

Mergers & Acquisitions

2025 Year in Review



Defense, Government & Intelligence

Physical & Cyber Security

Critical Infrastructure

Maritime Transport & Facilities



FIRM OVERVIEW

- Founded in 1997 and headquartered in Northern VA; 30-year history of transaction success
- Comprised of 50+ financial professionals across five offices
- Team includes career investment bankers, CPAs, certified business valuation professionals and former industry executives



INDUSTRY FOCUSED M&A

Defense & Government



- Intelligence Community
- Defense Services & Products

Critical Infrastructure



- Water & Wastewater
- Energy Infrastructure

Technology & Software



- Software as a Service (SaaS)
- Information Technology

Unmanned Systems



- Military & Defense
- Commercial Delivery

Security



- Physical Security Services
- Cyber Security

Maritime



- Vessels
- Tier Two & Three Services

Facility Services



- Military Facilities
- Correctional Facilities

Public Safety



- Disaster Response
- Emergency Medical

CORE BUSINESS

Investment Banking

Strategic Advisory Services

- Sell-Side M&A
- Buy-Side M&A
- Debt / Equity Placements
- Employee Stock Ownership Plans
- Leveraged Transactions
- Other Advisory Services

Business Valuation

Valuations and Opinions

- "Fair Value" Financial Reporting
- Fairness Opinions
- PEG Portfolio Valuations
- Purchase Price Allocations
- Estate and Gift

Financial Consulting

Diligence & Advisory Support

- Buy-Side Due Diligence
- Sell-Side Due Diligence
- Transaction Advisory Support

BY THE NUMBERS

\$75M

Average Transaction Size

30

Years Supporting Our Clients

200+

Closed M&A Engagements Since 2010

15+

Years Average Senior Team Tenures

95%

Close Rate 2020 - 2025

350+

Annual Valuation Engagements



Selected Transactions



January 2025: BGIS, a portfolio company of CCMP, acquired FSI, a premier provider of military medical facility services management and base operations support services for the Department of War. The acquisition gives BGIS, a global real estate facility management service provider that manages over 50,000 facilities and employs more than 12,000 FTEs, a sizeable foothold in the U.S. military facilities management market and access to strategic contract vehicles.



May 2025: Vibrint, portfolio company of Acacia Group, acquired Ampsight, a provider of multi-cloud engineering, cybersecurity, and artificial intelligence solutions specifically designed for federal agencies. The acquisition offers Vibrint valuable access to new clientele, including those in the geospatial sector, and enhances its capacity to deliver customized, high-performance technologies throughout the entire IT lifecycle.



May 2025: Komline-Sanderson, a portfolio company of SRM Equity Partners and Satori Capital, acquired Filtra Systems, a leader in custom-engineered industrial filtration and separation solutions, providing systems and services across multiple verticals including industrial water filtration, metal cutting, air filtration, and dust collection. The acquisition strengthens Komline-Sanderson's position in the industrial filtration industry, provides access to Filtra System's 21,000+ system install base, and adds a range of new products to the Company's portfolio.



June 2025: Systems Planning & Analysis ("SPA"), a portfolio Company of Arlington Capital Partners, acquired Red Six. Red Six is a leading provider of c-UAS red teaming, flight support services, and adversarial drone products. The Company is the leading authority on adversarial UAS threats, with a scalable portfolio of UAS products. The acquisition bolsters SPA's UAS expertise in support of U.S. national security customers and adds UAS products that complement the company's service offerings.



July 2025: CoreCivic (NYSE: CXW) acquired Abyon. Abyon provides transportation, care, and civil detention services through an Intergovernmental Service Agreement between Prince Edward County, Virginia and U.S. Immigration & Customs Enforcement ("ICE"). Abyon is accredited by the American Correctional Association (ACA) and the National Commission on Correctional Healthcare (NCCHC). The acquisition expands CoreCivic's presence into ICE's Virginia Area of Responsibility (AoR).



December 2025: Arcfield, a portfolio company of Veritas Capital, acquired Rite-Solutions, a Rhode Island-based software development, systems engineering and information technology provider. The acquisition of Rite-Solutions expands Arcfield's domain expertise and enhances the company's national security capabilities during a time of increased global competition. Specifically, Rite-Solutions' expertise in undersea warfare and naval systems will perfectly complement Arcfield's existing nuclear surety and missile engineering capabilities.



Illustrative Business Valuation Engagements



Valuation
Advisory



Fairness
Opinion



Valuation
Advisory



Valuation
Advisory



Fairness
Opinion



Valuation
Advisory



Valuation
Advisory



Valuation
Advisory



Valuation
Advisory



Valuation
Advisory

INDUSTRY COVERAGE OVERVIEW



Defense, Government & Intelligence

Includes defense, intelligence, and federal civilian contractors as well as providers of diversified government services related to IT and consulting services that help support mission critical, core operational, and administrative functions of government agencies.

Physical & Cyber Security

Encompasses firms that ensure physical security, digital security, and technology risk management. Areas such as security operations, threat intelligence, vulnerability analysis, and security data integration/visualization are of particular interest.

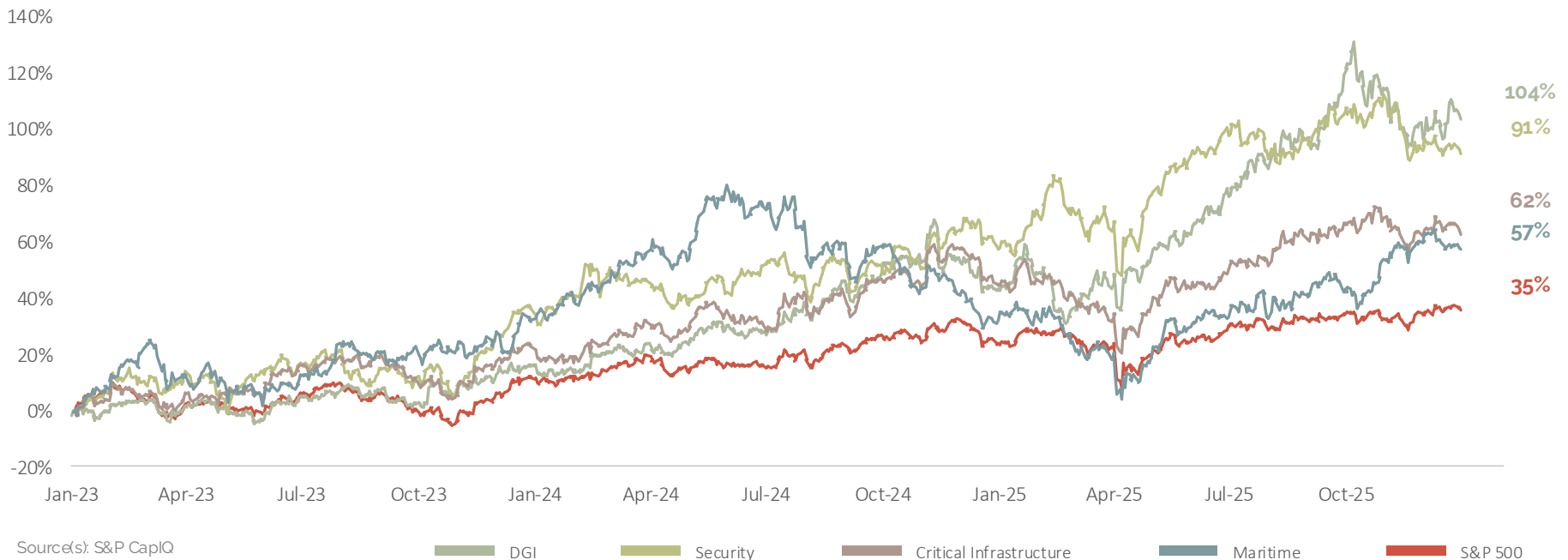
Critical Infrastructure

Comprised of firms that provide solutions, components, and services to the commercial, industrial, municipal, and agriculture markets. This sector is less volatile and will see fewer ebbs and flows as the market fluctuates.

Maritime Transport & Facilities

Includes maritime shipping and transportation firms as well as related facilities and vessels. This includes firms that are involved in both “blue water,” which includes ocean trade, and “brown water,” which includes rivers and coastal trade.

Historical Indexed Equity Performance ¹





DEFENSE, GOVERNMENT & INTELLIGENCE

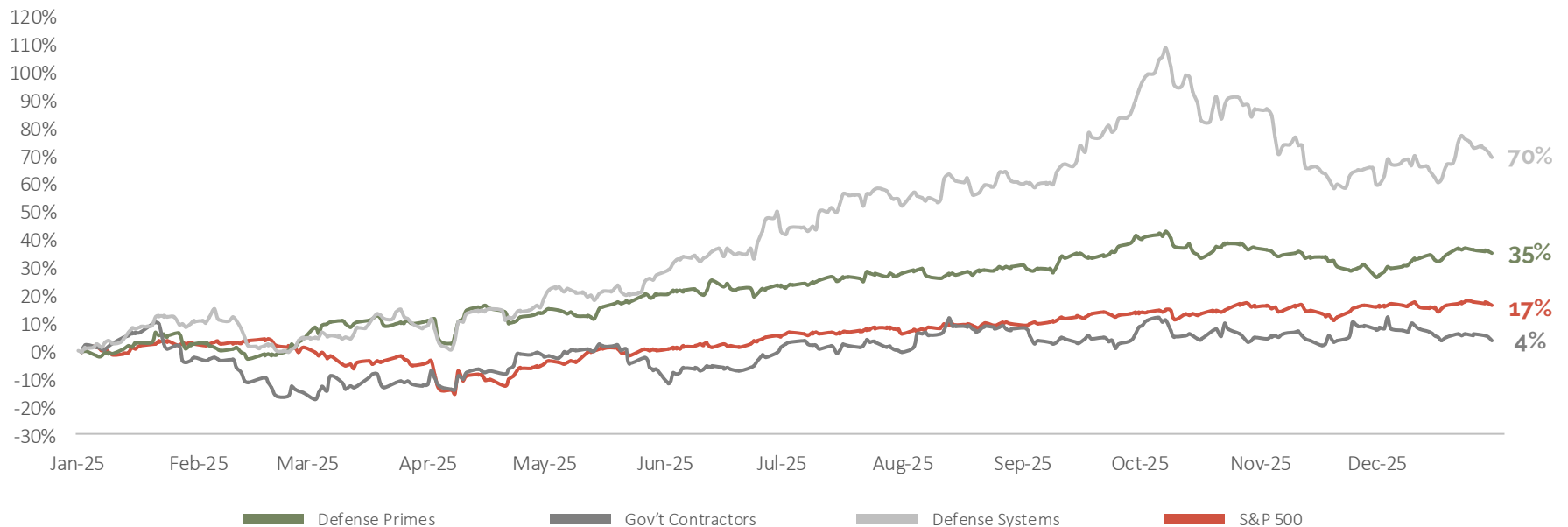
Key Trends / Takeaways

- **Artificial Intelligence:** In 2025, agencies across the U.S. government accelerated the transition of experimental AI technologies into operational capabilities. Agencies are deploying AI to fuse data across domains, accelerate decision-making, enhance mission planning, and improve logistics and sustainment, while advanced analytics underpin command-and-control, intelligence analysis, and cyber operations. At the same time, agencies are adopting cloud, automation, autonomy, and secure digital platform to enable faster modernization cycles and closer collaboration with commercial technology providers. These capabilities are reshaping how missions are executed and are shifting competitive advantage toward organizations that can rapidly scale trusted, mission-ready AI and digital solutions.
- **DoW Acquisition Reform:** The U.S. Department of War (DoW) announced its intent to make major changes to the procurement process by prioritizing speed, resilience, and accountability. The department is modernizing its acquisition process to accelerate delivery of critical capabilities while strengthening domestic supply chains for munitions, microelectronics, shipbuilding, rare earth metals, and other strategic assets. At the same time, the government is expanding partnerships with commercial technology firms and nontraditional vendors to access innovation, even as it increases scrutiny on contractor performance, cost discipline, and production capacity. The new acquisition environment may favor companies that have a proven history rapid and reliable execution.
- **DOGE and Efficiency Initiatives:** Established by a Trump executive order, the Department of Government Efficiency (DOGE) aims to reduce government waste, cut unnecessary programs, shrink the federal government workforce, and modernize technology and spending through review of existing processes. DOGE's actions rippled across the defense, government, and intelligence market, impacting companies of all sizes and across many agencies. While DOGE claimed significant savings and contract reductions, critics argued that its authority was unclear, some cuts disrupted agency operations, and its practices were inconsistent, raising concerns about risks to privacy, security, and institutional knowledge.
- **U.S. Federal Government Shutdown:** The government shut down in October following Congress's failure to pass appropriations bills or a continuing resolution for FY2026. While some contracts funded by prior-year appropriations or tied to excepted activities continued, many government contractors across the DoD, IC, and federal civilian sectors faced disruptions. Congress passed a short-term funding bill in November to reopen the government, ending the longest shutdown in U.S. history.

Source(s): GovCon Wire, WSJ, Politico



DEFENSE, GOVERNMENT & INTELLIGENCE

Trailing Twelve Months (TTM) Public Equity Index Chart ¹

Commentary

- The Government Contractors index (+4% in 2025) was depressed in Q1 as the Trump administration came into office and efficiency initiatives like DOGE took form, heavily impacting some of the largest consultants, including index constituents Booz Allen Hamilton, Leidos, and SAIC.
- The Defense Primes (+70%) and Defense Systems (+35%) indices performed well in 2025 as the Trump administration outlined its national security objectives, including programs like the Golden Dome, which would rely heavily on technologies and systems provided by these companies.

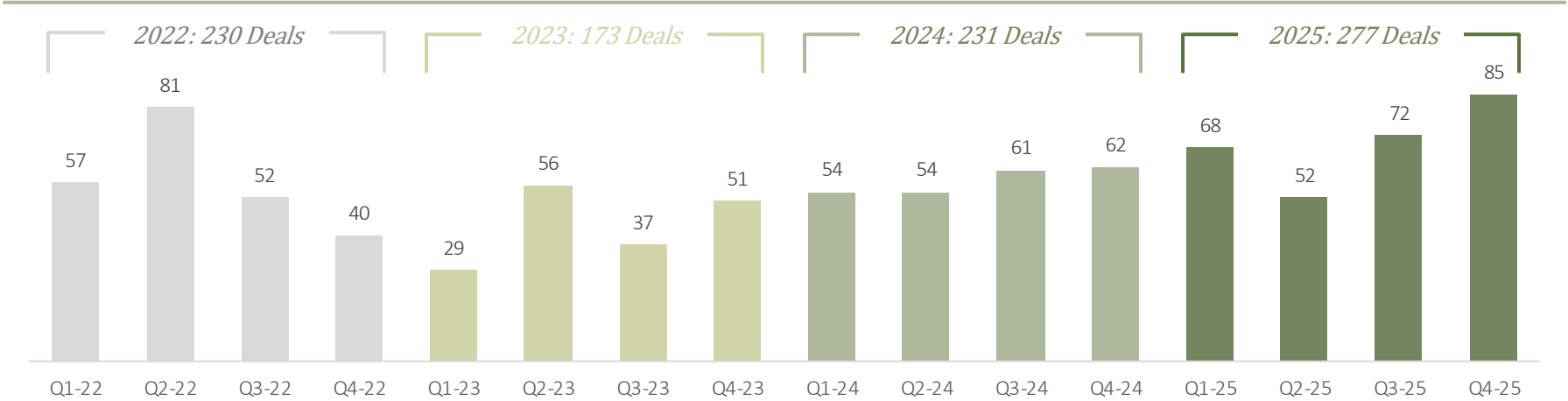
Source(s): S&P CapIQ, Bloomberg, CBS

¹ For index composition, please see page 37



DEFENSE, GOVERNMENT & INTELLIGENCE

Transactions by Quarter ¹



Top Acquirers in 2025 ¹



Source(s): Cap IQ, DACIS, Proprietary Research
¹ Only includes transactions in DGI market

Represents former TMG deal partner



DEFENSE, GOVERNMENT & INTELLIGENCE

Select Precedent Transactions ¹**Date:** 02/03/2025**EV:** \$706M**EV/EBITDA:** NA*Transaction Details*

The UK-based Optical Systems (OS), known under the Qioptiq brand, and the US-based Advanced Electronic Systems (AES) businesses of Excelitas provide advanced optics and custom energetics, respectively, for defense and space applications. The acquisition of the two business units will bring Teledyne new, complementary technology offerings in its existing markets and geographies.

**Date:** 02/11/2025**EV:** \$902M**EV/EBITDA:** 11.5x*Transaction Details*

Héroux-Devtek Inc. specializes in the design, development, manufacture, repair and overhaul of aircraft landing gear, hydraulic and electromechanical actuators, custom ball screws and fracture-critical components for the Aerospace market. The Company is the third largest provider of landing gear worldwide and supports both the defense and commercial sectors.

**Date:** 05/01/2025**EV:** \$4.1B**EV/Revenue:** 4.6x*Transaction Details*

Blue Halo, a portfolio company of Arlington Capital Partners, is a defense technology company with capabilities across ground, air, maritime, cyber, and space domains. The acquisition provides AeroVironment with skilled employees and new capabilities, creating an organization that offers operational capabilities across all domains. The transaction was first announced in November 2024

**Date:** 06/13/2025**EV:** \$1.2B**EV/EBITDA:** 16.1x*Transaction Details*

Formed in 2021 through the merger of UAV Factory and Jennings Aeronautics, Edge Autonomy provides autonomous systems, optics, and resilient energy solutions to U.S. and allied government customers worldwide. The acquisition adds combat-proven autonomous airborne platforms to Redwire's portfolio of mission-critical space platforms, more than 600 employees, and 265k sq ft of manufacturing space

**Date:** 06/23/2025**EV:** \$5.0B**EV/EBITDA:** NA*Transaction Details*

Digital Global Systems, a provider of AI-driven RF spectrum monitoring and interference mitigation solutions, was acquired by Casa del Fuego Family Office and Trust to expand its footprint in wireless and defense communications. DGS will operate as a wholly owned subsidiary, continuing to serve government and commercial clients with advanced spectrum analytics

**Date:** 06/26/2025**EV:** \$360M**EV/EBITDA:** NA*Transaction Details*

Amentum's Rapid Solutions Product Business designs and manufactures airborne and space-based ISR (intelligence, surveillance, reconnaissance) platforms, advanced communications, tactical systems, and payload technologies. The acquisition enhances Lockheed's ISR and radar capabilities and support its Golden Dome architecture for improved national security and mission awareness

Source(s): Cap IQ, Dacis

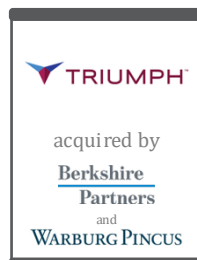
¹ EV and EV/EBITDA data is as of transaction close



DEFENSE, GOVERNMENT & INTELLIGENCE

Select Precedent Transactions ¹**Date:** 07/17/2025**EV:** \$3.3B**EV/EBITDA:** NA*Transaction Details*

Intelsat is a global satellite operator with a fleet of 90 satellites in geostationary orbit (GEO) and 30 medium earth orbit (MEO) satellites. The merger with SES, a space solutions company, will allow the combined entity to deliver integrated multi-orbit, multi-band satellite and connectivity solutions to businesses and governments in high-growth segments worldwide.

**Date:** 07/24/2025**EV:** \$2.8B**EV/EBITDA:** 15.2x*Transaction Details*

TRIUMPH designs, develops, manufactures, repairs, and provides spare parts across a broad portfolio of aerospace and defense systems and components. The Company serves the global aviation industry, including original equipment manufacturers and military and commercial aircraft operators. Warburg and Berkshire are partnering with TRIUMPH to continue driving growth amid increasing demand for high quality aerospace components.

**Date:** 08/06/2025**EV:** \$5.0B**EV/EBITDA:** NA*Transaction Details*

Silvus designs and develops software-defined high-speed mobile ad-hoc network (MANET) technology that enables secure data, video and voice communications without the need for fixed infrastructure. Silvus' technology is designed to support frontline military and law enforcement operations in challenging environments. The companies expect to integrate engineering teams and leverage Motorola's marketing footprint to reach customers globally.

**Date:** 10/06/2025**EV:** \$765M**EV/EBITDA:** NA*Transaction Details*

Simmonds Precision Products, a division of RTX's Collins Aerospace, specializes in the design of fuel and proximity sensing systems, as well as structural health monitoring solutions tailored for aerospace and defense applications. Simmonds' portfolio of highly engineered, proprietary products with substantial aftermarket content aligns with TransDigm's established strategy of expanding offerings and capabilities.

**Date:** 10/31/2025**EV:** \$572M**EV/Revenue:** 3.5x*Transaction Details*

SciTec provides software technologies to Intelligence Community, defense, and commercial customers. SciTec's missile warning and defense and big data technologies complement Firefly's launch, lunar, and in-space vehicle hardware, strengthening the combined company's capabilities as it pursues major programs like the Golden Dome. The acquisition also adds 475 employees focused on data and software.

**Date:** 12/08/2025**EV:** \$4.4B**EV/EBITDA:** 13.5x*Transaction Details*

Spirit Aerosystems (NYSE: SPR) designs and manufactures aerostructures, including for Boeing's 737 and 787. Boeing has faced intense scrutiny from Congress, increased oversight from the FAA, and criminal investigation after a panel blew out on an Alaska Airlines flight in January 2024. Management from both companies stated that the acquisition would allow closer quality control and safer planes. The transaction was first announced in July 2024.

Source(s): Cap IQ, Dacis

¹ EV and EV/EBITDA data is as of transaction close



DEFENSE, GOVERNMENT & INTELLIGENCE

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	Enterprise Value /	
					Revenue	EBITDA
01/03/2025	BWX Technologies	AOT Business of L3Harris	Offers specialty materials, fabrication, and alloy manufacturing solutions	103.3	2.6x	NA
01/09/2025	Anduril	Radar and Command and Control Business of Numerica	Develops radar and command and control software technologies	NA	NA	NA
02/03/2025	Teledyne Technologies	The OS and AES Business of Excelitas	Designs and manufactures optoelectronics and advanced electronic systems	706.0	NA	NA
03/03/2025	General Atomics	North Point Defense	Provides SIGINT exploitation software and sensor integration solutions	NA	NA	NA
03/19/2025	Systems Planning and Analysis	Intrepid	Provides engineering solutions to U.S. defense and space customers	NA	NA	NA
03/27/2025	Nightwing	Roka Security	Provides computer security consulting services to government customers	NA	NA	NA
05/01/2025	AeroVironment	BlueHalo	Provides advanced defense and aerospace technology solutions	4,100.0	4.6x	NA
05/20/2025	BWX Technologies	Kinectrics	Conducts testing and advisory work for energy and utility organizations	561.0	NA	NA
05/22/2025	Protective Industrial Partners	PP&E Business of Honeywell	Provides flight data analytics and intelligence to aviation customers	1,325.0	NA	NA
05/23/2025	Leidos	Kudu Dynamics	Develops offensive AI-related cyber capabilities and non-kinetic effects	300.0	NA	NA
05/27/2025	Serco	Northrop Grumman Mission Training & Satcom Business	Provides mission training and satellite communications software	327.0	NA	NA
06/13/2025	Redwire	Edge Autonomy	Provides autonomous systems and ISR solutions to government customers	1,162.0	5.2x	16.1x
06/23/2025	Casa Del Fuego	Digital Global Systems	Provides RF spectrum analytics to defense and commercial customers	5,000.0	NA	NA

Source(s): S&P CapIQ, Dacis



DEFENSE, GOVERNMENT & INTELLIGENCE

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	Enterprise Value /	
					Revenue	EBITDA
06/26/2025	Lockheed Martin	Rapid Solutions Product Business of Amentum Holdings	Provides ISR and mission systems support to U.S. national security customers	360.0	NA	NA
07/17/2025	SES S.A.	Intelsat	Provides satellite communications services worldwide	3,320.1	NA	NA
08/06/2025	Motorola Solutions	Silvus Technologies	Develops and manufactures wireless communications systems for defense uses	5,022.4	NA	NA
08/12/2025	Rocket Lab	GEOST	Designs EO/IR sensors for national security and space end uses	312.7	NA	NA
08/19/2025	General Atomics	Intellectual Property Assets of Achates Power	Develops advanced engine technology	NA	NA	NA
08/25/2025	General Atomics	MLD Technologies	Manufactures high-performance optical coatings and components	NA	NA	NA
10/06/2025	TransDigm Group	Simmonds Precision Products	Designs sensing and monitoring solutions for aerospace and defense applications	765.0	NA	NA
10/31/2025	Firefly Aerospace	SciTec	Provides software to Intelligence Community, defense, and commercial customers	571.7	NA	NA
11/03/2025	Thoma Bravo	Digital Aviation Solutions Business of Boeing	Develops flight planning software for commercial and military aviation	10,550.0	NA	NA
11/06/2025	Amphenol	Trexon	Manufactures wires and cables for industrial, exacting, and mission-critical applications	1,000.0	NA	NA
11/12/2025	Armada	Poseidon Industrial	Provides mechanical, electrical, and integration services to the U.S. Navy	NA	NA	NA
11/20/2025	Voyager Technologies	Estes Energetics	Manufactures, tests, and integrates small, tactical-sized solid rocket motors	NA	NA	NA
12/08/2025	Boeing	Spirit AeroSystems	Designs and manufactures aerostructures, including for Boeing's 737 and 787	4,432.5	1.1x	13.5x

Source(s): S&P CapIQ, Dacis



DEFENSE, GOVERNMENT & INTELLIGENCE

	Stock Price 12/31/25	Enterprise Value	2025A			2026E			TEV / 2025A		TEV / 2026E	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Primes												
BAE Systems	23.07	78,703	41,202	5,708	14%	44,191	6,163	14%	1.91x	13.79x	1.78x	12.77x
General Dynamics	336.66	98,159	51,961	6,272	12%	54,298	6,819	13%	1.89x	15.65x	1.81x	14.40x
L3Harris Technologies	293.57	66,416	21,976	3,969	18%	23,297	4,371	19%	3.02x	16.73x	2.85x	15.19x
Lockheed Martin	483.67	130,639	74,572	9,246	12%	77,798	11,007	14%	1.75x	14.13x	1.68x	11.87x
Northrop Grumman	570.21	96,398	41,855	5,908	14%	44,259	6,433	15%	2.30x	16.32x	2.18x	14.98x
RTX	183.40	282,520	86,971	14,634	17%	92,396	15,781	17%	3.25x	19.31x	3.06x	17.90x
Average	\$315.10	\$125,473	\$53,090	\$7,623	15%	\$56,040	\$8,429	15%	2.35x	15.99x	2.23x	14.52x
Gov't Contractors												
Amentum	29.00	10,910	14,300	1,098	8%	14,311	1,138	8%	0.76x	9.94x	0.76x	9.59x
Booz Allen Hamilton	84.36	13,578	11,529	1,230	11%	11,521	1,231	11%	1.18x	11.04x	1.18x	11.03x
CACI	532.81	14,834	9,036	1,041	12%	9,613	1,121	12%	1.64x	14.25x	1.54x	13.23x
Leidos	180.40	27,365	17,251	2,398	14%	17,918	2,430	14%	1.59x	11.41x	1.53x	11.26x
Parsons	61.80	7,659	6,441	617	10%	6,687	654	10%	1.19x	12.41x	1.15x	11.71x
SAIC	100.66	7,105	7,296	695	10%	7,424	725	10%	0.97x	10.22x	0.96x	9.80x
V2X	54.55	2,680	4,474	317	7%	4,703	339	7%	0.60x	8.45x	0.57x	7.91x
Average	\$149.08	\$12,019	\$10,047	\$1,057	10%	\$10,311	\$1,091	10%	1.13x	11.10x	1.10x	10.65x

Source(s): S&P CapIQ
 \$USD, Millions besides Stock Price



DEFENSE, GOVERNMENT & INTELLIGENCE

	Stock Price 12/31/25	Enterprise Value	2025A			2026E			TEV / 2025A		TEV / 2026E	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Systems												
AeroVironment	241.89	12,260	1,690	230	14%	2,223	403	18%	7.25x	NM	5.52x	30.39x
Elbit Systems	575.91	27,098	7,878	867	11%	8,795	1,081	12%	3.44x	31.26x	3.08x	25.06x
HEICO	323.59	41,734	4,624	1,259	27%	5,108	1,390	27%	9.02x	33.16x	8.17x	30.03x
Kratos Defense & Security	75.91	12,385	1,329	118	9%	1,590	159	10%	9.32x	NM	7.79x	NM
Leonardo DRS	34.09	9,231	3,584	442	12%	3,818	507	13%	2.58x	20.88x	2.42x	18.22x
Mercury Systems	73.01	4,733	920	133	14%	995	172	17%	5.15x	35.60x	4.76x	27.49x
Teledyne Technologies	510.73	25,984	6,076	1,476	24%	6,368	1,598	25%	4.28x	17.60x	4.08x	16.26x
Average	\$262.16	\$19,061	\$3,729	\$646	16%	\$4,128	\$759	18%	5.86x	27.70x	5.12x	24.58x
Low	\$23.07	\$2,680	\$920	\$118	7%	\$995	\$159	7%	0.60x	8.45x	0.57x	7.91x
Mean	\$238.46	\$48,520	\$20,748	\$2,883	13%	\$21,866	\$3,176	14%	3.15x	17.34x	2.84x	16.27x
Median	\$181.90	\$20,409	\$8,457	\$1,164	12%	\$9,204	\$1,184	13%	2.11x	14.95x	1.99x	14.40x
High	\$575.91	\$282,520	\$86,971	\$14,634	27%	\$92,396	\$15,781	27%	9.32x	35.60x	8.17x	30.39x

Source(s): S&P CapIQ
 \$USD, Millions besides Stock Price



PHYSICAL & CYBER SECURITY

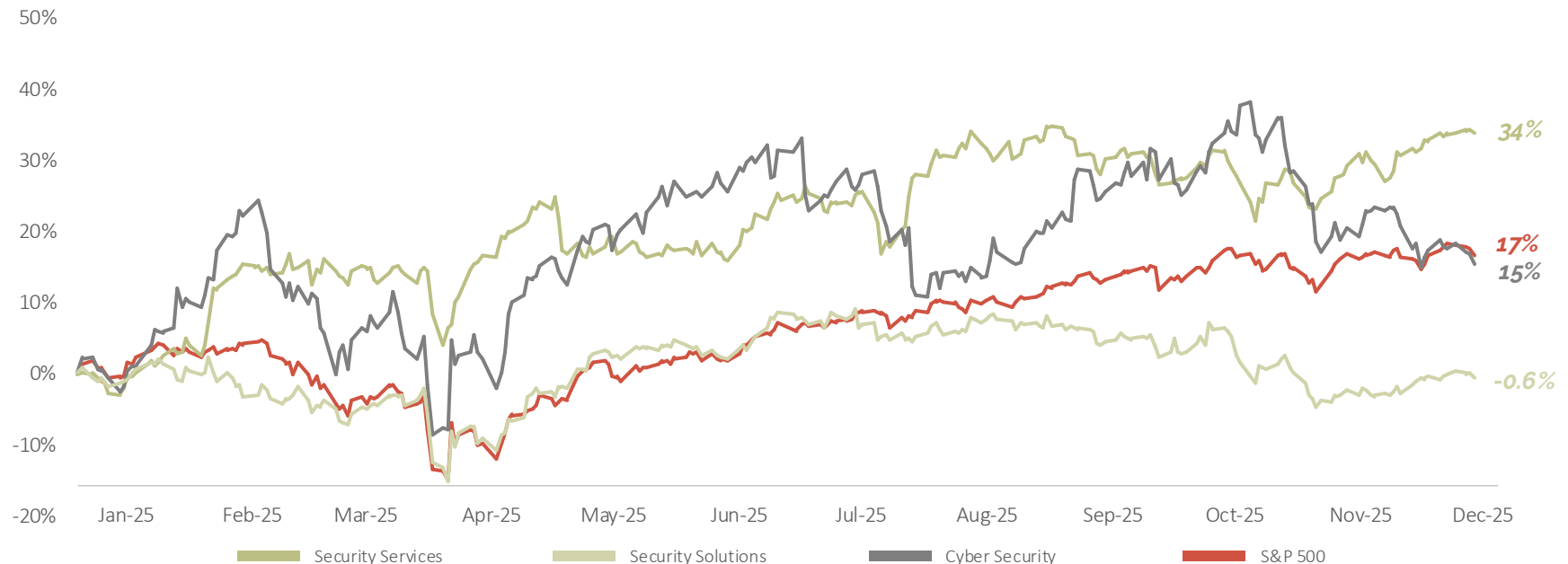
Key Trends / Takeaways

- Artificial intelligence (AI) and automation played a growing role in cybersecurity in 2025, improving threat detection and reducing response times across organizations.
 - Organizations using AI-driven security tools saw faster detection and lower breach costs, while attackers increasingly used generative AI to scale phishing, reconnaissance, and social engineering, intensifying the cyber arms race.
- October 2025 marked the end of the pre-CMMC era, with the first phase of CMMC implementation beginning November 10, 2025.
 - CMMC assessment requirements will be implemented using a four-phase plan over three years. The phases add CMMC Level requirements incrementally, starting with self-assessments in Phase 1, and ending with full implementation of program requirements in Phase 4. Beginning November 10th, solicitations will require Level 1 or 2 self-assessments “where applicable”, with DoD reserving the right to require third-party Level 2 certification in select cases.
- Zero Trust Architecture continued to define federal and enterprise cybersecurity strategies in 2025.
 - Agencies advanced implementation milestones tied to identity, device, and network segmentation by the end of FY2025, while industry adoption reached approximately 75%, reflecting sustained efforts to reduce lateral movement and insider risk.
- Ransomware activity remained elevated in 2025, with attackers increasingly targeting high-impact sectors such as municipalities, healthcare providers, and critical infrastructure. More than 2,000 ransomware incidents were publicly disclosed globally by mid-year.
 - In July 2025, the City of St. Paul, Minnesota declared a state of emergency following a cyberattack that disrupted municipal services.
- Cybersecurity workforce shortages persisted despite increased investment. The U.S. faced over 500,000 unfilled cybersecurity roles in 2025, constraining organizations’ ability to fully implement advanced security frameworks. In response, NIST awarded workforce development grants in March 2025, though staffing gaps continued to present operational risk.
- Physical and cyber security further converged in 2025 as organizations adopted unified, cloud-managed security platforms. Adoption of integrated physical-cyber solutions grew an estimated 20% year-over-year, with more than 40% of mid-to-large organizations relying on cloud-based physical security systems, reinforcing the direct link between digital and physical risk.

Source(s): IBM, Whitehouse.gov, Financial Times, WSJ, World Economic Forum



PHYSICAL & CYBER SECURITY

Trailing Twelve Months (TTM) Public Equity Index Chart ¹

Commentary

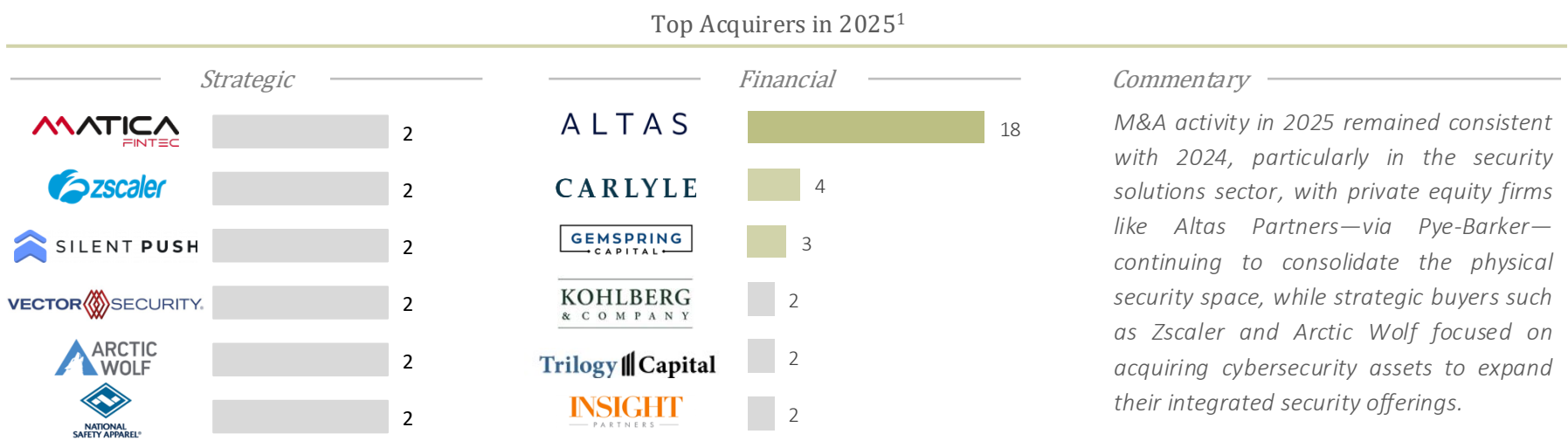
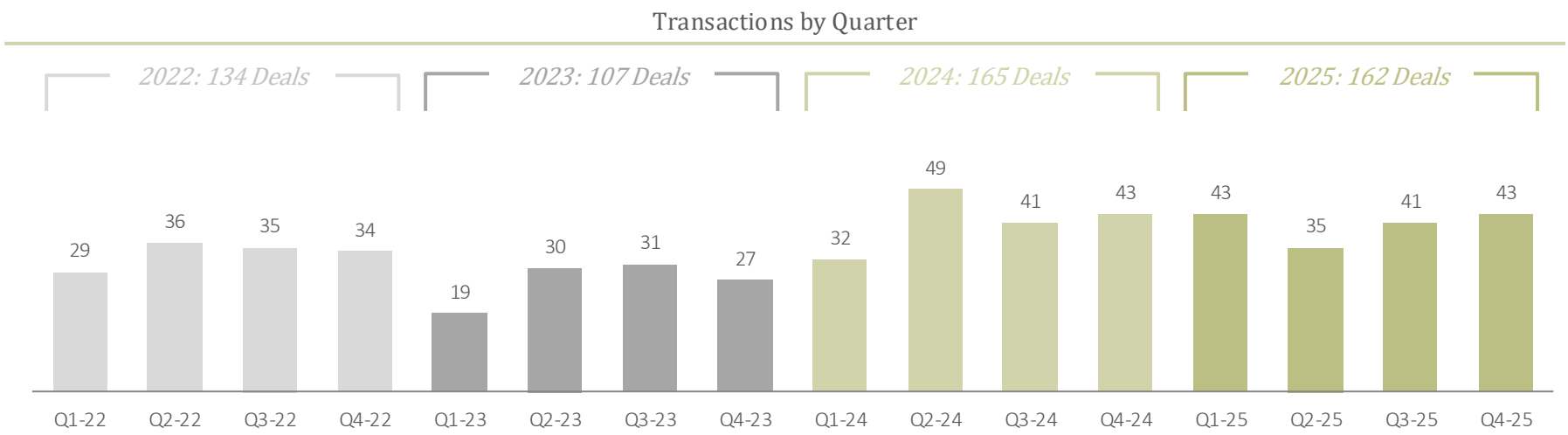
- All indices closed the year in positive territory, driven by resilient macro conditions and demand for security amid evolving threats.
- The Security Services index gained 34% in 2025, outperforming the S&P 500's 17% as leading manned guarding physical security providers embrace new technologies including advanced biometrics, IoT sensors, and drones
- The Cyber Security index remained 2025 in line with the S&P 500 after a year of fluctuation, as rising digital threat complexity saw continued adoption of integrated threat defense platforms

Source(s): S&P CapIQ

¹. For index composition, please see page 37



PHYSICAL & CYBER SECURITY



Source(s): S&P CapIQ
1. Only includes transaction in Physical & Cybersecurity market



PHYSICAL & CYBER SECURITY

Select Precedent Transactions



Transaction Details

Turn/River Capital completed its acquisition of SolarWinds, taking the company private in a deal aimed at accelerating product innovation and customer-centric investments. The transaction provides SolarWinds with strategic backing to expand its portfolio of infrastructure management and observability solutions while reinforcing its focus on long-term growth outside the pressures of the public markets.

Date: 4/16/25

EV: \$4.4B

EV/EBITDA: 15.3x



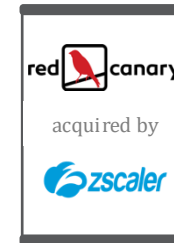
Transaction Details

Palo Alto Networks completed the acquisition of Protect AI in 2025 to expand its capabilities in securing AI models, applications, and agents across their full lifecycle. The transaction integrates Protect AI's technology into Palo Alto Networks' Prisma AI^{RS}™ platform, enabling customers to address emerging AI-specific risks such as model vulnerabilities and supply-chain threats.

Date: 7/22/25

EV: \$700M

EV/EBITDA: NA



Transaction Details

Zscaler has completed its acquisition of Red Canary, strengthening its security operations capabilities by combining agentic AI-driven threat detection with Zscaler's cloud-native Zero Trust platform. The transaction enhances Zscaler's ability to deliver faster, more automated threat detection and response at scale.

Date: 8/1/25

EV: \$675M

EV/EBITDA: NA



Transaction Details

Varonis acquired SlashNext to expand its capabilities to include AI-native email security. The acquisition allows Varonis to offer its customers a more complete threat detection and response solution at all points of attack. Varonis plans to integrate SlashNext's best-in-class phishing detection with its Data Security and MDDR service, strengthening the platform's ability to stop email attacks before they become data breaches.

Date: 9/2/25

EV: \$150M

EV/EBITDA: NA



Transaction Details

IonQ completed the acquisition of Vector Atomic in October 2025, expanding its platform beyond quantum computing into precision quantum sensing and timing technologies. The transaction adds advanced atomic clock and inertial sensing capabilities, strengthening IonQ's position across commercial, defense, and space-related quantum applications.

Date: 10/2/25

EV: \$384M

EV/EBITDA: NA



Transaction Details

Veeam Software Group GmbH acquired Securiti AI in a strategic transaction to enhance its data resilience platform with advanced data security, privacy, governance, and AI trust capabilities, enabling customers to better discover, protect, govern, and safely operationalize data across cloud, SaaS, and hybrid environments as AI adoption accelerates.

Date: 12/10/25

EV: \$1.7B

EV/EBITDA: NA

Source(s): S&P CapIQ
* announcement date



PHYSICAL & CYBER SECURITY

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	Enterprise Value /	
					Revenue	EBITDA
2/12/2025	Pye-Barker Fire & Safety, LLC	USA Security Services, Inc.	Provides guarding, patrol, and alarm monitoring services	NA	NA	NA
2/11/2025	Drata Inc.	SafeBase, Inc.	Provides security trust portals for customer compliance reviews	\$250.0	NA	NA
3/31/2025	Guardian Fire Protection Services, LLC	Maffey's Lock & Safe Co., Inc.	Provides locksmith, access control, and physical security systems	NA	NA	NA
3/27/2025	Incline Management, L.P.	Command Investigations, LLC	Provides investigative and background screening services	NA	NA	NA
4/16/2025	Turn/River Management, L.P.	SolarWinds Corporation	Provides IT monitoring, observability, and management software	\$4,419.5	5.55x	15.35x
5/29/2025	Pye-Barker Fire & Safety, LLC	T & T Moore Enterprises Corp.	Provides security staffing and loss prevention services	NA	NA	NA
6/6/2025	Liongard Inc.	DarkLight, Inc.	Provides digital risk protection and threat intelligence	NA	NA	NA
6/12/2025	NETGEAR, Inc.	Exium, Inc.	Provides secure networking and Zero Trust connectivity	\$15.0	NA	NA
6/5/2025	VSC Synapse LLC	Govcomm Inc.	Provides secure communications infrastructure for government clients	NA	NA	NA
7/22/2025	Palo Alto Networks, Inc.	Protect AI, Inc.	Provides security for AI models, applications, and agents	\$700.0	NA	NA
7/31/2025	Geospace Technologies Corporation	Geovox Security, Inc.	Provides managed security and infrastructure protection services	NA	NA	NA
7/30/2025	Partners Group Holding AG	Nozomi Networks Inc.	Provides OT and IoT network visibility and threat detection	NA	NA	NA
8/1/2025	Zscaler, Inc.	Red Canary, Inc.	Provides managed detection and response cybersecurity services	\$675.0	NA	NA

Source(s): S&P CapIQ
 * announcement date



PHYSICAL & CYBER SECURITY

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	Enterprise Value /	
					Revenue	EBITDA
9/23/2025	SFS Security Fire Systems, Inc.	Ignis Holding Company, L.L.C.	Operates as a holding company for security-focused businesses	NA	NA	NA
9/22/2025	Parallel Technologies, Inc.	D/A Central, Inc.	Provides alarm systems and integrated electronic security solutions	NA	NA	NA
9/5/2025	Magna Legal Services, LLC	Pipkins Investigation, Inc.	Provides investigative and risk assessment services	NA	NA	NA
9/2/2025	Varonis Systems, Inc.	SlashNext, Inc.	Provides real-time phishing detection and prevention	\$150.0	NA	NA
9/18/2025	MES Service Company, LLC	FIRE #2, INC.	Provides fire protection installation, inspection, and maintenance	NA	NA	NA
10/2/2025	IonQ, Inc.	Vector Atomic, Inc.	Designs quantum sensing and precision timing technologies	\$378.6	NA	NA
10/15/2025	SAIC	SilverEdge Government Solutions LLC	Provides cybersecurity and software solutions for IC and DoD customers	\$203.0	NA	NA
11/4/2025	Bugcrowd Inc.	ForAllSecure, Inc.	Provides automated vulnerability discover	NA	NA	NA
11/6/2025	Hexaware Technologies Limited	Identity And Access Solutions, LLC	Provides identity and access management services	\$66.0	NA	NA
12/10/2025	Veeam Software Group GmbH	Securiti, Inc.	Provides data security, privacy, governance, and AI trust software	\$1,725.0	NA	NA
12/15/2025	Silent Push, Inc.	HYAS Infosec Inc.	Provides adversary infrastructure intelligence and attribution	NA	NA	NA
12/15/2025	Scarlet Security & Risk Group	Pillar Security	Provides guarding and protective security services	NA	NA	NA
12/29/2025	Matica Fintec S.p.A.	Credence ID, LLC	Provides biometric identity verification hardware and software	NA	NA	NA

Source(s): S&P CapIQ
 * announcement date



PHYSICAL & CYBER SECURITY

	Stock Price 12/31/25	Enterprise Value	2025A			2026E			TEV /2025A		TEV/2026E	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Security Services												
Securitas	15.97	12,910	16,941	1,641	9.7%	16,662	1,685	10.1%	0.76x	7.87x	0.77x	7.66x
The Brink's Company	116.73	7,957	5,236	977	18.7%	5,497	1,043	19.0%	1.52x	8.14x	1.45x	7.63x
Prosegur	3.05	3,662	5,898	674	11.4%	6,237	732	11.7%	0.62x	5.43x	0.59x	5.00x
Loomis	42.36	3,469	3,293	726	22.1%	3,389	757	22.3%	1.05x	4.78x	1.02x	4.58x
Average	\$44.53	\$7,000	\$7,842	\$1,005	15.5%	\$7,946	\$1,054	15.8%	0.99x	6.56x	0.96x	6.22x
Security Solutions												
Honeywell International	195.09	149,688	37,288	10,247	27.5%	39,907	10,323	25.9%	4.01x	14.61x	3.75x	14.50x
Johnson Controls	119.75	84,021	23,806	4,133	17.4%	25,185	4,788	19.0%	3.53x	20.33x	3.34x	17.55x
Motorola Solutions	383.32	72,903	11,645	3,783	32.5%	12,598	4,199	33.3%	6.26x	19.27x	5.79x	17.36x
ADT	8.07	14,360	5,144	2,684	52.2%	5,314	2,784	52.4%	2.79x	5.35x	2.70x	5.16x
Allegion	159.22	15,655	4,071	1,013	24.9%	4,338	1,094	25.2%	3.85x	15.46x	3.61x	14.31x
Alarm.com Holdings	51.02	2,600	1,000	200	20.0%	1,041	213	20.4%	2.60x	13.02x	2.50x	12.21x
Napco Security Technologies	41.70	1,387	192	55	28.6%	210	62	29.4%	7.24x	25.28x	6.59x	22.37x
Average	\$136.88	\$48,659	\$11,878	\$3,159	29.0%	\$12,656	\$3,352	29.4%	4.32x	16.19x	4.04x	14.78x

Source(s): S&P CapIQ
 \$USD, Millions besides Stock Price



PHYSICAL & CYBER SECURITY

	Stock Price 12/31/25	Enterprise Value	2025A			2026E			TEV /2025A		TEV/2026E	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Cyber Security												
Palo Alto	184.20	124,606	9,882	3,219	32.6%	11,195	3,567	31.9%	12.61x	38.71x	11.13x	34.93x
CrowdStrike	468.76	114,233	4,804	1,280	26.7%	5,865	1,696	28.9%	NA	NA	19.48x	NA
Cloudflare	197.15	68,516	2,145	481	22.4%	2,735	632	23.1%	NA	NA	NA	NA
Fortinet	79.41	57,018	6,754	2,482	36.8%	7,511	2,710	36.1%	8.44x	22.97x	7.59x	21.04x
Zscaler	224.92	34,384	2,984	776	26.0%	3,603	969	26.9%	11.52x	44.34x	9.54x	35.48x
Check Point	185.56	17,104	2,727	1,167	42.8%	2,894	1,207	41.7%	6.27x	14.65x	5.91x	14.17x
Okta	86.47	13,285	2,908	785	27.0%	3,175	859	27.1%	4.57x	16.92x	4.18x	15.47x
Average	\$203.78	\$61,307	\$4,601	\$1,456	30.6%	\$5,283	\$1,663	30.8%	8.68x	27.52x	9.64x	24.22x
Low	\$3.05	\$1,387	\$192	\$55	10%	\$210	\$62	10%	0.62x	4.78x	0.59x	4.58x
Mean	\$142.37	\$44,320	\$8,151	\$2,018	27%	\$8,742	\$2,184	27%	4.85x	17.32x	5.29x	15.59x
Median	\$118.24	\$16,379	\$4,974	\$1,090	26%	\$5,406	\$1,151	26%	3.93x	15.05x	3.75x	14.41x
High	\$468.76	\$149,688	\$37,288	\$10,247	52%	\$39,907	\$10,323	52%	12.61x	44.34x	19.48x	35.48x

Source(s): S&P CapIQ
 \$USD, Millions besides Stock Price



CRITICAL INFRASTRUCTURE

Key Trends / Takeaways

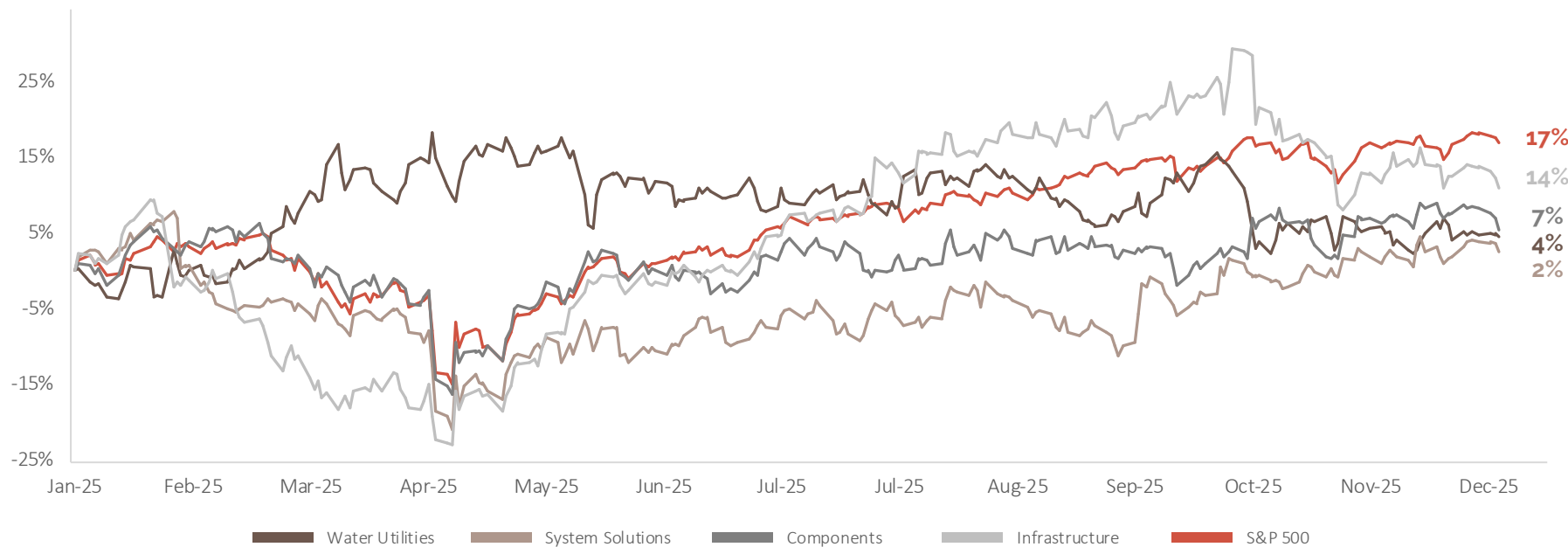
- The bipartisan Water Infrastructure Resilience and Sustainability Act of 2025 was introduced in the U.S. House to fund upgrades within drinking water, wastewater, and stormwater systems. The bill will **provide greater resiliency to threats ranging from cyber attacks to extreme weather** and will reauthorize three existing resilience programs at their current funding levels: **Drinking Water System Infrastructure Resilience & Sustainability Program** (\$25M annually), **Midsize & Large Drinking Water System Infrastructure Resilience & Sustainability Program** (\$50M annually), and the **Clean Water Infrastructure Resiliency & Sustainability Program** (\$25M annually).
- On March 4th, **the Supreme Court ruled 5-4 in favor of San Francisco in the San Francisco vs. EPA case, invalidating broad EPA restrictions on wastewater discharge into U.S. waterways.** In the past, the EPA has fined San Francisco for the release of excess sewage, but San Francisco argued that the EPA's rules were too vague as they did not specify exactly how much discharge was permitted. While the environmental impacts of the ruling are still to be seen, they give cities more flexibility in their wastewater discharge, potentially leading to increased pollution in the waterways surrounding outdated sewer systems.
- A report from Auburn University's McCrary Institute for Cyber and Critical Infrastructure warns that China's "Typhoon" cyber operations have **shifted toward large-scale attacks on U.S. critical infrastructure, with the water sector being highlighted as especially vulnerable due to aging infrastructure and weak cybersecurity.** Overall, the report signals that cyber risk has become an increasing threat to domestic infrastructure operations, driving regulatory pressure and demand for more resilient operational technology and industrial control systems.
- On October 27th **American Water Works and Essential Utilities** announced an all-stock merger that will create a public water utility valued at about \$40 billion. The combined company will use the name American Water and will have about 4.7 million water connections across 17 states and on 18 military installations, from Hawaii to Pennsylvania.
- A report from the Value of Water Campaign estimates that the **U.S. will need to invest over \$3.4T in drinking water, stormwater, and wastewater infrastructure to bring it up to date.** Federal investment has declined over the past few decades, with the burden falling on state and local governments, creating an estimated \$2T funding gap. Aging systems and deferred maintenance pose a growing risk to public health, water quality, and service reliability.

Source(s): SIFMA, Global Water Intelligence, Financial Times, US News and World Report



CRITICAL INFRASTRUCTURE

Trailing Twelve Months (TTM) Public Equity Index Chart ¹



Commentary

- While all of TMG’s Critical Infrastructure indices trailed the S&P 500 in 2025, the Infrastructure Index stood out, posting a 14.3% gain for the year. The index’s performance was primarily driven by EMCOR and Primoris, as both companies continue to capitalize on accelerating demand across data center, energy, and power end-markets.
- System Solutions experienced modest growth in 2025, driven by interest rate uncertainty and tighter funding conditions. The elevated borrowing costs at the beginning of the year made financing more difficult for municipalities, utilities, and commercial customers, leading to delayed capital equipment purchases and extended project timelines.

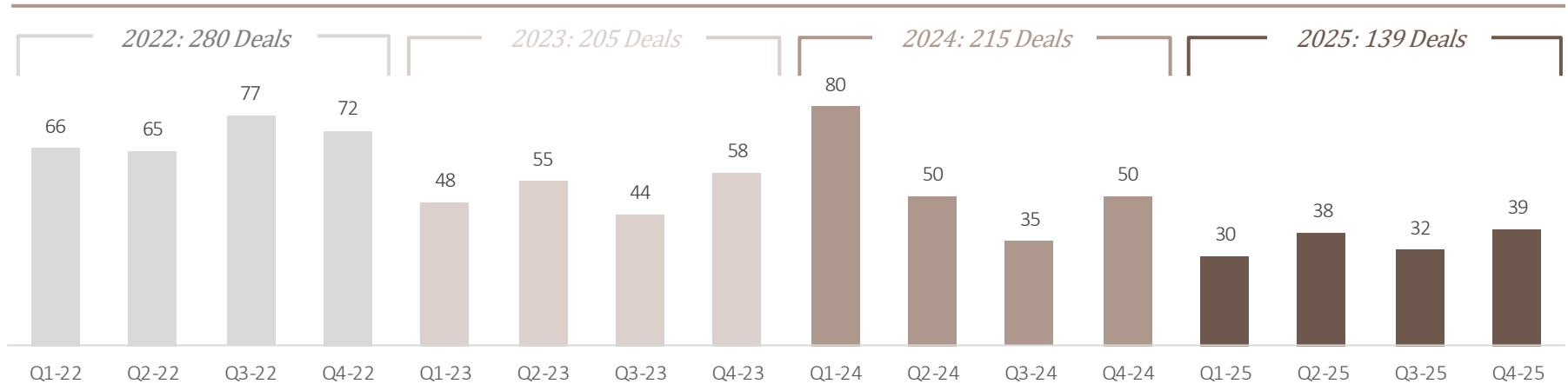
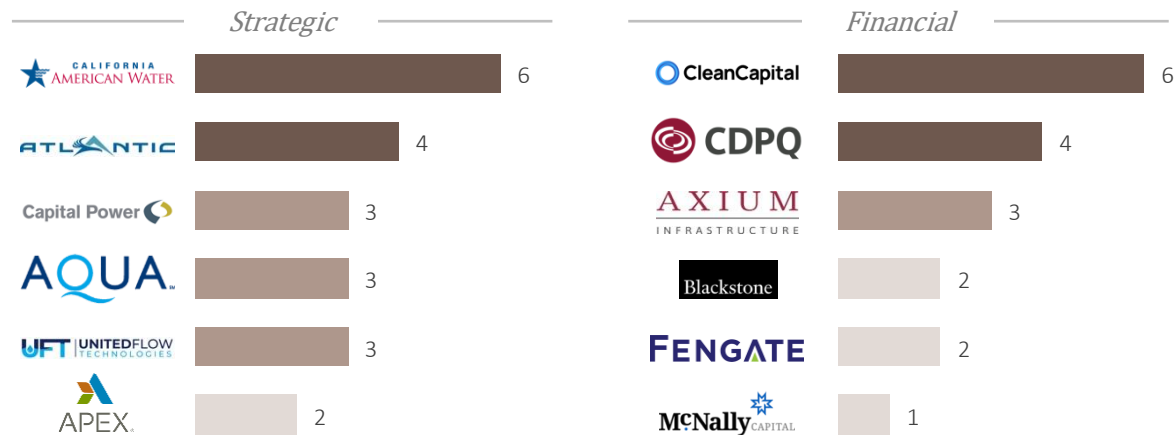
Source(s): S&P CapIQ

¹ For index composition, please see page 37



CRITICAL INFRASTRUCTURE

Transactions by Quarter

Top Acquirers in 2025¹

Commentary

2025 saw a continued decline in M&A activity across the infrastructure sector due largely to the higher interest rate environment and policy uncertainty. The industry relies on debt to finance large project-oriented deals, creating difficulty in underwriting acquisitions. Additionally, shifting federal funding priorities and changes to subsidies have further slowed the M&A market.

Source(s): S&P CapIQ

1. Only includes transaction in Critical Infrastructure market



CRITICAL INFRASTRUCTURE

Select Precedent Transactions

**Date:** 1/10/25**EV:** N/A**EV/EBITDA:** N/A*Transaction Details*

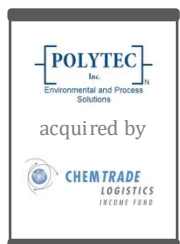
Sancon Technologies specializes in the rehabilitation of water and wastewater pipelines and related structures and has been a trusted leader in structure and trenchless rehabilitation across California and Nevada since 2012. The acquisition bolsters Vortex's capabilities by adding decades of experience and customer relationships further strengthening its presence on the West Coast.

**Date:** 4/8/25**EV:** N/A**EV/EBITDA:** N/A*Transaction Details*

Verdantas is a leader in digitally enabled technical consulting solutions for the environment, water, and energy transition markets. Horizons brings a team of ~100 professionals with specialized expertise in environmental consulting, water resources, and civil engineering. The acquisition establishes a strong platform in Vermont and Maine while strengthening the company's footprint in New England.

**Date:** 7/18/25**EV:** \$60.7B**EV/EBITDA:** N/A*Transaction Details*

Chevron is one the world's leading integrated energy companies that produces crude oil and natural gas; manufactures transportation fuels, lubricants, petrochemicals and additives. The combined company has one of the most advantaged and differentiated portfolios in the industry, with leading positions in critical energy markets around the world and a high cash margin production profile.

**Date:** 11/21/24**EV:** \$150M**EV/EBITDA:** 6.5x*Transaction Details*

Polytec, Inc. manufactures and distributes chemicals for water and wastewater treatment applications. The purchase of Polytec will add a unique solutions platform to Chemtrade's line of water treatment chemicals products and enable the company to expand its footprint in water solutions for the food-processing industry and municipal markets.

**Date:** 12/15/25***EV:** \$3.3B**EV/EBITDA:** 15.9x*Transaction Details*

TRC is a leading global provider of advisory, consulting, construction, engineering, and management services supporting critical infrastructure. The combination with WSP establishes a scaled U.S. engineering and design platform with differentiated, end-to-end capabilities across power and energy, water, infrastructure, and environmental services.

**Date:** 12/16/25**EV:** \$1.8B**EV/EBITDA:** N/A*Transaction Details*

Ovivo's electronics business is a leader in ultrapure water technologies for semiconductor manufacturing. The acquisition more than doubles Ecolab's high-tech growth engine and expands their reach across the AI value chain and allows Ecolab to deliver critical circular water solutions to help the semiconductor industry reduce water use and address sustainability.

Source(s): S&P CapIQ

* Announced date



CRITICAL INFRASTRUCTURE

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	Enterprise Value /	
					Revenue	EBITDA
1/2/2025	Construction Partners, Inc.	Overland Corporation	Construction for public and private heavy civil infrastructure	\$121.10	NA	NA
1/10/2025	Vortex Companies, LLC	Sancon Technologies, Inc.	Provides rehabilitation of water and wastewater pipelines, and structures	NA	NA	NA
1/13/2025	Watersprint AB	Acuva Technologies Inc.	Designs UVC-LED disinfection technology for water, air, and surface applications	NA	NA	NA
2/5/2025	California-American Water Company	West San Martin Water Works Inc.	Drinking water provider for San Martin residents	\$1.60	NA	NA
2/27/2025	Economic Alternatives Inc	Western Water Associates, Inc.	Water treatment chemicals and services for the HVAC industry	NA	NA	NA
4/8/2025	Verdantas LLC	Horizons Engineering, Inc.	Multi-disciplinary engineering provider for public and private infrastructure projects	NA	NA	NA
4/14/2025	Lea & Eddy Holdings, LLC	Accelerated Water Resources, LLC	Water midstream and infrastructure provider for oil and gas in the Permian basin	\$180.00	NA	NA
5/19/2025	Rochester Midland Corporation	Comprehensive Chemical and Water Treatment Inc.	Water treatment service provider based in Canada	NA	NA	NA
6/16/2025	Azuria Water Solutions, Inc.	BLD Services, LLC	Full-service municipal and public works construction	NA	NA	NA
6/30/2025	Economic Alternatives Inc	LaMotte Water Management LLC	Manufacturer of environmental testing equipment for water and soil	NA	NA	NA
7/1/2025	TransDigm Group Incorporated	Servotronics, Inc.	Designs, manufactures, and markets servo-control components	\$123.84	2.68x	273.39x
7/18/2025	Chevron Corporation	Hess Corporation	Energy provider focused on oil and gas exploration / production	\$60,654.65	5.93x	10.70x
7/21/2025	Caisse de dépôt et placement du Québec	Innergex Renewable Energy Inc.	Developer and operator of run-of-river hydroelectric facilities, wind, and energy	\$7,055.26	9.74x	14.39x

Source(s): S&P CapIQ
 *announcement date



CRITICAL INFRASTRUCTURE

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	Enterprise Value /	
					Revenue	EBITDA
8/20/2025	Grundfos Holding A/S	Newterra Corporation, Inc.	Provider of water and wastewater treatment solutions	NA	NA	NA
8/27/2025	Coltala Holdings, LLC	Alsay Incorporated	Specializes in deep water well drilling and associated infrastructure projects	NA	NA	NA
9/5/2025	United Flow Technologies	Sydnor Hydro, Inc.	Water treatment and system installation	NA	NA	NA
9/12/2025	Blue Harvest Brands, Inc.	UltraClear	Develops and sells pond, lake, and water-quality treatment products	NA	NA	NA
10/15/2025	Western Midstream Partners, LP	Aris Water Solutions, Inc.	Provides full-cycle water handling, treatment, recycling, and disposal solutions	\$2,696.61	5.67x	12.91x
11/1/2025	DXP Enterprises, Inc.	Triangle Pump & Equipment, Inc.	Distributor of pumps and process equipment for municipal water and wastewater treatment	NA	NA	NA
11/3/2025	Apex Companies, LLC	Forsgren Associates Inc.	Multi-discipline civil and environment engineering consulting	NA	NA	NA
11/21/2025	Chemtrade Water Services Holding LLC	Polytec, Inc.	Provides water treatment programs	\$150.00	NA	6.50x
12/2/2025	Qualus, LLC	Aquawolf LLC	Infrastructure engineering provider specializing in power delivery and utility services	\$26.00	2.17x	NA
12/15/2025	Canada Pension Plan Investment Board	ALLETE, Inc.	Clean energy provider	\$6,260.73	3.64x	13.24x
12/15/2025	Apex Companies, LLC	AquaWorks DBO, LLC.	Designs and manufactures turn-key, small-scale, water & wastewater treatment systems	NA	NA	NA
12/15/2025*	WSP Global Inc.	TRC Companies, Inc.	Consulting, engineering and construction management provider	\$3,300.00	2.20x	15.93x
12/16/2025	Ecolab Inc.	Electronics division of Ovivo Inc.	Designs and delivers ultrapure water and advanced wastewater reuse systems	\$1,800.00	NA	NA

Source(s): S&P CapIQ
*announcement date



CRITICAL INFRASTRUCTURE

	Stock Price 12/31/25	Enterprise Value	2025A			2026E			TEV/2025A		TEV/2026E	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Water Utilities												
American Water Works	130.50	40,596	5,050	2,816	56%	5,339	3,091	58%	8.04x	14.41x	7.60x	13.13x
Essential Utilities	38.36	18,825	2,373	1,253	53%	2,444	1,395	57%	7.93x	15.03x	7.70x	13.49x
California Water Service Group	43.33	4,030	1,014	345	34%	1,088	378	35%	3.98x	11.68x	3.70x	10.67x
American States Water	72.48	3,702	629	250	40%	675	266	39%	5.89x	14.79x	5.49x	13.90x
H2O America	48.99	3,644	813	330	41%	862	355	41%	4.48x	11.05x	4.23x	10.27x
Consolidated Water	35.29	448	137	27	20%	209	38	18%	3.26x	16.64x	2.14x	11.66x
Global Water Resources	8.45	360	56	26	47%	61	30	49%	6.43x	13.69x	5.94x	12.12x
Average	\$53.91	10,229	1,439	721	41%	1,525	793	43%	5.71x	13.90x	5.26x	12.18x
System Solutions												
Danaher Corporation	228.92	178,335	24,510	7,562	31%	25,500	8,138	32%	7.28x	23.58x	6.99x	21.91x
Dover Corporation	195.24	28,296	8,078	1,839	23%	8,527	1,993	23%	3.50x	15.39x	3.32x	14.20x
Xylem Inc.	136.18	34,292	9,030	2,001	22%	9,346	2,154	23%	3.80x	17.14x	3.67x	15.92x
IDEX Corporation	177.94	14,653	3,440	922	27%	3,542	952	27%	4.26x	15.90x	4.14x	15.40x
Pentair plc	104.14	18,606	4,163	1,110	27%	4,357	1,198	28%	4.47x	16.76x	4.27x	15.53x
A. O. Smith Corporation	66.88	9,362	3,847	810	21%	3,977	866	22%	2.43x	11.55x	2.35x	10.81x
Watts Water Technologies, Inc.	276.02	8,945	2,423	520	21%	2,574	559	22%	3.69x	17.22x	3.48x	15.99x
Average	\$169.33	41,784	7,928	2,109	25%	8,260	2,266	25%	4.20x	16.79x	4.03x	15.68x

Source(s): S&P CapIQ
 \$USD, Millions besides Stock Price



CRITICAL INFRASTRUCTURE

	Stock Price	Enterprise	2025A			2026E			TEV/2025A		TEV/2026E	
	12/31/25	Value	Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Components												
Graco Inc.	81.97	13,035	2,235	711	32%	2,345	753	32%	5.83x	18.33x	5.56x	17.31x
Flowserve Corporation	69.38	9,717	4,773	772	16%	4,960	843	17%	2.04x	12.58x	1.96x	11.53x
Franklin Electric Co., Inc.	95.53	4,425	2,140	335	16%	2,242	360	16%	2.07x	13.20x	1.97x	12.28x
Mueller Water Products, Inc.	23.82	3,773	1,441	332	23%	1,476	359	24%	2.62x	11.38x	2.56x	10.50x
The Gorman-Rupp Company	47.75	1,537	683	121	18%	714	123	17%	2.25x	12.68x	2.15x	12.53x
Energy Recovery, Inc.	13.49	654	150	42	28%	166	51	30%	4.35x	15.50x	3.94x	12.91x
Average	\$55.32	5,523	1,904	386	22%	1,984	415	23%	3.19x	13.94x	3.02x	12.84x
Infrastructure												
AECOM	95.33	14,541	15,460	1,197	8%	13,125	1,234	9%	0.94x	12.15x	1.11x	11.78x
Tetra Tech, Inc.	33.54	9,568	4,394	644	15%	4,215	634	15%	2.18x	14.87x	2.27x	15.10x
Clean Harbors, Inc.	234.48	14,896	5,994	1,165	19%	6,223	1,231	20%	2.49x	12.79x	2.39x	12.11x
EMCOR Group, Inc.	611.79	27,164	16,751	1,737	10%	17,807	1,876	11%	1.62x	15.63x	1.53x	14.48x
Arcosa, Inc.	106.32	6,639	2,886	580	20%	3,060	621	20%	2.30x	11.45x	2.17x	10.69x
Primoris Services Corporation	124.14	7,238	7,522	525	7%	8,079	572	7%	0.96x	13.79x	0.90x	12.64x
Average	\$200.93	13,341	8,835	975	13%	8,752	1,028	14%	1.75x	13.45x	1.73x	12.80x
Low	\$8.45	\$360	\$56	\$26	7%	\$61	\$30	7%	0.94x	11.05x	0.90x	10.27x
Mean	\$119.24	\$18,357	\$5,000	\$1,076	26%	\$5,112	\$1,156	27%	3.81x	14.58x	3.60x	13.42x
Median	\$88.65	\$9,465	\$3,163	\$677	22%	\$3,301	\$693	23%	3.60x	14.60x	3.40x	12.78x
High	\$611.79	\$178,335	\$24,510	\$7,562	56%	\$25,500	\$8,138	58%	8.04x	23.58x	7.70x	21.91x

Source(s): S&P CapIQ

\$USD, Millions besides Stock Price



MARITIME TRANSPORT & FACILITIES

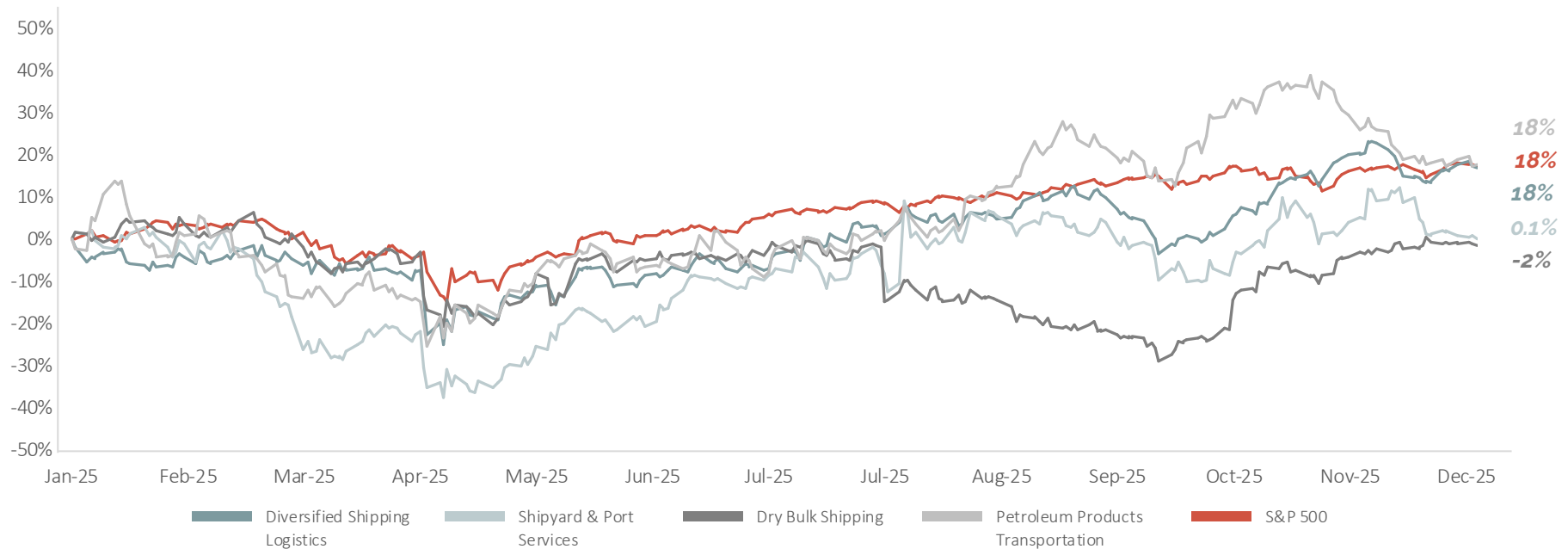
Key Trends / Takeaways

- **Seaborne trade growth stalled amid persistent volatility and uncertainty.** After a modest 2.2% increase in volumes in 2024, global maritime trade slowed dramatically to just 0.5% growth in 2025 (with containerized trade edging up slightly to ~1.4%). This reflected weaker global demand, macroeconomic pressures, trade tariffs, and disruptions in the Red Sea & Black Sea.
- Fleet capacity outpaced demand, shifting leverage toward shippers. **Global shipping fleets grew by ~3.4% to over 112,500 vessels**, below historical averages but faster than subdued trade growth. Overcapacity grew in key segments like containers and product tankers. This contributed to downward pressure on rates late in the year and a transition from carrier-dominated markets (2020–2024) to more balanced or shipper-advantaged conditions heading into 2026.
- M&A activity was resilient in ports/infrastructure. Transport and logistics M&A slowed sequentially, with deal volume down 18% in Q3 2025 vs. Q2 2025. There were fewer large transformative deals in core ocean shipping amid soft freight markets and high uncertainty. **Ports, terminals, and marine infrastructure proved more resilient, drawing sustained interest.** Activity emphasized long-term integration, resilience, and sustainability over aggressive carrier consolidation.
- In 2025, the global maritime sector faced persistent workforce **shortages**, particularly in skilled roles like seafarers and marine technicians, exacerbating operational challenges amid decarbonization efforts and fleet modernization. With over 19.4 million employees worldwide and the addition of 768,000 new jobs in 2024, the industry remained a major employer, though labor constraints in transportation operations and warehousing impacted efficiency and customer service.
- **Adoption of AI, automation, and data analytics rose to mitigate labor shortages, enhancing safety, efficiency, and processes** in ports and vessels while shifting workforce needs toward upskilling for digital and green technologies. In the US, transportation sector unemployment fell to 3.6% by December 2025, with water transportation employment reaching an all-time high.
- Geopolitical and environmental pressures reshaped routes, costs, and priorities. Rerouting continued to increase total shipping distances, fuel use, emissions, and insurance costs, while port disruptions became more chronic. **Decarbonization accelerated with stricter regulations, pushing investments in cleaner fuels, energy transition, and digitalization.**

Source(s): S&P Global, Maritime-Executive, ShipCo, ABC, Wall Street Journal, Financial Times



MARITIME TRANSPORT & FACILITIES

Trailing Twelve Months (TTM) Public Equity Index Chart ¹

Commentary

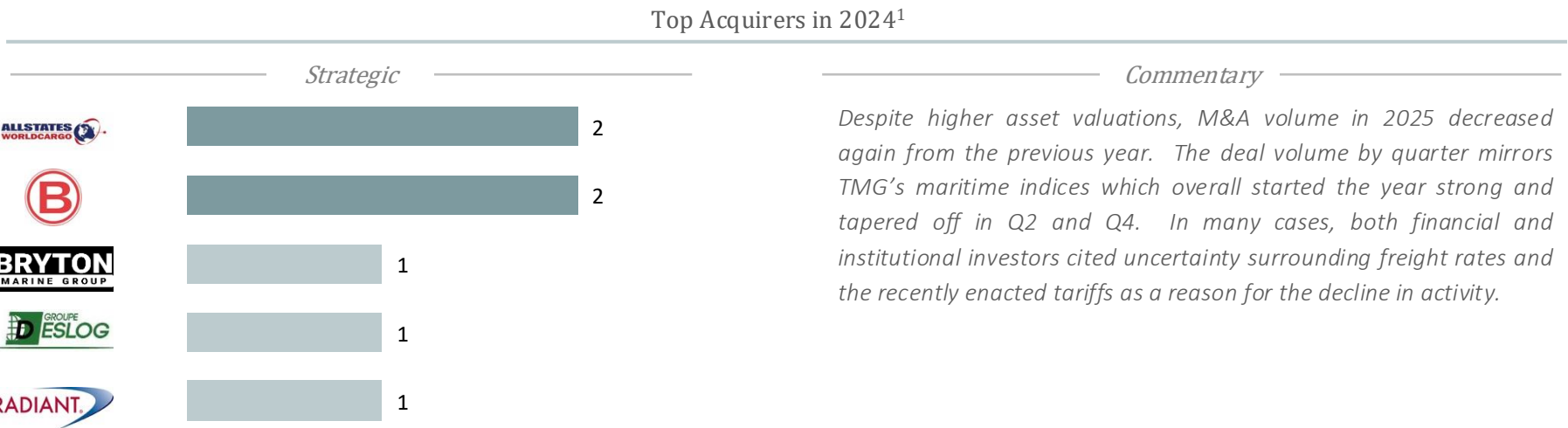
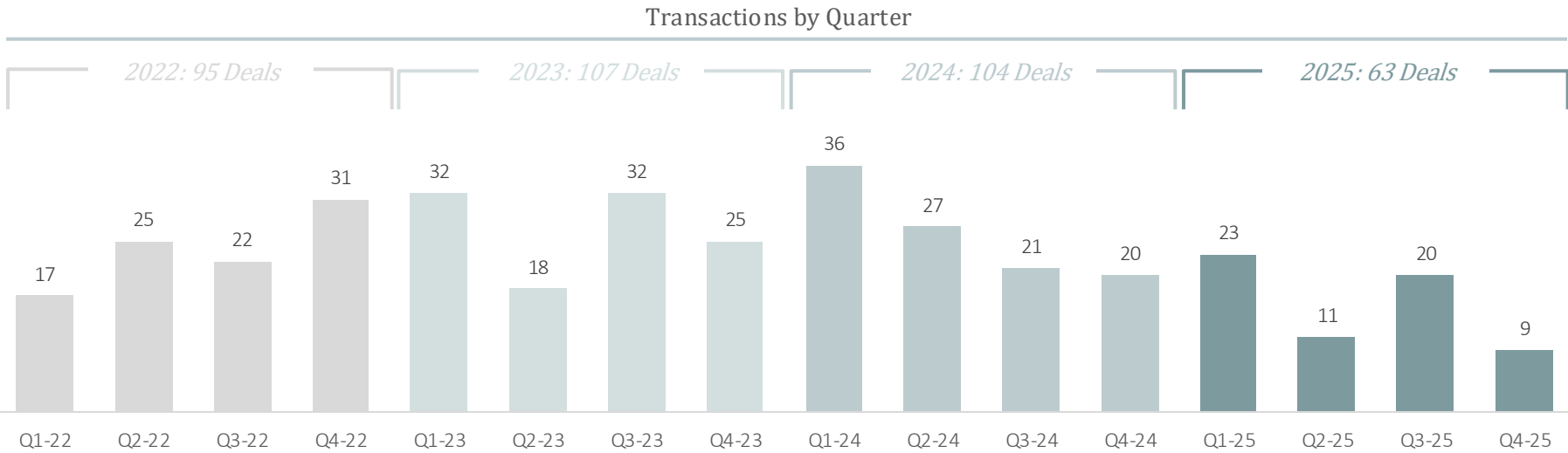
- TMG's Dry Bulk Shipping and Shipyard and Port Services indices significantly underperformed the S&P 500, while the Diversified Shipping Logistics and Petroleum Products indices ended the year in-line with the S&P in 2025.
- The Petroleum Product Transportation index remained resilient to lower crude prices and the industry is aligned with current administrative priorities and increasing energy demand.
- Supply in the Shipyard & Port Services indices outpaced growth in demand leading to downward pressure on stock prices. Additionally, US tariffs contributed to the volatility in stock prices as trade wars reduced shipping volumes internationally.

Source(s): S&P CapIQ

¹ For index composition, please see page 37



MARITIME TRANSPORT & FACILITIES



Source(s): S&P CapIQ
1. Includes only transactions in the Maritime market



MARITIME TRANSPORT & FACILITIES

Select Precedent Transactions



Date: 2/7/25
Size: \$517.9M
EBITDA
Multiple: N/A

Transaction Details

A.P. Moller Capital acquired a 51% stake in Berge, a Spain-based provider of logistics services and solutions across maritime, land, and air. Through their partnership, A.P. Moller Capital and Berge plan to continue investing in the company to grow its presence in the multipurpose port sector in Iberia and Latin America.



Date: 5/30/25
Size: \$23M
EBITDA
Multiple: N/A

Transaction Details

Seabourne Group Limited provides express courier and delivery, international freight shipping, logistics, and supply chain management services in Europe. It offers express courier services, such as scheduled courier services, timed deliveries, sameday courier delivery, dangerous goods, fine art and antiques, and on-board couriers.



Date: 6/9/25
Size: \$274.5M
EBITDA
Multiple: N/A

Transaction Details

Meriaura Group Oyj was acquired by Summa Defence Oy in a reverse merger transaction. Meriaura Group Oyj, together with its subsidiaries, designs and delivers solar thermal systems in Europe and internationally. The company produces collectors, collector fields, and turnkey solar thermal systems for use in district heating, industrial process heating, green houses, and mining applications.



Date: 6/27/25
Size: \$660.8M
EBITDA
Multiple: 22.6x

Transaction Details

Edda Wind ASA develops, builds, owns, operates, and charters out purpose-built service operation vessels (SOVs) and commissioning service operation vessels (CSOVs) for offshore wind farms and maritime operations worldwide. It owns and operates three purpose-built SOVs; five CSOVs; and has 5 CSOVs offshore wind vessels under construction.



Date: 7/22/25
Size: \$41.9
EBITDA
Multiple: N/A

Transaction Details

Rotterdam Harbour Holding B.V. provides personnel, facilities, and ICT services for companies in the Rotterdam Harbor. The company is based in Rotterdam, the Netherlands. As of July 14, 2015, Rotterdam Harbour Holding B.V. operates as a subsidiary of Famous Holdings



Date: 10/14/25
Size: \$45.8M
EBITDA
Multiple: N/A

Transaction Details

Janel Group, Inc. operates as a logistics services company. The company offers air forwarding, ocean forwarding, customs brokerage, domestic transportation, warehousing and crafting, vendor-managed inventory, project logistics, and cargo insurance. The company was founded in 1974 and is based in Garden City, New York.

Source(s): S&P CapIQ
 * announcement date



MARITIME TRANSPORT & FACILITIES

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	Enterprise Value /	
					Revenue	EBITDA
1/31/2025	Getlink SE	Associated Shipping Agencies	Provides customs services between France and the United Kingdom	NA	NA	NA
2/3/2025	Gallagher Bassett Services, Inc.	W K Webster & Co. Ltd	Offers cargo claims services to act on behalf of marine and transit insurers	NA	NA	NA
2/4/2025	Oy Hacklin Ltd	Nordic Chartering Ltd	Offers fleet of multipurpose vessels, parcel booking services, and cargo shipments	NA	NA	NA
2/17/2025	First Marine Solutions Limited	Andrews Hydrographics Limited	Engages in delivery of survey services to global oil and gas, renewables, and telecom industries	NA	NA	NA
3/11/2025	J.F. Lehman and Company, LLC	Wrist Group A/S	Supplies provisions and stores supplies on ships	NA	NA	NA
3/12/2025	Viking Invest AS	Viking Supply Ships AB (publ)	Provides offshore anchor handling and ice-breaking services to oil industry	\$209.2	3.10x	9.09x
4/16/2025	Stonepeak Partners LP	Dupré Logistics, LLC	Provides transportation services through its fleet of trucks	NA	NA	NA
5/1/2025	Radiant Logistics, Inc.	Universal Logistics Inc.	Air and ocean freight and logistics company	NA	NA	NA
5/30/2025	Santova Limited	Seabourne Group Limited	Provides express delivery, international freight shipping, logistics, and services in Europe	\$23.0	NA	NA
6/6/2025	Twin Vee Powercats Co.	Bahama Boat Works, LLC	Manufactures console boats for offshore fishing and cruising	\$3.1	NA	NA
6/9/2025	Summa Defence Oyj	Meriaura Group Oyj	Designs and delivers solar thermal systems in Europe and internationally	\$274.5	NA	NA
6/27/2025	Geveran Trading Co.,	Edda Wind ASA	Charters out purpose-built SOVs and CSOVs for global offshore wind and maritime operations	\$660.8	7.30x	22.64x
7/22/2025	ETC Etcetera Beheer B.V.	Rotterdam Harbour Holding B.V.	Provides personnel, facilities, and ICT services for companies in the Rotterdam Harbor	\$41.9	NA	NA

Source(s): S&P CapIQ



MARITIME TRANSPORT & FACILITIES

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	Enterprise Value /	
					Revenue	EBITDA
8/1/2025	MACS Maritime Carrier Shipping GmbH & Co.	Hugo Stinnes Schifffahrt GmbH	Operates as a shipping company that offers tailor-made shipping solutions	NA	NA	NA
8/8/2025	Storskogen UK Ltd	Carry Gently Ltd	Provider of specialist transport solutions and IT relocation services	NA	NA	NA
8/12/2025	Pole Star Space Applications Limited	Clearwater Dynamics Ltd	Operates as a marine ports and services company	NA	NA	NA
8/13/2025	Squirle Capital	Marina Barcelona 92, S.A.	Operates as a shipyard focused on the refit, repair, and maintenance of superyachts	NA	NA	NA
8/28/2025	Maritime Partners, LLC	Centerline Logistics Corporation	Provides marine petroleum transportation services	NA	NA	NA
9/29/2025	UNITED SHIPPING GROUP GmbH & Co. KG	UNITED HEAVY LIFT GmbH & Co. KG	Provides chartering, cargo operations, project management, and technical supervision	NA	NA	NA
9/30/2025	Malo Ventures SA	Tailormade Logistics NV	Provides freight forwarding, customs clearance, and supply chain management	NA	NA	NA
10/7/2025	DVSM, LP; CoPilot Global Logistics Holdings, LLC	Mallory Alexander International Logistics, LLC	Operates as an international freight forwarding and overseas logistics company	NA	NA	NA
10/9/2025	Digital Utilities Ventures, Inc.	Lifestyle Dock Company, LLC	Offers a large variety of dock designs, accessories, boat lifts, and ports	NA	NA	NA
10/10/2025	Road Mobility Services AB	European Breakdown Service Aps	Marine ports and services company	NA	NA	NA
10/14/2025	Rubicon Technology, Inc.	Janel Group, Inc.	Offers air / ocean forwarding, customs brokerage, and domestic transportation	\$45.8	0.25x	NA
11/10/2025	Svitzer Group A/S	Buksér og Berging AS	Offers marine services for port and terminals, ocean towage, and offshore work	NA	NA	NA
11/12/2025	Ellerman City Liners Limited	Viasea Shipping AS	Provides short sea services	NA	NA	NA

Source(s): S&P CapIQ



MARITIME TRANSPORT & FACILITIES

	Stock Price 12/31/25	Enterprise Value	2025A			2026E			TEV/2025A		TEV/2026E	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Diversified Maritime Logistics												
Pangaea Logistics Solutions,	6.88	781	619	87	14%	684	114	17%	1.26x	9.02x	1.14x	6.86x
Matson, Inc.	123.55	4,479	3,292	652	20%	3,338	624	19%	1.36x	6.86x	1.34x	7.18x
Kirby Corporation	110.18	7,179	3,370	763	23%	3,510	795	23%	2.13x	9.41x	2.05x	9.03x
ArcBest Corporation	74.19	1,998	4,003	285	7%	4,137	322	8%	0.50x	7.01x	0.48x	6.21x
Diana Shipping Inc.	1.66	587	223	94	42%	264	134	NA	2.63x	6.25x	2.22x	4.38x
Average	\$63.29	3,005	2,302	376	21%	2,387	398	16%	1.58x	7.71x	1.45x	6.73x
Shipyard & Port Services												
ICTS Inc.	9.63	22,937	3,136	2,061	66%	3,547	2,295	65%	7.31x	11.13x	6.47x	10.00x
Great Lakes Dredge & Dock	13.12	1,349	848	170	20%	892	167	19%	1.59x	7.94x	1.51x	8.08x
Tidewater Inc.	50.51	2,747	1,343	590	44%	1,353	563	42%	2.05x	4.66x	2.03x	4.88x
Orion Group Holdings, Inc.	9.94	473	839	45	5%	873	51	6%	0.56x	10.55x	0.54x	9.32x
DEME Group NV	164.14	4,698	4,935	1,027	21%	5,106	997	20%	0.95x	4.58x	0.92x	4.71x
Average	\$49.47	6,441	2,220	778	31%	2,354	815	30%	2.49x	7.77x	2.29x	7.40x
Dry Bulk Shipping												
Costamare Inc.	15.79	2,998	966	616	64%	803	590	73%	3.10x	4.87x	3.73x	5.08x
Star Bulk Carriers Corp.	19.22	2,975	829	318	38%	1,034	576	56%	3.59x	9.36x	2.88x	5.17x
Alphabet Inc.	315.62	3,726,996	400,133	176,869	44%	454,997	211,346	46%	9.31x	21.07x	8.19x	17.63x
Danaos Corporation	94.18	1,764	988	724	73%	971	711	73%	1.79x	2.44x	1.82x	2.48x
Global Ship Lease, Inc.	35.04	1,481	751	523	70%	744	516	69%	1.97x	2.83x	1.99x	2.87x

Source(s): S&P CapIQ

\$USD, Millions besides Stock Price



MARITIME TRANSPORT & FACILITIES

	Stock Price 12/31/25	Enterprise Value	2025A			2026E			TEV/2025A		TEV/2026E	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Dry Bulk Shipping												
Safe Bulkers, Inc.	4.82	894	257	129	50%	321	192	60%	3.48x	6.91x	2.78x	4.66x
Genco Shipping & Trading Ltd.	18.43	872	228	87	38%	298	138	46%	3.83x	9.97x	2.92x	6.34x
Average	\$71.87	533,997	57,736	25,610	54%	65,596	30,581	61%	3.87x	8.21x	3.47x	6.32x
Petroleum Products Transportation												
Scorpio Tankers Inc.	50.83	2,627	901	517	57%	888	495	56%	2.91x	5.08x	2.96x	5.31x
International Seaways, Inc.	48.55	2,788	800	451	56%	814	425	52%	3.48x	6.18x	3.43x	6.56x
Teekay Tankers Ltd.	53.42	1,091	625	285	46%	614	287	47%	1.75x	3.82x	1.78x	3.80x
DHT Holdings, Inc.	12.21	2,156	367	279	76%	485	379	78%	5.87x	7.74x	4.45x	5.69x
Nordic American Tankers Ltd.	3.44	1,094	196	100	51%	248	151	61%	5.58x	10.98x	4.40x	7.24x
Ardmore Shipping Corporation	10.59	530	194	89	46%	191	81	42%	2.73x	5.97x	2.77x	6.55x
Average	\$29.84	1,715	514	287	55%	540	303	56%	3.72x	6.63x	3.30x	5.86x
Low	\$1.66	\$473	\$194	\$45	5%	\$191	\$51	6%	0.50x	2.44x	0.48x	2.48x
Mean	\$54.17	\$165,022	\$18,689	\$8,120	42%	\$21,135	\$9,650	44%	3.03x	7.59x	2.73x	6.52x
Median	\$19.22	\$1,998	\$839	\$318	44%	\$873	\$425	47%	2.63x	6.91x	2.22x	6.21x
High	\$315.62	\$3,726,996	\$400,133	\$176,869	76%	\$454,997	\$211,346	78%	9.31x	21.07x	8.19x	17.63x

Source(s): S&P CapIQ
 \$USD, Millions besides Stock Price



Defense, Government & Intelligence

Defense Primes

BAE Systems	BA
General Dynamics	GD
L3Harris Technologies	LHX
Lockheed Martin	LMT
Northrop Grumman	NOC
RTX Corporation	RTX

Government Contractors

Amentum	AMTM
Booz Allen Hamilton	BAH
CACI International	CACI
Leidos	LDOS
Parsons	PSN
SAIC	SAIC
V2X	VVX

Defense Systems

AeroVironment	AVAV
Elbit Systems	ESLT
HEICO	HEI
Kratos Defense & Security	KTOS
Leonardo DRS	DRS
Mercury Systems	MRCY
Teledyne Technologies	TDY

Physical & Cyber Security

Security Services

Securitas AB	SECU B
The Brink's Company	BCO
Prosegur	PSG
Loomis AB	LOOMIS

Security Solutions

Honeywell International	HON
Johnson Controls International	JCI
Motorola Solutions	MSI
ADT	ADT
Allegion	ALLE
Alarm.com Holdings	ALRM
Napco Security Technologies	NSSC

Cyber Security

Palo Alto Networks	PANW
CrowdStrike	CRWD
Fortinet	FTNT
Zscaler	ZS
Cloudflare	NET
Check Point	CHKP
Okta	OKTA

Critical Infrastructure

Water Utilities

American Water Works	AWK
Essential Utilities	WTRG
California Water Service	CWT
American States Water	AWR
H2O America	HTO
Consolidated Water	CWCO
Global Water Resources	GWRS

System Solutions

Danaher	DHR
Dover	DOV
Xylem	XYL
IDEX	IEX
Pentair	PNR
A. O. Smith	AOS
Watts Water Technologies	WTS

Components

Graco	GGG
Flowserve	FLS
Franklin Electric	FELE
Mueller Water Products	MWA
The Gorman-Rupp	GRC
Energy Recovery	ERII

Infrastructure

AECOM	ACM
Tetra Tech	TTEK
Clean Harbors	CLH
EMCOR Group	EME
Arcosa	ACA
Primoris Services	PRIM

Maritime Transport & Facilities

Diversified Maritime Logistics

Kirby Corporation	KEX
Matson, Inc.	MATX
ArcBest Corporation	ARCB
Navios Maritime Partners L.P.	NMM
Diana Shipping Inc.	DSX

Shipyard & Port Services

International Container Serv.	ICT
Great Lakes Dredge & Dock	GLDD
Tidewater	TDW
Orion Group	ORN
DEME Group NV	DEME

Dry Bulk Shipping

Costamare	CMRE
Star Bulk Carriers	SBLK
Danaos	DAC
Global Ship Lease	GSL
Safe Bulkers	SB
Pangaea Logistics	PANL
Genco Shipping & Trading	GNK

Petroleum Products Transportation

Scorpio Tankers	STNG
International Seaways	INSW
Teekay Tankers	TNK
DHT Holdings	DHT
Nordic American Tankers	NAT
Ardmore Shipping	ASC



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