From Innovation to Impact

2025: A Defining Year of Progress

2025 marked a meaningful step forward for AMS. With new ownership, first-of-its-kind commercial deployments, and accelerating global demand for sustainable water solutions, AMS moved from technology innovator to market-shaping solutions provider. The progress achieved during the year positions the company for scalable, profitable growth at a time when the global water sector faces unprecedented regulatory, environmental, and financial pressures.

As announced recently, AMS welcomed a new majority shareholder who also made a significant investment to establish AMS as a major player in the global water industry. This investment represents a strong vote of confidence in both the AMS management team and the revenue potential of our portfolio of proprietary transformative water treatment technologies developed over the past 15 years.

From Innovation to Commercial Reality

AMS Environment's on-site electrolytic reagent generation platform treats multiple high-impact contaminants across a broad range of industrial sectors (e.g., semiconductors, data centers, mining, power generation) and municipalities. These reagents directly address the rising capital and operating costs of traditional water treatment technologies, which increasingly burden industries and municipalities facing demands to reuse wastewater and remove an ever-increasing list of these contaminants that compromise industrial processes, the environment, and human health on a global scale.

In 2025, AMS began the commercial deployment of its proprietary SafeGuard™ H2O technology, delivering its first treatment system designed to generate stannous, ferrate, and ferrous reagets on site and on demand. These reagents

replace traditional water treatment technologies that are ineffective or prohibitively expensive due to the need for toxic waste disposal. SafeGuard H2O provides a sustainable, affordable alternative to bulk reagents.

The success of AMS's innovative approach was demonstrated by its first commercial contract to treat carcinogenic hexavalent chromium contamination in the water supplies of more than 5 million Californians at a 40% lower lifetime cost than the alternatives.

Strategic Partnerships

A further highlight of 2025 was AMS's partnership with BIOBOX®. Following a successful demonstration completed in 2024, Maricopa County, Arizona, awarded the Town of Gilbert an Approval to Proceed with the design of a full-scale biological denitrification system.

This fast-growing region, long dependent on imported water, is now turning to groundwater sources contaminated with nitrates left behind from earlier intensive farming. Traditional treatment technologies typically remove the nitrates but generate toxic waste that must be transported and treated elsewhere. BIOBOX delivers an automated, containerized, rapidly deployable modular treatment system that destroys nitrates in-situ with no toxic waste streams.

Together, these projects encapsulate the market focus of AMS Environment: advanced treatment of deteriorating water resources to meet the growing industrial and municipal demand for clean water by delivering technologies that are automated by AMS Analytics to minimize operating costs, do not generate toxic waste streams and are containerized for rapid deployment at point of use.

Turning Data into Operational Advantage

AMS Analytics is strongly positioned as a leader in the real-time monitoring of high-impact water contaminants that put at risk industrial processes and infrastructure, the environment and human health. This technology significantly reduces the operating costs of the water industry's installed asset base, much of which has a lifetime of up to 50 years and was designed and built at a time when technology choices gave little consideration to embedded lifetime costs of energy, chemical, labor, and post-treatment waste disposal.

In 2025, the growing and proven value of AMS Analytics enabled AMS to secure partnerships with several leading U.S. manufacturers' representatives, providing national coverage of key municipal and industrial markets.

AMS Analytics also expanded its product offering through continued investment in the instran® line of online inorganic contaminant analyzers and by strengthening its international footprint through established partners in Europe and Asia. In Malaysia, AMS received regulatory approval for its online THM analyzer to be deployed in new water treatment plants that are coming on stream to meet the needs of its growing population for access to safe drinking water.

Redefining the Business Model

The backbone of the 24/7 availability to our clients of the mission-critical data generated by AMS Analytics is our unparalleled customer service that supports our servitization business model. In 2025, AMS's data analysts and field technicians who support the Data Quality Assurance Program once again delivered an average up-time of more than 99% across our entire installed base of more than 100 online analyzers.

This robust performance, supported by a 10-year Warranty, has established AMS as a market leader, with a 99% client retention rate and a 100% replacement rate when analyzers reach the end of their service life. The success of this business model not only supports our significant long-term recurring revenue streams but also AMS Access, our data plan pricing model, which we formally introduced in 2025.

With AMS Access, clients only pay for the data they consume and not the hardware that generates it. AMS's data management platform enables it to execute such a business model effectively, putting it head and shoulders above other instrumentation vendors.

A Very Bright Outlook

The water sector faces immense challenges in meeting steadily increasing consumer and industrial demand while relying on water resources of ever-deteriorating quality. This reality is driving a growing need for treatment technologies capable of addressing an expanding range of high-impact contaminants to increasingly stringent levels. As treatment becomes more intensive, demand rises for both chemicals and the energy required to power treatment systems, increasing the volume of waste by-products—often highly toxic—that require costly disposal and add significantly to the long-term financial burden of water treatment.

This has created a wide range of highly accessible and sizeable opportunities for the application of AMS's transformative innovations in electrolytically generated chemicals, which are currently under evaluation across the semiconductor, desalination, power generation and municipal wastewater treatment sectors. We confidently expect these to lead to further orders based on the results and customer feedback from these demonstrations.

At the same time, the large installed base of industrial and municipal water treatment technologies is under pressure to improve its efficiency through automation, reduced use of chemical and energy resources and lower waste streams. This presents a significant, established and largely untapped global market for AMS Analytics's real-time, high-frequency, accurate and precise mission-critical water quality data that enables them to lower significantly the operating costs of their installed asset base. Our channel partnerships provide the platform for an acceleration of revenue growth in 2026 and beyond.

Adoption of the AMS Access model is also expected to expand as the market shifts to this pricing model for the purchase of online, mission-critical high-impact water quality data.

Looking Ahead

The progress achieved in 2025 would not have been possible without the tremendous dedication of the AMS team and the continued support of our technology and channel partners.

AMS enters 2026 under new ownership, with a strong balance sheet, proven technologies, and a confident, energized management team. The company is focused on delivering double-digit revenue growth from a global pipeline of opportunities and it is helping transform how industries and municipalities treat and manage water in an increasingly resource-constrained world.

a: 1225 E. Arques Avenue, Sunnyvale, CA 94085 | t: +1 (408) 523-1900
e: info@ams-h2o.com | w: ams-h2o.com