

November 2024

M&A Insider Report



Defense, Government & Intelligence

Physical & Cyber Security

Critical Infrastructure

Maritime Transport & Facilities

FIRM OVERVIEW

- Founded in 1997 and headquartered in Northern VA; 27-year history of transaction success
- Comprised of 50+ financial professionals across five offices
- Team includes career investment bankers, CPAs, certified business valuation professionals, and former industry executives



INDUSTRY FOCUSED M&A

Government Services



- Government Services and Products
- Federal Civilian Services
- State and Local Government

Physical & Cyber Security



- Physical Security Services
- Integrators
- Cyber Security

Critical Infrastructure



- Water & Wastewater
- Energy Infrastructure
- Critical Communications

Maritime



- Vessels
- Tier Two & Three Services
- Ports & Facilities



CORE BUSINESS

Investment Banking *Strategic Advisory Services*

- Sell-Side M&A
- Buy-Side M&A
- Debt / Equity Placements
- Employee Stock Ownership Plans
- Leveraged Transactions
- Other Advisory Services

Business Valuation *Valuations and Opinions*

- "Fair Value" Financial Reporting
- Equity Incentive Plans
- Fairness Opinions
- PEG Portfolio Valuations
- ESOP Transactions
- Estate and Gift

360 FINANCIAL COVERAGE

150+

Closed Transactions Since 2010

> 400

Annual Valuation Clients

> 27 yrs.

Track Record of Success

50+

Financial Professionals

>90%

Portion of Deals that are Sell-Side M&A

> \$8B

Total Transaction Value Since 2010

Major News Stories

**S&P 500 Has its Best One-Month Performance in 2024**

- In November, the S&P 500 rose 5.7%, posting its strongest month in 2024, with every sector increasing as the uncertainty surrounding the election subsided and corporations prepare for potential tax cuts.
- Consumer discretionary equities, which include mega-cap, tech-focused companies such as Amazon and Tesla, drove growth at 13.2%.

**Private Equity Anticipates Boost in Dealmaking**

- Expected tax cuts and regulatory easing from a new Trump administration are likely to accelerate dealmaking and enhance fundraising.
- Private equity executives are confidently investing large cash reserves as the industry emerges from a prolonged deal slump that has negatively impacted fundraising and cash distributions to fund investors.

**President-elect Donald Trump Selects Treasury Secretary and SEC Chair**

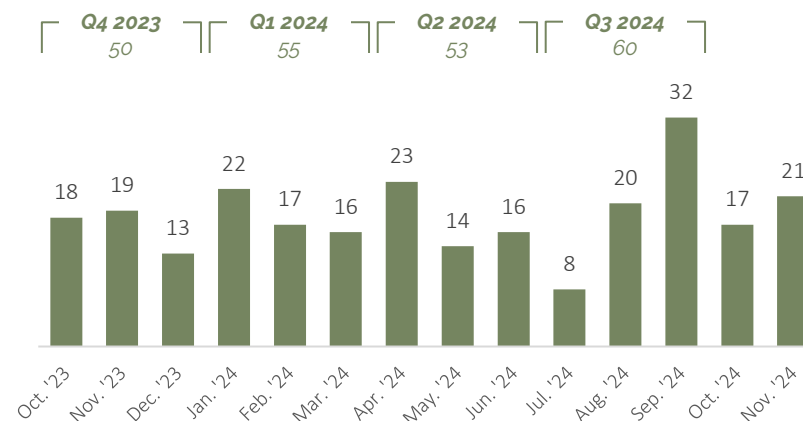
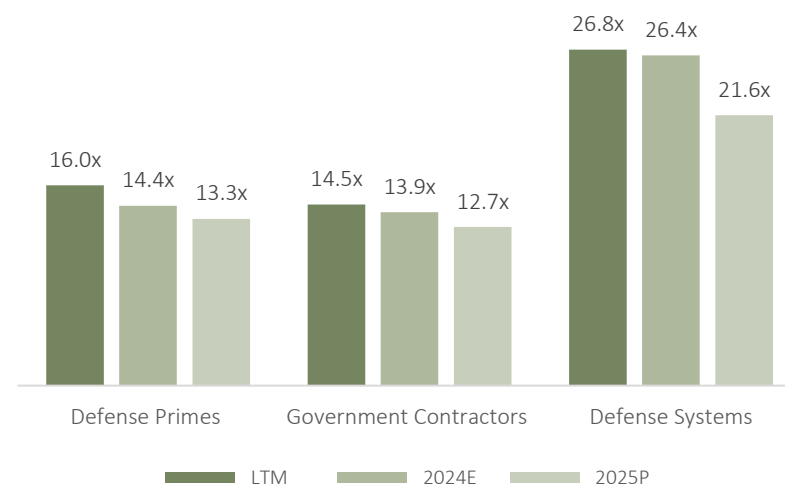
- On November 22, Donald Trump nominated Scott Bessent to lead the U.S. Department of the Treasury.
- Bessent, the founder of Key Square Capital Management, will advocate for policies that enhance U.S. competitiveness, prevent trade imbalances, maintain the U.S. dollar as the global reserve currency, and foster economic growth.
- Shortly after, Trump appointed Paul Atkins as chair of the Securities and Exchange Commission. Atkins is a well-known advocate for cryptocurrency, education investment, and reduced regulations for corporations.

**SEC Approves the First Round-the-Clock Exchange**

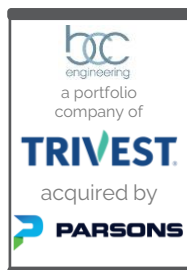
- U.S. regulators have approved the first round-the-clock exchange, called 24X National Exchange, that will operate a venue 23 hours daily, five days a week.
- Investors across the country hold differing opinions on the introduction of round-the-clock trading. Advocates argue that it would allow investors to respond quickly to news outside of U.S. market hours. However, others believe that the quality of trading may decline due to lower trading volumes, which could negatively impact the precision of stock prices.

- China showcased its latest stealth fighter, the J-35A, at the China International Aviation & Aerospace Exhibition in Zhuhai, indicating its aim to modernize its military and compete with the U.S. for air superiority amid increasing regional tensions. Experts view the J-35's debut as a critical step in challenging U.S. dominance, particularly over Taiwan. However, analysts believe China is still 10 to 15 years behind the U.S. regarding training and operational readiness. Yet, China's manufacturing capabilities may enable J-35s to be produced more cheaply, potentially providing an edge in export markets.
- Ukraine launched a series of ATACMS missiles into Russia, marking the first use of U.S.-made long-range weapons in over 1,000 days of war. A U.S. official confirmed that Ukraine fired seven Army Tactical Missile Systems at a weapons depot near Karachev, located in Russia's Bryansk region, approximately 70 miles from Ukraine. The official also noted that Russia shot down two of the missiles. This missile barrage occurred just two days after the Biden administration lifted restrictions on Ukraine's use of sophisticated long-range Western weaponry to strike inside Russia. Ukraine has lobbied Washington for months to secure permission to use the ATACMS.
- The Army is transitioning its personnel and pay system to the cloud, with Oracle managing HR records for over one million soldiers. This move will relocate key components of the Integrated Personnel and Pay System-Army, used for recruitment and personnel management, to a customized cloud environment. The new system is expected to be operational by December 2027.

TRANSACTIONS BY MONTH

EBITDA VALUATION MULTIPLES¹

Sources: Financial Times, Wall Street Journal, Washington Technology
 1. For composition of indices, see page 21



Date: 11/01/2024

EV: \$230.0M

EV/EBITDA: 12.8x

Transaction Details

BCC Engineering, a portfolio Company of Trivest Partners, is a full-service engineering firm that provides planning, design, and management services for transportation, civil, and structural engineering projects. The acquisition strengthens Parsons' position as an infrastructure leader while expanding the Company's reach in the Southeastern United States. BCC will be integrated into Parsons' North America Infrastructure business unit.



Date: 11/08/2024

EV: NA

EV/EBITDA: NA

Transaction Details

Softrams is a provider of human-centered digital services and system modernization for U.S. federal government aerospace, defense, and healthcare markets. The Company's organizational asset and vulnerability management tool generates security reports, manages API keys, and integrates with Jira or email for automated messaging. The acquisition addresses growing demand for integrated technology and advisory solutions across the federal sector.



Date: 11/14/2024

EV: \$410.0M

EV/EBITDA: NA

Transaction Details

Enercon, a portfolio Company of Fortissimo Capital, is a supplier of highly engineered non-ITAR power conversion and networking solutions to global aerospace and defense markets. The acquisition will enhance Bel Fuse's presence in the U.S. and allow it to broaden its product portfolio for the aerospace and defense markets to include power solutions, creating clear opportunities for cross-selling in the future.



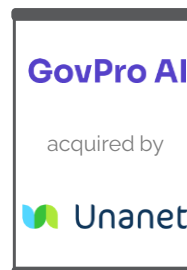
Date: 11/19/2024

EV: \$4,100.0M

EV/EBITDA: NA

Transaction Details ¹

BlueHalo, an Arlington Capital Partners portfolio Company, specializes in space technologies, counter-uncrewed aircraft systems, directed energy, electronic warfare, cyber, AI, and other emerging technologies. The acquisition of BlueHalo will create a diversified defense tech Company with a highly complementary portfolio of solutions. AeroVironment expects the combination to drive innovation, expand manufacturing capacity, and enable better customer support.



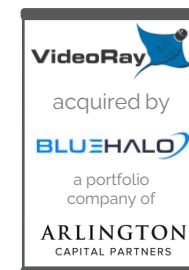
Date: 11/22/2024

EV: NA

EV/EBITDA: NA

Transaction Details

GovPro AI develops AI-powered, secure, highly specified proposal writing solutions for government contractors. The Company's platform uses AI to create high-quality pink team drafts for virtually any federal RFP in a matter of hours. The acquisition will enhance Unanet's product portfolio by offering customers a solution to reduce the amount of time, money, and resources invested in responding to complex and highly technical requests for proposals.



Date: 11/22/2024

EV: NA

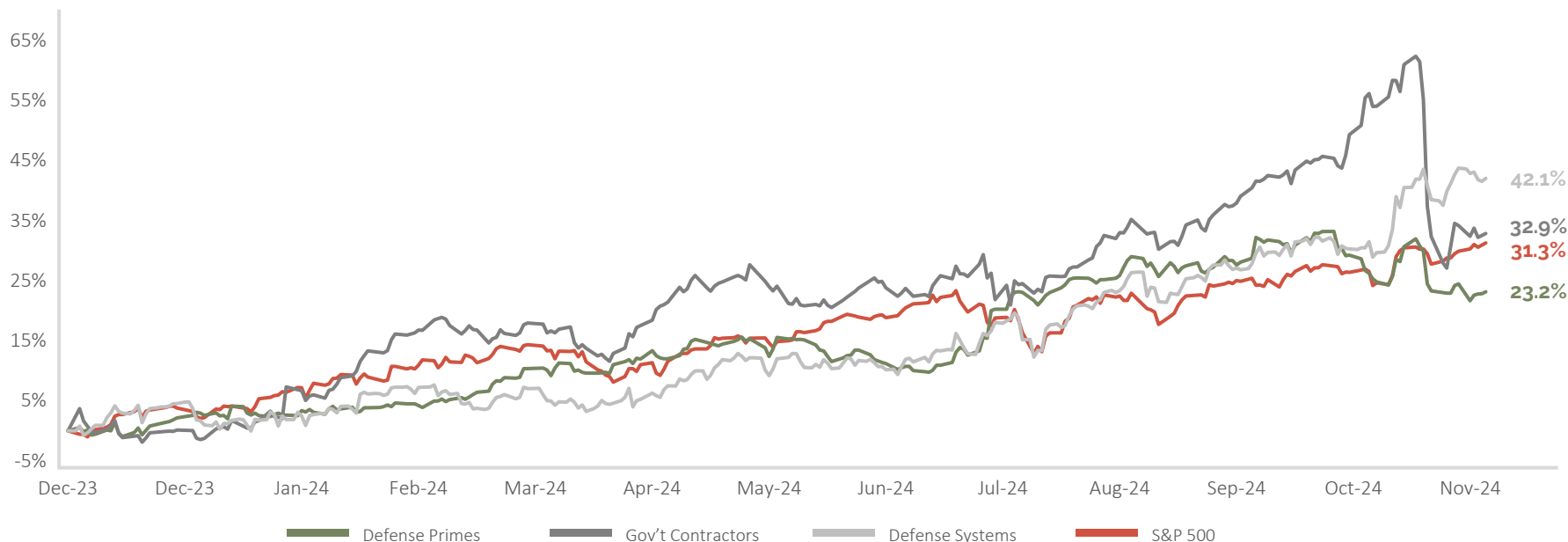
EV/EBITDA: NA

Transaction Details

VideoRay is a developer of underwater ROV technology for the private sector and the U.S. federal government, as well as explosive ordinance disposal, mine countermeasure, mobile diving, and salvage applications. The acquisition will help BlueHalo leverage the Company's proprietary hardware and software. Coupled with BlueHalo's existing technology, VideoRay will help deliver an improved suite of products to support the warfighter on the next-generation battlefield.

Contract Value (\$M)	Award Date	End Date	Customer	Awardee	Type	Contract Scope
5,570.0	11/12/2024	12/9/2035	U.S. Air Force	General Dynamics IT	IDIQ	Provide services for material readiness, operational performance, and sustainment of operational capabilities
960.8	11/12/2024	5/30/2031	U.S. Navy	Kongsberg Defence and Aerospace	Fixed Price	Produce Over-the-Horizon-Weapons System encanistered missiles, also known as the Naval Strike Missile
869.9	11/22/2024	5/21/2031	U.S. Navy	Lockheed Martin	Fixed Price	Procure long lead materials, parts, components, and associated support for F-35 Lot 20 production aircraft
834.1	11/1/2024	12/31/2029	U.S. Navy	Wunderman Thompson LLC	Fixed Price / Cost Plus (Hybrid)	Provide advertising agency support to furnish supplies and services to enhance the Marine Corps' recruiting efforts
727.5	11/8/2024	12/31/2028	U.S. Army / MPO	Clark Construction	N/A	Construct building in support of the Maryland Procurement Office (MPO), Ft. Meade, MD
695.3	11/26/2024	11/25/2026	U.S. Navy	Rolls Royce Corp	Fixed Price	Provide program management, logistics, engineering, for the MV-22, CV-22, and CMV-22, AE1107C engine
670.5	11/21/2024	10/31/2029	U.S. Army	Dynetics Inc	Cost Plus	Produce common hypersonic glide body and thermal protection system
600.0	11/20/2024	12/31/2034	U.S. Air Force	ELB Services LLC	IDIQ	Provide continued support of multiple mission planning systems
590.8	11/26/2024	1/25/2028	U.S. Navy	Raytheon Co.	Cost Plus	Production of 13 Next Generation Jammer Mid-Band ship sets for the Navy EA-18 Growler

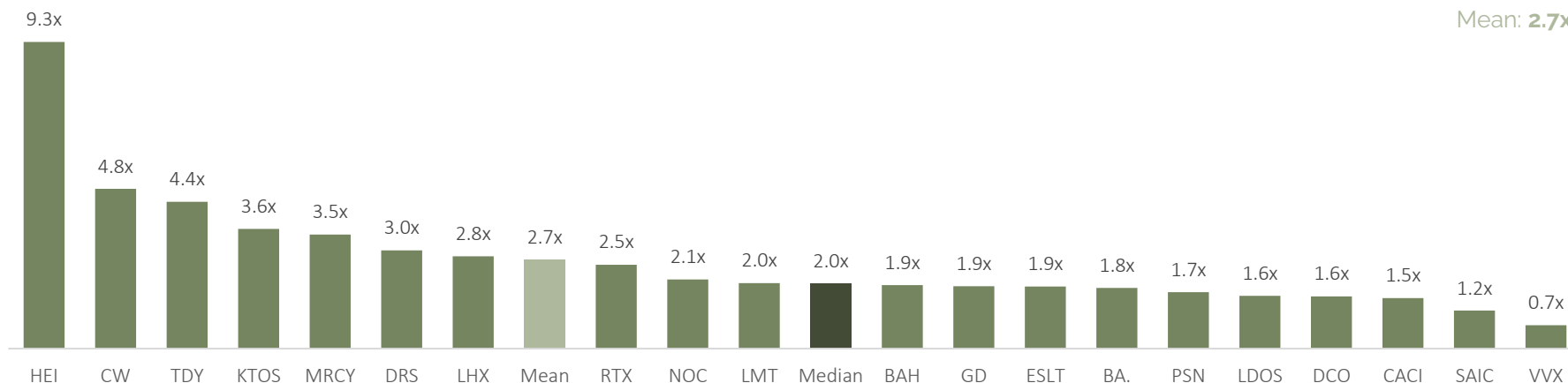
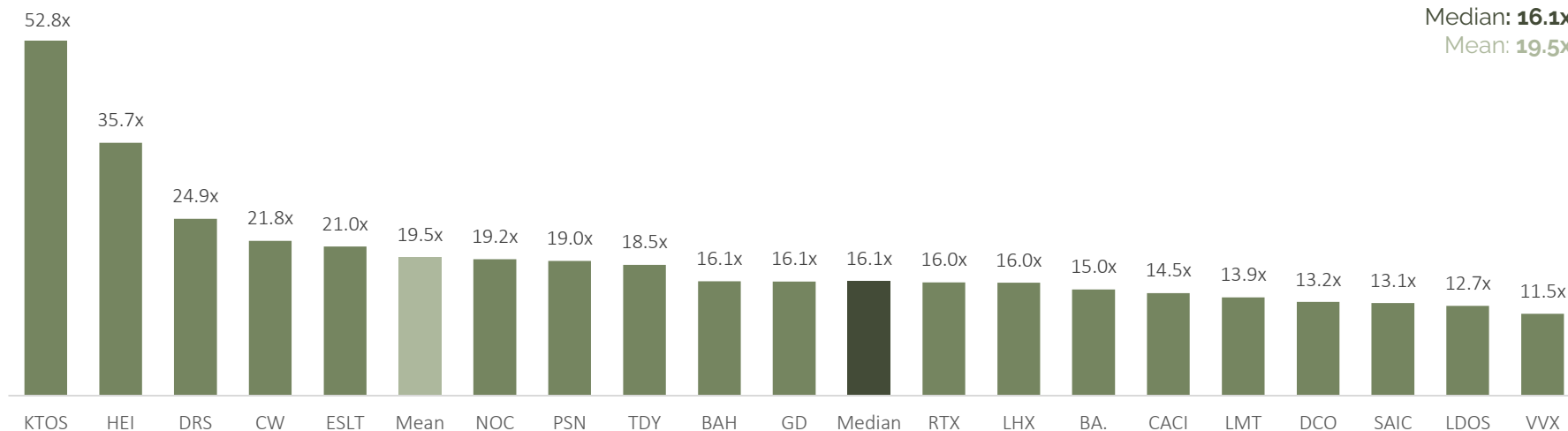
Sources: DACIS, GOVConWire, U.S. Department of Defense

TRAILING TWELVE MONTHS (TTM) PUBLIC EQUITY INDEX CHART¹

Market Commentary

- On November 12th, President-Elect Trump named Elon Musk and Vivek Ramaswamy as co-leaders of the proposed Department of Government Efficiency. Although the announcement was expected, all three of TMG's custom indices fell sharply in response to the news.
- All TMG indices remain positive, with the Government Contractors and Defense Systems indices outperforming the S&P 500 over the trailing twelve months. However, government-related equities may experience continued volatility in the near future as markets react to the political appointments of the incoming administration.
- Investor sentiment and economic indicators continue to show signs of strength. Federal Reserve Chair Jerome Powell recently remarked that "the economy is strong, and it's even stronger than we anticipated back in September." Consequently, the Federal Reserve might take a more measured approach when it comes to cutting interest rates.

TTM REVENUE VALUATION MULTIPLES

Median: **2.0x**Mean: **2.7x**TTM EBITDA VALUATION MULTIPLES¹Median: **16.1x**Mean: **19.5x**

Sources: S&P Capital IQ, Bloomberg, Seeking Alpha

1. MRCY has been excluded from this analysis

DEFENSE GOVERNMENT & INTELLIGENCE

	Stock Price 11/30/2024	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Primes												
RTX	121.83	200,969	79,736	13,099	16%	84,433	14,195	17%	2.52x	15.34x	2.38x	14.16x
Lockheed Martin	529.41	141,659	71,237	9,865	14%	74,103	10,319	14%	1.99x	14.36x	1.91x	13.73x
Northrop Grumman	489.65	85,760	41,315	5,751	14%	42,781	6,103	14%	2.08x	14.91x	2.00x	14.05x
General Dynamics	284.01	87,035	47,867	5,783	12%	50,531	6,440	13%	1.82x	15.05x	1.72x	13.51x
BAE Systems	15.59	57,046	35,828	4,834	13%	38,629	5,301	14%	1.59x	11.80x	1.48x	10.76x
L3Harris	246.25	59,141	21,289	3,994	19%	22,072	4,288	19%	2.78x	14.81x	2.68x	13.79x
Average	\$281.12	\$105,268	\$49,545	\$7,221	15%	\$52,092	\$7,774	15%	2.13x	14.38x	2.03x	13.33x
Gov't Contractors												
Leidos	165.40	26,074	16,421	2,114	13%	16,995	2,140	13%	1.59x	12.33x	1.53x	12.19x
Booz Allen Hamilton	148.18	21,990	11,721	1,274	11%	12,712	1,430	11%	1.88x	17.25x	1.73x	15.38x
CACI International	459.88	12,070	8,041	883	11%	8,876	1,023	12%	1.50x	13.68x	1.36x	11.80x
SAIC	124.25	8,394	7,401	689	9%	7,591	719	9%	1.13x	12.18x	1.11x	11.67x
Parsons	95.91	11,136	6,772	617	9%	7,350	698	9%	1.64x	18.05x	1.52x	15.96x
V2X	60.25	2,992	4,254	309	7%	4,456	328	7%	0.70x	9.70x	0.67x	9.12x
Average	\$175.65	\$13,776	\$9,102	\$981	10%	\$9,663	\$1,056	10%	1.41x	13.87x	1.32x	12.69x

DEFENSE GOVERNMENT & INTELLIGENCE

	Stock Price 11/30/2024	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Systems												
Teledyne Technologies	485.26	24,856	5,616	1,357	24%	5,899	1,473	25%	4.43x	18.32x	4.21x	16.88x
HEICO	273.37	35,118	3,967	1,040	26%	4,340	1,144	26%	8.85x	33.76x	8.09x	30.71x
Elbit Systems	242.50	12,299	6,712	723	11%	7,447	816	11%	1.83x	17.02x	1.65x	15.07x
Mercury Systems	41.13	2,971	844	65	8%	858	112	13%	3.52x	45.94x	3.46x	26.48x
Kratos	27.09	4,090	1,141	105	9%	1,271	126	10%	3.58x	38.84x	3.22x	32.54x
Curtiss-Wright	373.63	14,919	3,080	650	21%	3,261	705	22%	4.84x	22.96x	4.57x	21.17x
Ducommun	67.00	1,238	788	119	15%	837	136	16%	1.57x	10.37x	1.48x	9.10x
Leonardo	34.77	9,455	3,193	395	12%	3,421	451	13%	2.96x	23.96x	2.76x	20.99x
Average	\$193.09	\$13,118	\$3,168	\$557	16%	\$3,417	\$620	17%	3.95x	26.39x	3.68x	21.62x
Low	\$15.59	\$1,238	\$788	\$65	7%	\$837	\$112	7%	0.70x	9.70x	0.67x	9.10x
Mean	\$214.27	\$40,961	\$18,861	\$2,683	14%	\$19,893	\$2,897	14%	2.64x	19.03x	2.48x	16.45x
Median	\$156.79	\$18,455	\$7,087	\$961	13%	\$7,519	\$1,083	13%	1.93x	15.20x	1.82x	14.10x
High	\$529.41	\$200,969	\$79,736	\$13,099	26%	\$84,433	\$14,195	26%	8.85x	45.94x	8.09x	32.54x

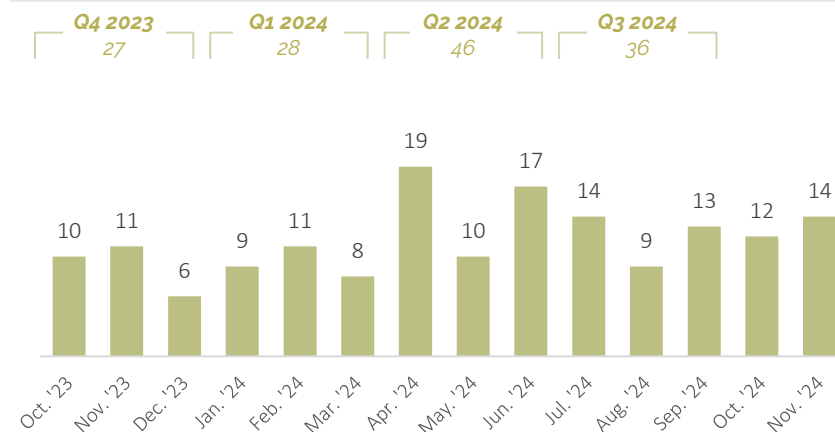
Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
11/1/2024	Parsons Corporation	BCC Engineering	Delivers planning, design, and management services for engineering projects	230.0	2.3x	12.8x
11/6/2024	Sagewind Capital	Sabel Systems Technology Solutions	Provides digital R&D, acquisition, and sustainment solutions to the DoD	NA	NA	NA
11/8/2024	Tria Federal	Softrams	Delivers healthcare-related human-centered digital services and system modernization	NA	NA	NA
11/12/2024	Aero Accessories & Repair	AirGroup America	Distributes aerospace replacement parts, specializing in high-precision bearings	NA	NA	NA
11/12/2024	Integral Federal	Pragmatics	Provides agile development, DevSecOps, and other cutting-edge digital solutions	NA	NA	NA
11/13/2024	Tyto Athene	Key Solutions	Delivers specialized bid & proposal development consulting & support services	NA	NA	NA
11/14/2024	Bel Fuse	Enercon Technologies	Supplies highly engineered non-ITAR power conversion and networking solutions	410.0	NA	NA
11/19/2024*	AeroVironment	BlueHalo	Provides engineering and technology solutions for national security community	4,100.0	4.6x	NA
11/22/2024	BlueHalo	VideoRay	Develops underwater ROV technology for EOD, diving, and salvage missions	NA	NA	NA
11/22/2024	Unanet	GovPro AI	Develops AI-powered, secure, highly specified proposal writing solutions	NA	NA	NA
11/22/2024	Bridge Defense	Federated IT	Optimizes cloud computing, data center operations, and cybersecurity for the IC	NA	NA	NA
11/29/2024	Markon	JY Systems	Supports SIGINT and cybersecurity missions for the IC and DoD	NA	NA	NA

- Amidst the rise in cyber attacks targeting U.S. government officials and election campaigns, Microsoft's president called on the new U.S. administration to be more stringent in response to these attacks. A recent Microsoft study found that its customers face more than 600M cyber attacks every day, carried out by criminal organizations and "nation-state groups".
- Following the cyber attacks against the infrastructure of many U.S. telecommunication providers in October, T-Mobile's network systems were hacked by a Chinese-linked intelligence agency in November. This attack was part of a monthslong operation to spy on the cellphone communications of high-value intelligence targets. The FBI and the U.S. cyber watchdog agency (CISA) announced that the hackers intercepted data from officials across the U.S. government including call logs, unencrypted texts, audio, etc. Investigators announced that the attacks were carried out by the Salt Typhoon group, just weeks after the group targeted multiple high-profile government officials in an attempted cyberattack on Verizon.

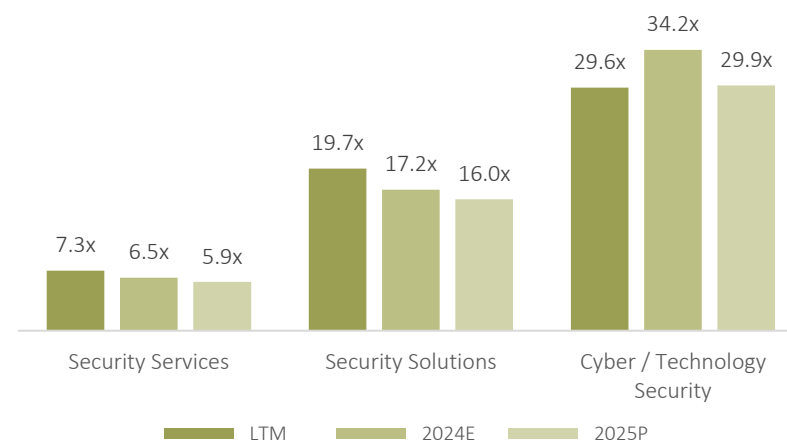
Select November Transactions



TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES¹



Sources: S&P Capital IQ, Financial Times, WSJ, Reuters, Microsoft

1. For composition of indices, see page 21

PHYSICAL & CYBER SECURITY

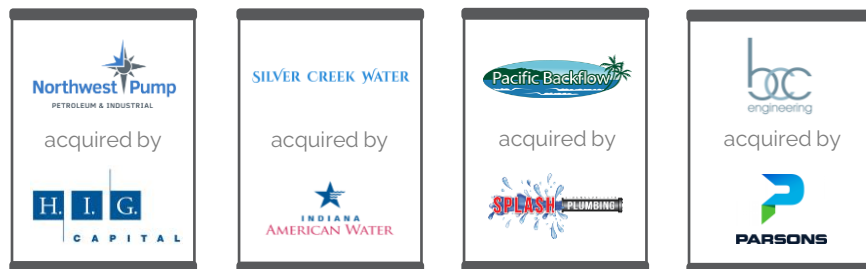
	Stock Price 11/30/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Security Services												
Securitas	12.64	10,902	14,819	1,334	9%	15,453	1,444	9%	0.74x	8.17x	0.71x	7.55x
Brink's	96.71	7,254	5,006	902	18%	5,227	984	19%	1.45x	8.04x	1.39x	7.37x
Prosegur	2.06	2,914	5,014	549	11%	5,155	606	12%	0.58x	5.30x	0.57x	4.81x
Loomis	30.56	2,483	2,764	578	21%	2,866	617	22%	0.90x	4.29x	0.87x	4.03x
Average	\$35.49	\$5,888	\$6,901	\$841	15%	\$7,175	\$913	15%	0.92x	6.45x	0.88x	5.94x
Security Solutions												
Honeywell	232.93	173,092	38,648	10,142	26%	41,629	10,989	26%	4.48x	17.07x	4.16x	15.75x
Johnson Controls	83.86	66,891	26,661	4,344	16%	23,927	3,843	16%	2.51x	15.40x	2.80x	17.41x
Motorola Solutions	499.70	88,692	10,807	3,425	32%	11,463	3,692	32%	8.21x	25.90x	7.74x	24.02x
ADT	7.62	14,514	4,889	2,572	53%	5,094	2,718	53%	2.97x	5.64x	2.85x	5.34x
Allegion	140.84	13,923	3,769	924	25%	3,923	979	25%	3.69x	15.06x	3.55x	14.22x
Alarm.com	65.14	3,145	935	175	19%	978	191	19%	3.36x	17.96x	3.22x	16.50x
Napco Security	39.23	1,342	194	58	30%	216	72	33%	6.94x	23.12x	6.23x	18.72x
Average	\$152.76	\$51,657	\$12,272	\$3,091	29%	\$12,461	\$3,212	29%	4.59x	17.16x	4.36x	15.99x

PHYSICAL & CYBER SECURITY

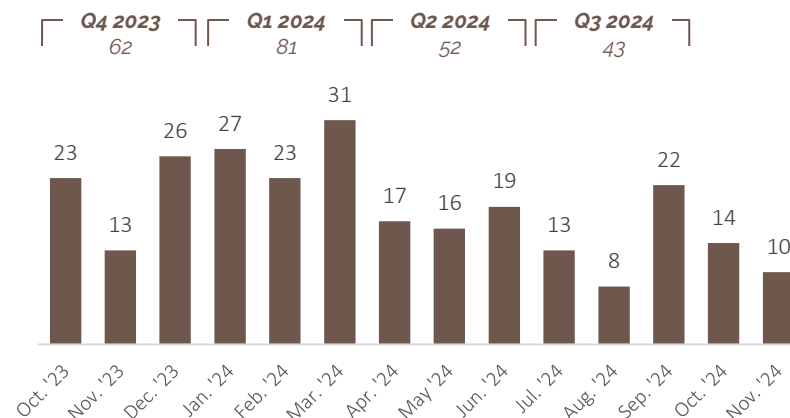
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			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Cyber Security												
Palo Alto	387.82	124,951	8,549	2,642	31%	9,805	3,003	31%	14.62x	47.30x	12.74x	41.61x
CrowdStrike	345.97	81,786	3,930	1,011	26%	4,779	1,226	26%	20.81x	NA	17.12x	NA
Fortinet	95.05	70,228	5,891	2,096	36%	6,633	2,261	34%	11.92x	33.50x	10.59x	31.06x
Zscaler	206.59	30,528	2,385	575	24%	2,871	718	25%	12.80x	53.13x	10.63x	42.51x
Cloudflare	99.83	33,888	1,662	343	21%	2,096	439	21%	20.39x	NA	16.17x	NA
Check Point	182.00	17,179	2,560	1,129	44%	2,703	1,179	44%	6.71x	15.21x	6.35x	14.57x
Okta	77.56	12,037	2,563	553	22%	2,821	616	22%	4.70x	21.77x	4.27x	19.53x
Average	\$199.26	\$52,942	\$3,934	\$1,193	29%	\$4,530	\$1,349	29%	13.14x	34.18x	11.12x	29.86x
Low	\$2.06	\$1,342	\$194	\$58	9%	\$216	\$72	9%	0.58x	4.29x	0.57x	4.03x
Mean	\$144.78	\$41,986	\$7,836	\$1,853	26%	\$8,202	\$1,976	26%	7.10x	19.80x	6.22x	17.81x
Median	\$95.88	\$15,847	\$4,409	\$968	24%	\$4,936	\$1,082	25%	4.59x	16.23x	4.21x	16.13x
High	\$499.70	\$173,092	\$38,648	\$10,142	53%	\$41,629	\$10,989	53%	20.81x	53.13x	17.12x	42.51x

- In November, the Department of Homeland Security released new guidelines for utilizing artificial intelligence in critical infrastructure including water systems, power grids, air travel networks, and more. The guidelines are designed to change over time, but the main recommendations include ensuring “human-centric values”, protecting users’ privacy, vetting suppliers thoroughly, and emphasizing proper cybersecurity measures. Implementing these guidelines are an important step towards decreasing the vulnerability of critical infrastructure to exploitation and cyber attacks, which are up 30% in the last year.
- On November 20th, the EPA launched a new initiative focused on reducing exposure to PFAS and other emerging contaminants in small or disadvantaged communities as a part of the EPA’s WaterTA program. The initiative will identify eligible public drinking-water systems and assist in water quality testing and contaminant education. Funding for the initiative will come from the \$5B Emerging Contaminants in Small or Disadvantage Communities (EC-SDC) grant program.

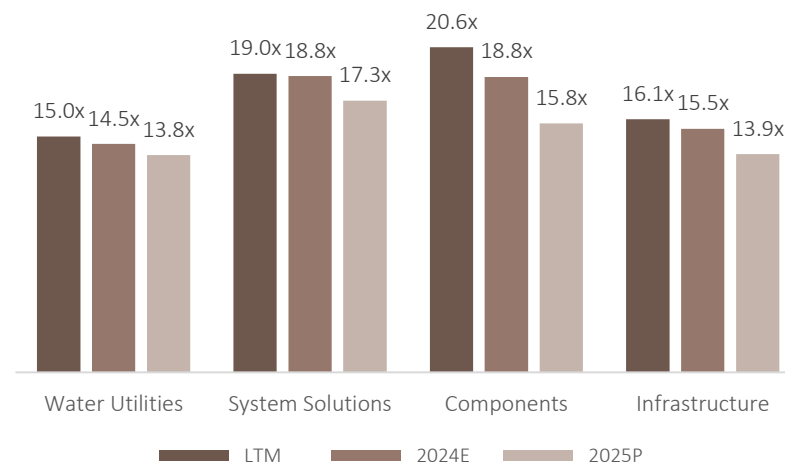
Select November Transactions



TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES¹



Source(s): WSJ, TechMonitor, Business Insider, BBC, EPA.gov
For composition of indices, see page 21
* Announced not closed

CRITICAL INFRASTRUCTURE

	Stock Price 11/30/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Water Utilities												
American Water Works	136.94	39,916	4,568	2,507	55%	4,832	2,753	57%	8.74x	15.92x	8.26x	14.50x
Essential Utilities	40.03	18,433	2,175	1,173	54%	2,367	1,310	55%	8.48x	15.71x	7.79x	14.07x
California Water	51.19	4,300	1,028	373	36%	975	331	34%	4.18x	11.53x	4.41x	12.99x
American States Water	85.31	4,155	591	233	39%	631	254	40%	7.03x	17.85x	6.59x	16.39x
SJW Group	55.72	3,624	719	288	40%	758	316	42%	5.04x	12.58x	4.78x	11.48x
Consolidated Water	26.93	330	139	29	21%	151	31	20%	2.38x	11.55x	2.19x	10.76x
Global Water Resources	13.40	433	52	26	50%	55	26	48%	8.26x	16.46x	7.87x	16.40x
Average	\$58.50	10,170	1,325	661	42%	1,395	717	42%	6.30x	14.51x	5.98x	13.80x
System Solutions												
Danaher	239.69	189,325	23,738	7,452	31%	25,287	8,279	33%	7.98x	25.40x	7.49x	22.87x
Dover	205.90	31,248	7,808	1,694	22%	8,211	1,873	23%	4.00x	18.45x	3.81x	16.68x
Xylem	126.75	31,914	8,491	1,740	20%	8,928	1,912	21%	3.76x	18.34x	3.57x	16.70x
IDEX	230.63	18,933	3,278	886	27%	3,524	979	28%	5.78x	21.38x	5.37x	19.33x
Pentair	108.99	19,532	4,082	1,012	25%	4,253	1,112	26%	4.78x	19.30x	4.59x	17.56x
A. O. Smith	74.49	10,688	3,862	814	21%	3,993	870	22%	2.77x	13.14x	2.68x	12.28x
Watts Water	215.79	7,100	2,250	451	20%	2,284	460	20%	3.16x	15.74x	3.11x	15.42x
Average	\$171.75	44,106	7,644	2,007	24%	8,069	2,212	25%	4.60x	18.82x	4.37x	17.26x

CRITICAL INFRASTRUCTURE

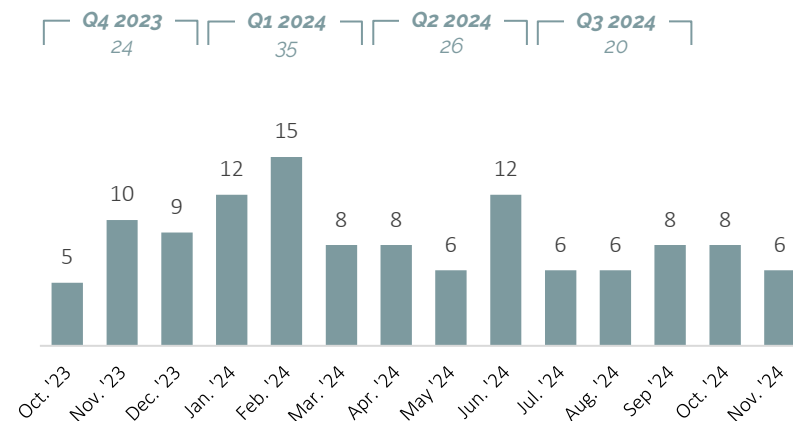
Components	Stock Price 11/30/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Graco	91.08	14,661	2,119	690	33%	2,212	732	33%	6.92x	21.26x	6.63x	20.03x
Flowserve	61.02	8,888	4,588	624	14%	4,934	724	15%	1.94x	14.24x	1.80x	12.27x
Franklin Electric	108.30	4,995	2,005	303	15%	2,095	326	16%	2.49x	16.47x	2.38x	15.33x
Mueller Water	25.04	4,080	1,352	297	22%	1,368	312	23%	3.02x	13.73x	2.98x	13.07x
The Gorman-Rupp Company	42.60	1,461	660	122	18%	684	124	18%	2.21x	12.00x	2.14x	11.74x
Energy Recovery	15.56	794	147	23	16%	163	35	22%	5.42x	34.91x	4.88x	22.41x
Average	\$57.27	5,813	1,812	343	20%	1,909	376	21%	3.67x	18.77x	3.47x	15.81x
Infrastructure												
AECOM	116.97	17,257	16,316	1,111	7%	17,220	1,215	7%	1.06x	15.53x	1.00x	14.20x
Tetra Tech	41.51	11,897	4,608	601	13%	4,901	660	13%	2.58x	19.79x	2.43x	18.03x
Clean Harbors	260.09	16,609	5,889	1,110	19%	6,244	1,213	19%	2.82x	14.96x	2.66x	13.69x
EMCOR Group	510.12	22,788	14,613	1,436	10%	15,678	1,540	10%	1.56x	15.87x	1.45x	14.80x
Arcosa	108.64	5,813	2,596	443	17%	2,960	569	19%	2.24x	13.13x	1.96x	10.21x
Primoris Services	83.71	5,490	6,240	404	6%	6,591	450	7%	0.88x	13.58x	0.83x	12.19x
Average	\$186.84	13,309	8,377	851	12%	8,932	941	13%	1.86x	15.48x	1.72x	13.86x
Low	\$13.40	\$330	\$52	\$23	6%	\$55	\$26	7%	0.88x	11.53x	0.83x	10.21x
Mean	\$118.32	\$19,026	\$4,766	\$994	25%	\$5,050	\$1,093	26%	4.21x	16.88x	3.99x	15.21x
Median	\$88.20	\$9,788	\$2,937	\$613	21%	\$3,242	\$692	22%	3.46x	15.80x	3.34x	14.65x
High	\$510.12	\$189,325	\$23,738	\$7,452	55%	\$25,287	\$8,279	57%	8.74x	34.91x	8.26x	22.87x

- On November 30th, two U.S. Navy destroyers neutralized three anti-ship ballistic missiles, three one-way attack UAS systems, and one anti-ship cruise missile that were fired by Houthi rebels while escorting U.S. merchant vessels through the Gulf of Aden. These Houthi attacks have now persisted for over a year and have increased the average transit time through the Red Sea by nearly 15 days. In addition, shipping insurance premiums have increased by nearly 1.5% and fuel costs are approximately \$500k higher per trip. In total, the attacks have increased shipping costs by an average of \$1M per voyage.
- Following the election in early November, President-elect Donald Trump reiterated his plan to implement 25% tariffs on all products entering the country from Canada and Mexico, and an additional 10% increase to any current tariff on goods from China. The tariffs could have widespread impacts on the global shipping market, with economists estimating that freight rates could more than double as companies try to import as many goods as possible before the tariffs take effect.

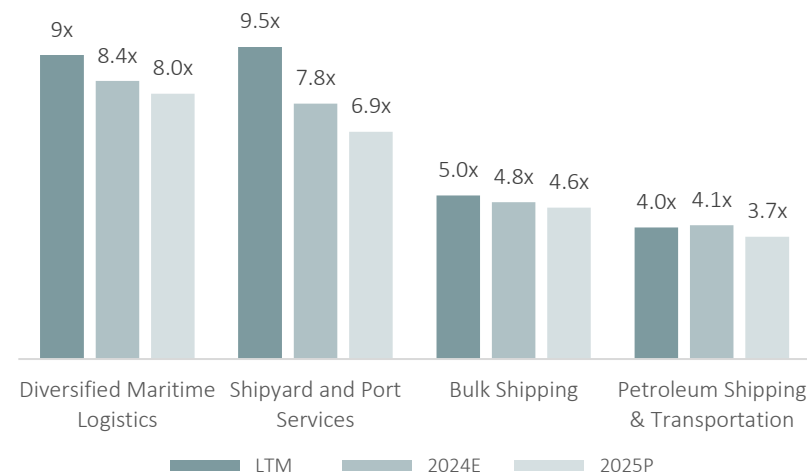
Select November Transactions



TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES



Sources: The Maritime Executive, WSJ, AP News, BBC
For composition of indices, see page 21
* Announced not closed

MARITIME TRANSPORT & FACILITIES

	Stock Price 11/30/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Diversified Maritime Logistics												
Algoma Central Corporation	10.71	714	504	137	27%	538	162	30%	1.42x	5.22x	1.33x	4.42x
Matson, Inc.	153.18	5,474	3,383	710	NA	3,293	554	NA	1.62x	7.71x	1.66x	9.88x
Kirby Corporation	126.51	8,357	3,267	699	21%	3,483	797	23%	2.56x	11.96x	2.40x	10.48x
ArcBest Corporation	115.28	2,912	4,189	329	8%	4,360	393	9%	0.70x	8.86x	0.67x	7.42x
Diana Shipping Inc.	1.78	652	240	123	51%	NA	169	NA	2.72x	5.30x	NA	3.86x
Average	\$101.42	4,364	2,836	469	19%	2,918	477	21%	1.57x	8.44x	1.51x	8.05x
Shipyard & Port Services												
International Container	6.31	16,072	2,710	1,758	65%	2,981	1,934	65%	5.93x	9.14x	5.39x	8.31x
Great Lakes Dredge & Dock	12.63	1,320	771	133	17%	834	146	18%	1.71x	9.94x	1.58x	9.02x
Tidewater	51.72	3,073	1,343	551	41%	1,521	686	45%	2.29x	5.57x	2.02x	4.48x
Orion Group	8.72	416	786	49	6%	857	57	7%	0.53x	8.55x	0.49x	7.24x
DEME Group	153.41	4,301	4,192	776	19%	4,267	795	19%	1.03x	5.55x	1.01x	5.41x
Average	\$46.56	5,036	1,960	653	30%	2,092	724	31%	2.30x	7.75x	2.10x	6.89x
Dry Bulk Shipping												
Costamare	13.20	3,272	1,571	633	40%	1,277	641	50%	2.08x	5.17x	2.56x	5.11x
Star Bulk Carriers	17.32	3,064	993	544	55%	1,042	552	53%	3.09x	5.64x	2.94x	5.56x
Golden Ocean	10.00	3,288	779	467	60%	753	484	64%	4.22x	7.03x	4.36x	6.79x
Danaos	79.38	1,733	1,009	724	72%	1,063	782	74%	1.72x	2.39x	1.63x	2.22x
Global Ship Lease	21.46	1,139	689	485	70%	664	450	68%	1.65x	2.35x	1.72x	2.53x

MARITIME TRANSPORT & FACILITIES

	Stock Price 11/30/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Dry Bulk Shipping												
Safe Bulkers	3.87	818	297	171	58%	318	168	53%	2.75x	4.78x	2.58x	4.86x
Pangaea Logistics	5.50	500	529	81	15%	598	95	16%	0.95x	6.18x	0.84x	5.26x
Genco Shipping & Trading	15.87	708	299	155	52%	295	159	54%	2.37x	4.56x	2.40x	4.44x
Average	\$20.83	1,815	771	408	53%	751	416	54%	2.35x	4.76x	2.38x	4.60x
Petroleum Products Transportation												
Scorpio Tankers	50.66	3,008	1,302	845	65%	1,184	685	58%	2.31x	3.56x	2.54x	4.39x
International Seaways	39.00	2,428	979	599	61%	1,013	647	64%	2.48x	4.06x	2.40x	3.75x
Teekay Tankers	40.25	974	763	475	62%	880	520	59%	1.28x	2.05x	1.11x	1.87x
DHT Holdings	9.42	1,860	399	304	76%	479	386	81%	4.66x	6.11x	3.88x	4.82x
Nordic American Tankers	2.68	797	230	139	61%	297	205	69%	3.46x	5.72x	2.68x	3.88x
Ardmore Shipping	11.16	488	280	169	60%	224	138	61%	1.75x	2.89x	2.18x	3.55x
Average	\$25.53	1,593	659	422	64%	680	430	65%	2.66x	4.06x	2.46x	3.71x
Low	\$1.78	\$416	\$230	\$49	6%	\$224	\$57	7%	0.53x	2.05x	0.49x	1.87x
Mean	\$41.66	\$2,901	\$1,359	\$475	46%	\$1,401	\$497	47%	2.28x	5.87x	2.19x	5.46x
Median	\$15.87	\$1,860	\$786	\$475	56%	\$880	\$484	53%	2.08x	5.57x	2.18x	4.86x
High	\$153.41	\$16,072	\$4,192	\$1,758	76%	\$4,360	\$1,934	81%	5.93x	11.96x	5.39x	10.48x

Defense, Government & Intelligence

Defense Primes

Raytheon	RTX
Lockheed Martin	LMT
Northrop Grumman	NOC
General Dynamics	GD
L3Harris Technologies	LHX
BAE	BA.

Government Contractors

Leidos	LDOS
Booz Allen Hamilton	BAH
CACI International	CACI
SAIC	SAIC
Parsons	PSN
V2X	VVX

Defense Systems

HEICO	HEI
Teledyne Technologies	TDY
Elbit Systems	ESLT
Mercury Systems	MRCY
Kratos Defense & Security	KTOS
Curtiss-Wright	CW
Ducommun	DCO
Leonardo DRS	DRS

Physical & Cyber Security

Security Services

Securitas AB	SECU B
The Brink's Company	BCO
Prosegur	PSG
Loomis AB	LOOMIS

Security Solutions

Honeywell International	HON
Johnson Controls International	JCI
Motorola Solutions	MSI
ADT	ADT
Allegion	ALLE
Alarm.com Holdings	ALRM
Napco Security Technologies	NSSC

Cyber Security

Palo Alto Networks	PANW
CrowdStrike	CRWD
Fortinet	FTNT
Zscaler	ZS
Cloudflare	NET
Check Point	CHKP
Okta	OKTA

Critical Infrastructure

Water Utilities

American Water Works	AWK
Essential Utilities	WTRG
California Water Service	CWT
American States Water	AWR
SJW Group	SJW
Consolidated Water	CWCO
Global Water Resources	GWRS

System Solutions

Danaher	DHR
Dover	DOV
Xylem	XYL
IDEX	IEX
Pentair	PNR
A. O. Smith	AOS
Watts Water Technologies	WTS

Components

Graco	GGG
Flowserve	FLS
Franklin Electric	FELE
Badger Meter	BMI
SPX FLOW	FLOW
Mueller Water Products	MWA
The Gorman-Rupp	GRC
Energy Recovery	ERII

Infrastructure

AECOM	ACM
Tetra Tech	TTEK
Clean Harbors	CLH
EMCOR Group	EME
Arcosa	ACA
Primoris Services	PRIM

Maritime Transport & Facilities

Diversified Maritime Logistics

Algoma Central	ALC
Matson	MATX
Kirby	KEX
ArcBest	ARCB
Diana Shipping	DSX

Shipyard & Port Services

International Container Serv.	ICT
Great Lakes Dredge & Dock	GLDD
Tidewater	TDW
Orion Group	ORN
DEME Group NV	DEME

Dry Bulk Shipping

Costamare	CMRE
Star Bulk Carriers	SBLK
Golden Ocean Group	GOGL
Danaos	DAC
Global Ship Lease	GSL
Safe Bulkers	SB
Eagle Bulk Shipping	EGLE
Genco Shipping & Trading	GNK

Petroleum Products Transportation

Scorpio Tankers	STNG
International Seaways	INSW
Teekay Tankers	TNK
DHT Holdings	DHT
Nordic American Tankers	NAT
Ardmore Shipping	ASC



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