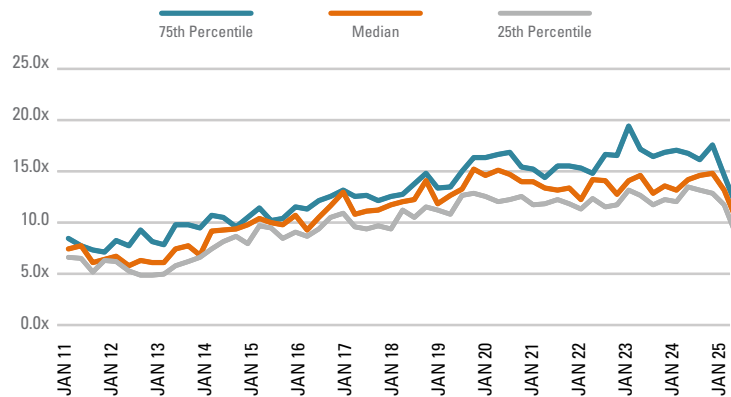


EARNINGS THEMES

- Recent performance was broadly in line with expectations, with multiple companies reporting record results.
- While not explicitly mentioning DOGE, there were a number of references to modernization and efficiency initiatives, highlighting how companies' efforts are contributing to these strategic objectives.
- Through discussions with industry leaders, we have noted that companies not exposed to USAID and other specific civilian entities have reported limited direct impact thus far. That being said, there is growing awareness of potential exposures, and companies are engaging in ongoing monitoring for potential impacts and taking precautionary measures, such as communicating contract and program benefits to customers. It is evident that companies are taking a unified approach, with a cautious outlook towards the upcoming March 14 deadline.
- The impact on the M&A pipeline has been less pronounced than anticipated. Despite current uncertainties, interest remains strong for high-quality assets, particularly in the national security sector, with companies continuing to receive investment proposals. That being said, there is also a noted pause in activity as companies await clarity on customer priorities and potential shifts in the market landscape.

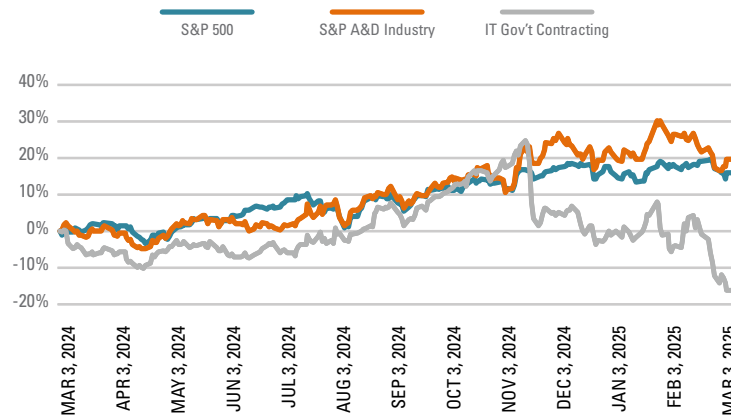
VALUATIONS

GOVERNMENT CONTRACTING EBITDA MULTIPLE

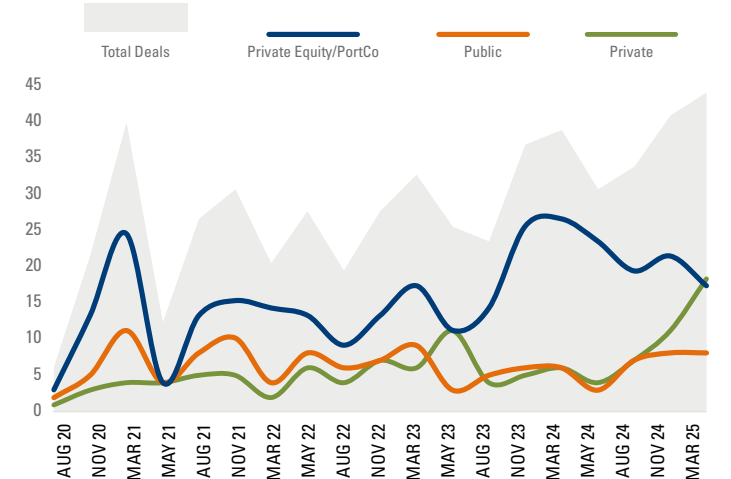


The following companies are included for any periods in which they were public - BigBear.ai, Booz Allen Hamilton, CACI, CSRA/SRA, ICF, Leidos, ManTech, Maximus, PAE, Parsons, Perspecta, SAIC, V2X and VSE.

STOCK PERFORMANCE VS. MARKET



GOVERNMENT CONTRACTING DEAL ACTIVITY BY COMPANY TYPE



KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

NOV
29

Markon (Sterling Investment Partners) announced its acquisition of JY Systems. JY Systems is an IT and cybersecurity services provider that specializes in serving the IC and DoD community. JY Systems services support a wide range of areas, including but not limited to, cybersecurity, cloud computing, and network architecture. As a result of the acquisition, Markon will expand its expertise in systems, software, and cyber engineering, with a particular focus on supporting its SIGINT and Cyber Security missions. Additionally, the acquisition of JY Systems adds a significant number of highly skilled, technical professionals, enhancing Markon's high-end capabilities and enabling the company to tap into new clientele, thereby expanding its presence across all primary intelligence agencies.

DEC
2

SIXGEN (Washington Harbour Partners) has acquired Kyrus Tech, a specialized software development firm for mission-critical cyber solutions to the IC and DoD. Kyrus Tech specializes in data science, reverse engineering, and secure development of both advanced software and tailored hardware systems. The addition of Kyrus Tech is expected to enhance SIXGEN's ability to deliver advanced products and platforms, and provide scalable, tailored solutions that address the increasingly complex digital threat landscape. The acquisition of Kyrus Tech marks SIXGEN's third strategic acquisition since being acquired by Washington Harbour Partners in late 2023, following the acquisitions of Secure Enterprise Engineering (July 2024) and Boldend (August 2024).

DEC
2

Ukpeagvik Iñupiat Corporation (UIC) announced it acquired a majority interest in Delta Solutions & Strategies (Delta). Delta is a defense support services firm that creates and delivers military training products, operations and maintenance, modeling and simulations, and professional and technical advisory and assistance services for the DoD. Notably, Delta was named the SBA Small Business Prime Contractor of the Year in 2023. As a strategic addition to the Bowhead Family of Companies, Delta is expected to bring new capabilities and service offerings that complement existing offerings, positioning Bowhead for increased success in securing contracts. The integration of Delta will play a role in enhancing and expanding Bowhead's offerings for the USAF, USSF, and SPACECOM.

Aechelon Technology (Sagewind Capital) announced its acquisition of Compro Computer Services' Radar Simulation Division. Compro Computer Services provides advanced software solutions and services tailored for the aerospace and simulation industries. The acquisition comprises Compro's Radar Toolkit (RTK), as well as associated assets, contracts, software, and intellectual property (IP). The addition of Compro's Radar Simulation Division is expected to enhance Aechelon's existing capabilities in radar simulation technology and drive significant advancements in this field, ultimately delivering enhanced value to the combined client base.

DEC
4

HII (NYSE: HII) announced that it entered into a definitive agreement to acquire substantially all of the assets of W International SC and Vivid Empire SC (collectively, "W International") — a South Carolina-based complex metal fabricator specializing in the manufacture of shipbuilding structures, modules, and assemblies. As a result of the acquisition, the facility will operate within HII's Newport News Shipbuilding (NNS) division, and will support the construction of nuclear-powered submarine and aircraft carrier modules and structures for U.S. Navy programs by leveraging its advanced manufacturing capabilities. The acquisition enables HII to enhance its capabilities by adding a highly skilled workforce and state-of-the-art manufacturing capabilities to support the demand for building ships.

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

DEC
6

Markon (Sterling Investment Partners) acquired Leverage Information Technologies (LIT). According to the terms of the deal, LIT, which provides information technology, engineering, and program management services to the federal government and industry clients, will become a part of Markon. We note that LIT also assists clients on their digital transformation journey by providing outside-in approaches, open technology innovation, and agile techniques. The acquisition is expected to add approximately 40 team members to Markon, thereby strengthening the combined entity's mission-critical capabilities.

DEC
9

CATHEXIS announced its strategic acquisition of Paradyme, a next-gen technology company focused on solving the federal government's most critical challenges. Paradyme specializes in AI/ML, DevSecOps, Agile Software Development, Human-Centered Design, and ERP Solutions. Furthermore, Paradyme offers tailored solutions across the IC, National Security, and FedCiv agencies. The business combination will enable the delivery of a fully integrated solution that combines our consulting expertise with advanced technologies, ultimately providing customers with enhanced support and capabilities.

DEC
10

Core One announced its acquisition of Calhoun International, a professional services company that specializes in intelligence analysis and program management for the DoD. Calhoun's core capabilities include: Intelligence & Operations Support; Technology Protection; Strategic Planning & Analysis; Training & Course Development; and Information Technology. The acquisition will enhance Core One's ability to deliver mission-critical solutions to new end users, including the DIA, U.S. Combatant Commands, and INSCOM.

DEC
16

Sikich, a global technology-enabled professional services provider, has entered into a definitive agreement to acquire the federal contracts of Cherry Bekaert Advisory supporting the U.S. Patent and Trademark Office. As a result of this acquisition, six members are expected to join Sikich bringing experience in cost management and activity-based information. This acquisition represents Sikich's fifth acquisition in the last five years, enhancing its position as a full-service provider to government agencies. Moreover, this acquisition marks Sikich's second acquisition since receiving a \$250 million minority growth investment from Bain Capital, which will assist in funding an acquisition strategy and enhancing operations.

DEC
18

Bluestone Investment Partners announced a strategic investment in Valiant Solutions, a company that provides enterprise-wide cybersecurity solutions to federal agencies. Valiant specializes in a range of services, including advanced threat detection data analytics, zero trust architecture implementation, compliance and risk assessment solutions, and cloud and container security. We note that the invested capital is expected to drive growth through organic expansion and strategic M&A, ultimately providing innovative solutions across the federal marketplace.

DEC
19

Trace3 (American Securities) acquired Zivaro, a government and public sector-focused technology solutions provider. Zivaro specializes in a range of services, including software engineering, managed hybrid cloud, platform system integration, public sector system integration, and managed SIEM. The addition of Zivaro to Trace3 will enable the company to deliver expanded capabilities and accelerate growth for clients. Furthermore, the acquisition is expected to result in the establishment of a new business vertical, which will operate as Trace3 Government (T3G).

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

DEC
19

Gladstone Investment Corporation (Nasdaq: GAIN) and Proteus Enterprises signed a definitive agreement to acquire Ricardo Defense, Inc. (RDI), a move that is expected to drive growth and expansion. RDI is an engineering services and systems integration firm focused on helping DoD customers solve technical hurdles to modernizing, managing, and maintaining the fleet. Gladstone's addition of RDI to its portfolio is expected to provide both income for dividends to shareholders and longer-term capital appreciation for capital gains. The invested capital will also allow RDI to build on its established presence, as well as continue to bring innovative solutions to its customers.

JAN
2

Avion Solutions, an aerospace engineering, airworthiness, modeling and simulation, and integrated product support services provider, announced the acquisition of Tennessee Valley Research Group (TVRG). TVRG specializes in the development of laser technology systems, tactical ballistic missile targets, and hypersonic weapon field testing for customers across the DoD. The strategic acquisition will strengthen Avion's capabilities in TVRG's aforementioned domains.

JAN
5

Gallant Capital, a private equity firm based in Los Angeles, California, announced that it has signed a definitive agreement to acquire the Government Services business (NGS) of Navient Corporation (Nasdaq: NAVI). NGS provides tech-enabled outsourced business processing to U.S. federal, state, and local government clients. NGS specializes in the tolling and parking technology and services market, and also provides other mission-critical services to government agencies, including: call center support, revenue recovery services, program management, and payment processing. Operating companies within NGS include Navient Business Processing Group, Municipal Services Bureau, Pioneer Credit Recovery, and Navient BPO.

JAN
6

System One acquired the Tech USA Companies, including Tech USA LLC, Site Tech Staffing, Inc., and Tech USA Government Solutions LLC. Tech USA and Site Tech provide technology recruitment solutions across the U.S., and Tech USA Government Solutions provides subcontracting services to the DoD and IC. Tech USA and Site Tech will seamlessly integrate within System One's core business, while Tech USA Government Solutions will operate independently under System One's subsidiary brand, GAP Solutions, expanding the organization's capabilities within the government sector. The strategic acquisition will enhance System One's capacity to deliver comprehensive workforce solutions while broadening its reach across strategic focus areas.

JAN
7

Agile Defense (Enlightenment Capital), a provider of comprehensive digital transformation, data analytics, and cybersecurity solutions for the DoD and FedCiv sectors, announced it acquired IntelliBridge. IntelliBridge provides advanced technology, data analytics, and mission-critical solutions for its customers across the homeland security, FedCiv, law enforcement, and intelligence sectors. As a result of the business combination, Agile Defense expects to scale with a combined workforce now over 2,000 skilled professionals, and diversify, supporting an expanding portfolio of defense, national security, and federal civilian missions.

Xpect Solutions (NewSpring Capital) announced its acquisition of GovDefender, a leader in digital transformation, systems modernization, and enterprise IT web, mobile, and application development. GovDefender develops secure digital media intake solutions that enable the rapid processing of public-submitted digital content, allowing federal agencies to solve crimes faster. The acquisition is expected to enhance Xpect Solutions' ability to provide comprehensive, innovative, and secure technology solutions for federal law enforcement and national security customers. Additionally, the acquisition marks Xpect Solutions' first acquisition since being acquired by NewSpring Capital in late 2024.

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

JAN
7

ICF International (NasdaqGS: ICFI) completed its acquisition of Applied Energy Group (AEG). AEG is an energy technology and advisory services company that provides a suite of integrated technology and advisory solutions to a growing set of electric and gas utilities, state and local governments, and state energy offices nationwide. The transaction will extend ICF's capabilities in key growth areas, with specific emphasis on energy markets advisory and tech-enabled services. AEG will bring advisory services that provide market assessments, potential energy studies, as well as program planning, design, implementation and evaluation services.

JAN
8

Falfurrias Management Partners announced a strategic growth investment in Oddball, a digital services provider to government agencies. Oddball offers deep capabilities in software development, DevSecOps, and human-centered design through its team of engineers, program managers, and commercial technology professionals. The invested capital is expected to fuel growth to meet the needs for modernization and efficiency in government technology services.

JAN
9

Anduril Industries, Inc. acquired the Radar and Command and Control (C2) business of Numerica Corporation. Numerica specializes in ballistic missile defense systems, air defense sectors like compact radars, and advanced battlespace awareness and command and control software. Numerica's suite of technological capabilities includes its Spyglass and Spark radars, as well as its Mimir software offering. Spyglass and Spark are designed for short-range air defense and vehicle protection missions and are actively deployed by the DoD. Mimir is Numerica's C2 enabling software that will introduce advanced tracking, track correlation, and theater-wide fusion capabilities to Anduril's portfolio of mission-centric software capabilities. The transaction expands Anduril's mission systems solutions to include advanced signal processing and tracking algorithms and software as well as advanced radar systems to strengthen Anduril's suite of air and missile defense capabilities.

JAN
9

Consolidated Safety Services (CSS), a science-based solutions company supporting the federal government and commercial clients, completed its acquisition of Riverside Technology. Riverside Technology provides science and engineering solutions, information products, and analysis tools for environmental decision-support systems. The business combination will merge both companies' expertise in earth observation using in-field, ground-based, airborne, and satellite remote sensing methodologies to assess changes in environments and develop solutions to address modern health, defense, and environmental challenges.

JAN
14

Sentient Digital, Inc. (SDi), a defense technology and engineering services provider, acquired Maritime Surveillance Associates, Inc. (MSA). MSA develops signal processing and mission reconstruction software, providing specialized acoustics processing and advanced mission capabilities for the U.S. Navy. The acquisition will enhance SDi's capabilities in SONAR and acoustics products for the U.S. Navy and partner nations, adding to its expertise in digital signal processing, mathematical modeling, and mission-critical software for undersea warfare (USW), anti-submarine warfare (ASW) and security operations. Furthermore, the transaction positions SDi to focus on key growth areas, including cloud-based advanced analytics, maritime security, and Foreign Military Sales (FMS).

Data Machines, an advanced data engineering, cloud automation, and mission-critical solutions provider for federal agencies, announced its acquisition of Goforth Scientific. Goforth Scientific is a software development firm specializing in custom cloud-based software, geospatial intelligence, and advanced science solutions for federal agencies. The acquisition is expected to strengthen Data Machines' capabilities and enhance its ability to serve federal clients by expanding offerings in geospatial intelligence, advanced analytics, and operational insights. Specifically, the business combination reinforces Data Machines' commitment to delivering solutions to the DoD and IC.

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

JAN
14

Crimson Phoenix (Godspeed Capital) announced it acquired Blackspoke, an intelligence solutions provider with core competencies and offerings in geospatial solutions, software development, and enterprise technology. Additionally, Blackspoke provides modern software development solutions in support of critical mission requirements for NGA and NRO customers, primarily as a prime and/or sole-source contractor. The transaction strengthens Crimson Phoenix's positioning in AI-powered data labeling and geospatial intelligence solutions while adding prime contracts with the NGA and NRO and furthering innovation in these critical areas. Additionally, the strategic acquisition adds approximately 100 full-time, highly cleared employees to Crimson Phoenix further enhancing the platform company's ability to meet mission objectives.

JAN
16

Prescient Edge Corporation (PEC) acquired Edge Analytic Solutions (EAS). EAS specializes in advancing the practice of intelligence analysis and creating advanced analytic tools that improve data quality and increase the efficient use of data. Since its establishment in 2019, EAS has won 14 task orders with a total contract value of nearly \$1 billion, supporting missions at SPACECOM, INSCOM, and the DIA. The transaction is expected to strengthen PEC's position in defense intelligence, expanding its capabilities in data science, systems integration, and C5ISR services. Additionally, as a result of the business combination, EAS will integrate within PEC's RD&E and C5ISR practice.

JAN
16

IBM (NYSE: IBM) announced its intent to acquire Applications Software Technology. Applications Software Technology is a global Oracle consultancy that brings deep expertise in driving business transformations with Oracle Cloud Applications for clients in the public sector, such as local government and K-12 education. The acquisition further enhances IBM's Oracle solutions to assist clients across North America, the UK, and Ireland and strengthens Applications Software Technology's positioning to grow in the cloud transformation solutions market. Past acquisitions contributing to Applications Software Technology's growth include Symatrix Limited, 9EDGE, and Computer Technology Resources. Applications Software Technology is expected to join the IBM Consulting practice.

JAN
20

Redwire Corporation (NYSE: RDW) announced it signed a definitive agreement to acquire Edge Autonomy for \$925 million. Edge Autonomy provides innovative autonomy systems, advanced optics, and resilient energy solutions to the DoD, FedCiv, allied governments, academic institutions, and commercial entities around the world. The business combination is expected to transform Redwire into a global leader in multi-domain autonomous technology, broadening its portfolio of mission-critical space platforms to include combat-proven autonomous airborne platforms. Having added two space platforms to its technology portfolio, Redwire is currently developing orbital drones and anticipates the addition of Edge Autonomy's UAS technologies to expand its coverage across multiple domains.

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

JAN
21

L3Harris Technologies (NYSE: LHX) acquired REDCOM Laboratories' Sigma C2 software and Sigma XRI hardware. REDCOM Laboratories develops and supplies advanced tactical communications systems for the DoD. The acquisition includes more than 125 REDCOM Sigma XRI-400 RoIP platforms and Sigma C2 software instances. The Sigma XRI-400 IP leverages existing assets to bridge the gap between different radio systems and SIP endpoints, expanding the communications ecosystem and improving the flow of information during Joint Force Operations. The Sigma C2 software is expected to provide call and session control capabilities as well as voice, video, chat, and conferencing functionality, allowing for greater communication flexibility by joining IP and RF endpoints. The acquired IP will be in support of select C5ISR systems at L3Harris.

JAN
22

Overland AI announced it raised \$32 million in Series A funding. Overland AI powers ground operations for modern defense by leveraging advanced research in robotics and machine learning, as well as field-test forward ethos, to deliver advanced autonomy for unit commanders. Overland AI has provided products and services to the U.S. Army, Marine Corps, SOCOM, DARPA, and DIU. The funding is expected to increase Overland AI's product offerings, accelerate deployments, and invest further in R&D. The funding round was led by 8VC, a venture capital firm specializing in seed, early venture, and growth capital investments in innovative technology companies.

JAN
23

Alpha Omega, an advanced technology solutions provider for the federal government, announced it acquired Macro Solutions and SeKON, two IT contracting firms. Macro Solutions is an information technology and management consulting firm that helps companies and government organizations select, implement, modernize, integrate, and maintain critical end-to-end business solutions. SeKON provides management and IT consulting services via data intelligence, cyber security services, and enterprise application services. Macro Solutions is expected to strengthen Alpha Omega's National Security division, enhancing its technology modernization offerings within the U.S. Army, U.S. Navy, and U.S. Air Force; also building on Alpha Omega's existing contracts within the DHS and the DOS. The acquisition of SeKON will establish a new Health domain vertical within Alpha Omega, creating opportunities to improve health outcomes for both military personnel and the general public. The addition of SeKON adds new potential contract vehicles with agencies such as DHA, CDC, NIH, and SAMHSA.

JAN
27

OPEXUS and Casepoint announced their merger, as well as a majority investment from Thoma Bravo. OPEXUS is a government process management software provider that empowers more than 100,000 government users with technology experiences and a built-for-government product suite, including solutions for audit, investigations, correspondence, Freedom of Information ACT requests, and employee and labor. Casepoint is the trusted data discovery platform for government agencies and regulated corporations that leverage AI and advanced analytics to collect, preserve, and discover vast amounts of data from diverse sources, enabling secure data-responsive workflows at enterprise scale. The merger and Thoma Bravo's investment are expected to establish a more comprehensive and innovative process management and discovery platform for government and commercial customers in North America, as well as accelerate the combined entity's growth.

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

JAN
28

Hypori announced the completion of a strategic \$12 million Series B extension. Hypori is a mobile access platform enabling secure virtual access to enterprise apps and data from any mobile device with total personal privacy. The platform is utilized by global systems integrators, defense, government, healthcare, and other regulated industries as it is built on a zero-trust architecture that meets the highest security certifications. The funding will enable Hypori to scale deployments, deepen its foothold in its existing serviced industries, and expand into new sectors. The funding round included investments from UBS, Carahsoft Technology Group, and AE Industrial Partners.

JAN
29

Harmonia Holdings Group (Madison Dearborn Partners), a provider of innovative technology solutions to the federal government, announced it acquired Maveris. Maveris is a cybersecurity firm committed to helping federal agencies create secure digital solutions to accelerate their missions through cybersecurity, digital solutions, software development, and infrastructure modernization. The acquisition is expected to strengthen Harmonia's cybersecurity capabilities and introduce new customers that are key to its strategy, including relationships through the VA.

JAN
30

Serco announced it agreed to acquire Northrop Grumman's mission training and satellite ground network communications software business (MT&S) for \$327 million. MT&S provides the U.S. military with advanced mission training services and software that makes satellite ground networks more efficient. MT&S supports programs across the U.S. Army, USSF, USAF, U.S. Navy, and U.S. Combatant Commands. With a portfolio of defense service contracts with annual revenues of approximately \$300 million, the acquisition is expected to add scale to Serco in North America, as well as deliver value for new customers, new opportunities for Serco's workforce, and attractive returns for shareholders.

JAN
31

Cisco (NasdaqGS: CSCO) completed its acquisition of SnapAttack. SnapAttack offers a threat detection and engineering platform that specializes in cyber threat hunting and detection company for enterprises, public sector clients, and MSSPs. SnapAttack's threat detection and engineering (TD/E) management lifecycle solution provides security analysts with the ability to continuously assess, organize, and optimize their security content, streamlining the research, writing, validation, and deployment of threat detections across their technology estate. As a result of the acquisition, SnapAttack will provide critical TD/E technology, IP, and expertise to assist Cisco's Splunk in further accelerating its organic threat detection content and engineering roadmap. Additionally, SnapAttack spun off of Booz Allen Hamilton in late 2021 to operate as a private entity.

FEB
3

Hidden Level announced \$65 million in Series C funding. Hidden Level provides advanced airspace monitoring and drone detection technology, dedicated to securing critical infrastructure and addressing emerging national security threats. Hidden Level's innovative solutions provide real-time, actionable insights by detecting and tracking a wide range of aerial activity, including low-altitude drones, high-altitude aircraft, balloons, and other airborne objects, as well as their operators. The invested capital is expected to scale the business by expanding its manufacturing, workforce, and presence internationally. Hidden Level had various successful deployments with NASA, the U.S. Army, USAF, and DoD. The funding round was led by DFJ Growth, with participation from Booz Allen Ventures, Revolution Growth, Costanoa Ventures, Washington Harbour Partners, Veteran Ventures, and Founders Circle Capital, to name a few.

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

FEB
3

Peerless Technologies Corporation, a government services and mission engineering provider, acquired Statheros. Statheros, based in Knoxville, Tennessee, is a defense firm focused on developing and designing RF systems. The transaction is expected to expand Peerless' customer base and bring differentiated capabilities to advance the state of the art in Electromagnetic Spectrum Operations. Additionally, the acquisition will accelerate Peerless' strategy of delivering technology expertise and mission capabilities as Peerless continues to focus on advancing R&D, developing technologies, and generating differentiating capabilities focused on digital systems engineering, multi-spectral operations, modeling & simulation, open architectures & software engineering.

FEB
4

Parsons Corporation (NYSE: PSN) announced it has acquired TRS Group in an all-cash transaction valued at \$36 million. TRS Group is an environmental solutions firm that specializes in remediation technology. Additionally, TRS Group is an industry leader in per and polyfluoroalkyl substances (PFAS), thermal, and holistic environmental remediation, having cleaned hazardous and toxic substances from soil, groundwater, and fire suppression systems for global clients. The strategic acquisition will enhance Parsons' environmental remediation capabilities in both of its operating segments and serve as a force multiplier for its existing PFAS remediation solutions. The addition of TRS Group will benefit Parsons' Federal Solutions and Critical Infrastructure segments.

Digital Capital Partners (DigiCap) acquired Govplace, a secure IT solutions provider for federal agencies. Govplace designs, deploys, and manages information technology solutions to government, education, and healthcare markets. Through the invested capital, Govplace will enhance its core offerings in IT modernization, cybersecurity, and operational optimization to address the growing demands of federal agencies navigating complex digital transformation challenges. The transaction marks DigiCap's first investment in the federal sector and positions Govplace for accelerated growth in the federal IT marketplace.

FEB
6

Applied Intuition, a vehicle software supplier to the commercial and defense industries, announced its acquisition of EpiSys Science (EpiSci). EpiSci develops next-gen, mission-critical autonomy software for national security, including uncrewed aerial systems, surface warfare, maritime tracking, and battle management command and control. The acquisition strengthens Applied Intuition's position as an autonomous software developer for use cases across land, air, sea, and space. Additionally, EpiSci's tactical AI-powered solutions will integrate into Applied Intuition's suite of simulation, validation, and data management software. Now divested, RTX made a minority investment in EpiSci in December 2022 to help drive the growth of EpiSci's Tactical AI technology.

FEB
10

Onebrief announced the completion of its Series C funding round, raising \$50 million. Onebrief develops and operates a visual strategy platform that enables campaign, contingency, crisis, and military planning. Onebrief's advancements include improvements in deployment solutions, delivering reliable and performant networks, offline capabilities, and longer-term deployment of AI-driven wargaming for course-of-action (COA) development. The invested capital will allow Onebrief to advance its platform, expand teams, and invest in customer development. The funding round was led by General Catalyst and Insight Partners.

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

FEB
11

SMX, a next-gen mission support, digital transformation, and IT solutions provider, announced it acquired cBEYONData. cBEYONData provides implementation, design, and managed service capabilities, as well as a proprietary portfolio of budget management and financial analytics solutions that provide real-time data visibility and transparency to customers within the DoD and federal civilian markets. cBEYONData's customers include the U.S. Army, DOJ, DHS, and other high-priority federal agencies. The addition of cBEYONData provides scale and technical expertise to SMX's strategic growth plan to expand its work supporting the business of government. The combined entity is expected to be well-positioned to support customers across the public sector, helping them achieve visibility, operational efficiency, and financial transparency, each key priorities of Congress and the new administration. cBEYONData was a portfolio company of Bluestone Investment Partners.

FEB
12

Dynamic Integrated Services (DIS) acquired Vital Edge Solutions, an IT and professional services provider for the federal government. Vital Edge specializes in software development, data analysis, analytics, IT modernization, data management, and enterprise solutions. The acquisition is expected to strengthen DIS's capabilities in IT modernization, strategic communications, and management consulting. Additionally, the transaction will combine the complementary expertise of both organizations, enhancing the ability to deliver mission-critical technology solutions to its customer base, including existing customers of Vital Edge, such as VA, HHS, NOAA, FAA, and SBA.

FEB
13

K2 Space announced the completion of its Series B funding round, raising \$110 million. K2 Space is developing a high-powered, low-cost satellite bus platform that delivers the capability of exquisite satellites at the price point and speed of small satellites. The funding will allow K2 Space to increase the mass production of its satellite platform. Additionally, the company was awarded a government contract for its first mission, Gravitas, which is designed to demonstrate the platform's ability to operate in the high radiation environment of medium-earth orbit (MEO) and perform the first of its kind low earth orbit (LEO) to MEO electric propulsion orbit raise. The funding round was led by Lightspeed Venture Partners and Altimeter Capital.

FEB
18

Saronic Technologies announced it closed its Series C funding round, raising \$600 million. Saronic Technologies develops and manufactures unmanned surface vehicles (USVs) that enable maritime security and domain awareness by combining hardware, software, and artificial intelligence. The funding will enable Saronic to build Port Alpha, a next-gen shipyard that will enable the expansion of the company's Autonomous Surface Vessel (ASV) fleet into medium and large-class autonomous ships for defense applications. The round was led by Elad Gil, with participation from General Catalyst. Existing investors include a16z, Caffeinated Capital, and 8VC. As of the closing of the funding round, Saronic is now valued at \$4 billion.

FEB
19

Ridgeline International (Enlightenment Capital) announced its acquisition of System High Corporation, an Enlightenment Capital portfolio company as well. System High provides proactive protection and digital signature management solutions for some of the nation's most sensitive activities. The strategic business combination will create a scaled provider of high-end security solutions to protect the United States' most critical operations, weapons platforms, and intelligence missions by delivering broad-spectrum, multi-domain capabilities to address mission-critical challenges in information security, managed attribution, data privacy, identity management, data loss prevention, and physical and personnel protection.

KEY INDUSTRY TRANSACTIONS & DEVELOPMENTS

FEB
19

Unanet, a provider of project-based ERP and CRM solutions for the government contracting industry, announced it acquired **Contraqer**. Contraqer provides market intelligence and procurement software for GovCons. Contraqer brings three SaaS platforms to Unanet's comprehensive suite, including GovIntel, GovChannel, and Direct. GovIntel helps customers identify and manage opportunities, GovChannel enables GovCons to solicit pricing automatically from partners, manage catalogs, assemble compliant quotes, fulfill orders, and integrate with CRM and ERP systems throughout the process, and Direct enables companies to automatically generate RFQs for parts below their re-order point, solicit pricing from vendors, create purchase orders, and manage fulfilment with full ERP and CMMS integration. Contraqer adds to Unanet's growth suite of solutions that help GovCons identify, solicit, manage, and win more business.

FEB
25

VTG (A&M Capital), a national security solutions provider, announced its acquisition of **Loki Solutions**. Loki Solutions offers specialized solutions and services to the federal government and IC customers and missions. The strategic acquisition is expected to accelerate VTG's expansion strategy within the IC, enhance its operational capabilities, and add strategic customers, missions, and contracts to its IC portfolio. The acquisition represents VTG's third acquisition since receiving a majority investment from A&M Capital. VTG's other acquisitions include Vana Solutions (April 2024) and Clear Cloud (June 2024).

MAR
4

Systems Planning & Analysis (SPA) (Arlington Capital Partners) acquired **Proximity**. Proximity is an Australian provider of consulting, legal, and commercial services to the government. Proximity will add mission-critical clients across the government and major Commonwealth public sector agencies in Australia, including the Department of Defence, Department of Homeland Affairs, Australian Taxation Office, Department of Health Services Australia, and Department of Social Services. Additionally, the acquisition will expand SPA's service offerings in the areas of change management, procurement and contract management, program and project management, public law and legal support services, and business cases and cost modeling. As a result of the acquisition, Proximity will expand SPA's international footprint and presence in the Australian market as Proximity joins SPA Australia.

GUIDANCE & BOOK-TO-BILL

COMPANY	CURRENT GUIDANCE	PRIOR GUIDANCE	LTM BOOK-TO-BILL
BigBear.ai	Actual: - Revenue: \$158.2 million	Guidance: - Revenue: \$165 - \$180 million	n/a
BAH	Guidance: - Revenue Growth: 12.0% - 13.0% - EPS: \$6.25 - \$6.40	Guidance: - Revenue Growth: 11.0% - 13.0% - EPS: \$6.10 - \$6.30	1.41x
CACI	Guidance: - Revenue: \$8.45 - \$8.65 billion - EPS: \$23.87 - \$24.76	Guidance: - Revenue: \$8.10 - \$8.30 billion - EPS: \$22.89 - \$23.78	1.7x
ICF	Actual: - Revenue: \$2.02 billion - EPS: \$7.45	Guidance: - Revenue: \$2.0 - \$2.03 billion - EPS: \$7.40 - \$7.50	1.24x
Leidos	Actual: - Revenue: \$16.7 billion - EPS: \$7.30	Guidance: - Revenue: \$16.35 – \$16.45 billion - EPS: \$9.80 – \$10.00	1.4x
Maximus	Guidance: - Revenue: \$5.20 - \$5.35 billion - EPS: \$5.90 - \$6.20	Guidance: - Revenue: \$5.275 - \$5.425 billion - EPS: \$5.70 - \$6.00	0.7x
Parsons	Actual: - Revenue: \$6.751 billion - EBITDA: \$605 million	Guidance: - Revenue: \$6.6 - \$6.8 billion - EBITDA: \$590 - \$620 million	1.0x
SAIC	Guidance: - Revenue: \$7.425 – \$7.475 billion - EPS: \$8.50 – \$8.65	Guidance: - Revenue: \$7.35 – \$7.50 billion - EPS: \$8.10 – \$8.30	0.9x
V2X	Actual: - Revenue: \$4.32 billion - EPS: \$4.34	Guidance: - Revenue: \$4.23 - \$4.28 billion - EPS: \$3.95 - \$4.20	n/a



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