

MarketView

Aerospace / Defense &
Government Technology
Services

Fall 2022

Kipps DeSanto
INVESTMENT BANKING



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Getting Deals Done

- KippsDeSanto has closed 45 transactions⁽¹⁾ since January 2021, leveraging depth of experience and unique approaches to achieve optimal results

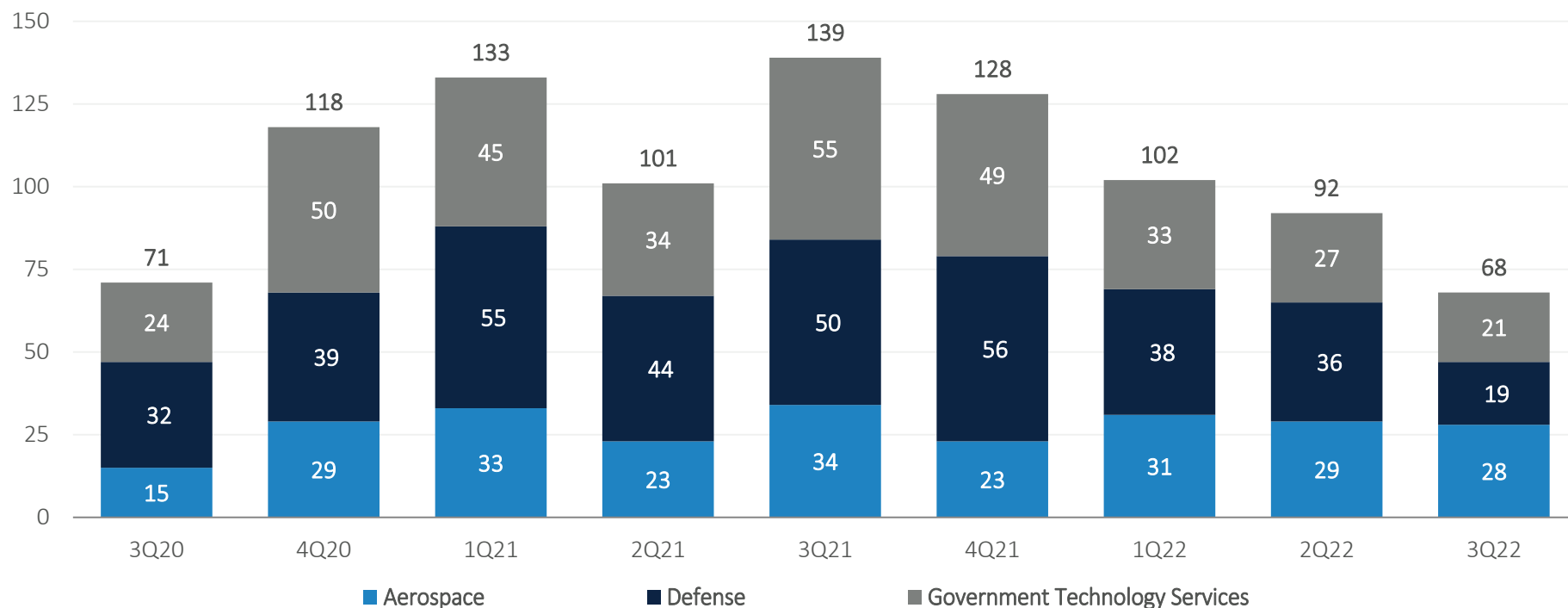
Select Transaction Success

<p>September 2022</p>  <p>has been acquired by</p> 	<p>September 2022</p> <p>SENECA RESOURCES</p> <p>has been acquired by</p> 	<p>July 2022</p>  <p>has been acquired by</p> 	<p>July 2022</p>  <p>has been acquired by</p> 	<p>July 2022</p> <p>LMI</p> <p>has been acquired by</p>   	<p>March 2022</p>  <p>has been acquired by</p> <p>a portfolio company of</p> 	<p>February 2022</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>January 2022</p>  <p>has been acquired by</p> 	<p>January 2022</p>  <p>has been acquired by</p> 	<p>January 2022</p>  <p>has been acquired by</p> 
<p>December 2021</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>December 2021</p>  <p>has been acquired by</p> 	<p>November 2021</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>November 2021</p>  <p>has been acquired by</p> 	<p>September 2021</p> <p>FLATIRONS</p> <p>has been acquired by</p> 	<p>October 2021</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>September 2021</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>September 2021</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>August 2021</p>  <p>has been acquired by</p> 	<p>August 2021</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 
<p>August 2021</p>  <p>a portfolio company of</p> <p>J.F. Lehman & Company</p> <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>August 2021</p>  <p>has acquired</p> 	<p>August 2021</p>  <p>has been acquired by</p>  <p>a segment of</p> 	<p>August 2021</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>July 2021</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>June 2021</p>  <p>has been acquired by</p> 	<p>June 2021</p>  <p>has received an investment from</p> 	<p>April 2021</p>  <p>has sold certain IP rights to</p>  <p>a wholly owned subsidiary of</p> 	<p>April 2021</p>  <p>has been acquired by</p> 	<p>April 2021</p>  <p>a portfolio company of</p>  <p>has been acquired by</p> 

(1) Includes transactions which have not been publicly announced

M&A Trends & Activity

- Deal volume in 3Q22 tempered in comparison with the record-breaking quarter of 3Q21; however, the annual total continues to be on pace to exceed historical annual deal count
- Despite inflationary and geopolitical pressures, buyers are well-capitalized and aim to seek out companies with strong fundamentals, positioned in high growth areas



- Aerospace deal volume declined slightly in 3Q22 as the sector continues to balance loosening COVID-19 regulations with staff shortages
- Defense deal volume decreased significantly in 3Q22, but given the ongoing war in Ukraine, tension with China over Taiwan, and stable defense budgets, activities could pick up in 4Q22
- Government Technology Services (“GTS”) deal volume also decreased in 3Q22; however, private equity groups and their portfolio companies continue to be the most active buyers in the market; in-demand capabilities include digital transformation, cybersecurity, and data science, among others

Highlighted 3Q22 Industry Transactions

Announced August 2022

APOLLO J.F. Lehman & Company

Hill City Capital

has agreed to acquire

ATLAS AIR
WORLDWIDE

EV: \$5.2B

EV / Revenue: 1.18x

EV / EBITDA: 4.7x

- A consortium of investors, including Apollo Global Management (NYSE: APO), J.F. Lehman & Company, and Hill City Capital, has agreed to acquire Atlas Air Worldwide (NASDAQ: AAWW)
- Atlas Air will utilize the industry expertise and relationships of these groups to further serve the evolving global supply chain

Announced August 2022

Guidehouse
(VERITAS CAPITAL)

has acquired

Grant Thornton
Public Sector Advisory

EV: ND

EV / Revenue: ND

EV / EBITDA: ND

- Guidehouse, a portfolio company of Veritas Capital, has acquired Grant Thornton's Public Sector Advisory practice
- Complements Guidehouse's deep public sector expertise, adding professionals that have extensive experience in IT transformation, cyber resilience, human capital management, and data analytics

Announced July 2022

HEICO

has acquired

EXXELIA
(IK Partners)

EV: \$481M

EV / Revenue: 2.53x

EV / EBITDA: ND

- HEICO (NYSE: HEI) has acquired Exxelia International, a portfolio company of IK Partners
- Expands HEICO's mission-critical portfolio of flight support and electronic technology components, and further penetrates the European market

Announced August 2022

QINETIQ

has agreed to acquire

Avantus
(NEWSPRING HOLDINGS)

EV: \$590M

EV / Revenue: 1.98x

EV / EBITDA: 16.6x

- QinetiQ (LSE: QQ) has agreed to acquire Avantus Federal, a portfolio company of NewSpring Holdings
- Expands QinetiQ's product offerings, increasing mission-critical capabilities including cybersecurity, data analytics, mission services, and national security

Announced July 2022

EUTELSAT

has agreed to merge with

OneWeb

EV: \$3.4B

EV / Revenue: 22.67x

EV / EBITDA: ND

- Eutelsat S.A. (Paris: ETL.PA) has agreed to merge with OneWeb Global Ltd.
- Combines Eutelsat's fleet of 36 GEO satellites with OneWeb's constellation of 648 LEO satellites, creating a powerful entity driving the future connectivity of the European and global cruise markets

Announced July 2022

DECLARATION PARTNERS

Capitol Meridian Partners

22C Capital

has acquired

LMI

EV: ND

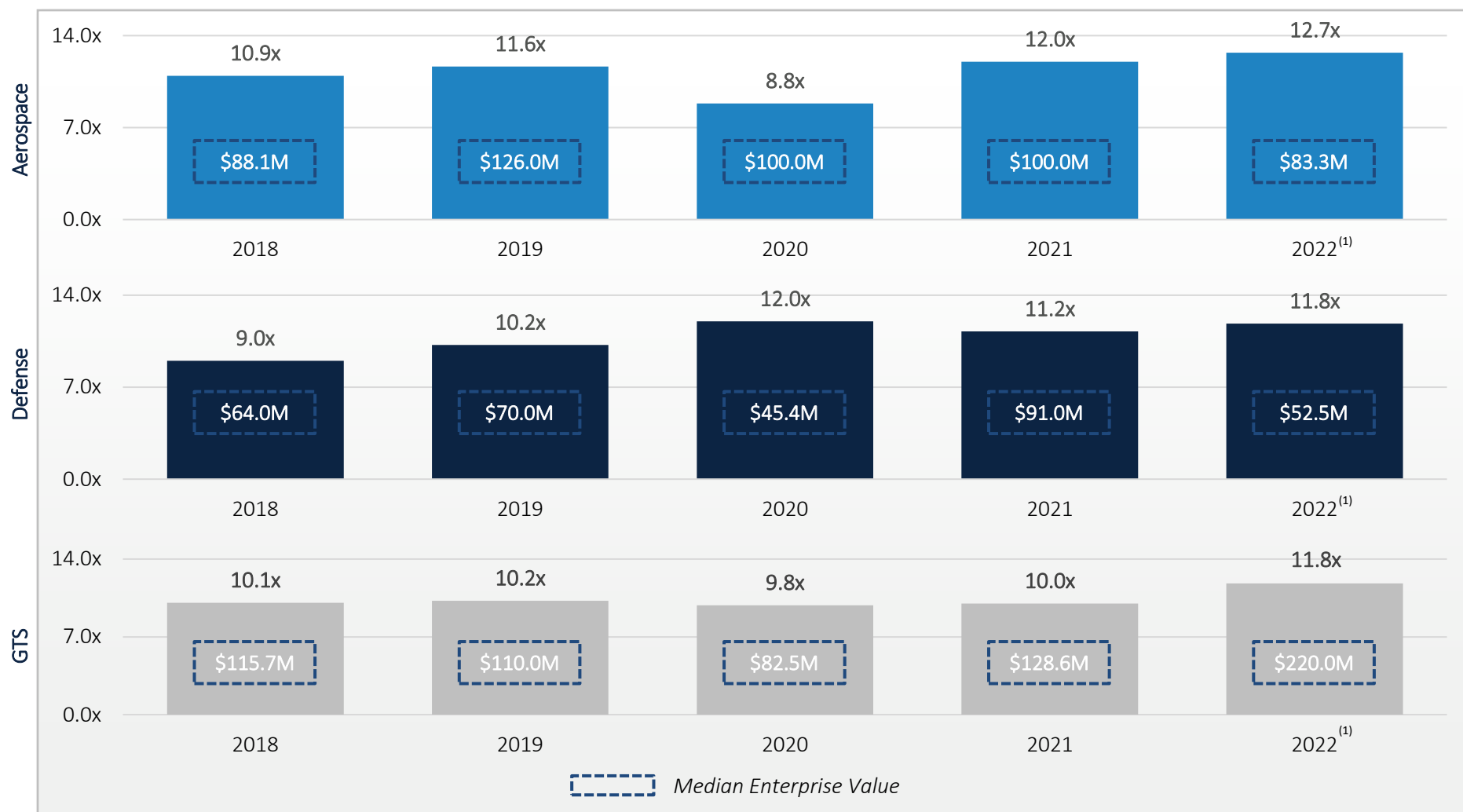
EV / Revenue: ND

EV / EBITDA: ND

- A consortium of investors, including Declaration Partners, Capital Meridian Partners, and 22C Capital, has acquired the for-profit subsidiary of LMI
- Creates a for-profit entity that will position LMI as a leading technology solutions provider to federal and Intelligence Community customers as they embark on digital transformation initiatives

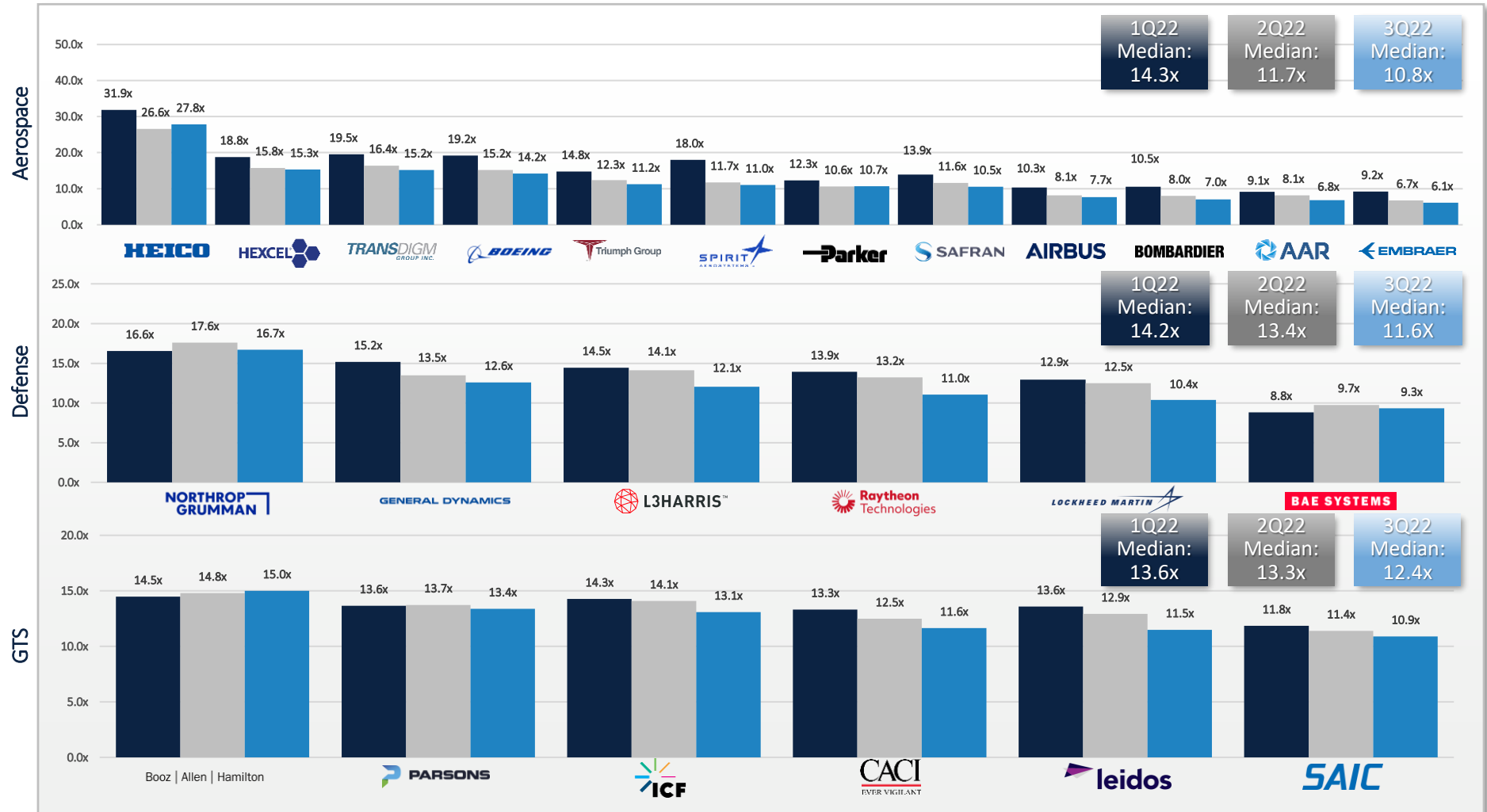
M&A Valuations Over Time

- Aerospace, Defense, and GTS M&A valuations remained at or near all time highs in the past five years as public strategics have been highly selective, targeting differentiated solutions, and as private equity has deployed significant investment capital to scale portfolios both organically and via M&A



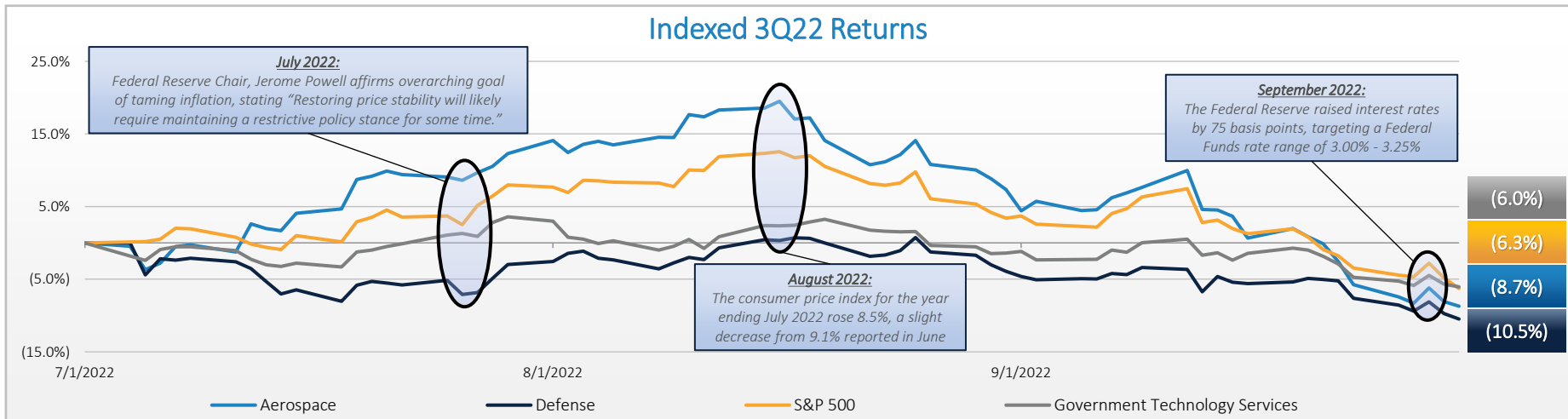
EV / NTM EBITDA Public Market Valuation Trends

- Despite public valuations across all three sectors continuing to decline in 3Q22, national security and IT modernization priorities persist, as demonstrated by the proposed defense budget increase, and as companies look to maintain a laser focus on driving cost efficiencies



Equity Capital Markets Performance

- The broader market continued to struggle in 3Q22, primarily due to inflationary pressures that have kept the Federal Reserve hawkish in its monthly policy meetings, as well as ongoing conflict between Russia and Ukraine
- The Aerospace and Defense indices underperformed the S&P 500, while the GTS index slightly outperformed the S&P 500; Defense and GTS have outperformed the S&P 500 on an LTM basis, benefiting from their counter-cyclical posture and expectation of ongoing federal spending priorities



(8.7%)
3Q22 Performance

(31.4%)
LTM Performance



Aerospace

Despite strong **commercial aircraft deliveries, order backlogs, and passenger traffic**, Aerospace shares saw a **decrease** as investors continue to worry about a potential recession

Shares of **The Boeing Company (NYSE: BA)** declined **11.4% in 3Q22**; however, it received approval to resume deliveries of the 787 Dreamliner after a 15 month delay due to manufacturing defects

(10.5%)
3Q22 Performance

9.6%
LTM Performance



Defense

Defense shares saw a **decrease** in 3Q22, driven by **disappointing earnings** caused by **elevated cost of materials, labor shortages, and supply chain constraints**

Shares of **Raytheon Technologies (NYSE: RTX)** declined **14.8% in 3Q22** as its defense units forecasted lower expected demand for its C3I, land warfare, and air defense products and services

(6.0%)
3Q22 Performance

7.8%
LTM Performance



Government Technology Services

GTS shares saw a **decrease** and underperformed the broader market in 3Q22. Despite this, GTS providers are positioned to benefit from the continued implementation of **artificial intelligence, digital transformation, hypersonics, and autonomous weapons**

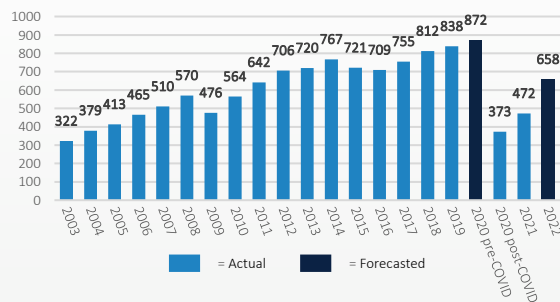
ManTech International completed its sale to **The Carlyle Group (NASDAQ: CG)** for \$96 per share, or a **total enterprise value of \$4.2 billion**

Aerospace Update

Commercial Aerospace Industry Sees Full Recovery of Travel Despite Lagging Business Travel

Despite concerns that consumers would be deterred by inflation and expensive airfares, airline executives have maintained that leisure bookings remain elevated. For example, passenger traffic during Labor Day Weekend **topped pre-pandemic numbers** due to vacation demand. The TSA reported that **8.76 million travelers** went through its checkpoints between Friday, Sept. 2nd and Monday Sept. 5th, **compared with 8.62 million** the same weekend in 2019.

Commercial Airline Revenue Worldwide 2003 - 2022



United slightly increased its outlook for 3Q22 revenue and margins, citing **strong demand and improving operations**. However, while employees at small and mid-sized companies have been traveling for months, larger companies, such as investment banks and consulting firms have been slower to return. Robert Isom, CEO of American Airlines, stated that corporate travel revenue is at **only 75% of pre-pandemic levels**.

Macroeconomic factors, such as inflation, fuel costs, and supply chain issues, have been a obstacles on the way to a full recovery, and The Global Business Travel Association projected last month that the industry will not return to **pre-pandemic spending levels until mid-2026**, 18 months later than last year's prediction.

Investors Take Long-Term View of Space Industry Amid Near-Term Challenges

Executives and investors **remain bullish** on the space industry's long-term prospects despite near-term headwinds in the economy. Peter Cannito, Chairman and Chief Executive of Redwire, asserts that space is a safe-haven for investors due to the critical role that governments take to provide a stable environment.

Mike Palmer, Managing Director of Cerberus Capital Management, stated that the focus on space has exacerbated news about the industry's struggle, but **significant interest remains**. Palmer suggests the negative press surrounding the space industry is due to its critics' near-sightedness, insisting the focus should be on the **next decade**, during which space will be a very investable market.

Viasat	EUTELSAT	SES
has agreed to acquire	has agreed to merge with	plans to merge with
inmarsat	OneWeb	INTELSAT
EV: \$7.7B	EV: \$3.4B	
EV / Revenue: 5.3x	EV / Revenue: 22.7x	Rumored
EV / EBITDA: 9.7x	EV / EBITDA: ND	

M&A activity is **expected to pick up** in the space industry – Viasat has agreed to acquire Inmarsat, Eutelsat has agreed to merge with OneWeb, and SES is expected to merge with Intelsat, all of which can reduce companies' capital expenditures, and shift investments into new capabilities. For example, Palmer cites the SES-Intelsat merger as an example of a deal that allows the two to combine their large fleets of GEO communications satellites and reduce capital expenditures over the long term, despite Intelsat's recovery from bankruptcy restructuring.

Innovative Aviation Technology Seeks to Take Off Commercially

Ambitious efforts, such as supersonic planes and electric aircraft designs, are garnering mainstream support – e.g., Boom is seeking a new engine manufacturing partner. Recent commercial activity suggests that potential operators trust the company's claim that 100% sustainable aviation fuel can make transport in its Overture aircraft **carbon neutral**. Overture has drawn order commitments from four airlines, including firm orders from the **United Airlines for 15 units** and **American Airlines for 20 units**. Boom's main challenge is securing a commitment from an Original Equipment Manufacturer willing to invest the funds required to develop engines suitable for supersonic flight.



Boom Overture Aircraft



Heart Aerospace ES-30

Meanwhile, electric aircraft manufacturers are seeking investments to fuel initial production. Heart Aerospace, a Swedish electric aircraft manufacturer, revealed an investment from Air Canada and SAAB recently for **\$5 million each**. Heart Aerospace's ES-30 – four-propeller is a battery-powered plane that seats up to 30 people **without emitting any carbon**. United Airlines and Mesa Air Group ordered **over 200 electric aircraft** with an option for an **additional 100 planes**.

Electric planes could solve major problems for airlines and manufacturers and could help companies cut emissions and make short plan routes financially feasible by reducing fuel and maintenance costs. Current environmental trends and global fuel costs are key drivers of innovation in the aerospace industry.

Defense Update

Pentagon to Release New Contracting Guidance to Mitigate Inflation Impact on Suppliers

As defense companies grapple with soaring inflation, the Pentagon is working on new guidance that would give contracting officers *more flexibility to make adjustments with suppliers*, especially on *firm, fixed-price contracts*.

While the government can use *“economic price adjustments”* to respond to inflationary pressures on contracts, not all firm fixed-price contracts have an economic adjustment clause. Consequently, the *Pentagon is considering loosening / broadening economic price adjustments* to assuage contractor inflation woes.

Since the DoD is particularly vulnerable to sudden inflation due to its lengthy budget and acquisition process, the National Defense Industrial Association concluded that the fiscal 2023 defense budget must total *\$815 billion just to outpace inflation* – a *\$42 billion increase* over President Biden’s budget submission.

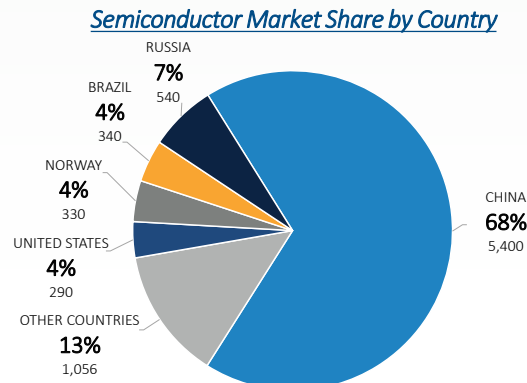
Last month, Air Force acquisition executive Andrew Hunter said he has not yet begun to see “huge disruptions” to existing programs, but *defense companies are making bids on new contracts that are “significantly higher”* than expected due to rising inflation. If left unaddressed, the Pentagon will experience an *estimated \$110 billion loss in buying power* from GFY2021 to GFY2023 as it copes with this year’s record-setting inflation, a problem that will either *appear as reduced quantities and maintenance backlogs or cost overruns and schedule delays*. It will take several years to fully understand the scope of the impact the higher-than-anticipated inflation will have on the Pentagon.

CHIPS Act Advances DoD’s Emphasis on Microelectronics

The *\$54.2 billion CHIPS Act* provides both investment and incentive funding to *build semiconductor manufacturing facilities in the U.S.* and to advance research and development activities at both the national and regional levels. In addition, the law includes large investments in a national research and development center, an advanced packaging manufacturing program, and up to three U.S.-based manufacturing institutes for semiconductor-related manufacturing.

The legislation also *provides \$2 billion over five years for microelectronics*, which envisions a national network of onshore prototyping, lab-to-fab transition in semiconductor technologies, including for DoD-unique applications, and semiconductor workforce training.

By subsidizing U.S. chip manufacturing and expanding research funding, the law aims to *alleviate a persistent shortage* that has affected everything from military weapons to household consumer products.



Pentagon Aims to Speed Arms Sales to Allies to Better Compete with China

The Pentagon has launched a wide-ranging push to *accelerate sales of U.S. arms to foreign allies* in an effort to better compete with China and refill the arsenals of friendly nations that have provided military aid to Ukraine.

The Pentagon last month created a task force of senior officials to examine longstanding inefficiencies in U.S. sales of weaponry to foreign countries, which can reach more than *\$45 billion annually*. The group aims to *put American drones, guns, helicopters, tanks, and other weaponry into partners’ and allies’ hands faster*, to strengthen relationships in a global competition with China that is often measured by who can sell the most sophisticated military gear the fastest, and at the lowest cost.

US & Chinese Hypersonic Missiles



According to a report by the Center for Strategic and International Studies, *China exported approximately \$17 billion of conventional arms between 2010 and 2020*; 77% going to Asian countries and 20% to African countries, showing its commitment to investing heavily in developing nations around the globe.

Government Technology Services Update

Increasing Artificial Intelligence Spending Expedites Federal Digital Transformation Needs

The Federal Government remains focused on expanding programs leveraging **artificial intelligence and machine learning ("AI / ML") technology**. Coming off **The National Artificial Intelligence Initiative Act of 2020 ("NAIIA")**, the U.S. is in the process of building out a federal AI / ML infrastructure with the establishment of a **National AI Research Resource ("NAIRR")** as a shared resource for researchers across the Federal Government. The acceleration of AI / ML spending is evident, as obligations have increased from **\$470M in GFY2019 to \$1.1B (requested) for GFY2023, a 134% increase** driven by growth in ML, automation, augmented reality, and virtual reality.

Largest DoD GFY2023 AI Investments



- **DARPA Human Machine Symbiosis (\$193.2M)**: AI that enables machines to function as partners for human operators
- Establishment of the **Chief Digital and AI Officer (\$273.3M)**: Central hub to oversee the DoD's data and AI efforts

Increases in DoD AI Budget Requests (GFY2021 – GFY2023)

(\$ in millions)



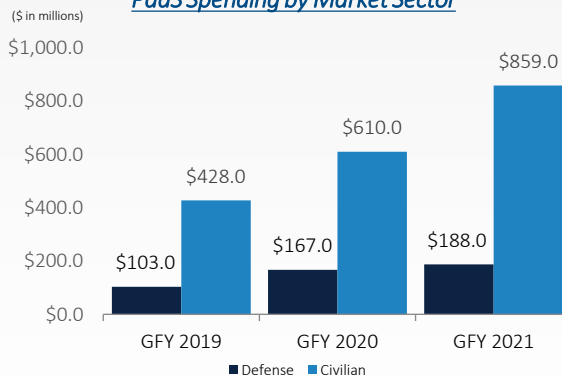
The DoD remains the leader among federal agencies for AI / ML spending due to large scale initiatives such as **project Convergence (Army)**, **project Overwatch (Navy)**, and **AI-driven robotic process automation (Air Force)**.

Federal Platform-as-a-Service Spending Accelerates

As cloud computing has been adopted by the Federal Government across every agency, recent market data shows that cloud-based **Platform-as-a-Service ("PaaS")** has become an embedded part of the government's DevSecOps approach.

Federal spending on **PaaS has nearly doubled between GFY2019 and GFY2021**. In particular, the civilian sector has had the most noticeable increase, with the **VA and DHS spending \$265M and \$133M in GFY2021, respectively**. The **DoD's spending also rose by 80%+ since 2019**.

PaaS Spending by Market Sector



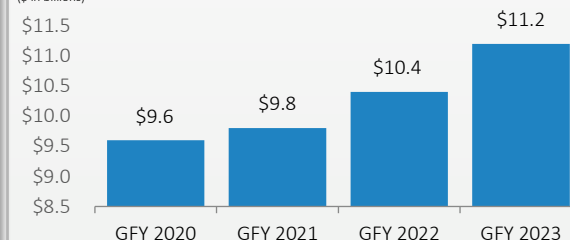
Of the PaaS platforms, **Salesforce Government Cloud** is the most widely used based on spending data, followed by **AWS and Microsoft Azure**. Given these trends, the addressable market for companies providing PaaS services continues to grow, and the capability set is proving to be desirable amongst buyers, as evidenced by CollabraLink Technologies' acquisition of Groundswell Consulting Group, LLC.

Cybersecurity Remains a Key Priority

While Congress allocated significant funds to enhance the federal cybersecurity portfolio in the GFY2022 budget, the government continues to **struggle with outdated legacy software**, which has led to cybersecurity risks, unmet mission needs, and staffing issues. As such, the **GFY2023 defense budget** is committing **\$11.2B to Cyberspace activities**, an **\$800M increase** from the **GFY2022 Cyberspace budget of \$10.4B**. The GFY2023 initiative is focused on improving information-sharing between the U.S. government and private sector, enhancing the security of government-procured software, modernizing the cyber resiliency of the Joint Force to execute missions successfully in contested environments, implementing Zero Trust Architectures, defending U.S. critical infrastructure, and securing DoD information from malicious cyber-attacks.

Federal Cybersecurity Spending

(\$ in billions)



In the wake of heavily publicized cyber threats to federal systems, **firms with the ability to capitalize on the continued focus on cybersecurity funding stand to benefit and will continue to be priority targets** for acquirers looking to expand their cybersecurity presence.

3Q22 Aerospace Transactions⁽¹⁾

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA
09/28/22	Singapore Airport Terminal Services Ltd.	Worldwide Flight Services	Provides global air cargo logistics, and handling and technical services	\$1,133.0	ND	\$116.8	ND	ND	9.7x
09/23/22	Pilatus Aircraft Ltd.	Skytech, Inc.	Provides aircraft maintenance, repair, and overhaul services for private sector and U.S. Federal Government aerospace markets	ND	ND	ND	ND	ND	ND
09/15/22	Veritas Capital	Sequa Corporation (subsidiary of Chromalloy (portco of The Carlyle Group))	Provides services for the aerospace and metal coating segments	ND	ND	ND	ND	ND	ND
09/01/22	Australian Sovereign Defence and Manufacturing (portco of CPE Capital)	RUAG Australia (subsidiary of RUAG International Holding AG)	Provides systems and components on behalf of the RAAF and other international air forces, as well as civil aviation worldwide	ND	ND	ND	ND	ND	ND
09/01/22	Australian Sovereign Defence and Manufacturing (portco of CPE Capital)	TAE Aerospace	Provides aviation engineering and maintenance services to the private sector and international government aerospace and defense markets	ND	ND	ND	ND	ND	ND
08/23/22	Precision Aviation Group (portco of GenNx360 Capital Partners, L.P.)	PTB Group Ltd. (ASX: PTB.AX)	Provides maintenance, repair, and overhaul services ("MRO") on Pratt & Whitney PT6 and Honeywell TPE331 engines, leases engines, and airframes	ND	ND	ND	ND	ND	ND
08/18/22	MA Group S.r.l	Give Valleys Aerospace Ltd.	Provides components and supply surface treatments for the aerospace industry	ND	ND	ND	ND	ND	ND
08/17/22	AeroVironment, Inc. (NasdaqGS: AVAV)	Planck Aerosystems, Inc.	Provides navigation and autonomy solutions for tethered and free flight small unmanned aircraft systems that enable them to operate from moving platforms	\$5.6	ND	ND	ND	ND	ND
08/17/22	Behrman Capital	George Industries, LLC (portco of Orangewood Partners, LLC)	Provides engineered components for the aerospace, defense, transportation, and industrial end markets	ND	ND	ND	ND	ND	ND
08/11/22	HEICO Electronic Technologies Group (subsidiary of HEICO Corp. (NYSE: HEI.A))	Sensor Systems	Provides airborne antennas for commercial and military applications	ND	ND	ND	ND	ND	ND
08/08/22	Tailwind Acquisition Corp. (NYSE: TWND) (SPAC)	NUBURU, Inc.	Provides high power and high brightness industrial blue lasers	\$350.0	ND	ND	ND	ND	ND
08/08/22	dB Control (subsidiary of HEICO Corp. (NYSE: HEI.A))	Charter Engineering, Inc.	Provides RF and Microwave coaxial switches including ultra low passive intermodulation, very high power, and extremely low temperature switches for private sector and U.S. Federal Government aerospace, commercial, and defense markets	ND	ND	ND	ND	ND	ND
08/04/22	Apollo (NYSE: APO), J.F. Lehman & Company, and Hill City Capital	Atlas Air Worldwide (NASDAQ: AAWW)	Provides outsourced aircraft and aviation operating services	\$5,200.0	\$4,400.0	\$1,100.0	25%	1.18x	4.7x
08/03/22	Slingshot Aerospace, Inc.	Space Domain Awareness Division of Numerica Corp.	Provides a global network of proprietary sensors and software comprising more than 150 sensors including 30 telescopes across 20 locations around the globe with advanced data processing capabilities	ND	ND	ND	ND	ND	ND
08/03/22	Slingshot Aerospace, Inc.	Seradata Ltd.	Provides launch, satellite database and space market analysis solutions for private sector, U.S. Federal Government, and international government aerospace and defense markets	ND	ND	ND	ND	ND	ND
08/02/22	Leidos Holdings, Inc. (NYSE: LDOS)	Cobham NAS Pty. Ltd. (subsidiary of Cobham Ltd. (portco of Advent International Corp.))	Provides specialist aerospace services to government, defense, and civil agencies in Australia and the Asia Pacific	ND	ND	ND	ND	ND	ND

(1) Includes announced transactions
Note: ND = Not Disclosed; NM = Not Meaningful

3Q22 Aerospace Transactions, cont.⁽¹⁾

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA
07/28/22	HEICO Corporation (NYSE: HEI.A)	Exxelia International (an affiliate of IK Partners)	Provides the design, manufacture and sale of high-reliability ("Hi-Rel"), complex, passive electronic components and rotary joint assemblies for mostly aerospace and defense applications	\$481.0	\$190.0	ND	ND	2.53x	ND
07/27/22	GracoRoberts (portco of CM Equity Partners)	Styles Aviation, Inc. (dba: Skygeek)	Provides the aerospace markets with tools and equipment, shop and hangar supplies (specialty paints and chemicals), aircraft and engine parts, avionics, and instruments	ND	ND	ND	ND	ND	ND
07/26/22	Eutelsat S.A. (Paris: ETL.PA)	OneWeb Global Ltd.	Satellite operator with a fleet of 39 geostationary Ku-band satellites, which provides coverage of Europe, Africa, large parts of Asia, and interconnectivity with the Americas	\$3,400.0	\$150.0	ND	ND	22.67x	ND
07/26/22	Hartzell Aerospace Welding (subsidiary of Tailwind Technologies, Inc.)	Acorn Welding Ltd.	Provides radial and vintage aircraft exhaust repair solutions for private sector and international government aerospace and defense markets	ND	ND	ND	ND	ND	ND
07/22/22	Satair (subsidiary of Airbus SE (Paris: AIR.PA))	VAS Aero Services, LLC (subsidiary of America Aero Group)	Provides aftermarket aviation component services and distribution	ND	ND	ND	ND	ND	ND
07/20/22	Raytheon Intelligence & Space (subsidiary of Raytheon Technologies Corporation (NYSE:RTX))	Northern Space and Security Ltd.	Provides orbital analyst services to the U.K. Space Agency, including capabilities for government and U.K. satellite operators	ND	ND	ND	ND	ND	ND
07/19/22	Novaria Group (portco of KKR & Co. L.P.)	Stroco Manufacturing, Inc.	Provides shims, brackets, nut plates, terminal boards, cover plates, receptacle strips, and other metal products for private sector and U.S. Federal Government aerospace and high precision industries	ND	ND	ND	ND	ND	ND
07/18/22	Siemens PLM Software Inc. (subsidiary of Siemens AG (XETRA: SIE.DE))	ZONA Technology, Inc.	Provides engineering software analysis services to private sector and U.S. Federal Government aviation markets	ND	ND	ND	ND	ND	ND
07/13/22	Bell Textron, Inc., (subsidiary of Textron, Inc. (NYSE:TXT))	Eagle Copters Maintenance Pty. Ltd.	Provides complete fleet management and MRO services to private sector and international government aviation markets	ND	ND	ND	ND	ND	ND
07/05/22	Kongsberg Defence & Aerospace, (subsidiary of Kongsberg Gruppen ASA (Oslo: KOG.OL))	77% equity stake in Nanoavionics US LLC, (subsidiary of AST & Defense LLC)	Provides new generation satellite buses and propulsion systems for the private sector and U.S. Federal Government satellite applications market	\$66.5	ND	ND	ND	ND	ND
07/04/22	IMP Group International, Inc.	SkyCharter Ltd.	Provides business aviation solutions that include FBO services, private jet charter, aircraft management, and aircraft maintenance	ND	ND	ND	ND	ND	ND

(1) Includes announced transactions
Note: ND = Not Disclosed; NM = Not Meaningful

3Q22 Defense Transactions⁽¹⁾

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA
09/28/22	Rafael Advanced Defense Systems Ltd.	Pearson Engineering Ltd.	Provides combat engineer systems and equipment, with particular expertise in the development and supply of specialized countermine and combat engineer equipment for armored fighting vehicles	ND	ND	ND	ND	ND	ND
09/20/22	Cadrex Manufacturing Solutions (portco of CORE Industrial Partners, LLC)	IDL Precision Machining, LLC	Provides CNC machining, including horizontal milling, vertical milling and turning, to serve customers from initial design and concept engineering through product development, prototyping and qualification to full-scale production	ND	ND	ND	ND	ND	ND
09/15/22	Pexco, LLC (portco of AEA Investors L.P.)	Performance Plastics (portco of MCM Capital Partners)	Provides precision engineered thermoplastic components for private sector and U.S. Federal Government aerospace & defense, industrial, and medical device & life sciences mission critical applications	ND	ND	ND	ND	ND	ND
09/13/22	Antenna Research Associates, Inc.	SI2 Technologies, Inc.	Provides light weight and space-saving electromagnetic systems for military and government platforms	ND	ND	ND	ND	ND	ND
09/07/22	PCX Aerosystems (portco of Greenbriar Equity Group)	Pacific Contours Corp.	Provides machining capabilities producing simple to complex components from both hard and soft metals, to fully integrated assemblies for private sector and U.S. Federal Government defense markets	ND	ND	ND	ND	ND	ND
08/09/22	EMCORE Corp. (NasdaqGM: EMKR)	FOG and Inertial Navigation Systems Business of KVH Industries, Inc. (NasdaqGS: KVHI)	Provides digital compass and fiber optic gyro-based systems that address the rigorous requirements of military and commercial customers in guidance and stabilization and tactical navigation applications	\$55.0	\$30.0	ND	ND	1.83x	ND
08/09/22	American Pacific Group, L.P.	Concisys	Provides surface mount technology electronic manufacturing services	ND	ND	ND	ND	ND	ND
08/09/22	Naprotek, LLC (portco of Edgewater Capital Partners)	MicroFab, Inc.	Provides precision RF circuit fabrication and atomic-level micro machining services	ND	ND	ND	ND	ND	ND
08/08/22	Edge Autonomy (portco of AE Industrial Partners)	Adaptive Energy LLC	Provides solid oxide fuel cells for back up and portable power in the 250W - 1KW range for private sector and U.S. Federal Government aerospace and defense markets	ND	ND	ND	ND	ND	ND
08/03/22	TRM Equity	Wellman Dynamics Corp. (portco of Trive Capital Holdings, LLC)	Provides aluminum and magnesium sand castings for military and commercial applications	ND	ND	ND	ND	ND	ND
07/26/22	Veritas Capital Fund Management, LLC	Epiq Design Solutions, Inc.	Provides software defined radio and turnkey radio frequency solutions for governments and enterprises	ND	ND	ND	ND	ND	ND
07/19/22	HEICO Flight Support Group, (subsidiary of HEICO Corp. (NYSE: HEI.A))	96% equity stake in Accurate Metal Machining, Inc.	Provides high-reliability components and assemblies used in private sector and U.S. Federal Government aerospace, defense, and semiconductor equipment subsystem applications	ND	ND	ND	ND	ND	ND
07/19/22	Valence Surface Technologies, LLC (portco of ATL Partners)	B&M Painting Company, Inc.	Provides surface treatment for highly engineered products in the private sector and U.S. Federal Government aerospace and defense markets	ND	ND	ND	ND	ND	ND
07/19/22	CGI Automated Manufacturing, Inc. (portco of CORE Industrial Partners, LLC)	Tenere, Inc. (portco of The Watermill Group)	Provides customized components from metal and plastic to original equipment manufacturers in the network communications, agriculture, medical, and aerospace industries	ND	ND	ND	ND	ND	ND
07/19/22	Arcline Investment Management, L.P.	International Mezzo Technologies, Inc.	Provides custom high-performance microtube heat exchangers for private sector and U.S. Federal Government defense and aerospace markets	ND	ND	ND	ND	ND	ND
07/12/22	Headwall Photonics, Inc. (portco of Arsenal Capital Partners)	Holographix, LLC	Provides structured surfaces and optical devices that are used in private sector and U.S. Federal Government life sciences, semiconductor, aerospace, display, telecommunication, and precision measurement markets	ND	ND	ND	ND	ND	ND

(1) Includes announced transactions
Note: ND = Not Disclosed; NM = Not Meaningful

3Q22 Defense Transactions, cont.⁽¹⁾

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA
07/12/22	Fastener Distribution Holdings, LLC (portco of Audax Private Equity)	Electro Enterprises, Inc.	Provides electrical & electronic components distribution services to private sector and U.S. Federal Government OEM markets	ND	ND	ND	ND	ND	ND
07/06/22	SINTX Technologies, Inc.	Technology Assessment and Transfer, Inc.	Provides advanced ceramics and metals for private sector and U.S. Federal Government defense, biomedical, and industrial markets	ND	ND	ND	ND	ND	ND

(1) Includes announced transactions
Note: ND = Not Disclosed; NM = Not Meaningful

3Q22 Government Technology Services Transactions⁽¹⁾

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA
09/13/22	Skyepoint Decisions, Inc.	SNR Government IT Services, LLC	Provides comprehensive information technology services, technical and management expertise supporting applications, software, hardware, infrastructure, and systems in support of DoD Agencies, specifically the Army	ND	ND	ND	ND	ND	ND
09/06/22	Systems Planning and Analysis, Inc. (portco of Arlington Capital Partners)	Operations Research & Cyber Analysis Division of Metron, Inc.	Provides analyses to help the DoD plan for future budgeting cycles	ND	ND	ND	ND	ND	ND
09/01/22	Quest Defense Systems & Solutions, Inc.	EXB Solutions, Inc. (subsidiary of Quest Global Services Pte. Ltd.)	Provides systems and software engineering solutions for private sector and U.S. Federal Government aerospace and defense mission and safety critical applications	ND	ND	ND	ND	ND	ND
08/31/22	ESO Solutions, Inc. (portco of Vista Equity Partners, LLC)	Occam Technologies	Provides software and algorithms designed to help healthcare organizations track and update patient information from disparate sources	ND	ND	ND	ND	ND	ND
08/29/22	KC Harvery Environmental, LLC (portco of Bernhard Capital Partners Management, LP)	BEM Systems, Inc. (portco of Bernhard Capital Partners Management, LP)	Provides environmental engineering consulting and custom data management and visualization solutions for private sector and U.S. Federal Government defense markets	ND	ND	ND	ND	ND	ND
08/22/22	Guidehouse Holding Corporation (portco of Veritas Capital)	Grant Thornton LLP's Public Sector Advisory Practice	Provides acquisition, financial management, human capital, information technology, and performance management consulting solutions to all levels of government	ND	ND	ND	ND	ND	ND
08/16/22	Ernst & Young	Cambria Solutions	Provides program and project management services, business process modernization, agile transformation, technology systems implementation, and human-centered design to state and local government markets	ND	ND	ND	ND	ND	ND
08/01/22	Yulista Holding, LLC (portco of Calista Corporation)	Straitsys, Inc.	Provides big data analytics, information technology services, counter-insider threat, cybersecurity, and program management solutions to private sector and U.S. Federal Government law enforcement markets	ND	ND	ND	ND	ND	ND
08/04/22	Antarctica Capital, LLC	Descartes Labs, Inc.	Provides geospatial intelligence and analytics solutions to private sector and U.S. Federal Government civilian and defense markets	ND	ND	ND	ND	ND	ND
08/05/22	Command Holdings (portco of Mashantucket Pequot Tribal Nation)	WWC Global, LLC	Provides program management, financial management, regulatory compliance and review, strategic communications, metrics and evaluation, and policy design services	ND	ND	ND	ND	ND	ND
08/09/22	Mirion Technologies, Inc. (NYSE: MIR, MIRW)	Collins Aerospace Systems' Critical Infrastructure Business (subsidiary of Raytheon Technologies)	Provides command-and-control software solutions for nuclear power plants and government facilities to protect their systems against cybersecurity threats or compromises	ND	ND	ND	ND	ND	ND
08/08/22	SIXGEN, Inc. (portco of Chart National, LP)	Fourcast Management and Analysis, Inc.	Provides innovative solutions in the areas of program management, finance, and budget for the acquisition community	ND	ND	ND	ND	ND	ND
08/05/22	QinetiQ Group plc (OTCMKTS: QNTQY)	Avantus Federal (portco of NewSpring Holdings)	Provides mission-focused cyber, data analytics, and software development solutions to the DoD, Intelligence Community, Department of Homeland Security, and other law enforcement and civilian agencies	\$590.0	\$298.0	\$35.5	12%	1.98x	16.6x
08/04/22	Flashpoint (portco of Audax Private Equity)	Echosec Systems, Ltd.	Provides open-source intelligence and publicly available information for national security, public safety, and enterprise customers	ND	ND	ND	ND	ND	ND
08/03/22	CIS Secure Computing, Inc. (portco of HKW)	Intrepid Solutions and Services, LLC (portco of Bluestone Investment Partners)	Provides information technology modernization, data analysis / cybersecurity services, and intelligence training / support, primarily to the DoD and Intelligence Community	ND	ND	ND	ND	ND	ND
07/15/22	Tailwind Capital	Onix Networking Corp	Provides cloud-computing solutions	ND	ND	ND	ND	ND	ND

(1) Includes announced transactions
Note: ND = Not Disclosed; NM = Not Meaningful

3Q22 Government Technology Services Transactions, cont.⁽¹⁾

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA	EBITDA Margin	EV / LTM	
								Rev.	EBITDA
07/12/22	Declaration Partners, Capitol Meridian Partners, and 22C Capital	LMI Consulting, LLC	Provides logistics, digital services, advanced analytics, and management advisory services for the U.S. Federal Government, the DoD, Department of Homeland Security, and health and Intelligence Community	ND	ND	ND	ND	ND	ND
07/13/22	CollabraLink Technologies, Inc. (nka Groundswell) (portco of Washington Harbour Partners)	Groundswell Consulting Group, LLC	Provides technology integration and appian development services to private sector and U.S. Federal Government markets	ND	ND	ND	ND	ND	ND
07/12/22	Madison Dearborn Partners, LLC	Unison, Inc. (portco of The Carlyle Group)	Provides software and services that advance commerce and collaboration among government agencies and contractors	ND	ND	ND	ND	ND	ND
07/07/22	Tetra Tech, Inc. (NASDAQ: TTEK)	The Integration Group of Americas, Inc.	Provides process automation and systems integration solutions to private sector and U.S. Federal Government markets	ND	ND	ND	ND	ND	ND

(1) Includes announced transactions
Note: ND = Not Disclosed; NM = Not Meaningful



Public Company Trading Analysis

(\$ in millions, except per share amounts)

Aircraft and Engine OEMs	Stock Price 09/30/22	% 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	\$121.08	51.8%	\$71,899	\$117,748	\$60,743	\$119	0.2%	\$70,021	\$4,251	6.1%	1.94x	NM	1.68x	27.7x
Airbus SE	87.16	73.4%	68,641	65,928	54,696	6,824	12.5%	57,488	7,671	13.3%	1.21x	9.7x	1.15x	8.6x
General Electric Company	61.91	53.3%	67,888	86,892	74,559	7,827	10.5%	74,768	8,798	11.8%	1.17x	11.1x	1.16x	9.9x
Safran SA	92.18	76.4%	39,347	40,037	17,977	3,312	18.4%	17,946	3,384	18.9%	2.23x	12.1x	2.23x	11.8x
MTU Aero Engines AG	151.26	69.8%	8,070	8,828	4,864	619	12.7%	5,132	855	16.7%	1.82x	14.3x	1.72x	10.3x
Median		69.8%	\$67,888	\$65,928	\$54,696	\$3,312	12.5%	\$57,488	\$4,251	13.3%	1.82x	11.6x	1.68x	10.3x

Aerostructures	Stock Price 09/30/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Hexcel Corporation	\$51.72	78.6%	\$4,350	\$5,063	\$1,478	\$273	18.5%	\$1,589	\$311	19.6%	3.43x	18.5x	3.19x	16.3x
Spirit AeroSystems Holdings, Inc.	21.92	41.1%	2,305	5,389	4,483	64	1.4%	5,143	259	5.0%	1.20x	NM	1.05x	20.8x
Triumph Group, Inc.	8.59	30.8%	558	2,013	1,413	158	11.2%	1,339	168	12.6%	1.43x	12.8x	1.50x	12.0x
Senior plc	1.30	66.4%	537	718	885	73	8.3%	880	80	9.1%	0.81x	9.8x	0.82x	9.0x
Median		53.8%	\$1,431	\$3,538	\$1,445	\$115	9.7%	\$1,464	\$214	10.8%	1.31x	12.8x	1.28x	14.1x



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Aerospace Suppliers	Stock Price 09/30/22	% 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.	\$30.93	79.3%	\$12,848	\$16,650	\$5,285	\$1,194	22.6%	\$5,666	\$1,288	22.7%	3.15x	13.9x	2.94x	12.9x
Curtiss-Wright Corporation	139.16	85.4%	5,343	6,507	2,456	500	20.4%	2,586	551	21.3%	2.65x	13.0x	2.52x	11.8x
Woodward, Inc.	80.26	62.2%	4,829	5,521	2,313	346	14.9%	2,412	376	15.6%	2.39x	16.0x	2.29x	14.7x
Moog Inc.	70.35	78.2%	2,253	3,121	2,992	338	11.3%	3,057	377	12.3%	1.04x	9.2x	1.02x	8.3x
Ducommun Incorporated	39.66	68.2%	479	734	666	75	11.3%	701	96	13.7%	1.10x	9.7x	1.05x	7.6x
Héroux-Devtek Inc.	8.92	63.1%	308	422	407	49	12.0%	375	48	12.8%	1.04x	8.7x	1.13x	8.8x
Astronics Corporation	7.86	52.6%	254	398	473	(11)	NM	543	13	2.5%	0.84x	NM	0.73x	29.7x
Median		68.2%	\$2,253	\$3,121	\$2,313	\$338	13.5%	\$2,412	\$376	13.7%	1.10x	11.4x	1.13x	11.8x

Aftermarket / MRO	Stock Price 09/30/22	% 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	\$524.82	76.5%	\$28,463	\$44,562	\$5,198	\$2,368	45.6%	\$5,619	\$2,730	48.6%	8.57x	18.8x	7.93x	16.3x
HEICO Corporation	143.98	86.9%	17,257	17,706	2,108	556	26.4%	2,297	610	26.6%	8.40x	31.9x	7.71x	29.0x
Singapore Technologies Engineering Ltd	2.49	84.8%	7,770	11,988	5,975	723	12.1%	6,291	829	13.2%	2.01x	16.6x	1.91x	14.5x
SIA Engineering Company Limited	1.56	82.1%	1,754	1,362	440	(51)	NM	511	45	8.7%	3.10x	NM	2.67x	NM
AAR Corp.	35.82	67.8%	1,237	1,361	1,811	159	8.8%	1,835	170	9.3%	0.75x	8.6x	0.74x	8.0x
Median		82.1%	\$7,770	\$11,988	\$2,108	\$556	19.2%	\$2,297	\$610	13.2%	3.10x	17.7x	2.67x	15.4x

Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Defense Primes	Stock Price 09/30/22	% 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	\$81.86	77.2%	\$120,478	\$150,304	\$65,287	\$11,269	17.3%	\$67,698	\$11,962	17.7%	2.30x	13.3x	2.22x	12.6x
Lockheed Martin Corporation	386.29	80.5%	102,426	112,295	64,167	7,152	11.1%	65,309	9,764	15.0%	1.75x	15.7x	1.72x	11.5x
Northrop Grumman Corporation	470.32	91.2%	72,764	86,097	34,957	8,757	25.1%	36,326	4,921	13.5%	2.46x	9.8x	2.37x	17.5x
General Dynamics Corporation	212.17	83.2%	58,074	69,023	38,441	5,280	13.7%	39,399	5,141	13.0%	1.80x	13.1x	1.75x	13.4x
L3Harris Technologies, Inc.	207.83	74.3%	39,769	47,255	16,817	3,517	20.9%	17,336	3,712	21.4%	2.81x	13.4x	2.73x	12.7x
BAE Systems plc	8.80	92.2%	27,252	33,446	24,207	2,592	10.7%	25,512	3,441	13.5%	1.38x	12.9x	1.31x	9.7x
Median		81.8%	\$65,419	\$77,560	\$36,699	\$6,216	15.5%	\$37,862	\$5,031	14.2%	2.05x	13.2x	1.99x	12.6x

Defense Systems	Stock Price 09/30/22	% 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	\$92.18	76.4%	\$39,347	\$40,037	\$17,977	\$3,312	18.4%	\$17,946	\$3,384	18.9%	2.23x	12.1x	2.23x	11.8x
Huntington Ingalls Industries, Inc.	221.50	91.0%	8,848	11,756	10,253	1,095	10.7%	10,740	963	9.0%	1.15x	10.7x	1.09x	12.2x
Kongsberg Gruppen ASA	30.57	78.7%	5,408	5,526	2,929	354	12.1%	2,874	396	13.8%	1.89x	15.6x	1.92x	14.0x
AeroVironment, Inc.	83.36	73.1%	2,068	2,175	453	58	12.9%	483	83	17.3%	4.80x	37.3x	4.51x	26.1x
Median		77.6%	\$7,128	\$8,641	\$6,591	\$725	12.5%	\$6,807	\$679	15.5%	2.06x	13.8x	2.08x	13.1x



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

<u>Defense Electronics / Comm.</u>	Stock Price 09/30/22	% 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	\$337.47	68.3%	\$15,815	\$19,620	\$5,364	\$1,228	22.9%	\$5,469	\$1,290	23.6%	3.66x	16.0x	3.59x	15.2x
Mercury Systems, Inc.	40.60	56.2%	2,346	2,813	988	164	16.6%	996	194	19.4%	2.85x	17.2x	2.82x	14.5x
Viasat, Inc.	30.23	44.0%	2,284	5,109	2,801	444	15.8%	2,958	634	21.4%	1.82x	11.5x	1.73x	8.1x
Hensoldt AG	20.15	67.9%	2,116	2,792	1,746	241	13.8%	1,695	289	17.0%	1.60x	11.6x	1.65x	9.7x
Kratos Defense & Security Solutions, Inc.	10.16	43.2%	1,280	1,539	833	51	6.1%	907	82	9.1%	1.85x	30.3x	1.70x	18.7x
Comtech Telecommunications Corp.	10.01	36.1%	277	544	486	(1)	NM	506	45	8.9%	1.12x	NM	1.07x	12.0x
Median		50.1%	\$2,200	\$2,803	\$1,367	\$203	15.8%	\$1,345	\$241	18.2%	1.84x	16.0x	1.71x	13.3x

<u>Homeland Security</u>	Stock Price 09/30/22	% 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	\$16.83	92.0%	\$6,015	\$6,176	\$3,122	\$520	16.6%	\$3,096	\$575	18.6%	1.98x	11.9x	1.99x	10.7x
MSA Safety Incorporated	109.28	69.5%	4,276	4,771	1,453	325	22.4%	1,514	328	21.6%	3.28x	14.7x	3.15x	14.6x
OSI Systems, Inc.	72.06	69.8%	1,219	1,548	1,183	163	13.8%	1,201	193	16.0%	1.31x	9.5x	1.29x	8.0x
Smith & Wesson Brands, Inc.	10.37	42.7%	475	406	674	190	28.2%	581	154	26.5%	0.60x	2.1x	0.70x	2.6x
Median		69.7%	\$2,747	\$3,160	\$1,318	\$258	19.5%	\$1,357	\$260	20.1%	1.64x	10.7x	1.64x	9.4x

Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

<u>Government Services</u>	Stock Price 09/30/22	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2022E			EV / LTM		EV / CY2022E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Booz Allen Hamilton Holding Corporation	\$92.35	93.0%	\$12,220	\$14,793	\$8,624	\$939	10.9%	\$8,938	\$943	10.5%	1.72x	15.8x	1.66x	15.7x
Leidos Holdings, Inc.	87.47	78.7%	11,943	17,450	14,065	1,468	10.4%	14,231	1,459	10.3%	1.24x	11.9x	1.23x	12.0x
CACI International Inc	261.06	83.3%	6,114	8,115	6,203	631	10.2%	6,414	650	10.1%	1.31x	12.9x	1.27x	12.5x
SAIC	88.43	90.4%	4,875	7,418	7,507	640	8.5%	7,528	669	8.9%	0.99x	11.6x	0.99x	11.1x
Parsons Corporation	39.20	89.4%	4,060	4,954	3,865	268	6.9%	4,053	345	8.5%	1.28x	18.5x	1.22x	14.4x
ICF International, Inc.	109.02	98.1%	2,049	2,703	1,619	152	9.4%	1,786	191	10.7%	1.67x	17.7x	1.51x	14.1x
V2X, Inc.	35.40	82.8%	1,078	1,178	NF	NF	NF	3,600	290	8.1%	NMF	NMF	0.33x	4.1x
Median		89.4%	\$4,875	\$7,418	\$6,855	\$636	9.8%	\$6,414	\$650	10.1%	1.30x	14.3x	1.23x	12.5x

<u>Government Technology Software</u>	Stock Price 09/30/22	% 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.	\$8.13	30.0%	\$16,782	\$14,581	\$1,744	(\$216)	NM	\$1,901	\$362	19.1%	8.36x	NM	7.67x	NM
Tyler Technologies, Inc.	347.50	62.3%	14,450	15,472	1,818	341	18.8%	1,861	473	25.4%	8.51x	NM	8.31x	NM
Telos Corporation	8.89	30.7%	601	493	239	(34)	NM	231	19	8.0%	2.06x	NM	2.13x	26.5x
BigBear.ai Holdings, Inc.	1.57	9.7%	198	362	148	(88)	NM	153	(18)	NM	2.45x	NM	2.36x	NM
Median		30.4%	\$7,525	\$7,537	\$992	(\$61)	NM	\$1,046	\$190	19.1%	5.40x	NM	5.02x	NM



Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Engineering & Construction	Stock Price 09/30/22	% 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 Solutions Inc.	\$108.49	72.2%	\$13,844	\$17,832	\$14,628	\$1,527	10.4%	\$15,290	\$1,415	9.3%	1.22x	11.7x	1.17x	12.6x
AECOM	68.37	85.5%	9,548	11,633	13,076	862	6.6%	13,458	910	6.8%	0.89x	13.5x	0.86x	12.8x
Tetra Tech, Inc.	128.53	66.6%	6,853	7,121	2,809	352	12.5%	2,833	352	12.4%	2.54x	20.2x	2.51x	20.2x
KBR, Inc.	43.22	75.9%	6,009	7,482	7,672	513	6.7%	6,616	648	9.8%	0.98x	14.6x	1.13x	11.5x
Babcock International Group PLC	3.10	73.1%	1,568	2,907	5,392	358	6.6%	4,475	452	10.1%	0.54x	8.1x	0.65x	6.4x
Median		73.1%	\$6,853	\$7,482	\$7,672	\$513	6.7%	\$6,616	\$648	9.8%	0.98x	13.5x	1.13x	12.6x

Space	Stock Price 09/30/22	% 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.	\$4.07	24.0%	\$1,909	\$1,514	\$129	(\$120)	NM	\$227	(\$48)	NM	11.74x	NM	6.66x	NM
Maxar Technologies Inc.	18.72	46.2%	1,389	3,799	1,748	423	24.2%	1,805	470	26.1%	2.17x	9.0x	2.10x	8.1x
Virgin Galactic Holdings, Inc.	4.71	18.5%	1,219	762	3	(356)	NM	1	(373)	NM	NM	NM	NM	NM
Astra Space Operations, Inc.	0.61	4.5%	162	(30)	7	(244)	NM	8	(208)	NM	NM	0.1x	NM	0.1x
Redwire Corporation	2.38	14.0%	151	238	143	(51)	NM	167	NM	NM	1.66x	NM	1.43x	NM
Momentum Inc.	1.37	11.6%	115	33	0	(93)	NM	4	NM	NM	NM	NM	8.32x	NM
Median		16.2%	\$690	\$500	\$68	(\$106)	NM	\$88	(\$128)	NM	2.17x	NM	4.38x	NM



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