

## THIS MONTH AT A GLANCE

### PUBLIC VALUATIONS

S&P A&D EV/EBITDA

# 19.4x

↓ -0.5x MoM

Top mover: Space Systems & Mfg

### M&A / DEAL ACTIVITY

Industry Deals

# 24

↓ -2 MoM

Aggregate Deal Value: \$13,837M.

### US DEFENSE TECH VENTURE

LTM Disclosed Funding

# \$10.3B

↑ +12% MoM

Monthly Funding: \$1.3B

### MID MARKET DEFENSE-FOCUSED PRIVATE EQUITY

Current Dry Powder

# ~18.2B

Firms monitored: 26

Total AUM: \$56.2B

## TOP TAKEAWAYS

- **Valuations: Stabilized Strength**  
Public A&D valuations remain robust at 19.4x EV/EBITDA. The "Space Systems & Mfg" subsector emerged as the top mover
- **M&A: Large-Scale Capital Concentration.** Aggregate deal value reached a massive \$13.8B in April, heavily driven by Amazon's \$11.6B acquisition of Globalstar. This signals a strategic shift toward securing sovereign space and connectivity infrastructure at scale.
- **Venture: Acceleration Toward Breaking Out.** Defense Tech venture funding reached a new milestone, with LTM capital hitting \$10.3B (+12% MoM). Recent "mega-rounds" in hypersonics and orbital logistics (e.g., True Anomaly, Hermeus) indicate that institutional investors are doubling down on core hardware.

## ARTICLES TO CONSIDER

### [Unpacking the \\$1.5 Trillion FY 2027 Defense Budget Topline](#)

"\$1.15 trillion in discretionary (28% increase) and \$350 billion in mandatory, bringing total resources for defense to \$1.5 trillion."

### [Space Force Poised for 80 Percent Funding Boost in 2027 Budget](#)

"The Space Force's topline is rising nearly 80 percent, year-over-year, from \$40 billion to \$71.2 billion."

### [Amazon to Buy Globalstar for \\$11.57B to Flesh Out Its Satellite Business](#)

"The transaction will give Amazon's nascent Leo satellite internet business a boost as it vies to compete with Elon Musk's SpaceX."

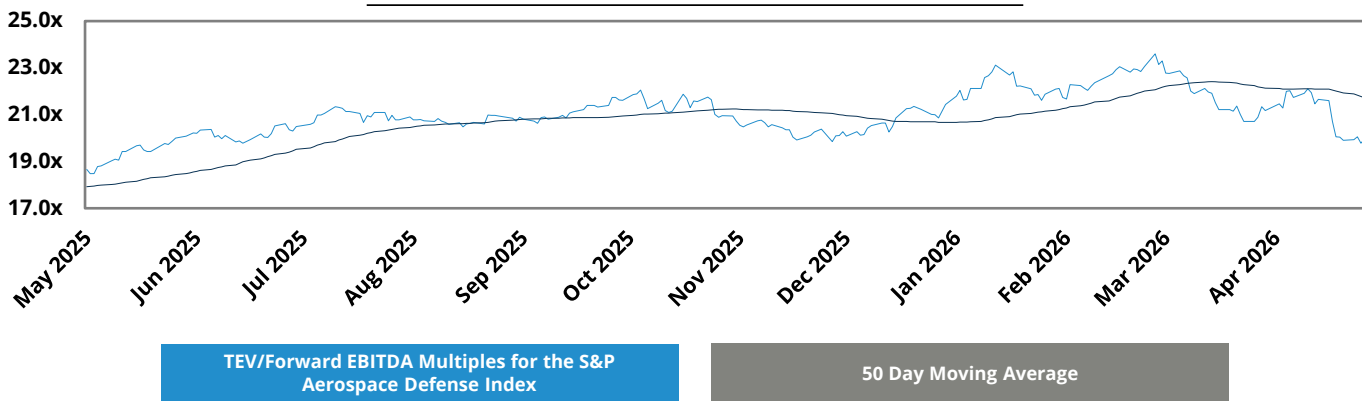
### [Hermeus Raises \\$350M to Build Unmanned Hypersonic Fighters](#)

"Hermeus is developing the fastest uncrewed aircraft ever for the U.S. Department of Defense."

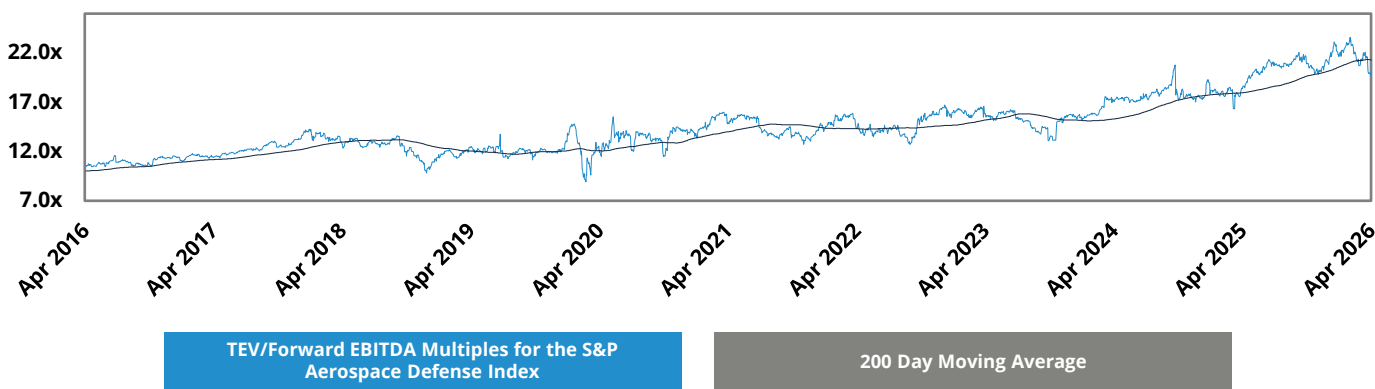
### [Will Private Capital and Disruption Reshape the Defense Industrial Base?](#)

"Private capital is emerging as a potential force multiplier for the defense industrial base, with investment at record high levels and deal counts climbing."

### 1-Yr Historical EBITDA Multiples\*



### 10-Yr Historical EBITDA Multiples\*



### SUBSECTOR VALUATION SUMMARY

| Subsector                  | EV/EBITDA LTM | EV/EBITDA Forward | Δ MoM | EV/Rev LTM | Δ MoM |
|----------------------------|---------------|-------------------|-------|------------|-------|
| Primes                     | 17.3x         | 18.2x             | ↓     | 2.3x       | →     |
| Gov't Intel Services       | 11.1x         | 11.0x             | ↓     | 1.3x       | →     |
| Gov't Technical Services   | 10.4x         | 8.9x              | ↓     | 0.8x       | ↓     |
| Defense Electronics        | 32.0x         | 28.1x             | ↓     | 6.6x       | ↓     |
| Space - Launch & Access    | NM            | NM                | ↑     | 68.4x      | ↓     |
| Space - Systems & Mfg      | NM            | NM                | ↑     | 6.6x       | ↓     |
| Space - Satcom             | 26.3x         | 21.2x             | ↓     | 4.6x       | →     |
| Space - Data & Analytics   | NM            | NM                | ↑     | 19.1x      | ↓     |
| National Security Software | NM            | NM                | ↓     | 13.9x      | ↑     |

\* Source: S&P Capital IQ as of May 4th.

**EXECUTIVE SNAPSHOT**

## 6

 Monthly Deals  
April 2026

## \$1,303M

 Monthly Funding  
April 2026

## \$10,261M

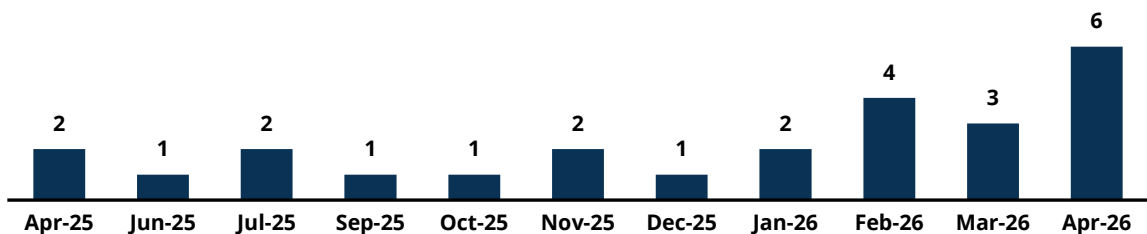
LTM Funding (\$M)

### VENTURE FUNDING ROUNDS (2026)

| Date   | Company        | Funding Round | Amount                               | Lead Investors                            | Strategic Investors                   |
|--------|----------------|---------------|--------------------------------------|---|---------------------------------------|
| Apr 29 | Scout AI       | Series A      | \$100M                               | Align Ventures, Draper Associates         | Booz Allen Ventures, Decisive Point   |
| Apr 29 | Firestorm Labs | Series B      | \$82M                                | Washington Harbour Partners               | NEA, In-Q-Tel, Lockheed Martin        |
| Apr 28 | True Anomaly   | Series D      | \$650M                               | Eclipse, Riot Ventures                    | Accel, Menlo Ventures, ACME Capital   |
| Apr 28 | SkyfireAI      | Seed          | \$11M                                | Mucker Capital                            | AI Fund (Andrew Ng), SaaS Ventures    |
| Apr 7  | Hermeus        | Series C      | \$350M (\$200M equity + \$150M debt) | Khosla Ventures                           | Founders Fund, RTX Ventures, In-Q-Tel |
| Apr 7  | Starfish Space | Series B      | \$110M                               | Point72, Activate Capital, Shield Capital | Industrious Ventures, NightDragon     |

### MONTHLY ACTIVITY

#### Monthly Deal Activity



### STRATEGIC FOCUS

- Capital Growth & Transactions.** Total Defense Tech funding reached \$10.26B in April 2026, marking a significant surge from \$9.2B in March. Peak Deal Activity: April recorded a high of 6 transactions, deploying \$1.3B in monthly capital. Aerospace Dominance: Pivot toward Hypersonics and Space Systems, led by True Anomaly (\$650M Series D) and Hermeus (\$350M Series C). Sector Rotation: Transition from March's maritime autonomy focus to Strategic Space Infrastructure.
- Market Expansion & Structure.** Diversified AI Inflow: Growth into Defense-specialized AI (SkyfireAI, Scout AI) and Orbital Logistics (Starfish Space). Validation by Primes: High-conviction participation from Lockheed Martin, RTX Ventures, and In-Q-Tel signals sector maturity.

Source: Public filings, Pitchbook, Crunchbase, proprietary research. Figures reflect disclosed amounts only.

## EXECUTIVE SNAPSHOT

**\$2,306.2M**

Avg. Deal Size (Disclosed)

**\$13,837.0M**

Aggregate Deal Value

**24**

Total Deals

**KEY TRANSACTIONS (APRIL 2026)**

| #  | Date   | Target  | Acquirer                                     | Deal Size   |
|----|--------|---|--|-------------|
| 1  | Apr 1  | Global Elite Group INC  | H.I.G. Capital, LLC                          | ND          |
| 2  | Apr 1  | Safety Training Systems, Inc.   | EDM Ltd                                      | ND          |
| 3  | Apr 1  | Aerofab Corporation   | Aero Engineering & Mfg. Co.                  | ND          |
| 4  | Apr 2  | Thermal Management Technologies, LLC  | Phantom Space Corporation                    | ND          |
| 5  | Apr 2  | Autopilot, Nav/Com, Display and Transponder Solutions of Honeywell International Inc. | Innovative Aerosystems, Inc. (NasdaqGS:ISSC) | \$22.0M     |
| 6  | Apr 2  | 21 Air, LLC   | Cargojet Inc. (TSX:CJT)                      | ND          |
| 7  | Apr 3  | Dasi, LLC   | Marubeni Aviation Asset Investment LLC       | ND          |
| 8  | Apr 6  | TA ESTATE, INC.   | Air Tractor, Inc.                            | ND          |
| 9  | Apr 7  | Sherwood Avionics And Accessories, Inc.   | HEICO Flight Support Corp.                   | ND          |
| 10 | Apr 8  | Precision Aerospace Holdings, LLC   | Precinmac, LP                                | ND          |
| 11 | Apr 8  | PAS MRO, Inc.   | Air Transport Components, LLC                | ND          |
| 12 | Apr 8  | Aircraft Instruments Company  | Midwest Aero Support, Inc.                   | ND          |
| 13 | Apr 10 | MRV Systems, LLC  | General Oceans, Inc.                         | \$18.0M     |
| 14 | Apr 14 | Atlas Aerospace Accessories LLC   | Aptus Aero, LLC                              | ND          |
| 15 | Apr 14 | Globalstar, Inc. (NasdaqGS:GSAT)  | Amazon.com, Inc. (NasdaqGS:AMZN)             | \$11,652.4M |
| 16 | Apr 17 | Viking Acquisition Corp. I (NYSE:VACI)  | NorthStar Earth & Space Inc.                 | \$401.2M    |
| 17 | Apr 18 | GunCrafter Industries, LLC  | Wilson'S Gun Shop, Inc.                      | ND          |
| 18 | Apr 20 | MTI Aviation, Inc.  | Acorn Growth Companies, LLC                  | ND          |
| 19 | Apr 20 | Productivity Solutions and Services of Honeywell International Inc.                   | Brady Corporation (NYSE:BRC)                 | \$1,400.0M  |
| 20 | Apr 23 | Honeywell International Inc.'s Warehouse and Workflow Solutions Business              | AIP, LLC                                     | ND          |
| 21 | Apr 23 | NLX Inc.  | Amazon.com, Inc. (NasdaqGS:AMZN)             | ND          |
| 22 | Apr 28 | Sightline Applications, LLC   | Acron Technologies                           | ND          |
| 23 | Apr 29 | All.Space Holdings, Inc.  | York Space Systems, Inc. (NYSE:YSS)          | \$343.4M    |
| 24 | Apr 30 | First Aviation Services Inc.  | AMETEK, Inc. (NYSE:AME)                      | ND          |

Source: Capital IQ

## DRY POWDER SNAPSHOT

~\$18,200

Total Est. Dry Powder (\$M)

\$56,200

Total AUM (\$M)

26

Total Firms

## TOP 5 DRY POWDER

| Firm                        | AUM (\$M) | # of Funds | Dry Powder (\$M) |
|-----------------------------|-----------|------------|------------------|
| OceanSound Partners         | 8,200     | 8          | 3,400            |
| J.F. Lehman & Company       | 7,000     | ND         | 2,230            |
| AE Industrial Partners      | 7,500     | 6          | 2,700            |
| Brightstar Capital Partners | 5,000     | 1          | 1,260            |
| Arlington Capital Partners  | 14,000    | 7          | 6,000            |

## TOP LTM ACTIVITY

| Firm                        | # of Transactions | Total Deal Value (\$M) | Primary Sector Focus  |
|-----------------------------|-------------------|------------------------|---|
| CenterGate Capital          | 4                 | ND                     | Industrial Maintenance, Medical Compression Garments, Pricing Automation Tech       |
| Godspeed Capital Management | 4                 | ND                     | Federal Tech/Mission Solutions, Engineering/Technology, Space Systems/Cybersecurity |
| New State Capital Partners  | 4                 | ND                     | Coworking/Commercial RE, Mechanical Contracting, HVAC/Mechanical                    |
| Washington Harbour Partners | 4                 | \$202                  | Space Autonomy, Space/Satellite Tech, Defense Tech/Drones                           |
| Arlington Capital Partners  | 3                 | \$1,950                | Engineering/Infrastructure  |

## MONTHLY ACTIVITY (APRIL 2026)

| Firm                        | Deal   | Deal Value (\$M) | Primary Sector Focus                        |
|-----------------------------|--|------------------|---|
| Arlington Capital Partners  | ENERCON acquisition (merged with Pond & Co.) | NA               | Nuclear Engineering / Energy Infrastructure |
| Godspeed Capital Management | GALT Aerospace platform investment           | NA               | Defense C3 / JADC2                          |
| Washington Harbour Partners | Firestorm Labs \$82M Series B (lead)         | \$82             | Defense Tech / Drone Manufacturing          |

## Definitions

**US-Based Defense Tech** — Privately held or publicly traded companies headquartered in the United States that derive a material portion of revenue from defense, national security, intelligence, or dual-use technology applications across hardware, software, and services.

**Dry Powder (Definition / Proxy Used)** — Uncommitted capital available for deployment by private equity, venture capital, and growth equity funds focused on aerospace, defense, and government technology verticals. Figures are sourced from Preqin and PitchBook fund-level data where available; where direct data is unavailable, sector-adjusted estimates are applied as a proxy.

**A&D Manufacturing / MRO** — Companies engaged in the design, production, assembly, and maintenance, repair, and overhaul (MRO) of aerospace and defense platforms, subsystems, and components.

**GovTech / IT Services** — Firms providing information technology solutions, managed services, systems integration, and digital transformation capabilities primarily to U.S. federal, state, and local government agencies.

**ISR / Cyber / Space** — Companies operating across intelligence, surveillance, and reconnaissance (ISR); cybersecurity; electronic warfare; and space-based systems including satellite communications, launch services, and orbital infrastructure.

**Mission Systems / Electronics** — Providers of mission-critical electronics, avionics, embedded computing, sensors, and command-and-control systems supporting defense and intelligence platforms.

## Data Sources

- **S&P Capital IQ** — Public company financials, valuation multiples, and transaction data
- **Crunchbase** — Early-stage venture funding rounds and startup ecosystem data
- **Company Filings** — SEC filings (10-K, 10-Q, 8-K, proxy statements) and investor presentations
- **Public Disclosures** — Press releases, earnings transcripts, and regulatory filings

## Disclosures / Disclaimers

This presentation has been prepared by Southwind Capital, LLC for informational purposes only and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation of any security, investment product, or investment strategy.

The information contained herein is believed to be reliable but is not guaranteed as to its accuracy or completeness. Data has been sourced from third-party providers and public filings; Southwind Capital, LLC makes no representation or warranty, express or implied, regarding the accuracy, completeness, or timeliness of such information.

This material does not constitute investment advice and should not be relied upon as such. Recipients should consult their own legal, tax, and financial advisors before making any investment decisions. Past performance is not indicative of future results.

Southwind Capital, LLC, its affiliates, officers, directors, and employees may hold positions in securities discussed herein. This presentation is confidential and intended solely for the use of the intended recipient(s). Unauthorized reproduction or distribution is strictly prohibited.