

October 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

**Donald Trump Elected as the 47th President of the United States**

- In the early morning of November 6th, it was announced that Donald Trump had been elected the 47th President of the United States following his victory in Wisconsin that pushed him over the 270 electoral college vote threshold.
- Trump's campaign was centered around lowering corporate taxes, implementing tariffs, and strengthening the border.

**U.S. Labor Market Slows in October**

- The U.S. Department of Labor announced that employers across the country added only 12,000 new jobs in the month of October, down from 254,000 in September.
- Ongoing strikes at Boeing and strikes by dockworkers at U.S. ports earlier this month likely impacted the slowdown.
- Despite falling nearly 100,000 jobs short of projections, the unemployment rate held at 4.1%, a historically low figure, and average hourly earnings outpaced inflation with a 4% increase.

**U.S. Economy Outlook Upgraded for Q4 2024**

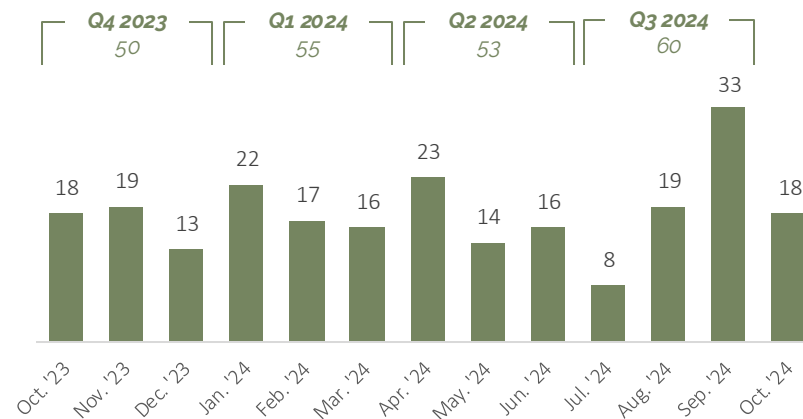
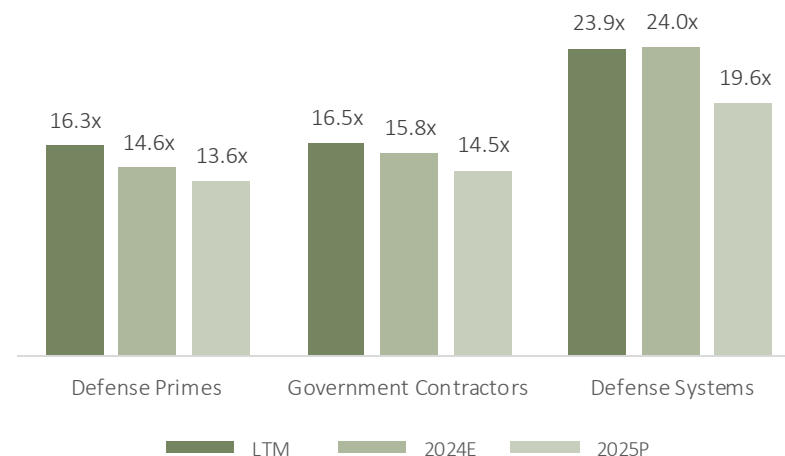
- The International Monetary Fund (IMF) has upgraded its Q4 U.S. GDP growth projections to 2.5%, up from the previous projections of 2.0% earlier this year.
- The revised projections put the U.S. atop the Group of Seven major advanced economies in terms of GDP growth.
- According to the IMF, the new projections are based on higher nonresidential investment, stronger consumer spending, rising inflation-adjusted wages, and increasing legislative spending, which have all contributed to a boost in productivity.

**DoD Announces Additional Security Assistance Package for Ukraine**

- On October 16th, President Biden approved additional security assistance to be provided to Ukraine to help meet critical security and defense needs.
- The Presidential Drawdown Authority (PDA) package has an estimated value of \$425M and will include air-to-ground weapons, rocket systems and artillery munitions, armored vehicles, anti-tank weapons, and more.
- The latest packages bring the total assistance provided to Ukraine to over \$59.8B.

- On October 26th, Israel launched more than 180 ballistic missiles at various military installations across Iran in retaliation to missile strikes by Iran earlier in the month. The Israeli military said that the attacks were intended to destroy both surface-to-air missile sites and facilities that Iran uses to manufacture missiles. Following the strikes, Iran issued a statement saying “it considers itself entitled and obligated to defend against foreign acts of aggression,” which has only added to the rising tensions in the region. The United States and other countries have continued to call for de-escalation of military activity in the region in hopes of preventing an all-out ground offensive by either country.
- The Pentagon confirmed on October 28th that North Korea had sent around 10,000 troops to Russia for training and assistance in the war against Ukraine. While the exact intentions of North Korea remain unknown, it is believed that they will utilize Russia to shield themselves from any sanctions associated with conducting nuclear testing, while allowing their military to gain modern warfare experience.
- On October 9th, Hurricane Milton made landfall in Siesta Key, Florida as a category 3 hurricane just weeks after Hurricane Helene left a path of destruction from Florida to the Southern Appalachians. The storms claimed hundreds of lives and caused billions of dollars in damages to homes, businesses, and critical infrastructure. A week after Milton made landfall, President Biden approved more than \$1.8B in federal assistance for those impacted by the storms through the Federal Emergency Management Agency (FEMA).

TRANSACTIONS BY MONTH

EBITDA VALUATION MULTIPLES¹

Sources: FEMA.gov, CNN, WhiteHouse.gov, NBC,
1. For composition of indices, see page 21

**Date:** 10/01/2024**EV:** NA**EV/Revenue:** NA*Transaction Details*

Applied Insight, a portfolio company of Acacia Group, provides enterprise-wide cloud services, cyber, and user productivity for the intelligence community (IC). CACI provides a wide range of technology solutions in support of national security within the intelligence, defense, and civilian sectors. This acquisition bolsters CACI's IT modernization, cloud, and cybersecurity capabilities and provides a larger footprint within the IC.

**Date:** 10/21/2024**EV:** NA**EV/EBITDA:** NA*Transaction Details*

Digital Receiver Technology, a subsidiary of Boeing, specializes in wireless surveillance equipment for the U.S. military and the intelligence community. Thales Defense & Security is a division of the French multinational Company Thales SA, that designs systems, devices, and equipment for the aerospace, defense, and security sectors. This acquisition enhances Thales' electronic warfare and intelligence, surveillance, and recon (ISR) capabilities.

**Date:** 10/23/2024**EV:** NA**EV/EBITDA:** NA*Transaction Details*

Hoffman Engineering is a leading provider of situation awareness solutions including night vision and commercial LED systems for aerospace and defense applications. Branford Castle Partners is a private equity firm focused on lower middle-market investments in various industries including industrials, business services, consumer products, and more. The acquisition allows Branford to build a platform in the aerospace & defense industry.

**Date:** 10/24/2024**EV:** NA**EV/EBITDA:** NA*Transaction Details*

Concordia Technologies is a leading producer of hypersonic weapons and missile defense systems and solutions. SAS, a portfolio company of Godspeed Capital, provides engineering services, missile defense solutions, and manufacturing supports the DoD, NASA, and other related agencies. The acquisition adds to SAS's portfolio of hypersonic and missile defense solutions and helps the Company advance its mission of developing critical technologies that shape the future of defense.

**Date:** 10/25/2024**EV:** NA**EV/EBITDA:** NA*Transaction Details*¹

Dignari is a woman-owned small business that specializes in digital identity and access management (IAM) solutions for federal agencies including the DoD and DHS. Ernst & Young (EY) is a leading professional services provider with practices spanning assurance, consulting, tax, and more. The acquisition provides EY access to the Company's performance history, customer relationships, and desirable IAM capabilities.

**Date:** 10/30/2024**EV:** \$450.0M**EV/Revenue:** NA*Transaction Details*

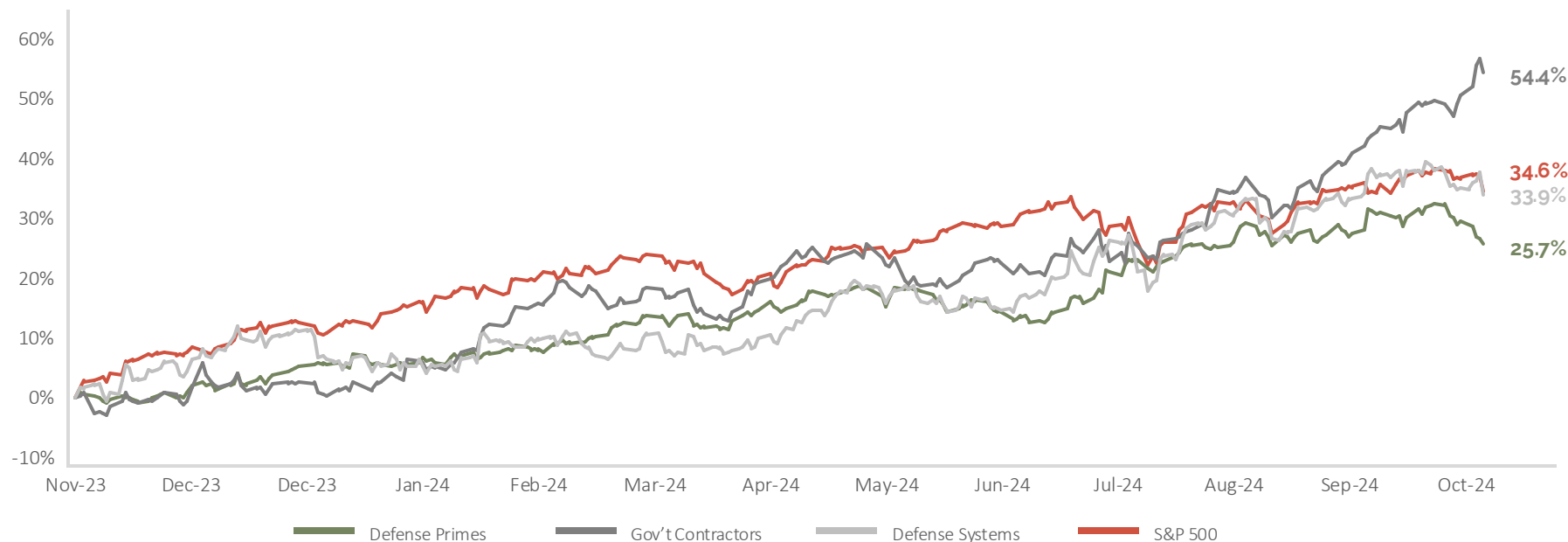
Terran Orbital (NYSE: LLAP) provides satellite-based solutions to the aerospace and defense markets. The acquisition of Terran Orbital adds robotic manufacturing and modular space vehicle design capabilities to Lockheed's space portfolio. Lockheed and Terran have a more than seven-year history of partnership and previously cooperated on missions such as the Space Development Agency's Transport and Tracking Layer program.

Sources: S&P Capital IQ, DACIS, PR Newswire, GovCon Wire

1. The McLean Group served as an exclusive financial advisor

Contract Value (\$M)	Award Date	End Date	Customer	Awardee	Type	Contract Scope
1,795.9	10/23/2024	04/11/2031	U.S. Space Force	Northrop Grumman	Cost Plus	Produce Next-Gen Overhead Persistent Infrared Polar Space Vehicles for strategic missile warning enterprise
1,240.0	10/23/2024	12/31/2027	U.S. Army Executive Office Aviation	Sikorsky Aircraft	Fixed Price	Provide 35 UH-60M helicopters along with personnel training and equipment
991.0	10/23/2024	01/31/2032	U.S. Air Force	Gulfstream	Fixed Price	Provide Contractor Logistics Support (CLS) services for various aircraft at Air Force bases across the U.S.
876.6	10/22/2024	09/30/2034	U.S. Naval Sea Systems Command (NAVSEA)	Bechtel	Cost Plus	Produce S9G nuclear propulsion components for Virginia-class submarines
805.0	10/21/2024	10/31/2029	U.S. Navy Office of Naval Research (ONR)	CACI	Cost Plus	Provide support including digital tools and training resources for the U.S. Navy's NavalX Office
733.6	10/21/2024	N/A	U.S. National Reconnaissance Office (NRO)	Space Exploration Technologies	N/A	Support the launch of space vehicles (SVs) for the Tranche 2 Transport Layer Satellite constellation
568.7	10/31/2024	04/30/2030	U.S. GSA & U.S. Special Operations Command (USSOCOM)	ViaSat	IDIQ	Provide support for rapid migration of C5ISR of the Special Forces to General Purpose Forces (GPF)
458.0	10/01/2024	10/31/2029	U.S. Air Force	Huntington Ingalls	N/A	Modernize communications and IT networks to deter cyber threats, introduce new capabilities, and enable cloud migration
400.7	10/22/2024	11/30/2031	U.S. Naval Sea Systems Command (NAVSEA)	RAM-Systems	FFP	Produce Rolling Airframe Missile (RAM) Block 2B Guided Missile Round Packs and associated test equipment

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

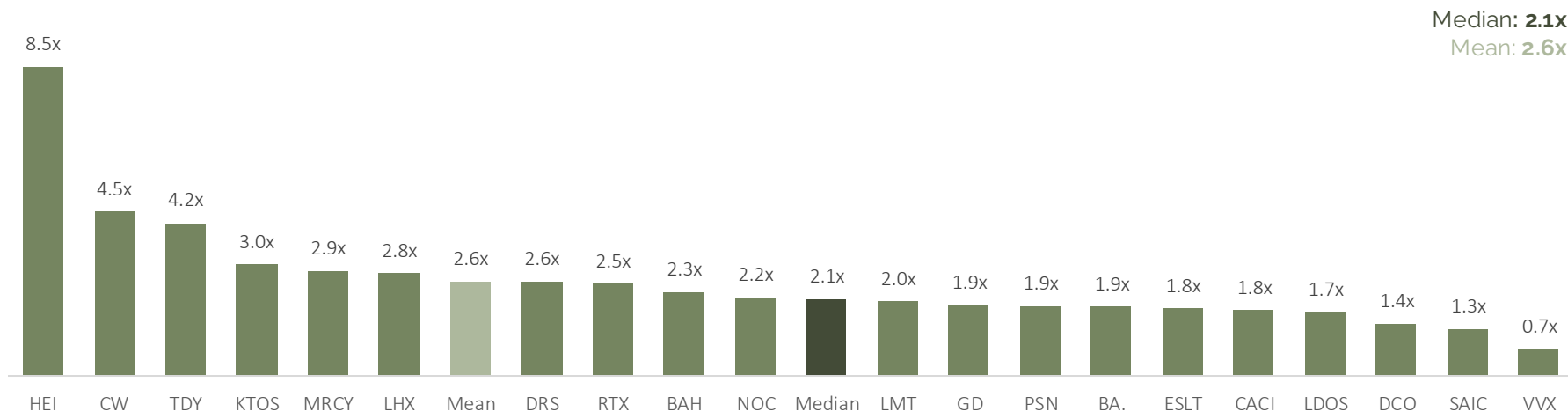
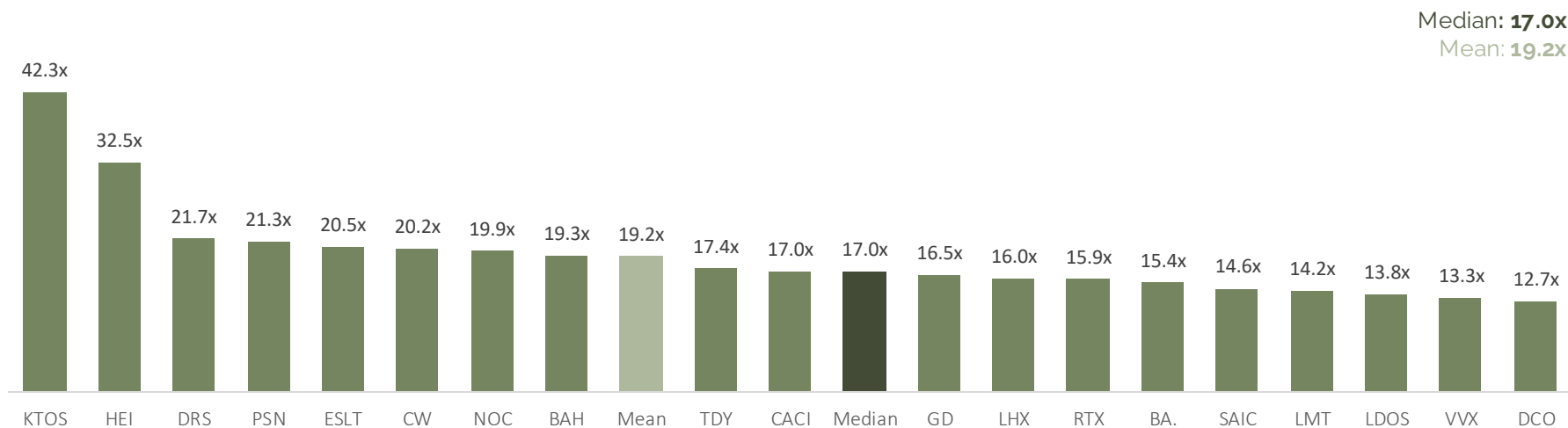
TRAILING TWELVE MONTHS (TTM) PUBLIC EQUITY INDEX CHART¹

Market Commentary

- The S&P 500 reached an all-time high in mid-October, propelled by the strong performance of the technology sector including NVIDIA and Amazon over the TTM period. However, the stock market has pulled back slightly from its peak in on October 18th, mainly due to uncertainty surrounding the Presidential election and the potential impacts of the policies proposed by each candidate on the U.S. economy.
- The TMG Government Contractors index outperformed the S&P500 by nearly 20% over the TTM period. The performance of the index was led by 79.3% and 77.9% increases by Leidos and Parsons, respectively, following strong year-over-year growth in revenue and net income.
- RTX led the Defense Primes index with a 42.7% increase over the TTM period. The Company's performance comes in part from a \$736M contract awarded on October 10th to produce AIM-9X missiles, which have increased in popularity among international allies for their missiles defense capabilities.

Sources: S&P Capital IQ, Bloomberg, JP Morgan
 1. For composition of indices, see page 21

TTM REVENUE VALUATION MULTIPLES

TTM EBITDA VALUATION MULTIPLES¹

Sources: S&P Capital IQ, Bloomberg, Seeking Alpha
1. MRCY has been excluded from this analysis

DEFENSE GOVERNMENT & INTELLIGENCE

	Stock Price 10/31/2024	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Primes												
RTX	120.99	199,851	79,727	13,023	16%	84,442	14,044	17%	2.51x	15.35x	2.37x	14.23x
Lockheed Martin	546.05	145,603	71,237	9,865	14%	74,103	10,319	14%	2.04x	14.76x	1.96x	14.11x
Northrop Grumman	509.02	88,582	41,321	5,739	14%	42,794	6,089	14%	2.14x	15.43x	2.07x	14.55x
General Dynamics	291.61	89,121	47,879	5,783	12%	50,494	6,448	13%	1.86x	15.41x	1.76x	13.82x
BAE Systems	16.09	58,710	36,315	4,901	13%	39,174	5,376	14%	1.62x	11.98x	1.50x	10.92x
L3Harris	247.47	59,372	21,288	3,985	19%	22,071	4,282	19%	2.79x	14.90x	2.69x	13.86x
Average	\$288.54	\$106,873	\$49,628	\$7,216	15%	\$52,179	\$7,760	15%	2.16x	14.64x	2.06x	13.58x
Gov't Contractors												
Leidos	183.16	28,444	16,409	2,023	12%	16,988	2,073	12%	1.73x	14.06x	1.67x	13.72x
Booz Allen Hamilton	181.66	26,267	11,733	1,274	11%	12,706	1,430	11%	2.24x	20.62x	2.07x	18.37x
CACI International	552.56	14,147	7,992	878	11%	8,596	976	11%	1.77x	16.11x	1.65x	14.49x
SAIC	144.29	9,386	7,400	689	9%	7,611	718	9%	1.27x	13.62x	1.23x	13.07x
Parsons	108.16	12,436	6,767	616	9%	7,268	693	10%	1.84x	20.18x	1.71x	17.94x
V2X	61.60	3,069	4,249	310	7%	4,432	337	8%	0.72x	9.91x	0.69x	9.11x
Average	\$205.24	\$15,625	\$9,092	\$965	10%	\$9,600	\$1,038	10%	1.60x	15.75x	1.50x	14.45x

DEFENSE GOVERNMENT & INTELLIGENCE

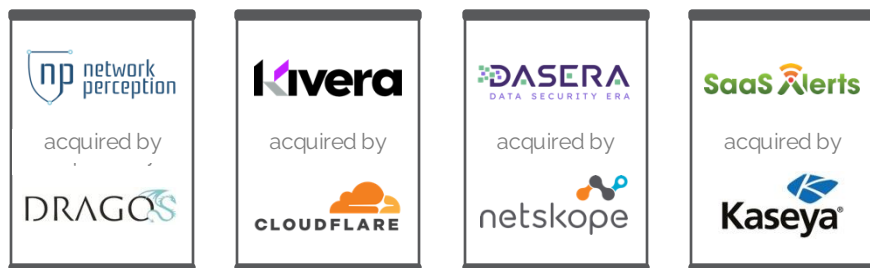
	Stock Price	Enterprise	CY2024E			2025P			TEV/2024E		TEV/2025P	
	10/31/2024	Value	Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Systems												
Teledyne Technologies	455.32	23,461	5,619	1,354	24%	5,886	1,462	25%	4.17x	17.33x	3.99x	16.05x
HEICO	244.95	31,958	3,967	1,040	26%	4,340	1,144	26%	8.06x	30.72x	7.36x	27.94x
Elbit Systems	228.49	11,638	6,603	649	10%	7,103	705	10%	1.76x	17.93x	1.64x	16.51x
Mercury Systems	32.35	2,412	836	57	7%	859	106	12%	2.89x	42.16x	2.81x	22.81x
Kratos	22.72	3,426	1,145	107	9%	1,273	125	10%	2.99x	32.02x	2.69x	27.36x
Curtiss-Wright	344.96	13,831	3,073	650	21%	3,250	705	22%	4.50x	21.28x	4.26x	19.62x
Ducommun	58.79	1,123	784	117	15%	836	135	16%	1.43x	9.61x	1.34x	8.32x
Leonardo	30.07	8,212	3,183	393	12%	3,405	446	13%	2.58x	20.90x	2.41x	18.39x
Average	\$177.21	\$12,008	\$3,151	\$546	16%	\$3,369	\$603	17%	3.55x	23.99x	3.31x	19.63x
Low	\$16.09	\$1,123	\$784	\$57	7%	\$836	\$106	8%	0.72x	9.61x	0.69x	8.32x
Mean	\$219.02	\$41,552	\$18,876	\$2,673	14%	\$19,881	\$2,881	14%	2.55x	18.71x	2.39x	16.26x
Median	\$182.41	\$18,804	\$7,083	\$959	12%	\$7,440	\$1,060	13%	2.09x	15.77x	2.02x	14.52x
High	\$552.56	\$199,851	\$79,727	\$13,023	26%	\$84,442	\$14,044	26%	8.06x	42.16x	7.36x	27.94x

Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
10/01/2024	AEVEX Aerospace	Veth Research	Develops navigation systems for manned and unmanned aircraft	NA	NA	NA
10/01/2024	CACI	Applied Insight	Delivers cloud and other IT transformation services to the DoD and IC	NA	NA	NA
10/08/2024	NewSpring Capital	C Speed	Provides advanced radar systems and engineering solutions	NA	NA	NA
10/15/2024	Cor4ce	Azimuth	Develops military electronics, optics, and sensors for various government clients	NA	NA	NA
10/16/2024	Titania Solutions	Folsys Engineering	Provides technology services to the aerospace industry and IC	NA	NA	NA
10/21/2024	Thales	Digital Receiver Technology	Designs and manufactures surveillance equipment for the U.S. military	NA	NA	NA
10/23/2024	Branford Castle Partners	Hoffman Engineering	Develops and manufactures night vision equipment and aviation lighting products	NA	NA	NA
10/24/2024	OEP Capital	York Telecom	Provides various IT services to various government clients	NA	NA	NA
10/24/2024	OceanSound Partners	Antenna Research Associates	Provides integrated RF and advanced communication products to the government	NA	NA	NA
10/25/2024	Ernst & Young	Dignari	Provides digital identity and access management solutions to federal agencies	NA	NA	NA
10/28/2024	Special Aerospace Services	Concordia Technologies	Develops hypersonic weapons, missile defense systems, and more to military clients	NA	NA	NA
10/30/2024	Lockheed	Terran Orbital	Designs low-cost satellites for military and commercial ventures	450.0	NA	NA

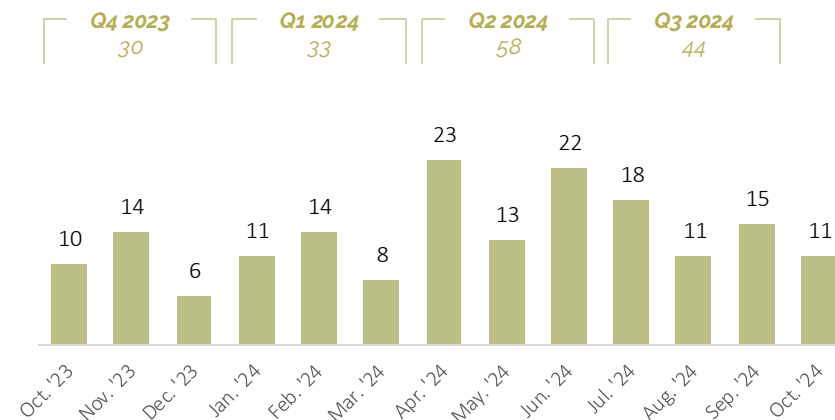
Sources: S&P Capital IQ, DACIS, PR Newswire, GovCon Wire
 *Announced, not closed

- In October, sophisticated Chinese state-sponsored hackers identified as the “Salt Typhoon” breached American telecommunication systems including Verizon, AT&T, and Lumen Technologies. The attacks potentially compromised systems used for government intelligence collection, raising significant national security concerns. The breaches reveal key vulnerabilities in communication networks, highlighting the need for enhanced cybersecurity
- Cyberattacks against healthcare organizations have continued to rise and in a recent survey, nearly two-thirds of respondents said they were negatively impacted by a ransomware attack in the last 12 months. Not only are attacks on the rise, but the time it takes for companies to recover has increased as well. 40% of organizations reported that it took more than one month to completely recover from ransomware attacks. In an industry that depends on technology to provide lifesaving care to patients across the U.S., it is evident that an increase in cybersecurity spending is needed to protect the industry from cyber criminals.

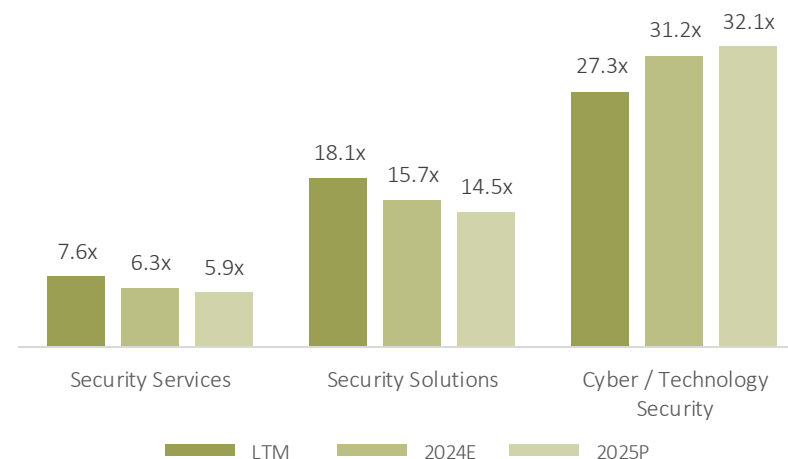
Select October Transactions



TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES¹



Sources: S&P Capital IQ, Financial Times, Forbes, Reuters

1. For composition of indices, see page 21

PHYSICAL & CYBER SECURITY

	Stock Price 10/31/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Security Services												
Securitas	11.70	10,741	15,200	1,352	9%	15,743	1,440	9%	0.71x	7.94x	0.68x	7.46x
Brink's	102.79	7,465	5,065	950	19%	5,313	1,029	19%	1.47x	7.86x	1.40x	7.26x
Prosegur	2.05	2,981	4,930	562	11%	5,164	614	12%	0.60x	5.30x	0.58x	4.85x
Loomis	31.22	2,537	2,829	601	21%	2,936	631	21%	0.90x	4.22x	0.86x	4.02x
Average	\$36.94	\$5,931	\$7,006	\$866	15%	\$7,289	\$928	15%	0.92x	6.33x	0.88x	5.90x
Security Solutions												
Honeywell	205.68	155,373	38,652	10,103	26%	41,698	11,053	27%	4.02x	15.38x	3.73x	14.06x
Johnson Controls	75.55	62,407	26,836	4,401	16%	24,955	4,092	16%	2.33x	14.18x	2.50x	15.25x
Motorola Solutions	449.35	80,457	10,800	3,390	31%	11,437	3,650	32%	7.45x	23.73x	7.03x	22.04x
ADT	7.20	14,091	4,884	2,578	53%	5,084	2,713	53%	2.89x	5.47x	2.77x	5.19x
Allegion	139.63	13,818	3,769	924	25%	3,921	978	25%	3.67x	14.95x	3.52x	14.14x
Alarm.com	53.33	2,570	927	166	18%	978	181	19%	2.77x	15.46x	2.63x	14.19x
Napco Security	38.48	1,319	199	63	32%	227	79	35%	6.64x	20.99x	5.82x	16.68x
Average	\$138.46	\$47,148	\$12,295	\$3,089	29%	\$12,614	\$3,249	30%	4.25x	15.74x	4.00x	14.51x

PHYSICAL & CYBER SECURITY

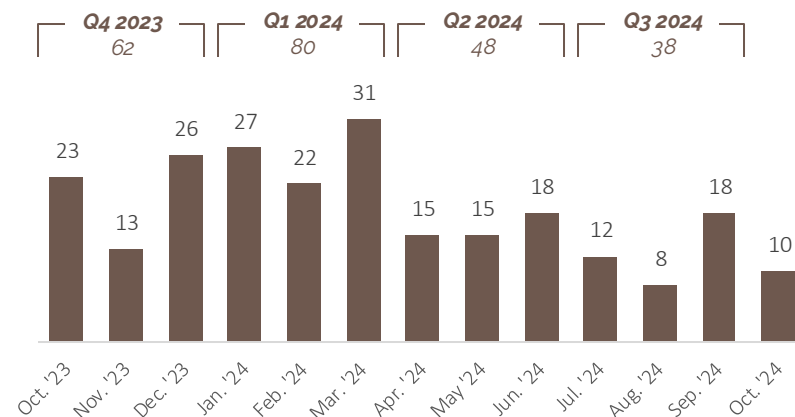
	Stock Price 10/31/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
<i>Cyber Security</i>												
Palo Alto	360.33	116,750	8,524	2,580	30%	9,782	2,984	31%	13.70x	45.26x	11.94x	39.12x
CrowdStrike	296.87	69,562	3,899	958	25%	4,779	1,199	25%	17.84x	NA	14.55x	58.00x
Fortinet	78.66	57,905	5,860	1,917	33%	6,583	2,148	33%	9.88x	30.21x	8.80x	26.95x
Zscaler	180.79	26,401	2,386	575	24%	2,872	718	25%	11.07x	45.95x	9.19x	36.76x
Cloudflare	87.71	29,652	1,659	325	20%	2,109	419	20%	17.87x	NA	14.06x	NA
Check Point	173.21	16,212	2,559	1,130	44%	2,703	1,181	44%	6.33x	14.35x	6.00x	13.73x
Okta	71.89	11,073	2,563	553	22%	2,828	620	22%	4.32x	20.02x	3.92x	17.86x
Average	\$178.49	\$46,794	\$3,921	\$1,148	28%	\$4,522	\$1,324	28%	11.57x	31.16x	9.78x	32.07x
Low	\$2.05	\$1,319	\$199	\$63	9%	\$227	\$79	9%	0.60x	4.22x	0.58x	4.02x
Mean	\$131.47	\$37,851	\$7,863	\$1,840	25%	\$8,284	\$1,985	26%	6.36x	18.21x	5.56x	18.68x
Median	\$83.19	\$15,152	\$4,392	\$954	24%	\$4,932	\$1,105	25%	4.17x	15.16x	3.82x	14.19x
High	\$449.35	\$155,373	\$38,652	\$10,103	53%	\$41,698	\$11,053	53%	17.87x	45.95x	14.55x	58.00x

- At the start of October, water companies in England and Wales announced plans to nearly double infrastructure investments to reduce leaks and limit sewage pollution. Combined, companies in the region plan to spend an additional \$117B (USD) on water and sewage infrastructure from 2025 to 2030, a 90% increase from the previous 5-year period. Water UK anticipates the investment will increase the average water bill in England by about \$167 annually. The spending increase is attracting investors looking to gain exposure to a growing sector, which has been marked by acquisitions by large private equity groups, including CVC's acquisition of M Group Services last month and Blackrock's acquisition of Lanes Group in October.
- This month, a federal judge ordered the EPA to further regulate fluoride in drinking water due to the potential risk overexposure poses to the intellectual development of children. The EPA is conducting risk assessments on current practices – presently, 75% of Americans have fluoride added to their drinking water.

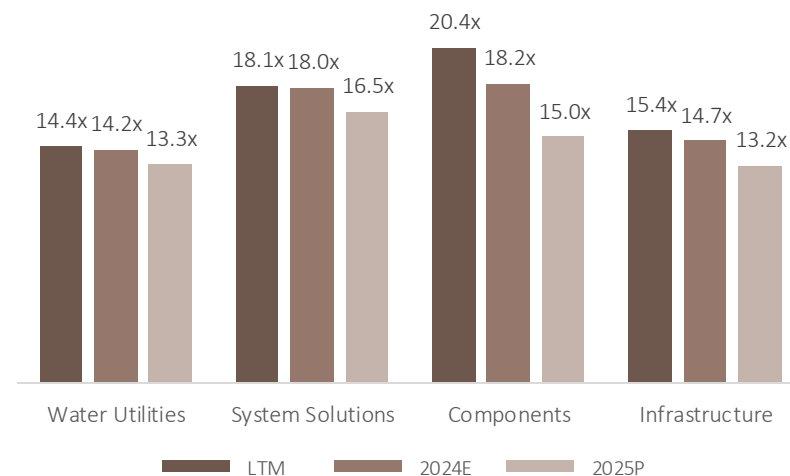
Select October Transactions



TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES¹



Source(s): Barrons, Global Water Intelligence, Reuters
 1. For composition of indices, see page 21
 * Announced not closed

CRITICAL INFRASTRUCTURE

	Stock Price 10/31/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Water Utilities												
American Water Works	138.11	40,144	4,557	2,431	53%	4,813	2,749	57%	8.81x	16.51x	8.34x	14.60x
Essential Utilities	38.60	17,768	2,176	1,179	54%	2,369	1,317	56%	8.16x	15.07x	7.50x	13.49x
California Water Service Group	51.96	4,346	1,019	373	37%	969	331	34%	4.27x	11.65x	4.49x	13.13x
American States Water	82.46	4,029	588	233	40%	625	251	40%	6.85x	17.32x	6.45x	16.03x
SJW Group	55.66	3,622	705	287	41%	763	336	44%	5.14x	12.63x	4.75x	10.77x
Consolidated Water Co	23.76	289	137	29	21%	151	32	21%	2.10x	10.06x	1.91x	9.11x
Global Water Resources	12.49	409	53	25	47%	56	26	47%	7.66x	16.17x	7.37x	15.80x
Average	\$57.58	10,087	1,319	651	42%	1,392	720	43%	6.14x	14.20x	5.83x	13.28x
System Solutions												
Danaher Corporation	245.66	193,637	23,734	7,448	31%	25,246	8,287	33%	8.16x	26.00x	7.67x	23.37x
Dover Corporation	189.33	28,975	7,785	1,674	21%	8,198	1,814	22%	3.72x	17.31x	3.53x	15.97x
Xylem	121.78	30,707	8,521	1,746	20%	8,982	1,925	21%	3.60x	17.59x	3.42x	15.95x
IDEX Corporation	214.64	17,722	3,261	884	27%	3,509	978	28%	5.43x	20.04x	5.05x	18.13x
Pentair	99.12	17,901	4,082	1,012	25%	4,256	1,113	26%	4.39x	17.69x	4.21x	16.08x
A. O. Smith Corporation	75.10	10,777	3,861	815	21%	3,988	869	22%	2.79x	13.23x	2.70x	12.40x
Watts Water Technologies	190.59	6,260	2,256	451	20%	2,303	463	20%	2.77x	13.87x	2.72x	13.51x
Average	\$162.32	43,711	7,643	2,004	24%	8,069	2,207	25%	4.41x	17.96x	4.19x	16.49x

CRITICAL INFRASTRUCTURE

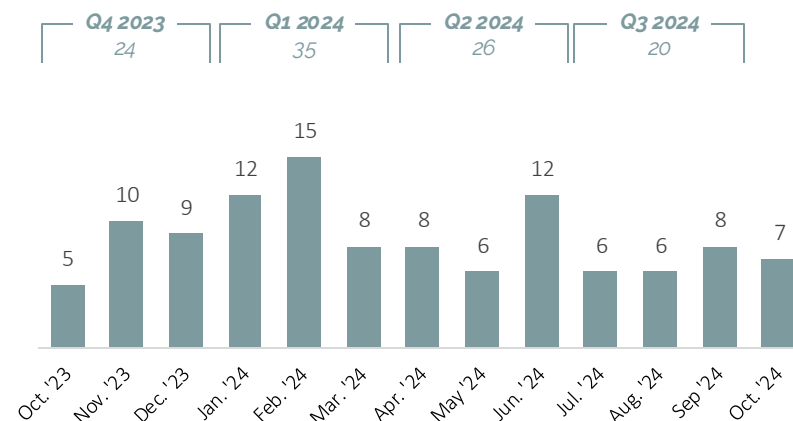
	Stock Price	Enterprise	CY2024E			2025P			TEV/2024E		TEV/2025P	
	10/31/24	Value	Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Components												
Graco	81.45	13,035	2,119	690	33%	2,212	732	33%	6.15x	18.90x	5.89x	17.81x
Flowserve	52.64	7,787	4,583	627	14%	4,893	717	15%	1.70x	12.43x	1.59x	10.86x
Franklin Electric	95.71	4,419	2,005	303	15%	2,092	326	16%	2.20x	14.57x	2.11x	13.56x
Mueller Water Products	21.59	3,598	1,328	295	22%	1,356	303	22%	2.71x	12.18x	2.65x	11.88x
The Gorman-Rupp Company	36.95	1,312	660	122	18%	684	124	18%	1.99x	10.78x	1.92x	10.55x
Energy Recovery	17.86	927	147	23	16%	173	37	21%	6.29x	40.31x	5.37x	25.06x
Average	\$51.03	5,180	1,807	343	20%	1,901	373	21%	3.51x	18.20x	3.26x	14.95x
Infrastructure												
AECOM	106.80	16,013	16,329	1,110	7%	17,269	1,197	7%	0.98x	14.43x	0.93x	13.38x
Tetra Tech	48.88	13,928	4,598	600	13%	4,793	674	14%	3.03x	23.22x	2.91x	20.67x
Clean Harbors	231.26	15,056	5,889	1,110	19%	6,244	1,213	19%	2.56x	13.56x	2.41x	12.41x
EMCOR Group	446.07	19,842	14,756	1,373	9%	15,817	1,483	9%	1.34x	14.45x	1.25x	13.38x
Arcosa	93.64	5,081	2,617	442	17%	2,920	533	18%	1.94x	11.50x	1.74x	9.54x
Primoris Services	62.62	4,500	6,103	402	7%	6,522	446	7%	0.74x	11.18x	0.69x	10.09x
Average	\$164.88	12,403	8,382	839	12%	8,928	924	12%	1.77x	14.72x	1.65x	13.24x
Low	\$12.49	\$289	\$53	\$23	7%	\$56	\$26	7%	0.74x	10.06x	0.69x	9.11x
Mean	\$109.03	\$18,542	\$4,764	\$988	25%	\$5,046	\$1,088	26%	4.06x	16.26x	3.83x	14.52x
Median	\$81.96	\$9,282	\$2,939	\$613	21%	\$3,215	\$695	22%	3.32x	14.51x	3.16x	13.50x
High	\$446.07	\$193,637	\$23,734	\$7,448	54%	\$25,246	\$8,287	57%	8.81x	40.31x	8.34x	25.06x

- On October 6, the International Longshoreman's Association's (ILA) historic United States port strike that led to the shutdown of ports along the east coast and gulf, was suspended. The ILA's primary focus was to increase wages and ban shipping companies' use of automated equipment amidst the fear of job security for dockworkers. A tentative agreement was reached to increase worker's wages by 62% over the life of a 6-year contract.
- Despite being a multi-trillion-dollar industry, global shipping companies have been historically slow to adopt new technologies, including artificial intelligence. However, with digital reliance becoming more prevalent, the shipping industry has been forced to adapt. According to Lloyds, the maritime artificial intelligence industry is now valued at \$4.13B, up from \$1.47B in 2023. This increase stems from the adoption of predictive AI for maintenance, real-time AI insights for crew members, and AI optimization of speed, routes, and engine performance for sustainability.

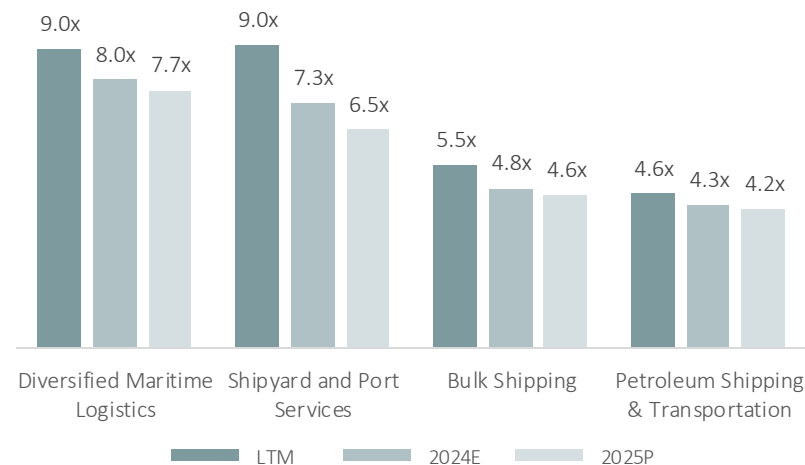
Select October Transactions



TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES



MARITIME TRANSPORT & FACILITIES

	Stock Price 10/31/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Diversified Maritime Logistics												
Algoma Central	10.87	744	525	135	26%	538	148	28%	1.42x	5.51x	1.38x	5.03x
Matson	154.89	5,531	3,383	710	NA	3,293	554	NA	1.63x	7.79x	1.68x	9.98x
Kirby	114.76	7,813	3,268	699	21%	3,489	798	23%	2.39x	11.17x	2.24x	9.79x
ArcBest	104.18	2,625	4,243	345	8%	4,495	436	10%	0.62x	7.60x	0.58x	6.02x
Diana Shipping	2.30	767	240	123	51%	310	169	55%	3.19x	6.23x	2.47x	4.54x
Average	\$96.18	4,178	2,855	472	18%	2,954	484	20%	1.52x	8.02x	1.47x	7.70x
Shipyard & Port Services												
International Container	6.79	17,283	2,725	1,762	65%	2,962	1,915	65%	6.34x	9.81x	5.84x	9.03x
Great Lakes Dredge	11.43	1,234	753	138	18%	806	146	18%	1.64x	8.95x	1.53x	8.45x
Tidewater	60.07	3,546	1,390	604	43%	1,645	794	48%	2.55x	5.88x	2.16x	4.47x
Orion Group	6.11	314	786	49	6%	857	57	7%	0.40x	6.46x	0.37x	5.47x
DEME Group	151.57	4,267	4,239	773	18%	4,352	812	19%	1.01x	5.52x	0.98x	5.25x
Average	\$47.19	5,329	1,978	665	30%	2,124	745	31%	2.39x	7.32x	2.17x	6.53x
Dry Bulk Shipping												
Costamare	13.61	3,259	1,489	650	44%	1,271	614	48%	2.19x	5.01x	2.56x	5.31x
Star Bulk Carriers	19.11	3,426	1,054	616	58%	1,088	688	63%	3.25x	5.57x	3.15x	4.98x
Golden Ocean	10.72	3,469	799	500	63%	769	558	73%	4.34x	6.94x	4.51x	6.22x
Danaos	82.01	1,685	1,031	733	71%	1,067	745	70%	1.63x	2.30x	1.58x	2.26x
Global Ship Lease	23.85	1,307	699	487	70%	699	449	64%	1.87x	2.68x	1.87x	2.91x

MARITIME TRANSPORT & FACILITIES

	Stock Price 10/31/24	Enterprise Value	CY2024E			2025P			TEV/2024E		TEV/2025P	
			Revenue	EBTIDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Dry Bulk Shipping												
Safe Bulkers	4.19	866	NA	170	NA	319	167	52%	NA	5.09x	2.72x	5.20x
Pangaea Logistics	6.42	517	521	84	16%	602	102	17%	0.99x	6.16x	0.86x	5.07x
Genco Shipping & Trading	15.74	732	310	162	52%	288	153	53%	2.36x	4.52x	2.54x	4.78x
Average	\$21.96	1,908	843	425	53%	763	435	55%	2.38x	4.78x	2.47x	4.59x
Petroleum Products Transportation												
Scorpio Tankers	58.27	3,368	1,272	858	67%	1,155	654	57%	2.65x	3.92x	2.92x	5.15x
International Seaways	43.54	2,713	1,014	690	68%	1,020	720	71%	2.68x	3.93x	2.66x	3.77x
Teekay Tankers	47.68	1,229	733	455	62%	803	525	65%	1.68x	2.70x	1.53x	2.34x
DHT Holdings	10.32	2,013	424	325	77%	503	408	81%	4.75x	6.19x	4.00x	4.93x
Nordic American Tankers	3.27	929	258	165	64%	318	210	66%	3.59x	5.63x	2.92x	4.42x
Ardmore Shipping	14.11	634	294	189	64%	229	145	63%	2.15x	3.35x	2.76x	4.36x
Average	\$29.53	1,814	666	447	67%	672	444	67%	2.92x	4.29x	2.80x	4.16x
Low	\$2.30	\$314	\$240	\$49	6%	\$229	\$57	7%	0.40x	2.30x	0.37x	2.26x
Mean	\$42.33	\$3,022	\$1,419	\$491	47%	\$1,416	\$513	48%	2.37x	5.77x	2.32x	5.44x
Median	\$15.74	\$2,013	\$907	\$487	58%	\$857	\$525	55%	2.17x	5.57x	2.24x	5.07x
High	\$154.89	\$17,283	\$4,243	\$1,762	77%	\$4,495	\$1,915	81%	6.34x	11.17x	5.84x	9.98x

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



Mergers & Acquisitions

Mark Bertler

Chicago, IL
Water & Wastewater
(847) 226-0793
mbertler@mcleanllc.com

Josh Butler

McLean, VA
Defense & Gov't Services
(703) 827-0008
jbutler@mcleanllc.com

Paul Klick

McLean, VA
Technology
(703) 752-9019
pklick@mcleanllc.com

Mitch Martin

McLean, VA
Defense & Gov't Services
(703) 752-9009
mmartin@mcleanllc.com

Andy Smith

McLean, VA
Defense & Gov't Services
(703) 827-0233
asmith@mcleanllc.com

Business Valuation

Ryan Berry

McLean, VA
Valuation Advisory
(703) 827-0091
rberry@mcleanllc.com

Michael Loftus

McLean, VA
Valuation Advisory
(703) 827-0200
mloftus@mcleanllc.com

Scott Sievers

McLean, VA
Valuation Advisory
(703) 827-8685
ssievers@mcleanllc.com

Tyler Halstead

McLean, VA
Valuation Advisory
(703) 752-9013
thalstead@mcleanllc.com

Shari Overstreet

Austin, TX
Valuation Advisory
(512) 687-3485
soverstreet@mcleanllc.com

DLS Marine

Norman Dufour

New Orleans, LA
DLS Marine
(504) 835-8505
ndufour@dlsmarine.com

Harry Ward

New Orleans, LA
DLS Marine
(504) 835-8505
hward@dlsmarine.com

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