

MarketView

Aerospace / Defense &
Government Technology
Services

Spring 2021

Kipps DeSanto
INVESTMENT BANKING



8000 Towers Crescent Drive, Suite 1200
Tysons Corner, VA 22182
703.442.1400 | kippsdesanto.com

KippsDeSanto's 2020 – 1Q21 Transactions

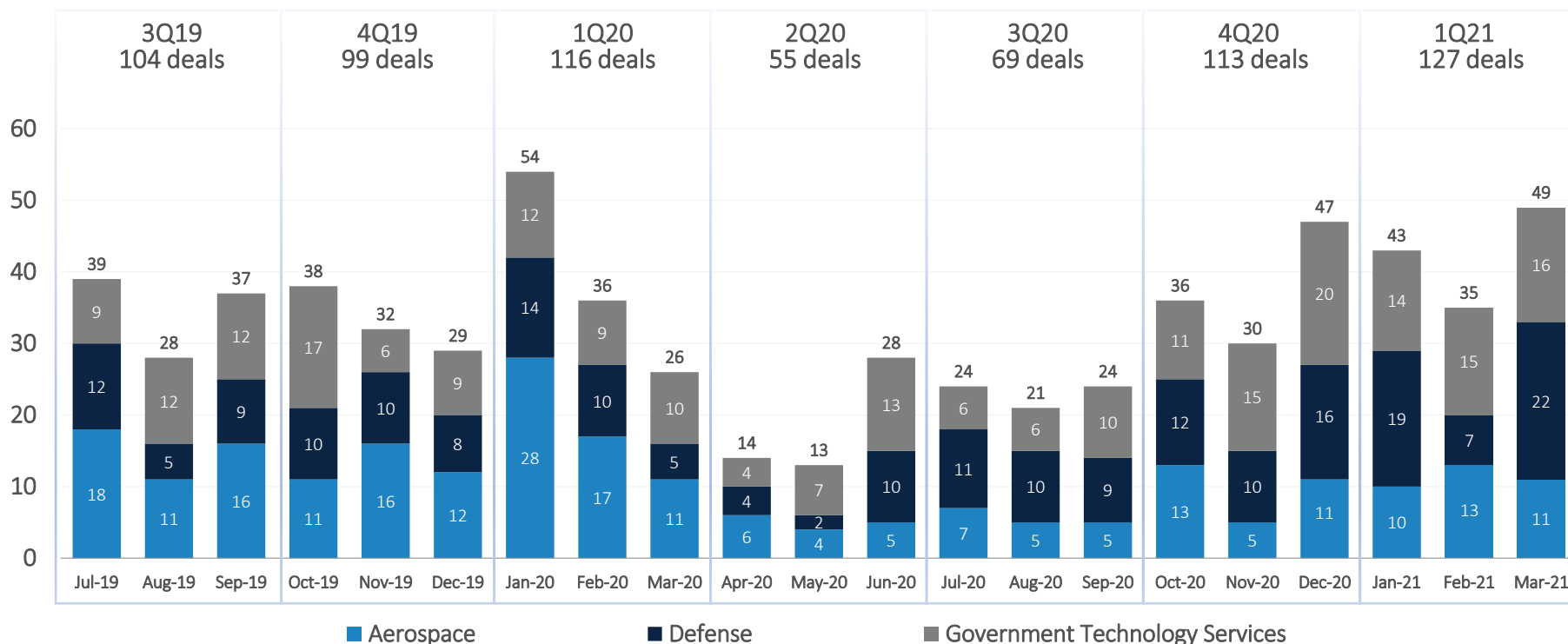
- Despite the recent headwinds from the COVID-19 pandemic, KippsDeSanto continues to be one of the most active investment banking practices focused on our target markets, having closed 28⁽¹⁾ transactions in the past 15 months

<p>PENDING</p> <p>WBB</p> <p>a portfolio company of</p> <p>H.I.G. CAPITAL</p> <p>has agreed to be acquired by</p> <p>serco</p>	<p>March 2021</p> <p>Quantic ELECTRONICS</p> <p>a portfolio company of</p> <p>ARCLINE INVESTMENT MANAGEMENT</p> <p>has acquired</p> <p>PMI Planar Monolithics Industries</p>	<p>February 2021</p> <p>the goal</p> <p>has been acquired by</p> <p>MOTION RECRUITMENT</p> <p>a portfolio company of</p> <p>LITTLEJOHN & Co.</p>	<p>February 2021</p> <p>Milervium Engineering and Integration Company</p> <p>has merged with</p> <p>QuantiTech</p> <p>a portfolio company of</p> <p>SAGEWIND CAPITAL</p>	<p>February 2021</p> <p>Progeny Systems Engineering Solutions That Last Generations Intelligent Systems Group</p> <p>has been acquired by</p> <p>AV AeroVironment™</p> <p>PROCEED WITH CERTAINTY</p>	<p>January 2021</p> <p>ALETHIX Mission-Driven Partnerships</p> <p>has been acquired by</p> <p>IntelliBridge</p> <p>a portfolio company of</p> <p>ENLIGHTENMENT CAPITAL</p>	<p>December 2020</p> <p>HHB SYSTEMS</p> <p>has been acquired by</p> <p>VECTRUS TRUE TO YOUR MISSION</p>	<p>December 2020</p> <p>ZENETEX Because Service Matters.</p> <p>has been acquired by</p> <p>VECTRUS TRUE TO YOUR MISSION</p>	<p>December 2020</p> <p>POC PERIODIC OPTICS CORPORATION</p> <p>has been acquired by</p> <p>mercury systems.</p>
<p>December 2020</p> <p>Tapestry Technologies</p> <p>has been acquired by</p> <p>ManTech</p>	<p>November 2020</p> <p>Titania</p> <p>has been acquired by</p> <p>Swish</p>	<p>November 2020</p> <p>BRAXTON SCIENCE & TECHNOLOGY GROUP</p> <p>has been acquired by</p> <p>PARSONS</p>	<p>September 2020</p> <p>BLUEWATER FEDERAL SOLUTIONS, INC.</p> <p>has been acquired by</p> <p>Tt TETRA TECH</p>	<p>September 2020</p> <p>IBA</p> <p>has been acquired by</p> <p>DLH</p>	<p>September 2020</p> <p>alliance spacesystems a subsidiary of</p> <p>SolAero</p> <p>has been acquired by</p> <p>Applied Composites a portfolio company of</p> <p>ae Industrial Partners</p>	<p>August 2020</p> <p>TRANSFORMATIONAL SECURITY</p> <p>and</p> <p>INTELLIGENT DEVICES</p> <p>have been acquired by</p> <p>HEICO</p>	<p>June 2020</p> <p>SATCOM Line of Business of GENERAL DYNAMICS</p> <p>has been acquired by</p> <p>CPI Communications & Power Industries</p> <p>a portfolio company of</p> <p>ODYSSEY AVIATION</p>	<p>May 2020</p> <p>QuantiTech</p> <p>has been acquired by</p> <p>SAGEWIND CAPITAL</p>
<p>May 2020</p> <p>EIS Enterprise Information Services, Inc.</p> <p>has been acquired by</p> <p>cognosante CORPORATION</p>	<p>May 2020</p> <p>Chemring Ordnance</p> <p>a subsidiary of</p> <p>Chemring Group</p> <p>has been acquired by</p> <p>nammo</p>	<p>April 2020</p> <p>InCadence STRATEGIC SOLUTIONS</p> <p>has been acquired by</p> <p>Xator CORPORATION</p>	<p>March 2020</p> <p>TERATHINK</p> <p>has been acquired by</p> <p>CGI</p>	<p>March 2020</p> <p>CONTINENTAL MAPPING</p> <p>has been acquired by</p> <p>BLUESTONE INVESTMENT PARTNERS</p>	<p>February 2020</p> <p>FREEFLIGHT SYSTEMS</p> <p>has been acquired by</p> <p>ACR</p> <p>a portfolio company of</p> <p>The Jordan Company</p>	<p>January 2020</p> <p>INTELLIVARE</p> <p>has been acquired by</p> <p>T TROWBRIDGE & TROWBRIDGE LLC</p> <p>to form</p> <p>IntelliBridge</p> <p>a portfolio company of</p> <p>ENLIGHTENMENT CAPITAL</p>	<p>December 2019</p> <p>Smartronix</p> <p>has been recapitalized by</p> <p>OCEANSOND PARTNERS</p>	<p>October 2019</p> <p>AEgis TECHNOLOGIES</p> <p>has been acquired by</p> <p>ACP</p>

(1) Includes three transactions that have not been announced publicly

M&A Trends & Activity

- Deal activity continued its momentum from 4Q20, driven by priorities of the new administration, the need to modernize legacy systems, enhance citizen engagement, and maintain readiness and defense posture related to national security
- These deal market drivers emboldened companies, especially private equity firms and blank-check acquisition firms (further detailed on page 5) during 1Q21 to pursue deals, particularly in the defense sector



- The Aerospace sector saw another strong quarter of M&A activity, continuing off of the 4Q20 momentum, indicating further optimism in the sector fueled by growth in air traffic levels as the U.S. continues a successful vaccine rollout
- Defense and Government Technology Services (“GTS”) M&A activity remains insulated from downward pressure affecting industries with more commercial exposure; buyer confidence remains strong and there was a record 93 deals announced for the quarter between the two sectors

Highlighted 1Q21 Industry Transactions

Announced January 2021



has agreed to acquire



EV: \$8,300M

EV / Revenue: 4.36x

EV / EBITDA: 18.7x

- Teledyne Technologies (NYSE: TDY) has agreed to acquire FLIR Systems (NASDAQ: FLIR)
- Both companies provide defense electronics for commercial and federal customers
- FLIR deepens Teledyne's sensor technologies and imaging instrumentation capabilities

Announced January 2021



has agreed to acquire



EV: \$7,100M

EV / Revenue: 1.43x

EV / EBITDA: 10.5x

- Peraton, a portfolio company of Veritas Capital has agreed to acquire Perspecta (NYSE: PRSP), further bolstering its position as a leading GTS provider
- The acquisition bolsters Peraton's current solutions set as a provider of highly-differentiated space, intelligence, cyber, defense, homeland security, and communications

Announced March 2021



has agreed to acquire



EV: \$6,800M

EV / Revenue: 5.53x

EV / EBITDA: 67.5x

- II-VI (NASDAQ: IIVI) has agreed to acquire Coherent (NASDAQ: COHR), ending a bidding war between II-VI and Lumentum (NASDAQ: LITE)
- The transaction is the latest in a wave of consolidation in the optical components industry in recent years, following II-VI's acquisition of Finisar and Lumentum's acquisition of Oclaro

Announced February 2021



has agreed to acquire



EV: \$2,300M

EV / Revenue: 4.50x

EV / EBITDA: 20.4x

- Tyler Technologies (NYSE: TYL) has agreed to acquire NIC Inc. (NASDAQ: EGOV), further strengthening Tyler's ability to provide end-to-end solutions to local, state, and federal governments
- The combined company expects to leverage Tyler Technologies' sales channels and client base to enhance NIC's scale

Announced March 2021



have agreed to acquire



EV: \$3,405M

EV / Revenue: 2.32x

EV / EBITDA: 16.5x

- Cubic Corp. (NYSE: CUB) has agreed to be acquired by Veritas Capital and Evergreen Coast Capital Corp., an affiliate of Elliott Investment Management
- The announcement marks the end of a bidding war between the Veritas-led group and Singapore Technologies Engineering / Blackstone Tactical Opportunities

Announced February 2021



has agreed to acquire



EV: \$295M

EV / Revenue: ND

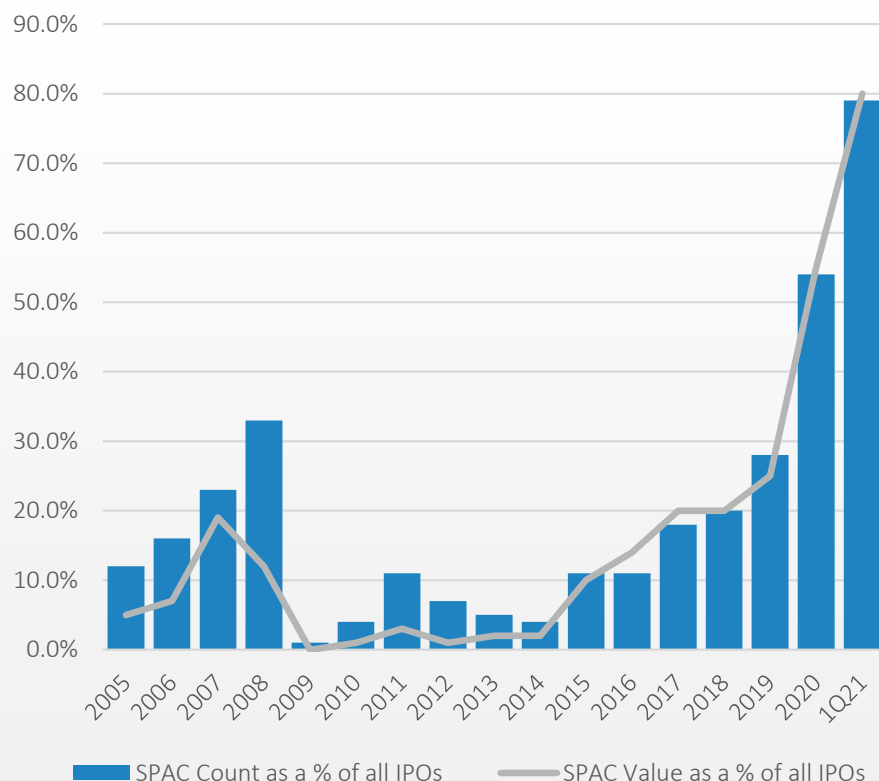
EV / EBITDA: ND

- The acquisition of Whitley, Bradley & Brown, Inc. ("WBB") by Serco is expected to expand Serco's position providing acquisition and program management services to the Department of Defense
- Additionally, the combination will bolster Serco's key capabilities including advanced weapons acquisition, wargaming, and machine learning

A&D Special Purpose Acquisition Company ("SPAC") Activity

- SPAC M&A activity has increased substantially during the past few years and has particularly picked up during the last six months, with over 10 aerospace and defense ("A&D") companies going public via a SPAC in the last two quarters
- A&D companies have piqued the interest of SPACs because they are capital intensive and can therefore benefit from investments of large pools of capital during short time frames

In Recent Years, SPACs Have Increasingly Accounted for a Larger Share of All IPOs

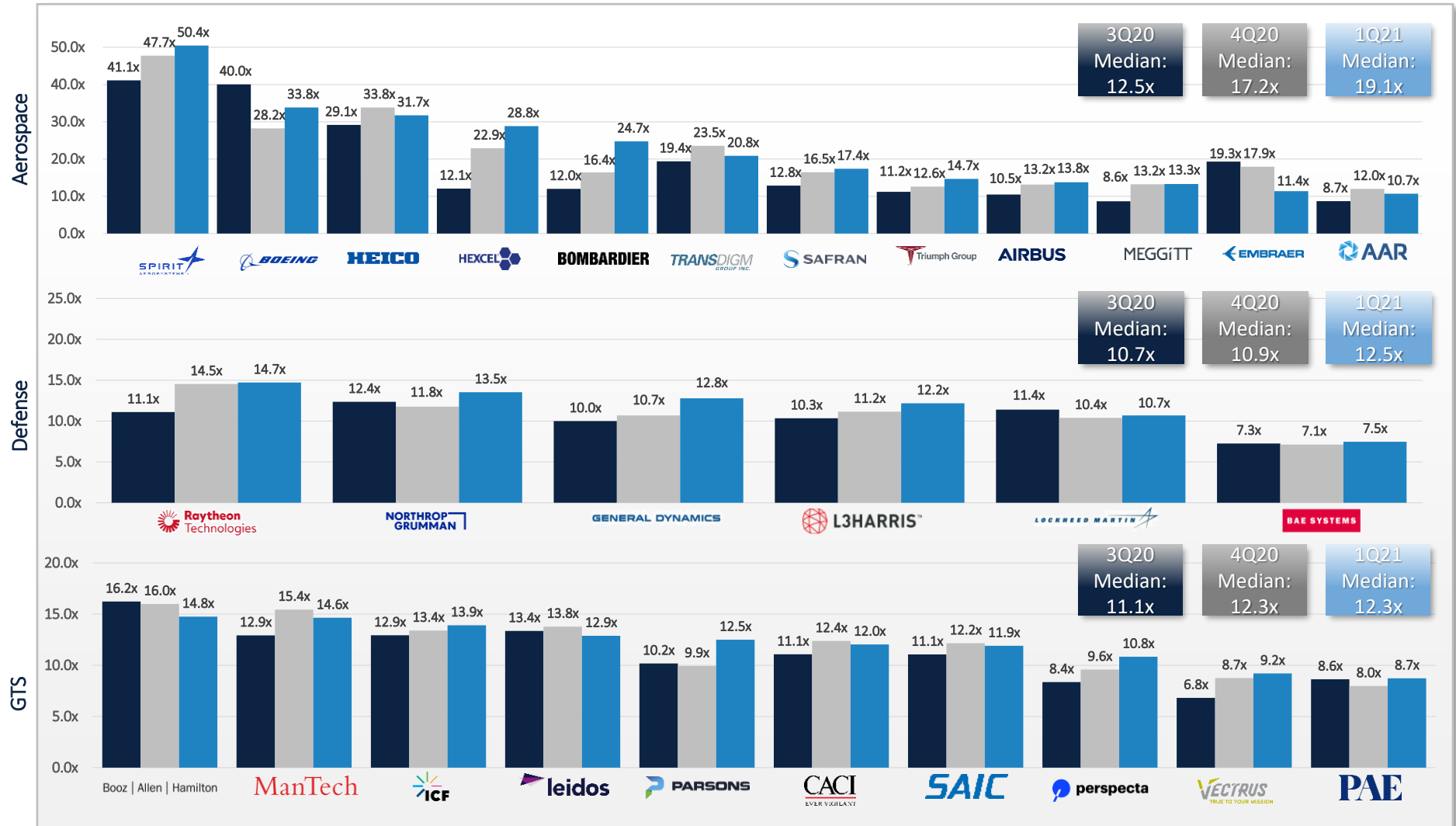


Notable 1Q21 SPAC Transactions

Date	SPAC	Target	Target Description	EV (\$M)
Mar-21	Genesis Park Acquisition Corp.	Redwire Space	Provider of space infrastructure to include navigation sensors, solar arrays, deployable structures, in-space manufacturing, and robotic arms	\$615M
Mar-21	LGL Systems Acquisition Corp.	IronNet Cybersecurity, Inc.	Provides a network traffic analysis platform and a collective defense solution that delivers machine-speed visibility of potential threat campaigns	\$927M
Mar-21	NavSight Holdings, Inc.	Spire Global, Inc.	Provides space-based data and analytics through the collection of data from the constellation of more than 100 satellites	\$1,600M
Mar-21	Vector Acquisition Corp.	Rocket Lab	Provides small launch and spacecraft systems for government and commercial customers	\$4,100M
Feb-21	Reinvent Technology Partners	Joby Aviation	Provides electric vertical takeoff and landing ("eVTOL") aircraft for air transportation and taxi services sectors	\$6,600M
Feb-21	Osprey Technology Acquisition Corp.	BlackSky Holdings, Inc.	Provides real-time geospatial intelligence, imagery, and data analytics, leveraging small satellite constellations	\$1,100M
Feb-21	Atlas Crest Investment Corp.	Archer Aviation Inc.	Provides eVTOL aircraft for use in urban air mobility	\$3,800M
Feb-21	Aspirational Consumer Lifestyle Corp.	Wheels Up Partners Holdings LLC	Provides aviation membership programs, on-demand private flights, aircraft management, whole aircraft sales, and corporate solutions	\$2,100M

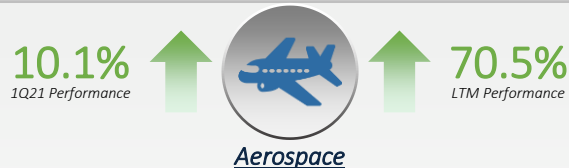
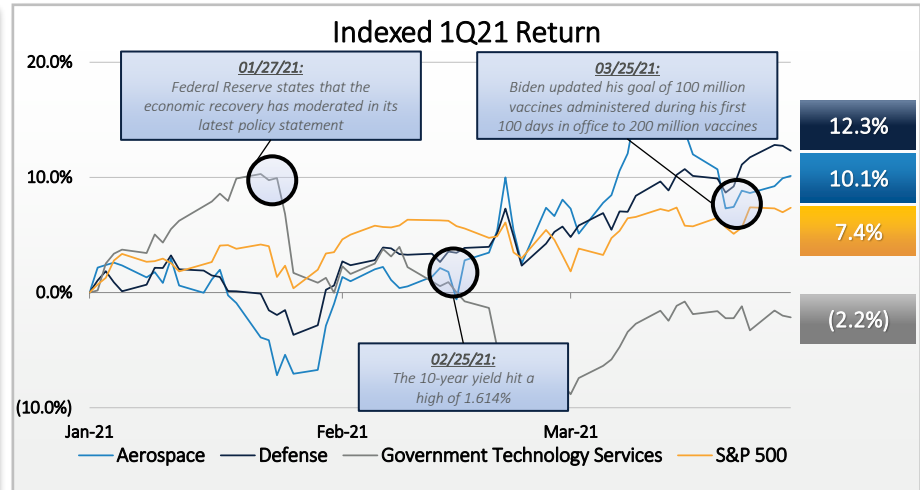
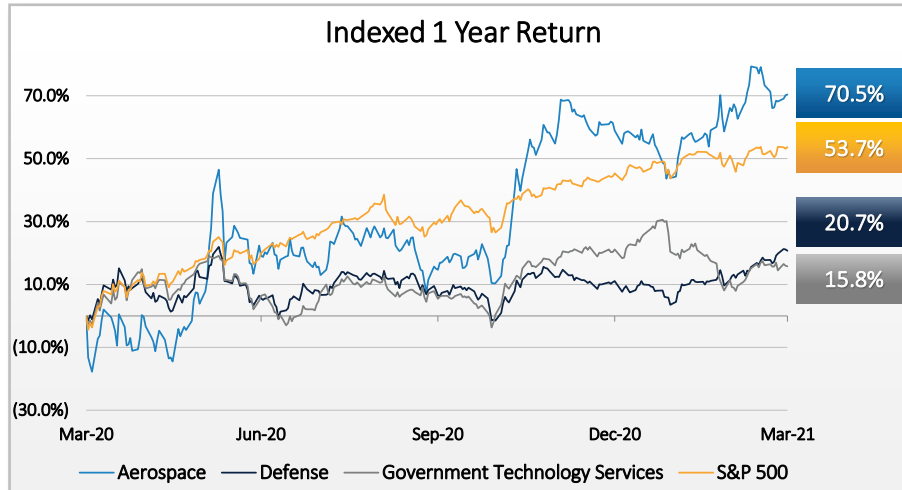
EV / NTM EBITDA Public Market Valuation Trends

- Aerospace public multiples were boosted in 1Q21 by the continued market rebound, while low NTM EBITDA metrics across the board contributed to a higher median multiple. Defense also saw an uptick, while GTS multiples remained largely in line with the past quarter



Equity Capital Markets Performance

- Equity markets continued their resurgence in 1Q21 due to positive momentum and growing optimism of the economic recovery, falling COVID-19 case numbers, improvements in the vaccine rollout, a new \$1.9 trillion fiscal package, and continued monetary policy support
- Stocks encountered volatility in the middle of the quarter due to spikes in bond yields; however, the Federal Reserve is not contemplating near-term tightening and interest rates remain historically low



Commercial aerospace stocks continue to perform well, building off the momentum from the final quarter of 2020 as Boeing continues to receive a high volume of 737 MAX orders, two years after the jet was initially grounded

Shares of **Astronics (NASDAQ: ATRO)** rose 36.4%, as it continues to win key contracts spanning from aircraft power distribution to manufacturing subassemblies for missiles



Defense firms lead the way in 1Q21, and industry officials remain optimistic that the Biden administration will keep the defense budget relatively flat, which would be better than expected given recent and future potential stimulus to buoy the economy

Shares of **AeroVironment (NASDAQ: AVAV)** rose 33.6%, driven by strong earnings performance, and three transformative acquisitions that the Company is confident will accelerate success / value creation



The GTS index underperformed the broader market in 1Q21 as investors exhibited fears that added government spending due to COVID-19 could slow government contracting revenues 2021 and beyond

Shares of **ICF International (NASDAQ: ICFI)** rose 17.6%, as it delivered impressive 4Q20 results driven by strong federal government and commercial revenues. The Company has also won several large-scale contracts (total contracts won for the quarter was \$525 million)

Aerospace and Defense Update

Continued Market Consolidation through Sizable, Transformational Deals

2019 and 2020 saw *record levels of transactions valued over \$1B*, a trend that has seen continued momentum throughout the first quarter of 2021

Select Drivers of Largescale M&A Deals



Fractured Supply Chains → The disruption of supply chains caused from the pandemic has caused industry leaders to use M&A as a tool to gain supply chain stability



Modernization → Companies also turn to M&A to build out new capabilities, technologies, and efficiencies aimed to align with modernization and innovation priorities

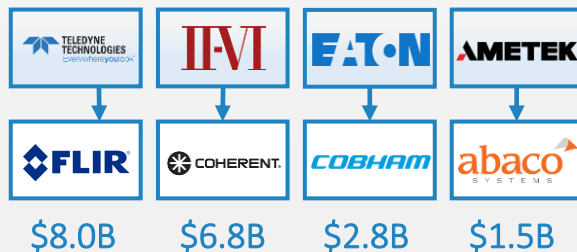


Financing → The current cost of capital is driving aggressive capital allocation strategies geared towards future growth



Taxes → The expectation of corporate tax increases in 2021 has driven M&A activity, and Biden's proposed corporate tax hikes to fund the \$2T infrastructure package could impact M&A volume going forward

Notable 1Q21 Transactions



Defense Secretary Austin Outlines Top DoD Priorities



President Biden's appointee for Secretary of Defense, General Lloyd J. Austin III, announced the top priorities of the Defense Department are *defeating COVID-19* and *maintaining a competitive advantage against China*

China: the Nation's Top Pacing Threat

Austin named China as the nation's *number one pacing challenge*, ensuring the U.S. will take a coordinated foreign policy approach to the growing superpower

China increased its defense budget to \$208B, still \$700B less than the United States. China's budget grew 6.8% as they seek to modernize their military, specifically their naval operations



In addition to China, the new Defense Secretary also addressed growing threats from *Russia, Iran, and North Korea*

In order to ensure a credible deterrence to the accelerating, advanced threats, *innovation and modernization* will remain a *mission-critical priority* area under the new administration, which will require advances in *joint warfighting concepts* and investments in the Joint Artificial Intelligence Center ("JAIC")



Aviation Sector Resiliency throughout Previous Economic Recoveries

U.S. air travel—measured by TSA airport passenger screenings—fell to a *6-month low in January 2021* as COVID-19 infections and travel restrictions continued to hinder the industry's recovery

It is expected that vaccinations will fuel a *significant rebound in travel demand* in the coming months, although it could take years to return to pre-pandemic air traffic levels

Air passenger traffic has historically rebounded quickly following economic shocks with the largest percentage growth gains over the past two decades experienced during economic recoveries

Aerospace Sector vs. S&P 500 over Past Decade



The Aerospace sector significantly outperformed the broader market over the last decade, reflecting the *high air travel growth rate* and *stability experienced in the aviation industry* prior to the pandemic

Government Technology Services Update

Technology Modernization Fund is Just a Start to Address Legacy System Underinvestment

Congress has turned its attention to [funding federal IT upgrades](#) through the Technology Modernization fund, with [\\$1B in funding](#) included in the American Rescue Plan Act of 2021 passed on March 6, 2021, which would provide funding through September 30, 2025. The funding will be allocated as follows:

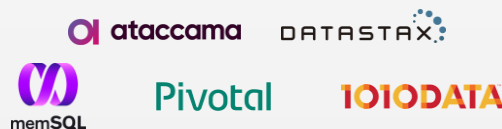
\$650M	Cybersecurity and Infrastructure Security Agency in the Department of Homeland Security
\$200M	The U.S. Digital Service
\$150M	Federal Citizen Services Fund

Data Analytics Must Be Front and Center

Data generated by government agencies continue to [grow at astronomic rates](#), and as this grows, the [need to manage, secure, and analyze](#) this data becomes vital.

Modern Data Platforms → The private sector has benefited from existing tools that have already been tried and tested, and government organizations should look to take advantage of such tools to [effectively manage / analyze](#) the ever-increasing volume of data

Select Examples:



Ataccama ONE → Data processing engine, which provides data transformations, evaluation of business rules, and matching / merging rules

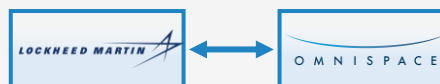
MemSQL → Real-time data warehouse that ingests data continuously to perform analytics

Pivotal → Integrated analytics on multi-structured data that can be deployed on major public and private cloud platforms

Increasing Need for 5G Network Development in Space

The Air Force's Space Command is interested in finding a way to [get 5G wireless connectivity to work in space](#), which would [improve data transportation](#) for ground- and space-based communications

Recent Lockheed / Omnispace Deal Exhibits this Need Formulating into Action



The Companies signed a "strategic interest agreement" for joint development of 5G mobile broadband capability from space, in a deal signed March 23

With this hybrid 5G network, Lockheed Martin aims to provide the ability to [transmit large amounts of data at high speeds and low latency](#) to the government market, which requires seamless, [reliable global communications](#) for essential applications

5G Network Development Points of Interest

Massive Multiple Input Multiple Output ("MIMO") Networks → Antenna expansion for spacecraft communications

Radio Access Network ("RAN") Slicing → Address the deployment of multiple logical networks as independent business operations on a common physical infrastructure

Artificial Intelligence → Provide message stream recognition and content analysis to prioritize stream data rate by content type

Growing Demand for Defense / Federal IT Consolidation and Scale Plays

Key Recent Representative Deals

<u>Buyer</u>	<u>Target</u>	<u>Enterprise Value</u>
Peraton ()	 perspecta	\$7,100M
Peraton ()	NORTHROP GRUMMAN Federal IT and Mission Support Services business	\$3,400M

Leading Federal IT Contractor

Veritas has been a major player in the recent acceleration of acquisition activity in the Federal IT market with the acquisition of Harris Corporation's Government Services Business in 2017 (now "Peraton"), the Northrop Grumman Federal IT business in 2021, and the pending acquisition of Perspecta. Perspecta, Peraton, and Northrop's IT business brought in \$3.5B in IT obligations in fiscal 2020, more than all other IT contractors with the exception of General Dynamics Corporation

Combination Benefits

Access to large-scale contracts → Alliant 2 Large Business, IT Support Services Contract II, Chief Information Officer – Solutions and Partners 3, etc.

Intelligence Community → Peraton and Perspecta can potentially benefit from Northrop's strength in this space

Customer Access → The combination would allow access to various customer relationships beyond their shared connection with different agencies and bureaus

1Q21 Aerospace Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA ⁽¹⁾
03/19/21	Pangiam (portco of AE Industrial Partners)	veriScan product line of Metropolitan Washington Airports Authority	Provides an integrated biometric facial recognition system that delivers a fast, secure, seamless boarding experience for airports and airlines	ND	ND	ND	ND	ND	ND
03/09/21	Novaria Group (portco of KKR & Co. L.P.)	The Young Engineers, Inc.	Provides aircraft and aerospace hardware, with a primary focus on fasteners and inserts	ND	ND	ND	ND	ND	ND
03/09/21	Fralock (portco of Arsenal Capital Partners)	Oasis Materials Company, LP	Provides rapid temperature transition applications used in semiconductor, medical, aerospace, defense and other applications	ND	ND	ND	ND	ND	ND
03/08/21	PCX Aerostructures, LLC (portco of RFE Investment Partners)	Senior Aerospace Connecticut ("SAC") (subsidiary of Senior plc)	Provides precision metallic parts for the aerospace industry using state-of-the-art production and process control systems to machine steel, aluminium, inconel, magnesium and titanium parts from bar stock, forgings and castings	\$74.0	ND	ND	ND	ND	ND
03/04/21	GracoRoberts (portco of CM Equity Partners)	Sil-Mid Limited	Provides distribution of chemical consumables used throughout aerospace and aviation, including adhesives, lubricants, sealants, silicones, cleaners, coatings, and tapes	ND	ND	ND	ND	ND	ND
03/01/21	COMSovereign Holding Corp.	Sky Sapience Ltd.	Provides fielded tethered aerial rotorcraft platforms for defense, homeland security and commercial markets	\$12.7	ND	ND	ND	ND	ND
03/01/21	Frequentis AG	Air Traffic Management ("ATM") voice communications and Air Traffic Control ("ATC") management product business of L3Harris	Provides voice communication systems; provides air traffic control ("ATC") solutions	\$20.1	ND	ND	ND	ND	ND
03/01/21	OpenGate Capital	ScioTeq and TREALITY Simulation Visual Systems businesses from TransDigm Group, Inc.	Provides high-quality avionics displays and high performance software solutions, high quality rugged displays, deployable workstations, advanced imaging platforms and Common-Operational-Picture solutions; provides simulation visual display products	\$200.0	\$135.0	ND	ND	1.48x	ND
03/01/21	CAE, Inc. / CDPG / GIC	Military Training Business of L3Harris Technologies, Inc.	Provides military training solutions, initial flight training, and simulator hardware	\$1,050.0	\$500.0	\$77.8	15.6%	2.10x	13.5x
03/01/21	Atlantic Aviation Group Ltd.	AAG Defence Services	Provides maintenance, repair, and overhaul ("MRO") services for the U.K. Royal Air Force	ND	ND	ND	ND	ND	ND
03/01/21	VSE Corp.	HAECO Special Services, LLC (portco of John Swire & Sons Ltd.)	Provides fully integrated MRO support solutions for military and government aircraft	\$20.0	ND	ND	ND	ND	ND
02/19/21	Surf Air Mobility	Ampaire, Inc. (Elemental Excelsior)	Provides hybrid electric systems to cut fuel and maintenance costs for small workhorse airplanes	\$100.0	ND	ND	ND	ND	ND
02/19/21	Essex Industries, Inc.	Stevens Manufacturing Co., Inc. (J.H. Whitney & Co.)	Provides precision machining high-quality, flight safety precision parts and subassemblies to the commercial and military rotorcraft markets	ND	ND	ND	ND	ND	ND
02/18/21	Osprey Technology Acquisition Corp.	BlackSky Holdings, Inc. (Spaceflight Industries, Inc.)	Provides satellite intelligence and monitoring services, BlackSky will be listed on the New York Stock Exchange as "BKSY"	\$1,100.0	ND	ND	ND	ND	ND
02/18/21	Integrated Polymer Solutions (portco of Arcline IRP Group Investment Management)		Provides design and manufacturing of highly engineered critical-to-function elastomeric sealing components from the aerospace and defense markets	ND	ND	ND	ND	ND	ND
02/17/21	StandardAero (portco of The Carlyle Group)	Signature Aviation's Engine Repair and Overhaul Business	Provides maintenance, repair and overhaul services for business jet and rotorcraft platforms	\$140.0	\$500.0	ND	ND	0.28x	ND

1Q21 Aerospace Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA ⁽¹⁾
02/16/21	Vance Street Capital LLC	Calculus, Inc.; Argon Corporation; FDS Avionics Corp	Provides highly engineered avionics and electronics solutions primarily for the aerospace and defense technology market	ND	ND	ND	ND	ND	ND
02/11/21	Arlington Capital Partners	Triumph Group (Red Oak, TX operations)	Provides manufacturing of large, complex composite and metallic structures such as wing, empennage, and fuselage assemblies	ND	ND	ND	ND	ND	ND
02/09/21	Warburg Pincus LLC	Infinite Electronics, Inc. (portco of Genstar Capital, LLC)	Provides a broad range of connectivity components and assemblies serving the aerospace / defense industry, among others	ND	ND	ND	ND	ND	ND
02/05/21	OneSky Flight (subsidiary of Directional Aviation Group)	Associated Aircraft Group (from Sikorsky Aircraft, a subsidiary of Lockheed Martin)	Provides a fleet of 10 medium twin helicopters which are made available to customers through a fractional helicopter ownership program	ND	ND	ND	ND	ND	ND
02/03/21	Frontline Road Safety	Hi-Lite Airfield Services, LLC	Provides specialized, mission-critical airfield maintenance services throughout North America and the Caribbean	ND	ND	ND	ND	ND	ND
02/02/21	Holcity	Astra	Provides manufacturing for space launch vehicles for both commercial and military customers	\$2,100.0	ND	ND	ND	ND	ND
02/01/21	Eaton Corporation plc	Cobham Mission Systems (subsidiary of Cobham Ltd., portco of Advent International Corp)	Provides air-to-air refueling systems, environmental systems, and actuation primarily for defense markets	\$2,830.0	ND	\$202.1	ND	ND	14.0x
02/01/21	Aspirational Consumer Lifestyle Corp.	Wheels Up	Provides services to connect flyers to private aircraft —and to one another— delivering exceptional, personalized experiences	\$2,100.0	ND	ND	ND	ND	ND
01/29/21	AeroMed Group	etaGLOBAL	Provides supply chain solutions and end-to-end product and service strategies for businesses in the aerospace and defense industry	ND	ND	ND	ND	ND	ND
01/19/21	Redwire, LLC (portco of AE Industrial Partners)	Oakman Aerospace, Inc.	Provides end-to-end space solutions specializing in rapid and responsive, modular, and open-architecture space systems	ND	ND	ND	ND	ND	ND
01/14/21	Bel Fuse, Inc.	rms Connectors, Inc. (segment of rms Company Inc., a division of Cretex Companies, Inc)	Provides harsh environment circular connectors used in a variety of military and aerospace applications	ND	ND	ND	ND	ND	ND
01/14/21	Loar Group, Inc. (portco of Abrams Capital)	Safe Flight Instrument Corp.	Provides proprietary aerospace electronic products and systems, including flight instrumentation, guidance and controls, and aircraft lift instruments	ND	ND	ND	ND	ND	ND
01/14/21	Voyager Space Holdings, Inc. (backed by Elefund and Scout Ventures)	XO Markets Holdings, Inc. and its subsidiary Nanoracks, LLC	Provides satellite equipment and platforms for government and commercial customers	ND	ND	ND	ND	ND	ND
01/14/21	Elliott Aviation Group (portco of Summit Park)	The Maintenance Group ("TMG")	Provides maintenance, repair and overhaul, and fixed base operations services to business aviation customers	ND	ND	ND	ND	ND	ND
01/11/21	GracoRoberts (portco of CM Equity Partners)	Able Aerospace Adhesives	Provides high performance surface treatments, sealants, and adhesives for the aerospace and defense industries	ND	ND	ND	ND	ND	ND
01/07/21	Edgewater Capital Partners	Naprotek, Inc.	Provides electronic manufacturing services and printed circuit board assembly services to support defense, space, and special industrial markets	ND	ND	ND	ND	ND	ND



KippsDeSanto acted as financial advisor in this transaction

Note: ND = Not Disclosed; NM = Not Meaningful

(1) LTM EBITDA multiples are adjusted for tax benefit, where applicable

1Q21 Aerospace Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA ⁽¹⁾
01/05/21	Wheels Up	Mountain Aviation	Provides aircraft charters, management, and maintenance services	ND	ND	ND	ND	ND	ND
01/04/21	Crestview Aerospace, LLC (business unit of Vertex Aerospace, a portco of American Industrial Partners)	Impresa Aerospace, LLC (portco of Twin Haven Capital Partners, LLC)	Provides a comprehensive array of engineering, manufacturing, and assembly services to the aerospace industry	ND	ND	ND	ND	ND	ND



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(1) LTM EBITDA multiples are adjusted for tax benefit, where applicable

1Q21 Defense Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA ⁽¹⁾
03/31/21	Elbit Systems	BAE Systems ROKAR International Ltd (BAE Systems Subsidiary)	Provides manufacturing, integration, and support services for high-end GPS receivers and guidance systems for advanced defense applications	\$31.0	ND	ND	ND	ND	ND
03/31/21	COMSovereign Holding Corp.	Rvision Inc.	Provides advanced, environmentally hardened video and communications products and physical security solutions which meet the security requirements of facilities such as military bases, and military and commercial ports	\$5.4	\$8.5	\$1.0	11.8%	0.64x	5.4x
03/31/21	Veritas Capital & Evergreen Coast Capital (Affiliate of Elliott Management)	Cubic Corp.	Provides integrated solutions that increase situational understanding for transportation, defense C4ISR, and training customers worldwide to decrease urban congestion and improve the militaries' effectiveness and operational readiness	\$3,405.2	\$1,467.8	\$206.4	14.1%	2.32x	16.5x
03/29/21	MW Industries, Inc. (American Securities, LLC)	Duer Carolina Coil, Inc.	Provides hot and cold wound springs for the defense industry	ND	ND	ND	ND	ND	ND
03/25/21	II-VI Incorporated	Coherent, Inc.	Provides lasers, laser tools, precision optics, and related accessories that are used in microelectronics, materials processing, original equipment manufacturer components and instrumentation, and scientific research and government programs	\$6,800.0	\$1,229.0	\$117.5	9.6%	5.60x	58.5x
03/25/21	Genesis Park Acquisition Corp.	Redwire, LLC (portco of AE Industrial Partners)	Provides critical space infrastructure technology and services and is uniquely positioned to deliver critical solutions to meet the growing needs of national security, civil, and commercial customers for a full spectrum of activity in space	\$615.0	\$119.0	\$13.0	10.9%	5.17x	47.3x
03/24/21	Noble Supply & Logistics	Tactical & Survival Specialties, Inc.	Provides tactical and specialized operational equipment to the U.S. Special Operations community and federal, state, and local law enforcement and disaster recovery professionals	ND	ND	ND	ND	ND	ND
03/22/21	AMETEK, Inc.	Abaco Systems, Inc. (portco of Veritas Capital)	Provides mission critical embedded computing systems	\$1,350.0	\$325.0	ND	ND	4.15x	ND
03/22/21	Photonis Technologies SAS (portco of Ardian Holding SAS)	Device-ALab	Provides electronic subsystems and embedded high performance solutions	ND	ND	ND	ND	ND	ND
03/15/21	LGL Systems Acquisition Corp.	IronNet Cybersecurity, Inc.	Provides global cybersecurity solutions, integrating deep tradecraft knowledge into its industry-leading products	\$927.0	ND	ND	ND	ND	ND
03/15/21	VirTex Enterprises, LP (portco of Insight Equity Holdings, LLC)	Altron Inc.	Provides assembly and test of highly reliable electronic assemblies to leading aerospace, defense, medical, and industrial electronics companies	ND	ND	ND	ND	ND	ND
03/10/21	East West Manufacturing, LLC (portco of Heritage Growth Partners, LLC)	Varitron, Inc.	Provides integrated electronics manufacturing services, including advanced printed circuit board assemblies, box-build assemblies, testing, and new product introduction services	ND	ND	ND	ND	ND	ND
03/08/21	AirBoss Defense Group, LLC (subsidiary of AirBoss of America Corp.)	BlackBox Biometrics, Inc.	Provides a blast gauge system of lightweight wearable blast overpressure sensors which have been outfitted on U.S. Special Forces, Army, and SWAT teams across the U.S.	\$27.0 ⁽²⁾	ND	ND	ND	ND	ND
03/08/21	Electronic Technologies Group of HEICO Corporation	Pyramid Semiconductor LLC	Provides specialty semiconductor design and manufacture, offering a well-developed line of processors, static random-access memory ("SRAM"), electronically erasable programmable read-only memory ("EEPROM") and Logic products on a diverse array of	ND	ND	ND	ND	ND	ND
03/08/21	Quantic Electronics (portco of Arcline Investment Management)	Planar Monolithics Industries, Inc.	Provides design, development, manufacture and test of hybrid monolithic microwave integrated circuit ("MIC / MMIC") components and subsystems	ND	ND	ND	ND	ND	ND
03/08/21	HDT Global, Inc. (portco of Charlesbank Capital Partners, LLC)	Terra Group Corp.	Provides water purification, storage, and distribution systems for military field applications, potable water for disasters, emergency water supply and nuclear, biological, and chemical decontamination	ND	ND	ND	ND	ND	ND



KippsDeSanto acted as financial advisor in this transaction

Note: ND = Not Disclosed; NM = Not Meaningful

(1) LTM EBITDA multiples are adjusted for tax benefit, where applicable

(2) Enterprise Value includes \$7 million of cash upon closing and up to \$20 million in royalties over eight years, based on revenues earned

1Q21 Defense Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA ⁽¹⁾
03/04/21	BAE Systems	Pulse Power and Measurement Limited	Provides high-end electronics, specializing in the design and manufacture of a wide range of radio frequency ("RF") over fibre systems	ND	ND	ND	ND	ND	ND
03/03/21	LUMIBIRD S.A.	Defense Laser Rangefinder Business of Saab AB	Provides a wide selection of lasers and rangefinders, from short to long range, for the European defense market	ND	\$12.0	ND	ND	ND	ND
03/03/21	Hensoldt AG (portco of KKR)	MAHYTEC	Provides hydrogen storage tanks and renewable energy storage systems	ND	ND	ND	ND	ND	ND
03/03/21	Vitrex, LLC (portco of Branford Castle Partners, L.P.)	DynamicSignals LLC	Provides high-performance, accurate, and reliable data acquisition solutions	ND	ND	ND	ND	ND	ND
03/02/21	Senseker Engineering, Inc.	SE-IR Corp.	Provides cryogenic test equipment and electronics design and manufacturing	ND	ND	ND	ND	ND	ND
03/01/21	RENK AG (portco of Triton Investment Management Limited)	Combat Propulsion Systems and Related Businesses of L3Harris Technologies, Inc.	Provides engines and transmissions for ground combat vehicles, as well as mobility systems and suspension technology for armored vehicle markets	\$400.0	\$230.0	ND	ND	1.74x	ND
02/24/21	AeroVironment, Inc.	Intelligent Systems Group business of Progeny Systems Corporation	Provides artificial intelligence-enabled computer vision, machine learning, and perceptive autonomy technologies and related services	\$30.0 ⁽²⁾	\$10.0	ND	ND	3.00x	ND
02/23/21	Redwire, LLC (portco of AE Industrial Partners)	Deployable Space Systems	Provides manufacturing and testing of mission-enabling deployable space systems	ND	ND	ND	ND	ND	ND
02/19/21	Vance Street Capital Partners	Spectra A&D Holdings (Calculus, Inc.; Argon Corp. ; FDS Avionics Corp.)	Provides highly engineered avionics and electronics solutions primarily for the aerospace and defense technology market	ND	ND	ND	ND	ND	ND
02/16/21	Codan Limited	Domo Tactical Communications	Provides high bandwidth wireless communications with capabilities in MIMO Mesh networks and next generation software defined radios that stream data across its self-forming and self-healing networks	\$88.0	\$90.0	ND	ND	0.98x	ND
02/11/21	Ceska Zbrojovka Group SE	Colt's Manufacturing Company	Provides firearms and rifles for civilian, military, law enforcement personnel	\$220.0	ND	ND	ND	ND	ND
02/09/21	Karman Missile & Space Systems (portco of Trive Capital)	AAE Aerospace	Provides manufacturing of high temperature composites for the missile, interceptor, and space sectors	ND	ND	ND	ND	ND	ND
02/04/21	General Atomic	Tiger Innovations	Provides satellite systems and related hardware and software for satellites	ND	ND	ND	ND	ND	ND
01/28/21	AE Industrial Partners	UAV Factory USA, LLC	Provides tactical UAV design and manufacturing, subsystems, stabilized EO / IR camera payloads, and accessories for the unmanned and manned aircraft industry	ND	ND	ND	ND	ND	ND
01/26/21	Trive Capital Partners	Aerospace Engineering Corp. (created Karman Missile & Space Systems)	Provides manufacturing for complex systems for the space, missile, interceptor and hypersonic markets	ND	ND	ND	ND	ND	ND
01/20/21	Allied Universal (portco of Warburg Pincus LLC)	SecurAmerica	Provides premium contracting security services globally	ND	\$467.0	ND	ND	ND	ND



KippsDeSanto acted as financial advisor in this transaction

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(1) LTM EBITDA multiples are adjusted for tax benefit, where applicable

(2) Enterprise Value includes an earnout of up to \$6 million over three years, based on the achievement of specific performance targets

1Q21 Defense Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA ⁽¹⁾
01/20/21	Kairos Capital Management LLP	Comprod, Inc.	Provides fixed and mobile antennas, RF filters and in-building DAS solutions	ND	ND	ND	ND	ND	ND
01/18/21	PLX, Inc.	Reflex Imaging Limited	Provides active optics devices, such as scanning mirrors	ND	ND	ND	ND	ND	ND
01/13/21	AeroVironment, Inc.	Arcturus UAV, Inc.	Provides group 2 and 3 unmanned aircraft systems ("UAS") and services	\$405.0	ND	\$36.8	ND	ND	11.0x
01/13/21	Agilitas Private Equity	TenCate Advanced Armour Holding B.V. (subsidiary of Koninklijke Ten Cate N.V., a portco of Gilde Buy Out Partners)	Provides highly engineered defensive products including personal protection, as well as applications for land vehicles, aircraft, and naval vessels	ND	ND	ND	ND	ND	ND
01/12/21	iNRCORE, LLC (portco of The Jordan Company)	Gowanda Components Group (portco of Addison Capital Partners)	Provides high-performance electronic components for fiber optics / communications infrastructure, test and measurement, transportation, aerospace and defense, medical device and other high-reliability applications	ND	ND	ND	ND	ND	ND
01/12/21	Arcline Investment Management LP	Ohmega Technologies, Inc.	Provides advanced embedded thin-film resistive materials used in printed circuit boards across a wide range of applications, including aerospace & defense	ND	ND	ND	ND	ND	ND
01/06/21	LinQuest (portco of Madison Dearbor Partners ("MDP") backed by CoVant Management)	TMC Design	Provides engineering, development, and integration services with expertise in electromagnetics, digital signal processing, and radio frequency communications	ND	ND	ND	ND	ND	ND
01/05/21	Hermetic Solutions Group (portco of Windjammer Capital)	Cristek Interconnects, Inc.	Provides specialty interconnect products and assemblies for defense and aerospace contractors	ND	ND	ND	ND	ND	ND
01/05/21	Calian Gorup	InterTronic Solutions, Inc.	Provides high performance antenna systems for military and commercial customers	\$17.3	ND	ND	ND	ND	ND
01/05/21	HIG Capital	SMTC Corp	Provides end-to-end global electronic manufacturing services for the aerospace and defense markets	\$170.5	\$372.0	ND	ND	0.46x	ND
01/05/21	Fairbanks Morse (portco of Arcline Investment Management)	Ward Leonard Electric Co.	Provides electric motor, generator, control, and service solutions for Naval, commercial marine and industrial applications	ND	ND	ND	ND	ND	ND
01/05/21	JLL Partners	Jonathan Engineered Solutions Corp/ (portco of Levine Leichtman Capital Partners)	Provides highly engineered steel and aluminum mechanical components for defense and commercial markets	ND	ND	ND	ND	ND	ND
01/05/21	ARCH Global Precision LLC (The Jordan Company)	H&S Swansons' Tool Company	Provides precision, complex machined parts from casting and plate stock for the aerospace and defense sectors	ND	ND	ND	ND	ND	ND
01/04/21	Teledyne Technologies, Inc.	FLIR Systems, Inc	Provides thermal imaging sensors, imaging instrumentation, and aerospace and defense electronics for commercial and federal customers	\$8,300.0	\$1,903.7	\$443.9	23.3%	4.36x	18.7x
01/04/21	The Jordan Company	Innoflight Holdings (Recapitalization closed)	Provides integrated satellite avionics, and space and networking communications	ND	ND	ND	ND	4.00x	13.3x
01/01/21	Saudi Arabian Military Industries	Advanced Electronics Company	Provides design, development, manufacture, maintenance, and repair of advanced commercial and military electronic systems, devices, and equipment	ND	ND	ND	ND	ND	ND



KippsDeSanto acted as financial advisor in this transaction

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(1) LTM EBITDA multiples are adjusted for tax benefit, where applicable

1Q21 Government Technology Services Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA ⁽¹⁾
03/29/21	Plurilock Security Inc.	Aurora Systems Consulting Inc.	Provides cybersecurity products and services to federal government institutions, state, local, and education government agencies, and commercial firms	\$1.5	\$28.1	ND	ND	0.05x	ND
03/23/21	Roy Kapani	Systems Engineering Associates Corporation	Provides systems, software, and hardware engineering services as well as test and evaluation services to the U.S. Navy, chiefly for submarine electronic systems	ND	ND	ND	ND	ND	ND
03/19/21	Pangiam	veriScan	Provides integrated biometric facial recognition systems for airports and airlines	ND	ND	ND	ND	ND	ND
03/18/21	QOMPLX	Hyperion Gray	Provides cutting-edge cybersecurity and open-source intelligence ("OSINT") expertise and engineering solutions	ND	ND	ND	ND	ND	ND
03/16/21	Allied Universal	G4S	Provides software tools and proprietary security systems for risk assessment, incident management, and travel advisory systems	\$5,280.0	\$7,476.0	\$660.0	8.8%	0.71x	8.0x
03/10/21	QOMPLX	Sentar, Inc.	Provides cyber domain solutions that blend expertise in cybersecurity, intelligence, analytics, and systems engineering into holistic solutions	ND	ND	ND	ND	ND	ND
03/08/21	Symphony Technology Group (STG)	Enterprise business of McAfee Corp.	Provides device-to-cloud cybersecurity solutions	\$4,000.0	\$1,330.0	ND	ND	3.01x	ND
03/03/21	Comtech Telecommunications Corp.	UHP Networks Inc.	Provides innovative and disruptive satellite ground station technology solutions	\$24.0	ND	ND	ND	ND	ND
03/03/21	Tyto Athene, LLC	AT&T Government Solutions, Inc.	Provides IT solutions and professional services across the U.S. Defense Department and several federal civilian agencies	ND	ND	ND	ND	ND	ND
03/02/21	The Ambit Group	GreenZone Solutions, Inc.	Provides data management and analytics, cybersecurity, and agile software development to the Federal government	ND	ND	ND	ND	ND	ND
03/02/21	AE Industrial Partners	The Ambit Group	Provides IT modernization, business transformation, and mission support services for the Federal Government	ND	ND	ND	ND	ND	ND
03/02/21	Criterion Systems, Inc.	Realm Consulting, Inc.	Provides support in Information Technology ("IT") in the Intelligence Community ("IC")	ND	ND	ND	ND	ND	ND
03/01/21	NavSight Holdings Inc.	Spire Global, Inc.	Provides space-based data and analytics	\$1,230.0	\$258.0	(\$18.0)	-7.0%	4.77x	NM
03/01/21	Maximus, Inc.	Federal division of Attain, LLC	Provides technology services such as artificial intelligence and machine learning to support mission-critical objectives of numerous federal agencies	\$430.0	ND	ND	ND	ND	ND
03/04/21	Motion Recruitment Partners	The Goal Inc.	Provides technology based consulting services that help business integrate and re-engineer of traditional corporate systems	ND	ND	ND	ND	ND	ND
02/24/21	IDS International	DECO, Inc.	Provides law enforcement and military training, security solutions, and specialized technical services to government clients worldwide	ND	ND	ND	ND	ND	ND



KippsDeSanto acted as financial advisor in this transaction

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(1) LTM EBITDA multiples are adjusted for tax benefit, where applicable

1Q21 Government Technology Services Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA ⁽¹⁾
02/24/21	IDS International	GovSource LLC	Provides professional, management, scientific, and technology solutions for government and public sector organizations	ND	ND	ND	ND	ND	ND
02/23/21	Leidos Holdings, Inc.	Gibbs & Cox	Provides naval architecture and marine engineering support to the U.S. Navy and government customers and international clients	\$380.0	ND	ND	ND	ND	ND
02/22/21	NVS Global, Inc.	TerraTech Engineers, Inc.	Provides geotechnical engineering, environmental consulting, and construction materials testing services	ND	ND	ND	ND	ND	ND
02/22/21	Koniag, Inc.	Great Northern Engineering, LLC	Provides civil/structural, electrical, mechanical, and instrumentation engineering consulting services to the public and private sectors	ND	ND	ND	ND	ND	ND
02/17/21	Applied Insight, LLC	Bridges Inc.	Provides cybersecurity, network engineering, and big data analytics for the Intelligence Community ("IC")	ND	ND	ND	ND	ND	ND
02/16/21	Enlightenment Capital	Artlin Consulting	Provides data-related and other advisory services to defense and civilian agencies	ND	ND	ND	ND	ND	ND
02/16/21	Serco, Inc.	Whitney, Bradley & Brown, Inc. (WBB)	Provides consulting services including acquisition & program management, mission performance, and advanced analytics and machine learning	\$295.0	ND	ND	ND	ND	ND
02/10/21	Tyler Technologies, Inc.	NIC Inc.	Provides digital government solutions and payment services that enable governments to use technology to provide various services to businesses and citizens	\$2,300.0	\$460.5	\$101.7	22.1%	4.99x	22.6x
02/10/21	QuantiTech, LLC	Millennium Engineering and Integration Company	Provides engineering services and solutions for mission critical programs within key U.S. defense and civilian agencies	ND	ND	ND	ND	ND	ND
02/04/21	The Proximas Group	ADG Creative, LLC	Provides branding and public relations, advertising and design, interactive and e-learning application development, and video production services to government and commercial customers	ND	ND	ND	ND	ND	ND
02/01/21	The Carlyle Group	IST Research	Provides open source data collection, population engagement, and content discovery solutions primarily for U.S. Government customers	ND	ND	ND	ND	ND	ND
02/01/21	The Carlyle Group	Two Six Labs	Provides cybersecurity and advanced technology solutions for the U.S. Government	ND	ND	ND	ND	ND	ND
02/01/21	Continental Mapping Consultants	Geographic Information Services, Inc.	Provides geospatial data collection, curation, and management along with design and implementation of best-in-class enterprise systems	ND	ND	ND	ND	ND	ND
02/01/21	Intellibridge, Inc.	Alethix LLC	Provides technology solutions around data-in-transit, enterprise systems interoperability, and data processing at scale for national security, defense, and civilian agencies	ND	ND	ND	ND	ND	ND
01/27/21	Peraton, Inc.	Perspecta Inc.	Provides enterprise information technology ("IT") services to government customers in the Federal, state, and local markets	\$7,100.0	\$4,475.0	\$606.0	13.5%	1.59x	11.7x
01/25/21	Deloitte & Touche LLP	Root9B, LLC	Provides advanced cyber-threat-hunting services and solutions	ND	ND	ND	ND	ND	ND

 KippsDeSanto acted as financial advisor in this transaction

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(1) LTM EBITDA multiples are adjusted for tax benefit, where applicable

1Q21 Government Technology Services Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA ⁽¹⁾
01/25/21	BlackHorse Solutions, Inc.	Emerett, LLC	Provides disruptive and innovative technology solutions within each phase of the Tasking, Collection, Processing, Exploitation and Dissemination ("TCPED") cycle for Intelligence and Defense customers	ND	ND	ND	ND	ND	ND
01/20/21	Tracker Capital Management, LLC	Presage Security	Provides machine learning and advanced mathematical processing to the analysis of video imagery, with a wide range of emerging applications in healthcare, security, and authenticity verification	ND	ND	ND	ND	ND	ND
01/19/21	Quiet Professionals, LLC	Echo Analytics Group, LLC	Provides provides expertise in intelligence, information technology, machine learning, artificial intelligence and cloud services	ND	ND	ND	ND	ND	ND
01/14/21	VTG	Intelligent Shift LLC	Provides innovative technologies and digital solutions to the U.S. Intelligence Community ("IC")	ND	ND	ND	ND	ND	ND
01/12/21	System High Corporation	Technical, Engineering, Advisory, and Management Support ("TEAMS") business of Booz Allen Hamilton	Provides support for the Missile Defense Agency ("MDA") in cybersecurity and computer network defense efforts	ND	ND	ND	ND	ND	ND
01/11/21	Smartronix, Inc.	Datastrong LLC	Provides data science and advanced analytics solutions, focusing on data architecture, design, and business analytics for government and commercial clients	ND	ND	ND	ND	ND	ND
01/08/21	Axiologic Solutions	Knowledge Link	Provides financial, technology, and program management services in classified federal government environments	ND	\$40.0	ND	ND	ND	ND
01/06/21	Sagewind Capital, LLC	Sigma Defense Systems, LLC	Provides airborne intelligence, surveillance, and reconnaissance ("AISR") sensor data transport engineering and services	ND	ND	ND	ND	ND	ND
01/04/21	Owl Cyber Defense Solutions, LLC	Trident Assured Collaboration Systems of Trident Systems Incorporated	Provides the only U.S. government approved Voice over IP ("VoIP") and Video Teleconference ("VTC") Cross Domain Solution ("CDS") as well as the industry's most advanced Full Motion Video ("FMV") filtering capability	ND	ND	ND	ND	ND	ND
01/04/21	Thompson Street Capital Partners	GovSpend	Provides government intelligence solutions to thousands of government vendors and agencies	ND	ND	ND	ND	ND	ND
01/04/21	QuantiTech, LLC	Systems Engineering Group, Inc.	Provides threat engineering and modeling and simulation services to the U.S. Government	ND	ND	ND	ND	ND	ND
01/04/21	Vectrus, Inc.	HHB Systems	Provides facilities management, logistics, engineering, enterprise operations, and asset management solutions supporting Intelligence Community ("IC") projects	ND	ND	ND	ND	ND	ND



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(1) LTM EBITDA multiples are adjusted for tax benefit, where applicable



Public Company Trading Analysis

(\$ in millions, except per share amounts)

Aircraft and Engine OEMs	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
The Boeing Company	\$254.72	91.4%	\$148,665	\$188,251	\$58,158	(\$3,000)	-5.2%	\$81,148	\$5,588	6.9%	3.24x	NM	2.32x	33.7x
General Electric Company	13.13	91.1%	115,342	166,981	79,619	5,732	7.2%	78,977	7,366	9.3%	2.10x	29.1x	2.11x	22.7x
Airbus SE	113.31	92.8%	88,803	89,145	61,054	4,835	7.9%	61,204	6,525	10.7%	1.46x	18.4x	1.46x	13.7x
Safran SA	136.21	91.1%	58,150	62,486	20,526	3,369	16.4%	18,867	3,610	19.1%	3.04x	18.5x	3.31x	17.3x
MTU Aero Engines AG	235.56	90.8%	12,550	13,597	4,865	550	11.3%	5,271	829	15.7%	2.80x	24.7x	2.58x	16.4x
Median		91.1%	\$88,803	\$89,145	\$58,158	\$3,369	7.9%	\$61,204	\$5,588	10.7%	2.80x	21.6x	2.32x	17.3x

Aerostructures	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Spirit AeroSystems Holdings, Inc.	\$48.65	90.7%	\$5,130	\$7,204	\$3,405	(\$494)	-14.5%	\$3,981	\$143	3.6%	2.12x	-14.6x	1.81x	50.4x
Hexcel Corporation	56.00	86.4%	4,689	5,581	1,502	213	14.2%	1,387	194	14.0%	3.71x	26.2x	4.02x	28.8x
Triumph Group, Inc.	18.38	94.8%	1,011	2,615	2,096	164	7.8%	1,767	178	10.1%	1.25x	15.9x	1.48x	14.7x
Senior plc	1.53	89.6%	633	914	1,002	26	2.6%	936	72	7.7%	0.91x	35.7x	0.98x	12.8x
Median		89.6%	\$1,011	\$2,615	\$1,502	\$164	7.8%	\$1,387	\$178	10.1%	1.25x	26.2x	1.48x	14.7x

Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Aerospace Suppliers	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Meggitt PLC	\$6.58	92.7%	\$5,118	\$6,173	\$2,299	\$369	16.1%	\$2,313	\$470	20.3%	2.68x	16.7x	2.67x	13.1x
Curtiss-Wright Corporation	118.60	95.1%	4,853	5,884	2,391	499	20.9%	2,478	527	21.3%	2.46x	11.8x	2.37x	11.2x
RBC Bearings Incorporated	196.77	95.2%	4,830	4,686	635	165	26.0%	637	160	25.2%	7.39x	28.4x	7.36x	29.2x
Arconic Corporation	25.39	79.7%	2,793	3,445	5,675	429	7.6%	6,615	716	10.8%	0.61x	8.0x	0.52x	4.8x
Moog Inc.	83.15	95.4%	2,665	3,624	2,814	286	10.2%	2,820	312	11.1%	1.29x	12.6x	1.28x	11.6x
Ducommun Incorporated	60.00	94.6%	710	992	629	77	12.2%	654	93	14.2%	1.58x	12.9x	1.52x	10.6x
Astronics Corporation	18.04	92.2%	558	715	503	21	4.1%	490	36	7.4%	1.42x	34.3x	1.46x	19.7x
Héroux-Devtek Inc.	13.63	99.1%	496	644	457	63	13.7%	460	69	15.0%	1.41x	10.3x	1.40x	9.3x
Median		94.9%	\$2,729	\$3,534	\$1,467	\$226	13.0%	\$1,483	\$236	14.6%	1.50x	12.8x	1.49x	11.4x

Aftermarket / MRO	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
TransDigm Group Incorporated	\$587.92	93.9%	\$32,153	\$47,738	\$4,746	\$1,888	39.8%	\$5,054	\$2,290	45.3%	10.06x	25.3x	9.45x	20.8x
HEICO Corporation	125.80	89.0%	16,027	16,551	1,699	436	25.7%	1,926	522	27.1%	9.74x	37.9x	8.59x	31.7x
Singapore Technologies Engineering Ltd	2.89	94.9%	9,026	10,245	5,416	666	12.3%	5,690	746	13.1%	1.89x	15.4x	1.80x	13.7x
Signature Aviation plc	5.57	90.8%	4,611	6,796	1,414	264	18.7%	1,978	425	21.5%	4.81x	25.7x	3.44x	16.0x
SIA Engineering Company Limited	1.61	94.3%	1,809	1,523	448	43	9.7%	413	12	3.0%	3.40x	35.1x	3.69x	123.8x
AAR Corp.	41.65	91.6%	1,455	1,623	1,774	56	3.2%	1,729	135	7.8%	0.91x	29.0x	0.94x	12.1x
Median		92.7%	\$6,818	\$8,521	\$1,736	\$350	15.5%	\$1,952	\$474	17.3%	4.10x	27.4x	3.56x	18.4x

Note: NM = Not Meaningful

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



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Defense Primes	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Raytheon Technologies Corporation	\$77.27	83.8%	\$116,681	\$143,421	\$56,587	\$6,641	11.7%	\$65,476	\$9,752	14.9%	2.53x	21.6x	2.19x	14.7x
Lockheed Martin Corporation	369.50	88.5%	102,984	113,131	65,398	10,001	15.3%	68,133	10,592	15.5%	1.73x	11.3x	1.66x	10.7x
Northrop Grumman Corporation	323.64	90.6%	53,957	65,659	36,799	5,496	14.9%	35,465	4,826	13.6%	1.78x	11.9x	1.85x	13.6x
General Dynamics Corporation	181.56	98.5%	51,886	63,794	37,925	5,090	13.4%	38,794	4,988	12.9%	1.68x	12.5x	1.64x	12.8x
L3Harris Technologies, Inc.	202.68	96.6%	41,664	48,273	18,194	3,585	19.7%	18,824	3,965	21.1%	2.65x	13.5x	2.56x	12.2x
BAE Systems plc	6.96	89.7%	22,379	28,402	26,319	2,907	11.0%	29,924	3,845	12.9%	1.08x	9.8x	0.95x	7.4x
Median		90.2%	\$52,921	\$64,726	\$37,362	\$5,293	14.2%	\$37,130	\$4,907	14.3%	1.76x	12.2x	1.76x	12.5x

Defense Systems	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Safran SA	\$136.21	91.1%	\$58,150	\$62,486	\$20,526	\$3,369	16.4%	\$18,867	\$3,610	19.1%	3.04x	18.5x	3.31x	17.3x
Thales S.A.	99.44	98.8%	21,167	24,596	20,782	2,266	10.9%	20,944	2,923	14.0%	1.18x	10.9x	1.17x	8.4x
Huntington Ingalls Industries, Inc.	205.85	98.0%	8,296	9,664	9,361	1,133	12.1%	9,294	762	8.2%	1.03x	8.5x	1.04x	12.7x
Elbit Systems Ltd.	141.48	90.0%	6,254	7,190	4,663	485	10.4%	4,811	530	11.0%	1.54x	14.8x	1.49x	13.6x
Leonardo S.p.a.	8.10	86.2%	4,661	8,976	16,404	1,901	11.6%	16,594	1,872	11.3%	0.55x	4.7x	0.54x	4.8x
Kongsberg Gruppen ASA	22.95	99.2%	4,110	3,900	2,988	320	10.7%	3,216	418	13.0%	1.30x	12.2x	1.21x	9.3x
AeroVironment, Inc.	116.06	80.8%	2,841	2,480	394	57	14.6%	533	103	19.3%	6.29x	43.2x	4.65x	24.1x
Hensoldt AG	15.38	82.6%	1,614	2,306	1,476	200	13.6%	1,776	299	16.9%	1.56x	11.5x	1.30x	7.7x
Chemring Group PLC	3.66	83.3%	1,034	1,097	542	104	19.1%	567	111	19.5%	2.02x	10.6x	1.93x	9.9x
Median		90.0%	\$4,661	\$7,190	\$4,663	\$485	12.1%	\$4,811	\$530	14.0%	1.54x	11.5x	1.30x	9.9x

Note: NM = Not Meaningful

Source: 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 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Teledyne Technologies Incorporated	\$413.65	98.8%	\$15,314	\$15,561	\$3,086	\$629	20.4%	\$3,264	\$674	20.6%	5.04x	24.7x	4.77x	23.1x
Mercury Systems, Inc.	70.65	73.4%	3,966	4,102	842	153	18.2%	1,060	229	21.6%	4.87x	26.7x	3.87x	17.9x
Kratos Defense & Security Solutions, Inc.	27.28	80.0%	3,368	3,390	748	56	7.5%	831	85	10.2%	4.53x	60.2x	4.08x	39.9x
Viasat, Inc.	48.07	78.4%	3,294	5,196	2,252	364	16.2%	2,523	561	22.2%	2.31x	14.3x	2.06x	9.3x
Ultra Electronics Holdings plc	27.94	79.8%	1,984	2,101	1,174	179	15.3%	1,216	210	17.3%	1.79x	11.7x	1.73x	10.0x
Comtech Telecommunications Corp.	24.84	81.7%	647	878	581	59	10.1%	635	78	12.3%	1.51x	15.0x	1.38x	11.2x
Median		79.9%	\$3,331	\$3,746	\$1,008	\$166	15.7%	\$1,138	\$220	19.0%	3.42x	19.8x	2.96x	14.5x

Homeland Security	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Smiths Group plc	\$21.18	95.6%	\$8,396	\$10,011	\$3,371	\$486	14.4%	\$3,456	\$701	20.3%	2.97x	20.6x	2.90x	14.3x
MSA Safety Incorporated	150.02	86.8%	5,864	6,001	1,348	284	21.1%	1,392	296	21.2%	4.45x	21.1x	4.31x	20.3x
OSI Systems, Inc.	96.10	95.5%	1,727	1,970	1,101	162	14.7%	1,169	198	16.9%	1.79x	12.2x	1.68x	10.0x
Smith & Wesson Brands, Inc.	17.45	62.8%	929	915	1,078	293	27.2%	856	234	27.4%	0.85x	3.1x	1.07x	3.9x
Median		91.1%	\$3,796	\$3,986	\$1,224	\$289	17.9%	\$1,281	\$265	20.8%	2.38x	16.4x	2.29x	12.1x

Note: NM = Not Meaningful

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



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Government Technology Services	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Leidos Holdings, Inc.	\$96.28	84.6%	\$13,609	\$18,632	\$12,297	\$1,317	10.7%	\$13,869	\$1,447	10.4%	1.52x	14.1x	1.34x	12.9x
Booz Allen Hamilton Holding Corporation	80.53	80.3%	11,089	12,494	7,849	812	10.3%	8,236	847	10.3%	1.59x	15.4x	1.52x	14.8x
CACI International Inc	246.66	92.6%	6,224	8,012	5,889	645	10.9%	6,316	664	10.5%	1.36x	12.4x	1.27x	12.1x
SAIC	83.59	80.4%	4,854	7,579	7,056	607	8.6%	7,241	634	8.8%	1.07x	12.5x	1.05x	11.9x
Perspecta Inc.	29.05	98.1%	4,679	7,086	4,483	590	13.2%	4,203	654	15.6%	1.58x	12.0x	1.69x	10.8x
Parsons Corporation	40.44	93.2%	4,139	4,533	3,919	283	7.2%	3,950	363	9.2%	1.16x	16.0x	1.15x	12.5x
ManTech International Corporation	86.95	85.8%	3,522	3,606	2,518	227	9.0%	2,691	246	9.1%	1.43x	15.9x	1.34x	14.6x
ICF International, Inc.	87.40	93.5%	1,650	2,099	1,507	137	9.1%	1,553	151	9.7%	1.39x	15.3x	1.35x	13.9x
PAE Incorporated	9.02	77.9%	839	1,844	2,715	127	4.7%	3,104	211	6.8%	0.68x	14.5x	0.59x	8.7x
Vectrus, Inc.	53.44	88.6%	625	757	1,396	56	4.0%	1,688	82	4.9%	0.54x	13.6x	0.45x	9.2x
Median		87.2%	\$4,409	\$5,810	\$4,201	\$436	9.1%	\$4,077	\$499	9.4%	1.38x	14.3x	1.30x	12.3x

Diversified Government	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Accenture plc	\$276.25	98.2%	\$175,598	\$170,436	\$44,730	\$7,409	16.6%	\$50,204	\$9,566	19.1%	3.81x	23.0x	3.39x	17.8x
International Business Machines Corporation	133.26	97.2%	119,080	171,866	73,621	15,279	20.8%	74,182	18,023	24.3%	2.33x	11.2x	2.32x	9.5x
CGI Inc.	83.22	99.1%	20,618	22,732	9,519	1,662	17.5%	9,904	2,003	20.2%	2.39x	13.7x	2.30x	11.4x
ASGN Incorporated	95.44	92.9%	5,058	5,910	3,951	400	10.1%	4,227	467	11.1%	1.50x	14.8x	1.40x	12.7x
DLH Holdings Corp.	9.92	82.7%	124	222	215	22	10.3%	241	25	10.3%	1.03x	10.0x	0.92x	9.0x
WidePoint Corporation	9.20	57.9%	81	72	180	5	2.7%	118	5	4.3%	0.40x	14.8x	0.61x	14.2x
Median		95.0%	\$12,838	\$14,321	\$6,735	\$1,031	13.4%	\$7,066	\$1,235	15.1%	1.92x	14.2x	1.85x	12.0x

Note: NM = Not Meaningful

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

Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Engineering & Construction	Stock Price 03/31/21	% of 52 Week High	Market Cap	Enterprise Value	CY2020E			CY2021P			EV / CY2020E		EV / CY2021P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Jacobs Engineering Group Inc.	\$129.27	99.7%	\$16,816	\$18,215	\$13,589	\$1,133	8.3%	\$14,339	\$1,170	8.2%	1.34x	16.1x	1.27x	15.6x
Tetra Tech, Inc.	135.72	93.8%	7,360	7,764	2,340	271	11.6%	2,497	298	11.9%	3.32x	28.6x	3.11x	26.1x
KBR, Inc.	38.39	99.0%	5,407	6,889	5,767	409	7.1%	5,956	549	9.2%	1.19x	16.8x	1.16x	12.6x
Fluor Corporation	23.09	93.1%	3,252	3,238	15,668	251	1.6%	13,747	286	2.1%	0.21x	12.9x	0.24x	11.3x
Median		96.4%	\$6,383	\$7,326	\$9,678	\$340	7.7%	\$9,851	\$423	8.7%	1.27x	16.5x	1.21x	14.1x

Note: NM = Not Meaningful

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

George "Toby" Albright
 Managing Director
 talbright@kippsdesanto.com

Margo T. Bost
 Associate
 mbost@kippsdesanto.com

Joey M. Chadwick
 Associate
 jchadwick@kippsdesanto.com

Kevin P. DeSanto
 Managing Director
 kdesanto@kippsdesanto.com

Nick A. Dodson
 Director
 ndodson@kippsdesanto.com

Stephen M. Jonas
 Vice President
 sjonas@kippsdesanto.com

Robert D. Kipps
 Managing Director
 bkipps@kippsdesanto.com

Marc B. Marlin
 Managing Director
 mmarlin@kippsdesanto.com

Alexia N. Marchetta
 Vice President
 amarchetta@kippsdesanto.com

Michael J. Misantone
 Managing Director
 mmisantone@kippsdesanto.com

Ken Nsofor
 Associate
 knsofor@kippsdesanto.com

Jeremy Peterson
 Associate
 jpeterson@kippsdesanto.com

Michael Potolicchio
 Associate
 mpotolicchio@kippsdesanto.com

James P. Reid
 Vice President
 jreid@kippsdesanto.com

Warren N. Romine
 Managing Director
 wromine@kippsdesanto.com

Karl M. Schmidt
 Managing Director
 kschmidt@kippsdesanto.com

Sung Shin
 Vice President
 sshin@kippsdesanto.com

Kate W. Troendle
 Managing Director
 ktroendle@kippsdesanto.com

Brian T. Tunney
 Director
 btunney@kippsdesanto.com

Nathan C. Wilson
 Associate
 nwilson@kippsdesanto.com

Jon Yim
 Managing Director
 jyim@kippsdesanto.com

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