



# Government Contracting 1<sup>st</sup> Half 2022 Review

KPMG Corporate Finance LLC

July 2022



# M&A Summary (1/3)

01

## M&A Summary

**The Carlyle Group** acquires **ManTech International** (Herndon, VA) for \$4.2 billion. ManTech provides full-spectrum cyber, professional and technical solutions, and support services to U.S. defense, the IC and federal civilian agencies. With \$2.6 billion and \$268 million in Revenue and EBITDA, deal represents 1.6x and 15.7x multiples, respectively. **Booz Allen Hamilton (NYSE: BAH)** acquires **Everwatch (Enlightenment Capital)** (Reston, VA), a provider of advanced defense, intelligence, and deployed support to mission-critical federal government customers.

**Vectrus (NYSE: VEC)** and **Vertex Aerospace (AE Industrial)** merge creating a \$3.4 billion company with over \$280 million in EBITDA, roughly 14,000 employees and \$11.3 billion in backlog. The transaction value Vertex at 9.5x EBITDA or approximately \$2.1 billion. Combined company was renamed V2X and will be owned approximately 38% by Vectrus and 62% by Vertex. **Two Six Technologies (Carlyle Group)** acquires **River Loop Security** (Washington, DC), a provider of research and engineering services to deliver cybersecurity products and expertise to defense and commercial customers. Two Six also acquires **Thresher Ventures** (McLean, VA), which provides software that detects and analyzes media manipulation by foreign governments using AI, natural language processing and data science.

**Parsons** acquires **Xator Corporation** (Reston, VA) for \$343 million which includes the NPV of a \$57 million transaction-related tax benefit. This represents 10.7x estimated 2023 adjusted EBITDA. Xator provides critical infrastructure protection, counter-unmanned aircraft systems (cUAS), intelligence and cyber solutions, and global threat assessment and operations to the federal and critical infrastructure markets. **Enlightenment Capital** acquires **Boecore** (Colorado Springs, CO) which provides space, missile defense and aerospace technology to the federal government. Customers include Missile Defense Agency, U.S. Space Force and USAF. Enlightenment also forms another platform with the acquisition of **PM Consulting Group** (Towson, MD), a provider of management consulting and professional support services to agencies involved in international development and health care programs including USAID, DHA, DoD and civilian agencies.

**Gunnison Consulting (Blue Delta Capital)** acquires **Centerpoint** (Leesburg, VA), which provides cyber defense, response, and strategy as well as governance solutions for large enterprise data and services. This is Gunnison's 2nd acquisition (G2SF - Nov '20) since receiving an investment from Blue Delta. **Federal Advisory Partners (Sagewind Capital)** acquires **Universal Consulting Services** (Fairfax, VA), a provider of enterprise and health IT services including systems engineering and application development, system implementation, system integration, infrastructure and operations, and information assurance and security compliance.

**Athenix** (fka PCS-Mosaic) acquires 4 intelligence solutions companies (OSI, Agency Consulting Group, Kimmich, ExTech) from **ASRC**. ASRC acquires these assets as part of its Vistrionix acquisition in 2016. The company will now have over 400 employees serving intelligence, cyber and special operations customers. **The Acacia Group** acquires **The Baer Group** (Atlanta, GA), a provider of digital transformation solutions in Enterprise Resource Planning (ERP), cloud integration, and data transformation to federal systems integrators and Fortune 500 clients. Supported platforms include Oracle, Salesforce, ServiceNow, AWS, Azure, and Google Cloud.

**cBEYONData (Bluestone Investment)** acquires **Alta Via** (Lenoir City, TN), a provider of consulting services for cost management, planning and simulation, business intelligence, and decision support. **BigBear.ai (NYSE: BBAI)** acquires **ProModel** (Allentown, PA), a provider of simulation-based predictive software used primarily in the manufacturing, healthcare, government, defense, and shipbuilding industries. **Jacobs (NYSE:J)** acquires **Streetlight Data** (San Francisco, CA) from various VC firms. Streetlight provides cloud-based analytics solutions to measure and manage transportation for companies and government sectors.

**Saalex** acquires **Netsimco** (Middletown, RI) for \$30 million. Netsimco provides warfare analysis, information technology, war game support, and advanced modeling and simulation to military and government customers and had 180 employees. Saalex indicates the deal will elevate revenue to \$100 million. **ICF International** acquires **SemanticBits** (Herndon, VA), a provider of health IT and data science solutions to government health agencies. **DC Capital Partners** makes a strategic investment in **Valkyrie Enterprises** (Virginia Beach, VA) and then merges it with Hill Technical. Valkyrie is a provider of maritime and defense engineering and technical services, including systems engineering, engineering design, training, and other services.

**Sigma Defense (Sagewind Capital)** acquires **Sub U Systems** (Turnersville, NJ), a provider of deployable tactical edge-of-network route, switch and computing technology solutions for intelligence, surveillance and reconnaissance markets. **Markon Solutions**, part of **Anser Advisory**, acquires **integrateIT** (Ashburn, VA) a provider information technology professional services and support to the defense and intel communities. **ICV Partners** makes investment in **Beacon Global Strategies (BGS)** (Washington, DC), a provider of strategic advisory services specializing in national security, defense and intelligence, cybersecurity, and homeland security.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# M&A Summary (2/3)

01

## M&A Summary

**Axiologic Solutions** acquires **Data Intelligence Technologies** (Washington, DC), a provider of data science, cybersecurity and AI technologies to intelligence agencies. **Avantus Federal (NewSpring)** acquires **Far Ridgeline Engagements (FRLE)** (Southern Pines, NC) a provider of operational, training and technical solutions in support of national security missions, primarily to the special operations community. **EM Key Solutions** acquires **CORTEK** from **DecisionPoint** Corporation. CORTEK, based in Fredericksburg, VA, provides systems engineering, software engineering, cyber support, and technical analysis to the Department of Defense, Department of State, and other government agencies.

**Battle Investment Group** acquires **Bart & Associates** (McLean, VA), a provider of modernization and transformation, integration and analytics, operations and enablement, and human capital management for federal customers including Agriculture, Defense, Health and Human Services, Homeland Security, Interior, and Justice. **Daybreak** and **Azimuth** merge. Azimuth1 (McLean, VA) provides data analytics, software development and geospatial analysis support to the FDA, NGA, and DHS. **Brightstar Capital Partners** merges two of its platform companies, **ERC** with **Oasis Systems**, creating a combined company focused on the aviation, space, defense, and cybersecurity markets.

**DMI (Oceansound Partners)** acquires **Aurotech (OpenGate Capital)** (Silver Spring, MD), a provider of full lifecycle modernization capabilities including application development, data science and analytics, cybersecurity, and digital strategy services. **Tetra Tech (NASDAQ: TTEK)** acquires **Axiom Data Science** (Anchorage, AK), which provides scalable solutions that help manage and conduct research within ecological, geological and ocean sciences. **Applied Information Sciences (AIS) (Blue Delta Capital)** acquires **Xgility** (Ashburn, VA), a provider of IT solutions in enterprise transformation using Microsoft technologies and platforms (Office, Sharepoint, Teams, Dynamics, and Azure).

**Ignite Labs**, along with **Farragut Capital**, through its SBIC Fund, acquired **Atlas Executive Consulting** (Charleston, SC), a provider of analytics, data science, and program support services to the national security sector. **Definitive Logic (Blue Delta Capital)** acquires **Digital Mobilizations** (Warrenton, VA), a provider of digital consulting solutions to federal and intelligence agencies. **Torch.AI (Westcap Management)** acquires **B23** (McLean, VA), a provider of maritime autonomy and AI applications, including sourcing and aggregating mission data, such as geo-location, online analytics, and financial instrumentation.

**M-Partners** merges with **Relavistic** (Virginia Beach, VA), which provides cybersecurity solutions through deep learning and artificial intelligence defense clients. **GCOM Software (Sagewind Capital)** platform enters federal market with acquisition of **ASR Analytics** (Potomac, MD), a provider of business intelligence and analytic consulting services in the fields of business intelligence, predictive modeling, and data mining to higher education, government, and business markets. **Unlimited Technology (Lee Equity)** acquires **Integrated Security Technologies** (Herndon, VA), a provider of security management services to the government, healthcare, education and data markets. Deal enhances service offering and adds access and expertise in the federal sector.

**RSC2** acquires the **DoD division of TriMech Services**. The deal expands RSC2's systems engineering, modeling & simulation (M&S), acquisition support capabilities as well as a prime contract portfolio in support of defense and national security customers. **Mission Critical Partners (Egis Capital)** acquires **SecureHalo** (Silver Spring, MD), a provider of enterprise risk and cybersecurity solutions to federal, state, and local government agencies and commercial entities.

**Castellum** acquires **Lexington Solutions Group (LSG)** (Lexington, VA), a provider of planning and intelligence support for Information Warfare/Information Operations (IW/IO).

**Electrosoft Services** acquires **Achilles Shield** (Vienna, VA), a provider of strategic cybersecurity, IT and strategic consulting services to government firms. **Cerberus Cyber Sentinel** acquires **Creatrix** (Columbia, MD), which provides systems architecture, software engineering, systems engineering, and systems integration with focus on biometrics, vetting, credentialing, and case management.

**Ad Hoc** acquires **Cascades Technologies** (Herndon, VA), a provider of data analytics and user experience solutions to government agencies. Primary customers include GSA and DOL. **Leonardo DRS** (Arlington, VA) merges with publicly traded **RADA Electronics Industries**. Combined company will contain a broad portfolio of defense products, including advanced sensing, force protection, network computing and electrical power, and propulsion.

**Apollo Information Systems** acquires **CyberDefenses** (Round Rock, TX), a provider of threat intelligence, incident response, election security and other cybersecurity services to U.S. federal, state and local government agencies and enterprises. **ClearShark** acquires **FedBiz IT Solutions** (Leesburg, VA), an enterprise solutions provider to the federal government. **SEMPRE.ai** acquires **NewSpace Networks** (San Jose, CA), a provider of terrestrial, maritime, airborne and space-based wireless communications solutions.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# M&A Summary (3/3)

01

## M&A Summary

**Presidio (BC Partners)** acquires **ROVE** (Charlotte, NC), a provider of enterprise networking, cloud solutions, collaboration, cybersecurity and datacenter to commercial and public sector clients. **CyberPoint3 Holdings** acquires both **Point3 Security** (Baltimore, MD) and **PF3** (Baltimore, MD). Point3 provides training solutions for cyber professionals in defensive and offensive missions. PF3 provides training solutions for cyber professionals in defensive and offensive missions.

**Envistacom** spins off **Advanced Technologies Group (ATG)**, which develops transport virtualization platform and multibeam, multifrequency antenna systems to warfighters and commercial clients. **Quantum Computer (NASDAQ: QUBT)** acquires **QPhoton** (Kearny, NJ), a provider of full-stack quantum software and hardware solutions. **Scott Koslow** acquires **Synectic Solutions** (Oxnard, VA), which provides logistics, engineering, management, and information technology services for government and commercial customers, mainly NAVAIR.

# General / Other M&A

02

## General / Other M&A

- Per Buyouts, **Veritas Capital** is targeting \$8.5 billion for its next fund.
- **Arlington Capital** is targeting \$3.5 billion for next fund. The Company has managed almost \$4 billion of committed capital through 5 funds.
- **Enlightenment Capital** closes on new \$540 million fund.
- **Lavrock** raises \$83 million for its second fund. The firm invests in technology startups, with a focus on enterprise software, big data, deep tech and national security startups.
- **Blu Venture Investors** closes new \$25 million cyber fund.
- **Maxar Technologies** makes a strategic investment in **Aurora Insight**, a business analytics company that directly measures the global RF environment with terrestrial and satellite-based sensors which is provided to government and commercial customers.
- **Google** acquires **Mandiant** (Reston, VA) for \$5.4 billion. Mandiant was acquired by FireEye in 2013 but then split into a separate public company in 2021.
- **NightDragon** and **Jacobs (NYSE: J)** announced strategic alliance to advance cyber and intelligence technology innovation in the interest of commercial and national security. The two companies will collaborate to build, co-invest and take to market a joint cyber, intelligence and digital (CID) ecosystem to bring essential, cutting-edge technologies to customers globally.
- **Darktrace** (UK) creates subsidiary focused on the U.S. federal market and helping government agencies fend off threats to their digital environments. Subsidiary will be based in Reston, VA.
- **Palantir** launches federal advisory board which includes Christine Fox, General Carter Ham, Deborah Lee James, Admiral William McRaven, and Vice Admiral Peter V. Neffenger.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# Personnel Changes (1/2)

03

## Personnel Changes

- **Marcus Fowler** named CEO at Darktrace Federal. Fowler is a former Marine and CIA officer.
- **John Heller** joins **Amentum** as CEO, succeeding John Vollmer. Heller was previously the CEO of PAE.
- **Mile Corrigan** takes over as President and CEO of Noblis, succeeding Amr ElSawy. Corrigan was recently SVP of Noblis' federal civilian solutions and Noblis' corporate solutions delivery.
- **Michael Scruggs** named Accenture Federal Services' applied intelligence lead. Scruggs was previously SVP of AI at SAIC.
- **Todd Hughes** joins BigBear.ai as senior vice president of technology and research. Hughes was most recently technical director of strategic projects and initiatives at CACI.
- **Dan Jones** joins BigBear.ai as senior vice president of products. Jones was most recently SVP of products at Skytap.
- **Robert Wright** named intelligence VP at Stellar Solutions.
- **Robert Gallegos** joins Arcfield as COO. Gallegos previously was executive vice president of LGS Labs at CACI and COO at LGS Innovations before that.
- **Chris McCall** joins Arcfield as chief administration officer. McCall was chief of staff for the national security and innovative solutions sector at CACI and was previously with LGS.
- **Sally Kenyon Grant** joins Darktrace Federal as vice president to oversee efforts to expand into U.S. federal market.
- **Dan Hushon** named CTO of Guidehouse. Hushon was a former executive at CSC and DXC Technology. He was also the founder and CEO of Data Cloud.
- **Bob Sogegian** named CEO of SOS International's Exovera subsidiary. Sogegian is a former executive at Booz Allen Hamilton.
- **David Wajsgras** named CEO of Intelsat, succeeding Stephen Spengler. Wajsgras was most recently the president of the Intelligence, Information and Services business at the Raytheon Company.
- **Don Styer** promoted to newly role as enterprise technology officer at Serco. Styer was previously the director of Serco's analytics and technology solutions.
- **John George** named Army strategic account executive at Leidos. George is a retired major general in the U.S. Army.
- **Adele Merritt** named Intelligence Community Chief Information Officer (IC CIO).
- **Bob Kolasky** named senior vice president for Exiger's critical infrastructure vertical. Kolasky is the former assistant director for the Homeland Security Department's cyber agency.
- **John Clark** named vice president and general manager of Lockheed's Advanced Development Programs (ADP) – aka Skunk Works.
- **Mark Serway** named Interim President and CEO at Hitachi Vantara Federal following the resignation of David Turner.
- **Liz Anthony** named vice president of federal market and competition strategy at Maximus. Anthony was most recently senior vice president of marketing at ViON and was with Cisco Systems and NetApp prior to that.
- **Lori Becker** named CFO at Arcfield. Becker was most recently CFO of Sierra Nevada Corp. and CFO of Deltek before that.
- **Mike Smith** named chief security officer at Arcfield. Smith was previously with the Secret Service.
- **Horace Blackman** promoted to senior vice president and lead of the defense, intelligence, and space business unit at CGI Federal.
- **Lee Tanner** named SVP of strategic growth at Blackwatch International. Tanner was previously with Presidio Government Solutions, IBM, Mythics, Sun Microsystems, and General Electric before that.
- **Barbara Borgonovi** named corporate strategy SVP at Raytheon. Borgonovi is currently president of its Intelligence, Surveillance, and Reconnaissance Systems unit.
- **Scott Barr** named federal consulting SVP at Maximus.
- **Tara Davey** named chief operating officer at **Buchanan & Edwards**. Davey was most recently CEO of Buchanan's wholly owned subsidiary The Reports and Requirements Co.
- **Scott Craig** named director of strategic growth at HighPoint Global. Craig is a federal service veteran and former technology executive for several agencies.
- **Dan Goodwin** named general manager of GrammaTech Research. Goodwin was formerly the vice president of the digital and cyber solutions business of PLEX Solutions.
- **Rob Lalumondier** named federal business lead at Sophos Group. Lalumondier was previously executive director of McAfee's federal civilian unit.
- **Stan Hawkins** named vice president and strategic client executive for Maximus' federal civilian business line. Hawkins was previously at the Internal Revenue Service.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# Personnel Changes (2/2)

03

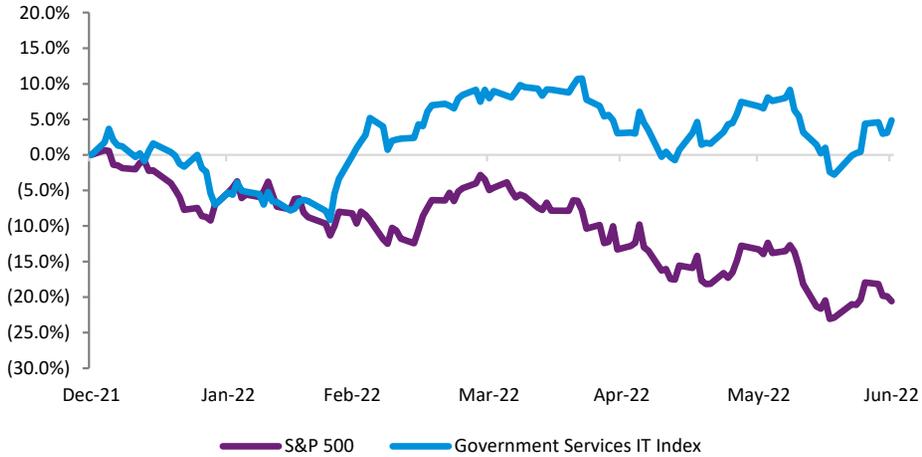
## Personnel Changes

- **Patricia Porter** named to board of directors at Two Six Technologies. Porter is currently VP and head of global talent acquisition at MetLife and had a similar role at Booz Allen Hamilton before that.
- **Steve Cook** named Dynetics group president.
- **Matt Ashburn** named chief strategy officer at LangleyCyber. Ashburn previously served as a CIA officer focusing on cyber issues.
- **Air Force Maj. Gen. Albert “Buck” Elton II** named SVP of defense programs at Avantus Federal.
- **Sean Delaney** as Senior Vice President of growth and strategy at Integrity Management Consulting.
- **Tom Middleton** named President and CEO at PCS-Mosaic.
- **Larry Cox** joins Board of Managers at PCS-Mosaic Holdings.
- **Charlie Mathis** named CFO at Amentum. Mathis was previously the CFO of SAIC.
- **Patricia Munchel** named chief people officer at Amentum. Munchel was previously the chief HR officer at PAE.
- **Chico Moline** named chief information officer at Amentum. Moline was previously the president of PAE’s National Security Solutions business.
- **Michael Smith** named CTO at Neustar Security Services. Smith was previously at Akamai Technologies.
- **Mike Saliter** named senior vice president of strategy at Steampunk. Saliter was most recently global vice president for platform and cloud at Splunk.
- **Nicholas Warner** named President of SentinelOne.
- **Anthony Lisuzzo** named president and COO of Ironwave.
- **Shawn Wells** named managing director of cybersecurity strategy and technology at Accenture Federal Services. Wells was previously with CrowdStrike.
- **Chris Merdon** promoted to group president of public sector at NTT Data, succeeding Tim Conway who is retiring.
- **Erik Buice** named president at IQ Solutions. Buice was most recently a division general manager at Northrop Grumman.
- **Martin Klein** named defense and intelligence SVP at C3 AI. Klein was most recently the chief operating officer of the Defense Department’s Joint Artificial Intelligence Center.
- **James Gordon** named CEO of DRT Strategies, succeeding Susan Kidd, who has transitioned to DRT’s chairman of the board.
- **Dan Odom** named senior strategic advisor in Guidhouse’s National Security Segment.
- **Scott Gould** named to the strategic advisory board at SAIC. Gould is the former U.S. Deputy Secretary of Veterans Affairs.
- **Alexander Gates** named chief research officer at Shift5. Gates worked at NSA in the Threat Operations Center.
- **Keith Cooperman** named vice president of business development at Millennium. Cooperman previously led growth and business development of Guidehouse's national security portfolio and led growth at SAIC before that.
- **David Bell** joins Castellum as CFO.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# Government Services Capital Markets

**Government Services IT Index v. S&P 500**  
YTD Performance



**2022 YTD Performance**

4.9%	Government IT Index
(20.6%)	S&P 500 Index

**Government Services IT** companies have out-performed the broader S&P market by more than **25%** through the first half of 2022. Historically, the federal market has been a hedge against broader economic uncertainty and volatility due to its stable customer base, strong funding dynamics and clear revenue visibility characteristics.

**Notable Deal**

**ManTech**

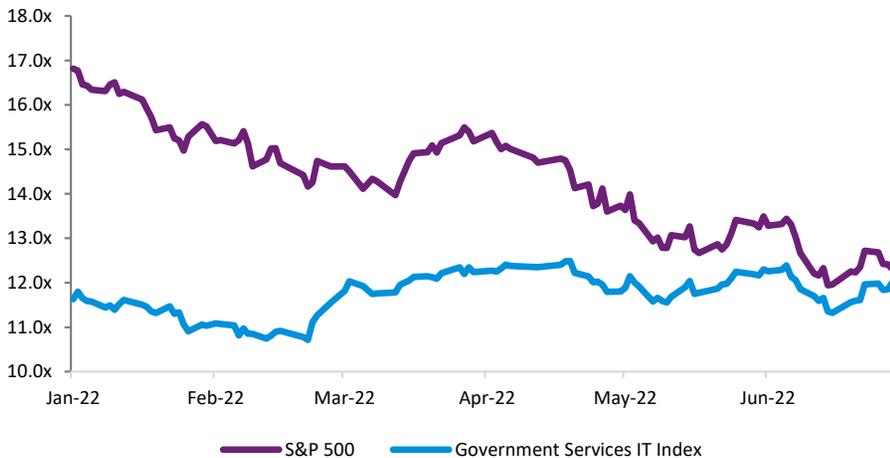
*has been acquired by*

**THE CARLYLE GROUP**

**Carlyle** announced its plan to acquire **ManTech** for \$4.2 billion

- With \$2.6 billion and \$268 million in TTM Revenue and EBITDA, deal represents **1.6x** and **15.7x** multiples, respectively
- ManTech delivers full-spectrum cyber, advanced data analytics, intelligence missions operations, intelligent systems engineering and other services to the U.S. government
- ManTech has over 9,800 employees, 80% of whom are cleared
- Since going public in 2002, ManTech has acquired 34 companies

**Government Services IT Index v. S&P 500**  
EV / EBITDA



**16.8x**

↓ (4.5x)

**12.3x**

↑ 0.4x

**12.0x**

**11.6x**

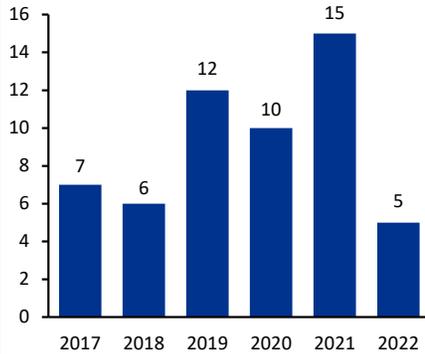
**S&P 500** valuations have come down from **16.8x** to **12.3x** over the first half of 2022, dipping below 12.0x for the first time since April 2020. Multiples peaked over 19.0x a year later in April 2021 before starting to drop to their currently level.

Meanwhile, **Government Services IT** multiples have increased slightly from 11.6x to 12.0x during the first half of 2022 and . Since the beginning of 2020, Government IT valuations have stayed in a tight band between 12-14x with less valuation volatility given the federal market's more measured, highly regulated and secure contract and funding environment.

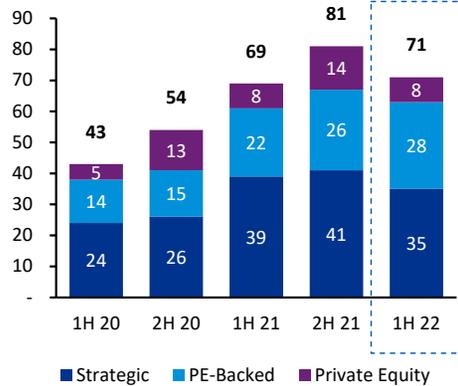
Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research Government Services IT Index: Index: MANT, CACI, PSN, J, BAH, LDOS, SAIC, ICFI, VEC, VVX

# Government Services M&A Activity

**Government Services**  
PE Platforms - by Vintage Year



**Government Services**  
By Buyer Type



**Notable New Platforms**

Buyer	Platform
The Acacia Group	The Baer Group
Carlyle Group	ManTech International
Battle Investment Group	Bart & Associates
Enlightenment Capital	PM Consulting Group
Enlightenment Capital	Boecore

**Notable PE Bolt-Ons**

Buyer	Fund	Bolt-On
Sigma Defense Systems	Sagewind Capital	Sub U Systems
Sigma Defense Systems	Sagewind Capital	Solute
Hill Technical	DC Capital Partners	Valkyrie Enterprises
Presidio	BC Partners	ROVE
Avantus	NewSpring Capital	Far Ridgeline Engagements (FRLE)
Two Six Technologies	Carlyle Group	Thresher Ventures
Two Six Technologies	Carlyle Group	River Loop Security
Athenix (fka PCS-Mosaic Holdings)	Pierre Chao	Intel Business Units from ASRC
Definitive Logic	Blue Delta Capital Partners	Digital Mobilizations
Applied Information Sciences (AIS)	Blue Delta Capital Partners	Xgility
Gunnison Consulting Group	Blue Delta Capital Partners	CENTERPOINT
DMI	Oceansound Partners	Aurotech (OpenGate Capital)
Federal Advisory Partners	Sagewind Capital	Universal Consulting Services
Federal Advisory Partners	Sagewind Capital	Favor Tech Consulting
cBEYONData	Bluestone Investment Partners	Alta Via Consulting
Aeyon	Enlightenment Capital	Manufacturing Technical Solutions (MTS)
Aeyon	Enlightenment Capital	The Marick Group
SilverEdge (fka Varen)	Godspeed Capital	Savli Group
SilverEdge (fka Varen)	Godspeed Capital	Exceptional Software Strategies
Ignite Digital	Farragut Capital Partners	Atlas Executive Consulting
Octo Consulting	Arlington Capital	B3 Group
GCOM Software	Sagewind Capital	ASR Analytics

**Notable Strategic Buyers**

Public Buyers
ICF International
Cerberus Cyber Sentinel
Parsons
Castellum
BigBear.ai
Booz Allen Hamilton
Tetra Tech
Quantum Computer
Vectrus (reverse merger with Vertex)
Jacobs
CACI International
Harris Computer (Constellation Software)
ManTech

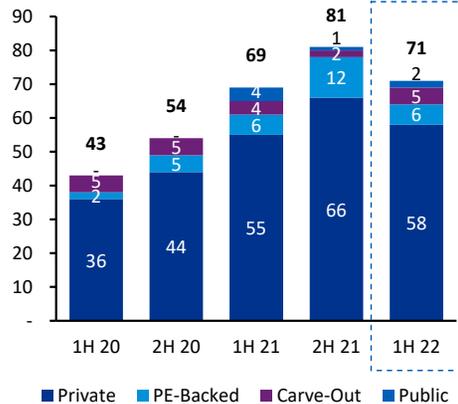
Private Buyers
Axiologic Solutions
ClearShark
EM Key Solutions
SEMPRE.ai
Saalex
RSC2
Concept Plus

The 1<sup>st</sup> Half of 2022 saw 5 new Government Services platforms with 3 PE-backed exits.

Notable VC and PE firms focused on the government market raised or are in the process of raising new funds:

- **Veritas Capital:** Targeting \$8.5 billion fund
- **Arlington Capital:** Targeting \$3.5 billion fund (ACP has managed almost \$4 billion of committed capital through 5 funds)
- **Enlightenment Capital:** Closes new \$540 million fund
- **Lavrock:** Raises \$83 million for second fund.
- **Blu Venture Investors:** Closes new \$25 million cyber fund.

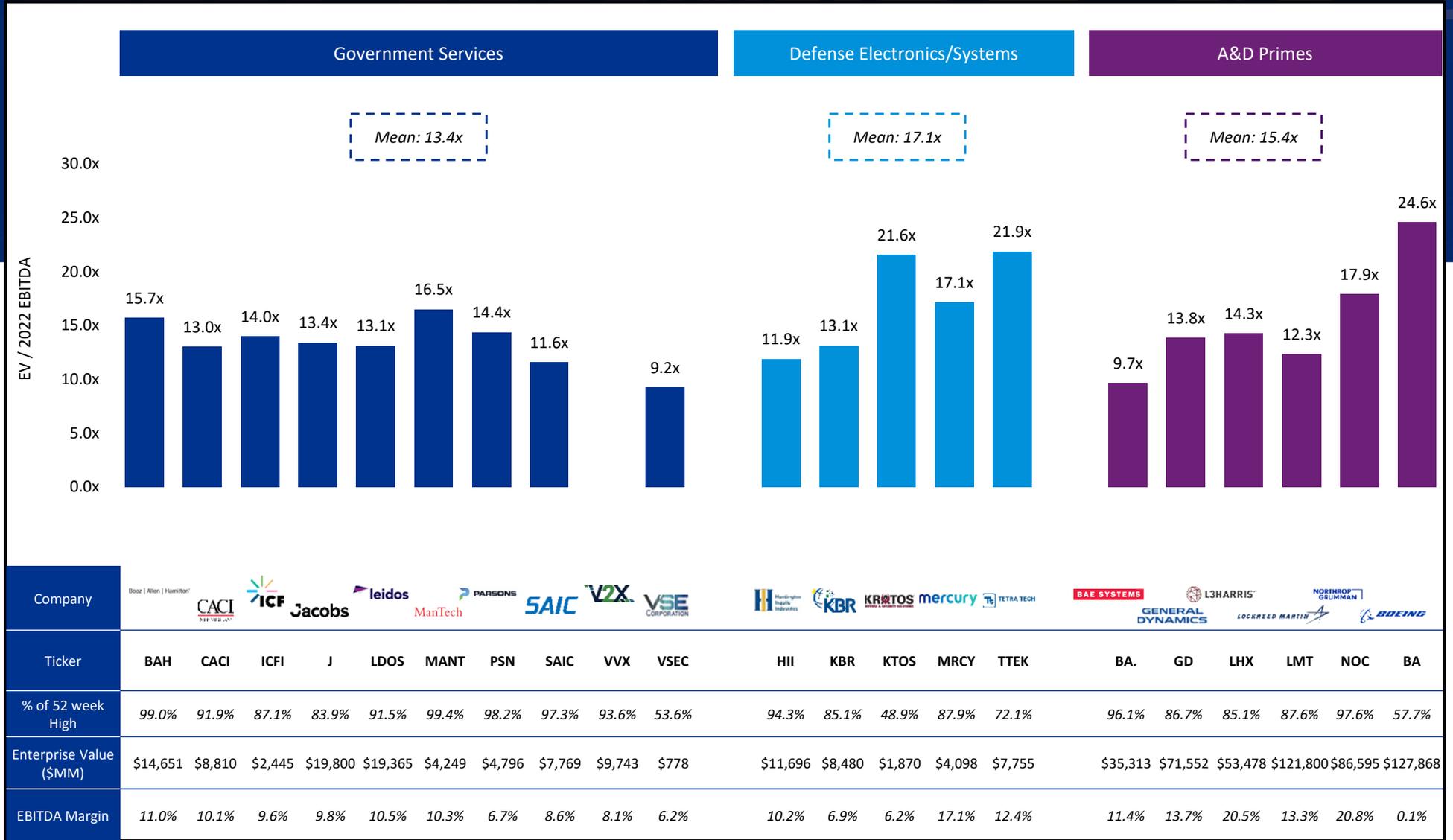
**Government Services**  
By Seller Type



**Notable PE Exits**

Company	Sponsor	Buyer	Acquired	Sold	Hold (Yrs)
Aurotech	OpenGate	DMI (Oceansound)	Nov 20	Apr 22	1.4
Everwatch	Enlightenment Capital	Booz Allen Hamilton	Oct 18	Mar 22	3.4
ID Technologies	The Acacia Group	CACI	May 17	Jan 22	4.7

# Public Company Key Statistics (1/3)



Source: S&P CapitalIQ; Market data as of 7/11/22

## Public Company Key Statistics (2/3)

Company	HQ Country	Market Data				LTM Financials			Enterprise Value To:		
		Market Cap <sup>(1)</sup>	Enterprise Value(\$mm)	Share Price	% 52-Wk High	Revenue (\$mm)	Gross Margin %	EBITDA Margin %	LTM EBITDA	CY 2022 EBITDA	NTM EBITDA
<b>Government Services</b>											
Booz Allen Hamilton Holding Corporation	US	\$12,243	\$14,651	\$92.54	99.0%	\$8,364	23.8%	11.0%	15.9x	15.7x	15.1x
CACI International Inc	US	\$6,747	\$8,810	\$288.19	91.9%	\$6,125	34.5%	10.1%	14.2x	13.0x	12.7x
ICF International, Inc.	US	\$1,772	\$2,445	\$94.27	87.1%	\$1,588	36.7%	9.6%	16.1x	14.0x	13.6x
Jacobs Engineering Group Inc.	US	\$16,219	\$19,800	\$126.09	83.9%	\$14,378	23.7%	9.8%	14.1x	13.4x	13.1x
Leidos Holdings, Inc.	US	\$13,889	\$19,365	\$101.63	91.5%	\$13,916	14.8%	10.5%	13.2x	13.1x	13.0x
ManTech International Corporation	US	\$3,907	\$4,249	\$95.38	99.4%	\$2,596	15.0%	10.3%	15.8x	16.5x	16.5x
Parsons Corporation	US	\$4,260	\$4,796	\$41.07	98.2%	\$3,735	23.1%	6.7%	19.1x	14.4x	13.9x
Science Applications International Corporation	US	\$5,202	\$7,769	\$93.42	97.3%	\$7,512	11.6%	8.6%	12.0x	11.6x	11.4x
V2X, Inc.	US	\$8,635	\$9,743	\$31.52	93.6%	\$813	11.6%	8.1%	NM	N/A	NM
VSE Corporation	US	\$448	\$778	\$35.07	53.6%	\$817	5.8%	6.2%	15.5x	9.2x	9.0x
<i>Mean</i>					89.5%		20.0%	9.1%	15.1x	13.4x	13.1x
<i>Median</i>					92.7%		19.0%	9.7%	15.5x	13.4x	13.1x
<b>Defense Electronics/Systems</b>											
Huntington Ingalls Industries, Inc.	US	\$8,637	\$11,696	\$215.68	94.3%	\$9,822	14.0%	10.2%	11.7x	11.9x	11.5x
KBR, Inc.	US	\$6,764	\$8,480	\$48.47	85.1%	\$7,592	11.0%	6.9%	16.1x	13.1x	12.4x
Kratos Defense & Security Solutions, Inc.	US	\$1,726	\$1,870	\$13.81	48.9%	\$814	27.8%	6.2%	37.1x	21.6x	19.6x
Mercury Systems, Inc.	US	\$3,666	\$4,098	\$63.56	87.9%	\$949	40.6%	17.1%	25.2x	17.1x	16.6x
Tetra Tech, Inc.	US	\$7,467	\$7,755	\$139.10	72.1%	\$2,726	20.0%	12.4%	23.0x	21.9x	21.3x
<i>Mean</i>					77.7%		22.7%	10.6%	22.6x	17.1x	16.3x
<i>Median</i>					85.1%		20.0%	10.2%	23.0x	17.1x	16.6x

Sources: CapitalIQ and company filings. Note: All figures in USD, where applicable, converted at rates as of July 11, 2022

(1) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents as of closing price July 11, 2022

(2) Closing share prices as of July 11, 2022

(3) EBITDA equals Earnings before Interest Expense, Income Taxes, D&A

## Public Company Key Statistics (3/3)

Company	HQ Country	Market Data				LTM Financials			Enterprise Value To:		
		Market Cap <sup>(1)</sup>	Enterprise Value(\$mm)	Share Price	% 52-Wk High	Revenue (\$mm)	Gross Margin %	EBITDA Margin %	LTM EBITDA	CY 2022 EBITDA	NTM EBITDA
A&D Primes											
BAE Systems plc	GB	\$30,709	\$35,313	\$9.80	96.1%	\$26,433	63.9%	11.4%	11.7x	9.7x	9.7x
General Dynamics Corporation	US	\$61,286	\$71,552	\$221.11	86.7%	\$38,472	16.8%	13.7%	13.6x	13.8x	13.5x
L3Harris Technologies, Inc.	US	\$45,937	\$53,478	\$238.17	85.1%	\$17,350	30.2%	20.5%	15.0x	14.3x	13.9x
Lockheed Martin Corporation	US	\$112,038	\$121,800	\$420.35	87.6%	\$65,750	13.4%	13.3%	13.9x	12.3x	12.2x
Northrop Grumman Corporation	US	\$74,680	\$86,595	\$480.43	97.6%	\$35,307	21.0%	20.8%	11.8x	17.9x	17.7x
The Boeing Company	US	\$82,279	\$127,868	\$139.07	57.7%	\$61,060	6.1%	0.1%	NM	24.6x	15.3x
<i>Mean</i>					85.1%		25.2%	13.3%	13.2x	15.4x	13.7x
<i>Median</i>					87.1%		18.9%	13.5%	13.6x	14.0x	13.7x

Sources: CapitalIQ and company filings. Note: All figures in USD, where applicable, converted at rates as of July 11, 2022

(1) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents as of closing price July 11, 2022

(2) Closing share prices as of July 11, 2022

(3) EBITDA equals Earnings before Interest Expense, Income Taxes, D&A

# Select M&A Transactions (1/4)

Announced	Buyer / Investor	Target	Location (Buyer / Target)	Target Description	EV (\$MM)	Revenue (\$MM)	EBITDA (\$MM)	Employees	EBITDA Multiple
Jun-22	Presidio (BC Partners)	ROVE	New York, NY / Charlotte, NC	Provides enterprise networking, cloud solutions, collaboration, cybersecurity, and datacenter to commercial and public sector clients.					
Jun-22	Apollo Information Systems	CyberDefenses	Los Gatos, CA / TX	Provides threat intelligence, incident response, election security, and other cybersecurity services to U.S. federal, state, and local government agencies and enterprises.					
Jun-22	Leonardo DRS (merger w/ RADA)	RADA Electronic Industries	Arlington, VA / Israel	Provides mini-tactical radars.					
Jun-22	Microsoft (NASDAQ: MSFT)	Miburo	Redmond, WA	Provides support for public and private sector organizations that are responding to foreign information operations.					
Jun-22	SEMPRE.ai	NewSpace Networks	Washington, DC / San Jose, CA	Provides terrestrial, maritime, airborne, and space-based wireless communications solutions.					
Jun-22	Ad Hoc	Cascades Technologies	Washington, DC / Herndon, VA	Provides data analytics and user experience solutions to government agencies. Primary customers include GSA and DOL.				77	
Jun-22	Unison (Carlyle Group)	Plan 4 Healthcare	Dulles, VA / Ashburn, VA	Provides business planning and budget management platforms used at the Veterans Health Administration's primary medical centers and facilities.					
Jun-22	ICF International (NASDAQ:ICFI)	SemantecBits	Fairfax, VA / Herndon, VA	Provides health IT and data science solutions to government health agencies.	220.0	135.0		450	
Jun-22	Cerberus Cyber Sentinel (NASDAQ: CISO)	Creatrix	Scottsdale, AZ / Columbia, MD	Provides systems architecture, software engineering, systems engineering, and systems integration with focus on biometrics, vetting, credentialing, and case management.					
Jun-22	Electrosoft Services	Achilles Shield	Reston, VA / Vienna, VA	Provides strategic cybersecurity, IT, and strategic consulting services to government firms.					
Jun-22	WSP Global (TSX: WSP)	Environmental & Infrastructure Business of John Wood Group plc	Montreal, Canada / UK	Provides earth and environment consulting solutions.	1,610.0				11.5x
May-22	The Acacia Group	The Baer Group	Ashburn, VA / Atlanta, GA	Provides digital transformation solutions in Enterprise Resource Planning (ERP), cloud integration, and data transformation to federal systems integrators and Fortune 500 clients. Supported platforms include Oracle, Salesforce, ServiceNow, AWS, Azure, and Google Cloud.					
May-22	Parsons (NYSE: PSN)	Xator Corporation	Centreville, VA / Reston, VA	Provides critical infrastructure protection, counter-unmanned aircraft systems (cUAS), intelligence and cyber solutions, and global threat assessment and operations to the federal and critical infrastructure markets.	343.0	300.0	32.1	900	10.7x
May-22	Sigma Defense Systems (Sagewind Capital)	Sub U Systems	Perry, GA / Turnersville, NJ	Provides deployable tactical edge-of-network route, switch, and computing technology solutions for intelligence, surveillance, and reconnaissance markets.					
May-22	Hill Technical (DC Capital Partners) - Valkyrie acquired and merged	Valkyrie Enterprises	Alexandria, VA / Virginia Beach, VA	Provides maritime and defense engineering and technical services, including systems engineering, engineering design, training, and other services.					
May-22	Carlyle Group	ManTech (NASDAQ:MANT)	Washington, DC / Herndon, VA	Provides full-spectrum cyber, professional and technical solutions, and support services to U.S. defense, the IC, and federal civilian agencies.	4,200.0	2,596.3	268.06	9,700	15.7x
May-22	Axiologic Solutions	Data Intelligence Technologies	Fairfax, VA / Washington, DC	Provides data science, cybersecurity, and AI technologies to intelligence agencies.					
May-22	Salas O'Brien	Nelson Engineering	San Jose, CA / Merritt Island, FL	Provides design and facility engineering services to government and commercial clients.					
May-22	Juvare (Five Arrows)	Geopliant	Falls Church, VA	Provides disaster assessment and management software solutions.					

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# Select M&A Transactions (2/4)

Announced	Buyer / Investor	Target	Location (Buyer / Target)	Target Description	EV (\$MM)	Revenue (\$MM)	EBITDA (\$MM)	Employees	EBITDA Multiple
May-22	ICV Partners	Beacon Global Strategies (BGS)	Miami, FL / Washington, DC	Provides strategic advisory services specializing in national security, defense and intelligence, cybersecurity, and homeland security.					
May-22	Avantus (NewSpring)	Far Ridgeline Engagements (FRLE)	McLean, VA / Southern Pines, NC	Provides operational, training and technical solutions in support of national security missions, primarily to the special operations community.					
May-22	Rimstorm	Elevative Networks	Herndon, VA / Vienna, VA	Provides managed IT and security services.					
May-22	Two Six Technologies (Carlyle Group)	Thresher Ventures	Arlington, VA / McLean, VA	Provides software that detects and analyzes media manipulation by foreign governments using AI, natural language processing, and data science.					
Apr-22	Definitive Logic (Blue Delta Capital)	Digital Mobilizations	Arlington, VA / Warrenton, VA	Provides digital consulting solutions to federal and intelligence agencies.					
Apr-22	Applied Information Sciences (AIS) (Blue Delta Capital)	Xgility	Reston, VA / Ashburn, VA	Provides IT solutions in enterprise transformation using Microsoft technologies and platforms (Office, Sharepoint, Teams, Dynamics, and Azure).				100	
Apr-22	Castellum (OTC:ONOV)	Lexington Solutions Group (LSG)	Potomac, MD / Lexington, VA	Provides planning and intelligence support for Information Warfare/Information Operations(IW/IO).	4.0				
Apr-22	ERC	Oasis Systems (Merger)	Huntsville, AL / Burlington, MA	Provides IT, cyber security and network management, systems engineering, enterprise software and applications, and professional services for the DoD and other federal customers.					
Apr-22	ClearShark	FedBiz IT	Hanover, MD / Leesburg, VA	Provides enterprise solutions to the federal government.					
Apr-22	Athenix (fka PCS-Mosaic Holdings)	Intel Business Units from ASRC	Fulton, MD / Columbia, MD	Provides mission systems development, software and systems engineering, and training solutions to national security customers.					
Apr-22	BigBear.ai (NYSE: BBAI)	ProModel	Columbia, MD / Allentown, PA	Provides simulation-based predictive software used primarily in the manufacturing, healthcare, and shipbuilding industries.					
Apr-22	Battle Investment Group	Bart & Associates	Atlanta, GA / McLean, VA	Provides modernization and transformation, integration and analytics, operations and enablement, and human capital management for federal customers including Agriculture, Defense, Health and Human Services, Homeland Security, Interior, and Justice.					
Apr-22	DMI (Oceansound Partners)	Aurotech (OpenGate Capital)	Bethesda, MD / Silver Spring, MD	Provides full lifecycle modernization capabilities including application development, data science and analytics, cybersecurity, and digital strategy services.					
Apr-22	M-Partners	Relavistic	Annapolis, MD / Virginia Beach, VA	Provides cybersecurity solutions through deep learning and artificial intelligence defense clients.					
Apr-22	Enlightenment Capital	PM Consulting Group	Chevy Chase, MD / Towson, MD	Provides management consulting and professional support services to agencies involved in international development and health care programs including USAID, DHA, DoD, and civilian agencies.					
Apr-22	Oliver Wyman	Booz Allen Hamilton's MENA-focused Management Consulting Business	Perry, GA /						

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# Select M&A Transactions (3/4)

Announced	Buyer / Investor	Target	Location (Buyer / Target)	Target Description	EV (\$MM)	Revenue (\$MM)	EBITDA (\$MM)	Employees	EBITDA Multiple
Apr-22	EM Key Solutions	CORTEK	St. Petersburg, FL / Fredericksburg, VA	Provides systems engineering, software engineering, cyber support, and technical analysis to the Department of Defense, Department of State, and other government agencies.					
Apr-22	Two Six Technologies (Carlyle Group)	River Loop Security	Arlington, VA / Washington, DC	Provides research and engineering services to deliver cybersecurity products and expertise to defense and commercial customers.					
Mar-22	cBEYONData (Bluestone Investment)	Alta Via Consulting	Lorton, VA / Lenoir City, TN	Provides consulting services in the areas of cost management, planning and simulation, business intelligence, and decision support.					
Mar-22	Mission Critical Partners (Egis Capital)	SecureHalo	Port Matilda, PA / Silver Spring, MD	Provides enterprise risk and cybersecurity solutions to federal, state, and local government agencies and commercial entities.					
Mar-22	Scott Koslow	Synectic Solutions	Oxnard, CA	Provides logistics, engineering, management, and information technology services for government and commercial customers, mainly NAVAIR.					
Mar-22	Undisclosed	Advanced Technologies Group (ATG)	Peachtree Corners, GA	Provides development of transport virtualization platform and multibeam, multifrequency antenna systems to warfighters and commercial clients.					
Mar-22	Booz Allen Hamilton (NYSE: BAH)	EverWatch (Enlightenment Capital)	McLean, VA / Reston, VA	Provides advanced defense, intelligence, and deployed support to mission-critical federal government customers.	440.0				
Mar-22	Saalex	Netsimco	Camarillo, CA / Middletown, RI	Provides warfare analysis, information technology, war game support, and advanced modeling and simulation to military and government customers.	30.0			180	
Mar-22	Tetra Tech (NASDAQ: TTEK)	Axiom Data Science	Pasadena, CA / Anchorage, AK	Provides scalable solutions that help manage and conduct research within ecological, geological, and ocean sciences.					
Mar-22	Unlimited Technology (Lee Equity)	Integrated Security Technologies	Chester Springs, PA / Herndon, VA	Provides security management services to the government, healthcare, education, and data markets.					
Mar-22	Federal Advisory Partners (Sagewind Capital)	Universal Consulting Services	Arlington, VA / Fairfax, VA	Provides enterprise and health IT services including systems engineering and application development, system implementation, system integration, infrastructure and operations, and information assurance and security compliance.					
Mar-22	Daybreak	Azimuth1	McLean, VA / McLean, VA	Provides data analytics, software development, and geospatial analysis support to the FDA, NGA, and DHS.					
Feb-22	Gunnison Consulting Group (Blue Delta Capital)	CENTERPOINT	Alexandria, VA / Leesburg, VA	Provides cyber defense, response, and strategy as well as governance solutions for large enterprise data and services.					
Feb-22	Quantum Computer (NASDAQ: QUBT)	Qphoton	Leesburg, VA / Kearny, NJ	Provides full-stack quantum software and hardware solutions.					
Feb-22	CyberPoint3 (Cyber Capital Partners)	Point3 Security	Baltimore, MD	Provides training solutions for cyber professionals in defensive and offensive missions.				25	
Feb-22	CyberPoint3 (Cyber Capital Partners)	P3F	Baltimore, MD	Provides training, mission and advanced research and development support for national security clients.					
Feb-22	Markon Solutions (Anser Advisory)	integrateIT	Falls Church, VA / Ashburn, VA	Provides information technology professional services and support to the defense and intel communities.					
Feb-22	Ignite Digital (Farragut Capital)	Atlas Executive Consulting	Charleston, SC	Provides analytics, data science, and program support services to the national security sector.					
Feb-22	Vectrus (NYSE: VEC) (Reverse Merger - Vertex acquired Vectrus)	Vertex Aerospace (AE Industrial)	Colorado Spring, CO / DE	Provides aircraft component overhaul, repair, supply chain management as well as pilot and flight officer training support to defense and commercial customers.	2,100.0	1,600.0	221.1	5,700	9.5x
Feb-22	Aeyon (Enlightenment Capital)	Manufacturing Technical Solutions (MTS)	Vienna, VA / Huntsville, AL	Provides of engineering and science, program and logistics, and IT a solutions to NASA and the DoD.					

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# Select M&A Transactions (4/4)

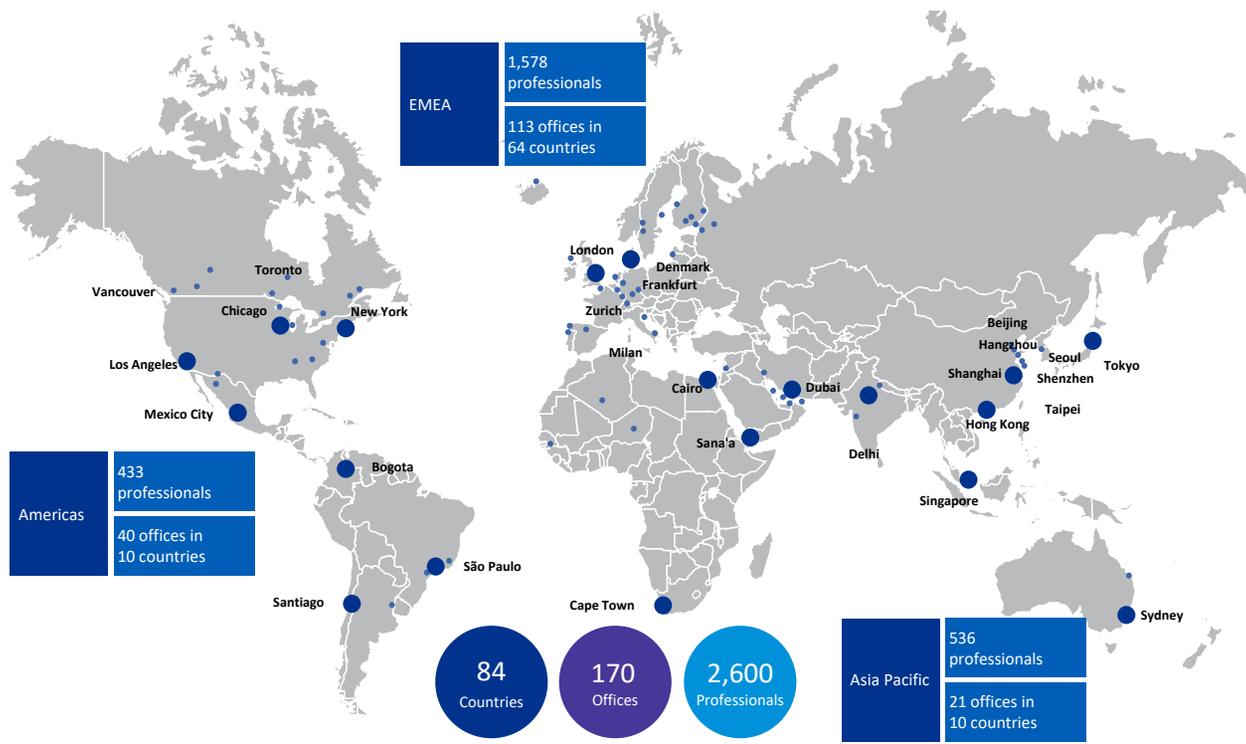
Announced	Buyer / Investor	Target	Location (Buyer / Target)	Target Description	EV (\$MM)	Revenue (\$MM)	EBITDA (\$MM)	Employees	EBITDA Multiple
Feb-22	Aeyon (Enlightenment Capital)	The Marick Group	Vienna, VA / Perry Hall, MD	Provides cloud-based human capital management and training solutions to government customers.					
Feb-22	Jacobs (NYSE:J)	Streetlight Data	Dallas, TX / San Francisco, CA	Provides cloud-based analytics solutions to measure and manage transportation for companies and government sectors.	197.8				
Jan-22	Varen (Godspeed Capital)	Savli Group	Washington, DC / Woodbine, MD	Provides IT consulting and implementation services in the design, deployment, and operation of ServiceNow for government customers.				160	
Jan-22	RSC2	DoD Division of TriMech	Baltimore, MD	Provides systems engineering, modeling & simulation (M&S), acquisition support capabilities to federal customers.					
Jan-22	Torch.AI (Westcap Management)	B23	Leawood, KS / McLean, VA	Provides maritime autonomy and AI applications, including sourcing and aggregating mission data, such as geo-location, online analytics, and financial instrumentation.					
Jan-22	CACI International (NYSE: CACI)	ID Technologies (The Acacia Group)	Reston, VA / Ashburn, VA	Develops and delivers information technology (IT) and infrastructure solutions for federal civilian, defense, and intelligence markets.	225.0			75	
Jan-22	Federal Advisory Partners (Sagewind Capital)	Favor Tech Consulting	Arlington, VA / Vienna, VA	Provides IT, digital and technology consulting services to Civilian, Defense, and Intelligence clients.					
Jan-22	Enlightenment Capital	Boecore	Chevy Chase, MD / Colorado Springs, CO	Provides space, missile defense and aerospace technology to the federal government. Customers include Missile Defense Agency, U.S. Space Force, and USAF.					
Jan-22	Sigma Defense Systems (Sagewind Capital)	Solute	Perry, GA / San Diego, CA	Provides system modernization, including software engineering, cybersecurity, cloud architecture, and DevSecOps for defense agencies.					
Jan-22	Varen (Godspeed Capital)	Exceptional Software Strategies	Washington, DC / Linthicum Heights, MD	Provides cyber, software and systems engineering, and geographic information systems to IC and federal agencies.				160	
Jan-22	Juvarre (Five Arrows)	Nusura	Atlanta, GA / Denver, CO	Provides crisis and emergency preparedness, strategic planning, defense information strategy and exercise support, and strategic communication for government agencies, commercial and healthcare customer as well as other corporations.					
Jan-22	GCOM Software (Sagewind Capital)	ASR Analytics	Columbia, MD / Potomac, MD	Provides business intelligence and analytic consulting services in the fields of business intelligence, predictive modeling, and data mining to higher education, government, and business markets.					
Jan-22	Octo Consulting (Arlington Capital)	B3 Group	Reston, VA / Herndon, VA	Provides enterprise-level application modernization software and platforms such as Salesforce, Microsoft Power Platform, Pega, and ServiceNow to federal healthcare customers.					
Jan-22	Concept Plus	U.S. Information Technologies Corporation	Fairfax, VA / Chantilly, VA	Provides Oracle-based information technology solutions and services.					
Jan-22	Harris Computer (Constellation Software)	i2 product portfolio (from IBM)	Canada / UK	Provides i2 Analyst's Notebook, i2 Enterprise Insight Analysis (EIA), and i2 iBase platforms					
Jan-22	ManTech (NASDAQ:MANT)	TMAC	Herndon, VA / Columbia, MD	Provides systems engineering, data collection and governance, analytics, and mission management systems solutions to the IC.	30.2				

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research

# KPMG Corporate Finance\*

## Global M&A Platform

Worldwide Completed Advisor Ranking		2002 - 2021	No. of deals
1	<b>KPMG</b>		<b>8,803</b>
2	PwC		7,852
3	Houlihan Lokey		6,061
4	Deloitte		5,480
5	Ernst & Young LLP		5,035



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Source: \*Refinitiv; Each set of figures is taken from the league table press releases issued for that year. Middle market is defined as deals less than US\$500 million. Jan.1 2002 - Dec.31 2021