



DEFENSE ELECTRONICS

January 2024

C4ISR & Electronic Warfare Rugged Electronics RF & Microwave Embedded Computing Connectors & Cables Microelectronics & Semiconductor Test & Measurement

Key Defense Electronics Deals Announced

Target	Buyer	Description
		<ul style="list-style-type: none"> ▪ Target: Santa Clara, CA-based Invecas is a provider of turnkey ASIC custom silicon production, embedded software, and system-level solutions to private sector and U.S. federal government defense, IoT, medical, and semiconductor markets. The company provides full turnkey NPI and production management for their ASIC products. ▪ Buyer: San Jose, CA-based Cadence is a provider of electronic systems design. The company's capabilities include software, hardware, IP, chips, boards, hyperscale computing, and 5G communications. The company primarily serves the automotive, aerospace, industrial, and healthcare sectors. ▪ Terms: Transaction announced on January 8, 2024. Terms not disclosed.
		<ul style="list-style-type: none"> ▪ Target: Oshkosh, WI-based SNC is a designer and manufacturer of electrical transformers, utility products, and information and communication products for private sector and U.S. federal government defense, industrial automation, and alternative power generation and energy markets. ▪ Buyer: Amherst, NY-based Allient is a global designer and manufacturer of precision and specialty motion, controls and power products and solutions. The company currently operates through the following divisions: Allient Motion, Allient Controls, and Allient Power. ▪ Terms: Transaction announced on January 11, 2024. SNC's 2023E revenue was estimated to be approximately \$40M.
	 a division of 	<ul style="list-style-type: none"> ▪ Target: White Salmon, WA-based Aerovel is a developer and manufacturer of unmanned aerial systems and vehicles for private sector and U.S. federal government aerospace and defense markets. Aerovel is the creator of the Group 2 small tactical unmanned aerial system (STUAS), a backbone of US military and allied intelligence, surveillance, target acquisition and reconnaissance (ISTAR) missions worldwide. ▪ Buyer: Marignane, France-based Airbus Helicopters is a provider of efficient helicopter solutions. The company's product line offers a full spectrum of rotary-wing aircraft solutions for civil, military, law enforcement and parapublic uses. ▪ Terms: Transaction announced on January 15, 2024. Terms not disclosed.
		<ul style="list-style-type: none"> ▪ Target: Scottsdale, AZ-based Interconnect Technologies business of Carlisle is a designer and manufacturer of high-performance wire and cable, including optical fiber for the commercial aerospace, military and defense electronics, medical device, general industrial sectors. The company also offers sensors, connectors, contacts, and cable assemblies. ▪ Buyer: Wallington, CT-based Amphenol is a provider of high-technology interconnect, sensor, and antenna solutions. The company provides products and services to the automotive, broadband communications, commercial aerospace, defense, and general industrial sectors. ▪ Terms: Transaction announced on January 30, 2024. The purchase price is expected to be \$2.0B, 2.2x and 11.1x 2024P revenue and adj. EBITDA, respectively.
		<ul style="list-style-type: none"> ▪ Target: San Diego, CA-based Anokiwave designs, manufactures, and delivers integrated circuit solutions. The company offers SiGe core chip solutions, E-band point-to-point radio MMICs, automotive radar solutions, silicon active antenna quad core ICs, and GaN and GaAs MMICs. It provides its solutions for automotive radar, satellite communication, point-to-point radio, and active electronically scanned antenna applications. ▪ Buyer: Greensboro, NC-based Qorvo is a global provider of connectivity and power solutions. The company supplies semiconductor solutions to the consumer electronics, IoT, automotive, EV, aerospace, and defense sectors. ▪ Terms: Transaction announced on January 31, 2024. Terms not disclosed.



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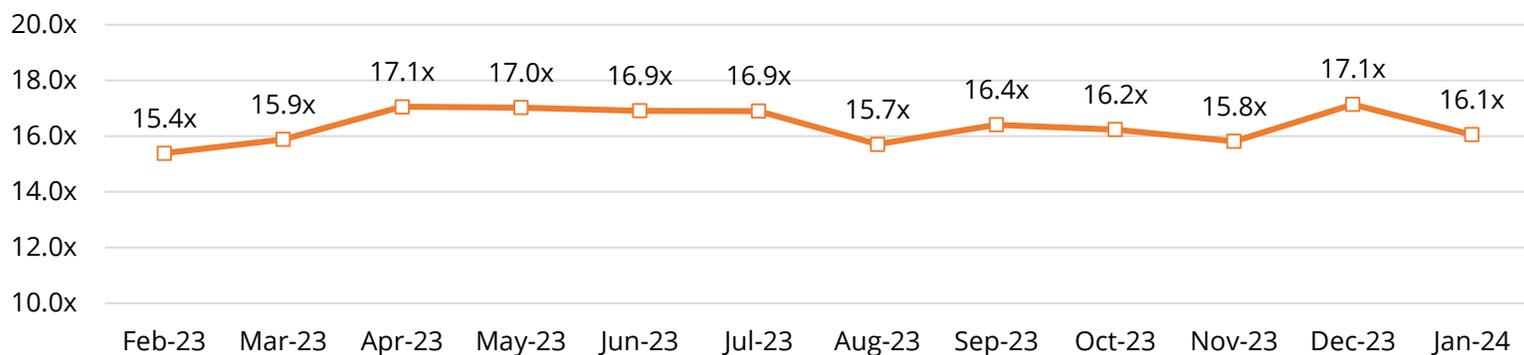
Defense Electronics Public Trading Comparables

Defense Electronics Comparable Companies

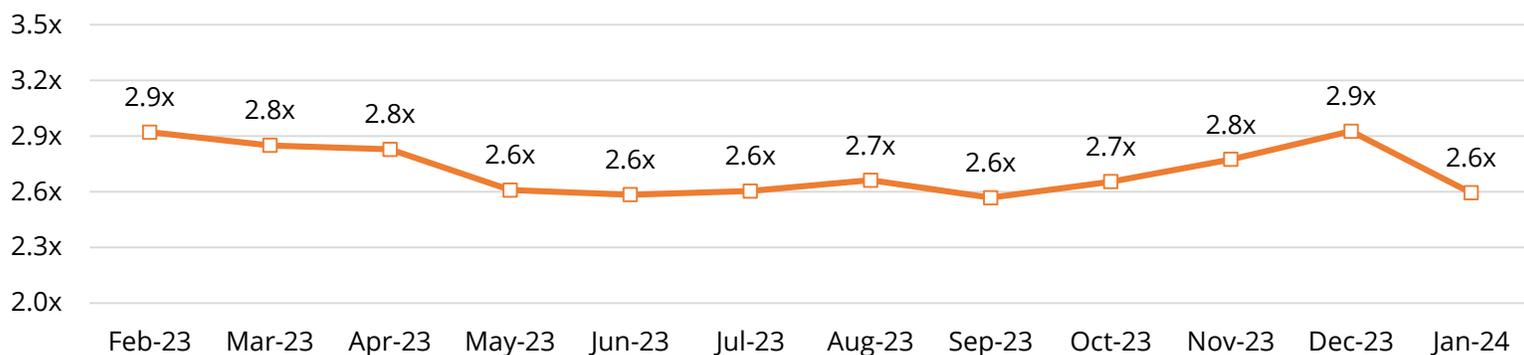
(\$M)	AeroVironment NASDAQ:AVAV	AMETEK NYSE:AME	Elbit Systems NASDAQ:ESLT	TELEDYNE TECHNOLOGIES NYSE:TDY	L3HARRIS NYSE:LHX	CURTISS-WRIGHT NYSE:CW	TT Electronics LSE:TTG	TTM Technologies NASDAQ:TTMI	KROTTOS NASDAQ:KTOS	mercury NASDAQ:MRCY
TEV	\$3,383	\$38,889	\$10,651	\$22,347	\$52,069	\$9,531	\$505	\$1,982	\$2,506	\$2,325
Market Cap	\$3,372	\$37,401	\$9,168	\$19,745	\$39,504	\$8,511	\$328	\$1,422	\$2,183	\$1,758
Revenue	\$654	\$6,492	\$5,855	\$5,636	\$19,419	\$2,817	\$835	\$2,281	\$1,013	\$927
EBITDA	\$137	\$2,048	\$618	\$1,365	\$3,307	\$665	\$41	\$287	\$71	\$77
Margin	21%	32%	11%	24%	17%	24%	5%	13%	7%	8%

Median Valuation Trends By Month

Median TEV/EBITDA by Month



Median TEV/Revenue by Month



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

Notes: Market valuations and LTM financials from public data available as of 1/31/2024. Excludes TEV/EBITDA multiples >30.0x.



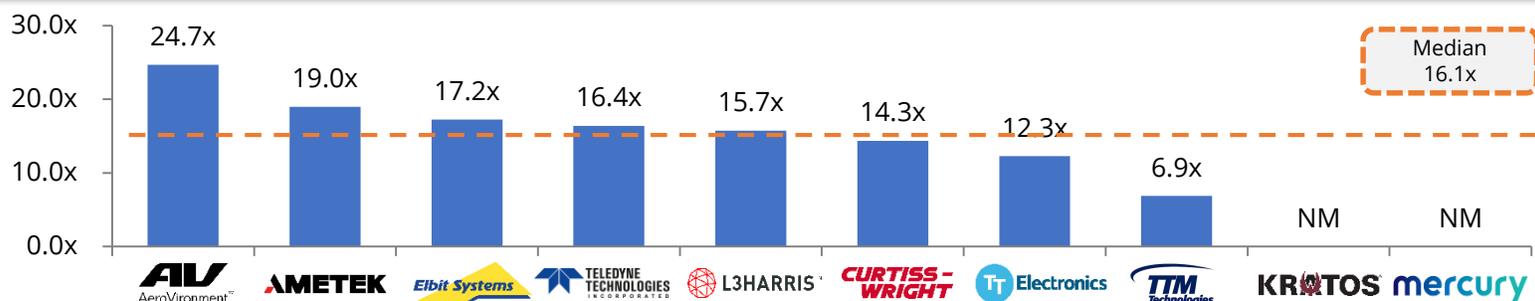
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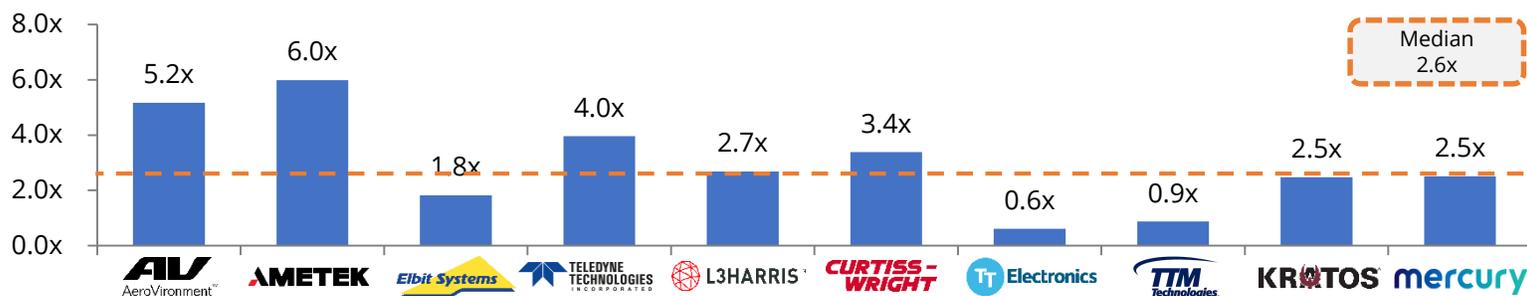
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Defense Electronics Public Trading Comparables (continued)

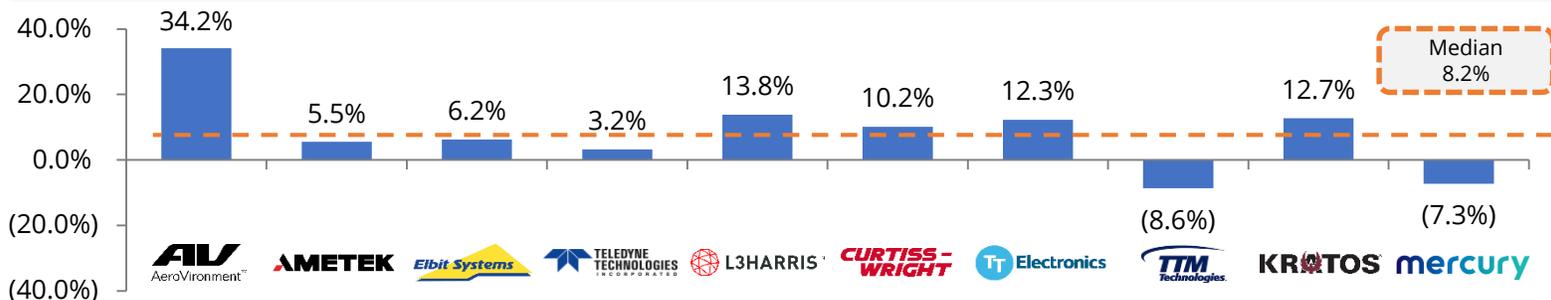
TEV/LTM EBITDA by Company



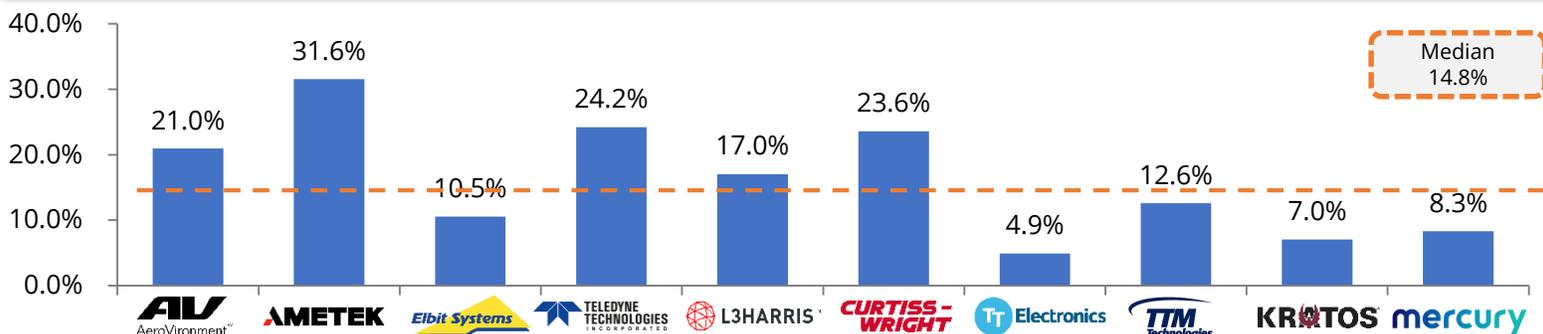
TEV/LTM Revenue by Company



LTM Revenue Y/Y Growth by Company



LTM EBITDA Margin by Company



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

Notes: Market valuations and LTM financials from public data available as of 1/31/2024. Excludes TEV/EBITDA multiples >30.0x.



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Selected Janes Capital Partners Defense Electronics Experience

SAFRAN

has acquired

Syrlinks

ADVISOR TO SELLER

CPI Communications & Power Industries
a portfolio company of

ODYSSEY ADVANCED TECHNOLOGIES, LLC

has acquired

TMD

ADVISOR TO SELLER

SPECTRA

a platform formed by

VANCE STREET CAPITAL

has acquired

ARGON

ADVISOR TO SELLER

AMETEK

has acquired

INTELLIPOWER
High Reliability in Demanding Environments

ADVISOR TO SELLER
\$115 million

GENERAL DYNAMICS
Mission Systems

has acquired

Advatech Pacific
CROSS DOMAIN SOLUTIONS

ADVISOR TO SELLER

KRATOS
DEFENSE & SECURITY SOLUTIONS

has acquired

CEI

ADVISOR TO SELLER
\$170 million

NORTHROP GRUMMAN

has acquired

SCALED COMPOSITES

ADVISOR TO SELLER

BOEING

has acquired

FRONTIER SYSTEMS, INC.

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.

