RAYMOND JAMES | INVESTMENT BANKING

Government Technology Solutions
Q1 2026 Market Update

Q1 2026

FOR INSTITUTIONAL USE ONLY

IN THIS EDITION

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Industry experience (1)

HawkEye 360
$478,400,000
Initial Public Offering
Bookrunning Manager

AEVEX
$312,000,000
Initial Public Offering
Bookrunning Manager

KRATOS DEFENSE & SECURITY SOLUTIONS
$1,380,000,000
Follow-On Offering
Bookrunning Manager

nLIGHT
$201,250,000
Follow-On Offering
Bookrunning Manager

YORK SPACE SYSTEMS
$629,000,000
Initial Public Offering
Bookrunning Manager

QP QUIET PROFESSIONALS
a portfolio company of
McNally CAPITAL
has merged with
SPATHE SYSTEMS

PARSONS
has acquired
cti
a portfolio company of
BLUESTONE INVESTMENT PARTNERS

AV
$1,622,500,000
Follow-On and Convertible Debt Offering
Bookrunning Manager

KRATOS DEFENSE & SECURITY SOLUTIONS
$575,000,000
Follow-On Offering
Bookrunning Manager

ara ANTENNA RESEARCH ASSOCIATES
has been acquired by
OCEANSOUND PARTNERS

artel
a portfolio company of
TPG
has been acquired by
CYDECOR

CSMI
has received a strategic investment from
DC CAPITAL PARTNERS

IEX
has been acquired by
GENERAL DYNAMICS

V2X
$96,000,000
Follow-On Offering
Bookrunning Manager

MOXFIVE
has received a growth investment from
FALFURRIAS MANAGEMENT PARTNERS

PARSONS
has acquired
BLACKSIGNAL
a portfolio company of
RAZOR'S EDGE

HTL
has received an investment from
BLUEDELTA CAPITAL PARTNERS

KRATOS DEFENSE & SECURITY SOLUTIONS
$345,000,000
Follow-On Offering
Bookrunning Manager

RIDGELINE INTERNATIONAL
has received a strategic investment from
ENLIGHTENMENT CAPITAL

CAPITOL MERIDIAN PARTNERS
has made a strategic investment in
CLARITY

MDP
has acquired
T2S SOLUTIONS

STC STRATEGIC TECHNOLOGY CONSULTING
has been acquired by
ARCFIELD
a portfolio company of
VERITAS CAPITAL

Secure Innovations
has been acquired by
RealmOne
a portfolio company of
ENLIGHTENMENT CAPITAL

INNOPLEX
has been acquired by
RealmOne
a portfolio company of
ENLIGHTENMENT CAPITAL

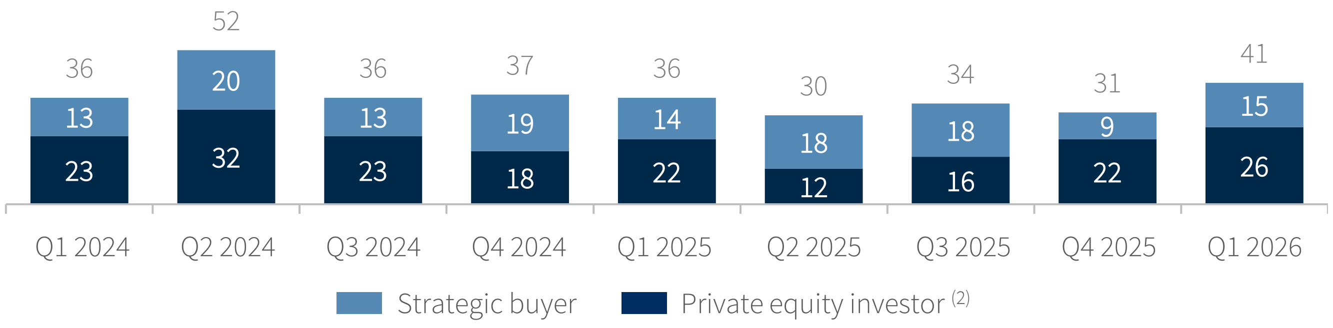
Sector-focused equity research coverage (2)

AEVEX	AV	amentum	AXON
Booz Allen	CACI	CGI	Jacobs
KARMAN SPACE & DEFENSE	KRAKEN	KRATOS DEFENSE & SECURITY SOLUTIONS	L3HARRIS
maximus	mercury	nLIGHT	Palantir
PARSONS	V2X	Viasat	YORK SPACE SYSTEMS

Notes: (1) Transactions occurred between November 2022 and May 2026
(2) The public companies displayed are actively covered by Raymond James Equity Research analysts

Government Technology Solutions update

Recent Government Technology Solutions Transaction Activity (1)



Representative 2026 GTS M&A Transactions (3)

Target	Acquirer
PCG	Tetra Tech
Prominent Edge	Windward, FTV Capital
Defy Security, Sverica	Booz Allen
Entrust Solutions Group, Kohlberg	Leidos
Twenty8Tech	Redhawk
exacom	Motorola Solutions
SEV1Tech, DFW Capital Partners	ERT, Macquarie
ARS Applied Research Solutions, Riverside Research	ASRC Federal

Target	Acquirer
Dignitas Technologies	ByLight, Sagewind Capital
XTec	Giesecke+Devrient
Knexus	DC Capital Partners
Halvik	Tetra Tech
CTSi & Expansia & JHNA	Falfurrias Management Partners
Altamira, ClearSky	Parsons
BT Federal	22nd Century Technologies, Inc.

Sources: DACIS, CyberScoop, FedScoop

Notes: (1) Totals include all closed transactions reported by DACIS / Infobase as of 4/30/2026

(2) Transactions are considered a private equity deal when the acquiring company is a private equity firm or a private equity-backed strategic

(3) Transactions were announced or completed between January 2026 and April 2026 and are organized by most recent transaction date

M&A Activity Summary

- Transaction volume for the Government Technology Solutions sector increased 32% in Q1 2026 compared to Q4 2025. Year-over-year transaction volume increased 14%.
- Strategic transaction volume increased 67% in Q1 2026 versus the prior quarter and was up 7% compared to Q1 2025. For private equity deals, volume increased 18% quarter-over-quarter and was 18% higher than in Q1 2025.
- M&A activity continued to improve in Q1 2026 following a volatile first half of 2025, with buyers increasingly focused on thematic, mission-enabling capabilities such as AI, cyber, zero trust, and other differentiated technologies that directly advance federal mission outcomes rather than simply augment back-office processes

Industry News

- Project Glasswing was launched as a cross-industry effort to help secure critical software infrastructure against a new generation of AI-enabled cyber threats. The initiative brings together major cloud, platform, and cybersecurity providers to use Anthropic's Claude Mythos Preview model for defensive vulnerability discovery and remediation, including across open-source systems that underpin essential services. The model has already identified thousands of high-severity vulnerabilities, including in major operating systems and browsers.
- CISA, NSA, and Five Eyes partners issued guidance warning that AI agents introduce new cyber risks as they gain access to tools, data, workflows, and networks. The guidance highlights concerns around excessive permissions, prompt injection, weak accountability, and unpredictable behavior. Recommended safeguards include zero trust, least privilege, verified agent identities, human approval for high-impact actions, and robust logging. For vendors, this signals growing demand for AI identity, monitoring, auditability, and governance tools.
- Federal AI adoption surged in 2025, with the Office of Management and Budget reporting roughly 3,600 use cases across agencies, a nearly 70% year over year increase. Expanded disclosures, particularly from NASA, helped make science and R&D the most common applications. The inventory spans pilot, active, and retired systems, with about 9% retired, and reflects a broader push by the Trump administration to scale AI deployment across government in the name of efficiency.

Spotlight: Zero Trust Architecture

Zero Trust Architecture is a security framework that assumes no user, device, or system can be automatically trusted, whether inside or outside the network. Every access request must be verified through authentication and authorization

- ✓ **Verify Explicitly**
  Identity, device posture, behavior, and resource
- ✓ **Use Least Privilege**
  Just-enough and just-in-time access
- ✓ **Assume Breach**
  Monitor continuously and contain lateral movement

CISA'S ZERO TRUST PILLARS

IDENTITY	DEVICES	NETWORKS	APPLICATIONS	DATA
Strong identity verification and least-privilege access	Verify device health and compliance before access	Segment and control traffic with least privilege	Secure applications and isolate workloads	Classify data and enforce protection across its lifecycle

DOW'S ZERO TRUST COURSES OF ACTION ("COAs") TO ACHIEVE TARGET-LEVEL ZERO TRUST

COA 1
Uplift Legacy

Modernize existing systems and infrastructure without replacing core mission platforms

Aligned Capabilities
- ✓ Systems integration
- ✓ Digital transformation
- ✓ Identity modernization
- ✓ Endpoint detection and response

COA 2
Commercial Cloud

Use commercial cloud providers where they meet DoW Zero Trust requirements

Aligned Capabilities
- ✓ Cloud security and migration
- ✓ Cloud-native IAM
- ✓ Cloud posture management
- ✓ Secure access service edge

COA 3
Purpose-Built On-Prem Cloud

Build DoW or component-controlled environments for sensitive missions

Aligned Capabilities
- ✓ Mission systems engineering
- ✓ Private cloud infrastructure
- ✓ Microsegmentation
- ✓ Privileged access controls

Sources: CrowdStrike Threat Hunting Report, Department of War 2025 Budget Request, MarketsandMarkets

Zero Trust Architecture: Market implications

From policy to implementation, Zero Trust is driving durable demand across federal IT and cyber modernization

Zero Trust is becoming a funded modernization mandate that is reshaping how federal agencies invest in cybersecurity, cloud, identity, data, and mission IT infrastructure

WHY IT MATTERS

DoW Driving Demand

DEFENSESCOOP

Pentagon plans to publish zero trust strategy 2.0 in 2026. The upcoming document will expand on the Department's first strategy published in 2022

Identity-based Cyber Threats

Industrial Cyber

Adversaries are increasingly choosing to log in rather than break in, exploiting credentials, session tokens, and federated access to bypass perimeter defenses

Demand Across Agencies

FEDSCOOP

Department of Justice wants $110.3M to boost zero trust cybersecurity architecture in fiscal 2027 after falling victim to the SolarWinds breach in 2020

CAPABILITIES THAT ATTRACT BUYER INTEREST

Identity & Access Management

- Access governance
- MFA and single sign-on
- Privileged account controls
- Adaptive authentication

Device & Endpoint Security

- Endpoint threat detection
- Device compliance checks
- Mobile device protection
- Vulnerability prioritization

Network Segmentation

- Zero trust network access
- Secure edge connectivity
- Microsegmentation
- Modern VPN alternative

Application & Data Protection

- Cloud security posture
- Application risk testing
- API protection controls
- Data loss prevention

Visibility & Auto Response

- Detection response
- Workflow automation
- Threat intelligence feeds
- Continuous risk monitoring

BY THE NUMBERS

80%
Of breaches involve compromised identities

~$80B
2030 Total Addressable Market for Zero Trust

~$1B
FY2025 DoW Zero Trust Funding

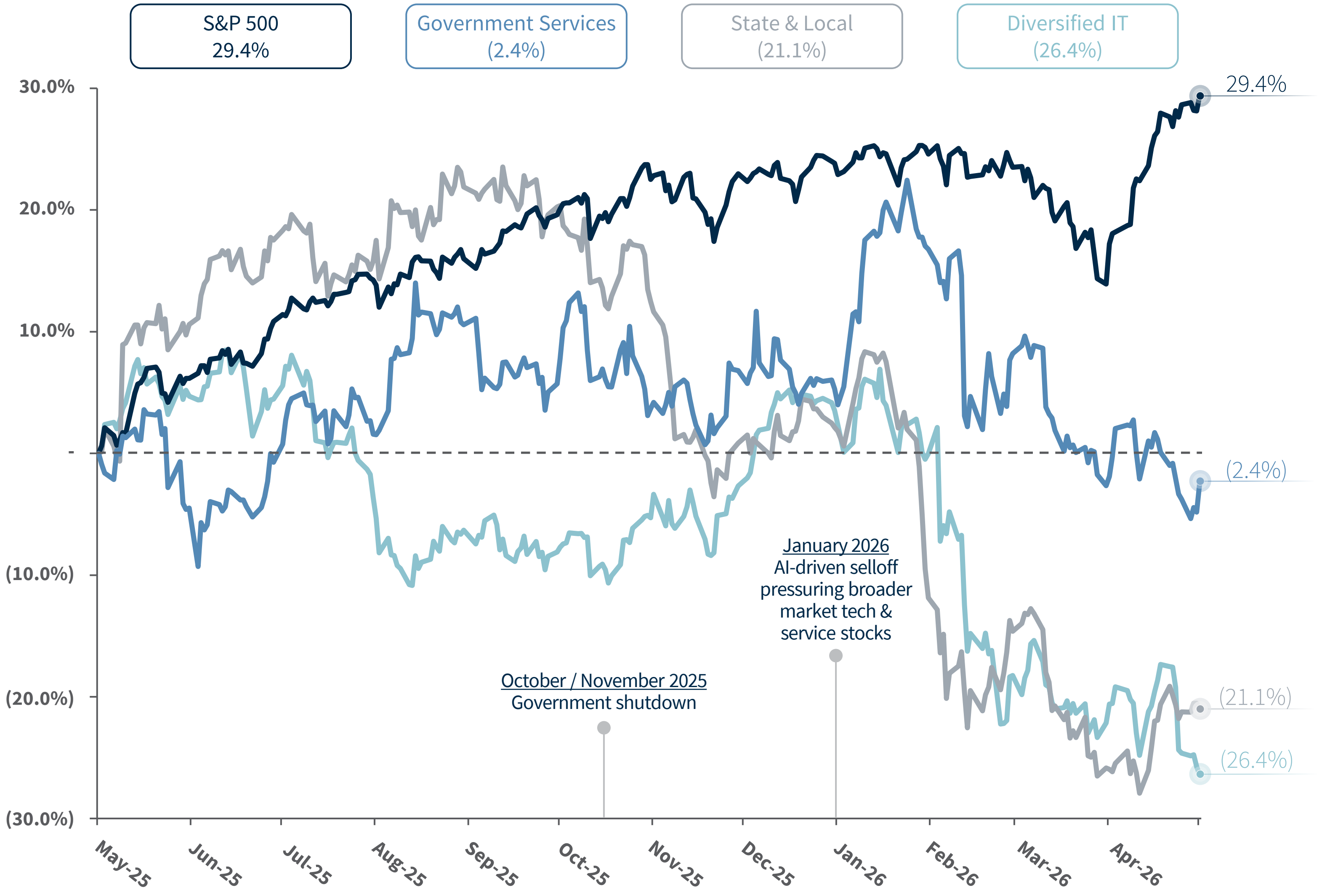
Sources: CrowdStrike Threat Hunting Report, Department of War 2025 Budget Request, MarketsandMarkets

Government Technology Solutions public market performance

LTM performance commentary

- Government Services declined 2.4%, as resilient mission demand and modernization priorities were offset by federal budget uncertainty, procurement delays, and heightened scrutiny of discretionary services spending
- State & Local decreased 21.1%, reflecting investor caution around tightening state and municipal budgets, fading pandemic-era funding, and a more selective procurement environment despite ongoing demand for digital modernization
- Diversified IT fell 26.4%, pressured by softer discretionary consulting spend, longer enterprise decision cycles, and investor concerns around AI-driven disruption to legacy IT services models

Equal-weighted LTM Government Technology Solutions index performance



Source: Capital IQ; data as of 4/30/26
Note: Companies included disclosed on the next page

Public Government Technology Solutions companies

	Market Data						Financial Data LTM				Valuation Multiples TEV / LTM		Valuation Multiples TEV / CY2026 (E)		Valuation Multiples TEV / CY2027 (P)	
	Company Name	Ticker	Stock Price 4/30/26	% of 52-Week High	Equity Value	Enterprise Value	Total Sales	EBITDA	EBITDA Margin	Debt / EBITDA	Total Sales	EBITDA	Total Sales	EBITDA	Total Sales	EBITDA
Government Services	Amentum Holdings, Inc.	NYSE: AMTM	$26.23	68.8%	$6,398	$10,192	$14,477	$1,104	7.6%	3.3x	0.7x	9.2x	0.7x	9.0x	0.7x	8.3x
	Booz Allen Hamilton Holding Corp.	NYSE: BAH	$77.77	59.4%	$9,379	$12,634	$11,409	$1,263	11.1%	3.1x	1.1x	10.0x	1.1x	10.3x	1.0x	9.4x
	CACI International, Inc.	NYSE: CACI	$519.54	76.0%	$11,477	$16,934	$9,163	$1,106	12.1%	4.7x	1.8x	15.3x	1.7x	13.5x	1.5x	11.9x
	ICF International, Inc.	NasdaqGS: ICFI	$71.66	70.5%	$1,298	$1,866	$1,873	$204	10.9%	2.6x	1.0x	9.2x	1.0x	8.7x	0.9x	8.1x
	Leidos Holdings, Inc.	NYSE: LDOS	$149.22	72.5%	$18,791	$23,071	$17,329	$2,404	13.9%	2.7x	1.3x	9.6x	1.3x	9.2x	1.2x	8.8x
	Parsons Corp.	NYSE: PSN	$50.41	56.3%	$5,393	$6,899	$6,301	$519	8.2%	2.8x	1.1x	13.3x	1.0x	10.6x	1.0x	9.8x
	Science Applications International Corp.	NasdaqGS: SAIC	$96.77	78.0%	$4,171	$6,695	$7,262	$687	9.5%	3.6x	0.9x	9.7x	0.9x	9.4x	0.9x	9.2x
	V2X, Inc.	NYSE: VVX	$67.81	90.4%	$2,120	$2,895	$4,718	$342	7.2%	2.5x	0.6x	8.5x	0.6x	8.4x	0.6x	7.8x
	Median:			**71.5%**	**$5,896**	**$8,546**	**$8,212**	**$896**	**10.2%**	**2.9x**	**1.0x**	**9.7x**	**1.0x**	**9.3x**	**0.9x**	**9.0x**
	Average:			**71.5%**	**$7,378**	**$10,148**	**$9,066**	**$954**	**10.1%**	**3.1x**	**1.1x**	**10.6x**	**1.0x**	**9.9x**	**1.0x**	**9.2x**
State & Local	Axon Enterprise, Inc.	NasdaqGS: AXON	$401.76	45.3%	$32,371	$32,554	$2,983	$103	3.4%	N.M.	N.M.	N.M.	9.1x	35.6x	7.0x	26.1x
	Conduent, Inc.	NasdaqGS: CNDT	$1.71	57.4%	$265	$1,015	$3,042	$164	5.4%	3.5x	0.3x	6.2x	0.3x	6.2x	0.3x	5.4x
	Maximus, Inc.	NYSE: MMS	$65.62	65.6%	$3,579	$5,114	$5,318	$697	13.1%	2.1x	1.0x	7.3x	0.9x	6.5x	N.A.	N.A.
	Tyler Technologies, Inc.	NYSE: TYL	$341.14	54.9%	$14,385	$14,087	$2,381	$450	18.9%	0.1x	5.9x	31.3x	5.5x	19.0x	5.0x	16.7x
	Verra Mobility Corp.	NasdaqCM: VRRM	$14.83	57.4%	$2,253	$3,251	$979	$358	36.6%	3.0x	3.3x	9.1x	3.2x	7.9x	3.0x	7.1x
	Median:			**57.4%**	**$3,579**	**$5,114**	**$2,983**	**$358**	**13.1%**	**2.6x**	**2.1x**	**8.1x**	**3.2x**	**7.9x**	**4.0x**	**11.9x**
	Average:			**56.1%**	**$10,571**	**$11,204**	**$2,941**	**$354**	**15.5%**	**2.2x**	**2.6x**	**13.5x**	**3.8x**	**15.1x**	**3.8x**	**13.8x**

Source: Capital IQ; data as of 4/30/26

Notes: Financial projections are sourced from Capital IQ consensus estimates; foreign traded companies are listed in U.S. dollars at 4/30/26 spot exchange rate; Equity Value, Enterprise Value, Total Sales, and EBITDA are listed in U.S. dollars in millions; TEV / EBITDA valuation multiples less than 5.0x or greater than 40.0x, debt / EBITDA multiples less than 0.0x or greater than 10.0x, and TEV / total sales multiples less than 0.0x or greater than 7.0x are considered not material ("N.M.") in the analysis; "N.A." indicates no Capital IQ consensus estimates are available; debt / LTM EBITDA figures represent total debt divided by LTM EBITDA, which includes a lease adjustment; figures presented are not reflective of any recent acquisitions / divestitures

Definitions: Last Twelve Months ("LTM"), Estimated Calendar Year 2026 ("CY2026 (E)"), Projected Calendar Year 2027 ("CY2027 (P)"), Total Enterprise Value ("TEV")

Public Government Technology Solutions companies

	Market Data						Financial Data LTM				Valuation Multiples TEV / LTM		Valuation Multiples TEV / CY2026 (E)		Valuation Multiples TEV / CY2027 (P)	
	Company Name	**Ticker**	**Stock Price 4/30/26**	**% of 52-Week High**	**Equity Value**	**Enterprise Value**	**Total Sales**	**EBITDA**	**EBITDA Margin**	**Debt / EBITDA**	**Total Sales**	**EBITDA**	**Total Sales**	**EBITDA**	**Total Sales**	**EBITDA**
Diversified IT	Accenture plc	NYSE: ACN	$178.71	54.9%	$109,717	$110,223	$72,110	$12,735	17.7%	0.6x	1.5x	8.7x	1.5x	6.6x	1.4x	7.3x
	Capgemini SE	ENXTPA: CAP	$120.84	65.8%	$20,511	$28,333	$26,377	$3,401	12.9%	3.0x	1.1x	8.3x	1.0x	6.3x	1.0x	6.0x
	CGI, Inc.	TSX: GIB.A	$65.32	58.3%	$13,678	$16,396	$11,705	$2,093	17.9%	1.4x	1.4x	7.8x	1.3x	6.6x	1.3x	6.4x
	Cognizant Technology Solutions Corp.	NasdaqGS: CTSH	$52.90	60.8%	$25,068	$24,643	$21,406	$3,891	18.2%	0.3x	1.2x	6.3x	1.1x	6.0x	1.1x	5.5x
	DXC Technology Co.	NYSE: DXC	$11.32	65.6%	$1,922	$4,782	$12,683	$1,810	14.2%	1.9x	0.4x	N.M.	0.4x	N.M.	0.4x	N.M.
	IBM Corp.	NYSE: IBM	$230.98	71.1%	$217,095	$275,195	$68,911	$16,611	24.1%	3.9x	4.0x	16.6x	3.9x	13.4x	3.7x	12.5x
	Median:			**63.2%**	**$22,789**	**$26,488**	**$23,891**	**$3,646**	**17.8%**	**1.7x**	**1.3x**	**8.3x**	**1.2x**	**6.6x**	**1.2x**	**6.4x**
	Average:			**62.7%**	**$64,665**	**$76,595**	**$35,563**	**$6,757**	**17.5%**	**1.9x**	**1.6x**	**9.5x**	**1.5x**	**7.8x**	**1.5x**	**7.5x**

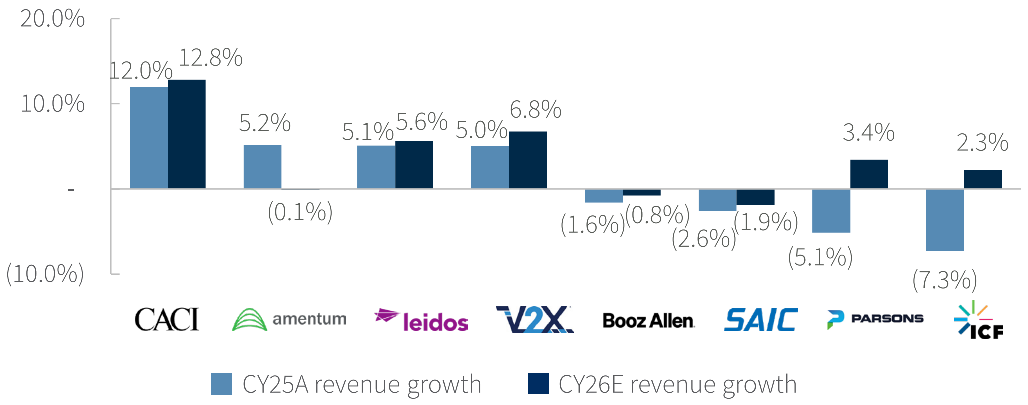
Source: Capital IQ; data as of 4/30/26

Notes: Financial projections are sourced from Capital IQ consensus estimates; foreign traded companies are listed in U.S. dollars at 4/30/26 spot exchange rate; Equity Value, Enterprise Value, Total Sales, and EBITDA are listed in U.S. dollars in millions; TEV / EBITDA valuation multiples less than 5.0x or greater than 40.0x, debt / EBITDA multiples less than 0.0x or greater than 10.0x, and TEV / total sales multiples less than 0.0x or greater than 7.0x are considered not material ("N.M.") in the analysis; "N.A." indicates no Capital IQ consensus estimates are available; debt / LTM EBITDA figures represent total debt divided by LTM EBITDA, which includes a lease adjustment; figures presented are not reflective of any recent acquisitions / divestitures

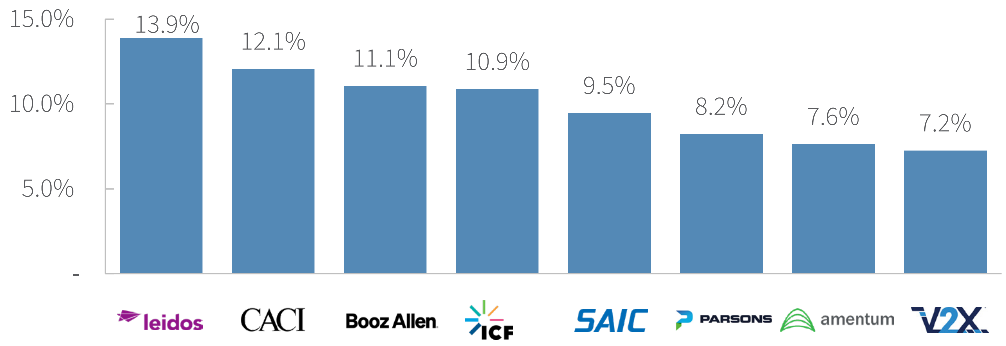
Definitions: Last Twelve Months ("LTM"), Estimated Calendar Year 2026 ("CY2026 (E)"), Projected Calendar Year 2027 ("CY2027 (P)"), Total Enterprise Value ("TEV")

Government Services benchmarking

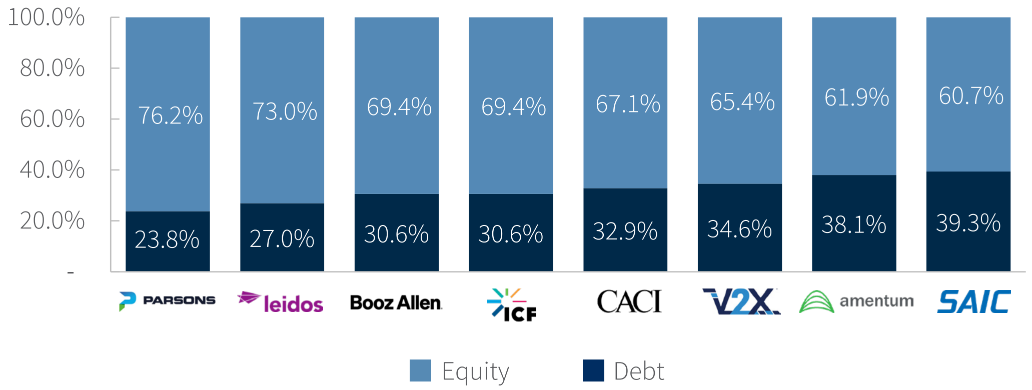
Revenue Growth



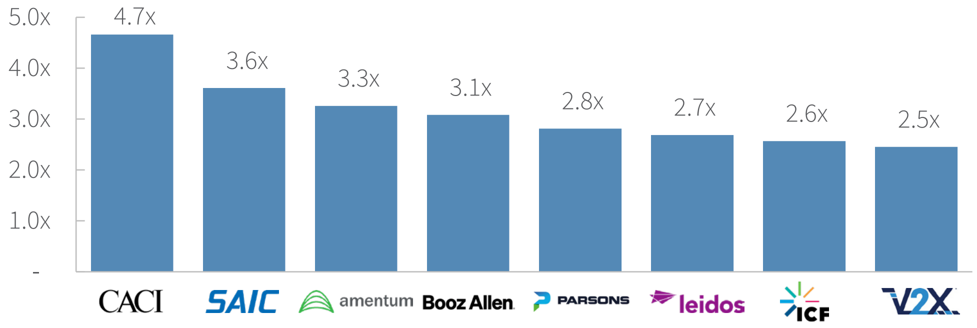
LTM EBITDA Margin



Capital Structure



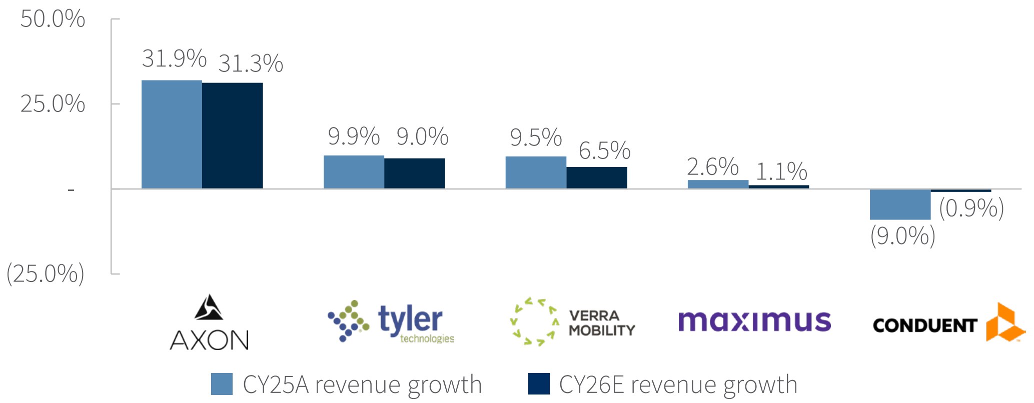
Total Debt to LTM EBITDA Ratio



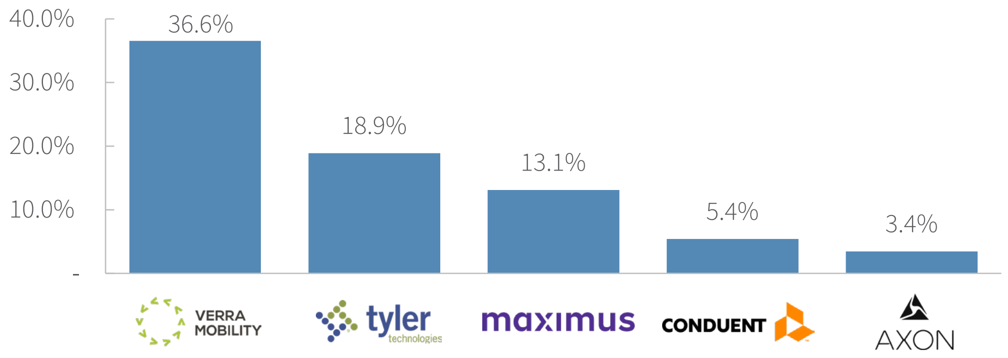
Source: Capital IQ; data as of 4/30/26

State & Local benchmarking

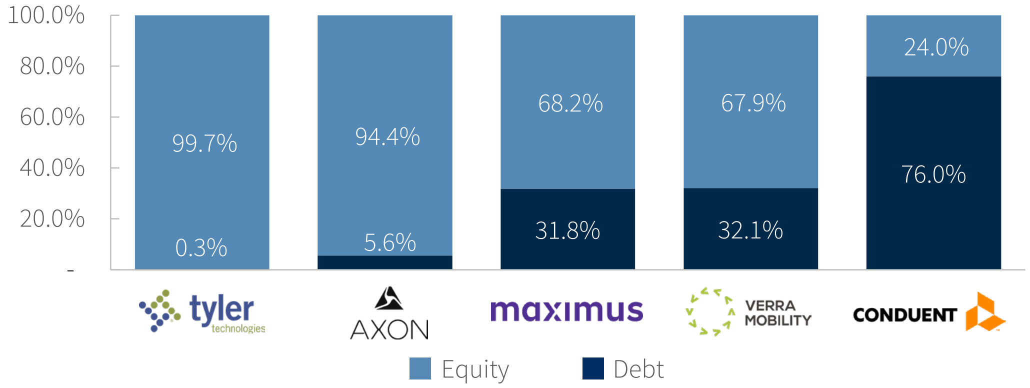
Revenue Growth



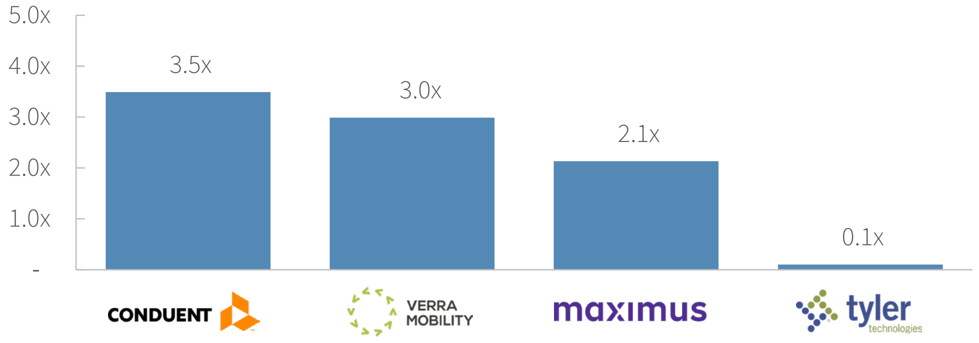
LTM EBITDA Margin



Capital Structure



Total Debt to LTM EBITDA Ratio (1)

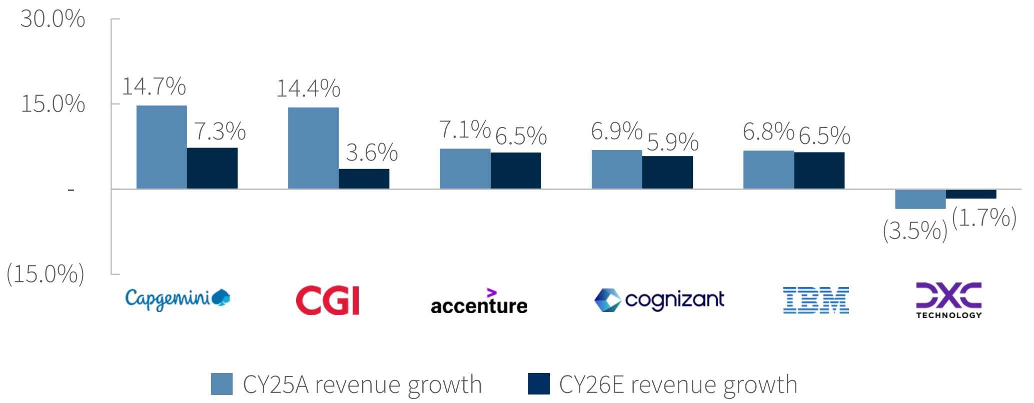


Source: Capital IQ; data as of 4/30/26

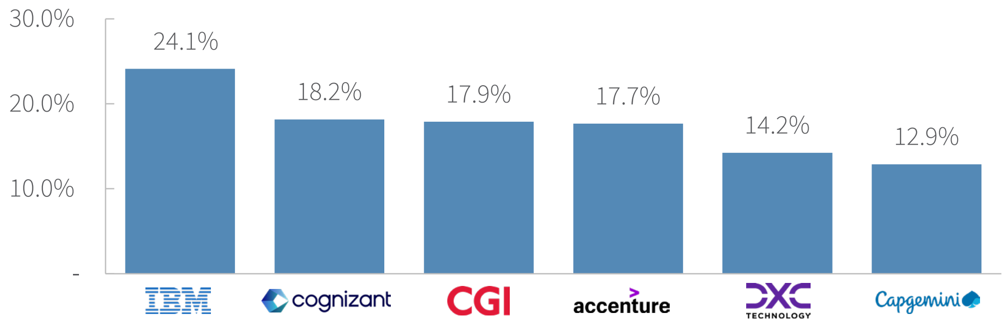
Note: (1) Axon excluded due to outlier nature of multiple

Diversified IT benchmarking

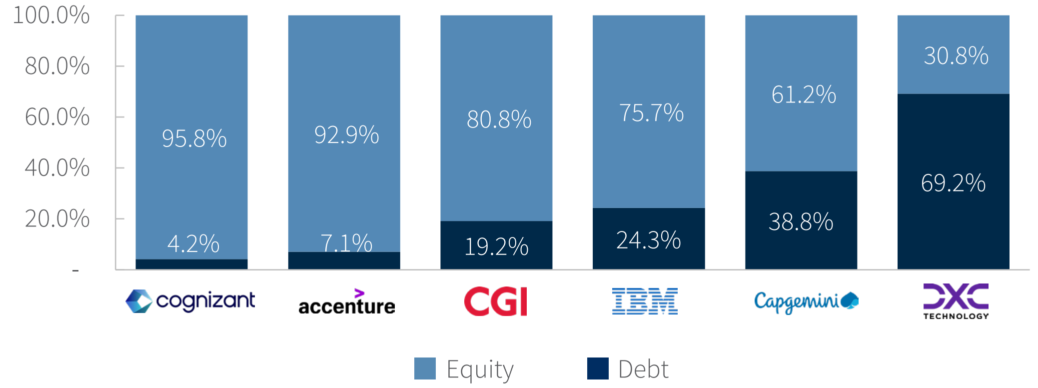
Revenue Growth



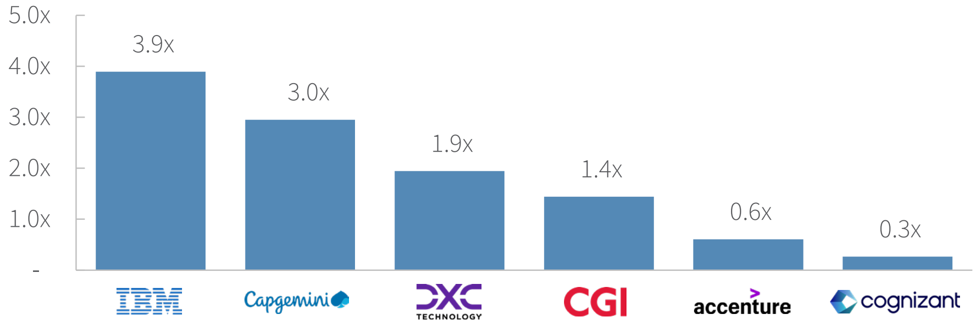
LTM EBITDA Margin



Capital Structure



Total Debt to LTM EBITDA Ratio



Source: Capital IQ; data as of 4/30/26

Recent Government Technology Solutions transactions

	April 2026	April 2026	April 2026
	PCG *has been acquired by* TETRA TECH N.D.	Prominent Edge *has been acquired by* WINDWARD *a portfolio company of* FTV CAPITAL N.D.	Defy security *a portfolio company of* SVERICA *has been acquired by* Booz Allen N.D.
Capabilities	• Digital Transformation & ERP Services • Operational Support & Managed Services • Program Delivery & Systems Engineering • Protective Security Solutions	• AI & Data Analytics • DevOps & Automation • Geospatial Solutions • Web & Mobile	• AI & Managed Security Services • Data Protection & Management • Digital Transformation Engineering • Identity Services & Operational Technology
Customers	Commercial		Commercial FedCiv
Buyer perspective	Dan Batrack, CEO of Tetra Tech, stated, *“Tetra Tech’s extensive advisory expertise and advanced technology solutions support our clients in effectively and efficiently planning complex programs. The addition of Providence will further advance Tetra Tech’s expertise in advisory program delivery, while expanding our client base in the Australian defense sector to help customers to support mission readiness and strengthen resilient infrastructure.”*	Jon Goldman, CRO of Windward, stated, *“Windward has built the world’s leading maritime AI platform, and we are already trusted by governments around the world to deliver critical maritime intelligence. Prominent Edge is the ideal complement to what we’ve built. They bring proven U.S. Government delivery, deep geospatial and maritime expertise, and the mission-grade execution that strengthens our ability to solve the hardest challenges facing U.S. national security.”*	Andrew Turner, Executive Vice President and Head of Booz Allen’s Global Commercial business, stated, *“Today’s AI-enabled threat environment moves at unprecedented speed. Joined with Defy Security, we can help more enterprises around the world innovate ahead of pervasive cyber threats and protect their most critical assets.”*

Sources: Capital IQ, Deltek GovWin, DACIS, and publicly available information; “N.D.” stands for “not disclosed”

Recent Government Technology Solutions transactions

	March 2026	March 2026	February 2026
	ENTRUST SOLUTIONS GROUP *a portfolio company of* KOHLBERG *has been acquired by* leidos $2.4B	TWENTY8TECH *has been acquired by* REDHAWK N.D.	exacom *has been acquired by* MOTOROLA SOLUTIONS N.D.
Capabilities	• Infrastructure Transformation • Project Management • Systems Analysis, Planning, & Technical Support • Utility Engineering & Consulting Solutions	• Cloud Migration & DevSecOps • Digital Transformation • Mission-Focused Systems Engineering • SETA Support Services	• Communication Recording Solutions • Cybersecurity & Resilience Support • Voice & Multimedia Logging Solutions
Customers	Commercial; Department of Energy	DARPA; United States Navy	United States Air Force; United States Army; U.S. Department of Homeland Security; United States Navy; State & Local
Buyer perspective	Roy Stevens, Homeland Sector president at Leidos, stated, *"As we welcome our new teammates, we continue to strengthen our position as a leading provider of power engineering and design services. As utilities address accelerating load growth and resilience requirements, integrating ENTRUST's capabilities enables us to deliver comprehensive infrastructure solutions that help strengthen and secure the grid."*	Paul Johnson, President of Twenty8, stated, *"Joining the Redhawk team represents an enormous leap forward for Twenty8 and immediately provides subject-matter expertise, scaled infrastructure, and substantial and tangible benefit to our DoW customers and their missions. Redhawk injects decades of industry-leading technology experience and provides critical avenues for developing and deploying cutting-edge capabilities."*	Mahesh Saptharishi, CTO of Motorola Solutions, stated, *"In a landscape where data is often fragmented, we are moving to unify the 'audible truth' of emergency calls and critical voice communication with the 'visual truth' of video. By integrating Exacom into our DEMS, we are helping to eliminate information silos to create a centralized data layer, ready to be efficiently transformed into actionable intelligence with Assist, our mission-critical AI."*

Sources: Capital IQ, Deltek GovWin, DACIS, and publicly available information; "N.D." stands for "not disclosed"

Recent Government Technology Solutions transactions

	February 2026	February 2026	February 2026
	SEV1TECH *a portfolio company of* DFW CAPITAL PARTNERS *has been acquired by* ERT *a company backed by* MACQUARIE N.D.	ARS Applied Research Solutions *a portfolio company of* RIVERSIDE RESEARCH *has been acquired by* ASRC FEDERAL N.D.	DIGNITAS TECHNOLOGIES *has been acquired by* BYLIGHT *a portfolio company of* SAGEWIND CAPITAL N.D.
Capabilities	• Managed Services • Secure Digital Transformation Services • Tactical Edge IT & Communication Services	• Agile Software Development • Cloud Services • Cybersecurity & Information Warfare	• AI/ML, Data Analytics & Business Intelligence • Cloud & Cybersecurity Services • Enterprise Support & DevSecOps • Systems Integration & Agile Software Development
Customers			
Buyer perspective	Mark Lee, CEO of ERT, stated, *"Today's missions require reliable, secure and cost-effective solutions built with an understanding of how things actually get done. Sev1Tech's work with the USSF, along with their networking and IT modernization expertise broaden ERT's capabilities and strengthen our ability to deliver solutions to current customers while opening up new markets for both teams."*	Putting the two businesses together opens the door for deliberate cross-pollination. ASRC can inject capabilities into ARS-led environments while at the same time, the company gives ASRC a credible on-ramp into higher-end engineering and mission integration work that traditionally sits upstream of those IT dollars.	Bob Donahue, Founder and CEO of By Light, stated, *"The acquisition of Dignitas strategically broadens By Light's existing capabilities within modeling & simulation and virtual training. Dignitas expands our product and solutions offering in the critical areas of cyber training, virtual cyber effects and live, virtual and constructive training in multi-echelon simulations across the DoD. We're excited to add these capabilities into By Light's synthetic training ecosystem."*

Sources: Capital IQ, Deltek GovWin, DACIS, and publicly available information; "N.D." stands for "not disclosed"

Recent Government Technology Solutions transactions

January 2026

CTSi & EXPANSIA & IHNA

have been acquired by

FALFURRIAS MANAGEMENT PARTNERS

N.D.

Capabilities

- AI, Human-Machine & Open Architecture Solutions
- IT, Cloud & Digital Transformation
- Systems Engineering, Test & Fabrication

Customers

DARPA

Buyer perspective

In its announcement of the acquisition, Falfurrias stated, *"By combining patented technologies in artificial intelligence and human-machine teaming, modular open systems architecture, integrated digital environments, and additive manufacturing, the organization is positioned to solve the critical technical challenges shaping the next era of national security across land, sea, air, and space."*

January 2026

ALTAMIRA

a portfolio company of

ClearSky

has been acquired by

PARSONS

N.D.

Capabilities

- Advanced Computing & Systems Architecture
- AI/ML & Advanced Analytics
- Cyber Operations & Software Engineering
- Intel Analysis & National / Tactical Integration

Buyer perspective

Carey Smith, Chair, President & CEO of Parsons, stated, *"Acquiring Altamira is a strategic accelerator for our national security growth strategy, strengthening Parsons' ability to deliver rapid and agile mission-ready, intelligence-driven solutions across the DoW and the IC. Their deep commitment to solving the nation's most complex security challenges aligns seamlessly with Parsons' mission, culture & alignment to the DoW's acquisition transformation strategy."*

January 2026

BT FEDERAL

has been acquired by

22nd Century Technologies, Inc.

N.D.

Capabilities

- Cloud & Data Center Solutions
- High-Speed & Capacity Global Network Solutions
- Managed Security & Network Services
- Transition Legacy Customer Premises Equipment

Buyer perspective

Satvinder Singh, President of TSCTI, stated, *"This acquisition is a growth catalyst for us, our customers, and the agencies we have yet to serve. The expansion of solutions and reach allows us to bring more innovation and reliability to a wider set of federal missions that depend on secure, high-performance network infrastructure."*

Sources: Capital IQ, Deltek GovWin, DACIS, and publicly available information; "N.D." stands for "not disclosed"

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