RAYMOND JAMES | INVESTMENT BANKING

# Government Technology Solutions
# **Q2 2026 Market Update**

Q2 2026

FOR INSTITUTIONAL USE ONLY

IN THIS EDITION

# Aerospace, Defense & Government team

**SAM MANESS**
*Managing Director*
703.300.2380
sam.maness@raymondjames.com

**NATALIE WARTHER**
*Managing Director*
410.596.4574
natalie.warther@raymondjames.com

**IAN MCARDLE**
*Vice President*
703.657.4624
ian.mcardle@raymondjames.com

**CLAYTON MURTHA**
*Vice President*
703.657.4633
clayton.murtha@raymondjames.com

## LOCATIONS

**WASHINGTON, D.C. OFFICE**
7900 Tysons One Place, Suite 600
McLean, VA 22102

**RAYMOND JAMES HEADQUARTERS**
880 Carillon Parkway
St. Petersburg, FL 33716

# Industry experience (1)

**SpaceX**
$86,249,999,880
Initial Public Offering
Co-Manager

**AEVEX**
$216,000,000
Follow-On Offering
Bookrunning Manager

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

**AEVEX**
$368,000,000
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**
$1,753,750,000
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
Ocean Sound 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

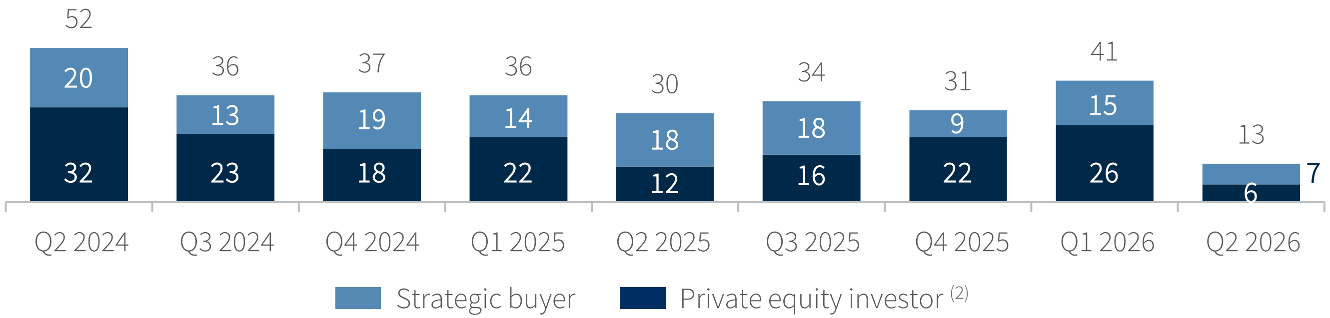
**STC Strategic Technology Consulting**
has been acquired by
Arcfield
a portfolio company of
Veritas Capital

## Sector-focused equity research coverage (2)

AEVEX, AV, amentum, AXON, Booz Allen, CACI, CGI, HawkEye 360, Jacobs, Karman Space & Defense, Kraken, Kratos Defense & Security Solutions, L3Harris, maximus, mercury, nLIGHT, Palantir, Parsons, SpaceX, V2X, Viasat, York Space Systems

(1) Transactions occurred between August 2023 through July 2026
(2) The public companies displayed are actively covered by Raymond James Equity Research analysts

# Government Technology Solutions update




## Representative 2026 GTS M&A Transactions (3)

| Target | Acquirer |
|---|---|
| HRL Laboratories | IBM |
| Dragos & Netrise & runZero | accenture |
| CYBERHAWK | ONDAS |
| HALO PRIVACY | cycurion |
| SECTURION SYSTEMS | CARLYLE |
| Quorum | ENLIGHTENMENT CAPITAL |

| Target | Acquirer |
|---|---|
| HIGHLIGHT | EmpowerAI / KKR |
| LayerX | Akamai |
| INSIGNIS | WOVEN / Falfurrias Capital |
| Ready Support Services | TYTO Athene / ACP |
| BreakPoint Labs | VALIANT SOLUTIONS / BLUESTONE INVESTMENT PARTNERS |
| USCONTRACTING, INC | nextpoint group / GODSPEED CAPITAL |

| Target | Acquirer |
|---|---|
| LYTEWORX AUTOMATION SYSTEMS | EDGESOURCE |
| ENERCON / OAKTREE | POND / ACP |
| Providence | TETRA TECH |
| SYNTELLIGENT ANALYTIC SOLUTIONS, LLC | BRIDGE DEFENSE |
| Prominent Edge | WINDWARD / FTV CAPITAL |
| Defy security / SVERICA | Booz Allen |

Sources: CyberScoop, DACIS, Department of War, Federal News Network, FedScoop, Global Government Forum

Notes: (1) Totals include all closed transactions reported by DACIS / Infobase as of 7/31/2026
(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 April 2026 and July 2026 and are organized by most recent transaction date

Q2 2026

## M&A Activity Summary

- Transaction volume for the Government Technology Solutions sector decreased 68% in Q2 2026 compared to Q1 2026. Year-over-year transaction volume decreased 57%.
- Strategic transaction volume decreased 53% in Q2 2026 versus the prior quarter and was down 61% compared to Q2 2025. For private equity deals, volume declined 77% quarter-over-quarter and was 50% lower than in Q2 2025.
- After improving in Q1 2026, closed M&A volume declined sharply in Q2. While both strategic and private equity activity declined, the slowdown likely reflects longer closing timelines for larger public acquisitions that remain pending, as buyers increasingly pursue targeted capability-driven acquisitions.

## Industry News

- The DoW awarded Oracle a 10-year enterprise software agreement valued at $3.3 billion over the initial five-year period and up to ~$7.0 billion if all options are exercised. The centralized contract vehicle will allow authorized DoW organizations and contractors to purchase Oracle software and services under standardized terms, replacing fragmented and duplicative procurement processes. The Department expects the agreement to generate at least $441 million in savings while improving interoperability, cybersecurity, and the speed of software modernization across the defense enterprise.
- CISA, in partnership with the NSA, FBI, and international cybersecurity agencies, released an updated Software Bill of Materials (“SBOM”) guidance to improve software transparency and supply chain security. The updated framework provides practical guidance for creating, sharing, and using SBOMs throughout the software lifecycle, reinforcing the government's growing focus on secure software development and increasing demand for software assurance and supply chain security solutions.
- Bipartisan lawmakers introduced legislation authorizing DHS to shut down AI models that threaten national security. Combined with the government's recent directive requiring Anthropic to disable access to its latest models, the proposal signals growing federal oversight of advanced AI and increasing demand for AI governance, model monitoring, and security solutions.

# Spotlight: Key DoW Cybersecurity & Software Developments

Recent Department of War initiatives include the Cybersecurity Maturity Model Certification ("CMMC") Phase II review and the Accelerate the Procurement and Fielding of Innovative Technologies ("APFIT") program's first software-only procurements

*On CMMC pause…*

*Kirsten Davies*
*DoW CIO*

*"Robust cybersecurity and operational resilience remain critical to protecting American innovation and supporting warfighter readiness. We believe the DIB can achieve both, while we reduce unnecessary government red tape."*

*On APFIT funding…*

*"While we're celebrating today, this is just one step in solving the valley of death"*

*Betty McCollum*
*U.S. House Rep.*

# Spotlight update: DoW suspends CMMC phase 2 and launches program review

The DoW's CMMC framework remains in effect under Phase 1, while Phase 2 is suspended pending a 60-day review

| PHASE 1 | PHASE 2 | PHASE 3 |
|---|---|---|
| November 2025<br>Initial Implementation | November 2026<br>Initial Implementation | November 2027<br>Initial Implementation |
| Level 1 & 2 self-assessments introduced for selected contracts | Level 2 third-party certifications required for applicable contracts | Level 3 certification requirements introduced for applicable contracts |
| IN USE | PAUSED | ON-HOLD |

## WHAT HAPPENED?

Phase 2 implementation suspended ahead of the November 2026 rollout

DoW is conducting a comprehensive 60-day review of the CMMC program

Phase 1 self-assessments remain in effect while the review is underway

## WHY?

*"While the current CMMC program was designed to enhance DIB cybersecurity, instead it has created prohibitive compliance costs and bureaucratic burdens. Recent data, including reports from the Small Business Administration, confirmed that CMMC compliance is forcing innovative companies out of the Defense Industrial Base which will delay the delivery of critical capabilities to the warfighters."*

- U.S. Department of War

## RJ VIEWPOINT

The Reform Task Force is expected to recommend a more targeted, risk-based assurance model rather than eliminating CMMC validation

Potential Changes:

- Risk-based third-party assessments
- Tiered requirements based on contract sensitivity
- Greater emphasis on demonstrated technical controls
- Streamlined assessments and expanded self-assessment options for lower-risk programs and SMBs

Sources: Breaking Defense, The Coalition for Common Sense in Government Procurement, Department of War, National Defense Magazine

# Spotlight: APFIT surpasses $2B and expands into software procurement

APFIT introduced its first software-only procurements in FY2026, reinforcing the Department's focus on mission software

Pentagon announces more than $500M in new procurements for APFIT program, including software

*July 14, 2026*

DEFENSESCOOP

Department of War Issues Final FY26 APFIT Awards, Surpassing $2 Billion Milestone and Debuting Software Capabilities

*July 14, 2026*

U.S. Department of War

*Emil Michael*
*Under Secretary of War for Research & Engineering*

*"APFIT has fundamentally reshaped how the Department of War accelerates the transition of innovative technologies to the warfighter."*

**$2B+**
total APFIT awards

**$70M+**
software-only procurements

**$500M+**
new FY2026 awards

**100+**
capabilities fielded to date

## SIX INAUGURAL SOFTWARE PROCUREMENTS ACROSS THE DOW

| | | | | | |
|---|---|---|---|---|---|
| SOCOM | **$17.0M** | OTIS Tactical Assault Kit | U.S. Cyber Command | **$10.0M** | Cybergenome AI Binary Analysis Software |
| U.S. Air Force | **$15.2M** | Intelligence & Operations Threat Planning Tool | U.S. Space Command | **$10.0M** | MAIS System for Rapid Intelligence Disclosure |
| INDOPACOM | **$10.0M** | ARCHER AI Platform for Decision Advantage | SOUTHCOM | **$10.0M** | SCEPTER AI-Based Course of Action Generation |

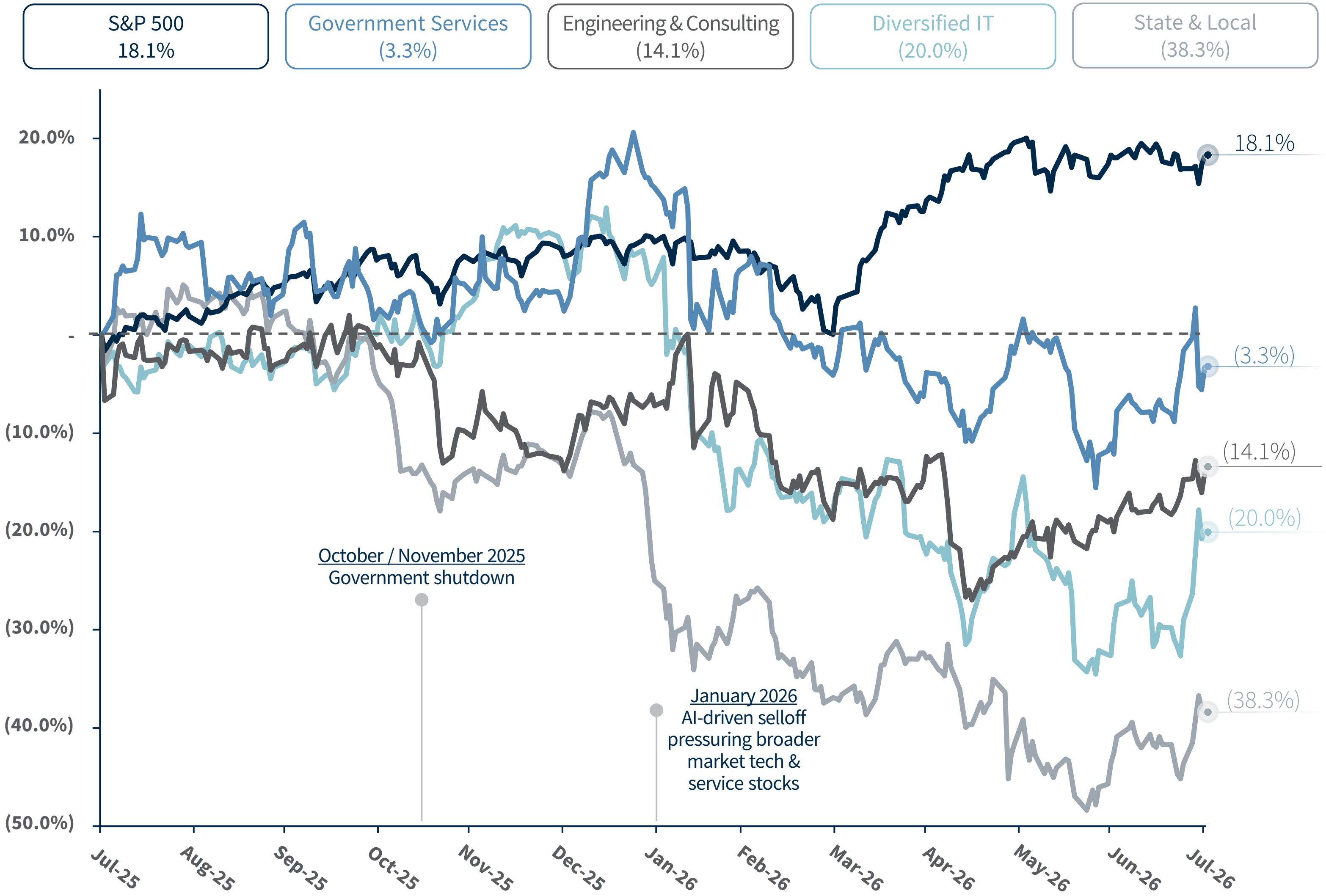
Sources: DefenseScoop, Department of War

# Government Technology Solutions public market performance

## LTM performance commentary

- Government Services declined 3.3%, as continued bookings and backlog growth were partially offset by delayed program starts and contract timing
- State & Local decreased 38.3%, as program delays and project execution challenges increased concerns around the timing and profitability of new procurements
- Diversified IT fell 20.0%, as AI-driven shifts in enterprise spending and softer discretionary consulting demand pressured traditional IT services providers
- Engineering & Consulting declined 14.1%, as firms adopted a more selective approach to project execution amid persistent labor constraints and slower commercial and industrial project activity

## Equal-weighted LTM Government Technology Solutions index performance




Source: Capital IQ; data as of 7/31/26
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 7/31/26 | % 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 | $22.20 | 58.3% | $5,424 | $9,017 | $14,477 | $1,104 | 7.6% | 2.9x | 0.6x | 8.2x | 0.6x | 7.9x | 0.6x | 7.3x |
| Government Services | Booz Allen Hamilton Holding Corporation | NYSE: BAH | $69.72 | 60.9% | $8,386 | $12,006 | $11,093 | $1,255 | 11.3% | 2.7x | 1.1x | 9.6x | 1.1x | 9.6x | 1.0x | 9.2x |
| Government Services | CACI International Inc | NYSE: CACI | $497.75 | 72.8% | $10,996 | $16,453 | $9,163 | $1,106 | 12.1% | 4.5x | 1.8x | 14.9x | 1.6x | 13.2x | 1.5x | 11.6x |
| Government Services | ICF International, Inc. | NasdaqGS: ICFI | $80.92 | 79.6% | $1,465 | $2,065 | $1,823 | $198 | 10.9% | 2.8x | 1.1x | 10.4x | 1.1x | 9.6x | 1.0x | 9.0x |
| Government Services | Leidos Holdings, Inc. | NYSE: LDOS | $115.60 | 56.2% | $14,541 | $21,079 | $17,329 | $2,404 | 13.9% | 2.5x | 1.2x | 8.8x | 1.2x | 8.5x | 1.1x | 8.2x |
| Government Services | Parsons Corporation | NYSE: PSN | $44.21 | 49.4% | $4,722 | $6,218 | $6,293 | $471 | 7.5% | 2.5x | 1.0x | 13.2x | 1.0x | 11.6x | 0.9x | 9.1x |
| Government Services | Science Applications International Corporation | NasdaqGS: SAIC | $117.13 | 94.9% | $4,952 | $7,518 | $7,291 | $737 | 10.1% | 3.2x | 1.0x | 10.2x | 1.0x | 10.1x | 1.0x | 10.1x |
| Government Services | V2X, Inc. | NYSE: VVX | $90.24 | 98.3% | $2,825 | $3,742 | $4,718 | $342 | 7.2% | 2.0x | 0.8x | 10.9x | 0.8x | 10.5x | 0.7x | 9.8x |
| Government Services | **Median:** | | | **66.9%** | **$5,188** | **$8,267** | **$8,227** | **$921** | **10.5%** | **2.7x** | **1.1x** | **10.3x** | **1.1x** | **9.9x** | **1.0x** | **9.1x** |
| Government Services | **Average:** | | | **71.3%** | **$6,664** | **$9,762** | **$9,023** | **$952** | **10.1%** | **2.9x** | **1.1x** | **10.8x** | **1.0x** | **10.1x** | **1.0x** | **9.3x** |
| State & Local | Axon Enterprise, Inc. | NasdaqGS: AXON | $527.76 | 59.6% | $42,539 | $43,642 | $2,983 | $103 | 3.4% | 8.8x | N.M. | N.M. | N.M. | 46.8x | 9.2x | 34.6x |
| State & Local | Conduent, Inc. | NasdaqGS: CNDT | $1.57 | 52.7% | $244 | $1,059 | $3,014 | $176 | 5.8% | 2.7x | 0.4x | 6.0x | 0.4x | 6.4x | 0.4x | 5.5x |
| State & Local | Maximus, Inc. | NYSE: MMS | $60.25 | 60.3% | $3,166 | $4,636 | $5,318 | $697 | 13.1% | 1.9x | 0.9x | 6.7x | 0.9x | 5.9x | N.A. | N.A. |
| State & Local | Tyler Technologies, Inc. | NYSE: TYL | $309.60 | 49.8% | $12,679 | $13,164 | $2,430 | $459 | 18.9% | 1.0x | 5.4x | 28.7x | 5.2x | 17.9x | 4.7x | 15.8x |
| State & Local | Verra Mobility Corp. | NasdaqCM: VRRM | $5.29 | 20.7% | $804 | $1,850 | $979 | $358 | 36.6% | 2.8x | 1.9x | 5.2x | 1.9x | N.M. | 2.0x | 5.6x |
| State & Local | **Median:** | | | **52.7%** | **$3,166** | **$4,636** | **$2,983** | **$358** | **13.1%** | **2.7x** | **1.4x** | **6.3x** | **1.4x** | **12.1x** | **3.3x** | **10.7x** |
| State & Local | **Average:** | | | **48.6%** | **$11,886** | **$12,870** | **$2,945** | **$358** | **15.6%** | **3.5x** | **2.1x** | **11.6x** | **2.1x** | **19.3x** | **4.1x** | **15.4x** |

Source: Capital IQ; data as of 7/31/26

Notes: Financial projections are sourced from Capital IQ consensus estimates; foreign traded companies are listed in U.S. dollars at 7/31/26 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 7/31/26 | % 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 | $165.92 | 57.0% | $101,533 | $101,368 | $73,101 | $12,944 | 17.7% | N.M. | 1.4x | 7.8x | 1.4x | 7.0x | 1.3x | 6.8x |
| | Capgemini SE | ENXTPA: CAP | $117.91 | 67.0% | $20,014 | $27,685 | $26,779 | $3,022 | 11.3% | 2.2x | 1.0x | 9.2x | 1.0x | 6.3x | 1.0x | 6.1x |
| | CGI, Inc. | TSX: GIB.A | $73.14 | 75.9% | $14,954 | $17,686 | $11,578 | $2,055 | 17.7% | 1.3x | 1.5x | 8.6x | 1.5x | 7.4x | 1.5x | 7.2x |
| | Cognizant Technology Solutions Corp. | NasdaqGS: CTSH | $55.35 | 63.6% | $24,932 | $25,975 | $21,642 | $4,036 | 18.6% | 0.2x | 1.2x | 6.4x | 1.2x | 6.3x | 1.1x | 5.8x |
| | DXC Technology Co. | NYSE: DXC | $11.24 | 71.7% | $1,796 | $4,013 | $12,484 | $1,678 | 13.4% | 1.1x | 0.3x | N.M. | 0.3x | N.M. | 0.3x | N.M. |
| | IBM Corp. | NYSE: IBM | $223.65 | 67.3% | $210,708 | $267,937 | $69,095 | $16,473 | 23.8% | 3.2x | 3.9x | 16.3x | 3.8x | 13.3x | 3.7x | 12.4x |
| | **Median:** | | | **67.1%** | **$22,473** | **$26,830** | **$24,211** | **$3,529** | **17.7%** | **1.3x** | **1.3x** | **8.6x** | **1.3x** | **7.0x** | **1.2x** | **6.8x** |
| | **Average:** | | | **67.1%** | **$62,323** | **$74,111** | **$35,780** | **$6,701** | **17.1%** | **1.6x** | **1.6x** | **9.7x** | **1.5x** | **8.1x** | **1.5x** | **7.7x** |
| Engineering & Consulting | AECOM | NYSE: ACM | $72.39 | 53.4% | $9,304 | $11,812 | $15,986 | $1,277 | 8.0% | 1.6x | 0.7x | 9.2x | 0.7x | 9.0x | 0.7x | 8.3x |
| | Fluor Corp. | NYSE: FLR | $50.17 | 91.6% | $7,007 | $4,485 | $15,184 | ($353) | N.M. | 7.4x | 0.3x | N.M. | 0.3x | 8.6x | 0.3x | 7.5x |
| | Jacobs Solutions, Inc. | NYSE: J | $134.93 | 80.1% | $15,933 | $19,110 | $13,175 | $1,025 | 7.8% | 2.8x | 1.5x | 18.6x | 1.3x | 13.1x | 1.3x | 12.2x |
| | KBR, Inc. | NYSE: KBR | $36.61 | 70.1% | $4,615 | $7,096 | $7,860 | $987 | 12.6% | 2.1x | 0.9x | 7.2x | 0.9x | 7.0x | 0.8x | 7.1x |
| | Tetra Tech, Inc. | NasdaqGS: TTEK | $33.16 | 76.9% | $8,490 | $9,284 | $4,359 | $655 | 15.0% | 1.0x | 2.1x | 14.2x | 2.1x | 14.0x | 2.0x | 13.1x |
| | **Median:** | | | **76.9%** | **$8,490** | **$9,284** | **$13,175** | **$987** | **10.4%** | **2.1x** | **0.9x** | **11.7x** | **0.9x** | **9.0x** | **0.8x** | **8.3x** |
| | **Average:** | | | **74.4%** | **$9,070** | **$10,358** | **$11,285** | **$718** | **10.9%** | **3.0x** | **1.1x** | **12.3x** | **1.1x** | **10.3x** | **1.0x** | **9.6x** |

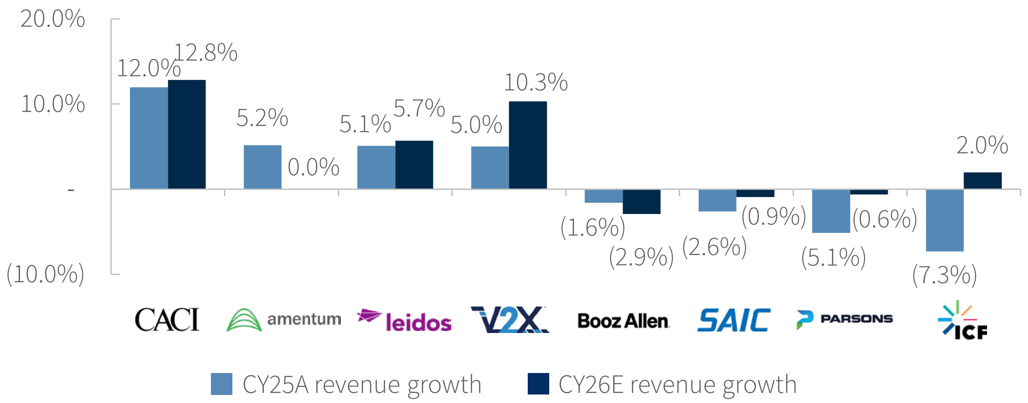
Source: Capital IQ; data as of 7/31/26

Notes: Financial projections are sourced from Capital IQ consensus estimates; foreign traded companies are listed in U.S. dollars at 7/31/26 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

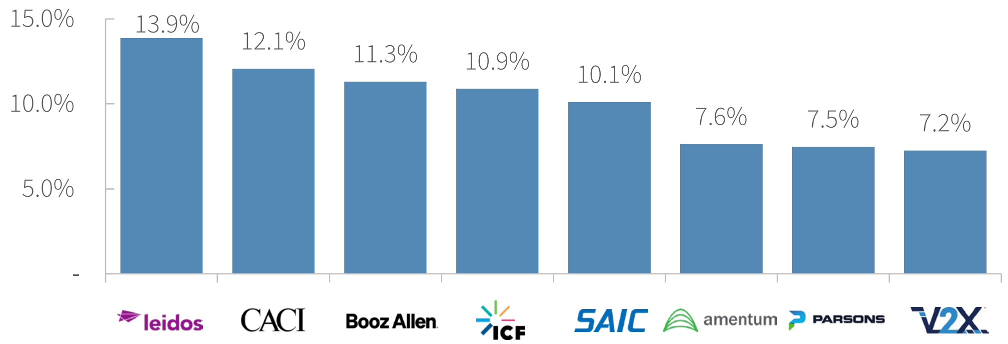
Definitions: Last Twelve Months ("LTM"), Estimated Calendar Year 2026 ("CY2026 (E)"), Projected Calendar Year 2027 ("CY2027 (P)"), Total Enterprise Value ("TEV")

# Government Services benchmarking

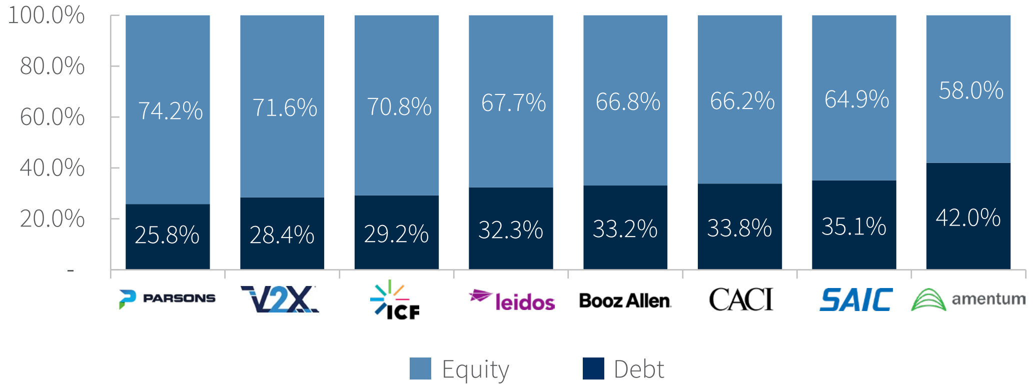
## Revenue Growth



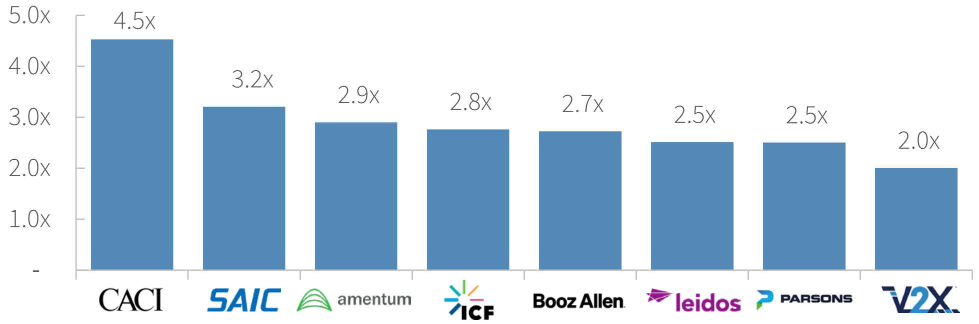

## LTM EBITDA Margin




## Capital Structure



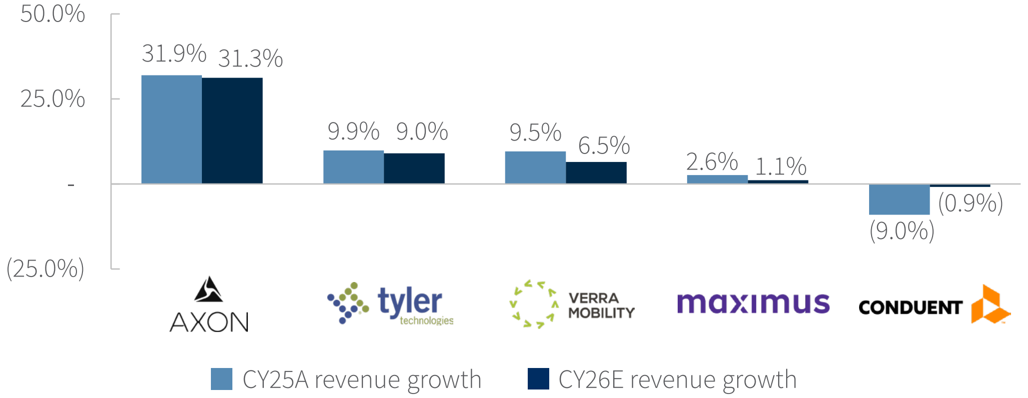

## Total Debt to LTM EBITDA Ratio



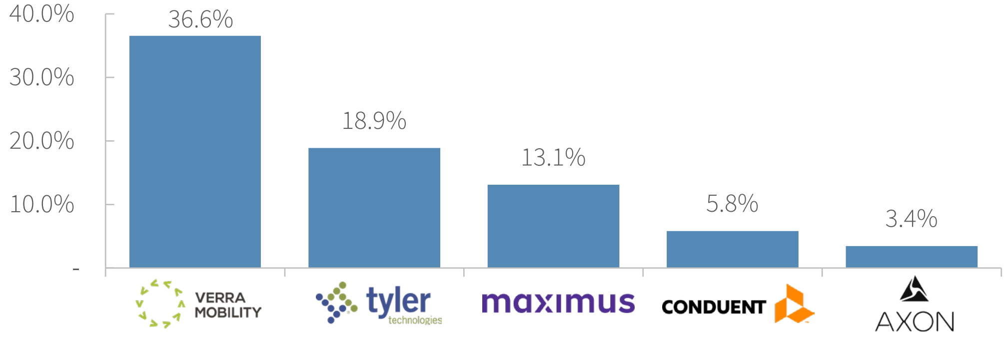

Source: Capital IQ; data as of 7/31/26

# State & Local benchmarking

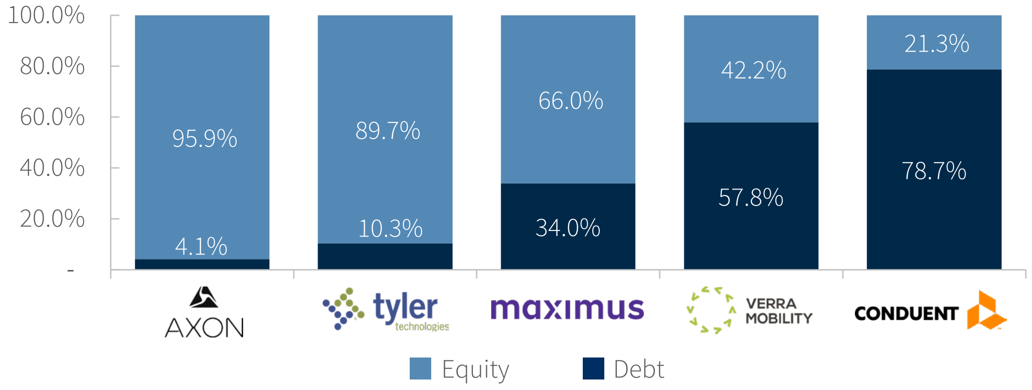
## Revenue Growth



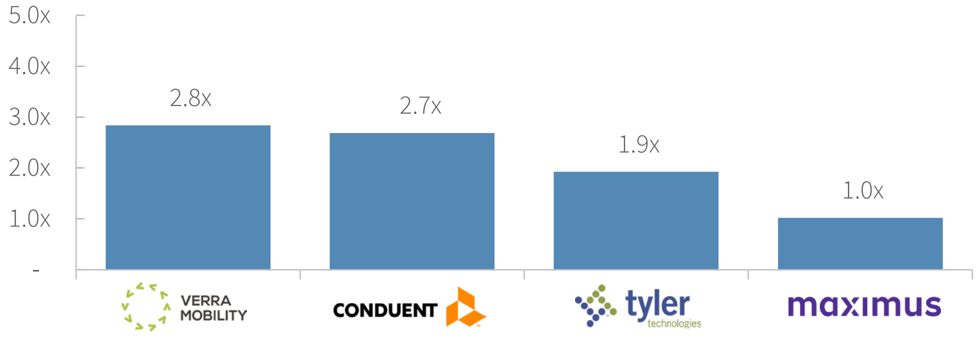

## LTM EBITDA Margin




## Capital Structure



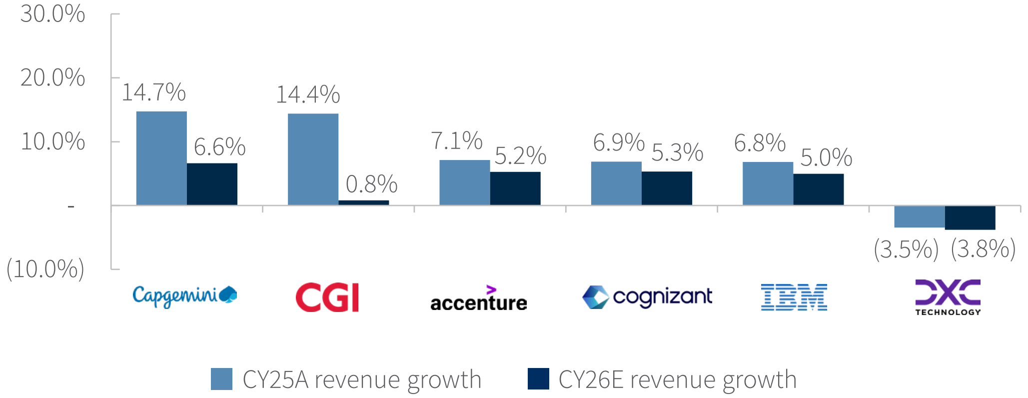

## Total Debt to LTM EBITDA Ratio (1)



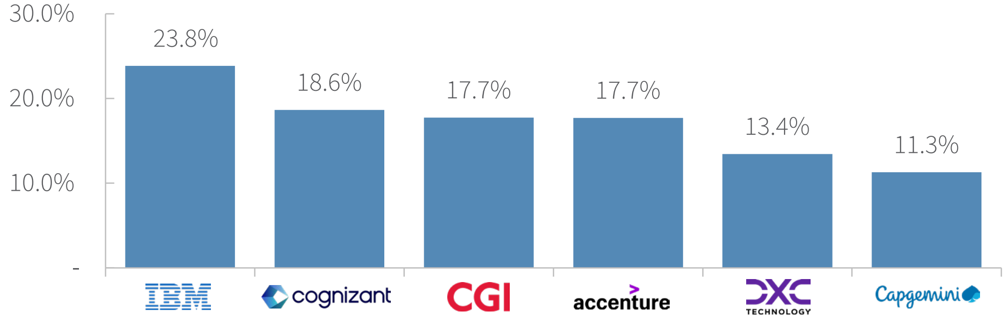

Source: Capital IQ; data as of 7/31/26
(1) Axon excluded due to outlier nature of multiple

# Diversified IT benchmarking

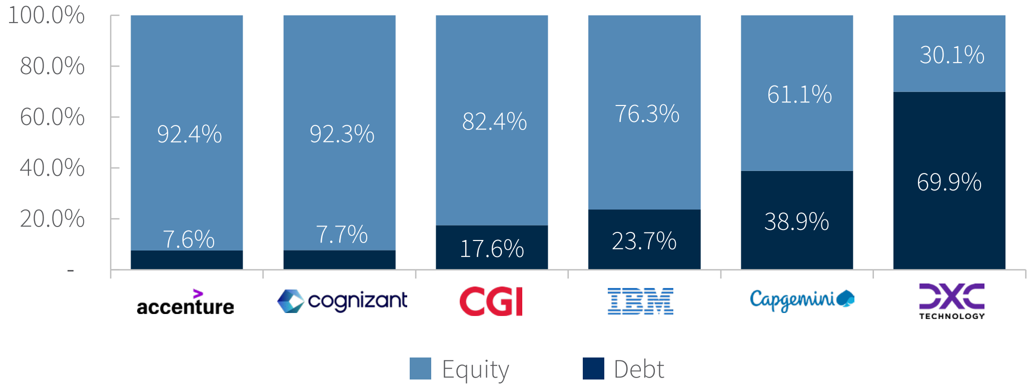
## Revenue Growth



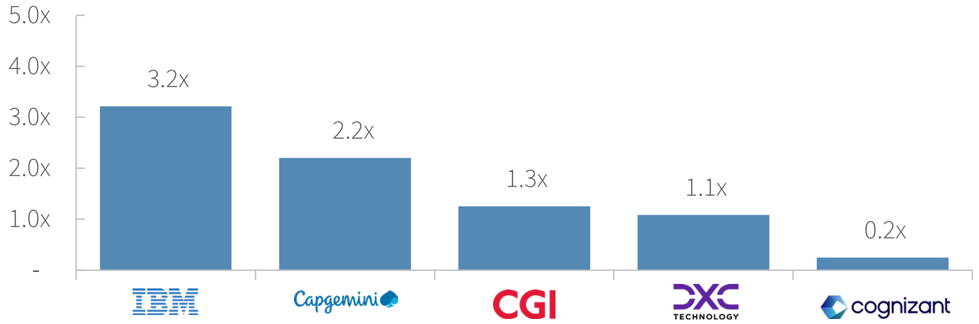

## LTM EBITDA Margin




## Capital Structure




## Total Debt to LTM EBITDA Ratio (1)

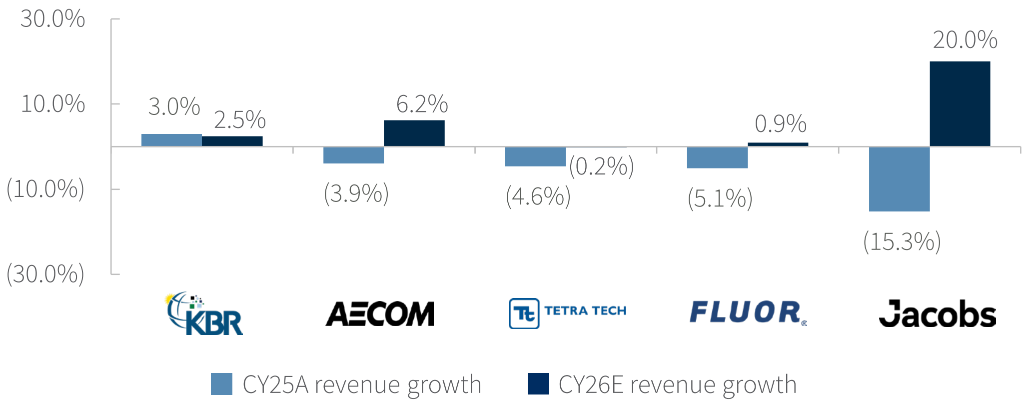



Source: Capital IQ; data as of 7/31/26

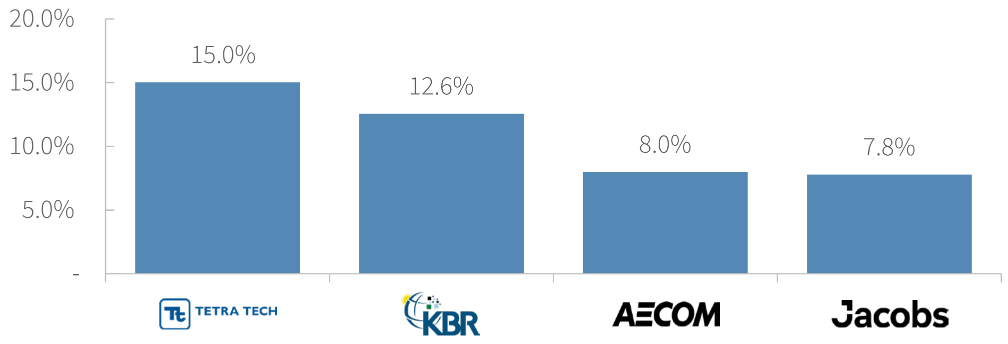
(1) Accenture excluded due to outlier nature of multiple

# Engineering & Consulting benchmarking

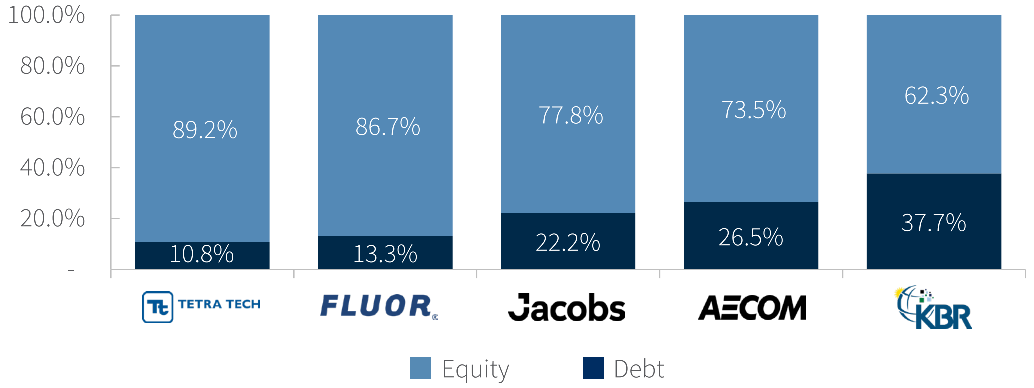
## Revenue Growth



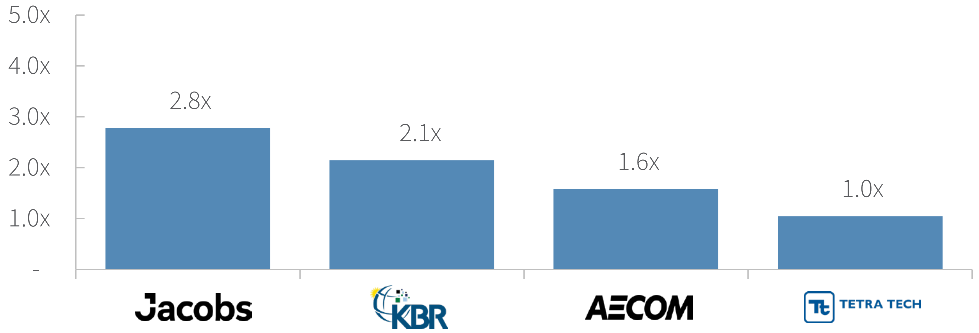

## LTM EBITDA Margin (1)




## Capital Structure




## Total Debt to LTM EBITDA Ratio (1)




Source: Capital IQ; data as of 7/31/26
(1) Fluor excluded due to outlier nature of multiple

# Recent Government Technology Solutions transactions

| | Pending | Pending | July 2026 |
|---|---|---|---|
| | DRAGOS & NETRISE & runZero *have been acquired by* accenture<br>$4.2B | CYBERHAWK *has been acquired by* ONDAS<br>$125M | Quorum *has received a minority equity investment from* ENLIGHTENMENT CAPITAL<br>N.D. |
| Capabilities | • Cyber Asset Attack Surface Management<br>• Software Supply Chain Security & Firmware Analysis<br>• Threat Hunting & Incident Response Cybersecurity | • AI-Enabled Analytics Solutions<br>• Critical Infrastructure Intelligence<br>• Drone-Based Inspection & Visual Data Management | • AI-Enabled Public Affairs Software<br>• Data Analytics & Strategy<br>• Regulatory & Legislative Tracking |
| Customers | Commercial | Commercial | FedCiv |
| Buyer perspective | Julie Sweet, Chairman and CEO of Accenture, stated: *"In an age when AI-driven cyber threats and geopolitical risk are evolving at a rapid pace, our cybersecurity practice is growing by double-digits and has a strong track record of leveraging inorganic opportunity to fuel organic growth. Our clients across industries and regions are asking us how to be more proactive and integrated in their approach to cybersecurity."* | Mark Green, Global Head of Corporate Development and M&A at Ondas, stated: *"Cyberhawk represents a highly strategic addition to Ondas as we continue executing our growth plan around autonomous platforms, software, and integrated customer workflows. Cyberhawk brings a reoccurring revenue profile, strong customer retention, a differentiated software platform, and a leadership position in utility infrastructure intelligence."* | Thomas Young, Partner at Enlightenment Capital, stated: *"We are thrilled to partner with Alex Wirth and the Quorum team as they continue to build on the premium intelligence platform in the government affairs space. Quorum has become indispensable to the teams it serves, and we are committed to supporting the company's continued product innovation and strategic expansion."* |

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

# Recent Government Technology Solutions transactions

| | July 2026 | June 2026 | June 2026 |
|---|---|---|---|
| | HIGHLIGHT has been acquired by EmpowerAI a portfolio company of KKR N.D. | INSIGNIS has been acquired by WOVEN a portfolio company of FALFURRIAS CAPITAL N.D. | Ready Support Services has been acquired by TYTO Athene a portfolio company of ACP N.D. |
| Capabilities | • Cloud, Cybersecurity, Analytics & IT Services<br>• Digital Transformation<br>• Mission Operations Support<br>• Software Development & Systems Integration | • Specialized Software Development Solutions<br>• Systems & Network Engineering | • Cloud Migration Solutions<br>• Enterprise Service Management<br>• System Engineering & Program Management |
| Customers | | Commercial | Commercial<br>FedCiv |
| Buyer perspective | Jeff Bohling, CEO of Empower, stated: *“Highlight Technologies brings exceptional talent, proven technology, and deep agency relationships that will meaningfully expand what we can deliver to our customers.”* | Ajay Patel, CEO of Woven, stated: *“Insignis is exactly the kind of team that will make our platform stronger – exceptional engineers, a culture focused on delivery, and capabilities that fit hand-in-glove with our own. Bringing Insignis into Woven means more talent, stronger solutions, and better value for the customers and missions we serve.”* | Dennis Kelly, CEO of Tyto Athene, stated: *“RSS brings deep, mission-tested expertise in enterprise service management, IT asset management, and a comprehensive ServiceNow operations focus. Their specialized cloud migration and on-premises deployment capabilities deliver exactly the tailored support the IC requires when transitioning and securing its most critical applications.”* |

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

# Recent Government Technology Solutions transactions

| | June 2026 | May 2026 | May 2026 |
|---|---|---|---|
| | BreakPoint Labs *has been acquired by* Valiant Solutions *a portfolio company of* Bluestone Investment Partners<br>N.D. | USContracting Inc. *has been acquired by* nextpoint group *a portfolio company of* Godspeed Capital<br>N.D. | Lyteworx Automation Systems *has been acquired by* Edgesource<br>N.D. |
| Capabilities | • AI-Enabled Cyber & Adversarial Threat Emulation<br>• Red Team Operation Solutions | • Critical Processing Solutions<br>• Front-End High-Volume Digital Packet Processing<br>• SIGINT Development<br>• Software Development & Data Analysis | • Data Analytics & Software Development Solutions<br>• Secure Systems Engineering |
| Customers | United States Army, Department of War, United States Navy | Commercial, U.S. Department of Homeland Security, Department of War | United States Air Force, United States Army, Department of War, United States Navy |
| Buyer perspective | George Wilson, CEO of Valiant Solutions, stated: *"BreakPoint Labs brings exceptional technical talent, differentiated intellectual property, and operational credibility that further strengthens Valiant's position as a leading cybersecurity technology platform supporting critical national security priorities."* | Ron Kattas, CEO at NPG, stated: *"UScontracting represents an ideal fit for our platform. The company's capabilities, customer access, and talented team align closely with NPG's strategy to build and scale a differentiated, provider of mission-focused technologies and solutions. We're excited to partner with their leadership and talented teams to accelerate growth."* | Chris Lansburgh, CEO of Edgesource, stated: *"This acquisition strengthens our ability to deliver greater value to our customers by expanding our capabilities to rapidly build products that meet mission needs. Together, we are better positioned to accelerate innovation, deepen our market presence, and drive long-term growth."* |

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

# Recent Government Technology Solutions transactions

| | April 2026 | April 2026 | May 2026 |
|---|---|---|---|
| | ENERCON *a portfolio company of* OAKTREE *has been acquired by* POND *a company backed by* ACP<br>N.D. | Prominent Edge *has been acquired by* WINDWARD *a portfolio company of* FTV CAPITAL<br>N.D. | Defy security *a portfolio company of* SVERICA *has been acquired by* Booz Allen<br>N.D. |
| Capabilities | • Nuclear Engineering & Licensing Support<br>• Power-Generating Capability Solutions | • AI & Data Analytics<br>• DevOps & Automation<br>• Geospatial Solutions<br>• Web & Mobile | • AI & Managed Security Services<br>• Data Protection & Management<br>• Digital Transformation Engineering<br>• Identity Services & Operational Technology |
| Customers | Commercial | | Commercial, FedCiv |
| Buyer perspective | Bob Williams, CEO of Pond, stated: *"Together, Pond and Enercon will broaden market access and enhance our ability to serve clients. We are excited about the opportunity ahead as demand continues to outpace supply across the energy industry. Pond also has a significant presence and an exceptional reputation in the life sciences, government, and infrastructure markets, where it will continue to serve clients as Pond, an Enercon Company."* | 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"

## USA

ATLANTA | BOSTON | CHARLOTTE | CHICAGO | DALLAS | DENVER | HOUSTON | LOS ANGELES | MEMPHIS | NASHVILLE | NEW YORK | RALEIGH | SAN FRANCISCO | ST. PETERSBURG | WASHINGTON, D.C. | WEST PALM BEACH

## CANADA

TORONTO | VANCOUVER

## EUROPE

FRANKFURT | LONDON | MUNICH | PARIS

**www.raymondjames.com/IB**



880 Carillon Parkway | St. Petersburg, FL 33716 | (727) 567-1000