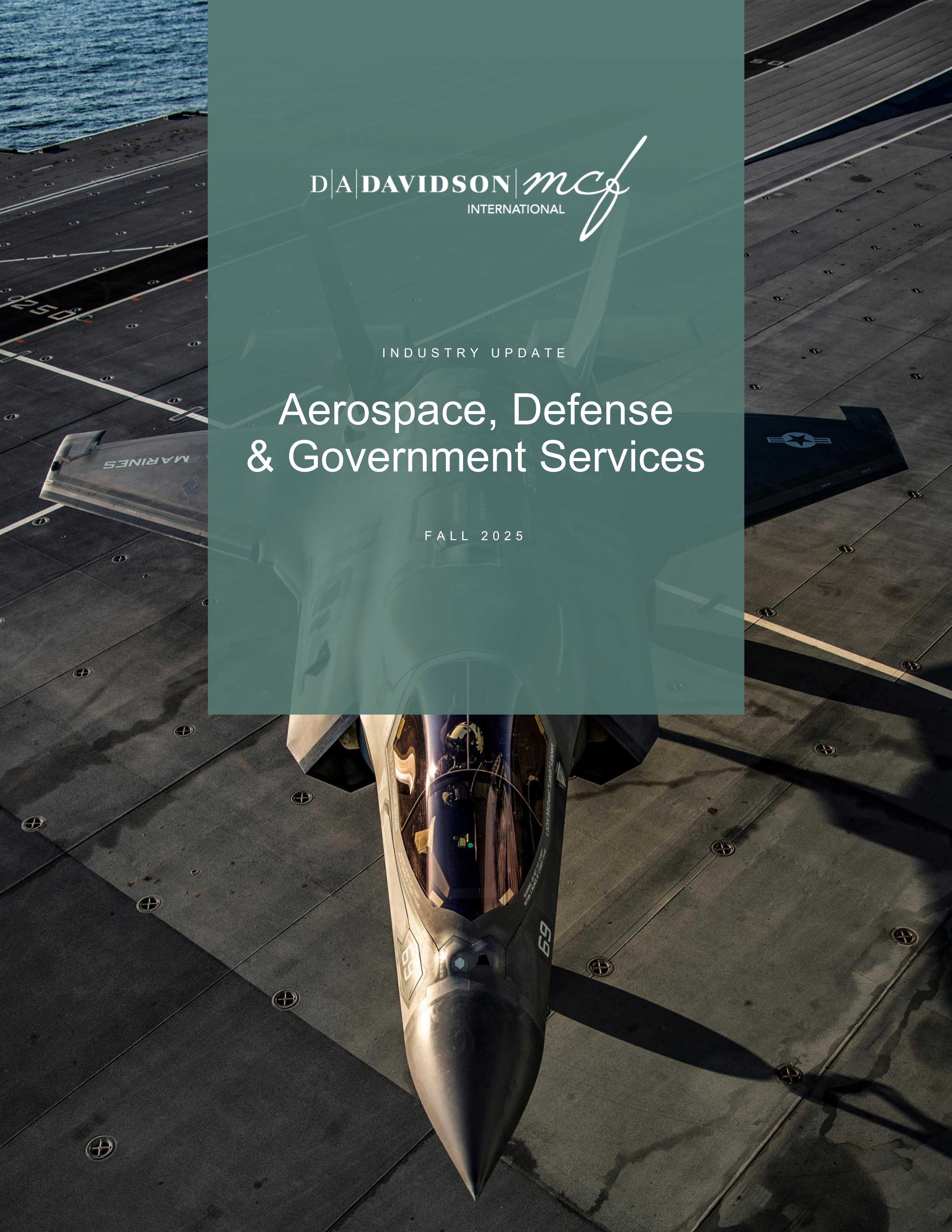


D|A|DAVIDSON | mcf INTERNATIONAL

INDUSTRY UPDATE

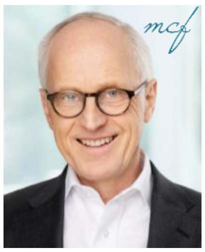
Aerospace, Defense & Government Services

FALL 2025

An Experienced, Proven, and Trusted Advisor Across Aerospace, Defense & Government Services

D.A. Davidson | MCF International has extensive experience serving middle market companies across a broad spectrum of aerospace, defense & government services ("AD&GS") market segments. We have expertise working with privately owned, sponsor backed, and public companies

Aerospace, Defense & Government Services Investment Banking Team



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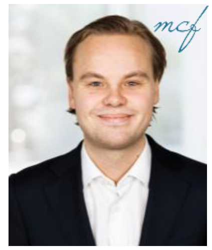

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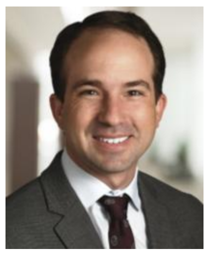

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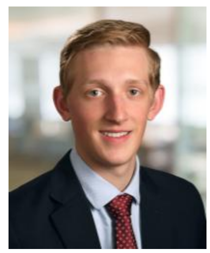

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Selected Recent Transactions

HANMAR has been acquired by AMG a portfolio company of IGP

cerberus has acquired VOTAW

GMT sold its aerospace business to TriMas Aerospace

Patria has sold its subsidiary Patria Pilot Training to Airways Aviation

BANDY a portfolio company of JW Hill Capital has been acquired by Novaria Group a portfolio company of KKR

Verisk has divested aer Atmospheric and Environmental Research to Janus Research Group a portfolio company of CM Equity Partners

D.A. Davidson's full-service capital markets platform and partnership with MCF International enable global reach and unique cross-border expertise

Table of Contents

"Herd" on the Street

Through the first three quarters of 2025, the D.A. Davidson | MCF International AD&GS team attended over twenty industry events and engaged in numerous conversations with key industry constituents across strategic and private equity acquirors. The following represents a summary of Davidson's Bison "Herd" on the street

Aerospace

New trade deal restores zero-for-zero aerospace tariffs

- In late July 2025, the Trump administration reached a trade agreement with the European Union ("EU") which restored zero-for-zero tariffs for all aircraft and component parts
  - Industry participants welcomed the reciprocal policy, stating it would lead to more jobs, allow for further innovation in aerospace, and grow the U.S. aerospace trade surplus

GE Aerospace reaches five-year labor agreement to end three-week strike

- GE Aerospace ended a three-week strike of more than 600 United Auto Workers union employees at its Ohio and Kentucky distribution facilities
  - The tentative deal includes a base wage increase ranging from 3% to 5% through 2029, along with ~$3,500 in cash payments per employee to help offset rising healthcare costs

Global airlines make large Boeing jet orders

- In late September 2025, Turkish Airlines verbally committed to order 75 787s and completed negotiations to buy 150 737 MAX aircraft
- In early September 2025, Canada's WestJet announced an agreement with Boeing for the purchase of 60 737-10 MAX aircraft, with options for an additional 25. The order also included seven 787-9 widebody Dreamliners with options for four more
- In late August 2025, Korean Air announced a $50B order for 103 Boeing airplanes (includes a mix of 787s, 777s, and 737s) with GE Aerospace engines
- The Turkish Airlines and Korean Air purchases coincided with meetings between President Trump and the respective president of each airline's country

Boeing and Airbus backlogs grow amid continued production struggles

- Despite signs of gradual improvement in the aerospace supply chain, Boeing and Airbus continue to face production ramp-up challenges, driving further growth in order backlogs

Boeing and Airbus August 2025 Backlogs and Production Rates

Aug-25:	Backlog	Backlog Increase / (Decrease)[1]	Production Rate[2]	Production Rate Increase / (Decrease)[1]	Target Production Rate	Months of Production
Boeing						
737	4,408	(25)	37	(1)	42	119
767	93	(7)	1	(1)	3	93
777	559	38	5	1	3	112
787	934	45	7	2	5	133
Airbus						
A220	486	13	9	1	7	54
A320	7,180	(16)	38	(1)	50	189
A330	231	73	5	2	3	46
A350	733	28	4	3	6	183

Sources: Office of the U.S. Trade Representative, Airbus, Boeing, and other publicly available resources.
Note: Boeing's backlog is adjusted for the ASC 606 revenue recognition standard.
(1) Reflects increase / (decrease) from July 2025 data.
(2) Production data represents the actual number of aircraft produced in August 2025. Definition of aircraft produced varies by source.

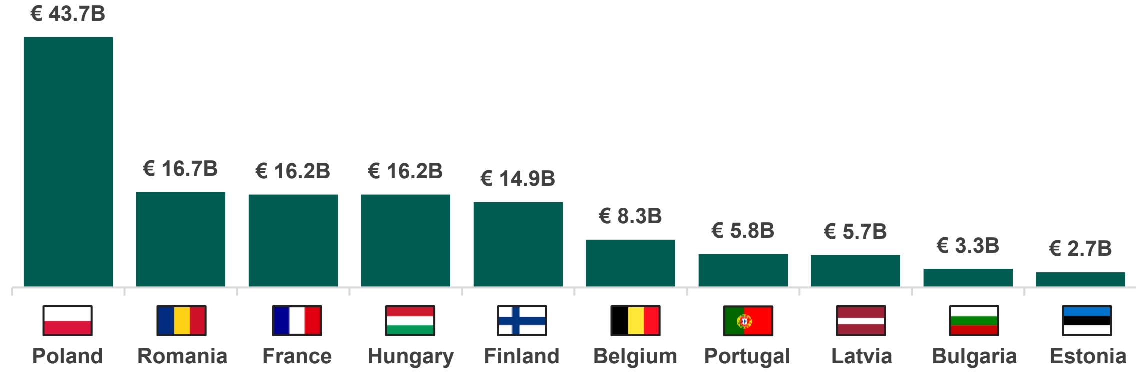
"Herd" on the Street (Cont'd)

Global Defense

EU launches Security Action for Europe ("SAFE") initiative to strengthen defense

- The EU's SAFE initiative is a €150 billion EU financial instrument designed to provide long-maturity, low-cost loans to Member States to accelerate urgent and large-scale investments in defense capabilities including missiles, drones, and cyber defense
  - SAFE marks a major step toward European defense autonomy, enabling rapid, coordinated investment in military capabilities amid growing geopolitical threats

Tentative SAFE Contribution per Member State by 2030



Russian drone strikes underscore global shift to low-cost, high-impact warfare

- Ukraine's air force reported that Russia launched over 5,600 drones into the country in September 2025, a ~40% increase compared to August 2025
  - While Ukraine downed or suppressed nearly 90% of the Russian drones, the significant cost asymmetry remains unsolved and top of mind for military leaders across the world
- The U.S. military launched its "Unleashing U.S. Military Drone Dominance" initiative in July 2025, aiming to boost American drone manufacturing and equip warfighters with low-cost, domestically produced drones to counter growing threats
  - "We will power a technological leapfrog, arming our combat units with a variety of low-cost drones made by America's world-leading engineers and [artificial intelligence] experts" *– Pete Hegseth (U.S. Secretary of Defense), Defense Memo (7/11/2025)*

Australia boosts naval power with undersea drones

- Australia is investing $11B in a fleet of autonomous undersea drones developed by U.S. defense firm Anduril
  - This move signals a strategic shift toward AI-driven warfare, continued reliance on U.S. defense technology, and reinforces allied deterrence in the Indo-Pacific

Congress introduces Quad Space Act to bolster orbital cooperation

- The Quad Space Act, introduced in the U.S. House and Senate, seeks to deepen in-orbit cooperation among Quad nations consisting of Australia, India, Japan, and the U.S. by promoting joint efforts in space situational awareness, industrial policy, and best practices
  - This legislation aims to strengthen allied space capabilities and maintain strategic advantage over China in the emerging global space race

Sources: The International Institute for Strategic Studies, U.S. Department of Defense, and other publicly available resources.

“Herd” on the Street (Cont’d)

Global Defense (Cont’d)

2025 Defense and Security Equipment International (“DSEI”) takeaways (for the full version click here)

- The D.A. Davidson | MCF Corporate Finance team attended the 2025 Defense and Security Equipment International Exhibition in London on September 9-12th. Despite the London Tube strike and anti-war protestors at the entrance gates, there was record attendance at DSEI
- Bolstered by the surge in defense spending across Europe (with many references to a UK and European “defense dividend”), the show floor and number of exhibitors was considerably larger than in 2023 – over 60,000 visitors (from more than 70 countries) attended the exhibition and over 1,700 exhibitors showcased capabilities across land, air, naval, cyber, and space domains
  - **Eastern Europe faces new escalation:** The tense geopolitical climate is still very front and center, as news broke during the conference that Russian attack drones penetrated Polish airspace requiring Poland and Dutch fighters to engage
  - **Drones dominate defense tech:** Drones and counter-drones were pervasive throughout the exhibit hall – a clear signal about the future of warfare and lessons learned from the Ukraine battlefield and Middle East conflicts, where drone warfare continues to evolve from single-drone use to swarms and multi-drone operations
  - **Shift toward scalable defense innovation:** Big weapon systems are being questioned, as priorities shift to more technology-enabled, cost-effective solutions (directed energy weapons, unmanned aerial systems (“UAS”), counter-UAS technology, cyber, quantum computing, and AI / Autonomy) that can be mass produced and / or force multipliers
  - **Buyers prioritize electronic warfare:** Electronic warfare (“EW”) continues to be the #1 priority atop almost every buyer’s shopping list
  - **Europe accelerates defense independence:** Tariff challenges and uncertainty with U.S. posture with NATO is driving European militaries to accelerate domestic sources for rearmament; meanwhile, the delegation of U.S. defense companies and investors attending was noticeably larger as they target opportunities to participate in this new wave of European defense spending
  - **Supply chain strains European defense output:** European manufacturers are facing challenges to increase their production capacity given persistent supply chain issues. Suppliers are looking to make procurement more agile by securing cross border cooperations and targeting opportunities for vertical integration
  - **Defense startups face funding friction:** Defense tech darlings are hoping to turn market buzz into landmark program awards, but face challenges to generate meaningful sales due to procurement bureaucracy – how patient will investors be if there are continued delays in program funding or their solutions are not adopted?
  - **Naval defense gains strategic focus:** Maritime defense was a domain that received even more attention than compared to prior years at DSEI, as the confluence between military interests and maritime supply chains highlights the importance of naval defense to protect major maritime trade routes, civilian ports of global importance, and sensitive energy infrastructure (e.g., oil rigs and undersea pipelines)

Germany ramps up defense spending to meet NATO targets

- After years of underinvestment, Germany is leveraging both public and private funding to accelerate its defense build-up, aligning with NATO’s 5% GDP target. This shift is transforming its industrial base and promoting European cooperation in defense modernization

Source: D.A. Davidson Investment Banking.

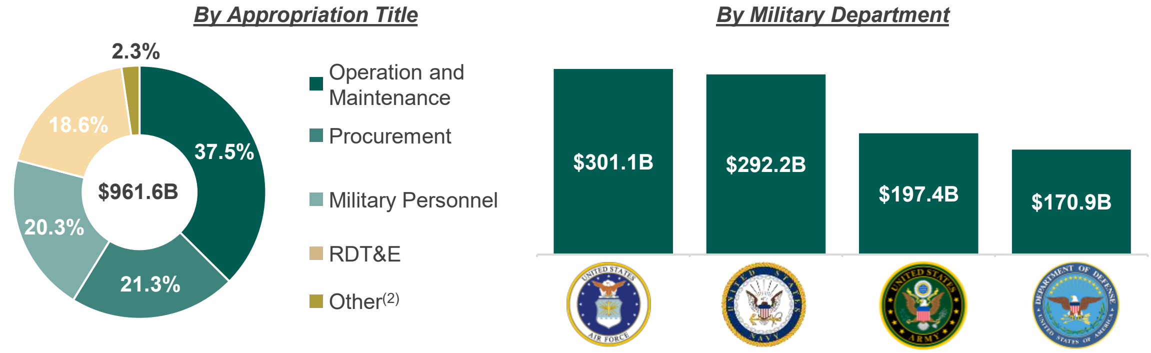
"Herd" on the Street (Cont'd)

U.S. Defense

Senate and House diverge on Fiscal Year ("FY") 2026 defense funding priorities

- In June 2025, the Pentagon requested a $961.6B defense budget for FY 2026. In July, the Senate and House Appropriations Committees each passed their own versions of the Defense Appropriations Act, resulting in a $21B funding discrepancy
  - The House Appropriations Committee supports the Pentagon's budget request, while the Senate takes a more assertive stance, criticizing the Pentagon for prioritizing immediate readiness and industrial base strengthening over long-term procurement

Department of Defense ("DoD") Total FY 2026 Budget Request(1)



Congress approves $848B defense modernization package

- In September 2025, the House passed the FY 2026 National Defense Authorization Act ("NDAA") and the Streamlining Procurement for Effective Execution and Delivery ("SPEED") Act, allocating $848B to modernize the military, raise troop pay, and strengthen border security
  - The Act aims to drastically reduce the defense acquisition timeline from 800 days to 150 days, accelerating delivery of critical capabilities to warfighters
- These moves reflect a broader strategy to restore U.S. deterrence and implement the administration's "Peace Through Strength" agenda

Boeing begins manufacturing the first F-47 fighter jet

- After winning the mandate to develop the F-47 it was announced in late September that Boeing has started building the sixth-generation stealth fighter and plans to fly it for the first time in 2028
  - The F-47 will serve as a command hub for AI-powered drones and is built for dispersed operations from rough runways; each unit is expected to cost ~$325M

U.S. Army invests in autonomous capabilities

- The U.S. Army awarded ~$15.5M in contracts to Forterra, Overland AI, and Scout AI to add autonomous capabilities to its existing infantry support vehicles ("ISVs")
  - Overland AI co-founder and president, Stephanie Bonk, shared that the company was tasked with integrating its autonomy software and proprietary Spark hardware component into the ISVs

Sources: DACIS, U.S. Department of Defense, and other publicly available resources.
(1) Includes discretionary, supplemental, and mandatory reconciliation spending.
(2) Includes revolving and management funds, offsetting receipts, military construction, and family housing.

"Herd" on the Street (Cont'd)

U.S. Defense (Cont'd)

Strategic U.S. DoD & MP Materials deal targets rare earth independence

- MP Materials has entered a multibillion-dollar public-private partnership with the U.S. Department of Defense to build a domestic rare earth magnet supply chain, including a new manufacturing facility and expanded capabilities at its Mountain Pass site
  - This deal reduces U.S. dependence on foreign sources for rare earth magnets vital to defense and advanced technologies, while positioning DoD as MP's largest shareholder

White House signals potentially more government stakes in strategic industries

- The government's recent 10% stake in Intel is part of a broader strategy to create a sovereign wealth fund that could include more private companies
  - "I'm sure that at some point there'll be more transactions, if not in this industry then other industries" – *Kevin Hassett, Director of the National Economic Council of the U.S. (8/25/25)*

U.S. Army and Treasury unite to boost defense investment

- The U.S. Army and Treasury Department are teaming up to attract private investment into defense technology, hosting discussions with top investors during the upcoming Association of the United States Army ("AUSA") conference to reshape how military innovation is financed
  - This collaboration signals a shift toward leveraging venture capital to accelerate defense innovation, aligning national security needs with market-driven solutions

U.S. Army reveals increased defense presence in the Indo-Pacific region

- In early September 2025, the U.S. Army revealed it had placed a mid-range missile system (Typhon) at its Marine Corps Air Station in Iwakuni, Japan for the first time as the two countries work to increase their deterrence against China's growing threat to the region
  - Typhon was revealed at Resolute Dragon, an annual bilateral exercise across Japan, focused on maritime defense and shallow-water protection
  - In late September 2025, Chinese President Xi Jinping issued a sharp warning in his National Day address against Taiwan independence and any external interference

Lockheed Martin awarded record ~$10B missile contract

- The U.S. Army awarded Lockheed Martin a ~$10B multiyear contract to produce ~2,000 advanced variants of the Patriot missile, marking the largest deal in the history of the company's Missiles and Fire Control unit
  - Lockheed's record contract underscores the Pentagon's push to replenish missile stockpiles and strengthen supply chains as geopolitical conflicts (i.e., Ukraine and the Middle East) drive increased demand

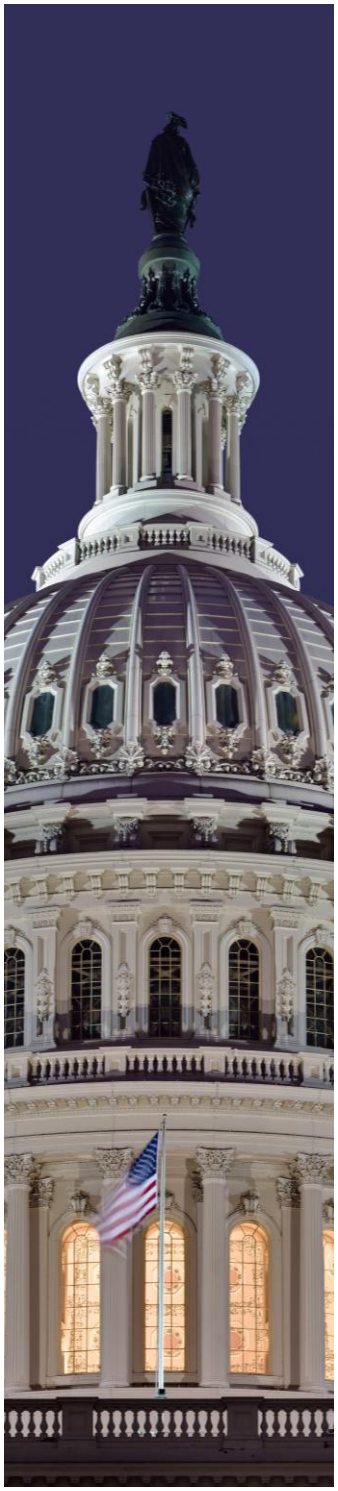
The One Big Beautiful Bill Act encourages innovation

- The One Big Beautiful Bill Act, signed into law in early July 2025, permits immediate expensing of domestic research and development costs, allowing eligible firms to deduct these expenses in the year incurred – boosting cash flow and encouraging innovation

Sources: U.S. Department of Defense, and other publicly available resources.

"Herd" on the Street (Cont'd)

Government Services



Trump Administration's FY 2026 budget request results in budgetary declines for most major departments and agencies

- The U.S. Department of Defense, U.S. Department of Homeland Security, and U.S. Department of Veteran Affairs were among the only major government departments to receive budgetary increases in the Trump Administration's FY 2026 budget request

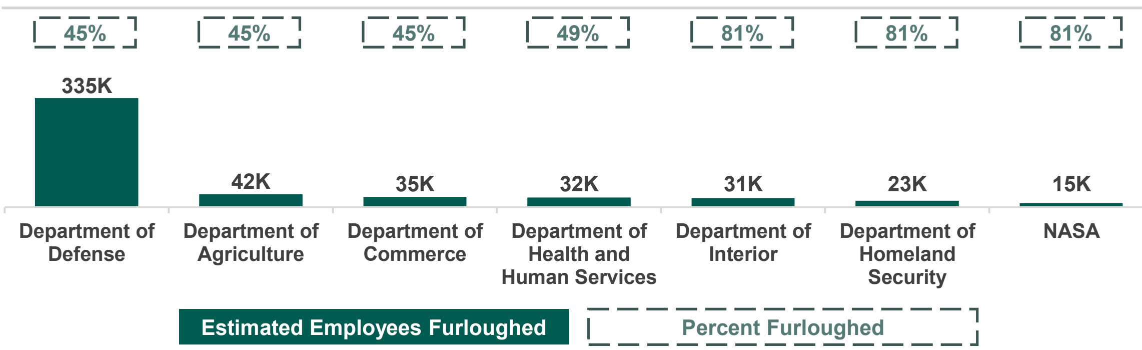
Selected FY 2026 Discretionary Requests by Major Agency

Selected Government Department / Agency	2026 Budget Requested ($B)	$ Change from 2025 Enacted ($B)	% Change from 2025 Enacted
Defense(1)	$961.6	$101.5	12%
Homeland Security(1)	$134.9	$15.4	13%
Veteran Affairs	$134.6	$5.4	4%
Health and Human Services	$95.3	($33.5)	(26%)
Education	$66.9	($12.0)	(15%)
Transportation	$59.4	($10.7)	(15%)
Energy	$42.6	($18.1)	(30%)
Justice	$33.5	($2.7)	(8%)
Housing and Urban Development	$33.2	($49.1)	(60%)
Agriculture	$25.7	($45.1)	(64%)
NASA	$18.8	($6.0)	(24%)

U.S. Government shut down impacts federal agencies and employees

- On October 1, 2025, the federal government shutdown after Congress failed to pass full-year funding for FY 2026, resulting in 700K+ furloughed federal employees
- In light of the recent shutdown, the Office of Management and Budget has directed agencies to draft plans for a reduction in force (i.e., permanent layoffs) – targeting programs without funding or not aligned with administration priorities

Estimated Furloughs by Selected Federal Agency



Sources: Whitehouse.gov and other publicly available federal sources and websites.
(1) Includes reconciliation resources.

“Herd” on the Street (Cont’d)

Government Services (Cont’d)

White House unveils its AI strategy: “Winning the Race: America’s AI Action Plan”

- In late July 2025, the White House unveiled its comprehensive, 28-page AI strategy document titled “Winning the Race: America’s AI Action Plan”; the document was drafted pursuant to the Executive Order “Removing Barriers to American Leadership in AI” that Trump signed in January 2025. The action plan outlines 90 recommended policy actions, which are divided into three pillars:
  - I. **Accelerating AI Innovation:** details 15 principles that focus on reducing regulatory barriers to AI innovation and establishing ground rules for AI procurement by the federal government
  - II. **Building American AI Infrastructure:** focuses on increasing the development of AI infrastructure within the U.S. to keep pace with the rapid growth and adoption of AI tools
  - III. **Leading International AI Diplomacy and Security:** seeks to mobilize the Commerce and State Departments to export full-stack U.S. AI technologies to allied nations and tighten export controls to restrict access and influence by U.S. adversaries

Small business set-aside task orders ruled optional under General Services Administration (“GSA”) Federal Supply Schedule (“FSS”)

- In September 2025, the U.S. Government Accountability Office (“GAO”) ruled in *Development InfoStructure, LLC v. Department of State* that federal agencies are not required to follow the “Small Business Rule of Two” when issuing task orders under the GSA FSS
  - **Small Business Rule of Two:** requires agencies to set aside contracts for bids by small businesses when there is a reasonable expectation of obtaining offers from two or more responsible small businesses that are competitive
  - GAO’s ruling grants agencies full discretion on small business set-asides under GSA FSS at a time when procurement consolidation trends indicate more acquisitions will move to GSA FSS

Federal Acquisition Regulation (“FAR”) overhaul well underway

- Trump’s “Restoring Common Sense to Federal Procurement” executive order (signed mid-April 2025) directs the Federal Acquisition Regulatory Council, heads of agencies, and appropriate senior acquisition and procurement officials to rewrite the FAR within 180 days
  - As of late September 2025, ~70% of the FAR had been revised and only Part 15 (Contracting by Negotiation) and Part 45 (Government Property) still need revision
  - Despite widespread speculation that the FAR overhaul would eliminate the rule of two entirely, recent amendments to Part 19 of the FAR reinforce that the rule of two is mandatory except for task orders under a multiple-award contract

FAR Overhaul Timeline

April 15	President Trump issued Executive Order 14257: Restoring Common Sense to Federal Procurement
April 30	Each agency named their senior acquisition official for the overhaul
May 02	Office of Management and Budget provides implementation guidance
October 12	Office of Federal Procurement Policy and FAR Council’s target for completing all FAR changes

Sources: whitehouse.gov, doge.gov, and other publicly available resources.

"Herd" on the Street (Cont'd)

Space

U.S. Space Force prioritizes national security missions as launch demand surges

- In July 2025, the U.S. Space Force ("USSF") released a document titled *USSF Principles for Space Access Resourcing Decisions* reaffirming its support of the commercial and hybrid (government-commercial) space industry, while making clear that national security concerns take priority in a capacity-constrained launch environment
  - The document was released due to the launch industry's rapid growth over the last 3 years, driven primarily by commercial satellite missions
- The U.S. Space Force also emphasized it will pursue equitable cost-sharing with commercial users to maintain and develop launch infrastructure as activity rises

Expected Rocket Launch Activity Over the Next Two Quarters

Company	4Q 2025E	1Q 2026E	Total
SpaceX	26	1	39
Rocket Lab	18	2	20
United Launch Alliance	8	3	12
Blue Origin	2	-	2
NASA	-	1	1
Virgin Galactic	-	-	-

U.S. Space Command headquarters relocating to Alabama

- In early September 2025, Trump announced that Redstone Arsenal in Huntsville, Alabama was selected as the permanent headquarters for U.S. Space Command ("USSPACECOM")
  - Approximately 1,400 USSPACECOM jobs will transition to Redstone Arsenal over the next five years

Trump signs executive order to expand U.S. leadership in the space industry

- Trump's "Enabling Competition in the Commercial Space Industry" executive order (signed mid-August 2025) directs streamlined permitting for commercial launch and re-entry operations, spaceport infrastructure, and novel space activities
  - The executive order is intended to make launch and re-entry permits more obtainable by eliminating or expediting environmental reviews and other obstacles currently enforced by the Federal Aviation Administration and the Department of Transportation

U.S. Space Force's Chief of Space Operations General calls for increased & modernized space domain awareness ("SDA")

- In September 2025, General Chance Saltzman stated that the U.S. Space Force's SDA architecture was built for a time when space wasn't viewed as a warfighting domain – General Saltzman emphasized the need to leverage commercial capabilities to meet the demands of today's contested space environment

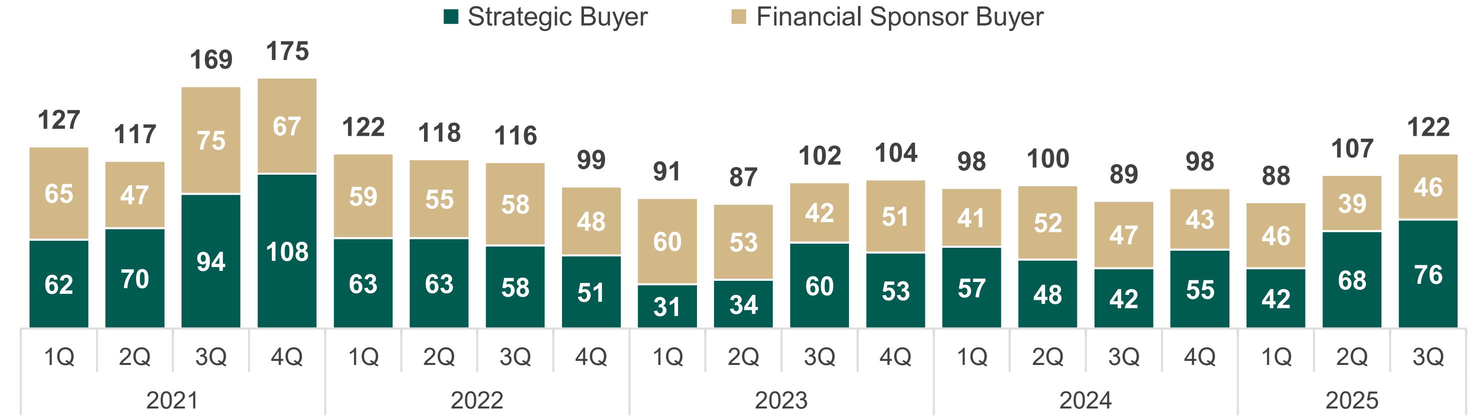
Sources: U.S. Space Force, whitehouse.gov, and other publicly available resources.

M&A and Capital Markets Activity

Global AD&GS M&A Activity

- 3Q 2025 global AD&GS M&A activity improved over the prior quarter and is up ~40% relative to 3Q 2024
  - While wide-spread uncertainty caused by tariffs, U.S. federal budget dynamics, and DOGE, had many buyers in "risk-off" mode through 1Q and into 2Q 2025, sentiment turned cautiously optimistic in 3Q 2025 as the initial shock and awe of these events faded and the Federal Reserve cut rates by 25 basis points, with consensus for two additional 25 basis point cuts in 2025
- Deals in which the buyer was a financial sponsor accounted for ~40% of 3Q 2025 transaction activity, a ~10% decrease compared to the average in 2024

Completed AD&GS Transactions



Highlighted M&A Transactions

Aerospace

Precision Flight Controls acquired by Signia Aerospace (Arcline)

Announced Date: August 11, 2025
Purchase Price: Not Disclosed

Precise Flight manufactures aviation safety systems and equipment intended to serve the aerospace industry

ATI East Hartford Operations acquired by Barnes Aerospace (Apollo)

Announced Date: August 5, 2025
Purchase Price: *Not Disclosed*

East Hartford Operations division of ATI Forged Products supplies flight-safety critical components and assemblies

Defense

Select assets of RapidFlight acquired by Aevex Aerospace (MDP)

Announced Date: September 5, 2025
Purchase Price: Not Disclosed

RapidFlight designs tactical unmanned aerial system constructed using lightweight materials to achieve increased striking distances

Narda-MITEQ (J.F. Lehman & Company) acquired by Amphenol

Announced Date: July 23, 2025
Purchase Price: *Not Disclosed*

Narda-MITEQ designs and manufactures advanced radiofrequency and microwave components and subsystems

Government Services

Select assets of Hexagon acquired by BA (DFW Capital Partners)

Announced Date: July 2, 2025
Purchase Price: *Not Disclosed*

Hexagon provides digital reality solutions, combining sensor, software, and autonomous technologies

Chesapeake Technology International (Bluestone Investment Partners) acquired by Parsons

Announced Date: July 1, 2025
Purchase Price: $89M

Chesapeake Technology International develops advanced, warfighter-focused solutions for military and security applications

Space

Space-Time Engineering acquired by Vitesse Systems (Trive Capital)

Announced Date: September 24, 2025
Purchase Price: Not Disclosed

Spacetime Engineering manufactures ground antenna technology used in military and commercial satellite networks

AWS-4 and H-block spectrum licenses of EchoStar acquired by SpaceX

Announced Date: September 8, 2025
Purchase Price: *$17B*

Echostar's WS-4 and H-block spectrum deliver cellular service directly from satellites to smartphones

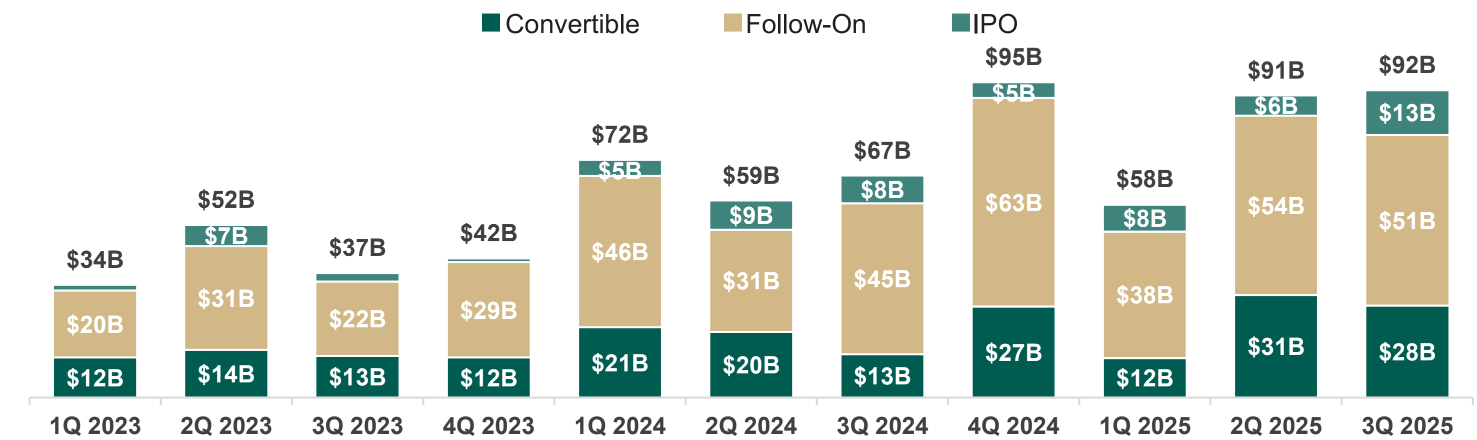
Sources: Capital IQ, DACIS, and publicly available research.

M&A and Capital Markets Activity (Cont'd)

Total U.S. Equity Capital Markets Activity

- After a slow start to 2025, equity capital markets activity accelerated in 2Q and 3Q 2025, with proceeds exceeding $90B in each quarter; 3Q 2025 total proceeds of $92B increased ~40% from the prior year period
- While follow-ons continue to be the largest contributor to total quarterly proceeds, 3Q 2025 IPO proceeds of $13B increased ~120% from the prior quarter, reaching their highest level in over two years

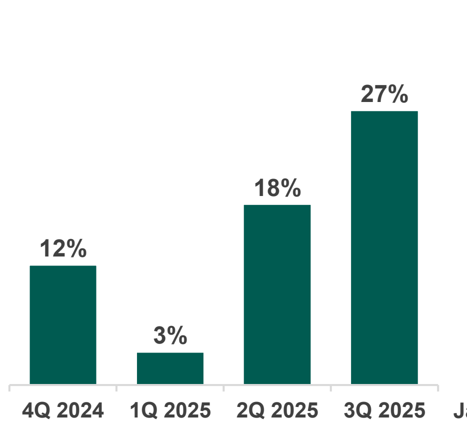
Capital Raised Through Equity Markets



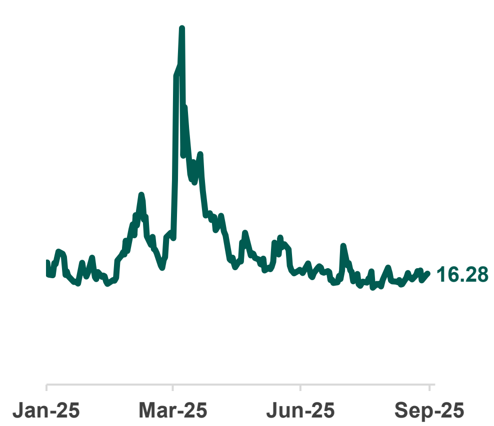
Supplemental Equity Capital Markets Data

- 3Q 2025 post-offering performance improved by ~900 bps over the prior quarter as tariff-related uncertainties from earlier in the year subsided and investor confidence in equity capital markets strengthened
- Outside of volatility spikes in 1Q 2025, the average Chicago Board Options Exchange ("CBOE") Volatility Index ("VIX") has remained near the optimal level of 20 or less for capital markets in the YTD period
- Significant inflows into public markets continue as portfolio managers seek opportunities to deploy capital

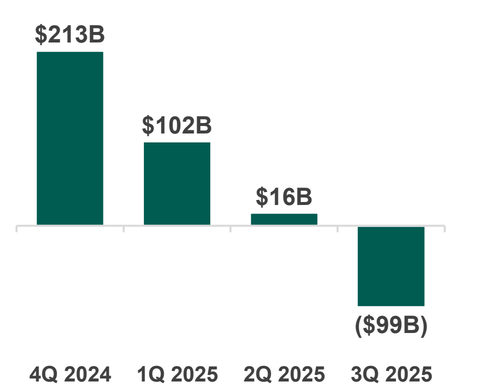
LTM Post-Offering Performance(1)



YTD CBOE VIX



LTM Net Long-Term Fund Flows(2)



Sources: Dealogic, Capital IQ, ISI Institute as of September 30, 2025.
(1) Data reflects post-offering performance for IPOs and Follow-Ons.
(2) Data reflects funds flows for mutual funds and ETFs.

M&A and Capital Markets Activity (Cont'd)

Selected AD&GS Equity Capital Markets Activity – 3Q 2025

Issuer	Ticker	Issuance Type	Pricing Date	Total Value ($M)	Additional Details	Sub Sector	Performance Since Pricing
AAR	AIR	Follow-On	9/30/2025[1]	$249	Pre-Deal MCAP: ~$3.2B Priced at $83.00, discount of 7.4%	Aerospace	NA
RTX	RTX	S-3 Shelf	9/19/2025	NA	Pre-Deal MCAP: ~$211.7B	Aerospace	5.7%
Red Cat	RCAT	Follow-On	9/18/2025	$150	Pre-Deal MCAP: ~$1.1B Priced at $9.60, discount of 14.8%	Aerospace	3.1%
Rocket Lab	RKLB	ATM Offering	9/15/2025	$750	Pre-Deal MCAP: ~$26.1B	Space	(11.3%)
Red Cat	RCAT	S-3 Shelf	9/15/2025	$300	Pre-Deal MCAP: ~$1.0B	Aerospace	(1.6%)
AgEagle	UAVS	S-3 Shelf	9/10/2025	$100	Pre-Deal MCAP: ~$69.8M	Aerospace	(2.0%)
Vertical	EVTL	ATM Offering	9/5/2025	$100	Pre-Deal MCAP: ~$436.0M	Aerospace	12.6%
Wheels Up	UP	ATM Offering	8/29/2025	$50	Pre-Deal MCAP: ~$2.3B	Aerospace	(37.2%)
Unusual Machines	UMAC	ATM Offering	8/29/2025	$300	Pre-Deal MCAP: ~$323.0M	Aerospace	57.3%
Firefly Aerospace	FLY	IPO	8/7/2025	$998	Implied MCAP at offering: ~$6.3B Priced at $45.00 (above filing range)	Defense & Space	(51.4%)
XTI Aerospace	XTIA	S-3 Shelf	8/5/2025	$1,000	Pre-Deal MCAP: ~$40.7M	Aerospace	(22.2%)
Karman Missile & Space Systems	KRMN	Secondary Offering	7/24/2025	$1,000	Pre-Deal MCAP: ~$7.4B Priced at $49.00, discount of 0.2%	Defense & Space	46.1%
Vertical	EVTL	Follow-On	7/8/2025	$60	Pre-Deal MCAP: ~$589.0M Priced at $5.00, discount of 28.1%	Aerospace	(25.3%)
AeroVironment	AVAV	Follow-On	7/1/2025	$875	Pre-Deal MCAP: ~$13.0B Priced at $248.00, discount of 1.7%	Defense	24.8%

Sources: Capital IQ, PitchBook, and publicly available research as of September 30, 2025.
Note: "MCAP" = Market Capitalization.
(1) Reflects announced date of the transaction.

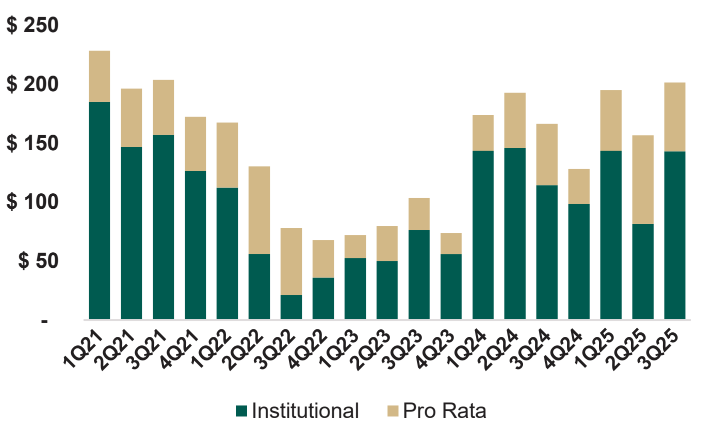
M&A and Capital Markets Activity (Cont'd)

Total U.S. Debt Capital Markets Activity

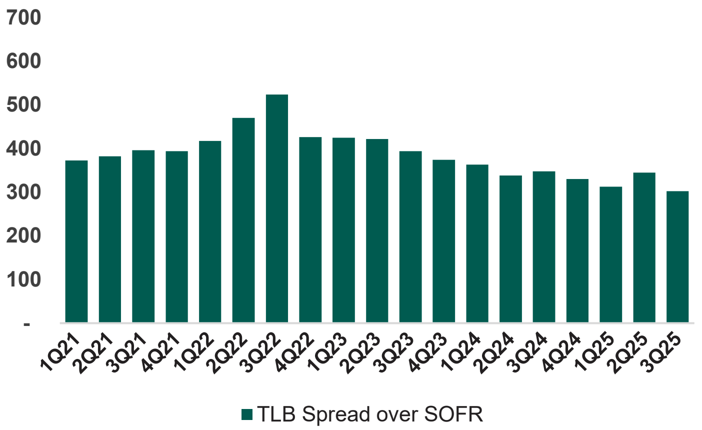
- Total U.S. leveraged loan volume across institutional and pro rata markets reached $201.5B in 3Q 2025, increasing by 29% from the prior quarter, driven by repricings and refinancings
- Average new-issue institutional spreads decreased in 3Q 2025 to 302 bps, the lowest quarterly level in more than four years
- Following a weak Spring, the U.S. leveraged loan market rebounded strongly in the third quarter, nearing record-high activity. This growth was predominantly driven by opportunistic refinancings and recaps by existing borrowers. A favorable environment for borrowers, marked by tighter spreads and robust demand amid scarce, high-quality supply, persists as the market prepares for an uptick in M&A activity

Quarterly Institutional & Pro Rata Loan Volume

($ in billions)



Quarterly Term Loan B ("TLB") Spreads (bps)

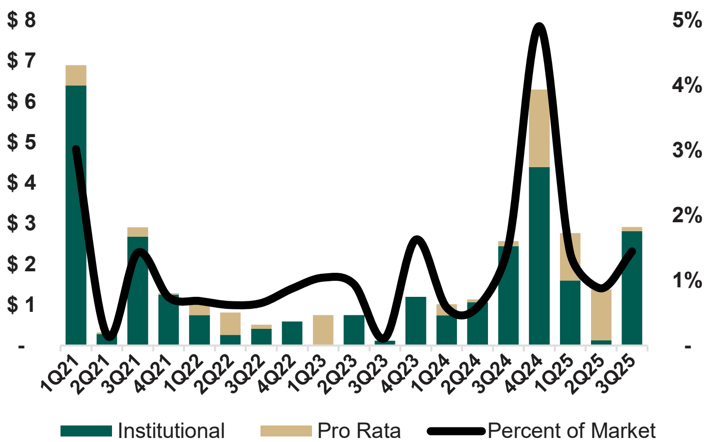


U.S. AD&GS Debt Capital Markets Update

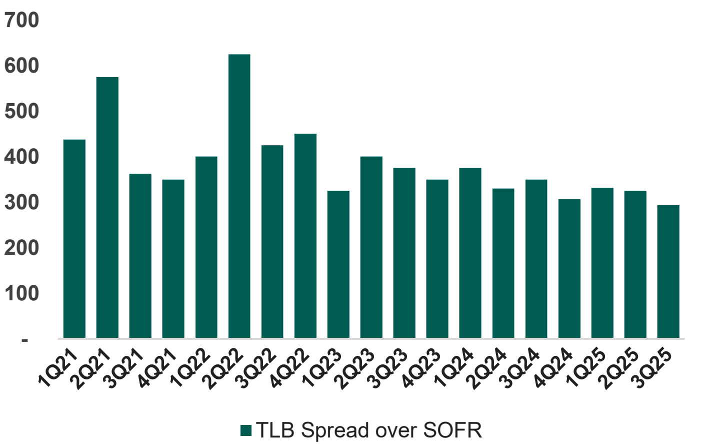
- Consistent with the broader market trend, 3Q 2025 total AD&GS loan volume of $2.9B (across institutional and pro rata markets) increased 112% from the prior quarter
- Total AD&GS new-issue institutional spreads averaged 294 bps in 3Q 2025 – down from 325 bps in 2Q 2025 and well below 2Q 2022's peak of 625 bps

Quarterly AD&GS Loan Volume

($ in billions)



Quarterly AD&GS Term Loan B Spreads (bps)



Sources: KBRA, Moody's, and Pitchbook as of 9/30/2025.

M&A and Capital Markets Activity (Cont'd)

Selected AD&GS Debt Capital Markets Activity – 3Q 2025

Pricing Date	Issuer	Purpose	Type / Deal Size	Coupon / SOFR Floor	Facility Ratings	Sponsor
9/26/2025	Heroux Devtek	Repricing	Term Loan B: $474.0M	TLB: S + 375 / 0.50%	B / B2	Platinum Equity
9/22/2025	SAIC	Refinancing	Senior Notes: $500.0M	Senior Notes: 5.875%	BB- / Ba3	N/A
9/12/2025	Fairbanks Morse Defense	Refinancing	1L Term Loan: $1.6B Fungible Add-On: $75.0M	1L TL & Add-On: S + 275 / 0.75%	B / B2	Arcline Investment Management
9/11/2025	TransDigm Group Inc.	Repricing	Term Loan K: $3.6M	TL: S + 225 / 0.00%	BB- / Ba2	N/A
9/4/2025	Bombardier	Refinancing	Fungible Add-On to Senior Notes: $250.0M	Senior Notes: 6.75%	BB- / B1	N/A
8/11/2025	AAR	Refinancing	Add-On to Existing Senior Notes: $150.0M	Senior Notes: 6.75%	BB / Ba2	N/A
7/29/2025	Ontic	Repricing	1L Term Loan: $1.6B	1L TL: S + 255 / 0.00%	B / B2	CVC Capital Partners
7/25/2025	Chromalloy	Repricing	Term Loan B: $891.0M	TLB: S + 325 / 0.00%	B- / B2	Veritas Capital Fund Management
7/25/2025	Triumph	Take-Private LBO	Revolver: $250.0M Term Loan: $1.5B DDTL: $125.0M	Revolver, TL & DDTL: S + 475	NR	Warburg Pincus & Berkshire Partners
7/24/2025	Signia Aerospace	Repricing	Term Loan B: $1.8B DDTL: $150.0M	TL & DDTL: S + 275 / 0.50%	B / B2 / BB-	Arcline Investment Management
7/22/2025	Comtech	Refinancing	Subordinated Debt: $35.0M	Subordinated Debt: S + 1,050 – 1,300	NR	N/A
7/1/2025	AeroVironment	Acquisition Financing	Term Loan A: $700.0M	TL: S + 150 – 250 / 0.00%	NR	N/A

Sources: KBRA, Moody's, and Pitchbook as of 9/30/2025.
Note: NR = "Not Rated".

Public Company Metrics and Commentary

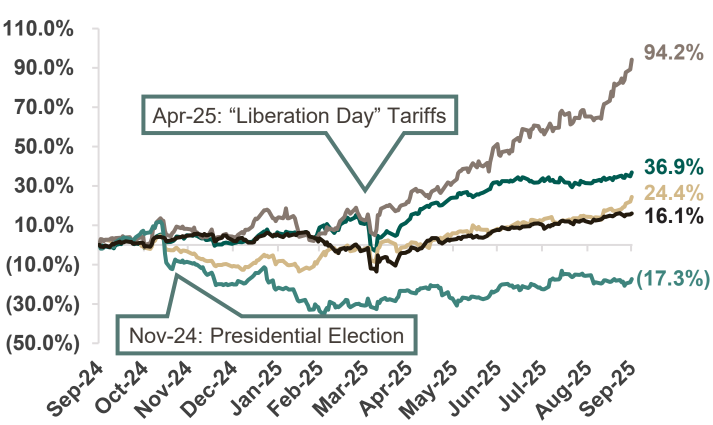
- **Aerospace:** Despite recent market volatility, the Aerospace index stock prices and EV / NTM EBITDA multiples are trading near all-time highs, driven by significant backlogs, aging fleets, and global pressure to scale production
- **Defense Primes:** The Defense Primes index continues to show steady growth supported by elevated geo-political tensions and European NATO countries pledging to increase Defense spending
- **Defense Technology & Systems:** Continues to outperform the other indices in both stock price performance and EV / NTM EBITDA premium as investors focus on next-gen software-enabled defense capabilities, battlefield digitization, and AI-integrated systems
- **Government Services:** The Government Services index has struggled to bounce back after experiencing DOGE-driven declines in both stock prices and EV / NTM EBITDA multiples in November 2024

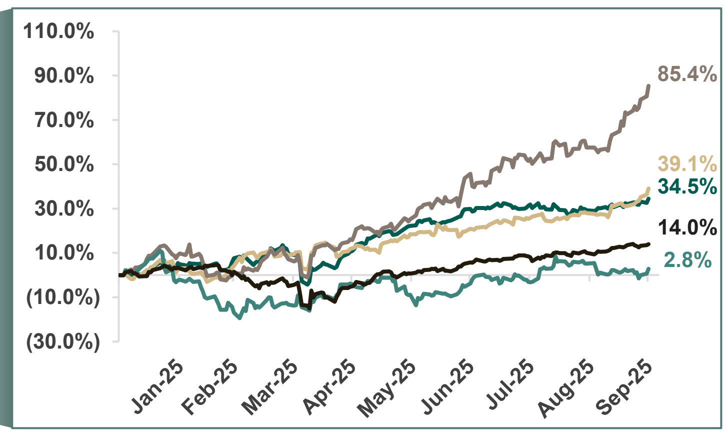
Stock Price Performance

LTM Stock Prices

YTD Stock Prices

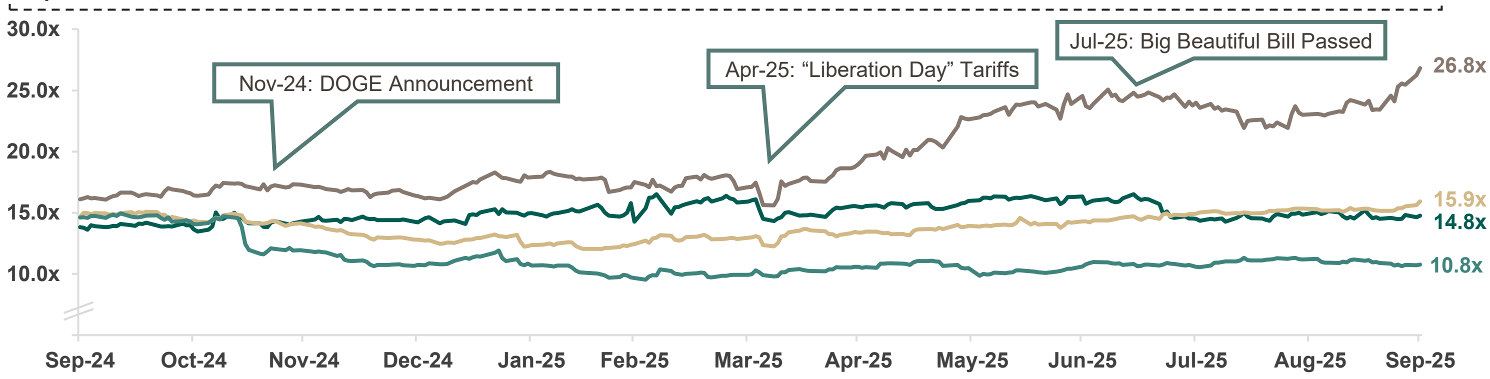
Aerospace | Defense Primes | Defense Technology & Systems | Government Services | S&P 500





Median EV / NTM EBITDA Multiples

	Aerospace	Defense Primes	Defense Technology & Systems	Government Services
5-Year Average:	13.1x	12.9x	15.2x	12.0x
September 30, 2024:	13.8x	14.7x	16.1x	14.6x
September 30, 2025:	14.8x	15.9x	26.8x	10.8x



Source: Capital IQ as of September 30, 2025.
Note: Composition of the Aerospace, Defense Primes, Defense Technology & Systems, and Government Services indices are displayed on pages 22 – 24.

Selected Public Company Metrics

	Aircraft & Engine OEMs	Aerostructures	Aerospace Suppliers
Peers	Airbus, Boeing, Dassault Aviation, Embraer, GE Aerospace, MTU Aero Engines, Rolls Royce, Textron	Hexcel, Spirit AeroSystems	Ducommun, HEICO, Loar Group, Magellan Aerospace, Moog, Parker, ST Engineering, StandardAero, TransDigm Group Inc., Woodward

Median	Aircraft & Engine OEMs CY2025E	Aircraft & Engine OEMs CY2026E	Aerostructures CY2025E	Aerostructures CY2026E	Aerospace Suppliers CY2025E	Aerospace Suppliers CY2026E
Sales Growth	21.5%	11.2%	8.7%	16.0%	11.7%	8.0%
EBITDA Margin	12.6%	12.9%	5.6%	14.7%	17.6%	18.7%
EV / Revenue Multiple	2.2x	1.9x	2.1x	1.9x	3.5x	3.2x
EV / EBITDA Multiple	15.8x	13.1x	16.8x	12.4x	19.1x	17.6x

Source: Capital IQ as of September 30, 2025.
Note: Financial metrics reflect median of peer group.

Selected Public Company Metrics (Cont'd)

	Defense Primes	Defense Technology & Systems	Government Services
Peers	BAE Systems, General Dynamics, L3Harris, Lockheed Martin, Northrop Grumman, RTX	AeroVironment, Curtiss-Wright, Elbit Systems, Hensoldt, HII, Kratos, Leonardo DRS, Mercury, Safran, Teledyne, Thales	Amentum, Booz Allen Hamilton, CACI, ICF, Leidos, Parsons, SAIC, V2X

Median	Defense Primes CY2025E	Defense Primes CY2026E	Defense Technology & Systems CY2025E	Defense Technology & Systems CY2026E	Government Services CY2025E	Government Services CY2026E
Sales Growth	5.3%	5.4%	15.4%	8.5%	2.2%	4.5%
EBITDA Margin	13.9%	14.3%	15.8%	16.9%	10.2%	10.3%
EV / Revenue Multiple	2.3x	2.2x	4.9x	4.7x	1.2x	1.2x
EV / EBITDA Multiple	16.8x	15.5x	27.1x	23.4x	11.0x	10.5x

Source: Capital IQ as of September 30, 2025.
Note: Financial metrics reflect median of peer group.

Selected Public Company Metrics (Cont'd)

($ in millions, except share price)

Comparable Companies	Share Price 9/30/2025	As % of 52-Week High	Market Cap	Net Debt (Cash)	Enterprise Value (EV)	CY2025E Revenue	CY2025E EBITDA	CY2025E % Margin	EV / Revenue CY2025E	EV / Revenue CY2026E	EV / EBITDA CY2025E	EV / EBITDA CY2026E
Aircraft & Engine OEMs												
Airbus	$ 231.61	99.5%	$ 183,271	$ 1,582	$ 184,955	$ 87,429	$ 11,691	13.4%	2.1x	1.9x	15.8x	13.9x
Boeing	215.83	88.9%	163,202	31,065	194,272	86,507	3,082	3.6%	2.2	2.0	NM	24.1
Dassault Aviation	333.92	85.7%	26,120	(11,002)	15,118	8,024	944	11.8%	1.9	1.5	16.0	12.2
Embraer	15.07	95.5%	11,052	1,068	12,395	7,455	849	11.4%	1.7	1.5	14.6	12.1
GE Aerospace	300.82	97.9%	319,001	7,428	326,639	40,631	9,769	24.0%	8.0	7.3	33.4	29.7
MTU Aero Engines	458.64	98.8%	24,668	302	25,047	10,028	1,948	19.4%	2.5	2.3	12.9	12.1
Rolls-Royce	16.00	99.5%	134,255	(1,497)	132,793	26,374	5,529	21.0%	5.0	4.6	24.0	21.8
Textron	84.49	92.5%	15,057	2,382	17,439	14,844	1,762	11.9%	1.2	1.1	9.9	9.2
Mean		**94.8%**	**$ 109,578**	**$ 3,916**	**$ 113,582**	**$ 35,162**	**$ 4,447**	**14.6%**	**3.1x**	**2.8x**	**18.1x**	**16.9x**
Median		**96.7%**	**80,187**	**1,325**	**78,920**	**20,609**	**2,515**	**12.6%**	**2.2**	**1.9**	**15.8**	**13.1**
Aerostructures												
Hexcel	$ 62.70	88.2%	$ 4,989	$ 751	$ 5,739	$ 1,912	$ 342	17.9%	3.0x	2.7x	16.8x	13.5x
Spirit AeroSystems	38.60	91.2%	4,532	4,989	9,527	7,385	(494)	(6.7%)	1.3	1.1	NM	11.4
Mean		**89.7%**	**$ 4,761**	**$ 2,870**	**$ 7,633**	**$ 4,648**	**($ 76)**	**5.6%**	**2.1x**	**1.9x**	**16.8x**	**12.4x**
Median		**89.7%**	**4,761**	**2,870**	**7,633**	**4,648**	**(76)**	**5.6%**	**2.1**	**1.9**	**16.8**	**12.4**
Aerospace Suppliers												
Ducommun	$ 96.13	99.6%	$ 1,435	$ 190	$ 1,625	$ 827	$ 134	16.2%	2.0x	1.8x	12.1x	10.8x
HEICO	322.82	95.3%	39,155	2,186	41,849	4,566	1,247	27.3%	9.2	8.4	33.5	30.6
Loar Holdings	80.00	80.3%	7,490	178	7,667	495	189	38.1%	15.5	13.5	40.6	34.4
Magellan Aerospace	11.75	83.1%	671	8	681	740	90	12.1%	0.9	0.9	7.6	6.6
Moog	207.67	91.1%	6,573	1,152	7,725	3,832	538	14.0%	2.0	1.9	14.4	13.0
Parker-Hannifin	758.15	97.2%	95,939	8,818	104,766	20,080	5,326	26.5%	5.2	4.9	19.7	18.4
ST Engineering	6.67	96.0%	20,800	4,055	25,111	9,519	1,354	14.2%	2.6	2.4	18.5	17.2
StandardAero	27.29	79.4%	9,128	2,237	11,365	5,955	799	13.4%	1.9	1.7	14.2	12.7
TransDigm Group	1,318.02	81.2%	74,271	22,207	96,486	9,007	4,858	53.9%	10.7	9.8	19.9	18.0
Woodward	252.71	94.5%	15,154	491	15,645	3,617	688	19.0%	4.3	4.0	22.7	19.6
Mean		**89.8%**	**$ 27,062**	**$ 4,152**	**$ 31,292**	**$ 5,864**	**$ 1,522**	**23.5%**	**5.4x**	**4.9x**	**20.3x**	**18.1x**
Median		**92.8%**	**12,141**	**1,669**	**13,505**	**4,199**	**744**	**17.6%**	**3.5**	**3.2**	**19.1**	**17.6**
Overall Aerospace												
Mean		**91.8%**	**$ 57,838**	**$ 3,929**	**$ 61,842**	**$ 17,461**	**$ 2,532**	**18.1%**	**4.2x**	**3.8x**	**19.3x**	**17.1x**
Median		**93.5%**	**17,977**	**1,367**	**16,542**	**7,739**	**1,096**	**15.2%**	**2.4**	**2.1**	**16.4**	**13.7**

Source: Capital IQ as of September 30, 2025. Represents consensus estimates as of September 30, 2025.
Note: All figures shown in USD at historical exchange rates. Future estimates may be subsequently updated.

Selected Public Company Metrics (Cont'd)

($ in millions, except share price)

Comparable Companies	Share Price 9/30/2025	As % of 52-Week High	Market Cap	Net Debt (Cash)	Enterprise Value (EV)	CY2025E Revenue	CY2025E EBITDA	CY2025E % Margin	EV / Revenue CY2025E	EV / Revenue CY2026E	EV / EBITDA CY2025E	EV / EBITDA CY2026E
Defense Primes												
BAE Systems	$ 27.68	99.5%	$ 82,548	$ 9,967	$ 92,754	$ 41,067	$ 5,727	13.9%	2.3x	2.1x	16.2x	15.0x
General Dynamics	341.00	100.0%	91,589	7,189	98,778	51,253	6,196	12.1%	1.9	1.9	15.9	14.7
L3Harris Technologies	305.41	99.8%	57,141	11,620	68,761	21,602	3,932	18.2%	3.2	3.0	17.5	16.0
Lockheed Martin	499.21	80.7%	116,548	20,345	136,893	74,252	9,180	12.4%	1.8	1.8	14.9	12.5
Northrop Grumman	609.32	99.9%	87,244	14,382	101,626	42,195	5,845	13.9%	2.4	2.3	17.4	15.9
RTX	167.33	99.4%	223,978	37,196	263,023	85,695	14,010	16.3%	3.1	2.9	18.8	17.2
Mean		**96.5%**	**$ 109,841**	**$ 16,783**	**$ 126,972**	**$ 52,677**	**$ 7,481**	**14.5%**	**2.4x**	**2.3x**	**16.8x**	**15.3x**
Median		**99.7%**	**89,417**	**13,001**	**100,202**	**46,724**	**6,021**	**13.9%**	**2.3**	**2.2**	**16.8**	**15.5**
Defense Technology & Systems												
AeroVironment	$ 314.89	99.3%	$ 15,723	$ 40	$ 15,763	$ 1,704	$ 269	15.8%	9.3x	7.1x	58.5x	42.1x
Curtiss-Wright	542.94	98.9%	20,457	627	21,084	3,426	761	22.2%	6.2	5.8	27.7	25.5
Elbit Systems	506.48	98.4%	23,485	(166)	23,323	7,920	863	10.9%	2.9	2.7	27.0	22.3
Hensoldt	129.41	98.7%	14,947	1,308	16,269	3,001	544	18.1%	5.4	4.7	29.9	24.9
Huntington Ingalls Industries	287.91	98.2%	11,298	2,360	13,658	11,969	977	8.2%	1.1	1.1	14.0	12.7
Kratos	91.37	99.5%	15,423	(538)	14,884	1,311	119	9.0%	11.4	9.6	125.6	92.3
Leonardo DRS	45.40	92.1%	12,082	75	12,157	3,582	448	12.5%	3.4	3.2	27.1	23.4
Mercury Systems	77.40	98.3%	4,646	288	4,933	917	126	13.8%	5.4	5.0	39.0	28.2
Safran	352.11	100.0%	147,529	(2,201)	145,981	36,428	7,741	21.3%	4.0	3.6	18.9	16.5
Teledyne Technologies	586.04	100.0%	27,479	2,307	29,791	6,067	1,490	24.6%	4.9	4.7	20.0	18.4
Thales	312.80	96.3%	64,241	4,025	68,299	25,685	4,121	16.0%	2.7	2.5	16.6	15.3
Mean		**98.2%**	**$ 32,483**	**$ 739**	**$ 33,286**	**$ 9,274**	**$ 1,587**	**15.7%**	**5.1x**	**4.5x**	**36.8x**	**29.2x**
Median		**98.7%**	**15,723**	**288**	**16,269**	**3,582**	**761**	**15.8%**	**4.9**	**4.7**	**27.1**	**23.4**
European Defense												
Chemring Group	$ 7.92	95.9%	$ 2,155	$ 124	$ 2,280	$ 741	$ 139	18.8%	3.1x	2.8x	16.4x	14.1x
Cohort	19.25	79.7%	878	6	885	383	54	14.0%	2.3	2.1	16.4	14.0
Hensoldt	129.41	98.7%	14,947	1,308	16,269	3,001	544	18.1%	5.4	4.7	29.9	24.9
Kongsberg Gruppen ASA	31.93	79.3%	28,088	(897)	27,254	5,892	985	16.7%	4.6	3.9	27.7	23.3
Leonardo S.p.a.	63.38	96.2%	36,535	2,866	40,719	22,169	2,737	12.3%	1.8	1.7	14.9	13.1
QinetiQ Group	7.39	94.8%	3,967	182	4,150	2,642	426	16.1%	1.6	1.5	9.7	9.1
Rheinmetall	2,328.41	99.2%	106,830	1,946	109,315	14,802	2,910	19.7%	7.4	5.5	37.6	26.6
Saab AB	60.97	97.8%	32,718	207	32,960	7,973	1,100	13.8%	4.1	3.5	30.0	24.7
Safran	352.11	100.0%	147,529	(2,201)	145,981	36,428	7,741	21.3%	4.0	3.6	18.9	16.5
Thales	312.80	96.3%	64,241	4,025	68,299	25,685	4,121	16.0%	2.7	2.5	16.6	15.3
Mean		**93.8%**	**$ 43,789**	**$ 757**	**$ 44,811**	**$ 11,972**	**$ 2,076**	**16.7%**	**3.7x**	**3.2x**	**21.8x**	**18.2x**
Median		**96.2%**	**30,403**	**195**	**30,107**	**6,933**	**1,043**	**16.4%**	**3.5**	**3.1**	**17.7**	**15.9**
Overall Defense (excludes duplicates)												
Mean		**95.9%**	**$ 51,147**	**$ 4,719**	**$ 56,064**	**$ 19,695**	**$ 2,946**	**15.4%**	**4.0x**	**3.5x**	**27.4x**	**22.4x**
Median		**98.6%**	**27,783**	**967**	**28,523**	**7,946**	**1,043**	**14.9%**	**3.1**	**2.9**	**18.8**	**16.9**

Source: Capital IQ as of September 30, 2025. Represents consensus estimates as of September 30, 2025.
Note: All figures shown in USD at historical exchange rates. Future estimates may be subsequently updated.

Selected Public Company Metrics (Cont'd)

($ in millions, except share price)

Comparable Companies	Share Price 9/30/2025	As % of 52-Week High	Market Cap	Net Debt (Cash)	Enterprise Value (EV)	CY2025E Revenue	CY2025E EBITDA	CY2025E % Margin	EV / Revenue CY2025E	EV / Revenue CY2026E	EV / EBITDA CY2025E	EV / EBITDA CY2026E
Government Services												
Amentum	$ 23.95	69.5%	$ 5,828	$ 3,746	$ 9,705	$ 14,085	$ 1,088	7.7%	0.7x	0.7x	8.9x	8.5x
Booz Allen Hamilton	99.95	52.4%	12,319	3,268	15,587	11,928	1,296	10.9%	1.3	1.2	12.0	11.2
CACI International	498.78	84.8%	10,970	2,813	13,783	8,991	1,011	11.2%	1.5	1.4	13.6	12.2
ICF International	92.80	51.7%	1,710	471	2,181	1,920	217	11.3%	1.1	1.1	10.1	9.7
Leidos	188.96	93.1%	24,243	4,173	28,461	17,192	2,355	13.7%	1.7	1.6	12.1	12.1
Parsons	82.92	72.3%	8,855	920	9,881	6,574	621	9.4%	1.5	1.4	15.9	14.7
SAIC	99.37	63.6%	4,573	2,244	6,817	7,285	683	9.4%	0.9	0.9	10.0	9.7
V2X	58.09	83.3%	1,842	921	2,763	4,457	317	7.1%	0.6	0.6	8.7	8.1
Mean		**71.3%**	**$ 8,793**	**$ 2,319**	**$ 11,147**	**$ 9,054**	**$ 949**	**10.1%**	**1.2x**	**1.1x**	**11.4x**	**10.8x**
Median		**70.9%**	**7,342**	**2,529**	**9,793**	**8,138**	**847**	**10.2%**	**1.2**	**1.2**	**11.0**	**10.5**
Space												
Firefly Aerospace	$ 29.32	39.7%	$ 4,297	($ 53)	$ 5,217	$ 139	($ 189)	NM	NM	12.1x	NM	NM
Karman	72.20	96.9%	9,554	451	10,005	456	141	31.0%	21.9x	18.1	70.7x	57.3x
Momentus	1.32	8.9%	15	4	20	-	-	NM	NA	NA	NA	NA
Redwire	8.99	33.7%	1,395	123	1,670	423	(8)	NM	4.0	2.8	NM	22.6
Rocket Lab	47.91	86.8%	23,187	(257)	22,930	588	(90)	NM	NM	25.5	NM	NM
Mean		**53.2%**	**$ 7,689**	**$ 54**	**$ 7,968**	**$ 321**	**($ 29)**	**31.0%**	**12.9x**	**14.6x**	**70.7x**	**39.9x**
Median		**39.7%**	**4,297**	**4**	**5,217**	**423**	**(8)**	**31.0%**	**12.9**	**15.1**	**70.7**	**39.9**

Source: Capital IQ as of September 30, 2025. Represents consensus estimates as of September 30, 2025.
Note: All figures shown in USD at historical exchange rates. Future estimates may be subsequently updated.

Case Study: Sale of Hanmar to AMG / IGP

Transaction Overview

- D.A. Davidson served as exclusive financial advisor to Hanmar LLC (“Hanmar”) on its sale to Alpha Metalcraft Group (“AMG”), a portfolio company of Industrial Growth Partners (“IGP”)
- Hanmar is a provider of unique metalworking capabilities, specializing in metal spinning and deep draw forming, for aerospace, defense, space, and industrial end markets
- AMG is a high-precision metal forming manufacturing platform that provides mission-critical components and assemblies for aerospace, defense, and medical markets
- Transaction closed in May 2025

HANMAR LLC

has been acquired by

AMG Alpha Metalcraft Group

a portfolio company of

IGP

Hanmar Overview

Key Figures

~90
Employees

65k sq ft
Facility Footprint

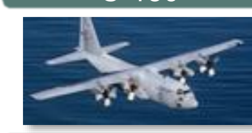
100+
Platforms Supported

Key Platforms

Airbus A320

Boeing 737

C-130



FGM-148 Javelin

Key Customers

ARROWHEAD PRODUCTS

EATON

GKN (Melrose)

MEGGITT (Parker)

RSA Engineered Products (TriMas Aerospace)

SSP (Senior Aerospace)

Case Study: Acquisition of Votaw Precision Technologies

Transaction Overview

- D.A. Davidson served as exclusive financial advisor to Cerberus Capital Management ("Cerberus") on the acquisition of Votaw Precision Technologies ("Votaw")
- Votaw is a supplier of highly engineered precision spaceflight & defense hardware and mission critical components headquartered in Santa Fe Springs, CA
- Votaw's capabilities include vertical turning, large milling, fabrication, large complex assembly, and special processing, testing, and finishing
- The partnership with Votaw is led by Cerberus' Supply Chain and Strategic Opportunities platform, which invests in companies that address critical national security supply chain shortages for the U.S. and its allies
- Transaction closed in March 2025

cerberus

has acquired

VOTAW
MISSION SUCCESS STARTS HERE

Votaw Precision Technologies Overview

Key Figures

~160
Employees

240k sq ft
Manufacturing Space

60+
Years Supporting Government Programs

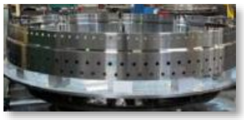
Key Products

Domes

ESPA Rings

Segment Cores

Tangs



Key Customers

beyond gravity

BOEING

LOCKHEED MARTIN

NORTHROP GRUMMAN

SAAB

ULA
United Launch Alliance

Case Study: Sale of Bandy Manufacturing to Novaria

Transaction Overview

- D.A. Davidson served as exclusive financial advisor to Bandy Manufacturing ("Bandy") on its sale to Novaria Group ("Novaria"), a portfolio company of Kohlberg Kravis Roberts ("KKR")
- Bandy manufactures specialized hinges for an array of aerospace, defense, and industrial applications
- Novaria is a manufacturer of fasteners, precision components, and services within the aerospace and defense marketplace
- Transaction closed in December 2024

BANDY
BANDY MANUFACTURING
a portfolio company of
JW HILL CAPITAL
has been acquired by
NOVARIA GROUP
a portfolio company of
KKR

Bandy Manufacturing Overview

Key Figures

~65
Employees

400+
Customers

100k+
Hinges per year

Key Products

Hinges

Pins

Key Platforms

Boeing 737

F-15

Boeing 777

F-16

Boeing 787

A400

Case Study: Sale of Atmospheric and Environmental Research to JANUS Research Group

Transaction Overview

- D.A. Davidson served as financial advisor to Verisk (Nasdaq: VRSK), a leading global data analytics and technology provider, on the sale of its Atmospheric and Environmental Research ("AER") business to JANUS Research Group ("JANUS"), a portfolio company of CM Equity Partners
- AER provides science-based solutions and actionable intelligence to global corporations, research universities, and government agencies to anticipate, manage, react to, and prepare for weather, climate, and space-based risks
- JANUS is an industry leader in the integration and application of technical, engineering, and domain expertise to deliver full life-cycle services and solutions to Federal, Department of Defense, and commercial clients
- Transaction closed in December 2024

Verisk
has divested
aer Atmospheric and Environmental Research
to
JANUS RESEARCH GROUP
a portfolio company of
CM EQUITY PARTNERS

Atmospheric and Environmental Research Overview

Key Figures

100%
Full & Open Contracts

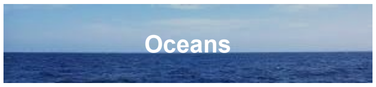
~50%
Employees with Clearances

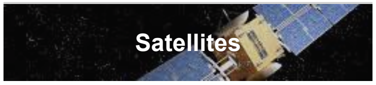
40%+
Employees with PhDs

Key Capabilities

- **Climate & Terrestrial Environment**
- **Defense & Intelligence**
- **Modeling & Data Science**
- **Oceanography, Weather, & Space**
- **Space Domain Awareness**

Key Applications





Conferences We Are Attending in 2025

Come Meet Us!

Event	Location	Date
2025 SHOT Show*	Las Vegas, NV	January 21-24, 2025
US Chamber of Commerce - Miami Space Summit*	Miami, FL	February 20-21, 2025
Davidson Private Company Conference*	Ft. Worth, TX	February 26-27, 2025
VAI VERTICON*	Dallas, TX	March 11-13, 2025
SATELLITE 2025 Conference and Exhibition*	Washington, DC	March 11-13, 2025
AeroLamda Aerospace Event - LA*	Beverly Hills, CA	March 17-18, 2025
AUSA Global Force Symposium & Exhibition*	Huntsville, AL	March 25-27, 2025
Sea-Air-Space 2025*	National Harbor, MD	April 7-9, 2025
40th National Space Symposium*	Colorado Springs, CO	April 7-10, 2025
Aircraft Interiors EXPO*	Hamburg, Germany	April 8-10, 2025
Professional Services Council Annual Meeting*	Greenbrier, WV	April 27-29, 2025
Modern Day Marine Expo*	Washington, DC	April 29 - May 1, 2025
SOF Week*	Tampa, FL	May 5-8, 2025
Aviation Week Defense Conference*	Washington, DC	May 13-14, 2025
GEOINT Symposium*	St. Louis, MO	May 18-21, 2025
AUVSI Xponential 2025*	Houston, TX	May 19-22, 2025
Paris Air Show*	Paris, France	June 16-22, 2025
DSEI*	London, UK	September 9-12, 2025
24th Annual DADCO Diversified Industrials Conference*	Nashville, TN	September 17-19, 2025
Air, Space & Cyber Conference*	National Harbor, MD	September 22-24, 2025
AeroLamda Aerospace Event - DC	Washington, DC	October 13-14, 2025
AUSA 2025 Exposition	Washington, DC	October 13-15, 2025
2025 NBAA Business Aviation Convention & Exhibition	Las Vegas, NV	October 14-16, 2025
Future of Defense Summit	Washington, DC	October 22, 2025
Zero Gravity Summit	Toronto, Canada	November 4-5, 2025
Hypersonic Innovation Conference	Huntsville, AL	November 12-13, 2025
Aerospace Tech Week	Atlanta, GA	November 19-20, 2025
Aerospace & Defense Middle Market Leadership Forum	Los Angeles, CA	December 2-3, 2025
Association of Old Crows ("AOC") International	National Harbor, MD	December 9-11, 2025

Note: * indicates the conference has already been attended.

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Glossary of Terms and Other Important Information

AD&GS – Aerospace, Defense, and Government Services.

AUSA – Association of the United States Army. Nonprofit organization that advocates for the Army and its soldiers.

CBOE – Chicago Board Options Exchange. Major financial exchange based in Chicago, Illinois, known for being the first marketplace for trading listed options.

DSEI – Defense and Security Equipment International. Biennial trade exhibition that brings together governments, armed forces, and defense and security industry participants.

DoD – U.S. Department of Defense. Executive department of the U.S. federal government charged with coordinating and supervising the Army, Navy, Marines, Air Force, Space Force, and related functions and agencies.

EW – Electronic Warfare. Strategic control and manipulation of the electromagnetic spectrum during military operations.

EBITDA – Earnings before interest, taxes, depreciation & amortization. An approximate measure of a company's operating cash flow based on data from the company's income statement.

EBIT – Earnings before interest and taxes. A measure of a company's earning power from ongoing operations, equal to earnings before deduction of interest payments and income taxes.

EU – European Union. A supranational political and economic union of 27 member states that are located primarily in Europe.

EV – Enterprise value. Market value of equity plus debt less cash.

FAR – Federal Acquisition Regulation. Governs how the U.S. federal government purchases goods and services.

FSS – Federal Supply Schedule. GSA program that provides government agencies with commercial products and services.

FY – Fiscal Year. A twelve-month period used by businesses, governments, and organizations for accounting and financial reporting purposes.

GAO – U.S. Government Accountability Office. Independent agency that audits and evaluates federal spending and performance.

GSA – General Services Administration. Independent agency that oversees the federal procurement of goods and services.

IPO – Initial Public Offering. When a privately held company sells shares of its stock the public for the first time, allowing it to raise capital and become publicly traded.

ISVs – Infantry Support Vehicles. Lightweight, unarmored ground transport vehicles.

LTM – Last twelve months. Time period used when referencing a financial statistic.

MCAP – Market capitalization. The total value of a publicly traded company's outstanding common shares owned by stockholders.

NDAA – National Defense Authorization Act. Annual law that authorizes funding levels and sets policies for defense related agencies.

NTM – Next twelve months. Time period used when referencing a financial statistic.

SPEED – Streamlining Procurement for Effective Execution and Delivery. DoD initiative to accelerate acquisition and improve delivery of critical capabilities.

The S&P 500 – An unmanaged common stock index commonly used to measure and report common stock performance.

TLB – Institutional Term Loan B. Type of term loan provided by institutional investors rather than commercial banks.

UAS – Unmanned Aerial System. Drone system including the aircraft, control station, and communication links for remote operations.

USSF – U.S. Space Force. Space warfare service branch of the U.S. Armed Forces.

USSPACECOM – U.S. Space Command. Unified combatant command responsible for U.S. military operations in space.

VIX – Average CBOE Volatility Index. Popular measure of expected stock market volatility based on S&P 500 index options.

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