



Clearsight Advisors[®]
Investment Banking

Q1 2026

Cybersecurity and Risk Market Monitor

*Market Update, Industry News and Conferences, Sector
Spotlight, Public Market Performance, and M&A Activity*



Q1 2026 Market Update

AI, Cybersecurity Valuations, and Separating Signal from Sentiment

As Q1 2026 came to a close, artificial intelligence emerged as a dominant force shaping sentiment across the cybersecurity market. A series of high-profile AI announcements prompted swift reactions in public equities. In several instances, valuation pressure followed quickly, driven more by perceived disruption risk than by changes in operating fundamentals.¹ The critical question is whether markets are responding to near term reality or pulling forward long term uncertainty well ahead of adoption.

Public market pricing increasingly reflects concern that AI could materially disrupt traditional cybersecurity models. Enterprise adoption, however, remains more measured. Integration complexity, governance requirements, regulatory oversight, and the ongoing need for human accountability all continue to shape implementation timelines in mission critical security environments.² In short, markets are moving faster than customers.

On the ground, AI adoption remains largely incremental. The most common use cases today such as threat detection, alert triage, and workflow automation are designed to enhance existing platforms, not replace them outright. Yet recent innovation has fueled debate. Anthropic's launch of its Claude Mythos Preview, a cybersecurity focused AI solution, highlighted both the pace of progress and the growing investor focus on autonomous security models.³ Yet broad enterprise adoption of fully "black box" security solutions remains limited. Trust, transparency, and explainability continue to be decisive factors in buying behavior.

At the same time, AI is reshaping the threat landscape itself. As threat actors adopt similar technologies, the scale and sophistication of attacks are increasing. Rather than reducing the need for cybersecurity, AI is expanding the attack surface – reinforcing demand for effective, adaptive defenses.⁴

From our perspective, the valuation reset seen during Q1 reflects heightened sensitivity to uncertainty rather than a structural shift in demand. AI is influencing how cybersecurity companies are positioned and evaluated, but it has not changed the strategic importance of human oversight in the sector. Near term, selectivity matters. Companies with clear differentiation, credible AI roadmaps, and demonstrable customer value are best positioned, while those leaning too heavily on narrative without execution may continue to face pressure. Over time, adoption may align more closely with current expectations, but the full effects of that shift remain to be seen.

Sector Leadership



John Rakowski
Managing Director



Jim McCabe
Managing Director



Select Industry News

Agentic AI is Creating Extensive Opportunities for Cybersecurity Providers

The rise of agentic AI is introducing new cybersecurity risks for enterprises, while also creating significant opportunities for providers that can make autonomous systems more secure. ([Link](#))¹

Zscaler's 2026 AI Threat Report Identifies Oversight Gaps

An 83% year-over-year surge in AI adoption has created a critical security gap between innovation and security, requiring organizations to adopt an AI security platform built on Zero Trust. ([Link](#))²

Increasingly Effective Use of AI Is Reshaping Malware and Cyberattacks

Agentic AI is now being experimentally used for autonomous reconnaissance, real-time adaptation during attacks, and multi-agent coordination across attack chains, positioning AI threats as credible near-term risks. ([Link](#))³

Cisco Releases State of AI Security 2026

AI adoption has dramatically outpaced security readiness and defensive AI governance, resulting in systemic, market-wide exposure to uncharted privilege and identity risks. ([Link](#))⁴

McKinsey Named a Leader in Cybersecurity Consulting Services by Forrester

McKinsey is elevating cybersecurity to a board-level priority and delivering strong strategic impact through deep expertise and generative AI that speeds analysis, strengthens governance, and accelerates time to value. ([Link](#))¹

Identity Attacks Lead Cybersecurity Threats in the AI Era

Identity-related attacks powered by AI agents emerged as the dominant threat vector in 2025, with 76% of organizations reporting that they accounted for up to half of all security incidents. ([Link](#))⁵

Key AI Laws Enacted or Taking Effect in 2026

Domestic and international regulations on AI are underway, focusing on critical aspects of AI governance including customer interactions, content transparency, automated decision-making tools, and more. ([Link](#))⁶

Upcoming Conferences

[Email ClearSight's sector leadership to set up a meeting](#)

ServiceNow Knowledge

May 5th – 7th – Las Vegas, NV

[Learn more](#)

Gartner Security & Risk Management Summit

June 1st – 3rd – National Harbor, MD

[Learn more](#)

CyberRisk Alliance Identiverse

June 15th – 18th – Las Vegas, NV

[Learn more](#)

1. McKinsey & Company

2. Zscaler

3. ClearSight Monitor | Cybersecurity and Risk | Q1 2026

3. Security Week

4. Cisco

5. Business Wire

6. Gunderson Dettmer



Target
StoneTurn
(MML)

Acquirer
Province
(Trivest)

Deal Commentary

- Stoneturn is a global professional services firm specializing in disputes, investigations, and risk advisory services to address complex and consequential business challenges
- The combination brings together StoneTurn’s global investigations, compliance, and dispute advisory expertise with Province’s established leadership in restructuring and financial advisory

Transaction Summary

On February 12th, 2026, Province announced its acquisition of StoneTurn. Together, the firms form a multi-disciplinary, senior-led advisory platform designed to simplify how corporations and their legal counsel manage complex matters. The integrated platform is positioned to deliver greater continuity of strategy, faster decision-making, and deeper coordination on matters where financial, legal, and operational challenges intersect.

Clearsight advised StoneTurn on this transaction.

Transaction Information

Announced Date	February 12 th , 2026
Deal Type	Add-On Acquisition

Target Information

Year Founded	2004
Target HQ	Boston, MA
# of Employees	~200

Target

Ultimate Knowledge Institute

Acquirer

True Wind Capital

Deal Commentary

- Through its proprietary OpenDash360 platform and custom training content, Ultimate Knowledge Institute (“UKi”) delivers mission-critical, competency-driven readiness and learning to a broad set of clients in the DoD and armed forces, which use UKi’s offerings to build, educate, and maintain mission-ready cyber workforces
- The investment will support UKi’s continued expansion, including investments in its product, content development, and business development functions

Transaction Summary

On January 22nd, 2026, True Wind Capital announced its majority investment in UKi. This investment combines UKi’s market-leading cyber training capabilities with True Wind’s resources and strategic vision, marking an important milestone in the Company’s continued growth. Together, they will expand UKi’s market reach, broaden certification pathways, and invest in advanced content, analytics, and competency-driven training solutions

Clearsight advised UKi on this transaction.

Transaction Information

Announced Date	January 22 nd , 2026
Deal Type	Majority Investment

Target Information

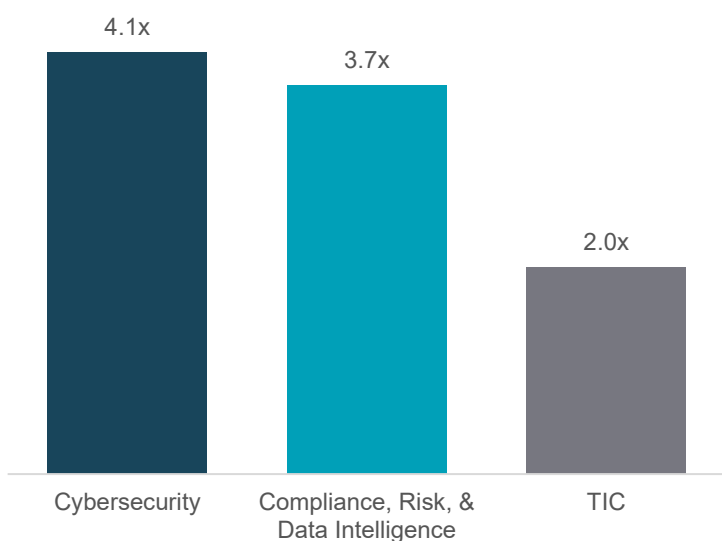
Year Founded	1999
Target HQ	Scottsdale, AZ
# of Employees	~50

Cybersecurity and Risk Public Market Performance

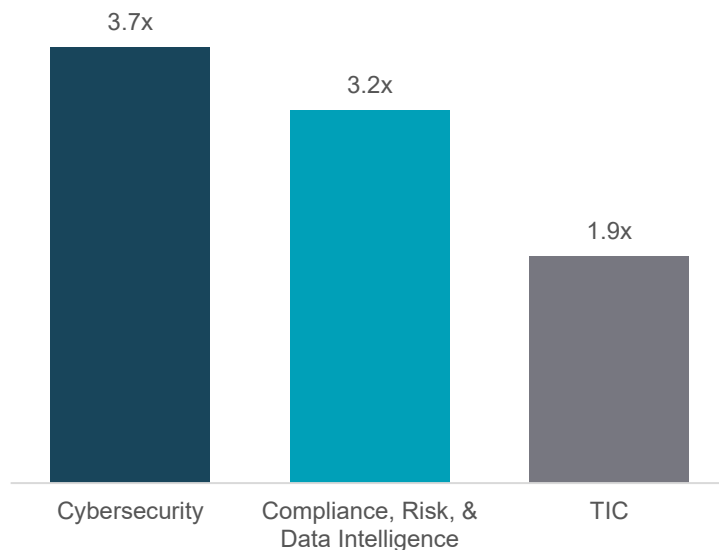


■ Cybersecurity ■ Compliance, Risk, and Data Intelligence ■ Testing, Inspection, and Certificates Services

LTM EV / Revenue



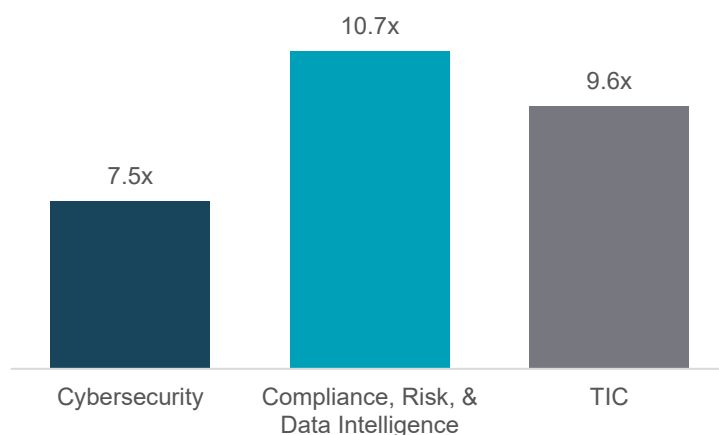
2026P EV / Revenue



LTM EV / EBITDA



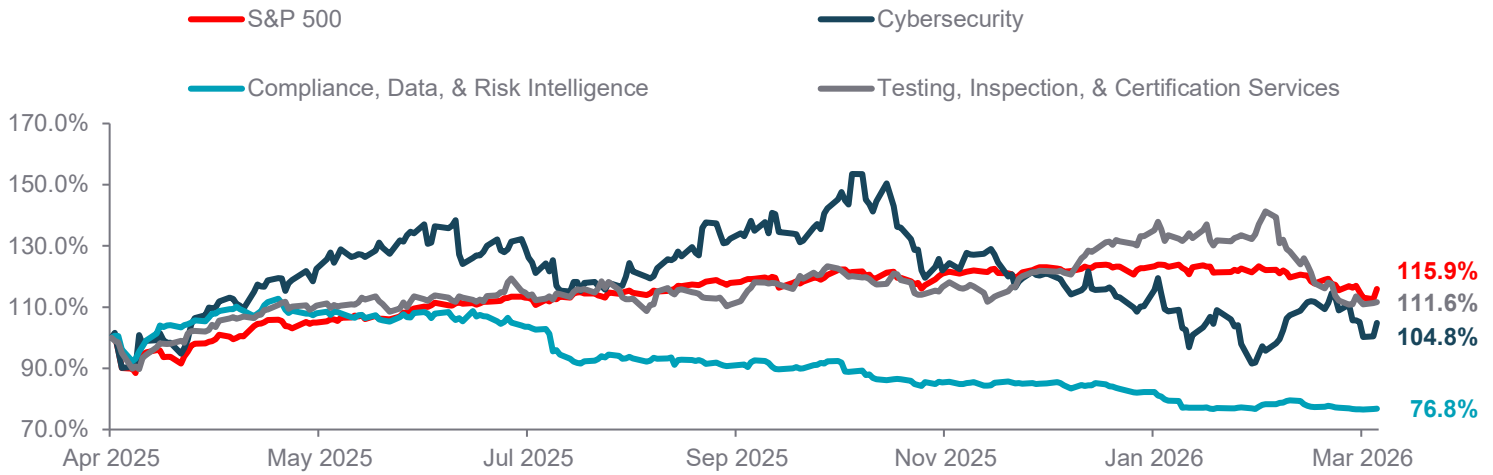
2026P EV / EBITDA



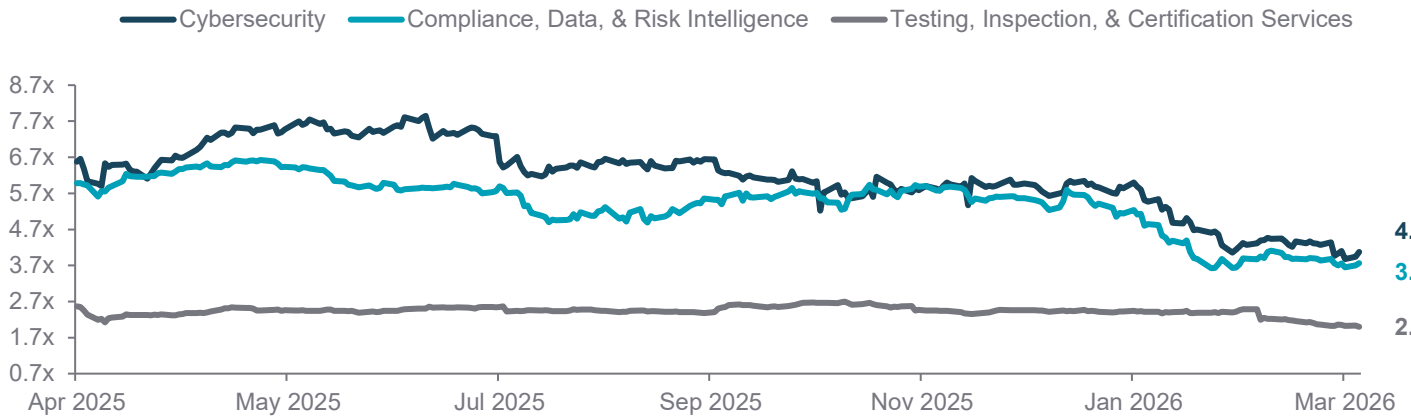
Source: Capital IQ, market data as of 31-Mar-2026



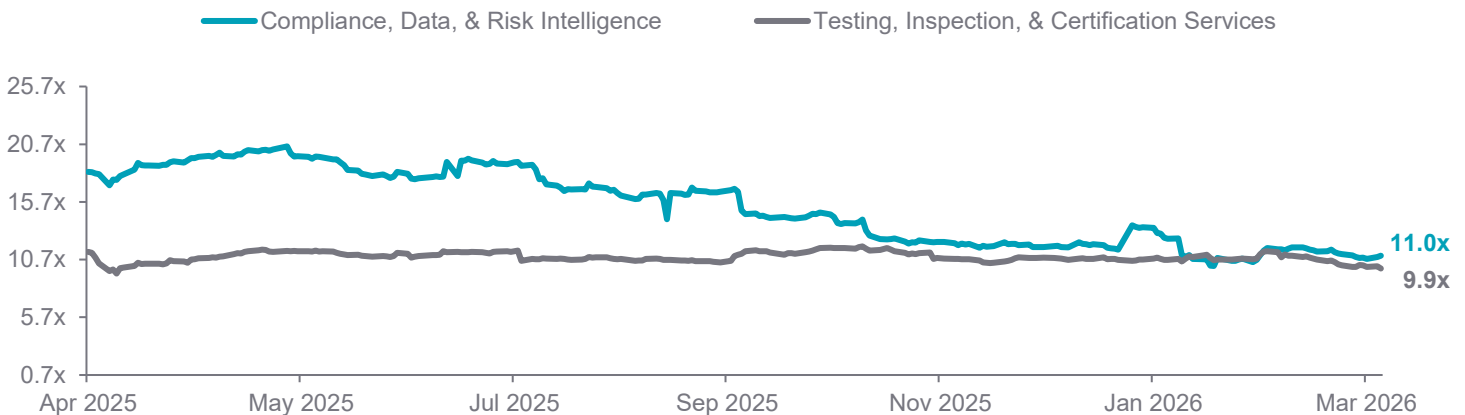
Compliance Market Indices Performance – 1 Year



LTM EV / Revenue Multiple Trend – 1 Year



LTM EV / EBITDA Multiple Trend – 1 Year



Source: Capital IQ, market data as of 31-Mar-2026

Note: Cybersecurity index excluded from LTM EV / EBITDA Multiple Trend due to above average market volatility



Cybersecurity and Risk Comparable Companies Analysis

Cybersecurity

Cybersecurity	Closing Price	% of 52	Equity	Enterprise	EV / Revenue Multiples		EV / EBITDA Multiples		2025E Rev.	2025E EBITDA
	31-Mar-26	Week High	Market Cap	Value	LTM	2026P	LTM	2026P	Growth	Margin%
Check Point Software Technologies	\$142.85	61.1%	\$15,095	\$12,760	4.7x	4.4x	14.3x	10.6x	6.5%	41.4%
Cloudflare	206.34	79.4%	73,772	73,189	33.8x	26.1x	NM	NM	29.1%	21.6%
CrowdStrike Holdings	390.41	68.9%	99,366	94,956	19.7x	16.1x	NM	NM	22.2%	29.4%
Fortinet	81.72	74.7%	60,719	58,199	8.6x	7.7x	26.1x	21.1x	14.7%	36.4%
Gen Digital	18.83	58.5%	11,405	19,263	4.1x	3.8x	9.6x	7.3x	21.2%	51.2%
Okta	78.71	61.7%	13,923	11,821	4.0x	3.7x	NM	NM	11.9%	26.1%
Palo Alto Networks	160.32	71.7%	130,020	125,943	12.7x	9.9x	NM	NM	15.5%	30.5%
Qualys	87.85	56.5%	3,134	2,490	3.7x	3.5x	10.5x	7.8x	10.3%	44.5%
Rapid7	5.51	20.0%	363	857	1.0x	1.0x	14.9x	6.3x	2.1%	16.2%
SentinelOne	12.88	60.2%	4,439	3,825	3.8x	3.2x	NM	NM	22.3%	11.2%
Tenable Holdings	16.92	47.4%	1,949	1,964	2.0x	1.8x	NM	NM	10.6%	24.9%
Trend Micro	32.95	45.9%	4,276	2,803	1.6x	1.5x	5.2x	5.5x	1.6%	27.8%
Varonis Systems	21.47	33.6%	2,522	1,935	3.1x	2.7x	NM	NM	10.8%	2.3%
Zscaler	140.29	41.6%	22,557	20,911	7.0x	5.8x	NM	NM	23.9%	26.9%

High	79.4%	\$130,020	\$125,943	33.8x	26.1x	26.1x	21.1x	29.1%	51.2%
Median	59.3%	12,664	12,291	4.1x	3.7x	12.4x	7.5x	13.3%	27.4%
Mean	55.8%	31,681	30,780	7.8x	6.5x	13.4x	9.8x	14.5%	27.9%
Low	20.0%	363	857	1.0x	1.0x	5.2x	5.5x	1.6%	2.3%

Compliance, Risk, and Data Intelligence

Compliance, Risk, and Data Intelligence	Closing Price	% of 52	Equity	Enterprise	EV / Revenue Multiples		EV / EBITDA Multiples		2026E Rev.	2026E EBITDA
	31-Mar-26	Week High	Market Cap	Value	LTM	2026P	LTM	2026P	Growth	Margin%
Fair Isaac	\$1,067.54	48.1%	\$25,362	\$28,415	13.8x	10.9x	28.3x	17.6x	14.8%	61.8%
GB Group	2.65	67.1%	633	726	1.9x	1.9x	12.9x	7.5x	7.5%	24.9%
NICE Ltd	109.87	55.3%	6,777	6,449	2.2x	2.0x	7.6x	6.7x	7.7%	30.2%
RELX PLC	32.69	59.2%	58,469	68,073	5.3x	5.1x	15.8x	12.5x	9.0%	40.5%
Thomson Reuters	89.95	42.0%	39,930	41,713	5.6x	5.2x	19.9x	12.9x	2.9%	40.1%
Wolters Kluwer	74.51	39.5%	16,724	21,468	3.0x	3.0x	9.4x	8.9x	17.6%	33.2%
Workiva	59.63	61.4%	3,410	3,316	3.7x	3.2x	NM	NM	20.0%	15.9%

High	67.1%	\$58,469	\$68,073	13.8x	10.9x	28.3x	17.6x	20.0%	61.8%
Median	55.3%	16,724	21,468	3.7x	3.2x	14.4x	10.7x	9.0%	33.2%
Mean	53.2%	21,615	24,309	5.1x	4.5x	15.6x	11.0x	11.3%	35.2%
Low	39.5%	633	726	1.9x	1.9x	7.6x	6.7x	2.9%	15.9%

Testing, Inspection, and Certification

Testing, Inspection, & Certification	Closing Price	% of 52	Equity	Enterprise	EV / Revenue Multiples		EV / EBITDA Multiples		2026E Rev.	2026E EBITDA
	31-Mar-26	Week High	Market Cap	Value	LTM	2026P	LTM	2026P	Growth	Margin%
ALS Limited	\$14.28	79.5%	\$7,245	\$8,268	3.9x	3.4x	19.0x	13.4x	NA	25.6%
Bureau Veritas SA	29.63	84.4%	13,158	15,174	1.9x	1.9x	10.5x	9.6x	3.1%	20.3%
Eurofins Scientific SE	72.25	84.3%	12,800	17,071	2.0x	1.9x	10.0x	8.5x	2.6%	22.9%
Intertek Group plc	48.17	70.8%	7,394	9,169	2.0x	1.9x	9.1x	8.3x	2.5%	23.2%
SGS SA	104.85	86.3%	20,248	23,484	2.7x	2.5x	14.9x	11.2x	6.7%	22.5%

High	86.3%	\$20,248	\$23,484	3.9x	3.4x	19.0x	13.4x	6.7%	25.6%
Median	84.3%	12,800	15,174	2.0x	1.9x	10.5x	9.6x	2.9%	22.9%
Mean	81.1%	12,169	14,633	2.5x	2.4x	12.7x	10.2x	3.7%	22.9%
Low	70.8%	7,245	8,268	1.9x	1.9x	9.1x	8.3x	2.5%	20.3%

Source: Capital IQ, equity research reports, market data as of 31-Mar-2026

Note: \$ in millions (except share price), any negative multiples or multiples greater than 35.0x are marked "NM", any negative margin trends are marked "NA"



Announced	Target	Buyer	Summary
03/19/2026	Cyber Advisors <i>(Goldner Hawn)</i>	Sterling Investment Partners	<ul style="list-style-type: none"> Cyber Advisors provides managed IT and cybersecurity services to help organizations secure, manage, and optimize their technology environments
03/11/2026	Wiz	Google	<ul style="list-style-type: none"> Wiz delivers a cloud security platform designed to help enterprises secure and manage their cloud infrastructure at scale
03/10/2026	Leviathan Security Group	K2 Integrity	<ul style="list-style-type: none"> Leviathan Security Group provides cybersecurity research, assessment, and advisory services to help organizations reduce security risk
02/23/2026	Sevco Security	Arctic Wolf	<ul style="list-style-type: none"> Sevco Security provides a cloud-based platform that helps organizations continuously discover, inventory, and secure their IT assets
2/17/2026 ¹	Defy Security <i>(Sverica)</i>	Booz Allen Hamilton	<ul style="list-style-type: none"> Defy Security provides penetration testing and offensive security services to help organizations identify and remediate vulnerabilities
2/17/2026 ¹	Koi	Palo Alto Networks	<ul style="list-style-type: none"> Koi delivers a browser extension security platform that gives enterprises visibility into, and control over, extension-related risk
02/12/2026	Acuvity	Proofpoint <i>(Thoma Bravo)</i>	<ul style="list-style-type: none"> Acuvity delivers an AI-driven security and governance platform that enables employees and application builders to work securely at scale
02/11/2026 ¹	CyberArk <i>(Thoma Bravo)</i>	Palo Alto Networks	<ul style="list-style-type: none"> CyberArk develops information security software focused on securing identities across various infrastructures, including hybrid, SaaS, and multi-cloud environments

¹ Date reflects the announcement of an official deal closing.



Announced	Target	Buyer	Summary
02/11/2026	StoneTurn <i>(MML)</i>	Province <i>(Trivest)</i>	<ul style="list-style-type: none"> Stoneturn is a global professional services firm specializing in disputes, investigations, and risk advisory services
02/03/2026	1RDG	Doeren Mayhew <i>(Audax)</i>	<ul style="list-style-type: none"> 1RDG is a cybersecurity services firm delivering advisory, engineering, and managed security services
01/27/2026	Fortra's Alert Logic	LevelBlue <i>(Liberty Strategic)</i>	<ul style="list-style-type: none"> Fortra provides security for any environment, delivering extended detection and response, managed detection and response, and web application firewall solutions
01/15/2026	Fintrail	Cosegic <i>(MML)</i>	<ul style="list-style-type: none"> Fintrail provides cybersecurity advisory services focused on protecting financial services organizations
01/13/2026	Ultimate Knowledge Institute	True Wind Capital	<ul style="list-style-type: none"> UKi delivers a competency-driven training and learning environment designed to support operational cyber readiness in real world applications
01/12/2026	Brite	Sole Source Capital	<ul style="list-style-type: none"> Brite provides security consulting and engineering services to help organizations design and operate secure systems
01/08/2026 ¹	SGNL	Crowdstrike	<ul style="list-style-type: none"> SGNL delivers a dynamic access control platform that enables real-time, identity-driven access decisions
01/06/2026	AssurancePoint	Axiom GRM <i>(Inflexion)</i>	<ul style="list-style-type: none"> AssurancePoint provides managed GRC services to help organizations meet security and compliance requirements

1. Date reflects the announcement of an official deal closing.

 = Clearsight-advised transaction



About Clearsight

Clearsight’s Cybersecurity and Risk Practice focuses on ‘Knowledge Economy’ businesses covering cybersecurity, risk and compliance advisory, and IT services that help organizations manage technology-enabled risk and resilience.

Clearsight Advisors is an investment banking firm dedicated to driving the Knowledge Economy by providing world-class M&A and capital raising solutions exclusively to growth-oriented Business Services and Technology companies. Clearsight combines deep market insights across software, services, and data. Clearsight Advisors, Inc. is a wholly owned subsidiary of Regions Financial Corporation. All securities are offered exclusively through RF M&A Securities LLC, a registered broker-dealer and member of [FINRA](#) and [SIPC](#). For more information about Clearsight, visit www.clearsightadvisors.com.

1650 Tysons Boulevard
Suite 710
McLean, VA 22102

250 Park Avenue
Suite 600
New York, NY 10177

703.672.3100

www.clearsightadvisors.com

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Select Transactions

<p>Sellside Advisor</p> <p>StoneTurn <i>a portfolio company of</i></p> <p>MML has been acquired by</p> <p>PROVINCE <i>a portfolio company of</i></p> <p>TRIVEST</p>	<p>Financial Advisor</p> <p>UKi Ultimate Knowledge Institute...</p> <p>has received a majority investment from</p> <p>TRUE WIND</p>	<p>Sellside Advisor</p> <p>mira SECURITY</p> <p>has been acquired by</p> <p>DARKTRACE <i>a portfolio company of</i></p> <p>THOMABRAVO</p>	<p>Financial Advisor</p> <p>unosquare</p> <p><i>a portfolio company of</i></p> <p>TRIVEST has been recapitalized by</p> <p>Ridgemont EQUITY PARTNERS</p>	<p>Financial Advisor</p> <p>azentio <i>a portfolio company of</i></p> <p>Apax has divested</p> <p>CAFIDELA LABS to</p> <p>SAPIENS</p>
<p>Sellside Advisor</p> <p>LUMENCI</p> <p>has received a strategic investment from</p> <p>VSS and</p> <p>CENTURY EQUITY PARTNERS</p>	<p>Sellside Advisor</p> <p>AXIA CONSULTING</p> <p>has been acquired by</p> <p>HURON</p>	<p>Financial Advisor</p> <p>PROVINCE</p> <p>has received a strategic investment from</p> <p>TRIVEST</p>	<p>Buyside Advisor</p> <p>SRM STRATEGIC RESOURCE MANAGEMENT</p> <p>has acquired</p> <p>K&S Kenneth I. Sole & Associates, Inc./ <i>Information Technology Consultants to the Financial Industry</i></p>	<p>Sellside Advisor</p> <p>PCIHIPAA</p> <p>has been acquired by</p> <p>Rectangle HEALTH <i>a portfolio company of</i></p> <p>GI PARTNERS</p>

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