



Columbia, MD



B+ 1 year PD
0.60% to 1.89%

Headquarters	Columbia, MD	U.S.
Type	Private (Non-PE)	
Employees	<50	
Year Founded	2012	
Website	https://gossamersec.com/	
Business	Cybersecurity compliance testing and certification services.	
Revenues	\$10.2M	

Company Overview

- Company Overview:** Gossamer is a cybersecurity certification and consulting firm. They operate at the intersection of national security and commercial product assurance.
- Product:** Gossamer provides Common Criteria (CC), FIPS 140-3, and CSfC-related assessments across a spectrum of U.S. government-endorsed security protocols. Services include formal lab evaluations, gap analysis, consulting, cryptographic testing, and post-certification lifecycle support.
- Customers:** Its clientele includes >150 commercial vendors of IT and security products seeking US market access (e.g. DoD, DHS). Clients are predominantly domestic, but products evaluated are often marketed internationally.
- Ownership:** In 7/2024, Gossamer was acquired by SGS SA, a global inspection and certification company HQ'd in Switzerland, marking a strategic entry into US cybersecurity evaluation markets.
- Debt Structure:** After Cash, the entity doesn't seem to carry any liabilities.
- Basis for Assessment:** Tax returns (2021-24), with '24 being core for this assessment.
- Other (pros/cons):** Extraordinarily strong profitability and operational efficiency, underpinned by recurring cash flows and recent integration into a global parent platform. No liabilities, but small entity - increased default risk. Sustained high cash distributions and a recent contraction in Net Profit, while the company's limited transparency around receivables and customer concentration poses elevated monitoring risks. Single Event Risk identified are the loss of a key contract - with major federal contracts (e.g. DOGE); cost escalation risk - rapid expense growth; and an operational breach - a security or service failure may lead to debarment and contract ineligibility.

Financial Snapshot

	Dec-21	Dec-22	Dec-23	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	7,537	8,990	9,764	8.6%
Gross Profit	7,537	8,990	9,764	8.6%
Adjusted EBITDA	4,561	6,023	6,194	2.8%
Gross Profit Margin	100.0%	100.0%	100.0%	0.0 ppt
EBITDA Margin	60.5%	67.0%	63.4%	-3.6 ppt
Net Income	4,450	5,366	5,566	3.7%

Financial Ratio Benchmarking

# of Benchmarks:	20	Industry Median	Company Metric	Percentile Rank
Liquidity		Revenue	\$54M	\$10M
		Current Ratio	1.59	1356.62
		Quick Ratio	1.44	1356.62
Leverage		Net Debt / EBITDA	1.79	(0.49)
		Debt to Assets	25.6%	0.1%
		EBITDA Margin	8.9%	46.5%
Profitability		ROCE %	8.5%	204.9%

Business Risk

Industry Group Risk Profile	Business And Consumer Services	20%	6.0	to	8.0
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Industry Risk Assessment	KPI Rating	Contribution	Industry Group Description
Cyclicality	Intermediate risk		Primary revenues from offering solutions for noncore activities or providing varied business and consumer services, including: services for direct consumer needs; product distribution services; facilities services for maintaining other businesses' premises or staffing; and general and professional services for complex business support.
Competitive Risk	Intermediate risk		
Global Industry	Intermediate risk		
Market Segment Outlook	Strong		

Competitive Position Profile	Business And Consumer Services	50%	4.5	to	6.0
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Competitive Position KPIs	KPI Rating	Contribution	Rating Guideline
Cycle-Tested	2009-2019		Pre-COVID.
Market Position	Above Average		Moderate market position with some barriers to entry.
Scale and Scope	Satisfactory		Some scale and diversity, but limited to specific markets or services.
Brand Equity and Reputation	Strong		Strong brand with a clear price premium and high customer loyalty.
Customer & End-Market Diversity	Satisfactory		Moderate reliance on a group of customers or end-markets.
Service Diversity	Above Average		Offers a moderate range of services. Some diversity in customer needs met.

Management, Governance, Sponsorship	30%	6.0	to	7.5
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Anchor Modifiers

Modifiers			
Revenue Segment	Normalization		\$10-25M
Trend Analysis	Adjustment		Moderate Positive
Financial Flexibility	Adjustment		Above Average

Rating Range (Rounded)

5.0	to	6.0
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Weight	Rating Range
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75%	9.0	to	10.0
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of Industry Benchmarks 20
Company Financials Date Dec-24

Industry Benchmarks - Primary: Research and Consulting Services