

Q1: Quarterly Industry Update

AS OF December 31, 2024



Aerospace Industry Summary

COGENT VALUATION identified **Aerospace** publicly traded companies, IPOs, and recent M&A transactions within the Aerospace Industry¹, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since December 31, 2023, the median 52-week share price return and the median year to date return of the Aerospace industry was 16.7%. Between December 31, 2023 and December 31, 2024, the median EV/Revenue multiple decreased from 3.1 to 2.3 and the median EV/EBITDA multiple decreased from 14.6 to 13.4. The median price-to-earnings multiple increased from 21.5 to 31 and the median EV/Gross Profit multiple increased from 25.4 to 25.6 over the same period. The median MVIC/Earnings multiple decreased from 2.2% to 1.9%. The median Price/Revenue multiple increased from 10.6x to 10.3x over the same period.

Public Company Key Statistics

| Median 52-Week Return | Median YTD Return | Median EV/Revenue Multiple | Median EV/EBITDA Multiple |
|-----------------------------------|------------------------------------|-----------------------------------|----------------------------------|
| 16.7% | 16.7% | 2.3x | 13.4x |
| Median Price/Earnings Multiple | Median EV/Gross Profit Multiple | Median MVIC/ Earnings Multiple | Median Price/Revenue Multiple |
| 31x | 25.6x | 1.9% | 10.3x |

Public Company Median Multiples by Quarter

| | 12/31/24 | 9/30/24 | 6/30/24 | 3/31/24 | 12/31/23 | 9/30/23 | 6/30/23 | 3/31/23 |
|---------------------------------|----------|---------|---------|---------|----------|---------|---------|---------|
| Median EV/Revenue Multiple | 1.5x | 3.2x | 3.4x | 2.7x | 3.1x | 3.2x | 2.9x | 3.0x |
| Median EV/EBITDA Multiple | 13.4x | 28.0x | 17.6x | 13.4x | 14.6x | 14.6x | 19.4x | 10.7x |
| Median Price/Earnings Multiple | 31x | 30.9x | 20.3x | 21.2x | 20.8x | 19.7x | 17.9x | 17.7x |
| Median EV/Gross Profit Multiple | 25.6x | 22.2x | 21.3x | 23.6x | 24.5x | 23.3x | 20.4x | 25.0x |
| Median MVIC/Earnings Multiple | 1.9x | 1.6x | 2.7x | 3.7x | 5.4x | 3.5x | 2.2x | 3.2x |
| Median Price/ Revenue Multiple | 10.3x | 3.2x | 3.4x | 2.7x | 10.6x | 2.5x | 3.2x | 3.2x |

 Highest Multiple
  Median Multiple
  Lowest Multiple

Comparable Public Company Market Price Returns as of December 31, 2024

| Company Name | Q1 2024 | 12-months 2024 | Two Year ¹ | Three Year ¹ | 2023 | 2022 | 2021 |
|--|--------------|----------------|-----------------------|-------------------------|--------------|---------------|-------------|
| AAR Corp. | 12.3% | 31.2% | 4.4% | 8.0% | -5.0% | 18.9% | 25.7% |
| Ability Inc. | -25.5% | -83.4% | N/A | N/A | -56.8% | -84.1% | -72.0% |
| Aerojet Rocketdyne Holdings, Inc. | -10.4% | 28.9% | 0.5% | 2.9% | 12.9% | 73.8% | 14.6% |
| DigitalGlobe, Inc. | -19.0% | 62.4% | 9.5% | 6.2% | 21.0% | 109.3% | -9.0% |
| Ducommun Incorporated | -8.9% | -57.8% | 10.9% | 6.5% | -57.7% | -46.3% | -61.3% |
| Elbit Systems Ltd. | -21.4% | N/A | 25.3% | 26.0% | -55.3% | N/A | N/A |
| Embraer S.A. | -15.4% | -12.5% | -22.5% | -20.7% | -38.1% | 47.0% | N/A |
| Engility Holdings, Inc. | -14.1% | 3.4% | 6.2% | -9.5% | -26.2% | 1.4% | 71.6% |
| Esterline Technologies Corporation | -10.1% | 17.6% | -0.3% | -6.3% | -15.6% | 22.5% | -4.4% |
| Northrop Grumman Corporation | -20.9% | -59.5% | 27.2% | 29.0% | 42.4% | -55.3% | -2.0% |
| Orbital ATK, Inc. | 48.3% | 72.5% | 15.8% | -9.8% | 65.1% | 9.3% | 40.2% |
| Raytheon Company | 8.9% | 44.4% | 29.9% | 20.5% | 14.0% | 28% | -4.9% |
| Rockwell Collins, Inc. | 8.2% | 20.5% | 6.7% | 10.4% | 0.5% | 9.3% | 1.5% |
| SIFCO Industries, Inc. | -17.9% | 48.0% | -33.2% | -40.3% | -19.5% | -67.4% | 13.4% |
| Sparton Corporation | 4.8% | 1.0% | -10.3% | -7.5% | 19.3% | -29.5% | 1.4% |
| Spirit AeroSystems Holdings, Inc. | 0.0% | 34.7% | 2.5% | 19.8% | 16.5% | 16.3% | 26.3% |
| TAT Technologies, Ltd. | 4.1% | 39.9% | 22.5% | 11.6% | 18.2% | 10.8% | -16.1% |
| Teledyne Technologies Incorporated | 0.9% | 28.9% | 10.0% | 9.5% | 38.7% | -13.7% | 11.8% |
| Median of Industry Public Companies | 16.7% | 14.1% | 6.7% | 6.5% | 14.9% | -14.4% | 3.8% |

■ Highest Return
 ■ Lowest Return
 ■ Median Return

[1] Calculated as the average annual return.

Industry Initial Public Offerings — Aerospace and Defense

(dollars in millions, except share prices)

| Effective Date | Company Name | Offer Price | Shares Offered | Amount Raised | Total Assets ¹ | Debt ¹ | LTM Revenue ¹ | LTM EBITDA ¹ | LTM Net Income ¹ | LTM Cash Flows ¹ |
|---------------------------|--|---------------|----------------|----------------|---------------------------|-------------------|--------------------------|-------------------------|-----------------------------|-----------------------------|
| 10/21/24 | Aspen Aerogels, Inc. | \$11.00 | 8.1 | \$250.6 | \$217.6 | \$17.7 | \$534.1 | \$18.5 | (\$10.1) | \$30.1 |
| 10/17/24 | Ascent Solar Technologie | \$14.00 | 4.0 | \$116.0 | \$99.8 | \$21.9 | \$159.6 | (\$12.4) | (\$19.8) | (\$10.2) |
| 10/10/24 | Carlyle | \$31.00 | 5.8 | \$80.5 | \$48.7 | \$13.0 | \$56.3 | (\$2.1) | (\$6.8) | (\$0.0) |
| 2/7/24 | Velocity Composites plc | \$1.10 | 16.5 | \$18.7 | \$10.6 | \$2.9 | \$21.8 | \$0.0 | (\$0.3) | \$0.4 |
| 1/16/24 | UUV Aquabotix Limited | \$0.15 | 35.0 | \$5.2 | \$4.7 | \$0.2 | \$0.8 | N/A | \$0.1 | \$0.2 |
| 11/20/23 | DroneShield Limited | \$0.15 | 35.0 | \$5.2 | \$4.7 | \$0.5 | \$5.6 | \$0.5 | \$1.4 | \$0.3 |
| 6/7/23 | GomSpace Group AB (publ) | \$1.54 | 8.0 | \$12.3 | \$4.0 | \$1.2 | \$4.9 | \$0.6 | \$0.2 | \$0.8 |
| 12/18/22 | Hizeaero Co., Ltd. | \$15.42 | 4.4 | \$67.5 | N/A | \$30.9 | N/A | N/A | \$2.5 | \$7.1 |
| 9/30/22 | LIG Nex1 Co., Ltd. | \$64.19 | 6.9 | \$442.9 | \$1,569 | \$136.2 | \$1,427.5 | \$126.3 | \$58.8 | \$153.2 |
| 2/23/22 | Martin Aircraft Company Limited | \$0.30 | 67.5 | \$20.3 | \$1.1 | \$0.0 | \$0.0 | (\$3.2) | (\$3.2) | (\$3.1) |
| Median of all IPOs | | \$6.27 | \$8.05 | \$43.90 | \$785.05 | \$7.95 | \$6.27 | \$8.05 | \$43.90 | \$785.05 |

[1] As of the effective date of the IPO

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues ¹ | EV/ Revenues ¹ |
|------------------|---|----------------------------------|------------------|----------|---------------------------|---------------------------|
| 11/4/24 | All Flex Solutions | Printed Circuits, Inc. | \$550.0 | 100% | \$6.2 | 9.4x |
| 10/28/24 | Amphenol Corporation | Friedrich LÜTze | \$2.1 | 100% | \$2,691 | 1.0x |
| 2/12/24 | Applied Defense Solutions, Inc. | Florida Pneumatic Mfg. | \$8,187.6 | 100% | N/A | 0.8x |
| 1/2/24 | Beaver Aerospace & Defense | The KEYW Corporation | \$8.0 | 100% | \$30.0 | 2.1x |
| 11/10/23 | Orbital ATK, Inc. | Astronics Custom Control | \$365.7 | 100% | \$4,515.0 | N/A |
| 12/26/22 | Extant Components Group | Leonardo - Finmeccanica | \$10.7 | 80% | N/A | 1.6x |
| 11/28/22 | Zodiac Aerospace | Segula Tecnologias Espala | \$149.7 | 100% | \$5,773.4 | 4.2x |
| 11/1/23 | Applied Defense Solutions, Inc. | Halma plc | \$1.9 | 100% | N/A | 1.5x |
| 9/21/22 | Beaver Aerospace & Defense, Inc. | Curtiss-Wright Controls | \$27.5 | 75% | \$40.2 | 9.4x |
| 11/10/22 | Aero-Missile Components | Med-Eng Holdings ULC | \$233.0 | 100% | N/A | 5.3x |
| 6/4/22 | B/E Aerospace, Inc. | Groupe ADF SAS | \$11.9 | 97% | \$11.6 | 1.4x |

[1] As of the close of the Transaction

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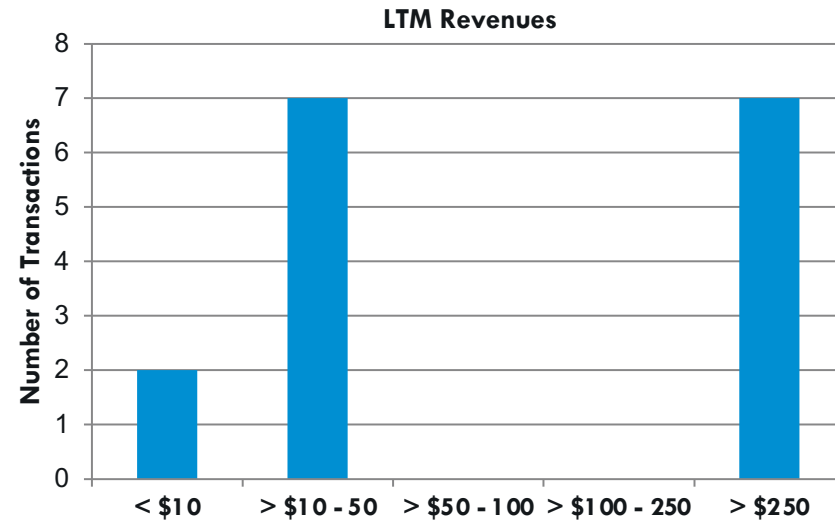
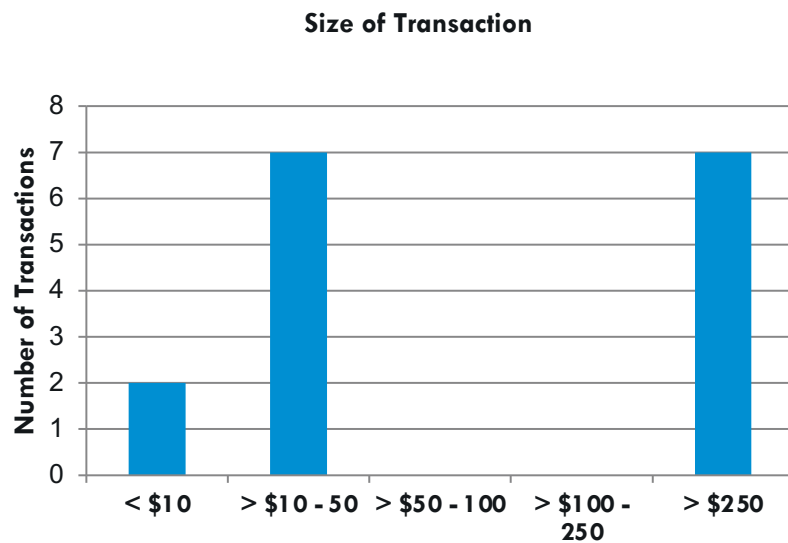
Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues ¹ | EV/ Revenues ¹ |
|---------------------------------------|----------------------------------|--|------------------|----------|---------------------------|---------------------------|
| 3/12/24 | Applied Defense Solutions, Inc. | L3 Technologies, Inc. | \$50.0 | 100% | \$21.3 | \$34.3 |
| 12/12/23 | Tenax Aerospace, LLC | NTC Group, Inc. | \$220.0 | 100% | N/A | N/A |
| 12/26/23 | Acro Aircraft Seating Ltd. | Zhejiang Science and Technology Investment Co., Ltd. | \$73.7 | 100% | \$40.2 | 1.8x |
| 6/24/23 | U.S. Sensor, Corp. | Littelfuse, Inc. | \$24.0 | 100% | N/A | N/A |
| 1/2/23 | Excelsys Technologies Ltd. | Advanced Energy Industries, Inc. | \$17.6 | 100% | \$11.6 | 1.5x |
| 11/6/22 | LMI Aerospace, Inc. | Sonaca SA | \$432.3 | 100% | \$346.2 | 1.2x |
| 9/24/22 | Beaver Aerospace & Defense, Inc. | Héroux-Devtek Inc. | \$23.5 | 100% | \$7.4 | \$1.92 |
| 9/2/22 | Orbital ATK, Inc. | Northrop Grumman Corp. | \$9,429.0 | 100% | \$6,074.0 | \$5.00 |
| 8/9/22 | Extant Components Group | TransDigm Group | \$525.0 | 100% | N/A | \$4.00 |
| 1/24/22 | Zodiac Aerospace | Safran SA | \$9,763.8 | 100% | \$30.0 | \$28.10 |
| 12/2/21 | Tenax Aerospace, LLC | NTC Group, Inc. | \$329.0 | 100% | \$4,515.0 | \$3.88 |
| 11/6/21 | Extant Components Group | Zhejiang Science and Technology Investment Co., Ltd. | \$525.0 | 100% | N/A | \$15.57 |
| 9/24/21 | Zodiac Aerospace | Littelfuse, Inc. | \$9,763.8 | 100% | \$5,773.4 | \$6.55 |
| 9/2/20 | Tenax Aerospace, LLC | Advanced Energy Industries, Inc. | \$220.0 | 100% | N/A | \$22.4 |
| Median of the M&A Transaction Targets | | | \$101.2 | 100% | \$40.2 | \$15.57 |

[1] As of the close of the Transaction

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Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

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