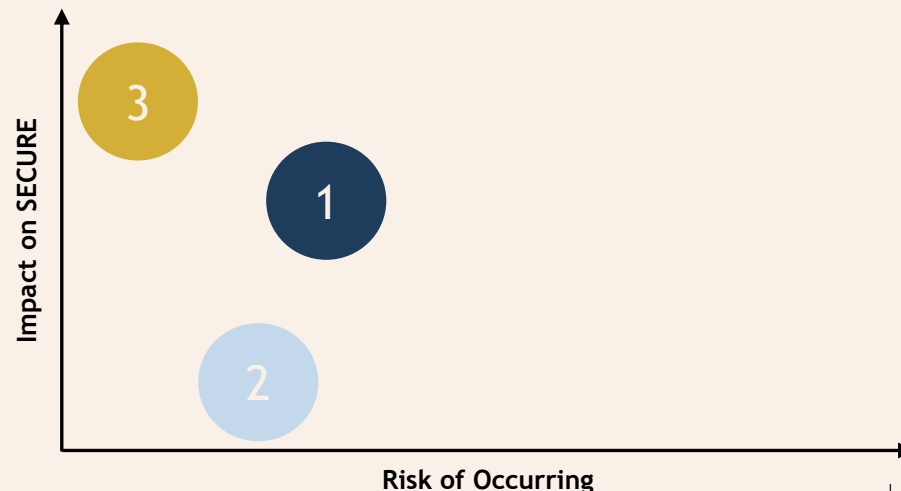
**4. Higher Dividend Upside:** SES has prioritized share buybacks over growing their dividend/share in recent years. Any change to this dynamic to better align with peers could have a positive impact on the stock.

## Risks

**1. Counterparty & Contractual Risk:** Revenue is heavily tied to long-term contracts and recurring waste streams from major producers. Financial performance is at risk if customers cut spending, default on payments, or fail to renew agreements during economic downturns.

**2. M&A & Strategy Execution:** A core growth pillar is aggressive M&A. The primary risks include overpaying for assets, failing to integrate new business units effectively, or failing to realize the promised synergies and "infrastructure-like" cash flows.

**3. Safety Accident:** The company operates hazardous infrastructure (pipelines, wells) and materials. Failures in infrastructure or spills near public areas could disrupt operations (network & processing volumes) and damage public perception.



Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

# VI. Appendix

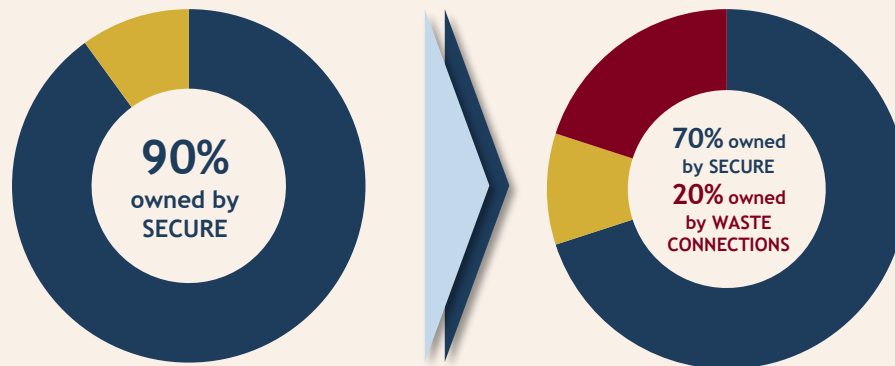
**HECONOMIE**  
Global Research



# Appendix I: Tervita Merger/Divestiture

SES Acquired their Largest Competitor at the Time Essentially for FREE!

FY 26E EV/EBITDA



## Trevita Acquisition (2021, \$1.3B)

- Added 103 facilities to portfolio
- Improved geographic coverage
- Cost synergies and expand network

## Regulatory Problem (2022-2023)

- Competition Tribunal issued an order requiring SECURE to divest 29 of the facilities
- SECURE sold them to Waste Connections Inc.

## How it Helped SECURE

- **Exceptional price for the transaction** : \$1.15B for 29 facilities
- **Massive balance sheet repair** : high-cost debts clean up
- **Opportunistic Operating Profits**: SES managed to generate ~\$300-400B of EBITFDA between the acquisition and the diversture with the facilities acquired
- **Massive shareholder returns unlocked** : substantial issuer bid launched in 2024
- **Retained business is higher quality** : helped SECURE shift more towards waste management and energy infrastructure (less non-core energy services) - cleaner, more focused profile

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

# Appendix II: Metals Recycling Process Overview

Drive Volumes to Critical Infrastructure To Improve Scale and Margins

Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

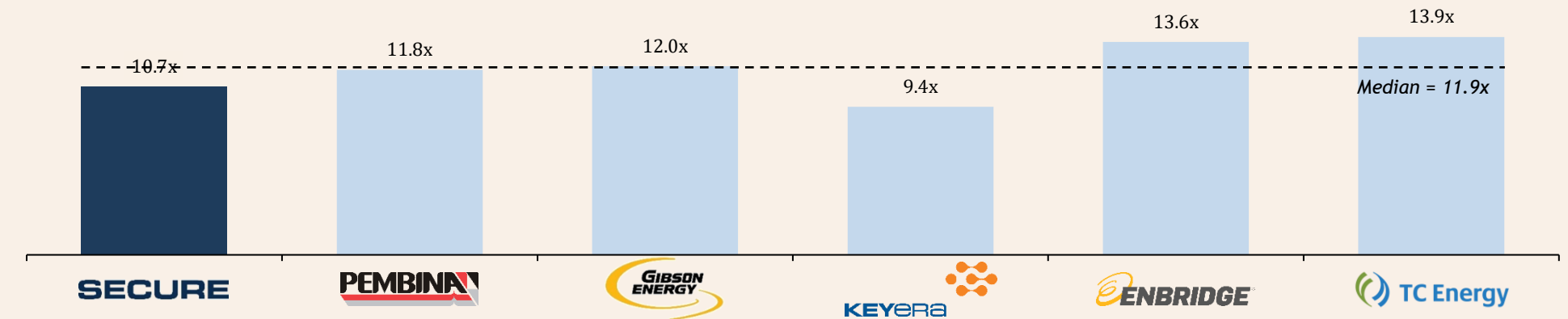
## SECURE METALS RECYCLING FACILITY



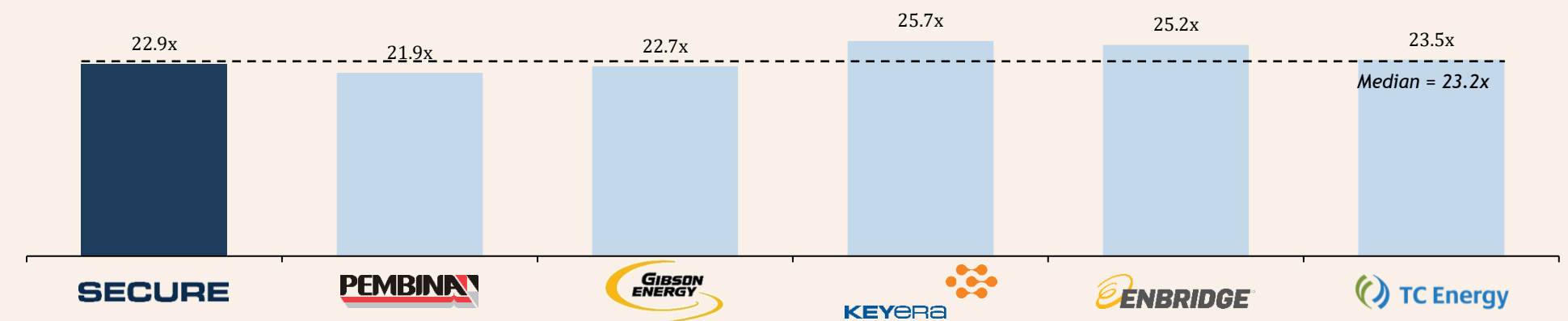
# Appendix IV: Energy Infrastructure Comparables Analysis

SES Trades at a Slight Discount to EI Peers

## FY 26E EV/EBITDA



## FY 26E P/E



Executive Summary  
Macro-Analysis  
Market Opportunity  
Investment Overview  
Risks & Catalysts  
Appendix

Sources: Company Filings, S&P Capital IQ