

MarketView

Aerospace / Defense &
Government Technology
Services

Spring 2022

Kipps DeSanto
INVESTMENT BANKING



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

Getting Deals Done

- KippsDeSanto has closed 37 transactions⁽¹⁾ since January 2021, leveraging depth of experience and unique approaches to achieve optimal results for clients

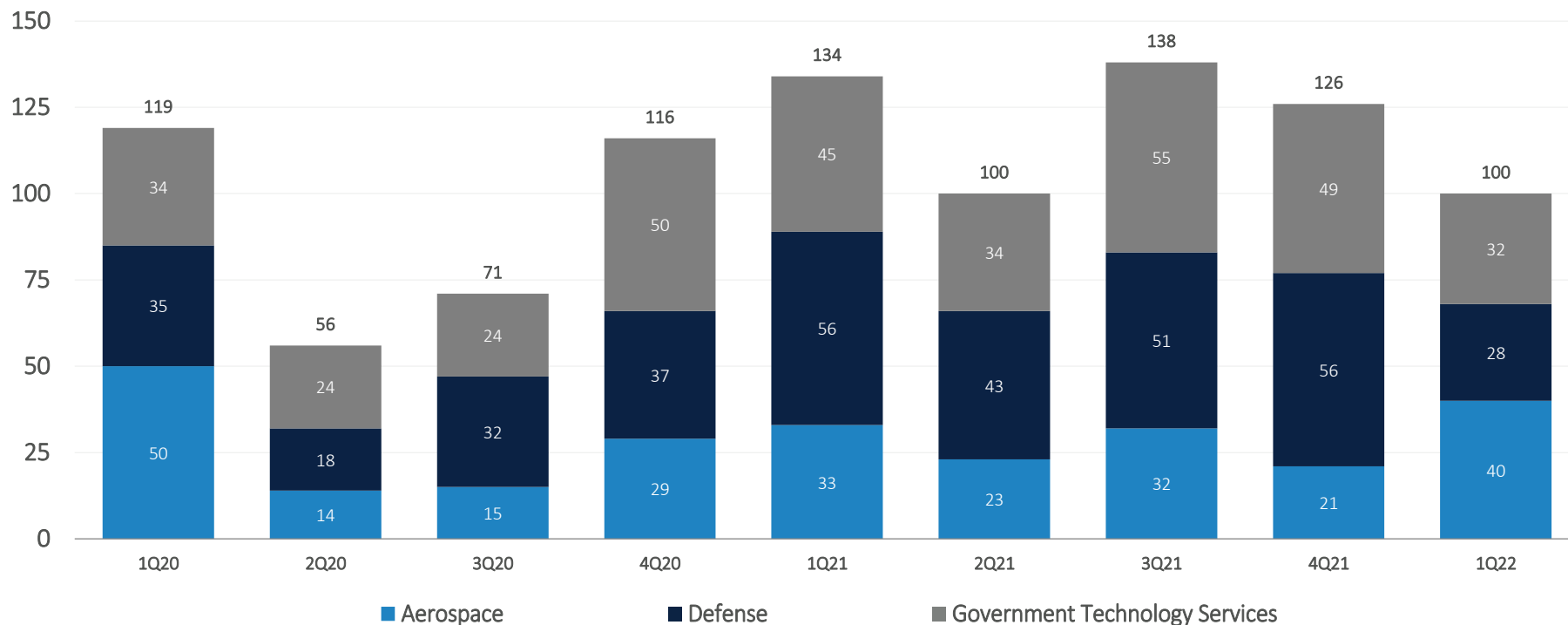
Select Transaction Success

<p>March 2022</p> <div></div> <p>has been acquired by</p> <p>TOP ACES</p> <p>a portfolio company of</p> <p>CLAIRVEST</p>	<p>February 2022</p> <p>CENTERPOINT</p> <p>has been acquired by</p> <p>Gunnison CONSULTING GROUP</p> <p>a portfolio company of</p> <p>BLUE DELTA CAPITAL PARTNERS</p>	<p>January 2022</p> <p>Elbit Systems of America</p> <p>Metro/Merlin Type Certificate and MRO Support Business of M7 Aerospace</p> <p>has been acquired by</p> <p>ONTIC</p>	<p>January 2022</p> <p>B23</p> <p>has been acquired by</p> <p>TORCH.AI™</p>	<p>January 2022</p> <p>Boecore</p> <p>has been acquired by</p> <p>ENLIGHTENMENT CAPITAL</p>	<p>December 2021</p> <p>B3 GROUP</p> <p>has been acquired by</p> <p>OCTO</p> <p>a portfolio company of</p> <p>A C P</p>	<p>December 2021</p> <p>InTec LLC</p> <p>has been acquired by</p> <p>ANSER</p>	<p>November 2021</p> <p>ENTEGRA SYSTEMS</p> <p>has been acquired by</p> <p>ATS Strength in People</p> <p>a portfolio company of</p> <p>BLUE DELTA CAPITAL PARTNERS</p>	<p>November 2021</p> <p>VARIQ</p> <p>has been acquired by</p> <p>Capgemini</p>	<p>September 2021</p> <p>FLATIRONS</p> <p>has been acquired by</p> <p>TELEO CAPITAL</p>
<p>October 2021</p> <p>GEOCENT</p> <p>has been acquired by</p> <p>SEV1TECH Secure. Connect. Evolve.</p> <p>a portfolio company of</p> <p>DFW CAPITAL PARTNERS</p>	<p>September 2021</p> <p>markon solutions.</p> <p>has been acquired by</p> <p>ANSER ADVISORY</p> <p>a portfolio company of</p> <p>STERLING INVESTMENT PARTNERS</p>	<p>September 2021</p> <p>Managed Care Advisors.</p> <p>has been acquired by</p> <p>sedgwick</p> <p>a portfolio company of</p> <p>THE CARLISLE GROUP</p>	<p>August 2021</p> <p>ATLAS RESEARCH</p> <p>has been acquired by</p> <p>CVP Holding Group</p>	<p>August 2021</p> <p>CRA CRANES</p> <p>has been acquired by</p> <p>Valor HEALTHCARE</p> <p>a portfolio company of</p> <p>TRIVE CAPITAL</p>	<p>August 2021</p> <p>BEI PRECISION</p> <p>a portfolio company of J.F. Lehman & Company</p> <p>has been acquired by</p> <p>Quantic ELECTRONICS</p> <p>a portfolio company of</p> <p>ARCLINE INVESTMENT MANAGEMENT</p>	<p>August 2021</p> <p>ATI PARTNERS</p> <p>has acquired</p> <p>GEOST</p>	<p>August 2021</p> <p>ERPi Collaboration. Results. Impact.</p> <p>has been acquired by</p> <p>ECS</p> <p>a segment of</p> <p>ASGN Incorporated</p>	<p>August 2021</p> <p>U Group</p> <p>has been acquired by</p> <p>IntelliBridge</p> <p>a portfolio company of</p> <p>ENLIGHTENMENT CAPITAL</p>	<p>July 2021</p> <p>OCCAM RAZOR TECH</p> <p>has been acquired by</p> <p>Avantus</p> <p>a portfolio company of</p> <p>NEWSPRING</p>
<p>June 2021</p> <p>leappoint</p> <p>has been acquired by</p> <p>RENOVUS CAPITAL</p>	<p>June 2021</p> <p>FENIX GROUP, INC. CREATIVE INTELLIGENCE AFFIRMED</p> <p>has received an investment from</p> <p>ENLIGHTENMENT CAPITAL</p>	<p>April 2021</p> <p>ophir</p> <p>has sold certain IP rights to</p> <p>Collins Aerospace</p> <p>a wholly owned subsidiary of</p> <p>Raytheon Technologies</p>	<p>April 2021</p> <p>NSI MI</p> <p>has been acquired by</p> <p>AMETEK</p>	<p>April 2021</p> <p>WBB</p> <p>a portfolio company of</p> <p>H. I. G. CAPITAL</p> <p>has been 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 PARTNERS</p> <p>a portfolio company of</p> <p>LITTLEJOHN & Co.</p>	<p>February 2021</p> <p>Milernium Engineering and Integration Company</p> <p>has merged with</p> <p>QuantiTech</p> <p>a portfolio company of</p> <p>SAGEWIND CAPITAL</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>	

(1) Includes transactions which have not been publicly announced

M&A Trends & Activity

- Deal volume in 1Q22 continues to be driven by widely-available capital at historically low costs, healthy corporate balance sheets, strong public valuations, and a favorable federal funding outlook
- 1Q22 deal volume of 100 deals has seen some pullback relative to 2021; however, given that 2021 was such a record-setting year, deal activity remains at a strong pace – 1Q22 was a strong quarter in historical context



- Aerospace deal volume continues to rebound, marking the highest deal count since early COVID-19 pandemic lows in 2Q20
- Defense deal volume decreased significantly quarter-over-quarter; despite this, defense assets are garnering strong interest with an expectation that the U.S. defense budget will increase due to ongoing global conflicts
- Government Technology Services ("GTS") deal volume in 1Q22 was driven by private buyers, with private equity-backed portfolio company buyers trailing closely behind; the most represented capabilities include cybersecurity and engineering

Highlighted 1Q22 Industry Transactions

Announced January 2022

**CURTISS -
WRIGHT**

has agreed to acquire

SAFRAN
Aerosystems Arresting
Company

EV: \$240M

EV / Revenue: 3.43x

EV / EBITDA: ND

- Curtiss-Wright Corporation (NYSE: CW) has agreed to acquire the assets that comprise the Safran Aerosystems Arresting Company
- Increases the breadth of Curtiss-Wright's global defense portfolio and firmly establishes the Company as a leading global supplier of fixed-wing aircraft recovery and arresting systems

Announced January 2022

OCTO
(A C P)

has acquired

B3 GROUP

EV: ND

EV / Revenue: ND

EV / EBITDA: ND

- Octo Consulting Group, a portfolio company of Arlington Capital Partners, has acquired B3 Group, Inc.
- Expands Octo's federal health footprint to include the VA, and adds proven digital transformation capabilities with low-code / no-code technologies and more than 350 highly certified professionals

Announced March 2022

SES[▲]

has agreed to acquire

LEONARDO DRS
DRS Global Enterprise
Solutions

EV: \$450M

EV / Revenue: 1.80x

EV / EBITDA: 11.2x

- SES S.A. has agreed to acquire DRS Global Enterprise Solutions, a U.S.-based subsidiary of Leonardo DRS
- Supplements SES' U.S. Government Solutions business, enhancing and expanding its advanced connectivity and network solutions

Announced March 2022

Booz | Allen | Hamilton

has agreed to acquire

EVERWATCH
(ENLIGHTENMENT CAPITAL)

EV: ND

EV / Revenue: ND

EV / EBITDA: ND

- Booz Allen Hamilton (NYSE: BAH) has entered into a definitive agreement to acquire EverWatch, a portfolio company of Enlightenment Capital
- Complements Booz Allen's deep artificial intelligence and cyber portfolio, and meaningfully accelerates the delivery of classified software development and analytics capabilities to its national security clients

Announced March 2022

TRANSDIGM
GROUP INC.

has agreed to acquire

DART
AEROSPACE
(GREENBRIAR / First Aviation Services Inc)

EV: \$360M

EV / Revenue: 3.60x

EV / EBITDA: ND

- TransDigm Group, Inc. (NYSE: TDG) has agreed to acquire DART Aerospace, a portfolio company of Greenbriar Equity Group and First Aviation Services, Inc.
- Adds to TransDigm's diverse range of new and existing rotary-wing platforms and strong aftermarket content

Announced March 2022

VECTRUS
TRUE TO YOUR MISSION

has agreed to merge with

Vertex
(AMERICAN INDUSTRIAL PARTNERS)

EV: \$2.1B

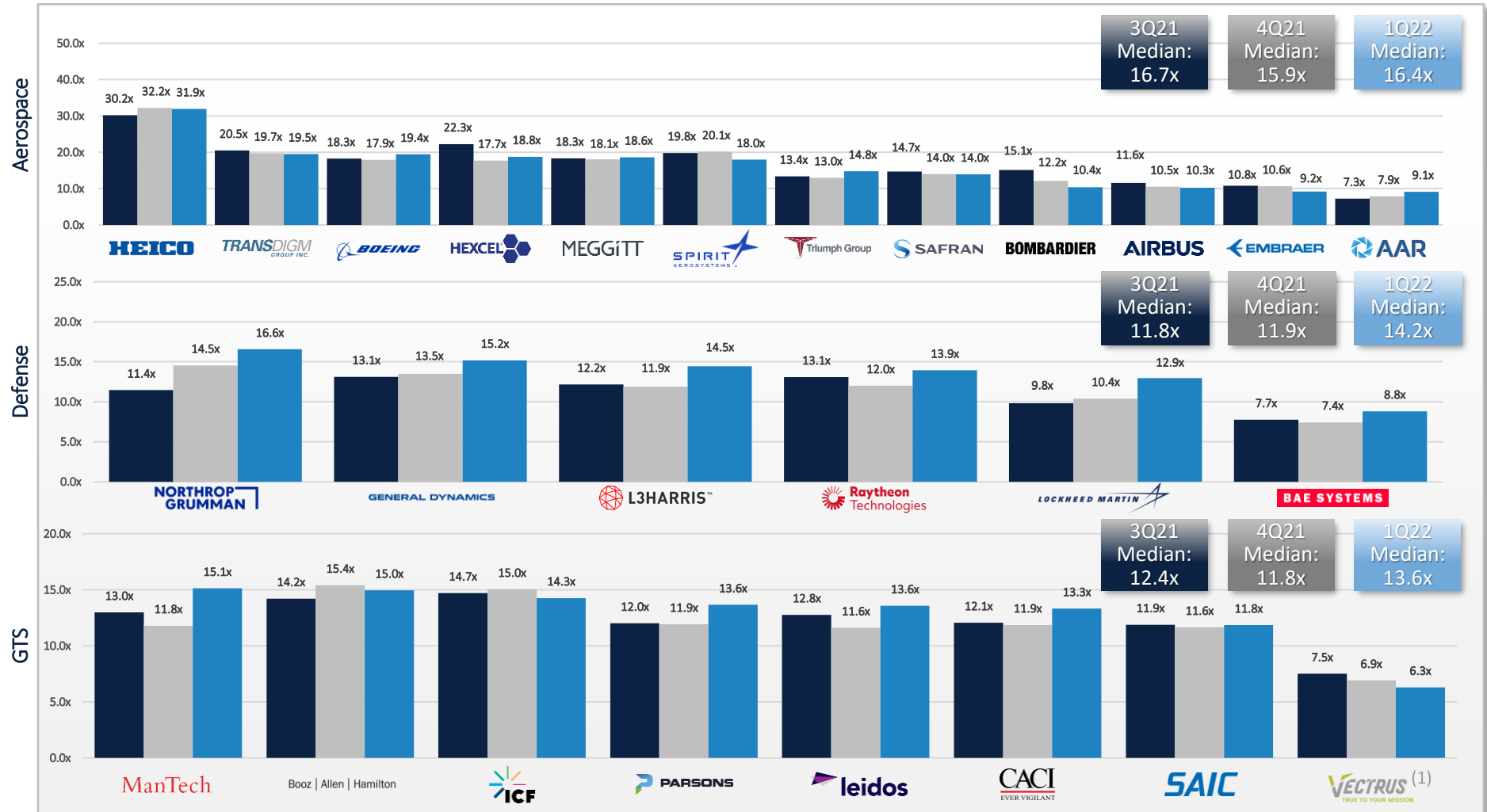
EV / Revenue: 1.31x

EV / EBITDA: 11.7x

- Vectrus, Inc. (NYSE: VEC) and The Vertex Company, a portfolio company of American Industrial Partners have agreed to an all-stock merger
- Creates a leading global provider of mission-essential solutions; the combined company will offer a comprehensive suite of integrated solutions and critical services for national security readiness

EV / NTM EBITDA Public Market Valuation Trends

- Recently, GTS and Defense public valuations have increased due to Ukraine-Russia tailwinds on national defense posture and favorable GFY23 budget request; Aerospace valuations have also increased this quarter due to strong price performance of Aerospace suppliers



Source: S&P Capital IQ;

(1) Represents financial information for standalone entity as merger with Vertex is pending

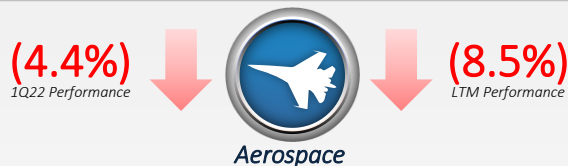
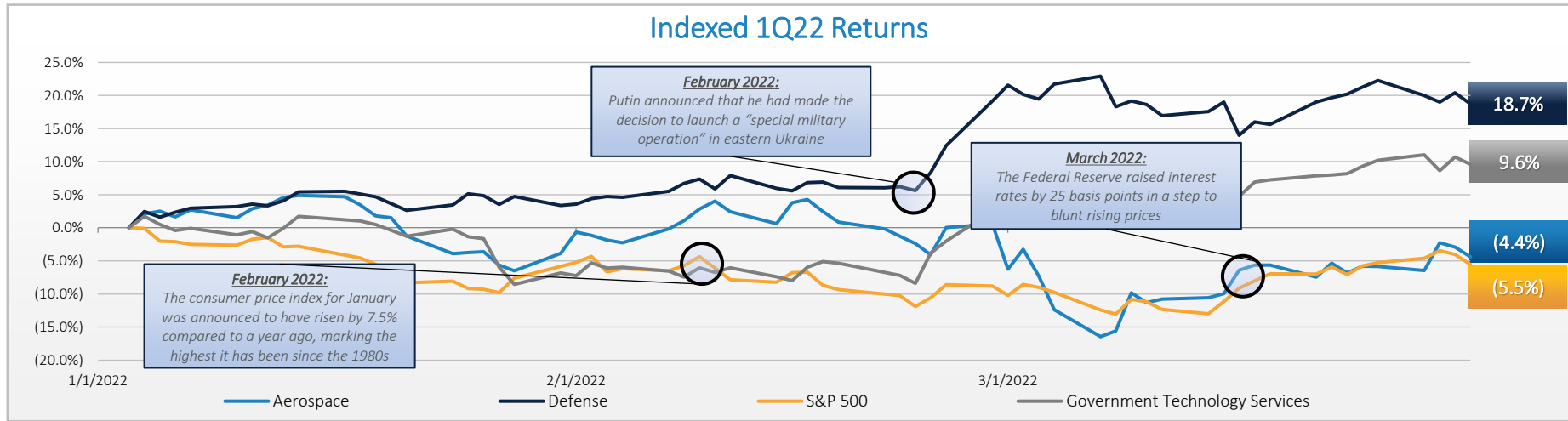
■ = As of September 30, 2021

■ = As of December 31, 2021

■ = As of March 31, 2022

Equity Capital Markets Performance

- The broader market struggled in 1Q22, primarily attributed to high inflation data, ongoing supply chain challenges, and geopolitical tensions around Russia's invasion of Ukraine
- Defense and GTS indices, on the other hand showed strength, benefiting significantly from the sector's counter-cyclical posture and expectation of ongoing spending priorities



Aerospace shares saw **a decrease** in 1Q22; despite this, stronger aftermarket, business jet orders, and air freight traffic volumes should **help stock performance** in this sector during the year

Shares of **The Boeing Company (NYSE: BA)** declined **7.9% in 1Q22** as the Company's regulatory woes with its 737 MAX continue to be an overhang on the Company's growth prospects



Defense shares saw a **strong increase** in 1Q22, driven by **geopolitical risks** due to the Ukraine-Russia conflict sparking the expectation of **accelerated spending** across the industry

Shares of **AeroVironment (NASDAQ: AVAV)** increased **50.1% in 1Q22** as the White House made the decision to supply the Company's Switchblade drones to the Ukrainian government to help fend off Russian forces



Like defense, GTS shares saw a **strong increase** in 1Q22, driven by similar **funding tailwinds** from an **elevated threat** environment as the **battle space becomes more digital**

Shares of **ManTech (NASDAQ: MANT)** increased **15.1% in 1Q22**, given market rumors of a potential sale

Aerospace Update

Despite Record SPAC M&A Activity, Share Price Performance Has Lagged

SPAC M&A activity has *increased substantially* during the *past few years*; despite last year's surge, *share prices* have *lagged significantly* behind the broader market. The lackluster performance of these publicly traded companies comes as companies have recently *struggled to use SPACs to raise large sums of capital*.

Recently, the SEC proposed a sweeping new set of rules that will ensure that *investors in SPACs* get *protections* similar to those investing in traditional initial public offerings – this may *further dampen SPAC activity*.

Indexed Share Performance



SPAC Index: Arqit Quantum, AST SpaceMobile, Astra Space, BlackSky Technology, CF Acquisition Corp. V, IronNet, Lillium, Mirion Technologies, Momentus, Planet Labs, Redwire, Rocket Lab USA, Spire Global, Tailwind Two Acquisition Corp., Velo3D, Vertical Aerospace, Virgin Orbit, Zanite Acquisition Corp.

Select Relevant Transactions and Stock Price Performance

	Sector: eVTOL EV: \$2.4 billion Stock Price $\Delta^{(1)}$: 0.9% ▲		Sector: Satellites EV: \$1.6 billion Stock Price $\Delta^{(1)}$: 0.7% ▲
	Sector: Satellites EV: \$850.0 million Stock Price $\Delta^{(1)}$: (16.2%) ▼		Sector: Space Launch EV: \$3.2 Billion Stock Price $\Delta^{(1)}$: (26.0%) ▼

(1) Represents change in stock price since the announcement of acquisition

Impact on Aerospace from Continued Inflation Fears Spurred by the Ukraine-Russia Conflict

Russia's invasion of Ukraine has had a *significant impact* on the *supply and prices* of *key materials* used in the Aerospace industry – specifically *Aluminum, Steel, and Nickel*.

In the *near to medium-term*, *prices* on these materials are likely to *remain elevated* until there is *resolution* on the Ukraine-Russia situation.



Aluminum is a lightweight option used for key aircraft components. While China and Russia are the largest aluminum producers in the world, the U.S. also has a significant presence in aluminum production, which should minimize further impacts on price.



Steel is a durable material essential for high corrosion and temperature resistance and is used for a range of aerospace parts including actuators, fasteners, and landing gear components. China dominates the steel market, providing pressure on steel prices.



Nickel is the basis for high-performance alloys used to make turbine blades, discs, and other critical jet engine parts. Two of the top nickel producers are from Russia and China, having a significant impact on the price of nickel in recent months.

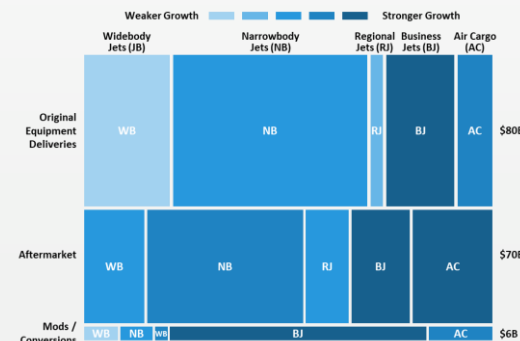
Aerospace Trends See Bright Spots in 2022 and Beyond

Following the Aerospace industry's *worst decline* in history, there are *several bright spots* emerging – a rapidly recovering *aftermarket*, booming *business jet backlog*, and strong *air freight traffic*.

Aftermarket suppliers have led the Aerospace recovery, and activity is now ~75% of pre-pandemic levels due to the domestic travel rebound.

Furthermore, the wave of the Used Serviceable Material (“USM”) will enter the market as airlines begin fleet retirement decisions, benefiting tear down shops, USM specialists, and Original Equipment Manufacturers (“OEMs”) with a strong USM presence.

While the demand for private flights is expected to moderate toward the end of 2022, OEMs’ backlogs for business jets are at a six-year high. As a result, OEMs are expected to prudently ramp production to extend growth in deliveries beyond 2023.



Finally, air freight volume is expected to remain strong in 2022 due to e-commerce, auto manufacturing, and elevated containership pricing, instilling strong demand drivers for cargo aircraft.

Defense Update

Defense M&A Expected to be Smaller for Longer

On February 13th, Lockheed Martin *scrapped plans* to buy *Aerojet Rocketdyne* after federal antitrust overseers *sued to block* the proposed *\$4.4 billion deal*. The timeline of the deal is outlined below:



December 2020: Aerojet Rocketdyne agreed to a \$4.4 billion takeover by Lockheed Martin

Note: This deal follows other large deals in the space such as Northrop Grumman's acquisition of Orbital ATK (~\$9B, 2018), and the merger between Raytheon Corporation and United Technologies Corporation (~\$91B, 2020)

February 2021: Raytheon Technologies CEO, Greg Hayes said they planned to challenge the proposed transaction, as Aerojet Rocketdyne is a key supplier for its solid-fuel rocket motors

July / August 2021: On July 16, 2021, Elizabeth Warren wrote a letter to the Federal Trade Commission ("FTC"), urging them to re-evaluate the deal to protect competition due to vertical integration

January 2022: On January 25, 2022 the FTC filed a suit against Lockheed Martin in an effort to block the Company's planned transaction. Specifically, the complaint alleges that the deal would give Lockheed the ability to deny, limit or otherwise disadvantage competitors' access to critical propulsion inputs

February 2022: Lockheed Martin withdrew plans to buy Aerojet Rocketdyne

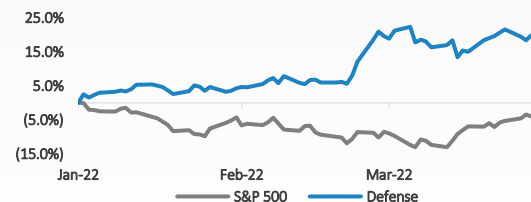
While the Aerojet Rocketdyne deal *did not* come to *fruition*, Lockheed Martin CEO, Jim Taiclet, said they will *look to deploy* available *capital* on its *next highest best use*, which could include companies on a "*smaller scale*," so that it *would not trigger* the same concerns about *vertical integration* – many have bemoaned the implosion of the defense industrial base as well as the loss of competition.

Defense Stocks Experiencing Strong Performance Driven by Ukraine-Russia Conflict

With the *ongoing* Ukraine-Russia conflict, *defense stocks* have *benefited significantly* due to prospects of *surging military spending*.

On February 22, 2022, *Germany's chancellor*, Olaf Scholz, said Germany would *increase defense spending* to more than *2% of its economic output* (up from an estimated 1.5% in 2021). This was prompted by Russia's invasion of Ukraine and marks a paradigm *shift in German foreign and defense policy* (Germany has historically resisted pressure to increase its military spending).

The *main beneficiaries* of this potential increase in spending have been companies *with large exposure* to the *weapons and ammunition* markets. The 1Q22 performance of stocks including Lockheed Martin, BAE Systems plc, and Germany's Hensoldt and Rheinmetall are outlined below:



Defense Primes Index: BAE Systems plc, General Dynamics Corporation, L3Harris Technologies, Inc., Lockheed Martin Corporation, Northrop Grumman Corporation, Raytheon Technologies Corporation



24.6%
1Q22 Performance



107.6%
1Q22 Performance



27.4%
1Q22 Performance



122.6%
1Q22 Performance

DoD Budget Request

As the Pentagon *seeks to modernize* the military, the White House has asked for *\$813 billion* for *national defense* (up from \$782 billion from this year – a *~4% increase*), including \$773 billion for the Pentagon.

Administration officials said the \$773 billion plan includes money to *help Ukraine* in its fight against Russia, new investments in *military aircraft* and *nuclear deterrence systems*, and enough funding to *counter "persistent threats"* including those posed by North Korea, Iran, and violent extremist organizations."

The budget prioritizes *defense research, development, test, and evaluation* funding to invest in breakthrough technologies that drive innovation, support capacity in the defense technology industrial base, ensure American technological leadership, and underpin the development of next-generation defense capabilities.

Defense secretary Lloyd Austin notified President Biden that he needed *additional funding for Navy ships, weapon development, and pay bonuses to troops*, all of which would be difficult due to inflation under the current plan. The result of this has *added \$20 – \$30 billion a year* to the budget topline in 2024 and 2025 over what had initially been envisioned.

FY2023 Request Overview

(\$ in billions)



\$177.3
↑2% Growth



\$180.5
↑5% Growth



\$50.3
↑2% Growth



\$169.5
↑8% Growth



\$24.5
↑41% Growth

Government Technology Services Update

Heightened Cyber Threat Environment Driving Government Spending Priorities and Increasing M&A Demand

The *increasing threat* of *cybersecurity attacks* continues to drive government priorities and *influence spending*. The Senate has passed the *Strengthening American Cybersecurity Act of 2022*, requiring private-sector critical infrastructure entities to report qualifying cybersecurity incidents, and to mandate all agencies go through the *Federal Risk and Authorization Management Program ("FedRAMP")* before contracting with a cloud provider. This Act follows the Biden Administrations' previous Executive Order on the *adoption of a Zero-Trust cybersecurity architecture*, and the release of the DoD's updated *cybersecurity compliance requirements* in late 2021. Most recently, Congress' supplemental budget request for assistance to Ukraine included *\$1.25B in cybersecurity, intel, and other defense support*. This increase in focus and government spending is *driving M&A demand* for companies with *cybersecurity and cybersecurity compliance capabilities*.

Cybersecurity – A High-Priority Focus Area for Buyers

Buyer	Target
Booz Allen Hamilton	EVERWATCH (INTELLIGENCE CAPITAL)
Google	MANDIANT
Gunnison CONSULTING GROUP	CENTERPOINT
INTELLIGENCE CAPITAL	Boecore
Sigma (INTELLIGENCE CAPITAL)	SOLUTE
GODSPEED CAPITAL	Exceptional Software Strategies Inc.



~30%

1Q22 transactions for targets with cybersecurity capabilities

~70%

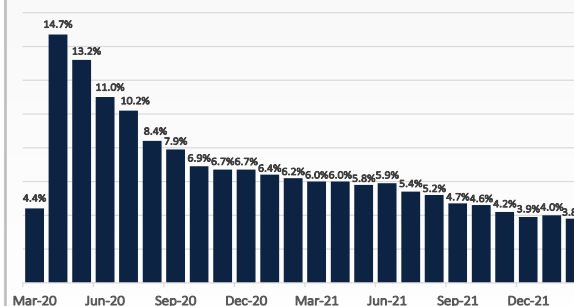
1Q22 cybersecurity transactions involved strategic buyers

The Great Resignation and the War on Talent Influences M&A

Coming out of the pandemic, *talent acquisition and retention* continue to be *top priorities* for executives in most industries and are expected to remain a *top challenge* for companies through *at least 2031*, *increasing* the *M&A diligence efforts* around human capital.

As the *U.S. unemployment rate* continues to *decrease* (as shown below), and more *unfilled job openings* come about, the *labor market* is becoming *tighter and tighter*, as well as geographically dispersed and migratory. At the same time, the federal space continues to compete with commercial markets for top technical talent. Both trends have *caused the top priorities* of talent acquisition and retention to be much *more difficult*.

U.S. Unemployment Rate Trend



Within the technology industry, the number of *open positions* remains well *above long term averages*, pushing companies with skilled employees, such as *software engineers*, or *those with security clearances* to the *top of M&A* priority lists. For employers, this also means *creating unique compensation and benefits packages* that appeal to the masses and put the priorities of employees front and center.

GTS M&A Expected to be Strong Due to Ukraine-Russia Conflict

Despite the broader market turmoil due to the Ukraine-Russia conflict, the *overall environment* for acquisitions *remains robust*, especially in the *GTS sector*, given the strength in its *funding dynamics*. U.S. *defense spending budgets* have *increased*, and the conflict is anticipated to *generate* more *international opportunities* for *defense contractors*.

Private equity firms have not shied away from pursuing transactions in spite of these recent geopolitical tensions as *debt is still relatively inexpensive* when compared to historical levels, and *dry powder* to deploy capital remains at *record levels*.

On the strategic side, in the weeks following Russia's invasion of Ukraine, *GTS earnings calls* signaled an expectation that *defense budgets will remain elevated*, as Ukraine rebuilds from the war in which civilian and public infrastructure have been targets. Below are quotes from earnings calls from some key players in the industry:

“ So, I suspect even if it were to end, there's going to be a Rebuild Bill to rebuild those commercial buildings, those apartment buildings, the transportation grid in Ukraine. And so, there's going to be '23 Ukraine money, there'll probably be '24 Ukraine money.”

— Roger A. Krone, Chairman & CEO Leidos ”

“ So, I probably said 3 weeks ago that I would have said Critical Infrastructure would be growing faster. But I think with the situation in Ukraine, the defense budgets now are obviously going to get more support than what they have been receiving.”

— Carey A. Smith, President, CEO & Director, Parsons ”

1Q22 Aerospace Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA
03/31/22	Vista Global Holding	Jet Edge	Provides charter aircraft services	ND	ND	ND	ND	ND	ND
03/30/22	Cyberlux Corporation, (OTC: CYBL)	Catalyst Machineworks, LLC	Provides drone hardware for private sector and U.S. federal government defense markets	ND	ND	ND	ND	ND	ND
03/30/22	National Aviation Services, LLC (subsidiary of Agility Public Warehousing Company KSCP (Kuwait: AGLT.KW))	John Menzies plc (LSE: MNZS.L)	Provides aviation and logistics services to private sector and international government markets	\$747.7	\$1,350.0	\$100.3	7.4%	0.55x	7.5x
03/25/22	G.S. Precision, Inc. (portco of AE industrial Partners, LP)	G.S. Screw-Matic Corp.	Provides highly engineered tubes and machined components for the private sector and U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND
03/23/22	Signature Aviation	Tac Air FBO holdings	Provides 16 Fixed Base Operator ("FBO") locations and one private hangar facility throughout the U.S.	ND	ND	ND	ND	ND	ND
03/21/22	Stellex Capital Management, L.P.	RTC Aerospace, LLC	Provides maintenance, repair, and overhaul ("MRO") services on aircraft flight control systems, landing gear, ground support equipment, and missiles	ND	ND	ND	ND	ND	ND
03/17/22	Enjet Aero	Spartan Aerospace	Provides aeroengine components, sheet metal stampings, brackets, fabrications, and assemblies for the commercial and defense aerospace industries	ND	ND	ND	ND	ND	ND
03/17/22	Textron, Inc. (NYSE: TXT)	Pipistrel d.o.o.	Provides lightweight aviation development, electric flight capabilities, and pursues extreme aeroefficiency for private sector and international government markets	ND	ND	ND	ND	ND	ND
03/15/22	Precision Aviation Group (portco of GenNx360 Capital Partners, L.P.)	Velocity Aerospace Group, Inc. (portco of Prospect Partners, LLC)	Provides a broad range of aviation MRO services	ND	ND	ND	ND	ND	ND
03/14/22	TransDigm Group, Inc. (NYSE: TDG)	Dart Aerospace (portco of Greenbriar Equity Group, L.P. and First Aviation Services Inc.)	Provides highly engineered, unique helicopter mission equipment solutions that predominantly service civilian aircraft	\$360.0	\$100.0	ND	ND	3.60x	ND
03/09/22	DC Capital Partners LLC	uAvionix Corp.	Provides highly differentiated, small form factor communications, navigation, and surveillance avionics for unmanned and manned aircraft	ND	ND	ND	ND	ND	ND
03/08/22	MidTex Aviation, LLC	Enstrom Helicopter Corp.	Provides a complete line of helicopters	\$10.5	ND	ND	ND	ND	ND
03/08/22	CGI Automated Manufacturing , Inc. (portco of CORE Industrial Partners)	DFF Corp.	Provides precision machined components and electro-mechanical assembly products for private sector and U.S. federal government markets	ND	ND	ND	ND	ND	ND
03/08/22	Endurance Acquisition Corp. (NASDAQ: EDNC)	SatixFy Communications Ltd.	Provides satellite communication modems with Software Defined Radio and Electronically Steered Multi Beam Antennas that support advanced communications standards	\$813.0	ND	ND	ND	ND	ND
03/08/22	Blackhawk Aerospace	Recoil Aerospace, LLC	Provides lightweight carbon fiber composite solutions for helicopter platforms	ND	ND	ND	ND	ND	ND
03/02/22	ARCH Cutting Tools LLC (subsidiary of ARCH Global Greene Tool Systems, Inc. Precision, LLC (portco of The Jordan Company L.P.))		Provides precision carbide round tools for private sector and U.S. federal government markets	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed; NM = Not Meaningful



KippsDeSanto acted as financial advisor in this transaction

1Q22 Aerospace Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA
03/02/22	The Sterling Group, L.P.	West Star Aviation Holdings, LLC (portco of Norwest Equity Partners)	Provides MRO services to the business aviation industry	ND	ND	ND	ND	ND	ND
02/24/22	AE Industrial Partners	Firefly Aerospace (58% Stake)	Provides a family of launch and in-space vehicles and services that ensure industry-leading affordability, convenience, and reliability	ND	ND	ND	ND	ND	ND
02/23/22	Moog, Inc. (NYSE: MOG-A and MOG-B)	Team Accessories Limited	Provides aerospace MRO capabilities including engine accessories, airframe components, and safety equipment	ND	ND	ND	ND	ND	ND
02/22/22	Consortium Group (Airbus SE (Paris: Air.PA), Safran S.A. (Paris: SAF.PA), and Tikehau Ace Capital)	Aubert & Duval	Provides high-performance steels, superalloys, titanium, and aluminum; strategic supplier for the private sector and U.S. federal government aerospace industries	\$107.5	ND	ND	ND	ND	ND
02/21/22	Atalante SAS	Aeronautica Calderia S.A.	Provides conventional sheet metal, forming and stretching of skins, machining, assembling of assemblies and sub-assemblies, and special processes	\$33.9	ND	ND	ND	ND	ND
02/04/22	Wheels Up Experience, Inc. (NYSE: UP)	Alante Air Charter, LLC	Provides fleet of Citation jets, which include 12 C13, C13+, and C14 aircraft	\$107.0	ND	ND	ND	ND	ND
02/02/22	Longview Aviation Capital	De Havilland Aircraft of Canada Limited	Provides long-lasting aircraft that can operate in the world's toughest climates	ND	ND	ND	ND	ND	ND
02/02/22	Bascom Hunter Technologies, Inc.	Seamech International, Inc.	Provides climate control systems for private sector and U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND
02/02/22	Daher Aerospace SAS (subsidiary of Daher Group S.A.)	Triumph Group, Inc.'s (NYSE:TGI) Metallic Aerostructures and Assembly Business	Provides large, complex metallic structures such as wing and fuselage assemblies	ND	ND	ND	ND	ND	ND
02/01/22	Ontic Engineering and Manufacturing, Inc. (portco of CVC Capital)	Ultra Precision Control Systems (subsidiary of Ultra Electronics Holdings plc. (LSE: ULE))	Provides high integrity control products for aerospace, military vehicle, and soldier applications	ND	ND	ND	ND	ND	ND
01/27/22	FLYHT Aerospace Solutions Ltd. (TSX-V: FLY) (OTCQX: FLYLF)	CrossConsense GmbH & Co. KG.	Provides markets software to support commercial aviation maintenance management	ND	ND	ND	ND	ND	ND
01/27/22	Breeze Acquisition Corp. (NASDAQ: BREZ)	D-Orbit S.p.A.	Provides space logistics and transportation solutions	\$1,200.0	\$3.4	ND	ND	NM	ND
01/27/22	Wheels Up Experience, Inc. (NYSE: UP)	Air Partner plc (LSE:AIR)	Provides private jet, group and freight charter, and aviation safety & security solutions to industry, commerce, governments, and private individuals across civil and military organizations	ND	ND	ND	ND	ND	ND
01/27/22	Ontic	Metro / Merlin Type Certificate and MRO Support Business of M7 Aerospace (subsidiary of Elbit Systems (NASDAQ: ESLT))	Provides support and readiness services for the U.S. DoD. Business includes Type Certificates for the Fairchild Merlin, Metro II/III/IV, C-26 aircrafts	ND	ND	ND	ND	ND	ND
01/25/22	SK AeroSafety Group (portco of Levine Leichtman Capital Partners)	Fire-Tec	Provides MRO solutions to the aviation safety equipment industry	ND	ND	ND	ND	ND	ND
01/25/22	Blue Origin	Honeybee Robotics, Ltd. (subsidiary of Ensign - Bickford Industries)	Provides spacecraft, planetary exploration, defense robotics, medical devices, mining, oil and gas, and utility infrastructure	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed; NM = Not Meaningful



KippsDeSanto acted as financial advisor in this transaction

1Q22 Aerospace Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA
01/24/22	Network Innovations, Inc.	STS Global, Inc.	Provides dynamic satellite communications / telecommunications services to the private sector and the U.S. federal government markets	ND	ND	ND	ND	ND	ND
01/21/22	Curtiss-Wright Corp. (NYSE: CW)	Safran Aerosystems - Arresting Systems America (subsidiary of Safran S.A. (Paris: SAF.PA))	Provides aircraft arresting systems for commercial and military applications	\$240.0	\$70.0	ND	ND	3.43x	ND
01/12/22	Aernnova	Evora (subsidiary of Embraer S.A. (NYSE: ERJ))	Provides parts for wings and vertical and horizontal stabilizers for the Embraer Praetor 500 and 600 business jets, E-Jet airliners, and KC-390 military transport	\$172.0	ND	ND	ND	ND	ND
01/10/22	TT Electronics plc (LSE: TTG.L)	Power and Control business of Ferranti Technologies Ltd. (a subsidiary of Elbit Systems Ltd. (NasdaqGS: ESLT))	Provides support solutions to the aerospace, defense, and rail transport marketplaces	ND	ND	ND	ND	ND	ND
01/06/22	First Class Air Holdings (portco of O2 Investment Partners)	AVI Aviation	Provides MRO of aircraft emergency components including evacuation slides, rafts, life vests, reservoir cylinders, and related components and accessories	ND	ND	ND	ND	ND	ND
01/06/22	StandardAero (portco of The Carlyle Group)	PTS Aviation	Provides serviceable aircraft engines, engine components, and engine inventory	ND	ND	ND	ND	ND	ND
01/04/22	Trexon (portco of Audax Private Equity)	Power Connector Inc.	Provides hand-held and mounted radio systems, power connectors, audio connectors, and other interconnect components	ND	ND	ND	ND	ND	ND
01/04/22	FDH Aero (portco of Audax Private Equity)	Calco Industries, L.P.	Provides distribution of fasteners and hardware for the private and U.S. federal government, aerospace, and defense industries	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed; NM = Not Meaningful



KippsDeSanto acted as financial advisor in this transaction

1Q22 Defense Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA
03/30/22	Top Aces, Inc. (portco of Clairvest Group, Inc.)	Blue Air Training Corp.	Provides contract air services for Close Air Support training to DoD Joint Terminal Attack Controllers and Joint Forward Observers	ND	ND	ND	ND	ND	ND
03/28/22	Sarcos Technology and Robotics Corporation (NASDAQ: STRC and STRCW)	RE2 Robotics, Inc.	Provides intelligent modular manipulation systems for mobile robotic platforms	\$100.0	\$15.0	ND	ND	6.67x	ND
03/22/22	SES S.A. (Paris: SESG.PA)	DRS Global Enterprise Solutions Group (subsidiary of Leonardo S.p.A (Milan: LDO.MI))	Provides satellite services, network and telecommunications, electronic and cyber security solutions, and aviation maintenance services	\$450.0	\$250.0	\$40.3	16.1%	1.80x	11.2x
03/21/22	Dexter Magnetic Technologies, Inc. (subsidiary of TSL Engineered Products, LLC, portco of Tinicum Capital Partners)	Magnetic Component Engineering, Inc.	Provides permanent magnets and magnet assemblies for private sector and U.S. federal government medical, defense, and aerospace industries applications	ND	ND	ND	ND	ND	ND
03/14/22	Mereo Capital Partners and Point Lookout Capital Partners	Luna Labs USA, LLC (subsidiary of Luna Innovations, Inc. (NASDAQ: LUNA))	Provides critical solutions for first responders, defense, and health care professionals around the world	\$21.0	ND	ND	ND	ND	ND
03/14/22	Lucix Corp. (subsidiary of Heico Corp. (NYSE: HEI))	Flight Microwave Corp.	Provides high power passive microwave components for use in the private sector and U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND
03/11/22	Leading Technology Composites, Inc.	ArmorStruxx, LLC	Provides comprehensive ballistic and blast protection solutions, offering a wide range of turnkey, custom composite armor solutions	ND	ND	ND	ND	ND	ND
03/01/22	Standex International Corp. (NYSE: SXI)	Sensor Solutions, Inc.	Provides customized linear, latching, magnetic, rotary, and specialty sensor products for automotive, industrial, medical, aerospace, military, and consumer electronics end markets	\$9.7	\$4.3	ND	ND	2.26x	ND
02/28/22	Intervala, LLC	EPE Corp.	Provides complex printed circuit board assemblies and integrated electronic and electromechanical systems	ND	ND	ND	ND	ND	ND
02/28/22	Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS)	CTT, Inc.	Provides power amplifiers, frequency converters, frequency multipliers, transmitters, transceivers, and receivers within the frequency spectrum of 10 MHz to 100 GHz products	ND	ND	ND	ND	ND	ND
02/17/22	CGI Automated Manufacturing, Inc. (portco of CORE Industrial Partners, LLC)	Haven Manufacturing Co.	Provides a full suite of manufacturing services, including design assistance, prototyping, EDM, waterjet, laser etching, blasting, grinding, and passivation	ND	ND	ND	ND	ND	ND
02/16/22	Resonant Sciences, LLC	Quarterbranch Technologies	Provides technical support and design services to the private sector and U.S. federal government radar cross section measurement communities	ND	ND	ND	ND	ND	ND
02/15/22	Babcock International Group plc (LSE: BAB.L)	Naval Ship Management Pty Ltd. (Remaining 50% stake)	Provides complete maritime sustainment solutions	\$43.0	ND	ND	ND	ND	ND
02/10/22	HEICO Flight Support Group (subsidiary of HEICO Corp. (NYSE: HEI))	Pioneer Industries, Inc. (74% ownership)	Provides military spare parts to government agents and commercial industries	ND	ND	ND	ND	ND	ND
02/03/22	AEM (portco of Industrial Growth Partners)	Renaissance Electronics & Communications	Provides high-reliability passive and active radio frequency and millimeter wave frequency components, sub-systems, and higher-order assemblies	ND	ND	ND	ND	ND	ND
02/02/22	Anduril Industries, Inc.	Dive Technologies, Inc.	Provides autonomous underwater vehicles for large-scale commercial and defense data collection	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed; NM = Not Meaningful



KippsDeSanto acted as financial advisor in this transaction

1Q22 Defense Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA
01/31/22	EOS Energetics, Inc.	GOEX Powder, Inc. (subsidiary of Hodgdon Powder Company, Inc.)	Provides black powder used for industrial and military applications, as well as sporting applications such as civil war re-enactments and flint lock firearms	ND	ND	ND	ND	ND	ND
01/24/22	ACR Group (portco of The Jordan Company)	TRX Systems	Provides satellite-based tracking, data communications, and emergency location services	ND	ND	ND	ND	ND	ND
01/18/22	Fairbanks Morse Defense (portco of Arcline Investment Management)	Maxim Evaporators of America, LLC	Provides water treatment and water concentration technologies that meet the needs of the private sector and U.S. federal government industries	ND	ND	ND	ND	ND	ND
01/12/22	Novaria Group (portco of KKR & Co. L.P.)	Hydro-Fitting Manufacturing Corporation	Provides custom, high-pressure valves, charging kits, hose assemblies, and fittings for private sector and U.S. federal government aerospace, automotive, and defense markets	ND	ND	ND	ND	ND	ND
01/10/22	Prometheus Security Group Global, Inc. (portco of Linx Defense, LLC Genstar Capital, LLC)		Provides DoD compliant integrated security solutions and communications equipment manufacturing to the private sector and U.S. federal government markets	\$50.0	ND	ND	ND	ND	ND
01/07/22	JGB Enterprises, Inc. (portco of HCI Equity Partners)	All-Serv Industrial, LLC	Provides supply chain management and logistics services distribution of industrial hose, fluid power products, and hose assembly solutions	ND	ND	ND	ND	ND	ND
01/05/22	Fairbanks Morse Defense (portco of Arcline Investment Management)	Federal Equipment Company	Provides engineering, manufacturing, and systems integration of design-build, custom manufactured parts, shipboard cargo doors, and shipboard helicopter hangar equipment	ND	ND	ND	ND	ND	ND
01/05/22	Triman Industries, Inc. (portco of AE Industrial Partners)	Brighton Cromwell, LLC	Provides procurement, logistics, and kitting services to the DoD and prime contractors globally	ND	ND	ND	ND	ND	ND
01/05/22	Triman Industries, Inc. (portco of AE Industrial Partners)	Crestwood Technology Group Corp.	Provides supply chain solutions designed to keep fleets and systems operational, ready, and safe	ND	ND	ND	ND	ND	ND
01/05/22	Wieland Group AG	Busby Metals, Inc	Provides specialty high-performance copper alloys for the private sector and U.S. federal government aerospace, defense, and electronics markets	ND	ND	ND	ND	ND	ND
01/03/22	EOTECH, LLC (subsidiary of American Holoptics, LLC (portco of Koucar Management))	Photonics Business of Intevac Inc. (NASDAQ: IVAC)	Provides advanced high-sensitivity digital sensors, cameras, and systems that primarily serve the defense industry	\$100.0	ND	ND	ND	ND	ND
01/03/22	ADDMAN Engineering (portco of American Industrial Partners)	Castheon, Inc.	Provides additive manufacturing research & development and services for the private sectors and the U.S. federal government	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed; NM = Not Meaningful



KippsDeSanto acted as financial advisor in this transaction

1Q22 Government Technology Services Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA
03/29/22	cBEYONData (portco of Bluestone Investment Partners)	Alta Via Consulting, LLC	Provides enterprise resource planning consulting, business process, and information technology services for private sector and U.S. federal government markets	ND	ND	ND	ND	ND	ND
03/16/22	Mission Critical Partners, LLC	Secure Halo	Provides an all-encompassing approach to enterprise risk and managing cybersecurity for federal, state, and local government agencies and commercial entities	ND	ND	ND	ND	ND	ND
03/16/22	Booz Allen Hamilton	EverWatch (portco of Enlightenment Capital)	Provides professional and technical services to the private sector and U.S. federal government, defense, intelligence, and deployed mission support markets	ND	ND	ND	ND	ND	ND
03/15/22	Saalex Corp	Network and Simulation Technologies Incorporated	Provides warfare analysis, information technology, war game support, and advanced modeling and simulation solutions to private sector and U.S. federal government aerospace and defense markets	\$30.0	ND	ND	ND	ND	ND
03/10/22	The Emmes Company, LLC (portco of Behrman Capital)	Casimir, LLC.	Provides contract research organization solutions to private sector and U.S. federal government public health and biopharmaceutical markets.	ND	ND	ND	ND	ND	ND
03/07/22	Vectrus, Inc. (NYSE: VEC)	The Vertex Company (portco of American Industrial Partners)	Provides aviation maintenance, logistics support, systems engineering and integration, onsite mission execution, high consequence training programs, and integrated supply-chain solutions	\$2,100.0	\$1,596.0	\$180.4	11.3%	1.31x	11.7x
03/02/22	Federal Advisory Partners (portco of Sagewind Capital)	Universal Consulting Services	Provides health and enterprise IT consulting solutions to the private sector and U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND
03/01/22	Daybreak, LLC	Azimuth1, LLC	Provides specialty geospatial analytics and data analysis applications to environmental, public safety, and national security challenges	ND	ND	ND	ND	ND	ND
02/23/22	Gunnison Consulting Group, Inc. (portco of Blue Delta Capital Partners)	CENTERPOINT, Inc.	Provides cybersecurity engineering solutions for private sector and U.S. federal government markets	ND	ND	ND	ND	ND	ND
02/23/22	Markon Solutions (subsidiary of Anser Advisory, LLC)	integrateIT Holdings, Inc.	Provides a broad range of technical and management solutions for the private sectors and the U.S. federal government	ND	ND	ND	ND	ND	ND
02/23/22	Cyber Capital Partners	Point3 Security, Inc.	Provides information technology solutions, specializing in talent screening and analytical tools for private sector and U.S. federal government markets	ND	ND	ND	ND	ND	ND
02/23/22	Cyber Capital Partners	P3F	Provides research and development in the private sector and U.S. federal government cybersecurity space	ND	ND	ND	ND	ND	ND
02/16/22	Ignite Digital (portco of Farragut Capital Partners)	Atlas Executive Consulting, LLC	Provides data analytics consulting solutions to private sector and U.S. federal government markets	ND	ND	ND	ND	ND	ND
02/14/22	Aeyon (portco of Enlightenment Capital)	Manufacturing Technical Solutions, Inc.	Provides manufacturing and engineering services for private sector and U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND
02/14/22	Aeyon (portco of Enlightenment Capital)	Marick Group, LLC	Provides human capital management and business execution software to private sector and U.S. federal government aviation and law enforcement markets	ND	ND	ND	ND	ND	ND
02/07/22	Jacobs Engineering Group	Streetlight Data, Inc.	Provides big data, mobility analytics, and machine learning solutions to private sector and U.S. federal government markets	\$209.0	ND	ND	ND	ND	ND

Note: ND = Not Disclosed; NM = Not Meaningful



KippsDeSanto acted as financial advisor in this transaction

1Q22 Government Technology Services Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM Rev.	EBITDA
01/28/22	Godspeed Capital Management LP	Savli Group, Inc.	Provides consultation and implementation services in the design, deployment and operation of ServiceNow based solutions	ND	ND	ND	ND	ND	ND
01/27/22	RSC2, Inc	DoD Business Line From TriMech Solutions, LLC	Provides professional and engineering services to army, DoD, and federal customers through two contract vehicles and M&S technologies	ND	ND	ND	ND	ND	ND
01/27/22	Torch.AI	B23, LLC	Provides competitive intelligence data extraction solutions for private sector and federal government contractors	ND	ND	ND	ND	ND	ND
01/26/22	CACI International, Inc. (NYSE: CACI)	ID Technologies (portco of The Acacia Group)	Provides enterprise information technology, infrastructure-as-a-service, and network modernization platforms	\$225.0	ND	ND	ND	ND	ND
01/25/22	Federal Advisory Partners (portco of Sagewind Capital)	Favor TechConsulting, LLC	Provides IT and management consulting in agile transformation, supply chain and logistics management, cybersecurity, infrastructure, cloud services, and big data	ND	ND	ND	ND	ND	ND
01/25/22	Enlightenment Capital	Boecore, Inc.	Provides software development, cybersecurity, systems and network engineering to the U.S. federal government in the areas of Space and Missile Defense	ND	ND	ND	ND	ND	ND
01/24/22	Network Innovations, Inc.	STS Global, Inc.	Provides dynamic satellite communications / telecommunications services to the private sector and the U.S. federal government markets	ND	ND	ND	ND	ND	ND
01/20/22	SolarWinds Corp (NYSE: SWI)	Monalytic	Provides real-time IT operations and performance insights to businesses	ND	ND	ND	ND	ND	ND
01/19/22	Sigma Defense, LLC (portco of Sagewind Capital)	SOLUTE, Inc.	Provides system modernization using the latest advances in software engineering, cybersecurity, cloud architectures, and development security operations	ND	ND	ND	ND	ND	ND
01/13/22	Godspeed Capital Management LP	Exceptional Software Strategies, Inc.	Provides professional services and IT solutions to the private sector and U.S. federal government	ND	ND	ND	ND	ND	ND
01/12/22	Juvare, LLC	Nusara Inc	Provides homeland security and emergency management consulting solutions to the private sector and U.S. federal government defense markets	ND	ND	ND	ND	ND	ND
01/06/22	GCOM Software, LLC	ASR Analytics, LLC	Provides high-end analytic consulting and software-as-a-service solutions to private sector and U.S. federal government markets	ND	ND	ND	ND	ND	ND
01/05/22	Concept Plus, LLC	U.S. Information Technologies Corporation	Provides Oracle-based IT solutions	ND	ND	ND	ND	ND	ND
01/05/22	Octo Consulting Group, LLC (portco of Arlington Capital Partners)	B3 Group, Inc.	Provides enterprise-level application modernization solutions to the public sector	ND	ND	ND	ND	ND	ND
01/04/22	N. Harris Computer Corp.	i2 intelligence analysis product portfolio of IBM Corp.	Provides tools to transform data into decisions in near-real-time, uncover hidden connections with visual displays, and turn overwhelming and disparate data into actionable intelligence	ND	ND	ND	ND	ND	ND
01/03/22	ManTech International Corporation	Technical and Management Assistance Corp.	Provides advanced data engineering services and solutions to the U.S. Intelligence Community	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed; NM = Not Meaningful



KippsDeSanto acted as financial advisor in this transaction

Public Company Trading Analysis

(\$ in millions, except per share amounts)

Aircraft and Engine OEMs	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
The Boeing Company	\$191.50	73.5%	\$113,059	\$156,609	\$62,286	\$1,457	2.3%	\$81,111	\$7,972	9.8%	2.51x	NM	1.93x	19.6x
General Electric Company	91.50	78.8%	100,810	114,384	74,196	5,713	7.7%	77,963	9,543	12.2%	1.54x	20.0x	1.47x	12.0x
Airbus SE	122.59	91.1%	96,566	95,012	59,307	7,269	12.3%	64,683	9,060	14.0%	1.60x	13.1x	1.47x	10.5x
Safran SA	119.15	84.0%	50,852	53,503	17,392	2,872	16.5%	19,800	3,746	18.9%	3.08x	18.6x	2.70x	14.3x
MTU Aero Engines AG	234.06	93.7%	12,507	13,306	4,763	590	12.4%	5,674	947	16.7%	2.79x	22.5x	2.34x	14.1x
Median		84.0%	\$96,566	\$95,012	\$59,307	\$2,872	12.3%	\$64,683	\$7,972	14.0%	2.51x	19.3x	1.93x	14.1x

Aerostructures	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Spirit AeroSystems Holdings, Inc.	\$48.89	91.7%	\$5,131	\$7,532	\$3,953	(\$5)	-0.1%	\$5,000	\$414	8.3%	1.91x	NM	1.51x	18.2x
Hexcel Corporation	59.47	91.5%	4,995	5,741	1,325	209	15.7%	1,578	306	19.4%	4.33x	27.5x	3.64x	18.8x
Triumph Group, Inc.	25.28	90.8%	1,634	3,016	1,540	230	14.9%	1,484	204	13.8%	1.96x	13.1x	2.03x	14.8x
Senior plc	1.68	68.3%	690	898	892	64	7.2%	966	91	9.4%	1.01x	14.1x	0.93x	9.9x
Median		91.1%	\$3,314	\$4,379	\$1,432	\$136	11.0%	\$1,531	\$255	11.6%	1.93x	14.1x	1.77x	16.5x

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 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Howmet Aerospace Inc.	\$35.94	95.4%	\$15,055	\$18,736	\$4,972	\$1,127	22.7%	\$5,614	\$1,314	23.4%	3.77x	16.6x	3.34x	14.3x
Woodward, Inc.	124.91	95.5%	7,882	8,246	2,250	372	16.6%	2,525	474	18.8%	3.67x	22.1x	3.27x	17.4x
Meggitt PLC	9.99	89.9%	7,792	8,845	2,016	302	15.0%	2,207	470	21.3%	4.39x	29.3x	4.01x	18.8x
Curtiss-Wright Corporation	150.16	92.1%	5,771	6,813	2,506	530	21.2%	2,555	555	21.7%	2.72x	12.8x	2.67x	12.3x
RBC Bearings Incorporated	193.88	77.4%	5,550	7,128	744	185	24.8%	1,406	344	24.5%	9.58x	38.6x	5.07x	20.7x
Moog Inc.	87.80	95.5%	2,815	3,579	2,892	323	11.2%	3,065	400	13.1%	1.24x	11.1x	1.17x	8.9x
Ducommun Incorporated	52.39	80.1%	627	872	645	77	12.0%	699	99	14.2%	1.35x	11.3x	1.25x	8.8x
Héroux-Devtek Inc.	13.69	87.0%	474	599	430	58	13.6%	453	68	15.1%	1.39x	10.3x	1.32x	8.7x
Astronics Corporation	12.93	61.8%	410	562	445	(11)	-2.5%	560	38	6.7%	1.26x	NM	1.01x	15.0x
Median		89.9%	\$5,550	\$6,813	\$2,016	\$302	15.0%	\$2,207	\$400	18.8%	2.72x	14.7x	2.67x	14.3x

Aftermarket / MRO	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
TransDigm Group Incorporated	\$651.54	94.7%	\$36,136	\$51,446	\$4,884	\$2,155	44.1%	\$5,464	\$2,638	48.3%	10.53x	23.9x	9.41x	19.5x
HEICO Corporation	153.54	97.9%	18,688	19,095	1,938	505	26.1%	2,216	599	27.0%	9.85x	37.8x	8.62x	31.9x
Singapore Technologies Engineering Ltd	3.04	98.3%	9,488	10,646	5,706	703	12.3%	6,606	866	13.1%	1.87x	15.1x	1.61x	12.3x
SIA Engineering Company Limited	1.88	99.6%	2,114	1,677	385	(100)	-26.0%	520	53	10.1%	4.36x	NM	3.22x	31.8x
AAR Corp.	48.43	94.5%	1,686	1,807	1,782	132	7.4%	1,879	185	9.9%	1.01x	13.7x	0.96x	9.8x
Median		97.9%	\$9,488	\$10,646	\$1,938	\$505	12.3%	\$2,216	\$599	13.1%	4.36x	19.5x	3.22x	19.5x

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 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Raytheon Technologies Corporation	\$99.07	94.9%	\$146,928	\$174,280	\$64,388	\$11,374	17.7%	\$69,050	\$12,605	18.3%	2.71x	15.3x	2.52x	13.8x
Lockheed Martin Corporation	441.40	92.0%	120,205	129,703	67,044	9,010	13.4%	66,110	10,024	15.2%	1.93x	14.4x	1.96x	12.9x
Northrop Grumman Corporation	447.22	91.1%	69,812	80,939	35,667	8,734	24.5%	36,587	4,865	13.3%	2.27x	9.3x	2.21x	16.6x
General Dynamics Corporation	241.18	94.6%	66,953	78,525	38,469	5,271	13.7%	39,333	5,166	13.1%	2.04x	14.9x	2.00x	15.2x
L3Harris Technologies, Inc.	248.47	88.8%	47,970	55,073	17,814	3,637	20.4%	17,567	3,825	21.8%	3.09x	15.1x	3.13x	14.4x
BAE Systems plc	9.43	93.6%	29,665	34,845	26,433	3,011	11.4%	29,001	3,911	13.5%	1.32x	11.6x	1.20x	8.9x
Median		92.8%	\$68,382	\$79,732	\$37,068	\$7,003	15.7%	\$37,960	\$5,015	14.3%	2.16x	14.6x	2.10x	14.1x

Defense Systems	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Safran SA	\$119.15	84.0%	\$50,852	\$53,503	\$17,392	\$2,872	16.5%	\$19,800	\$3,746	18.9%	3.08x	18.6x	2.70x	14.3x
Huntington Ingalls Industries, Inc.	199.44	87.2%	7,991	10,908	9,524	961	10.1%	10,821	980	9.1%	1.15x	11.4x	1.01x	11.1x
Kongsberg Gruppen ASA	40.08	97.5%	7,124	6,711	3,116	404	13.0%	3,449	504	14.6%	2.15x	16.6x	1.95x	13.3x
AeroVironment, Inc.	94.14	74.3%	2,328	2,460	449	60	13.4%	497	81	16.3%	5.48x	NM	4.95x	30.3x
Median		85.6%	\$7,557	\$8,809	\$6,320	\$683	13.2%	\$7,135	\$742	15.5%	2.62x	16.6x	2.32x	13.8x

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)

Defense Electronics / Comm.	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Teledyne Technologies Incorporated	\$472.63	98.9%	\$22,306	\$26,098	\$4,614	\$1,034	22.4%	\$5,509	\$1,362	24.7%	5.66x	25.2x	4.74x	19.2x
Mercury Systems, Inc.	64.45	81.1%	3,658	4,079	953	163	17.1%	1,051	242	23.0%	4.28x	25.0x	3.88x	16.9x
Viasat, Inc.	48.80	71.0%	3,632	6,054	2,682	494	18.4%	3,024	679	22.5%	2.26x	12.3x	2.00x	8.9x
Ultra Electronics Holdings plc	43.69	97.2%	3,117	3,171	1,152	189	16.4%	1,189	211	17.8%	2.75x	16.8x	2.67x	15.0x
Hensoldt AG	29.44	87.6%	3,091	3,576	1,677	235	14.0%	1,915	328	17.1%	2.13x	15.2x	1.87x	10.9x
Kratos Defense & Security Solutions, Inc.	20.48	67.6%	2,553	2,602	812	55	6.8%	895	88	9.8%	3.21x	NM	2.91x	29.6x
Comtech Telecommunications Corp.	15.69	56.6%	416	660	522	23	4.5%	537	59	11.0%	1.26x	28.1x	1.23x	11.2x
Median		81.1%	\$3,117	\$3,576	\$1,152	\$189	16.4%	\$1,189	\$242	17.8%	2.75x	20.9x	2.67x	15.0x

Homeland Security	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Smiths Group plc	\$19.09	87.0%	\$7,315	\$7,043	\$3,286	\$613	18.7%	\$3,341	\$674	20.2%	2.14x	11.5x	2.11x	10.5x
MSA Safety Incorporated	132.70	77.0%	5,212	5,674	1,400	299	21.4%	1,503	324	21.5%	4.05x	19.0x	3.77x	17.5x
OSI Systems, Inc.	85.12	83.3%	1,505	1,820	1,172	160	13.7%	1,218	215	17.7%	1.55x	11.3x	1.49x	8.5x
Smith & Wesson Brands, Inc.	15.13	38.2%	689	625	1,006	358	35.6%	685	179	26.1%	0.62x	1.7x	0.91x	3.5x
Median		80.1%	\$3,358	\$3,747	\$1,286	\$329	20.0%	\$1,361	\$269	20.8%	1.85x	11.4x	1.80x	9.5x

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 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Leidos Holdings, Inc.	\$108.02	98.5%	\$14,728	\$19,912	\$13,737	\$1,488	10.8%	\$14,108	\$1,467	10.4%	1.45x	13.4x	1.41x	13.6x
Booz Allen Hamilton Holding Corporation	87.84	96.5%	11,705	14,214	8,105	916	11.3%	8,900	945	10.6%	1.75x	15.5x	1.60x	15.0x
CACI International Inc	301.26	96.1%	7,051	9,408	6,093	643	10.6%	6,616	707	10.7%	1.54x	14.6x	1.42x	13.3x
SAIC	92.17	95.5%	5,166	7,883	7,394	652	8.8%	7,477	663	8.9%	1.07x	12.1x	1.05x	11.9x
Parsons Corporation	38.70	86.0%	4,012	4,507	3,661	243	6.6%	3,801	330	8.7%	1.23x	18.6x	1.19x	13.6x
ManTech International Corporation	86.19	93.7%	3,518	3,861	2,554	264	10.3%	2,641	255	9.7%	1.51x	14.6x	1.46x	15.1x
ICF International, Inc.	94.14	87.0%	1,767	2,411	1,553	151	9.7%	1,694	169	10.0%	1.55x	16.0x	1.42x	14.3x
Vectrus, Inc. ⁽¹⁾	35.86	64.8%	421	534	1,784	79	4.4%	1,845	84	4.5%	0.30x	6.8x	0.29x	6.4x
Median		94.6%	\$4,589	\$6,195	\$4,877	\$454	10.0%	\$5,209	\$497	9.8%	1.48x	14.6x	1.42x	13.6x

Government Technology Software	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Palantir Technologies Inc.	\$13.73	46.9%	\$27,874	\$25,609	\$1,542	(\$396)	-25.7%	\$2,006	\$536	26.7%	16.61x	NM	12.77x	NM
Tyler Technologies, Inc.	444.89	79.8%	18,432	19,459	1,592	297	18.6%	1,852	483	26.1%	12.22x	NM	10.51x	NM
Telos Corporation	9.97	26.6%	677	565	242	(38)	-15.6%	233	23	9.7%	2.33x	NM	2.42x	24.9x
Median		46.9%	\$18,432	\$19,459	\$1,542	(\$38)	-15.6%	\$1,852	\$483	26.1%	12.22x	#NUM!	10.51x	24.9x

Note: NM = Not Meaningful

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

(1) Represents financial information for standalone entity as merger with Vertex is pending

Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Engineering & Construction	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Jacobs Engineering Group Inc.	\$137.81	92.1%	\$17,807	\$21,233	\$14,091	\$1,392	9.9%	\$15,395	\$1,452	9.4%	1.51x	15.2x	1.38x	14.6x
AECOM	76.81	96.0%	10,857	12,904	13,294	832	6.3%	14,109	920	6.5%	0.97x	15.5x	0.91x	14.0x
Tetra Tech, Inc.	164.94	85.5%	8,907	9,209	2,626	316	12.0%	2,813	349	12.4%	3.51x	29.2x	3.27x	26.4x
KBR, Inc.	54.73	97.6%	7,635	9,408	7,339	521	7.1%	6,621	651	9.8%	1.28x	18.1x	1.42x	14.5x
Babcock International Group PLC	4.27	83.5%	2,154	4,061	5,876	(269)	-4.6%	5,385	619	11.5%	0.69x	NM	0.75x	6.6x
Median		92.1%	\$8,907	\$9,408	\$7,339	\$521	7.1%	\$6,621	\$651	9.8%	1.28x	16.8x	1.38x	14.5x
Space	Stock Price 03/31/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Rocket Lab USA, Inc.	\$8.05	37.7%	\$3,741	\$3,181	\$62	(\$91)	NM	\$233	(\$23)	-9.9%	NM	NM	13.68x	NM
Maxar Technologies Inc.	39.46	92.7%	2,895	5,163	1,770	426	24.1%	1,833	481	26.2%	2.92x	12.1x	2.82x	10.7x
Virgin Galactic Holdings, Inc.	9.88	17.2%	2,552	1,991	3	(310)	NM	6	(298)	NM	NM	NM	NM	NM
Astra Space, Inc.	3.86	22.8%	1,020	703	NA	(150)	NM	27	(146)	NM	NA	NM	NM	NM
Redwire Corporation	8.48	49.9%	532	584	138	(50)	-36.7%	179	12	6.5%	4.24x	NM	3.26x	NM
Momentum Inc.	3.19	21.7%	259	128	0	(99)	NM	4	NM	NM	NM	NM	NM	NM
Median		30.2%	\$1,786	\$1,347	\$62	(\$95)	-6.3%	\$103	(\$23)	6.5%	3.58x	12.1x	3.26x	10.7x

Note: NM = Not Meaningful

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



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

Joey M. Chadwick
Vice President
jchadwick@kippsdesanto.com

Kevin P. DeSanto
Managing Director
kdesanto@kippsdesanto.com

Nick A. Dodson
Director
ndodson@kippsdesanto.com

Stephen M. Jonas
Director
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

James P. Reid
Vice President
jreid@kippsdesanto.com

Karl M. Schmidt
Managing Director
kschmidt@kippsdesanto.com

Sung Shin
Director
sshin@kippsdesanto.com

Kate W. Troendle
Managing Director
ktroendle@kippsdesanto.com

Brian T. Tunney
Director
btunney@kippsdesanto.com

Nathan C. Wilson
Vice President
nwilson@kippsdesanto.com

Jon Yim
Managing Director
jyim@kippsdesanto.com

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