The Growth Wire

Critical Infrastructure and Industrial Sector Overview

Summer 2026 Review

ENGLAND & COMPANY
INVESTMENT BANKING

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Overview

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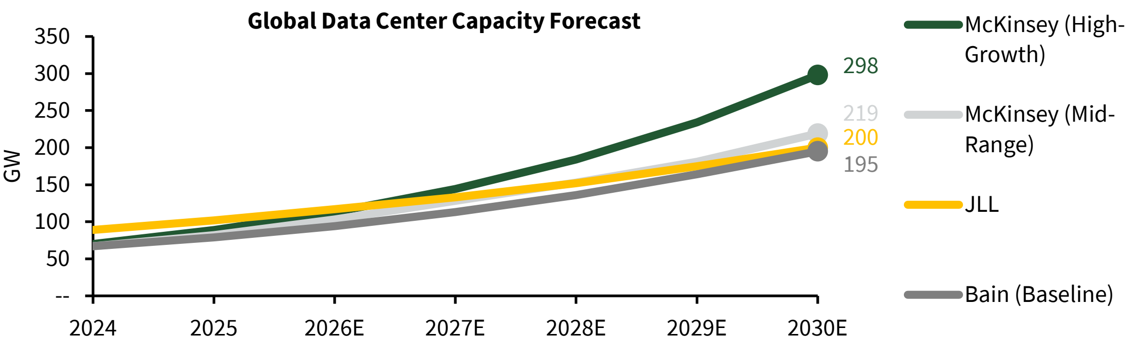
"Despite significant volatility surrounding the trajectory of CAPEX spend from hyperscalers and other significant data center market participants during the first half of 2026, the upward trajectory in spending on critical power products and services remains intact. Stock prices of public companies participating in the critical power market have been on somewhat of a roller coaster ride in sympathy with the rapidly evolving CAPEX outlook but remain near historical highs."

- As shown on the right, companies in our England Infrastructure and Industrial ("EII") Manufacturers and Services Indices have seen significant appreciation in their stock prices on a year-over-year basis.
- The question in the market is how fast and for how long growth in data center capacity will continue. As shown below most estimates settle in the 200 GW range by 2030.



- This expected 2x growth in data center capacity, coupled with increased utility CAPEX, is forecasted to drive continuing growth for companies serving the critical power space.
- This growth, in turn, is leading to an unprecedented wave of M&A activity in the space and creating significant wealth creation opportunities for business owners through well-timed exits or recapitalizations.

Public Market Metrics

EII Manufacturers Index

36.3%

Jul '26 YoY Growth

Infrastructure & Industrial Manufacturers average stock appreciation

EII Services Index

51.3%

Jul '26 YoY Growth

Infrastructure & Industrial Services average stock appreciation

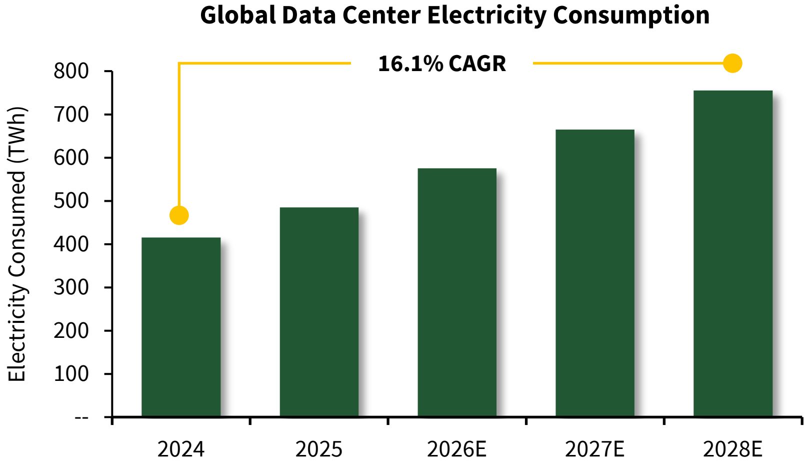
Representative Recent Transactions

ENERCON Power to Prevail has been acquired by GENERAC — Sell-side Advisor	Electro Mechanical Powering the Future has acquired Powercon Corp Severn, MD — Buy-side Advisor	SGB-SMIT Group has acquired Southwest Electric Co. — Buy-side Advisor	Sargent Electric has been acquired by Constructel Visabeira — Sell-side Advisor	Allied Bolt has been acquired by Power Grid Components, Inc. — Sell-side Advisor
Inertia Engineering has been acquired by MacLean Power Systems — Sell-side Advisor	Electro Industries GaugeTech has been acquired by Hubbell — Sell-side Advisor	Beckwith Electric Co. Inc. has been acquired by Hubbell — Sell-side Advisor	Electro Mechanical has been acquired by Graycliff Partners — Sell-side Advisor	Mitsubishi Electric has acquired CPT Computer Protection Technology — Buy-side Advisor

Source: Bain, JLL, McKinsey

Representative End-Market Drivers

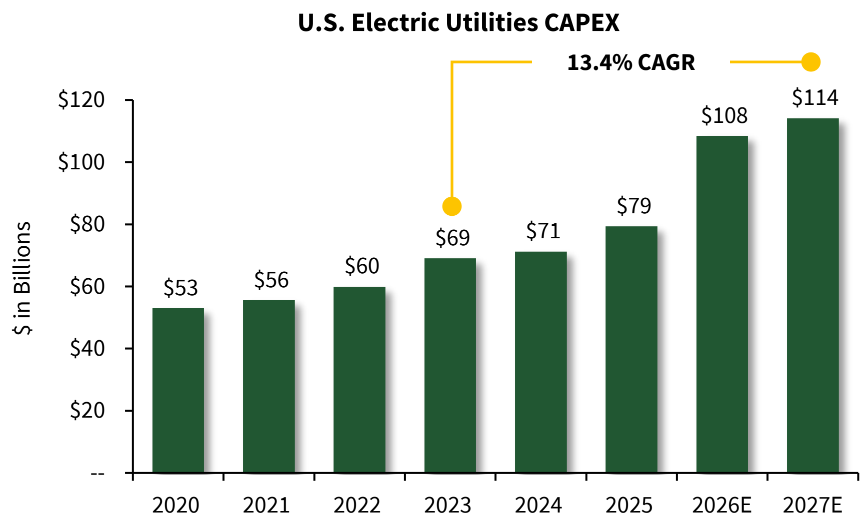
Global Data Center Capacity



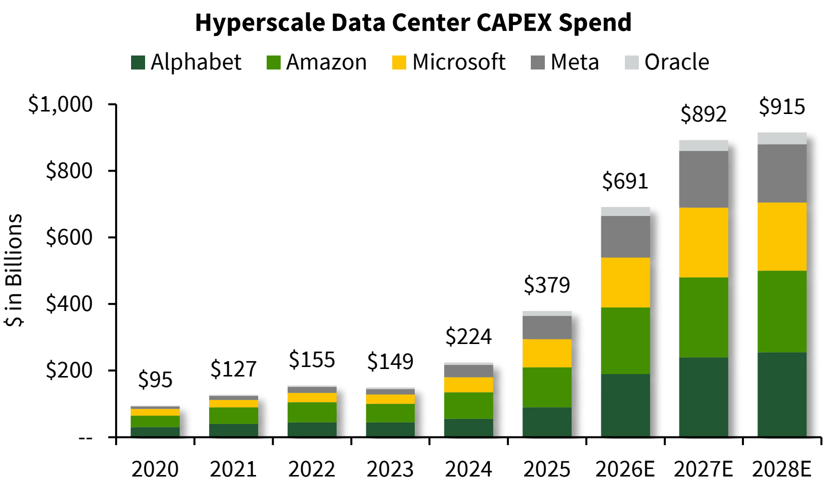
- Global data center capacity is projected to nearly double by 2030, adding close to 100 GW of new supply, with the Americas leading growth at a 17% CAGR (2025-2030), versus 12% in Asia-Pacific and 10% in EMEA.
- The buildout is driving a $2-$3 trillion infrastructure investment supercycle through 2030 ($1.2 trillion in real estate value creation, plus $1-2 trillion in tenant IT fit-out).

Major U.S. Utility CAPEX Growth

- Aggregate U.S. utility capital expenditure is projected to reach roughly $1.3 trillion from 2026 to 2030, with electric utility capital expenditure climbing from $79.4 billion in 2025 to $114.1 billion by 2027, driven substantially by data center-related demand for power.
- This pace of generation, transmission, and grid modernization spending is translating into sustained demand for electrical contractors, electrical euipment manufacturers, and grid infrastructure providers who execute this work, reinforcing deal volume and valuations across the sector.



Hyperscaler CAPEX Reaches New Highs

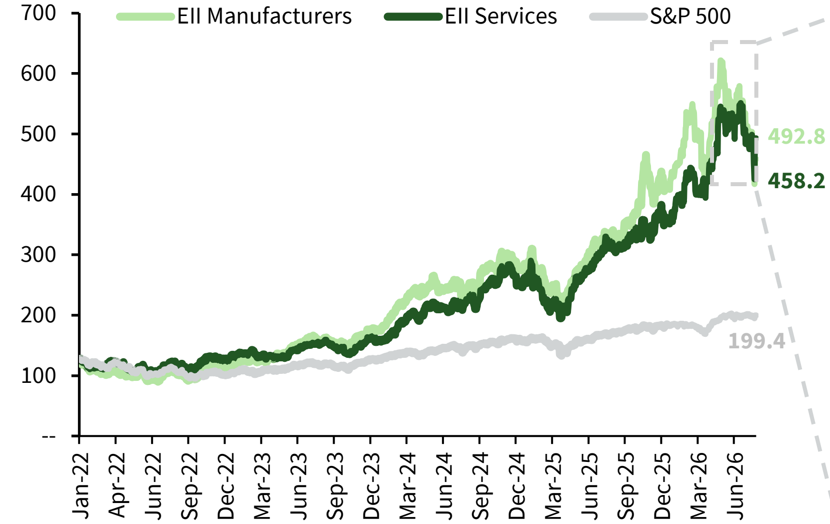


- Combined capital expenditure across the five largest hyperscalers is projected to reach $691 billion in FY2026, an 82% increase year-over-year. Simultaneously, hyperscalers have committed nearly 10 GW of nuclear capacity under long-term contracts.
- Investment interest within the Artificial Intelligence space has shifted away from the hyperscalers making the capital expenditures and toward the sectors benefiting from that spending, favoring semiconductor and memory companies first and, more recently, extending to manufacturers and service providers within the critical power supply chain.

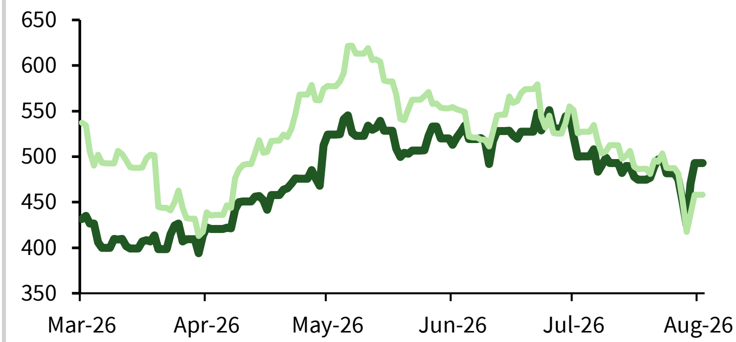
Source: FactSet Insight, Forbes, IEA, JLL, S&P Capital IQ

S&P 500 vs. England Infrastructure & Industrial Indices

Index Performance Since 2022



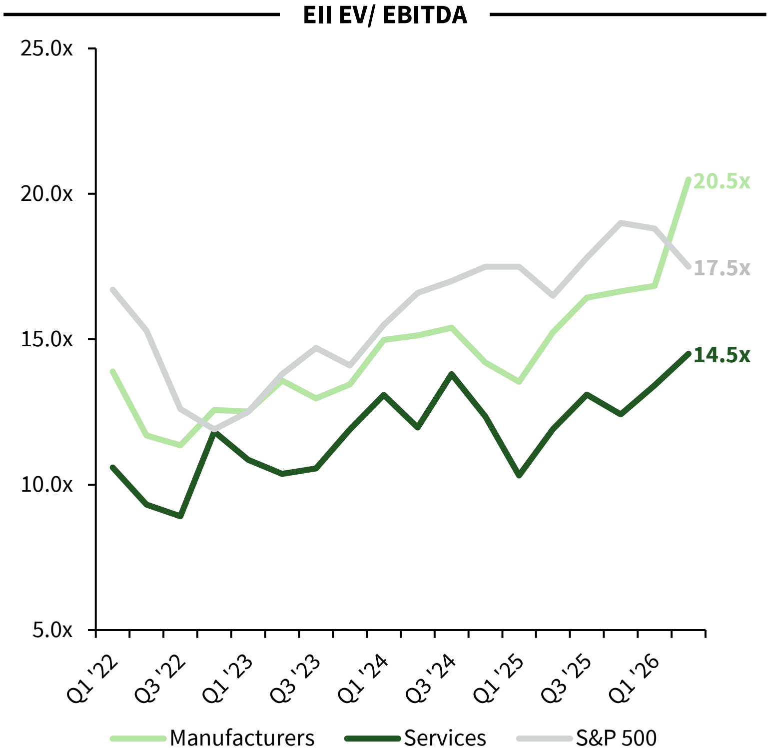
AI CAPEX Sentiment Drives Market Volatility



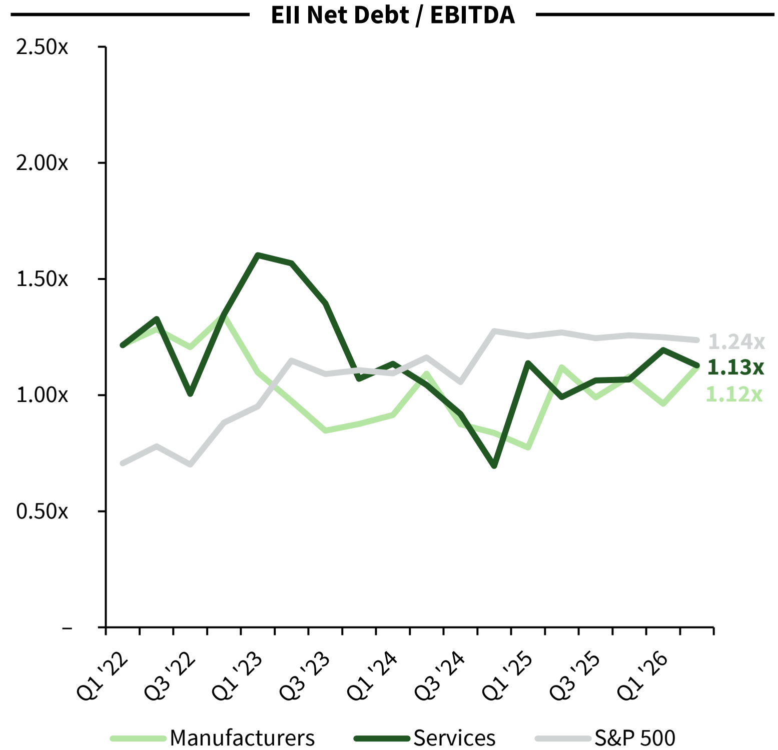
- Electrical products and services stocks have moved in tandem with AI data center capital expenditure sentiment in 2026, swinging on hyperscale spending news and sector rotation rather than company fundamentals.

- As major technology companies significantly raised capital expenditures through 2025, power grid constraints and complex supply chains emerged as the primary bottleneck to AI infrastructure deployment, driving sustained institutional investor interest into the electrical equipment and grid services sector.
- Following a selloff in March 2026, U.S. equity markets staged a powerful rebound in April with the S&P 500 gaining 10.5%, with strength most pronounced in companies tied to electrification, automation, and infrastructure spending.
- In late July 2026, power equipment, electrical infrastructure, and AI-power generation stocks declined in a synchronized selloff across the AI infrastructure supply chain, reflecting a repricing of valuation, financing costs, and AI return-on-investment risk rather than a deterioration in underlying physical demand.

EII EV/ EBITDA



EII Net Debt / EBITDA



Source: CBRE, Nasdaq, S&P Capital IQ

Clips from Recent Earnings Reports from Companies within the England Infrastructure & Industrial Index

Hubbell – Q2 2026 Earnings Call – July 28th, 2026

- "As megatrends continue to accelerate, most notably in data center markets and load growth-related investment in utility T&D markets, we are seeing continued strength in our order book, which gives us increased visibility to our second half outlook."
- "Data center sales were up approximately 65% in the quarter as capacity additions, new product introductions and content gains drove outgrowth in a strong underlying market."
- "This demand is broad-based across T&D markets, but with particular strength in orders and quoting activity for transmission and substation projects driven by load growth and data center build-outs."

Vertiv – Q2 2026 Earnings Call – July 29th, 2026

- "Multiple power architectures will coexist in the future...rather than transitioning to a single architecture, the market is expected to leverage both AC and DC solutions as power requirements continue to evolve for years to come."
- "I would say our outlook doesn't change in terms of the M&A world. We still look at it in the same way we looked at it back during Investor Day, but it is active. And we do see an active market, and we are participating in that active market looking at several targets."
- "We are delivering data center infrastructure solutions at an increasing scale and level of complexity. That's exactly where we want to be."

Generac – Q2 2026 Earnings Call - July 29th, 2026

- "We believe that longer term, as grid interconnects catch up, and as that queue shortens instead of lengthens as it's doing today on the grid interconnect, there could be more opportunities for backup power to present."
- "Those technologies [turbines] are bridge technologies. They're a bridge to an interconnect to a grid. They are not permanent technologies simply because from a cost of energy standpoint to produce power on site with those technologies, it's going to be more expensive than it will be to secure grid power."
- "The U.S. market for data centers is the biggest market in the world...It's orders of magnitude larger at this point than almost every other region in the world."
- "We're seeing lead times stretch out for these overall systems 70, 80 weeks in some cases; some cases, two years, depending on the node, depending on the competitor."

MasTec – Q2 2026 Earnings Call – July 31st, 2026

- "We've seen the world shift here over the course of the last few months with… the war and what we're seeing with commodity prices in general around the world."
- "Ways to improve the system and provide conventional fuels differently is something that everybody is exploring."
- "One of the primary drivers is the cost of power. And there's lots of areas in the world where cost of power is a lot lower than what it is in the U.S., and we're seeing a lot of customers really start to focus on that."
- "We're engaged in lots of governmental affairs, conversations across multiple states where they're actually looking to expand and bring data centers in [states] that currently don't have [data centers], which I think creates some great opportunities for us."

Public Equity Markets

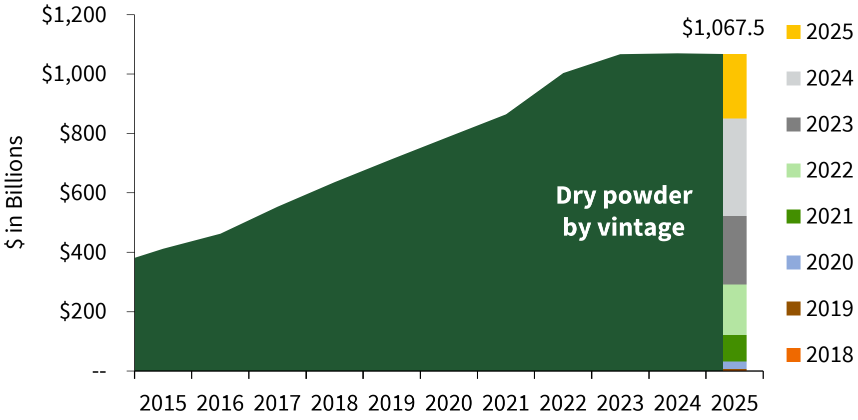
EII Manufacturers	Enterprise Value	EV / EBITDA LTM Q2 '26	EV / EBITDA 2026P	EV / Revenue LTM Q2'26	EV / Revenue 2026P	Net Debt / EBITDA	Revenue Growth LTM Q2'26	Revenue Growth 2026P
Caterpillar Inc.	$415,044	27.81x	25.00x	5.87x	5.42x	2.66x	12.1%	15.6%
GE Vernova Inc.	255,905	64.51x	40.26x	6.19x	5.54x	(2.27x)	13.0%	23.9%
Schneider Electric S.E.	206,389	20.68x	18.43x	4.21x	3.99x	1.63x	14.6%	14.2%
ABB Ltd	182,153	24.82x	22.07x	5.09x	4.80x	0.45x	18.6%	12.9%
Eaton Corporation plc	181,940	27.37x	23.90x	6.06x	5.60x	3.10x	15.5%	18.3%
Hitachi, Ltd.	144,244	13.70x	13.80x	2.23x	2.15x	(0.07x)	8.8%	9.5%
Siemens Energy AG	136,332	25.00x	17.56x	2.93x	2.66x	(1.46x)	11.4%	18.9%
Emerson Electric Co.	96,196	16.45x	17.81x	5.25x	5.11x	2.01x	3.0%	4.2%
Vertiv Holdings Co	93,229	36.60x	26.82x	8.12x	6.66x	0.30x	26.2%	36.8%
Mitsubishi Electric Corporation	73,151	16.04x	12.83x	1.89x	1.82x	(0.13x)	6.2%	7.2%
TE Connectivity plc	64,276	13.03x	12.29x	3.33x	3.24x	0.93x	16.5%	16.1%
AMETEK, Inc.	57,375	22.82x	22.31x	7.55x	7.16x	0.79x	8.8%	9.1%
Rockwell Automation, Inc.	57,105	27.09x	26.28x	6.49x	6.37x	1.72x	9.2%	9.1%
Legrand SA	46,286	17.76x	15.17x	3.93x	3.62x	2.21x	17.6%	19.6%
Flex Ltd.	45,110	20.12x	19.91x	1.54x	1.65x	1.38x	12.2%	6.9%
WEG S.A.	38,626	24.03x	21.71x	5.09x	4.75x	(1.85x)	6.0%	10.3%
Hubbell Incorporated	30,139	19.92x	18.04x	4.84x	4.39x	3.29x	10.6%	17.5%
nVent Electric plc	26,276	27.47x	20.98x	5.44x	4.94x	1.44x	46.2%	38.8%
Fortive Corporation	21,115	17.28x	16.10x	4.89x	4.84x	2.64x	5.6%	5.7%
LS ELECTRIC Co., Ltd.	19,599	46.70x	34.04x	5.25x	4.51x	1.48x	13.3%	26.4%
Lincoln Electric Holdings, Inc.	15,203	17.42x	15.93x	3.39x	3.23x	1.10x	9.3%	10.9%
Generac Holdings Inc.	12,868	23.33x	12.78x	2.90x	2.61x	2.24x	0.6%	15.3%
Valmont Industries, Inc.	10,048	14.93x	13.44x	2.37x	2.31x	1.10x	3.8%	6.0%
Forgent Power Solutions, Inc.	8,872	46.99x	27.87x	7.42x	6.39x	3.25x	58.8%	NA
ESCO Technologies Inc.	8,289	27.06x	25.60x	6.64x	6.29x	0.39x	11.0%	18.2%
OMRON Corporation	8,202	13.79x	11.17x	1.61x	1.45x	0.12x	(5.6%)	6.9%
Powell Industries, Inc.	7,060	29.99x	28.32x	6.24x	5.90x	(2.31x)	4.7%	8.9%
Itron, Inc.	5,242	13.93x	13.32x	2.28x	2.20x	2.28x	(5.7%)	1.3%
AZZ Inc.	4,891	12.23x	12.84x	3.07x	2.83x	0.92x	5.7%	3.2%
Franklin Electric Co., Inc.	4,845	12.84x	14.10x	2.19x	2.14x	0.56x	7.4%	5.6%
JST Power Equipment	4,513	31.68x	23.59x	4.29x	3.43x	1.14x	6.4%	8.6%
Badger Meter, Inc.	3,822	18.53x	18.30x	4.34x	4.19x	(0.35x)	0.8%	(1.5%)
Hammond Power Solutions Inc.	2,171	25.79x	13.79x	2.82x	2.09x	0.73x	29.8%	65.3%
Landis+Gyr Group AG	1,850	10.91x	11.73x	1.59x	1.56x	1.37x	(30.5%)	(36.0%)
Preformed Line Products Company	1,721	21.06x	19.32x	2.33x	2.23x	(0.29x)	17.1%	14.2%
Shoals Technologies Group, Inc.	1,684	17.33x	13.69x	3.14x	2.70x	2.24x	33.8%	32.2%
Mean	**$63,660**	**20.2x**	**19.1x**	**4.2x**	**3.9x**	**1.1x**	**11.8%**	**13.7%**
Median	**$23,695**	**20.0x**	**18.0x**	**4.2x**	**3.8x**	**1.1x**	**10.0%**	**10.9%**

EII Services	Enterprise Value	EV / EBITDA LTM Q2 '26	EV / EBITDA 2026P	EV / Revenue LTM Q2'26	EV / Revenue 2026P	Net Debt / EBITDA	Revenue Growth LTM Q2'26	Revenue Growth 2026P
Quanta Services, Inc.	$106,534	24.15x	25.75x	3.24x	2.69x	1.38x	26.3%	41.3%
EMCOR Group, Inc.	34,799	14.60x	16.07x	1.87x	1.73x	(0.16x)	18.9%	20.3%
MasTec, Inc.	23,901	13.41x	14.96x	1.48x	1.31x	1.31x	23.5%	29.5%
Jacobs Solutions Inc.	19,110	16.67x	13.64x	1.45x	1.36x	2.78x	11.3%	16.5%
IES Holdings, Inc.	14,529	27.12x	27.26x	3.65x	3.62x	(0.58x)	22.7%	21.1%
Dycom Industries, Inc.	14,495	18.02x	15.91x	2.58x	2.32x	1.27x	25.2%	17.1%
Applied Industrial Technologies, Inc.	12,925	20.44x	22.14x	2.67x	2.63x	0.25x	6.0%	8.5%
AECOM	11,812	10.97x	9.20x	0.74x	0.72x	1.55x	(0.6%)	0.8%
The Timken Company	11,578	13.50x	13.21x	2.48x	2.40x	2.17x	3.5%	6.1%
Tetra Tech, Inc.	9,284	12.89x	14.18x	2.13x	2.15x	1.04x	(5.2%)	(4.2%)
Sulzer AG	6,585	9.68x	8.73x	1.50x	1.45x	0.39x	6.4%	5.2%
MYR Group Inc.	5,117	18.23x	15.68x	1.28x	1.16x	(0.25x)	16.1%	23.1%
Fluor Corporation	4,485	14.90x	8.56x	0.30x	0.28x	NM	(6.9%)	0.9%
Mean	**$21,166**	**15.8x**	**16.0x**	**1.9x**	**1.9x**	**1.0x**	**11.3%**	**14.3%**
Median	**$12,925**	**14.9x**	**15.0x**	**1.9x**	**1.7x**	**1.2x**	**11.3%**	**16.5%**

Note: Enterprise Value in $ millions; 2026P EBITDA reflects consensus analyst estimates and may be below reported LTM Q2'26 EBITDA results; Source: S&P Capital IQ as of July 31st, 2026

Private Capital Markets

Private Equity Dry Powder

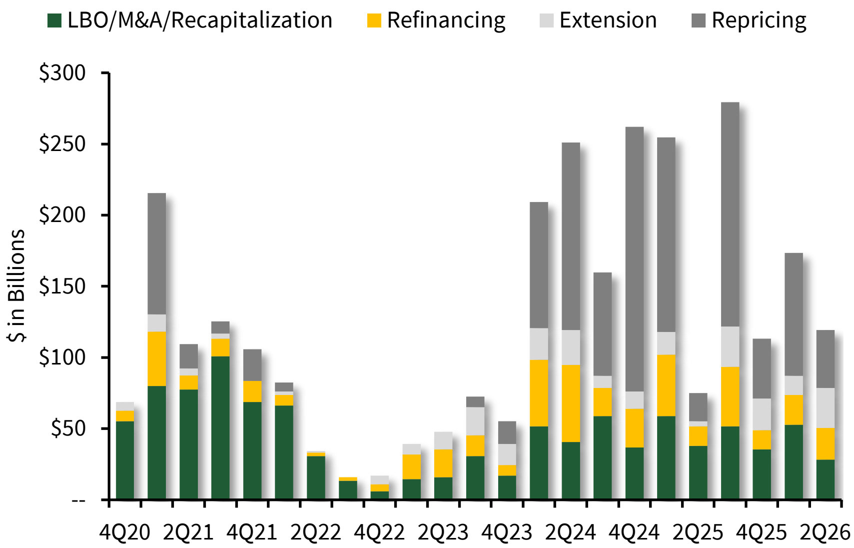


Data as of 09/30/25

- Private equity ("PE") dry powder stood at $1,067.5 billion as of September 30, 2025. Capital is flowing overwhelmingly to the largest managers, with funds under $1 billion accounting for only 16.7% of all capital raised so far in 2026, and experienced managers pulling in nearly 7x what emerging managers raised year to date.
- Evergreen PE assets in the U.S. have doubled since the beginning of last year, up to $99 billion from $50 billion. If the fundraising shortfall persists, this channel may absorb capital that would have gone to closed-end funds, further concentrating it among large, publicly traded GPs.

Refinancing & Repricing Levels

- Amend-and-extend volume hit $29.5 billion in Q2, the highest quarterly tally since the Global Financial Crisis, as sponsors race to chip away at the 2028 maturity wall before the repricing window closes.
- PE-backed companies owe 73% of the $208.5 billion in institutional term loans maturing in 2028, a concentration that keeps refinancing and extension activity, not new M&A supply, as the dominant driver of loan volume for sponsor-backed borrowers.
- Sponsors have trimmed the nearer-term 2027 maturity wall by just 36% this year, half the pace of higher-rated corporate borrowers (69%), leaving PE-backed issuers still the more exposed cohort heading into H2 and a likely source of continued refinancing-driven, rather than M&A-driven, deal flow.



Deal Component	May 2026		May 2025	
Senior Debt / EBITDA (x EBITDA)	**Small Cap:**	2.25x-3.75x	**Small Cap:**	2.00x-3.50x
	Midcap:	4.25x-5.25x	**Midcap:**	4.00x-5.00x
Total Debt / EBITDA	**Small Cap:**	4.00x-5.50x	**Small Cap:**	4.00x-5.50x
	Midcap:	5.00x-6.50x	**Midcap:**	5.00x-6.50x
Pricing: Senior Commercial Bank Cash Flow	**Small Cap:**	S+3.00%-3.75%	**Small Cap:**	S+3.25%-3.75%
	Midcap:	S+2.75%-3.50%	**Midcap:**	S+3.00%-3.50%
Pricing: Senior Non-Bank / Unitranche	**Small Cap:**	S+5.00%-6.50%	**Small Cap:**	S+5.00%-6.50%
	Midcap:	S+4.25%-5.75%	**Midcap:**	S+4.25%-6.00%
Pricing: Junior Capital (Cash + PIK)	**Small Cap:**	12.00%-14.00%	**Small Cap:**	11.50%-13.00%
	Midcap:	11.00%-12.00%	**Midcap:**	11.00%-12.50%

Source: Lead Left, PitchBook
Note: Small Cap >$10 million EBITDA; Midcap > $25 million EBITDA

Representative Deals

Announc. Date	Target	Target - Main Product / Service	Acquirer
Jul-26	nei ELECTRIC POWER ENGINEERING, INC.	Transmission Engineering and Substation Design	ATWELL
Jun-26	COGNITE	Industrial AI and Data Software	Schneider Electric
Jun-26	ARCOSA	Infrastructure Products and Engineered Structures	CRH
Jun-26	CYBERHAWK	Drone-Based Infrastructure Inspection	ONDAS
Jun-26	GIRTZ engineering packaging performance	Modular Power Enclosures and Systems	legrand
May-26	TRAMONT	Generator Enclosures and Fuel Tanks	GRAYCLIFF PARTNERS
May-26	NSI	Electrical Connectors and Wire Management	HUBBELL
Apr-26	Megger	Utility Testing and Monitoring Solutions	ESCO TECHNOLOGIES
Apr-26	EBM	Custom Structural Fabrication Solutions	VERTIV
Mar-26	PayneCrest ELECTRIC AND COMMUNICATIONS	Electrical Design, Construction, and Maintenance	PSC Primoris
Mar-26	EP²	Engineered Power Control and Relay Panels	flex
Mar-26	ENTRUST SOLUTIONS GROUP	Engineering and Consulting Services	leidos
Mar-26	QUALUS	Power and Grid Services Platform	CLEARLAKE
Mar-26	CoolIT systems	Data Center Liquid Cooling Solutions	ECOLAB
Feb-26	ENERCON Power to Prevail	Modular Power Enclosures and Switchgear	GENERAC
Jan-26	SGE	Electrical Engineering Services	RESA POWER
Jan-26	POND	Design, Engineering, and Program Management	ACP

Representative Deals

Announc. Date	Target	Target - Main Product / Service	Acquirer
Jan-26	Hanley Energy	Data Center Power Systems	Jabil
Jan-26	Critical Components Inc.	Mission-Critical Power and Cooling Infrastructure	Concentric
Dec-25	IPEC	Electrical Asset Monitoring & Diagnostics	ABB
Dec-25	MindCore Technologies	High-Voltage Switching Solutions	Continuim Equity Partners
Dec-25	ena	Electrical Component Repair and Engineering	IPS
Nov-25	Power Solutions	Mission-Critical Electrical Contracting	Dycom
Nov-25	LEC	Custom Switchgear and Control Panels	Mission Critical Group
Nov-25	Power & Energy Services Inc.	Electrical Testing and Maintenance Services	GenServe
Oct-25	Basler Electric	Power Conversion and Distribution Equipment	Littelfuse
Oct-25	Prolec	Power and Distribution Transformers	GE Vernova
Oct-25	Avtron Power Solutions	Load Bank Solutions	legrand
Oct-25	Powercon Corp	Medium Voltage Switchgear	Electro Mechanical
Sep-25	Electroswitch	Precision Switches and Relays	Oaktree
Aug-25	Shermco	Electrical Equipment Services	Blackstone
Aug-25	Great Lakes Data Racks & Cabinets	Data Center Rack Enclosures	Vertiv
Aug-25	Centurion Power	Electrical Acceptance Testing and Commissioning	Atwell
Aug-25	DMC Power	High-Voltage Connector Systems	Hubbell

About England & Company

Founded in 2003, England & Company is an independent investment bank focused on providing financial advice on mergers, acquisitions, restructurings, and capital raising to owners, executives, and boards of directors of public and private companies. The firm's clients include leading companies in the Healthcare, Industrial & Infrastructure, and Technology markets.

England's senior professionals have been serving companies in the energy, infrastructure, and industrial products and services markets for over 20 years. Experience focused on critical infrastructure markets includes utility and commercial and industrial electrical equipment and services, power generation technology and services, telecommunication infrastructure products, engineering and specialty contracting, and communication technologies used in utility and industrial IoT applications.

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