



Aerospace | Defense & Government |  
Intelligence Community

December 2024 Market Snapshot

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*Securities transactions for Southwind are conducted through Ashton Stewart & Co. Inc., Member FINRA/SIPC. Certain individuals of Southwind are Registered Representatives of Ashton Stewart & Co., Inc., which is not affiliated with Southwind.*

## 2024 in Review

[Next Big Future - What Mattered in 2024](#)

[Defense Tech & Acquisition - Year in Review](#)

[We Are the Mighty - Moments from 2024](#)

[Via Satellite's Top Stories of 2024](#)

[AFCEA - A Look Back at the Future](#)

[2024 - Year of the Drone](#)

[NASA - A Look Back at 2024](#)

[Defense One - 2024 in Review](#)

[Defense One - Defense Systems in 2024](#)

[Defense One - Technology in 2024](#)

[Defense One - Business in 2024](#)

## 2025 Predictions

[Space Force - 2025 Preview](#)

[Next Big Future - 2025 Predictions](#)

[CDR Salamander - 2025](#)

[Via Satellite's Tech Trends for 2025](#)

[NextGov - 2025 Government & Technology Predictions](#)

[Breaking Defense - 2025 Preview](#)

[Breaking Defense - US Navy 2025 Preview](#)

[Deloitte - 2025 Aerospace & Defense Industry Outlook](#)

[Forbes - 2025 Tech Predictions](#)

[IFS - 2025 Trends Revolutionizing the Defense Industry](#)



Please see additional insights on the satellite & space industry in the [December 2024 Market Monitor](#) from our partners at Quilty Space.

## Strategy & Policy



### ✓ [Wargaming a Chinese Invasion of Taiwan](#)

"Ground units will not provide a significant volume of fire. A squadron of bombers armed with long-range cruise missiles has a greater volume of fire than an entire MLR but without the challenges of transportation and logistics."

### ✓ [The Iranian Regime is Crumbling-Time for Max Pressure](#)

"...the United States should work with its regional partners to dislodge Iran's remaining proxies, particularly the Houthis. It is unthinkable that a terrorist group should be able to dictate the flow of global commercial shipping with a handful of cheap drones."

### ✓ [America's Case for Greenland](#)

"Greenland's location makes it an ideal base for monitoring and responding to activities in the Arctic region."

## Trends in Technology



### ✓ [AI is a National Security Imperative](#)

"(AI)...will change society and, ultimately, the character of war..."

### ✓ [Army to Sole-source Deal for Hypervelocity Projectiles](#)

"The technology is intended to defend U.S. military forces ...against attack by 'a broad spectrum' of drones, fixed-wing and rotary-wing aircraft, cruise missiles, subsonic and supersonic cruise missiles, and 'other advanced threats.'"

### ✓ [US Military to Build AI that Predicts Adversaries' Next Moves](#)

"A key aspect of the program is its focus on understanding not just the current strategies of adversaries but also how those strategies evolve."

## Contracting, Procurement & Budget



### ✓ [Final Rule for CMMC Goes Into Effect for Defense Contractors](#)

"...the Pentagon estimates that 8,350 medium and large entities will be required to meet Level 2 CMMC third-party assessment organization (C3PAO) assessment requirements as a condition of contract award."

### ✓ [Investment Strategy for the Office of Strategic Capital](#)

"(OSC) was founded...to attract and scale private capital into technologies critical to United States national security."

### ✓ [Disrupting the DoD? Start With Acquisition Reform](#)

"How do you get the DoD to speed up, break through bureaucratic walls, and grab the innovation?"

## Capital Markets



### ✓ [8 Marketing Strategies that Drive Successful M&A](#)

"There are dozens, if not hundreds, of contractors at this moment pursuing or contemplating an exit..."

### ✓ [Office of Strategic Capital Accepting Loan Applications as it Looks to Lend up to \\$984M](#)

"...direct loans from the Defense Department's Office of Strategic Capital..."

### ✓ [HII to Acquire South Carolina Manufacturing Facility](#)

"It is equipped with machinery and infrastructure to support the fabrication of shipbuilding structures and modules."

## Aviators & Warfighters



### ✓ [To Save a Team of Rangers, This Pilot Dropped Every Bomb from Two Different F-16s](#)

"Then he flew back to base, switched planes...."

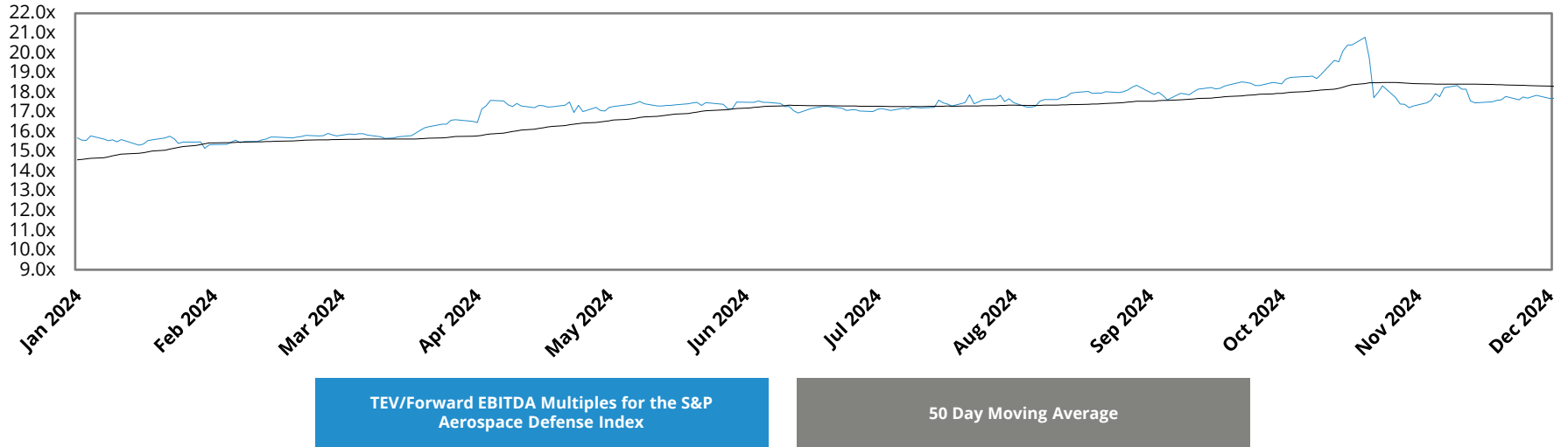
### ✓ [At 103, This P-51 Mustang Pilot Could Soon Become WWII's Last Ace](#)

"In the decades following World War II, numerous fighter pilots have emerged from the record books to belatedly receive an honor long denied them..."

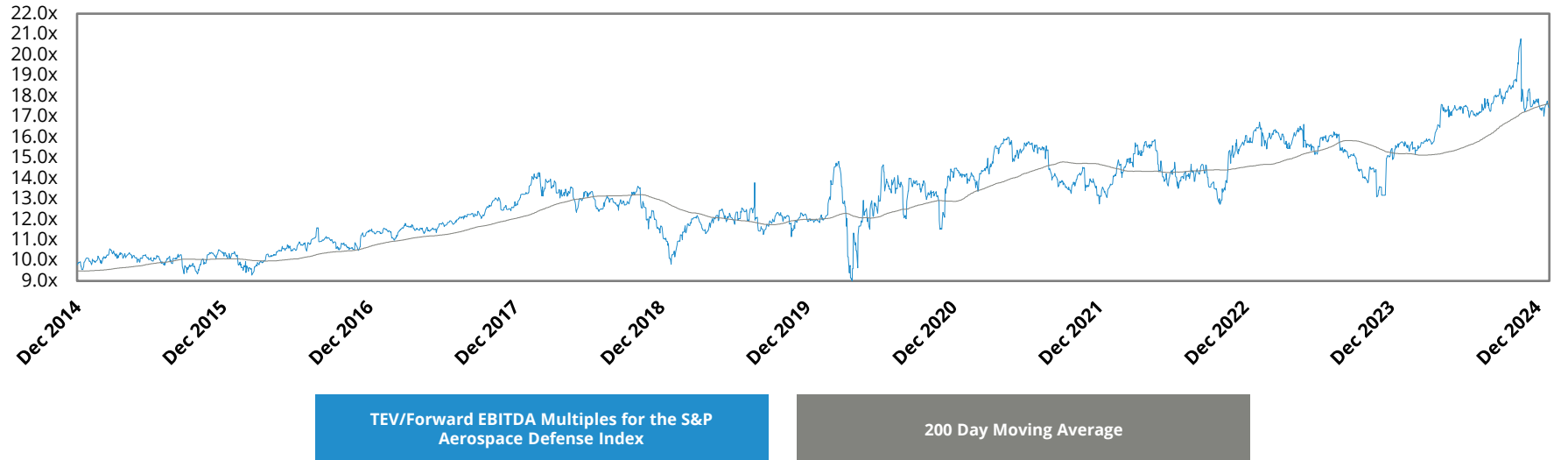
### ✓ [These 2 Soldiers Will Receive the Medal of Honor for their Heroism in Vietnam](#)

"The Medals will be upgrades of Distinguished Service Crosses both previously received."

### 1-Yr Historical EBITDA Multiples\*



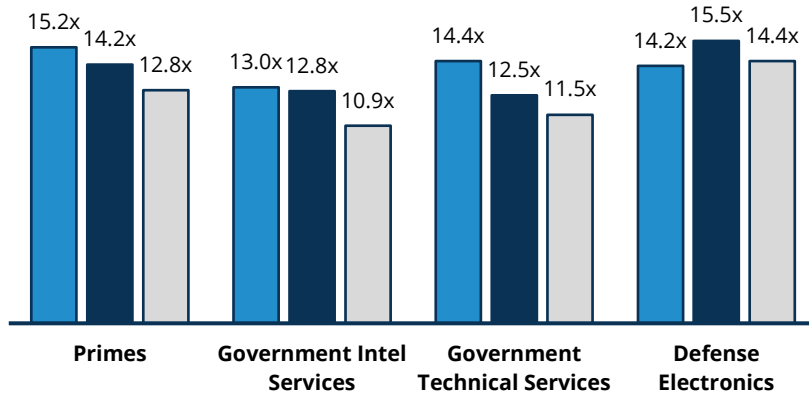
### 10-Yr Historical EBITDA Multiples\*



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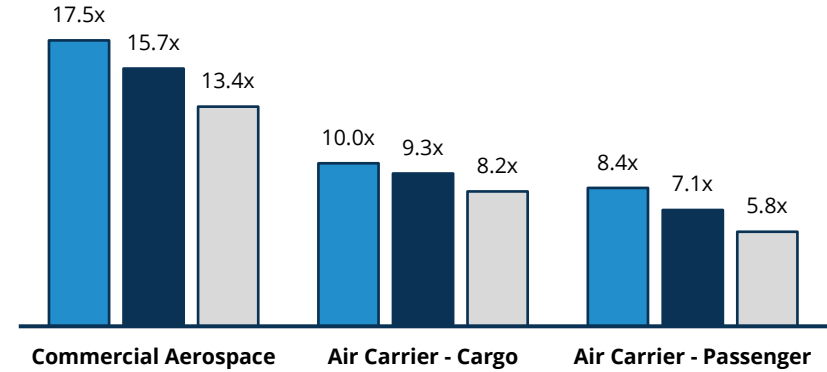
■ LTM ■ 2024CY □ 2025CY

Median EV/EBITDA (x)

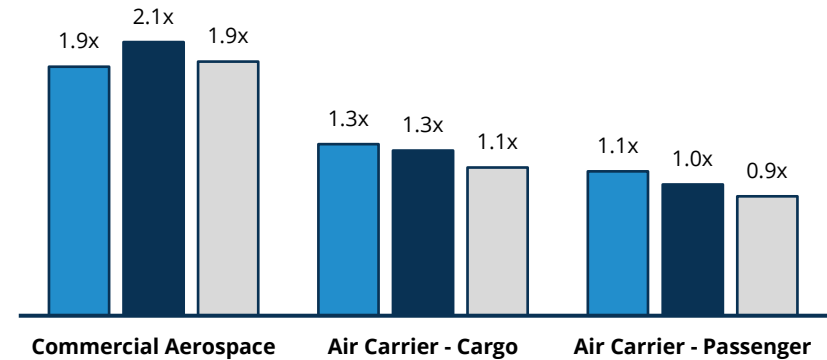
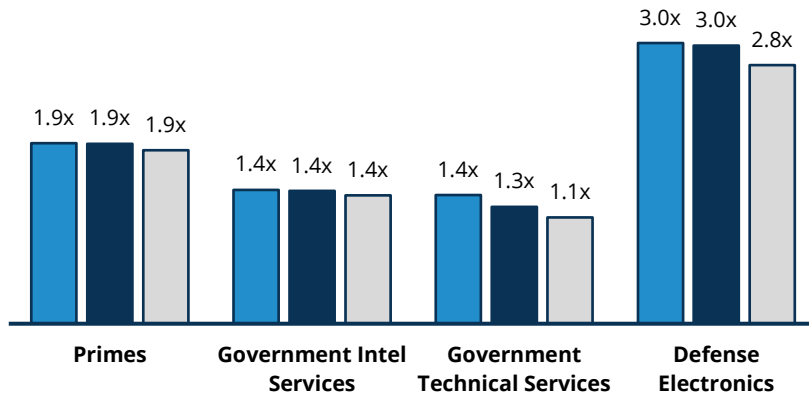


Commercial Aerospace\*

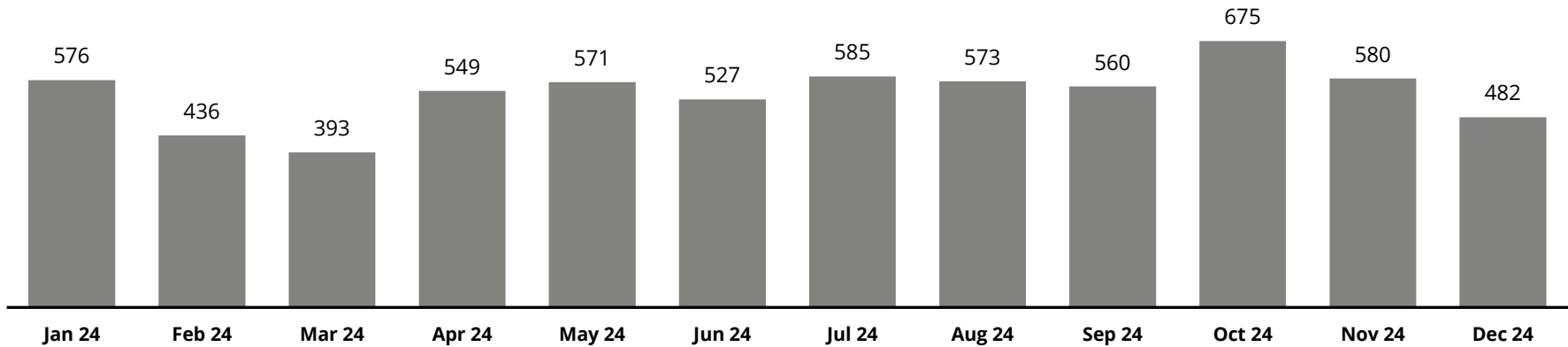
■ LTM ■ 2024CY □ 2025CY



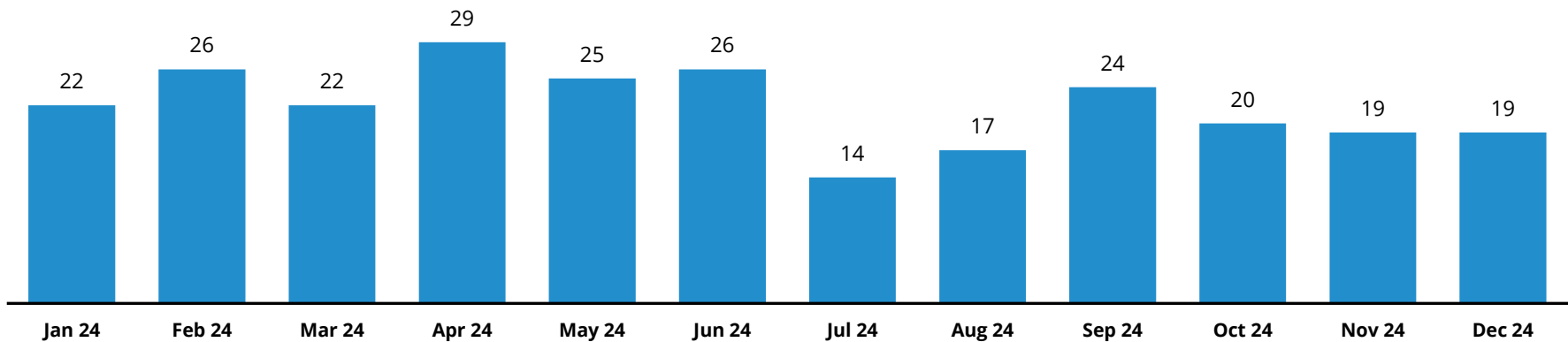
Median EV/Revenue (x)



### LTM US M&A Activity—Consolidated\*



### LTM US M&A Activity—Southwind Industry Universe\*



Date	Status	Target	Acquirer/Investor	Transaction Value (US\$ Mil)	Valuation (EV/LTM EBITDA)
12/04/2024	Announced	Substantially all the Assets of W International	Huntington Ingalls Industries, Inc.	n.d.	n.d.
12/06/2024	Announced	Hanwha Intelligence Co., Ltd.	Edge Foundry Co., Ltd.	\$53,242.03	n.d.
12/13/2024	Announced	Inertial Labs, Inc.	Viavi Solutions Inc.	\$325.00	n.d.
12/16/2024	Announced	Federal Contracts of Cherry Bekaert Advisory LLC	Sikich LLP	n.d.	n.d.
12/16/2024	Announced**	Ricardo Defense Systems, LLC	Proteus Enterprises LLC, Gladstone Investment Corporation	\$85.00	n.d.
12/17/2024	Announced	Tidelift, Inc.	SonarSource SA	n.d.	n.d.
12/23/2024	Announced	Kranze Technology Solutions, Inc.	SPX Technologies, Inc.	\$350.00	n.d.
12/02/2024	Closed	Kyrus Tech, Inc.	SIXGEN Incorporated	n.d.	n.d.
12/02/2024	Closed	Radar Simulation Division of Compro Computer Services, Inc.	Aechelon Technology, Inc.	n.d.	n.d.
12/03/2024	Closed	Kellstrom Aerospace, LLC	VSE Corporation	\$200.80	n.d.
12/04/2024	Closed	Satcom Direct, Inc.	Gogo Inc.	\$636.20	n.d.
12/04/2024	Closed	Magee Plastics Company	Trelleborg Sealing Solutions Germany GmbH	n.d.	n.d.
12/05/2024	Closed	SKT2 LLC	Codan US Inc.	\$33.60	n.d.

Date	Status	Target	Acquirer/Investor	Transaction Value (US\$ Mil)	Valuation (EV/LTM EBITDA)
12/05/2024	Closed	Wyvern Technologies Inc.	Extant Components Group Holdings, Inc.	n.d.	n.d.
12/06/2024	Closed	Leverage Information Technologies LLC	Markon LLC	n.d.	n.d.
12/06/2024	Closed	Chorus Aviation Capital Corp.	HPS Investment Partners, LLC	\$1,900.00	n.d.
12/09/2024	Closed	Paradyme Management, Inc.	CATHEXIS	n.d.	n.d.
12/10/2024	Closed	Calhoun International, LLC	Core One Solutions LLC	n.d.	n.d.
12/10/2024	Closed	Data Protection Business of Veritas Technologies LLC	Cohesity, Inc.	n.d.	n.d.
12/15/2024	Closed	Star 26 Capital Inc.	Nukkleus Inc.	\$26.00	n.d.
12/16/2024	Closed	BNP Associates, Inc.	Godspeed Capital Management LP	n.d.	n.d.
12/18/2024	Closed	Valiant Solutions, LLC	Bluestone Investment Partners	n.d.	n.d.
12/19/2024	Closed	Philly Shipyard, Inc.	Hanwha Ocean Co., Ltd.; Hanwha Systems Co., Ltd.	\$100.00	n.d.
12/19/2024	Closed	Zivaro, Inc.	Trace3, LLC	n.d.	n.d.
12/20/2024	Closed	Recorded Future, Inc.	Mastercard Incorporated	\$2,650.00	n.d.
12/30/2024	Closed	Micropac Industries, Inc. (nka: Teledyne Micropac, Inc.)	Teledyne Technologies Incorporated	\$67.70	9.0x




Date	Status	Company	Deal Type	New Investor(s)	Industry Sector*	Investment Size (US\$ Mil)
12/01/2024	Completed	TerraHaptix	Early Stage VC	Tofino Capital	A&D	n.d.
12/02/2024	Announced / In Progress	CounterDrone	Equity Crowdfunding	n.d.	A&D	n.d.
12/04/2024	Completed	Code19 Racing	Seed Round	n.d.	A&D	\$1.75
12/06/2024	Announced / In Progress	Ripple Two	Seed Round	n.d.	A&D	n.d.
12/09/2024	Completed	Pixxel	Later Stage VC	Glade Brook Capital Partners	A&D	\$60.00
12/11/2024	Announced / In Progress	Lumen Orbit	Early Stage VC	n.d.	A&D	n.d.
12/11/2024	Completed	Lumen Orbit	Seed Round	Andreessen Horowitz, Beyond Earth Technologies, Fortified Ventures, Fuse (Seattle), Imagination Capital, Mergus Ventures, NFX	A&D	\$11.00
12/13/2024	Announced / In Progress	Target Arm	Equity Crowdfunding	n.d.	A&D	\$0.04
12/15/2024	Completed	Boom Supersonic	Later Stage VC	369 Growth Partners, Alexander Gerko, Michael Moritz	A&D	\$100.00

Primes	Government Intel Services	Government Technical Services	Defense Electronics
RTX Corporation	Leidos Holdings, Inc.	Jacobs Solutions Inc.	L3Harris Technologies, Inc.
The Boeing Company	Booz Allen Hamilton Holding Corporation	AECOM	BAE Systems plc
Lockheed Martin Corporation	CACI International Inc	KBR, Inc.	Thales S.A.
Northrop Grumman Corporation	Science Applications International Corporation	ICF International, Inc.	Teledyne Technologies Incorporated
General Dynamics Corporation	Parsons Corporation	V2X, Inc.	Textron Inc.
Huntington Ingalls Industries, Inc.			Mercury Systems, Inc.
			AeroVironment, Inc.
			Kratos Defense & Security Solutions, Inc.

Commercial Aerospace	Air Carrier - Cargo	Air Carrier - Passenger
Honeywell International Inc.	United Parcel Service, Inc.	Delta Air Lines, Inc.
Airbus SE	FedEx Corporation	United Airlines Holdings, Inc.
TransDigm Group Incorporated	Expeditors International of Washington, Inc.	Southwest Airlines Co.
HEICO Corporation	Atlas Air Worldwide Holdings, Inc.	Spirit Airlines, Inc.
Embraer S.A.	Air Transport Services Group, Inc.	Alaska Air Group, Inc.
Curtiss-Wright Corporation	Exchange Income Corporation	JetBlue Airways Corporation
Spirit AeroSystems Holdings, Inc.	Forward Air Corporation	Frontier Group Holdings, Inc.
Hexcel Corporation	Cargojet Inc.	SkyWest, Inc.
Moog Inc.	Hub Group, Inc.	Copa Holdings, S.A.
Triumph Group, Inc.	Chorus Aviation Inc.	Allegiant Travel Company
AAR Corp.	AAR Corp.	Hawaiian Holdings, Inc.
Ducommun Incorporated	Sun Country Airlines Holdings, Inc.	Mesa Air Group, Inc.
Astronics Corporation	Mesa Air Group, Inc.	
	Air T, Inc.	





Southwind is a proven merchant bank with exceptional, sector-focused sell-side M&A experience. Our bankers leverage extensive relationships within both the operational and investor communities to provide advice and solutions to product and service providers in the aerospace, defense & government, and intelligence communities.

### Multiple Perspectives, Exceptional Advice

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- Southwind's senior leadership has decades of industry-specific knowledge and experience as customer, contractor, legal counsel, private equity investor and board member, in addition to over 2 decades of M&A advisory track record.
- We understand the challenges of management and our advice is informed by our background—not only as advisors, but as executives and investors.
- We are also uniquely positioned to anticipate questions and concerns before they arise from prospective suitors, thereby enabling us to effectively (and preemptively) communicate company-specific attributes that will optimize potential outcomes.

### Client-Focused Solutions

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**Mergers & Acquisitions** | Underpinned by proprietary modeling and detailed marketing and diligence support, our focus on preparation fosters buyer interest and efficiency.

**Equity & Debt Financing** | Southwind maintains relationships with leading industry capital providers and assists in equity and debt financing services from cradle to grave.

**Valuation & Fairness Opinions** | Southwind offers professional evaluations of a company to determine whether a merger, acquisition, or other transaction is fair and viable.

**Merchant Banking** | Through deep relationships with board-level advisors and family office and high net worth investors, Southwind helps facilitate capital formation.