



# A&D AFTERMARKET MONTHLY

## December 2023

Maintenance,  
Repair & Overhaul

PMA &  
Replacement Parts

Distribution &  
Logistics

STC &  
Modifications

Supply Chain  
Management

Aftermarket  
Services

## Key A&D Aftermarket Deals Announced

Target	Buyer	Description
 <p>SALT RIVER AVIATION, LLC</p>	 <p>WEINBERG CAPITAL GROUP</p>	<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Chandler, AZ-based Salt River Aviation supplies and provides APUs, components, and related services to the aviation ecosystem including maintenance, repair, and overhaul providers, OEMs, airlines, lessors, and aftermarket distributors. The company provides Boeing and Airbus parts and Honeywell and Pratt &amp; Whitney APUs.</li> <li>▪ <b>Buyer:</b> Cleveland, OH-based Weinberg Capital is a private investment firm focused on sourcing, executing, and managing equity investments. The firm specializes in making investments in the manufacturing, business services, aviation services, consumer products, and distribution industries.</li> <li>▪ <b>Terms:</b> Transaction announced on December 20, 2023. Terms not disclosed.</li> </ul>
<p>The Product Support Group business of</p>  <p>Triumph Group, Inc.</p>	 <p>AAR®</p>	<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Grand Prairie, TX-based Product Support Group business of Triumph Group (NYSE: TGI) provides maintenance, repair and overhaul services for structural components, engine and airframe accessories, interior refurbishment and wheels and brakes to private sector and U.S. federal government aerospace and defense markets.</li> <li>▪ <b>Buyer:</b> Wood Dale, IL-based AAR (NYSE: AIR) is a global aerospace and defense company that provides aviation services to commercial and government customers, including maintenance, repair, overhaul, and fleet management services.</li> <li>▪ <b>Terms:</b> Transaction announced on December 21, 2023. The purchase price was \$725M, 2.3x and 11.7x FY2024E revenue and EBITDA, respectively, net of tax benefits.</li> </ul>
 <p>SOUTH BREEZE Aviation</p>	 <p>AISG Beyond Quality</p>	<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Canada-based South Breeze Aviation provides aircraft maintenance services. The company specializes in daily maintenance checks, 24/7 AOG (aircraft on ground) support, and same day turnaround services. The company offers services in Vancouver, Kelowna, Abbotsford, Comox, and Victoria.</li> <li>▪ <b>Buyer:</b> Mexico-based Aviation Integrated Services Group provides aircraft services dedicated to the commercial airline industry. The company focuses on line maintenance performance, spare parts storage, and providing on-call emergency support. Additionally, the company is a FAA and EASA certified part 145 repair station and holds approvals from Transport Canada.</li> <li>▪ <b>Terms:</b> Transaction announced on December 26, 2023. Terms not disclosed.</li> </ul>
 <p>KTi INC. AIRCRAFT MAINTENANCE</p>	 <p>Flightcheck COMMERCIAL AVIATION SERVICES</p> <p>a portfolio company of</p>  <p>LINEAGE CAPITAL, LLC</p>	<ul style="list-style-type: none"> <li>▪ <b>Target:</b> Southwick, MA-based KTi Aircraft Maintenance provides AOG (aircraft on ground) services at Hartford's BDL airport. The company provides freight and passenger airlines with aircraft maintenance services through its licensed A&amp;P mechanics and its FAA 145 repair station. The company also operates provides services to the Manchester-Boston Regional Airport.</li> <li>▪ <b>Buyer:</b> Bensenville, IL-based Flightcheck Commercial Aviation Services provides aircraft maintenance services. The company's capabilities include technical handling, aircraft de-icing, and limited ground handling at O'Hare International Airport. Additionally, the company is a FAA and EASA certified part 145 repair station.</li> <li>▪ <b>Terms:</b> Transaction announced on December 29, 2023. Terms not disclosed.</li> </ul>



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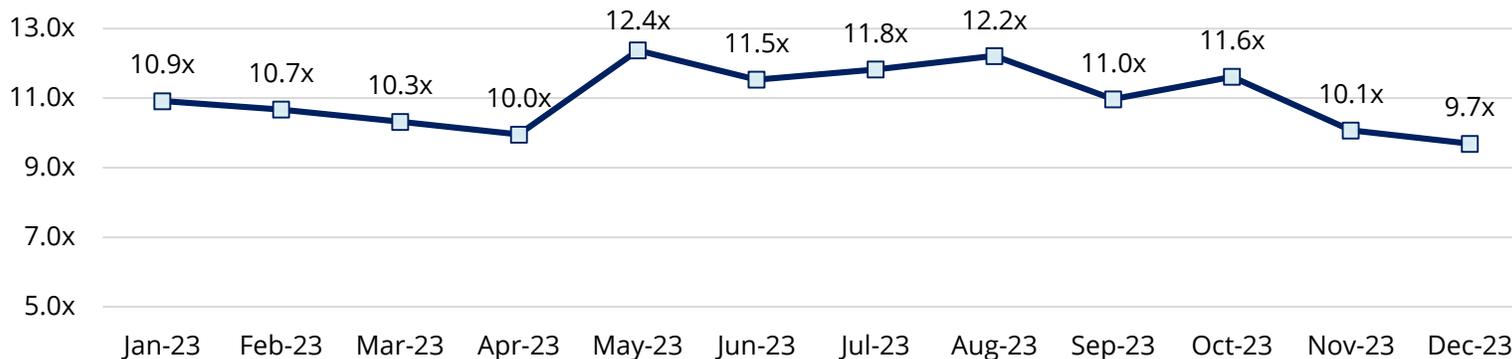
STC & Modifications

Supply Chain Management

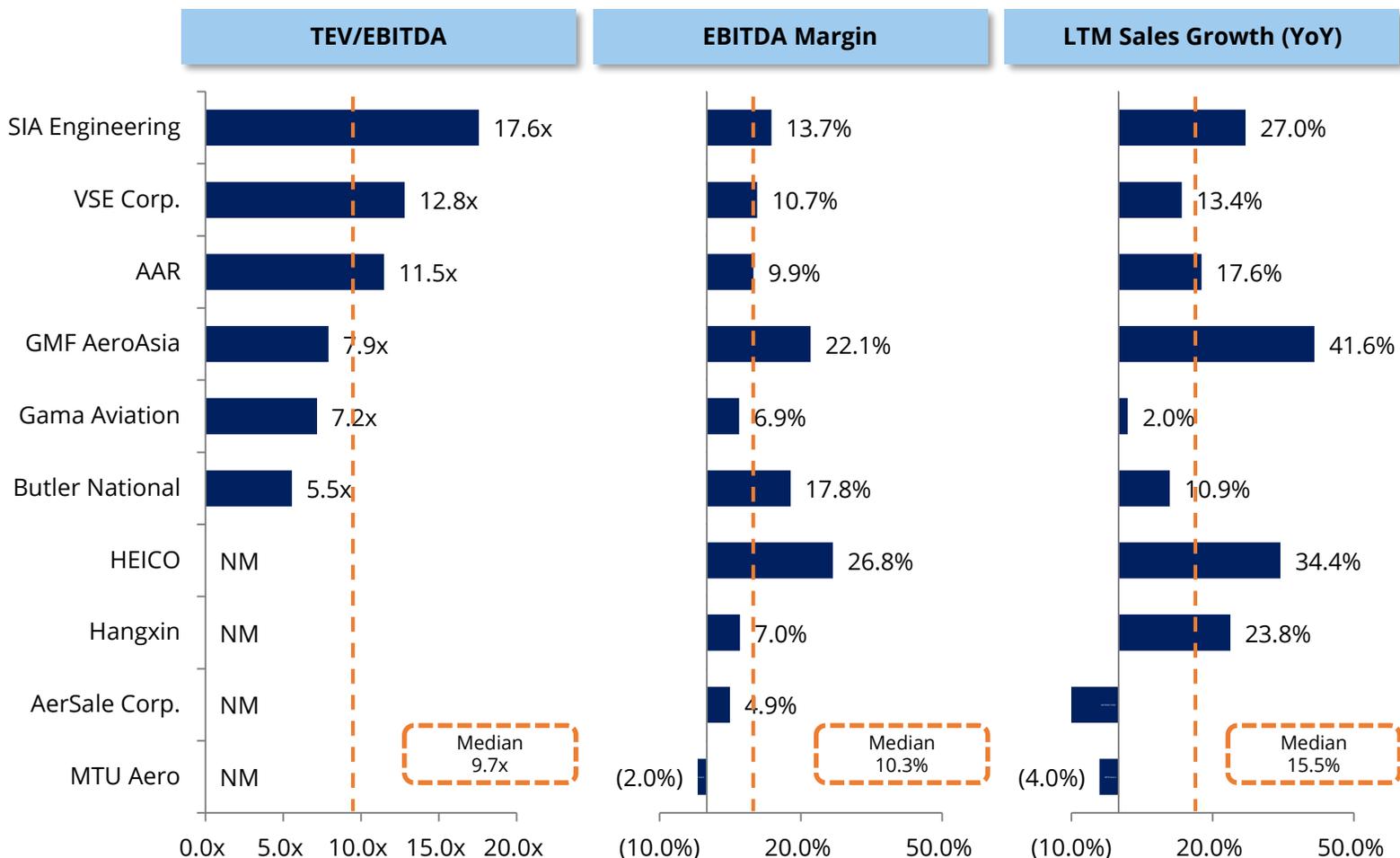
Aftermarket Services

## A&D Aftermarket Public Trading Comparables

Median TEV/EBITDA by Month



Valuation Trends By Company



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

Notes: Market valuations and LTM financials from public data available as of 12/31/2023. Excludes TEV/EBITDA multiples >20.0x.



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## A&D Aftermarket Public Trading Comparables *(continued)*

### Company Profiles

Company	Description	TEV (\$M)	Sales (\$M)	EBITDA (\$M)	EBITDA Margin	TEV/ Sales	TEV/ EBITDA
 SGX:S59	SIA Engineering Company Limited is a Singaporean company that provides MRO services to airlines and aerospace OEMs worldwide. It operates two segments: (1) Airframe and Line Maintenance and (2) Engine and Component, which provides component overhaul and engine repair and overhaul services.	\$1,673	\$694	\$95	13.7%	2.4x	17.6x
 NasdaqGS:VSEC	VSE Corporation is a diversified aftermarket products and services company providing repair services, parts distribution, logistics, supply chain management and consulting services for land, sea and air transportation assets to commercial and government markets.	\$1,479	\$1,077	\$116	10.7%	1.4x	12.8x
 NYSE:AIR	AAR Corp. operates through four segments: (1) Parts Supply, sale of used and serviceable parts and distribution of new parts; (2) Repair & Engineering, MRO services; (3) Integrated Solutions, fleet management and operations of customer-owned aircraft and supply chain solutions; and (4) Expeditionary Services.	\$2,463	\$2,170	\$215	9.9%	1.1x	11.5x
 IDX:GMFI	GMF AeroAsia is an Indonesian company that specialises in aircraft maintenance repair and overhaul. It is one of the largest and leading aircraft maintenance facilities in Asia, with 68 domestic outstation line maintenance locations and serving customer across 5 major continents and over 50 countries.	\$590	\$338	\$75	22.1%	1.7x	7.9x
 AIM:GMAA	Gama Aviation Plc is a British business aviation services company operating three business units: (1) Business Aviation, (2) Special Mission and (3) Technology & Outsourcing. Provides aviation support and MRO services for business aviation airframes including Bombardier, Gulfstream, Textron, BAE, Dassault, Embraer, as well as helicopters.	\$144	\$291	\$20	6.9%	0.5x	7.2x
 OTCPK:BUKS	Butler National Corporation operates two business segments: (1) Aerospace, providing aircraft modifications, system integration, manufacturing, installation, overhaul and repair of aircraft and aircraft-related products; and (2) Professional Services, providing management services for the gaming industry.	\$76	\$77	\$14	17.8%	1.0x	5.5x
 NYSE:HEI	HEICO Corporation, through its subsidiaries, designs, manufactures, and sells aerospace, defense, and electronic related products and services. HEICO believes it is the world's largest manufacturer of FAA-approved replacement parts of jet engine and aircraft components, other than OEMs and their subcontractors.	\$24,531	\$2,968	\$795	26.8%	8.3x	NM
 SZSE:300424	Hangxin Aviation is headquartered in Guangzhou, China, and specializes in MRO services including heavy, line and component maintenance, aircraft painting, cabin interior, engine management, asset management and other technical services. It maintains CAAC, FAA, and EASA certificates.	\$549	\$250	\$18	7.0%	2.2x	NM
 NasdaqCM:ASLE	AerSale Corporation provides aftermarket commercial aircraft, engines, and its parts to passenger and cargo airlines, leasing companies, original equipment manufacturers, and government and defense contractors, as well as maintenance, repair, and overhaul (MRO) service providers worldwide.	\$695	\$335	\$16	4.9%	2.1x	NM
 XTRA:MTX	MTU Aero Engines AG is based in Germany and operates through two segments: (1) OEM, developing and producing commercial and military engines; and (2) MRO, commercial maintenance services. Its MRO segment accounts for over 2/3 of revenue and is one of the world's largest independent engine MRO provider.	\$12,403	\$5,467	-\$107	(2.0%)	2.3x	NM

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

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### Selected Janes Capital Partners A&D Experience

**ARCLINE**  
INVESTMENT MANAGEMENT

has acquired

**INTERNATIONAL Water-Guard**

ADVISOR TO BUYER

**VSE CORPORATION**

has acquired

**PRECISION Fuel Components LLC**

ADVISOR TO SELLER

**SPECTRA**  
a platform formed by

**VANCE STREET CAPITAL**

has acquired

**ARGON**

ADVISOR TO SELLER

**PTI**  
a wholly-owned subsidiary of

**ESCO TECHNOLOGY**

has acquired

**NEco**

ADVISOR TO SELLER

**AkzoNobel**

has acquired

**MAPAERO CREATING COATINGS**

ADVISOR TO SELLER

**AMETEK**

has acquired

**INTELLIPOWER**  
High Reliability in Demanding Environments

ADVISOR TO SELLER  
\$115 million

**ITT**

has acquired

**ATEX Composites, Inc.**

ADVISOR TO SELLER  
\$29 million

**Ducommun**

has acquired

**LIGHTNING DIVERSION SYSTEMS**

ADVISOR TO SELLER  
\$60 million

**UMBRA GROUP**

has acquired  
Thomson Aerospace & Defense from

**MEGGITT**

ADVISOR TO BUYER

**ZODIAC AEROSPACE**

has acquired

**FPP PACIFIC PRECISION PRODUCTS**

ADVISOR TO SELLER  
\$45 million

**Greenwich AEROGROUP**

has acquired

**AEROPRECISION**

ADVISOR TO SELLER  
\$120 million

**KAPCO**

has acquired

**AAXICO**

ADVISOR TO SELLER  
\$65 million

**ADMIRALTY PARTNERS, INC.**

has acquired the  
Santa Ana operations from

**GE Aviation**

ADVISOR TO SELLER

**MOOG**

has acquired

**AMPAC™ IN-SPACE PROPULSION**

ADVISOR TO SELLER  
\$46 million

**TRANS DIGM GROUP INC.**

has acquired the  
Lubrication & Scavenge Pumps Business Unit of

**Honeywell**

ADVISOR TO SELLER

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Based in Irvine, CA, Janes Capital Partners is a leading investment banking firm focused solely on the Aerospace and Defense industry. The firm provides mergers and acquisition advisory services and assists clients in executing growth strategies and liquidity events. The members of Janes Capital Partners have completed more than 80 successful A&D transactions and \$5.5 billion in closed transaction value. Securities transactions are conducted through JCP Securities, Inc., a registered Broker/Dealer, member FINRA/SIPC, and registered Investment Advisor. Janes Capital Partners is an independent financial advisory firm that is affiliated with Oaklins International Inc. Oaklins is the world's most experienced mid-market M&A advisor, with 850 professionals globally and 15 dedicated industry teams in 45 countries.

