












DEFENSE ELECTRONICS

June 2024

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

Key Defense Electronics Deals Announced

| Target | Buyer | Description |
|--|---|--|
|  a portfolio company of  |  | <ul style="list-style-type: none"> Target: United Kingdom-based Ultra Energy is a provider of defense-in-depth to the nuclear industry. The company provides safety systems & critical sensors to protect reactor islands. It monitors and assesses the status of operating plants and implement multiple strategies to extend their operational life for a further 20+ years. Additionally, it supplies a continuously monitored shield for personnel, key facilities and national boundaries. Buyer: Davidson, NC-based Curtiss-Wright is a provider of high-tech, critical-function products, systems and services. The company operates through three segments: Aerospace & Industrial, Defense Electronics, and Naval & Power. Terms: Transaction announced on June 3, 2024. The purchase price is expected to be \$200M, 3.1x FY2023A revenue. |
|  |  | <ul style="list-style-type: none"> Target: Carson City, NV-based Ametherm specializes in precision thermistors for inrush current limiters and temperature sensing that come in various sizes, forms and packages to meet the demands of the automotive, industrial, aerospace/defense and medical markets. Buyer: Malvern, PA-based Vishay Intertechnology is a manufacturer of discrete semiconductors (diodes, MOSFETs, and infrared optoelectronics) and passive electronic components (resistors, inductors, and capacitors). Terms: Transaction announced on June 6, 2024. The purchase price was \$32M. |
|  FlightWave |  | <ul style="list-style-type: none"> Target: Santa Monica, CA-based Flightwave develops and manufactures vertical take-off and landing (VTOL) drone, sensor, and software solutions for private sector and U.S. federal government aerospace, defense, and environmental markets. The company's Edge 130 Blue is a UAS Certified military-grade tricopter for long-range mapping, inspection, surveillance, and reconnaissance needs. Buyer: Puerto Rico-based Red Cat provides products, services and solutions to the drone industry by integrating drone-related robotic hardware and software for military, government and commercial operations. The company's solutions provide critical situational awareness and actionable intelligence to on-the-ground personnel. Terms: Transaction announced on June 11, 2024. Terms not disclosed. |
|  |  | <ul style="list-style-type: none"> Target: Poway, CA-based EpiSci develops next-generation autonomous technologies for defense, aerospace, and commercial applications for private sector and U.S. federal government defense markets. EpiSci's flagship product, SwarmSense, is a scalable and customizable groundbreaking software and hardware system that uses AI, machine vision and mesh networking to accomplish a wide range of dynamic missions. Buyer: Boston, MA-based Merlin Labs is a developer of autonomous flight technology and software for fixed-wing aircraft in private sector and U.S. federal government markets. Terms: Transaction announced on June 13, 2024. Terms not disclosed. |

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



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|  |  | <ul style="list-style-type: none"> ▪ Target: Finland-based Nordic develops and manufactures unmanned aerial systems for private sector and international government homeland security markets. The company's products are used in various authority use in the security sector as well as data collection, mapping, measurement and inspection tasks. ▪ Buyer: Finland-based Patria is a provider of defense, security and aviation life cycle support services, technology solutions and pilot training. The company provides its aerospace and military customers with equipment availability, continuous performance development as well as selected intelligence, surveillance and management system products and services. ▪ Terms: Transaction announced on June 13, 2024. Terms not disclosed. |
|  a portfolio company of  |  | <ul style="list-style-type: none"> ▪ Target: Arlington, VA-based CAES provides systems that move data through off-the-shelf and customized products including RF, microwave, and high reliability microelectronics, antenna subsystems and motion control. The company provides Electronic Attack (EA), Electronic Protection (EP), and Electronic Warfare Support (EP) capabilities specifically designed and built for air, land and maritime operations. ▪ Buyer: Charlotte, NC-based Honeywell is a provider of aerospace products and services, control technologies for buildings, homes and industry, automotive products, power generation systems, specialty chemicals, fibers, plastics, and advanced materials. ▪ Terms: Transaction announced on June 20, 2024. The purchase price is expected to be \$1.9B, 14.0x FY2024P EBITDA. |
|  |  | <ul style="list-style-type: none"> ▪ Target: Las Vegas, NV-based Gresham is a provider of high-quality, high-reliability bespoke technology solutions required for mission critical applications in the defense, medical and telecommunications verticals. The company specializes in the distribution of electronic components. ▪ Buyer: Scottsdale, AZ-based Ault Disruptive is a Special Purpose Acquisition Company ("SPAC") whose business purpose is to effect a merger, capital stock exchange, asset acquisition, stock purchase, or similar business combination with one or more businesses. ▪ Terms: Transaction announced on June 24, 2024. The purchase price is expected to be \$83M, 2.1x TTM Mar-24 revenue. |
|  a portfolio company of  |  a portfolio company of  | <ul style="list-style-type: none"> ▪ Target: Dallas, TX-based High Point is a developer and manufacturer of autonomous defense and robotic systems for multi-mission capabilities in private sector and U.S. federal government aerospace, defense, homeland security, and critical infrastructure markets. The company develops scalable, interoperable software and is a prime integrator for sensors and effectors for multi-domain operations. ▪ Buyer: Fairfax, VA-based DZYNE Technologies designs, develops, and produces advanced Group I-V UAS platforms and analytic systems. The company's core capabilities include tube-launched and rotor unmanned UAS, composites fabrication, assembly, and aircraft integration. ▪ Terms: Transaction announced on June 27, 2024. Terms not disclosed. DZYNE and High Point are both portfolio companies of Highlander. |



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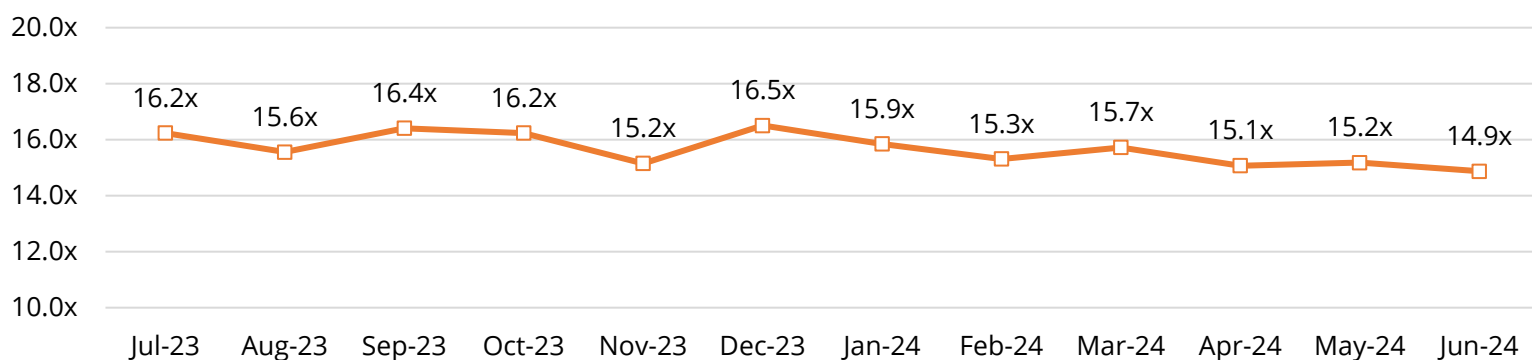
Defense Electronics Public Trading Comparables

Defense Electronics Comparable Companies

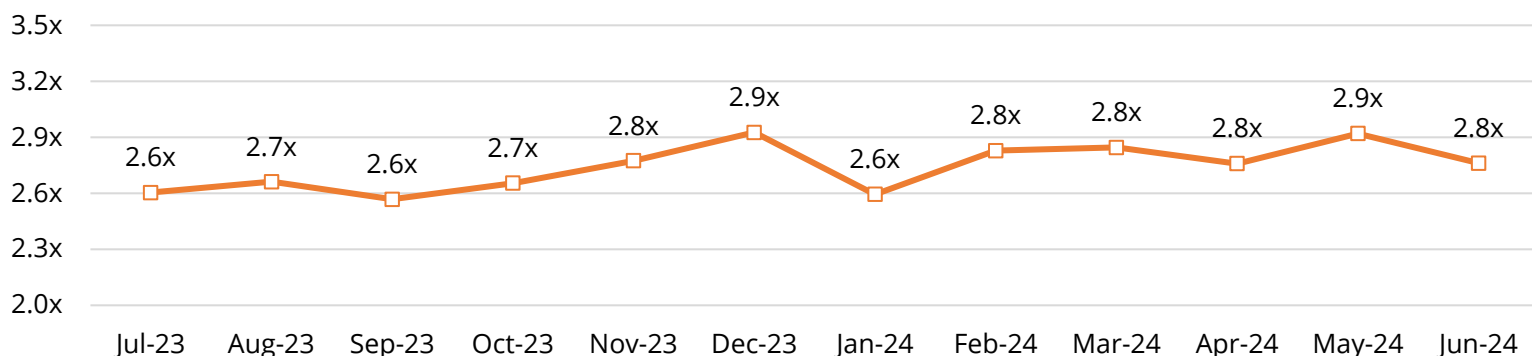
| (\$M) | AMETEK NYSE:AME | CURTISS-WRIGHT NYSE:CW | L3HARRIS NYSE:LHX | TELEDYNE TECHNOLOGIES NYSE:TDY | Elbit Systems NASDAQ:ESLT | Tt Electronics LSE:TTG | TTM Technologies NASDAQ:TTMI | AeroVironment NASDAQ:AVAV | mercury NASDAQ:MRCY | KROTOS NASDAQ:KTOS |
|------------|---------------------------|----------------------------------|-----------------------------|--|-------------------------------------|----------------------------------|--|-------------------------------------|-------------------------------|------------------------------|
| TEV | \$41,382 | \$11,202 | \$55,893 | \$20,738 | \$9,257 | \$488 | \$2,548 | \$5,075 | \$2,160 | \$2,977 |
| Market Cap | \$38,588 | \$10,378 | \$42,598 | \$18,399 | \$7,844 | \$327 | \$1,978 | \$5,088 | \$1,602 | \$3,003 |
| Revenue | \$6,736 | \$2,928 | \$20,159 | \$5,602 | \$6,135 | \$776 | \$2,258 | \$717 | \$840 | \$1,083 |
| EBITDA | \$2,151 | \$694 | \$3,640 | \$1,394 | \$666 | \$37 | \$289 | \$121 | (\$21) | \$88 |
| Margin | 32% | 24% | 18% | 25% | 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 6/30/24. Excludes TEV/EBITDA multiples >30.0x.



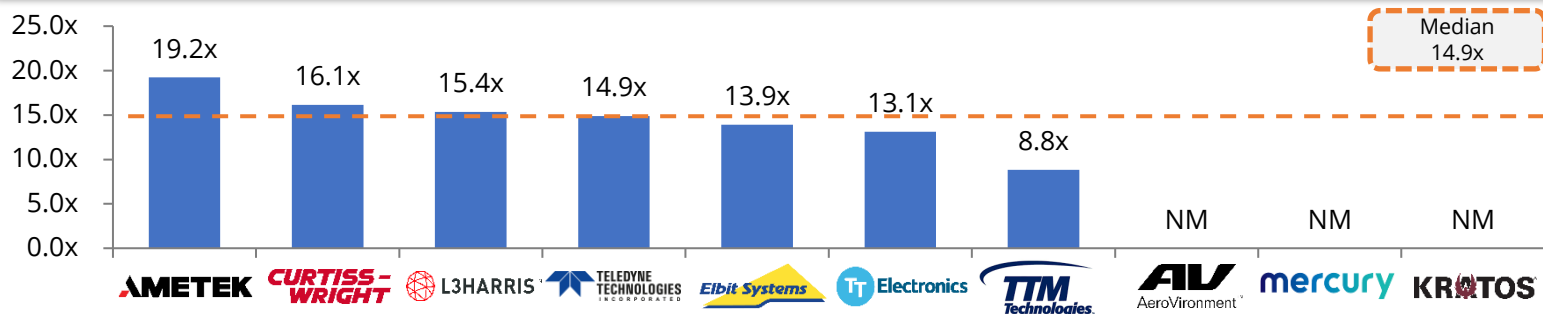
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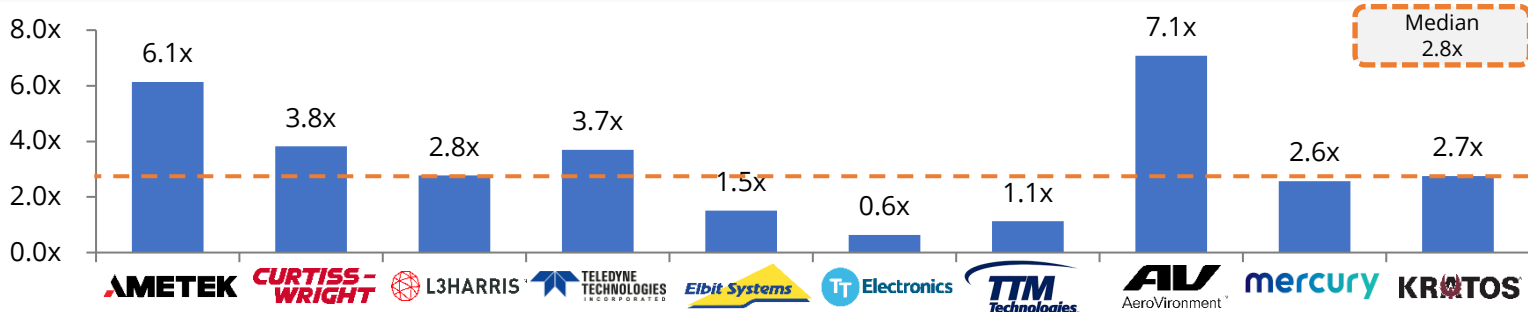
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Defense Electronics Public Trading Comparables (continued)

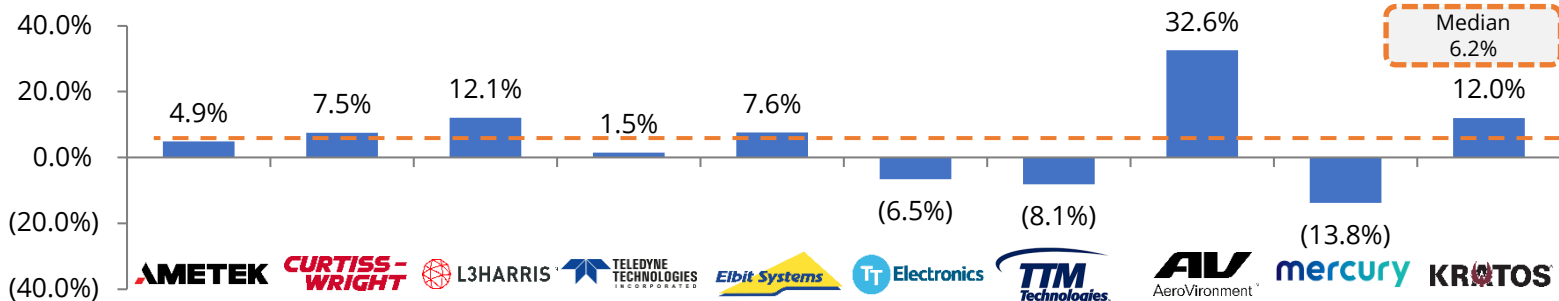
TEV/LTM EBITDA by Company



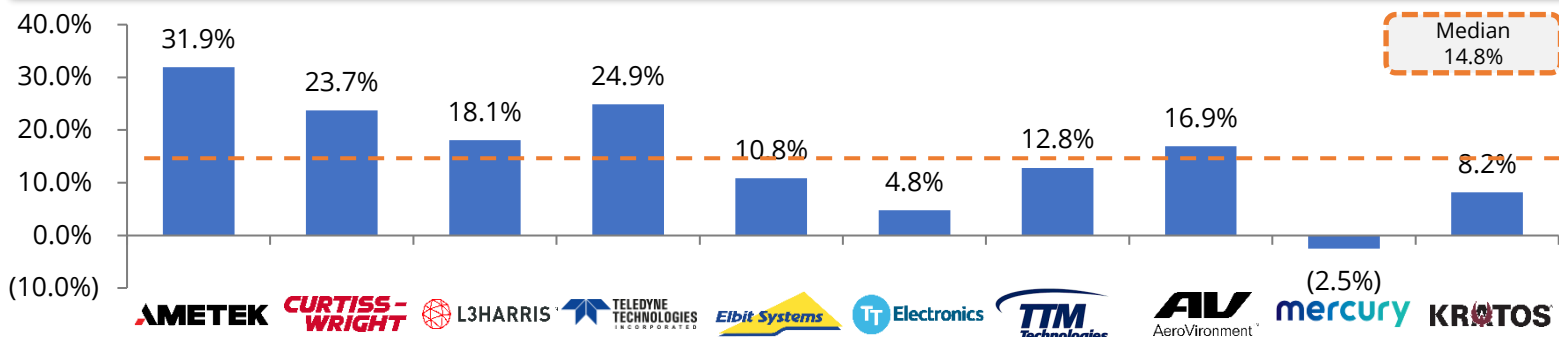
TEV/LTM Revenue by Company



LTM Revenue Y/Y Growth by Company



LTM EBITDA Margin by Company



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

Notes: Market valuations and LTM financials from public data available as of 6/30/2024. Excludes TEV/EBITDA multiples >30.0x.



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Selected Janes Capital Partners Defense Electronics Experience

Shield AI

has acquired

SENTIENT

ADVISOR TO SELLER

SAFRAN

has acquired

Syrlinks

ADVISOR TO SELLER

CPI Communications & Power Industries
a portfolio company of

ODYSSEY INVESTMENT PARTNERS, L.P.

has acquired

TMD

ADVISOR TO SELLER

SPECTRA
a platform formed by

VANCE STREET CAPITAL

has acquired

ARGON

ADVISOR TO SELLER

AMETEK

has acquired

INTELLIPOWER
High Reliability in Demanding Environments

ADVISOR TO SELLER
\$115 million

GENERAL DYNAMICS
Mission Systems

has acquired

Advatech Pacific
CROSS DOMAIN SOLUTIONS

ADVISOR TO SELLER

KROTOS
DEFENSE & SECURITY SOLUTIONS

has acquired

CEI

ADVISOR TO SELLER
\$170 million

NORTHROP GRUMMAN

has acquired

SCALED
COMPOSITES

ADVISOR TO SELLER

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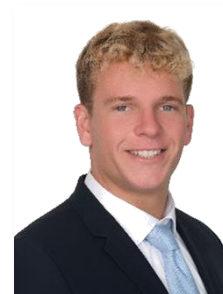
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Based in Irvine, CA, Janes Capital Partners is a leading investment banking firm focused solely on the Aerospace and Defense industry. The firm provides mergers and acquisition advisory services and assists clients in executing growth strategies and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