MERIDIAN CAPITAL

Aerospace, Defense & Space

Q2 2026 M&A Market Update

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CLA Meridian Capital's Aerospace, Defense & Space Practice

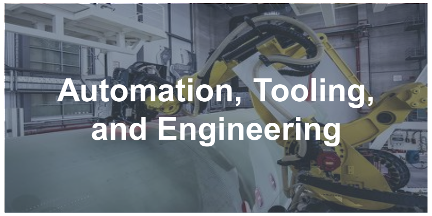
Overview

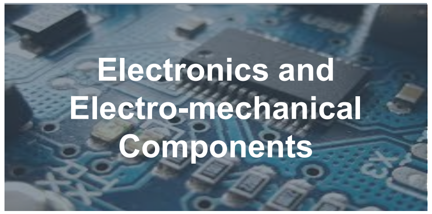
CLA Meridian Capital's Aerospace, Defense & Space ("AD&S") team has extensive experience within the sector having completed 25+ transactions in the industry.

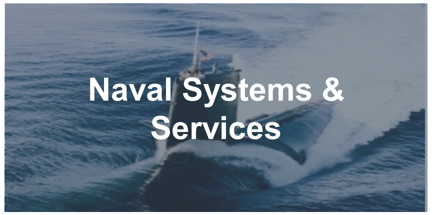
The coverage team possesses deep industry relationships with leading acquirers in the space and is up-to-date on the latest sector trends, value drivers and considerations.

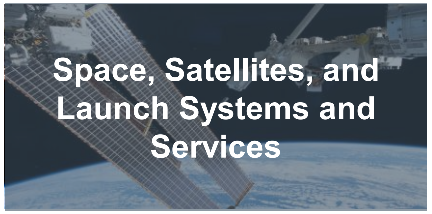
CLA Meridian Capital is pleased to present its **Q2 2026 Aerospace, Defense & Space M&A Market Update.**

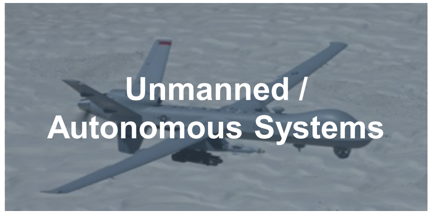
Notable Areas of Focus and Industry Knowledge











Dedicated AD&S Advisory Team

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Our Services

SELL-SIDE ADVISORY

Strategic Sales
Minority Sales
Subsidiary Divestitures

RECAPITALIZATION

Mergers
Growth Equity
Shareholder Liquidity
Management Buyouts

BUY-SIDE ADVISORY

Targeted Buy-side Execution
Add-on Acquisitions
Vertical and Horizontal Acquisitions

STRATEGIC ADVISORY

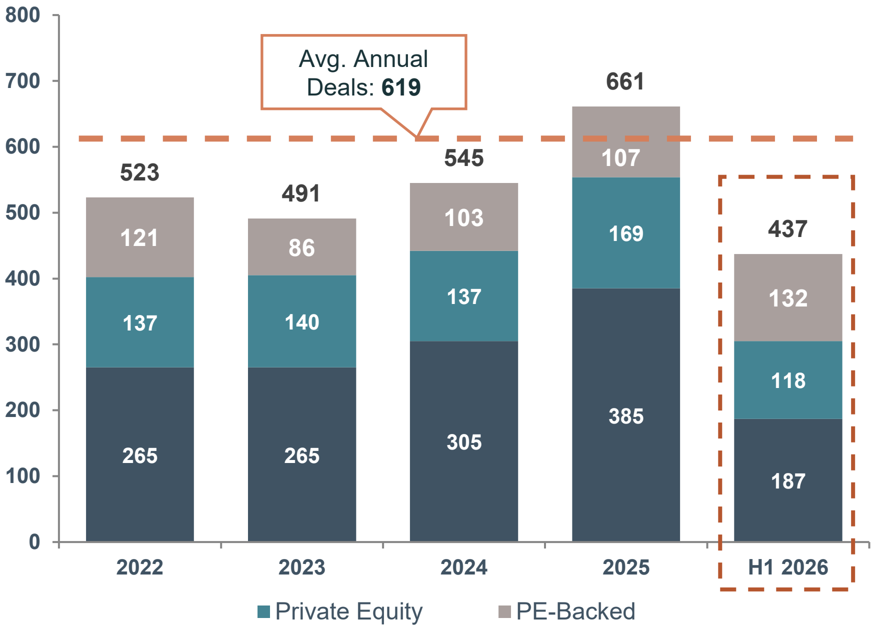
Exit Strategy Assessment
Exit Planning and Preparations
Corporate Finance Consulting

Section 01.
M&A Market Update

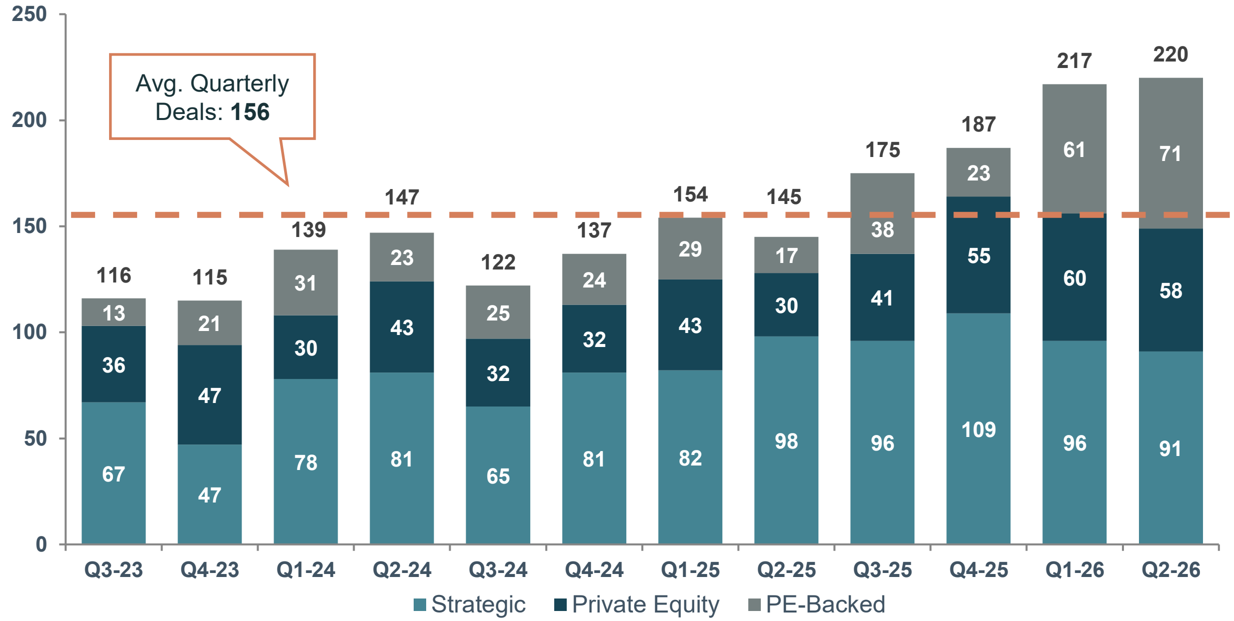
Strategic Demand and Resilient Valuations Drive Accelerated H1-26 M&A Activity

- The aerospace, defense, and space ("AD&S") M&A market continues to demonstrate strong momentum, with 220 transactions announced in Q2-26, representing a 46% increase in deal volume compared to the first half of last year.
- Private equity interest remains exceptionally resilient. Financial sponsors are actively pursuing platform and add-on opportunities to capitalize on industry tailwinds and robust, long-term growth fundamentals spanning the commercial aerospace, defense, and space markets.
- Strategic acquirers and well-funded, sponsor-backed platforms remain highly aggressive in their pursuit of proprietary technologies, expanded capabilities, and platform diversification. Strategics continue to drive the majority of deal flow, accounting for over 70% of total transactions in H1-26.
- The public equity markets gained notable momentum in Q2, highlighted by several high-profile public listings in the defense and space segments. This return of IPO activity underscores deep institutional investor appetite and the fundamental strength of the sector.
- Supported by strong public valuations and dry powder chasing premium assets, valuations remain highly favorable across the industry. With scaled strategics consistently trading at double-digit EBITDA multiples, strategic buyers have a compelling opportunity to capture significant multiple expansion and arbitrage through M&A while also driving up multiples in a competitive process.

Global Deal Volume (Annually)



Global Deal Volume (Quarterly)



H1 2026 Deal Count was annualized to calculate historical avg. annual deals.
Source: Pitchbook as of 6/30/2026

Select Q2-26 M&A Transactions

Date	Target	Acquirer	Target Description
Jun-26	Smiths Detection	CVC Capital Partners (AMS: CVC)	Manufacturer of threat detection and screening products
Jun-26	Space-ng	Firefly Aerospace (NAS: FLY)	Developer of spacecraft autonomy and computer vision systems
Jun-26	Aechelon Technology	Shield AI	Developer of a defense software designed for simulation and geo-specific databases
Jun-26	Blue Canyon Technologies	MDA Space (TSE: MDA)	Manufacturer of spacecraft and components
Jun-26	Ultra Mission Solutions	Booz Allen (NYS: BAH)	Developer of mission-critical software
Jun-26	United Springs	Associated Spring , One Equity Partners	Manufacturer of precision springs
Jun-26	EMC Aerospace	Aptus Aero, The Stephens Group	Provider of aircraft component maintenance and repair services
Jun-26	Comtech Telecommunications	Gilat Satellite Networks (NAS: GILT)	Provider of satellite and space communication services
Jun-26	Xtreme Group	Heartwood Partners	Provider of aviation maintenance and operations services
Jun-26	Zone 5 Technologies	Kongsberg Gruppen (OSL: KOG)	Operator of an aeronautical engineering firm
Jun-26	Leesta Industries	Greenbriar Equity Group, Pursuit Aerospace	Manufacturer of precision aerospace components
Jun-26	Continental Aerospace Technologies	Arcline	Manufacturer of piston aircraft engines
Jun-26	Frydenbø Milpro	Fjord Defence Group (OSL: DFENS)	Manufacturer of inflatable boats and RIBs
Jun-26	Motto Investment	Arcline	Manufacturer of aircraft engines
Jun-26	Aero Controls	Air Transport Components	Provider of component repair services intended for the airline industry
Jun-26	FDH Aero	Bain Capital	Distributor of C-class components
Jun-26	Solestial	York Space Systems (NYS: YSS)	Developer of space-grade solar power modules
Jun-26	HEICO-Cook Defence	HEICO (NYS: HEI.A)	Manufacturer of armored vehicle tracking systems
Jun-26	D-Fend Solutions	Motorola Solutions (NYS: MSI)	Developer of an autonomous counter-drone system
May-26	Optrion	Oakley Capital, Phenna Group	Developer of non-destructive testing systems
May-26	Shimco North America	Avantus Aerospace	Manufacturer of custom shims and precision parts
May-26	First Aviation Services	AMETEK (NYS: AME)	Manufacturer of aerospace components and manufacturing technologies
May-26	Motiv Space Systems	Rocket Lab (NAS: RKLB)	Manufacturer of space robotics and motion control systems
May-26	Circor Aerospace	Parker-Hannifin (NYS: PH)	Manufacturer of fluidic control components intended
May-26	Omnisys	Ondas (NAS: ONDS)	Developer of battle resource optimization systems
May-26	Exquadrum	Mach Industries	Manufacturer of aerospace propulsion and defense systems

Source: Pitchbook and MergerMarket as of 6/30/2026

Select Q2-26 M&A Transactions (cont.)

Date	Target	Acquirer	Target Description
May-26	Quaze	Red Cat Holdings (NAS: RCAT)	Developer of a wireless power transfer technology
May-26	International Aerospace Coatings	H.I.G. Capital	Provider of aircraft exterior and interior painting and refurbishment services
May-26	A&B Aerospace	PMGC Holdings (NAS: ELAB)	Manufacturer of aerospace parts and assemblies
May-26	Aircraft Systems	Greenbriar Equity Group, Sunvair Aerospace Group	Provider of aircraft maintenance, repair, and overhaul services
May-26	Unical Aviation	Satair	Manufacturer of aircraft parts and components
May-26	Hydraulics International	Arcline	Manufacturer of aviation ground support equipment, high-pressure pumps, and flow meters
May-26	Unified Turbines	StandardAero (NYS: SARO)	Manufacturer of gas turbine components for the aviation industry
May-26	Precision Aviation Group	VSE (NAS: VSEC	Manufacturer of aircraft parts and a provider of maintenance, repair and MRO services
May-26	Diamond Antenna and Microwave	Brooke Private Equity Associates Management	Designer and manufacturer of radiofrequency components
Apr-26	Aircraft Reconfig Technologies	AAR (NYS: AIR)	Manufacturer of aircraft reconfiguration and interior refit products
Apr-26	Mistral	Ondas (NAS: ONDS)	Manufacturer of defense and public safety systems and technologies
Apr-26	MCA Aviation	AVEX Aviation	Provider of aircraft maintenance and aviation support services
Apr-26	AS Strategic	Sigma Advanced Systems	Provider of aerospace and defence services
Apr-26	Precision Aircraft Machining Company	Avem Partners	Manufacturer of precision aircraft components
Apr-26	MTI Aviation	Acorn Capital Management	Provider of aircraft component repair, overhaul, and parts distribution services
Apr-26	Aerox Aviation Oxygen Systems	Arcline, Signia Aerospace	Manufacturer of high-duration aviation oxygen systems
Apr-26	PAS MRO	Air Transport Components	Provider of bearing and component repair
Apr-26	Jet Parts Engineering	TransDigm Group (NYS: TDG)	Manufacturer of proprietary OEM-alternative parts and repair services
Apr-26	Sherwood Avionics And Accessories	HEICO (NYS: HEI.A)	Provider of aviation maintenance, repair, and overhaul services
Apr-26	Victor Sierra Aviation Holdings	TransDigm Group (NYS: TDG)	Operator of engineering, manufacturing and distribution companies
Apr-26	Consolidated Aerospace Manufacturing	Howmet Aerospace (NYS: HWM)	Manufacturer of fitting systems and supplying components
Apr-26	New Generation Aerospace	Aero Accessories, ATL Partners	Operator of an FAA repair station
Apr-26	AeroDynamics	Talica Group	Provider of metal finishing services
Apr-26	Aerofab	Solestra Group	Manufacturer of precision aerospace components
Apr-26	Global Air Logistics and Training	Godspeed Capital	Developer of airborne communication systems
Apr-26	NorthStar Technologies	VSE (NAS: VSEC)	Provider of aviation maintenance, repair, and component services

Source: Pitchbook and MergerMarket as of 6/30/2026

Section 02.
The Munitions Supercycle

Munitions Shortages Drive Defense Procurement and Sub-Tier Demand

Unprecedented Stockpile Depletion	The U.S. munitions industrial base is facing a critical inventory deficit. Years of sustained military aid to Ukraine, compounded by the intensive, high-volume conflict with Iran (Operation Epic Fury) launched in February 2026, have severely depleted stockpiles of tactical missiles and air defense interceptors far faster than standard peacetime replacement rates.
Industrial Base Mobilization	To counter this window of vulnerability, the Trump administration has launched aggressive funding and non-traditional procurement initiatives to transition the defense sector from just-in-time to wartime capacity. This has resulted in monumental, multi-year contract awards to defense Primes and Tier 1s with explicit mandates to aggressively build out production capacity.
Robust Demand Pass-Through to Sub-Tiers	With final assembly lines constrained by component shortages, any lower-tier supplier or equipment manufacturer with exposure to high-priority missile programs are positioned for an unprecedented demand windfall. Defense Primes are actively bypassing historical single-source barriers and committing to long-term, multi-year volume guarantees for sub-tier partners.
Supply Chain Constraints	While Primes hold record backlogs, final missile assembly lines cannot scale linearly without resolving severe constraints within the lower-tier supply chain. The current primary bottleneck of the missile infrastructure rests in energetics and solid rocket motor ("SRM") production.

Source: Please reference Slide 24

The Munitions Supercycle – Timeline of U.S. Production Acceleration

Depleted Stockpiles and Geopolitical Tensions Driving Missile Procurement Initiatives

Administration Procurement and Funding Initiatives

- **Jul-25:** "Big Beautiful Bill" sends $156B in funding to DoD, including $56B for weapons & munitions supply chains[1]
- **Sept-25:** Pentagon urges suppliers to increase missile production volume by 2x – 4x[2]
- **Jan-26**: Executive Order for defense contractors to prioritize production capacity, innovation, and on-time delivery[3]
- **Feb-26:** Congress approves FY26 Defense Appropriations Bill of $838.7B, **including multi-year procurement contract authority for 8 critical munitions**[4]
- *Iran Conflict Begins*
- **Apr-26:** Pentagon budget request for FY27 of $1.5T, increases missile budget by 188% to $70B+[5]
- **May-26:** DoD partners with industry players to procure 10,000+ low-cost containerized missiles (LCCM)[6]
- **Jun-26:** President Trump invoked Defense Production Act to expand missile production output[7]

Jul | Aug | Sept | Oct | Nov | Dec | Jan 2026 | Feb | Mar | Apr | May | Jun

Notable Awards and Expansion

- RTX — **Jul-25**: RTX awarded $3.5B AMRAAM contract, the largest in program history[8]
- LOCKHEED MARTIN — **Aug-25**: Army awards Lockheed $4.2B modification to increase GMLRS production[9]
- RTX — **Sept-25**: Hypersonic missile testing in FY26 budget after initial $985M award to RTX in 2022[10]
- LOCKHEED MARTIN — **Sept-25**: Army awards Lockheed $9.8B, prompting PAC-3 output to triple[11]
- RTX — **Dec-25**: DoD issues $384M incentive modification to existing RTX contract for 219 Tomahawk missiles[12]
- L3HARRIS — **Jan-26**: L3Harris receives direct government investment towards rocket motors[13]
- RTX — **Mar-26**: MDA Raises RTX SM-3 Missile Contract Ceiling to $11.74B[14]
- BAE SYSTEMS — **Mar-26**: BAE Systems signs agreement with DoD to 4x+ production capacity for THAAD interceptor missile[15]
- LOCKHEED MARTIN — **Apr-26**: DoD awards $1.4B contract-add to Lockheed's Hypersonic weapon program[16]
- LOCKHEED MARTIN — **Apr-26**: Lockheed agrees to additional $4.7B PAC-3 production contract[17]
- GENERAL ATOMICS — **Jun-26**: General Atomics unveils new advanced munitions production line[18]

Source: Please reference Slide 24

Multi-Year Procurement Initiatives Driving Production

Rapid increase in production volumes across key programs pressure the supply chain

Key Munition Program Demands[19]

Primes	Program	FY26 Deliveries	FY27 Requests	% Growth	Current Maximum Capacity	% FY27 Requests Over Current Capacity
RTX	Tomahawk	207	785	279%	600/yr	31%
Lockheed Martin	THAAD	92	857	832%	96/yr	793%
Lockheed Martin	Patriot	172	3,203	1,762%	2,000/yr	60%
RTX	SM-3	52	214	312%	156/yr	37%
RTX	SM-6	125	540	332%	239/yr	126%
Lockheed Martin	JASSM	484	821	70%	860/yr	-5%
Lockheed Martin	PrSM	70	1,134	1,520%	550/yr	67%

Source: Center for Strategic & International Studies (#19 on Slide 24), Meridian Research, Company press releases and websites

The Trump administration has signed multiyear framework agreements with Primes that expand production capacity beyond the current levels.

SRM Manufacturers Increasing Capacities

Solid rocket motors production has emerged as a key industry constraint to scaling production

ANDURIL
Feb-26: Anduril receives $43.7M in funding to expand SRM production as new market entrants

KRATOS
Feb-25: Kratos and RAFAEL establish JV and invest $175M to manufacture SRMs

L3HARRIS
Jan-26: Defense Department directly invests $1.0B in L3Harris' SRM production

NORTHROP GRUMMAN
2025: Completed expansion to 2x SRM production
2027: Expansion to increase energetics capacity by 30%

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Section 03.
Recent AD&S IPO Activity

Public Markets Reward High-Growth Pure-Plays and Next-Gen Capabilities

- Following several quarters of quiet capital markets, the recent resurgence of traditional AD&S IPO activity and secondary issuances reflects strong public investor confidence and a flight to high-visibility government and commercial backlogs.
- The strong aftermarket performance of recent listings underscores a clear market mandate: public investors are actively rewarding pure-play platforms and next-generation capabilities, specifically prioritizing high-growth areas like defense technology, autonomy, and space infrastructure.

FIREFLY AEROSPACE

(Firefly Aerospace, Inc.)
NYSE:FLY

IPO Date	August 7, 2025	Sector	Space & Defense
Offering Price (OP)	$45.00/share	Gross IPO Proceeds	$999.0 million
Market Cap at IPO	$10.25 billion	Equity Position Sold	13.4%
Current Stock Price	$29.40/share (34.7% ▼ OP)	Current Market Cap	$4.83 billion

Firefly Aerospace, Inc. (NYSE:FLY) is a space and defense technology company providing responsive launch vehicles, lunar landers, and in-space transportation for U.S. government, national security, and commercial customers. The IPO raised capital to repay outstanding debt, pay accrued preferred dividends, and fund continued development of its Eclipse medium-lift rocket and next-generation lunar programs.

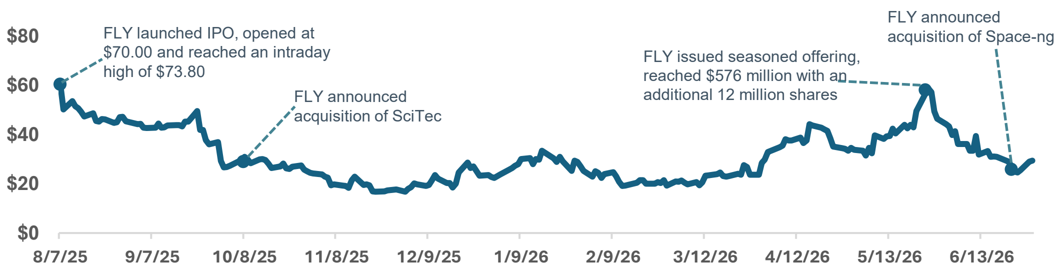
Core Operating Segments:

- **Launch Systems:** Reusable & responsive launch vehicles (Alpha & Eclipse Rockets)
- **Spacecraft:** Lunar landers, orbital vehicles, lunar imaging

Key Stats:

- March 2026: $1.3B contracted backlog
- FY2026 Revenue Guidance: +165% YoY
- $320M+ in cumulative NASA contract awards
- Selected for U.S. $3.2B Space-Based Interceptor Program

Historical Stock Performance ($)



ARXIS

(Arxis, Inc.)
NAS:ARXS

IPO Date	April 16, 2026	Sector	A&D Components
Offering Price (OP)	$28.00/share	Gross IPO Proceeds	$1.3 billion
Market Cap at IPO	$15.59 billion	Equity Position Sold	10.0%
Current Stock Price	$46.14/share (64.7% ▲ OP)	Current Market Cap	$18.93 billion

Arxis, Inc. (NASDAQ:ARXS) is an engineering components and subsystems provider for aerospace, defense, and industrial markets, supplying high-reliability electro-mechanical assemblies and interconnect solutions for extreme environments. Backed by Arcline Investment, the Company went public to deleverage its balance sheet, fund product development, automation, and generate liquidity for majority owners.

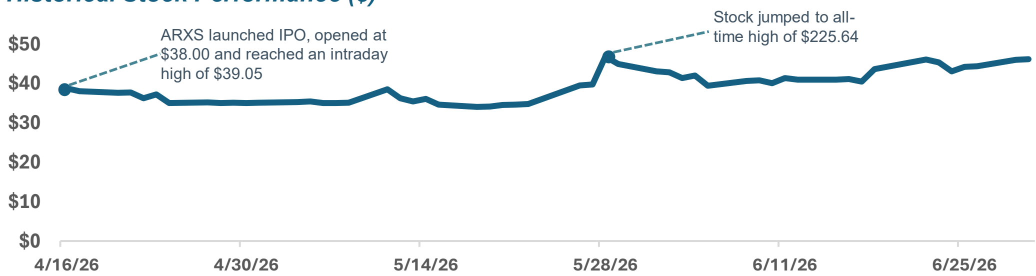
Core Operating Segments:

- **Electronic Components:** Precision-Engineered Electronic Components
- **Systems Solutions:** Integrated Assembly, Subsystems, and Mechanical Components

Key Customers:

- Lockheed Martin Corporation
- The Boeing Company (Commercial & Defense)
- RTX Corporation
- Northrop Grumman Corporation
- Major Tier 1 System Integrators

Historical Stock Performance ($)



Source: Pitchbook as of 6/30/2026

Public Markets Reward High-Growth Pure-Plays and Next-Gen Capabilities

AEVEX

(AEVEX Aerospace Corp.)
NYSE:AVEX

IPO Date	April 17, 2026	Sector	Defense
Offering Price (OP)	**$20.00**/share	Gross IPO Proceeds	**$368** million
Market Cap at IPO	**$1.30** billion	Equity Position Sold	**14.3%**
Current Stock Price	**$19.11**/share (4.5% ▼ OP)	Current Market Cap	**$1.07** billion

HawkEye 360

(HawkEye 360, Inc.)
NYSE:HAWK

IPO Date	May 7, 2026	Sector	Space
Offering Price (OP)	**$26.00**/share	Gross IPO Proceeds	**$478.4** million
Market Cap at IPO	**$3.31** billion	Equity Position Sold	**19.3%**
Current Stock Price	**$20.22**/share (22.3% ▼ OP)	Current Market Cap	**$1.98** billion

Aevex Corp. (NYSE: AVEX) is a defense technology prime contractor focused on unmanned aerial systems ("UAS"), autonomous navigation software, and airborne intelligence solutions. The Company sought an injection of capital through a public offering to infuse working capital to meet expanding backlog, fund R&D for its core AI-Software engine (Compass X) and provide liquidity to long-term shareholders.

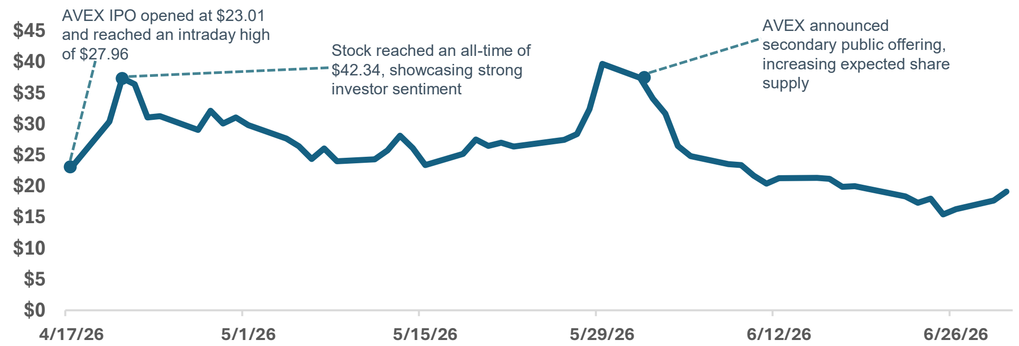
Core Operating Segments:

- **Tactical Systems:** UAS, Precision Strike Systems & Mission Hardware
- **Global Solutions:** ISR Operations, Intelligence Analytics, & Mission Support

Key Stats:

- 6,200+ systems supporting U.S & Allied missions
- June 2025: Awarded $50M contract from U.S Air Force to continue expanding UAV capabilities
- 3,900 Committed Systems through 2026 with $8.1B identified pipeline opportunities

Historical Stock Performance ($)



HawkEye 360, Inc. (NYSE:HAWK) is a defense technology and signals intelligence partner operating a space-based commercial satellite constellation. The Company utilizes raw spectrum data to produce actionable geospatial intelligence for the U.S government and commercial partners. The public offering raised capital to fund the next phase of its space architecture, expand its data science and automated analytics capabilities, and liquidity for early-stage backers.

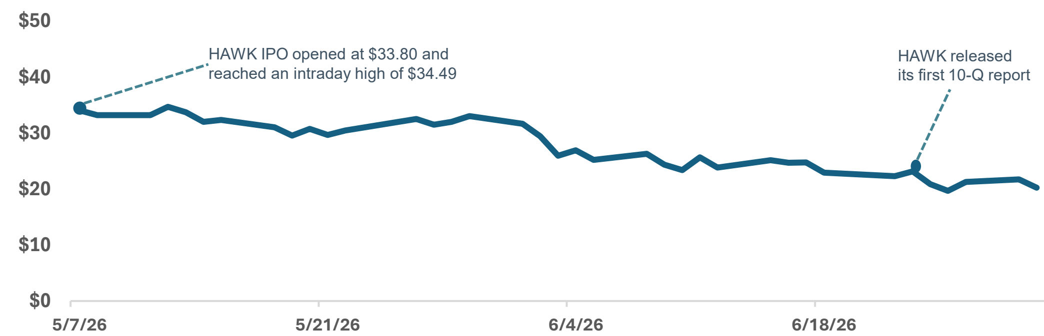
Core Operating Segments:

- **Space Systems:** RF-sensing satellites & secure cloud ground architecture
- **Signals Intelligence Data:** Maritime tracking, GPS interference & air defense monitoring

Key Stats:

- U.S. Government entities accounted for 61% FY2025 revenue
- 30+ satellites in orbit supporting U.S. & Allied SIGINT missions
- $106.4M revenue contracted through 2032

Historical Stock Performance ($)



Source: Pitchbook as of 6/30/2026

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Public Markets Reward High-Growth Pure-Plays and Next-Gen Capabilities

APPLIED AEROSPACE & DEFENSE

(Applied Aerospace & Defense, Inc.)
NYSE:AADX

IPO Date	June 3, 2026	Sector	A&D Components
Offering Price (OP)	**$20.00**/share	Gross IPO Proceeds	**$747.5** million
Market Cap at IPO	**$3.54** billion	Equity Position Sold	**19.0%**
Current Stock Price	**$22.78**/share (13.9% ▲OP)	Current Market Cap	**$3.89** billion

Applied Aerospace & Defense, Inc. (NYSE: AADX) is a provider of vertically integrated, IP-enabled manufacturing solutions for leading space and defense technology companies. Formed by the December 2025 merger of PCX Aerosystems and Applied Aerospace, the Company builds complex, mission-critical subsystems for extreme environments. The IPO was launched to support accelerating national security demands and expand capital expenditures for rapid prototyping and production capabilities.

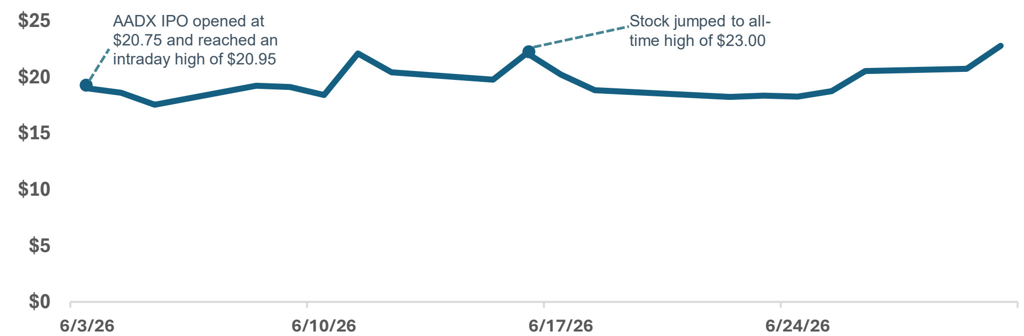
Core Operating Segments:

- Space & Launch Systems
- Defense Aviation & Airborne Systems
- Precision Strike Systems

Key Stats:

- 90+ aircraft types & 200+ launch vehicles & spacecraft
- March 2026: $3.8B weighted backlog pipeline
- 86% 2025 pro-forma revenue resulting from sole/single-source blue-chip prime contractors

Historical Stock Performance ($)



SPACEX

(Space Exploration Technologies Corp.)
NAS:SPCX

IPO Date	June 12, 2026	Sector	Space
Offering Price (OP)	**$135.00**/share	Gross IPO Proceeds	**$86.3** billion
Market Cap at IPO	**$1.98** Tillion	Equity Position Sold	**4.9%**
Current Stock Price	**$170.86**/share (26.6% ▲OP)	Current Market Cap	**$2.25** tillion

Space Exploration Technologies Corp. (NAS:SPCX) is a space technology and launch-services provider that designs and operates reusable launch vehicles, crewed and uncrewed spacecraft, and the Starlink satellite network. The Company pursued a public offering to fund Starship and Starlink expansion, scale launch and manufacturing capacity, and provide liquidity to early investors and employees.

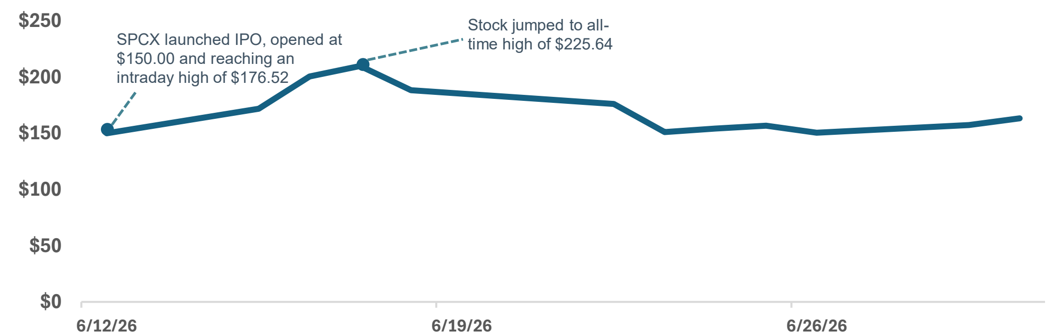
Core Operating Segments:

- **Launch & Space Systems:** Reusable Launch Vehicles & Spacecraft (Falcon 9)
- **Satellite Connectivity:** Manufacture, operate and launch Starlink constellation

Key Stats:

- 10,000+ active Starlink satellites, representing 75% of all active maneuverable satellites
- May 2026: Awarded a $2.2B by U.S Space Force to a Space Data Network (SDN) Backbone
- 10.3M Starlink subscribers across 164 countries

Historical Stock Performance ($)



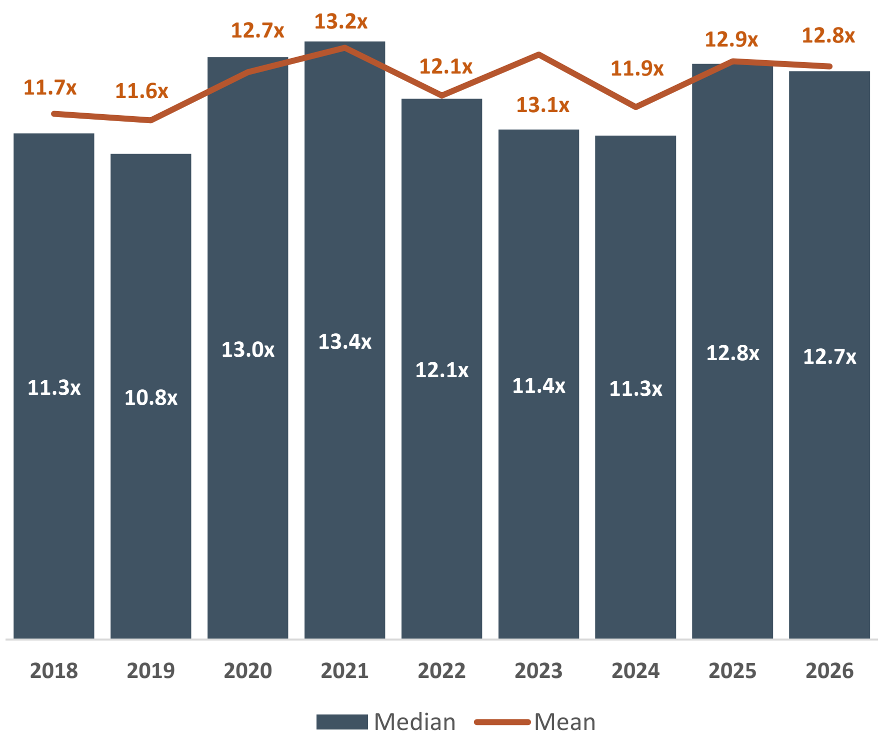
Source: Pitchbook as of 6/30/2026

Section 04.
Valuation Trends

Defense Priorities and Significant Dry Powder Anchor AD&S Multiples

- AD&S valuation multiples remain relatively consistent over the past 18 months, stabilizing just below the historical peaks of the post-pandemic cycle.
- Significant dry powder from financial sponsors and strategic buyers alike continues to fuel highly competitive bidding environments, providing strong structural support for middle-market valuations. As premium assets command top-tier multiples, buyers are shifting away from speculative growth toward execution certainty and regulatory resilience to underwrite risk.
- Sub-sectors aligned with key defense procurement priorities including missiles, munitions, solid rocket motor, autonomous systems, and air/missile defense systems are commanding outsized investor demand and experiencing double-digit EBITDA premiums for these platforms due to the unprecedented, long-term revenue visibility provided by prime contractor backlogs and multi-year government funding commitments.

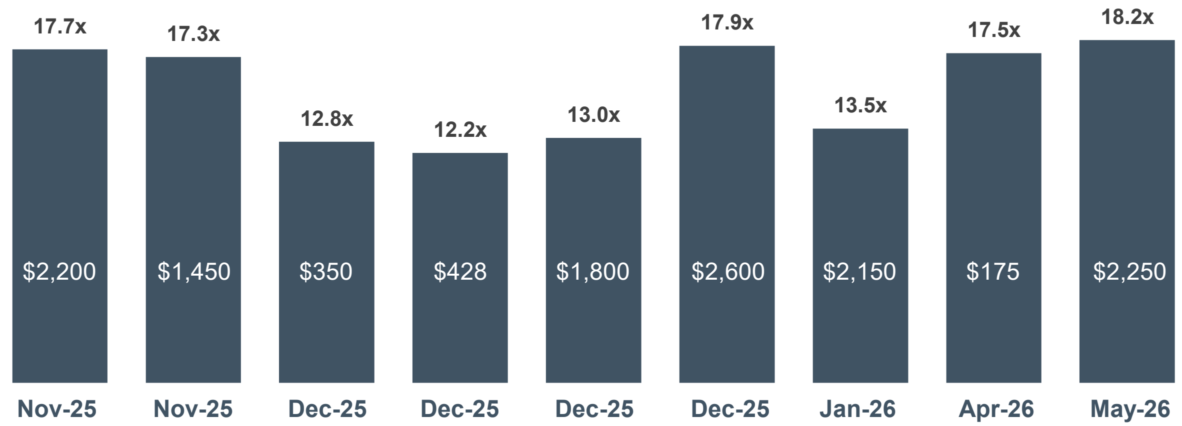
Transaction Enterprise Value / EBITDA Multiples



Source: Pitchbook as of 6/30/2026

Select, Recent AD&S Transactions

EV/EBITDA Multiple and Total Enterprise Value ($ in millions)

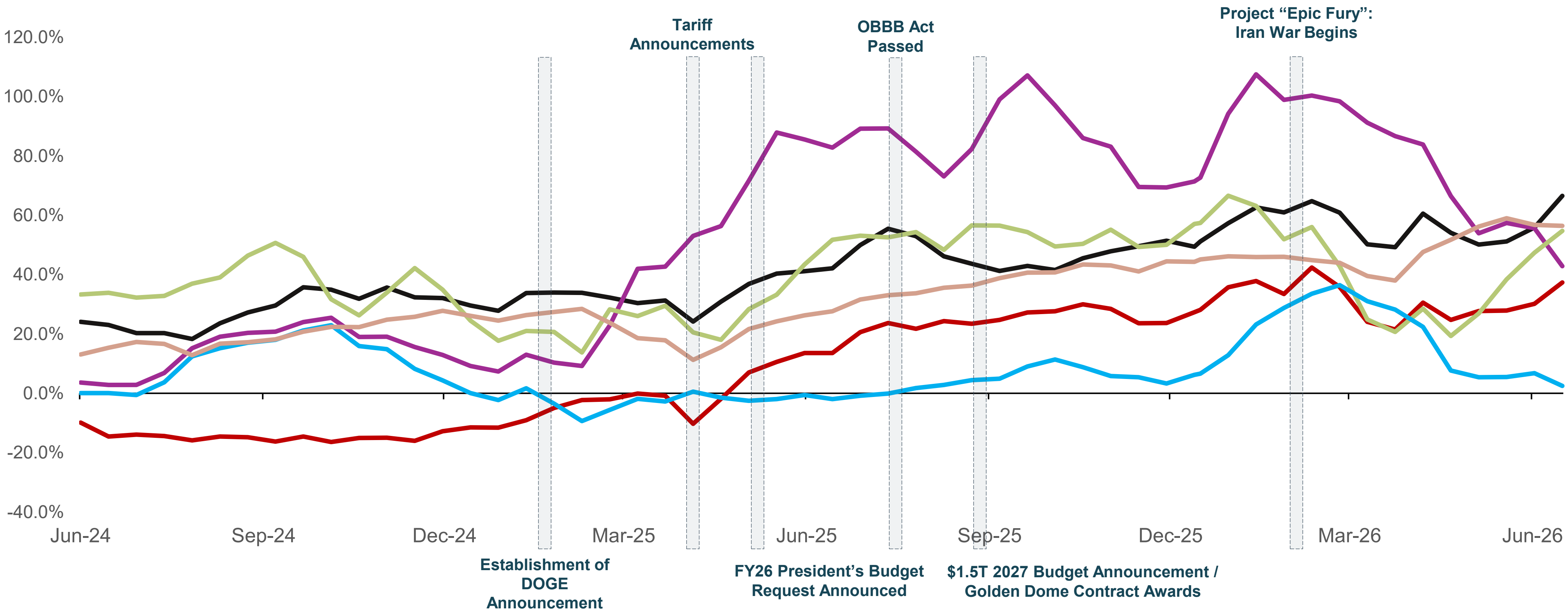


Target

Acquirer

Strong Public Market Performance and Valuations

2-Year Index Growth (Jun24-Jun26) *Two-Week Moving Average



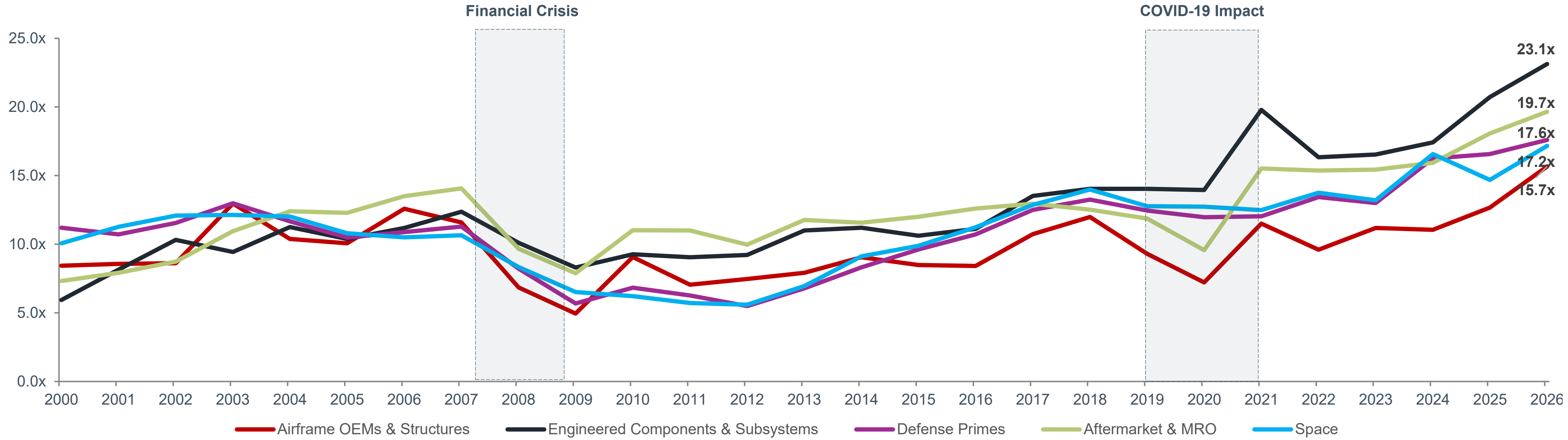
2-Year % Growth

37.72% Airframe OEMs	66.53% Engineered Components	42.87% Defense Primes	54.76% Aftermarket & MRO	2.53% Space	56.42% S&P 500 Index

Source: Pitchbook as of 6/30/2026

Strong Public Market Performance and Valuations

Segment Enterprise Value / EBITDA Multiples



Airframe OEMs & Structures	Engineered Components	Defense Primes	Aftermarket & MRO	Space
Senior, Safran, Leonardo, Howmet Aerospace, Boeing, Ducommun, Dassault Aviation, Textron, Magellan Aerospace, Airbus	Teledyne Technologies, TransDigm Group Inc., Loar Group, Honeywell, Parker, Safran, Woodward, Eaton, Curtiss-Wright, HEICO, Moog, ESCO Technologies, Ducommun	Lockheed Martin, Karman, Elbit Systems, Northrop Grumman, L3Harris, RTX, Rheinmetall, Thales, Kratos, AeroVironment, General Dynamics, BAE, HII	AerSale, SIA Engineering Company, VSE, HEICO, StandardAero, AAR, ST Engineering	Karman, Northrop Grumman, Voyager, Lockheed Martin, L3Harris, RTX, Rocket Lab, General Dynamics

Source: Pitchbook as of 6/30/2026

Public Company Sub-Sector Valuation Metrics

US$ in Millions

Airframe OEMs & Structures	Ticker	Market Cap	Enterprise Value	LTM Rev	LTM EBITDA	LTM Margin EBITDA	EV / LTM Rev	EV / LTM EBITDA	52-Week Change
Airbus SE	PAR: AIR	$174,876	$168,953	$84,070	$10,669	12.7%	2.0x	15.8x	9 %
Boeing Co.	NYSE: BA	$170,644	$196,954	$92,184	($1,864)	nm	2.1x	NM	3 %
Safran SA	PAR: SAF	$163,307	$162,183	$35,181	$7,582	21.6%	4.6x	21.4x	26 %
How met Aerospace Inc.	NYS: HWM	$107,573	$109,824	$8,623	$2,619	30.4%	12.7x	41.9x	53 %
Leonardo SpA	MIL: LDO	$30,917	$32,281	$22,941	$3,213	14.0%	1.4x	10.0x	0 %
Dassault Aviation SA	PAR: AM	$25,438	$14,598	$8,377	$1,515	18.1%	1.7x	9.6x	(4)%
Textron Inc.	NYS: TXT	$15,951	$18,146	$15,188	$1,703	11.2%	1.2x	10.7x	13 %
Ducommun, Inc.	NYS: DCO	$2,794	$3,098	$840	$140	16.7%	3.7x	22.1x	124 %
Magellan Aerospace Limited	TSE: MAL	$1,372	$1,407	$773	$80	10.3%	1.8x	17.6x	70 %
Median		**$30,917**	**$32,281**	**$15,188**	**$1,703**	**15.3%**	**2.0x**	**16.7x**	**13 %**
Average		**$76,986**	**$78,605**	**$29,798**	**$2,851**	**16.9%**	**3.5x**	**18.7x**	**33 %**

Aftermarket & MRO	Ticker	Market Cap	Enterprise Value	LTM Rev	LTM EBITDA	LTM Margin EBITDA	EV / LTM Rev	EV / LTM EBITDA	52-Week Change
HEICO Corporation	NYS: HEI.A	$41,442	$44,438	$4,911	$1,414	28.8%	9.0x	31.4x	2 %
Singapore Technologies Engineering Ltd	SGX: S63	$25,067	$28,651	$9,445	$1,414	15.0%	3.0x	20.3x	29 %
StandardAero Aviation Holdings, Inc.	NYS: SARO	$9,944	$12,308	$6,254	$813	13.0%	2.0x	15.1x	(2)%
VSE Corporation	NAS: VSEC	$6,411	$5,574	$1,181	$198	16.8%	4.7x	28.2x	77 %
AAR Corp.	NYS: AIR	$5,684	$6,585	$3,135	$376	12.0%	2.1x	17.5x	106 %
SIA Engineering Company Limited.	SES: S59	$2,994	$2,699	$1,103	$84	7.6%	2.4x	32.3x	8 %
AerSale Corp	NAS: ASLE	$299	$468	$340	$50	14.8%	1.4x	9.3x	5 %
Median		**$6,411**	**$6,585**	**$3,135**	**$376**	**14.8%**	**2.4x**	**20.3x**	**8 %**
Average		**$13,120**	**$14,389**	**$3,767**	**$621**	**15.4%**	**3.5x**	**22.0x**	**32 %**

Defense Primes	Ticker	Market Cap	Enterprise Value	LTM Rev	LTM EBITDA	LTM Margin EBITDA	EV / LTM Rev	EV / LTM EBITDA	52-Week Change
RTX Corporation	NYSE: RTX	$255,506	$289,377	$90,373	$16,498	18.3%	3.2x	17.5x	32 %
Lockheed Martin Corporation	NYSE: LMT	$117,463	$136,266	$75,106	$8,794	11.7%	1.8x	15.5x	9 %
General Dynamics Corporation	NYSE: GD	$95,797	$101,975	$53,808	$6,701	12.5%	1.9x	15.2x	20 %
Northrop Grumman Corporation	NYS: NOC	$72,339	$86,565	$42,367	$7,586	17.9%	2.0x	11.4x	1 %
BAE Systems Plc	LON: BA.	$71,659	$79,177	$37,324	$5,570	14.9%	2.1x	14.2x	(4)%
L3Harris Technologies, Inc.	NYS: LHX	$54,135	$64,902	$22,477	$4,208	18.7%	2.9x	15.4x	15 %
Thales SA	PAR: HO	$52,747	$54,695	$24,970	$3,937	15.8%	2.2x	13.9x	(8)%
Rheinmetall AG	ETR: RHM	$52,640	$54,368	$11,091	$2,622	23.6%	4.9x	20.7x	(44)%
Elbit Systems Ltd.	NAS: ESLT	$35,431	$35,401	$8,232	$870	10.6%	4.3x	40.7x	75 %
Huntington Ingalls Industries, Inc.	NYS: HII	$11,029	$13,744	$12,849	$1,226	9.5%	1.1x	11.2x	14 %
Kratos Defense & Security Solutions, Inc.	NAS: KTOS	$9,350	$8,071	$1,415	$132	9.3%	5.7x	NM	16 %
AeroVironment, Inc.	NAS: AVAV	$8,354	$8,556	$1,977	$286	14.5%	4.3x	29.9x	(35)%
Karman Holdings Inc	NYS:KRMN	$6,616	$7,409	$523	$160	30.6%	14.2x	46.4x	11 %
Median		**$52,747**	**$54,695**	**$22,477**	**$3,937**	**14.9%**	**2.9x**	**15.5x**	**11%**
Average		**$64,851**	**$72,347**	**$29,424**	**$4,507**	**16.0%**	**3.9x**	**21.0x**	**11%**

Source: Pitchbook as of 6/30/2026

Public Company Sub-Sector Valuation Metrics (Cont.)

US$ in Millions

Engineered Components & Subsystems	Ticker	Market Cap	Enterprise Value	LTM Rev	LTM EBITDA	LTM Margin EBITDA	EV / LTM Rev	EV / LTM EBITDA	52-Week Change
Eaton Corporation PLC	NYS: ETN	$165,462	$186,588	$28,522	$6,223	21.8%	6.5x	30.0x	20 %
Safran SA	PAR: SAF	$163,307	$162,183	$35,181	$7,582	21.6%	4.6x	21.4x	26 %
Parker-Hannifin Corporation	NYS: PH	$123,328	$132,442	$20,987	$5,499	26.2%	6.3x	24.1x	39 %
TransDigm Group, Inc.	NYS: TDG	$74,506	$102,633	$9,502	$5,071	53.4%	10.8x	20.2x	(12)%
Honeywell International Inc.	NAS: HON	$70,937	$96,363	$36,763	$9,851	26.8%	2.6x	9.8x	(5)%
HEICO Corporation	NYS: HEI.A	$41,442	$44,438	$4,911	$1,414	28.8%	9.0x	31.4x	2 %
Teledyne Technologies Incorporated	NYS: TDY	$30,897	$32,852	$6,226	$1,553	24.9%	5.3x	21.2x	30 %
Curtiss-Wright Corp.	NYS: CW	$27,993	$28,797	$3,606	$846	23.4%	8.0x	34.1x	59 %
Woodward, Inc.	NAS: WWD	$25,349	$25,990	$3,998	$794	19.9%	6.5x	32.7x	74 %
Moog Inc.	NYS: MOG.A	$13,439	$14,371	$4,168	$589	14.1%	3.4x	24.4x	132 %
ESCO Technologies, Inc.	NYSE: ESE	$9,069	$9,167	$1,248	$306	24.5%	7.3x	29.9x	84 %
Loar Holdings Inc.	NYS: LOAR	$7,547	$8,412	$538	$209	38.9%	15.6x	40.2x	(2)%
Ducommun, Inc.	NYS: DCO	$2,794	$3,098	$840	$140	16.7%	3.7x	22.1x	124 %
Median		**$30,897**	**$32,852**	**$4,911**	**$1,414**	**24.5%**	**6.5x**	**24.4x**	**30%**
Average		**$58,159**	**$65,180**	**$12,038**	**$3,083**	**26.2%**	**6.9x**	**26.3x**	**44%**

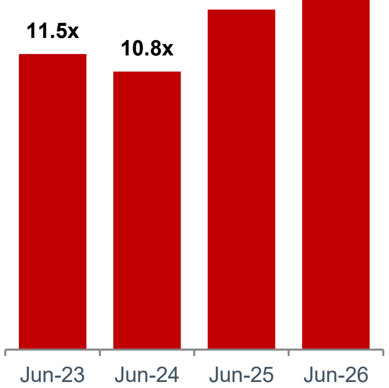
Space	Ticker	Market Cap	Enterprise Value	LTM Rev	LTM EBITDA	LTM Margin EBITDA	EV / LTM Rev	EV / LTM EBITDA	52-Week Change
RTX Corporation	NYSE: RTX	$255,506	$289,377	$90,373	$16,498	18.3%	3.2x	17.5x	32 %
Lockheed Martin Corporation	NYS: LMT	$117,463	$136,266	$75,106	$8,794	11.7%	1.8x	15.5x	9 %
General Dynamics Corporation	NYS: GD	$95,797	$101,975	$53,808	$6,701	12.5%	1.9x	15.2x	20 %
Northrop Grumman Corporation	NYS: NOC	$72,339	$86,565	$42,367	$7,586	17.9%	2.0x	11.4x	1 %
Rocket Lab USA, Inc.	NAS: RKLB	$63,513	$62,268	$680	($83)	-12.2%	91.6x	NM	196 %
L3Harris Technologies, Inc.	NYS: LHX	$54,135	$64,902	$22,477	$4,208	18.7%	2.9x	15.4x	15 %
Karman Holdings Inc	NYSE: KRMN	$6,616	$7,409	$523	$160	30.6%	14.2x	46.4x	11 %
Firefly Aerospace Inc.	NAS: FLY	$4,829	$4,330	$185	($200)	-108.2%	23.4x	NM	(51)%
Redwire Corporation	NYS: RDW	$2,921	$2,985	$371	($57)	-15.4%	8.0x	NM	(20)%
Voyager Technologies, Inc	NYS: VOYG	$1,911	$2,020	$167	($82)	-49.0%	12.1x	NM	(20)%
Median		**$58,824**	**$63,585**	**$11,578**	**$2,184**	**12.1%**	**5.6x**	**15.5x**	**10 %**
Average		**$67,503**	**$75,810**	**$28,606**	**$4,352**	**-7.5%**	**16.1x**	**20.2x**	**19 %**

Source: Pitchbook as of 6/30/2026

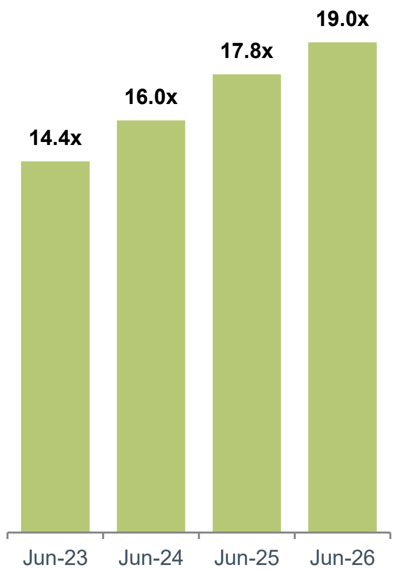
Public Company Sub-Sector Valuation Metrics (Cont.)

Three Month Rolling Average Median EV / EBITDA Multiples

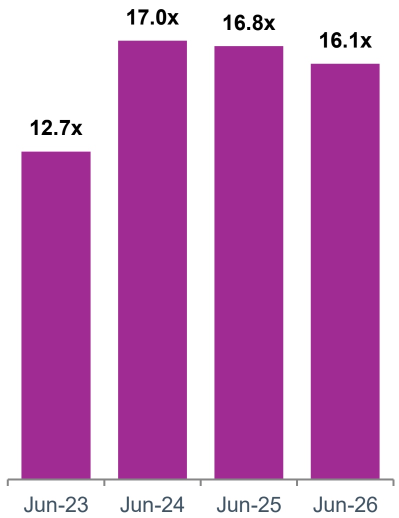
Airframe OEMs & Structures



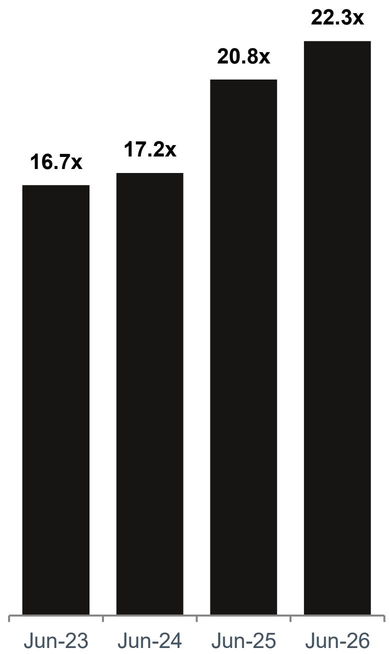
Aftermarket & MRO



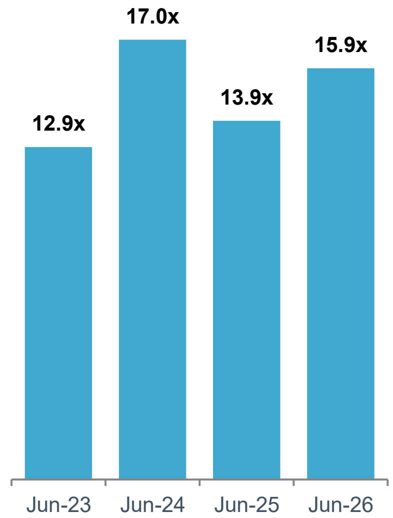
Defense Primes



Engineered Components & Subsystems



Space



Source: Pitchbook as of 6/30/2026

Thank you

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Disclosures

Reference Further Reading

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3. Fact Sheet: President Donald J. Trump Prioritizes the Warfighter in Defense Contracting
4. Congress Approves FY 2026 Defense Appropriations Bill
5. The Pentagon wants a 188 percent bump for missile procurement. Can industry deliver?
6. Pentagon signs deals with industry to rapidly field 10,000 low-cost missiles
7. Trump invokes Defense Production Act to boost weapons manufacturing as Iran war intensifies concerns
8. Pentagon awards $7.8 billion in missile contracts for US and allies
9. Army awards Lockheed $4.2B modification to increase GMLRS production
10. HACM Flight Tests Expected in Fiscal ’26 After Yearlong Delay, Air Force announces hypersonic missile contract award
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12. Raytheon Missiles and Defense awarded $384M Tomahawk contract modification
13. Pentagon to invest $1B in L3Harris spinoff rocket motor firm
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15. Pentagon inks deal with BAE, Lockheed to quadruple THAAD seeker production
16. Lockheed Martin Secures $1.36B Deal For Conventional Prompt Strike Hypersonic Weapons Program
17. Pentagon, Lockheed Martin agree to $4.7 billion PAC-3 interceptor deal
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19. Rebuilding U.S. Missile Inventory: A Multiyear Project