



Cassel Salpeter & Co.
INVESTMENT BANKING

**Aviation Investment Banking
Q2 2022 Update**

Confidential

Member FINRA | SIPC



James S. Cassel
Chairman
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305-438-7701

Relevant Experience:

- Investment banking for over 26 years

Representative Assignments:



Bankruptcy
\$363 Sale Airlines



Bankruptcy
\$363 Sale Airlines



M&A Sale MRO



Scott E. Salpeter
President
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305-438-7702

Relevant Experience:

- Investment banking for over 26 years

Representative Assignments:



Valuation MRO



Valuation MRO



Solvency Opinion Freight & Logistics



Valuation MRO



Joseph "Joey" Smith
Director, Aviation
Services
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305-438-7706

Relevant Experience:

- Investment banking for over 22 years

Representative Assignments:



Capital Raise Aviation Services



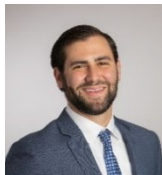
Capital Raise Distribution



Capital Raise Distribution



M&A Sale Part 121 Carrier



Philip Cassel
Managing Director



Ira Leiderman
Managing Director



Deborah Aghib
Managing Director



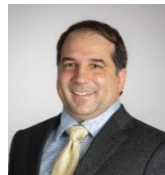
Margery Fischbein
Managing Director



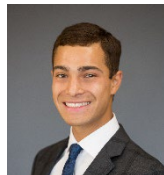
Laura Salpeter
Director



Marcus Wai
Vice President



Chris Mansueto
Vice President



Edward Kropf
Associate



Tahz Rashid
Associate



Charles Davis
Associate



Francisco Belliard
Analyst

Includes projects by our professionals at prior firms.

I

AIRLINES' CONTINUING CHALLENGES

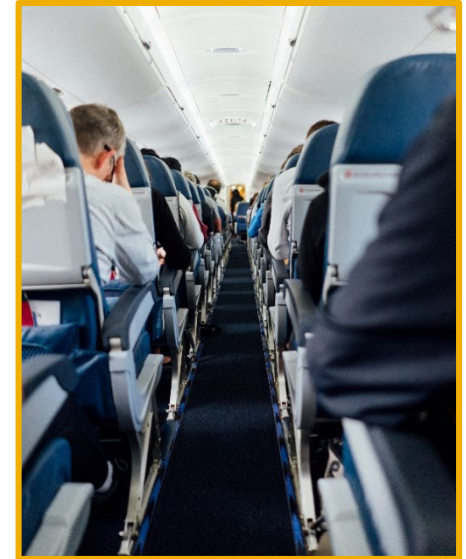
II

M&A & PRIVATE PLACEMENTS REVIEW

III

PUBLIC MARKETS REVIEW

- After two years of dramatically reduced demand for air travel, demand has come soaring back in Q2. The horrors and isolation caused by the COVID-19 pandemic have largely subsided following the mass availability of vaccines, and the virus has become a non-factor for most travelers when contemplating and booking flights.
- This year, air travel demand surged during the 5-day Memorial Day holiday weekend from Wednesday through Monday, reaching 93% of 2019 levels. The post-COVID-19 recovery continues to be robust but rebounding demand has exposed critical weaknesses for airlines.
- This year, more flights have been delayed or cancelled than during any year in the past decade. So far in 2022, an average of 20% of flights a day have arrived behind schedule, for a total of more than 820,000 delayed flights, with more than 116,000 flights being canceled. This has especially wrecked havoc on the surge of summer travelers as U.S. airlines have slashed 15% of their summer schedules.
- Over the past three months, JetBlue, Allegiant Air, and Frontier arrived late an abysmal one third of the time, with average delays of nearly one hour. In recent months, no major carrier could be relied upon to arrive on time more than 90% of the time, and few could consistently top 80%.
- Regular cancellations and delays have created a nightmare for travelers and have prompted finger-pointing within the industry. For carriers, a reduced labor force post-COVID and increased fuel costs have resulted in fewer flights and shrinking profit margins. Labor and fuel are the major operating costs for airlines, and continued pressures will lead to continued delays, cancellations and disruptions to consumers' summer travel experiences. For now, consumer demand remains high despite higher fares and inflation, however it is unclear for how much longer consumers will be willing to accept unreliable service and higher costs.



Sources of information: DOT (Airline Quality Rating Report), FlightAware, IATA, NPR, Skift.

- With the commercial airline industry in a freefall during the pandemic, carriers implemented deep cuts to their labor force, laying off hundreds of thousands of workers. Still more staff and pilots retired or quit of their own volition. As demand for air travel returns to pre-pandemic levels, it is clear that the industry faces a significant uphill battle to rebuild its workforce.
- The industry is facing a labor shortage in nearly every category, from baggage handlers to flight attendants. Technical roles such as aircraft mechanics require extensive training periods, making these roles even more difficult to staff. The most challenging vacancies to fill are pilots, who are responsible for the lives of millions of travelers every day, and must go through extensive background checks, drug testing, and countless hours of training.



- Especially in North America, airlines have been scrambling to find enough pilots after many retired or took early retirement during COVID. A shortfall of more than 8,000 pilots is projected in the region by 2023, with regional carriers that serve smaller cities expected to feel the worst of the pinch.
- One option being considered is extending the retirement age for pilots from 65 to 67, which would help increase the pool of potential candidates to sit in the cockpit. Allowing new pilots to perform some of their required 1,500 hours of training in flight simulators, rather than actual aircrafts, would also help expand the pipeline of commercial flyers.
- Unfortunately, there are no quick fixes. “Finding and training pilots is a four-year ordeal,” says one airline analyst, noting that it can take years for pilots to build experience before they are qualified to work. “This is a long-term problem without any likely short-term solutions.”

Sources of information: Forbes, WTSP.

- Following the Russian invasion of Ukraine in February, the International Air Transport Association (IATA) released a statement warning that airline losses were likely to grow in 2022 due to significant hikes in oil prices. While the fighting has not posed a direct threat to air travel so far, the conflict and trade sanctions imposed in its wake are placing additional stress on already challenged commodity markets and supply chains.
- Fuel is one of the most expensive operating cost items for airlines. Both Brent and West Texas Intermediate crude oil reached over \$110 a barrel in Q2. The pressure on airlines caused by higher fuel costs is compounded by rising levels of inflation driving up prices for other goods and services vital to the industry as well as supply chain issues delaying deliveries of necessary parts.
- While some of the cost increases have been passed along to the traveler in the form of higher ticket prices, profit margins for airlines are still lower than they were in 2019 as the higher margin segments including business and international travel have not recovered at the same pace as domestic leisure travel.
- The business segment is by far the most profitable for airlines and has traditionally generated a large chunk of revenue. Executives tend to fly business or first class and are often unable to take advantage of discounts, even in economy class, because of the short notice before many trips. The delays and cancellations have also prompted more companies to fly private for the convenience and assurance of arriving at their destinations on time, without the hassles of the current commercial airline experience.
- By mid-May, there was still more than a 34 percentage-point gap between the recoveries in the leisure and corporate travel segments. On a positive note, however, several major carriers are now projecting a recovery in business travel by the end of the year. And while the business travel segment has rebounded at a slower pace than leisure, the once-prevalent fear that a chunk of business travel might never return because of the ease and convenience of videoconferencing has dissipated.



Sources of information: IATA, U.S. EIA.

- Flight cancellations, long waits, and delayed flights are the common headaches plaguing the major airlines during this surging summer season. The same labor shortages and high costs affecting the major carriers are having a massive impact on the regional carriers, along with the hundreds of secondary and tertiary markets and the millions of passengers they serve. In the first half of 2022, regional airlines flew 12.7% fewer flights than in 2019, but only 6% more than 2021.
- The challenges plaguing regional carriers have contributed to airlines exiting some small-market airports entirely and could continue to prove challenging in the months to come. Regional carriers are essential to the broader airline industry, linking smaller airports to mainline carriers' major hubs, significantly increasing the number of travelers with convenient access to the network. Many regional carriers have partnerships with or are owned by major airlines, which market and sell tickets for the regional operators, essentially allowing major airlines to outsource labor in smaller markets for lower costs. Additionally, regional airlines serve as an effective entry point for many pilots who eventually seek to fly larger birds for the major airlines.
- According to data from the Regional Airline Association, 66% of American airports with scheduled passenger flights get their services only from regional airlines. Legacy mainline carriers only serve a third of domestic airports, while regional carriers serve over 90% of the nation's airports. Maintaining the health of regional airlines will prove critical for the broader airline industry and will be necessary to keep air travel accessible in the U.S.



Sources of information: Bloomberg, National Data Reporter & The Business Journals, NRAA.

I AIRLINES' CONTINUING CHALLENGES

II M&A & PRIVATE PLACEMENTS REVIEW

III PUBLIC MARKETS REVIEW

Selected Transactions Review

(\$ in millions)

Date		Transaction			Enterprise	Metrics			Valuation Benchmarks		
Closed	Annncd.	Target	Acquirer	Value	Target Trailing Twelve Months (TTM)			Implied Enterprise Value (EV) /			
					Revenue	EBITDA %	EBIT %	Revenue	EBITDA	EBIT	
2022 2nd Quarter M&A Transactions											
21-Jun-22	21-Jun-22	Airforms LLC	Mcfarlane Aviation, LLC	na	na	na	na	na	na	na	na
16-Jun-22	13-May-22	Operations of Three Fixed-Base Operators in Sacramento	Modern Aviation Inc.	na	na	na	na	na	na	na	na
8-Jun-22	10-Jun-22	Integral Industries, Inc.	Enjet Aero, LLC	na	na	na	na	na	na	na	na
2-Jun-22	8-Jun-22	Airflow.aero, Inc.	Electra Aero, Inc.	na	na	na	na	na	na	na	na
25-May-22	14-Mar-22	Dart Aerospace Limited	TransDigm Group Incorporated	\$ 360.0	na	na	na	na	na	na	na
18-May-22	13-Dec-21	Malaga Aerospace, Defense and Electronics Systems, S.A.U.	Latécoère S.A.	na	na	na	na	na	na	na	na
12-May-22	17-May-22	EB Airfoils LLC	StandardAero, Inc.	na	na	na	na	na	na	na	na
10-May-22	10-May-22	Adept Fasteners, Inc.	Wylie-Estill, Ltd.	na	na	na	na	na	na	na	na
9-May-22	9-May-22	AdamWorks, LLC (nka:CPI AdamWorks LLC)	Radant Technologies, Inc.	na	na	na	na	na	na	na	na
6-May-22	6-May-22	All Assets of Brown Aviation Lease, LLC	Residual Based Finance Corporation	na	na	na	na	na	na	na	na
5-May-22	3-May-22	Cyalume Technologies Holdings, Inc.	AE Industrial Partners	35.0	na	na	na	na	na	na	na
1-May-22	13-May-22	Aviation Risk Management Associates, Inc.	The Fedeli Group Inc.	na	na	na	na	na	na	na	na
30-Apr-22	27-Jun-22	Aeronautical & GI Holdings Limited	Tms Group Uk Limited	na	na	na	na	na	na	na	na
29-Apr-22	15-Feb-22	Business and Assets and Liabilities of L3Harris Technologies, Inc.	EMCORE Corporation	5.0	na	na	na	na	na	na	na
28-Apr-22	28-Apr-22	F.T.Gearing Systems Limited	G.S. Precision, Inc.	na	na	na	na	na	na	na	na
25-Apr-22	28-Mar-22	RE2, Inc.	Sarcos Technology and Robotics Corporation	99.7	\$ 15.0	na	na	6.65x	na	na	na
15-Apr-22	17-Mar-22	Pipistrel D.O.O. Ajdovscina/Pipistrel Vertical Solutions d.o.o./Pipistrel Italia s.r.l.	Textron Inc.	261.8	na	na	na	na	na	na	na
1-Apr-22	10-Sep-21	Asco Industries NV	Montana Aerospace AG	na	na	na	na	na	na	na	na
na	23-May-22	Aircraft Wheel and Brake Division of Parker-Hannifin Corporation	Kaman Corporation	440.0	70.0	40.0%	na	6.29x	15.71x	16.3x	na
na	5-May-22	Avcorp Industries Inc.	Latécoère S.A.	112.1	80.6	na	na	1.34x	na	na	na
			Mean	\$ 187.7	\$ 55.2	40.0%	na	4.76x	15.71x	16.3x	na
			Median	\$ 112.1	\$ 70.0	40.0%	na	6.29x	15.71x	16.3x	na

Sources of Information: S&P Capital IQ and Pitchbook.

SELECTED PRIVATE PLACEMENTS

Selected Private Placements Review

(\$ in millions)

Anncd. Date	Target	Investors	Raise	Round Type	Round Number
2022 2nd Quarter Private Placements					
22-Jun-22	Space Exploration Technologies Corp.	Alpha Dhabi Partners Holding	\$ 50.0	Growth	22
14-Jun-22	Overair, Inc.	Hanwha Aerospace Co., Ltd.; Hanwha Systems Co., Ltd.	145.0	Venture	3
8-Jun-22	Quantum-Systems GmbH	European Investment Bank; Bayern Kapital GmbH; Wachstumsfonds Bayern 2 GmbH & Co. KG	32.0	Series A	2
6-Jun-22	North American Wave Engine Corporation	Undisclosed	5.4	Growth	2
3-Jun-22	H3X Technologies Inc.	Undisclosed	2.0	Debt	3
27-May-22	Tamarack Aerospace Group, Inc.	Undisclosed	15.0	Growth	7
27-May-22	Space Exploration Technologies Corp.	Angel Box Co., Ltd.	1,725.0	Growth	21
19-May-22	Space Perspective Inc.	SVB Financial Group; Base Ventures; 1517 Fund; Kirenaga Partners LLC; Prime Movers Lab; Trinity Capital Inc.; SpaceFund; LightShed Ventures; E2MC; Explorer 1 Management Company LLC; Yamauchi-No.10	17.0	Venture	3
18-May-22	General Nano, LLC	Undisclosed	4.2	Growth	3
9-May-22	Aquiline Drones Corporations	Undisclosed	8.0	Venture	3
5-May-22	ExoSonic, Inc.	Y Combinator Management LLC; Stellar Solutions, Inc.; Expansion Venture Capital LLC; Soma Capital Management, LLC; Psion Capital LLC; Unpopular Ventures; Asymmetry Ventures LLC; Prithvi Ventures LLC; Gaingels Truework LLC	4.0	Seed	2
1-May-22	EXOS Aerospace Systems & Technologies, Inc.	Undisclosed	0.8	Growth	8
30-Apr-22	VerdeGo Aero, Inc.	Undisclosed	0.3	Venture	4
18-Apr-22	Bye UAS, Inc.	Undisclosed	1.5	Growth	7
7-Apr-22	Agile Space Industries Inc.	Undisclosed	6.5	Venture	4
1-Apr-22	BETA Technologies, Inc.	TPG Capital, L.P.; Fidelity Management & Research Company LLC; TPG Rise Climate LP	375.0	Series B	2
		<i>Mean</i>	\$ 149.5		
		<i>Median</i>	\$ 7.3		

Sources of information: S&P Capital IQ and Pitchbook.

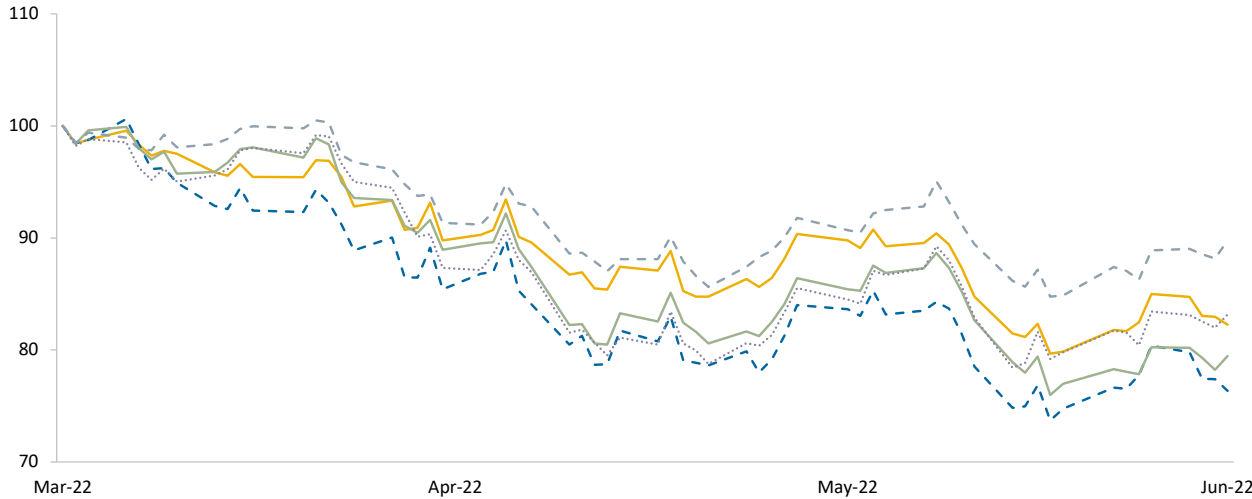
I AIRLINES' CONTINUING CHALLENGES

II M&A & PRIVATE PLACEMENTS REVIEW

III PUBLIC MARKETS REVIEW

Relative Trading Performance

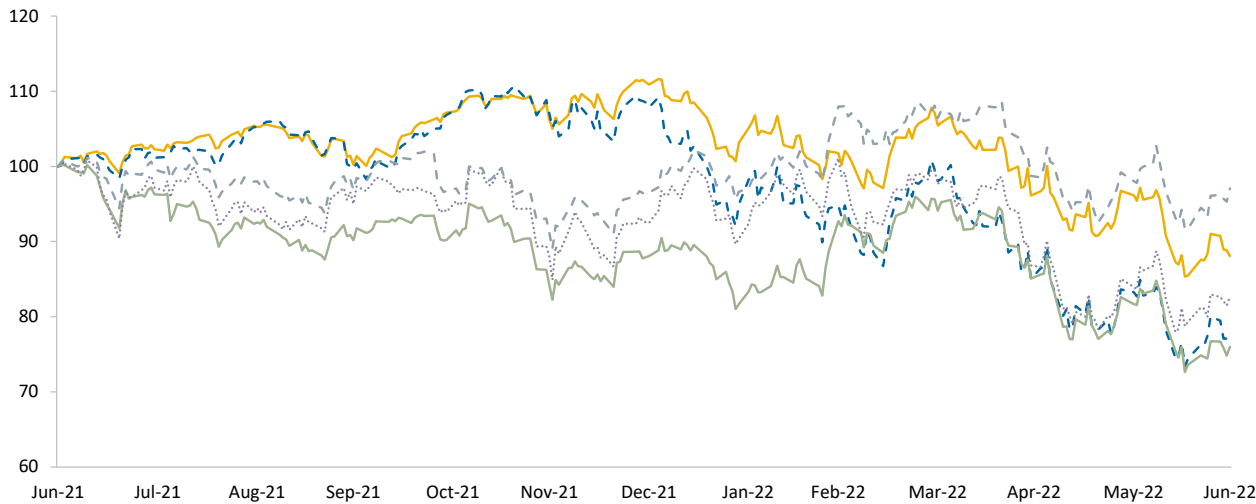
Last Three Months - Mar 30, 2022 to Jun 30, 2022 (Chart 1)



Indices

	Chart 1	Chart 2
S&P 500	-17.8%	-11.9%
NASDAQ Composite	-23.6%	-24.0%
S&P A&D Select Industry	-20.5%	-24.0%
Nasdaq US Aerospace	-16.8%	-17.3%
DJ U.S. A&D	-10.2%	-2.9%

1 Year - Jun 30, 2021 to Jun 30, 2022 (Chart 2)



Sources of information: S&P Capital IQ.

SELECTED PUBLIC COMPANY TRADING DATA

Selected Companies Review

(\$ in thousands, except per security)

Company	Ticker	Market Statistics			Metrics				Valuation Benchmarks				
		Closing Price	% of 52-week	Enterprise	Revenue	EBITDA	EBITDA	EBITDA	EV / Revenue		EV / EBITDA		
		30-Jun-22	High-Low	Value	LTM	LTM	LTM Margin	2023 E Growth	LTM	2022 E	LTM	2022 E	
Airlines													
Alaska Air Group, Inc.	ALK	\$ 40.05	62.8% - 104.9%	\$ 6,159.0	\$ 7,060.0	\$ 467.0	6.6%	35.1%	0.87x	0.66x	13.2x	4.8x	
Allegiant Travel Company	ALGT	\$ 113.09	52.5% - 103.0%	2,720.8	1,928.9	276.1	14.3%	55.3%	1.41x	1.16x	9.9x	6.9x	
American Airlines Group Inc.	AAL	\$ 12.68	56.7% - 106.3%	41,613.8	34,773.0	(1,137.0)	-3.3%	71.6%	1.20x	0.89x	na	11.4x	
Delta Air Lines, Inc.	DAL	\$ 28.97	62.6% - 103.1%	43,216.5	35,097.0	1,351.0	3.8%	47.4%	1.23x	0.92x	32.0x	7.9x	
Frontier Group Holdings, Inc.	ULCC	\$ 9.37	53.4% - 114.4%	4,130.1	2,394.0	(335.0)	-14.0%	89.1%	1.73x	1.26x	na	7.2x	
Hawaiian Holdings, Inc.	HA	\$ 14.31	57.0% - 112.1%	1,422.3	1,891.6	(339.3)	-17.9%	1479.9%	0.75x	0.55x	na	53.0x	
JetBlue Airways Corporation	JBLU	\$ 8.37	48.2% - 104.8%	4,661.0	7,040.0	(184.0)	-2.6%	157.8%	0.66x	0.51x	na	9.3x	
Mesa Air Group, Inc.	MESA	\$ 2.19	22.6% - 104.3%	682.9	526.9	41.0	7.8%	33.0%	1.30x	1.39x	16.6x	5.9x	
SkyWest, Inc.	SKYW	\$ 21.25	40.1% - 105.9%	3,645.6	2,914.1	535.5	18.4%	2.3%	1.25x	1.28x	6.8x	5.5x	
Southwest Airlines Co.	LUV	\$ 36.12	64.1% - 105.1%	17,919.6	18,432.0	1,017.0	5.5%	23.6%	0.97x	0.73x	17.6x	4.7x	
Spirit Airlines, Inc.	SAVE	\$ 23.84	75.8% - 149.7%	6,358.1	3,736.8	(142.3)	-3.8%	121.6%	1.70x	1.25x	na	14.0x	
Sun Country Airlines Holdings, Inc.	SNCY	\$ 18.34	47.6% - 107.9%	1,377.3	721.9	123.1	17.0%	91.5%	1.91x	1.53x	11.2x	9.3x	
United Airlines Holdings, Inc.	UAL	\$ 35.42	65.0% - 116.0%	33,191.8	28,979.0	(415.0)	-1.4%	59.8%	1.15x	0.77x	na	7.6x	
		<i>Mean</i>	54.5% - 110.6%	\$ 12,853.8	\$ 11,191.9	\$ 96.8	2.3%	174.5%	1.24x	0.99x	15.3x	11.3x	
		<i>Median</i>	56.7% - 105.9%	\$ 4,661.0	\$ 3,736.8	\$ 41.0	3.8%	59.8%	1.23x	0.92x	13.2x	7.6x	
MRO, Parts & Supply Chain													
AAR Corp.	AIR	\$ 41.84	79.2% - 135.4%	\$ 1,591.2	\$ 1,781.5	\$ 131.5	7.4%	na	0.89x	0.86x	12.1x	8.7x	
AerSale Corporation	ASLE	\$ 14.51	60.0% - 138.1%	575.1	404.8	70.7	17.5%	na	1.42x	1.32x	8.1x	na	
HEICO Corporation	HEI	\$ 131.12	82.3% - 106.7%	16,434.7	2,010.3	530.1	26.4%	12.6%	8.18x	7.38x	31.0x	27.3x	
MTU Aero Engines AG	XTRA:MTX	\$ 181.58	78.6% - 107.5%	10,535.3	4,864.5	611.0	12.6%	16.8%	2.17x	1.90x	17.2x	11.5x	
Singapore Technologies (ST Aerospace)	SGX:S63	\$ 2.90	95.7% - 110.3%	10,261.8	5,706.1	703.1	12.3%	16.1%	1.80x	1.58x	14.6x	12.1x	
TAT Technologies Ltd.	TATT	\$ 5.70	54.6% - 108.6%	60.4	79.6	(1.4)	-1.7%	na	0.76x	na	na	na	
VSE Corporation	VSEC	\$ 37.47	57.3% - 111.3%	809.9	817.1	50.3	6.2%	24.2%	0.99x	0.89x	16.1x	9.6x	
		<i>Mean</i>	72.5% - 116.8%	\$ 5,752.6	\$ 2,237.7	\$ 299.3	11.5%	17.4%	2.31x	2.32x	16.5x	13.9x	
		<i>Median</i>	78.6% - 110.3%	\$ 1,591.2	\$ 1,781.5	\$ 131.5	12.3%	16.5%	1.42x	1.45x	15.4x	11.5x	

Market value equals price per share times number of diluted shares outstanding. Enterprise value equals market value plus debt, preferred stock, and non controlling interests, less cash.

Sources of information: S&P Capital IQ.

SELECTED PUBLIC COMPANY TRADING DATA

Selected Companies Review

(\$ in thousands, except per security)

Company	Ticker	Market Statistics			Metrics				Valuation Benchmarks				
		Closing Price	% of 52-week	Enterprise	Revenue	EBITDA	EBITDA	EBITDA	EV / Revenue		EV / EBITDA		
		30-Jun-22	High-Low	Value	LTM	LTM	LTM Margin	2023 E Growth	LTM	2022 E	LTM	2022 E	
Aerostructures & Component Manufacturers													
Air Industries Group	AIRI	\$ 0.70	48.6% - 110.1%	\$ 48.2	\$ 57.3	\$ 5.4	9.5%	16.2%	0.84x	0.83x	8.9x	7.4x	
ATI Inc.	ATI	\$ 22.71	73.9% - 164.0%	4,647.6	2,941.4	332.5	11.3%	13.6%	1.58x	1.39x	14.0x	9.6x	
Astronics Corporation	ATRO	\$ 10.17	52.7% - 110.1%	450.9	455.2	(0.5)	-0.1%	181.3%	0.99x	0.82x	na	19.5x	
CPI Aerostructures, Inc.	CVUA	\$ 1.69	47.5% - 125.2%	48.0	102.4	4.9	4.8%	na	0.47x	na	9.8x	na	
Hexcel Corporation	HXL	\$ 52.22	81.4% - 111.7%	5,142.9	1,405.0	235.5	16.8%	31.6%	3.66x	3.23x	21.8x	17.0x	
Honeywell International Inc.	HON	\$ 172.95	73.0% - 101.6%	130,300.5	34,314.0	8,415.0	24.5%	9.2%	3.80x	3.61x	15.5x	14.3x	
Howmet Aerospace Inc.	HWM	\$ 31.43	83.5% - 114.7%	17,035.0	5,087.0	1,154.0	22.7%	19.1%	3.35x	3.03x	14.8x	13.0x	
Ducommun Incorporated	DCO	\$ 43.04	74.0% - 107.6%	795.7	651.7	78.7	12.1%	12.9%	1.22x	1.14x	10.1x	8.1x	
FACC AG	WBAG:FACC	\$ 7.12	65.1% - 103.2%	531.9	563.1	17.8	3.2%	18.8%	0.94x	0.92x	29.9x	8.9x	
Héroux-Devtek Inc.	TSX:HRX	\$ 10.79	70.7% - 107.0%	488.4	429.4	57.2	13.3%	13.6%	1.14x	1.11x	8.5x	7.4x	
Innovative Solutions and Support, Inc.	ISSC	\$ 7.20	72.7% - 124.8%	112.8	26.6	6.7	25.2%	na	4.24x	na	16.8x	na	
JAMCO Corporation	TSE:7408	\$ 9.02	92.5% - 181.9%	560.9	321.8	(8.0)	-2.5%	na	1.74x	na	na	na	
Kaman Corporation	KAMN	\$ 31.25	60.8% - 103.5%	953.2	695.4	103.8	14.9%	10.6%	1.37x	1.30x	9.2x	9.5x	
Latécoère S.A.	ENXTPA:LAT	\$ 0.39	18.8% - 105.1%	300.2	428.6	(55.6)	-13.0%	-690.6%	0.70x	0.63x	na	na	
Lisi S.A.	ENXTPA:FII	\$ 19.11	59.2% - 103.3%	1,299.9	1,364.1	168.6	12.4%	23.5%	0.95x	0.90x	7.7x	6.2x	
Magellan Aerospace Corporation	TSX:MAL	\$ 5.83	68.3% - 107.3%	375.5	560.5	24.4	4.4%	39.7%	0.67x	0.61x	15.4x	6.9x	
Meggitt PLC	MGGT	\$ 9.59	93.3% - 201.1%	8,431.8	2,016.5	301.8	15.0%	17.3%	4.18x	4.10x	27.9x	19.3x	
Moog Inc.	MOG.A	\$ 79.15	87.9% - 116.8%	3,354.7	2,926.5	322.9	11.0%	11.1%	1.15x	1.09x	10.4x	8.9x	
RBC Bearings Incorporated	ROLL	\$ 184.95	73.8% - 121.0%	6,918.8	942.9	241.5	25.6%	3.6%	7.34x	4.73x	28.6x	17.5x	
Senior plc	LSE:SNR	\$ 1.41	62.6% - 103.2%	765.2	891.9	63.8	7.2%	27.5%	0.86x	0.85x	12.0x	8.9x	
SIFCO Industries, Inc.	SIF	\$ 3.10	27.0% - 100.6%	54.8	93.5	(0.4)	-0.4%	na	0.59x	na	na	na	
Spirit AeroSystems Holdings, Inc.	SPR	\$ 29.30	55.0% - 111.9%	5,793.6	4,226.9	85.5	2.0%	95.5%	1.37x	1.12x	67.8x	14.5x	
Triumph Group, Inc.	TGI	\$ 13.29	47.7% - 115.9%	2,227.1	1,459.9	184.3	12.6%	28.4%	1.53x	1.63x	12.1x	13.6x	
TransDigm Group Incorporated	TDG	\$ 521.83	76.1% - 104.3%	45,056.2	5,018.0	2,245.0	44.7%	12.1%	8.98x	8.09x	20.1x	16.9x	
Woodward, Inc.	WWD	\$ 92.32	71.5% - 105.4%	6,276.1	2,255.3	350.0	15.5%	17.7%	2.78x	2.53x	17.9x	14.2x	
			<i>Mean</i>	\$ 9,678.8	\$ 2,769.4	\$ 573.4	11.7%	-4.2%	2.26x	2.08x	18.1x	12.1x	
			<i>Median</i>	\$ 953.2	\$ 891.9	\$ 85.5	12.1%	17.3%	1.37x	1.14x	14.8x	11.3x	

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Sources of information: S&P Capital IQ.

SELECTED PUBLIC COMPANY TRADING DATA

Selected Companies Review

(\$ in thousands, except per security)

Company	Ticker	Market Statistics			Metrics				Valuation Benchmarks				
		Closing Price	% of 52-week	Enterprise	Revenue	EBITDA	EBITDA	EBITDA	EV / Revenue		EV / EBITDA		
		30-Jun-22	High-Low	Value	LTM	LTM	LTM Margin	2023 E Growth	LTM	2022 E	LTM	2022 E	
Aviation Services, Space & Other													
Atlas Air Worldwide Holdings, Inc.	AAWW	\$ 61.71	63.5% - 102.0%	\$ 3,440.3	\$ 4,206.7	\$ 1,033.1	24.6%	-5.2%	0.82x	0.75x	3.3x	3.4x	
Archer Aviation Inc.	ACHR	\$ 3.08	29.2% - 118.0%	68.0	na	(277.0)	na	8.9%	na	na	na	na	
AerCap Holdings N.V.	AER	\$ 40.94	57.4% - 110.1%	57,741.7	5,283.6	2,491.4	47.2%	30.6%	10.93x	8.51x	23.2x	12.0x	
Air T, Inc.	AIRT	\$ 16.46	38.2% - 114.7%	197.7	177.1	10.7	6.0%	na	1.12x	na	18.6x	na	
Air Lease Corporation	AL	\$ 33.43	65.6% - 112.4%	20,040.1	2,210.2	na	na	79.5%	9.07x	8.43x	na	13.9x	
Astra Space, Inc.	ASTR	\$ 1.30	7.7% - 109.2%	97.0	3.9	(194.2)	-4964.8%	-35.9%	24.81x	nm	na	na	
AST SpaceMobile, Inc.	ASTS	\$ 6.28	43.9% - 129.8%	351.4	13.8	(103.6)	nm	-46.2%	25.38x	24.41x	na	na	
Air Transport Services Group, Inc.	ATSG	\$ 28.73	83.2% - 134.1%	3,589.1	1,844.1	596.5	32.3%	9.8%	1.95x	1.74x	6.0x	5.6x	
Blade Air Mobility, Inc.	BLDE	\$ 4.46	37.2% - 105.4%	83.2	115.8	(47.7)	-41.2%	-20.1%	0.72x	0.69x	na	na	
Gogo Inc.	GOGO	\$ 16.19	68.3% - 168.5%	2,570.2	354.6	143.0	40.3%	16.0%	7.25x	6.51x	18.0x	16.1x	
Joby Aviation, Inc.	JOBY	\$ 4.91	34.3% - 136.0%	1,789.7	na	(289.8)	na	3.2%	na	na	na	na	
Lilium N.V.	LILM	\$ 2.36	20.2% - 109.3%	292.7	0.1	(327.1)	nm	-6.7%	nm	na	na	na	
Momentus Inc.	MNTS	\$ 2.16	14.7% - 116.8%	75.0	0.2	(99.6)	nm	na	nm	20.83x	na	na	
Redwire Corporation	RDW	\$ 3.04	17.9% - 109.4%	276.8	138.8	(44.3)	-31.9%	259.1%	1.99x	1.66x	na	31.5x	
Rocket Lab USA, Inc.	RKLB	\$ 3.79	17.8% - 107.4%	1,345.6	84.7	(107.3)	-126.6%	-102.4%	nm	nm	na	na	
Virgin Galactic Holdings, Inc.	SPCE	\$ 6.02	11.1% - 117.1%	831.8	3.6	(319.8)	nm	-23.4%	nm	nm	na	na	
Spire Global, Inc.	SPIR	\$ 1.16	5.9% - 103.6%	135.4	51.7	(56.8)	-109.8%	-91.2%	2.62x	1.55x	na	na	
CAE Inc.	TSX:CAE	\$ 24.63	74.8% - 116.3%	9,990.7	2,700.4	442.4	16.4%	20.1%	3.70x	3.31x	22.6x	14.3x	
Wheels Up Experience Inc.	UP	\$ 1.95	13.0% - 107.7%	65.4	1,258.2	(215.3)	-17.1%	-42.7%	0.05x	0.04x	na	na	
			<i>Mean</i>	\$ 5,420.1	\$ 1,085.1	\$ 146.4	-427.1%	3.1%	6.95x	6.54x	15.3x	13.8x	
			<i>Median</i>	\$ 351.4	\$ 138.8	\$ (78.2)	-5.5%	-5.2%	2.62x	2.53x	18.3x	13.9x	

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		30-Jun-22	High-Low	Value	LTM	LTM	LTM Margin	2023 E Growth	LTM	2022 E	LTM	2022 E
Airframe & Engine OEM												
Airbus SE	ENXTPA:AIR	\$ 96.64	76.3% - 102.5%	\$ 73,772.7	\$ 59,641.2	\$ 8,302.6	13.9%	27.4%	1.24x	1.17x	8.9x	8.7x
The Boeing Company	BA	\$ 136.72	56.5% - 121.0%	126,553.5	61,060.0	52.0	0.1%	88.0%	2.07x	1.68x	2433.7x	24.3x
Bombardier Inc.	TSX:BBD.B	\$ 15.00	34.0% - 103.5%	-	5,990.0	383.0	6.4%	31.3%	0.00x	0.00x	0.0x	0.0x
Dassault Aviation Société anonyme	ENXTPA:AM	\$ 155.66	89.5% - 181.9%	7,979.9	8,248.4	742.7	9.0%	17.6%	0.97x	1.27x	10.7x	12.3x
Embraer S.A.	BOVESPA:EMBR3	\$ 2.19	43.0% - 103.7%	3,343.9	4,068.7	272.2	6.7%	34.3%	0.82x	0.66x	12.3x	7.6x
General Electric Company	GE	\$ 63.67	54.8% - 103.1%	86,755.3	74,164.0	6,878.0	9.3%	28.4%	1.17x	1.14x	12.6x	9.2x
Rolls-Royce Holdings plc	LSE:RR.	\$ 1.01	51.2% - 106.5%	14,850.1	15,189.8	1,348.6	8.9%	26.0%	0.98x	1.05x	11.0x	9.4x
Safran SA	ENXTPA:SAF	\$ 98.48	76.5% - 107.2%	44,417.2	17,392.2	2,871.6	16.5%	21.2%	2.55x	2.33x	15.5x	12.2x
Textron Inc.	TXT	\$ 61.07	76.9% - 106.9%	15,184.2	12,504.0	1,442.0	11.5%	9.9%	1.21x	1.13x	10.5x	9.6x
		<i>Mean</i>	<i>62.1% - 115.2%</i>	<i>\$ 41,428.5</i>	<i>\$ 28,695.4</i>	<i>\$ 2,477.0</i>	<i>9.1%</i>	<i>31.6%</i>	<i>1.22x</i>	<i>1.16x</i>	<i>279.5x</i>	<i>10.4x</i>
		<i>Median</i>	<i>56.5% - 106.5%</i>	<i>\$ 15,184.2</i>	<i>\$ 15,189.8</i>	<i>\$ 1,348.6</i>	<i>9.0%</i>	<i>27.4%</i>	<i>1.17x</i>	<i>1.14x</i>	<i>11.0x</i>	<i>9.4x</i>
Defense Contractors												
AeroVironment, Inc.	AVAV	\$ 82.20	72.0% - 158.0%	\$ 2,166.9	\$ 445.7	\$ 52.1	11.7%	18.6%	4.86x	4.47x	41.6x	26.3x
BAE Systems plc	LSE:BA.	\$ 10.09	98.8% - 160.5%	36,499.3	26,432.6	3,011.4	11.4%	5.8%	1.38x	1.35x	12.1x	9.9x
Elbit Systems Ltd.	TASE:ESLT	\$ 227.93	99.4% - 198.8%	11,202.0	5,513.0	522.6	9.5%	10.0%	2.03x	1.98x	21.4x	18.3x
General Dynamics Corporation	GD	\$ 221.25	86.8% - 121.1%	71,898.1	38,472.0	5,268.0	13.7%	10.9%	1.87x	1.82x	13.6x	13.9x
Herkules S.A.	HRS	\$ 0.24	57.6% - 111.3%	26.2	41.9	6.8	16.2%	na	0.63x	na	3.9x	na
Huntington Ingalls Industries, Inc.	HII	\$ 216.75	94.8% - 123.5%	11,782.1	9,822.0	1,003.0	10.2%	12.1%	1.20x	1.09x	11.7x	11.9x
Kratos Defense & Security Solutions, Inc.	KTOS	\$ 13.88	47.7% - 110.7%	1,879.0	813.5	50.4	6.2%	22.0%	2.31x	2.10x	37.3x	21.7x
L3Harris Technologies, Inc.	LHX	\$ 241.70	86.4% - 120.4%	54,410.9	17,350.0	3,561.0	20.5%	5.5%	3.14x	3.10x	15.3x	14.5x
Leonardo S.p.a.	BIT:LDO	\$ 10.12	88.8% - 168.1%	10,904.1	15,942.0	1,539.7	9.7%	9.6%	0.68x	0.70x	7.1x	6.0x
Lockheed Martin Corporation	LMT	\$ 429.96	89.6% - 132.6%	124,361.0	65,750.0	8,743.0	13.3%	3.8%	1.89x	1.88x	14.2x	12.6x
Mercury Systems, Inc.	MRCY	\$ 64.33	89.0% - 144.8%	4,142.4	949.3	162.4	17.1%	6.7%	4.36x	3.89x	25.5x	17.4x
Northrop Grumman Corporation	NOC	\$ 476.90	96.9% - 138.3%	86,306.1	35,307.0	8,807.0	24.9%	5.6%	2.44x	2.36x	9.8x	17.9x
Raytheon Technologies Corporation	RTX	\$ 95.55	90.1% - 121.0%	171,538.8	64,853.0	11,350.0	17.5%	13.5%	2.65x	2.51x	15.1x	13.7x
Thales S.A.	ENXTPA:HO	\$ 122.36	89.2% - 165.9%	27,227.4	18,414.6	2,332.2	12.7%	10.7%	1.48x	1.51x	11.7x	9.6x
		<i>Mean</i>	<i>84.8% - 141.1%</i>	<i>\$ 43,881.7</i>	<i>\$ 21,436.2</i>	<i>\$ 3,315.0</i>	<i>13.9%</i>	<i>10.4%</i>	<i>2.21x</i>	<i>2.21x</i>	<i>17.2x</i>	<i>14.9x</i>
		<i>Median</i>	<i>89.1% - 135.4%</i>	<i>\$ 19,504.8</i>	<i>\$ 16,646.0</i>	<i>\$ 1,935.9</i>	<i>13.0%</i>	<i>10.0%</i>	<i>1.96x</i>	<i>1.98x</i>	<i>13.9x</i>	<i>13.9x</i>

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