

U.S. CONTRACT SECURITY MARKET

MANNED GUARDING WITH TECHNOLOGY

17TH EDITION - SEPTEMBER 2025



ROBERT H. PERRY
& ASSOCIATES INCORPORATED

TABLE OF CONTENTS

17TH EDITION ANNUAL WHITE PAPER

THE U.S. DURING THE REPORTING PERIOD	4
ABOUT THIS EDITION	5
OVERVIEW OF THE 2024 WHITE PAPER	7
BY THE NUMBERS	9

MARKET **10**

DEFINING THE U.S. CONTRACT SECURITY MARKET	11
--------------------------------------------	----

OVERVIEW OF WORLD LEADERS	13
SEVEN WORLD LEADERS	14

SIZE AND GROWTH OF THE MARKET	15
CHALLENGES IN DETERMINING THE SIZE OF THE MARKET	16
THE SIZE AND GROWTH OF THE MARKET	22
NUMBER OF COMPANIES IN THE U.S. CONTRACT SECURITY MARKET	23
NUMBER OF EMPLOYEES	23
OUTSOURCED SECURITY PERSONNEL VS. PUBLIC POLICE FORCE	26

MARGINS **28**

THE MOVEMENT OF THE MARGINS	29
SITE LEVEL MARGIN TREND	30
EBITDA MARGIN TREND	31
DEFINING TERMS ON THE PREVIOUS CHARTS	32

MERGERS **33**

SIGNIFICANT TRANSACTIONS	34
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MULTIPLES **37**

THE LARGE COMPANIES ARE COMMANDING HIGH MULTIPLES	38
CURRENT VALUATION MULTIPLES FOR PURE PLAY CONTRACT MANNED GUARDING COMPANIES	39

OUTLOOK **41**

OUTLOOK FOR THE U.S. CONTRACT PURE PLAY MANNED GUARDING MARKET	42
HEADWINDS AND TAILWINDS	43

TABLE OF CONTENTS

<u>GLOSSARY</u>	<u>44</u>
GLOSSARY OF TERMS	45
<u>EXHIBITS</u>	<u>46</u>
7 WORLD LEADERS	
1 - ALLIED UNIVERSAL	47
2 - SECURITAS	53
3 - PROSEGUR	61
4 - GARDAWORLD	68
5 - PALADIN SECURITY	73
6 - ICTS	81
7 - INTER-CON	88
<u>ABOUT US</u>	<u>99</u>
ROBERT H. PERRY & ASSOCIATES	99

THE U.S. DURING THE REPORTING PERIOD

January 1, 2024 - September 20, 2025

Below is an overview of noteworthy events in the United States during the reporting period. Various indices serve as indicators of the country's and economy's direction, impacting the contract security market either directly or indirectly.

Increased Crime

During this period, crime in the U.S. continued to escalate. The nation witnessed a considerable number of mass shootings at schools, malls, and public events. There were also racially and politically motivated protests, riots, crimes against law enforcement, and killings of executives of high-profile public companies. The recent killing of Charlie Kirk has made people afraid of mass gatherings without adequate security. International incidents, such as the ongoing Russian-Ukraine conflict, the Israel-Hamas war, and challenges from world superpowers like Russia, China, and North Korea regarding U.S. involvement in foreign affairs, posed threats to safety and quality of life.

The Dow Jones Industrial Average

Despite higher interest rates and increased tariffs threatening market progress, the Dow Jones Industrial Average showed continuous increases during the reporting period. It started at 37,715 at the beginning of 2024, reached 42,292 on January 05, 2025, and closed at 46,315 by September 20, 2025. The market is currently at an all-time high, with investors anticipating more Federal Reserve rate cuts to tame rising unemployment. However, the Wall Street Journal recently reported that the rapidly climbing DJIA might soon be upended by the newly imposed tariffs, affecting the supply chain and raising prices on necessary and luxury items.

The Unemployment Rate

Initially around 8% in 2020 when the pandemic was declared, the unemployment rate decreased as the situation improved, reaching 3.7% at the start of the reporting period. By the beginning of September 2025, the rate was at 3.8%, showing insignificant change. Most economists predict that the rate will remain relatively low through the end of 2025, with minor fluctuations due to a more adaptable labor market.

The Inflation Rate

Averaging 8% during the height of the pandemic in 2022, inflation dropped to around 4% as the Federal Reserve increased interest rates. It now stands at 2.7%, moving in the right direction but still short of the 2% target for optimal economic health. Economists predict the rate to hover in this range for the rest of 2025, preventing any major cuts in the Federal Reserve interest rate.

The Federal Funds Rate

This rate influences the cost of borrowing money, making goods and services more expensive, which it would negatively impact valuations if rates are rising or decreasing. From June 2020 through January 2022, the rate remained below 1% but climbed significantly through a series of hikes to counter rising inflation. After a quarter percent rate cut on September 17, 2025, the present rate is sitting at 4.0% to 4.25%. Economists expect more slight rate reductions in the coming months.

ABOUT THIS 17TH EDITION

This annual White Paper marks our 17th year of reporting on the status and direction of the U.S. Contract Security Market – with certain sections also covering the contract security market to include all of North America as well as globally. Although the topic headlines remain relatively unchanged from year to year, the information within the headings is updated to reflect the status of the industry. As with all annual White Papers, some information is inherent to the ongoing activities of the industry, therefore will not change, or will have insignificant changes from year to year. Some information will be duplicated within the White Paper, for easier understanding of the topic.

A lot of the information in this report can be found through Google or other AI platform searches.

But what can't be found with Google or AI is what's happening internally with the non-public contract security companies – representing about 84% of the market in terms of revenues and 98% in terms of number of companies. Neither Google, nor AI, nor any of the other popular market research firms can get information on the private financials of these non-public companies – the growth, and where it's coming from – the gross profits and EBITDA margins. Also, these AI platforms and research firms can't access the owner's outlook for the future. And this is where we come in. Our unique relationship with the owners built over many years, enables them to trust us with the "nonpublic" information necessary for writing this White Paper report.

Our Qualifications to Publish This White Paper on the U.S. Contract Security Market

We have managed over 300 sell-side engagements for owners of privately held companies located in 8 countries having revenue from \$2 million to over \$250 million.

We have consulted with Private Equity Groups in their bids for companies with revenues over \$2 bn.

Primary Sources of Information for this Report

- Our proprietary, and confidential files on over 3,000 manned guarding companies operating primarily in the North American market.
- Publications on matters relating to manned guarding and electronic security.
- Global news releases
- Federal government reports
- Survey of owners of companies representing approximately half of the total market (below the seven World Leaders) in terms of annual revenues. The results of the survey are presented throughout this report focusing on:
 - Movement toward manned guarding/technology offerings
 - Revenue Trends — Source of growth or shrinkage
 - Key challenges and opportunities awaiting the industry
 - Projected increases in future operating expenses
 - Analysis of gross profit margin
 - Trends and percentages of non-billable overtime premium pay
 - Volume of armed work

ABOUT THIS 17TH EDITION

Distribution and Usage of the White Paper

As in the past, this 17th edition White Paper will be direct distributed, free of charge, to over 3,000 contacts in our private files – consisting of owners and executives of private contract security companies as well as private equity groups looking to make investments in the contract security space. It will also be posted in social media sources. Ultimately, it will be read by thousands of people and companies interested in finding out more about the contract security industry – especially in the U.S., evidenced by numerous calls our office receives yearly from very large companies looking for information on their present security provider or to outsource their security needs.

OVERVIEW OF THE 2025 WHITE PAPER

The Market - Revenues and Number of Employees (Pages 10 — 27)

This 2025 reporting year pegs the North American contract security market at approximately \$38.8 bn, based on the **run revenue rate** from the latest interim reports for the World Leaders, as well as the interviews with the owners of privately held companies. This represents an increase of \$1 bn over last year's figure. A significant portion of the increase comes from higher billing rates for existing customers. Revenues from the U.S. market are about \$35.3 bn, considering Canada and Mexico traditionally represent approximately 10% of the North American market. Additionally, when the \$4.4 bn electronic security and systems integration revenues are considered, the manned guarding portion of the U.S. contract security market is around \$30.9 bn - an increase of \$.7 bn over last year's figures. We estimate the number of contract security companies operating in the contract security market in the U.S. as 8,000 - no change from recent previous year's reports. The combined revenues of the top 14 companies are approximately \$27.5 bn - representing almost 80% of the total U.S. contract security market.

Since most of the revenue growth comes from increases in billing rates instead of billable hours, we estimate only a 1% increase in the total employed in the U.S. contract security market - bringing the total employed to 880,000.

Margins (Pages 28 — 32)

Gross Profit Margins:

A period of transition started in early 2022 and lasted throughout the period covered by this White Paper report where the companies, small and large, were implementing billing rate increases to restore their margins to pre-pandemic levels. Some reported an increase in margins higher than what it was pre-pandemic due to aggressive billing rate increases and some reported raising their margins through a combination of higher billing rates and investments in higher margin technology offerings – although the latter pertained mostly to the larger companies that could afford the large investment in technology.

Considering the above improvements, the gross profit margins for the smaller companies are now averaging about 17%, the regional companies about 17% and the national/international companies over 19% - with Allied Universal coming in at around 20%, Securitas 23% and Prosegur over 25%. The latter high margins attributable to a large investment in the higher margin technology offerings.

EBITDA Margins:

The EBITDA margins are not consistent between the size categories but are a function of how efficiently the companies structure their branches. For instance, the average EBITDA is around 7% - 8%, but some companies that are able to service a large volume of business with a limited number of branch offices reported an EBITDA in the 12% or higher range.

Mergers (Pages 33 — 36)

During the reporting period, there were many transactions completed in the systems integration, alarm, and artificial intelligence sectors – not a sector we follow closely. However, we followed forty, mostly unannounced, small; manned guarding company transactions during the reporting period initiated and managed by our firm, other brokers, or direct by the principals. There were seven transactions in the manned guarding sector, completed by Trilantic Capital Partners, GardaWorld, ICTS Europe and Allied Universal – with a combined revenues of all the companies purchased of around \$1.5 bn.

Multiples (Pages 37 — 40)

There are qualified buyers – mostly *new* Private Equity Groups looking for a “flagship company” – quoting offers in the 8 – 10 X EBITDA range, or higher, despite the present high interest rates. The offers for the smaller companies – usually a tuck-in – for the much larger company buyer - is much lower running in the 5 – 7 X EBITDA range.

However, although the prices are usually expressed in terms of multiples of EBITDA, it's the computation of the EBITDA that actually determines the selling price to the seller. For instance, most buyers will allow generous redundant cost add backs in computing the EBITDA target, often resulting in an attractive selling price for a company that's actually losing money on the seller's financials.

OUTSOURCED AND IN-HOUSE
SECURITY MARKET

\$50.3_{bn}



OUTSOURCED U.S. CONTRACT
SECURITY MARKET

\$35.3_{bn}

\$24.6_{bn}

REVENUES FOR THE 7
WORLD LEADERS



\$6.0_{bn}

U.S. REVENUES FOR THE 5 MAJOR
FOREIGN-OWNED WORLD LEADERS

OUTSOURCED
SECURITY OFFICERS

880_k

COMPANIES IN
THE UNITED STATES

8_k

(1) INORGANIC GROWTH
FOR THE U.S. MARKET

200_M

(2) ORGANIC GROWTH
FOR THE U.S. MARKET

3%

(1) 10/31/2024 - GardaWorld Completes the Acquisition of Stealth Monitoring

(2) Primarily from billing rate increases



MARKET

MARKET

The U.S. Contract Security Market in This White Paper

Introduction

In 2013, our annual White Paper was entitled “White Paper on the Security Guard Industry,” an appropriate designation for its time. However, as the contract security sector in the United States and globally has evolved, so too has our White Paper. The focus is no longer companies that provide only traditional “boots on the ground” security; instead, our White Paper includes manned guarding companies that now offer a broader range of services. These expanded offerings incorporate various technologies that supplement the role of the traditional security officer, addressing the increasingly complex security requirements of discerning clients and the broader community faced with rising crime in recent years.

Market Evolution

Today, while the majority of revenue in the “Contract Security Market” still comes from on-site security officer services, companies have diversified their portfolios. This includes integrating more advanced technology and offering nontraditional manned guarding services. Based on public reports and conversations with company leaders within the U.S. market, it is estimated that a significant portion of the U.S. contract security revenue \$4.4 bn now comes from technology-driven solutions that do not rely heavily on labor. The market has also witnessed growth in service offerings beyond traditional manned guarding.

Menu of Services Provided by Pure Play Manned Guarding Companies

A review of websites from both large and small security companies reveals a diverse array of services now available, including:

- Traditional on-site standing security officers, often supplemented by roving vehicle patrols
- Remote video monitoring
- Robotics
- Drones
- K-9 security
- Systems integration, frequently powered by artificial intelligence platforms
- Roving vehicle patrols
- Concierge services in their traditional format
- Executive protection

MARKET

Menu of Services Provided by Pure Play Manned Guarding Companies (continued)

Investigation services

Cash-In-Transit (armored car) services—though these are typically limited among traditional manned guarding companies

Cybersecurity, offered to a limited extent by conventional contract security firms

Janitorial services

Temporary staffing solutions

Off-duty officers

Security for closed communities (mobile patrol)

School Resource Officers (SROs)

Support for public police forces

Insurance services—a recent addition by Allied Universal

Highlighting the World Leaders (and then there were SEVEN)

In this 17th edition White Paper, we've added ICTS Europe alongside Allied Universal, Securitas, Prosegur, Garda World, Paladin Group, and Inter-Con . These companies each generate over \$1 bn in revenue primarily from manned guarding services globally, with significant revenues coming from the U.S. market – the largest security market in the world.

These companies have a combined footprint in over two hundred countries and are large enough, and have sufficient financial resources, to lead the charge in changing the way the next generation of security companies will meet the ever-increasing demands of its customers and the public.

As indicated in the section on the World Leaders, each company is expanding its menu of services to incorporate the use of technology. They have been investing heavily in developing this technology over the past few years and are now using it as a way to meet this ramped up demand and move farther away from some of their smaller manned guarding company competitors - ones without the resources for the large investment in technology and perceived as a provider of commoditized, low-margin services.

Important Note to Reader

The information on the seven leaders presented on pages 47 - 98 was gathered from market sources and primarily the annual reports (in the case of Securitas, Prosegur, and Garda World). The companies do not follow a uniform format (from one company to the other) in reporting their revenues, market statistics, identifying services offered, etc. Therefore, the information presented on these pages should not be used to compare one company's performance against any of the other companies but should only be used to evaluate the performance of the individual company. It is suggested that the reader visit the company's website to obtain further information on its performance, especially in conjunction with the footnotes accompanying the information being presented.

Also, in order to make the charts more user friendly to our U.S. readers, this year we have eliminated some charts presented in our previous White Papers and have converted the currency of the foreign companies into US dollars using the average exchange rates for the years shown.

SEE EXHIBIT 1 - 7 FOR DETAILED INFORMATION ON THE SEVEN WORLD LEADERS

SEVEN WORLD LEADERS

WORLD LEADERS

Company Logo	Country Headquarters	Global Revenue	North America Revenue	U.S. Revenue
	U.S	\$ 22 bn	\$15.3 bn	\$13.7 bn
	Sweden	15.3 bn	6.1 bn	5.4 bn
	Spain	5.3 bn	0.5 bn	0.5 bn
	Canada	4.9 bn	4.2 bn	2.9.bn
	Canada	1.4 bn	1.4 bn	0.5 bn
	U.S.	1.3bn	1.2 bn	1.1 bn
	France	1.4 bn	0.6bn	0.5 bn

Sources of information: Securitas and Prosegur from year end published financial reports. Other Companies do not publish their financials in the public venue - information furnished by management of the respective companies.

Monetary amounts in Bn U.S. dollars converted from local currency using average exchange rates for the 2024 year.

Securitas and Prosegur figures from 2024 year end, Garda from fiscal year January 31, 2025.

Allied Universal, Paladin, Inter-Con and ICTS Europe figures based on 2025 run rate .

Garda U.S. revenues include \$.6 bn for cash in transit services .

SEE EXHIBIT 1 - 7 FOR DETAILED INFORMATION ON THE SEVEN WORLD LEADERS

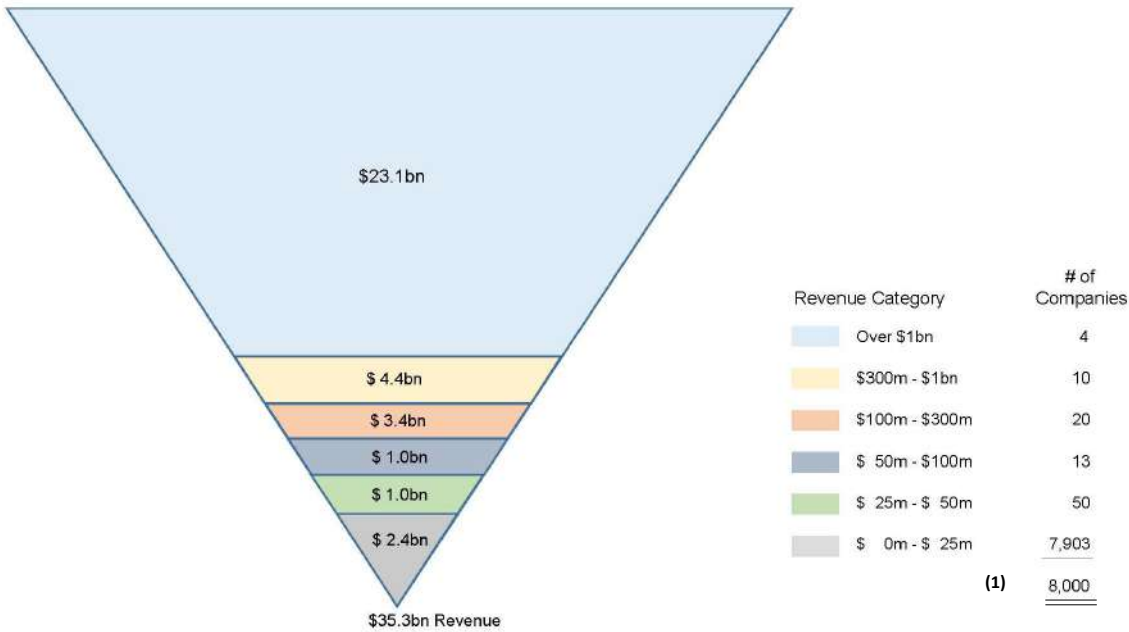
See Page 11 for "Important Note to Reader"

SIZE AND GROWTH OF THE MARKET

MARKET

Revenues and Numbers of Companies in Charts

Market Size in Dollars



(1) Arithmetical function to come to the 8,000 companies and \$35.3 bn revenue

MARKET

The Challenges in Determining the Size of the Market

As recently as 15 years ago, determining the size of the Contract Security Market as it related to the manned guarding service offerings was not complicated. Back then the only difference between the large and small companies was the amount of revenue and number of employees - all offered mostly standing and mobile guarding services. As the menu of services expanded, determining the market size for any given service offering became more difficult and virtually impossible - leaving a question mark in deciding just how much the manned guarding sector has grown over the last 10 years and even from year to year.

Most reporting agencies, in preparing their estimates of the size of the industry and growth expectations – again, in terms of gross revenue and not necessarily new customers employing contract security - rely heavily on the public information of the larger companies; and the U.S. Census reports from the U.S. Federal government – which can be highly inaccurate given a lot of companies report under one North American Industry Classification System (NAICS) code even though they may be operating several different lines of business. For instance, in our survey of owners for this year's White Paper, we found that many companies that offer manned guarding and janitorial services report their revenues under only one NAICS code. Also, many manned guarding companies reported under the classification of "Facility Management Companies." Either of these misclassifications tend to understate or overstate the true size of the manned guarding market.

Further to prove the point of inaccurate reporting on the size of the market, we looked to the report on the "private security market," funded by the US Department of Justice a few years ago. The authors found that accurately pegging the size of the market was very challenging. They found that a broader definition of the market will result in a higher estimate of the total revenue simply because the revenue of more companies will be included; thereby resulting in the higher end of their estimate being more than double the lower end – depending on what services they included in their study.

Movement of the revenue, the growth in the U.S. manned guarding sector, expressed in revenue and not billable hours, over the past 10 years has been in the 5% range. However, when the inflation rate is considered, the growth in this sector of the market has been a dismal 2-3%, or less.

Today, the market size and growth rates are increasing more dramatically than in the past. Based on the reports of the public companies and information provided by owners of privately held companies, we estimate that the run rate revenues for the **North American market are now approximately \$38.8 bn** - with approximately **8,000 U.S. companies representing \$35.3 bn** of this amount \$30.9 bn is coming from manned guarding and \$4.4 bn from technology offerings. The \$35.3 bn represents an increase of over 2.3%. We are not including cash-in-transit revenues (armored vehicles) - other than for Garda. We are also not including "pure play" Federal government security providers. This Federal market is large with Constellis alone reporting over \$1.0 bn in revenue for 2024, making it difficult to quantify in terms of security spend in various world locations. The figures, if they could be obtained, would be distorted by the fact that there's a lot of minority and protégé sub-contracting that creates the possibility of double counting the revenues in determining the size of this segment of the market.

MARKET

The Challenges in Determining the Size of the Market (Continued)

We are, however, including companies that provide security to the Federal government, along with a more significant amount of business coming from the private, commercial sector – as in the case of Allied Universal having around \$250 million of Federal work, as well as Securitas reporting around \$800 million in its figures.

Although in our survey of owners, many reported a large percentage of their growth coming from contracts leaving their larger competitors, this growth is not considered a growth in the market – it's just a reshuffling of the accounts. Consider that the two largest manned guarding companies operating in the U.S. – Allied Universal and Securitas - with a combined U.S market share of over \$18 bn, report an average account attrition of approximately 8%. This means that almost \$1.5 bn of revenue is lost each year. While some of this lost revenue would be from accounts no longer needing security, most is revenue going to their smaller competitors – again not a growth in the industry.

The Real Source of Growth in the Manned Guarding Industry

- Increased revenues coming from increases in hourly billing rates to existing customers
- Increased revenues coming from new vertical markets – not previously requiring contracted security officers
- A movement from companies providing their security in-house to contracting out this function

Growth in the Technology Offerings from Pure Play Manned Guarding Companies

Increased revenues in the U.S., from existing and new technology, are coming primarily from Allied Universal, Securitas, and Garda. The companies under these three reported insignificant revenues coming from technology.

Allied Universal is now reporting approximately 7% of its \$13.7 bn U.S. revenues coming from technology offerings – up from 5% in previous years.

Securitas' purchase of Stanley, Black & Decker's systems integration business was fully integrated during the 2023 year, thereby increasing the U.S. sector of the market by approximately \$1.2 bn. Securitas is now reporting 37% of its U.S. revenue coming from technology sources – up from 36% last year.

GardaWorld purchased Stealth Monitoring in 2024, raising its total U.S. technology offerings including E-Cam and Sesami to approximately 30% of its total manned guarding and cash in transit revenues.

MARKET

The Challenges in Determining the Size of the Market (continued)

Growth of Manned Guarding and Technology Over Time

	2019	2020	2021	2022	2023	2024
U.S. MANNED GUARDING	26 bn	26 bn	27 bn	29 bn	30 bn	30.9bn
	3.6% CAGR					
U.S. MANNED GUARDING & TECH	28 bn	28 bn	30 bn	33 bn	35 bn	35.3bn
	4.7% CAGR					

Note: The insignificant growth in 2020 resulted from the COVID pandemic effect.

MARKET

The Challenges in Determining the Size of the Market (continued)

Number of Employees

Finding credible information on the number of people working in the outsourced contract security market in the United States remains challenging. The report by the Bureau of Labor Statistics issued in May 2023, the most widely quoted source for the Security Market, indicates a total of 1,202,940 "Security Guards" - up from 1,124,890 from the previous year. However, the report includes some categories of labor that are not normally classified as outsourced manned security personnel, such as some in-house guards and certain Federal government security employees not included in the count for the revenue size of the market.

Therefore, we went to published reports for the large companies and our internal files for the smaller companies. As mentioned elsewhere in this White Paper report, there has been a dramatic increase in the market size in terms of revenue coming primarily from billing rate increases and companies entering markets not requiring a significant labor component. An insignificant amount of the growth has come from companies that previously did not need security or companies with an in-house security force turning to contracting out their security function.

After taking this into consideration and the fact that there has been at least some increase in the workforce, we are pegging the number of security officers in today's market at 880,000. This estimate is based on a ratio of employees to total revenue as reported by the large companies, along with our estimate of the number of employees for the smaller, non-reporting companies, after adjusting for more part-time employees in this latter category.

Outsourced Security Personnel vs. Public Police Force

The May 2023 Time magazine article on the Security Guard Industry said this about the number of outsourced security personnel, "There are roughly twice as many security guards employed in the U.S. than there were 20 years ago, according to the Security Industry Association, although the nation's population has only grown 16% over the same time. By 2021, there were about two police officers, but 3.1 security guards, for every 1,000 civilians".

However, what is uncertain at this point is the ultimate outcome of the movement from public police protection to looking for the private sector to fill this void. According to a survey out in 2020 by the National Police Foundation, 86% of the departments reported a staffing shortage - even before the wave of bad publicity from the high-profile murders, which has escalated since then. Although this is now a four-year-old report, more recent releases reveal the number of police is still shrinking. Many in the security industry are saying that the changes in how police officers conduct their duties and the lesser number on the streets will mean more companies and individuals will be looking for the outsourced security market to fill the void.

MARKET

The Challenges in Determining the Size of the Market (Continued)

The In-House Security Market – Source of Growth for Contract Security Companies

Despite a lot of companies going from in-house security to contract security and an increase in the public/private partnerships there's still an estimated **\$15 bn of potential revenue** based on a projected billable hourly from companies presently providing their security function through in-house security personnel. However, more are starting to explore outsourcing their security needs to companies that can deliver a more effective security function through state-of-the-art technology and better trained officers than that provided by their in-house security department.

Number of Companies Operating in the U.S. Contract Security Market

There are still many sources reporting around 10,000 individual contract security companies in the United States alone. We believe these figures came from: 1. reports using NAICS codes, and in some instances, investigative and other small companies not offering traditional contract security services are included in this 561612 NAICS code classification, and 2. duplication in counting. Some reporting agencies are counting branch offices of a national, multi-office contract security company as separate companies.

Our firm has been building a database of U.S. contract security companies for more than 25 years and has identified approximately 6,000 single companies that employ more than one hundred personnel and provide mostly contract security officer services. Our database is reasonably accurate, and when the companies employing less than 100 personnel are added, the total number of companies offering contract security officers is still in the 8,000 range. Although there has been a significant number of small companies sold over the past 10 years, we estimate an equal number of start-ups; therefore, we will continue to use 8,000 as the estimated number for the total U.S. contract security companies throughout this report.

The market is large and fragmented, and there's very little public information on the financial performance and the operating practices of the privately held companies. We have, over the past 25 years, come to learn that this lack of public information is due primarily to the nature of the business and the owner's mindset. It is, after all, the security business that by definition operates under a code of secrecy. There are no associations of contract security companies that accumulate and publish financial statistics on the industry.

MARKET

The Challenges in Determining the Size of the Market (continued)

Armed Security Officers

Based on our in-house records of the hundreds of manned guarding company owners with whom we have consulted over the past several years, it is estimated that, contrary to public opinion, less than 20% of security officers working for contract security companies carry weapons. Also, many of the mostly commercial contract security companies are providing, to some extent, services to the Federal government, which require almost 100% of the security force to be armed. The ones that are armed today are more thoroughly vetted upon employment and go through extra training to qualify to carry the weapon. And the customers, for the most part, are willing to pay for it. For example, an off-duty police officer will make about twice as much as their civilian counterpart. The customer is willing to pay more for this higher profile security, sometimes as much as three times the normal billing rate - making this type of service much more profitable than traditional contract security services.

MARKET

The Technology Evolution

The Securitas Story . . . [from 2024 White Paper]

For over twenty-five years, the market has been discussing the potential of technology replacing manned guarding. Initially, robots were considered, followed by drones, all touted as cheaper alternatives that eliminate the unreliable and unpredictable human factor.

The conversation gained momentum over a decade ago when Securitas, the largest and most vocal manned guarding company at the time, announced plans to enhance its manned guarding services with technology. Securitas introduced "Integrated Guarding," combining on-site security guards, mobile guarding, remote guarding, and electronic security. At that time, 8% of its total revenue came from this service offering.

In 2014, Securitas' revenue mix from "Integrated Guarding" increased to 10%. Alf Göransson, the then CEO of Securitas, highlighted the future of labor-intensive security companies, noting the increasing cost and complexity of labor, the rapid development and decreasing cost of technology, and the viability and security of video surveillance. This shift allowed Securitas to offer better security at a lower or equal cost, especially in countries with high salary costs.

Göransson, along with the current President and CEO of Securitas, Magnus Ahlquist, have emphasized that this combination of technology and manned guarding creates a paradigm shift and a significant opportunity for security companies with the financial strength to invest in technology. ***Citing companies that fail to adapt will struggle to survive***, as creating customer value solely through guarding hours will become increasingly difficult. This paradigm shift requires substantial investments in technology.

Securitas' latest annual report indicated that after fully integrating the Stanley, Black & Decker acquisition, 33% of its global revenues and 37% of its North America revenues would come from integrated guarding. This surpassed its 2013 goal of having 25% of revenues from integrated guarding by 2022. As the mix of integrated guarding increased, gross profit rose from around 18% to over 22%, despite terminating some unprofitable customers. The operating margin for "Integrated Guarding" was 10.8%, compared to 5.5% for other security services, with a group margin of 6.5%.

Other large companies are also making significant investments in technology:

Garda World, for example, has heavily invested in Crisis 24, a global AI-enhanced platform for crisis response, representing CN\$436 million of its annual revenue. ECam Secure, providing remote and virtual surveillance services, represents CN\$130 million of Garda World's revenues. Sesami, an integrator of the whole cash ecosystem, represents CN\$1.8 bn of annual revenues. Its recent acquisition of Stealth Monitoring will add significant revenues to the mix.

Allied Universal offers various technology platforms, including incident reporting and GPS tracking through its Helius technology, AI, offsite video monitoring through its Thrive subsidiary, hosted managed services, and identity management. Approximately 7% of Allied's estimated \$22 bn in revenue comes from its technology offerings.

MARKET

The Smaller Companies Catching Up

Our owner's survey revealed that many firms with revenues exceeding \$100 million already implement some form of advanced technology, although not as sophisticated as the leading three world leaders. However, smaller businesses have substantial progress to make in providing the type of technology their customers will soon demand.

The primary challenge for these smaller companies lies in deciding what type of technology to offer and determining how to finance it. In April of this year, a record number of predominantly manned guarding companies attended the ISC West technology trade show in Las Vegas. They were exploring their options on what they might need to meet the demands of increasingly discerning customers; this issue will become more pressing as technology becomes integral to security services regardless of the company size. Some owners reported difficulty distinguishing between costly "gadgets" and genuinely transformative security technology.

With so many options, it's challenging for the small company to decide where to invest for the fastest and most effective returns. Consequently, until owners gain more insight into the technology they need and can afford—which remains a significant hurdle—most smaller companies currently offer surveillance cameras, robots, drones, offsite video monitoring, and systems integration through subcontractors. These owners are neither making nor losing money on the subcontracting arrangements but use them primarily to retain customers who might otherwise switch to larger providers. Nonetheless, this strategy can sometimes result in quality control issues and potential loss of clients.

Manned Guarding, Technology, or Both?

There have been numerous articles written on this subject; therefore, we went to our Co-Pilot artificial Intelligence software to write a summary of what's being found on the web, which is as follows:

Technology Will Not Replace Security Guards in the United States

The question of whether technology will ultimately replace security guards in the United States is the subject of both speculation and scholarly debate. Articles and expert commentaries continually explore the intersection between human vigilance and technological advancement, examining whether artificial intelligence, surveillance cameras, drones, and other security technologies can truly supplant the physical presence and judgment of trained security professionals.

MARKET

Manned Guarding, Technology, or Both? (Continued)

Human Element in Security

One of the recurring themes in reference articles is the irreplaceable value of the human element. Security guards bring intuition, empathy, and on-the-spot decision-making to environments that may be unpredictable or emotionally charged. As discussed in “Why Security Guards Will Always Have a Role” (Security Magazine, 2022), technology can monitor, record, and even analyze threats, but only a human can assess context, defuse tense situations with de-escalation techniques, and respond with compassion.

Security professionals are also trained to recognize subtle cues—such as body language, tone of voice, and changing crowd dynamics - that may elude even the most sophisticated sensors. “Human Judgment in Security: The Last Line of Defense” (The Atlantic, 2021) outlines case studies where technology failed to identify potential risks that were noticed by experienced guards, showing that instinct and interpersonal skills remain crucial.

Limitations of Current Technology

Technology’s limitations are a focal point for many thought pieces. While AI-powered surveillance systems, facial recognition software, and remote monitoring have dramatically increased the efficiency and reach of security operations, they have not eliminated the need for in-person intervention. Articles like “The Limits of AI in Security” (Forbes, 2023) detail how software can be tricked by disguises, lighting conditions, and technological glitches. False positives and negatives remain a challenge, creating legal and ethical concerns when automated systems generate erroneous alerts.

Physical security threats—such as tailgating, theft, or vandalism—often require a rapid, adaptable response. Technology can flag suspicious activity, but only a guard on the ground can chase down a perpetrator or physically block access to sensitive areas. A 2022 study by the American Society for Industrial Security found that incidents requiring immediate response were resolved 80% faster when a security guard was present, compared to automated systems that only issued notifications.

Role of Security Guards in Customer Service and Community Engagement

Security guards in the U.S. often serve a dual role: protecting property and serving as customer service representatives. This is especially true in retail, hospitality, and healthcare settings, where guards are expected not only to deter crime but also to assist patrons, provide directions, and offer reassurance. “Security Guards: More Than Just Protection” (Hospitality Net, 2020) highlights how technology cannot replace the sense of safety created by a friendly face and a helpful attitude.

Community engagement is another vital area where technology falls short. Security guards are often local, familiar with the neighborhoods they protect, and able to build relationships with residents and business owners. This rapport fosters trust and cooperation, which can be instrumental in preventing crime and resolving conflicts peacefully. “The Community Role of Security Guards” (US News & World Report, 2021) argues that technology, while essential, cannot replicate this grassroots influence.

MARKET

Manned Guarding, Technology, or Both? (Continued)

Legal and Ethical Considerations

Articles addressing legal and ethical dimensions, such as “Privacy and Surveillance: The Human Factor” (Lawfare, 2022), caution that increased reliance on technology can lead to privacy concerns and a depersonalization of security. Security guards can exercise discretion and are held accountable for their actions; machines, on the other hand, operate without moral judgment and cannot always be programmed for nuance.

There are also liability issues when security incidents occur. In “Accountability in Automated Security” (Harvard Business Review, 2023), experts contend that companies prefer the clarity afforded by a security guard’s report and testimony in court over ambiguous digital logs or AI-generated evidence. Human guards serve as credible witnesses and can provide context that algorithms cannot.

Emergencies and Unpredictable Situations

Real-world emergencies demand flexibility and resourcefulness. Articles like “Technology and Crisis Management: Where Humans Excel” (Emergency Management, 2021) stress that, during fires, natural disasters, medical emergencies, or violent incidents, the ability to improvise and coordinate with other responders is essential. Security guards are trained to execute evacuation plans, administer basic first aid, and support law enforcement officers.

Even the best technologies require human input in high-stakes, rapidly evolving situations. Automated systems can call for help but cannot comfort victims, negotiate with aggressors, or take initiative. “The Critical Role of Human Security in Emergencies” (The New York Times, 2020) recounts numerous instances where security guards made a life-saving difference by acting decisively under pressure.

Complementary Roles: Technology and Security Guards

Most reference articles agree that the future of security lies in collaboration, not competition, between humans and machines. “The Synergy of Security Tech and Personnel” (Security Today, 2022) describes how technology augments the capabilities of security guards, enabling them to work smarter and safer. Tools such as body-worn cameras, real-time communication devices, and predictive analytics empower guards to preempt threats and document incidents more thoroughly.

Ultimately, technology is a force multiplier, not a replacement. Guards equipped with advanced technology are more effective, but the human touch remains indispensable. A 2023 survey by the International Security Association found that 85% of U.S. businesses consider technology an enhancement, not a substitute for their existing security staff.

Conclusion

While technology continues to revolutionize the security industry, reference articles consistently emphasize that it cannot replace the multifaceted role of security guards in the U.S. The combination of human intuition, adaptability, customer service, and community engagement ensures that security personnel remain vital to the protection of people and property. Technology can assist, augment, and improve security practices, but it is the human presence that gives security its meaning, effectiveness, and heart.

MARKET

Defining Private Equity Groups

Private Equity Groups (PEGs) consist of executives skilled in managing large companies and experts in financial analysis. These groups excel in identifying, acquiring, and managing companies that need capital for growth or improvement. Investors typically include large pension funds, insurance companies, wealthy individuals, family partnerships, municipalities, PEG members, and sometimes the seller of the companies they have bought. The Private Equity Growth Capital Council cites over 3,300 private equity firms in the U.S. own more than 11,000 businesses employing approximately 7.5 million people. And according to a latest *PitchBook* report there's a lot of dry powder - the amount of committed, but unallocated capital a firm has on hand – sitting on the sidelines ready to be reinvested. There is approximately \$1.5 trillion dry powder globally and approximately \$915 bn in the U.S. alone.

Private Equity Groups Investing in the Contract Security Market

Although most of this dry powder will be directed toward Artificial Intelligence and higher margins businesses, more is being funneled toward the manned guarding industry as the need for effective security is increasing on the minds of companies and individuals – hence an attractive place for Private Equity to park their idle cash. This has been played out during the reporting period evidenced by a large uptick in inquiries to our office from Private Equity investing or looking to invest in the pure play manned guarding companies and some have actually made significant investments in the space, with plans for more investments in the near future.

The U.S. revenues from Private Equity owned North American based contract security companies are now approximately \$ 16.1 bn (over half of the total market) and will definitely get larger as other Private Equity firms learn more about the merits of investing in contract security – although the market is not necessarily recession proof, it fares much better than the general population of companies do in an economy affected by COVID-19, as well as other challenges to our economy such as recessions..

However, despite the new interest from Private Equity, it's challenging for them to find flagship contract security companies with revenues over \$100 million due to Allied Universal's buying spree. Owners of suitable companies are either not selling or overestimating their value. As a result, aggressive PEG buyers are lowering their criteria, yielding interest in smaller sell-side engagements with revenues below \$100 million. Some PEGs are now considering companies with an EBITDA as low as \$2.5 million and even acquiring flagship firms with \$20 million in revenue, subsequently growing by adding smaller tuck-in companies.

MARKET

Private Equity has been a Source of Retirement for Owners of Well-Run Companies

Over the past decade, a handful of PEGs have acquired over two hundred private companies in the contract security market, rewarding sellers for years of hard work. If it were not for large Private Equity Groups entering the market in a large way about 20 years ago, sellers like Ira Lipmann, Frank Argenbright, and most recently Glenn Burrell would not have a way to cash in on their many years in building \$300+ revenue businesses. Large firms like Securitas and G4S (before its sale to Allied Universal) stopped making acquisitions in the pure play manned guarding space many years ago, instead concentrated on growing their systems integration and electronic security offering. Private companies can't match the high bids from PEGs because they rely on bank loans, which require them to use their company's net worth and personal assets as collateral—something many are unwilling to do.

U.S. Revenue from PEG Owned Companies

	REVENUE
PEG-Owned Companies (14 Peg's)	\$16.1 bn
Public - Securitas & Prosegur	\$ 5.9bn
Remaining Privately Owned	\$13.3bn
Total U.S. Market	<u>\$35.3bn</u>

MARGINS

MARGINS

For the purposes of this presentation on Margins, we will use the term to express the gross profit at the site level divided by the revenue produced from the site. It's an important benchmark in showing how the company rates when compared with its relatively same size competitors and how successful (or unsuccessful) a company is in managing its relationship with its customers, controlling non billable over time premium, managing its workers compensation and general liability costs. It also demonstrates how the amount of technology the company has to offer, which usually carries a much better margin than the traditional standing security function, is affecting the margins.

The Movement of the Margins

Decade leading up to the pandemic: Margins were on a steady decline for most companies due to more intense competition coming from the larger competitors.

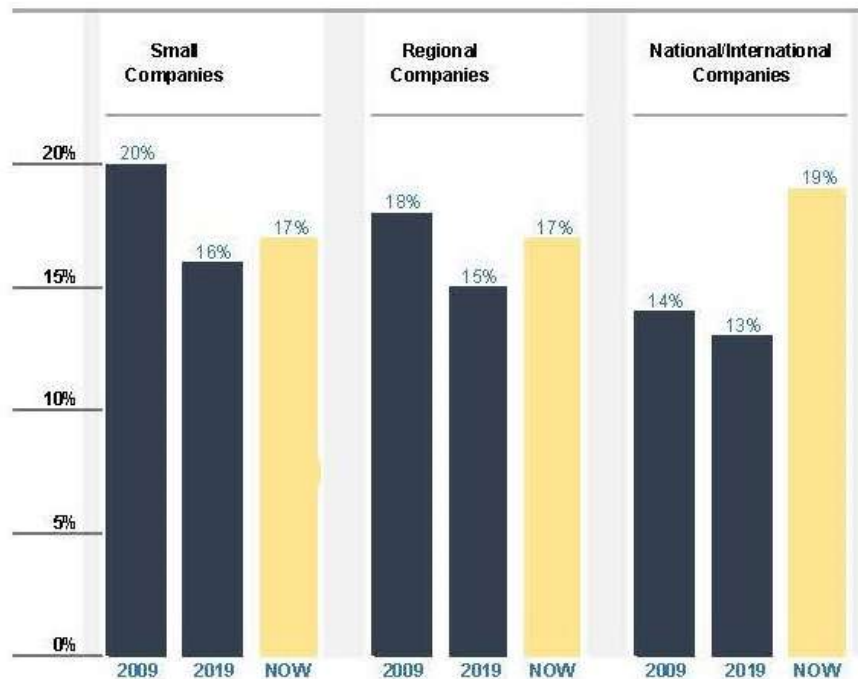
During the pandemic: margins declined dramatically due to shortage of labor thereby increasing non - billable overtime premium pay, and unmanned posts due to security officers not showing up – thus a lower billing to the customer. There were isolated instances of companies actually having record profits during this time coming from temperature testing services, but that quickly subsided. Also, the Federal government issued Payroll Protection Payments to many small companies to keep them afloat, and that also soon ran out.

Coming out of the pandemic: Security companies started increasing the pay rate to the security officers as a way to bring in more officers, thereby decreasing the non-billable overtime premium pay. The companies started an appeal to the customers to increase billing rates to cover the higher pay to the officers, which was mostly done gradually and, on a customer-by-customer basis. Despite the success in getting the increases, it came slowly, and the security companies remained in a period of lower margins during the period coming out of the pandemic.

Today: most owners that took part in our survey reported a lot of success in getting the customers on board with a billing rate increase. Many of the owners actually terminated customers that did not or could not go along with increases. The non billable overtime premium is now around 5 – 7% in most cases, down from a rate as high as 12 – 13% during the pandemic. Companies are behind in bringing on sophisticated technology that tends to increase margins and are worried about what the higher interest rates will mean to their cost of doing business going forward. All owners taking part in our survey, expected an increase in insurance rates – general liability as well as workers compensation; as well as more scrutiny over what the insurance companies will actually cover; citing a more conservative approach by their insurance providers to charge a higher premium for the higher liability work and in some cases not providing coverage at all for some vertical markets.

MARGINS

Site Level Margin Trend



- (1) The regional companies had an increase in profit margin from the pre-COVID period for the following reasons: Some, but not many, now have a technological offering that carries a higher margin. Also, all reported a significant decrease in non-billable overtime from the COVID period and increasing revenue through taking customers from their larger competitors, at higher than their average billing rates.
- (2) The margin for the national/international companies grew at a greater pace than the lower categories for the following reasons: Securitas is in the mix at a gross margin of around 23% for the U.S. alone with the Stanley Black & Decker systems integration acquisition fully integrated; in spite of carrying some unprofitable business during this period, which has since been divested or in the process of being divested. Without these unprofitable businesses, Securitas' margin would be even higher. Also, Allied Universal, with over \$15 bn of revenue in North America, is showing a margin of approximately 20%, driven by a significant amount of revenue coming from its higher margin technology offerings. These two raise the average margin for this international category significantly.

MARGINS

EBITDA Margin Trend



- (1) The EBITDA margin for the regional companies operating multiple branch office locations varies depending on how efficient the branches are operated. For instance, if the company has to have a brick and mortar fully staffed branch office to satisfy a particular large customer having multi state locations, the EBITDA of that company will be lower than other regional companies with branches operating more efficiently. We have identified some large regional companies showing an EBITDA margin in the 12-13% range that have an operating model that allows them to operate from coast to coast with a limited number of branch offices.

MARGINS

Defining Terms on the Previous Charts

SITE LEVEL MARGIN

Site level margin is the gross profit as a percentage of revenue. Direct costs, toward computing gross profit, are all costs assigned to the site, such as: compensation for the billable officers, wages for the dedicated non-billable supervisors, uniforms, employer payroll taxes, workers' compensation insurance, general liability insurance, employer portion of health benefits, cost of equipment dedicated to the site, union cost, cost for non-billable roving supervisors (not assigned to an account) if there are a lot of "cold start" sites, etc.

EBITDA

Earnings Before Interest Taxes Depreciation and Amortization.

SMALL COMPANIES

Revenues less than \$10 million; the owner manages the business and has customer relationships. Usually inefficient in back-office operation and pays more on a per-unit cost for insurance, uniforms, etc. In addition to the previously mentioned cost increases, gross margins are slipping due to the larger companies' recent interest in the smaller accounts, which typically have higher margins. Adding to the margin erosion for the small company have been the pricing pressures from the customers.

REGIONAL COMPANIES

Revenues \$10 - \$100 million; owner less involved in customer relationships, operates multi-offices – usually volume is \$5 - \$10 million per office. These companies, along with the national/international companies, are in a state of transition. Most are getting billing increases to offset pay rate increases - and, in a lot of cases, a margin pickup. However, since the bill rate increases are coming in over a period of time, the positive effects are not yet fully showing up in the trailing twelve-month financials.

The Branch Level profit can be much lower for regional companies with many small offices in areas with an insufficient volume to justify the branch office overhead. This is often found in companies that are expanding through entering new markets, or having to maintain a support office to service a large account with multiple locations.

MERGERS

MERGERS

Reporting period: year 2024 to September 20, 2025 (the date of publishing this White Paper report)

There were five pure play manned guarding and two technology (Garda buying EnSolve and Stealth Monitoring) company transactions with revenues exceeding \$100 million each during the reporting period — We followed 40 smaller, mostly unannounced, acquisitions initiated and managed by our firm, other brokers, or non-brokered transactions. There were many acquisitions in the alarm and cyber security industries and AI applications, which are not covered in this White Paper report.

The transactions during the Reporting Period **significant** to understanding the direction of the industry are delineated below. A comprehensive list of transactions in the manned guarding and systems integration sector can be viewed from our website under [World Transactions](#).



Garda World completed the acquisition of OnSolve

On July 31, 2024, Garda World Security Corporation announced on its website that it completed the acquisition of OnSolve, LLC, a leading provider of critical event management and MassCom services, including risk intelligence, mass notifications, incident management and travel risk management solutions to enterprise customers, small and mid-market businesses, and government agencies.

The revenues from OnSolve at the closing of the transaction were \$105 Million



Garda World completed the acquisition of Stealth Monitoring

On October 21, 2024, Garda World announced an Agreement and Plan of Merger to acquire the business of Stealth Monitoring. Stealth has decades of experience in mobile and fixed video monitoring. Stealth, with annual revenues of \$130 million, has approximately 2,000 employees across 40+ offices and eight state-of-the-art video monitoring centers.

(Continued)

MERGERS

Reporting period: year 2024 to September 20, 2025 (the date of publishing this White Paper report)



Sunstates Security Partnered with Trilantic North America

A post to Sunstates Security's website on August 09, 2024, announced a partnership arrangement with Trilantic North America, a private equity firm established in 2009, with \$10.9 bn in aggregate capital commitments. Sunstates, with an estimated \$300 million in revenue, has enjoyed a compound annual organic growth rate of 25% over the last 10 years.



ICTS Europe Acquired First Coast Security

On November 11, 2024, **ICTS Europe**, headquartered in France, acquired **First Coast Security**. The acquisition established First Coast as the North American corporate security business unit of ICTS. ICTS made its entry into the U.S. market in 2017 through an acquisition of Gate Safe, an airline catering inspection business, headquartered in Atlanta, Georgia. Gate Safe was a wholly owned subsidiary of **Gate Group** of Zurich, Switzerland (revenues approximately \$5 bn). Robert H. Perry & Associates initiated and managed the transaction on behalf of **Gate Group**. The purchase of First Coast will bring ICTS' global revenues to over \$1 bn (see World Leaders section of this White Paper).

MERGERS

Reporting Period: year 2024 to September 20, 2025 (the date of publishing this White Paper report)



During the reporting period, Allied Universal , purchased 12 companies. It did not publicly list the revenues for each company, but according to our private files, three of the companies had revenues of over \$100 million each. The total revenues for all 12 companies equaled approximately \$830 million.



MULTIPLES

MULTIPLES

Some History . . .

According to our research, the big deals started over 40 years ago (1982) when American Brands, Inc., a huge publicly held conglomerate, added to its diverse holding by buying Pinkerton's Inc. – then one of the biggest names in security services.

Six years later, CPP Security Services, a Van Nuys, California-based provider of security guards nationwide, bought Pinkerton's from American Brands, creating a company with annual revenues of over \$650 million, when combined with CPP's existing business. This gave the newly merged company over 10% market share as the biggest player in the, then, \$6 bn security "guard" market.

We followed many large deals following the CPP/Pinkerton's merger, and although most were announced, only a few revealed the purchase price. Below are the transactions for which the purchase prices, expressed in multiples of EBITDA, were announced:

- 1999** - Securitas entered the U.S., the largest security market in the world, by buying Pinkerton's for 12.3X EBITDA.
- 2000** - Securitas bought Burns Security, with revenues of \$1.5 bn for 8.9X EBITDA.
- 2002** - Group4/Falck (now G4S), entered the U.S. market by purchasing the Wackenhut Corporation, with a heavy concentration in government and prison security; a lot being offshore. Given the heavy concentration in public bid type work, the multiple was lower than usual, coming in at 7.8X EBITDA – for a \$2.8 bn company.
- 2009** - Andrews International, owned in the majority by the Audax Group, a large private equity firm, bought Vance International from SPX, for a multiple of 9.8X EBITDA. the revenues of Vance at the time of the sale were \$128 million.
- 2015** - The Wendel Group bought AlliedBarton Security Services from the Blackstone Group for \$1.67 bn at a multiple of 11.6X EBITDA.
- 2018** - Allied Universal buys US Security Associates for a little over 10X EBITDA. At the time of the purchase, USSA had revenues of approximately \$1.5 bn.
- 2019** - Allied Universal was valued at almost 100% of annual revenue - about 12x EBITDA - in the sale of the majority interest to CDPQ in December of 2019 - giving Wendel almost 2.5 times its original investment in a little over one year of ownership.
- 2021** - Allied Universal pays approximately 11X trailing EBITDA, in an auction process, for G4S to form, at almost \$20 bn in revenue, the largest security company in the world. Allied Universal paid around \$5.3 bn and assumed approximately \$3 bn of debt in the deal, making the enterprise value about \$8.3 bn.
- 2022** - Securitas bought the systems integration business from Stanley Black & Decker. The purchase price was \$3.2 bn for \$1.8 bn of revenue coming in at around 16X trailing EBITDA.

[NOTE: systems businesses typically sell for higher multiples given their higher margins and more predictable income stream].

MULTIPLES

Current Valuation Multiples for Pure Play Contract Manned Guarding Companies

Overview of Valuation Multiples

The present landscape for valuing manned guarding companies is shaped by numerous variables. Until about five years ago, small to medium-sized companies were often valued on a non-enterprise basis. In such cases, buyers would pay only for the value of the customers and the necessary operational equipment, with the seller retaining the rest of the balance sheet. Pricing was typically expressed as a multiple of average monthly revenues or gross profit at the site level.

The entry of private equity groups into the market significantly changed these valuation methods. These investors, having acquired major stakes in 10 pure play manned guarding companies representing almost 50% of the total market—challenged the industry’s traditional approaches. They preferred using EBITDA, net income, or free cash flow as benchmarks, aligning with standard practices in other sectors like manufacturing or retail.

Whether a buyer achieves a favorable deal depends not only on the multiple paid but also on how EBITDA was calculated, the rigor of due diligence and quality of earnings review, and the effectiveness of post-acquisition transition management.

Multiples by Company Size

Large Companies (Over \$100 Million in Revenue)

Multiples for large companies commonly fall in the 9x to 12x EBITDA range, considerably higher than those for smaller firms. In some cases, private equity groups seeking a “flagship” acquisition may offer even higher multiples. The higher valuations are justified when the existing management team, instrumental in the company’s growth, remains post-closing, ensuring ongoing performance and stability. Large firms can also replace lost accounts more readily, maintaining a predictable stream of revenue and profit.

Although private equity groups may face stiffer competition from industry players during acquisitions, they can offset higher flagship acquisition multiples by acquiring smaller “tuck-in” companies at lower multiples. Over time, the average multiple across the portfolio decreases as these smaller acquisitions are factored in.

Medium Companies (\$25 to \$100 Million in Revenue)

Medium-sized companies typically command multiples in the 6x to 7x EBITDA range. Like small companies, these firms are subject to account attrition, as their contracts are often considered “wasting assets.” If the company name and key personnel are retained for a transitional period post-acquisition, new business may come onboard and attrition rates can be minimized, often to around 8%. However, as the acquired brand is phased out, the initial goodwill fades. As a result, what begins as a 6x to 7x acquisition multiple can, after five years, equate to an effective multiple of 9x to 10x due to attrition not being fully replaced.

Small Companies (Up to \$25 Million in Revenue)

For small companies, commonly cited multiples are in the 4x to 5x EBITDA range, and sometimes even lower for acquisitions focused solely on small books of accounts. These lower multiples reflect the perception that the seller is transferring a wasting asset. Frequently, the company’s brand and some essential staff are lost shortly after acquisition, which leads to higher attrition rates and diminished goodwill. Consequently, about half of the acquired business may be lost within five years, effectively doubling the acquisition multiple for the remaining business.

MULTIPLES

Current Valuation Multiples for Pure Play Contract Manned Guarding Companies (continued)

Considerations in EBITDA Calculations

EBITDA calculations used for purchase price benchmarks can vary significantly. For growing companies, using multi-year averages will undervalue recent gains, whereas a trailing twelve months (TTM) measure more accurately captures current performance. The preferred approach is to use Trailing Twelve Months data, annualize revenue from new accounts, and exclude lost accounts, often referred to as “run rate” revenue. Buyers also typically adjust EBITDA for certain non-recurring costs, such as owner perks or expenses that will not continue under new ownership.

OUTLOOK

OUTLOOK

Outlook for the U.S. Contract Pure Play Manned Guarding Market

Market Size and Growth

The U.S. contract pure play manned guarding market remains strong. With current revenues at \$35.5 bn, to include technology offerings, it has enjoyed a compound growth rate of around 4.7% over the last five years, despite growing less than 3% for the 2024 year. A significant factor to the growth in prior years has been acquisitions made in the technology sectors by pure play manned guarding companies – such as Securitas' purchase of Diebold and Stanley's Security business – where the revenues from these companies were previously reported under a different segment of the security industry.

Factors Influencing the Growth in the Manned Guarding Industry

Rising Security Concerns: Increased incidents of crime, civil unrest, workplace violence, murders of public figures (Charlie Kirk), and attacks in public venues have heightened the demand for professional security services across our country and our world. Although this is a large factor contributing to the growth in the industry, the challenge contracting manned guarding firms will face is staffing the demand. The industry is still behind in the number of qualified security officers to staff its existing business due to the low rates the companies are having to pay to keep the margins in an acceptable range to justify taking on the additional business.

Technological Integration: Manned Guarding firms are increasingly integrating technology—such as surveillance systems, access control, and real-time reporting tools—into their service offerings, making contract guards more effective and attractive to clients.

Public/Private Partnerships: Local municipalities are looking to contract security to fill the void in their providing protection to its citizens and property. The private security market offers more advanced technology and, in some cases, better trained security officers at less cost.

Corporations Moving from In-House to Contract Security: Although this has not evolved as a significant growth in the industry – yet; it's expected to be a larger factor ahead as more companies realize they can't offer the heightened protection in-house as the contract market can for the same reasons listed above for the public/private partnerships.

OUTLOOK

Trends, Head Winds and Tail Winds as Reported by Respondents to Our Survey of Privately Held Companies – Having Revenues Ranging From \$10 Million to Over \$300 Million Annually:

- Most reported a large portion of their growth – ranging from 10% to over 40% (with some large companies reporting a much higher amount) coming from their larger competitors – a reshuffling of accounts but not contributing to real growth in the industry.
- A significant number reported **revenue** growth coming from bill rate increases to existing customers – a sign the industry is still in the mode of right sizing the revenue with the cost of producing the revenue.
- Most reported non billable over time (non-billable hours as a % of total hours) in the 4-6% range, still higher than the Pre-COVID period but trending down.
- All reported rising wage pressures as broader inflation makes it harder for the employees to keep up with housing, food, and transportation costs.
- Some reported a diminishing pool of qualified candidates due to licensing requirements, more robust background checks, and competition from retail or fast-food establishments, making it difficult to staff existing posts or bring on additional accounts.
- The companies with in-house technology offerings reported gross profit margins in the 20% range, compared to their competitors with no technology offering in the 17-18% range. However, they indicated that the technology was expensive and are still in the process of recovering their original investment. Also of note, many of the companies could not break out the manned guarding revenue from the technology revenue since the technology was offered as a “package” service not separately billed.

Almost all the companies were expecting operating cost increases coming from:

- A continuing increase in insurance rates – workers compensation and general liability.
- The continuation of wage increase pressure
- A rise in prices for vehicles, uniforms and equipment is coming from the increased tariffs imposed by the present administration.
- Technological advancements requiring the need to update programs and virus protections.

GLOSSARY

GLOSSARY OF TERMS

CAGR - Compound annual growth rate

Cyber Security - The protection of internet-connected systems, including hardware, software and data, from cyberattacks

EBIT - Earnings before interest and taxes

EBITDA - Earnings before interest, taxes, depreciation and amortization

EPS - Earnings per share

In-House Security - Term used to describe the use of a company's own employees to provide the security function vs. using a contract security company

Integrated Guarding - Term coined by the large security companies to describe the combination of on-site manned guarding with remote video and mobile vehicle patrol

Manned Guarding - Term used interchangeably with security guards and security officers

Margin - Gross income (income after production expenses – i.e., site level income) as a percent of total revenue.

Operating Margin - Earnings before interest and taxes as a percentage of total revenue

Organic Growth - Growth exclusive of acquisitions

EXHIBITS



EXHIBIT 1



WORLD
LEADERS



See Page 11 for “Important Note to Reader”



WORLD LEADERS

Allied Universal Strengths

Global Leader with Consistent Long-Term Track Record of Growth, Profitability, and Cash Generation – Led by a Highly Experienced and Aligned Management Team

#1
Industry Leader by Revenue ⁽¹⁾⁽²⁾⁽³⁾

**Mission-Critical,
Non-Discretionary**
Security Services

~95%
Revenue Retention ⁽⁴⁾

Density-Driven
Operating Leverage

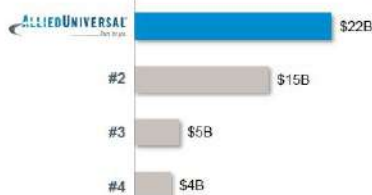
15+ Years
Consistent Organic Growth

Consistent
Historical Margin Expansion

>100K
Clients Globally

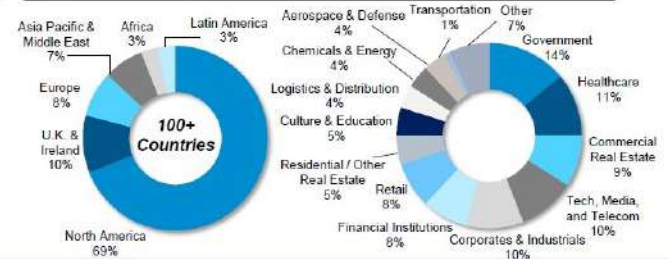
#1 Player in Large, Growing, and Fragmented Market

Total Revenue / Pro Forma Revenue of the Largest Players in the Industry ^{(1)(2) (3)}



11,300+
Other Security
Services Businesses in
the U.S. Alone ⁽⁵⁾

Highly Diverse, Long-Tenured, Global Customer Base ⁽⁶⁾



Notes:
1. The source is Statista, Statista.com, and Statista.com.
2. Auto Pro Forma Revenue for FY 2024. The other industry participants' Total Revenue for FY 2024, as reported to USD using exchange rates of 1 USD = 83.004 and 1 USD = 81.00 for the year 2024.
3. The percentage of revenue is a non-weighted average of the performance that is not necessarily, or presented in accordance with, GAAP. Pro Forma revenue should not be considered as an indicator of revenue or any other performance measure presented in accordance with GAAP.
4. Percentage of the total revenue is based on the 2023-2024 period. The other industry participants' revenue is based on the 2023-2024 period.
5. The number of businesses is based on the 2023-2024 period. The other industry participants' revenue is based on the 2023-2024 period.
6. Geographic breakdown based on the 2023-2024 period. The other industry participants' revenue is based on the 2023-2024 period.

12

See Page 11 for "Important Note to Reader"

Source: Excerpts from Allied Universal investor presentation deck

**WORLD
LEADERS**

Acquiror of Choice with an Established Platform for Continued Growth

Dedicated, Global M&A Team with Rich History of Executing Highly Accretive Tuck In M&A

Proven M&A Strategy



Tuck Ins

- Increase density
- Rapid synergy realization



Security Technology

- High-growth segment
- Strong margin profile



Complementary Services

- Grow existing business lines (e.g. facility management, canine, risk management)



New Industries & Geographies

- Expand geographically
- Add new services and capabilities

Deep Track Record of Creating Value

110+

Tuck in acquisitions since 2008

~\$7.4B

of acquired revenue⁽¹⁾

\$800M+

of acquired EBITDA⁽¹⁾

~\$4.8B

Capital deployed since 2008⁽¹⁾



Culture of accountability for integration

Retained key leadership and customers

More Diverse M&A Since G4S Trade

37 Total Deals

27 in NA

10 Int.

UK, Europe, Middle East, LatAm, Asia

- Guarding
- Technology
- K9 Teams
- Events Services
- Patrol & Response
- Other

See Page 11 for "Important Note to Reader"

Source: Excerpts from Allied Universal investor presentation deck

**WORLD
LEADERS**

Leader of Comprehensive, Mission-Critical Security Services

Integrated Offering is a Key Differentiator and Provides Wallet Share Expansion Opportunity with Existing Clients



See Page 11 for "Important Note to Reader"

Source: Excerpts from Allied Universal investor presentation deck

**WORLD
LEADERS**
Other Facts About Allied Universal

Allied Universal, a privately-held company, does not distribute its financials in the public domain. Therefore, we went to news releases to find out what they were reporting about Allied, its present and future. Below are excerpts from the two most informative select publications:

MergerMarket—June 28, 2024 [Interview with CEO, Steve Jones]

- *“Allied Universal pursues M&A ahead of possible IPO consideration in 2026”*
- *“Allied is flush with cash, generating revenue of more than USD 21bn continues to seek acquisitions worldwide, with additional deals likely to be announced this year. The company could easily fund deals valued up to USD 10bn”.*
- *“Allied completed six acquisition last year with combined revenues of approximately USD 150m. So far this year, it has purchased three companies with combined revenues of USD 15m”.*
- *“Multiples in the space range from 6X to 12X EBITDA, while average EBITDA margins are between 4% and 10%, with tech focused players on the higher end of both ranges”.*
- *“While the public markets have come ‘roaring back’, Allied is waiting to complete its ‘artificial-intelligence transformation’ around scheduling, recruiting and overall workforce management before considering a public debut”.*

S&P Global—July 11, 2024

Allied reported first-quarter 2024 consolidated revenue growth of 5.4%, driven by organic growth of 4.6% and contribution from acquisitions. Its performance remains in line with our expectation for 4% - 6% top-line growth this year despite customer retention dropping to 92% from the historical average of about 95%. We believe the company’s disciplined approach to pricing and focus on driving margin improvement is leading to higher customer exits. While this could limit revenue growth over the next several quarters, profit margin expansion is likely. We expect Allied’s S&P Global Ratings—adjusted EBITDA margin will expand modestly above 8% in 2024 from 7.8%.

See Page 11 for “Important Note to Reader”



Securitas

EXHIBIT 2

WORLD
LEADERS



See Page 11 for "Important Note to Reader"

WORLD
LEADERS

Key Performance Indicators

Revenues in U.S. Dollars \$15.3 bn

2024 in short

US\$ 15.3B vs. \$14.9B

161 921

Total sales, MSEK
(157 249)

5%

Organic sales growth (9)

33%

Technology and solutions,
share of total sales (32)

6%

Technology and solutions
real sales growth (9)

6.9%

Operating margin (6.5)

4.50

Proposed dividend per
share, SEK (3.80)

84%

Cash flow from operating income (80)

2.5

Net debt to EBITDA-ratio (2.7)

336 000

Employees (341 000)

44

Number of markets
with operations (44)

90%

Client retention rate (90)

25%

Share of female managers
at all levels (25)

0%

Injury rate, change (+6)

See Page 11 for “Important Note to Reader”

Source: Securitas Annual and Sustainability Report 2024

WORLD LEADERS

Key Performance Indicators

Revenues in U.S. Dollars \$15.3 bn



See Page 11 for “Important Note to Reader”

Source: Securitas Annual and Sustainability Report 2024

WORLD LEADERS

Key Performance Indicators

Global Presence

Our business lines



Business line	Full year 2024				Full year 2024	
	Sales, MSEK	Real sales growth, %	Operating income before amortization, MSEK	Operating margin, %	% of Group sales	% of Group operating income before amortization
Security services	105 889	3	5 854	5.5	65	52
Technology and solutions	53 167	6	5 773	10.9	33	52
Risk management services and costs for Group functions	2 865	-	-427	-	2	-4
Group	161 921	4	11 200	6.9	100	100

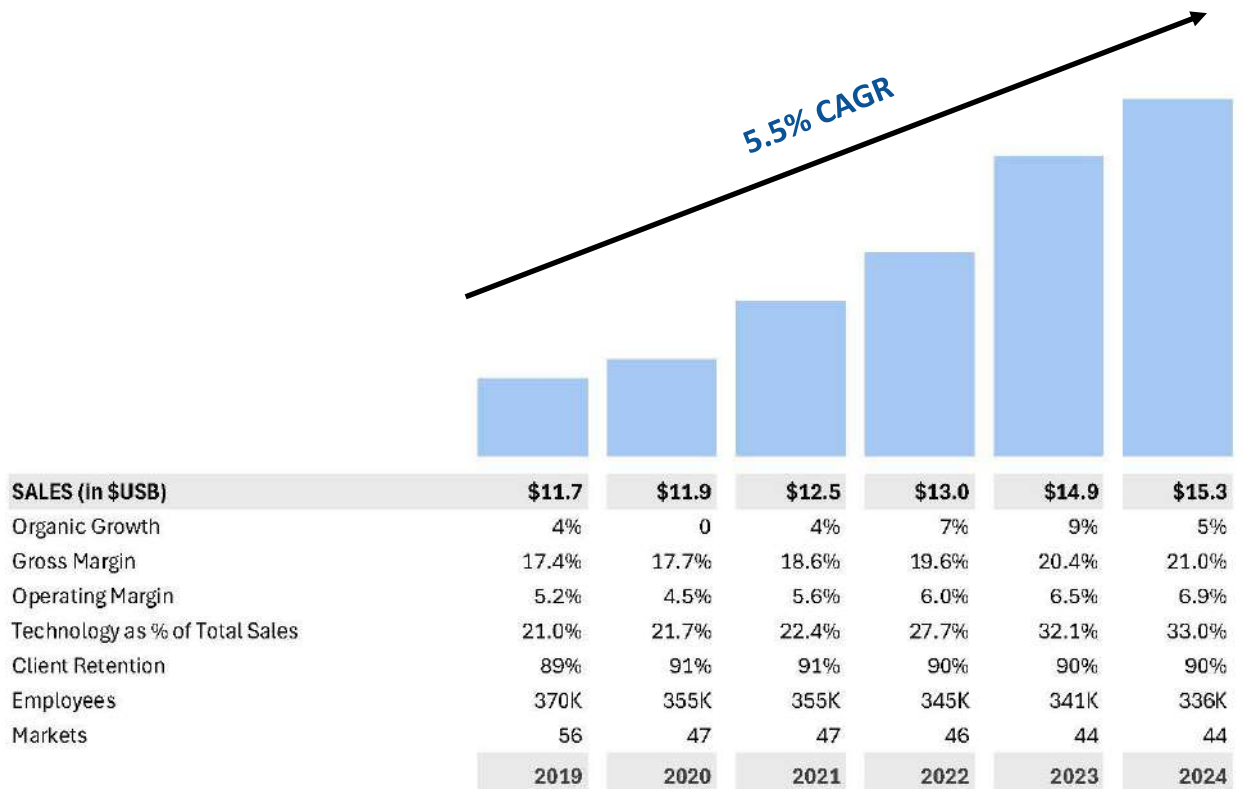
See Page 11 for "Important Note to Reader"

Source: Securitas Annual and Sustainability Report 2024

MSEK: Million Swedish Krona

WORLD LEADERS

Key Performance Indicators Around The World Years 2019 - 2024



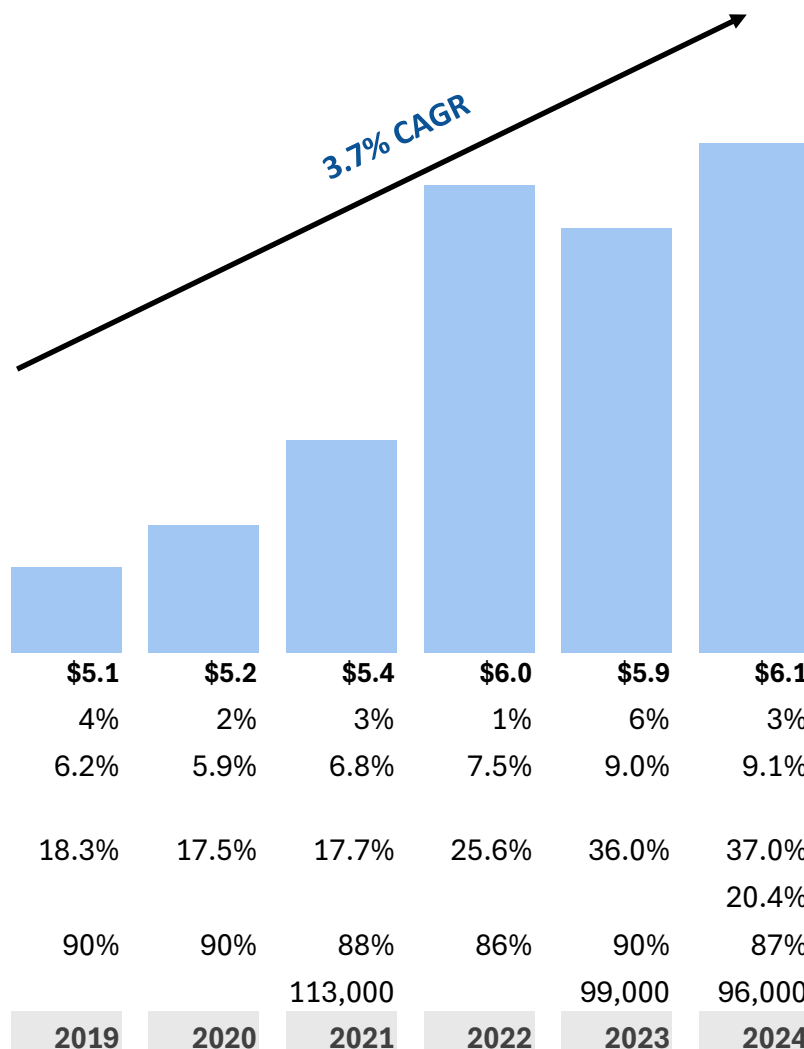
See Page 11 for “Important Note to Reader”

Source: Securitas Annual and Sustainability Reports for the Years Shown

Sales Conversion: Local currency (MSEK) converted to US\$ based on average conversion for the years shown.

WORLD LEADERS

Key Performance Indicators North America Years 2019 - 2024



(1) Before items affecting comparability and amortization

2024 Sales Allocation

US	89%
Canada	6%
Mexico	2%
Central America	3%

Securitas is closing down its approximately \$800 million revenue Government business unit within its Securitas Critical Infrastructure Services (SCIS) unit. The close down is expected to be largely completed by the end of 2026 and will improve on the Group's long-term profitability.

See Page 11 for "Important Note to Reader"

Source: Securitas Annual and Sustainability Reports for the Years Shown

Sales Conversion: Local currency (MSEK) converted to US\$ based on average conversion for the years shown.

WORLD LEADERS

Key Performance Indicators Around the World and North America Six Months Ending June

AROUND THE WORLD

Sales (in \$USB)	\$7.2	\$7.4	\$7.4
Gross Profit Margin	19.4%	21.3%	20.8%
Organic Sales Growth	9.0%	6.0%	4.0%
Operating Margin	6.5%	6.5%	6.8%

NORTH AMERICA

Sales (in \$USB)	\$2.8	\$3.0	\$3.0
Organic Sales Growth	8.0%	3.0%	5.0%
Operating Margin	8.7%	8.9%	9.1%
	2023	2024	2025

See Page 11 for “Important Note to Reader”

Source: Securitas Annual and Sustainability Reports for the Years Shown

Sales Conversion: Local currency (MSEK) converted to US\$ based on average conversion for the years shown.













EXHIBIT 3

WORLD
LEADERS**Key Performance Ratios**
(Amounts are Approximates)**REVENUE:****GLOBAL** **USD 5.3bn****NORTH AMERICA** **USD .5bn (est.)****GLOBAL EBITDA** **\$594M****FOOTPRINT** **36 COUNTRIES****HEADCOUNT** **+175,000 EMPLOYEES**

See Page 11 for "Important Note to Reader"

WORLD LEADERS

Lines of Service

				
				
<p>Prosegur Cash enjoys a leading position worldwide in securities logistics and cash management. Its activity is focused on the outsourcing of cash management in shops and bank branches, the integrated management of ATMs and the international transport of currencies and precious metals.</p>	<p>Prosegur Security - #5 Global company with a leadership position in selected markets</p> <p>Leader in the technology solutions sector</p> <p>Expansion on mature markets with a disruptive value proposition</p>	<p>Prosegur Alarms, the residential and business alarms unit of Prosegur, provides diversified and high quality services with the aim of adapting to the protection needs of each specific client.</p>	<p>Prosegur Tech, is a platform of Value “as a Service” Services and Solutions. It specializes in improving the efficiency of its clients’ business processes, mainly banking and insurance, through technology and continuous innovation,</p>	<p>Cipher, the Prosegur’s cybersecurity unit, is dedicated to ensuring comprehensive protection of our clients’ businesses in digital environments. As such, it applies state-of-the-art solutions including prevention, risk detection and managed response, supported by its own platform, Cipher xMDR..</p>

In USD:

Revenue:

\$2.3 bn	\$2.7bn	\$239M	\$86M	\$17M
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See Page -- for “Important Note to Reader”

Sources: 2023 -- Investor Presentation for Charts

2024 -- Annual Reports for monetary values

Revenue Conversion: Local currency (European Euro) converted to US\$ based on average rates for the years shown.

WORLD LEADERS

Financial Results - 2021 through 2024 Around the World

Financial Results 2021 through 2024

	2021	2022	2023	2024
	in Bn USD			
Revenue	\$3.8	\$4.4	\$4.7	\$5.3
Gross Profit	0.9	1.0	1.1	1.3
Gross Profit Margin	23.1%	22.7%	23.4%	25.0%
EBITDA	0.455	0.491	0.495	0.594
EBITDA Margin	12.0%	11.2%	10.5%	11.2%

EBITDA is calculated on the basis of the consolidated profit/loss for the period for a company, excluding earnings after taxes from discontinued operations, income taxes, financial income or costs, and cost of repayment or impairment of fixed assets, but including impairment of property, plant and equipment.

See page -- for "Important Note to reader

Source: Prosegur's Consolidated Directors' Reports for the years shown

Revenue Conversion: Local currency (European Euro) converted to US\$ based on average conversion for the years shown.

WORLD
LEADERSProsegur's Footprint and Revenue Growth
Around the WorldProsegur's Footprint and Revenue Growth
Around the World

	2021	2022	2023	2024
in Bn USD				
Europe	\$1.681	\$1.642	\$1.924	\$2.074
Latin America	2.000	2.227	2.193	2.632
Rest of the World	0.419	0.513	0.536	0.595
Total	\$4.100	\$4.382	\$4.653	\$5.301

Europe, which includes the following countries: Germany, Austria, Cyprus, Denmark, Spain, Finland, France, Iceland, Italy, Luxembourg, United Kingdom, Czech Republic, Portugal and Sweden.

Latin America, which includes the following countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Peru and Uruguay.

Rest of the World, which includes the following countries; Australia, China, United States and the Philippines, India, Indonesia, Singapore and South Africa

Note from 2023 Director's Report:

"The market where the most significant upward trend is expected is the United States, which is estimated to account for 12% of Prosegur's revenue by the end of 2030."

See page -- for "Important Note to reader

Source: Prosegur's Consolidated Directors' Reports for the years shown

Revenue Conversion: Local currency (European Euro) converted to US\$ based on average conversion for the years shown.

WORLD LEADERS

Prosegur's Six Month's Revenue



SIX MONTH'S REVENUE
(In Bn USD)

JUNE 30, 2025	\$2.6
JUNE 30, 2024	\$2.5
JUNE 30, 2023	\$2.4
JUNE 30, 2022	\$2.3

See Page 11 for “Important Note to Reader”

WORLD LEADERS

Prosegur Financial Results Six Months June 30, 2022, 2023, 2024 and 2025

Prosegur Financial Results Six Months (in Bn USD) June 30

	2022	2023	2024	2025
	in Bn USD			
Revenue	\$2.3	\$2.4	\$2.5	\$2.6
Organic Growth	18.0%	26.8%	44.1%	13.8%
Inorganic Growth	2.0%	2.1%	-0.7%	0.9%
EBITDA Margin	10.9%	10.1%	11.0%	11.1%

See page -- for "Important Note to reader

Source: Prosegur's Consolidated Directors' Reports for the years shown

Revenue Conversion: Local currency (European Euro) converted to US\$ based on average conversion for the years shown.

GARDAWORLD

EXHIBIT 4

GARDAWORLD



(Amounts are Approximates)

GLOBAL REVENUES (Y/E 1/31/25) - 4.9 bn USD

U.S. REVENUES (Y/E 1/31/25) - 2.9 bn USD

	Employees	Branches
Canada	35,000	40+
U.S.A.	40,000	60+

See Page 11 for “Important Note to Reader”

Source: Management of GardaWorld

Revenue Conversion: Local currency (CN\$) converted to US\$ based on average conversion rates for the years shown.

WORLD
LEADERS

Lines of Service and Area Revenue

Fiscal Years Ended January 31, 2023, 2024 and 2025

Fiscal Years (January 31) (in million US\$)			
	2023	2024	2025
Protective Services			
North America	\$1,991	\$2,158	\$2,554
International	855	900	\$958
Total Protective Services	\$2,846	\$3,058	\$3,512
Cash Services			
North America	\$1,113	\$1,217	\$1,271
Interational	91	103	\$102
Total Cash Services	\$1,204	\$1,320	\$1,373
Total Revenue	\$4,050	\$4,378	\$4,885

On March 5, 2025, GardaWorld announced the closing of the company's recapitalization transaction, valuing the business at C\$14bn. Founder, Chairman, President and CEO, Stéphan Cretier, together with select members of management, now hold approximately 70% of GardaWorld.

See Page 11 for "Important Note to Reader"

Source: Management of GardaWorld

Revenue Conversion: Local currency (CN\$) converted to US\$ based on average conversion rates for the years shown.

WORLD
LEADERS

Revenues by Area

Fiscal Years January 31, 2023 through January 31, 2025

Fiscal Years (January 31) (in million US\$)			
	2023	2024	2025
Canada	\$1,188	\$1,224	\$1,302
U.S.A.	\$2,369	\$2,497	\$2,882
Middle East & Asia	\$151	\$272	\$215
East Africa	\$189	\$184	\$180
Others	\$153	\$201	\$306
Total Revenue	\$4,050	\$4,378	\$4,885

U.S.A. LINES OF SERVICE		
Manned Guarding	\$1,200	\$1,400
Cash Services	\$605	\$613
Technology and Government Services	\$692	\$869
Total Revenue	\$2,497	\$2,882

See Page 11 for "Important Note to Reader"

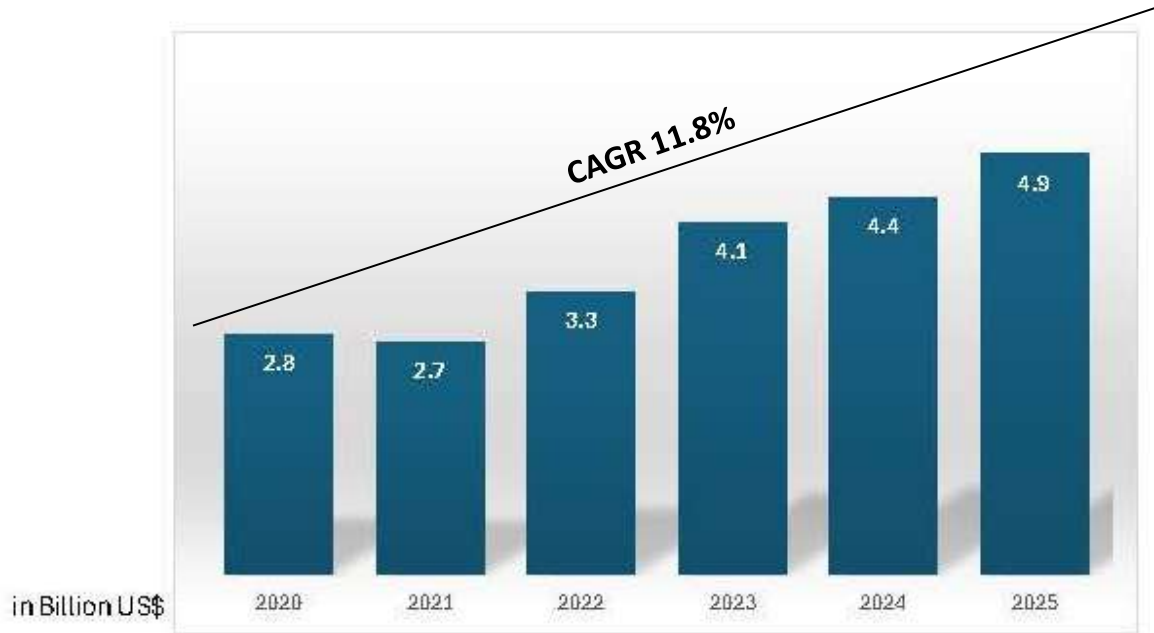
Source: Management of GardaWorld

Revenue Conversion: Local currency (CN\$) converted to US\$ based on average conversion rates for the years shown.

**WORLD
LEADERS**

Around The World

**Revenue Trend
(Amounts for fiscal years January 31)**



See Page 11 for "Important Note to Reader"

Source: Management of GardaWorld

Revenue Conversion: Local currency (CN\$) converted to US\$ based on average conversion rates for the years shown.



EXHIBIT 5



About the Paladin Group of Companies:

Established in 1976, Paladin is a privately-owned, industry-leading security services provider in North America. We offer our award-winning services coast-to-coast through 98 offices and 32,400 employees. Each of our regional offices is home to experienced leadership and field personnel who are locally focused and committed to serving their communities.

See Page 11 for "Important Note to Reader"

Source: Information deck furnished by the Paladin Group of Companies

**WORLD
LEADERS****The Paladin Group of Companies****Overview****Our Companies****Our Services**

- ✓ Security Officers
- ✓ Mobile Patrols & Response
- ✓ Risk Mitigation
- ✓ Airport Screening Services
- ✓ Remote Video Monitoring / Operations Centers
- ✓ Investigations
- ✓ Security Consulting
- ✓ Emergency Preparedness and Business Continuity
- ✓ Security Training
- ✓ Parking Services and Management

See Page 11 for "Important Note to Reader"

Source: Information deck furnished by the Paladin Group of Companies

WORLD LEADERS

The Paladin Group of Companies



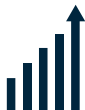
32,400+
Employees



49
Years of experience



98
Offices across
North America



\$1.43 B+
Annual Revenue
↓
Approximately
\$500M USD in U.S.

See Page 11 for “Important Note to Reader”
Source: Information deck furnished by the Paladin Group of Companies

WORLD
LEADERSWE ARE AN **EMPLOYEE-OWNED** FIRM

All our owners work full time in our business. We are not owned by a private equity group.



We build relationships with our clients that are built to last.



We offer quality-focused solutions



We make long-term decisions to best benefit our clients and employees

See Page 11 for “Important Note to Reader”

Source: Information deck furnished by the Paladin Group of Companies

WORLD
LEADERS

The Paladin Group of Companies



Overview

Quick Facts

- ✓ Sales exceeding \$1.43B in current year
- ✓ 98 Offices from coast to coast across North America
- ✓ Over 32,400 employees
- ✓ Organic growth greater than acquisition growth
- ✓ Three acquisitions completed year to date in 2025
- ✓ Four ISO Quality Certifications: ISO9001:2015, ISO14001:2015, ISO27001:2022 & ISO45001:2018
- ✓ Paladin has won awards for:
 - ✓ Best Managed Companies
 - ✓ Most Admired Corporate Culture
 - ✓ Fastest Growing Companies
 - ✓ Forbes Best Employers
 - ✓ Outstanding Security Awards

Our Vertical Markets

- ✓ Healthcare Security
- ✓ Commercial Office Security
- ✓ Airport Passenger Screening
- ✓ Government Security
- ✓ Utility & Critical Infrastructure Security
- ✓ Oil, Gas & Heavy Industrial Security
- ✓ Transit Security
- ✓ Campus Security
- ✓ Data Center & Manufacturing Security
- ✓ HOA, Residential & Hotel Security
- ✓ Parking Enforcement
- ✓ Shopping Center Security

See Page 11 for “Important Note to Reader”

Source: Information deck furnished by the Paladin Group of Companies

**WORLD
LEADERS**

The Paladin Group of Companies



Our Record of Growth



See Page 11 for “Important Note to Reader”

Source: Information deck furnished by the Paladin Group of Companies

WORLD
LEADERS

The Paladin Group of Companies



Industry Best Practices

Our internal programs are built to meet and exceed global best practices, including ISO
ISO certifications for quality, safety, information security, and sustainability.



See Page 11 for “Important Note to Reader”

Source: Information deck furnished by the Paladin Group of Companies



EXHIBIT 6

WORLD
LEADERS



ICTS in Numbers

Experience

40+ Trusted by the World's Most Demanding Organisations since 1982.

Clients

300+ Delivering mission-critical security solutions to hundreds of clients across the globe.

Countries

25 25 subsidiaries spread across the globe, collaborating closely with local teams.

Operations

300+ Operation centres including airports, data centres, and critical infrastructure.

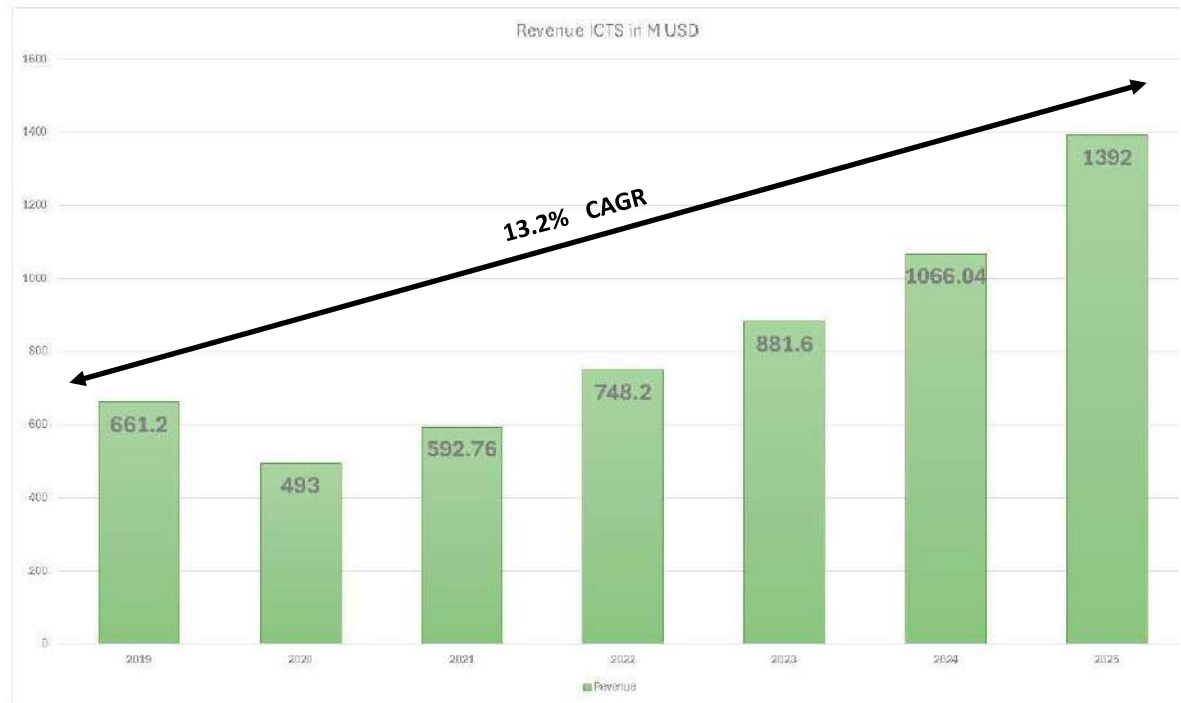
Employees

25,000

Source: Management of ICTS Europe

WORLD LEADERS

Revenue Trend



REVENUE BREAKDOWN:

\$500M - USA
 \$180M - France
 \$180M - United Kingdom
 \$532M - Other

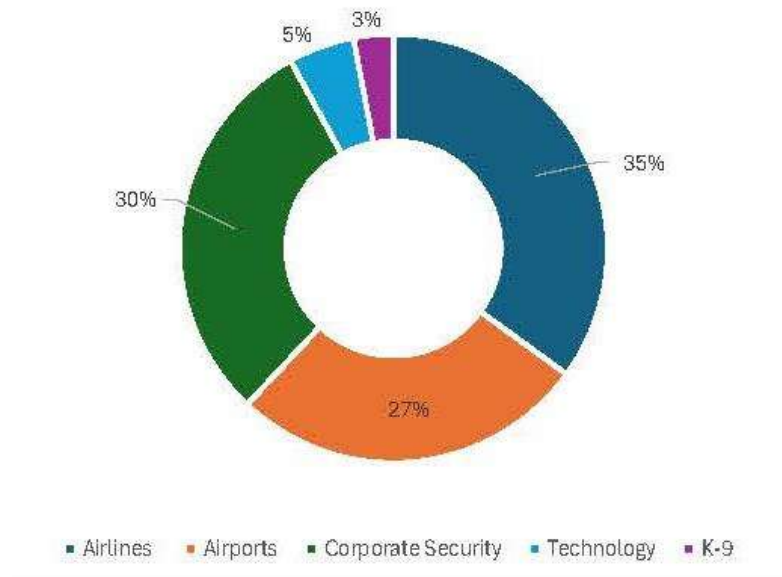
See page 11 for "Important Note to Reader"

Source: Management of ICTS Europe

WORLD
LEADERS

ICTS in Numbers

REVENUE BREAKDOWN BY SECTOR:



CUSTOMER RETENTION: 95%

OWNERSHIP STRUCTURE: Majority owned by Sofinord, a French family holding led by Mr. Patrick Thelot, with minority ownership held by management.

TECHNOLOGY SOLUTIONS: Developed in-house and integrated into its service offerings for airlines, airports, and corporate security, sold as a bundled package.

See page 11 for “Important Note to Reader”

Source: Management of ICTS Europe

**WORLD
LEADERS****THE HISTORY OF ICTS****The Founding and Early Years:**

- 1982: ICTS (International Consultants on Targeted Security) is founded in the Netherlands by former agents of Israel's Shin Bet internal security agency and security personnel from El Al Airlines.
- 1999: ICTS Europe is established as a separate company within the ICTS International structure. The new company rapidly becomes a major presence in aviation security by developing new concepts and service solutions.
- 2002: The business expands geographically into Africa and Asia and broadens its services into general security, maritime security, critical infrastructure, and corporate sectors.

Acquisitions and Strategic Growth

- 2008: A management buyout, supported by the German private equity firm Deutsche Beteiligungs AG, acquires ICTS Europe. This provides the company with a solid financial foundation for future expansion.
- 2013: ICTS Europe is acquired by Groupe Sofinord, a family-owned French business specializing in customer services and logistics. This move complements Sofinord's portfolio and allows ICTS Europe to pursue a long-term growth strategy.
- 2016: The company acquires Spanish security firm Grupo Segur.
- 2017: ICTS expands to the US market through the acquisition of Gate Safe – an airline catering inspection business owned by the Gate Group, headquartered in Zurich, Switzerland [Robert H. Perry & Associates represented Gate Group in this divestiture].
- 2024: ICTS Europe acquires First Coast Security (FCS), a U.S.-based provider. The acquisition establishes FCS as the North American corporate security business unit of ICTS Europe, and solidifies the group's presence in the U.S. market.

See page 11 for “Important Note to Reader”

Source: Website for ICTS Europe

WORLD
LEADERS

CONTINUED EXPANSION IN AVIATION AND BEYOND

ICTS Europe has continued to grow its global footprint and services, particularly within the airline industry.

- Expanded partnerships: In 2024 alone, the company was awarded new security contracts with American Airlines in several European cities and expanded its longstanding partnership with Delta Air Lines.
- Technology innovation: A subsidiary, ICTS Europe Systems, was established to provide technology solutions for the travel industry. Its products, such as TravelDoc, automate compliance checks against international travel rules.
- Growing workforce: With a workforce of over 25,000 employees, the company operates in 25 countries and secures more than 300 primary sites, including airports, data centers, and critical infrastructure.

LINES OF SERVICE OFFERINGS FOR ICTS EUROPE

ICTS Europe provides an integrated suite of security services for high-risk and customer-centric environments like airports, airlines, and corporations. The company combines its specialized expertise in aviation security with personnel, technology, and training to offer tailored solutions across various sectors.

Aviation Security

ICTS Europe offers a comprehensive portfolio of security solutions for airports, airlines, and ground handlers, leveraging more than 40 years of experience in the industry.

- Perimeter and access control: Protecting the secure perimeter of airports and controlling access to restricted areas.
- Central search and screening: Providing trained personnel for passenger and baggage screening, using methods like X-ray machines and explosive detection.
- On-spot security design: Developing and updating security programs and manuals to comply with regulations.
- In-flight security: Providing services for flights, including those with stringent U.S. requirements.
- Watchlist screening: Operating a watchlist search and match system to screen passengers against security lists.
- Customer care: Providing trained staff for meet-and-greet services, escorting passengers, and managing check-in processes.

See page 11 for “Important Note to Reader”

Source: Website for ICTS Europe

**WORLD
LEADERS****Maritime Security**

- Extending its expertise from aviation, ICTS provides comprehensive security services to ports, port facilities, and cruise ships.
- Assessments and consulting: Performing vulnerability and security assessments to provide advice on countermeasures.
- Cruise ship safety: Offering screening of passengers, crew, and luggage, as well as terminal and vessel guarding.
- Port and facility protection: Manning access control points and conducting patrols to secure port facilities.

Corporate and Event Security

ICTS offers a "security layer" approach for corporate clients, focusing on protecting assets, people, and information through a combination of personnel, technology, and training.

- Managed security services: Providing trained professionals for access control, patrols, and control room monitoring.
- Special event security: Deploying personnel, canine teams, and technology to secure unique events like conferences, exhibitions, and large public gatherings.

CONTINUED EXPANSION IN AVIATION AND BEYOND**Canine solutions:**

Utilizing highly trained canine teams for the detection of explosives, narcotics, and other contraband.

Technology solutions

Through its subsidiary ICTS Europe Systems, the company offers a range of technology-driven products to enhance security and operational efficiency.

- TravelDoc: An automated software for verifying passenger travel documents against international immigration rules.
- ICTS Eagle: An e-learning platform for computer-based aviation security training.
- ICTS SMU: A security management suite for monitoring, reporting, and analyzing security activities.
- Integrated electronic security: Providing cloud-based systems that combine access control, CCTV, and surveillance for a variety of corporate applications.

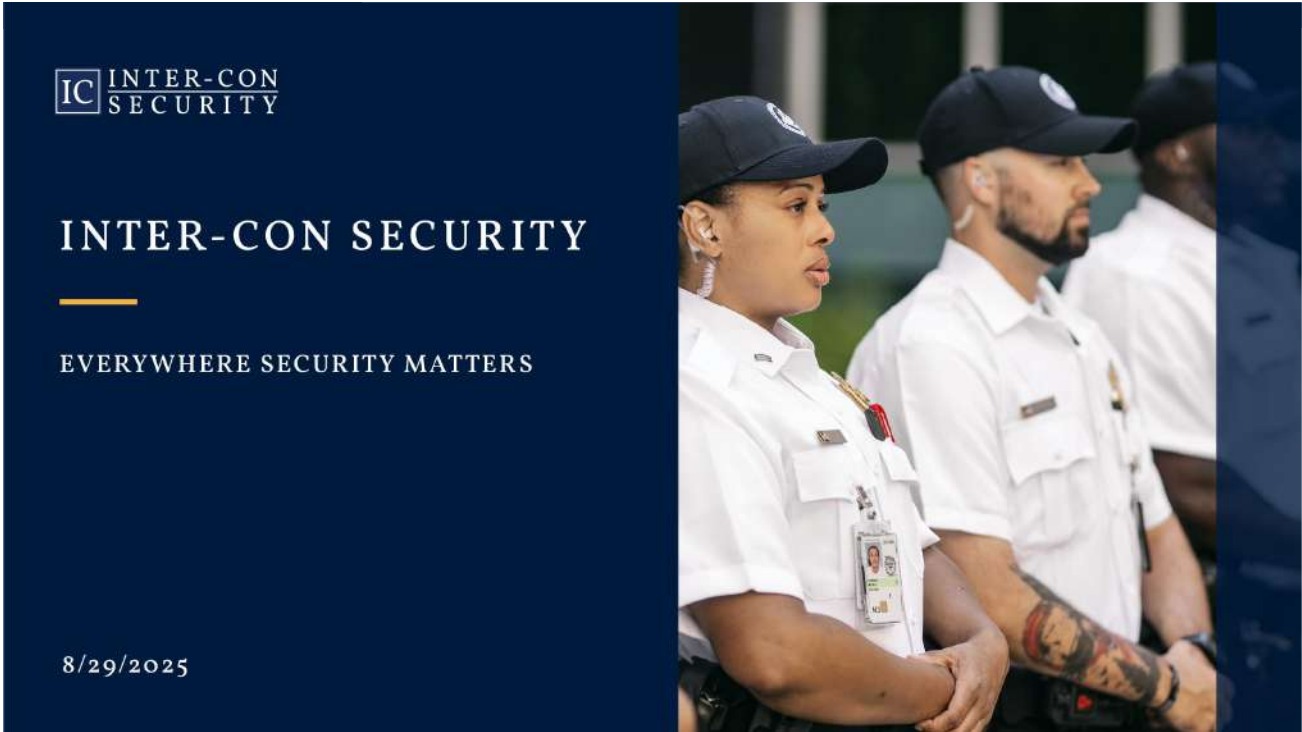
See page 11 for "Important Note to Reader"

Source: Website for ICTS Europe



EXHIBIT 7

WORLD
LEADERS



See Page 11 for “Important Note to Reader”
Source: Information deck furnished by Inter-Con Security

WORLD LEADERS



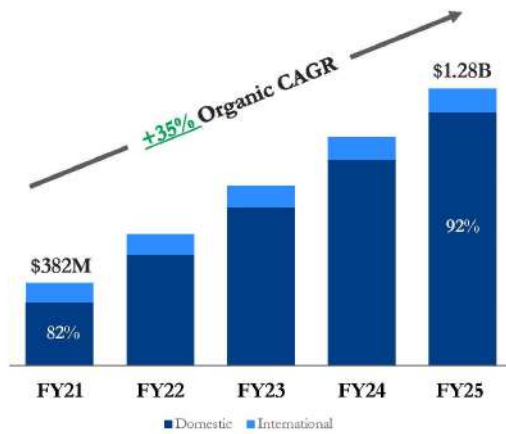
See Page 11 for “Important Note to Reader”

Source: Information deck furnished by Inter-Con Security

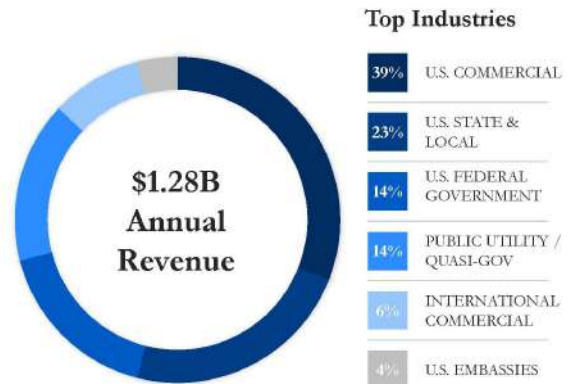
WORLD
LEADERS

Run-Rate Revenue by Period and Segment

Revenue by Period



Revenue by Business Segment



Top Industries

39%	U.S. COMMERCIAL
23%	U.S. STATE & LOCAL
14%	U.S. FEDERAL GOVERNMENT
14%	PUBLIC UTILITY / QUASI-GOV
6%	INTERNATIONAL COMMERCIAL
4%	U.S. EMBASSIES

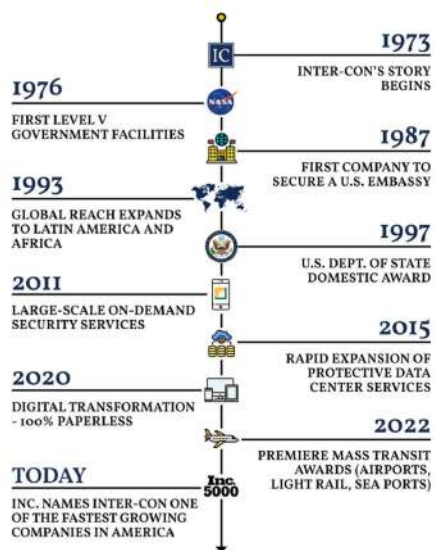
Note: Revenue annualized as of July 2025.

See page 11 for "Important Note to Reader"

Source: Information deck furnished by Inter-Con Security

WORLD
LEADERS

Global Reach & History



See Page 11 for "Important Note to Reader"

Source: Information deck furnished by Inter-Con Security

WORLD LEADERS



See page 11 for "Important Note to Reader"

Source: Information deck furnished by Inter-Con Security

WORLD LEADERS

Inter-Con's IConIQ

Comprehensive Security Management System

- Inter-Con's proprietary security management system customized for client-specific program goals and operational needs.
- Supported by IC Labs, a wholly owned subsidiary dedicated to developing advanced security technologies in collaboration with leading global technology partners.
- Delivers real-time visibility on the location and activity of every officer on your program
- Wholly-owned by Inter-Con and utilizing AI and advanced algorithms to automate scheduling, ensuring full post coverage and industry-leading retention figures

See page 11 for "Important Note to Reader"

Source: Information deck furnished by Inter-Con Security

WORLD LEADERS

U.S. Presence



Licensed in All 50 States



Inter-Con Offices Located Across the Country



25,500+ Security Officers in the United States

LEGEND



IC Global HQ



Select IC Office Locations



IC Service Locations



See page 11 for "Important Note to Reader"

Source: Information deck furnished by Inter-Con Security

WORLD LEADERS

Award Winning



2025 OSPA Finalist

8 Nominations Across 5 Categories, including Security Company of the Year



2024 TSA Gold Standard Award Winner

Won in Partnership with San Diego MTS



Named to Inc. 5000 and Best in Business Lists

One of the Fastest Growing Companies In America for Two Consecutive Years



2025 SCMSDC Supplier of the Year Award Nominee

Nominated by JPMC

See page 11 for "Important Note to Reader"

Source: Information deck furnished by Inter-Con Security

WORLD
LEADERS

Key Services



Armed & Unarmed
Officers



Security Operations
Centers



Advanced Security
Training



Special Events



Concierge Specialists



Executive Protection



High Value Asset
Transit



Comprehensive
Screening Services



Intelligence & Risk
Advisory



Remote Guarding



K-9 Teams



Firearms Training



See page 11 for "Important Note to Reader"

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WORLD LEADERS

Peacemaker National Training Center

Elite Training Destination

- Fully owned by Inter-Con, Peacemaker National Training Center is **one of the world's largest and most sophisticated training facilities**.
- Spans **over 800 acres** with **40+ advanced shooting ranges**, including multiple 1,000+ yard ranges

Specialized Security Programs

- Serves as the **central hub for all Inter-Con trainers**, ensuring high-quality instruction for all security personnel.
- Provides specialized **training venues for all shooting disciplines**, including unmatched long-range precision training.
- Training includes both **real-word and simulated operational environments**, including a live-fire MOUT village and virtual firearm simulators.

Trusted by Professionals

- Regularly **utilized by the world's elite security and defense forces**, including U.S. Secret Service, SOCOM, and the U.S. Department of State.



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ABOUT US

ABOUT ROBERT H. PERRY & ASSOCIATES, INCORPORATED:

We have managed over 300 sell-side engagements for owners of privately-held companies located in 8 countries having revenue from \$2 million to over \$250 million.

We have consulted with Private Equity Groups in their bids for companies with revenues over \$2 bn

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