



# DEFENSE ELECTRONICS

## September 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> United Kingdom-based Kirintec is a specialist in counter-Improvised Explosive Devices (IED), counter-Uncrewed Air Systems (UAS) and electronic warfare products and solutions. The company's battle-proven technology protects military platforms and personnel from cyber and electromagnetic attacks.</li> <li>▪ <b>Buyer:</b> United Kingdom-based BAE Systems specializes in defense, aerospace, and security solutions for global markets. The company provides products and services for air, land, and naval forces, along with advanced electronics and cybersecurity solutions that protect critical infrastructure.</li> <li>▪ <b>Terms:</b> Transaction announced on September 3, 2024. Terms not disclosed.</li> </ul>
		<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Neenah, WI-based Volatus Infrastructure specializes in creating sustainable energy solutions and infrastructure for the Urban Air Mobility (UAM) and electric vehicle sectors. The company focuses on developing dual-use charging stations designed to support both aerial and ground-based electric transportation.</li> <li>▪ <b>Buyer:</b> Chicago, IL-based eVertiSky focuses on developing software and infrastructure for Urban Air Mobility (UAM). The company creates scalable systems that integrate electric aerial vehicles into modern transportation networks, enhancing urban mobility and reducing environmental impact.</li> <li>▪ <b>Terms:</b> Transaction announced on September 3, 2024. eVertiSky stated the combined valuation post-merge will be \$262M.</li> </ul>
	 a portfolio company of 	<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Windsor, CT-based Accutron specializes in designing and manufacturing custom circuit board assemblies, primarily serving the aerospace, medical, and telecommunications industries. The company's core capabilities include material management, supply chain solutions, and advanced assembly processes such as injection molding and CNC machining.</li> <li>▪ <b>Buyer:</b> Milford, CT-based Foxtronics EMS provides electronic manufacturing services for the aerospace, defense, and telecommunications industries. The company offers custom circuit board assembly, testing, and prototyping, with a focus on high-rel and industry compliance.</li> <li>▪ <b>Terms:</b> Transaction announced on September 4, 2024. Terms not disclosed.</li> </ul>
		<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Germany-based HARDER.digital develops and manufactures Gen I, Gen II and Gen III Image intensifiers as well as custom made image tubes for private sector and international government defense markets. The company has developed scientific applications of MCP-screen detectors, offering multiple options of MCP based mounts.</li> <li>▪ <b>Buyer:</b> Cyprus-based Theon International develops advanced electro-optical systems for defense and security markets. The company's products include night vision and thermal imaging systems used by military and law enforcement agencies to enhance situational awareness and operational effectiveness.</li> <li>▪ <b>Terms:</b> Transaction announced on September 9, 2024. Terms not disclosed.</li> </ul>

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



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- **Target:** Fairfax, VA-based Azure Summit Technology is a developer of high-performance RF hardware, firmware, software products, and multi-function RF systems solutions for mission-critical applications in private sector and U.S. federal government defense markets.
- **Buyer:** Arlington, VA-based CACI International provides IT and professional services to support national security and defense operations. The company delivers advanced technology solutions, including cybersecurity, communications, and intelligence support, to the U.S. federal government and allied nations.
- **Terms:** Transaction announced on September 16, 2024. Purchase price is expected to be \$1.3B, 2.9x and 11.6x NTM Sep-24 revenue and EBITDA, respectively.



a portfolio company of



- **Target:** Israel-based Enercon is a supplier of highly engineered non-ITAR power conversion and networking solutions to global aerospace and defense markets. The company designs COTS, factory configurable, and tailor-made solutions to overcome the demanding requirements of today's MIL-Standards, austere environments and rugged military and defense applications.
- **Buyer:** West Orange, NJ-based Bel Fuse designs and manufactures electronic components for telecommunications, networking, aerospace, and defense markets. The company provides power supplies, circuit protection, and connectivity solutions tailored to high-performance applications.
- **Terms:** Transaction announced on September 18, 2024. Purchase price for 80% stake is expected to be \$320M. Implied enterprise value is \$400M, 3.6x and 11.1x TTM Jun-24 revenue and EBITDA, respectively.



- **Target:** Vancouver, WA-based Kägwerks develops and manufactures rugged, tactical operator-worn communications technologies for private sector and U.S. federal government defense markets. The company's Dismounted Operator's Combat Kit (DOCK) platform is a modular and scalable communications system capable of command, control, and edge computing and is built for the individual warfighter.
- **Buyer:** Australia-based Codan develops communications and metal detection solutions for defense and industrial sectors. The company's rugged and reliable equipment is used in mission-critical operations, supporting military, humanitarian, and mining activities in remote locations.
- **Terms:** Transaction announced on September 25, 2024. Purchase price is expected to be \$24M.



a subsidiary of



- **Target:** Raynham, MA-based Electrochem is a designer and manufacturer of primary lithium metal and ultracapacitor cells and battery packs serving energy, military and various environmental, industrial and utility end markets.
- **Buyer:** Newark, NY-based Ultralife designs and manufactures batteries and power solutions for military, aerospace, and industrial markets. The company provides lithium batteries, energy storage systems, and communications equipment for mission-critical applications.
- **Terms:** Transaction announced on September 30, 2024. Purchase price is expected to be \$50M, 1.5x TTM Jun-24 revenue.



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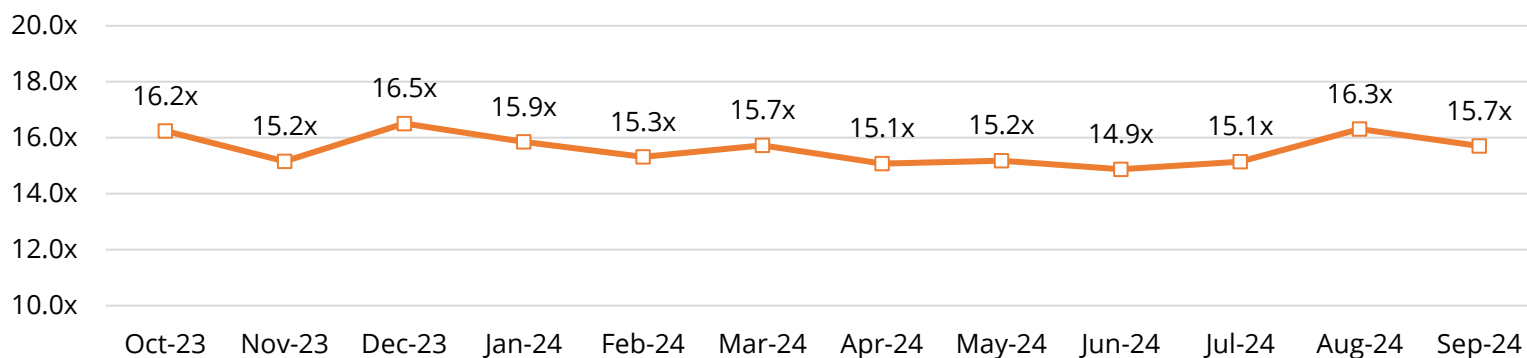
### Defense Electronics Public Trading Comparables

#### Defense Electronics Comparable Companies

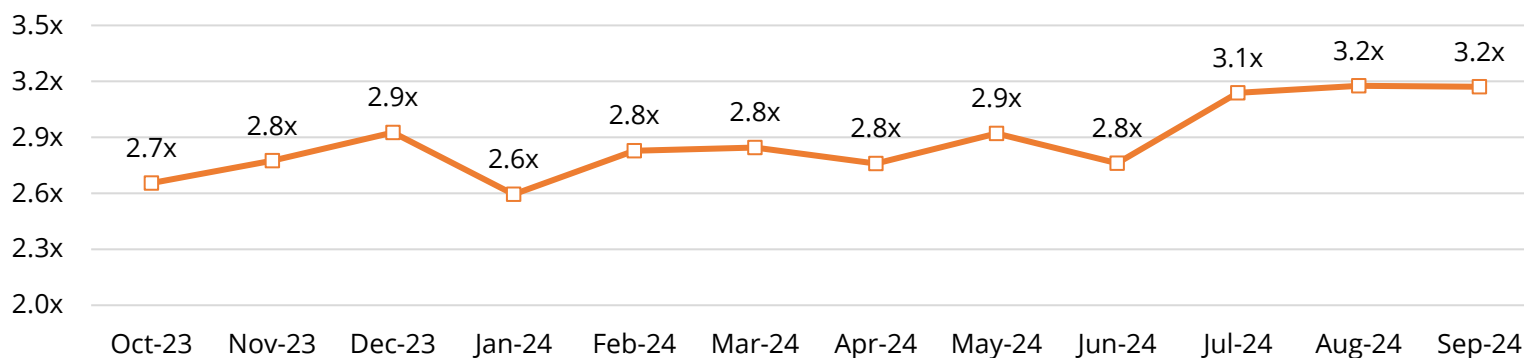
(\$M)	AMETEK	CURTISS-WRIGHT	TELEDYNE TECHNOLOGIES	L3HARRIS	Elbit Systems	TT Electronics	TTM Technologies	AeroVironment	mercury	KROTOS
	NYSE:AME	NYSE:CW	NYSE:TDY	NYSE:LHX	NASDAQ:ESLT	LSE:TTG	NASDAQ:TTMI	NASDAQ:AVAV	NASDAQ:MRCY	NASDAQ:KTOS
TEV	\$42,243	\$13,379	\$22,835	\$57,894	\$10,233	\$394	\$2,423	\$5,581	\$2,689	\$3,514
Market Cap	\$39,757	\$12,589	\$20,476	\$45,125	\$8,769	\$225	\$1,861	\$5,615	\$2,202	\$3,518
Revenue	\$6,825	\$3,008	\$5,552	\$20,765	\$6,307	\$769	\$2,317	\$754	\$835	\$1,126
EBITDA	\$2,200	\$713	\$1,386	\$3,686	\$681	\$28	\$305	\$120	(\$18)	\$97
Margin	32%	24%	25%	18%	11%	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 9/30/24. Excludes TEV/EBITDA multiples >30.0x.



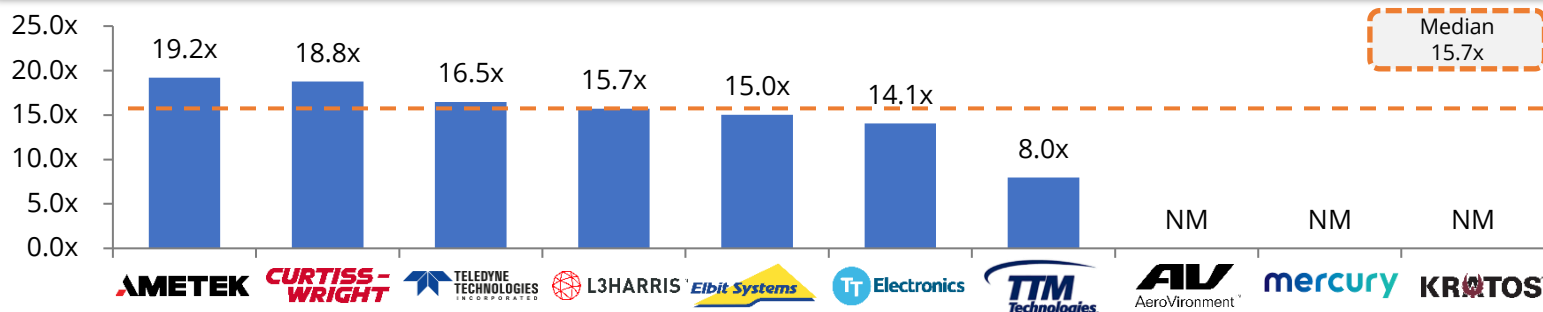
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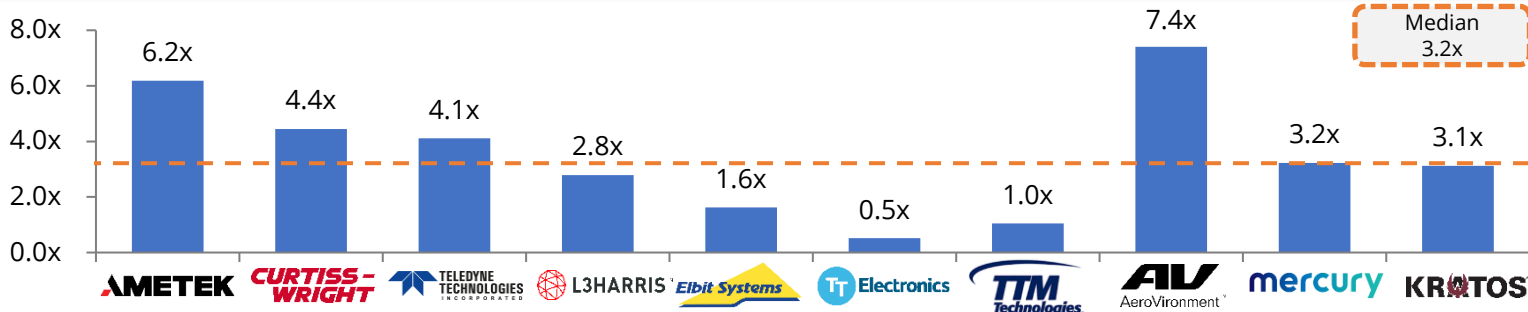
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## Defense Electronics Public Trading Comparables (continued)

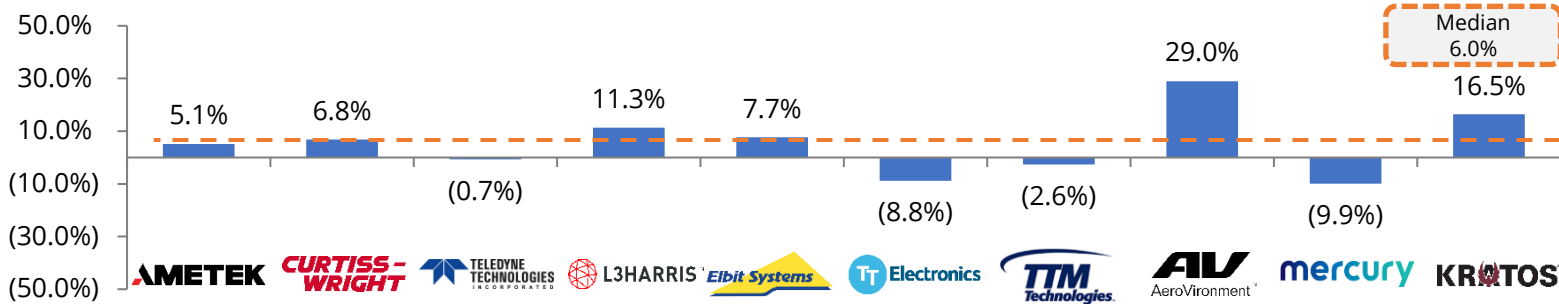
TEV/LTM EBITDA by Company



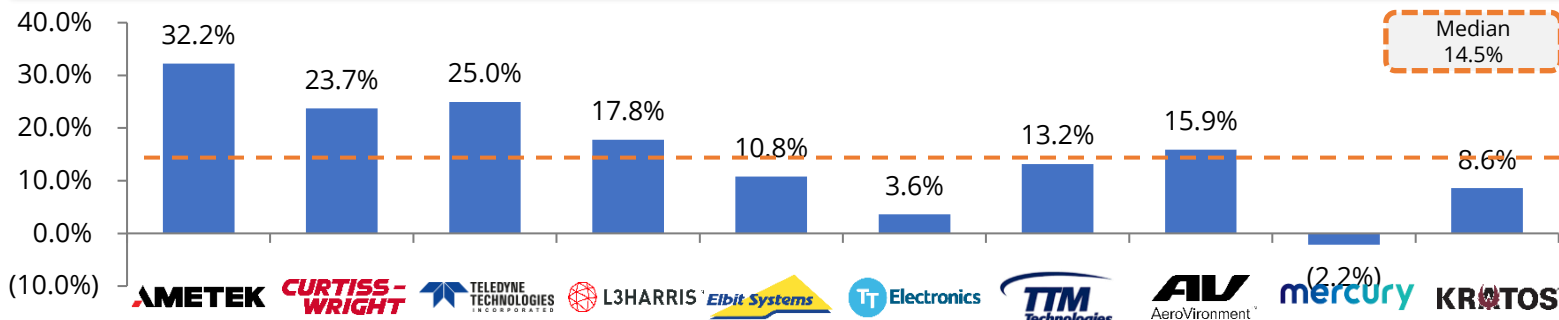
TEV/LTM Revenue by Company



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 9/30/24. 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

## Janes Capital Partners Team Contact Information



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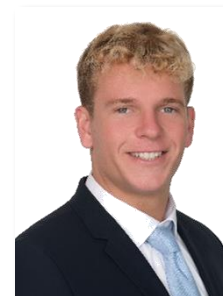
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Based in Irvine, CA, Janes Capital Partners is a leading investment banking firm focused solely on the Aerospace and Defense industry. The firm provides mergers and acquisition advisory services and assists clients in executing growth strategies and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