














DEFENSE ELECTRONICS

October 2024

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

Key Defense Electronics Deals Announced

Target	Buyer	Description
 <p>Veth Research Associates</p>	 <p>AEVEX AEROSPACE</p> <p>a portfolio company of</p>  <p>MADISON DEARBORN PARTNERS</p>	<ul style="list-style-type: none"> ▪ Target: Niceville, FL-based Veth Research Associates is a developer and manufacturer of a proprietary sensor fusion engine which powers real-time autonomous decision-making using deep neural networks and machine learning for private sector and U.S. federal government aerospace and defense markets. The company's LYNX vision-based navigation (VBN) system allows for navigation independent of external GPS signals. ▪ Buyer: Solana Beach, CA-based AEVEX Aerospace is a provider of full-spectrum airborne intelligence solutions, providing turn-key Contractor-Owned, Contractor Operated (COCO), Government Owned, Contractor Operated (GOCO), and Contractor Owned, Government Operated (COGO) services to the DoD, other government agencies, and select commercial businesses. ▪ Terms: Transaction announced on October 1, 2024. Terms not disclosed.
 <p>Honeywell</p> <p>Display Generator & Flight Control Computer Product Line License</p>	 <p>IS&S Innovative Solutions & Support</p>	<ul style="list-style-type: none"> ▪ Target: Charlotte, NC-based Honeywell's Display Generator & Flight Control Computer license grants the exclusive ability to manufacture, upgrade, and repair the product line. The license also grants exclusive intellectual property rights and includes the transfer of existing inventory necessary for continued manufacturing and support of the products. ▪ Buyer: Exton, PA-based IS&S is a diversified international avionics supplier to civil, military, business and commercial OEMs and operators. The company specializes in OEM and retrofit systems. The company supplies flight management solutions to the commercial air transport market, the military aviation market for C-130, L-100 and the business aviation market for the Eclipse E500 and E550 aircraft. ▪ Terms: Transaction announced on October 4, 2024. Terms not disclosed.
 <p>niT NEW IMAGING TECHNOLOGIES</p>	 <p>LYNRED</p> <p>a joint venture between</p>  <p>THALES</p> <p>and</p>  <p>SAFRAN</p>	<ul style="list-style-type: none"> ▪ Target: France-based NIT is a developer and manufacturer of shortwave infrared (SWIR) imaging modules and sensors for private sector and international government markets. The company is equipped with in-house unique manufacturing technologies such as small pitch high yield hybridization capacity. ▪ Buyer: France-based Lynred is a developer and manufacturer of key classes of advanced infrared (IR) detectors for military, space and industrial applications. The company's IR product portfolio covers the entire spectrum, from the visible and near infrared to very far infrared. ▪ Terms: Transaction announced on October 7, 2024. Terms not disclosed.
 <p>C SPEED</p>	 <p>NEWSPRING</p>	<ul style="list-style-type: none"> ▪ Target: Liverpool, NY-based C Speed develops and manufactures radar systems, subsystems, and subsystem solutions for private sector and U.S. federal government defense, homeland security, industrial, and medical markets. The company's flagship radar platform, the LSR-1000 family of radar, is a flexible 360° air surveillance platform, available in fixed or mobile platforms, which can operate in either low or high PRF modes. ▪ Buyer: Radnor, PA-based NewSpring Capital is a private equity firm focused on partnering with growth-stage companies across the business services, technology, healthcare, and specialty manufacturing markets to support their scaling and expansion goals. ▪ Terms: Transaction announced on October 8, 2024. Terms not disclosed.





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		<ul style="list-style-type: none"> ▪ Target: Van Nuys, CA-based Electronic Source Company is a developer and manufacturer of high-rel circuit card assemblies for private sector and U.S. federal government aerospace and defense markets. The company serves prime and Tier 1 defense and space contractors to high-profile programs like the F-18, F-35, F-16, C-130, and H-60 Blackhawk. ▪ Buyer: Boston, MA-based Sverica Capital is a private equity firm that partners with lower middle-market companies, primarily in the business services, technology, healthcare, and high-value industrial markets. ▪ Terms: Transaction announced on October 22, 2024. Terms not disclosed.
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 a portfolio company of 		<ul style="list-style-type: none"> ▪ Target: Stamford, CT-based Hoffman is a manufacturer and provider of night vision and photonic test equipment, and lighting components for the aerospace and marine industries. The company provides lighting, night vision & test equipment, power management systems, and airfield products. ▪ Buyer: New York City, NY-based Branford Castle is a private equity firm specializing in investments in smaller, middle-market companies across industries such as business services, industrials, consumer goods, and logistics. ▪ Terms: Transaction announced on October 23, 2024. Terms not disclosed.
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		<ul style="list-style-type: none"> ▪ Target: Laurel, MD-based Antenna Research Associates designs, develops, and manufactures antennas and RF systems for both military and civilian applications. The company supplies antennas for communication networks, RF surveillance, RF jamming, public safety networks, and civilian markets. In addition to antennas, the company's product offerings include reflector feeds, positioners, rotators, and accessories. ▪ Buyer: New York, NY-based OceanSound Partners is a private equity firm focused on investments in technology, industrial, and government services companies that serve critical, high-growth end markets. ▪ Terms: Transaction announced on October 29, 2024. Terms not disclosed.
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		<ul style="list-style-type: none"> ▪ Target: France-based Squadrone System specializes in the design of multi-copter drones for complex applications. The company's areas of expertise include UAV swarming, anti-drone combat, and automated industrial inspections. ▪ Buyer: France-based Delair is a provider of long-range, fixed-wing unmanned aircraft systems (UAS) solutions for industrial inspection and asset management applications. The company's full UAV system packages consist of an aircraft, sensor, ground control station, software, and training for a turn-key solution. ▪ Terms: Transaction announced on October 29, 2024. Terms not disclosed.
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Sources: CapIQ; Dacis, Investor Presentations, company websites and press releases



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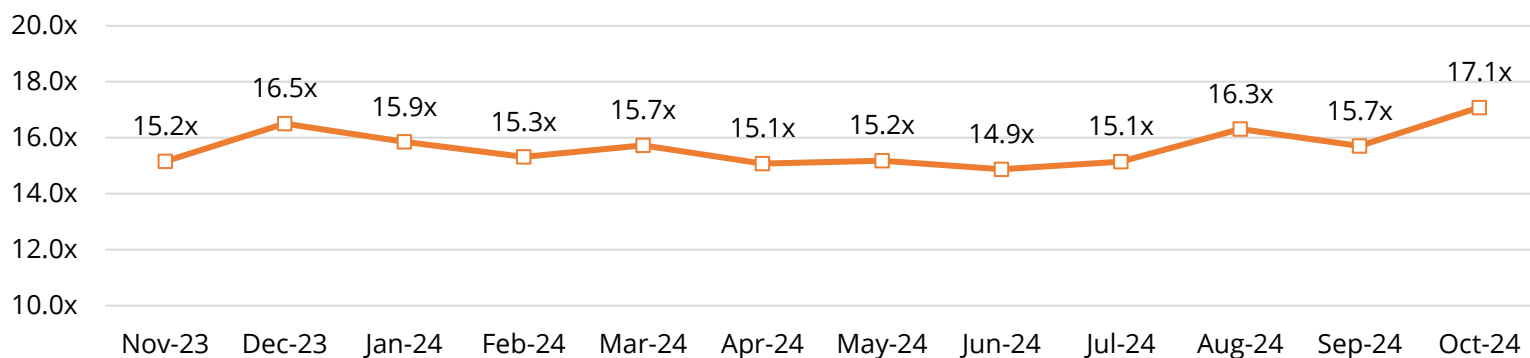
Defense Electronics Public Trading Comparables

Defense Electronics Comparable Companies

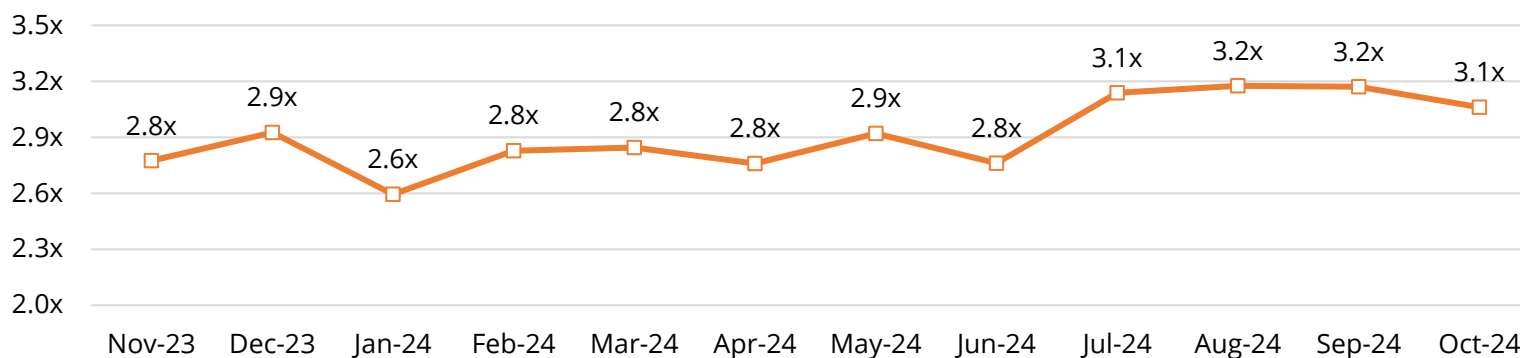
(\$M)	CURTISS-WRIGHT	AMETEK	TELEDYNE TECHNOLOGIES	Elbit Systems	L3HARRIS	TT Electronics	TTM Technologies	AeroVironment	mercury	KROTOS
	NYSE:CW	NYSE:AME	NYSE:TDY	NASDAQ:ESLT	NYSE:LHX	LSE:TTG	NASDAQ:TTMI	NASDAQ:AVAV	NASDAQ:MRCY	NASDAQ:KTOS
TEV	\$14,339	\$41,049	\$23,750	\$11,628	\$58,982	\$344	\$2,457	\$6,032	\$2,473	\$3,557
Market Cap	\$13,548	\$39,109	\$21,508	\$10,164	\$46,547	\$180	\$2,010	\$6,066	\$1,986	\$3,562
Revenue	\$3,008	\$6,910	\$5,593	\$6,307	\$21,142	\$746	\$2,361	\$754	\$835	\$1,126
EBITDA	\$713	\$2,163	\$1,390	\$681	\$3,706	\$27	\$313	\$120	(\$18)	\$97
Margin	24%	31%	25%	11%	18%	4%	13%	16%	(2%)	9%

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 10/31/24. Excludes TEV/EBITDA multiples >30.0x.



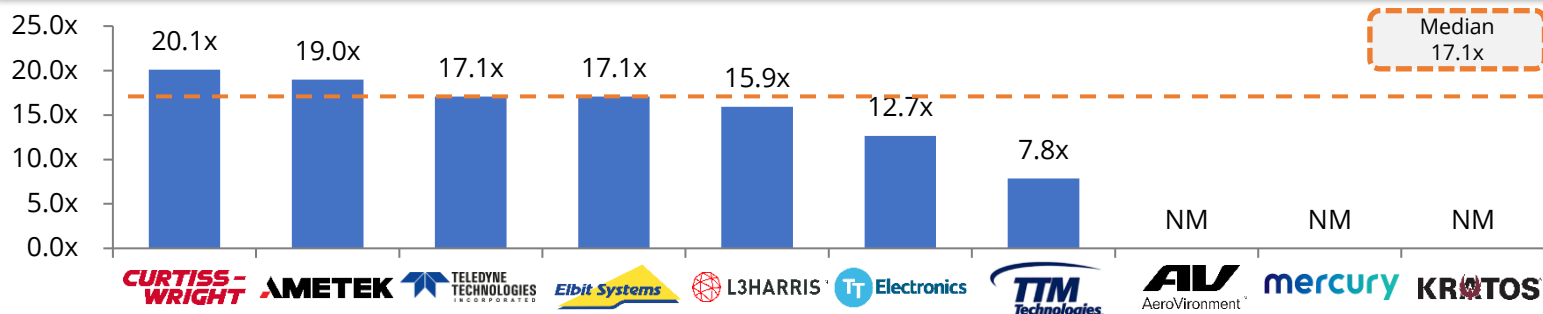
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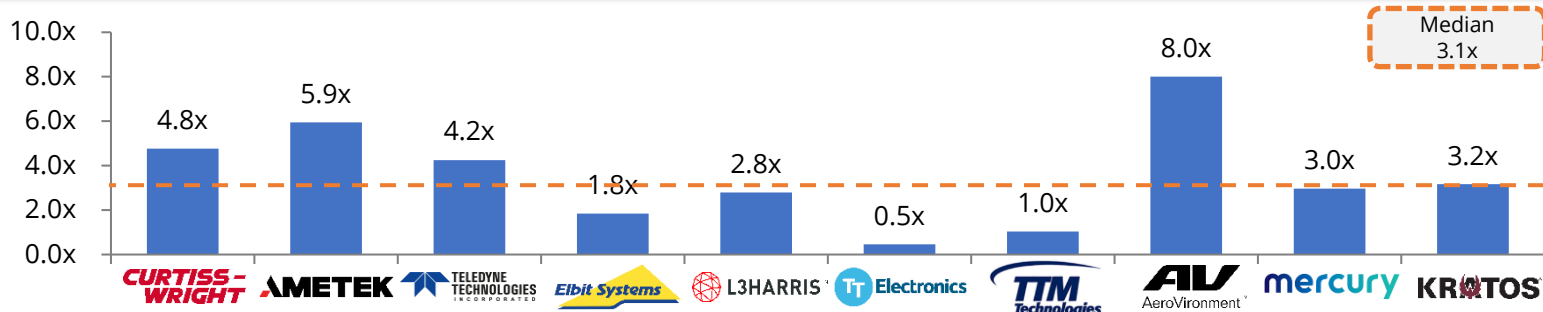
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Defense Electronics Public Trading Comparables (continued)

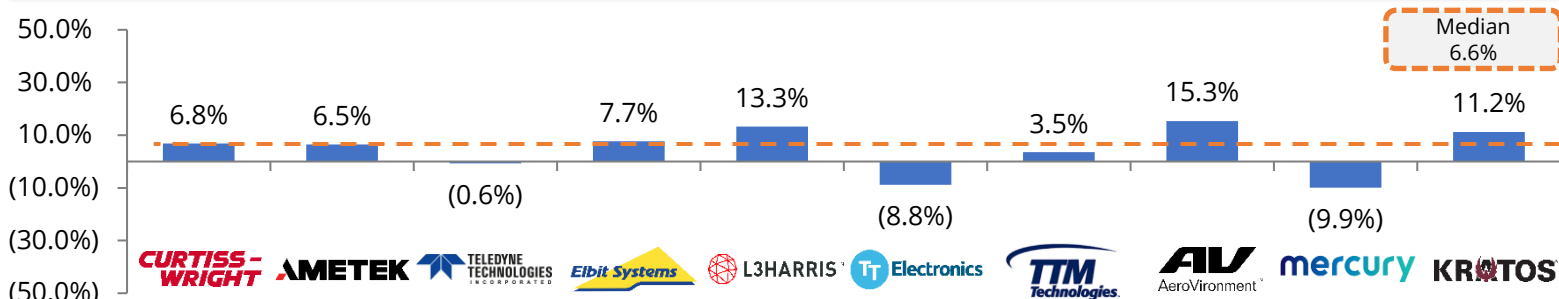
TEV/LTM EBITDA by Company



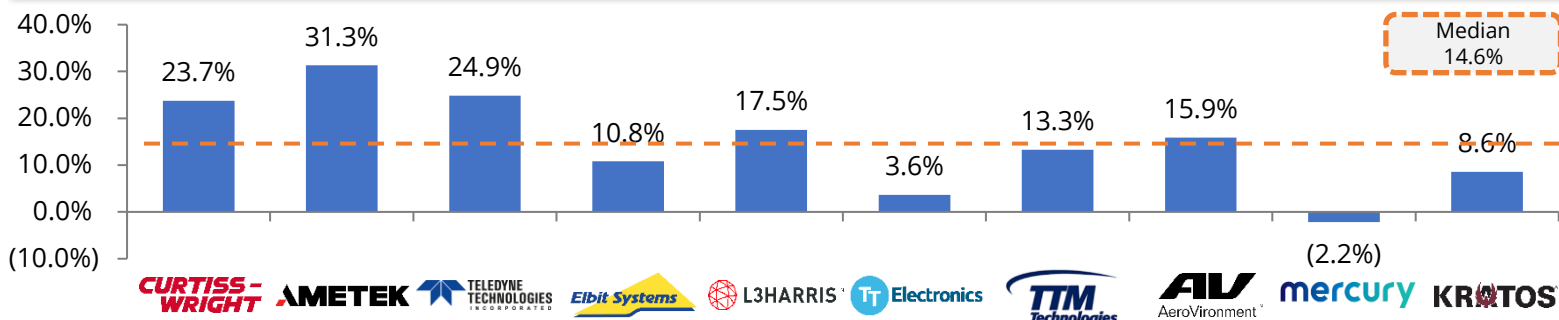
TEV/LTM Revenue by Company



LTM Revenue Y/Y Growth by Company



LTM EBITDA Margin by Company



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

Notes: Market valuations and LTM financials from public data available as of 10/31/24. Excludes TEV/EBITDA multiples >30.0x.



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Selected Janes Capital Partners Defense Electronics Experience

Shield AI

has acquired

SENTIENT

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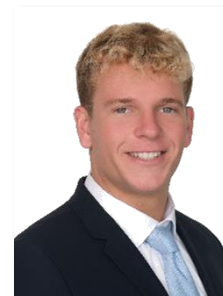
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Based in Irvine, CA, Janes Capital Partners is a leading investment banking firm focused solely on the Aerospace and Defense industry. The firm provides mergers and acquisition advisory services and assists clients in executing growth strategies and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