

MarketView

Aerospace / Defense &
Government Technology
Services

Winter 2024

Kipps DeSanto
INVESTMENT BANKING



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KippsDeSanto.com

Getting Deals Done

- *KippsDeSanto has closed 70+ transactions⁽¹⁾ since January 2021, leveraging depth of experience and unique approaches to achieve optimal results*

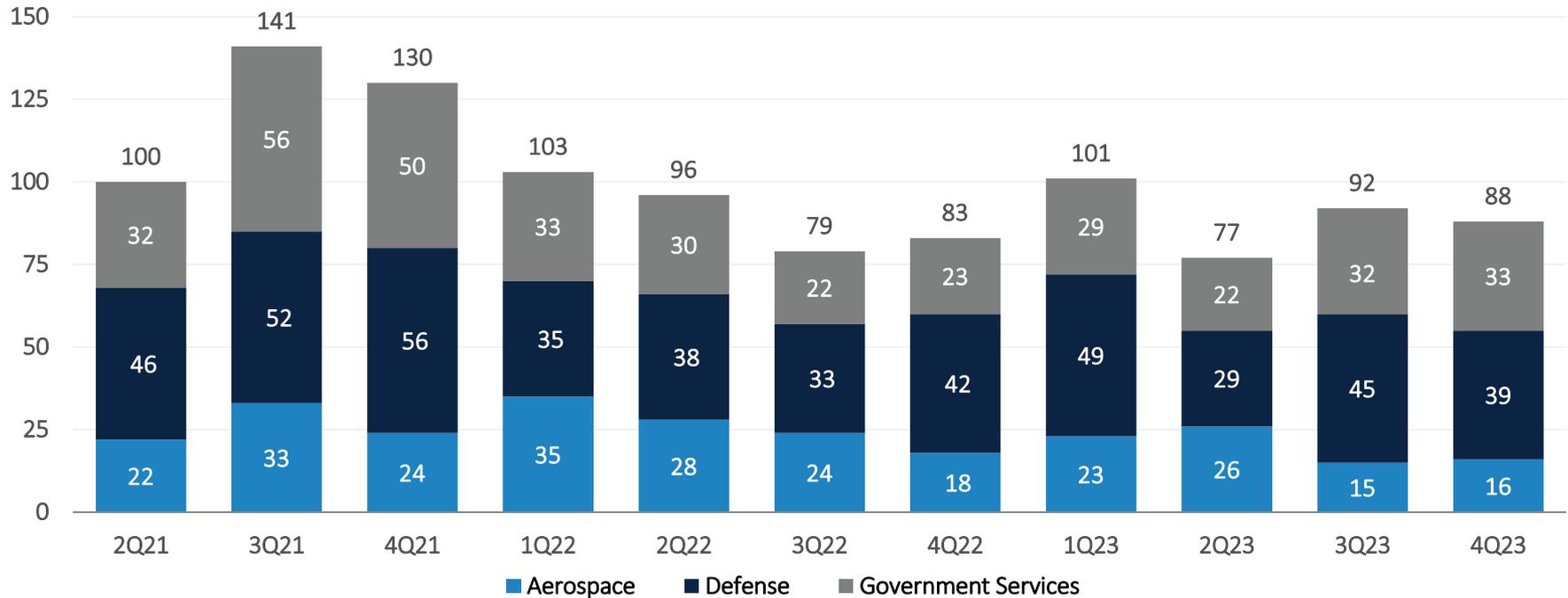
Select Transaction Success

<p>December 2023</p> <p>Locana a portfolio company of FRANCOIS & ANGELO GROUP has been acquired by TRC a portfolio company of WARBURG PINCUS & COMPANY FAMILY PARTNERS</p>	<p>November 2023</p> <p>OUTSIDE ANALYTICS has been acquired by SMX a portfolio company of OCEAN SOUND PARTNERS</p>	<p>November 2023</p> <p>SIXGEN a portfolio company of Chart National L.P. has been acquired by WASHINGTON HARBOUR</p>	<p>October 2023</p> <p>CSW systems has been acquired by SUMMIT7 a portfolio company of WestView CAPITAL PARTNERS</p>	<p>October 2023</p> <p>CREOAL EXPERIENCE. INTEGRITY. RESULTS. has been acquired by SMX a portfolio company of OCEAN SOUND PARTNERS</p>	<p>September 2023</p> <p>CONCEPT PLUS has received a growth investment from BLUE DELTA CAPITAL PARTNERS</p>	<p>August 2023</p> <p>SOARTECH has been acquired by ESI FORWARD SLOPE INC. a portfolio company of TRIVE CAPITAL</p>	<p>August 2023</p> <p>Aethercomm. has been acquired by FRONTGRADE a portfolio company of VERITAS CAPITAL</p>	<p>July 2023</p> <p>UNITECH COMPOSITES The Unitech is a leader a portfolio company of ACORN Caltius Structural Capital the edgewater funds has been acquired by APEX SPACE & DEFENSE SYSTEMS a portfolio company of CHARGER</p>	<p>June 2023</p> <p>PEGASUS STEEL has been acquired by A C P</p>
<p>April 2023</p> <p>ESI Engineering Solutions, Inc. has merged with Meadowgate Technology</p>	<p>March 2023</p> <p>VAST VIRGINIA SYSTEMS & TECHNOLOGY, INC. has been acquired by ALTAMIRA a portfolio company of ClearSky McNally CAPITAL & RAZORS EDGE</p>	<p>February 2023</p> <p>Axim GEOSPATIAL a portfolio company of BLUESTONE INVESTMENT PARTNERS has been acquired by NIV5</p>	<p>December 2022</p> <p>XCELERATE SOLUTIONS has been acquired by McNally CAPITAL</p>	<p>December 2022</p> <p>BLACKHAWK AEROSPACE has been acquired by New State Aviation Holdings a portfolio company of NEW STATE CAPITAL PARTNERS</p>	<p>December 2022</p> <p>DLH has acquired GRSi</p>	<p>November 2022</p> <p>SYNAPTECH has been acquired by LMI a portfolio company of DECLARATION PARTNERS CAPITOL MERIDIAN PARTNERS 22c Capital</p>	<p>November 2022</p> <p>iNovex has received an investment from ENLIGHTENMENT CAPITAL</p>	<p>November 2022</p> <p>ophir has been acquired by LIGHTHOUSE SOLUTIONS a portfolio company of ATL PARTNERS</p>	<p>October 2022</p> <p>Woodlawn MANUFACTURING a portfolio company of LONE STAR INVESTMENT ADVISORS has been acquired by NDC</p>
<p>October 2022</p> <p>agile DEFENSE has been acquired by ENLIGHTENMENT CAPITAL</p>	<p>September 2022</p> <p>sbs has been acquired by an affiliate of PEAK ROCK CAPITAL</p>	<p>September 2022</p> <p>SENECA RESOURCES has been acquired by CAYMUS EQUITY</p>	<p>July 2022</p> <p>IPKEYS has been acquired by Chickasaw NATION INDUSTRIES</p>	<p>July 2022</p> <p>numera Space Division has been acquired by SLINGSHOT AEROSPACE</p>	<p>July 2022</p> <p>LMI has been acquired by DECLARATION PARTNERS CAPITOL MERIDIAN PARTNERS 22c Capital</p>	<p>March 2022</p> <p>TOP ACES a portfolio company of CLAIRVEST</p>	<p>February 2022</p> <p>CENTERPOINT has been acquired by Gunnison CONSULTING GROUP a portfolio company of BLUE DELTA CAPITAL PARTNERS</p>	<p>January 2022</p> <p>Elbit Systems of America Metro/Merlin Type Certificate and MRO Support Business of MT Aerospace has been acquired by ONTIC</p>	<p>January 2022</p> <p>B23 has been acquired by TORCH.AI</p>

(1) Includes transactions which have not been publicly announced

M&A Trends & Activity

- Deal volume in 4Q23 saw a slight decrease following inflation concerns and interest rates hitting highs not seen for decades
- Despite seeing a decrease in M&A activity from 3Q23, overall deal volume saw a year-over-year increase in 4Q23 with M&A dealmakers expecting the market to pick up in 2024



- Aerospace deal volume decreased from 105 deals in 2022 to 80 deals in 2023, reaching its lowest point in over three years as the sector continues to battle supply chain issues during a time of increased commercial flying
- Defense deal volume increased significantly from 148 deals in 2022 to 162 deals in 2023, with defense budgets in the U.S., U.K., and EU expecting to remain high in support of Western allies due to the ongoing conflicts with Ukraine and the Middle East
- Government Technology Services (“GTS”) deal volume increased slightly from 108 deals in 2022 to 116 deals in 2023, as buyers continue to seek companies performing well in high priority areas, such as information technology (“IT”) modernization and cybersecurity

Highlighted 4Q23 Industry Transactions

Announced December 2023



EV: \$700M

EV / Revenue: ND

EV / EBITDA: ND

- NewMarket Corporation (NYSE: NEU) has agreed to acquire American Pacific Corporation (“AMPAC”), a portfolio company of AE Industrial Partners
- AMPAC, a leading manufacturer of critical additives used in space launch and defense applications, aligns well with NewMarket Corporation’s long-term commitment to its customers

Announced November 2023



EV(2): \$800M

EV / Revenue: ND

EV / EBITDA(3): 15.0x

- TJC, L.P. (“TJC” and formerly known as “The Jordan Company”) has agreed to acquire the Commercial Aviation Solutions Business of L3Harris Technologies (NYSE: LHX)
- The partnership builds upon L3Harris’ history of success to provide highly engineered products at the intersection of data, communications, and safety

Announced November 2023



EV: \$1.4B

EV / Revenue(3): 4.62x

EV / EBITDA: ND

- TransDigm Group Incorporated (NYSE: TDG) has agreed to acquire the Electron Device Business of Communications & Power Industries (“CPI”), a portfolio company of TJC
- CPI manufactures electronic components and subsystems for aerospace and defense platforms to support TransDigm’s expansion strategy

Announced November 2023



EV(1): ND

EV / Revenue: ND

EV / EBITDA: ND

- Amentum, a portfolio company of American Securities and Lindsay Goldberg, has agreed to merge with Jacobs’ (NYSE:J) Critical Mission Solutions (“CMS”) and Cyber & Intelligence (“C&I”) businesses
- The combined Company will deliver expertise in the government’s high-priority areas like energy, space exploration, intelligence, and digital modernization

Announced November 2023



EV: ND

EV / Revenue: ND

EV / EBITDA: ND

- Washington Harbour Partners LP (“Washington Harbour”) has acquired SixGen, Inc. (“SixGen”), a portfolio company of Chart National L.P.
- The partnership unlocks SixGen’s next phase of growth as a provider of cyber services and high-end product suites that are critical to the national security mission

Announced November 2023



EV: \$5.3B

EV / Revenue: ND

EV / EBITDA: ND

- Bain Capital Private Equity (“Bain Capital”) has acquired Guidehouse, a portfolio company of Veritas Capital
- Guidehouse will leverage Bain Capital’s resources and operational expertise to further grow the business with additional client delivery capabilities

Note: ND = Not Disclosed

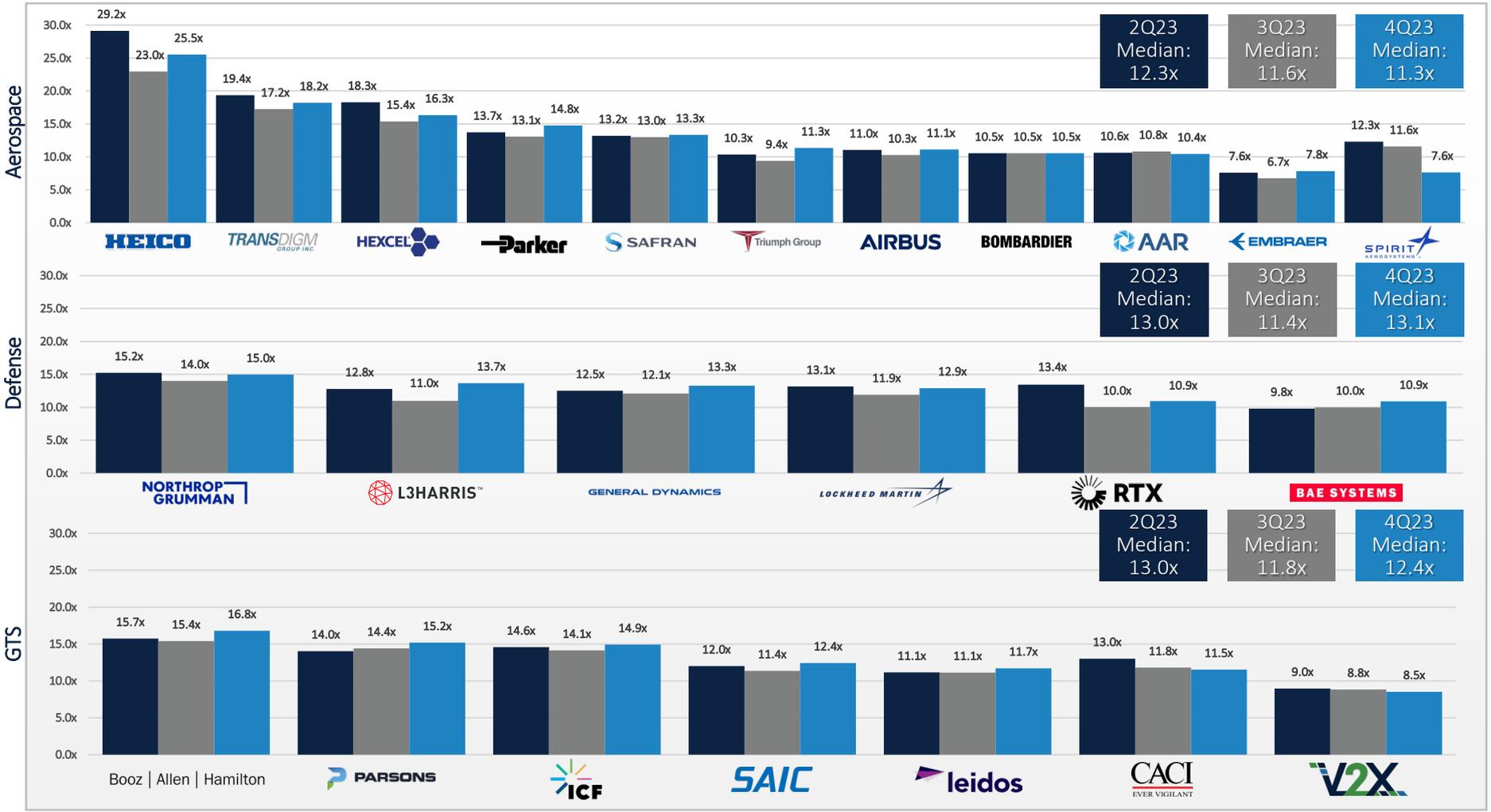
(1) Terms unavailable as deal is expected to close in the second half of 2024

(2) Includes earnout

(3) Based on LTM as of September 30, 2023

EV / NTM EBITDA Public Market Valuation Trends

■ Median public valuations have generally ticked up in line with the broader market rally throughout 4Q23, as the Federal Open Market Committee signaled that it had reached the end of its tightening cycle and opened the door to rate cuts in 2024

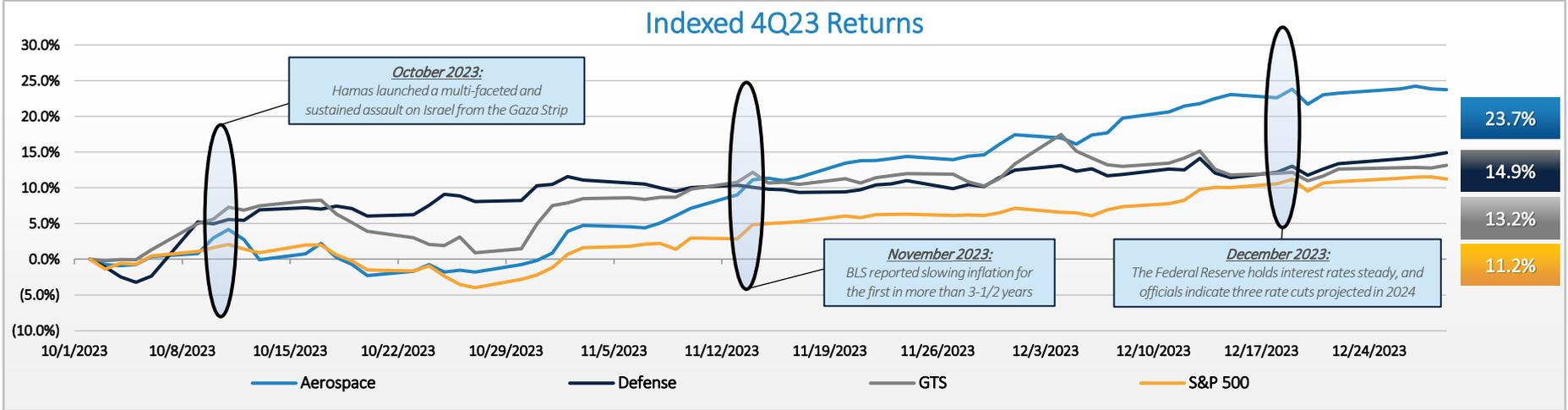


Source(s): S&P Capital IQ

■ = As of June 30, 2023 ■ = As of September 30, 2023 ■ = As of December 31, 2023

Equity Capital Markets Performance

- The broader market thrived in 4Q23, primarily attributed to Federal Reserve officials setting high expectations for 2024 rate cuts amid cooling inflation reports by the U.S. Bureau of Labor Statistics (“BLS”)
- Aerospace / Defense and GTS indices have outperformed the S&P 500, as geopolitical tensions escalated in the Middle East



23.7% ↑ 4Q23 Performance

36.5% ↑ LTM Performance

Aerospace

Aerospace shares *increased significantly* in 4Q23 as commercial aircraft orders soared and deliveries experienced steady increases, underlying strong, *recovering demand*

Prior to trading off substantially in the wake of the Air Alaska fuselage event, shares of *Spirit AeroSystems Holdings, Inc. (NYSE: SPR) increased 97.0% in 4Q23* after reaching a production agreement with Boeing (NYSE: BA)

14.9% ↑ 4Q23 Performance

(3.5%) ↓ LTM Performance

Defense

Defense shares *increased* in 4Q23 as the Israel-Hamas and Russo-Ukrainian wars drove increased defense spending expectations

Shares of *General Dynamics (NYSE: GD) increased 17.4% in 4Q23*, reaching an all-time as conflicts drove increased demand for military hardware, reflecting the ongoing industry tailwinds

13.2% ↑ 4Q23 Performance

16.3% ↑ LTM Performance

Government Technology Services

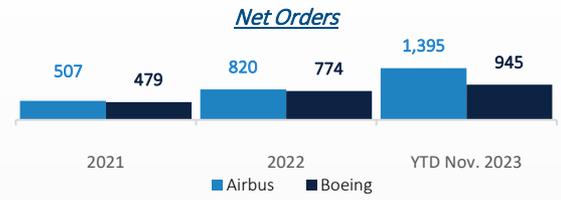
GTS shares *outperformed the broader market in* 4Q23, as evolving technology standards and acquisition rules propelled *cybersecurity* efforts and digital transformation priorities

Shares of *Science Applications International Corporation (NYSE: SAIC) increased 17.8% in 4Q23* after announcing \$1.1B in space and Intelligence Community (“IC”) contract awards for the quarter

Aerospace Update

Airbus and Boeing Deliveries and Order Books Outpace Pre-pandemic Levels

Aircraft manufacturers Airbus and Boeing celebrated a strong 2023 with *~1,400 and ~1,000 net orders booked*, respectively. This marks a significant improvement from Airbus and Boeing’s net orders of 820 and 774, respectively, in 2022.



Airbus’ 2023 demand has been driven by airlines scrambling to renew existing fleets ahead of potential shortages in coming years, coupled with a *last-minute push from major European airlines* with Turkish Airlines, easyJet, and Lufthansa orders totaling *more than 400 aircraft in December* alone. Airbus has also benefitted from large order customers, most notably IndiGo, which set the record for the biggest single purchase in the history of commercial aviation when it ordered *500 A320 aircraft earlier this year*.

With a *current backlog of ~5,300* and Boeing on track to meet the revised annual target of at least *375 narrowbody jet deliveries*, the Company has made a strong November recovery. Currently, Boeing has reached 351 deliveries.

In accordance with the commercial aerospace market continuing to see increases in demand and revenue, market consensus expects a *rise in overall business activity and investments* in the upcoming year, with a greater demand for *mission-critical technology, components, and labor* to support the *top-line growth* in the industry.

Navigating the Turbulence of Aging Aircraft

The maintenance, repair, and overhaul (“MRO”) market demand continues to grow, attributable in part to surging commercial passenger volume, deferred maintenance backlog, and delayed original equipment manufacturer (“OEM”) deliveries. As commercial aircraft fleets age, operational costs rise in tandem with elevated demand for spare parts and maintenance services—ultimately resulting in *significant tailwinds for top line growth and margins*, driving the need for major MRO industry players to acquire the requisite inventory and services.

These factors are expected to continue *fueling M&A activity*, with MRO and logistics specifically accounting for *150+ known deals across the last twelve quarters*, performing as one of the top subcategories across aerospace and defense.

The digitalization of MRO, which is the need for MRO providers to optimize the use of various management and maintenance technologies and software to keep up with modernizing airplanes, is one driver of the *positive outlook on the MRO M&A environment*. This is highlighted by AAR’s recent acquisition of Trax, an MRO and airline fleet maintenance management software, mobile and cloud provider, as well as Lufthansa’s acquisition of Swiss Aviation Software, a maintenance and engineering software provider.

As fleets continue to age, demand for spare parts and maintenance continues to soar, and the focus on digitalization provides an environment *ripe for continued M&A activity as MRO providers look to differentiate their offerings and stay competitive*.

Increased Deliveries for New Business Jets

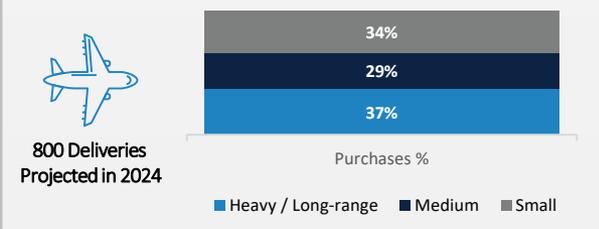
Increased confidence from business jet operators is yielding *significantly increased fleet expansion rates*, with new business jet deliveries expected to *increase 10% in 2024* to meet current record-high backlog. Operators anticipate consistent or increased flying in 2024, with *93% of those surveyed expecting to fly the same or more*, potentially resulting in increased demand for MRO services.

While business aviation surged in both passenger volumes and OEM / used aircraft transaction volumes during the COVID-19 pandemic, macroeconomic trends including inflation and the resumption of commercial air service in 2023 resulted in a slight decline in private aviation global flight activity.

New orders for jets have declined as OEMs work to meet existing demand. However, new orders are expected to *stabilize over the next year*, before resuming *growth in 2025* as inflation, interest rates, and corporate profits improve for buyers.

Over the next five years, *large, long-range, and ultra-long-range aircraft* are expected to comprise more of the new business jet orders than medium or small-range aircraft.

Purchase Plans by Aircraft Class



Defense Update

GFY2024 NDAA Provides Opportunities for M&A Activity

In late December 2023, President Biden signed the **\$886.3 billion GFY2024 National Defense Authorization Act (“NDAA”)**.

This year’s bill allows the Department of Defense (“DoD”) to continue the **Ukraine Security Assistance Initiative (“USAI”)** through the end of 2026 and **authorizes \$300 million for the program** in the current fiscal year and the next one. The program provides funding for the federal government to pay the **defense industry to produce weapons and securities assistance**, rather than drawing directly from the U.S. stockpile.

U.S. Bilateral Aid to Ukraine since January 2022



Other notable items in this year’s bill include the following:

- Addition of **Israel and Taiwan** to the list of **munitions program**, which started last year to expedite delivery and replenishment of munitions to Ukraine
- Institutionalization of **the sea-launched nuclear cruise missile program**
- Approval of four key authorizations to implement the trilateral **AUKUS agreement** designed to counter **China’s influence in the Indo-Pacific**

Hypersonic Capabilities Critical to the Execution of U.S. National Defense Strategy

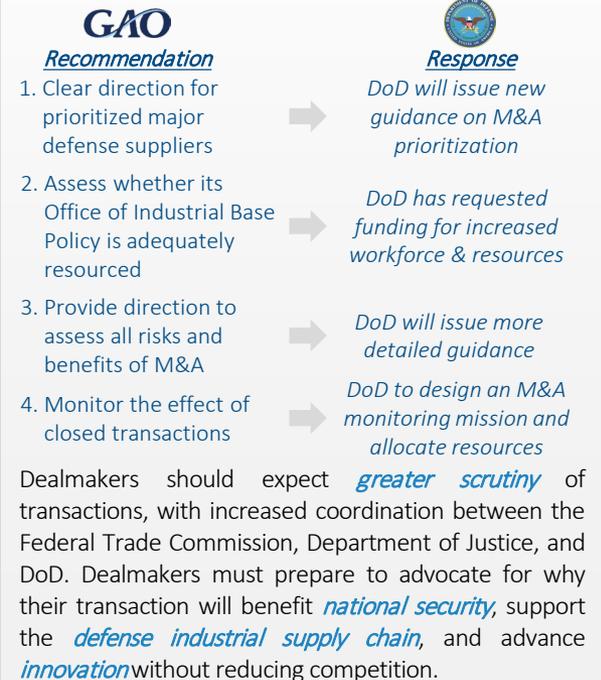
As Congress demands greater **hypersonic capabilities**, authorizing \$225M in additional funding beyond the Missile Defense Agency’s (“MDA”) \$209 million ask, pressure remains on the U.S. to develop an **interceptor** to counter **Russian** and **Chinese** advancements. This demand is expected to lead to increased funding for hypersonic-related programs, including the USAF’s **Hypersonic Attack Cruise Missile**, the U.S. Army’s **Long-Range Hypersonic Weapon**, the U.S. Navy’s **Conventional Prompt Strike**, and various hypersonic-related RDT&E funding possibly **trickling down into M&A activity to support the growing demand**.

The recently passed GFY2024 NDAA includes language mandating the Missile Defense Agency to field interceptors with the ability to **counter hypersonic weapons earlier than planned**, with initial operating capability of a Glide Phase Interceptor (“GPI”) slated for the end of 2029 compared to the previously scheduled early-2030s. Full operational capability includes the ability for the GPI “...to be operated collaboratively with space-based or terrestrial sensors that the DoD expects to be deployed before the end of 2032,” with **RTX** and **Northrop Grumman** each **receiving funding of ~\$60 million to date** to develop hypersonic weapons interceptors in an MDA-led competition.

While Russia and China appear to have made meaningful developments in their respective offensive hypersonic capabilities, the **U.S. is spending \$4 billion per year** to accelerate offensive development. Currently, U.S. hypersonic defense development is running at **~\$250 million per year**, representing less than 10% of offensive efforts, indicating **potential funding growth and possibly increased M&A activity in the future**.

GAO Calls for Increased Scrutiny of Defense Mergers

In response to increasing regulatory review and industry consolidation, the Government Accountability Office (“GAO”) released a report in October assessing the **DoD’s M&A evaluation process**. The DoD’s Office of Industrial Policy, currently staffed by **2-3 full time employees with no dedicated funding**, is currently responsible for evaluating industry M&A. The Office of Industrial Policy typically reviews ~40 deals per year, with limited review of consummated transactions. The GAO’s report suggests increased guidance for M&A review, making the below recommendations:



Government Technology Services Update

Increased Interest in the National Quantum Initiative

The House Committee on Science, Space, and Technology *passed legislation to reauthorize the National Quantum Initiative (“NQI”)*, which supports and advances efforts in the field of *quantum research*. The National Quantum Initiative Reauthorization Act (“NQIA”) requires the White House Office of Science and Technology Policy to *develop a quantum research strategy* with allies to compete with *China and Russia*.

NQIA Agencies Quantum Information Science Budgets



When reviewing the bill in November, *a total of 19 amendments were added*. Notably, one amendment proposes the addition of language directing agencies to consider *artificial intelligence (“AI”)* and *machine learning (“ML”)* in quantum science. Another directs the National Science and Technology Council’s Subcommittee on Quantum Information Science to *“identify potential use cases with respect to which quantum computing could advance the missions of participating agencies.”*

The passage of this legislation would *substantially increase funding for quantum research ventures* in the years to come. As a result, the government will prioritize allocating spending towards GTS companies offering these sophisticated capabilities. As quantum initiatives grow in size and scope, the pool of GTS capabilities offered across leading companies is likely to evolve. Advancements in these areas will be key for companies to *gain a competitive edge* over their counterparts and further *tailor and improve the solutions delivered to their customers*.

The NITRD⁽¹⁾ Program’s 2024 Budget includes Cloud Computing in its Supplemental Request

In November, the NITRD Program published its supplemental budget outlining investments focused on *federal information technology*. NITRD covers research and development (“R&D”) efforts across both the defense and civilian sectors focusing on pivotal areas such as *AI, big data, cybersecurity, and predominantly, cloud*.

Key focus areas of the FY2024 proposal are developing *cloud-related engineering services* for the *Defense Research and Engineering Network (“DREN”)* and scientific R&D support at the *National Institutes of Health (“NIH”)*. Despite significant investment on previous modernization efforts, several agencies, including the Department of Energy (“DoE”) and NIH, are requesting funding to *develop roadmaps for applying commercial cloud* in its early stages. All agencies included are focused on forward-looking innovative *experimental computing and networking infrastructure capabilities* in the cloud space, which will be in demand for M&A.

FY2024 Budget Request



Considering cloud services R&D is projected to be an on-going effort and agencies receiving funding under NITRD’s supplemental budget are quick to advance innovative technologies, *significant funding towards developing sophisticated capabilities* is expected to continue, as could M&A activity.

Trends Shaping the Federal Cybersecurity Marketplace for the Next Five Years

Safeguarding federal information and networks continues to be one of the *highest government priorities*. In the existing cyber landscape, there have been a variety of new threats and vulnerabilities challenging the strength of the protections in place. The shift toward more *automated services, mobile capabilities, cloud-based applications, and advanced computing technologies* – notably AI / ML – bring an entirely new and complex array of challenges as more information is being housed in a digital environment. As such, government-wide directives are pushing forward cybersecurity efforts by top agencies and initiatives to procure additional commercial solutions.

To support these expanded efforts, the demand for federal vendor-supplied cybersecurity products and services is expected to increase from *\$15.8 billion in FY2023* to *\$20.1 billion in FY2027*, driven by an increased focus on categories such as Security Operations Services; Governance, Strategy, and Compliance; Security Tools and Appliances; Identity and Access Management (“IAM”) Technology and Support; and Training, Education, and Awareness.

Gaining a nuanced understanding of these drivers will be imperative for vendors who specialize in AI / ML and cybersecurity work to maximize their positioning within the market to best seize business opportunities for the federal government. Aligning with these drivers, and offering capabilities that would be perceived to *enhance the fortification of sensitive federal information and networks*, will be regarded favorably by prospective federal customers and targets for M&A activity. Both Washington Harbour’s acquisition of SIXGEN and Summit7’s purchase of CSW Systems exemplify the market’s appreciation for cyber capabilities.



4Q23 Aerospace Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA		EV / LTM	
							Margin	Rev.	Rev.	EBITDA
12/21/23	AAR Corp. (NYSE: AIR)	Product Support Business of Triumph Group (NYSE: TGI)	Provides specialized MRO capabilities for critical aircraft components, including structural components, engine and airframe accessories, and other proprietary parts for commercial and defense customers	\$725.0	\$268.0	\$50.0	19%	2.7x	14.5x	
12/08/23	Thrust Capital Partners ("TCP")	DCM Group	Provides aerospace components, ground support equipment tooling, aircraft maintenance and welding services for aircraft manufacturers, equipment suppliers, maintenance centers, and airlines	ND	ND	ND	ND	ND	ND	ND
11/28/23	Space Exploration Technologies Corp. ("SpaceX")	Pioneer Aerospace Corp. (subsidiary of Aviation Safety Resources ("ASR"))	Provides in-flight and ground aeronautical function-based accessories and parts as well as analysis, design, manufacturing, testing, and integration of recovery and retrieval systems for various military, civil, and commercial customers	\$2.2	ND	ND	ND	ND	ND	ND
11/27/23	TJC, L.P.	Commercial Aviation Solutions ("CAS") business of L3Harris (NYSE: LHX)	Provides integrated and global commercial aviation solutions, including pilot training, avionics, advanced air mobility, training technology, flight data analytics, and integrated mission systems to the commercial aviation market	\$800.0 ⁽¹⁾	ND	\$53.3 ⁽²⁾	ND	ND	15.0x	
11/22/23	TechPrecision Corporation (NASDAQ: TPCS)	Votaw Precision Technologies, Inc. ("VPT") (subsidiary of Doerfer Corp.)	Provides precision components, fixtures, tools, ground support equipment, pressure vessels, and other complex mission-critical aerospace and flight hardware to serve spaceflight, aerospace, defense and commercial markets	\$85.0	\$46.0	\$7.7	17%	1.8x	11.0x	
11/14/23	Aero 3, Inc. ("Aero 3") (portco. of GenNx360 Capital Partners)	Skywheels, Ltd. ("Skywheels")	Provides wheel and brake repair and overhaul services for all aircraft types and OEM systems for the global aviation industry with a focus on the U.K. and European markets	ND	ND	ND	ND	ND	ND	ND
11/06/23	Tube Bending Technology (portco. of Washington Equity Partners ("WEP"))	Creative Pathways, Inc.	Provides tubular systems with expertise in AS9100 and NADCAP-certified welding and non-destructive testing, tube bending, orbital tube and tungsten inert gas welding, and machining for aerospace, defense, and industrial applications	ND	ND	ND	ND	ND	ND	ND
11/02/23	Apollo Global Management, Inc. (NYSE: APO)	Modern Aviation ("Modern") (portco. of Tiger Infrastructure Partners)	Provides premium FBO properties across a national network focusing on growth markets and providing exceptional service, extraordinary quality, and industry leading safety through the acquisition of FBOs and development assets throughout North America and the Caribbean	ND	ND	ND	ND	ND	ND	ND
10/18/23	West Star Aviation (portco. of The Sterling Group)	Jet East (U.S. MRO Business, subsidiary of Gama Aviation) (LON: GMAA)	Provides MRO services for avionics, on-demand mobile maintenance, and related services covering structural repairs, composite work, non-destructive testing, and paint capabilities for the business jet and commercial aviation markets	\$131.0	\$118.2	ND	ND	1.1x	ND	
10/17/23	ITP Aero (portco. of Bain Capital)	BP Aero Services, LLC	Provides aircraft engine aftermarket services including engine component repairs, hospital shop visits, engine teardowns, and field service to private sector and U.S. federal government aerospace markets	ND	ND	ND	ND	ND	ND	ND
10/17/23	Heads Up Technologies (portco. of JLL Partners)	Alto Aviation	Provides premium cabin audio and related cabin control solutions and systems for business jet aircraft manufacturers and aftermarket providers	ND	ND	ND	ND	ND	ND	ND
10/17/23	The Edgewater Funds ("Edgewater"), Banbury Private Capital, HF Capital, Killick Capital	Turbine Engine Specialists ("TES")	Provides aftermarket inventory-supported MRO, rental, and distribution services to the global private aviation market	ND	ND	ND	ND	ND	ND	ND
10/16/23	Arcline Investment Management	Hartzell Aviation (subsidiary. of Tailwind Technologies, Inc.)	Provides proprietary aircraft subsystems and aftermarket components, including propeller systems, components, aircraft engine accessories, and specialized parts like turbochargers, alternators, starters, magnetos, and engine mounts	ND	ND	ND	ND	ND	ND	ND
10/06/23	BodyCote (LSE: BOY)	Lake City Heat Treating ("LCHT") and Stack Metallurgical Group ("SMG")	Provides hot isostatic pressing ("HIP") and vacuum heat treatment solutions across three HIP and three heat treatment domestic facilities primarily to civil aerospace and medical end markets	\$145.0	\$35.0	\$16.1	46%	4.1x	9.0x	
10/04/23	GoEngineer, LLC (portco. of Court Square Capital Partners)	Rapid PSI	Provides 3D-printed, aerospace additive parts with capabilities including prototyping, production-grade manufacturing, and customized solutions for ITAR-compliant private sector and U.S. federal government aerospace markets	ND	ND	ND	ND	ND	ND	ND
10/02/23	Rocket Lab USA, Inc. (NASDAQ: RKLB)	Warkworth, NZ Facilities of SailGP Technologies Limited	Provides advanced composite materials and component manufacturing capabilities supported by a manufacturing facility outfitted with advanced cutting and machining equipment to support space launch vehicles and payloads	ND	ND	ND	ND	ND	ND	ND

(1) Includes earnout

(2) LTM as of September 30, 2023

Note: ND = Not Disclosed



4Q23 Defense Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA		EV / LTM	
							Margin	Rev.	Rev.	EBITDA
12/29/23	Undisclosed U.S.-based Non-Strategic Buyer	Precision Sport segment (Sierra Bullets and Barnes Bullets) of Clarus Corporation (NASDAQ: CLAR)	Provides outdoor equipment and lifestyle products focused on the sports market including a wide range of bullets, bullet jackets, and lead-free bullets for premium hunting, tactical ammunition, precision target shooting, and defense purposes	\$175.0	ND	ND	ND	ND	ND	ND
12/21/23	Luna Innovations Inc. (NASDAQ: LUNA)	Silixa Ltd.	Provides distributed fiber optic sensing solutions in distributed acoustic, temperature, and strain sensing, offering enhanced performance for applications in private sector, U.S. federal, and international government markets	\$38.0 ⁽¹⁾	\$30.0	ND	ND	1.3x	ND	ND
12/20/23	Diehl Defence (subsidiary of Diehl Stiftung & Co. KG)	The Allweier Group ("Allweier")	Provides high-precision metal parts with core competencies in CNC turning, milling, grinding, orbital sanding, and assembly of components for private sector and international government manufacturing and propulsion markets	ND	ND	ND	ND	ND	ND	ND
12/19/23	AEFP Group (portco. of Emko Capital)	Johnson Precision Products	Provides precision machining and manufacturing specializing in close tolerance turning capabilities, analytical planning infrastructure ("API"), complex assembly, supply chain, and inventory management solutions serving aerospace, defense, and industrial markets	ND	ND	ND	ND	ND	ND	ND
12/19/23	Comitans Capital AG	Small-Bore Pistons Unit of Rheinmetall AG (XTRA: RHM)	Provides small-bore pistons used primarily in internal combustion engines with a focus on near-adjacent applicability to next-generation alternative drive systems and hydrogen technologies across military, civilian, and commercial platforms	ND	ND	ND	ND	ND	ND	ND
12/18/23	Colt CZ Group SE (SEP: CZG)	Sellier & Bellot A.S. (subsidiary of Companhia Brasileira de Cartuchos ("CBC") S.A.)	Provides small caliber (i.e., pistol, rifle, and shotgun) ammunition to private sector and international government defense markets	ND	ND	ND	ND	ND	ND	ND
12/18/23	HawkEye 360 Inc.	RF Solutions business of Maxar Intelligence (subsidiary of Maxar Technologies Ltd., a portco. of Advent International Corp.)	Provides secure, precise, space-based radio frequency ("RF") geospatial solutions and analysis, enabling government intelligence customers to use wireless technologies for deployments, global connectivity, and active frequency mapping	ND	ND	ND	ND	ND	ND	ND
12/12/23	Nokia Oyj (HLSE: NOKIA)	Fenix Group, Inc. (portco. of Enlightenment Capital)	Provides tactical 3rd Generation Partnership Project communications solutions and innovative tactical communications products that are designed to provide high-speed, low-latency data connections to many devices and users simultaneously	ND	ND	ND	ND	ND	ND	ND
12/11/23	LIG Nex1 (KRX: 079550) & Korea Investment Private Equity	Ghost Robotics	Provides advanced unmanned quadruped vehicles outfitted with sensors, mesh communications, and manipulators enabling data collection, intelligence, security, asset protection, and military-specific primarily for commercial and military partners	\$398.0	ND	ND	ND	ND	ND	ND
12/04/23	NewMarket Corporation (NYSE: NEU)	American Pacific Corporation ("AMPAC") (portco. of AE Industrial Partners, LP)	Provides specialty chemicals with a core focus on critical performance additives, specifically oxidizers for solid rocket motors used in space launches and other defense applications for space, military, and national defense programs	\$700.0	ND	ND	ND	ND	ND	ND
12/01/23	Fincantieri S.p.A. (BIT: FCT)	Remazel Engineering S.p.A. (subsidiary of Advanced Technology Industrial Group S.A.)	Provides customized and complex topside systems for handling, lifting, and anchoring in addition to other launch and recovery solutions for underwater vessels and critical gas turbine components for the broader offshore market	\$84.8	\$108.8	ND	ND	0.8x	ND	ND
11/29/23	BlueHalo (portco. of Arlington Capital Partners)	Ipsolon Research	Provides high-performance, defense-grade, ultra-small form factor software defined radios that provide leading processing functionalities and multi-antenna capabilities for use in mission-critical spaces throughout the DoD	ND	ND	ND	ND	ND	ND	ND
11/29/23	Arcfield (portco. of Veritas Capital)	Orion Space Solutions (f.k.a. Atmospheric & Space Technology Research Associates)	Provides next-generation space technologies with space exploration, hypersonic detection, and tracking capabilities for agencies in the DoD and IC	ND	ND	ND	ND	ND	ND	ND
11/28/23	LFM Capital	SisTech Manufacturing	Provides printed circuit board assemblies, specializing in turnkey assembly of high-complexity boards, inclusive of mechanical design services, design review, and layout services for defense, aerospace, industrial, and consumer applications	ND	ND	ND	ND	ND	ND	ND
11/14/23	Telespazio UK (subsidiary of Telespazio, a JV between Leonardo and Thales)	e2E Group	Provides engineering and consulting services, including developing software for satellite operations and next-generation system architectures and integrating and testing space systems for civilian, military, and commercial end customers	ND	ND	ND	ND	ND	ND	ND
11/10/23	Graham Corporation (NYSE: GHM)	P3 Technologies ("P3")	Provides turbomachinery engineering, product development, and manufacturing solutions with expertise in the development of rotating machinery, including pumps, compressors, and turbines for the space, energy, and medical markets	ND	\$6.0	ND	ND	ND	ND	ND

(1) Includes earnout
Note: ND = Not Disclosed



4Q23 Defense Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA ⁽¹⁾	EBITDA		EV / LTM	
							Margin	Rev.	Rev.	EBITDA
11/09/23	Transdigm Group, Inc. (NYSE: TDG)	Electron Device Business of Communications & Power Industries ("CPI") (portco. of TJC, L.P.)	Provides highly engineered, proprietary electronic components and subsystems with significant aftermarket content and revenue generation from proprietary products	\$1,385.0	\$300.0	ND	ND	4.6x	ND	
11/08/23	Vishay Intertechnology (NYSE: VSH)	Newport Wafer Fabrication business (in Newport South Wales, U.K.) of Nexperia B.V.	Provides 200mm semiconductor wafers with manufacturing specialties in silicone carbide trench metal oxide semiconductor field effect transistors and diodes primarily to industrial and automotive markets	\$177.0	ND	ND	ND	ND	ND	
11/08/23	Nexa3D	Essentium	Provides high-speed extrusion printers and materials that are widely adopted by over 1,200 customers worldwide for high requirement precision applications in aerospace, military, and defense markets	ND	ND	ND	ND	ND	ND	
11/07/23	May River Capital	Boston Centerless	Provides high-quality, precision ground metal bar materials and preparation services for aerospace, defense, select commercial, and other mission-critical end-market applications	ND	ND	ND	ND	ND	ND	
11/07/23	Apex Space and Defense Systems ("Apex") (portco of Charger Investment Partners)	Unitech Composites, Inc. (portco of Acorn Growth Companies, Caltius Structured Capital, and The Edgewater Funds)	Provides advanced composite laminates and assemblies with core capabilities in hand lay-up and filament winding yielding airframe structures and specialty components for defense applications	ND	ND	ND	ND	ND	ND	
11/06/23	Moog, Inc. (NYSE: MOG.A)	Data Collection Limited ("DCL")	Provides road management and surveying tools that collect asset and pavement information for U.S. federal and international governments and aerospace, defense, and private sector markets	ND	ND	ND	ND	ND	ND	
11/06/23	Raptor Scientific (portco. of L Squared Capital Partners)	MEDTHERM Corporation ("Medtherm")	Provides head flux sensors, infrared radiometers, and thermocouples with accuracy and the ability to withstand demanding environments for mission-critical applications in the aerospace, defense, space, and industrial markets	ND	ND	ND	ND	ND	ND	
11/06/23	Signia Aerospace (portco. of Arcline Investment Management)	Meekeer Aviation and Airfilm Camera Systems ("Meekeer Aviation")	Provides aircraft external payload mounts for electro-optical and infrared sensors, light detection and ranging laser scanners, searchlights, and speaker and camera systems used by various military, law enforcement, utility, and production markets	ND	ND	ND	ND	ND	ND	
11/01/23	Eclipse Technologies (portco. of Arlington Capital Partners)	SR Technologies ("SRT")	Provides signals intelligence and electronic warfare technologies, including custom-designed tactical solutions across mobile satellite communications, Wi-Fi, and Bluetooth signals of interest to support DoD and IC missions	ND	ND	ND	ND	ND	ND	
10/31/23	AMETEK, Inc. (NYSE: AME)	Amplifier Research Corp.	Provides RF, microwave amplifiers, and electromagnetic compatibility equipment, specifically in instrumentation, hybrid power amplifier modules, and related control software for the defense, communications, medical, and automotive markets	ND	\$60.0	ND	ND	ND	ND	
10/29/23	IDEX Corp. (NYSE: IEX)	Superior Technical Ceramics ("STC") Corp. (portco. of Artemis Capital Partners)	Provides ceramic solutions and components, including specialized engine, analytical instrumentation, guidance and navigation, and customized components to private sector and U.S. federal government aerospace and defense markets	\$210.0	ND	ND	ND	ND	ND	
10/27/23	Fairbanks Morse Defense ("FMD") (portco. of Arcline Investment Management)	American Fan business of Chart Industries (NYSE: GTLS)	Provides high-performance axial and centrifugal aluminum and composite fans for enduring U.S. Navy, Military Sealift Command, and U.S. Coast Guard platforms and specialty industrial applications	\$111.0	\$60.0	ND	ND	1.9x	ND	
10/24/23	uAvionix (portco. of DC Capital Partners)	Iris Automation, Inc.	Provides detect and avoid technology for airborne and ground-based optical systems with capabilities in avionics and safety solutions for private sector and U.S. federal government aerospace, defense, and homeland security markets	ND	ND	ND	ND	ND	ND	
10/17/23	Integrity Partners Group ("IPG") (portco. of OpenGate Capital)	Military and Aerospace business of West Penetone	Provides specialty cleaners and degreasers used to remove soils and deposits on painted and unpainted surfaces, windows, plastics, composites, and engine of helicopters, gunships, jets, and other air transports	ND	ND	ND	ND	ND	ND	
10/17/23	Universal Technical Resource Services, Inc. ("UTRS")	Gaum, Inc.	Provides custom manufactured large parts, complex precision parts, and machine components used in various private sector (e.g., aerospace, defense, and industrials) and U.S. federal government defense markets (esp. U.S. Army)	ND	ND	ND	ND	ND	ND	
10/12/23	Stellant Systems (portco. of Arlington Capital Partners)	Comtech Power Systems Technology ("Comtech PST") (subsidiary of Comtech Telecommunications Corp, NASDAQ: CMTL)	Provides differentiated, power amplification products including vacuum tube and gallium nitride-based solid state solutions primarily for military applications	\$40.0	ND	ND	ND	ND	ND	

(1) LTM as of September 30, 2023
Note: ND = Not Disclosed



4Q23 Defense Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						Margin	Rev.	EBITDA	EBITDA
10/05/23	Machine Specialties, Inc. ("MSI") (portco. of Calvert Street Capital Partners)	Cambridge Specialty Company ("CSC")	Provides tight tolerance, medium to complex aerospace components and assemblies, including flight critical, flight safety parts, new product development, production, and ground support equipment for OEMs and the U.S. government	ND	ND	ND	ND	ND	ND
10/04/23	VideoRay	Blue Ring Imaging	Provides 3D visualization, multiview perception, and simulation enabling situational awareness and object detection capabilities for unmanned systems	ND	ND	ND	ND	ND	ND
10/03/23	Warburg Pincus & TJC, L.P.	iNRCORE (portco. of TJC, L.P.)	Provides high-reliability magnetics and other passive electronic components that transmit high-speed, mission critical data, and power for commercial aviation, government, space, and other high-reliability industrial applications	ND	ND	ND	ND	ND	ND
10/02/23	Kyocera (TSE: 6971.T)	Biley Technologies	Provides low-noise frequency control products in low Earth orbit and geostationary equatorial orbit applications and manufactures both crystal and oscillator products from front-end to final finishing within the same facility	ND	ND	ND	ND	ND	ND
10/02/23	Butler National (OTCQB: BUKS)	KC Machine	Provides high-quality precision machined parts, machine service, repairs, and extensive fabrication capabilities serving a variety of industrial and manufacturing businesses including products for the DoD	ND	ND	ND	ND	ND	ND
10/02/23	Safran (ENXTPA: SAF)	Aeronautical Electrical Systems business of Thales (ENXTPA: HO)	Provides safe power generation and management, electric conversion and optimization, and motors enabling effective aircraft oversight for civilian and military aircraft	ND	\$151.7	ND	ND	ND	ND
10/02/23	Trexon (portco. of Audax Private Equity)	C.E. Precision Assemblies, Inc. ("CEPA")	Provides RF / microwave build-to-print flexible and semi-rigid cable assemblies and simple, complex, molded, and braided wire harnesses for military and aerospace applications	ND	ND	ND	ND	ND	ND



4Q23 Government Technology Services Transactions

(\$ in millions)

Announced							EBITDA		EV / LTM	
Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	Margin	Rev.	EBITDA	
12/27/23	CM Equity Partners	Dexis Consulting Group	Provides program design and delivery of foreign assistance programs to the State Department, the U.S. Agency for International Development, Centers for Disease Control and Prevention, and the Defense Security Cooperation Agency	ND	ND	ND	ND	ND	ND	ND
12/21/23	Enlightenment Capital	Ridgeline International	Provides cybersecurity software solutions to the defense and intelligence sector	ND	ND	ND	ND	ND	ND	ND
12/12/23	Lynx Software Technologies, Inc.	Timesys Corp.	Provides development tools, cybersecurity solutions, and differentiated software engineering services for open-source embedded and edge software applications for private sector and U.S. federal government aerospace, defense, industrial, medical, and enterprise end-markets	ND	ND	ND	ND	ND	ND	ND
12/05/23	H.I.G. Capital	Mainline Information Systems, Inc.	Provides diversified IT solutions serving the infrastructure needs of blue-chip enterprises and the public sector. The company designs and implements custom IT solutions for enterprises and provides associated professional and managed services	ND	\$1,000.0	ND	ND	ND	ND	ND
12/04/23	Acclaim Technical Services, LLC ("ATS")	Alder Technology, Inc.	Provides high-end network engineering, network security, and data management services and solutions, specializing in mission IT services focused on Tier 1-3 networks, systems, and cybersecurity solutions for the IC	ND	ND	ND	ND	ND	ND	ND
12/04/23	Yulista Holding, LLC	DSoft Technology, Engineering & Analysis, Inc.	Provides technology, engineering, and analysis consulting services and solutions for a broad range of clients in defense, civil, and commercial sectors	ND	ND	ND	ND	ND	ND	ND
12/04/23	Capitol Meridian Partners	Clarity Innovations LLC	Provides advanced data and cyber analytics services and software to private sector and U.S. federal government aerospace, defense, and national security markets	ND	ND	ND	ND	ND	ND	ND
12/01/23	Irys Technologies, Inc.	Diversified Technical Services, Inc. ("DTSI")	Provides software development, cybersecurity, and IT services with a strong reputation in defense and government sectors	ND	ND	ND	ND	ND	ND	ND
11/29/23	BlueVoyant LLC	Conquest Technology Services Corp. (dba: Conquest Cyber)	Provides cybersecurity, digital transformation, and Software-as-a-Service ("SaaS") solutions to private sector and U.S. federal government markets	ND	ND	ND	ND	ND	ND	ND
11/28/23	Madison Dearborn Partners, LLC	T2S, LLC	Provides agile, mission-focused product and solutions provider specializing in rapid prototyping and experimentation, systems development, integration, test and sustainment services for private sector and U.S. federal government, civilian, defense, and intelligence markets	ND	ND	ND	ND	ND	ND	ND
11/27/23	Crimson Phoenix	TekMasters	Provides IT support services, specializing in app development, IT systems engineering, data forensics, and mission operations to government agencies	ND	ND	ND	ND	ND	ND	ND
11/27/23	Crimson Phoenix	Cyberspace Solutions LLC	Provides a full spectrum of data, technology and services for the most important national security challenges	ND	ND	ND	ND	ND	ND	ND
11/27/23	System One Holdings, LLC,	KeyLogic Technologies Corp.	Provides solutions in the areas of mission management, advanced analytics, data science, digital transformation, Agile DevSecOps, and cybersecurity	ND	ND	ND	ND	ND	ND	ND
11/21/23	Precise Systems, Inc. (portco. of Bluestone Investment Partners)	Excet, Inc.	Provides technological support and research, development, test & evaluation services and solutions to private sector and U.S. federal government defense markets	ND	ND	ND	ND	ND	ND	ND
11/21/23	Amentum Holdings, LLC (portco. of American Securities and Lindsay Goldberg)	Jacobs Solutions Inc. (NYSE:J) Critical Mission Solutions ("CMS") and Cyber & Intelligence ("C&I") businesses	Provides cybersecurity, data analytics, software application development, enterprise and mission IT, systems integration, and technical consulting solutions to government agencies and aerospace, automotive, and telecom customers	ND ⁽¹⁾	ND	ND	ND	ND	ND	ND
11/17/23	Acclaim Technical Services, LLC ("ATS")	OASIC Engineering, LLC	Provides hardware and software engineering services with highly specialized engineering subject-matter experts in integrated circuit design and other critical areas expected to enhance development, mission and collection management, and intelligence analysis support	ND	ND	ND	ND	ND	ND	ND

(1) Terms unavailable as deal is expected to close in 2H24
Note: ND = Not Disclosed



4Q23 Government Technology Services Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA		EV / LTM	
							Margin	Rev.	Rev.	EBITDA
11/16/23	SMX (portco. of OceanSound Partners)	Outside Analytics, Inc.	Provides remote sensing, real-time processing, and analytics systems across the private and U.S. federal government aerospace industries	ND	ND	ND	ND	ND	ND	ND
11/15/23	Washington Harbour Partners	SIXGEN, Inc. (portco. of Chart National)	Provides deep technical expertise and proprietary products to simulate adversary techniques, detect vulnerabilities, and respond to adversary actions across critical networks in the defense, intelligence, homeland security, and commercial sectors	ND	ND	ND	ND	ND	ND	ND
11/14/23	C3 Integrated Solutions Inc.	Ingalls Information Security LLC	Provides technology-enabled, integrated cybersecurity risk management services for private sector and U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND	ND
11/07/23	Falfurrias Capital Partners	Synergy ECP	Provides software engineering, cybersecurity, and systems engineering services for the IC and DoD	ND	ND	ND	ND	ND	ND	ND
11/06/23	BigBear.ai, Inc. (NYSE: BBAI)	Pangjam Holdings, LLC (portco. of AE Industrial Partners)	Provides facial recognition technology, cloud-based applications, and data-driven digital identity solutions for private sector and U.S. federal government defense and homeland security markets	\$70.0	ND	ND	ND	ND	ND	ND
11/06/23	Bain Capital, LLC	Guidehouse Holding Corp. (portco. of Veritas Capital)	Provides strategic advisory services, with expertise across financial management, program, security, and data management, and operations improvement serving the private sector, state and local, and U.S. federal government	\$5,300.0	ND	ND	ND	ND	ND	ND
11/06/23	IntelliBridge LLC (portco. of Enlightenment Capital)	RevaComm, Inc.	Provides digital transformation and DevSecOps solutions, including agile software development, cybersecurity, analytics, and cloud solutions to private sector and U.S. federal government defense and intelligence markets	ND	ND	ND	ND	ND	ND	ND
11/02/23	Iron Mountain Inc. (NYSE: IRM)	Regency Technologies	Provides IT asset disposition, equipment resale, and electronics recycling services to private sector and U.S. federal government markets	\$200.0 ⁽¹⁾	\$100.0	\$27.0	27%	2.0x	7.4x	
10/31/23	Tyler Technologies, Inc. (NYSE: TYL)	ResourceX, Inc.	Provides priority-based budgeting software and IT staffing solutions that leverage artificial intelligence and machine learning AI / ML for the public sector	ND	ND	ND	ND	ND	ND	ND
10/31/23	Summit 7 (portco. of WestView Capital)	CSW Systems	Provides managed services and continuous compliance support for classified data processing facilities with expertise in cybersecurity solutions tailored for clients handling sensitive and classified information within the IC	ND	ND	ND	ND	ND	ND	ND
10/31/23	Redhorse Corp.	Allied Associates International, Inc. ("A2I")	Provides cyber intelligence software and provides space and missile defense solutions for private sector and U.S. federal government aerospace, defense, and law enforcement markets	ND	ND	ND	ND	ND	ND	ND
10/17/23	MindPetal Software Solutions, Inc.	Vertical Applications, Inc.	Provides intelligent automation, software development, and data services to private sector and U.S. federal government defense, healthcare, and homeland security markets	ND	ND	ND	ND	ND	ND	ND
10/17/23	CenterGate Capital	Cartridge Technologies, LLC (portco. Of Broadtree Partners)	Provides managed print services offering tech-enabled and customized solutions to prominent U.S. government agencies, including the DoD, Department of Homeland Security and Department of Health & Human Services	ND	ND	ND	ND	ND	ND	ND
10/10/23	SMX (portco. of OceanSound Partners)	Creoal Consulting	Provides digital transformation solutions with a sharp focus on migrating Oracle enterprise applications to cloud-native SaaS offerings, including enterprise resource planning, human capital management, supply chain management, and enterprise performance management	ND	ND	ND	ND	ND	ND	ND
10/06/23	Bridge Core Federal	teKnoluxion Consulting	Provides software and systems engineering, cloud services, and data analytics solutions to defense and IC customers	ND	ND	ND	ND	ND	ND	ND
10/02/23	Loch Technologies	Avirtek, Inc.	Provides professional and cyber security solutions enabled by AI / ML for private sector and U.S. federal government defense markets	ND	ND	ND	ND	ND	ND	ND

(1) Includes earnout
Note: ND = Not Disclosed



Public Company Trading Analysis

(\$ in millions, except per share amounts)

Aircraft and Engine OEMs	Stock Price 12/31/23	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2024E			EV / LTM		EV / CY2024E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
The Boeing Company	\$260.66	97.4%	\$157,693	\$196,605	\$75,756	\$2,873	3.8%	\$91,022	\$7,320	8.0%	2.60x	NM	2.16x	NM
General Electric Company	127.63	98.8%	138,911	144,786	83,813	12,277	14.6%	71,052	10,509	14.8%	1.73x	11.8x	2.04x	13.8x
Airbus SE	154.50	97.1%	121,931	118,522	66,897	7,616	11.4%	78,472	10,916	13.9%	1.77x	15.6x	1.51x	10.9x
Safran SA	176.26	94.5%	74,041	74,481	24,157	4,610	19.1%	28,997	5,733	19.8%	3.08x	16.2x	2.57x	13.0x
MTU Aero Engines AG	215.82	79.7%	11,602	12,403	5,467	(146)	NM	7,821	1,332	17.0%	2.27x	NM	1.59x	9.3x
Median		97.1%	\$121,931	\$118,522	\$66,897	\$4,610	13.0%	\$71,052	\$7,320	14.8%	2.27x	15.6x	2.04x	11.9x

Aerostructures	Stock Price 12/31/23	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2024E			EV / LTM		EV / CY2024E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Hexcel Corporation	\$73.75	93.3%	\$6,203	\$6,860	\$1,761	\$348	19.8%	\$2,027	\$438	21.6%	3.90x	19.7x	3.38x	15.7x
Spirit AeroSystems Holdings, Inc.	31.78	82.4%	3,687	7,285	5,555	(285)	NM	7,665	678	8.9%	1.31x	NM	0.95x	10.7x
Triumph Group, Inc.	16.58	96.0%	1,274	2,763	1,403	193	13.7%	1,536	255	16.6%	1.97x	14.3x	1.80x	10.8x
Senior plc	2.26	96.5%	926	1,168	1,180	96	8.1%	1,302	142	NM	0.99x	12.2x	0.90x	NM
Median		94.6%	\$2,481	\$4,812	\$1,582	\$144	13.7%	\$1,782	\$346	16.6%	1.64x	14.3x	1.37x	10.8x

Note: NM = Not Meaningful
Sources: S&P Capital IQ, company filings, and KippsDeSanto research



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Aerospace Suppliers	Stock Price 12/31/23	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2024E			EV / LTM		EV / CY2024E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Howmet Aerospace Inc.	\$54.12	99.2%	\$22,284	\$25,824	\$6,422	\$1,398	21.8%	\$7,009	\$1,650	23.5%	4.02x	18.5x	3.68x	15.6x
Curtiss-Wright Corporation	222.79	99.1%	8,520	9,539	2,817	622	22.1%	2,968	650	21.9%	3.39x	15.3x	3.21x	14.7x
Woodward, Inc.	136.13	96.7%	8,176	8,785	2,915	461	15.8%	3,250	568	17.5%	3.01x	19.0x	2.70x	15.5x
Moog Inc.	144.78	97.9%	4,886	5,825	3,319	402	12.1%	3,504	497	14.2%	1.75x	14.5x	1.66x	11.7x
Ducommun Incorporated	52.06	89.3%	760	1,037	753	79	10.5%	813	119	14.6%	1.38x	13.1x	1.28x	8.7x
Astronics Corporation	17.42	77.6%	591	786	652	9	1.5%	755	87	11.5%	1.21x	NM	1.04x	9.0x
Héroux-Devtek Inc.	11.51	91.5%	387	544	428	44	10.4%	471	66	14.0%	1.27x	12.3x	1.15x	8.3x
Median		96.7%	\$4,886	\$5,825	\$2,817	\$402	12.1%	\$2,968	\$497	14.6%	1.75x	14.9x	1.66x	11.7x

Aftermarket / MRO	Stock Price 12/31/23	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2024E			EV / LTM		EV / CY2024E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
TransDigm Group Incorporated	\$1,011.60	99.3%	\$55,956	\$72,245	\$6,585	\$3,212	48.8%	\$7,781	\$4,046	52.0%	10.97x	NM	9.29x	17.9x
HEICO Corporation	178.87	93.6%	21,686	24,531	2,968	767	25.8%	3,906	994	25.5%	8.26x	NM	6.28x	NM
Singapore Technologies Engineering Ltd	2.95	97.7%	9,179	13,652	7,115	897	12.6%	7,816	1,143	14.6%	1.92x	15.2x	1.75x	11.9x
AAR Corp.	62.40	84.4%	2,180	2,463	2,170	187	8.6%	2,341	236	10.1%	1.14x	13.2x	1.05x	10.4x
SIA Engineering Company Limited	1.80	94.0%	2,016	1,673	694	74	10.7%	854	75	8.8%	2.41x	NM	1.96x	NM
Median		94.0%	\$9,179	\$13,652	\$2,968	\$767	12.6%	\$3,906	\$994	14.6%	2.41x	14.2x	1.96x	11.9x

Note: NM = Not Meaningful

Sources: S&P Capital IQ, company filings, and KippsDeSanto research



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Defense Primes	Stock Price	% of 52	Market	Enterprise	LTM			CY2024E			EV / LTM		EV / CY2024E	
	12/31/23	Week High	Cap	Value	Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
RTX Corporation	\$84.14	77.3%	\$120,714	\$153,691	\$67,086	\$9,050	13.5%	\$78,928	\$14,152	17.9%	2.29x	17.0x	1.95x	10.9x
Lockheed Martin Corporation	453.24	89.2%	112,448	126,286	67,688	10,311	15.2%	68,673	9,891	14.4%	1.87x	12.2x	1.84x	12.8x
General Dynamics Corporation	259.67	99.9%	70,736	80,381	41,455	4,816	11.6%	45,838	6,011	13.1%	1.94x	16.7x	1.75x	13.4x
Northrop Grumman Corporation	468.14	85.5%	70,592	84,103	38,685	7,161	18.5%	41,086	5,761	14.0%	2.17x	11.7x	2.05x	14.6x
BAE Systems plc	14.15	98.4%	42,797	47,384	28,613	3,773	13.2%	33,582	4,491	13.4%	1.66x	12.6x	1.41x	10.6x
L3Harris Technologies, Inc.	210.62	96.0%	39,921	53,794	18,657	2,784	14.9%	21,340	3,966	18.6%	2.88x	19.3x	2.52x	13.6x
Median		92.6%	\$70,664	\$82,242	\$40,070	\$5,989	14.2%	\$43,462	\$5,886	14.2%	2.06x	14.6x	1.89x	13.1x

Defense Systems	Stock Price	% of 52	Market	Enterprise	LTM			CY2024E			EV / LTM		EV / CY2024E	
	12/31/23	Week High	Cap	Value	Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Safran SA	\$176.26	94.5%	\$74,041	\$74,481	\$24,157	\$4,610	19.1%	\$28,997	\$5,733	19.8%	3.08x	16.2x	2.57x	13.0x
Huntington Ingalls Industries, Inc.	259.64	99.9%	10,314	12,885	11,089	1,080	9.7%	11,445	1,119	9.8%	1.16x	11.9x	1.13x	11.5x
Kongsberg Gruppen ASA	45.90	93.3%	8,073	8,506	3,575	514	14.4%	4,203	634	15.1%	2.38x	16.6x	2.02x	13.4x
AeroVironment, Inc.	126.04	87.5%	3,523	3,534	654	125	19.1%	775	128	16.6%	5.41x	NM	4.56x	NM
Median		93.9%	\$9,194	\$10,695	\$7,332	\$797	16.7%	\$7,824	\$877	15.8%	2.73x	16.2x	2.30x	13.0x

Note: NM = Not Meaningful

Sources: S&P Capital IQ, company filings, and KippsDeSanto research



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Defense Electronics / Comm.	Stock Price 12/31/23	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2024E			EV / LTM		EV / CY2024E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Teledyne Technologies Incorporated	\$446.29	99.5%	\$21,058	\$23,798	\$5,629	\$1,375	24.4%	\$5,899	\$1,470	24.9%	4.23x	17.3x	4.03x	16.2x
Viasat, Inc.	27.95	59.0%	3,480	9,311	3,323	(242)	NM	4,410	1,447	32.8%	2.80x	NM	2.11x	6.4x
Hensoldt AG	26.97	65.0%	3,115	3,776	1,845	250	13.5%	2,331	414	17.8%	2.05x	15.1x	1.62x	9.1x
Kratos Defense & Security Solutions, Inc.	20.29	94.7%	2,616	2,939	1,013	57	5.6%	1,108	104	9.4%	2.90x	NM	2.65x	NM
Mercury Systems, Inc.	36.57	61.8%	2,168	2,735	927	64	6.9%	984	183	18.6%	2.95x	NM	2.78x	14.9x
Comtech Telecommunications Corp.	8.43	50.0%	240	562	571	45	7.9%	631	78	12.4%	0.99x	12.5x	0.89x	7.2x
Median		63.4%	\$2,866	\$3,357	\$1,429	\$60	7.9%	\$1,720	\$299	18.2%	2.85x	15.1x	2.38x	9.1x

Homeland Security	Stock Price 12/31/23	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2024E			EV / LTM		EV / CY2024E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Smiths Group plc	\$22.46	97.6%	\$7,767	\$8,294	\$3,906	\$687	17.6%	\$4,107	\$826	20.1%	2.12x	12.1x	2.02x	10.0x
MSA Safety Incorporated	168.83	91.0%	6,637	7,259	1,736	454	26.2%	1,847	471	25.5%	4.18x	16.0x	3.93x	15.4x
OSI Systems, Inc.	129.05	92.2%	2,192	2,521	1,290	172	13.3%	1,552	277	17.9%	1.95x	14.6x	1.62x	9.1x
Smith & Wesson Brands, Inc.	13.56	91.3%	619	679	513	83	16.1%	538	100	18.6%	1.32x	8.2x	1.26x	6.8x
Median		91.7%	\$4,415	\$4,890	\$1,513	\$313	16.8%	\$1,699	\$374	19.4%	2.04x	13.4x	1.82x	9.6x

Note: NM = Not Meaningful

Sources: S&P Capital IQ, company filings, and KippsDeSanto research



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Government Services	Stock Price 12/31/23	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2024E			EV / LTM		EV / CY2024E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Booz Allen Hamilton Holding Corporation	\$127.91	97.4%	\$16,677	\$19,763	\$10,031	\$665	6.6%	\$10,996	\$1,210	11.0%	1.97x	NM	1.80x	16.3x
Leidos Holdings, Inc.	108.24	97.2%	14,884	19,403	15,155	1,600	10.6%	15,950	1,680	10.5%	1.28x	12.1x	1.22x	11.6x
CACI International Inc	323.86	90.1%	7,215	9,209	6,947	714	10.3%	7,400	823	11.1%	1.33x	12.9x	1.24x	11.2x
Parsons Corporation	62.71	97.0%	6,578	7,451	5,052	381	7.5%	5,648	507	9.0%	1.47x	19.5x	1.32x	14.7x
SAIC	124.32	91.4%	6,472	8,556	7,675	700	9.1%	7,360	702	9.5%	1.11x	12.2x	1.16x	12.2x
ICF International, Inc.	134.09	92.2%	2,523	3,263	1,960	189	9.6%	2,068	226	10.9%	1.66x	17.3x	1.58x	14.4x
V2X, Inc.	46.44	81.8%	1,449	2,569	3,901	266	6.8%	4,079	304	7.5%	0.66x	9.7x	0.63x	8.4x
Median		92.2%	\$6,578	\$8,556	\$6,947	\$665	9.1%	\$7,360	\$702	10.5%	1.33x	12.6x	1.24x	12.2x

Government Technology Software	Stock Price 12/31/23	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2024E			EV / LTM		EV / CY2024E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Palantir Technologies Inc.	\$17.17	78.6%	\$37,362	\$34,396	\$2,125	\$69	3.3%	\$2,656	\$783	29.5%	16.18x	NM	12.95x	NM
Tyler Technologies, Inc.	418.12	98.0%	17,613	18,259	1,923	320	16.7%	2,127	552	25.9%	9.49x	NM	8.58x	NM
BigBear.ai Holdings, Inc.	2.14	31.6%	336	503	155	(29)	NM	174	1	0.6%	3.24x	NM	2.88x	NM
Telos Corporation	3.65	68.1%	254	166	152	(40)	NM	142	(6)	NM	1.10x	NM	1.17x	NM
Median		73.3%	\$8,974	\$9,381	\$1,039	\$20	10.0%	\$1,151	\$276	25.9%	6.37x	NM	5.73x	NM

Note: NM = Not Meaningful

Sources: S&P Capital IQ, company filings, and KippsDeSanto research



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Engineering & Construction	Stock Price	% of 52	Market	Enterprise	LTM			CY2024E			EV / LTM		EV / CY2024E	
	12/31/23	Week High	Cap	Value	Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Jacobs Solutions Inc.	\$129.80	92.0%	\$16,396	\$19,726	\$16,352	\$1,473	9.0%	\$16,993	\$1,590	9.4%	1.21x	13.4x	1.16x	12.4x
AECOM	92.43	98.3%	12,569	14,355	14,378	689	4.8%	15,738	1,111	7.1%	1.00x	NM	0.91x	12.9x
Tetra Tech, Inc.	166.93	96.3%	8,889	9,809	3,751	481	12.8%	4,294	563	13.1%	2.61x	NM	2.28x	17.4x
KBR, Inc.	55.41	84.1%	7,481	9,126	6,834	669	9.8%	7,822	834	10.7%	1.34x	13.6x	1.17x	10.9x
Babcock International Group PLC	5.03	91.2%	2,543	3,150	5,457	366	6.7%	5,520	588	10.6%	0.58x	8.6x	0.57x	5.4x
Median		92.0%	\$8,889	\$9,809	\$6,834	\$669	9.0%	\$7,822	\$834	10.6%	1.21x	13.4x	1.16x	12.4x

Space	Stock Price	% of 52	Market	Enterprise	LTM			CY2024E			EV / LTM		EV / CY2024E	
	12/31/23	Week High	Cap	Value	Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Rocket Lab USA, Inc.	\$5.53	68.7%	\$2,687	\$2,561	\$236	(\$137)	NM	\$428	(\$53)	NM	10.83x	NM	5.98x	NM
Virgin Galactic Holdings, Inc.	2.45	37.1%	979	474	5	(560)	NM	18	(338)	NM	NM	NM	NM	NM
Redwire Corporation	2.85	62.2%	185	359	234	(1)	NM	279	20	7.1%	1.54x	NM	1.29x	18.1x
Astra Space, Inc.	2.28	20.5%	51	49	1	(167)	NM	44	(82)	NM	NM	NM	1.12x	NM
Momentus Inc.	1.73	2.2%	11	14	2	(74)	NM	10	(58)	NM	6.30x	NM	1.43x	NM
Median		37.1%	\$185	\$359	\$5	(\$137)	NM	\$44	(\$58)	7.1%	6.30x	NM	1.36x	18.1x

Note: NM = Not Meaningful
Sources: S&P Capital IQ, company filings, and KippsDeSanto research

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