



A&D MANUFACTURING MONTHLY

July 2024

Precision Machining Forming & Bending Fabrication & Welding Brazing & Heat Treating Metal Finishing Injection Molding Composite Manufacturing Inspection, Test & Assembly

Key A&D Manufacturing Deals Announced

| Target | Buyer | Description |
|--|---|---|
|  |  | <ul style="list-style-type: none"> ▪ Target: Wichita, KS-based Spirit AeroSystems is a manufacturer of aerostructures for commercial airplanes, defense platforms, and business/regional jets. The company's core products include fuselages, integrated wings and wing components, pylons, and nacelles. ▪ Buyer: Arlington, VA-based Boeing designs, develops, manufactures, sells, services and supports commercial jetliners, military aircraft, satellites, missile defense, C4ISR, human space flight launch systems, and logistics support services. ▪ Terms: Transaction announced on July 1, 2024. Purchase price is expected to be \$8.3B, 1.3x 2023A revenue. Spirit also announced it entered into a binding term sheet with Airbus to negotiate in good faith to enter into definitive agreements for Airbus to acquire certain Spirit assets that serve Airbus programs, concurrently with the closing of Spirit's acquisition by Boeing. |
|  |  | <ul style="list-style-type: none"> ▪ Target: Sacramento, CA-based Spencer Composites is a manufacturer of composite and metallic structures for use in private sector and U.S. federal government markets. The company fabricates composite products and components using thermoset and thermoplastic processes. ▪ Buyer: Albuquerque, NM-based X-Bow Launch Systems develops additively manufactured energetics for the solid rocket motor and launch vehicle market. The company also designs and builds a suite of modular solid rocket motors and small launch vehicles for both orbital and suborbital launch services. ▪ Terms: Transaction announced on July 2, 2024. Terms not disclosed. |
|  |  | <ul style="list-style-type: none"> ▪ Target: Burlington, MA-based Desktop Metal offers an expansive portfolio of 3D printing solutions, from rapid prototyping to mass production, with expertise in advanced manufacturing, metallurgy, and robotics. ▪ Buyer: Israel-based Nano Dimension provides intelligent machines for the fabrication of Additively Manufactured Electronics (AME). The company serves the private aerospace, defense, medical, automotive, industrial, and research institute sectors. ▪ Terms: Transaction announced on July 3, 2024. Purchase price is expected to be \$135M-\$183M, 0.7x-1.0x 2023A revenue |
|  <p>a subsidiary of</p>  |  <p>a portfolio company of</p>  | <ul style="list-style-type: none"> ▪ Target: Anaheim, CA-based Hoist & Winch Business of Goodrich designs, manufactures, and provides product support for a complete line of external and internal rescue hoists and cargo winches, with more than 50 proprietary models utilized by civil and military operators worldwide. The business's products are built to withstand extreme conditions, providing the highest reliability and safety for search and rescue and other human external cargo missions. ▪ Buyer: Westminster, CO-based Signia Aerospace provides high-performance systems and specialized components for the private sector and U.S. federal government aerospace industries. ▪ Terms: Transaction announced on July 9, 2024. Terms not disclosed. |
|  |  | <ul style="list-style-type: none"> ▪ Target: Canada-based Héroux-Devtek engages in the design, development, manufacture, and repair and overhaul of aircraft landing gears, hydraulic and electromechanical flight control actuators, custom ball screws, and fracture-critical components. The company serves civil and defense sectors of the aerospace market. ▪ Buyer: Los Angeles, CA-based Platinum Equity is a global private equity firm that specializes in mergers, acquisitions, and operations of companies that provide mission-critical products, services, and solutions in diverse industries. ▪ Terms: Transaction announced on July 11, 2024. Purchase price is expected to be \$999M, 2.2x and 15.3x FY2024A revenue and EBITDA, respectively. |











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|  |  a portfolio company of  | <ul style="list-style-type: none"> Target: United Kingdom-based Knight Optical is a manufacturer and provider of custom and catalog scientific optical components and sub-assemblies for private sector, international, and U.S. federal government scientific, defense, medical, pharmaceutical and optoelectronics markets. Buyer: Largo, FL-based Torrent Photonics manufactures optical components, assemblies, and devices for private sector and U.S. federal government commercial, defense, industrial, life science, medical, and semiconductor markets. Terms: Transaction announced on July 16, 2024. Terms not disclosed. |
|  |  a portfolio company of  | <ul style="list-style-type: none"> Target: Canada-based Koss Aerospace is a Tier-1 manufacturer of structural aircraft components and assemblies for private sector, U.S. federal government, and international government aerospace and defense markets. The company is a vertically integrated manufacturer with in-house capabilities for machining, processing and assembly resulting in a seamless integration of functions. Buyer: Canada-based DCM Group manufactures aerospace components, assemblies and ground support equipment. The company's capabilities include aerostructures, resistance welding, coating services, and electrical & testing. Terms: Transaction announced on July 19, 2024. Terms not disclosed. |
|  |  a portfolio company of  | <ul style="list-style-type: none"> Target: Canada-based Brampton Processing offers a range of value-added metal processing services including cadmium plating, chrome plating, anodizing, painting, finishing services, and more. It operates three facilities in the greater Toronto area and is ISO 9001:2015 certified. Buyer: Canada-based DCM Group manufactures aerospace components, assemblies and ground support equipment. The company's capabilities include aerostructures, resistance welding, coating services, and electrical & testing. Terms: Transaction announced on July 19, 2024. Terms not disclosed. |
|  |  | <ul style="list-style-type: none"> Target: Farmington, CT-based Mott is a manufacturer of sintered porous material structures and flow control solutions used in fluidic applications for private sector and U.S. federal government markets. Buyer: Northbrook, IL-based IDEX designs and manufactures a wide array of fluidics systems and specialty engineered products. The company's solutions are used in industrial, health, and science markets. Terms: Transaction announced on July 23, 2024. Purchase price is expected to be \$1.0B, 5.0x and 19.0x FY2024E revenue and EBITDA, respectively. |
|  |  | <ul style="list-style-type: none"> Target: Erlanger, KY-based Composites & Fuel Containment (CFC) Division of Parker provides engineered carbon fiber composite components and fuel containment solutions for the defense and commercial aerospace markets. Buyer: New York, NY-based SK Capital is a private equity firm which targets investments in the specialty materials, chemicals and pharmaceuticals sectors, working collaboratively with management to support the realization of their strategic, operational and financial objectives. Terms: Transaction announced on July 29, 2024. Terms not disclosed. |

Sources: CapIQ; Dacis, Investor Presentations, company websites and press releases





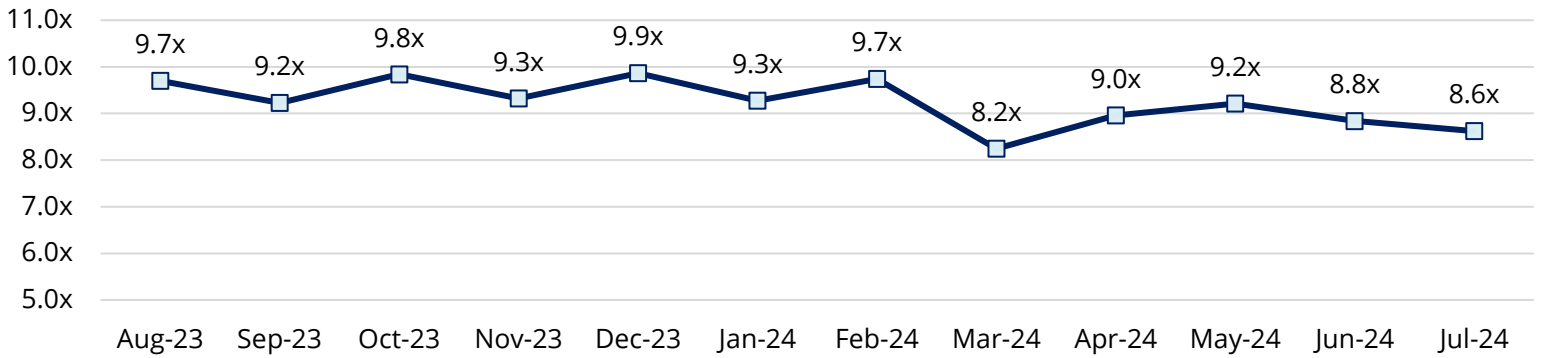
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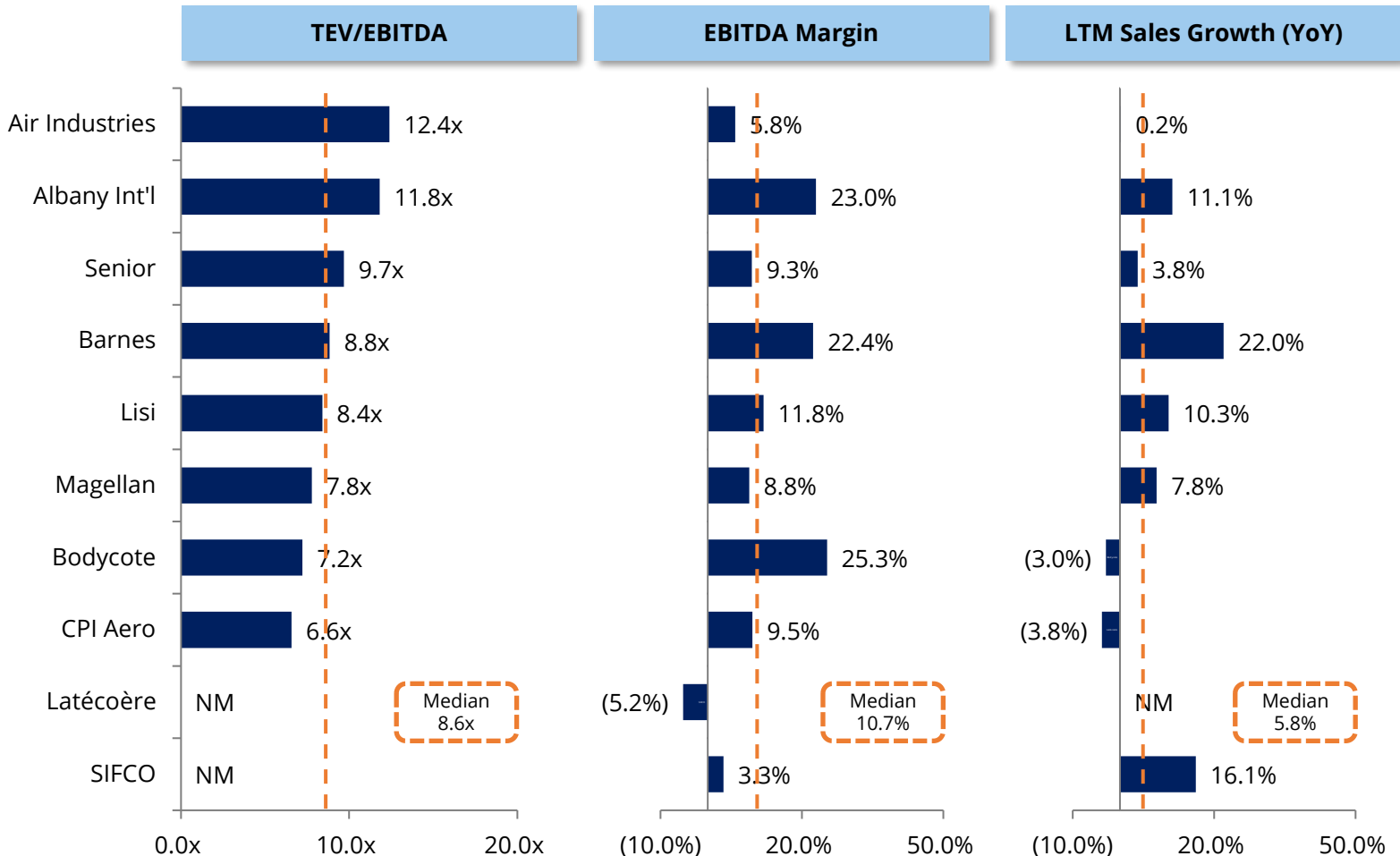
- Precision Machining
- Forming & Bending
- Fabrication & Welding
- Brazing & Heat Treating
- Metal Finishing
- Injection Molding
- Composite Manufacturing
- Inspection, Test & Assembly

A&D Manufacturing Public Trading Comparables

Median TEV/EBITDA by Month



Valuation Trends By Company



Sources: CapIQ; Dacis, Investor Presentations, company websites and press releases
Notes: Market valuations and LTM financials from public data available as of 7/31/24. Excludes TEV/EBITDA multiples >20.0x.



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A&D Manufacturing Public Trading Comparables *(continued)*

| Company Profiles | | | | | | | | |
|---|---|--------------|-----------|-------------|--------------|---------------|-----------|------------|
| Company | Description | A&D Exposure | TEV (\$M) | Sales (\$M) | EBITDA (\$M) | EBITDA Margin | TEV/Sales | TEV/EBITDA |
|  NYSEAM:AIRI | Air Industries Group is a manufacturer of complex machined parts and assemblies for the Aerospace and Defense market. Products are used by OEMs in the manufacture of fixed wing aircraft, helicopters jet turbine engines, and other complex sophisticated products. | ~100% | \$38 | \$53 | \$3 | 5.8% | 0.7x | 12.4x |
|  NYSE:AIN | Albany International is a developer and manufacturer of engineered components with two core businesses: Machine Clothing and Albany Engineered Composites (AEC). AEC is a designer and manufacturer of advanced composite components for commercial and military aerospace applications. | ~40% | \$3,239 | \$1,192 | \$274 | 23.0% | 2.7x | 11.8x |
|  LSE:SNR | Senior plc operates through two segments: Aerospace and Flexonics. Senior Aerospace's portfolio includes the design and manufacture of fluid conveyance systems, precision machined airframe and gas turbine components, and fluid systems ducting and control products. | ~65% | \$1,116 | \$1,233 | \$115 | 9.3% | 0.9x | 9.7x |
|  NYSE:B | Barnes Group Inc. operates through two segments: Industrial and Aerospace. The Aerospace business is a global manufacturer of complex fabricated and precision-machined components and assemblies for turbine engines, nacelles and structures for both commercial and defense-related aircraft. | ~42% | \$3,146 | \$1,589 | \$356 | 22.4% | 2.0x | 8.8x |
|  ENXTPA:FII | Lisi S.A. operates three divisions: Aerospace, Automotive and Medical. Lisi Aerospace designs and produces a wide range of high value-added assembly systems, hydraulic fasteners, and metal structure components for aircraft. Its product categories include fasteners (62%) and structural components (38%). | ~100% | \$1,860 | \$1,870 | \$221 | 11.8% | 1.0x | 8.4x |
|  TSX:MAL | Magellan Aerospace Corporation manufactures components for the aerospace industry. It engineers and manufactures aeroengine and aerostructure components for aerospace, defense, and space markets, as well as the aftermarket through spare parts and repair and overhaul services. | ~66% | \$440 | \$643 | \$57 | 8.8% | 0.7x | 7.8x |
|  LSE:BOY | Bodycote plc offers materials solutions, specializing in heat treatment and specialist thermal processes. Categorizes business into three major groups: Aerospace and Defense (thermal processing solutions for engine components and landing gear), automotive and general industrial. | ~25% | \$1,830 | \$1,000 | \$253 | 25.3% | 1.8x | 7.2x |
|  NYSEAM:CVU | CPI Aerostructures, Inc. is a manufacturer of structural assemblies, integrated systems, and kitted components for the A&D markets. Product applications include fixed wing aircraft, helicopters, electronic warfare & ISR systems, missiles, and other sophisticated A&D products. | ~100% | \$52 | \$84 | \$8 | 9.5% | 0.6x | 6.6x |
|  ENXTPA:LAT | Latécoère S.A. operates two divisions: The Aerostructures division manufactures doors, fuselage, wings and empennage and connecting rods; the Interconnection Systems division produces and electrical harnesses, avionics racks, test benches and on-board video products. | ~100% | \$556 | \$611 | (\$32) | (5.2%) | 0.9x | NM |
|  NYSEAM:SIF | SIFCO Industries, Inc. is engaged in the production of forgings and machined and sub-assembled components primarily for the aerospace and energy markets. The processes and services include forging, heat-treating, chemical processing and machining. | ~66% | \$64 | \$94 | \$3 | 3.3% | 0.7x | NM |

Sources: CapIQ; Dacis, Investor Presentations, company websites and press releases
Notes: Market valuations and LTM financials from public data available as of 7/31/24. Excludes TEV/EBITDA multiples >20.0x.



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Selected Janes Capital Partners A&D Manufacturing Experience

| | | | | |
|--|---|---|--|--|
| a portfolio company of ARCLINE INVESTMENT MANAGEMENT has acquired PYRAMID PRECISION MACHINE INC. ADVISOR TO SELLER | has acquired a portfolio company of WARBURG PINCUS Berkshire Partners ADVISOR TO SELLER | a portfolio company of CORE INDUSTRIAL has acquired IDL. PRECISION MACHINING ADVISOR TO SELLER | a wholly-owned subsidiary of has acquired NEco ADVISOR TO SELLER | has acquired CASCADIA ADVISOR TO SELLER |
| has acquired ATEX Composites, Inc. ADVISOR TO SELLER \$29 million | has acquired Thomson Aerospace & Defense from MEGGITT ADVISOR TO BUYER | has acquired the Santa Ana operations from GE Aviation ADVISOR TO SELLER | has acquired ADVISOR TO SELLER | SORENSEN CAPITAL has acquired R.T.C. ROBERTS TOOL COMPANY, INC. ADVISOR TO BUYER |
| a portfolio company of has acquired ASTRO SPAR, INC. ADVISOR TO SELLER \$45 million | has acquired United Aircraft Products from Parker ADVISOR TO SELLER | has acquired Able Corporation ADVISOR TO SELLER | has acquired Thermal Structures Inc. ADVISOR TO SELLER | has acquired Alumatherm Heat Treating ADVISOR TO SELLER |

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Based in Irvine, CA, Janes Capital Partners is a leading investment banking firm focused solely on the Aerospace and Defense industry. The firm provides mergers and acquisition advisory services and assists clients in executing growth strategies and liquidity events. The members of Janes Capital Partners have completed more than 80 successful A&D transactions and \$5.5 billion in closed transaction value. Securities transactions are conducted through JCP Securities, Inc., a registered Broker/Dealer, member FINRA/SIPC, and registered Investment Advisor. Janes Capital Partners is an independent financial advisory firm that is affiliated with Oaklins International Inc. Oaklins is the world's most experienced mid-market M&A advisor, with 850 professionals globally and 15 dedicated industry teams in 45 countries.