



Aerospace & Defense

Situational Awareness:
Second Quarter 2025

B | RILEY
Securities

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The case studies presented herein are provided for illustrative purposes only and there are no guarantees that any of the strategies or offering types cited in this presentation will be successful. Each offering type cited in this presentation is highly dependent on a variety of factors including, but not limited to: the type of offering; the manner in which the transaction is marketed; the sector into which the underlying company belongs; the depth and breadth the market or market sector, the offering price and general financial conditions.

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Executive Summary

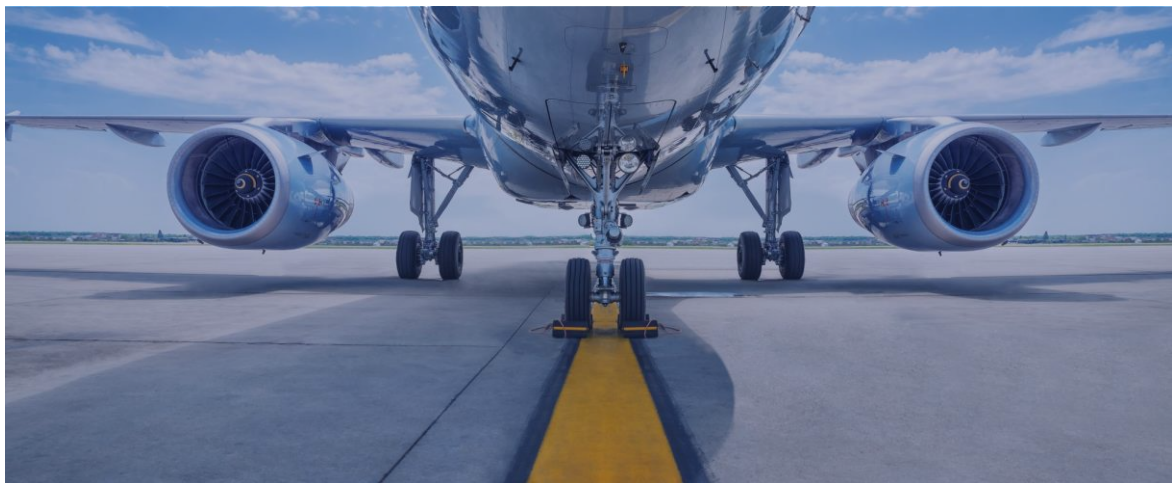
2Q 2025 M&A activity was below the quarterly 5-year average of 92 with 78 deals announced. The quarter had 3 announced \$1B+ transactions (p. 5-6).

After 20+ A&D deSPACs in 2021 and 2022, A&D SPACtivity slowed significantly with 2 deSPACs in 2023 and 0 deSPACs in 2024 and 1H 2025. 2 qualifying transactions are awaiting deSPAC (p. 7).

Public company dry powder was \$76.5 billion at 1Q 2025, down by \$6.0 billion since 4Q 2024 (p. 9).

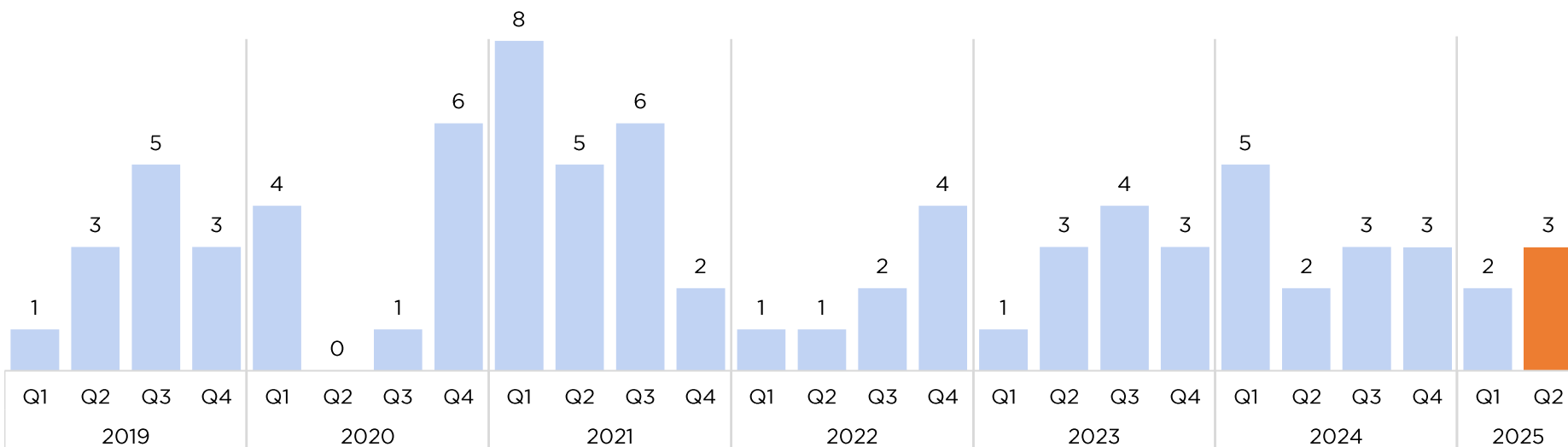
Private equity dry powder continues to increase, while sponsors own a record number of A&D companies (p. 10).

Investments continue in emerging technologies, including hypersonics, space, autonomy, unmanned systems and artificial intelligence, generating future M&A opportunities.

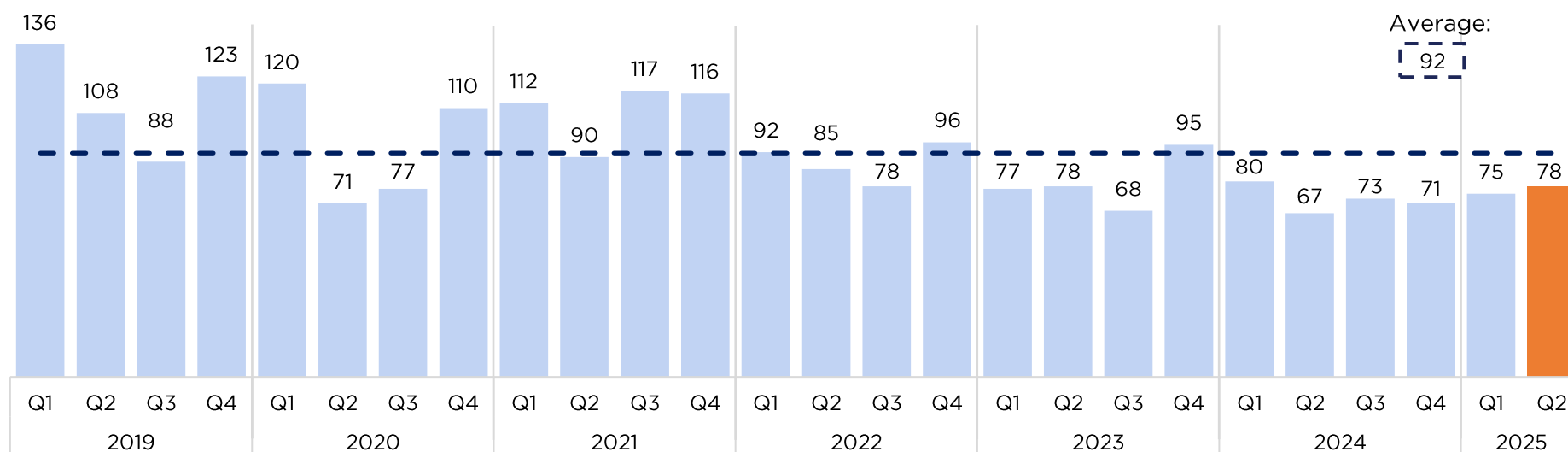


Global M&A Transactions

Announced A&D Transactions \$1+ billion



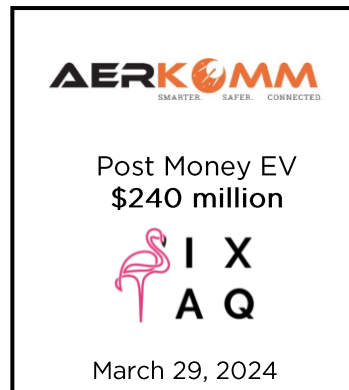
Total Announced A&D Transactions



A&D Transactions Announced – \$1B +

Target					
Buyer					
TEV (\$M)	\$1,550	\$5,000	\$10,550	\$3,000	\$8,588
Announce Date	June 16, 2025	May 27, 2025	April 22, 2025	February 3, 2025	July 1, 2024

A&D SPACtivity – Qualifying Transactions (Awaiting deSPAC)



Sources:

<https://www.globenewswire.com/news-release/2024/03/29/2854748/0/en/AERKOMM-and-Nasdaq-Listed-IX-Acquisition-Corp-Announce-Merger-Agreement-and-US-35-Million-Private-Placement.html>
<https://www.businesswire.com/news/home/20240204812751/en/Slam-Corp.-and-Lynk-Global-Inc.-Announce-Definitive-Business-Combination-Agreement>

A&D SPACtivity – Select deSPAC Performance

	Ticker	Date deSPAC	Stock Price	Shares Out.	Market Cap	Cash	Debt	EV	52-Week Low	52-Week High	Relative to IPO
AST SpaceMobile, Inc.	NasdaqGS:ASTS	12/16/2020	\$46.73	337.6	\$15,777.9	\$873.8	\$479.8	\$11,404.8	\$10.17	\$54.05	367.3%
Rocket Lab Corporation	NasdaqCM:RKLB	8/25/2021	\$35.77	461.4	\$16,505.4	\$303.1	\$489.7	\$16,482.8	\$4.20	\$37.95	257.7%
Redwire Corporation	NYSE:RDW	9/2/2021	\$16.30	142.6	\$2,324.0	\$54.2	\$125.4	\$2,529.9	\$4.87	\$26.66	63.0%
Intuitive Machines, Inc.	NasdaqGM:LUNR	9/16/2022	\$10.87	178.6	\$1,941.7	\$373.3	\$37.4	\$1,404.0	\$3.15	\$24.95	8.7%
Archer Aviation Inc.	NYSE:ACHR	9/17/2021	\$10.85	634.0	\$6,879.0	\$1,030.4	\$78.3	\$5,926.9	\$2.82	\$13.92	8.5%
Joby Aviation, Inc.	NYSE:JOBY	8/10/2021	\$10.55	841.5	\$8,877.8	\$122.3	\$40.7	\$8,106.0	\$4.66	\$11.16	5.5%
Eve Holding, Inc.	NYSE:EVEEX	5/6/2021	\$6.86	297.9	\$2,043.5	\$59.5	\$142.3	\$1,898.2	\$2.33	\$7.47	(31.4%)
BigBear.ai Holdings, Inc.	NYSE:BBAI	12/8/2021	\$6.79	291.2	\$1,977.2	\$107.6	\$111.3	\$1,980.8	\$1.17	\$10.36	(32.1%)
Planet Labs PBC	NYSE:PL	12/7/2021	\$6.10	303.4	\$1,850.9	\$133.5	\$19.6	\$1,644.5	\$1.73	\$6.71	(39.0%)
AerSale Corporation	NasdaqCM:ASLE	12/23/2020	\$6.01	46.9	\$281.6	\$4.7	\$168.8	\$445.7	\$4.53	\$8.76	(39.9%)
Blade Air Mobility, Inc.	NasdaqCM:BLDE	5/6/2021	\$4.03	81.0	\$326.5	\$34.8	\$9.1	\$215.6	\$2.35	\$5.17	(59.7%)
Satelogic Inc.	NasdaqCM:SATL	1/25/2022	\$3.62	104.1	\$376.9	\$17.7	\$103.4	\$462.6	\$0.72	\$5.49	(63.8%)
Satixfy Communications	NYSEAM:SATX	10/28/2022	\$2.93	86.8	\$254.5	\$7.8	\$72.9	\$319.6	\$0.60	\$2.99	(70.7%)
BlackSky Technology Inc.	NYSE:BKSY	9/9/2021	\$20.58 ⁽¹⁾	31.4	\$645.3	\$20.7	\$123.2	\$692.7	\$3.86	\$21.92	(74.3%)
flyExclusive, Inc.	NYSEAM:FLYX	12/28/2023	\$1.95	80.1	\$156.3	\$14.7	\$260.9	\$530.0	\$1.79	\$5.19	(80.5%)
Bridger Aerospace	NasdaqGM:BAER	1/25/2023	\$1.93	54.7	\$105.6	\$22.3	\$213.8	\$683.5	\$1.02	\$4.44	(80.7%)
Spire Global, Inc.	NYSE:SPIR	8/17/2021	\$11.90 ⁽²⁾	31.1	\$369.8	\$35.9	\$113.0	\$446.9	\$6.26	\$21.43	(85.1%)
Arqit Quantum Inc.	NasdaqCM:ARQQ	9/7/2021	\$37.03 ⁽³⁾	13.5	\$499.1	\$24.8	\$0.8	\$475.2	\$3.72	\$52.79	(85.2%)
Vertical Aerospace Ltd.	NYSE:EVTL	12/17/2021	\$6.77 ⁽⁴⁾	84.6	\$572.8	\$88.9	\$3.0	\$486.9	\$2.76	\$15.99	(93.2%)
Virgin Galactic Holdings, Inc.	NYSE:SPCE	10/25/2019	\$2.73 ⁽⁵⁾	41.6	\$113.5	\$140.8	\$492.8	\$71.2	\$2.18	\$8.79	(98.6%)
New Horizon Aircraft Ltd.	NASDAQ:HOVR	1/5/2024	\$1.71	31.4	\$53.7	\$6.4	\$0.0	\$51.7	\$0.24	\$2.52	(98.9%)
Momentum Inc.	NasdaqCM:MNTS	8/13/2021	\$1.22 ⁽⁶⁾	5.5	\$6.8	\$3.4	\$4.6	\$7.9	\$1.05	\$28.56	(99.1%)

1) Reflects 1-to-8 reverse stock split 2) Reflects 1-to-8 reverse stock split 3) Reflects 1-to-25 reverse stock split 4) Reflects 1-to-10 reverse stock split 5) Reflects 1-to-20 reverse stock split 6) Reflects 1-to-14 reverse stock split
Source: S&P Capital IQ as of June 30th, 2025

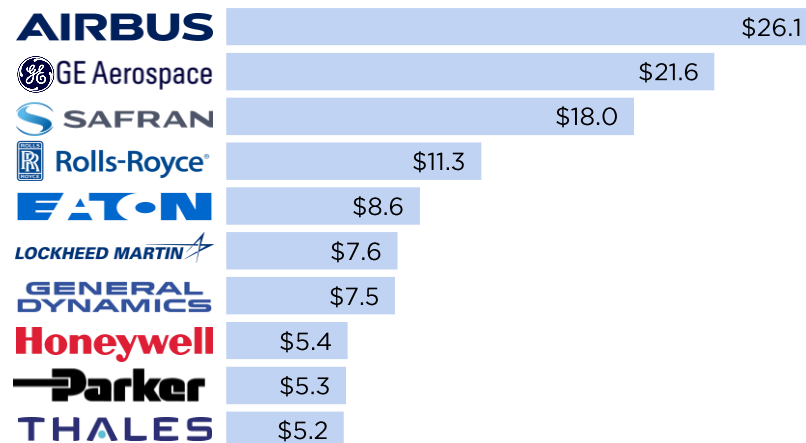
A&D Public Company Dry Powder Analysis

A&D public company dry powder (calculated as 3x EBITDA, less total debt plus unrestricted cash and short-term investments) was ~\$76.5 billion at Q1 2025.

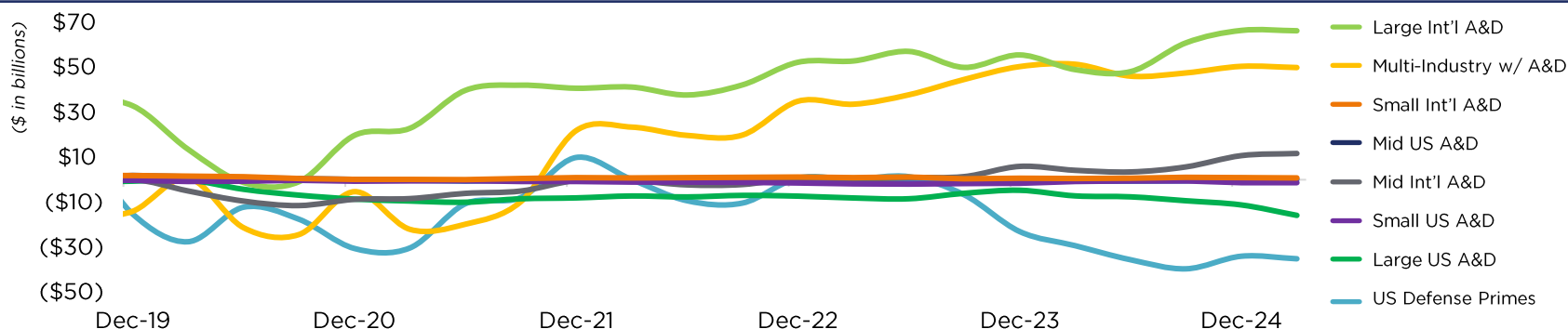
The top 10 companies ranked by dry powder collectively have ~\$116.6 billion (\$1.1 billion below prior quarter).

The Large International A&D and Multi-Industry w/ A&D segments combined have ~\$116.1 billion available.

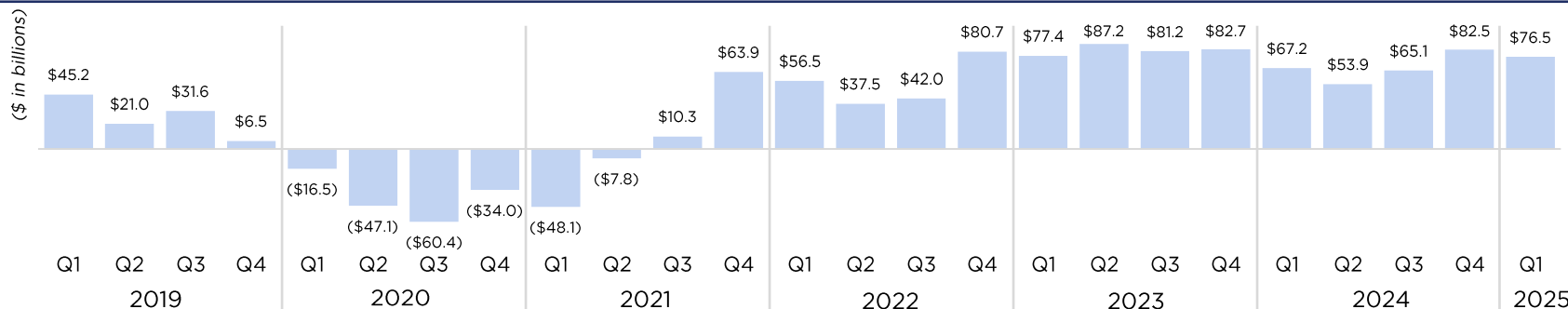
Dry Powder by Company



Segment Dry Powder



Total Dry Powder



Private Equity Dry Powder and A&D Portfolio Companies

Key Statistics ⁽¹⁾

**\$2.6+
Trillion**

Private equity
dry powder

**~\$300
Billion**

Buyout capital
raised in 2024

44%

Buyout deals
valued <\$100M

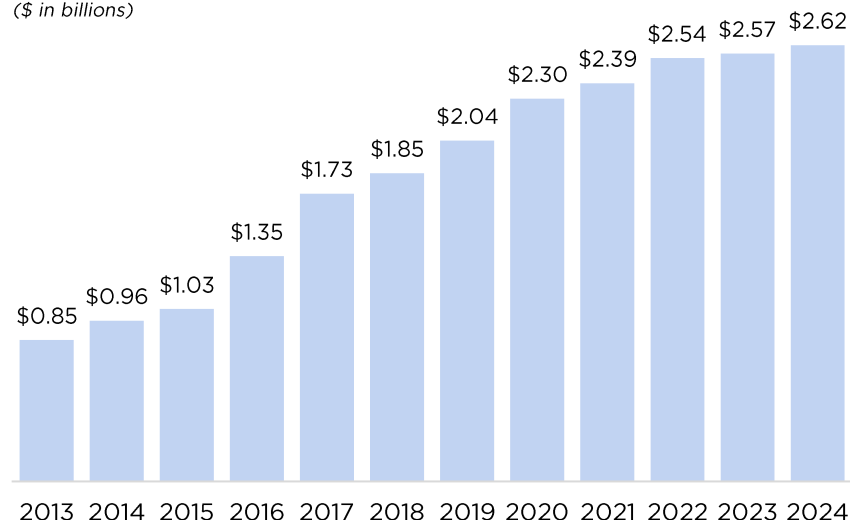
11.9x

Median
TEV/EBITDA
deal multiple⁽²⁾

Source: Bain & Company, McKinsey

Private Equity Dry Powder ⁽¹⁾

(\$ in billions)



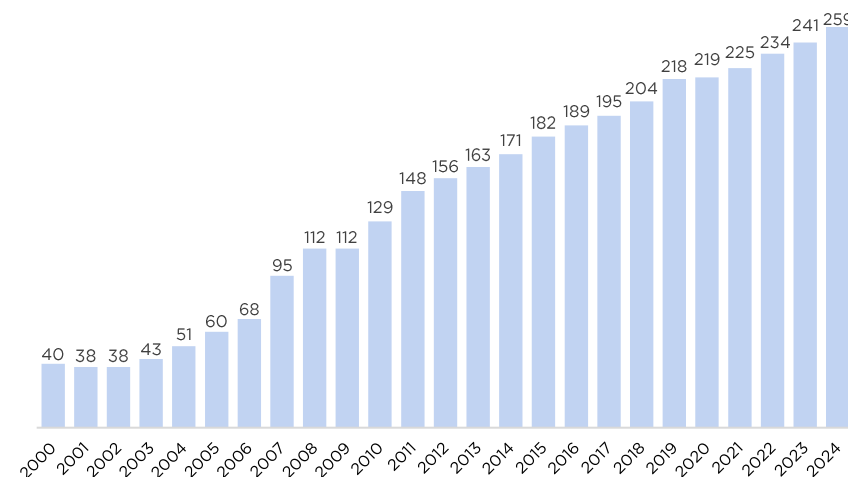
Source: A&P Global Market Intelligence

Select Completed Private Equity Acquisitions TTM

Acquirer	Target	TEV (\$M)	Date
Stonepeak	 ATSG Air Transport Services Group, Inc.	\$3,146	February 2025
Platinum Equity	 HEROUX DEVTEK	\$1,350	February 2025
APOLLO	 BARNES™	\$3,621	January 2025
CACI EVER VIGILANT	 Azure Summit Technology	\$1,275	October 2024

Source: S&P Capital IQ

Volume of Private Equity A&D Investments



Private equity owns a record number of A&D companies

Source: Pitchbook

Commercial Airline Environment

Passenger & Air Cargo Traffic ⁽¹⁾

May 2025 (% YoY)

Passenger Traffic:

5.0%

RPK

5.0%

ASK

(0.1%)

PLF
(%-pt)

83.4%

PLF
(level)

RPK: Revenue Passenger km; ASK: Available Seat km; PLF: Passenger Load Factor

Air Cargo Traffic:

2.2%

CTK

2.0%

ACTK

0.1%

CLF
(%-pt)

44.5%

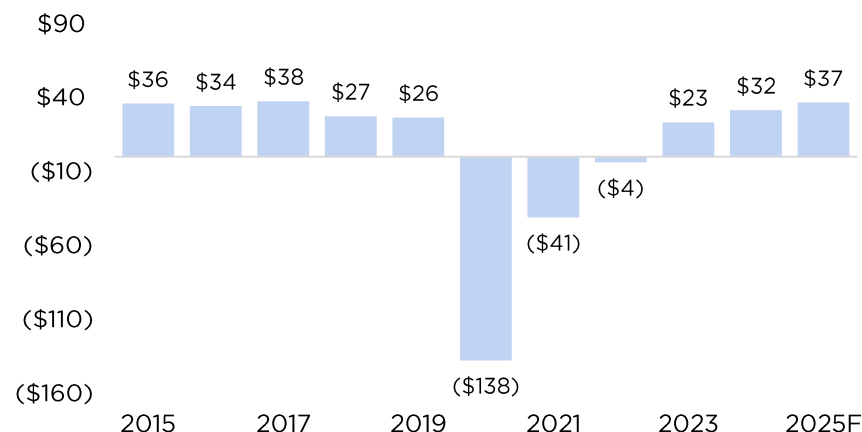
CLF
(level)

CTK: Cargo Tonne km; ACTK: Available Cargo Tonne km; CLF: Cargo Load Factor

Source: IATA

Airline Industry Net Profits

(\$ in billions)

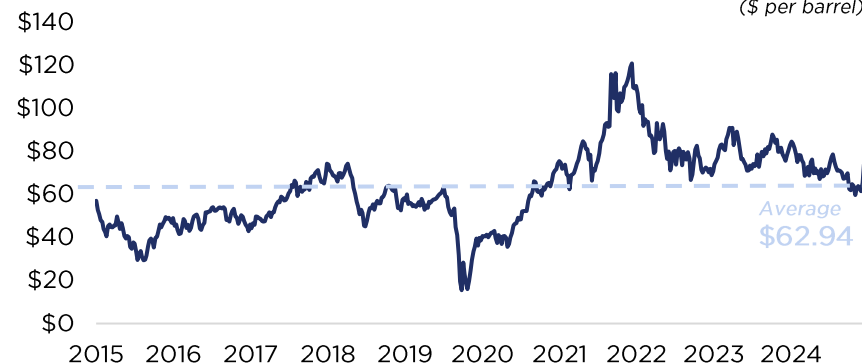


Airlines are projected to generate **\$37 billion** in net profits in 2025.

Source: IATA

Brent Crude Oil Price

(\$ per barrel)



In Q2 2025, brent crude oil prices reached a **high** of **\$75.72** per barrel on June 20 and a **low** of **\$59.67** per barrel on May 2.

Source: S&P Capital IQ

Commercial Aircraft Orders and Deliveries (units)

Company Name		Deliveries	Orders		
			Net	Gross	Backlog
AIRBUS	MAY 2025 YTD	243	215	291	8,617
	MAY 2024 YTD	256	237	254	8,579
	YoY	-5.1%	-9.3%	14.6%	0.4%
BOEING	MAY 2025 YTD	220	512	552	6,528
	MAY 2024 YTD	131	103	142	6,188
	YoY	67.9%	397.1%	288.7%	5.5%

The commercial aircraft manufacturing industry faced headwinds in 2024 with continued supply chain challenges, **labor shortages** and **Boeing quality issues**. Boeing's IAM union **strike in September 2024** exacerbated the situation.

Source: Flightplan and Company Websites

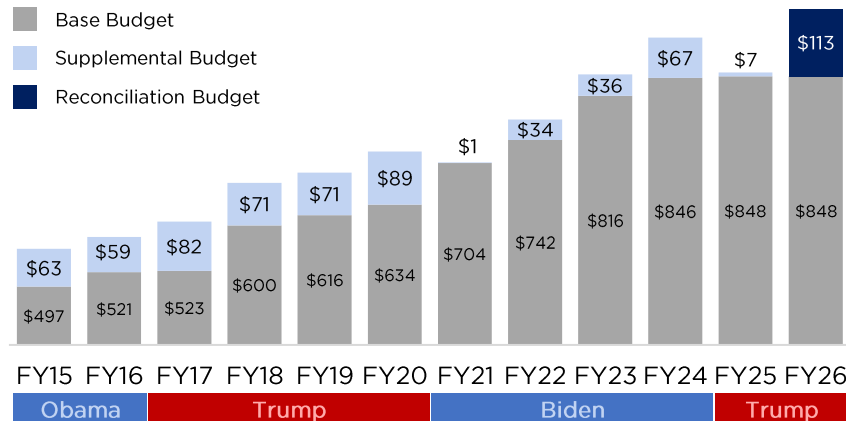
US Defense Environment

Department of Defense (DoD) Budget Request

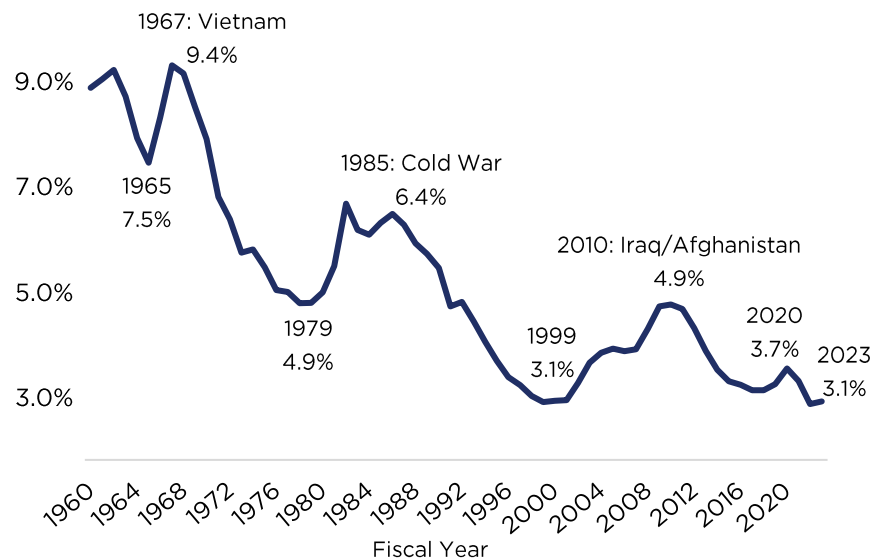
- On March 15, 2025, the President signed HR 1968, a full-year continuing resolution (CR) for FY25 through September 30, 2025.
- Unlike traditional CRs, which usually maintain prior-year funding levels with minimal changes, the FY25 resolution has a modest increase and allows for up to \$8 billion in reprogramming and the initiation of select new programs.
- While FY26 base budget is flat with FY25, the reconciliation budget adds ~\$113 million.

DoD Topline Funding ⁽¹⁾

(\$ in billions)

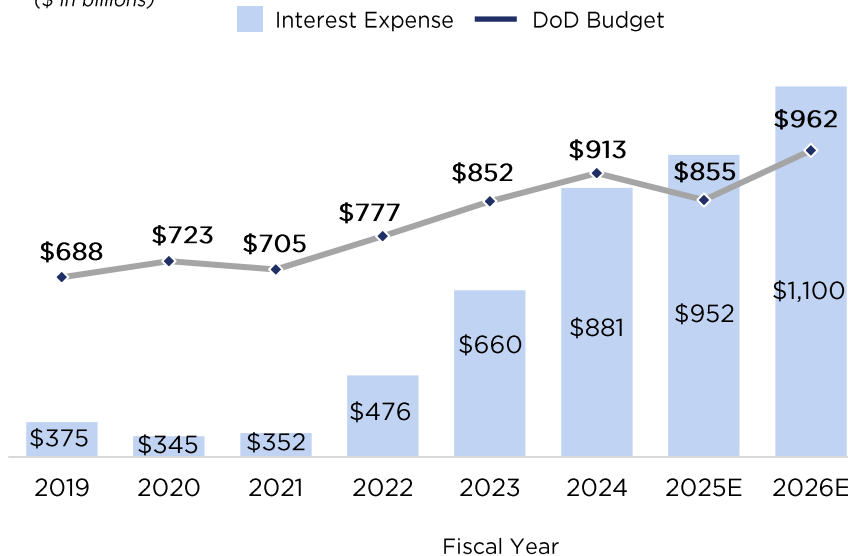


DoD Outlays as % of GDP ⁽²⁾

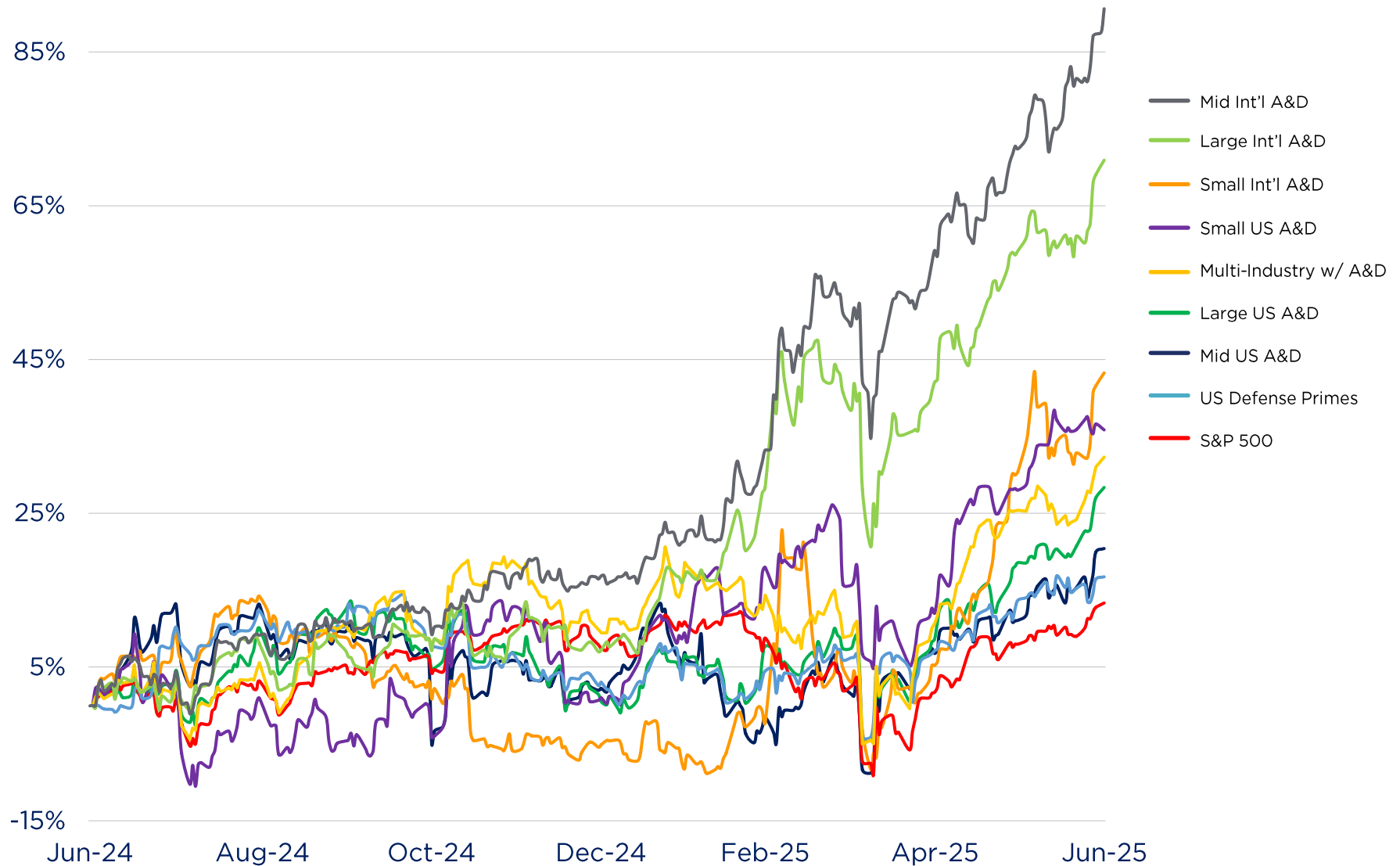


Public Debt Interest vs. DoD Budget

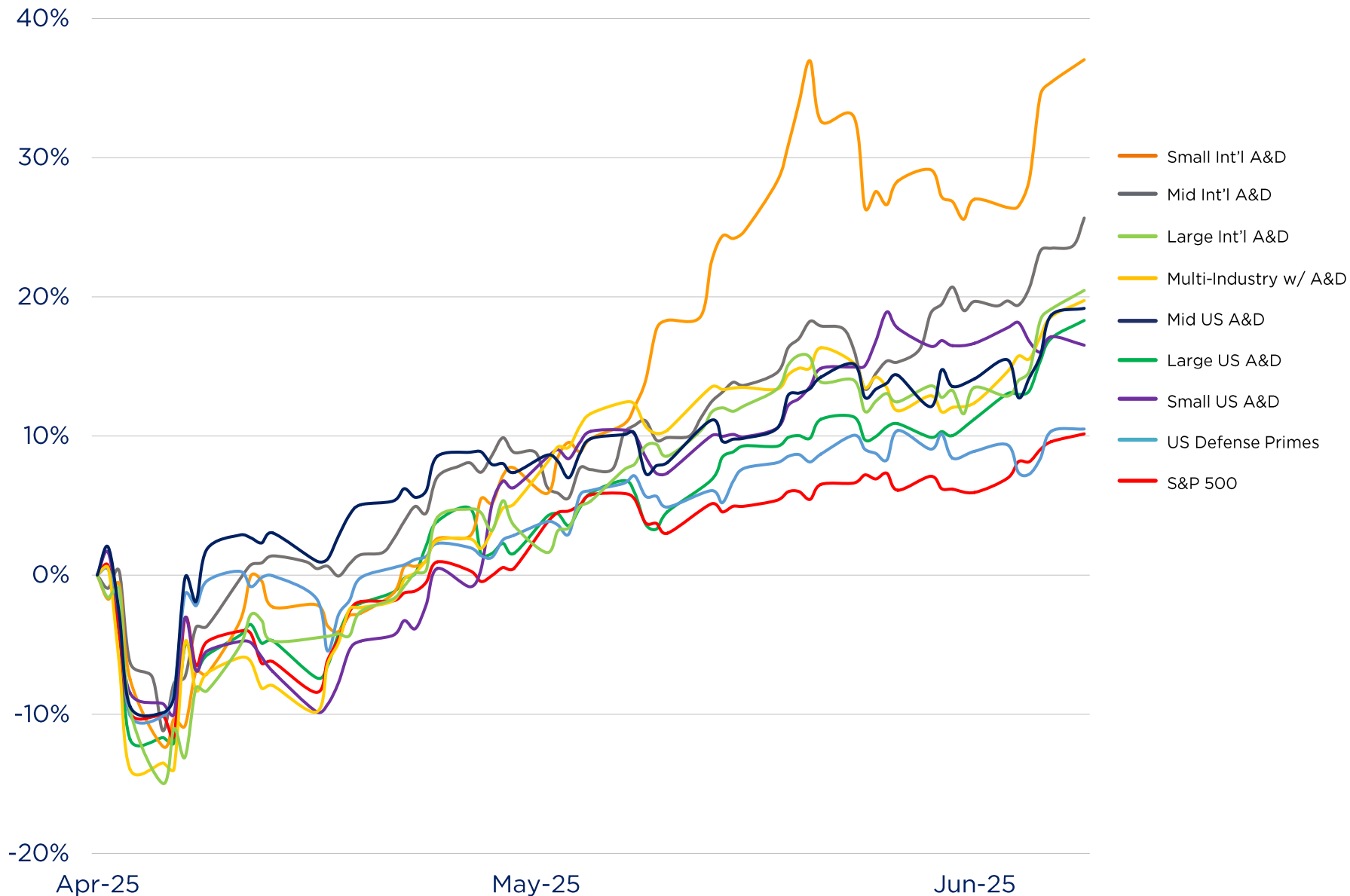
(\$ in billions)



A&D Stock Index Performance Chart – 1-Year



A&D Stock Index Performance Chart – Q2 2025



A&D Public Companies

Valuation Multiples <small>(millions except per share data; USD)</small>							Enterprise Value /								CAGR	Operating Results		Total Debt
Company	Ticker	Price 6/30/2025	Shares Out.	Equity Value	Net Debt	Ent. Value	Revenue				Adj. EBITDA				Revenue (22A-25E)	GM % 2024A	EBITDA % 2024A	Leverage 2024A
							LTM	2023A	2024A	2025E	LTM	2023A	2024A	2025E				
US Defense Primes (Big 6)																		
RTX Corporation	NYSE:RTX	\$146.02	1,461	213,356	28,598	243,782	3.0x	3.5x	3.1x	2.9x	18.2x	25.1x	18.7x	17.4x	9.0%	19.3%	16.3%	2.7x
The Boeing Company	NYSE:BA	\$209.53	602	126,052	49,088	175,146	2.5x	2.3x	2.6x	2.1x	NA	55.5x	NA	42.7x	(0.1%)	(2.6%)	NM	NM
Lockheed Martin Corporation	NYSE:LMT	\$463.14	234	108,512	18,501	127,013	1.8x	1.9x	1.8x	1.7x	14.6x	12.4x	12.9x	12.0x	3.9%	9.8%	13.9%	2.1x
General Dynamics Corporation	NYSE:GD	\$291.66	271	79,031	10,265	89,296	1.8x	2.1x	1.9x	1.8x	15.1x	19.5x	15.7x	14.6x	9.5%	15.6%	12.1%	2.0x
Northrop Grumman Corporation	NYSE:NOC	\$499.98	144	71,961	16,441	88,402	2.2x	2.2x	2.1x	2.1x	13.9x	22.2x	15.4x	15.2x	6.3%	20.2%	13.9%	3.2x
L3Harris Technologies, Inc.	NYSE:LHX	\$250.84	188	47,045	11,735	58,779	2.8x	3.0x	2.8x	2.7x	14.8x	16.4x	14.8x	14.9x	11.7%	25.9%	18.7%	3.1x
US Defense Primes (Big 6) Median							2.4x	2.3x	2.4x	2.1x	14.8x	20.9x	15.4x	15.0x	7.6%	17.5%	13.9%	2.7x
US Defense Primes (Big 6) Mean							2.3x	2.5x	2.4x	2.2x	15.3x	25.2x	15.5x	19.4x	6.7%	14.7%	15.0%	2.6x
Multi-Industry with Large A&D																		
General Electric Company	NYSE:GE	\$257.39	1,073	276,285	7,709	284,211	7.2x	8.0x	8.2x	7.2x	29.1x	38.3x	35.0x	29.6x	9.1%	34.6%	23.4%	2.6x
Honeywell International Inc.	NasdaqGS:HON	\$232.88	645	150,322	23,932	174,822	4.5x	4.8x	4.6x	4.3x	17.9x	20.0x	17.9x	16.8x	4.0%	38.2%	25.5%	3.5x
Eaton Corporation plc	NYSE:ETN	\$356.99	392	140,053	8,819	148,913	5.9x	6.4x	6.0x	5.5x	25.7x	30.6x	25.7x	23.0x	9.8%	38.0%	23.2%	1.9x
Parker-Hannifin Corporation	NYSE:PH	\$698.47	130	90,858	8,964	99,831	5.0x	5.2x	5.0x	5.1x	19.8x	23.2x	20.8x	19.4x	11.8%	36.1%	24.2%	2.0x
AMETEK, Inc.	NYSE:AME	\$180.96	232	41,919	1,771	43,689	6.3x	6.6x	6.2x	6.2x	20.0x	21.4x	19.9x	19.4x	6.8%	35.3%	31.2%	1.0x
Teledyne Technologies Incorporated	NYSE:TDY	\$512.31	47	24,231	2,503	26,741	4.6x	4.7x	4.8x	4.4x	19.2x	19.6x	19.7x	18.0x	1.5%	43.3%	24.1%	2.2x
Curtiss-Wright Corporation	NYSE:CW	\$488.55	38	18,413	894	19,307	6.0x	6.8x	6.3x	5.7x	26.9x	30.7x	29.6x	25.7x	9.8%	37.4%	21.1%	1.7x
Crane Company	NYSE:CR	\$189.89	58	11,075	(175)	10,903	5.0x	5.9x	5.1x	4.8x	26.7x	34.8x	25.3x	22.6x	9.8%	40.5%	20.1%	0.6x
Multi-Industry with Large A&D Median							5.5x	6.1x	5.5x	5.3x	22.9x	26.9x	23.1x	21.0x	9.4%	37.7%	23.8%	1.9x
Multi-Industry with Large A&D Mean							5.6x	6.1x	5.8x	5.4x	23.2x	27.3x	24.2x	21.8x	7.8%	37.9%	24.1%	1.9x
Large US A&D																		
TransDigm Group Incorporated	NYSE:TDG	\$1,520.64	56	85,410	22,641	108,058	12.9x	16.4x	13.6x	12.2x	25.4x	33.7x	26.1x	22.9x	20.8%	59.2%	52.2%	6.1x
HEICO Corporation	NYSE:HEI	\$328.00	141	46,334	2,036	48,874	11.8x	16.5x	12.6x	11.2x	44.5x	63.7x	48.4x	41.6x	32.7%	38.6%	26.0%	2.3x
Woodward, Inc.	NasdaqGS:WWD	\$245.09	61	15,044	577	15,621	4.7x	5.4x	4.8x	4.5x	28.6x	38.5x	25.5x	24.2x	17.3%	26.7%	18.6%	1.5x
Textron Inc.	NYSE:TXT	\$80.29	182	14,626	2,907	17,533	1.3x	1.3x	1.3x	1.2x	11.5x	10.5x	11.2x	10.3x	4.0%	18.2%	11.2%	2.6x
AeroVironment, Inc.	NasdaqGS:AVAV	\$284.95	46	13,009	23	13,032	15.9x	24.1x	18.4x	16.6x	NM	NM	NM	NM	26.1%	40.1%	NM	NM
Leonardo DRS, Inc.	NasdaqGS:DRS	\$46.48	267	12,423	72	12,495	3.7x	4.4x	3.9x	3.5x	30.9x	38.2x	31.7x	27.7x	8.9%	23.0%	12.4%	1.1x
StandardAero, Inc.	NYSE:SARO	\$31.65	335	10,596	2,387	12,982	2.4x	2.8x	2.5x	2.2x	21.1x	24.2x	19.2x	16.4x	11.8%	14.5%	13.1%	3.7x
Large US A&D Median							4.7x	5.4x	4.8x	4.5x	27.0x	36.0x	25.8x	23.6x	17.3%	26.7%	15.8%	2.4x
Large US A&D Mean							7.5x	10.1x	8.1x	7.3x	27.0x	34.8x	27.0x	23.9x	17.4%	31.5%	22.2%	2.9x

A&D Public Companies

Valuation Multiples <i>(millions except per share data; USD)</i>							Enterprise Value /								CAGR	Operating Results		Total Debt
Company	Ticker	Price 6/30/2025	Shares Out.	Equity Value	Net Debt	Ent. Value	Revenue				Adj. EBITDA				Revenue (22A-25E)	GM % 2024A	EBITDA % 2024A	Leverage 2024A
							LTM	2023A	2024A	2025E	LTM	2023A	2024A	2025E				
Large Int'l A&D																		
Airbus SE	ENXTPA:AIR	\$208.17	787	163,901	(3,419)	160,581	2.1x	2.2x	2.3x	1.8x	21.2x	23.7x	19.5x	13.8x	6.6%	15.5%	11.6%	1.9x
Safran SA	ENXTPA:SAF	\$324.02	417	135,042	(1,492)	134,118	4.7x	5.1x	4.8x	3.7x	24.4x	27.5x	23.9x	18.2x	16.2%	49.4%	19.9%	0.9x
Rolls-Royce Holdings plc	LSE:RR.	\$13.26	8,395	111,288	(572)	110,754	4.7x	5.3x	5.1x	4.2x	31.1x	37.5x	27.5x	21.8x	15.4%	24.4%	18.6%	1.6x
BAE Systems plc	LSE:BA.	\$25.85	3,033	78,393	8,625	87,219	2.6x	3.0x	2.5x	2.1x	21.4x	24.3x	18.5x	14.8x	17.3%	12.0%	13.3%	2.7x
Thales S.A.	ENXTPA:HO	\$293.13	205	60,183	3,163	63,391	3.0x	3.1x	3.0x	2.5x	22.8x	24.0x	19.2x	14.6x	5.4%	26.7%	15.8%	2.5x
Kongsberg Gruppen ASA	OB:KOG	\$38.64	879	33,944	(1,074)	32,925	6.7x	8.2x	7.7x	5.7x	39.7x	62.9x	46.7x	33.5x	15.1%	64.2%	16.5%	0.7x
Leonardo S.p.a.	BIT:LDO	\$56.11	576	32,345	2,526	36,138	1.8x	2.1x	2.0x	1.6x	17.9x	22.2x	16.7x	13.0x	6.9%	40.9%	12.1%	2.1x
Large Int'l A&D Median							3.0x	3.1x	3.0x	2.5x	22.8x	24.3x	19.5x	14.8x	15.1%	26.7%	15.8%	1.9x
Large Int'l A&D Mean							3.7x	4.2x	3.9x	3.1x	25.5x	31.7x	24.6x	18.5x	11.8%	33.3%	15.4%	1.8x
Mid US A&D																		
Huntington Ingalls Industries, Inc.	NYSE:HII	\$241.46	39	9,475	3,239	12,714	1.1x	1.1x	1.1x	1.1x	12.7x	11.4x	13.7x	12.7x	4.2%	12.5%	8.0%	3.7x
Kratos Defense & Security Solutions, Inc.	NasdaqGS:KTOS	\$46.45	168	7,821	30	7,851	6.8x	7.6x	6.9x	6.1x	NM	NM	NM	NM	12.7%	25.2%	NM	NM
Moog Inc.	NYSE:MOG.A	\$180.97	32	5,763	1,290	7,052	1.9x	2.1x	2.0x	1.9x	15.1x	17.9x	14.3x	13.0x	8.5%	27.9%	13.8%	2.7x
Hexcel Corporation	NYSE:HXL	\$56.49	80	4,542	691	5,234	2.8x	2.9x	2.7x	2.7x	14.9x	15.4x	14.2x	14.9x	9.9%	24.7%	19.4%	2.1x
Spirit AeroSystems Holdings, Inc.	NYSE:SPR	\$38.15	117	4,476	5,170	9,652	1.6x	1.6x	1.4x	1.3x	NA	NM	NM	NM	15.8%	(20.4%)	NM	NM
Mercury Systems, Inc.	NasdaqGS:MRCY	\$53.86	60	3,227	382	3,609	4.1x	3.7x	4.4x	4.1x	NM	39.6x	NM	34.8x	(9.0%)	23.9%	NM	NM
Mid US A&D Median							2.3x	2.5x	2.4x	2.3x	14.9x	16.7x	14.2x	14.0x	9.2%	24.3%	13.8%	2.7x
Mid US A&D Mean							3.0x	3.2x	3.1x	2.9x	14.2x	21.1x	14.1x	18.9x	7.0%	15.6%	13.7%	2.8x
Mid Int'l A&D																		
Saab AB (publ)	OM:SAAB B	\$55.48	536	29,741	(21)	29,748	4.6x	5.8x	5.3x	3.8x	42.3x	53.8x	40.4x	28.4x	17.7%	22.1%	13.2%	1.4x
MTU Aero Engines AG	XTRA:MTX	\$442.98	54	23,843	1,079	24,922	2.9x	4.2x	3.2x	2.5x	18.7x	NM	18.2x	13.1x	16.1%	16.9%	17.8%	2.2x
Elbit Systems Ltd.	TASE:ESLT	\$444.60	48	21,338	933	22,275	3.1x	3.7x	3.3x	2.9x	31.2x	40.9x	30.8x	26.2x	10.4%	24.5%	10.8%	1.9x
Singapore Technologies Engineering Ltd	SGX:S63	\$6.12	3,122	19,098	3,954	23,258	2.8x	3.0x	2.8x	2.4x	22.5x	24.6x	20.4x	17.1x	10.9%	19.2%	13.8%	3.7x
Embraer S.A.	BOVESPA:EMBR3	\$14.13	734	10,368	809	11,455	1.8x	2.1x	1.8x	1.6x	17.2x	28.1x	14.5x	13.8x	18.9%	16.4%	12.6%	2.7x
Smiths Group plc	LSE:SMIN	\$30.77	330	10,155	372	10,555	2.6x	2.7x	2.6x	2.3x	15.1x	15.4x	13.3x	11.6x	13.7%	37.1%	19.6%	1.1x
CAE Inc.	TSX:CAE	\$29.26	322	9,414	2,210	11,683	3.6x	3.9x	3.5x	3.6x	18.3x	22.8x	15.6x	14.8x	11.2%	25.5%	22.4%	3.2x
Bombardier Inc.	TSX:BBD.B	\$86.99	98	8,564	4,641	13,552	1.5x	1.7x	1.5x	1.5x	12.1x	14.5x	10.0x	8.7x	12.5%	20.4%	15.5%	4.2x
Mid Int'l A&D Median							2.9x	3.4x	3.0x	2.4x	18.5x	24.6x	16.9x	14.3x	13.1%	21.3%	14.6%	2.5x
Mid Int'l A&D Mean							2.9x	3.4x	3.0x	2.6x	22.2x	28.6x	20.4x	16.7x	13.9%	22.8%	15.7%	2.6x

A&D Public Companies

Valuation Multiples <i>(millions except per share data; USD)</i>							Enterprise Value /								CAGR	Operating Results		Total Debt
Company	Ticker	Price 6/30/2025	Shares Out.	Equity Value	Net Debt	Ent. Value	Revenue				Adj. EBITDA				Revenue (22A-25E)	GM % 2024A	EBITDA % 2024A	Leverage 2024A
							LTM	2023A	2024A	2025E	LTM	2023A	2024A	2025E				
Small US A&D																		
VSE Corporation	NasdaqGS:VSEC	\$130.98	21	2,707	499	3,206	2.7x	3.7x	3.0x	2.9x	22.3x	27.9x	24.3x	19.0x	26.5%	11.8%	12.3%	3.8x
AAR Corp.	NYSE:AIR	\$68.79	36	2,470	1,006	3,476	1.3x	1.7x	1.5x	1.3x	15.9x	21.0x	14.5x	11.0x	12.9%	19.0%	10.3%	4.6x
Triumph Group, Inc.	NYSE:TGI	\$25.75	78	2,001	710	2,711	2.1x	2.4x	2.3x	2.2x	14.8x	18.2x	17.6x	14.5x	(3.5%)	27.5%	13.1%	6.4x
Astronics Corporation	NasdaqGS:ATRO	\$33.48	38	1,283	171	1,454	1.8x	2.1x	1.9x	1.7x	24.3x	86.6x	17.0x	11.7x	21.0%	21.5%	10.9%	2.3x
Ducommun Incorporated	NYSE:DCO	\$82.63	15	1,234	236	1,471	1.9x	1.9x	1.9x	1.8x	14.8x	18.9x	12.3x	11.1x	NM	NM	15.2%	NM
Small US A&D Median							1.9x	2.1x	1.9x	1.8x	15.9x	21.0x	17.0x	11.7x	17.0%	20.3%	12.3%	4.2x
Small US A&D Mean							2.0x	2.4x	2.1x	2.0x	18.4x	34.5x	17.1x	13.5x	14.2%	19.9%	12.4%	4.3x
Small Int'l A&D																		
QinetiQ Group plc	LSE:QQ.	\$7.06	543	3,838	182	4,021	1.6x	2.1x	1.7x	1.6x	13.1x	13.5x	11.1x	11.5x	16.7%	NM	15.3%	1.5x
Lisi S.A.	ENXTPA:FII	\$44.39	46	2,022	506	2,535	1.3x	1.4x	1.4x	1.1x	12.2x	12.0x	11.1x	8.8x	8.4%	NM	12.4%	3.1x
Senior plc	LSE:SNR	\$2.52	410	1,032	287	1,320	1.1x	1.1x	1.1x	1.0x	13.4x	13.2x	11.5x	8.0x	8.7%	NM	9.5%	3.0x
Magellan Aerospace Corporation	TSX:MAL	\$14.15	57	809	17	828	1.2x	1.2x	1.3x	1.1x	12.0x	14.9x	13.2x	8.6x	7.1%	11.3%	9.7%	0.9x
Latécoère S.A.	ENXTPA:LAT	\$0.02	12,693	194	207	401	0.5x	0.6x	0.6x	0.5x	NM	NM	15.1x	11.9x	15.1%	44.7%	4.0%	10.1x
Small Int'l A&D Median							1.2x	1.2x	1.3x	1.1x	12.6x	13.3x	11.5x	8.8x	8.7%	28.0%	9.7%	3.0x
Small Int'l A&D Mean							1.2x	1.3x	1.2x	1.0x	12.6x	13.4x	12.4x	9.8x	11.2%	28.0%	10.2%	3.7x
				Overall Median			3.0x	3.1x	2.8x	2.5x	21.1x	23.2x	17.9x	14.9x	12.8%	22.3%	18.6%	2.3x
				Overall Mean			4.6x	4.5x	4.0x	3.5x	22.6x	26.2x	20.2x	18.1x	14.9%	24.0%	84.9%	2.7x

Representative A&D Transactions

 <p>\$575,000,000 Follow-On Offering</p> <p>Co-Manager</p> <p>June 2025</p>	 <p>\$260,044,000 Follow-On Offering</p> <p>Co-Manager</p> <p>June 2025</p>	 <p>\$500,000,000 Common Stock At-the-Market Offering Lead Agent</p> <p>May 2025</p>	 <p>\$460,000,000 Convertible Notes Offering</p> <p>Co-Manager</p> <p>January 2025</p>	 <p>has been acquired by</p>  <p>Sell-Side Advisor</p> <p>December 2024</p>	 <p>\$115,000,000 Follow-On Offering</p> <p>Joint Bookrunner</p> <p>December 2024</p>	 <p>\$172,500,000 Follow-On Offering</p> <p>Co-Manager</p> <p>October 2024</p>	 <p>\$400,000,000 Common Stock At-the-Market Offering Lead Agent</p> <p>September 2024</p>
 <p>\$350,000,000 Convertible Notes Offering</p> <p>Co-Manager</p> <p>July 2024</p>	 <p>\$172,500,000 Follow-On Offering</p> <p>Co-Manager</p> <p>May 2024</p>	 <p>has been acquired by</p>  <p>Sell-Side Advisor</p> <p>April 2024</p>	 <p>\$345,000,000 Follow-On Offering</p> <p>Joint Bookrunner</p> <p>February 2024</p>	 <p>\$115,000,000 Follow-On Offering</p> <p>Joint Bookrunner</p> <p>January 2024</p>	 <p>\$100,000,000 Common Stock At-the-Market Offering Lead Agent</p> <p>October 2023</p>	 <p>\$138,043,000 Follow-On Offering</p> <p>Co-Manager</p> <p>July 2023</p>	 <p>\$92,000,000 Follow-On Offering</p> <p>Joint Bookrunner</p> <p>May 2023</p>
 <p>merger with</p>  <p>Capital Markets Advisor</p> <p>February 2023</p>	 <p>\$75,000,000 Follow-On Offering</p> <p>Sole Bookrunner</p> <p>November 2022</p>	 <p>\$85,000,000 Follow-On Offering</p> <p>Sole Agent</p> <p>September 2022</p>	 <p>\$400,000,000 Common Stock At-the-Market Offering</p> <p>Sole Agent</p> <p>September 2022</p>	 <p>\$200,000,000 Committed Equity Facility</p> <p>BRPC II Co-Investor</p> <p>September 2022</p>	 <p>has been acquired by</p>  <p>Sell-Side Advisor</p> <p>August 2022</p>	 <p>has been acquired by</p>  <p>Sell-Side Advisor</p> <p>May 2022</p>	 <p>\$75,000,000 Committed Equity Facility</p> <p>BRPC II Co-Investor</p> <p>May 2022</p>
 <p>merger with</p>  <p>Capital Markets Advisor</p> <p>March 2022</p>	 <p>\$75,900,000 US IPO</p> <p>Joint Bookrunner</p> <p>November 2021</p>	 <p>merger with</p>  <p>Capital Markets Advisor</p> <p>August 2021</p>	 <p>\$59,512,500 Follow-On Offering</p> <p>Joint Bookrunner</p> <p>March 2021</p>	 <p>\$55,968,000 Follow-On Offering</p> <p>Joint Bookrunner</p> <p>February 2021</p>	 <p>\$252,281,000 Follow-On Offering</p> <p>Co-Manager</p> <p>June 2020</p>	 <p>\$25,300,023 Follow-On Offering</p> <p>Sole Bookrunner</p> <p>January 2020</p>	 <p>has been acquired by</p>  <p>Sell-Side Advisor</p> <p>February 2019</p>

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