



D|A|DAVIDSON

Diversified Industrials Quarterly Review

Current trends in the public and private
industrials markets

SUMMER | 2021

JULY 2021
PRIVATE & CONFIDENTIAL

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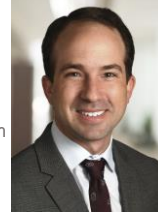
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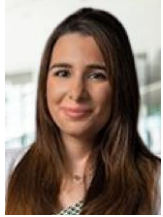
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MCF INTERNATIONAL PARTNERS



Developing Relationships.



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SECTION I



Aerospace and Defense Sector



M&A Market Update

The M&A market has been extremely active with strategics looking to leverage balance sheets and tap into low-cost debt. Both strategics and private equity are aggressively looking to partner with market leading, best-in-class assets

COMMENTARY

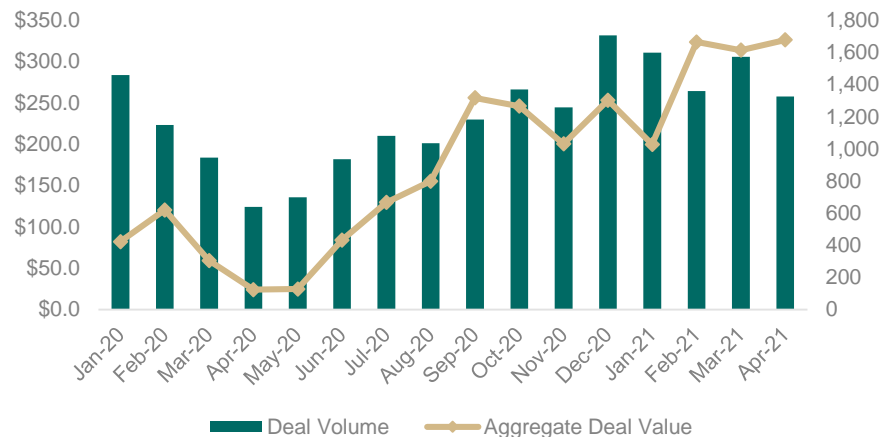
Word on the Street

- M&A financial services providers (i.e. I-bankers, lenders, attorneys, accountants, etc.) are running at past full-capacity. Buyers and sellers are racing to close deals by year-end ahead of the Biden proposed doubling of capital gains tax
- Private equity firms, who typically review ~300 flyer opportunities a year, are on-track to review ~500 opportunities in 2021. Unless the firm has an angle or knows the business, private equity firms are unlikely to execute an NDA and dig-in to the opportunity further

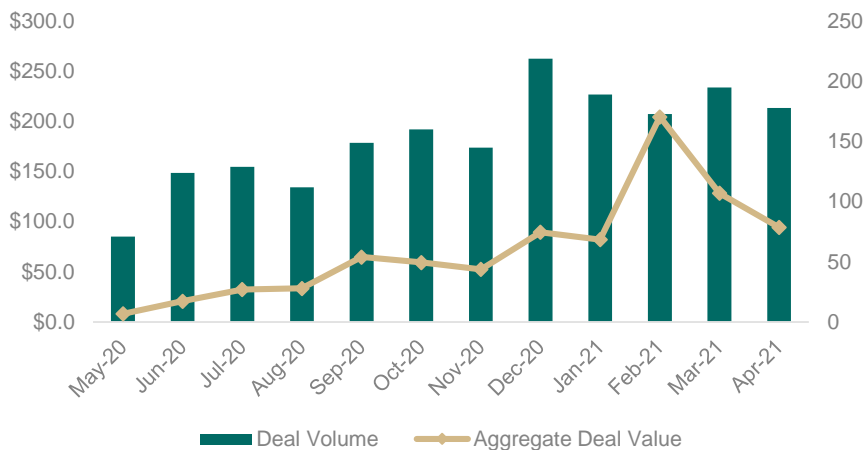
Quick Facts

- Middle market deal activity recovered in April 2021, with an aggregate deal value of \$326.4 B reported, up significantly from its trough a year ago of \$24.1 B. Deal volume of 1,327 deals is up 107% y/y from its trough in April 2020 of 640 deals

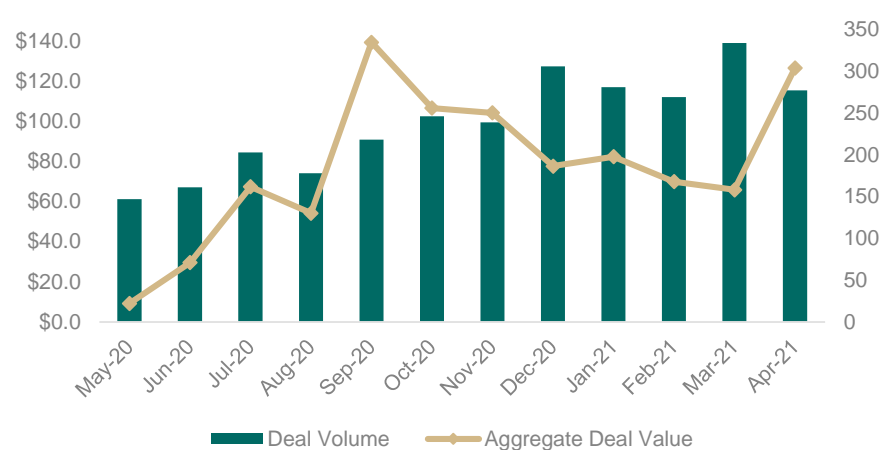
MIDDLE MARKET M&A ACTIVITY



PRIVATE EQUITY BUYER INDEX



PUBLIC BUYER INDEX





Macro Trends in Aerospace, Defense & Space

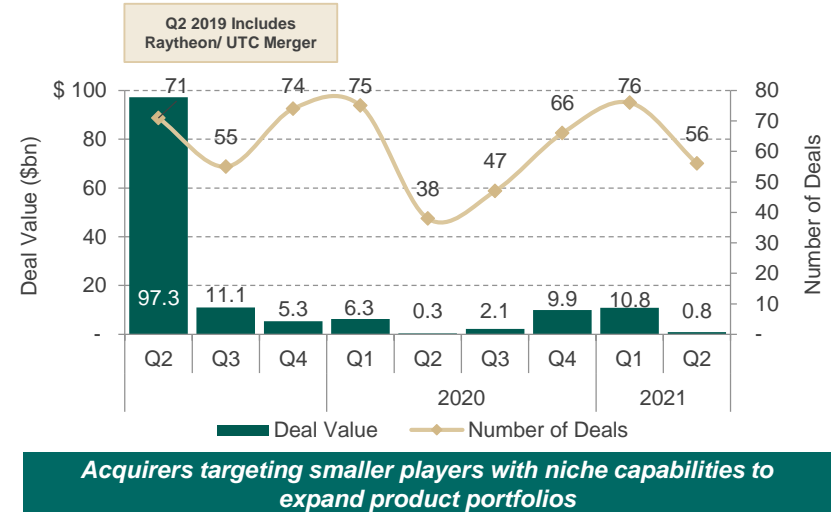
COMMERCIAL AEROSPACE EXPECTED TO REBOUND

FAA Revises Unmanned Aircraft Systems (UAS) Remote ID

The FAA revised its Remote ID ruling for drones, requiring flying drones to broadcast their location and serial number (i.e., digital license plate). The rule moves closer to establishing a traffic management ecosystem for UAS flights. Drone makers are required to comply by September 2022, and pilots must comply by September 2023

Daily U.S. Airline Passengers Surpassing Pre-Pandemic Levels

As cities and states continue to further ease pandemic restrictions, the TSA has seen a rapid uptick in daily screenings as nearly 2 million daily passengers pass through U.S. airports and near / surpass pre-pandemic air traffic levels. On July 1, 2021, TSA screenings climbed 3% above the same date in 2019, marking the first time in the pandemic screenings have surpassed 2019 levels and signaling strong rebounding demand during the Fourth of July weekend



DEFENSE DEPARTMENT MODERNIZATION

Department of Defense (DoD) Modernization Strategy

The DoD's latest modernization plans prioritize artificial intelligence technology, directed energy, small satellites, hypersonics, a 5G network, and unmanned aerial systems. Initiatives moving into testing phases include: low Earth orbit satellites to bolster command, control, and communications systems; several hypersonic prototypes; and experimentation with artificial intelligence for multiple applications

On July 1, 2021, Raytheon was awarded a ~\$2 billion contract by the U.S. Air Force to develop and manufacture a nuclear-armed cruise missile, replacing the aging air-launched cruise missile that was fielded in the early 1980s

Space Force Comes of Age

The US Space Force (USSF), which celebrated its first anniversary on December 20, 2020, was appropriated a budget of \$15.2 billion for FY 2021, up from \$40 million in 2020. The new armed service is expected to grow from 160 military and civilian personnel to over 10,000 in 2021. Meanwhile, Kratos announced that it is investing in a concept for a Space Force Mission trainer for the USSF designed to train space warfighters to fight through satellite threats











SPACE PROJECTS ATTRACTING MORE ATTENTION AND CAPITAL INVESTMENTS

SpaceX Awarded \$2.9 Billion by NASA for Commercial Lunar Landing

NASA awarded SpaceX a \$2.9 billion contract to design and produce a spacecraft to send two American astronauts to the moon as early as 2024, the space agency announced in April 2021. Jeff Bezos' Blue Origin, Lockheed Martin, Northrop Grumman, and Drapper had also bid for the contract







Interesting Transactions in Aerospace, Defense & Space

Target	Acquirer	Description	Deal Notes
		<ul style="list-style-type: none"> Primus Aerospace is a manufacturer of complex precision components for the aerospace, defense and space sectors 	<ul style="list-style-type: none"> Date Announced: 06/07/2021 Angeles Equity Partners is a California-based PE fund that seeks investments in North American manufacturing, aerospace and industrials companies with an EV of up to \$200m EV: Undisclosed
		<ul style="list-style-type: none"> HDT Global is a US-based company that engineers, designs, and manufactures shelters, generators, heaters, air filtration devices, robotics, and other engineered technologies 	<ul style="list-style-type: none"> Date Announced: 05/17/2021 The buyer, Nexus Capital, and the seller, Charlesbank Capital Partners, are two US-based private equity firms focused on middle-market investments EV: Undisclosed
 Three Aircraft Components Manufacturing Business	<i>Buyer Undisclosed</i>	<ul style="list-style-type: none"> Three defense-aircraft component manufacturing businesses based in Belgium 	<ul style="list-style-type: none"> Date Announced: 05/11/2021 An unknown buyer has agreed to acquire three less proprietary operating assets of TransDigm Group for approximately \$240m EV: \$240m
  TECHNICAL AIRBORNE COMPONENTS INDUSTRIES		<ul style="list-style-type: none"> Technical Airborne Components is a Belgium-based designer and manufacturer of rods and struts for the aerospace industry 	<ul style="list-style-type: none"> Date Announced: 04/12/2021 The sale of Technical Airborne Components (TAC) represents another rare divestiture by TransDigm Group in 2021 Searchlight desired to partner with Technical Airborne Components for its human capital and proprietary expertise as the PE firm seeks to increase its transatlantic presence EV: \$40m
 MRO Business		<ul style="list-style-type: none"> The assets acquired from Applied Aerodynamics comprises business that engages in the manufacture, repair, and overhaul of radomes, and bonded and sheet metal airframe related structures in the US 	<ul style="list-style-type: none"> Date Closed: 04/27/2021 The acquisition expands Spirit's existing MRO infrastructure in the region with the addition of Applied Aerodynamics' expertise, workforce, defense scope of work and 120,000-square-foot facility. The expansion allows Spirit to conduct a wider range of repairs on more products to help North American fleet operators and defense customers be more competitive by reducing administrative costs EV: Undisclosed




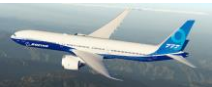






Interesting Transactions in Aerospace, Defense & Space

Target	Acquirer	Description	Deal Notes
		<ul style="list-style-type: none"> PCX Aerostructures manufactures and supplies engineered parts and components for aerospace and defense industry. The Company also provides processing services 	<ul style="list-style-type: none"> Date Closed: 04/25/2021 Greenbriar Equity Group, a New York-based PE firm, has acquired PCX Aerostructures from RFE Investment Partners and 24/6 Capital Partners. PCX completed the recently announced acquisition of Senior Operations LLC and the management team of PCX will continue to lead the newly formed organization EV: Undisclosed
		<ul style="list-style-type: none"> Area-I is a US-based manufacturer of unmanned aircraft systems for perimeter surveillance and counter-UAV defense 	<ul style="list-style-type: none"> Date Closed: 04/01/2021 Irvine, CA based Anduril views Area-I's drone technology as a way to extend the reach of manned military vehicles including ships, planes, and helicopters EV: Undisclosed



Backlog and Current Build Rates for Major Boeing and Airbus Platforms

	KEY PLATFORMS	YTD MAY 2021 DELIVERIES	BUILD RATE (DELIVERIES / MONTH) ⁽¹⁾	BACKLOG	ENGINE VARIANTS
Narrow Body	 B737	78	13 → 31 ⁽²⁾	4012	CFM56-7B, LEAP-1B
	 A320	180	45 → 70 ⁽³⁾	5654	PW1000G, V2500, CFM56-5B, LEAP-1A
	 A220	16	5 → 6	490	PW1000G
Wide Body	 B777	9	5 → 2	381	GE90, GE9x, Trent 800
	 B787	13	14 → 5	484	GE9x, Trent 7000, Trent 1000
	 A350	19	5 → 6	490	Trent XWB
Wide Body (Tails Up)	 B747	2	0.5	11	GE9x, PW4000
	 A380	1	0.5	4	Trent 900, GP7000

Sources: Boeing, Airbus, Aviation Week Network, and Defense & Security Monitor

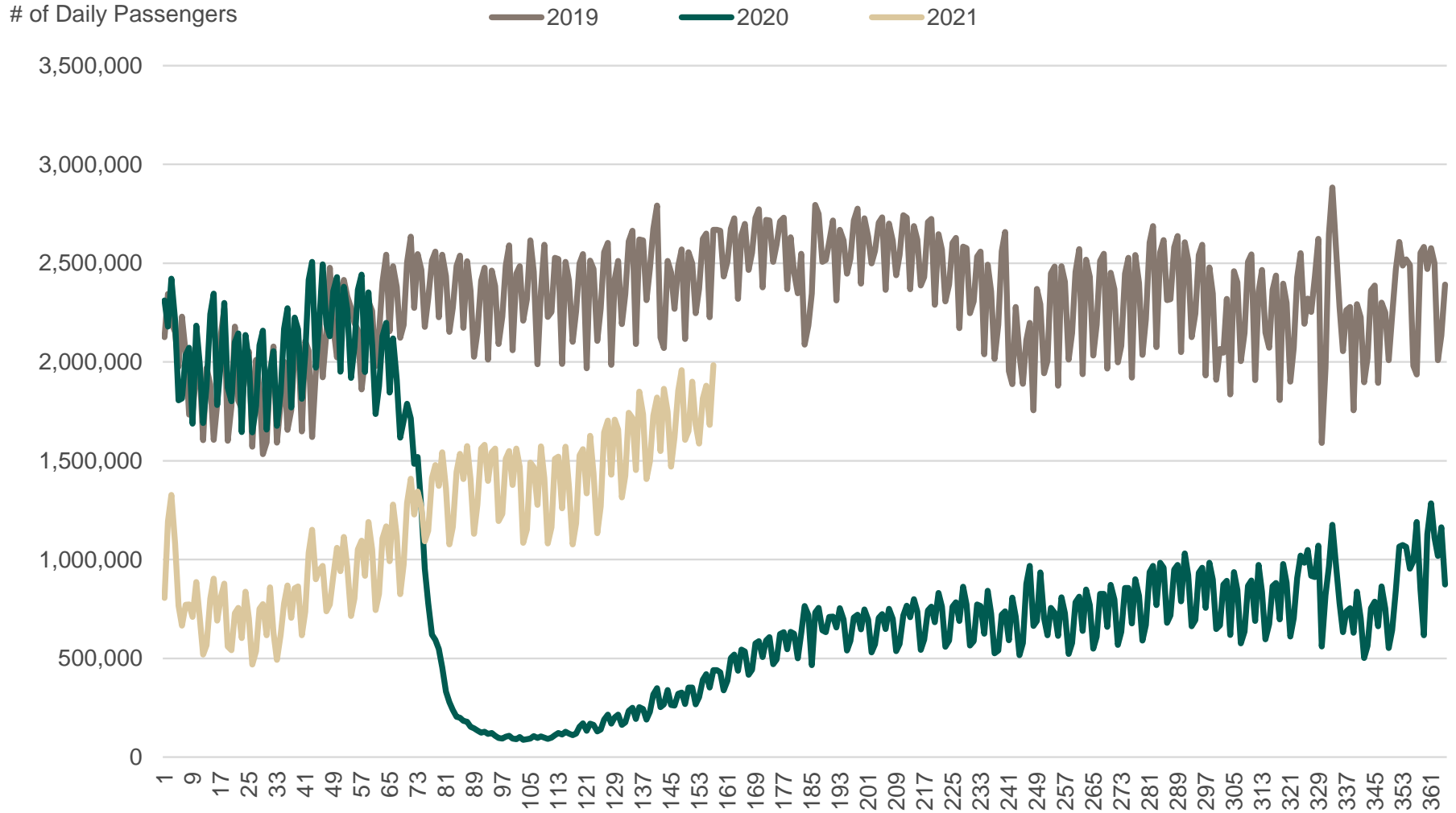
(1) Represents Q1 2020 outlook vs Q1 2021 outlook

(2) Boeing announced that the 737 MAX production rate will gradually increase to 31 per month by early 2022, with further gradual increases as market demand allows

(3) A320 rates expected to increase to 70 aircrafts per month by the first quarter of 2024



Daily U.S. Airline Passengers





Recent Updates | Q2 2021

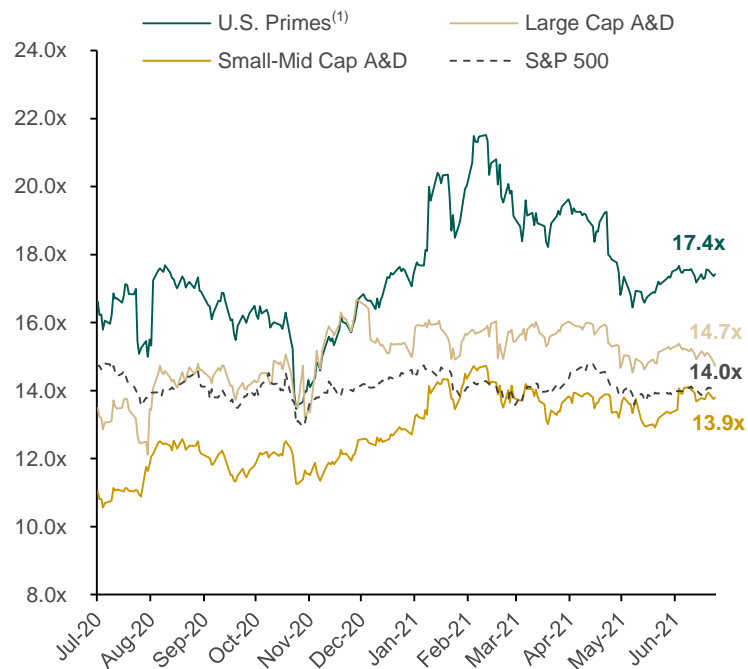
COMMENTARY

Major equity indexes kept increasing in Q2 2021, albeit at a decelerating rate, reaching new all-time highs: the overall S&P 500 index gained 6.7% while the S&P 500 A&D Index gained 4.6% in 3 months. The U.S. Primes, defined as the sector's top 9 public companies, which increased by 48.5% in a year, only went up by 1.6% during the past quarter

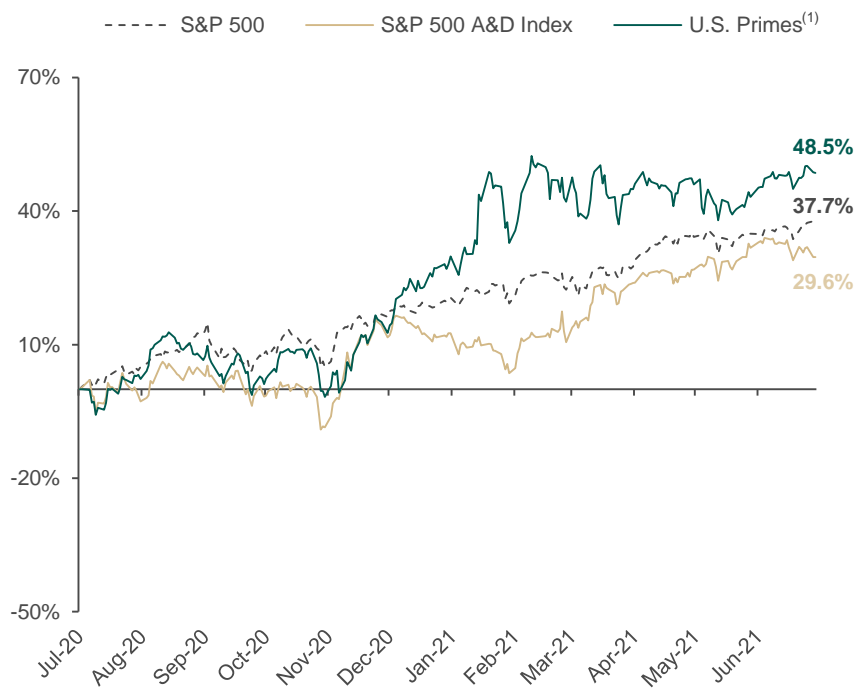
These spectacular returns can be explained by Joe Biden's \$1.2 trillion infrastructure package, the reopening of the U.S. and developed economies thanks to massive vaccination campaigns and the dovish attitude of Jerome Powell, the chair of the Federal

Current market conditions still show a wide gap between the valuations of U.S. Primes (17.4x forward EBITDA) and the Small-Mid Cap AD&S Index (13.9x forward EBITDA), even though this has been narrowing since end of April, when the difference was greater than 5.0x

FORWARD EV / EBITDA MULTIPLES



STOCK PRICE PERFORMANCE



Sources:

Capital IQ.

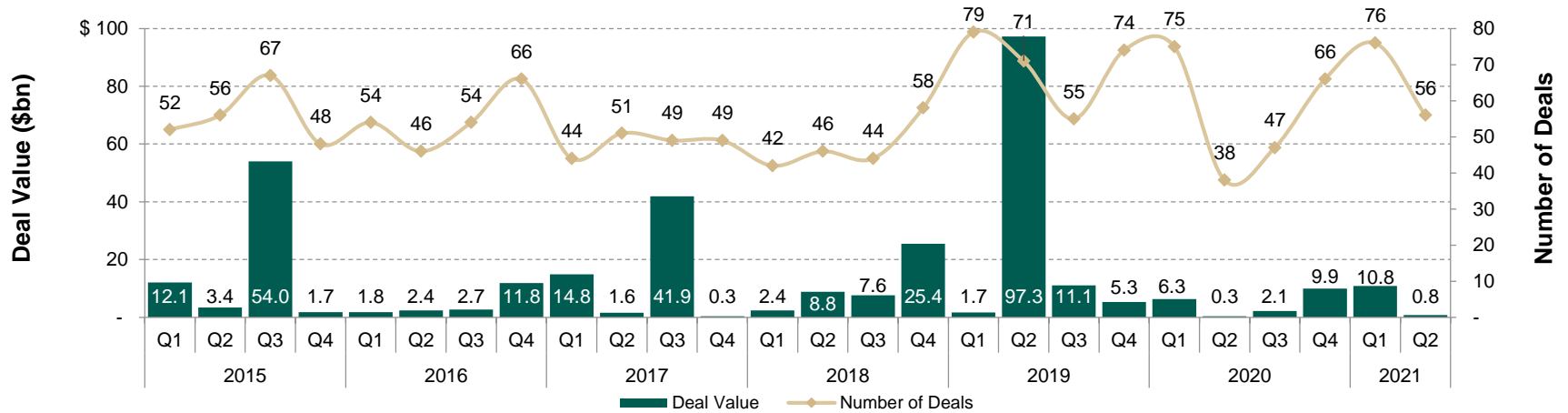
(1)

U.S. Primes: Boeing, Northrop Grumman, General Dynamics, Huntington Ingalls, Oshkosh Corporation, Aerojet Rocketdyne Holdings, Kratos Defense & Security Solutions, AeroVironment, and Maxar Technologies.

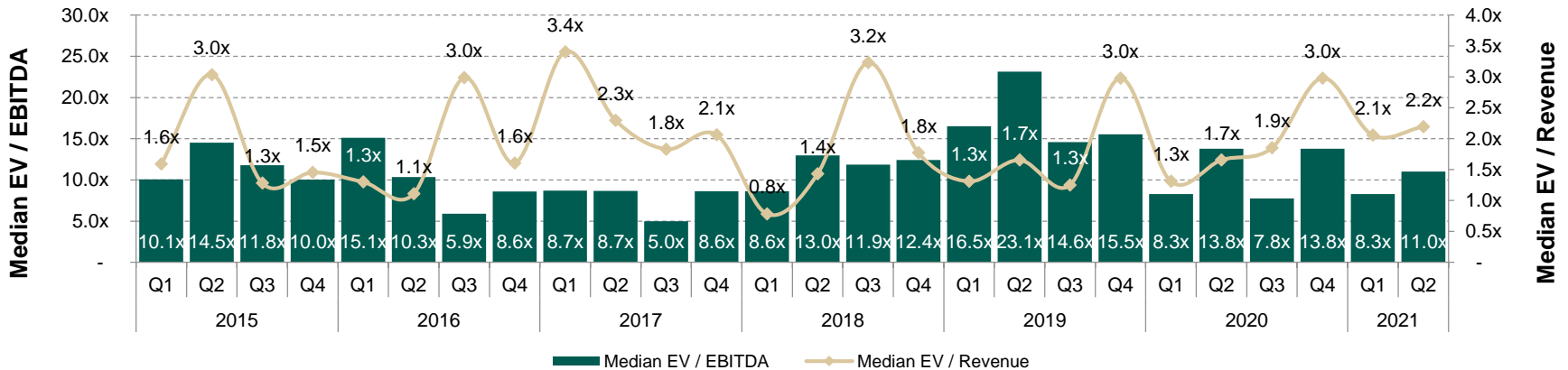


AD&S M&A Activity

TOTAL DISCLOSED SECTOR M&A ACTIVITY



DISCLOSED SECTOR VALUATION TRENDS ⁽¹⁾



Source:

Capital IQ as of 06/30/21.

(1)

No transaction multiples were disclosed for Q4 2017, Q1 2018, Q4 2019, Q2 2020 and Q4 2020; the ones shown for these quarters are the median multiples of their preceding 4 quarters.



Public Trading Comparables – Large Cap AD&S

(\$mm, except per share data)

Company	Category	Share Price as of 6/30/21	As % of 52 Wk. High	Market Cap as of		Change in Market Cap	Enterprise Value (EV)	Enterprise Value /							
				6/30/21	6/29/20			Revenue		EBITDA		EBIT		P/E	
								2020	2021E	2020	2021E	2020	2021E	2020	2021E
Large Cap Companies															
Boeing	Aircraft	\$239.56	86%	\$140,097	\$109,756	30,341	\$181,969	3.1x	2.3x	NM	38.2x	NM	60.4x	NM	NM
Raytheon Technologies	Aerostructures	\$85.31	95%	128,531	93,398	35,133	154,674	2.7	2.4	21.7x	14.5x	62.2x	23.9x	NM	22.5x
Lockheed Martin	Defense	\$378.35	94%	105,156	103,060	2,096	114,407	1.7	1.7	11.0	10.9	12.7	12.5	15.4x	14.2
Airbus	Aircraft	EUR 108.44	93%	101,007	55,739	45,268	99,512	1.6	1.6	19.2	15.3	49.9	29.9	NM	NM
Safran	Defense	EUR 116.92	92%	59,183	42,597	16,586	63,386	3.1	3.4	17.8	17.3	35.3	27.5	NM	39.6
Northrop Grumman	Defense	\$363.43	96%	58,498	51,514	6,984	68,726	1.9	1.9	11.6	10.3	16.3	12.4	19.1	14.8
General Dynamics	Defense	\$188.26	95%	53,110	42,742	10,368	65,789	1.7	1.7	12.0	13.1	15.6	15.9	17.1	16.9
L3Harris	Defense	\$216.15	96%	44,307	37,734	6,573	51,263	2.8	2.7	13.6	12.8	20.1	14.9	NM	16.6
Parker-Hannifin	Components	\$307.11	95%	39,634	23,024	16,610	45,879	3.3	3.2	17.2	14.6	22.2	17.4	33.1	20.5
TransDigm	Components	\$647.29	94%	35,531	23,995	11,536	51,914	10.2	10.7	24.1	24.3	28.2	30.8	NM	NM
BAE	Defense	GBP 5.22	96%	23,231	19,536	3,695	29,325	1.1	1.0	8.8	7.8	11.6	9.6	13.0	NM
CGI	Government Services	CAD 112.39	98%	22,230	16,268	5,961	24,592	2.7	2.5	14.4	12.3	17.5	15.6	28.8	20.8
Thales	Electronics	EUR 86.04	96%	21,699	17,195	4,504	25,023	1.2	1.2	9.6	8.4	20.6	12.2	36.7	15.0
HEICO	Components	\$139.42	94%	17,635	12,085	5,549	18,089	10.1	9.5	37.2	36.5	48.0	44.9	NM	NM
Leidos Holdings	Government Services	\$101.10	89%	14,298	13,096	1,201	19,373	1.6	1.4	13.3	13.0	18.5	16.5	23.2	15.3
MTU Aero Engines	Components / MRO	EUR 208.90	93%	13,172	9,122	4,050	14,015	2.9	2.7	20.4	17.1	31.3	25.7	NM	35.4
Rolls-Royce	Components	GBP 0.99	32%	11,377	6,816	4,561	16,898	1.0	1.0	NM	11.2	NM	42.8	NM	NM
Booz Allen Hamilton	Government Services	\$85.18	85%	11,534	10,471	1,063	13,256	1.8	1.7	15.8	15.8	20.0	17.6	25.0	22.4
Textron	Aircraft	\$68.77	97%	15,522	7,591	7,931	18,108	1.6	1.4	16.8	13.2	28.8	18.5	NM	22.0
Dassault	Aircraft	EUR 992.00	94%	9,780	7,555	2,226	5,875	0.9	0.7	8.4	7.9	11.6	10.2	26.4	14.9
Singapore Technologies	MRO	SGD 3.86	94%	8,973	7,315	1,658	10,171	1.9	1.8	13.6	13.7	21.1	22.2	22.8	22.3
Woodward	Components	\$122.88	94%	7,747	4,879	2,868	8,293	3.3	3.5	17.9	18.2	25.5	25.4	32.9	32.6
Huntington Ingalls	Ships	\$210.75	94%	8,479	7,181	1,298	9,919	1.1	1.1	8.1	12.4	11.2	18.4	12.3	15.9
CACI International	Government Services	\$255.12	96%	6,008	5,496	512	8,189	1.4	1.4	12.2	12.2	17.8	15.1	20.2	13.9
Oshkosh	Vehicles	\$124.64	91%	8,552	4,866	3,687	8,278	1.2	1.1	11.9	11.1	17.0	12.8	26.4	18.4
Meggitt	Components	GBP 4.61	86%	4,957	2,881	2,076	6,025	2.6	2.7	15.4	13.5	35.1	20.9	NM	25.6
Curtiss-Wright	Components	\$118.76	89%	4,862	3,747	1,115	5,899	2.5	2.4	10.9	11.0	15.4	14.2	24.7	16.3
Spirit AeroSystems	Aerostructures	\$47.19	88%	4,975	2,763	2,212	7,253	2.1	1.8	NM	65.5	NM	NM	NM	NM
Hexcel	Components	\$62.40	96%	5,227	3,924	1,303	6,058	4.0	4.4	26.6	30.3	NM	NM	NM	NM
Mean			91%	\$ 33,976	\$ 25,736		\$ 39,730	2.7x	2.6x	15.8x	17.3x	24.5x	21.8x	23.6x	20.8x
Median			94%	15,522	12,085		18,108	1.9	1.8	14.0	13.2	20.1	17.6	24.0	18.4



Public Trading Comparables – Small-Mid Cap AD&S

(\$mm, except per share data)

Company	Category	Share Price as of 6/30/21	As % of 52 Wk. High	Market Cap as of		Change in Market Cap	Enterprise Value (EV)	Enterprise Value /							
				6/30/21	6/29/20			Revenue		EBITDA		EBIT		P/E	
								2020	2021E	2020	2021E	2020	2021E	2020	2021E
Small-Mid Cap Companies															
Iridium Communications	Satellite	\$39.99	73%	\$5,338	\$3,285	2,053	\$6,755	11.6x	11.2x	19.6x	18.3x	NM	NM	NM	NM
Rheinmetall AG	Defense	EUR 83.64	90%	4,266	3,757	\$509	4,566	0.6	0.6	5.5	4.8	9.3x	7.1x	NM	10.5x
Aerojet Rocketdyne	Defense	\$48.29	90%	3,809	3,208	601	3,825	1.8	1.8	13.0	13.7	18.0	15.5	29.1x	26.3
Saab AB (publ)	Defense	SEK 227.10	77%	3,519	3,350	169	3,530	0.8	0.8	13.9	6.6	36.6	10.5	27.2	14.8
ManTech International	Government Services	\$86.54	85%	3,514	2,746	767	3,635	1.4	1.4	13.4	14.8	22.9	21.4	29.2	24.5
Kratos Defense & Security	Government Services	\$28.49	84%	3,527	1,897	1,630	3,543	4.7	4.2	52.1	41.0	NM	NM	NM	NM
Eutelsat Communications	Satellite	EUR 9.85	90%	2,690	2,107	583	6,501	4.5	4.5	5.9	5.9	13.0	13.5	8.1	8.5
Moog Inc.	Components	\$84.06	91%	2,709	1,748	961	3,679	1.3	1.3	11.0	10.7	16.7	14.7	NM	16.4
QinetiQ Group plc	Government Services	GBP 3.44	94%	2,723	2,095	627	2,497	1.9	1.4	11.3	9.3	16.0	12.3	20.5	15.9
Maxar Technologies	Prime	\$39.92	68%	2,890	1,096	1,794	5,225	3.0	2.9	11.7	12.6	NM	36.4	NM	NM
Viasat, Inc.	Satellite	\$49.84	81%	3,615	2,444	1,171	5,551	2.4	2.5	13.7	10.6	NM	43.7	NM	NM
AeroVironment	Aircraft	\$100.15	70%	2,463	1,869	595	2,506	6.8	6.2	44.4	38.8	61.4	66.7	NM	NM
EchoStar Corporation	Satellite	\$24.29	75%	2,191	2,736	(545)	2,373	1.3	1.2	6.0	3.8	22.2	17.3	NM	20.3
Ultra Electronics Holdings plc	Electronics	GBP 22.90	90%	2,250	1,749	500	2,368	2.0	2.0	12.4	11.3	15.9	13.7	19.7	17.9
Serco Group plc	Government Services	GBP 1.36	79%	2,241	2,336	(95)	2,873	0.5	0.5	7.6	6.5	13.2	11.2	12.9	13.2
Kaman Corporation	Aerostructures	\$50.40	84%	1,402	1,137	264	1,480	1.9	2.0	12.1	15.5	20.3	26.3	NM	27.6
ICF International	Government Services	\$87.86	86%	1,655	1,166	489	2,115	1.4	1.4	12.0	13.8	20.4	18.0	30.6	19.2
AAR	MRO	\$38.75	85%	1,354	726	628	1,521	0.7	0.9	11.7	12.8	27.5	19.9	NM	30.8
Embraer S.A.	Aircraft	BRL 18.87	88%	2,764	1,137	1,627	5,190	1.4	1.2	NM	16.8	NM	63.6	NM	NM
Chemring Group	Defense	GBP 2.88	87%	1,121	839	282	1,174	2.3	2.1	12.0	10.9	18.9	14.8	25.5	17.4
OHB	Satellite	EUR 36.95	74%	763	821	(58)	916	0.8	0.8	12.8	9.7	20.5	17.6	29.9	25.7
Triumph	Aerostructures	\$20.75	91%	1,333	517	816	2,738	0.9	1.5	8.0	22.9	11.1	24.2	NM	NM
Ducommun	Components	\$54.56	83%	647	412	234	958	1.5	1.5	11.9	10.5	20.0	18.6	22.3	20.1
ORBCOMM	Satellite	\$11.24	97%	894	292	602	1,090	4.4	4.1	21.3	17.5	NM	NM	NM	NM
Comtech Telecommunications	Satellite	\$24.16	79%	630	406	224	856	1.4	1.5	10.0	11.5	23.8	NM	NM	20.6
VSE	Government Services	\$49.51	93%	629	342	287	907	1.4	1.3	10.8	11.2	16.6	16.0	NM	17.9
Héroux-Devtek	Components	CAD 17.85	94%	530	272	258	657	1.5	1.5	10.1	9.5	17.8	19.2	NM	24.5
Magellan	Components	CAD 10.45	89%	487	310	177	515	0.9	0.9	9.0	7.8	26.9	24.5	NM	34.3
Gilat Satellite Networks	Satellite	\$10.18	45%	575	351	224	531	3.2	2.3	NM	65.7	NM	NM	16.2	NM
Cohort plc	Government Services	GBP 5.66	82%	319	263	56	346	2.1	1.8	12.8	11.5	23.8	16.4	26.7	16.9
KVH Industries	Satellite	\$12.30	80%	231	160	71	205	1.3	1.2	74.7	40.0	NM	NM	NM	NM
Mean			83%	\$ 2,035	\$ 1,470		\$ 2,601	2.3x	2.2x	16.2x	16.0x	21.4x	22.5x	22.9x	20.2x
Median			85%	2,191	1,137		2,373	1.5	1.5	12.0	11.5	20.0	17.6	25.5	19.2



Public Trading Comparables – U.S. Primes

(\$mm, except per share data)

Company	Category	Share Price as of 6/30/21	As % of 52 Wk. High	Market Cap as of		Change in Market Cap	Enterprise Value (EV)	Enterprise Value /						P/E	
				6/30/21	6/29/20			Revenue		EBITDA		EBIT		2020	2021E
								2020	2021E	2020	2021E	2020	2021E		
U.S. Primes															
The Boeing Company	Aircraft	\$239.56	86%	\$140,097	\$109,756	30,341	\$181,969	3.1x	2.3x	NM	38.2x	NM	60.4x	NM	NM
Raytheon Technologies	Aerostructures	\$85.31	95%	128,531	93,398	35,133	154,674	2.7	2.4	21.7x	14.5x	62.2x	23.9x	NM	22.5x
Lockheed Martin	Defense	\$378.35	94%	105,156	103,060	2,096	114,407	1.7	1.7	11.0	10.9	12.7	12.5	15.4x	14.2
Northrop Grumman	Defense	\$363.43	96%	58,498	51,514	6,984	68,726	1.9	1.9	11.6	10.3	16.3	12.4	19.1	14.8
General Dynamics	Defense	\$188.26	95%	53,110	42,742	10,368	65,789	1.7	1.7	12.0	13.1	15.6	15.9	17.1	16.9
Huntington Ingalls	Ships	\$210.75	94%	8,479	7,181	1,298	9,919	1.1	1.1	8.1	12.4	11.2	18.4	12.3	15.9
Oshkosh Corporation	Vehicles	\$124.64	91%	8,552	4,866	3,687	8,278	1.2	1.1	11.9	11.1	17.0	12.8	26.4	18.4
Mean			93%	\$ 71,775	\$ 58,931		\$ 86,252	1.9x	1.7x	12.7x	15.8x	22.5x	22.3x	18.1x	17.1x
Median			94%	58,498	51,514		68,726	1.7	1.7	11.7	12.4	15.9	15.9	17.1	16.4



SECTION II

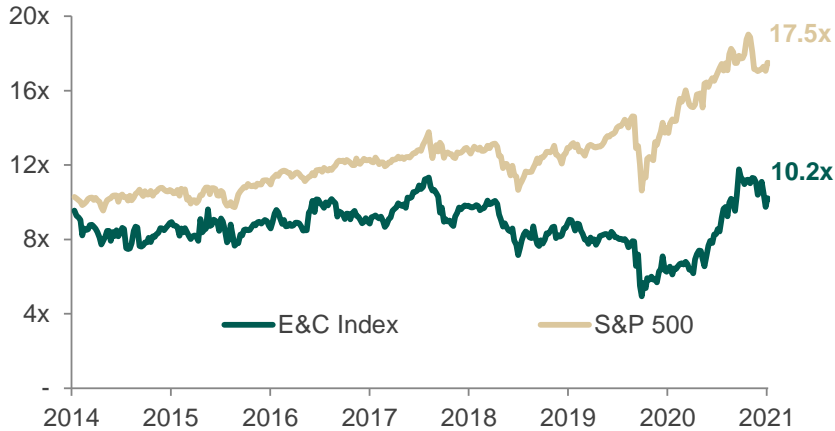


Engineering and Construction Sector

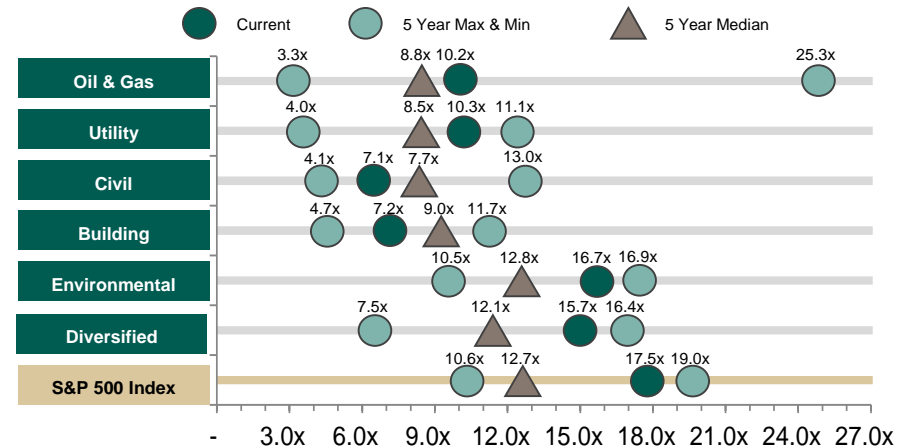


Engineering and Construction Market Overview

EV / LTM EBITDA MULTIPLES OVER TIME

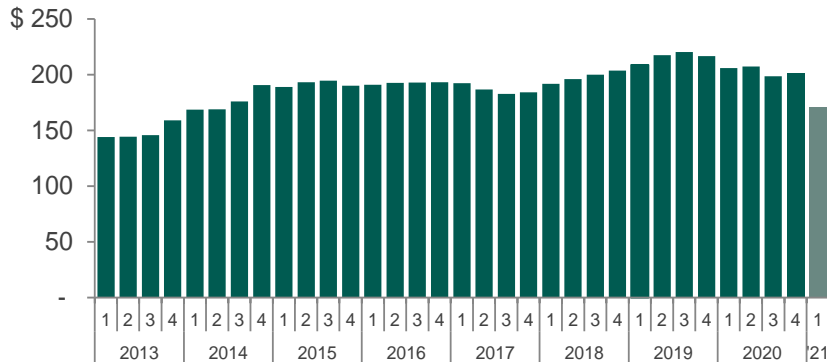


TRADING STATISTICS (EV / LTM EBITDA)



E & C BACKLOG

(\$ in billions)



Note: E&C Backlog includes AECOM, Aegion, Argon, Comfort Systems, Dycom, Construction Partners, EMCOR, Fluor, Granite Construction, Great Lakes Dredge & Dock, Infrastructure and Energy Alternatives, Jacobs, KBR, Limbach, MasTec, Matrix Service Company, McDermott, MYR Group, NV5, Orion, Primoris, Quanta, Sterling Construction, Stantec, Tetra Tech, and Tutor Perini. Building includes Comfort Systems, Limbach, EMCOR, and Tutor Perini. Civil includes Aegion, Great Lakes Dredge & Dock, Granite Construction, Construction Partners, Matrix Service Company, Orion, Tutor Perini, Primoris, and Sterling Construction. Diversified includes McDermott, Fluor, Jacobs, NV5, and KBR. Environmental includes AECOM, Tetra Tech, and Stantec. Oil & Gas includes Argon, Fluor, KBR, and McDermott. Utility includes Dycom, MasTec, Matrix Service Company, MYR Group, Primoris, Quanta, and Infrastructure Energy Alternatives.

Sources: Capital IQ as of 6/30/21, D.A. Davidson Equity Research, and public filings.

ANALYST RATINGS

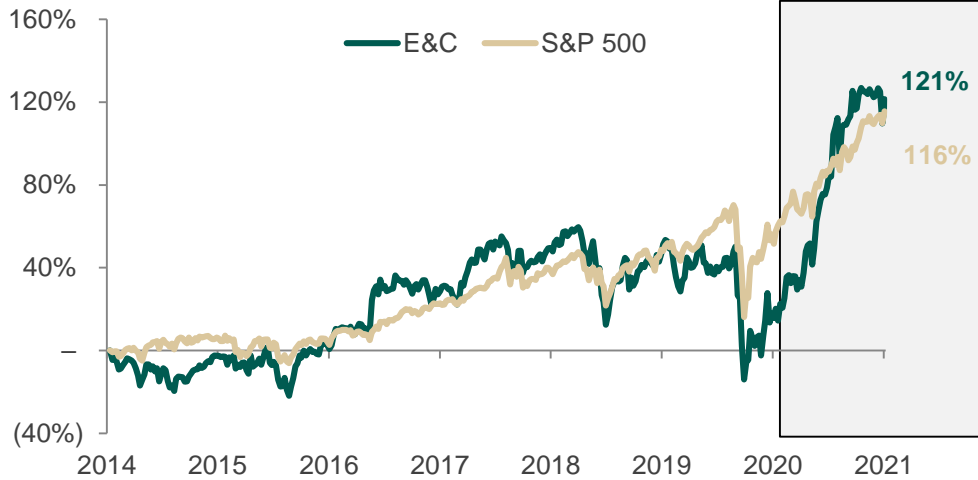
(1=Strong Sell; 3=Hold; 5=Strong Buy)

End Market	Avg. at	
	6/29/20	6/30/21
Building	2.5	2.9
Civil	3.5	3.4
Diversified	3.6	3.7
Environmental	3.0	3.1
Oil & Gas	3.3	3.3
Utility	3.6	3.5
E&C Average	3.2	3.3

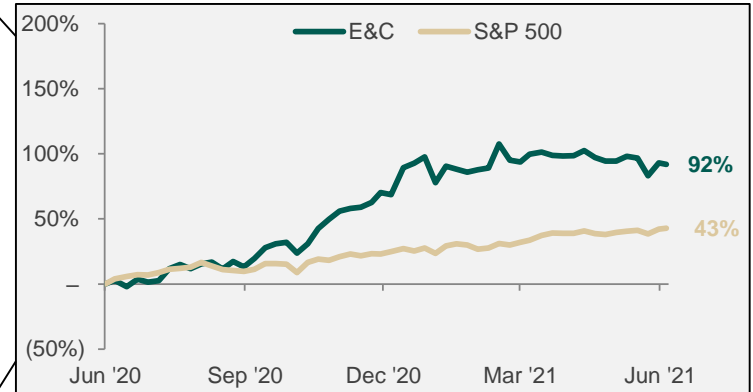


Engineering & Construction Share Price Performance

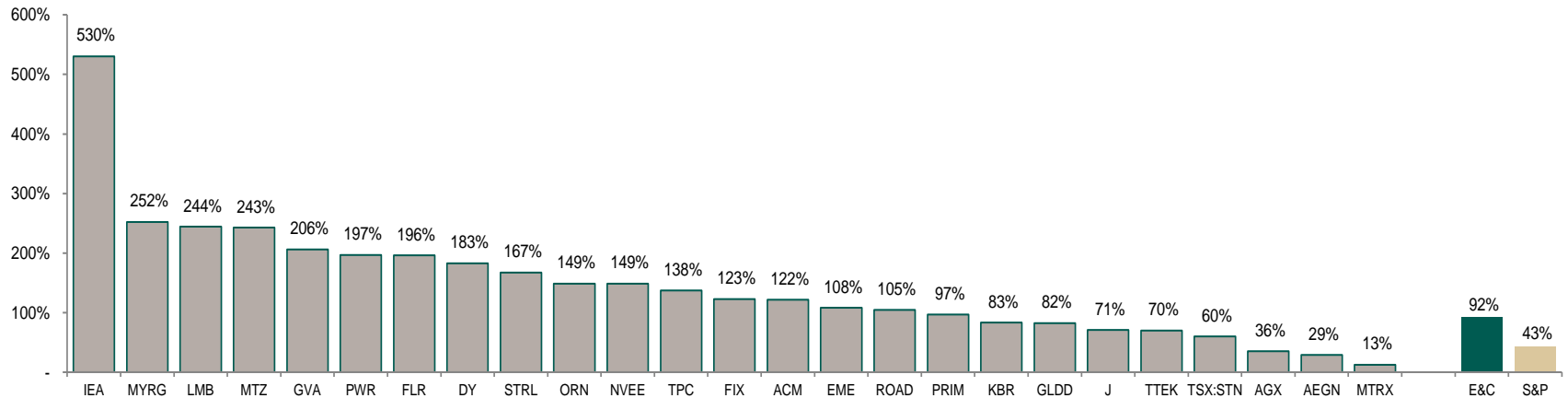
ENGINEERING & CONSTRUCTION VS. S&P 500



COMPARISON SINCE JUNE 2020



LTM ENGINEERING & CONSTRUCTION SHARE PRICE PERFORMANCE

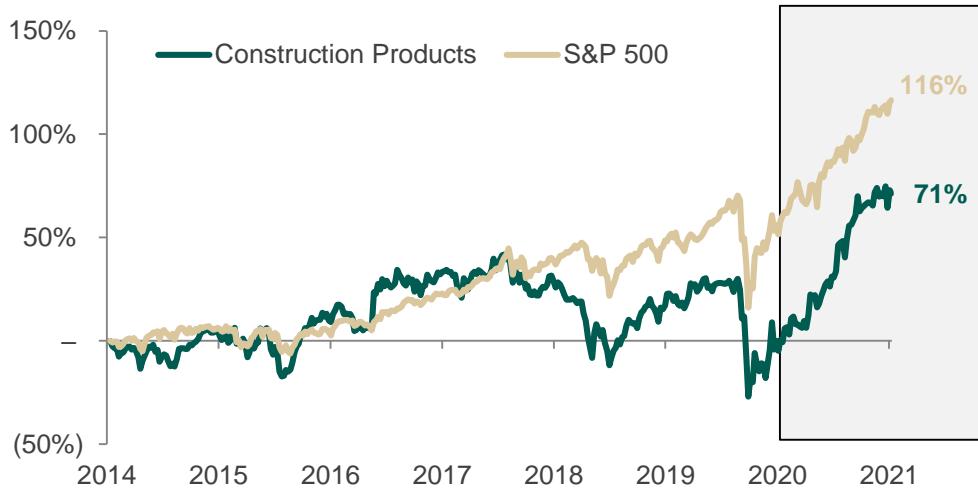


Sources: Capital IQ and public filings as of 6/30/21.

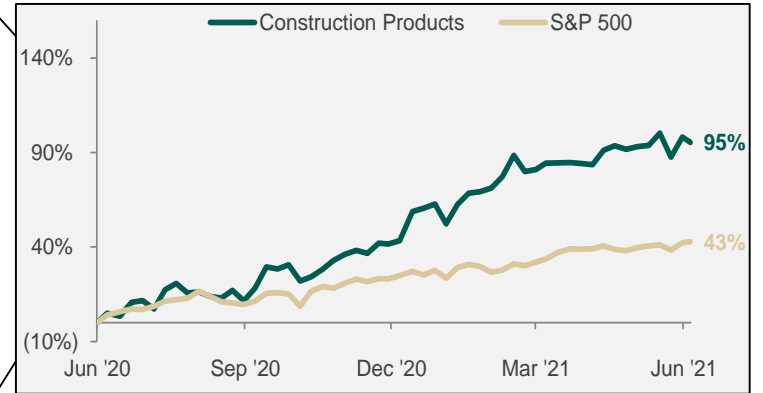


Construction Products Share Price Performance

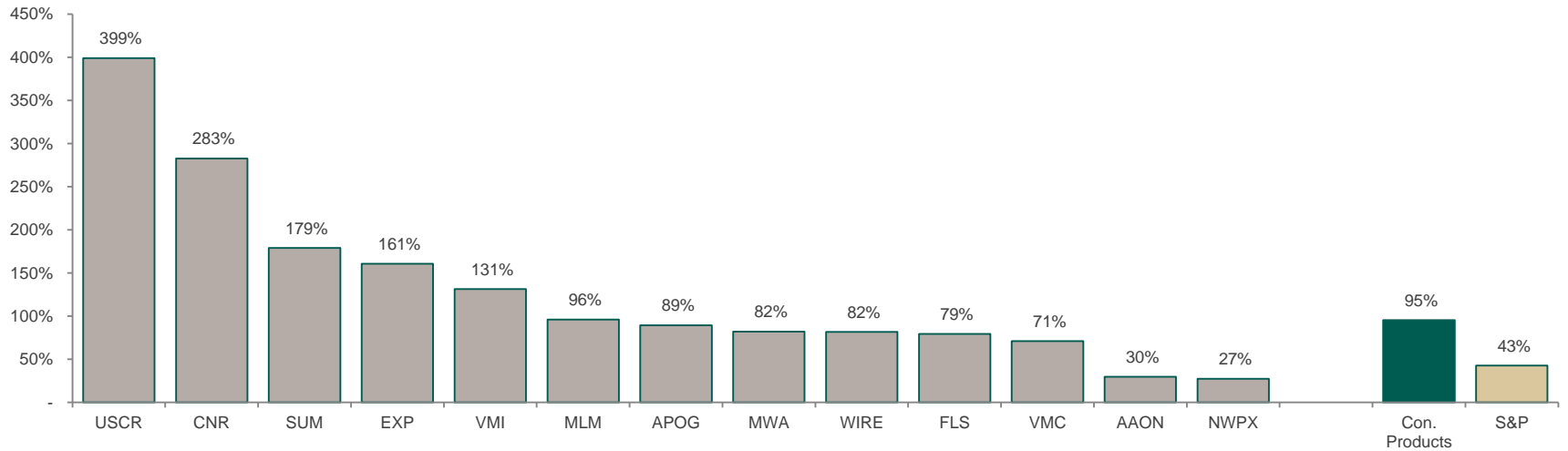
CONSTRUCTION PRODUCTS VS. S&P 500



COMPARISON SINCE JUNE 2020



LTM CONSTRUCTION PRODUCTS SHARE PRICE PERFORMANCE

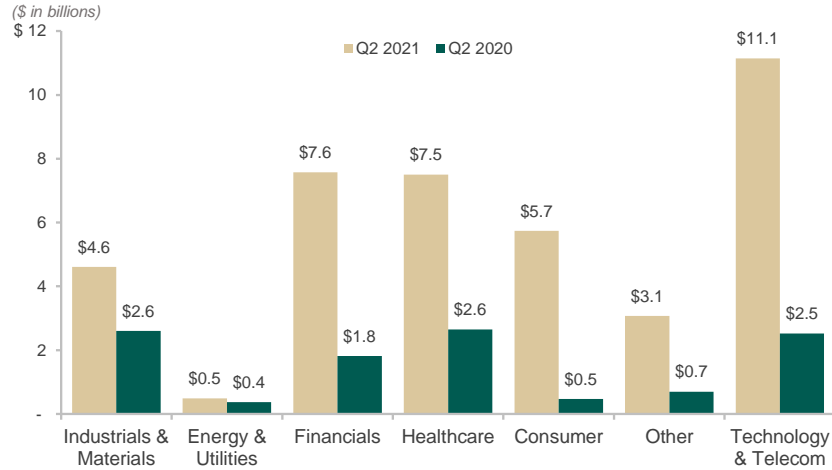


Sources: Capital IQ and public filings as of 6/30/21.

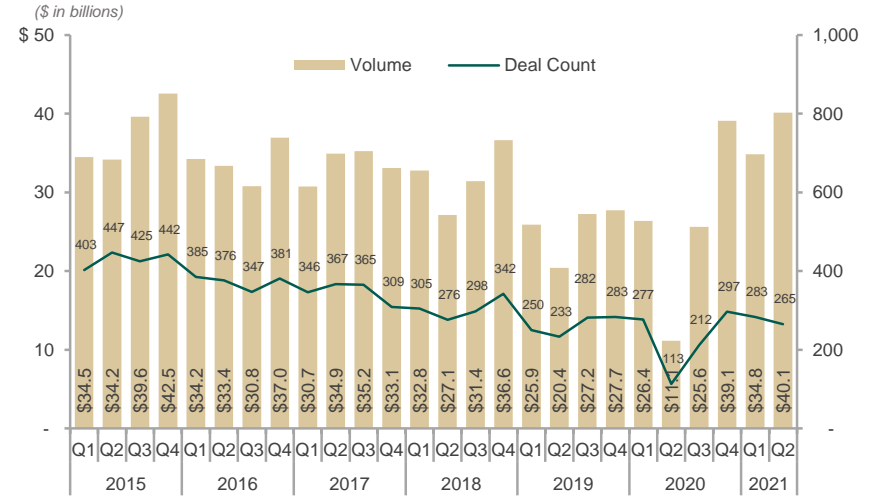


Middle Market Merger & Acquisition Trends

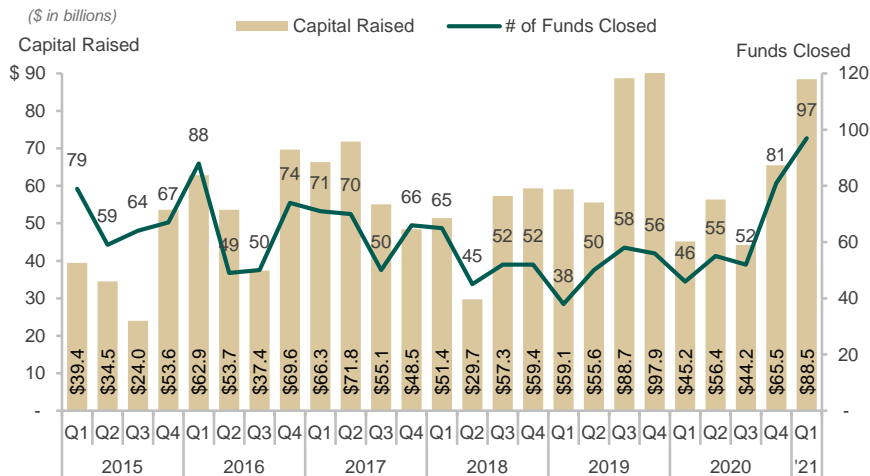
MIDDLE MARKET M&A TRANSACTIONS



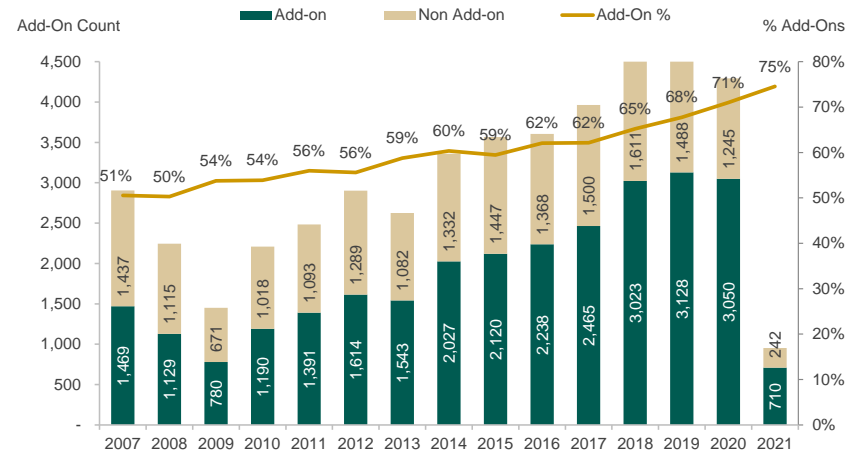
MIDDLE MARKET M&A BY INDUSTRY



MIDDLE MARKET PRIVATE EQUITY FUNDRAISING



ADD-ONS AS A % OF BUYOUTS



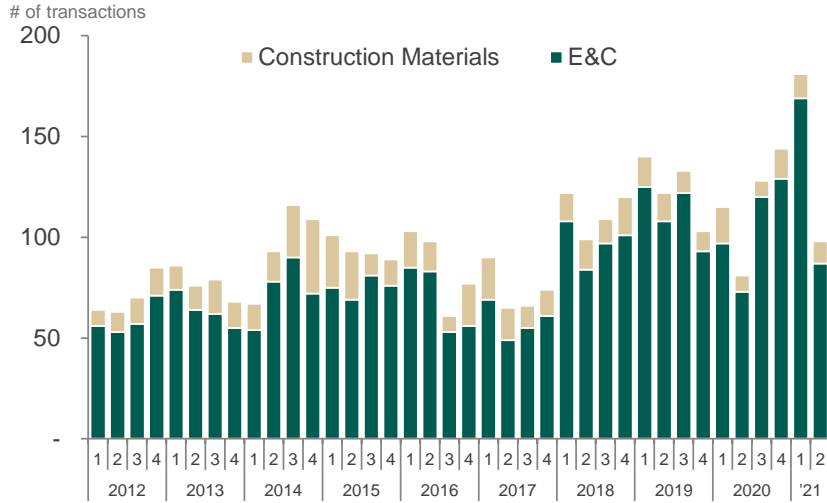
Sources:

Capital IQ as of 6/30/21 and Pitchbook as of 3/31/2021

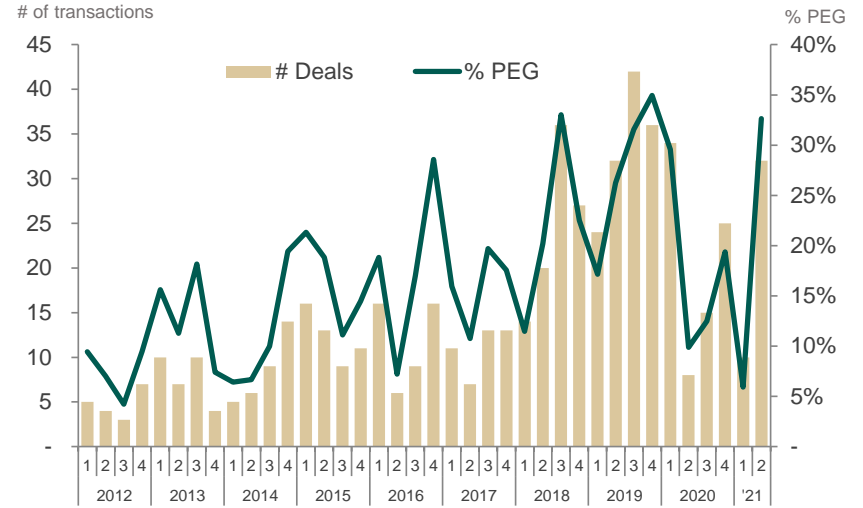


Middle Market Merger & Acquisition Trends (Cont'd)

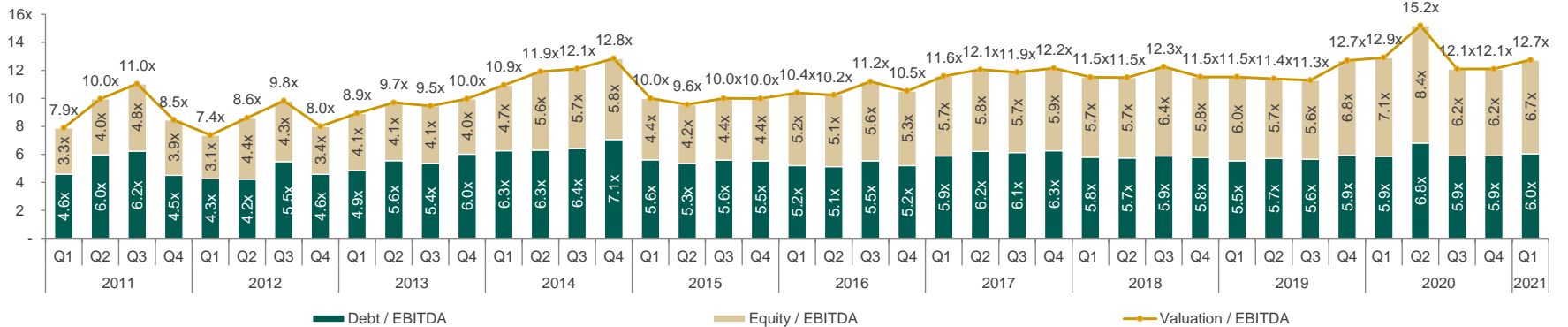
E & C DEAL ACTIVITY



E & C PRIVATE EQUITY ACTIVITY













U.S. MIDDLE MARKET PRIVATE EQUITY ACTIVITY





Selected Transactions

Target	Acquirer	Target Description	Deal Notes
 	 	<ul style="list-style-type: none"> Novo Building Products provides wood processing services. Additionally, Novo supplies moldings, stair parts, doors, and other specialty millwork products The Company is headquartered in Zeeland, Michigan 	<ul style="list-style-type: none"> Announce Date: 6/23/2021 Implied Enterprise Value: \$303 Million EV / NTM EBITDA: 5.5x Hardwoods' acquisition of Novo represents a move to solidify themselves within the non-structural building products market.
		<ul style="list-style-type: none"> U.S. Concrete produces and sells ready-mixed concrete, aggregates, and concrete-related products and services to the construction industry The Company is headquartered in Euless, Texas 	<ul style="list-style-type: none"> Announced Date: 6/7/2021 Implied Enterprise Value: \$2.1 Billion EV / LTM EBITDA: 11.3x Vulcan's acquisition of U.S. Concrete reinforces their strategic position in California, Texas, New York, and New Jersey
 One Equity Partners		<ul style="list-style-type: none"> INTREN is an engineering and construction firm focused on maintaining and building energy related infrastructure. INTREN's market consists of utility companies, private contractors and developers, municipalities, and cooperatives The Company is headquartered in Union, Illinois 	<ul style="list-style-type: none"> Closed Date: 5/4/2021 Implied Enterprise Value: \$420 Million EV / EBITDA: N/A MasTec's partnership with INTREN complements their diversification from the oil and gas industry and expands MasTec's operations in the utilities market
		<ul style="list-style-type: none"> General Finance Corporation is a specialty rental services company which provides portable storage, modular space, and liquid containment solutions The Company is headquartered in Pasadena, California 	<ul style="list-style-type: none"> Closed Date: 5/25/2021 Implied Enterprise Value: \$1 Billion EV / LTM EBITDA: 11.1x United Rental's acquisition of General Finance expands their presence in the specialty rental market

D.A. Davidson served as the exclusive financial advisor to General Finance



Public Companies: Valuation Details

(\$ in millions, except per share values)

Comparable Companies	Share Price	As % of		Equity Value	Enterprise Value (EV)	P/E			Long Term Growth	EV / EBITDA			EV / EBIT			EV / Revenue	Market Value	
		LTM High				LTM	2021E	2022E		LTM	2021E	2022E	LTM	2021E	2022E		Book	T. Book
Environmental																		
AECOM	\$ 63.32	90%	\$ 9,270	\$ 10,542	37.3x	22.3x	17.9x	24%	13.0x	12.7x	11.4x	17.0x	14.7x	13.1x	0.8x	3.3x	NM	
Stantec	44.64	93%	4,986	5,813	27.6	19.4	17.1	11%	16.7	12.4	11.5	NM	19.8	17.6	2.0	3.2	NM	
Tetra Tech	122.04	84%	6,610	6,664	35.5	33.9	30.1	16%	23.4	21.9	20.3	NM	NM	NM	2.8	NM	NM	
Mean		89%	\$ 6,955	\$ 7,673	33.5x	25.2x	21.7x	17%	17.7x	15.7x	14.4x	17.0x	17.2x	15.4x	1.9x	3.2x	NM	
Median		90%	6,610	6,664	35.5	22.3	17.9	16%	16.7	12.7	11.5	17.0	17.2	15.4	2.0	3.2	NM	
Civil																		
Aegion	\$ 6.27	90%	\$ 566	\$ 1,103	NM	NM	23.2x	NA	NM	8.6x	3.7x	NM	NM	11.1x	2.1x	4.7x	NM	
Construction Partners	31.40	86%	1,642	1,695	44.9	29.9	29.3	14%	17.2	14.7	12.6	NM	NM	NM	2.1	4.2	NM	
Granite	41.53	94%	1,902	1,637	NM	24.7	24.4	NA	9.0	6.8	6.3	NM	NM	12.6	0.5	2.1	2.4	
Great Lakes Dredge & Dock	14.61	90%	959	1,105	23.9	15.0	13.0	NA	9.6	7.5	7.0	14.4	10.5	9.7	1.6	2.7	3.4	
Infrastructure and Energy Alternatives	12.86	53%	320	640	NM	38.4	11.4	NA	5.8	4.7	3.9	10.0	7.7	5.8	0.4	(2.6)	NM	
Matrix	10.50	64%	279	205	NM	NM	15.6	18%	NM	NM	4.5	NM	NM	8.7	0.3	0.9	1.2	
Orion	5.75	86%	175	229	9.5	14.9	10.5	25%	5.5	4.9	4.3	15.3	11.7	8.1	0.3	1.1	1.2	
Primoris	29.43	70%	1,581	2,030	12.5	12.0	10.4	13%	7.3	6.8	6.2	10.6	10.1	8.8	0.6	1.8	NM	
Sterling	24.13	94%	690	974	13.7	12.8	11.6	NA	6.9	7.0	6.7	9.1	8.9	8.3	0.7	2.5	NM	
Tutor Perini	13.85	68%	707	1,417	6.6	6.8	6.3	NA	3.7	4.2	4.0	5.3	5.5	5.1	0.3	0.4	0.6	
Mean		80%	\$ 882	\$ 1,103	18.5x	19.3x	15.6x	18%	8.1x	7.2x	5.9x	10.8x	9.0x	8.7x	0.9x	1.8x	1.8x	
Median		86%	699	1,104	13.1	15.0	12.3	16%	7.1	6.8	5.4	10.3	9.5	8.7	0.5	1.9	1.2	
Utility																		
Dycor	\$ 74.53	74%	\$ 2,294	\$ 2,845	35.2x	42.3x	19.6x	13%	10.6x	9.9x	7.7x	NM	NM	15.4x	0.9x	2.8x	NM	
Infrastructure and Energy Alternatives	12.86	53%	320	640	NM	38.4	11.4	NA	5.8	4.7	3.9	10.0	7.7	5.8	0.4	(2.6)	NM	
MasTec	106.10	87%	7,686	8,505	22.1	19.6	17.6	20%	10.1	9.1	8.8	16.5	16.6	15.1	1.3	3.7	NM	
Matrix	10.50	64%	279	205	NM	NM	15.6	18%	NM	NM	4.5	NM	NM	8.7	0.3	0.9	1.2	
MYR	90.92	99%	1,530	1,486	22.4	20.7	19.5	14%	10.5	9.5	9.2	15.6	13.8	13.3	0.6	3.4	4.6	
Primoris	29.43	70%	1,581	2,030	12.5	12.0	10.4	13%	7.3	6.8	6.2	10.6	10.1	8.8	0.6	1.8	NM	
Quanta	90.57	89%	12,621	13,784	26.3	20.6	18.2	8%	14.4	12.0	10.8	NM	18.6	15.8	1.2	2.9	NM	
Mean		77%	\$ 3,759	\$ 4,214	23.7x	25.6x	16.0x	14%	9.8x	8.7x	7.3x	13.2x	13.3x	11.9x	0.8x	1.8x	2.9x	
Median		74%	1,581	2,030	22.4	20.6	17.6	13%	10.3	9.3	7.7	13.1	13.8	13.3	0.6	2.8	2.9	



Public Companies: Valuation Details (Cont'd)

(\$ in millions, except per share values)

Comparable Companies	Share Price	As % of LTM High	Equity Value	Enterprise Value (EV)	P/E			Long Term Growth	EV / EBITDA			EV / EBIT			EV / Revenue	Market Value	
					LTM	2021E	2022E		LTM	2021E	2022E	LTM	2021E	2022E		Book	T. Book
Building																	
Comfort Systems	\$ 78.79	89%	\$ 2,849	\$ 2,969	18.1x	20.5x	19.6x	15%	11.2x	11.5x	11.1x	14.8x	15.3x	14.2x	1.1x	3.9x	NM
EMCOR	123.19	95%	6,721	6,239	47.8	18.4	17.3	10%	10.2	10.0	9.4	12.3	12.0	11.1	0.7	3.2	NM
Limbach	9.26	58%	95	93	21.8	14.9	9.3	12%	4.2	4.3	3.7	5.9	6.5	5.2	0.2	1.2	1.6
Tutor Perini	13.85	68%	707	1,417	6.6	6.8	6.3	NA	3.7	4.2	4.0	5.3	5.5	5.1	0.3	0.4	0.6
Mean		78%	\$ 2,593	\$ 2,679	23.6x	15.1x	13.1x	12%	7.3x	7.5x	7.1x	9.6x	9.8x	8.9x	0.5x	2.2x	1.1x
Median		79%	1,778	2,193	20.0	16.6	13.3	12%	7.2	7.1	6.7	9.1	9.3	8.1	0.5	2.2	1.1
Diversified																	
Fluor	\$ 17.70	71%	\$ 2,502	\$ 2,489	NM	31.1x	14.8x	NA	10.2x	11.2x	6.4x	17.5x	11.8x	7.9x	0.2x	2.5x	3.2x
Jacobs	133.42	91%	17,373	20,144	31.6	21.9	17.7	10%	18.2	15.5	13.4	NM	16.2	14.0	1.5	2.9	NM
KBR	38.15	89%	5,392	6,603	NM	17.7	15.6	NA	14.6	11.8	10.7	18.2	16.9	14.0	1.2	3.3	NM
NV5	94.51	86%	1,434	1,514	54.7	22.7	20.4	16%	16.8	13.0	11.9	NM	NM	NM	2.3	2.6	NM
Mean		84%	\$ 6,675	\$ 7,688	43.2x	23.3x	17.1x	13%	15.0x	12.9x	10.6x	17.9x	15.0x	12.0x	1.3x	2.8x	3.2x
Median		88%	3,947	4,546	43.2	22.3	16.6	13%	15.7	12.4	11.3	17.9	16.2	14.0	1.3	2.7	3.2
Oil & Gas																	
Argan	\$ 47.79	85%	\$ 754	\$ 289	21.5x	20.4x	11.8x	10%	6.0x	5.0x	2.9x	6.7x	5.9x	3.3x	0.6x	2.3x	2.5x
Fluor	17.70	71%	2,502	2,489	NM	31.1	14.8	NA	10.2	11.2	6.4	17.5	11.8	7.9	0.2	2.5	3.2
KBR	38.15	89%	5,392	6,603	NM	17.7	15.6	NA	14.6	11.8	10.7	18.2	16.9	14.0	1.2	3.3	NM
Mean		82%	\$ 2,883	\$ 3,127	21.5x	23.1x	14.1x	10%	10.3x	9.4x	6.7x	14.1x	11.6x	8.4x	0.7x	2.7x	2.9x
Median		85%	2,502	2,489	21.5	20.4	14.8	10%	10.2	11.2	6.4	17.5	11.8	7.9	0.6	2.5	2.9



Public Companies: Valuation Details (Cont'd)

(\$ in millions, except per share values)

Comparable Companies	Share Price	As % of		Enterprise Value (EV)	P/E			Long Term Growth	EV / EBITDA			EV / EBIT			EV / Revenue	Market Value	
		LTM High	Equity Value		LTM	2021E	2022E		LTM	2021E	2022E	LTM	2021E	2022E		Book	T. Book
Construction Products																	
AAON	\$ 62.59	77%	\$ 3,282	\$ 3,185	45.4x	47.8x	40.6x	14%	27.7x	26.0x	23.1x	NM	NM	NM	NM	NM	NM
Apogee	40.73	93%	1,045	1,174	45.4	19.4	14.8	11%	8.6	8.7	7.7	13.9	14.4	11.9	0.9	2.1	2.1
Eagle Materials	142.11	92%	5,954	6,699	17.8	17.3	15.2	14%	12.8	10.8	9.8	16.9	14.0	12.8	4.1	4.4	NM
Encore	75.79	90%	1,564	1,409	15.8	13.1	14.8	12%	9.5	8.0	8.8	11.1	9.1	10.2	1.0	1.8	1.8
Flowserve	40.32	91%	5,254	5,941	44.4	25.2	20.3	12%	11.6	13.2	11.6	14.4	17.0	14.5	1.6	3.1	NM
Martin Marietta	351.81	92%	21,942	24,257	28.9	29.2	25.4	13%	17.5	16.3	14.9	NM	NM	NM	NM	3.7	NM
Mueller	14.42	96%	2,289	2,510	30.2	24.6	21.8	12%	12.7	11.8	11.1	17.6	17.5	15.9	2.5	3.4	NM
CNR	18.18	92%	2,285	5,268	39.6	17.8	12.4	19%	8.5	7.6	7.4	16.0	13.7	12.7	1.1	5.0	NM
Northwest Pipe	28.25	74%	278	258	13.5	15.7	10.8	NA	6.6	6.5	5.0	10.4	11.1	7.6	0.9	1.0	1.2
Summit	34.85	94%	4,090	5,688	25.0	31.4	24.0	34%	12.1	10.9	10.3	NM	NM	18.2	2.4	2.5	NM
US Concrete	73.80	93%	1,257	2,000	51.9	30.1	23.5	11%	12.1	10.0	9.1	NM	NM	17.8	1.5	3.4	NM
Valmont	236.05	89%	5,016	5,425	33.0	23.7	21.8	9%	14.8	13.5	12.1	19.2	17.2	15.0	1.8	4.1	NM
Vulcan Materials	174.07	90%	23,093	25,167	33.7	33.4	28.1	18%	19.0	17.6	15.8	NM	NM	NM	NM	3.8	NM
Mean		89%	\$ 5,950	\$ 6,845	32.7x	25.3x	21.0x	15%	13.3x	12.4x	11.3x	14.9x	14.3x	13.7x	1.8x	3.2x	1.7x
Median		92%	3,282	5,268	33.0	24.6	21.8	13%	12.1	10.9	10.3	15.2	14.2	13.6	1.6	3.4	1.8



Industry Insight and Trends: Overview

MACROECONOMIC TRENDS

Gross Domestic Product – The U.S. Bureau of Economic Analysis published a third estimate that real Gross Domestic Product (GDP) increased at an annual rate of 6.4% in the first quarter of 2021 compared to (5.0)% in Q1 of 2020. The increase in first quarter GDP reflected increases in exports, non residential fixed investment, personal consumption expenditures, residential fixed investment, and private inventory investment, that were partly offset by decreased spending at the local, state, and federal government levels.

Inflation – The Consumer Price Index for All Urban Consumers (CPI-U) rose by 0.6% in May on a seasonally adjusted basis after rising 0.8% in April, the U.S. Bureau of Labor Statistics reported. For the 12 months ended May 2021, the United States inflation rate was 5.0%. The Federal Reserve's long-term inflation target is 2.0%.

Unemployment – The unemployment rate declined to 5.8% in May, and the number of unemployed persons fell to 9.3 million. Although unemployment fell in May, the jobless rate and the number of unemployed changed little over the month but is still up by 2.7 million, respectively, since February 2020. The number of unemployed persons who were on temporary layoff decreased by 291,000 in May to 1.8 million, down considerably from the high of 18.0 million in April 2020. The number of permanent job losses hovered at 3.2 million in May 2021.

MICROECONOMIC TRENDS

Value of Construction Put in Place – The seasonally adjusted annual rate of total construction put in place in April 2021 was \$1.52 trillion, up 9.8% from the same period in 2020.

ABI Index – Billings at architecture firms continued their turnaround in April, with the Architecture Billings Index recording a score of 57.9. This score indicates billings growth, as an even larger share of firms reported an increase in their billings in February.



SECTION III



Oilfield Services Sector



The Transition is On

Investors and businesses who serve the last two areas of energy sources will see the highest potential returns

TRADITIONAL ENERGY SERVICES

Coal & Oil

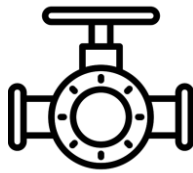
- Easiest resources are already extracted
- CO2 / Carbon is now a real “cost” for investors and governments
- Not investable if environmental, social, and governance (“ESG”) is part of capital mandate
- Supply / demand is still not aligned
- Owners of traditional assets or businesses servicing these assets should exit upon any uptick opportunity or be prepared to own until end of useful life



TRANSITIONAL SOURCES

Natural Gas, Wind, and Bio Fuels

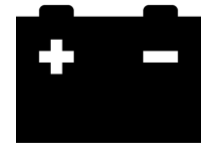
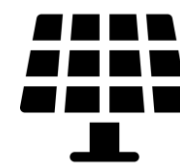
- CO2 / Carbon footprint is better than traditional energy sources but still not “clean”
- Natural Gas supply outweighs demand
- Utility infrastructure has moved to transitional and long-term sources only
- Transitional fuels are the easiest area for service businesses to continue to provide services / generate revenue



LONG-TERM ENERGY SOURCES

Solar, Battery, and Other

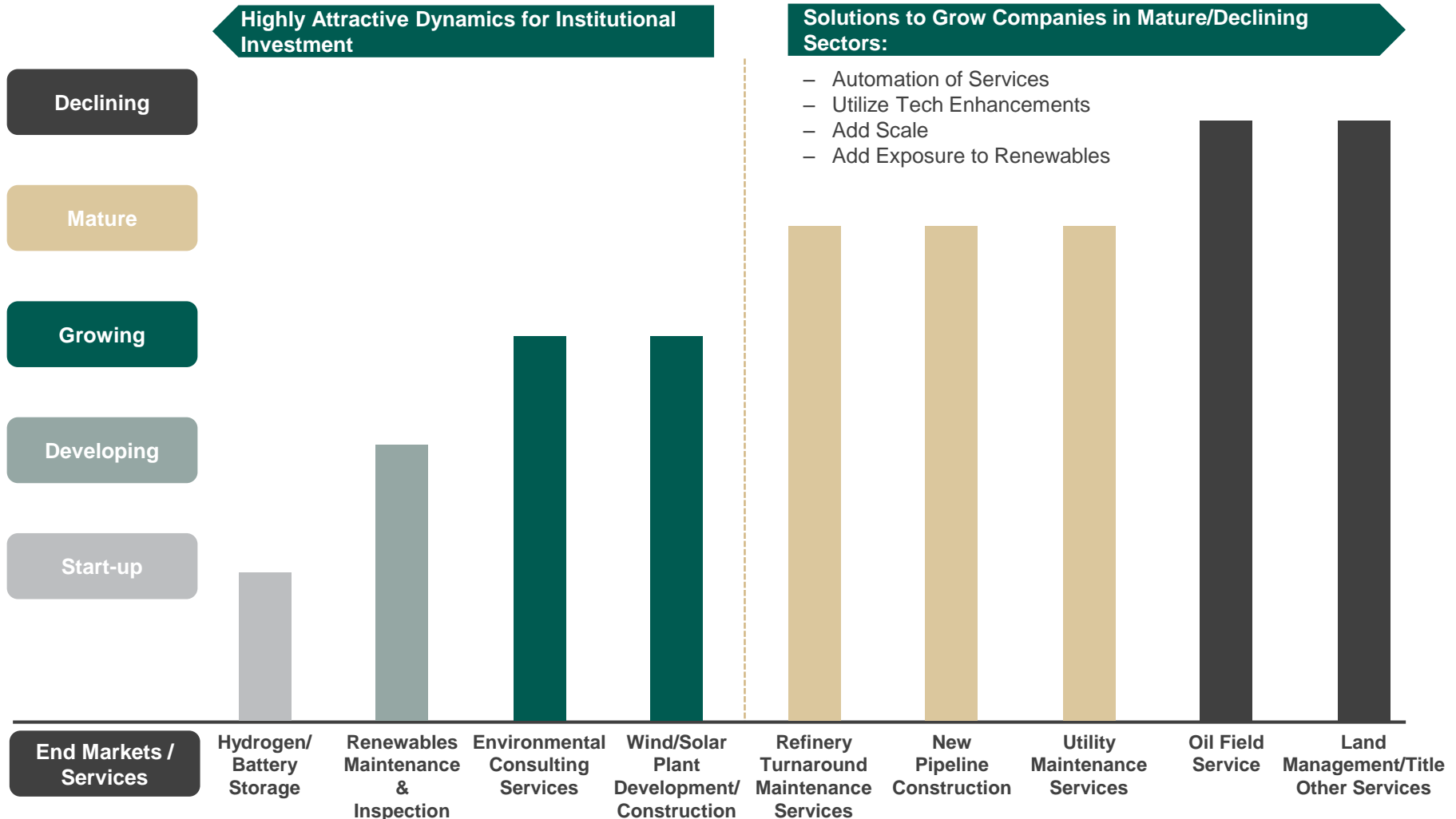
- Solar energy production technology now at positive IRRs without government subsidies
- Battery technology still lagging behind; therefore, a need remains for transitional energy sources
- Projects being put in place now will need services / maintenance for many coming years – lots of opportunity
- Long term political and environmental risk will rotate to forefront with rare earth mineral extraction and disposal needs for equipment





Energy Infrastructure Services Dynamics

Traditional energy, renewable energy, refining, midstream, and infrastructure have many overlapping service requirements. In the next several years, service providers who work with customers across the energy infrastructure spectrum will yield the best valuations / transaction outcomes



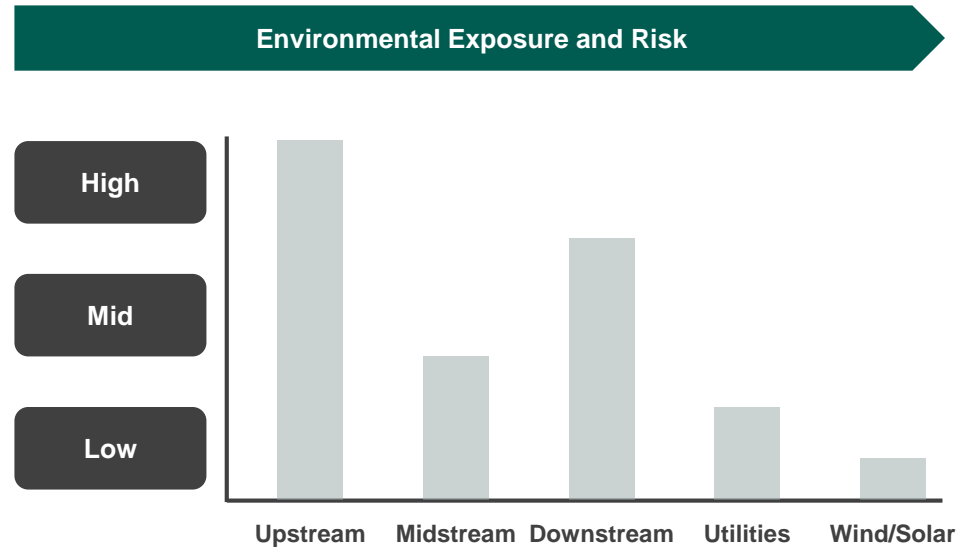


ESG Effects on Energy Sector

Environment, Social, and Governance (“ESG”) goals and programs have landed squarely on the energy sector in the last several years. All companies need to understand their strengths and weakness in the ESG context as it will effect business operations and ability to finance or transact

ESG OBSERVATIONS

- Energy companies currently have the largest exposure to the Environmental component of ESG goals. Unless an efficient battery storage system is utilized, a company that solely generates energy via wind and solar will have a negative net impact on environment
- Investment dollars historically focused on traditional oil and gas markets are now flowing into projects and companies with robust and materially relevant ESG practices
 - Banks are not renewing credit facilities for traditional energy companies based on internal ESG goals and pressure from institutional investors / activist groups
 - Energy specific private equity funds are aggressively searching for opportunities with positive ESG considerations
- ESG reporting is no longer just a public or big company issue. Company practices around ESG communications, reporting, and data analytics will have to evolve and mature rapidly. Larger customers will continue to push their ESG requirements down on suppliers / service providers
- The recent and continuing changes both on federal and state government leadership will accelerate the ESG movement
- For most energy service businesses, innovation / technology will be the most-critical lever to achieve material improvements in ESG performance



Risks to Energy Sector Driven by ESG






- Steady decline in demand for product as global markets move to more environmentally friendly energy sources
- Financing / Credit availability
- Long-term environmental legal exposure
- Lawsuits from outside groups targeting customers in effort to change corporate behavior
- Additional risk from industry’s slow adoption of “Social” and “Governance” aspects of ESG



Renewables/Energy Tech Services Selected Activity

Renewable and energy tech service providers are growing quickly but many are not to scale and therefore equate to smaller enterprise value transactions. Below are highlighted key recent transactions

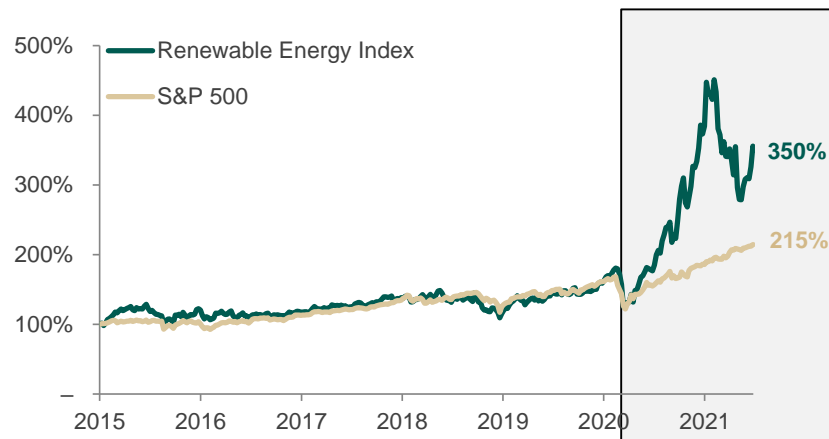
RECENT HIGHLIGHTS

Deal	Details
	<ul style="list-style-type: none"> Announced and Closed: May 7, 2021 Alliance's acquisition of AQS adds continuous emissions management services (CEMS) as a complimentary service offering Alliance is building a national air emission testing, monitoring, and laboratory analysis platform
	<ul style="list-style-type: none"> Crusoe Energy Systems received \$4.5mm in seed funding from Bain Capital Ventures, Founders Fund Pathfinder, and more bringing total funding to \$5.1mm Funding will be used to accelerate production of mobile data centers to provide flare mitigation services to O&G operators across North America Prevents the need for flaring by capturing excess gas and converting into electrical power at the wellsite
	<ul style="list-style-type: none"> Announced and Closed: March 31, 2021 Enverus is the leading SaaS company in the energy industry, and Energy Acuity is the leading provider of power generation and delivery data in renewable energy Financial terms of the transaction were not disclosed
	<ul style="list-style-type: none"> Urbint received a strategic investment from Blue Bear Capital The capital will assist Urbint's expansion into new sections of the infrastructure market as well as keeping up with rapidly growing demand Blue Bears partners include some of the largest solar, wind, and battery businesses in the world
	<ul style="list-style-type: none"> Powin Energy Corp agreed to sell controlling interest to obtain significant equity funding from Trilantic North America and Energy Impact Partners The Company is a global leader in design and manufacture of safe scalable battery storage Powin has built 600+ MWh of storage and is contracted to supply more than 4,000 MWh over the next 5 years

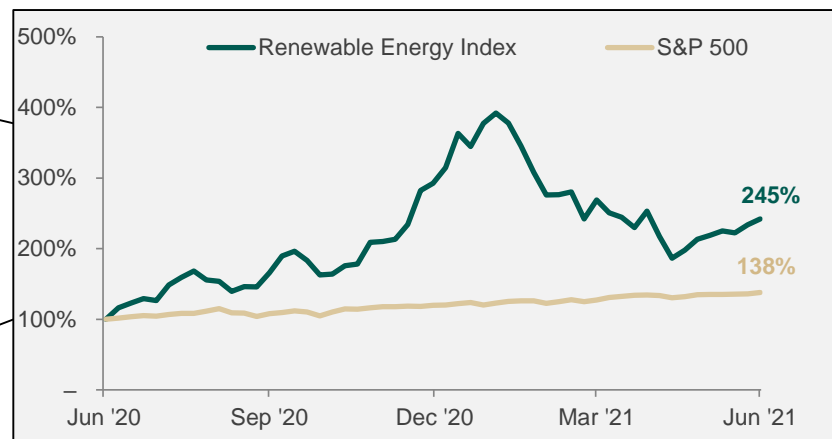


Renewable and Energy Tech Services – Public Market Performance

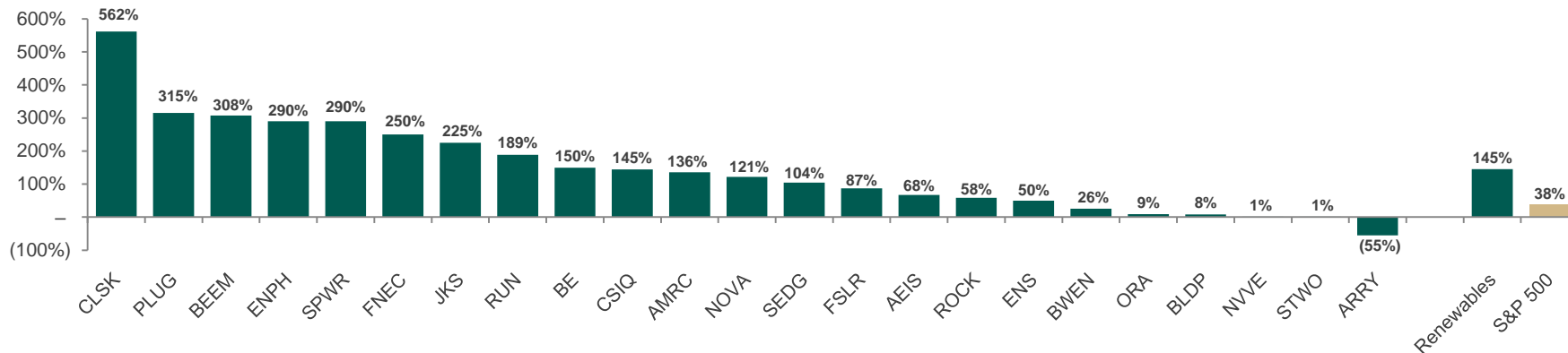
RENEWABLE ENERGY INDEX VS. S&P 500
(2015 = 100%)



LTM COMPARISON



LTM PERFORMANCE: RENEWABLE ENERGY INDEX SHARE PRICE VS. S&P 500



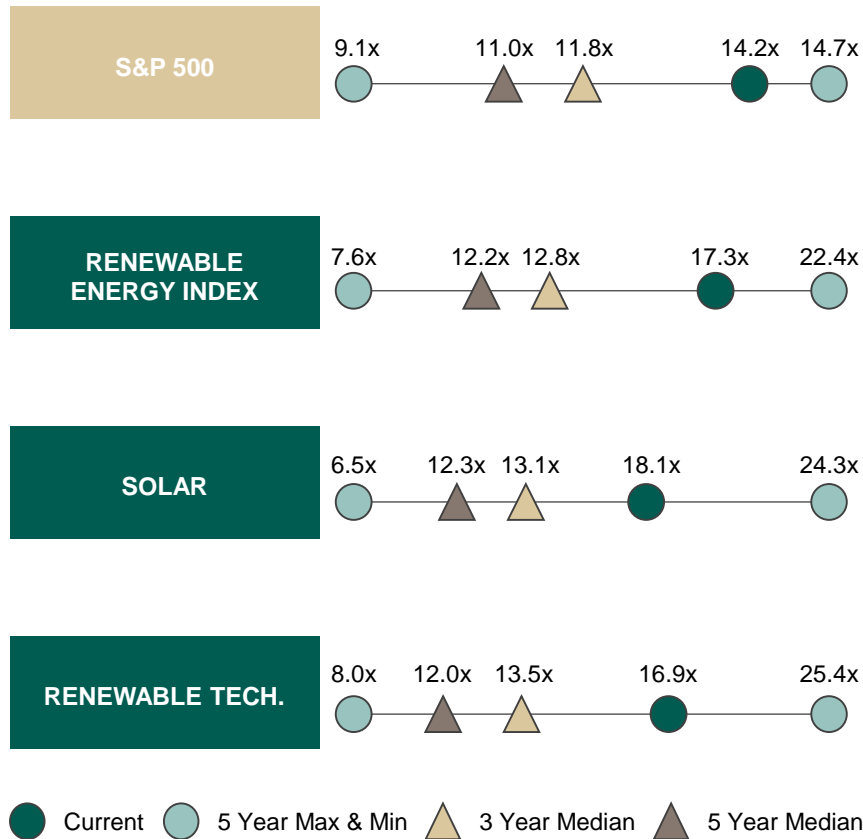
Sources: Capital IQ and LTM as of 06/30/2021.

Note: Renewable Energy Index includes NOVA, RUN, FSLR, CSIQ, JKS, SPWR, ENPH, PLUG, NYSE:ORA, ENS, BE, BLDP, AMRC, and SEDG.

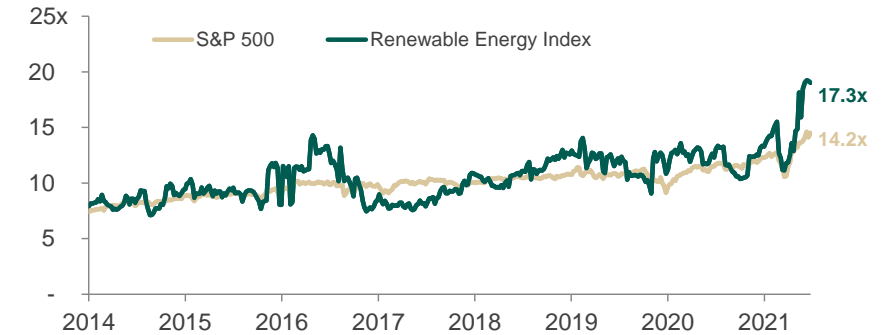


Renewable and Energy Tech Services – Valuation

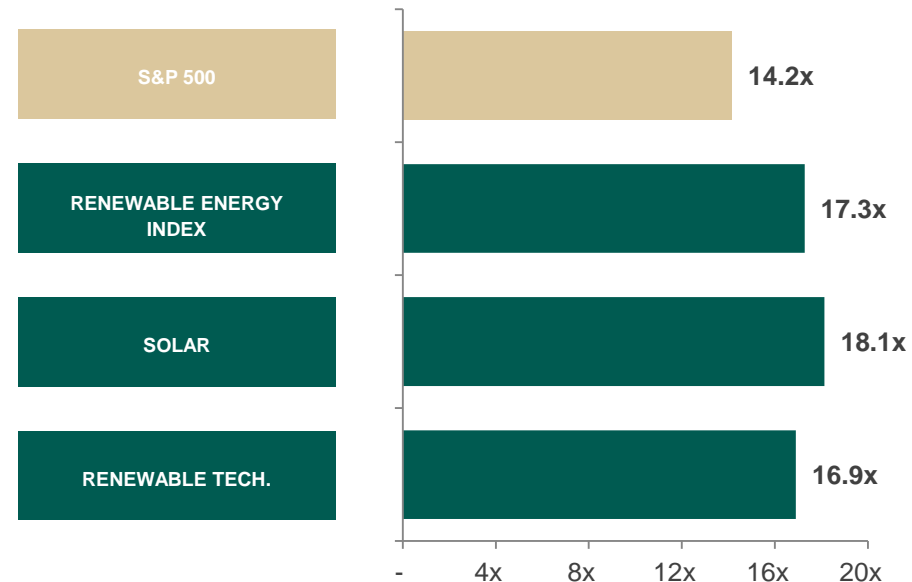
TRADING STATISTICS (EV / NTM EBITDA)



EV / NTM EBITDA MULTIPLES OVER TIME



CURRENT EV / NTM EBITDA



Sources: Capital IQ and LTM as of 06/30/2021.

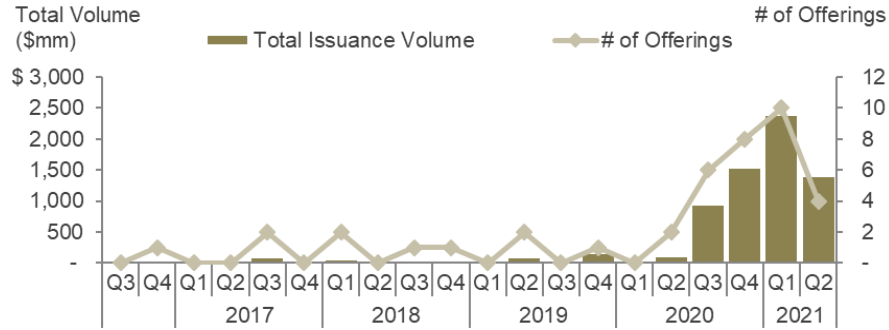
Note: Renewable Energy Index includes NOVA, RUN, FSLR, CSIQ, JKS, SPWR, ENPH, PLUG, NYSE:ORA, ENS, BE, BLDP, AMRC, SEDG, ARRY, BWEN, AEIS, ROCK, FNEC, STWO, BEEM, NVVE and CLSK. Solar Index includes NOVA, RUN, FSLR, CSIQ, JKS, and SPWR. Renewable Tech. Index includes ENPH, PLUG, NYSE:ORA, ENS, BE, BLDP, AMRC, SEDG, ARRY, BWEN, AEIS, ROCK, FNEC, STWO, BEEM, NVVE and CLSK.



Renewable and Energy Tech Services – Public Equity Offerings

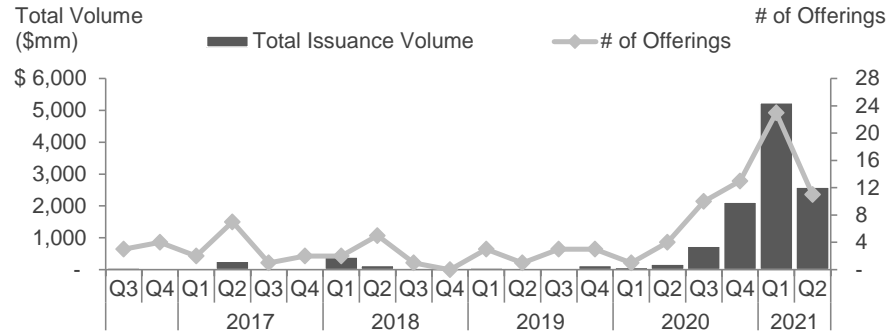
Recent Activity

Solar



Pricing Date	Deal Type	Issuer	Performance Since Offer	Deal Value (\$mm)
Solar				
06/21/21	Follow-on Equity Offering	iSun, Inc. (NasdaqCM:ISUN)	1.7%	\$ 39.5
06/11/21	Follow-on Equity Offering	FuelCell Energy, Inc. (NasdaqGM:FCEL)	36.9%	500.0
05/27/21	Follow-on Equity Offering	Canadian Solar Inc. (NasdaqGS:CSIQ)	13.2%	150.0
04/14/21	Follow-on Equity Offering	Northland Power Inc. (TSXNPI)	(22.4%)	721.0
Average			7.4%	\$ 352.6
Median			7.5%	\$ 325.0

Renewable Tech



Pricing Date	Deal Type	Issuer	Performance Since Offer	Deal Value (\$mm)
Renewable Tech				
06/17/21	Follow-on Equity Offering	Capstone Green Energy Corporation (NasdaqCM:CGRN)	7.0%	\$ 10.0
06/15/21	Follow-on Equity Offering	Consolidated Edison, Inc. (NYSE:ED)	(6.6%)	775.5
06/14/21	Follow-on Equity Offering	Document Security Systems, Inc. (NYSEAM:DSS)	19.3%	43.5
06/07/21	Follow-on Equity Offering	Clean Energy Fuels Corp. (NasdaqGS:CLNE)	(2.0%)	100.0
06/03/21	Follow-on Equity Offering	CleanSpark, Inc. (NasdaqCM:CLSK)	(24.4%)	500.0
06/01/21	Follow-on Equity Offering	Westport Fuel Systems Inc. (TSX:WPRT)	(3.4%)	100.1
05/25/21	Follow-on Equity Offering	Capital Power Corporation (TSX:CPX)	(43.5%)	207.5
05/12/21	Follow-on Equity Offering	Ameren Corporation (NYSE:AEE)	(2.9%)	750.0
04/14/21	Follow-on Equity Offering	Northland Power Inc. (TSXNPI)	(3.2%)	721.0
04/09/21	Follow-on Equity Offering	Fourth Wave Energy, Inc. (OTCPK:FWAV)	(52.9%)	3.9
04/05/21	Follow-on Equity Offering	NewHydrogen, Inc. (OTCPK:NEWH)	(31.3%)	5.0
Average			(13.1%)	\$ 292.4
Median			(3.4%)	\$ 100.1



Renewable and Energy Tech Services – Public Trading Valuations

(\$ in millions, except per share values)

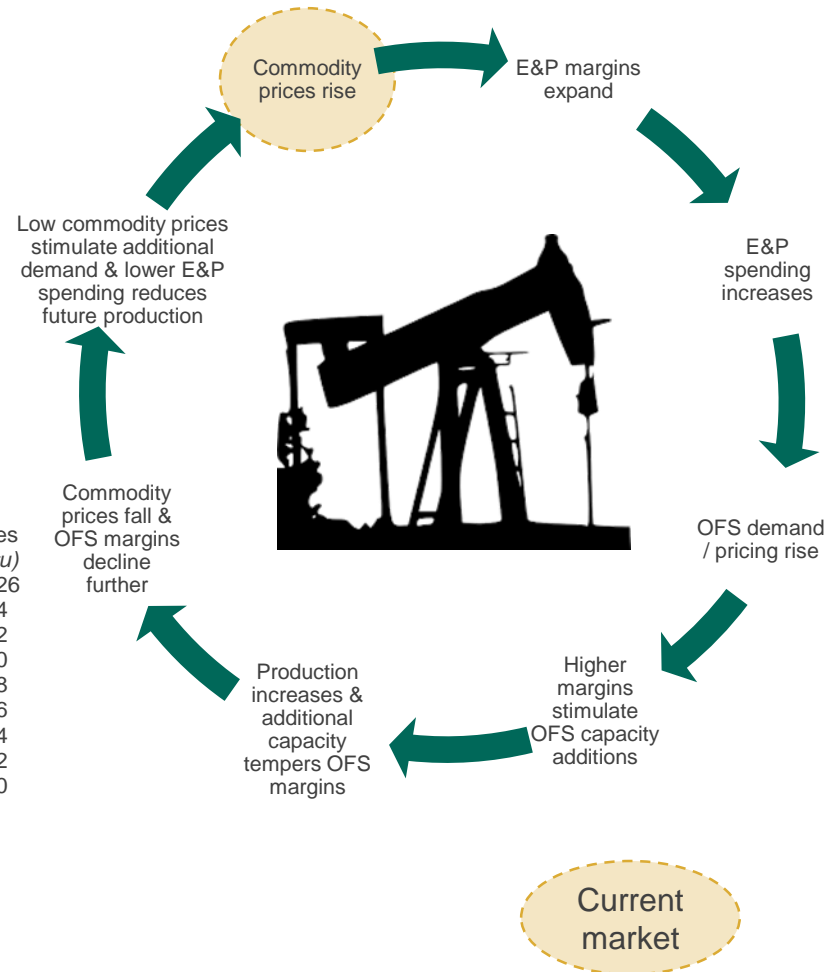
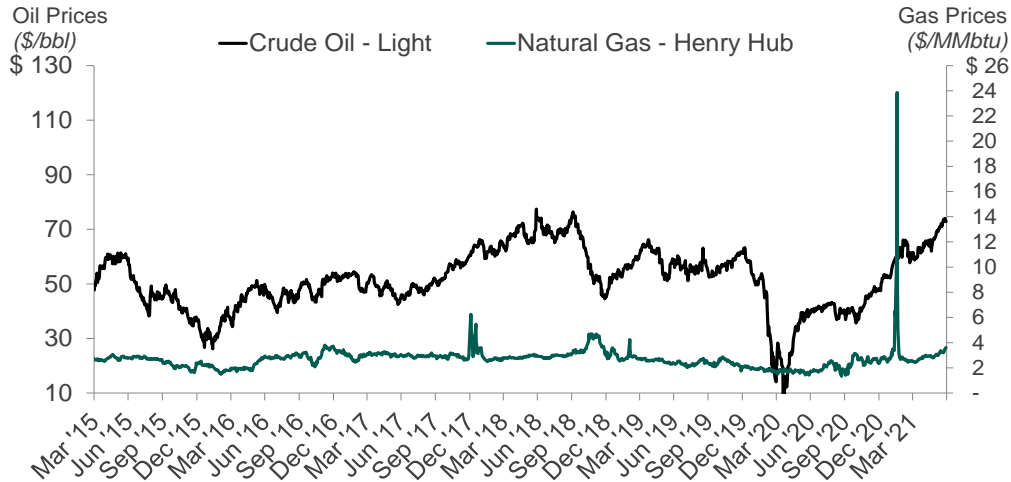
Comparable Companies	Share Price	As % of			P/E			EV / EBITDA			EV / EBIT			EV / Revenue	Market Value	
		LTM High	Equity Value	Enterprise Value (EV)	LTM	2021E	2022E	LTM	2021E	2022E	LTM	2021E	2022E		Book	T. Book
Solar																
Sunnova Energy International Inc.	\$ 37.66	65%	\$ 4,217	\$ 6,515	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	4.0x	4.0x
Sunrun Inc.	55.78	55%	11,375	17,690	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	1.8	NM
First Solar, Inc.	90.51	80%	9,622	8,344	18.7	20.8	NA	11.9	11.3	11.8	18.2	16.3	19.7	2.8	1.7	1.7
Canadian Solar Inc.	44.84	67%	2,690	4,186	46.4	NM	15.8	10.6	10.3	6.7	NM	NM	11.2	1.1	1.7	1.8
JinkoSolar Holding Co., Ltd.	56.02	62%	2,671	6,340	15.1	19.9	14.1	14.5	15.6	11.6	NM	NM	19.6	1.2	1.6	1.8
SunPower Corporation	29.22	51%	5,041	5,171	10.5	NM	47.1	NM	NM	29.2	NM	NM	NM	4.5	NM	NM
Mean		63%	\$ 5,936	\$ 8,041	22.7x	20.3x	25.7x	12.3x	12.4x	14.8x	18.2x	16.3x	16.8x	2.4x	2.2x	2.3x
Median		64%	4,629	6,427	16.9	20.3	15.8	11.9	11.3	11.7	18.2	16.3	19.6	2.0	1.7	1.8
Renewable Technology																
Enphase Energy, Inc.	\$ 183.63	80%	\$ 24,918	\$ 24,432	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Plug Power Inc.	34.19	45%	19,431	15,223	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	3.9	4.0
Ormat Technologies, Inc.	69.53	54%	3,893	5,071	49.5	49.3	37.6	14.3	12.4	11.0	NM	NM	NM	NM	2.1	2.4
EnerSys	97.73	94%	4,186	4,742	29.4	18.9	15.5	14.0	11.6	10.0	19.5	15.0	12.6	1.6	2.7	NM
Bloom Energy Corporation	26.87	60%	4,632	5,506	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Ballard Power Systems Inc.	18.14	42%	5,399	4,146	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	3.8	4.0
Ameresco, Inc.	62.72	89%	3,216	3,997	52.9	50.8	41.8	NM	27.8	23.8	NM	NM	NM	3.7	NM	NM
Array Technologies, Inc.	15.60	28%	1,981	2,358	NM	37.7	19.5	NM	23.7	14.3	NM	NM	18.3	3.5	(28.3)	NM
Broadwind, Inc.	4.53	35%	83	98	NM	NM	37.8	NM	9.3	8.1	NM	NM	NM	0.5	1.8	2.0
Advanced Energy Industries, Inc.	112.71	90%	4,330	4,136	28.0	20.5	17.4	15.8	14.2	12.3	19.4	16.2	13.5	2.8	NM	NM
Gibraltar Industries, Inc.	76.31	74%	2,490	2,527	30.0	22.6	18.7	17.8	13.9	11.6	NM	16.4	13.8	2.3	3.3	NM
First National Energy Corporation	1.05	19%	105	106	NM	NA	NA	NA	NA	NA	NM	NA	NA	NA	(142.7)	NM
ACON S2 Acquisition Corp.	9.90	87%	309	309	NA	NA	NA	NA	NA	NA	NM	NA	NA	NA	NM	NM
Beam Global	38.31	50%	340	312	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Nuvve Holding Corp.	13.82	83%	259	198	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	4.5	4.6
CleanSpark, Inc.	16.64	39%	565	408	NM	19.6	7.0	NM	8.8	3.3	NM	11.3	3.6	NM	2.0	2.4
SolarEdge Technologies, Inc.	276.37	73%	14,365	14,157	NM	57.9	43.4	NM	NM	29.3	NM	NM	NM	NM	NM	NM
Mean		61%	\$ 5,324	\$ 5,160	38.0x	34.7x	26.5x	15.5x	15.2x	13.7x	19.5x	14.7x	12.4x	2.4x	(14.7x)	3.2x
Median		60%	3,216	3,997	30.0	30.1	19.5	15.0	13.1	11.6	19.5	15.6	13.5	2.6	2.4	3.2



Oilfield Services Cycle

As with any cyclical industry, the ability to properly assess the current state of the cycle can lead to superior returns versus the overall market. In 2020 the world experienced a “**Black Swan**” event with the COVID virus. Early 2021 indicates the energy cycle skipped some normal steps due to COVID but is trending back into standard form

- 2020 is behind us but most experts are still struggling to forecast 2nd half 2021 economic activity. For the last 3 months the price of oil has held in \$65 to \$75 range. As U.S. demand returns from COVID in mid 2021 and massive under investment in new well development works thru the system the conditions are ripe for large commodities price moves
 - OPEC+ has continued to support lower production levels to start 2021 but it is a fragile arrangement among members. Any sudden supply changes likely will continue to see quick price reactions – Iran is a wildcard
 - COVID-19 vaccinations are in process with the hope of kick starting domestic economic activity not far behind. Some parts of the world (Asia) have seen more aggressive demand already return. Commodity prices still suffer from decreased demand and over-supply
 - In 2021 E&P companies will still be forced to operate within cash flow and demand requirements which puts a cap on new drilling spending in 2021. Less drilling activity should bode well for falling supply into 2nd half of 2021
- Buyers and sellers current perspectives:
 - Still very few buyers of businesses in the current market
 - “Smash-Co’s” are the fate of larger and public service companies
 - The only transactions closing are stock-for-stock or transactions with a minimal cash component





Next Steps For The Hydrocarbon Energy Market

The traditional energy market has gone from worrying about “peak oil” to “peak demand” to the current problem of “peak capital”. Debt capital is only available to the highest quality borrowers and equity capital is even more scarce

2021 MARKET PRESSURES

- Traditional energy production faces two constraints to growth in the short term:
 - Working Capital
 - Companies must be willing to operate within their cash flows going forward. As activities pick back up working capital needs will expand. Lenders need to be informed of what is coming to ensure lines of credit will be flexible enough to meet increased draws
 - Workforce Constraints
 - Payroll cuts in 2019 / 2020 have encouraged workers to rotate out of the industry
 - Lack of long term growth will make return to industry very difficult
 - All sectors of the U.S. economy are struggling to hire workers, which is only heightened in a low growth environment such as traditional energy services

M & A BASICS

<u>Key Elements for Standard M&A</u>	<u>Pre- 2014 Downturn</u>	<u>Post- 2014 Downturn</u>	<u>Today</u>
Expanding markets	YES	NO	MAYBE
Predictable / Recurring cash flows	YES	NO	MAYBE
Liquid capital markets	YES	MAYBE	NO
Willing buyers and sellers	YES	MAYBE	MAYBE

CONSIDERATIONS



Minimum Cash Requirements & Liquidity Forecasting

- Companies must evaluate near-term liquidity, cash, and working capital levels
- Identify how much cash is available globally in the Company, including cash reserves, shortages, and cash flow
- Develop and create a robust short-term liquidity forecast with multiple scenarios



Extend Credit Terms and Limit Investment

- Reduce discretionary capital expenditures and liabilities
- Understand the impact of non-discretionary capital expenditures
- Adjust inventory to sales
- Evaluate financing alternatives or stretch credit limits



Reduce Operating Costs

- Evaluate company-wide costs saving opportunities
- Develop contingency plans for operations and other workforce
- Actively monitor and manage operational efficiencies



Strategic Alternatives

- Upside scenario analysis based on liquidity and staffing
- Evaluate merger opportunities if cash flows allow
- Additional debt and capital raising opportunities

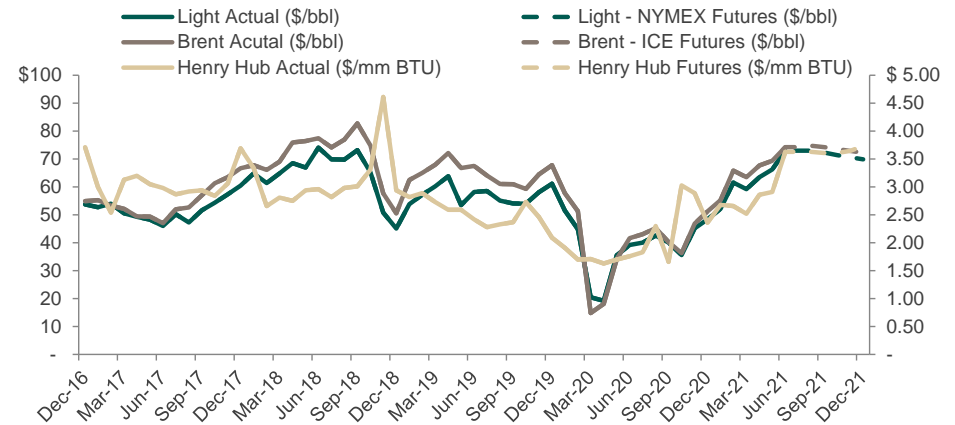


U.S. Rig Counts and Pricing

COMMENTS

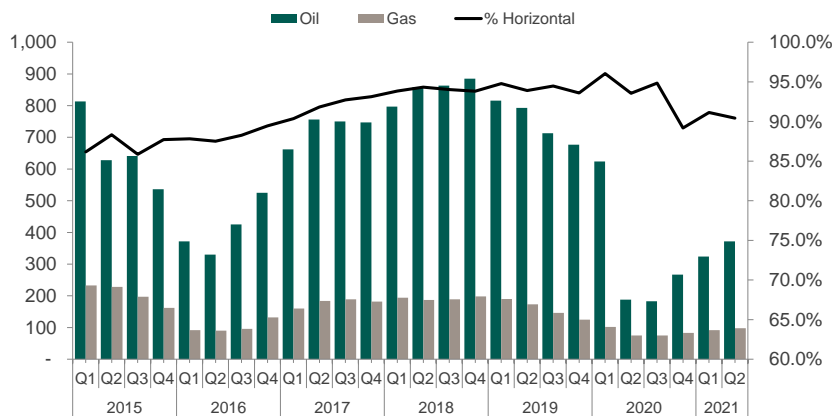
- Futures contracts imply that oil prices will remain in \$70-\$75 range through 2021
- Current 2021 strip prices are at \$72 for Crude Oil Light and \$75 for Brent
- Drilling rig counts are increasing with private E&P's leading the charge. E&P companies still need to operate within cash flow generated, but sentiment is now positive
- A new problem is here – energy service businesses are unable to find workers willing to come back to the sector. The lack of crews could hold back ability of U.S. shale to flood market with new supply in the summer
- OPEC+ and Iran potentially adding supply will hold pricing under \$80s in short term

COMMODITY PRICING

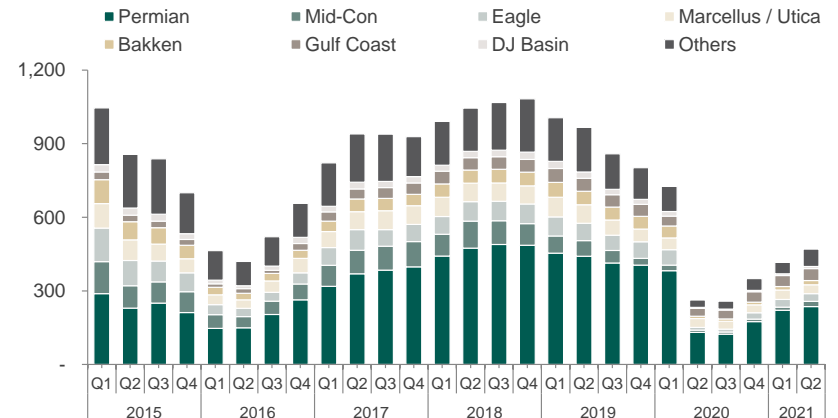


U.S. ONSHORE RIG COUNTS

BY HYDROCARBON TARGET



BY PLAY

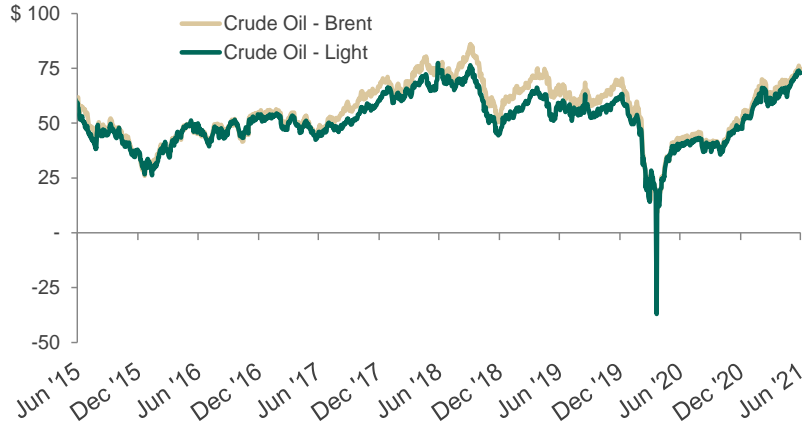


Sources: Capital IQ, EIA, BHI, and private company research as of 06/30/2021.

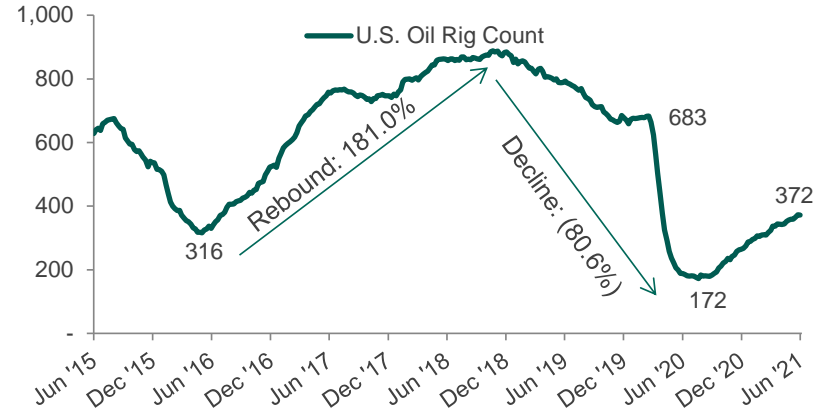


Controlled Oil Supply

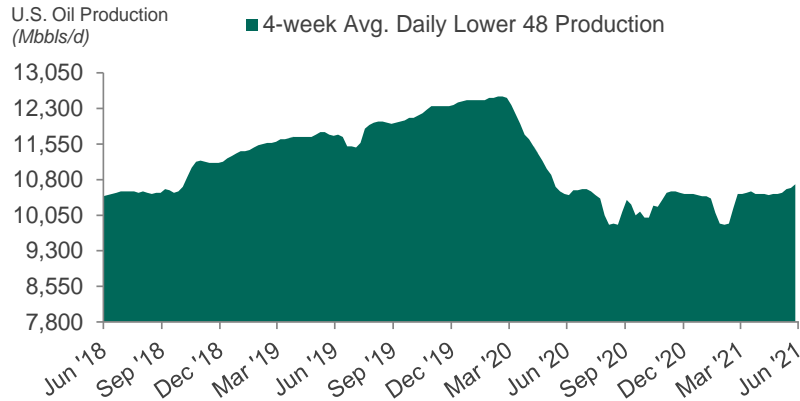
IMPROVING LIGHT CRUDE PROSPECTS ...



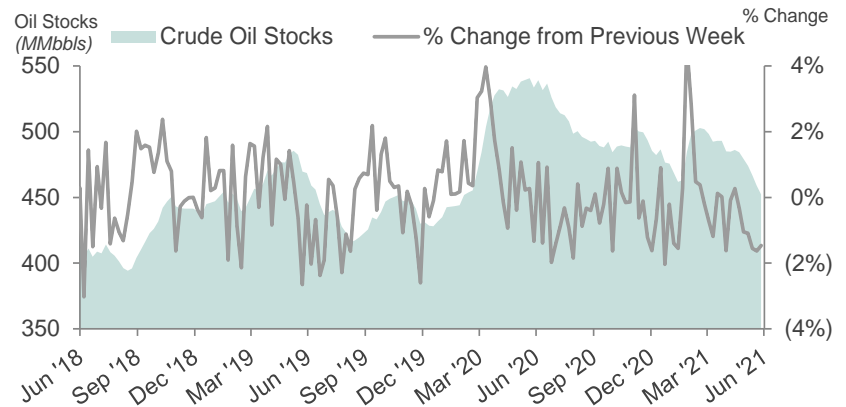
... LEADS TO RIG COUNT REBOUND ...



... AND PRODUCTION FOLLOWS SUIT ...



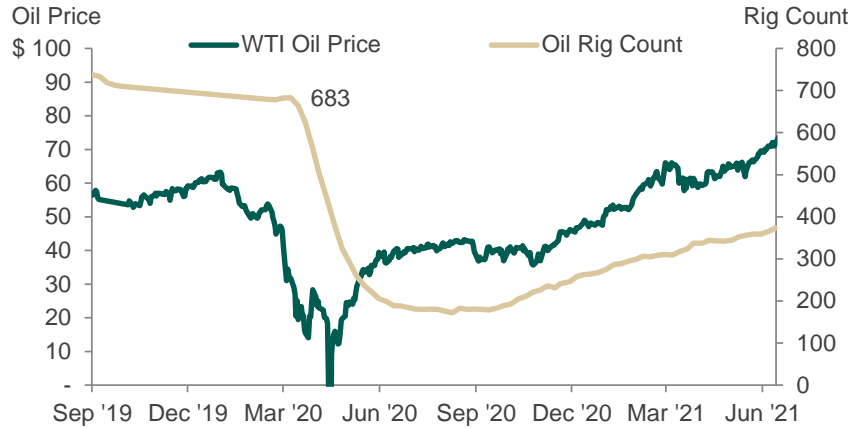
... BUT STOCKS FALL AS RIG COUNTS STAGNATE



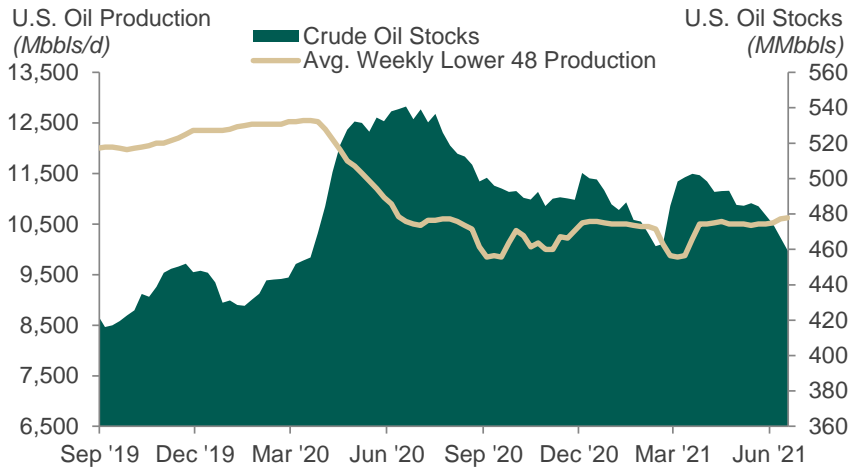


Recent U.S. Oil Market Close-Up

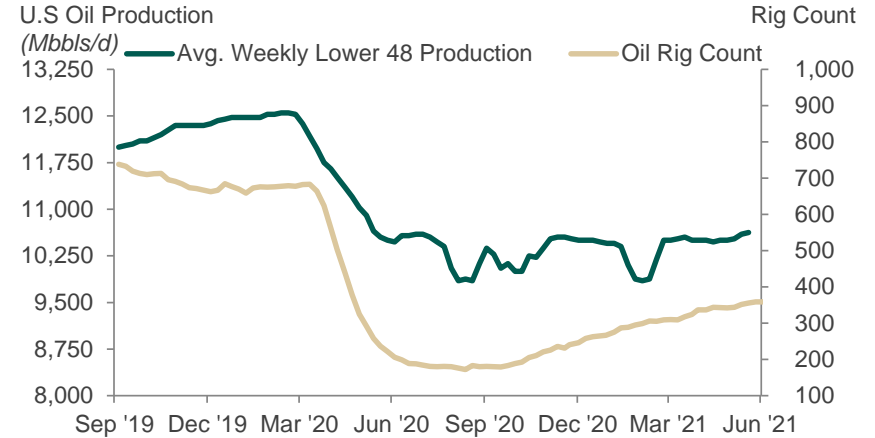
RIG COUNT RESPONSE TO PRICES



WEEKLY PRODUCTION VS. STOCKS



WEEKLY PRODUCTION VS. RIG COUNT



CRUDE OIL COMMENTARY

- Commodity prices have recovered to more than pre COVID levels but new drilling and therefor production levels are still down significantly
- New drills / production being constrained by capital availability and service crew availability
- The mismatch of production, pricing, and people is setting the U.S. up for a domestic “energy cost emergency” in the next 6 months. The spigot will take time to turn on and U.S. energy users will bear the brunt of higher prices



Selected Traditional Energy Service Activity

The traditional energy services market is characterized by merger opportunities fueled by market share consolidation, distress, and adding scale. Private Equity firms are also selectively utilizing M&A to modify/consolidate existing business portfolios. Cash is scarce / precious and most completed transactions involve more equity than cash at close

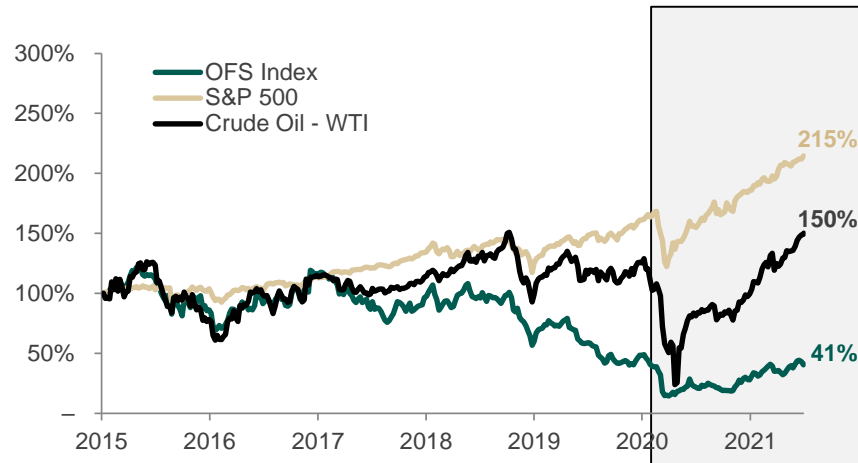
RECENT HIGHLIGHTS

Deal	Details	Deal	Details
 	<ul style="list-style-type: none"> Announced and Closed: June 21, 2021 Both are PE portfolio companies, example of a "Smash-Co" The vertical integration will allow RTS to expand its offering of tubular management services across the life of drills 	 	<ul style="list-style-type: none"> Announced and Closed: March 18, 2021 Financial terms of the transaction were not disclosed Peak Utility Services Group's acquisition of Superior Pipeline Services affirms Peak's position in Texas' growing utility service space
 	<ul style="list-style-type: none"> Announced: May 17, 2021 All-stock acquisition transaction Ranger's acquisition of Patriot will expand its high quality wireline business while preserving cash flows assisted by Patriots debt free balance sheet 	 	<ul style="list-style-type: none"> Announced: March 11, 2021 All-stock merger transaction The combined entity will have more than \$1bn of pro forma annual revenue
 	<ul style="list-style-type: none"> Announced: May 5, 2021 Axis to acquire the well servicing and coiled tubing assets of Forbes Energy Services, including crews The combination will result in Axis being a top 4 well servicing company in the U.S. by rig count 	 	<ul style="list-style-type: none"> Announced: September 1, 2020 Argonaut Private Equity acquired the assets of American Cementing American Cementing provides lab testing, bulk blending, and wellsite mixing and pumping services
 	<ul style="list-style-type: none"> Announced: March 22, 2021 Argonaut Private Equity acquired the assets of Pioneer Well Services The company will combine with portfolio company, Nichols Oil Tools, to expand services to the Permian Basin 	 	<ul style="list-style-type: none"> Announced: May 3, 2020 All-stock merger transaction The combined company will have more than \$1bn of 2019 revenue and \$106mm of 2019 EBITDA

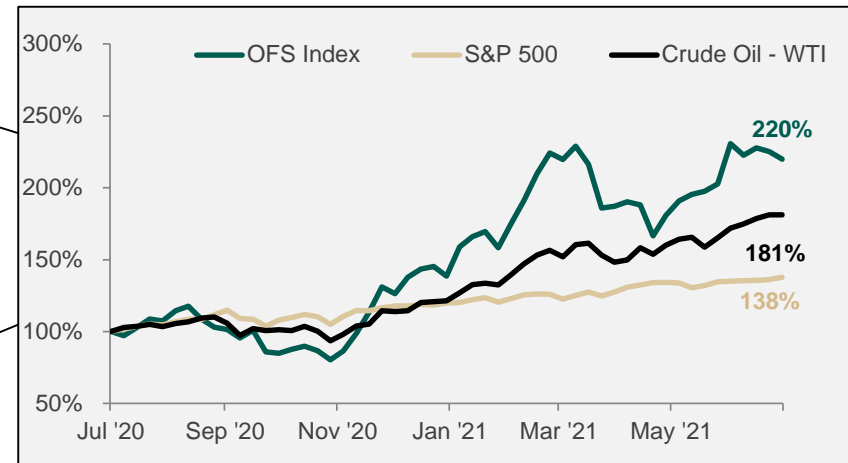


Traditional Energy Services – Public Market Performance

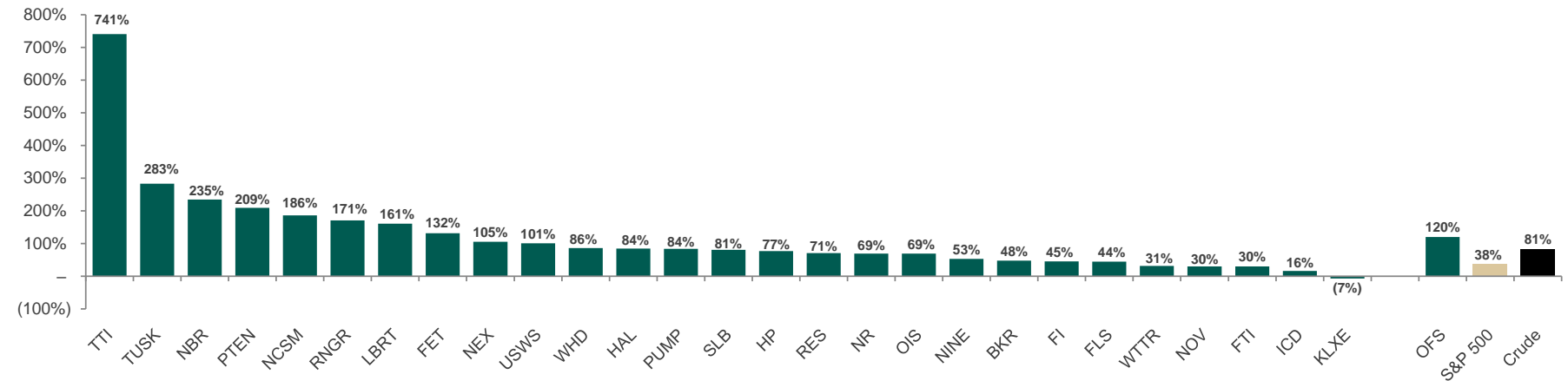
OFS INDEX VS. S&P 500 AND CRUDE OIL
(2015 = 100%)



LTM COMPARISON



LTM PERFORMANCE: OFS INDEX SHARE PRICE VS. S&P 500 AND CRUDE OIL



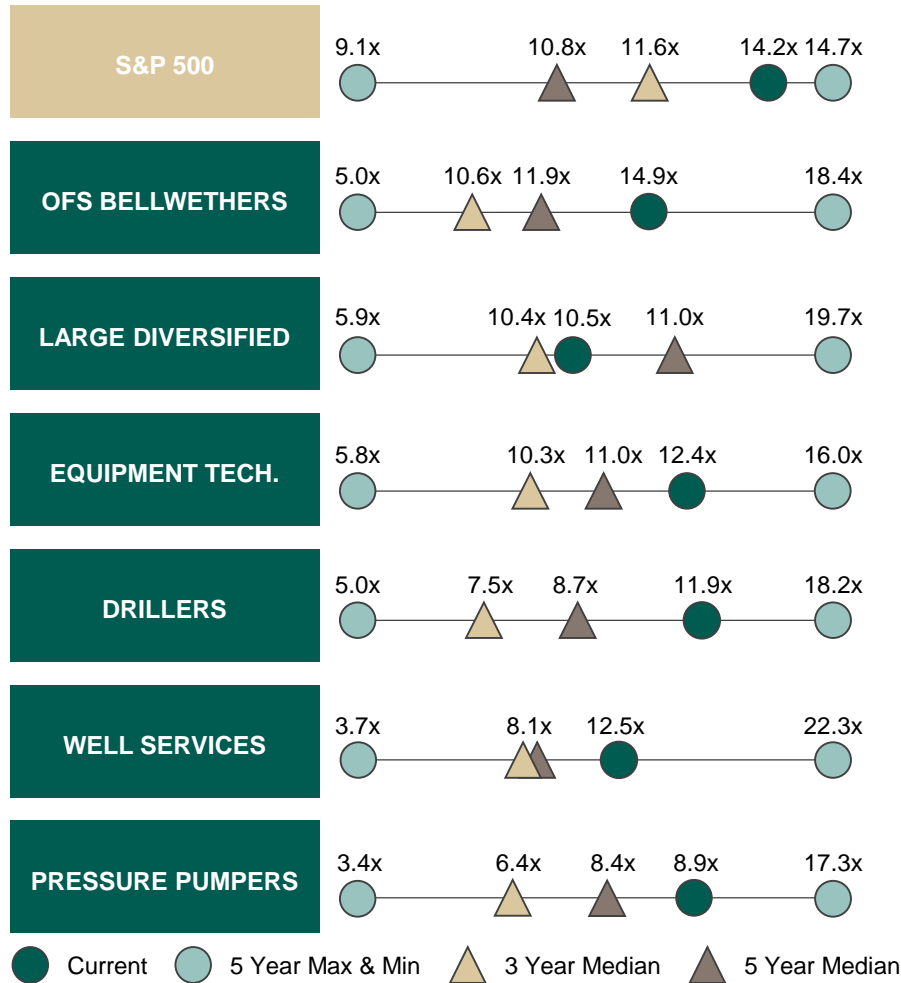
Sources: Capital IQ and LTM as of 06/30/2021.

Note: OFS Index includes SLB, KLXE, HAL, NOV, NBR, HP, BKR, PTEN, NR, RNGR, ICD, FI, RES, WTTR, FET, FLS, FTI, NCSM, OIS, TTI, NEX, PUMP, TUSK, LBRT, NINE, USWS, NYSE: WHD.

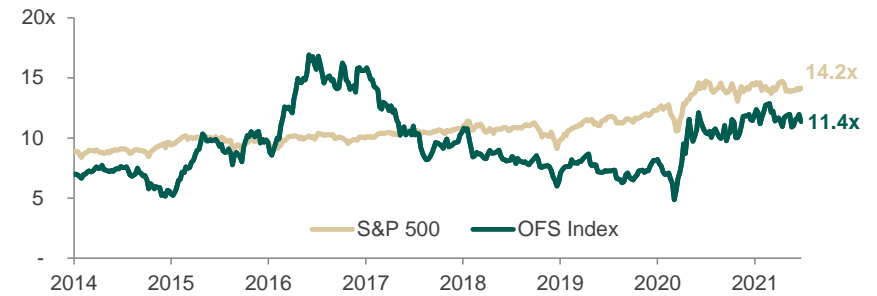


Traditional Energy Services – Valuation

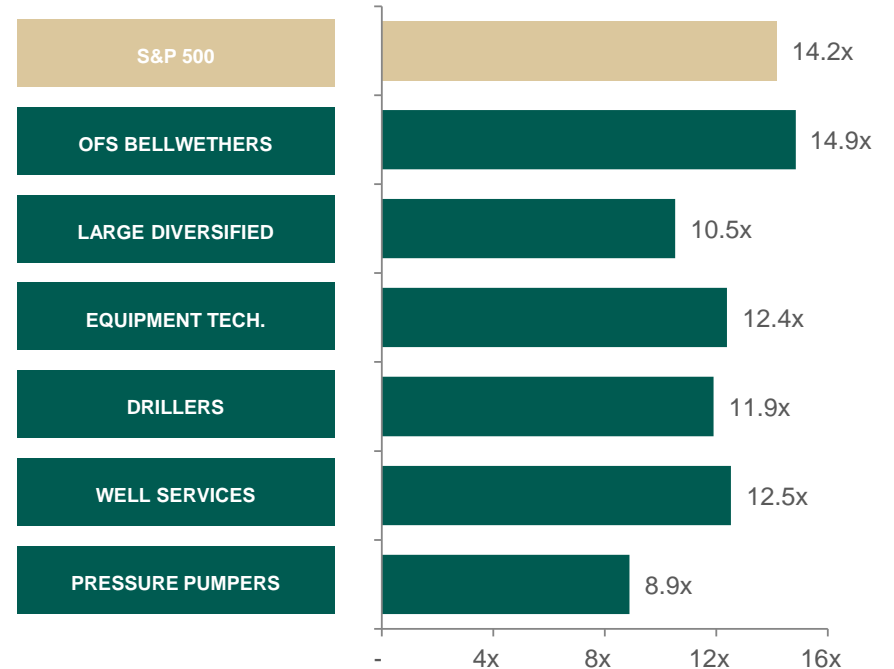
TRADING STATISTICS (EV / NTM EBITDA)



EV / NTM EBITDA MULTIPLES OVER TIME



CURRENT EV / NTM EBITDA



Sources: Capital IQ as of 06/30/2021.

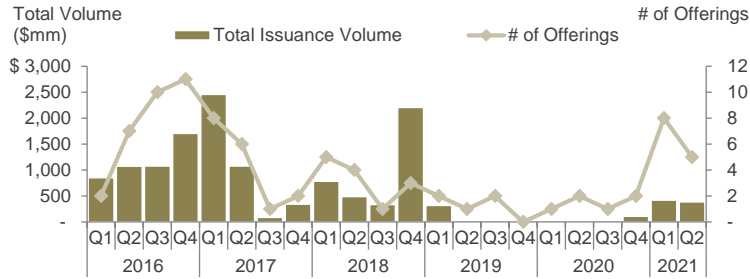
Note: Equipment Tech includes: BKR, CRR, FET, FLS, FTI, NCSM, NOV, OIS, TTI, and WHD; Large Diversified includes: BKR, HAL, and SLB; OFS Bellwethers includes: HAL, HP, NBR, NOV, and SLB; Well Services includes: KLXE, FI, NINE, RES, and WTTT; Drillers includes: HP, ICD, NBR, PTEN, TSX:ESI, TSX:PD, and TSX:WRG; Pressure Pumpers includes: CJ, USWS, LBRT, PUMP, HAL, NEX, SLB, and TUSK.



Traditional Energy Services – Public Equity Offerings

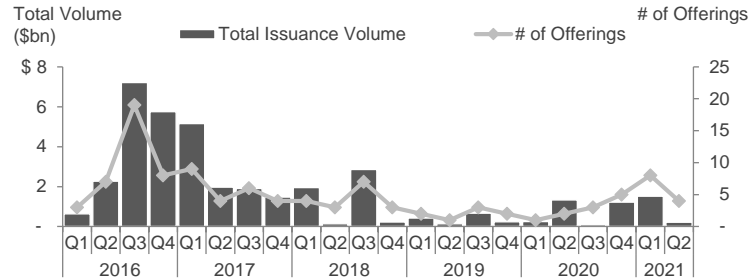
Recent Activity

Oilfield Services



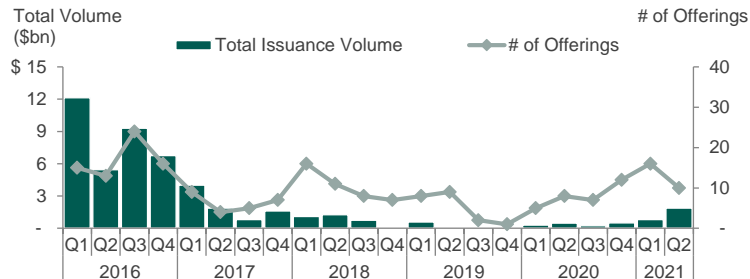
Pricing Date	Deal Type	Issuer	Performance Since Offer	Deal Value (\$mm)
OFS				
06/14/21	Follow-on Equity Offering	KLX Energy Services Holdings, Inc. (NasdaqGS:KLXE)	2.4%	\$ 50.0
06/07/21	Follow-on Equity Offering	Liberty Oilfield Services Inc. (NYSE:LBRT)	(9.2%)	191.9
06/02/21	Follow-on Equity Offering	ENGlobal Corporation (NasdaqCM:ENG)	8.2%	20.0
05/03/21	Follow-on Equity Offering	DMC Global Inc. (NasdaqGS:BOOM)	24.9%	112.5
04/26/21	Follow-on Equity Offering	ION Geophysical Corporation (NYSE:IO)	(40.3%)	10.0
Average			(2.8%)	\$ 76.9
Median			2.4%	\$ 50.0

Midstream / Downstream



Pricing Date	Deal Type	Issuer	Performance Since Offer	Deal Value (\$mm)
Midstream / Downstream				
06/07/21	Follow-on Equity Offering	Clean Energy Fuels Corp. (NasdaqGS:CLNE)	(2.0%)	\$ 100.0
05/27/21	Follow-on Equity Offering	ReGen III Corp. (TSXV:GIII)	(1.8%)	8.1
04/20/21	Follow-on Equity Offering	Evolve Transition Infrastructure LP (NYSEAM:SNMP)	NM	7.0
Average			(1.9%)	\$ 8.1
Median			(1.9%)	\$ 8.1

Exploration & Production



Pricing Date	Deal Type	Issuer	Performance Since Offer	Deal Value (\$mm)
E&P				
06/23/21	Follow-on Equity Offering	Talos Energy Inc. (NYSE:TALO)	(16.1%)	-
06/16/21	Follow-on Equity Offering	Northern Oil and Gas, Inc. (NYSEAM:NOG)	18.7%	87.5
06/16/21	Follow-on Equity Offering	Torchlight Energy Resources, Inc. (NasdaqCM:TRCH)	NM	250.0
06/08/21	Follow-on Equity Offering	Persta Resources Inc. (SEHK:3395)	(52.5%)	-
05/20/21	Follow-on Equity Offering	Diversified Energy Company PLC (LSE:DEC)	(8.4%)	224.6
05/10/21	Follow-on Equity Offering	Pioneer Natural Resources Company (NYSE:PXD)	1.7%	958.5
05/10/21	Follow-on Equity Offering	Antero Resources Corporation (NYSE:AR)	36.5%	127.6
05/05/21	Follow-on Equity Offering	Tellurian Inc. (NasdaqCM:TELL)	126.8%	200.0
04/28/21	Follow-on Equity Offering	Surge Energy Inc. (TSX:SGY)	11.3%	16.5
04/15/21	Follow-on Equity Offering	PHX Minerals Inc. (NYSE:PHX)	86.0%	11.0
Average			22.7%	\$ 234.5
Median			11.3%	\$ 163.8



Traditional Energy Services – Public Trading Valuations

(\$ in millions, except per share values)

Comparable Companies	Share Price	As % of		Equity Value	Enterprise Value (EV)	P/E			EV / EBITDA			EV / EBIT			EV / Revenue	Market Value	
		LTM High	LTM			2021E	2022E	LTM	2021E	2022E	LTM	2021E	2022E	Book		T. Book	
OFS Bellwethers																	
Halliburton Company	\$ 23.12	92%	\$ 20,570	\$ 27,775	NM	23.8x	16.1x	20.1x	10.6x	8.8x	NM	16.2x	12.5x	2.2x	4.0x	NM	
Helmerich & Payne, Inc.	32.63	90%	3,521	3,440	NM	NM	NM	NM	24.0	12.3	NM	NM	NM	3.2	1.1	1.2	
Nabors Industries Ltd.	114.24	86%	925	3,916	NM	NM	NM	7.9	8.8	7.1	NM	NM	NM	2.1	0.8	0.8	
NOV Inc.	15.32	85%	5,985	6,552	NM	NM	NM	NM	NM	13.1	NM	NM	NM	1.2	1.2	1.9	
Schlumberger Limited	32.01	87%	44,761	58,863	NM	27.8	19.3	14.7	12.5	10.7	NM	23.0	17.2	2.8	3.6	NM	
Mean		88%	\$ 15,152	\$ 20,109	NM	25.8x	17.7x	14.2x	14.0x	10.4x	NM	19.6x	14.8x	2.3x	2.1x	1.3x	
Median		87%	5,985	6,552	NM	25.8	17.7	14.7	11.5	10.7	NM	19.6	14.8	2.2	1.2	1.2	
Large Diversified																	
Baker Hughes Company	\$ 22.87	86%	\$ 17,698	\$ 24,599	NM	29.7x	19.1x	10.7x	9.2x	7.8x	23.3x	16.7x	12.4x	1.2x	1.4x	NM	
Halliburton Company	23.12	92%	20,570	27,775	NM	23.8	16.1	20.1	10.6	8.8	NM	16.2	12.5	2.2	4.0	NM	
Schlumberger Limited	32.01	87%	44,761	58,863	NM	27.8	19.3	14.7	12.5	10.7	NM	23.0	17.2	2.8	3.6	NM	
Mean		88%	\$ 27,676	\$ 37,079	NM	27.1x	18.2x	15.1x	10.8x	9.1x	23.3x	18.6x	14.0x	2.0x	3.0x	NM	
Median		87%	20,570	27,775	NM	27.8	19.1	14.7	10.6	8.8	23.3	16.7	12.5	2.2	3.6	NM	
Drillers																	
Ensign Energy Services Inc.	\$ 1.81	90%	\$ 294	\$ 1,365	NM	NM	NM	9.7x	7.9x	5.8x	NM	NM	NM	2.2x	0.3x	0.3x	
Helmerich & Payne, Inc.	32.63	90%	3,521	3,440	NM	NM	NM	NM	24.0	12.3	NM	NM	NM	3.2	1.1	1.2	
Independence Contract Drilling, Inc.	4.29	54%	28	167	NM	NA	NA	NM	NA	NA	NM	NA	NA	2.8	0.1	0.1	
Nabors Industries Ltd.	114.24	86%	925	3,916	NM	NM	NM	7.9	8.8	7.1	NM	NM	NM	2.1	0.8	0.8	
Precision Drilling Corporation	41.70	96%	555	1,487	NM	NM	NM	10.0	8.3	6.4	NM	NM	NM	2.4	0.5	0.5	
Patterson-UTI Energy, Inc.	9.94	88%	1,874	2,561	NM	NM	NM	16.1	15.6	9.7	NM	NM	NM	2.8	1.0	1.0	
Western Energy Services Corp.	0.36	83%	32	217	NM	NA	NA	14.9	14.2	7.7	NM	NA	NA	3.1	0.2	0.2	
Mean		84%	\$ 1,033	\$ 1,879	NM	NM	NM	11.7x	13.1x	8.2x	NM	NM	NM	2.6x	0.6x	0.6x	
Median		88%	555	1,487	NM	NM	NM	10.0	11.5	7.4	NM	NM	NM	2.8	0.5	0.5	



Traditional Energy Services – Public Trading Valuations (Cont'd)

(\$ in millions, except per share values)

Comparable Companies	Share Price	As % of LTM High	Equity Value	Enterprise Value (EV)	P/E			EV / EBITDA			EV / EBIT			EV / Market Value		
					LTM	2021E	2022E	LTM	2021E	2022E	LTM	2021E	2022E	Revenue	Book	T. Book
Well Services																
Frank's International N.V.	\$ 3.03	56%	\$ 690	\$ 496	NM	NM	NM	NM	11.4x	7.2x	NM	NM	NM	1.4x	1.1x	1.2x
KLX Energy Services Holdings, Inc.	9.55	50%	84	296	NM	NM	NM	NM	8.0	5.6	NM	NM	NM	1.0	(20.0)	NM
Nine Energy Service, Inc.	2.94	73%	92	359	NM	NM	NM	NM	NM	7.0	NM	NM	NM	1.6	NM	NM
RPC, Inc.	4.95	67%	1,054	969	NM	NM	52.1	NM	16.8	9.1	NM	NM	NM	1.8	1.7	1.8
Select Energy Services, Inc.	6.04	80%	531	474	NM	NM	NM	NM	12.7	5.9	NM	NM	NM	1.0	0.9	1.2
Mean		65%	\$ 490	\$ 519	NM	NM	52.1x	NM	12.2x	7.0x	NM	NM	NM	1.4x	(4.1x)	1.4x
Median		67%	531	474	NM	NM	52.1	NM	12.0	7.0	NM	NM	NM	1.4	1.0	1.2
Equipment Tech																
Baker Hughes Company	\$ 22.87	86%	\$ 17,698	\$ 24,599	NM	29.7x	19.1x	10.7x	9.2x	7.8x	23.3x	16.7x	12.4x	1.2x	1.4x	NM
Cactus, Inc.	36.72	83%	1,999	1,869	NM	48.2	28.2	23.1	16.1	10.5	NM	NM	14.6	NM	4.9	NM
Forum Energy Technologies, Inc.	23.48	82%	131	299	NM	NM	NM	NM	9.3	5.3	NM	NM	NM	0.7	0.3	0.9
Flowsolve Corporation	40.32	91%	5,254	5,941	44.4	25.2	20.3	11.6	13.2	11.6	14.4	17.0	14.5	1.6	3.1	NM
NCS Multistage Holdings, Inc.	31.53	66%	75	87	NM	NM	22.5	NM	NM	6.2	NM	NA	NA	1.1	0.8	1.1
NOV Inc.	15.32	85%	5,985	6,552	NM	NM	NM	NM	NM	13.1	NM	NM	NM	1.2	1.2	1.9
Oil States International, Inc.	7.85	83%	481	614	NM	NM	NM	NM	15.5	8.8	NM	NM	NM	1.1	0.7	1.1
TechnipFMC plc	9.05	69%	4,079	4,714	10.9	NM	61.7	2.8	8.1	7.4	3.8	23.9	18.7	0.4	1.1	1.4
TETRA Technologies, Inc.	4.34	97%	549	665	NM	NM	24.8	NM	11.6	8.1	NM	NA	NA	2.1	NM	NM
Mean		82%	\$ 4,028	\$ 5,038	27.6x	34.4x	29.4x	12.0x	11.9x	8.8x	13.9x	19.2x	15.1x	1.2x	1.7x	1.3x
Median		83%	1,999	1,869	27.6	29.7	23.7	11.1	11.6	8.1	14.4	17.0	14.6	1.2	1.1	1.1
Pressure Pumps																
Cardinal Energy Ltd.	\$ 2.82	90%	\$ 407	\$ 572	5.4x	51.2x	4.8x	20.1x	4.7x	3.3x	NM	NA	NA	3.4x	1.3x	1.3x
Halliburton Company	23.12	92%	20,570	27,775	NM	23.8	16.1	20.1	10.6	8.8	NM	16.2	12.5	2.2	4.0	NM
Liberty Oilfield Services Inc.	14.16	80%	2,601	2,739	NM	NM	31.5	NM	14.5	7.0	NM	NM	17.8	2.6	2.0	2.0
Mammoth Energy Services, Inc.	4.59	63%	214	284	NM	NA	NA	NM	28.4	5.6	NM	NA	NA	1.0	0.4	0.4
NexTier Oilfield Solutions Inc.	4.76	82%	1,026	1,096	NM	NM	NM	NM	13.4	5.5	NM	NM	NM	1.4	2.0	2.9
ProPetro Holding Corp.	9.16	65%	937	881	NM	NM	26.2	11.8	6.3	4.0	NM	NM	11.3	1.6	1.1	1.1
U.S. Well Services, Inc.	1.01	30%	94	483	NM	NM	6.7	NM	10.7	5.1	NM	NM	10.3	2.3	(0.8)	NM
Schlumberger Limited	32.01	87%	44,761	58,863	NM	27.8	19.3	14.7	12.5	10.7	NM	23.0	17.2	2.8	3.6	NM
Mean		74%	\$ 8,826	\$ 11,587	5.4x	34.3x	17.4x	16.7x	12.6x	6.2x	NM	19.6x	13.8x	2.1x	1.7x	1.5x
Median		81%	981	989	5.4	27.8	17.7	17.4	11.6	5.5	NM	19.6	12.5	2.2	1.7	1.3

SECTION IV



D.A. Davidson's Full Service Platform

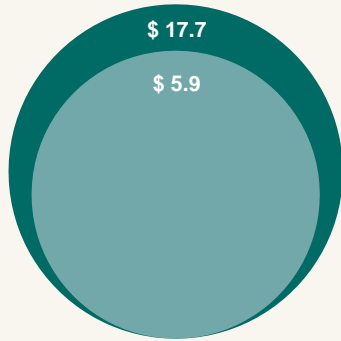




100% Employee Owned. Consistent Growth.

\$17.7B

2020 TRANSACTION VOLUME⁽¹⁾

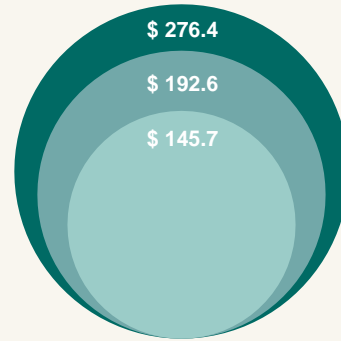


INVESTMENT BANKING VOLUME OF
TRANSACTIONS CLOSED

(BILLION)

\$276.4M

2020 SHAREHOLDERS' EQUITY⁽²⁾

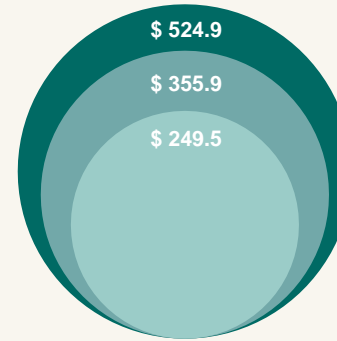


SHAREHOLDERS'
EQUITY

(MILLIONS)

\$524.9M

2020 NET REVENUE⁽²⁾

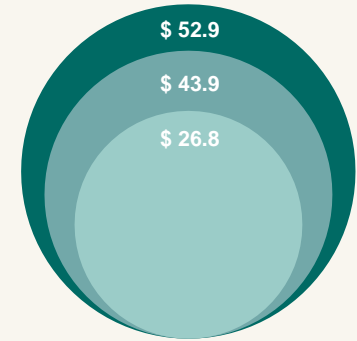


NET
REVENUE

(MILLIONS)

\$52.9B

2020 AUA⁽²⁾



ASSETS UNDER
ADMINISTRATION

(BILLION)

■ 2010

■ 2015

■ 2020

(1) Financials based on calendar year end
(2) Financials based on D.A. Davidson fiscal year-end September 30th



Full-service Platform Offering Depth and Expertise



D|A|DAVIDSON
EQUITY CAPITAL MARKETS

Equity Capital Markets

INVESTMENT BANKING

Mergers & Acquisitions

Equity & Debt Financing

Public Offerings

Private Placements

EQUITY RESEARCH

Award-Winning Research

18+ Senior Analysts

360+ Covered Companies

Bison Select Coverage

SALES & TRADING

Market Maker for 1,000+ Stocks

Coverage of 500+ Institutions

350+ Non-Deal Roadshows / Year

Coast-to-Coast Coverage

WEALTH MANAGEMENT

Personal Wealth Management

Financial Planning

~400 Financial Advisors

Investment Advisory

Significant Distribution Capabilities

~\$52 billion in client AUA

FIXED INCOME CAPITAL MARKETS

Public Finance

Institutional Sales & Trading

Fixed Income Strategy Group

Structured Investments



Powerful Equity Sales And Trading Platform

DAVIDSON INSTITUTIONAL SALES OVERVIEW

A Tradition of Quality Research, Sales, Execution, and Service

Committed to providing liquidity and best execution services to a wide range of institutional investors, including many of the largest mutual fund and money managers in the world

20+ INSTITUTIONAL SALES & TRADING EXPERTS

7 TEAMS IN 6 LOCATIONS ACROSS THE U.S

15+ YEARS AVERAGE EXPERIENCE

700+ INSTITUTIONAL TRADING DESKS (COVERAGE)

COMPETITIVE ADVANTAGE

TRADING & MARKET MAKING



Distribution

Strong relationships with niche, small and mid-cap investor

Stability

Sector specialist in sales and trading

Liquidity

Leading market maker in trading volume for 1,100+ stocks

1,100+

STOCKS IN MARKET MAKING

500+

SMALL / MID-CAP STOCKS

INSTITUTIONAL SALES & TRADING OFFICES

Coast-To-Coast Coverage



NEW YORK CITY
NEW YORK



BOSTON
MASSACHUSETTS



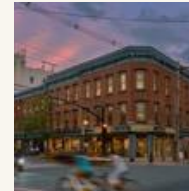
DENVER
COLORADO



PORTLAND
OREGON



MINNEAPOLIS
MINNESOTA



RED BANK
NEW JERSEY



Bulge Bracket Capabilities.

We offer expansive capabilities, delivered by experienced advisors, supported by advanced analysis



Boutique Focus on Clients.

Each client transaction meaningfully impacts our firm results and receives the attention it deserves

FULL SERVICE CAPABILITIES

M&A advisory, public and private capital raising, and corporate services

LEADING EQUITY RESEARCH

Award winning institutional equity research

COMPREHENSIVE ACCESS

Broad access to strategic and financial buyers

INTERNATIONAL REACH

Wide scale and strategic partnership with MCF Corporate Finance

INDUSTRY EXPERTISE

Significant experience within core verticals

PUBLIC MARKET INSIGHTS

Provided through institutional sales, trading and syndicate

SENIOR LEVEL ATTENTION

Senior bankers will maintain presence throughout the process

MIDDLE MARKET EXPERTISE

M&A and capital markets knowledge for mid-sized companies

UNIQUE PERSPECTIVES

Knowing challenges and opportunities for mid-sized companies

INDEPENDENT

Employee-owned firm focused exclusively on client objectives

RELATIONSHIP DRIVEN

Highly customized solutions supporting long-term client success



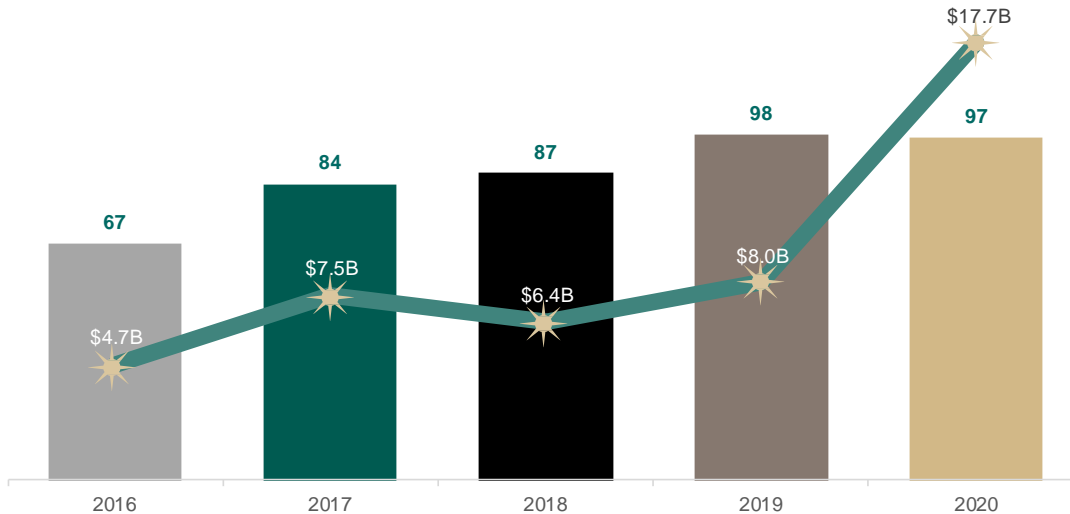
Broad Investment Banking Capabilities

Comprehensive capabilities allow us to provide tailored advice and a spectrum of services to each client

INDUSTRY VERTICALS

Consumer	Diversified Industrials	Financial Institutions	Real Estate	Technology
Consumer Products	Aerospace & Defense	Banks	Office / Industrial	Application Software
Food, Beverage & Agriculture	Building Products & Construction Materials	Thriffs	Retail / Multifamily	Infrastructure Software
Ecommerce & Digital Marketplaces	Energy & Power Services	Specialty Finance	Hotel / Healthcare	Financial Technology
Specialty Retail & Restaurants	Infrastructure Services	Asset Management	Storage / Specialty	Internet & Digital Media
Consumer Services				Technology-Enabled Services
				Communications / Hardware

SIGNIFICANT DEAL ACTIVITY AND INDUSTRY EXPERTISE



433 TRANSACTIONS SINCE 2016⁽¹⁾

\$44.3 Billion TRANSACTION VALUE SINCE 2016⁽¹⁾

(1) Financials based on calendar year end



Transatlantic Reach

D | A | DAVIDSON | *mcf*
INTERNATIONAL

1,400+

D.A. DAVIDSON ASSOCIATES

150+

INVESTMENT BANKING PROFESSIONALS

99

OFFICE LOCATIONS

SECTION V



Institutional Research Coverage





Diversified Industrials Equity Research Coverage

We offer differentiated research based on industry and company analysis in context with valuation



Brent Thielman

Managing Director,
Senior Research Analyst

- Focuses on engineering & construction
- Over 15 years of experience in equity research
- Joined D.A. Davidson in 2004

COVERAGE



Matt Summerville

Managing Director,
Senior Research Analyst

- Focuses on industrial and financial technology
- Over 20 years of experience in equity capital markets
- Joined D.A. Davidson in 2018

COVERAGE

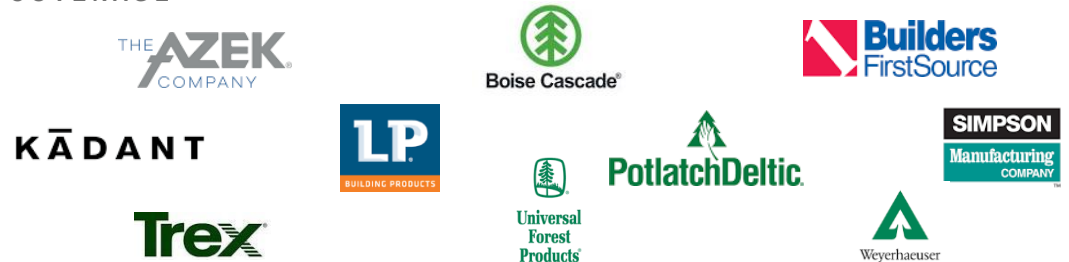


Kurt Yinger

Associate Vice President,
Research Analyst

- Focuses on building and paper product manufacturers
- Joined D.A. Davidson in 2015

COVERAGE



(1) Covered by William Newby.

D.A. Davidson | MCF International Office Locations

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(303) 571-6100

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