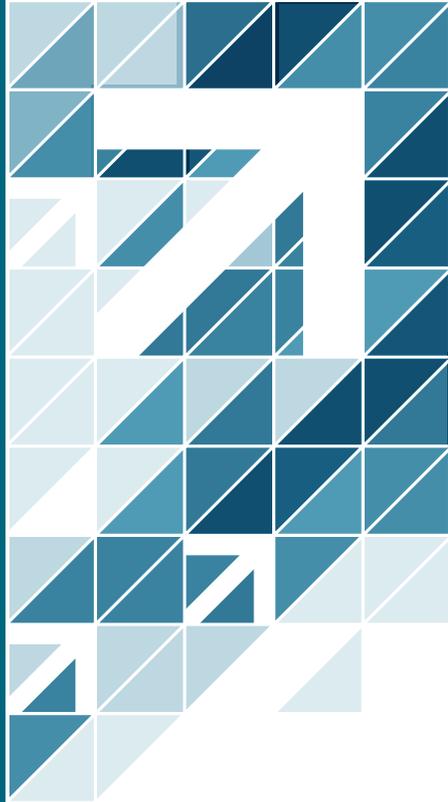




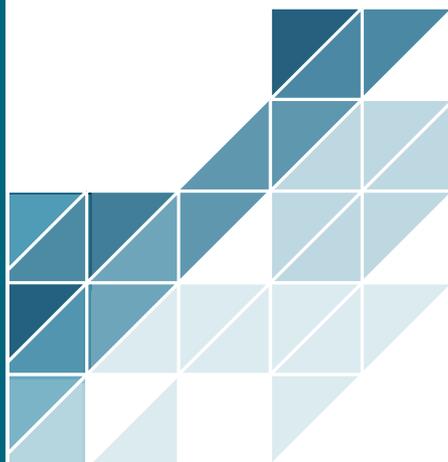
CALIBRENEXT

2019 ANNUAL REPORT



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TO OUR FELLOW SHAREHOLDERS	1
EOAC REPORT	2
CALIBRE ^{NEXT}	3
WHAT CALIBRE ^{NEXT} MEANS TO EMPLOYEES	4
CALIBRE EMPLOYEES	6
LEADERSHIP	8
DISTINGUISHED SERVICE AWARD RECIPIENTS	9



TO OUR FELLOW SHAREHOLDERS

In 2019, CALIBRE celebrated its 30th successful year of operations and 25th year as a growing and thriving Employee Stock Ownership Plan (ESOP). We are pleased to report continued positive financial results with strong earnings, organic contract growth, new client signings, and sterling client satisfaction ratings; all while renewing ourselves with STRATEGY 2025 as we continue our journey to CALIBRE^{NEXT}.

We would like to reflect on 2019 and the many achievements of CALIBRE. Our goal was to respect the past, and create our future. CALIBRE has built a reputation for providing creative, high quality service, efficient performance, and dedication to the success of our clients and continues to build upon our existing base by expanding business areas, capabilities, and clients. CALIBRE revenue increased to \$165 million (up 4.7% from 2018). Total Contract Value (TCV) of wins awarded at \$182 million, with an average period of performance of two years, provides a solid contract backlog of \$107 million which will propel CALIBRE through 2020. The prudent steps we took throughout the year to manage operations, monitor profit centers, and right-size our infrastructure yielded fee of 14.6% and earnings (Adjusted EBITDA) of 10.3%. Our client satisfaction ratings increased to 92% which helped CALIBRE earn 20% of signings from new clients.

Key accomplishments drove growth and revitalized the winning culture of our great company:

- **First task order wins on Indefinite Delivery Indefinite Quantity (IDIQ) vehicles:**

Joint Force Development (JFD) IDIQ – Integrated Air & Missile Defense, where CALIBRE provides subject matter expertise supporting a variety of high-level government projects.

Marine Air Ground Task Force (MAGTF) IDIQ – Marine Corps Logistics Operations Group Training Systems Support (MTSS), where CALIBRE provides pre-deployment training to the United States Marine Corps (USMC) Operating Forces within a joint and combined environment to improve warfighting skills.

- **Take-back win:**

Training Support Systems Enterprise (TSS-E) Mission Support Services IDIQ - Role Players Task Order to be the training and readiness provider of choice for the National Training Center (NTC).

- **Our last acquisition, SPEAR, signed new clients:**

United States Agency for International Development, where CALIBRE will perform IT professional services and Windows 10 migration.

VMWare IT Engineering Services, where CALIBRE is the first to provide outsourced VMWare services for the Department of Defense.

- **Leveraging success with commercial clients, CALIBRE signed a contract with Ford Motor Company to lead the company's Veterans' Career Program and Technician Training.**

We are honoring what makes CALIBRE great and investing in growth and innovation. Investing in our Growth Organization positions us to generate new sales and build a scalable, repeatable process in which we shape, pursue, and strategically capture multi-year, high TCV deals. With a qualified pipeline of \$1.9 billion, and best-in-market leaders overseeing key market sectors and regions, we are positioning ourselves for a highly successful 2020 and beyond.

The Corporate Officers evaluated CALIBRE's organizational structure to ensure it was right-sized and found that CALIBRE had an opportunity to create efficiency while decreasing spans and layers. As a result, we developed a redesigned structure to be well-defined and sustainable, aligning well with our clients' needs, our strategic goal, and our corporate objectives. In an effort to always renew ourselves, we wanted the new structure to enhance staff development and growth opportunities. We strongly believe that the new organizational structure and defined roles and responsibilities will revitalize CALIBRE's go-to-market strategy to drive operational excellence and increase sales and profitability.

Throughout 2019, we maintained CALIBRE's reputation as a top company in our industry. CALIBRE received several awards and recognitions. Highlights include the **American Society of Military Comptrollers Corporate Member of the Year Award**; **Northern Virginia Chamber of Commerce Greater Washington Good Business Award**; **Homes For Our Troops Top 10 Fundraiser**; **Northern Virginia Technology Council Tech 100 Company**; and **Greater Springfield Chamber of Commerce Chamber Advocate of the Year Award**. These recognitions are a testament to the quality of work we do in industry and within our communities.

As we embark on CALIBRE^{NEXT} and transition to 2020 and beyond, there is still much work to be done. In 2020, we look forward to sustaining our base by winning recompetes, leveraging our current work to achieve organic growth, generating new growth, and increasing Technology, Tools, & Solutions sales. CALIBRE is a resilient organization and with STRATEGY 2025 as our guidepost, we are destined to achieve our goals and earn the accolades of our clients, dedication of our employees, and the respect of our competitors.

Our Success Follows Yours[®]

/s/
Joseph A. Martore
Chairman of the Board

/s/
Richard Y. Pineda
President & CEO



Joseph A. Martore
Chairman of the Board



Richard Y. Pineda
President & CEO



EOAC REPORT

The Employee Owners Advisory Committee's (EOAC) mission is to serve the employee-owners of CALIBRE by developing and sharing information about the ESOP, and by conducting and participating in activities that promote CALIBRE's employee-ownership. The EOAC is comprised of seven volunteers, each nominated by CALIBRE employee-owners and appointed by the Board of Directors, who strive to fulfill this mission each and every day.

The EOAC is chartered with three recurring objectives that guide the actions and activities of the committee each year:

EOAC Objective 1

Promote a broad-based understanding of CALIBRE's ESOP, including basic terms and definitions, operations, benefits, and responsibilities of employee-owners.

In October of this year, the EOAC coordinated CALIBRE's annual Employee Ownership Month celebration. There were various educational opportunities and events throughout the month. Employees heard from CALIBRE's own leadership on what it means to be an employee-owner and how CALIBRE is planning for the future through our CALIBRE^{NEXT} initiatives.



Employee Ownership Month Presentation

EOAC Objective 2

Support a vibrant culture of employee-ownership at CALIBRE, including participating in external organizations and activities that promote the broader goal of employee-ownership in the workplace.

The EOAC coordinated many events for CALIBRE employee-owners to gather as a group across the globe, including Summer Family events, Fall into Football Day, and Ice Cream Socials. These events help foster our employee-ownership culture.



Ice Cream Social

The EOAC has the privilege of spreading the word about many charity events, as well. Each year, employee-owners step forward to give their time and resources to support great charities and outreach programs like these held at multiple locations:

- *Children's Book Drive*
- *Winter Outerwear Drive*
- *Adopt a Highway Cleanup*

EOAC Objective 3

Represent the interests of all employee-owners to the Board of Directors.

The EOAC elects one of its members to serve as the employee representative to the Board of Directors for a three-year term. This past year, the EOAC elected Altamaria Perkins to this role. This employee representative meets with and briefs the Board on various employee issues. The EOAC representative to the Board also regularly meets with the President & CEO and the ESOP Administrative Committee. This active involvement by your EOAC is a direct representation of CALIBRE's employee-owner culture.



Colleen A. Campbell
*Chair, Employee Owners
Advisory Committee*

CALIBRE^{NEXT}

In the spirit of CALIBRE's First Principle of Renewing Ourselves, Senior Leadership developed "What's NEXT for CALIBRE." As a result of those efforts, we developed the concept of CALIBRE^{NEXT} to cultivate the future of our company and announced several updates to our CALIBRE Corporate Brand.

We rebranded CALIBRE to reflect CALIBRE's core offerings as an employee-owned management consulting and digital transformation company committed to the success of our clients. CALIBRE has embraced digital transformation in order to develop and enhance integrated systems of intelligence to empower our employees, optimize our operations, and engage with our clients.

CALIBRE's new website is the result of hard work and development by CALIBRE Leadership, Graphics, and IT. Industry best-practices were implemented to optimize the layout for improved functionality, streamline content for current and most-relevant information, and improve navigation for site visitors to more readily learn who we are, what we do, and how to contact us.

We will continue to renew ourselves and provide solutions that innovatively solve client challenges, and propel the company to another decade of success.

As a result of the 2019 Business Planning Offsite, CALIBRE's capabilities have been refined to better align with our Corporate Business Plans and Tactical Execution Plans as developed by each of our Divisions, Directorates, and Corporate Support teams. Our four core capabilities and two enterprise solutions are applied throughout three market segments: Defense, Federal / Civil, and Commercial. Delivering innovative solutions and service, these updates illustrate CALIBRE's continuing evolution to meet the changing needs of our clients, our company, and our communities, thus increasing the value of CALIBRE. We will continue to renew ourselves and provide solutions that innovatively solve client challenges, and propel the company to another decade of success.



As we reflect on 2019, we must also recognize the hard work that went into creating our new Strategic Plan: **STRATEGY 2025**. The purpose of **STRATEGY 2025** is to establish our five-year corporate strategy and to declare and document the key principles upon which our company is based: our Vision, Purpose, First Principles, and Corporate Objectives. **STRATEGY 2025** informs our internal and external stakeholders and provides a guidepost for corporate business planning. **STRATEGY 2025** provides an overview of our company, our Corporate Objectives, the business environment in which we work, and describes our strategy for achieving the 2025 Strategic Goal. This document, combined with our Corporate Business Plans and Tactical Execution Plans, lays the foundation for our next five years of success. In order to attain our Strategic Goal, we must:

- 1) Sustain current work by **winning recompetes**
- 2) Leverage current work to **achieve organic growth**
- 3) Harness CALIBRE's core capabilities and enterprise solutions to **generate new growth**
- 4) Increase new Technology, Tools, & Solutions **(TT&S) sales**
- 5) Successfully execute strategically relevant **Mergers and Acquisitions (M&As)**

In executing CALIBRE^{NEXT} and looking to 2020, we will hold fast to our Mission, Vision, and Corporate Objectives. The pursuit of operational excellence will guide every decision we make and every action we implement. Sound fiscal management and keen investments in the proper growth areas will drive growth and yield above-market earnings.



Richard Y. Pineda
*Executive Vice President &
Chief Operations Officer
(COO), Acting*



WHAT CALIBRE^{NEXT} MEANS TO EMPLOYEES



CALIBRE^{NEXT} means taking it to the next level, the next generation, bigger, better and more innovative than ever before.

–Adrienne Shea, Subcontracts Administrator



Respect the past, create our future. CALIBRE is an opportunity to leverage 30 years of management consulting experience with a focus on implementation of Information Technology solutions. As a CALIBRE owner I am excited to see the opportunities that arise from the streamlined core capabilities, especially in Enterprise Information Management.

–Allan Stewart, System Analyst



CALIBRE^{NEXT}, in the 21st Century, means a team of teams that is at the nexus of national level human, informational, and technological advance. Our employee-owners enable the US Army's intellectual path to progress and unprecedented performance.

–Ben Rivera, Force Management Specialist



I expect CALIBRE^{NEXT} to encourage bold decision making within our company. By fostering an environment of innovation and staying true to our First Principles, CALIBRE will reinforce itself as an industry model for success through taking care of our clients, employees, and communities beyond expectation.

–Jay Callow, Communications Specialist



CALIBRE^{NEXT} will be a place where all employees feel engaged and valued. Collaboration will be encouraged and everyone's feedback will be incorporated to move the company to the next level. We will be innovative and permit employees to think creatively. CALIBRE^{NEXT} will embrace the best workplace trends for the future.

–Nilo Aziz, Benefit Spec, HR



CALIBRE^{NEXT} is the blueprint for how CALIBRE is preparing to grow our current services in new markets as well as grow our current services with our current clients. This means getting into new markets with new clients as well as expanding the new markets in which we were successful in 2019 (e.g., Navy and Marine Corp). CALIBRE^{NEXT} will continue to make us successful as well as our clients... "Our Success Follows Yours!" will continue. My hope for 2020 is that in addition to having all of the option years exercised for our TSS-E task orders, we will win the new task orders we are expecting through this vehicle, and my division will exceed its sales goals for 2020.

–Sue Colvig, Contracts Administrator



As a new CALIBRE employee-owner and a new Citizen of the United States, I was moved by the warm welcome of my colleagues. CALIBRE is supportive of its employees' ideas and career development. The company is very committed to community activities, and I love that CALIBRE matches employee charitable donations.

–Priya Maruthapillai, Graphic Designer



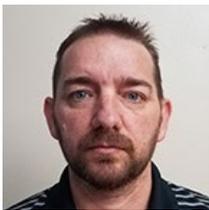
CALIBRE does a great job providing information up and down the chain to ensure everyone is tracking from new/ departing employees, to all the different presentations via Skype to those in different states. The help desks are quick to respond to ensure everyone is up and running. Every CALIBRE employee I come in contact is friendly, and Joe Kinnally is a great boss out here at NTC.

–Art Lowe, Military Training Specialist



CALIBRE^{NEXT} represents an opportunity to further enhance the education of mid- and senior-grade logistics sustainment decision makers in the Army's core sustainment institutions through the application of the Experiential Learning Model. This focus supports the success of our clients and delivers timely and relevant solutions in the areas of technology, resource management, and Army logistics sustainment program management.

–Karlo Aguilar, Military Training Specialist



Being a member of the IMS team for almost two years has allowed me to see things from the perspective of an employee-owner. Every

team member can grow the business portfolio to enhance the growth of the entire organization and contribute to achieving \$350 million in revenue by 2025.

To grow the company, it is crucial to grow the right employees and leaders in place, and have effective communication between all involved. Nothing is more important than a leader knowing each individual subordinate, what motivates them, his or her strengths, and areas needing improvement.

–Kevin Todd, Program Analyst



I expect to be making a continuing effort to make CALIBRE a better place. Also I expect to keep CALIBRE first in the mind of the client. I feel that CALIBRE is doing a great job taking care of its employees. I feel great to be able to work for CALIBRE.

–JT Owens, IT Engineer



CALIBRE^{NEXT} clearly encapsulates future success for every employee-owner. We are no longer that best kept secret, we are breaking barriers and strategically setting ourselves to be leaders in our industry.

–Leah Canady, Subcontracts Administrator



What CALIBRE^{NEXT} means to me is that CALIBRE and our employee-owners are individually and collectively growing, moving forward, and focused on being change agents and leaders in our industry while guided by our Vision, Purpose, and Goals.

–Jude Fernan, Program Analyst



CALIBRE continues adaptation without losing sight of what's important: making customers better, caring for employee-owners, and giving back. I value being challenged with client work and broadening and professional development opportunities, balanced with time for myself, family, and volunteering.

–Kevin Dunlop, Program Analyst



CALIBRE is a company that has strategized its growth over the years. Since 1989 CALIBRE has acquired seven different companies, each with its own unique assets. What CALIBRE^{NEXT} means to me is a secure company with multiple strengths. CALIBRE^{NEXT} means working towards a bigger future for the company, branching out and diversifying our skillsets even more.

–Darian Henderson, Admin Assistant



"Constantly evolving to meet the challenges of the consulting market landscape" sounds so cliché, but that's exactly what CALIBRE^{NEXT} is all about to me. Evolution is the natural progression of CALIBRE's future – unified in all our goals and achievements.

–Dan Miller, Environment Analyst



As part of CALIBRE^{NEXT}, I am most looking forward to a renewal of our data-driven processes and decision-making tools. Data + People is everything, and CALIBRE has some of the best of both!

–Amber Gibson, Contracts Administrator



CALIBRE has far exceeded my expectations. Employee care, financial compensation, growth facilitation, and accountability to oneself and the CALIBRE team, are some of the qualities that facilitate an excellent work environment and culture.

–Timothy Tappen, Military Training Specialist



In the words of the CEO, "respect our past and create our future". While we may miss parts of the "old CALIBRE" it is necessary to stay up-to-date and current with an ever-changing industry. I am excited about CALIBRE's new capabilities and revitalization and believe this will give CALIBRE an increased market position for success. I look forward to continued clarification on CALIBRE's new strategies and policies through increased communication and Town Halls.

–Christine Glynn, Financial Analyst

CALIBRE EMPLOYEES



Nationals Game Party at Metro Park



Virginia Values Veterans Certified Company Award



Jim Martin climbs Mt. Katahdin with his CALIBRE-T



Ford - Lincoln Veteran Careers, Fort Hood, TX



National Capital Region Holiday Party



Lee Denim Day, Fort Lee, VA



HR Team Sporting their Nationals Gear



Division Summer Potluck at Metro Park



Holiday Party, Fort Irwin, CA



Fall into Football, AMC Huntsville, AL



Wayne Whiten Accepting the ASMC Corporate Member of the Year Award



Adopt A Mile Cleanup, Huntsville, AL



Army Women's Foundation 50th Anniversary Event



SPEAR CENSUS Team, Suitland, MD



ASMC NCR PDI Conference, Washington DC



Better Together Series at Metro Park



Summer Event, Huntsville, AL



Northern Virginia Technology Council Awards Reception



Board of Directors



Corporate Leadership Team

Board of Directors

Joseph A. Martore

Chairman of the Board
Retired CEO, CALIBRE

Joseph H. Reynolds

Vice Chairman of the Board
Chairman of the Executive Compensation and Governance Committee
Retired Partner and General Counsel
Nixon Peabody, LLC

Karen E. Dyson

Lieutenant General (USA-Ret.)
Chairman of the Audit Committee
Outside Director

Kimberly K. Horn

President, Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc.
Outside Director

Altamaria R. Perkins

Member, Employee Owners Advisory Committee
EOAC Representative

Richard Y. Pineda

President & Chief Executive Officer
Internal Director
Chairman of the Risk Management Committee

Robert L. VanAntwerp

Lieutenant General (USA-Ret.)
Outside Director

Corporate Officers

Richard Y. Pineda

President & Chief Executive Officer

Craig E. College

Executive Vice President & Chief Financial Officer

Vice Presidents

Sylvester Cotton

Vice President, Defense Growth

Richard P. Formica

Lieutenant General (USA-Ret.)
Vice President, Strategic Initiatives

Laura C. Giangiuli

Vice President, Chief Human Resources Officer

Frank E. Heisler

Vice President, Federal, Civil, & Commercial

Joseph S. Horab

Vice President, Business Development

Hyoshin (Tyler) Kim

Senior Vice President,
Finance & Accounting and Controller

Beth B. McCall

Vice President, Federal, Civil & Technology, Tools, & Solutions

Denise A. Oberndorf

Vice President,
Defense Enterprise Solutions

Ankur Rawat

Vice President & Chief Technology Officer

Barbara A. Richitt

Vice President, Contracts & Procurement

Douglas L. Victor

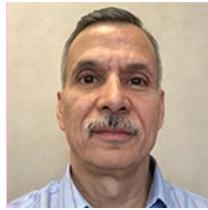
Vice President,
Defense Mission Solutions



Karlo Aguilar



Valerie Carter



Tony Fleming



Shannon Foxx Day



Susan Hardenburgh



Erin Moody



Eric Purvis



Reema Shah

DISTINGUISHED SERVICE AWARD RECIPIENTS

KARLO AGUILAR

Corporate Objective 2
Increase the Value of CALIBRE

Karlo led CALIBRE's efforts to grow our business at the Army Logistics University (ALU). He became a trusted advisor to our client and developed a plan to expand our business. Karlo transitioned the ALU program to the Army Force Management School (AFMS) contract, enabling CALIBRE to become the prime contractor after performing as a subcontractor for 15 years.

VALERIE CARTER

Corporate Objective 5
Manage Our Company

Valerie has been instrumental in growing business for CALIBRE. She manages our proposal team and participated on 100% of U.S. Army Training Support Systems – Enterprise (TSS-E) task orders. She has contributed to greater than \$180 million of total contract value (TCV) in proposal submissions. Valerie is an integral part of how CALIBRE executes and wins proposals.

TONY FLEMING

Corporate Objective 1
Make Our Clients Successful

Tony ensures the Jaguar Land Rover Academy (JLRA) operations in the U.S. and Canada operate at peak capacity. Through Tony's leadership, JLRA reduced operating costs while increasing productivity. His hands-on approach to developing the JLR Veteran Careers Program training standards and schedules helped generate graduates with the highest pass rate, and the lowest technician turnover statistics, in the network.

SHANNON FOXX DAY

Corporate Objective 5
Manage Our Company

Shannon oversees 18 GIS analysts across the country, and supports several clients, including multiple Army installations, Defense Logistics Agency, and American Water. She adapts quickly to new opportunities, becoming a trusted collaborator. Shannon has supported multiple growth efforts, helping increase our GIS contributions in the Air Force and Department of the Interior.

SUSAN HARDENBURGH

Corporate Objective 6
Be Good Citizens

Susan exemplifies being a good citizen and contributes to our local communities. She supports education and the arts by volunteering at least two to three days per month at Gunston Hall Plantation and Ford's Theater. She truly has a passion and commitment for providing people an opportunity to learn about history and the arts.

ERIN MOODY

Corporate Objective 3
Take Care of Our People

Erin has gone above and beyond to make certain that we are "Taking Care of Our People". She has ensured that recruiting, retaining, and rewarding our employees is of utmost importance. Her professionalism in handling challenging HR issues and being the spearhead and cheerleader on many company-wide "fun" initiatives are some of the reasons why SPEAR, A CALIBRE Company, was named one of the Best Places to Work in 2018.

ERIC PURVIS

Corporate Objective 1
Make Our Clients Successful

Eric is a great contributor to the success of our client at the U.S. Army Logistics Data Analysis Center (LDAC). He has a knack for unpacking logistics information and systems in a way that both the functional logistician and the technical developer can understand. Eric works tirelessly, and no matter how full his schedule becomes, he manages to make clients feel welcome.

REEMA SHAH

Corporate Objective 4
Leverage Technology

Reema has been a Senior Project Lead on the Electronic Document and Records Management System (EDRMS) for NIAID. She delivers five to six application solutions a year while also mentoring the Product Specialists on the team in the OpenText technology. With minimal guidance from the client, she shows that she is able to take on the biggest challenges and handle them professionally.

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