



# DEFENSE ELECTRONICS

## July 2024

C4ISR & Electronic Warfare    Rugged Electronics    RF & Microwave    Embedded Computing    Connectors & Cables    Microelectronics & Semiconductor    Test & Measurement

### Key Defense Electronics Deals Announced

Target	Buyer	Description
		<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Durham, NC-based SWIR is a provider of CQD® (colloidal quantum-dot-based) short wavelength infrared (SWIR) technology solutions for private sector and U.S. federal government defense markets. CQD uses nanoparticles or crystals with unique optical and electronic properties that can be precisely tuned to absorb an extended wavelength of light.</li> <li>▪ <b>Buyer:</b> Scottsdale, AZ-based onsemi supplies and manufactures semiconductor components, sensors, power management, connectivity, custom and SoC, analog, logic, timing and discrete devices.</li> <li>▪ <b>Terms:</b> Transaction announced on July 2, 2024. Terms not disclosed.</li> </ul>
 a portfolio company of 		<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Wallingford, CT-based The Signature Management and Power (SMAP) Business designs and manufactures fully ruggedized, high performance Human Machine Interface (HMI) devices and Human Systems Integration (HSI) solutions for submarines and surface ships in the US and UK naval defense markets. The business' core products include miniature joysticks, hand controls, control grips, and soldier portable controls.</li> <li>▪ <b>Buyer:</b> Saint Louis, MO-based ESCO Technologies manufactures highly-engineered filtration and fluid control products for the aviation, space and process markets worldwide</li> <li>▪ <b>Terms:</b> Transaction announced on July 8, 2024. Purchase price is expected to be \$550M, 3.1x and 11.0x FY2024E revenue and EBITDA, respectively.</li> </ul>
		<ul style="list-style-type: none"> <li>▪ <b>Target:</b> United Kingdom-based Rockford Components provides wiring, interconnect, and system solutions primarily to OEMs in the aerospace and defense sectors. The company also offers electrical cable assemblies; electro-mechanical assemblies; machining and fabrication products; mechanical, electrical, and electronic system design services; and logistics services.</li> <li>▪ <b>Buyer:</b> Sweden-based AQ Group AB provides control equipment for automated handling of goods in ports, monitoring and control systems for motors and generators, and wiring harness systems and electromechanical modules.</li> <li>▪ <b>Terms:</b> Transaction announced on July 10, 2024. Purchase price was \$3M, 0.3x revenue</li> </ul>
 OWN & DAS Businesses		<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Ashburn, VA-based The Outdoor Wireless Networks (OWN) &amp; Distributed Antenna Systems (DAS) Businesses provide base station antennas, radio frequency (RF) filters, tower connectivity, microwave antennas, metro cell products, cabinets, steel, accessories and contains CommScope's wireless spectrum management business, Comsearch.</li> <li>▪ <b>Buyer:</b> Wallingford, CT-based Amphenol designs, manufactures and markets electrical, electronic and fiber optic connectors, interconnect systems, antennas, sensors and sensor-based products and coaxial and high-speed specialty cable.</li> <li>▪ <b>Terms:</b> Transaction announced on July 18, 2024. Purchase price is expected to be \$2.1B, 1.8x and 7.0x FY2024P revenue and EBITDA, respectively.</li> </ul>
		<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Fort Worth, TX-based Applied Avionics is the exclusive manufacturer of the VIVISUN brand of mil-spec lighted pushbutton switches and programmable displays, and the NEXSYS brand of avionics interface solutions. The company is a supplier of sunlight readable, lighted pushbutton switches and indicators for avionics, naval shipboard or army ground control platforms.</li> <li>▪ <b>Buyer:</b> White Plains, NY-based Loar Group is a platform company for the acquisition of companies that specialize in the design and manufacture of aerospace components.</li> <li>▪ <b>Terms:</b> Transaction announced on July 19, 2024. Purchase price was \$385M, 9.6x and 18.3x FY2024P revenue and EBITDA, respectively.</li> </ul>



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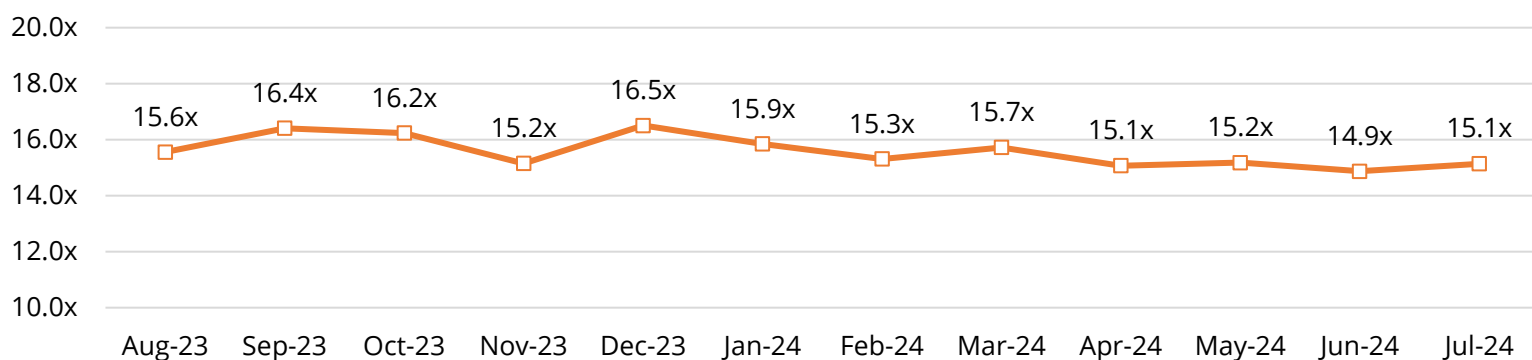
### Defense Electronics Public Trading Comparables

#### Defense Electronics Comparable Companies

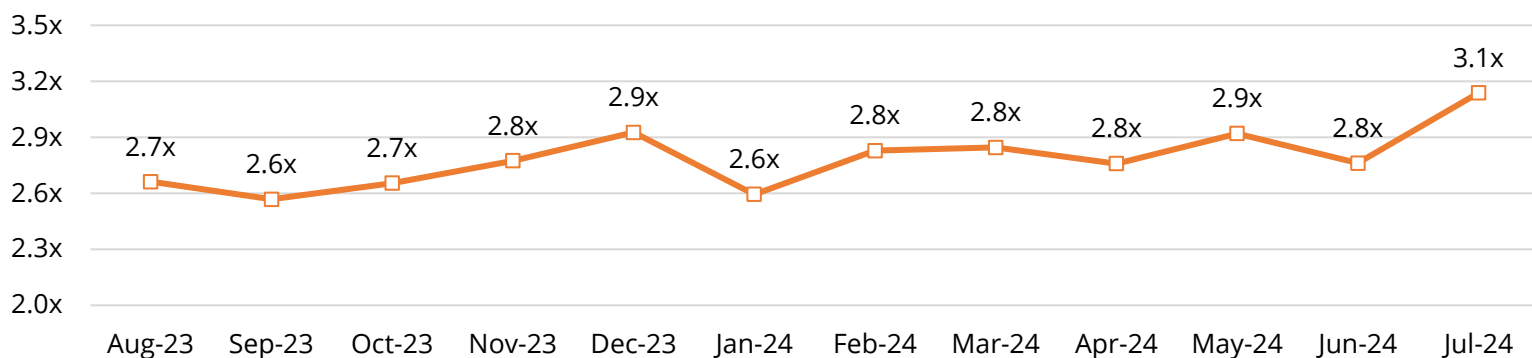
(\$M)	<b>AMETEK</b> NYSE:AME	<b>CURTISS-WRIGHT</b> NYSE:CW	<b>TELEDYNE TECHNOLOGIES</b> NYSE:TDY	<b>L3HARRIS</b> NYSE:LHX	<b>Elbit Systems</b> NASDAQ:ESLT	<b>Tt Electronics</b> LSE:TGT	<b>TTM Technologies</b> NASDAQ:TTMI	<b>AV AeroVironment</b> NASDAQ:AVAV	<b>mercury</b> NASDAQ:MRCY	<b>KROTOS</b> NASDAQ:KTOS
TEV	\$42,410	\$12,111	\$22,096	\$55,811	\$9,320	\$495	\$2,442	\$4,973	\$2,668	\$3,357
Market Cap	\$40,155	\$11,287	\$19,736	\$43,042	\$7,906	\$332	\$1,972	\$4,987	\$2,110	\$3,383
Revenue	\$6,825	\$2,928	\$5,552	\$20,765	\$6,135	\$786	\$2,317	\$717	\$840	\$1,083
EBITDA	\$2,118	\$694	\$1,386	\$3,686	\$666	\$38	\$293	\$121	(\$21)	\$88
Margin	31%	24%	25%	18%	11%	5%	13%	17%	(3%)	8%

#### Median Valuation Trends By Month

##### Median TEV/EBITDA by Month



##### Median TEV/Revenue by Month



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 >30.0x.



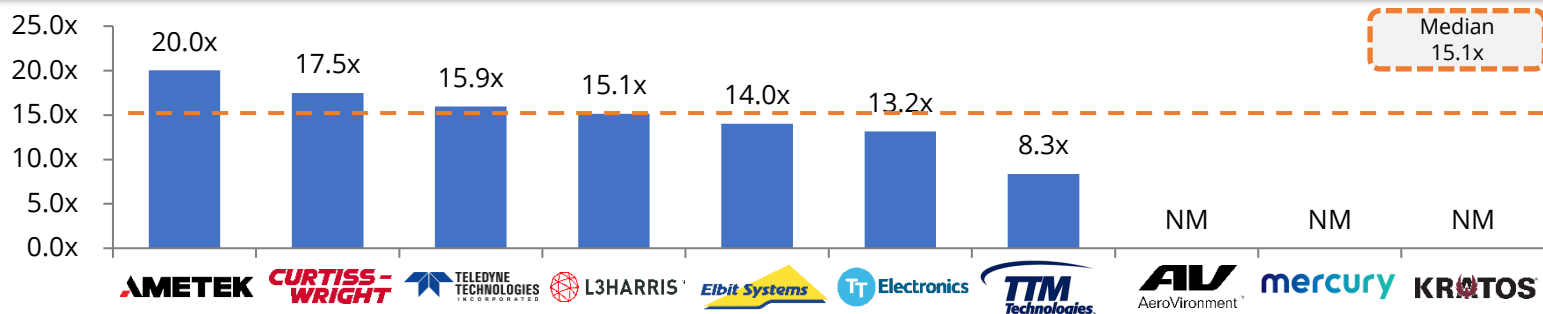
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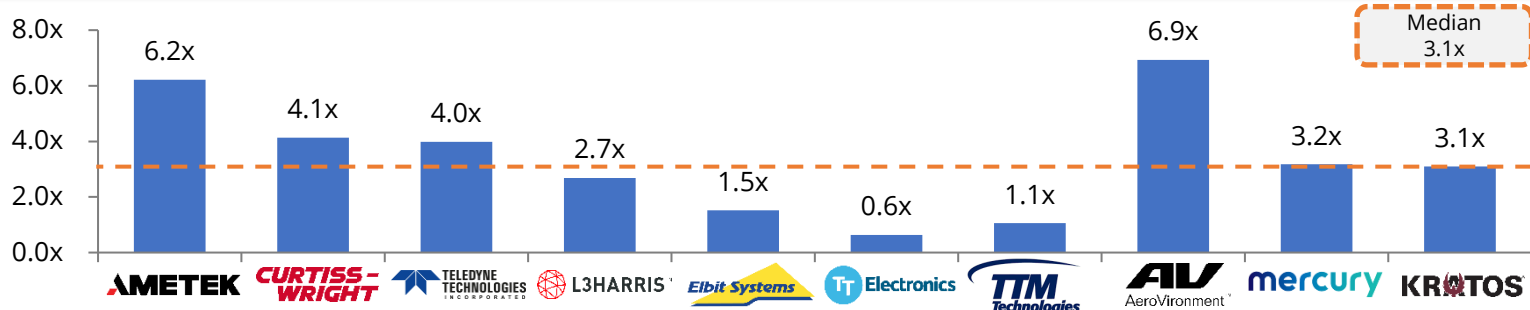
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### Defense Electronics Public Trading Comparables (continued)

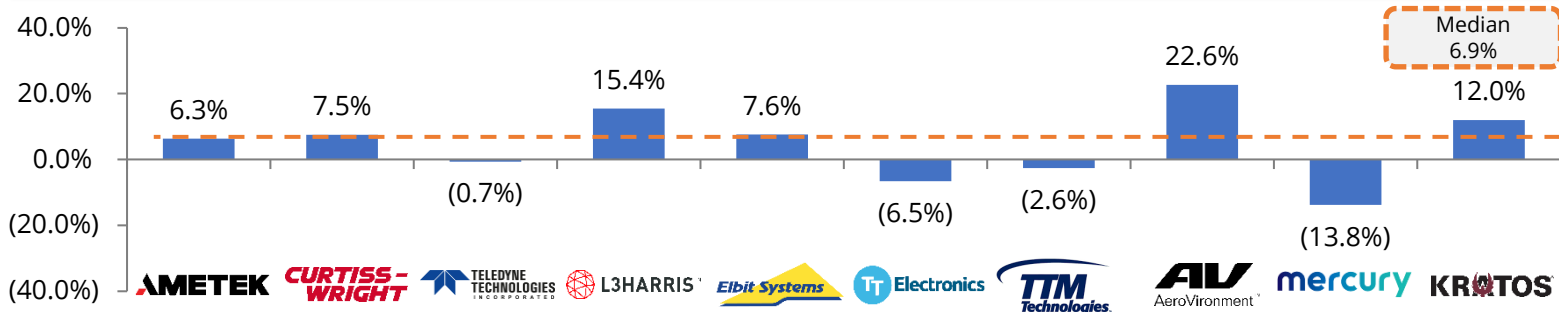
TEV/LTM EBITDA by Company



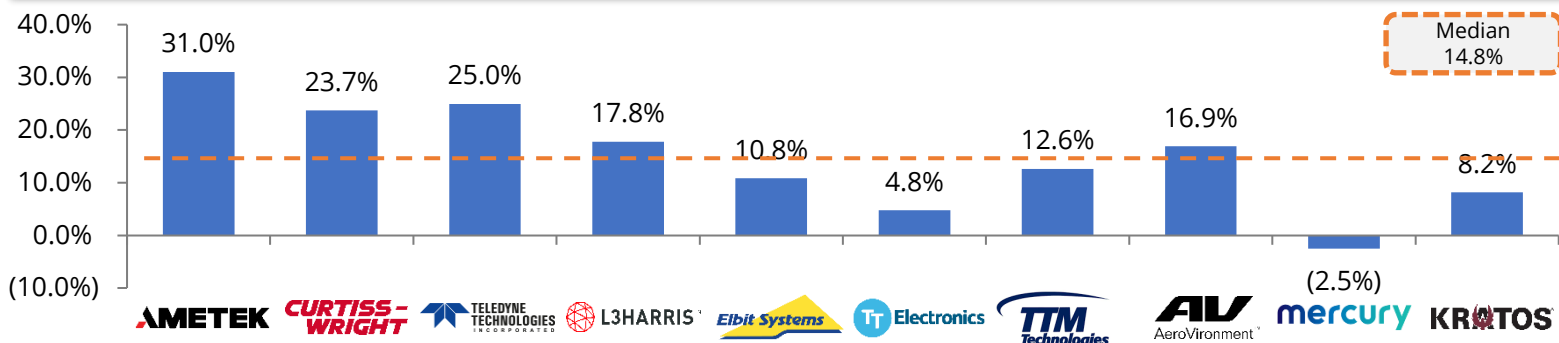
TEV/LTM Revenue by Company



LTM Revenue Y/Y Growth by Company



LTM EBITDA Margin by Company



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

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### Selected Janes Capital Partners Defense Electronics Experience

**Shield AI**

has acquired

**SENTIENT**

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CO-ADVISOR TO SELLER

**SAFRAN**

has acquired

**Syrlinks**

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ADVISOR TO SELLER

**CPI** Communications & Power Industries  
a portfolio company of

**ODYSSEY** INVESTMENT PARTNERS, L.P.

has acquired

**TMD**

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ADVISOR TO SELLER

**SPECTRA**  
a platform formed by

**VANCE STREET CAPITAL**

has acquired

**ARGON**

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ADVISOR TO SELLER

**AMETEK**

has acquired

**INTELLIPOWER**  
High Reliability in Demanding Environments

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ADVISOR TO SELLER  
\$115 million

**GENERAL DYNAMICS**  
Mission Systems

has acquired

**Advatech Pacific**  
CROSS DOMAIN SOLUTIONS

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ADVISOR TO SELLER

**KROTOS**  
DEFENSE & SECURITY SOLUTIONS

has acquired

**CEI**

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ADVISOR TO SELLER  
\$170 million

**NORTHROP GRUMMAN**

has acquired

**SCALED**  
COMPOSITES

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ADVISOR TO SELLER

### Janes Capital Partners Team Contact Information



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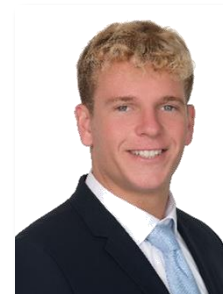
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Based in Irvine, CA, Janes Capital Partners is a leading investment banking firm focused solely on the Aerospace and Defense industry. The firm provides mergers and acquisition advisory services and assists clients in executing growth strategies and 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.