

Q2 2026

M&A Insider Report



Defense, Government & Intelligence | Security | Critical Infrastructure | Maritime | Technology & Software | Facility Services | Unmanned Systems | Public Safety

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 Value

30

Years Supporting Our Clients

200+

Closed M&A Engagements Since 2010

15+

Years Average Senior Team Tenures

93%

Close Rate 2019 - 2025

350+

Annual Valuation Engagements

Major News Stories

**White House Requests Record \$1.5 Trillion FY2027 Defense Budget as Reconciliation Fight Looms**

- President Trump's FY2027 request totals \$1.5T for the Department of War (DoW), including \$350B the administration wants passed through a new reconciliation bill, the largest defense budget request in U.S. history.
- The increased request concentrates on modernization, with the biggest gains in Space Force funding of \$71.2B (+77%), shipbuilding up to \$65.8B for 34 ships, Golden Dome missile defense requested at \$17.5B, and F-35 procurement being raised to 85 aircraft, nearly double the FY2026 request.

**U.S.-Iran Ceasefire Collapses as Strikes Resume and Trump Declares Deal "Over"**

- A June 17 memorandum opened a negotiation window, but it unraveled within weeks: after Iran struck commercial vessels in the Strait of Hormuz, the U.S. launched retaliatory strikes and reimposed oil sanctions, and President Trump declared the deal "over".
- The renewed conflict pushed Brent crude back up to ~\$78 a barrel, leaving an unresolved war as the primary geopolitical risk into the second half of the year.

**Warsh Takes Over as Fed Chair as War-Driven Inflation Pushes Rate Cuts Off the Table**

- Kevin Warsh was confirmed by the Senate on May 13 and sworn in May 22, then chaired his first meeting, where the committee held the benchmark rate at 3.5% to 3.75% and removed language that had signaled a bias toward future cuts.
- On June 29, the Supreme Court ruled 5-4 in Trump v. Cook that Fed governors keep their "for cause" removal protections, preserving the central bank's independence despite a companion ruling removing those protections from other agencies like the FTC and SEC.

**SpaceX Completes Record IPO; Anthropic and OpenAI File to Follow**

- SpaceX completed the largest IPO in history on June 12, pricing at \$135 per share and closing near \$161 for a ~\$2T market cap. It joined the Nasdaq-100 index on July 7 after a volatile debut.
- On June 1, Anthropic confidentially filed a draft S-1, the same day it closed a \$65B round at a ~\$965B valuation. Similarly, OpenAI, last valued at ~\$852B, confidentially filed an S-1 in late spring. Both are on track to IPO from late 2026 to early 2027.

The Munitions Reckoning

The war against Iran confirmed the United States can fire advanced munitions faster than it can build them. Across the campaign's opening weeks, U.S. and allied forces expended interceptors and precision weapons at a pace that drained magazines, exposing an industrial base built for efficiency rather than surge. The result, throughout Q2, was a scramble to rebuild the stockpile that is reshaping how the Pentagon buys weapons, how much it will spend, and which contractors stand to benefit.



What the War Exposed: Operation Epic Fury consumed interceptors at a rate few had planned for; the Royal United Services Institute estimated that the U.S. and Gulf states fired more than 1,800 Patriot rounds in the operation's first 16 days, and the strain pulled a Terminal High Altitude Area Defense (THAAD) battery back from its post in South Korea. A May Center for Strategic & International Studies assessment concluded that restoring the stockpile to pre-war levels would take at least three years, creating a "window of vulnerability" for a potential Western Pacific conflict.



A Just-in-Time Industrial Base: The shortfall was structural, not budgetary. Decades of low-rate, just-in-time production left little surge capacity, with THAAD interceptors coming off the line at roughly 96 a year and long-lead inputs such as solid rocket motors, seekers, and skilled labor acting as the real constraints. The pressure rippled outward, prompting warnings of possible delivery delays to allied Patriot buyers, Lithuania among them, as the U.S. prioritized its own reserves.



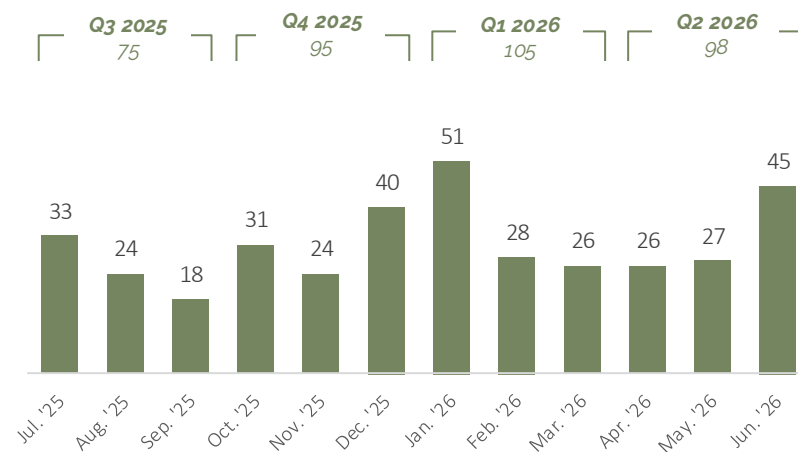
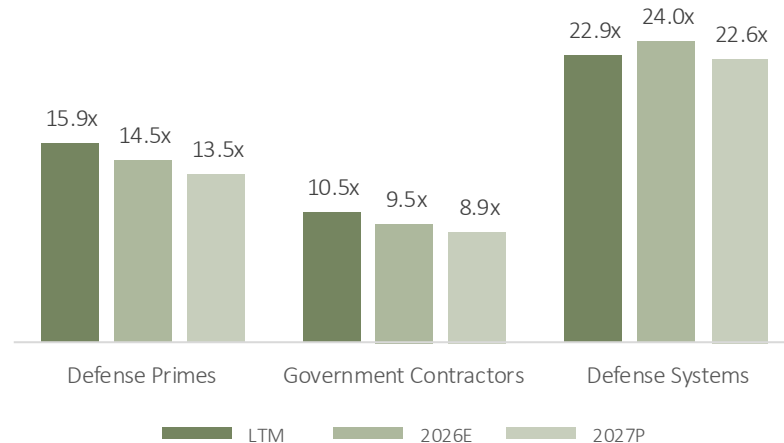
A New Way to Buy Weapons: The Department of War's answer was a change in acquisition mechanics under its new Acquisition Transformation Strategy, moving from single-year buys to multiyear framework agreements that let production begin before final pricing is settled. Lockheed Martin was the first in the industry to sign framework agreements under the initiative, covering the PAC-3 MSE interceptor, THAAD, and the Precision Strike Missile, converting demand signals into long-term capacity commitments.



Portfolio-Wide Surge: Since April, under the Department of War's new Acquisition Transformation Strategy, the government has awarded Lockheed a \$4.8B contract to accelerate PAC-3 MSE production and a \$35B THAAD award to quadruple interceptor production. The FY2027 budget request reaffirms this trajectory, lifting munitions procurement to \$76.3B from \$26.8B the prior year, a near-tripling that signals the surge is a multiyear commitment rather than a one-time restock.

- On June 29, Secretary of War Pete Hegseth established the DRPM-UxS, the joint integrator for nearly all the military's unmanned and autonomous programs across air, sea, and ground, reporting directly to Deputy Secretary Stephen Feinberg. Notably, the office's programs and personnel are exempt from the department-wide hiring freezes, personnel reductions, and reductions in force, a carve-out that signals how high of a priority unmanned systems have become.
- In May, the Pentagon announced framework agreements with Anduril, CoAspire, Leidos, and Zone 5 to launch the Low-Cost Containerized Missiles (LCCM) program, targeting more than 10,000 missiles over three years, a production rate far beyond any current U.S. cruise missile program. A parallel agreement with Castelion covers a minimum of 500 Blackbeard hypersonic missiles annually, with the department seeking authorizations to buy more than 12,000 over five years. In addition, the FY2027 budget would fund over \$26B in multiyear procurement contracts for critical munitions, increasing the scale of the opportunity for both primes and new entrants.
- An April 30 executive order directs federal agencies to default to fixed-price, performance-based contracts, requiring written justification for any other contract type and agency-head approval for non-fixed-price contracts above \$100M at the DoW, a shift in risk allocation favoring contractors with strong execution track records.

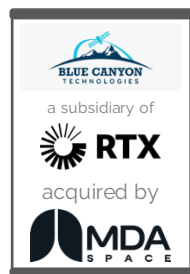
TRANSACTIONS BY MONTH

EBITDA VALUATION MULTIPLES¹

**Date:** 4/1/2026**EV:** \$122.8M**EV/EBITDA:** NA

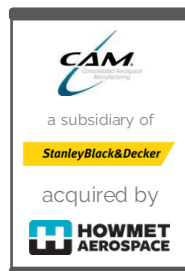
Transaction Details

Ondas Inc. (Nasdaq: ONDS), a leading provider of autonomous intelligence systems across aerial and ground domains, has completed its acquisition of World View Enterprises, Inc., a pioneer in stratospheric intelligence, surveillance, and reconnaissance (ISR) and high-altitude remote sensing. This transaction marks a significant step in Ondas' evolution into a multi-domain, systems-of-systems platform.

**Date:** 5/19/2026¹**EV:** \$620.0M**EV/EBITDA:** NA

Transaction Details

MDA Space Ltd. (TSX: MDA) (NYSE: MDA), a trusted mission partner to the global space industry, has signed a definitive agreement to acquire Blue Canyon Technologies, a spacecraft and satellite component manufacturer and mission services provider, currently part of RTX's Raytheon business in an all-cash transaction. The transaction provides MDA Space with a strategic business and manufacturing footprint to capitalize on growing demand in the US government market for defense space missions.

**Date:** 4/6/2026**EV:** \$1,800.0M**EV/EBITDA:** NA

Transaction Details

Howmet Aerospace Inc. (NYSE: HWM) acquired Consolidated Aerospace Manufacturing, LLC (CAM), a leading global designer and manufacturer of precision fasteners, fluid fittings, and other engineered products for demanding aerospace and defense applications. The acquisition displays a major step in Howmet's strategy to build out its differentiated fastener portfolio, as CAM's established brands and customer relationships are a complement to its existing business.

**Date:** 5/26/2026**EV:** \$60.0M**EV/EBITDA:** NA

Transaction Details

Rocket Lab Corporation (Nasdaq: RKL), a global leader in launch services and space systems, completed its acquisition of Motiv Space Systems, a California-based company specializing in space robotics, motion control systems, and spacecraft mechanisms, on May 26, 2026. The acquisition adds Motiv's Mars-proven robotics to Rocket Lab's portfolio.

**Date:** 4/7/2026**EV:** \$2,200.0M**EV/EBITDA:** NA

Transaction Details

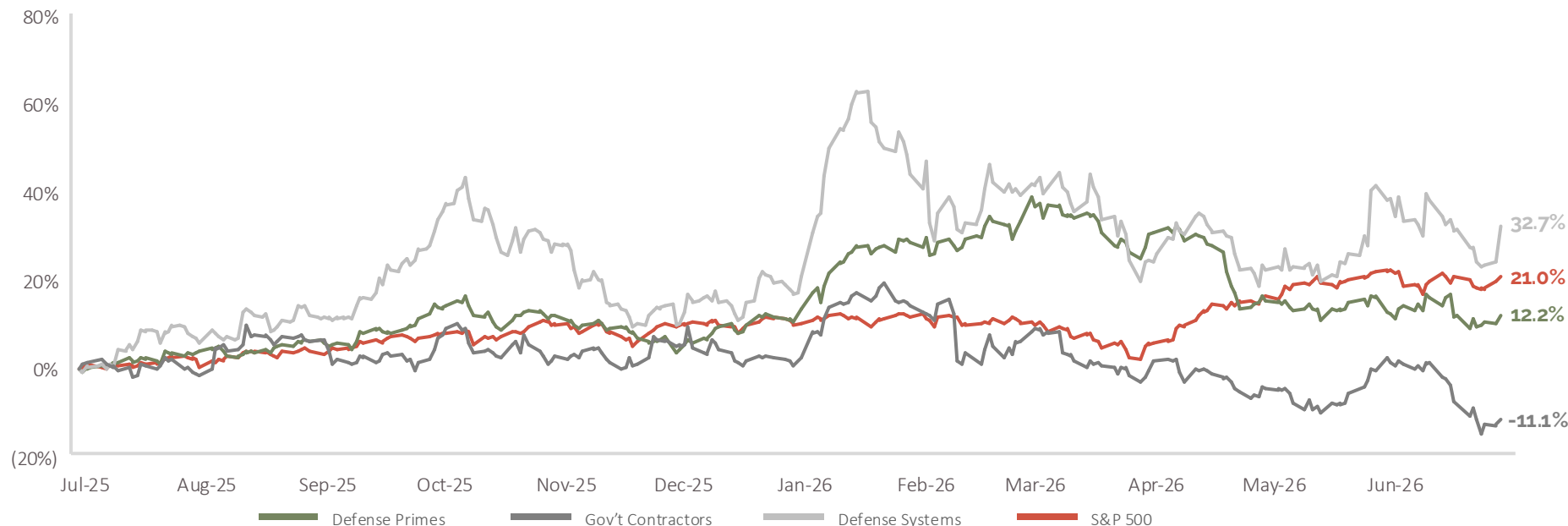
TransDigm Group Incorporated (NYSE: TDG), a leading global designer, producer, and supplier of highly engineered aircraft components, acquired Victor Sierra Aviation and Jet Parts Engineering, both leading designers, manufacturers, and distributors of proprietary PMA and other aftermarket parts serving the commercial aerospace market. This acquisition signals TransDigm's diversification into the commercial aerospace aftermarket.

**Date:** 6/22/2026¹**EV:** \$720.0M**EV/EBITDA:** NA

Transaction Details

Booz Allen Hamilton (NYSE: BAH) announced that it has entered into an agreement with Cobham Ultra Group to acquire its Ultra I&C Mission Solutions, on June 22, 2026. Ultra Mission Solutions is a defense technology business specializing in mission-critical software, encryption, and edge-compute products. Together, Booz Allen and Ultra Mission Solutions will provide an enhanced set of products to integrate new technologies into operational utility on the battlefield.

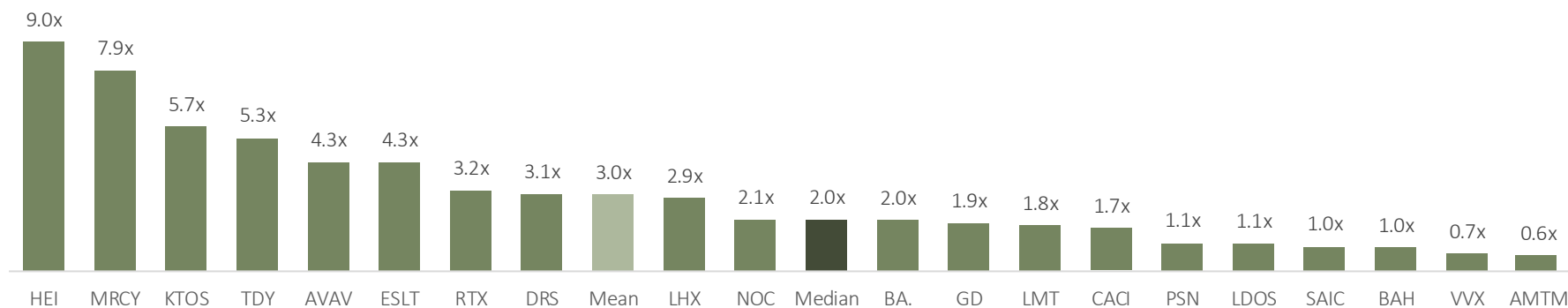
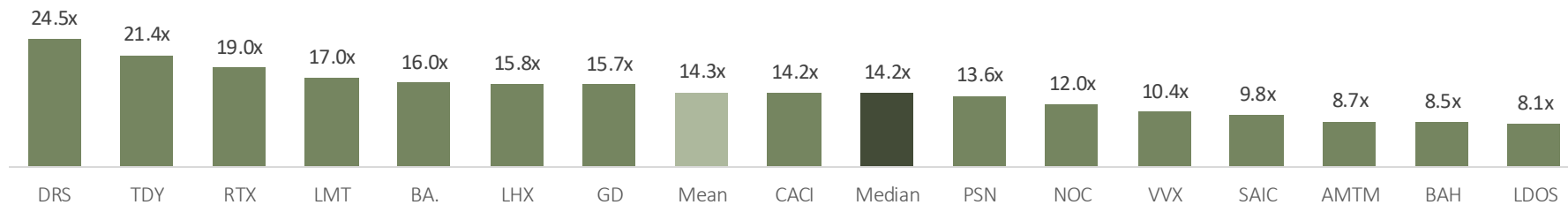
Contract Value (\$M)	Award Date	End Date	Customer	Awardee	Type	Contract Scope
35,000.0	6/24/2026	TBD	Missile Defense Agency (MDA)	Lockheed Martin	FPIF; UCA	Increase production of THAAD interceptors, a land-based missile defense system
9,700.0	5/27/2026	TBD	U.S. Navy	Dell Technologies	FFP	Enable customers across DoW, and the intelligence community to purchase Microsoft software licenses
3,100.0	6/25/2026	06/25/2036	Department of Homeland Security	WidePoint	IDIQ	Provide and manage an integrated portfolio of offerings supporting connectivity, lifecycle management, and operational requirements
2,600.0	6/12/2026	TBD	Department of Homeland Security	AWS	IDIQ	Provide anything-as-a-service offerings including infrastructure, software, and marketplace solutions
2,300.0	5/26/2026	TBD	U.S. Space Force	SpaceX	FFP	Provide secure, high-speed military communications worldwide, by fast tracking the Space Data Network Backbone program
984.0	6/24/2026	6/24/2037	U.S. Air Force	Strategic Mission Systems	IDIQ	Provide engineering, program management, and cybersecurity services for the U.S Air Force E-4B aircraft
716.0	4/30/2026	4/30/2031	U.S. Army	General Dynamics	CPFF	Support the service's Abrams family of vehicles, such as the Joint Assault Bridge armored military engineering vehicle
697.0	5/19/2026	5/14/2031	Marine Corps Systems	Northrop Grumman	FFP; CPFF	Provide sustainment engineering and logistics services for the Marine Corps' expeditionary radar portfolio
100.0	4/23/2026	4/23/2027	U.S. Air Force	Iron Bow Technologies	FFP	Provide consolidated hardware and software designed to support training, asset management and tracking capabilities

TRAILING TWELVE MONTHS (TTM) PUBLIC EQUITY INDEX CHART¹

Market Commentary

- Defense Systems (+32.7%) was the best performing index over the trailing twelve months, sustained by continued investor demand for exposure to unmanned systems, defense electronics, and mission-critical sensors and subsystems, with the higher-growth suppliers benefiting from the shift toward autonomy and sensing.
- Defense Primes (+12.2%) continue to grow, supported by record backlogs, a firm FY2027 budget backdrop, and a wave of multiyear munitions awards as the Pentagon moves to rebuild interceptor stockpiles drawn down in the Iran conflict.
- The S&P 500 (+21.0%) rebounded from a drawdown tied to the Iran conflict to finish the period with strong gains as oil prices eased off their wartime highs.
- Government Contractors (-11.1%) was the only index to finish in negative territory, lagging as investor demand concentrated in the higher-growth hardware, autonomy, and electronics names.

TTM REVENUE VALUATION MULTIPLES

Median: **2.0x**Mean: **3.0x**TTM EBITDA VALUATION MULTIPLES¹Median: **14.2x**Mean: **14.3x**

DEFENSE GOVERNMENT & INTELLIGENCE

	Stock Price 6/30/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Primes												
BAE Systems	24.47	77,165	44,066	6,202	14%	47,716	6,796	14%	1.75x	12.44x	1.62x	11.35x
General Dynamics	354.24	101,831	55,284	6,742	12%	57,741	7,281	13%	1.84x	15.10x	1.76x	13.99x
L3Harris Technologies	290.59	64,902	23,550	4,248	18%	25,423	4,620	18%	2.76x	15.28x	2.55x	14.05x
Lockheed Martin	509.46	136,266	79,131	11,243	14%	83,322	11,780	14%	1.72x	12.12x	1.64x	11.57x
Northrop Grumman	509.31	87,331	43,976	6,215	14%	46,833	6,616	14%	1.99x	14.05x	1.86x	13.20x
RTX Corporation	189.73	289,377	94,055	15,829	17%	100,644	17,233	17%	3.08x	18.28x	2.88x	16.79x
Average	\$312.97	\$126,145	\$56,677	\$8,413	15%	\$60,280	\$9,054	15%	2.19x	14.55x	2.05x	13.49x
Gov't Contractors												
Amentum	20.67	8,643	14,312	1,141	8%	14,742	1,230	8%	0.60x	7.57x	0.59x	7.03x
Booz Allen	60.67	10,670	11,235	1,233	11%	11,727	1,296	11%	0.95x	8.65x	0.91x	8.23x
CACI International	463.26	15,691	10,215	1,251	12%	11,283	1,423	13%	1.54x	12.54x	1.39x	11.03x
Leidos	102.97	19,490	18,231	2,487	14%	19,089	2,593	14%	1.07x	7.84x	1.02x	7.52x
Parsons	52.39	7,111	6,651	653	10%	7,128	712	10%	1.07x	10.90x	1.00x	9.99x
SAIC	110.41	7,234	7,188	738	10%	7,259	744	10%	1.01x	9.81x	1.00x	9.72x
V2X	74.56	3,251	4,934	357	7%	5,191	382	7%	0.66x	9.11x	0.63x	8.51x
Average	\$126.42	\$10,299	\$10,395	\$1,123	10%	\$10,917	\$1,197	10%	0.98x	9.49x	0.93x	8.86x

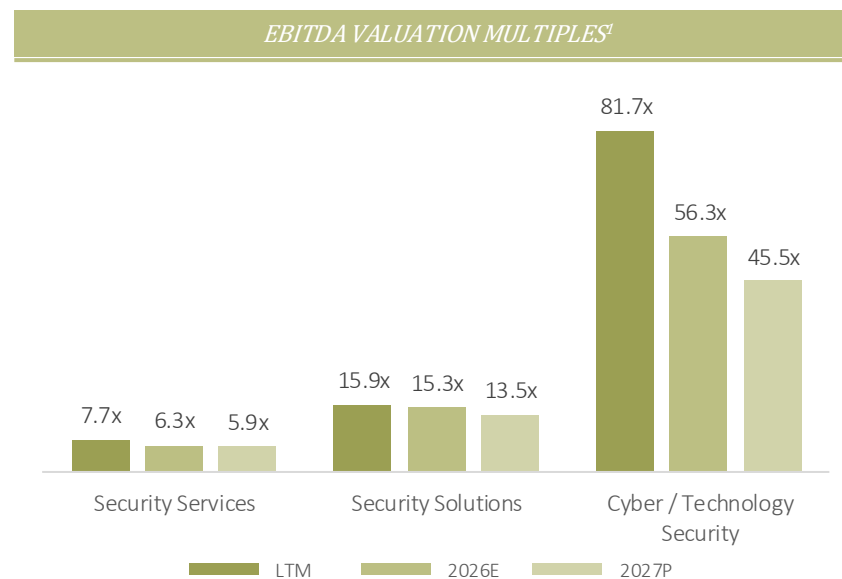
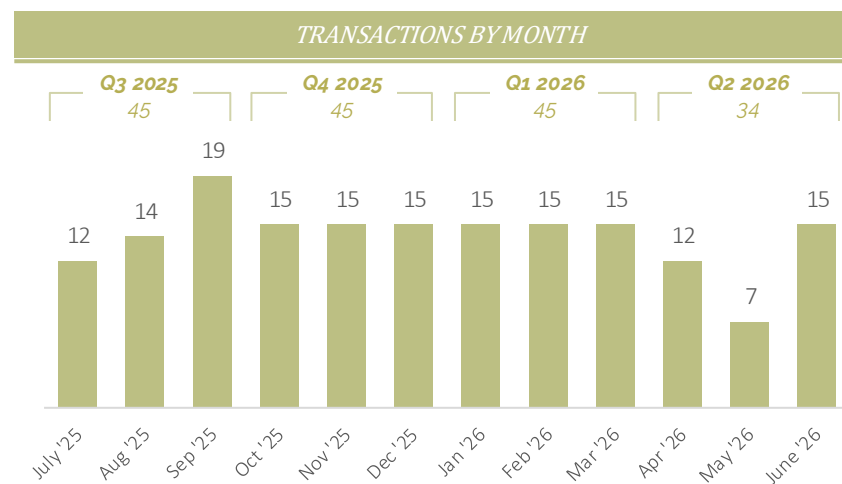
DEFENSE GOVERNMENT & INTELLIGENCE

	Stock Price 6/30/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Systems												
AeroVironment	165.07	8,525	2,164	339	16%	2,458	399	16%	3.94x	25.15x	3.47x	21.38x
Elbit Systems	758.62	35,469	9,073	1,109	12%	10,246	1,320	13%	3.91x	NM	3.46x	26.88x
HEICO	356.19	44,438	5,452	1,543	28%	5,963	1,681	28%	8.15x	28.81x	7.45x	26.43x
Kratos Defense & Security	49.86	8,062	1,744	177	10%	2,166	240	11%	4.62x	NM	3.72x	NM
Leonardo DRS	42.67	11,326	3,938	523	13%	4,202	582	14%	2.88x	21.65x	2.70x	19.48x
Mercury Systems	122.33	7,670	997	163	16%	1,137	250	22%	7.69x	NM	6.75x	NM
Teledyne Technologies	666.90	32,852	6,428	1,609	25%	6,763	1,749	26%	5.11x	20.42x	4.86x	18.79x
Average	\$308.81	\$21,192	\$4,256	\$780	17%	\$4,705	\$889	19%	5.19x	24.01x	4.63x	22.59x
Low	\$20.67	\$3,251	\$997	\$163	7%	\$1,137	\$240	7%	0.60x	7.57x	0.59x	7.03x
Mean	\$246.22	\$48,865	\$22,131	\$3,190	14%	\$23,552	\$3,446	15%	2.82x	14.69x	2.56x	14.22x
Median	\$143.70	\$17,590	\$9,644	\$1,242	13%	\$10,764	\$1,371	14%	1.91x	12.54x	1.81x	12.38x
High	\$758.62	\$289,377	\$94,055	\$15,829	28%	\$100,644	\$17,233	28%	8.15x	28.81x	7.45x	26.88x

Closed Date	Acquirer	Target(s)	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
4/1/2026	White Mountains Partners	BaseSix Systems	Provides the design, installations, and repair of mission-critical systems	97.0	NA	NA
4/1/2026	Ondas	World View	Specializes in stratospheric intelligence and high-altitude remote sensing	122.8	NA	NA
4/6/2026	Howmet Aerospace	Consolidated Aerospace	Designs and engineers products for aerospace and defense applications	1,800.0	NA	NA
4/7/2026	TransDigm	VSA / JPE	Leading manufacturers of parts serving the commercial aerospace market	2,200.0	NA	NA
5/4/2026	Performance Improvement Partners	Alpha Advisors	Provides AI and data intelligence for strategic decision-making	NA	NA	NA
5/11/2026	Satair USA	Unical Aviation	Supplies Used Serviceable Material (USM), and aircraft parts/components	NA	NA	NA
5/19/2026	Mach Industries	Exquadrum	Designed, developed, and manufactured solid rocket motor propulsion systems	NA	NA	NA
5/26/2026	Rocket Lab	Motiv Space Systems	Specializes in space robotics and mission control systems	60.0	NA	NA
6/1/2026	Vertilocity	COMPUTOL	Managed IT, application and web development, and network engineering	NA	NA	NA
6/2/2026	Valiant Solutions	BreakPoint Labs	Delivers AI enabled cyber operations, and threat emulation	NA	NA	NA
6/10/2026	Innovative Applications	KS2 Technologies	Provides Oracle ERP and Oracle Cloud solutions	NA	NA	NA
6/17/2026	Quest Software	Anetac	Provides AI-powered identity security for human, non-human, and agentic identities	NA	NA	NA
6/23/2026	Gray Matter Systems	New Frontier Technologies	Built mission-critical infrastructure for hyperscale environments	NA	NA	NA

- Anthropic released Fable 5 and the more capable Mythos 5 on June 9, restricting Mythos to vetted partners under its Project Glasswing program. On June 12, the Commerce Department imposed export controls after a report showed a prompt could bypass some of Fable 5's safeguards, prompting Anthropic to suspend access to both models. Anthropic disputed the finding, arguing the capability was narrow and already available from other models, including OpenAI's GPT-5.5 and the Chinese model Kimi K2.7. The export controls were lifted June 30, and Fable 5 returned to global users across the Claude platform.
- Fortinet faced a malicious cyberattack that targeted internet-accessible Fortinet devices using compromised credentials, in an activity referred to as FortiBleed. The campaign involved the exposure of leaked credentials associated with approximately 74,000 Fortinet devices, including firewalls and VPN gateways. CISA urged impacted customers to immediately terminate active sessions, reset all Fortinet VPN and administrative passwords, and enforce strong password policies.

Select Q2 Transactions



PHYSICAL & CYBER SECURITY

	Stock Price 6/30/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Security Services												
Securitas AB	16.43	12,851	15,445	1,568	10%	16,005	1,647	10%	0.83x	8.19x	0.80x	7.80x
The Brink's Company	94.49	6,941	5,660	1,074	19%	5,909	1,146	19%	1.23x	6.47x	1.17x	6.06x
Prosegur	3.09	3,599	5,876	682	12%	6,112	719	12%	0.61x	5.28x	0.59x	5.00x
Loomis AB	49.03	3,792	3,200	739	23%	3,344	780	23%	1.19x	5.13x	1.13x	4.86x
Average	\$40.76	\$6,796	\$7,545	\$1,016	16%	\$7,842	\$1,073	16%	0.96x	6.27x	0.93x	5.93x
Security Solutions												
Honeywell	223.90	97,375	20,176	4,570	23%	20,289	5,102	25%	4.83x	21.31x	4.80x	19.08x
Johnson Controls	146.11	97,994	25,713	4,782	19%	27,438	5,393	20%	3.81x	20.49x	3.57x	18.17x
Motorola Solutions	415.29	77,658	12,807	4,376	34%	13,616	4,708	35%	6.06x	17.75x	5.70x	16.49x
ADT	6.50	12,706	5,147	2,673	52%	5,278	2,738	52%	2.47x	4.75x	2.41x	4.64x
Allegion	140.49	13,989	4,383	1,091	25%	4,601	1,164	25%	3.19x	12.82x	3.04x	12.02x
Alarm.com	46.72	2,422	1,066	216	20%	1,115	235	21%	2.27x	11.20x	2.17x	10.32x
Napco Security	37.98	1,237	207	66	32%	NA	NA	NA	5.96x	18.70x	NA	NA
Average	\$145.28	\$43,340	\$9,928	\$2,539	29%	\$12,056	\$3,223	30%	4.09x	15.29x	3.62x	13.45x

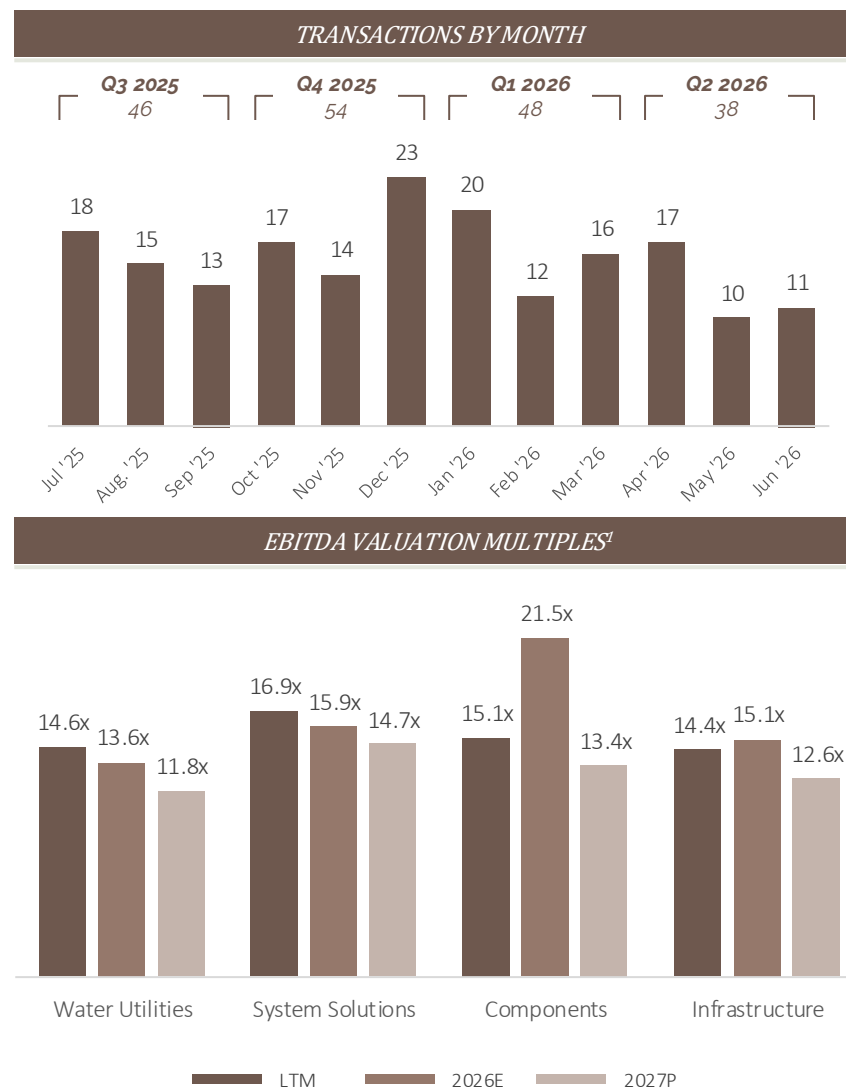
PHYSICAL & CYBER SECURITY

	Stock Price 6/30/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Cyber Security												
Palo Alto Networks	341.02	276,950	12,912	4,607	36%	14,658	4,877	33%	21.45x	60.12x	18.89x	56.78x
CrowdStrike Holdings	190.79	190,579	5,946	1,770	30%	7,236	2,261	31%	NA	107.64x	26.34x	84.29x
Cloudflare	245.28	86,059	2,813	657	23%	3,591	915	26%	NA	130.98x	23.97x	94.08x
Fortinet	153.62	109,822	7,812	2,841	36%	8,640	3,192	37%	14.06x	38.66x	12.71x	34.41x
Zscaler	141.15	21,154	3,604	986	27%	4,214	1,209	29%	5.87x	21.45x	5.02x	17.49x
Check Point Software	131.43	11,266	2,814	1,159	41%	2,987	1,227	41%	4.00x	9.72x	3.77x	9.18x
Okta	136.45	21,538	3,199	851	27%	3,504	969	28%	6.73x	25.30x	6.15x	22.23x
Average	\$191.39	\$102,481	\$5,586	\$1,839	32%	\$6,404	\$2,093	32%	10.42x	56.27x	13.84x	45.50x
Low	\$3.09	\$1,237	\$207	\$66	10%	\$1,115	\$235	10%	0.61x	4.75x	0.59x	4.64x
Mean	\$139.99	\$58,219	\$7,710	\$1,928	27%	\$8,737	\$2,252	27%	5.29x	29.22x	7.19x	24.88x
Median	\$138.47	\$17,571	\$5,404	\$1,125	26%	\$5,909	\$1,227	25%	3.91x	18.22x	3.77x	16.49x
High	\$415.29	\$276,950	\$25,713	\$4,782	52%	\$27,438	\$5,393	52%	21.45x	130.98x	26.34x	94.08x

Closed Date	Acquirer	Target	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
4/13/2026	Fortreum	Kovr.ai	Provides an AI-native cyber compliance platform for highly regulated organizations	NA	NA	NA
4/14/2026	Palo Alto Networks	Koi Security	Designs and develops endpoint security platform for extensions, packages and MCP	400.0	NA	NA
4/20/2026	ServiceNow	Armis	Designs and develops cyber exposure management and security software	7,750.0	NA	NA
4/20/2026	Suzu Labs	Emulated Criminals	Specializes in continuous adversary simulation through its ECaaS model	NA	NA	NA
5/5/2026	Infoblox	Axur	Provides comprehensive cybersecurity solutions focused on external threat intelligence	NA	NA	NA
5/6/2026	WatchGuard Technologies	Perimeters	Perimeters Inc. designs and develops security platform for managed service providers	NA	NA	NA
5/6/2026	Pye-Barker Fire & Safety	APS Corporation	Provides comprehensive security systems lifecycle management for residential and commercial clients	NA	NA	NA
6/1/2026	Dragos	Phosphorus Cybersecurity	Develops IoT security management and breach prevention platforms	NA	NA	NA
6/8/2026	APi Group	Onyx-Fire Protection Services	Provides fire and life safety services that keep occupants safe and the properties operating	NA	NA	NA
6/9/2026	Convergint Technologies	JSC Systems	Provides business solutions for fire and life safety, security, sound, and communication systems	NA	NA	NA
6/15/2026	A10 Networks	TrojAI	Designs and develops a risk management and security platform	NA	NA	NA
6/29/2026	Cyberfox	Timus Networks	Designs and develops secure access service edge software for managed service providers	NA	NA	NA
6/30/2026	Francisco Partners Management	Blackline Safety	Develops, manufactures, and markets worker safety monitoring products and services	593.3	5.4x	NA
6/30/2026	Aikido Security BV	Root.io	Provides agentic vulnerability remediation automatically patching open-source software	NA	NA	NA

- After a year of legal battles, FEMA's Building Resilient Infrastructure and Communities (BRIC) program has been reinstated. A group of states successfully sued FEMA regarding last year's termination of the program, and ultimately, a federal judge ruled the shutdown unlawful. FEMA published a new Notice of Funding Opportunity on March 25 of \$1B to be available, with a federal deadline of July 23. However, FEMA has capped any applicant at 15% of total funds and shifted priority toward near-term construction projects.
- On April 7, the U.S. Department of Agriculture finalized a rule consolidating seven separate agency-specific NEPA regulations into a single framework, cutting the volume of environmental review regulations by 66%. The USDA credits the changes with reducing the environmental review timeline by as much as 80% under the interim version of the rule, which has been in effect since mid-2025. The move continues a pattern across federal agencies, aimed at accelerating permits for infrastructure and energy projects.

Select Q2 Transactions



CRITICAL INFRASTRUCTURE

	Stock Price 6/30/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Water Utilities												
American Water Works	131.58	41,221	5,409	3,110	57%	5,725	3,408	60%	7.62x	13.25x	7.20x	12.10x
Essential Utilities	38.31	19,246	2,568	1,464	57%	2,718	1,569	58%	7.49x	13.14x	7.08x	12.27x
California Water Service	48.65	4,559	1,109	390	35%	1,158	446	39%	4.11x	11.68x	3.94x	10.22x
American States Water	82.63	4,147	712	276	39%	735	297	40%	5.82x	15.02x	5.64x	13.98x
H2O America	60.77	4,264	869	353	41%	926	383	41%	4.91x	12.08x	4.61x	11.13x
Consolidated Water	29.50	354	127	21	16%	188	33	18%	2.79x	16.92x	1.88x	10.72x
Global Water Resources	7.24	346	58	26	45%	62	29	47%	5.93x	13.13x	5.60x	12.03x
Average	\$56.95	10,591	1,550	806	42%	1,645	881	43%	5.52x	13.60x	5.13x	11.78x
System Solutions												
Danaher	190.48	148,807	25,964	8,317	32%	28,227	9,283	33%	5.73x	17.89x	5.27x	16.03x
Xylem	118.21	29,608	9,253	2,121	23%	9,619	2,284	24%	3.20x	13.96x	3.08x	12.97x
Dover	224.28	31,850	8,647	2,008	23%	9,055	2,149	24%	3.68x	15.86x	3.52x	14.82x
Pentair	76.66	14,403	4,285	1,184	28%	4,485	1,266	28%	3.36x	12.16x	3.21x	11.37x
IDEX	226.95	18,109	3,631	975	27%	3,800	1,033	27%	4.99x	18.58x	4.77x	17.53x
A. O. Smith	62.72	9,098	3,919	812	21%	4,088	866	21%	2.32x	11.21x	2.23x	10.51x
Watts Water Technologies	391.45	13,001	2,731	607	22%	2,872	656	23%	4.76x	21.40x	4.53x	19.83x
Average	\$184.39	37,839	8,347	2,289	25%	8,878	2,505	26%	4.01x	15.87x	3.80x	14.72x

CRITICAL INFRASTRUCTURE

Components	Stock Price 6/30/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Graco	75.61	11,890	2,360	757	32%	2,473	805	33%	5.04x	15.71x	4.81x	14.77x
Flowserve	74.16	10,644	4,880	872	18%	5,233	968	19%	2.18x	12.21x	2.03x	10.99x
Franklin Electric	107.19	4,951	2,229	348	16%	2,328	373	16%	2.22x	14.24x	2.13x	13.26x
Mueller Water Products	25.83	4,073	1,497	370	25%	1,566	396	25%	2.72x	11.02x	2.60x	10.29x
Gorman-Rupp	91.74	2,686	721	141	20%	760	155	20%	3.72x	19.00x	3.54x	17.36x
Energy Recovery	9.02	388	93	7	7%	120	28	24%	4.17x	56.81x	3.23x	13.63x
Average	\$63.93	5,772	1,963	416	20%	2,080	454	23%	3.34x	21.50x	3.06x	13.38x
Infrastructure												
AECOM	69.80	11,479	16,673	1,312	8%	17,537	1,411	8%	0.69x	8.75x	0.65x	8.13x
Tetra Tech	28.89	8,384	4,357	658	15%	4,492	700	NA	1.92x	12.74x	1.87x	11.99x
Clean Harbors	298.75	18,351	6,279	1,278	20%	6,560	1,355	21%	2.92x	14.35x	2.80x	13.54x
EMCOR Group	829.88	36,481	19,006	1,968	10%	20,399	2,155	11%	1.92x	18.54x	1.79x	16.92x
Arcosa	145.29	8,560	2,621	562	21%	2,849	611	21%	3.27x	15.22x	3.00x	14.01x
Primoris Services Corporation	99.12	5,944	7,366	285	4%	8,211	549	7%	0.81x	20.88x	0.72x	10.83x
Average	\$245.29	14,867	9,384	1,011	13%	10,008	1,130	13%	1.92x	15.08x	1.81x	12.57x
Low	\$7.24	\$346	\$58	\$7	4%	\$62	\$28	7%	0.69x	8.75x	0.65x	8.13x
Mean	\$136.34	\$17,802	\$5,283	\$1,162	25%	\$5,623	\$1,277	27%	3.78x	16.38x	3.53x	13.12x
Median	\$79.65	\$9,871	\$3,181	\$708	22%	\$3,336	\$752	24%	3.52x	14.30x	3.22x	12.62x
High	\$829.88	\$148,807	\$25,964	\$8,317	57%	\$28,227	\$9,283	60%	7.62x	56.81x	7.20x	19.83x

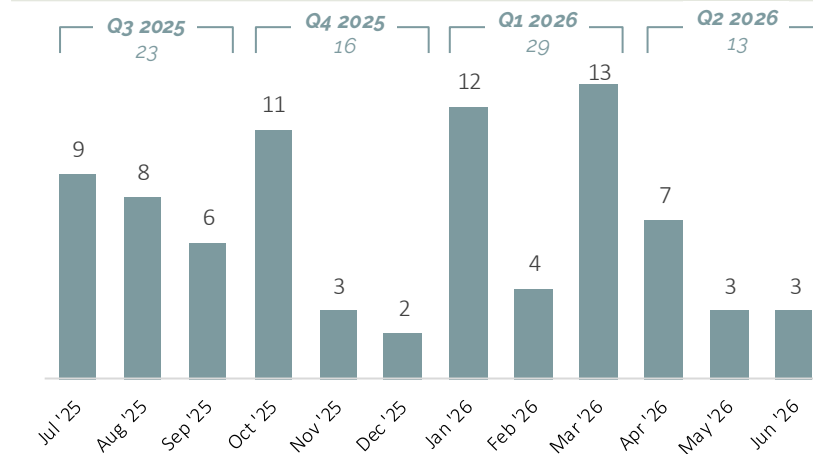
Closed Date	Acquirer	Target	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
4/1/2026	Soluna Holdings	Briscoe Wind Farm	Provides renewable wind power generation supporting an AI data center in Texas	53.0	NA	NA
4/2/2026	Pattern Energy Group	Cordelio Power	Provides wind, solar, and energy storage development across the U.S.	NA	NA	NA
4/16/2026	Ironclad Environmental Solutions	Mersino Dewatering	Implements dewatering, pumping, and water management solutions for construction sites	NA	NA	NA
4/19/2026	Vortex Turnkey Solutions	Mainlining America	Provides pipe-lining and water rehabilitation services	NA	NA	NA
4/23/2026	Headwater Energy	Arena Renewables	Distributes community solar and battery storage nationwide	NA	NA	NA
5/4/2026	Sterling Specialty Chemicals	Multi-Chem Group	Provides specialty oilfield production and completion chemicals	NA	NA	NA
5/13/2026	Good Springs Capital	Snyder Environmental Services	Manages water, stormwater, and wastewater infrastructure contracting	NA	NA	NA
5/14/2026	PowerGEM	Telos Energy	Provides power system engineering consulting for grid planning	NA	NA	NA
5/14/2026	Strandline Capital	Titan Water Solutions	Issues water softening, conditioning, and filtration systems across Central Florida	NA	NA	NA
5/27/2026	United Flow Technologies	Peak Group Companies	Provides water and wastewater treatment, pump, and process equipment	NA	NA	NA
6/1/2026	Oldcastle Infrastructure	Axius Water Holdings	Offers nutrient management and wastewater treatment for municipal and industrial clients	700.0	NA	NA
6/15/2026	Talen Energy Corporation	High-Quality PJM Natural Gas Assets	Provides efficient baseload power generation from natural gas assets	3,450.0	NA	6.6x
6/22/2026 ¹	CRH Americas	Arcosa	Provides construction products, engineered structures and transportation products	8,960.0	3.1x	16.1x
6/30/2026	I Squared Capital Advisors	Belle Butte	Supplies underground natural gas storage capacity	650.0	NA	NA

- Transpacific spot rates have surged as Cape of Good Hope rerouting adds 10-14 days per voyage, with Far East-U.S. West Coast rates up 127% and East Coast rates up 106% since the crisis began in late February 2026. The closure has effectively removed up to 470,000 TEUs of capacity from the global fleet, vessels trapped in the Persian Gulf and unable to redeploy, tightening supply just as demand accelerates. Iran shut the waterway again in June despite a U.S.–Iran MOU, leaving that capacity sidelined with no clear timeline for release.
- Drought conditions at the Panama Canal are compounding capacity pressure on U.S. East Coast lanes. Draft limits of 15.9 meters have forced carriers to reinstate cargo weight restrictions on East Coast and Gulf routings, shrinking effective vessel capacity at the same time importers are front-loading shipments ahead of anticipated tariff changes, pushing peak-season demand into a market with fewer available slots.

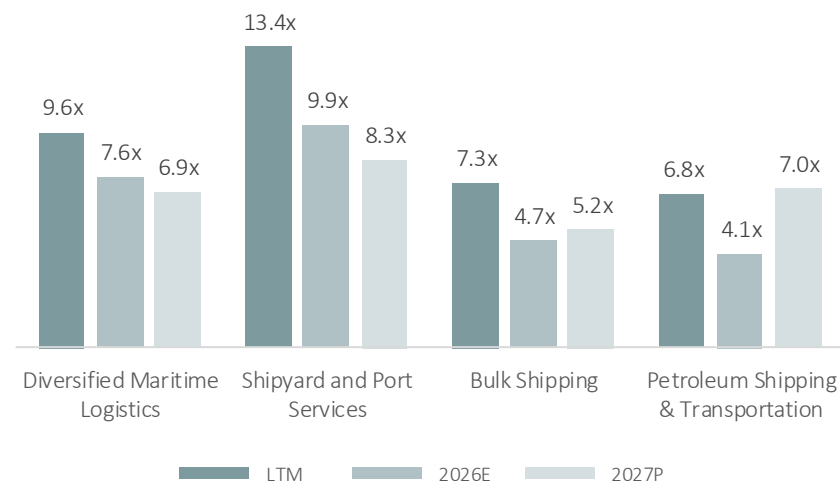
Select Q2 Transactions



TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES



MARITIME TRANSPORT & FACILITIES

	Stock Price 6/30/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Diversified Maritime Logistics												
Kirby Corporation	135.97	8,404	3,499	789	23%	3,730	868	23%	2.40x	10.65x	2.25x	9.69x
Matson, Inc.	192.23	6,415	3,429	731	21%	3,581	764	21%	1.87x	8.77x	1.79x	8.39x
ArcBest Corporation	143.54	3,569	4,450	348	8%	4,741	426	9%	0.80x	10.24x	0.75x	8.37x
Navios Maritime Partners L.P.	70.07	3,995	1,478	935	63%	1,476	949	64%	2.70x	4.28x	2.71x	4.21x
Diana Shipping Inc.	2.10	603	283	154	54%	283	153	54%	2.13x	3.91x	2.13x	3.94x
Average	\$108.78	4,597	2,628	591	34%	2,762	632	34%	1.98x	7.57x	1.93x	6.92x
Shipyard & Port Services												
International Container	14.47	33,871	3,877	2,500	64%	4,239	2,771	65%	8.74x	13.55x	7.99x	12.22x
DEME Group NV	199.93	5,552	4,814	1,068	22%	4,962	1,087	22%	1.15x	5.20x	1.12x	5.11x
Tidewater Inc.	66.63	3,411	1,451	595	41%	1,645	720	44%	2.35x	5.73x	2.07x	4.74x
Tutor Perini Corporation	82.97	4,079	6,269	388	6%	6,917	495	7%	0.65x	10.50x	0.59x	8.24x
Orion Group Holdings, Inc.	16.82	805	939	56	6%	1,024	71	7%	0.86x	14.48x	0.79x	11.41x
Average	\$76.17	9,544	3,470	921	28%	3,758	1,029	29%	2.75x	9.89x	2.51x	8.34x
Dry Bulk Shipping												
Star Bulk Carriers Corp.	24.97	3,484	1,062	648	61%	1,044	619	59%	3.28x	5.37x	3.34x	5.63x
Costamare Inc.	14.02	2,605	819	585	71%	826	595	72%	3.18x	4.45x	3.15x	4.38x
Danaos Corporation	122.37	2,233	1,064	739	69%	1,105	727	66%	2.10x	3.02x	2.02x	3.07x
Global Ship Lease, Inc.	37.60	1,473	763	509	67%	717	466	65%	1.93x	2.89x	2.05x	3.16x

MARITIME TRANSPORT & FACILITIES

	Stock Price 6/30/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Dry Bulk Shipping												
Safe Bulkers	6.31	1,015	305	180	59%	272	142	52%	3.33x	5.64x	3.73x	7.17x
Pangaea Logistics	6.50	741	778	145	19%	731	125	17%	0.95x	5.10x	1.01x	5.91x
Genco Shipping & Trading	24.78	1,351	369	204	55%	354	184	52%	3.67x	6.63x	3.82x	7.33x
Average	\$33.79	1,843	737	430	57%	721	408	55%	2.63x	4.73x	2.73x	5.24x
Petroleum Products Transportation												
Scorpio Tankers	69.26	2,770	1,196	825	69%	856	437	51%	2.32x	3.36x	3.23x	6.35x
International Seaways	76.59	4,024	1,244	971	78%	917	602	66%	3.23x	4.15x	4.39x	6.68x
DHT Holdings	16.53	3,047	704	609	87%	503	403	80%	4.33x	5.00x	6.06x	7.56x
Teekay Tankers	64.87	1,294	914	573	63%	629	319	51%	1.42x	2.26x	2.06x	4.05x
Nordic American Tankers	5.54	1,507	317	226	71%	243	148	61%	4.75x	6.68x	6.21x	10.20x
Ardmore Shipping	14.01	630	278	184	66%	176	86	NA	2.26x	3.42x	3.57x	7.36x
Average	\$41.13	2,212	775	564	72%	554	332	62%	3.05x	4.14x	4.26x	7.03x
Low	\$2.10	\$603	\$278	\$56	6%	\$176	\$71	7%	0.65x	2.26x	0.59x	3.07x
Mean	\$61.22	\$4,212	\$1,752	\$607	50%	\$1,781	\$572	46%	2.63x	6.32x	2.91x	6.75x
Median	\$37.60	\$2,770	\$1,062	\$585	61%	\$917	\$466	52%	2.32x	5.20x	2.25x	6.68x
High	\$199.93	\$33,871	\$6,269	\$2,500	87%	\$6,917	\$2,771	80%	8.74x	14.48x	7.99x	12.22x

Closed Date	Acquirer	Target	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
4/1/2026	Wynnchurch Capital	Arcosa Marine Products	Manufactures inland barges and marine components serving the U.S. inland	450.0	NA	NA
4/15/2026	Infracapital	Farra Marine Limited	Provides specialist crew-transfer vessel owner and operator services	NA	NA	NA
4/16/2026	Consolidated FastFrate Inc.	Omnitrans	Provides freight solutions for moving goods across global trade lanes	NA	NA	NA
5/1/2026	Off The Hook YS Inc.	APEX Marine	Manufactures boats and provides marine services, specializing in pontoon boats	5.9	NA	NA
5/15/2026	Mastercraft	Marine Products Corp.	Manufactures recreational fiberglass powerboats	231.3	0.9x	13.0x
5/20/2026	Tallvine Partners	Lind Marine Inc.	Provides marine services, with expertise in construction, dredging, and shipyards	NA	NA	NA
6/01/2026	Mediterranean Shipping Company Transinvestservice Limited		Offers the handling of iron ore and other bulk cargoes	NA	NA	NA
6/24/2026	Abu Dhabi Ports Company	Global Feeder Shipping LLC	UAE-based feeder carrier linking major container hubs to regional ports	998.3	NA	NA

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
Tutor Perini Corporation	TPC
Tidewater	TDW
Orion Group	ORN
DEME Group NV	DEME

Dry Bulk Shipping

Star Bulk Carriers Corp.	SBLK
Costamare Inc.	CMRE
Danaos Corporation	DAC
Global Ship Lease, Inc.	GSL
Safe Bulkers, Inc.	SB
Pangaea Logistics Solutions	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

The McLean Group served as exclusive financial advisor on the following recently closed transactions.



ESChat → JVCKENWOOD

Overview

- San Luis Obispo, CA
- Only FedRAMP Authorized broadband Push-to-Talk service; 700,000+ users across public safety, government & enterprise
- Interoperable across 4G, 5G, satellite and Wi-Fi, with support for P25, DMR and TETRA LMR systems
- Acquired by JVCKENWOOD Corporation (TSE: 6632), a global provider of professional radio communications systems
- ESChat retains its brand and leadership under long-term contracts, with access to JVCKENWOOD's reseller network
- Deepens JVCKENWOOD's hybrid LMR + broadband portfolio across North America

■ *Exclusive financial advisor to ESChat*

The McLean Group
Premier middle market investment bank



Highlight Technologies → Empower AI

Overview

- Fairfax, VA
- Employee-owned federal IT services firm founded in 2008; DevSecOps, AI/ML, data management & cloud modernization
- Proprietary AIDE (AI Data Integration & Orchestration Engine) platform joins Empower AI's portfolio
- Acquired by Empower AI, a KKR portfolio company — KKR's first acquisition under its ownership of Empower AI
- Broadens mission modernization support at the Departments of State & Homeland Security
- Combines Empower AI's scalable AI delivery with Highlight's mission-focused execution

■ *Exclusive financial advisor to Highlight Technologies*



Mergers & Acquisitions

Mark Bertler

Chicago, IL
Water & Wastewater
(847) 226-0793
mbertler@mcleanllc.com

Josh Butler

McLean, VA
Defense & Gov't Services
(703) 827-0008
jbutler@mcleanllc.com

Paul Klick

McLean, VA
Technology
(703) 752-9019
pklick@mcleanllc.com

Mitch Martin

McLean, VA
Defense & Gov't Services
(703) 752-9009
mmartin@mcleanllc.com

Andy Smith

McLean, VA
Defense & Gov't Services
(703) 827-0233
asmith@mcleanllc.com

Business Valuation

Ryan Berry

McLean, VA
Valuation Advisory
(703) 827-0091
rberry@mcleanllc.com

Michael Loftus

McLean, VA
Valuation Advisory
(703) 827-0200
mloftus@mcleanllc.com

Tyler Halstead

McLean, VA
Valuation Advisory
(703) 752-9013
thalstead@mcleanllc.com

Scott Sievers

McLean, VA
Valuation Advisory
(703) 827-8685
ssievers@mcleanllc.com

DLS Marine

Norman Dufour

New Orleans, LA
DLS Marine
(504) 835-8505
ndufour@dlsmarine.com

Harry Ward

New Orleans, LA
DLS Marine
(504) 835-8505
hward@dlsmarine.com

Securities Disclaimer

The information provided in this newsletter is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any of the securities mentioned herein. Past performance does not guarantee future results. None of the information or analyses presented are intended to form the basis for any investment decision, and no specific recommendations are intended. Any performance mentioned does not include transaction fees and costs, which would reduce an investor's return. An investment cannot be made directly in these custom market indices.

The logos and company names used in this report are for illustration purposes only, and the report is not associated with or supported by the owners of the trademarks.

© 2026 The McLean Group. All rights reserved. Securities transactions are conducted through McLean Securities, LLC, a member of FINRA/SIPC.