

# Aerospace, Defense, Government

INDUSTRY REPORT

Spring | 2024

CREATING  
M&A STRATEGIES  
FOR BUSINESS OWNERS

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# Market Observations

# Market Summary

## Aerospace and Defense Market

The Global Aerospace and Defense market is poised for substantial growth between 2024 and 2031. With a steady uptrend observed in 2023 and the implementation of strategic initiatives by key industry players, the market is forecasted to expand over the projected period. According to the latest 360 research report, the global Aerospace and Defense market presents promising prospects over the next five years. Valued at US\$ 748.9 billion in 2023, the market is projected to reach US\$ 1,055.2 billion by 2031, exhibiting a CAGR of 4.38% during this period. Key players dominating the global market include Boeing, GE Aviation, General Dynamics Corporation, Airbus Group, Lockheed Martin, United Technologies Corp., Northrop Grumman Corporation, Thales Group, BAE Systems PLC, and Raytheon Company. Developed nations and coalitions like the European Union predominantly source products from domestic companies, often through government contracts. The primary drivers of demand are federal defense departments, as well as government-run space programs. The industry not only contributes significantly to national security but also serves as a catalyst for technological innovation and advancement, playing a pivotal role in shaping defense strategies and fostering international collaboration in the realm of aerospace and defense. According to Benchmark, in the dynamic landscape of aerospace and defense, the pervasive influence of artificial intelligence (AI) and emerging technologies necessitates strategic adaptation. Notably, advancements in soldier training, driven by the symbiotic relationship between commercial and defense technologies like virtual reality (VR), are shortening training cycles. Additionally, the integration of sophisticated high-power radio frequency (RF) technologies signifies a strategic evolution in leveraging electromagnetic pulse (EMP) technology within defense strategies.

## Public Company Valuations

The CFA Select ADG index increased by 17.9 % in the first quarter of 2024 and the 12-month return on the index was up by 42.6%. Our index for each subsector of the industry increased in the first quarter of 2024 except for Actuation and Fluid Control Index and Airport Operations & Services Index. The highest return was recorded in Aircraft OEM, Engines & Propulsion Index at 24.7% and highest decline in Airport Operations & Services Index at -9.8%. Prime Defense - Asia Index recorded the highest increase of 76.5% and Airport Operations & Services Index recorded the highest decline of -5.4% in the twelve months return. Avionics & Navigation Index had the highest median EBITDA multiple of 20.4x and Aircraft Leasing Index had the highest median revenue multiple of 9.0x. Electronic Manufacturing Services Index had the lowest median EBITDA of 8.0x and revenue multiple of 0.7x.



*The public aerospace and defense market increased in the first quarter of 2024...*

## Mergers and Acquisitions

The M&A activity in the ADG industry increased in the first quarter of 2024. One of the foremost challenges confronting the aerospace and defense industry today is the global government debt crisis. Historically, sovereign nations have fueled industry revenue through military spending. However, numerous countries, such as Greece, Ireland, Spain, and Portugal, face bankruptcy, leading to reduced defense expenditures. Despite this, heightened unrest and foreign intervention may bolster near term demand for aerospace and defense products. Conversely, the commercial airline sector shows signs of recovery as travel resumes with economic rebound. According to Deloitte, commercial aerospace anticipates another record year driven by aircraft replacement and fuel-efficient models. Over the next decade, commercial aircraft production is projected to surge by 25%, while defense spending is expected to decline due to reduced global conflict and fiscal constraints. However, emerging markets like Brazil, China, India, Japan, Russia, and South Korea are increasing defense expenditures. Overall, the industry is forecasted to achieve a five percent revenue growth in the coming year.



# Industry Trends

## Exploring Growth Prospects Through AI/ML Integration in the C4ISR Market

The C4ISR sector experienced a decline in M&A activity in 2023, due to a slowdown in sponsor activity and government budget delays. However, amidst these challenges, there's a burgeoning demand for AI and machine learning (ML) integrated technologies in C4ISR, driven by government customers' increased interest. Government initiatives, such as the executive order on "Safe, Secure, and Trustworthy AI," are fostering demand for AI/ML technologies, aiming to enhance national security. R&D investments and equity market enthusiasm for AI-driven products further buoy this demand. AI/ML integration promises to streamline intelligence analysis and decision-making processes, revolutionizing traditional intelligence gathering methods. This advancement has sparked competition among industry players, driving external capital investments and government contracts towards AI-driven solutions. Key players in the sector are actively investing in AI technology for ISR applications. The establishment of the Chief Digital and Artificial Intelligence Office (CDAO) within the Department of Defense (DOD) underscores the government's commitment to AI initiatives, with tangible results already evident in major weapons systems programs. Despite a downturn in M&A activity in 2023, strategic buyers remain optimistic, and financial buyers are re-entering the market. The integration of AI/ML technologies presents exciting growth opportunities in the C4ISR market.

## Indian Space Sector Policy Changes and Impact on Foreign Investment

As per a KPMG report, previously, the Indian Space Research Organisation (ISRO) primarily dominated the Indian space sector, with limited private sector involvement focused on supporting ISRO's operations. However, the introduction of the 'Indian Space Policy-2023' signaled a significant shift towards enhanced private participation, redefining roles and responsibilities within the sector. Notably, In-Space was established to oversee and authorize space activities in India, while ISRO's focus shifted towards research and development. Under the revised policy, In-Space has already approved over 250 space project applications, including those from private sector entities. The Ministry of Commerce and Industry announced plans to relax Foreign Direct Investment (FDI) restrictions in the space sector, proposing liberalized thresholds for various activities. The proposed reforms include categorizing satellite-related activities into specific sectors with defined FDI limits, aiming to attract foreign investment. While these reforms are viewed positively, detailed regulations are awaited to ensure compliance and address national security concerns. The relaxation of FDI norms is expected to bolster private sector participation, with increased access to global capital for Indian space startups and enhanced manufacturing capabilities. Overall, these policy changes aim to propel the Indian space sector onto a trajectory of growth and competitiveness, attracting both domestic and foreign investors.



## Navigating Challenges in Commercial Aviation for 2024

Persistent challenges in the commercial aviation sector during 2023 were primarily characterized by shortages in essential personnel such as pilots and air traffic controllers, leading to a notable surge in flight delays and cancellations. The US Department of Transportation recorded a significant escalation in complaints, reaching 38,135 in the initial five months of 2023, reflecting a substantial 68% increase from the previous year and a staggering 584% surge compared to 2019. Despite concerted efforts by the Federal Aviation Administration (FAA) to bolster air traffic controller recruitment, there was a concerning 10% decline in certified professionals between 2012 and 2022. Delays in aircraft deliveries, particularly the Boeing 737 narrow-body and 787 wide-body models, were exacerbated by quality issues and FAA certification delays, severely impacting airlines amidst rising commercial flight demand. Notably, the COVID-19 pandemic prompted a notable shift towards private aviation, with 95% of new entrants opting to sustain this preference, potentially signaling a broader trend if commercial aviation fails to address its shortcomings in the near future.

# Significant News

## Greece approves purchase of 35 Blackhawk helicopters from US-sources

*April 3, 2024, Reuters*

"Greece has approved the purchase of 35 UH-60M Blackhawk helicopters from U.S defence contractor Lockheed Martin Corp (LMT.N), opens new tab in an effort to modernize its armed forces, two people with knowledge of the deal told Reuters. "The deal passed by the parliament's committee is to buy 35 helicopters for 1.15 billion euros (\$1.24 billion)," a government official told Reuters."

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## Carlyle Alumni Amass \$1.2 Billion for Defense, Aerospace Bets

*March 4, 2024, Bloomberg*

"A firm founded by Carlyle Group Inc. alumni gathered more than \$1 billion to wager on US government contractors, aerospace and defense companies, underscoring the growing role of private equity firms in shaping the nation's technology."

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## Arlington Capital Partners Announces Launch of Verus Aerospace, a Manufacturer of Complex Aerostructure Components for the Aerospace, Defense and Space Industries

*January 31, 2024, Businesswire*

"Arlington Capital Partners ("Arlington"), a Washington, D.C.-area private investment firm specializing in government regulated industries, today announced the launch of Verus Aerospace ("Verus" or the "Company"), a newly formed brand emerging as one of the industry's largest pure play structures platforms focused on next-generation programs for the aerospace, defense and space industries. Verus is comprised of existing Arlington-backed companies Perfekta, Precision Machine Works, Arden Engineering, Premier Processing and Quality Forming."

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# M&A Metrics

## ADG Industry

M&A activity in the ADG industry increased in the first quarter of 2024. The number of transactions increased from 21 in Q4 2023 to 24 in Q1 2024. The number of sub-\$50 million transactions increased from 20 in Q4 2023 to 23 in Q1 2024. The number of transactions above \$100 million remained the same at 1 transaction in Q4 2023 and Q1 2024. The total number of transactions year on year decreased by 7.7% from 26 in Q1 2023 to 24 in Q1 2024.



M&A Deal Summary Table | Count by Deal Size over Time

Transaction Value	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Not Disclosed	18	17	12	17	22
Under \$10 MM	2	0	2	2	1
\$10 - \$25 MM	1	1	1	0	0
\$25 - \$50 MM	2	0	1	1	0
\$50 - \$100 MM	1	0	1	0	0
\$100 - \$500 MM	1	0	1	1	1
\$500 MM+	1	1	0	0	0
Total Transactions	26	19	18	21	24

Source: Factset; target industry limited to aerospace and airlines in Q1 2024

# Industry Metrics

## Industry Financial Data and Ratios

NAICs 333996 - Fluid Power Pump and Motor Manufacturing

Financial Metric	Last12Mo	2023	2022
Current Ratio	6.13	4.73	2.75
Gross Profit Margin	37.12%	37.13%	32.27%
Net Profit Margin	16.69%	17.77%	11.52%
Accounts Receivable Days	37.91	43.67	42.51
Accounts Payable Days	24.46	24.23	23.41
Debt-to-Equity Ratio	0.5	0.54	0.51
Return on Equity	37.91%	48.67%	33.42%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	--	--	39.62%
Profit Growth	--	--	13.19%

NAICs 532411 - Air, Rail, Water Transport, Equipment Rental & Leasing

Financial Metric	Last12Mo	2023	2022
Current Ratio	1	1.46	3.31
Gross Profit Margin	65.48%	67.91%	82.83%
Net Profit Margin	15.29%	19.61%	16.90%
Accounts Receivable Days	45.89	48.48	38.83
Accounts Payable Days	26.38	35.53	16.38
Debt-to-Equity Ratio	3.69	3.65	3.95
Return on Equity	7.68%	28.17%	36.31%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	--	--	-7.27%
Profit Growth	--	--	-14.40%

Source: Profit Cents

NAICs 3364 - Aerospace Product and Parts Manufacturing

Financial Metric	Last12Mo	2023	2022
Current Ratio	3.78	3.38	3.71
Gross Profit Margin	38.54%	35.68%	35.04%
Net Profit Margin	4.13%	3.99%	7.45%
Accounts Receivable Days	49.27	51.35	49.38
Accounts Payable Days	42.95	43.87	47.91
Debt-to-Equity Ratio	1.95	2.06	1.44
Return on Equity	47.88%	37.38%	26.64%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	80.82%	56.25%	16.36%
Profit Growth	-60.58%	-60.58%	7.40%

NAICs 4881 - Support Activities for Air Transportation

Financial Metric	Last12Mo	2023	2022
Current Ratio	4.14	3	2.98
Gross Profit Margin	49.56%	50.19%	51.31%
Net Profit Margin	3.42%	3.39%	4.68%
Accounts Receivable Days	39.98	35.8	48.74
Accounts Payable Days	24.56	29.14	89.4
Debt-to-Equity Ratio	2.81	2.4	2.27
Return on Equity	25.96%	18.95%	28.84%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	--	--	17.99%
Profit Growth	--	--	8.55%



# Industry Metrics

## Industry Financial Data and Ratios

NAICs 3345 - Navigational, Measuring, Electromedical, and Control Instruments Mnfg

Financial Metric	Last 12 Mo	2023	2022
Current Ratio	2.61	3.11	3.57
Gross Profit Margin	46.58%	47.90%	50.07%
Net Profit Margin	4.30%	6.18%	7.55%
Accounts Receivable Days	58.63	59.3	57.01
Accounts Payable Days	55.44	55.02	45.91
Debt-to-Equity Ratio	2.35	1.96	1.91
Return on Equity	18.22%	23.37%	32.50%
Sales per Employee	--	--	--
Profit per Employee	--	--	(\$32,591)
Sales Growth	22.09%	19.35%	13.47%
Profit Growth	39.60%	17.11%	-5.54%

NAICs 3342 - Communications Equipment Manufacturing

Financial Metric	Last 12 Mo	2023	2022
Current Ratio	1.99	1.89	3.06
Gross Profit Margin	44.60%	34.66%	36.47%
Net Profit Margin	7.64%	4.68%	5.51%
Accounts Receivable Days	64.61	54.89	52.03
Accounts Payable Days	59.79	51.16	47.25
Debt-to-Equity Ratio	2.54	2.8	1.77
Return on Equity	25.32%	18.31%	7.88%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	--	--	6.93%
Profit Growth	--	--	-11.36%

Source: Profit Cents

NAICs 3335 - Metalworking Machinery Manufacturing

Financial Metric	Last 12 Mo	2023	2022
Current Ratio	4.44	4.3	3.72
Gross Profit Margin	42.34%	40.77%	39.79%
Net Profit Margin	6.29%	6.65%	7.85%
Accounts Receivable Days	56.24	53.95	56.21
Accounts Payable Days	34.7	33.88	35.93
Debt-to-Equity Ratio	2.37	2.25	1.8
Return on Equity	27.59%	28.16%	33.92%
Sales per Employee	\$154,026	\$154,026	\$187,021
Profit per Employee	(\$1,925)	(\$1,925)	\$21,942
Sales Growth	-3.12%	1.74%	15.61%
Profit Growth	58.45%	58.45%	-2.79%

NAICs 3344 - Semiconductor & Other Electronic Component Manufacturing

Financial Metric	Last 12 Mo	2023	2022
Current Ratio	2.89	2.61	3.49
Gross Profit Margin	34.23%	29.99%	34.05%
Net Profit Margin	6.94%	3.83%	5.57%
Accounts Receivable Days	43.74	50.36	51.33
Accounts Payable Days	47.32	50.11	45.95
Debt-to-Equity Ratio	2.25	2.32	1.65
Return on Equity	22.86%	16.79%	19.98%
Sales per Employee	--	\$237,658	\$246,139
Profit per Employee	--	(\$94,450)	(\$1,458)
Sales Growth	20.74%	26.95%	18.10%
Profit Growth	52.34%	52.34%	34.64%

# Industry Metrics

## Industry Financial Data and Ratios

NAICs 33661 - Ship and Boat Building

Financial Metric	Last 12 Mo	2023	2022
Current Ratio	3.91	3.28	3.8
Gross Profit Margin	23.20%	21.48%	30.27%
Net Profit Margin	3.23%	3.02%	7.95%
Accounts Receivable Days	70.22	54.62	43.93
Accounts Payable Days	68.99	67.55	34.32
Debt-to-Equity Ratio	1.6	1.58	1.55
Return on Equity	38.88%	44.99%	47.70%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	--	--	25.90%
Profit Growth	--	--	26.27%

NAICs 541330 - Engineering Services

Financial Metric	Last 12 Mo	2023	2022
Current Ratio	4.43	4.26	4.43
Gross Profit Margin	58.69%	58.21%	66.07%
Net Profit Margin	9.86%	9.21%	10.75%
Accounts Receivable Days	88.45	86.65	68.93
Accounts Payable Days	78.16	72.53	46.57
Debt-to-Equity Ratio	1.43	1.65	1.4
Return on Equity	35.04%	31.69%	48.34%
Sales per Employee	\$210,156	\$220,213	\$182,942
Profit per Employee	\$27,368	\$30,996	\$25,118
Sales Growth	13.51%	13.58%	18.31%
Profit Growth	17.59%	15.96%	7.68%

Source: Profit Cents

NAICs 5416 - Management, Scientific, & Technical Consulting Services

Financial Metric	Last 12 Mo	2023	2022
Current Ratio	4.59	4.38	4.11
Gross Profit Margin	74.72%	71.61%	73.66%
Net Profit Margin	16.27%	14.35%	13.85%
Accounts Receivable Days	40.65	50.33	53.73
Accounts Payable Days	30.2	34.23	31.74
Debt-to-Equity Ratio	1.61	1.73	1.84
Return on Equity	53.95%	51.69%	57.01%
Sales per Employee	\$229,784	\$233,879	\$238,173
Profit per Employee	\$11,300	\$11,713	\$25,786
Sales Growth	8.39%	5.59%	22.41%
Profit Growth	11.51%	7.54%	13.71%

NAICs 5415 - Computer Systems Design and Related Services

Financial Metric	Last 12 Mo	2023	2022
Current Ratio	3.18	3.05	3.65
Gross Profit Margin	58.20%	58.26%	60.55%
Net Profit Margin	8.34%	5.58%	5.76%
Accounts Receivable Days	56.59	68.12	51.64
Accounts Payable Days	36.43	36.02	29.94
Debt-to-Equity Ratio	2.77	2.73	2.13
Return on Equity	50.53%	41.76%	46.59%
Sales per Employee	\$220,783	\$196,681	\$231,140
Profit per Employee	\$59,046	\$59,046	\$27,515
Sales Growth	2.71%	3.85%	18.65%
Profit Growth	48.88%	46.72%	2.96%



# Transaction Highlights



# Notable Transactions



In March 2024, **Lockheed Martin Corp** submitted a non-binding proposal to acquire the remaining 63.2% majority stake not yet owned in **Terran Orbital Corp** for US\$123 million, with an undisclosed amount in liabilities assumed. Under the terms of the proposal, Lockheed Martin Corp will pay US\$1 in cash for each share sought in Terran Orbital Corp, representing an 11% premium to the 30-day VWAP as of February 29, 2024. The acquisition would accelerate Lockheed Martin's strategic growth. Terran Orbital Corp is located in Boca Raton, Florida, United States and engages in the development and operation of small satellites and earth observation solutions.



In February 2024, **Cadre Holdings Inc** acquired **Alpha Safety Intermediate LLC** for US\$106.5 million in cash. The acquisition is funded through internally generated funds and existing credit facilities. The acquisition is in line with Cadre Holdings Inc's growth strategy. Founded in 1986, Alpha Safety Intermediate LLC is located in Golden, Colorado, United States and provides nuclear safety solutions. The deal was expected to close in the first quarter of 2024 and was subject to customary closing conditions.



In January 2024, **Crane Co** acquired **Vian Enterprises Inc** for US\$103 million in cash, on a cash-free and debt-free basis. The transaction was funded through existing revolving credit facility. The acquisition expands the portfolio of mission critical aerospace flow control products of Crane Co. Founded in 1968, Vian Enterprises Inc is located in United States and operates as a designer and manufacturer of multi-stage lubrication pumps and lubrication system components technology for critical aerospace and defense applications. In August 2023, it has generated a sales approximately US\$33 million and an EBITDA of approximately US\$8 million.



In January 2024, **Bullseye Acquisitions LLC** acquired 2 Subsidiaries from Everest/Sapphire Acquisition LLC and **Clarus Corp** for US\$175 million in cash. The transaction includes the acquisition of Sierra Bullets LLC and Barnes Bullets - Mona LLC. The acquired companies are located in United States and manufactures bullets and ammunition. The deal was expected to close by March 31, 2024, and subject to customary closing conditions and regulatory approvals.



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# Select M&A Transactions

Transaction Value disclosed

Announcement Date	Target	Acquirer	Enterprise Value (MM)	Revenue - Target (LTM) (MM)	EV/ EBITDA
27-Mar-2024	Civitanavi Systems SpA	Honeywell International, Inc.	184.57	48.69	20.94
15-Mar-2024	Jet Speed Freight LLC	Jet Freight Logistics Ltd.	0.08	-	-
01-Mar-2024	Terran Orbital Corp.	Lockheed Martin Corp.	325.04	135.92	-3.26
20-Feb-2024	Alpha Safety Intermediate LLC	Cadre Holdings, Inc.	106.50	-	-
16-Feb-2024	Premier Air Charter LLC	Altair International Corp.	30.11	-	-
08-Feb-2024	Additive Flight Solutions Pte Ltd.	Stratasys Ltd.	0.15	-	-
31-Jan-2024	MY Jet Xpress Airlines Sdn. Bhd.	Transonic Jet Sdn. Bhd.	11.75	-	-
19-Jan-2024	Kaman Corp.	Arcline Investment Management LP	1,837.10	775.85	17.83
18-Jan-2024	FlyBlade (India) Pvt Ltd.	Direct Selling Acquisition Corp.	163.24	-	-
04-Jan-2024	Red Box International Ltd.	LPA Group Plc	1.20	-	-
03-Jan-2024	Vian Enterprises, Inc.	Crane Co.	103.00	33.00	12.88
03-Jan-2024	Clarus Corp. /2 Subsidiaries/	Bullseye Acquisitions LLC	175.00	-	-

Source: FactSet

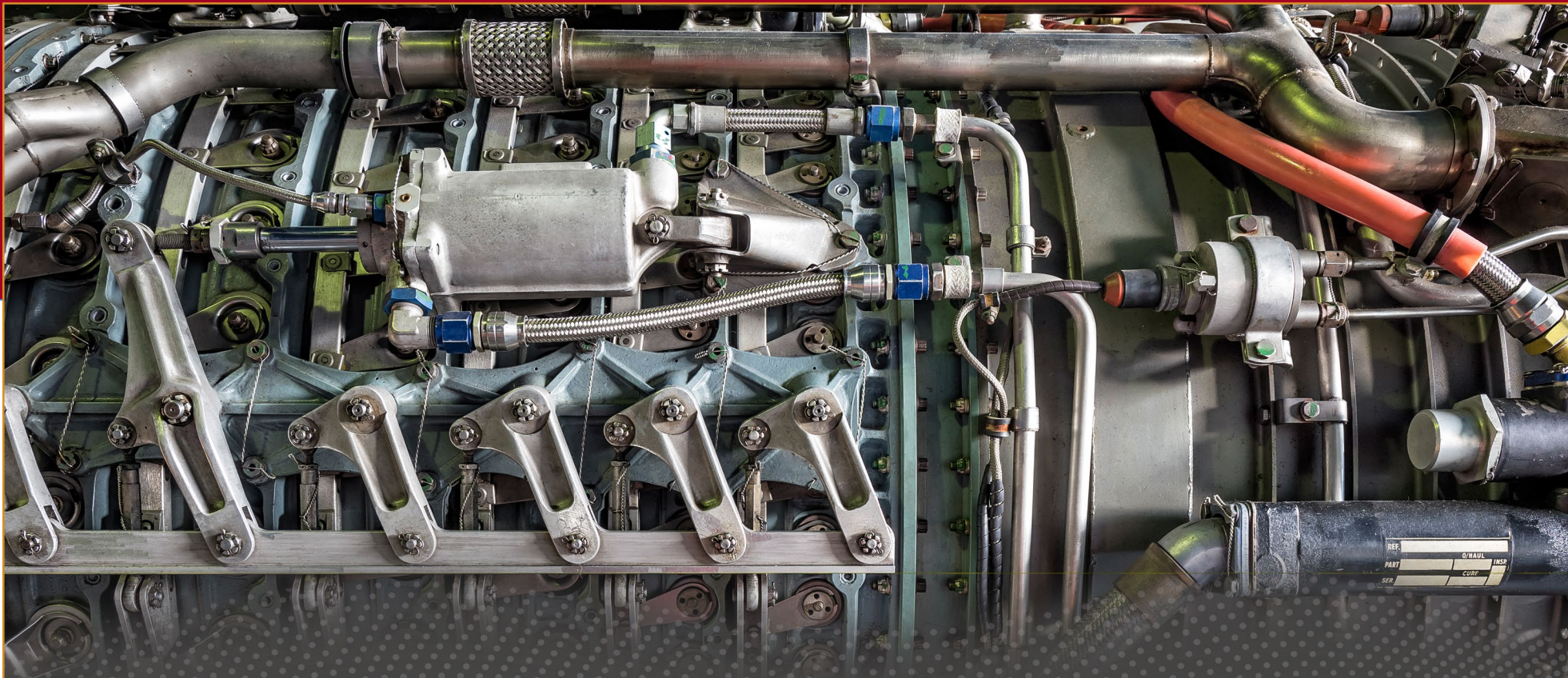
# Select M&A Transactions

Transaction Value undisclosed

Announcement Date	Target	Acquirer
30-Mar-2024	I N F O D A S Gesellschaft für Systementwicklung und	Airbus Defence & Space GmbH
28-Mar-2024	Asymmetric Technologies LLC	Bluestone Investment Manager LLC; Chesapeake Technology International Corp.
28-Mar-2024	Saffire Renewables LLC	Southwest Airlines Co.
27-Mar-2024	PAL-V International BV	Aviterra
25-Mar-2024	GSSL, Inc.	Aerostar International LLC
15-Mar-2024	PMA Products, Inc.	Vance Street Management LLC; McFarlane Aviation LLC
14-Mar-2024	FOX VALLEY METAL TECH, INC	ArmorWorks, Inc.; Littlejohn Capital LLC
12-Mar-2024	Lema Transit SL	Altius SA (Spain)
12-Mar-2024	Afrijet Business Service SA	Fly Air Gabon Holding
12-Mar-2024	Valeport Ltd.	Teledyne Technologies, Inc.
05-Mar-2024	Business by Air SAS	Kerry Logistics Network Ltd.
04-Mar-2024	Magpie Aviation, Inc.	Ampaire, Inc.
01-Mar-2024	Spirit AeroSystems Holdings, Inc.	The Boeing Co.
01-Mar-2024	Daicel Pyrotechnics Ltd.	Sightron Japan, Inc.
01-Mar-2024	3D-Metal Forming BV	Safran Nacelles Ltd.
22-Feb-2024	Challenger Aerospace & Defense, Inc.	Resilient Energy, Inc.
21-Feb-2024	Anillo Industries, Inc.	Kohlberg Kravis Roberts & Co. LP; Novaria Group, LLC
20-Feb-2024	Flex Force Enterprises, Inc.	Highlander Partners LP; High Point Aerotechnologies LLC
20-Feb-2024	Tryn, Inc.	Torque 2020 CMA LLC; Torque Capital Group LLC
20-Feb-2024	Aerophile Academy Pvt Ltd.	DroneAcharya Aerial Innovations Ltd.
13-Feb-2024	Adimec Advanced Image Systems BV	Teledyne Technologies, Inc.
08-Feb-2024	Field Aviation Co., Inc. /Calgary Manufacturing Division/	de Havilland Aircraft of Canada Ltd.
06-Feb-2024	Stevens Aerospace & Defense Systems LLC /Mro & Fbo Operations/	Premier Air, Inc.
02-Feb-2024	Malloy Aeronautics Ltd.	BAE Systems Plc
02-Feb-2024	Alestis Aerospace SL	Aciturri Aeronáutica SL
01-Feb-2024	Automecanica SA (Sibiu)	Rheinmetall Landsysteme GmbH
01-Feb-2024	Fusus, Inc.	Axon Enterprise, Inc.
31-Jan-2024	SOS Global Express, Inc.	Rock-It Cargo USA LLC; ATL Advisor LP
29-Jan-2024	Airbus OneWeb Satellites LLC	Airbus U.S. Space & Defense, Inc.
29-Jan-2024	TEAD KK	Kuwabara Group
29-Jan-2024	Consignaciones Europeas Marítimas SA	Rhenus SE & Co. KG
28-Jan-2024	MIPLTON SAS	Etienne Lacroix Tous Artifices SA
25-Jan-2024	Gecko Motors Pvt Ltd.	JSW Defence & Aerospace
23-Jan-2024	Tozai Unyu KK	Suzuyo & Co., Ltd.
23-Jan-2024	Skytrans Airlines	Avia Solutions Group (ASG) Plc
17-Jan-2024	Miles Space, Inc.	Rocketstar, Inc.
16-Jan-2024	Vanderhorst Brothers, Inc.	RTC Aerospace - Fife Division, Inc.; Stellex Capital Management LP
15-Jan-2024	Aerovel Corp.	Airbus Helicopters SAS
08-Jan-2024	Specialist Aviation Services Ltd.	Gama Aviation Plc
08-Jan-2024	Capital A Bhd. /Subsidiary 2/	AirAsia X Bhd.
04-Jan-2024	Walbar Engine Components LLC	Arlington Capital Partners LLC
04-Jan-2024	Bromford Industries Ltd/ 2 Subsidiaries/	Arlington Capital Partners LLC
04-Jan-2024	Sentry Products Group /Hexmag & Sentry Solutions/	Optimus Arms LLC
01-Jan-2024	Intercept Tregor SARL	AMG Microwave SAS

Source: FactSet



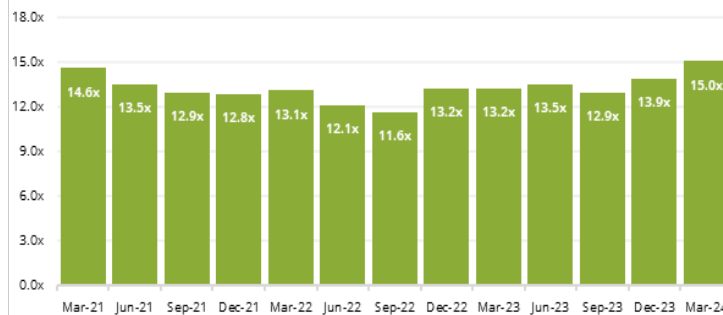


# Public Companies

# Industry Performance

## CFAW Select ADG Index

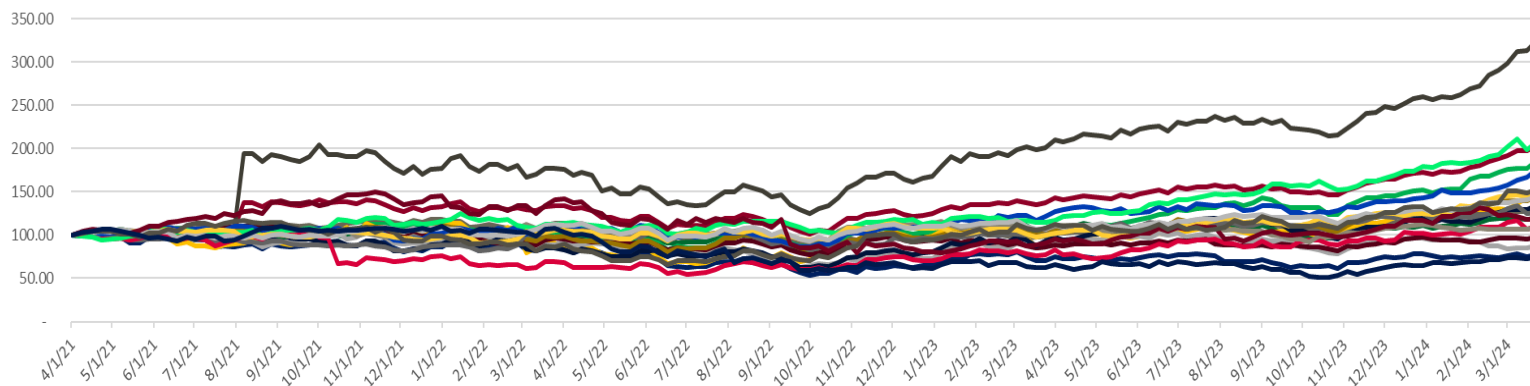
CFAW Select ADG Index | Median EBITDA Multiples



CFAW Select ADG Index | Median Revenue Multiples



- Select CFAW Select ADG Index
- CFAW Selected Actuation & Fluid Control Index
- CFAW Selected Airport Operations & Services Index
- CFAW Selected Machine, Casting & Fabrication Index
- CFAW Selected Electronic Manufacturing Services Index
- CFAW Selected Prime Defense - Asia Index
- CFAW Selected IT & Cybersecurity Index
- S&P 500
- CFAW Selected Aerostructures Index
- CFAW Selected Avionics & Navigation Index
- CFAW Selected Components & Subsystems Index
- CFAW Selected Prime Defense - United States Index
- CFAW Selected Contract Services Index
- CFAW Selected Public Safety & Security Index
- CFAW Selected MRO, Aftermarket & Distribution Index
- CFAW Selected Aircraft Leasing Index
- CFAW Selected Commercial Aircraft OEM, Engines & Propulsion Index
- CFAW Selected CSISR & Electronic Warfare Index
- CFAW Selected Prime Defense - Europe Index
- CFAW Selected Engineering & Construction Index
- CFAW Selected Space & Satellite Index



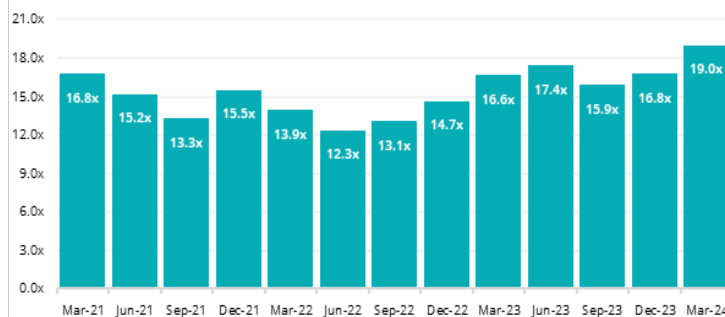
Source: FactSet



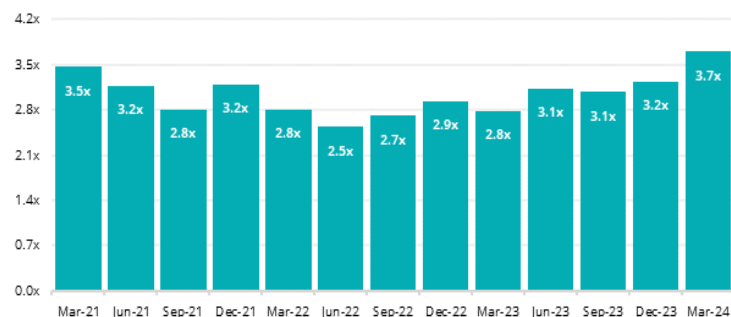
# Public Comparables

## Actuation & Fluid Control

Actuation & Fluid Control | Median EBITDA Multiples



Actuation & Fluid Control | Median Revenue Multiples



FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
AME-USA	AMETEK, Inc.	\$182.90	231	\$42,252	\$45,399	\$6,597	\$2,045	6.9x	22.2x
CR-USA	Crane Company	\$135.13	57	\$7,707	\$7,695	\$2,086	\$323	3.7x	23.8x
CW-USA	Curtiss-Wright Corporation	\$255.94	38	\$9,780	\$10,581	\$2,845	\$601	3.7x	17.6x
ETN-USA	Eaton Corp. Plc	\$312.68	400	\$124,916	\$132,277	\$23,196	\$4,921	5.7x	26.9x
ITT-USA	ITT, Inc.	\$136.03	82	\$11,168	\$10,975	\$3,283	\$623	3.3x	17.6x
MOG.A-USA	Moog Inc. Class A	\$159.65	29	\$4,591	\$6,046	\$3,416	\$423	1.8x	14.3x
PH-USA	Parker-Hannifin Corporation	\$555.79	128	\$71,369	\$82,775	\$19,826	\$4,675	4.2x	17.7x
WWD-USA	Woodward, Inc.	\$154.12	60	\$9,293	\$9,893	\$3,083	\$487	3.2x	20.3x
<b>Mean</b>					\$38,205	\$8,042	\$1,762	<b>4.1x</b>	<b>20.1x</b>
<b>Median</b>					\$10,778	\$3,350	\$612	<b>3.7x</b>	<b>19.0x</b>

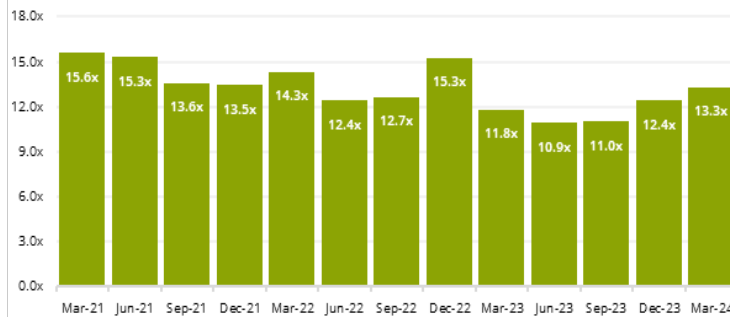
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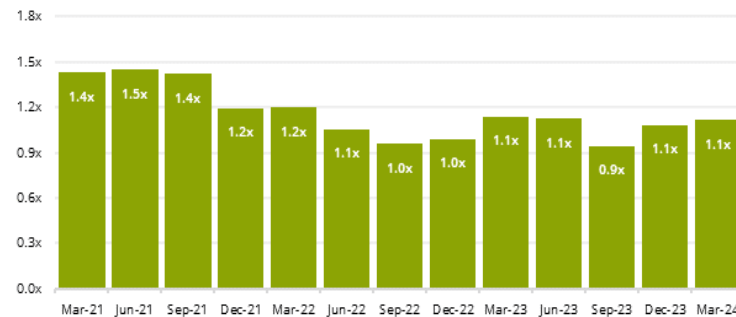
# Public Comparables

## Aerostructures

Aerostructures | Median EBITDA Multiples



Aerostructures | Median Revenue Multiples



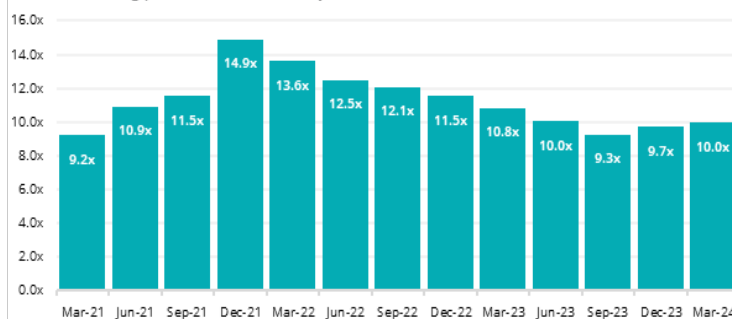
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
CVU-USA	CPI Aerostructures, Inc.	\$2.34	13	\$30	\$53	\$87	\$8	0.6x	6.6x
DCO-USA	Ducommun Incorporated	\$51.30	15	\$751	\$1,004	\$757	\$77	1.3x	13.0x
FACC-WBO	FACC AG	\$6.87	46	\$315	\$546	\$796	\$40	0.7x	13.6x
HXL-USA	Hexcel Corporation	\$72.85	83	\$6,054	\$6,555	\$1,786	\$329	3.7x	20.0x
KAMN-USA	Kaman Corporation Class A	\$45.87	28	\$1,300	\$1,833	\$776	\$103	2.4x	17.8x
MALJF-USA	Magellan Aerospace Corporation	\$5.86	57	\$336	\$394	\$652	\$58	0.6x	6.8x
SNR-LON	Senior plc	\$2.23	419	\$937	\$1,181	\$1,198	\$117	1.0x	10.1x
SPR-USA	Spirit AeroSystems Holdings, Inc. Class A	\$36.07	116	\$4,186	\$7,543	\$6,048	\$189	1.2x	40.0x
TGI-USA	Triumph Group, Inc.	\$15.04	77	\$1,156	\$2,624	\$1,227	\$148	2.1x	17.8x
TYEKF-USA	thyssenkrupp AG	\$5.35	623	\$3,331	\$173	\$39,636	\$1,287	0.0x	0.1x
<b>Mean</b>					\$2,191	\$5,296	\$236	<b>1.4x</b>	<b>14.6x</b>
<b>Median</b>					\$1,093	\$997	\$110	<b>1.1x</b>	<b>13.3x</b>

Source: FactSet

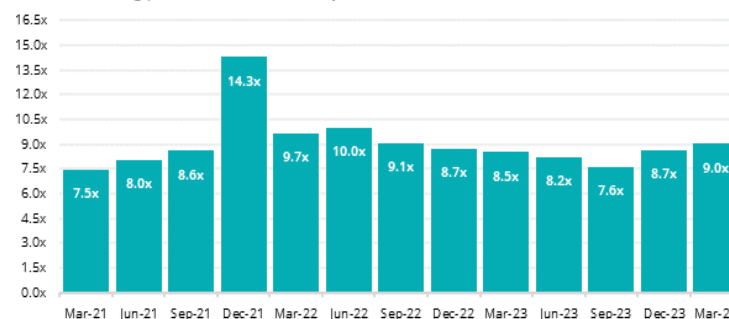
# Public Comparables

## Aircraft Leasing

Aircraft Leasing | Median EBITDA Multiples



Aircraft Leasing | Median Revenue Multiples



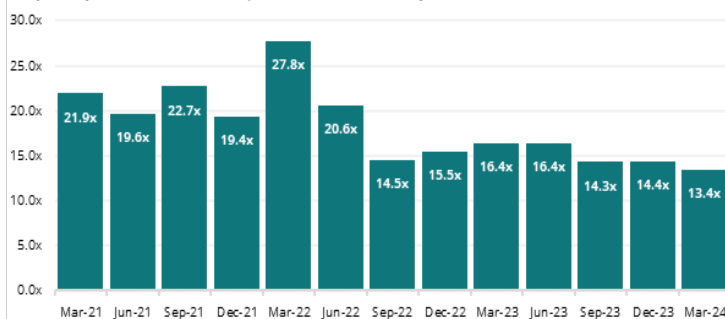
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
AER-USA	AerCap Holdings NV	\$86.91	210	\$18,262	\$62,349	\$6,894	\$5,674	9.0x	11.0x
ACY	Mega Matrix Corp.	\$2.86	36	\$103	\$99	\$0	(\$3)	2081.0x	NM
WLFC-USA	Willis Lease Finance Corporation	\$49.62	6	\$316	\$2,033	\$408	\$228	5.0x	8.9x
<b>Mean</b>					\$21,494	\$2,434	\$1,966	<b>698.3x</b>	<b>10.0x</b>
<b>Median</b>					\$2,033	\$408	\$228	<b>9.0x</b>	<b>10.0x</b>

Source: FactSet

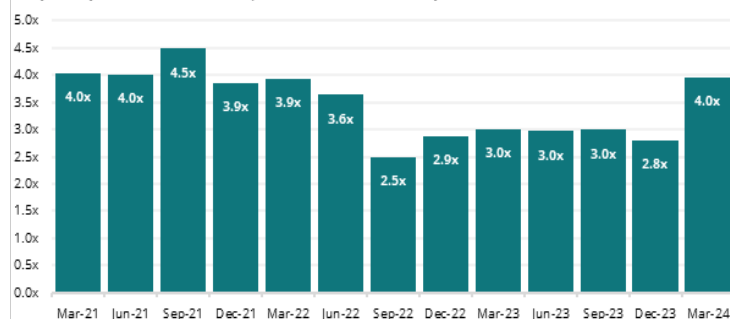
# Public Comparables

## Airport Operations & Services

Airport Operations & Services | Median EBITDA Multiples



Airport Operations & Services | Median Revenue Multiples



FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
CAE	CAE Inc.	\$20.64	318	\$6,570	\$8,979	\$3,324	\$678	2.7x	13.2x
AMADY-USA	Amadeus IT Group SA Unsponsored ADR	\$64.20	450	\$28,920	\$30,731	\$5,883	\$2,255	5.2x	13.6x
PSSR	PASSUR Aerospace, Inc.	\$0.01	8	\$0	-	\$6	(\$2)		
<b>Mean</b>					\$19,855	\$3,071	\$977	<b>4.0x</b>	<b>13.4x</b>
<b>Median</b>					\$19,855	\$3,324	\$678	<b>4.0x</b>	<b>13.4x</b>

Source: FactSet



# Public Comparables

## Avionics & Navigation

Avionics & Navigation | Median EBITDA Multiples



Avionics & Navigation | Median Revenue Multiples



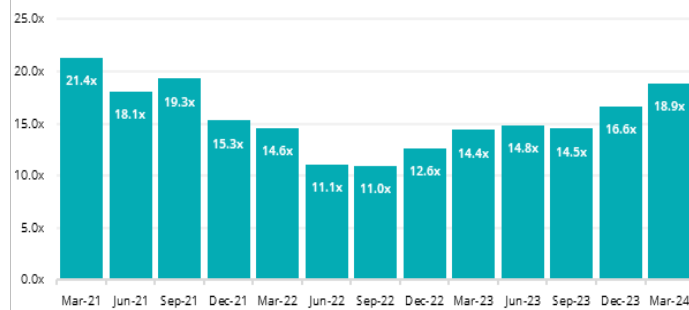
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
ATRO-USA	Astronics Corporation	\$19.04	29	\$545	\$844	\$689	\$19	1.2x	43.4x
ESLT-USA	Elbit Systems Ltd	\$210.23	44	\$9,348	\$10,581	\$5,975	\$534	1.8x	19.8x
GRMN-USA	Garmin Ltd.	\$148.87	192	\$28,550	\$26,723	\$5,228	\$1,270	5.1x	21.0x
HON-USA	Honeywell International Inc.	\$205.25	652	\$133,860	\$147,886	\$36,647	\$9,049	4.0x	16.3x
ISSC-USA	Innovative Solutions and Support, Inc.	\$7.32	17	\$128	\$138	\$38	\$10	3.7x	14.1x
TDY-USA	Teledyne Technologies Incorporated	\$429.32	47	\$20,340	\$23,094	\$5,646	\$1,368	4.1x	16.9x
TIKK-USA	Tel-Instrument Electronics Corp	\$1.83	3	\$6	\$14	\$9	\$0	1.6x	33.9x
TRMB-USA	Trimble Inc.	\$64.36	246	\$15,812	\$18,800	\$3,799	\$745	4.9x	25.2x
<b>Mean</b>					\$28,510	\$7,254	\$1,624	<b>3.3x</b>	<b>23.8x</b>
<b>Median</b>					\$14,691	\$4,513	\$640	<b>3.9x</b>	<b>20.4x</b>

Source: FactSet

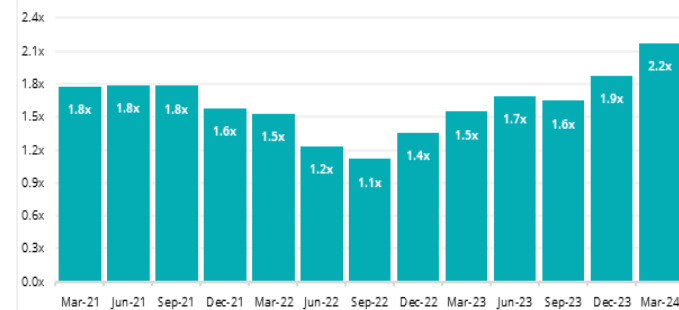
# Public Comparables

## Commercial Aircraft OEM, Engines & Propulsion

Commercial Aircraft OEM, Engines & Propulsion | Median EBITDA Multiples



Commercial Aircraft OEM, Engines & Propulsion | Median Revenue Multiples



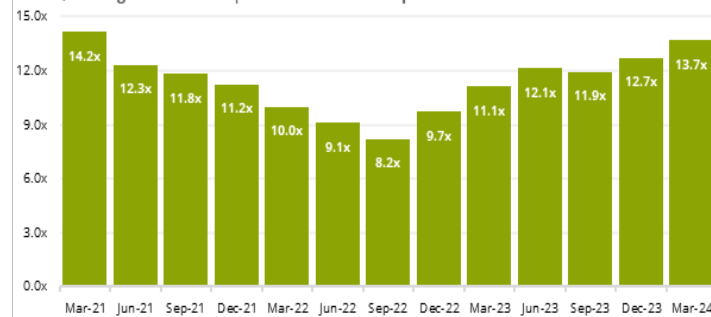
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
AIR-PAR	Airbus SE	\$184.38	792	\$146,079	\$140,942	\$70,755	\$7,036	2.0x	20.0x
BA-USA	Boeing Company	\$192.99	610	\$117,750	\$155,911	\$77,794	\$1,048	2.0x	148.8x
DUAVF-USA	Dassault Aviation SA	\$219.95	79	\$17,365	\$9,149	\$5,195	\$517	1.8x	17.7x
EMBR3-BSP	Embraer S.A.	\$6.65	740	\$4,928	\$5,969	\$5,242	\$448	1.1x	13.3x
TXT-USA	Textron Inc.	\$95.93	192	\$18,456	\$20,530	\$13,683	\$1,445	1.5x	14.2x
GE-USA	General Electric Company	\$175.53	1,093	\$191,901	\$193,368	\$67,955	\$6,229	2.8x	31.0x
HON-USA	Honeywell International Inc.	\$205.25	652	\$133,860	\$147,886	\$36,647	\$9,049	4.0x	16.3x
RR-LON	Rolls-Royce Holdings plc	\$5.39	8,417	\$45,368	\$47,909	\$20,493	\$4,574	2.3x	10.5x
SAF-PAR	Safran SA	\$226.85	427	\$96,926	\$94,365	\$23,441	\$4,009	4.0x	23.5x
RTX-USA	RTX Corporation	\$97.53	1,330	\$129,680	\$170,327	\$68,920	\$7,360	2.5x	23.1x
<b>Mean</b>					\$98,636	\$39,012	\$4,172	<b>2.4x</b>	<b>31.9x</b>
<b>Median</b>					\$117,654	\$30,044	\$4,292	<b>2.2x</b>	<b>18.9x</b>

Source: FactSet

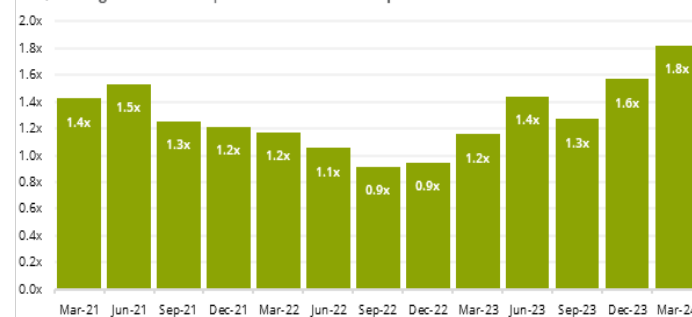
# Public Comparables

## Machine, Casting & Fabrication

Machine, Casting & Fabrication | Median EBITDA Multiples



Machine, Casting & Fabrication | Median Revenue Multiples



FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
ATI-USA	ATI Inc.	\$51.17	128	\$6,539	\$8,170	\$4,174	\$633	2.0x	12.9x
B-USA	Barnes Group Inc.	\$37.15	51	\$1,883	\$3,131	\$1,452	\$229	2.2x	13.7x
FII-PAR	LISI SA	\$25.54	47	\$1,189	\$1,722	\$1,655	\$197	1.0x	8.7x
KALU-USA	Kaiser Aluminum Corporation	\$89.36	16	\$1,431	\$2,428	\$3,087	\$209	0.8x	11.6x
MRO-LON	Melrose Industries PLC	\$8.50	1,317	\$11,194	\$12,443	\$6,833	\$773	1.8x	16.1x
SIF-USA	SIFCO Industries, Inc.	\$3.18	6	\$20	\$59	\$87	\$0	0.7x	827.1x
SXI-USA	Standex International Corporation	\$182.22	12	\$2,163	\$2,204	\$736	\$141	3.0x	15.6x
<b>Mean</b>					\$4,308	\$2,575	\$312	<b>1.6x</b>	<b>129.4x</b>
<b>Median</b>					\$2,428	\$1,655	\$209	<b>1.8x</b>	<b>13.7x</b>

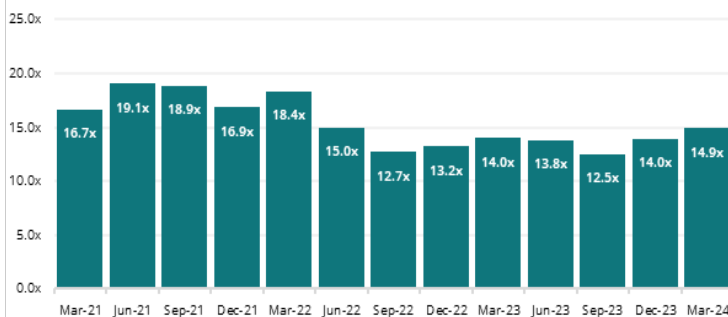
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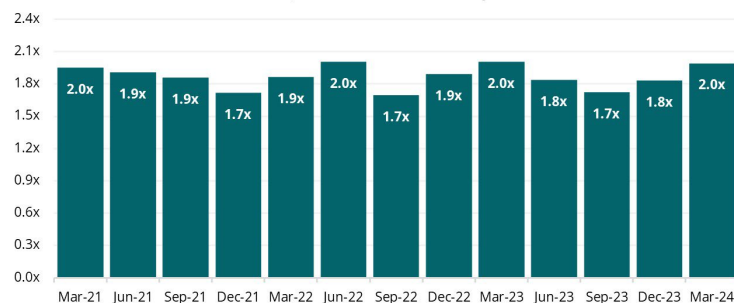
# Public Comparables

## MRO, Aftermarket & Distribution

MRO, Aftermarket & Distribution | Median EBITDA Multiples



MRO, Aftermarket & Distribution | Median Revenue Multiples



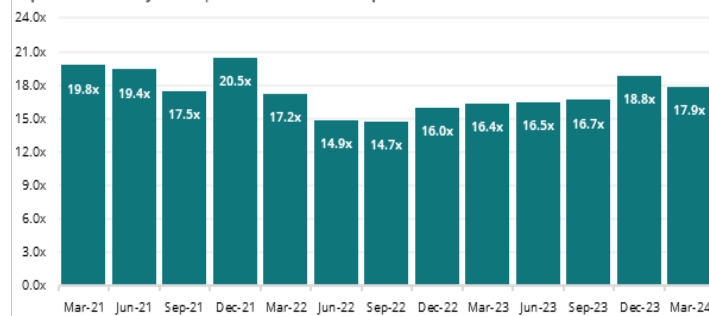
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
AIR	AAR CORP.	\$59.87	35	\$2,121	\$2,385	\$2,216	\$177	1.1x	13.5x
HEI	HEICO Corporation	\$191.00	55	\$10,462	\$29,148	\$3,244	\$843	9.0x	34.6x
MTUAF	MTU Aero Engines AG	\$257.00	54	\$13,833	\$14,490	\$5,798	\$54	2.5x	268.1x
S63-SG	Singapore Technologies Engineering Ltd	\$2.98	3122	\$9,301	\$13,862	\$7,520	\$1,147	1.8x	12.1x
VSEC	VSE Corporation	\$80.00	16	\$1,262	\$1,713	\$860	\$115	2.0x	14.9x
<b>Mean</b>					\$12,320	\$3,928	\$467	<b>3.3x</b>	<b>68.6x</b>
<b>Median</b>					\$13,862	\$3,244	\$177	<b>2.0x</b>	<b>14.9x</b>

Source: FactSet

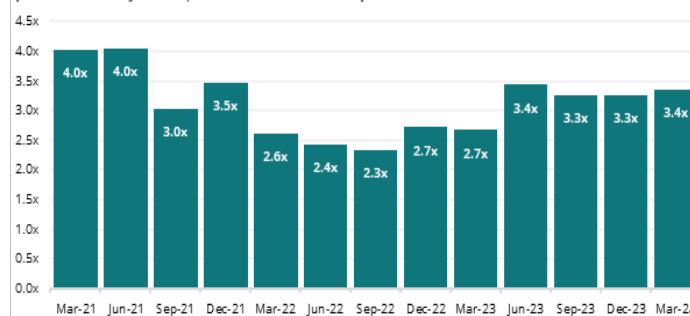
# Public Comparables

## Components & Subsystems

Components & Subsystems | Median EBITDA Multiples



Components & Subsystems | Median Revenue Multiples



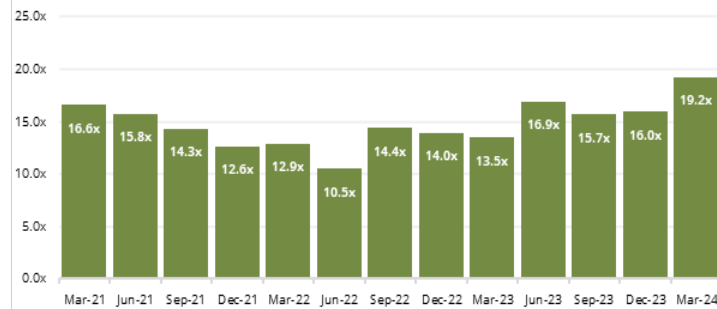
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
AME-US	AMETEK, Inc.	\$182.90	231	\$42,252	\$45,399	\$6,597	\$2,045	6.9x	22.2x
APH	Amphenol Corporation Class A	\$115.35	600	\$69,193	\$72,254	\$12,555	\$3,001	5.8x	24.1x
CR	Crane Company	\$135.13	57	\$7,707	\$7,695	\$2,086	\$323	3.7x	23.8x
DCI	Donaldson Company, Inc.	\$74.68	120	\$8,989	\$9,409	\$3,478	\$600	2.7x	15.7x
ESE	ESCO Technologies Inc.	\$107.05	26	\$2,762	\$2,942	\$969	\$183	3.0x	16.1x
HXL	Hexcel Corporation	\$72.85	83	\$6,054	\$6,555	\$1,786	\$329	3.7x	20.0x
PPG	PPG Industries, Inc.	\$144.90	235	\$34,104	\$39,576	\$18,246	\$2,846	2.2x	13.9x
ROLL	RBC Bearings Incorporated	\$270.35	29	\$7,889	\$9,131	\$1,541	\$465	5.9x	19.6x
SKUFF	SKF AB Class B	\$20.58	426	\$8,766	\$10,323	\$9,785	\$1,571	1.1x	6.6x
TKR	Timken Company	\$87.43	70	\$6,132	\$8,301	\$4,769	\$940	1.7x	8.8x
TDG	TransDigm Group Incorporated	\$1,231.60	56	\$68,485	\$86,294	\$6,977	\$3,446	12.4x	25.0x
TRS	TriMas Corporation	\$26.73	41	\$1,097	\$1,505	\$894	\$135	1.7x	11.2x
<b>Mean</b>					\$24,949	\$5,807	\$1,324	<b>4.2x</b>	<b>17.3x</b>
<b>Median</b>					\$9,270	\$4,124	\$770	<b>3.4x</b>	<b>17.9x</b>

Source: FactSet

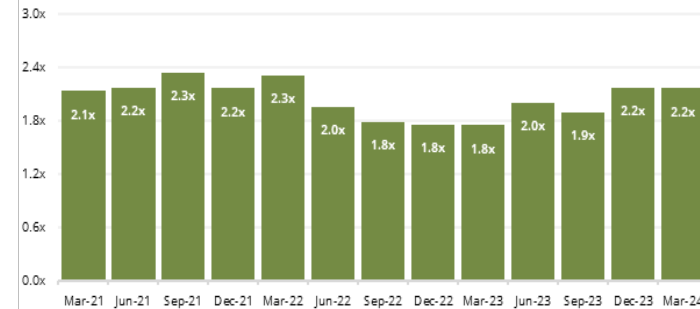
# Public Comparables

## C5ISR & Electronic Warfare

C5ISR & Electronic Warfare | Median EBITDA Multiples



C5ISR & Electronic Warfare | Median Revenue Multiples



FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
AVAV	AeroVironment, Inc.	\$153.28	28	\$4,313	\$4,275	\$706	\$186	6.1x	23.0x
CMGMF	Chemring Group PLC	\$4.61	273	\$1,256	\$1,264	\$583	\$83	2.2x	15.1x
ESLT	Elbit Systems Ltd	\$210.23	44	\$9,348	\$10,581	\$5,975	\$534	1.8x	19.8x
IIVI	Coherent Corp.	\$60.62	152	\$9,203	\$15,237	\$4,630	\$792	3.3x	19.2x
KTOS	Kratos Defense & Security Solutions, Inc.	\$18.38	149	\$2,742	\$3,013	\$1,037	\$77	2.9x	39.1x
MRCY	Mercury Systems, Inc.	\$29.50	59	\$1,751	\$2,267	\$895	\$9	2.5x	242.0x
OSIS	OSI Systems, Inc.	\$142.82	17	\$2,435	\$2,796	\$1,367	\$220	2.0x	12.7x
QNTQF	QinetiQ Group plc	\$4.62	574	\$2,651	\$2,989	\$2,197	\$314	1.4x	9.5x
RADA	Leonardo DRS, Inc.	\$22.09	263	\$5,801	\$5,829	\$2,826	\$334	2.1x	17.5x
<b>Mean</b>					\$5,361	\$2,246	\$283	<b>2.7x</b>	<b>44.2x</b>
<b>Median</b>					\$3,013	\$1,367	\$220	<b>2.2x</b>	<b>19.2x</b>

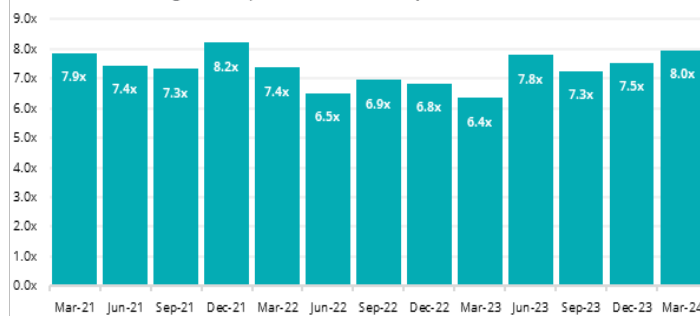
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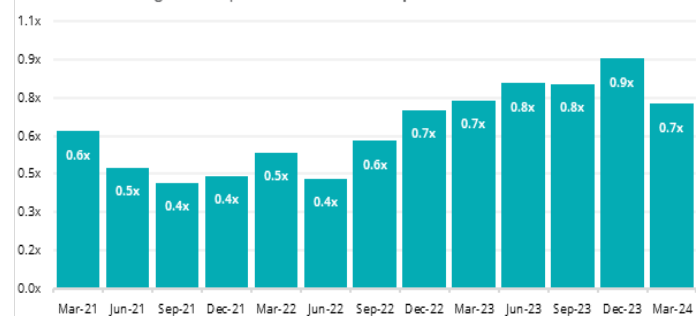
# Public Comparables

## Electronic Manufacturing Services

Electronic Manufacturing Services | Median EBITDA Multiples



Electronic Manufacturing Services | Median Revenue Multiples



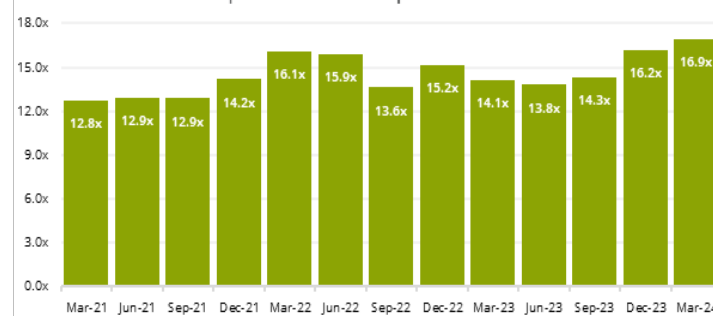
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
BELFB	Bel Fuse Inc. Class B	\$60.31	11	\$640	\$707	\$640	\$109	1.1x	6.5x
BHE	Benchmark Electronics, Inc.	\$30.01	36	\$1,074	\$1,260	\$2,839	\$160	0.4x	7.9x
CLS	Celestica Inc.	\$44.94	119	\$5,359	\$5,776	\$7,961	\$559	0.7x	10.3x
CTS	CTS Corporation	\$46.79	31	\$1,441	\$1,374	\$551	\$108	2.5x	12.7x
FLEX	Flex Ltd.	\$28.61	421	\$12,049	\$13,701	\$29,359	\$1,949	0.5x	7.0x
JBL	Jabil Inc.	\$133.95	128	\$17,085	\$17,457	\$33,454	\$2,505	0.5x	7.0x
MCHP	Microchip Technology Incorporated	\$89.71	540	\$48,478	\$53,925	\$8,541	\$4,077	6.3x	13.2x
MEI	Methode Electronics, Inc.	\$12.18	35	\$431	\$666	\$1,138	\$83	0.6x	8.0x
TTMI	TTM Technologies, Inc.	\$15.65	102	\$1,595	\$2,165	\$2,233	\$272	1.0x	8.0x
<b>Mean</b>					\$10,781	\$9,635	\$1,091	<b>1.5x</b>	<b>9.0x</b>
<b>Median</b>					\$2,165	\$2,839	\$272	<b>0.7x</b>	<b>8.0x</b>

Source: FactSet

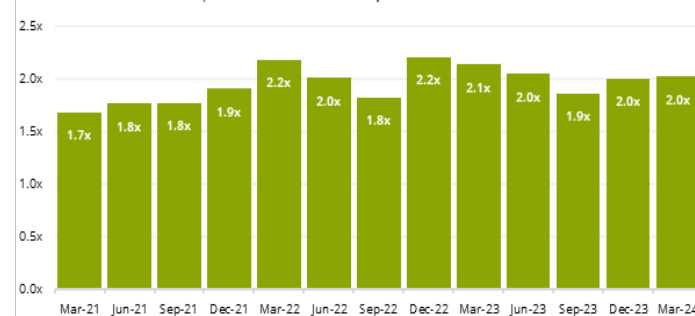
# Public Comparables

## Prime Defense - United States

Prime Defense - United States | Median EBITDA Multiples



Prime Defense - United States | Median Revenue Multiples



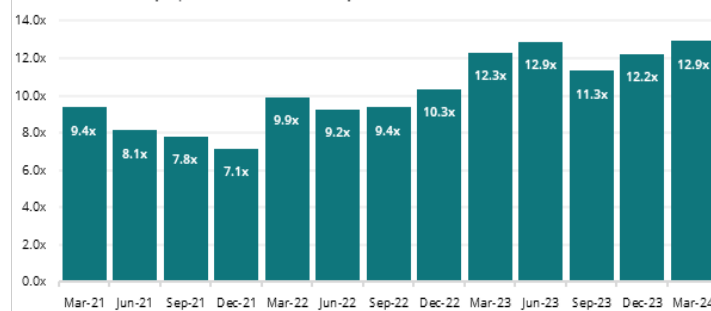
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
BA	Boeing Company	\$192.99	610	\$117,750	\$155,911	\$77,794	\$1,048	2.0x	148.8x
GD	General Dynamics Corporation	\$282.49	274	\$77,397	\$86,567	\$42,272	\$5,108	2.0x	16.9x
HII	Huntington Ingalls Industries, Inc.	\$291.47	40	\$11,539	\$13,834	\$11,454	\$971	1.2x	14.2x
LHX	L3Harris Technologies Inc	\$213.10	190	\$40,508	\$53,962	\$19,419	\$3,193	2.8x	16.9x
LMT	Lockheed Martin Corporation	\$454.87	242	\$109,916	\$127,110	\$67,571	\$9,761	1.9x	13.0x
NOC	Northrop Grumman Corp.	\$478.66	148	\$70,909	\$83,848	\$39,290	\$3,875	2.1x	21.6x
OSK	Oshkosh Corp	\$124.71	66	\$8,178	\$9,130	\$9,648	\$989	0.9x	9.2x
RTX	RTX Corporation	\$97.53	1330	\$129,680	\$170,327	\$68,920	\$7,360	2.5x	23.1x
<b>Mean</b>					\$87,586	\$42,046	\$4,038	<b>1.9x</b>	<b>33.0x</b>
<b>Median</b>					\$85,207	\$40,781	\$3,534	<b>2.0x</b>	<b>16.9x</b>

Source: FactSet

# Public Comparables

## Prime Defense - Europe

Prime Defense - Europe | Median EBITDA Multiples



Prime Defense - Europe | Median Revenue Multiples



FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
AIR-FR	Airbus SE	\$184.38	792	\$146,079	\$140,942	\$70,755	\$7,036	2.0x	20.0x
AUTLF	Austal Limited	\$1.42	362	\$513	\$572	\$1,015	\$45	0.6x	12.7x
BA-GB	BAE Systems plc	\$17.05	3028	\$51,618	\$54,515	\$28,687	\$3,750	1.9x	14.5x
LDO-IT	Leonardo SpA	\$25.14	578	\$14,536	\$18,091	\$16,531	\$1,562	1.1x	11.6x
NSKFF	Kongsberg Gruppen ASA	\$69.69	176	\$12,260	\$12,162	\$3,841	\$547	3.2x	22.2x
RHM-DE	Rheinmetall AG	\$562.68	44	\$24,510	\$25,966	\$7,758	\$1,239	3.3x	21.0x
TKA-DE	thyssenkrupp AG	\$5.37	623	\$3,344	\$173	\$39,676	\$1,283	0.0x	0.1x
SMGKF	Smiths Group Plc	\$20.73	348	\$7,204	\$7,816	\$3,794	\$720	2.1x	10.9x
HO-FR	Thales SA	\$170.69	210	\$35,882	\$36,365	\$19,229	\$2,815	1.9x	12.9x
<b>Mean</b>					\$32,956	\$21,254	\$2,111	<b>1.8x</b>	<b>14.0x</b>
<b>Median</b>					\$18,091	\$16,531	\$1,283	<b>1.9x</b>	<b>12.9x</b>

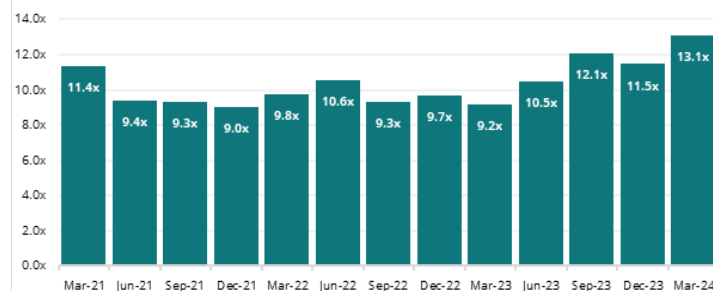
Source: FactSet



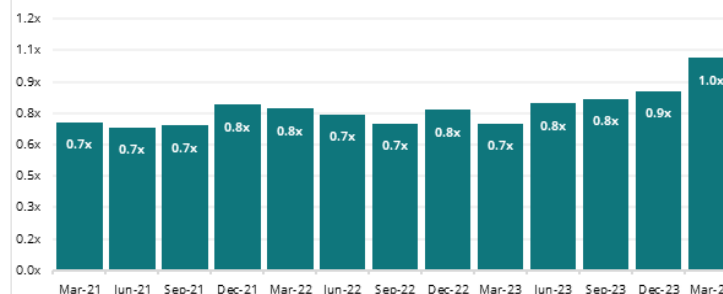
# Public Comparables

## Prime Defense - Asia

Prime Defense - Asia | Median EBITDA Multiples



Prime Defense - Asia | Median Revenue Multiples



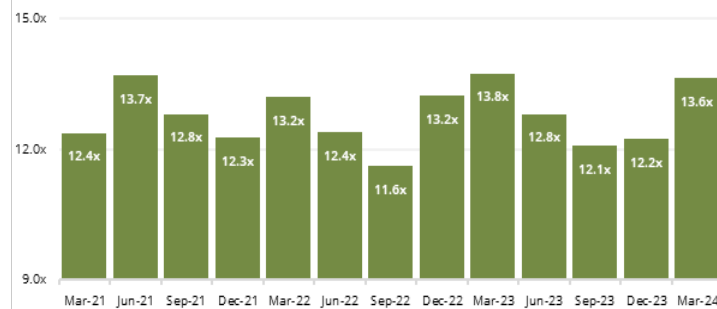
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
000880-KRX	Hanwha Corp	\$20.09	75	\$1,506	\$35,394	\$42,368	\$2,859	0.8x	12.4x
011210-KRX	Hyundai Wia Corporation	\$42.12	27	\$1,145	\$1,683	\$6,574	\$389	0.3x	4.3x
064350-KRX	Hyundai Rotem Co.	\$27.34	109	\$2,983	\$2,650	\$2,745	\$191	1.0x	13.9x
064960-KRX	SNT MOTIV CO., LTD	\$33.72	15	\$493	\$121	\$870	\$112	0.1x	1.1x
500493-BOM	Bharat Forge Ltd	\$13.54	466	\$6,305	\$6,938	\$1,759	\$279	3.9x	24.8x
500510-BOM	Larsen & Toubro Ltd.	\$45.25	1375	\$62,206	\$64,300	\$25,681	\$3,546	2.5x	18.1x
500570-BOM	Tata Motors Limited	\$11.91	3323	\$39,567	\$55,156	\$52,006	\$7,565	1.1x	7.3x
7011-JP	Mitsubishi Heavy Industries, Ltd.	\$9.57	3374	\$32,289	\$42,389	\$32,184	\$2,725	1.3x	15.6x
7012-JP	Kawasaki Heavy Industries Ltd.	\$33.68	168	\$5,655	\$11,953	\$12,505	\$572	1.0x	20.9x
S63-SG	Singapore Technologies Engineering Ltd	\$2.98	3122	\$9,301	\$13,862	\$7,520	\$1,147	1.8x	12.1x
<b>Mean</b>					\$23,445	\$18,421	\$1,939	<b>1.4x</b>	<b>13.0x</b>
<b>Median</b>					\$12,908	\$10,013	\$860	<b>1.0x</b>	<b>13.1x</b>

Source: FactSet

# Public Comparables

## Contract Services

Contract Services | Median EBITDA Multiples



Contract Services | Median Revenue Multiples



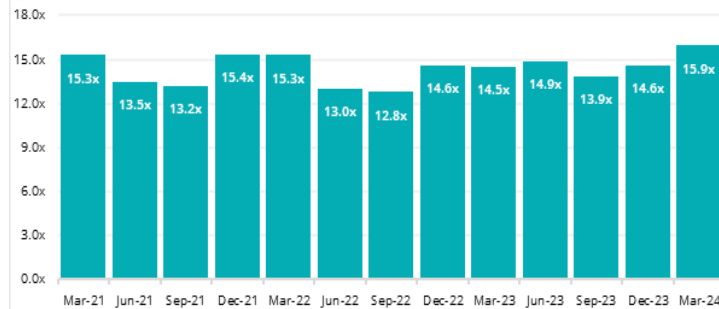
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
BAH	Booz Allen Hamilton Holding Corporation Class A	\$148.44	130	\$19,259	\$22,291	\$10,324	\$898	2.2x	24.8x
BCKIF	Babcock International Group PLC	\$6.64	506	\$3,355	\$3,928	\$5,478	\$434	0.7x	9.1x
CACI	CACI International Inc Class A	\$378.83	22	\$8,442	\$10,412	\$7,131	\$751	1.5x	13.9x
ICFI	ICF International, Inc.	\$150.63	19	\$2,819	\$3,452	\$1,963	\$202	1.8x	17.1x
LDOS	Leidos Holdings, Inc.	\$131.09	136	\$17,799	\$22,262	\$15,438	\$1,633	1.4x	13.6x
MMS	MAXIMUS, Inc.	\$83.90	61	\$5,121	\$6,447	\$4,983	\$486	1.3x	13.3x
PSN	Parsons Corporation	\$82.95	106	\$8,779	\$9,525	\$5,443	\$460	1.8x	20.7x
SECCF	Serco Group plc	\$2.41	1097	\$2,639	\$3,325	\$6,099	\$502	0.5x	6.6x
VEC	V2X Inc	\$46.71	31	\$1,463	\$2,626	\$3,963	\$241	0.7x	10.9x
<b>Mean</b>					\$9,363	\$6,758	\$623	<b>1.3x</b>	<b>14.4x</b>
<b>Median</b>					\$6,447	\$5,478	\$486	<b>1.4x</b>	<b>13.6x</b>

Source: FactSet

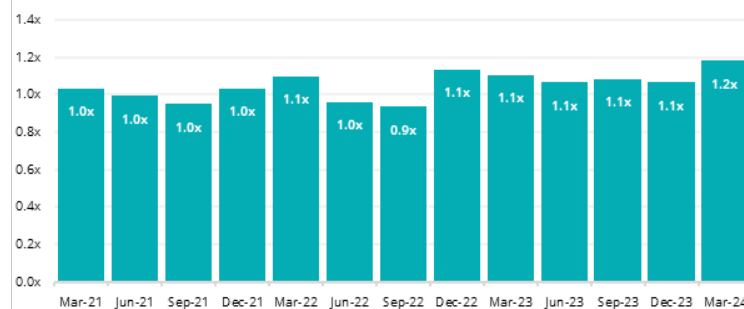
# Public Comparables

## Engineering & Construction

Engineering & Construction | Median EBITDA Multiples



Engineering & Construction | Median Revenue Multiples



FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
ACM	AECOM	\$98.08	136	\$13,341	\$15,200	\$14,896	\$991	1.0x	15.3x
BAFBF	Balfour Beatty plc	\$4.84	534	\$2,583	\$2,003	\$9,428	\$358	0.2x	5.6x
FLR	Fluor Corporation	\$42.28	170	\$7,205	\$6,028	\$15,474	\$319	0.4x	18.9x
JEC	Jacobs Solutions Inc.	\$153.73	126	\$19,316	\$22,450	\$16,680	\$1,454	1.3x	15.4x
KBR	KBR, Inc.	\$63.66	135	\$8,599	\$10,362	\$6,956	\$630	1.5x	16.4x
STN	Stantec Inc	\$83.04	114	\$9,472	\$10,525	\$4,801	\$603	2.2x	17.5x
WDGJF	John Wood Group PLC	\$1.68	692	\$1,159	\$2,249	\$5,868	\$337	0.4x	6.7x
PSN	Parsons Corporation	\$82.95	106	\$8,779	\$9,525	\$5,443	\$460	1.8x	20.7x
<b>Mean</b>					\$9,793	\$9,943	\$644	<b>1.1x</b>	<b>14.6x</b>
<b>Median</b>					\$9,943	\$8,192	\$532	<b>1.2x</b>	<b>15.9x</b>

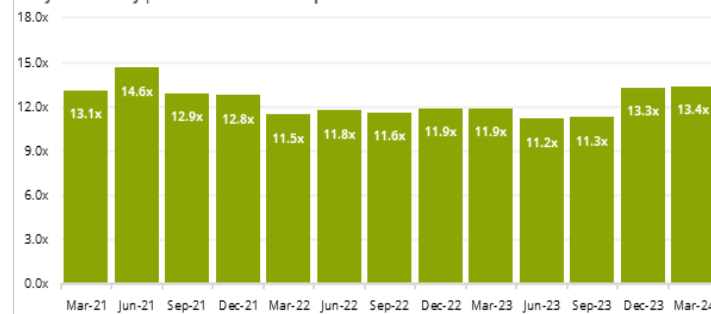
Source: FactSet



# Public Comparables

## IT & Cybersecurity

IT & Cybersecurity | Median EBITDA Multiples



IT & Cybersecurity | Median Revenue Multiples



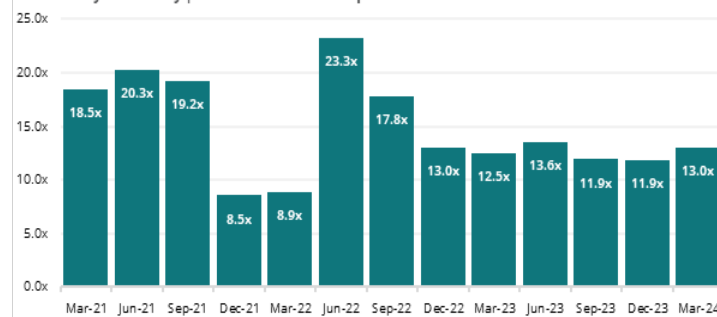
FactSet Identifier	Company \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
BB	BlackBerry Limited	\$2.76	585	\$1,616	\$1,592	\$842	(\$41)	1.9x	NM
CRWD	CrowdStrike Holdings, Inc. Class A	\$320.59	229	\$73,538	\$74,892	\$3,056	\$155	24.5x	481.8x
DXC	DXC Technology Co.	\$21.21	183	\$3,879	\$7,825	\$13,872	\$1,920	0.6x	4.1x
FTNT	Fortinet, Inc.	\$68.31	763	\$52,123	\$50,754	\$5,305	\$1,350	9.6x	37.6x
GIB	CGI Inc. Class A	\$110.49	206	\$22,800	\$26,828	\$10,705	\$2,019	2.5x	13.3x
PANW	Palo Alto Networks, Inc.	\$284.13	323	\$91,802	\$90,610	\$7,527	\$901	12.0x	100.6x
SPLK	Splunk Inc.	\$156.90	154	\$24,216	\$25,474	\$3,981	\$164	6.4x	155.0x
NLOK	Gen Digital Inc.	\$22.40	637	\$14,267	\$23,077	\$3,792	\$1,712	6.1x	13.5x
4704-JP	Trend Micro Incorporated	\$51.74	141	\$7,290	\$4,899	\$1,769	\$433	2.8x	11.3x
SWI	SolarWinds Corp.	\$12.62	167	\$2,103	\$3,082	\$759	\$273	4.1x	11.3x
UIS	Unisys Corporation	\$4.91	68	\$336	\$510	\$2,015	\$229	0.3x	2.2x
ZS	Zscaler, Inc.	\$192.63	150	\$28,867	\$27,641	\$1,896	(\$95)	14.6x	NM
Mean					\$28,099	\$4,626	\$752	7.1x	83.1x
Median					\$24,275	\$3,424	\$353	5.1x	13.4x

Source: FactSet

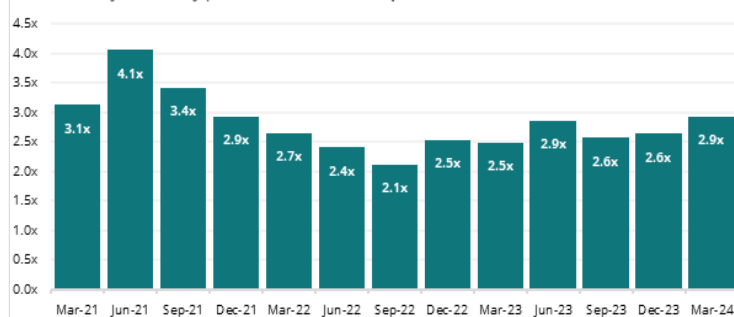
# Public Comparables

## Public Safety & Security

Public Safety & Security | Median EBITDA Multiples



Public Safety & Security | Median Revenue Multiples



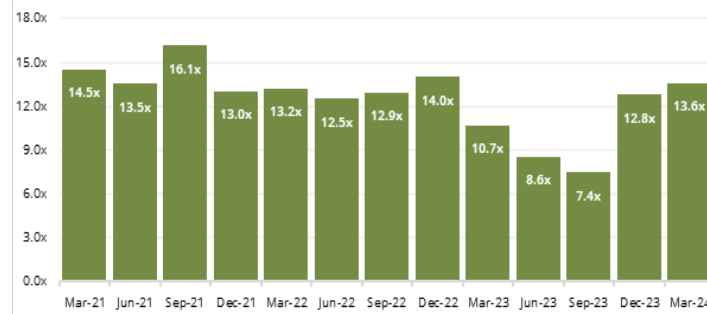
FactSet Identifier	Company Name \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
AAXN	Axon Enterprise Inc	\$312.88	75	\$23,561	\$22,949	\$1,563	\$187	14.7x	122.4x
BCO	Brink's Company	\$92.38	44	\$4,103	\$6,419	\$4,875	\$770	1.3x	8.3x
DGLY	Digital Ally, Inc.	\$2.52	3	\$7	\$11	\$31	(\$24)	0.4x	NM
MSA	MSA Safety, Inc.	\$193.59	39	\$7,612	\$8,123	\$1,788	\$458	4.5x	17.8x
PSG-ES	Prosegur Compania de Seguridad SA	\$1.66	545	\$903	\$2,471	\$4,660	\$511	0.5x	4.8x
WRAP-US	Wrap Technologies, Inc.	\$2.26	44	\$100	\$87	\$9	(\$15)	9.6x	NM
<b>Mean</b>					\$6,677	\$2,154	\$315	<b>5.2x</b>	<b>38.3x</b>
<b>Median</b>					\$4,445	\$1,676	\$322	<b>2.9x</b>	<b>13.0x</b>

Source: FactSet

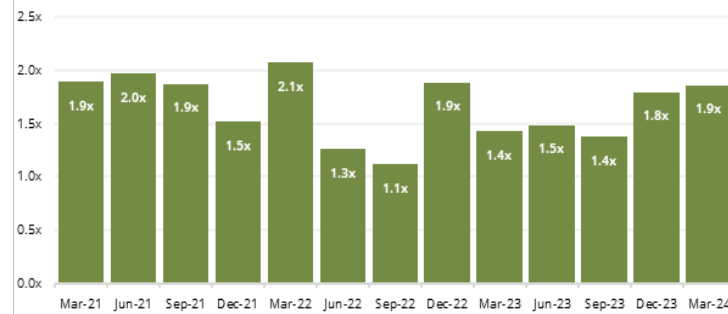
# Public Comparables

## Space & Satellite

Space & Satellite | Median EBITDA Multiples



Space & Satellite | Median Revenue Multiples



FactSet Identifier	Company Name \$USD in Millions	Share Price	Shares O/S (MM)	Market Cap	Enterprise Value (MM)	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
								Revenues	EBITDA
BLL	Ball Corporation	\$67.36	316	\$21,262	\$29,638	\$13,986	\$2,117	2.1x	14.0x
CMTL	Comtech Telecommunications Corp.	\$3.43	28	\$98	\$434	\$571	\$47	0.8x	9.3x
GILT	Gilat Satellite Networks Ltd.	\$5.43	57	\$310	\$220	\$266	\$32	0.8x	6.9x
KVHI	KVH Industries, Inc.	\$5.10	20	\$100	\$31	\$132	\$2	0.2x	15.0x
PL-USA	Planet Labs PBC Class A	\$2.55	266	\$679	\$455	\$221	(\$122)	2.1x	NM
SATS	EchoStar Corporation Class A	\$14.25	140	\$1,997	\$28,259	\$17,016	\$2,081	1.7x	13.6x
TSAT-USA	Telesat Corp.	\$8.52	13	\$115	\$2,617	\$522	\$370	5.0x	7.1x
VSAT	ViaSat, Inc.	\$18.09	125	\$2,267	\$8,403	\$3,800	\$9	2.2x	926.0x
<b>Mean</b>					\$8,757	\$4,564	\$567	<b>1.9x</b>	<b>141.7x</b>
<b>Median</b>					\$1,536	\$546	\$39	<b>1.9x</b>	<b>13.6x</b>

Source: FactSet

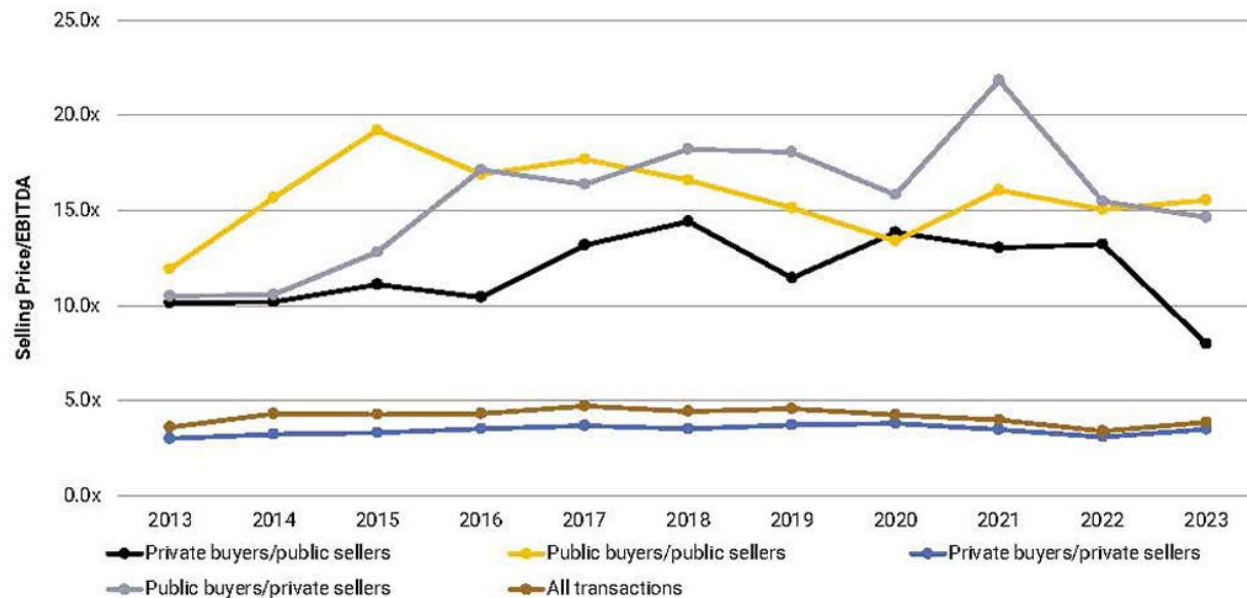


# Public Vs. Private Comparables

## Valuation Premiums Can Be Considerable

Regardless of industry, publicly traded companies often trade at premium valuations to privately held companies. This is reflected in M&A transactions and can lead to unrealistic value expectations for some business owners. The chart below illustrates this variance and shows that the variance has been both long term and growing.

Transactions between private buyer and private seller tend to be small by comparison and thus do not benefit from a “size” premium that is associated with transactions in general. While this chart does not breakout private equity transactions, our analysis indicates those transactions usually fall between public and private and move closer to public as size increases.



*Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.*

DealStats Value Index Report Q1-2024



# CFA Overview



# About CFA

## Who We Are / What We Do

Corporate Finance Associates (CFA) is an independent international investment banking firm serving middle-market businesses. For over 60 years Corporate Finance Associates has been advocating on behalf of business owners who are restructuring a company, either through divestiture, merger, acquisition or recapitalization. Combining the knowledge and leverage of a larger bank with the customer focused detail of a boutique firm, from inception to completion, our senior principals provide hands-on expertise to clients buying, selling or recapitalizing a business.

This Aerospace, Defense and Government Industry Practice Group was established to draw on the experience of CFA advisors, many of whom as former business owners and CEOs, have first-hand knowledge and have completed many transactions in this industry. Working with your local CFA representative, you can be sure that the collective wealth of knowledge is available to every CFA client.



### Sell-Side Advisory

Whether as a divestiture strategy or a recapitalization strategy selling all or part of a business requires equal parts creative thinking, critical analysis, expert advice, sound planning and flawless execution. Having the right team of investment banking professionals working for you is critical to ensure success.



### Capital Markets

Our commitment to remaining independent from any investment or lending affiliates ensures that we deliver unbiased guidance. It also promotes maximum competition among lending sources, helping to fully leverage value for our clients. Our role is to help you raise the type of capital that best fits your needs.



### Buy-Side Advisory

Growth through acquisition is a complex process. It involves strategy, planning, critical analysis, coordination and negotiation. When you want to take advantage of the fast growth offered by a consolidation or roll-up, CFA's broad reach, sources of financing and efficient closings can help you achieve your business growth goals.



### Financial Advisory

Now that you have made the decision to raise capital for your business, choosing the right investment banker is critical. Whether you are buying out a partner, financing an acquisition or seeking growth capital, CFA is the right choice to help you achieve your financing goals.



### Exit Planning

Every business will ultimately undergo a transfer via sale or merger, a charitable donation, a transfer to a child or relative or even bankruptcy, liquidation or death. Every ownership transfer carries with it a unique set of consequences and the best consequences usually begin with a clearly defined exit plan.



### Business Valuation

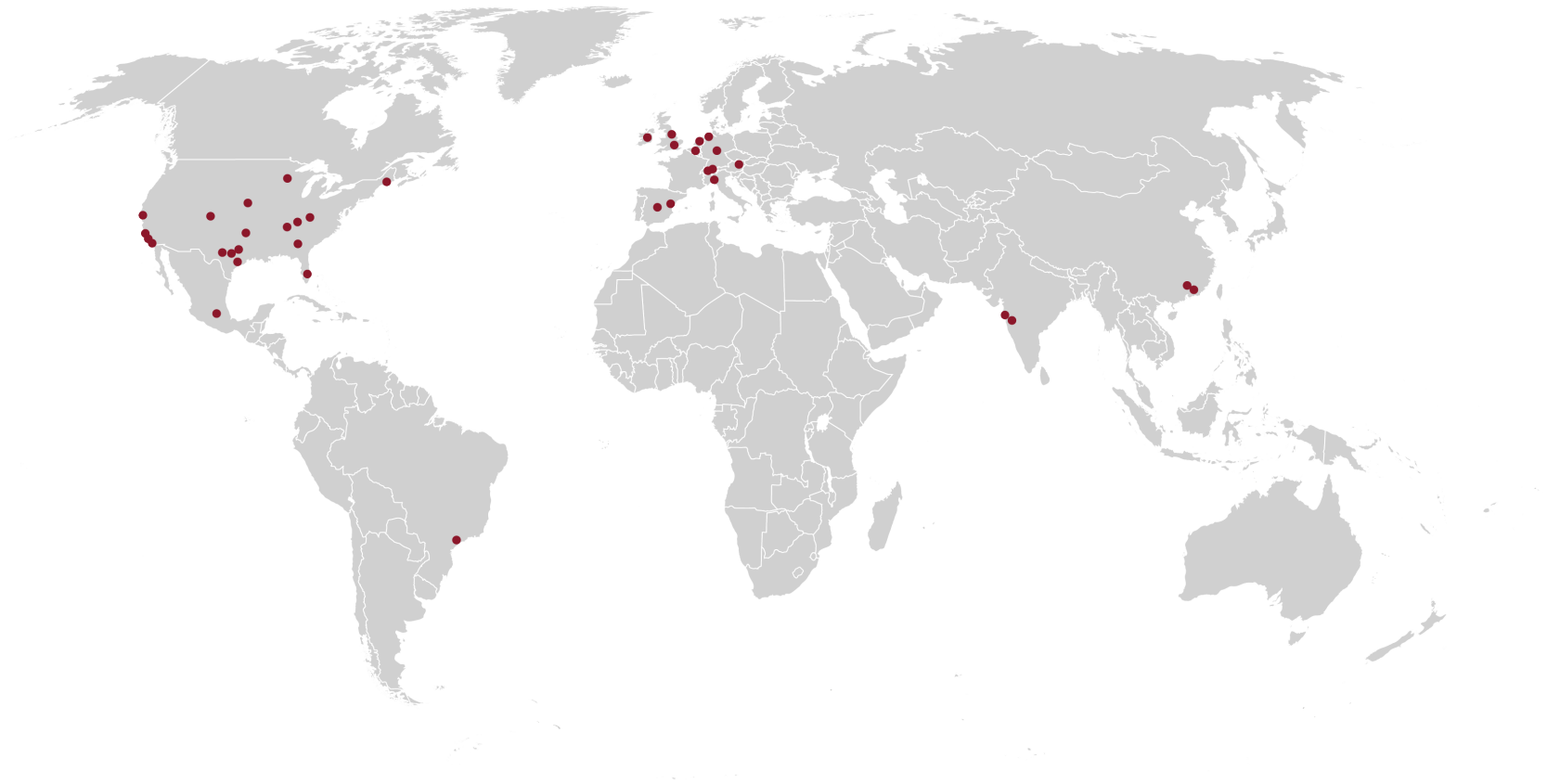
"What is my business worth" is a question we often hear from business owners contemplating a business sale, merger or recapitalization. Answering this question depends on many factors, including the business valuation methods that are employed in the calculation.



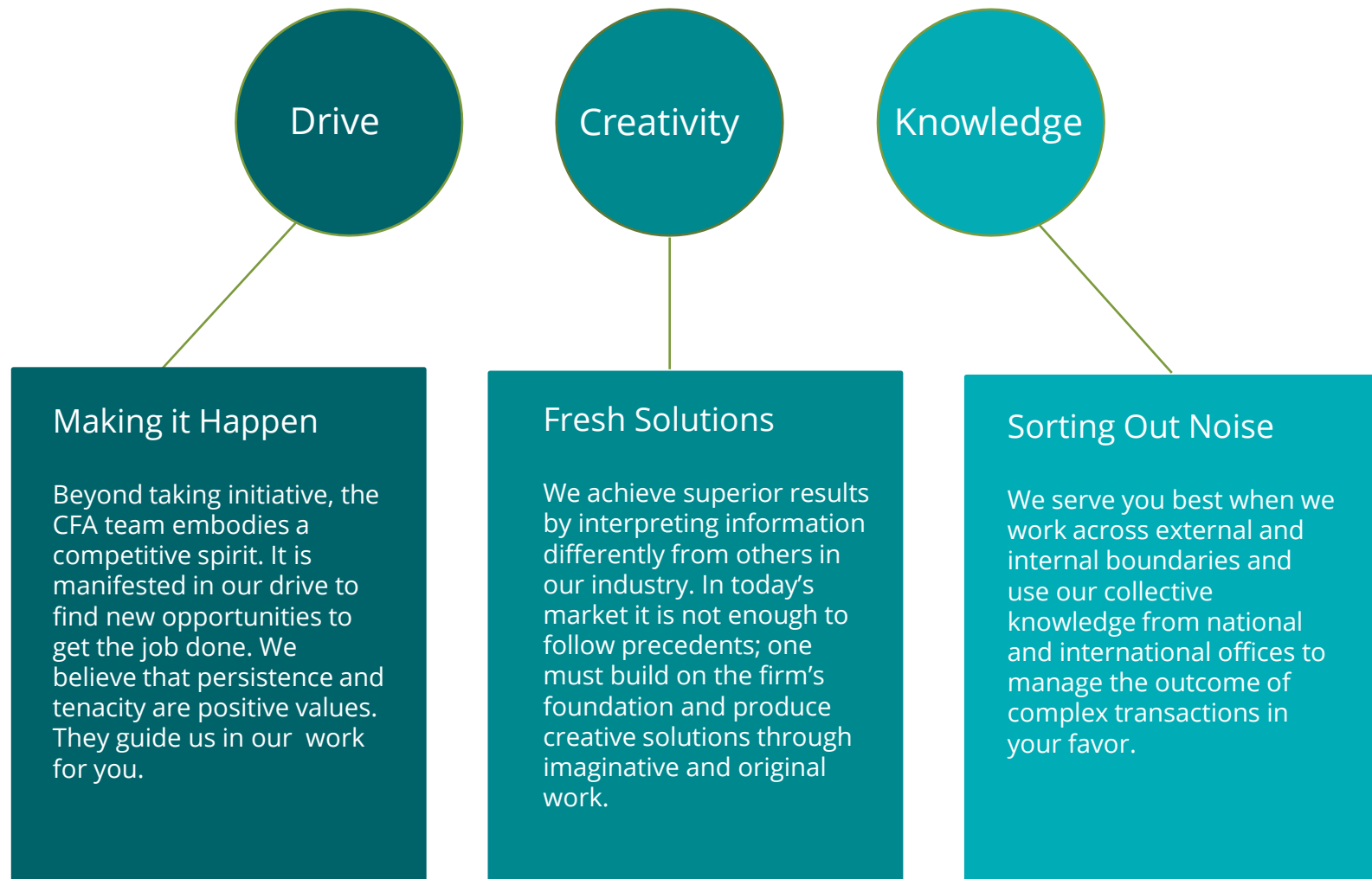
# Local Service, Global Reach

## Where We Are

With offices across the USA and in Austria, Belgium, Brazil, Germany, Hong Kong, India, Ireland, Italy, Mexico, Netherlands, Spain, Switzerland and the United Kingdom providing middle-market companies with a wide range of M&A, financial advisory services and access to capital resources.

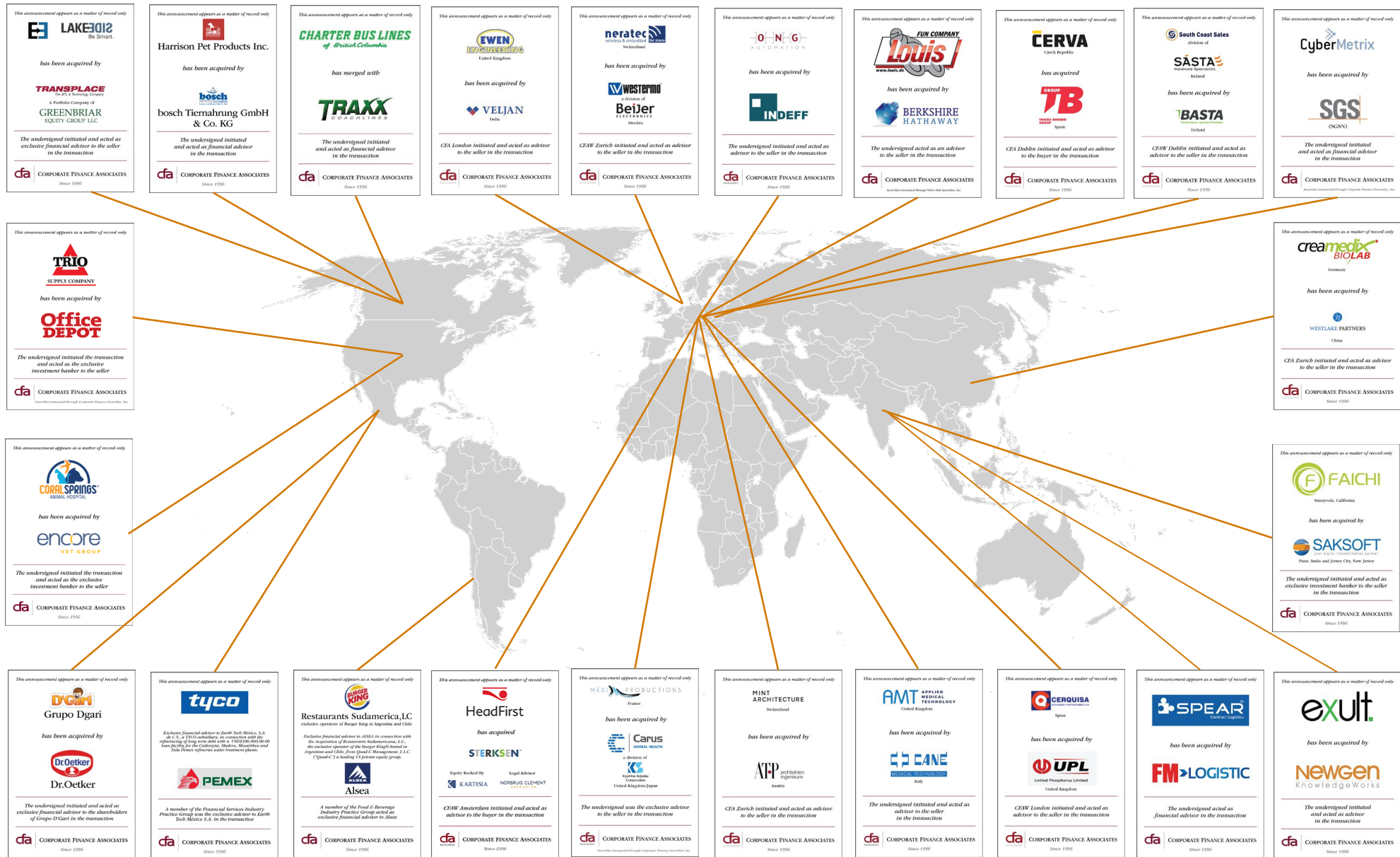


# Delivering Results



Founded in 1956 • 70 Managing Directors • 37 Offices Worldwide • Billions in M&A Transactions

# Worldwide Transactions





# Industry Practice Groups

## Aerospace, Defense, Government



The Aerospace, Defense, Government practice group is comprised of accomplished dealmakers with extensive experience in advising both public and private companies in the industry. These dealmakers offer expert service in acquisitions, divestitures, financing, and strategic planning to a wide range of companies operating in multiple subsectors including:

- Commercial & Military Aerospace
- Defense & Weapon Systems
- Cyber & Homeland Security
- Government Contract Services
- MRO, FBO, Charter & Management
- Airport Services

Whether you want to acquire, merge, sell, or finance, let CFA's industry knowledge, international resources and proven dealmaking skills work for you. We research, identify, qualify, advocate, negotiate and help steer you through the mine fields of due diligence to maximize your value and secure your objective.

### Aerospace/Defense/Government

Agriculture

Animal Health

Business Services

Chemicals & Plastics

Commercial Real Estate

Consumer Retail

Energy

Engineering/Construction

Financial Services & FinTech

Food/Beverage

Healthcare/Life Sciences

Industrials

Metal Fabrication

Print/Packaging

Semiconductors

Specialty Chemicals

Technology/Media/Telecom

Transportation/Logistics/Supply Chain

Wholesale Distribution

# Recent Industry Transactions

*This announcement appears as a matter of record only*



*has been acquired by*



(NASDAQ: TTEK)

*The undersigned acted as financial advisor in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Securities transacted through Corporate Finance Securities, Inc.

*This announcement appears as a matter of record only*



*has merged with*



a portfolio company of  
**MPE PARTNERS**

*The undersigned initiated and acted as advisor to Safe Fuel Systems in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Securities transacted through Corporate Finance Securities, Inc.

*This announcement appears as a matter of record only*



*has been recapitalized by*



*The undersigned initiated and acted as financial advisor to Pacific Aviation in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Securities transacted through Corporate Finance Securities, Inc.

*This announcement appears as a matter of record only*

**ParkAvion Property Management HWD, LLC**

*has obtained financing from*



*The undersigned initiated and acted as financial advisor in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Since 1956

*This announcement appears as a matter of record only*



*has been acquired by*



a portfolio company of  
**ODYSSEY INVESTMENT PARTNERS, LLC**

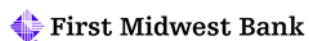
*The undersigned was engaged as the investment banker for the seller in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Since 1956

*This announcement appears as a matter of record only*



*has been financed by*



*The undersigned initiated and acted as financial advisor in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Since 1956

*This announcement appears as a matter of record only*



*has been acquired by*



*The undersigned initiated and acted as financial advisor in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Securities transacted through Corporate Finance Securities, Inc.

*This announcement appears as a matter of record only*



**SAKER**  
aviation services  
(OTCQB: SKAS)

*has acquired*



*The undersigned initiated and acted as an advisor to the buyer in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Securities transacted through Corporate Finance Securities, Inc.

*This announcement appears as a matter of record only*



*has been acquired by*



*A member of CFA's Aviation, Aerospace & Defense Industry Practice Group acted as financial advisor in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Since 1956

*This announcement appears as a matter of record only*



*has been recapitalized by*



*The undersigned initiated and acted as financial advisor to Solair Group in the transaction*

**cfa** | CORPORATE FINANCE ASSOCIATES  
Securities transacted through Corporate Finance Securities, Inc.