

Unlocking Value with Veritas Capital Fund IX: A Strategic Investment Opportunity

Investment Documents Due March 31, 2025

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Accretive Wealth believes that few firms can match the track record and expertise of Veritas Capital. With over 25 years of delivering top decile performance, Veritas has cemented its reputation as a leader in growth and innovation. Its latest offering, Veritas Capital Fund IX, presents a compelling opportunity for qualified purchasers to invest in a fund with a proven ability to generate exceptional returns.

A Focus on Government-Regulated Sectors

Veritas Capital Fund IX targets government-regulated sectors that benefit from robust and sustained U.S. government spending. These sectors—aerospace, defense, healthcare, and education—are not only critical to national infrastructure but also offer significant growth opportunities. Government spending in these areas has surged from \$1.8 trillion in 2000 to \$6.3 trillion in 2023, creating a fertile ground for Veritas to capitalize on.

Exceptional Performance Metrics

Veritas' flagship funds have consistently delivered impressive results, with a 3.5x net MOIC (Multiple on Invested Capital) and a 32% net IRR (Internal Rate of Return). On average, the firm achieves 1.0x net DPI (Distributions to Paid-In Capital) in just 5.7 years and 2.0x net DPI by 7.9 years. To put this into perspective, the Preqin top quartile benchmarks are 7 years for 1x DPI and 12 years for 2x DPI. This means that if an investor commits \$100,000 to Veritas, they can expect to receive their initial investment back (net of fees) within 5 to 6 years and double their investment by the end of year 7.

Drivers of Returns

Veritas' success is driven by a balanced approach to value creation:

- 40% revenue growth
- 31% margin expansion
- 31% multiple expansion

This strategic focus on operational expertise allows Veritas to unlock value in its portfolio companies, with minimal reliance on deleveraging (-1%).

Strategic Exits and Case Studies

Veritas leverages its deep industry connections to position portfolio companies for successful exits. The firm's network includes mega-cap strategic acquirers like Lockheed Martin, United Health, and IBM, as well as opportunities for public offerings.

Notable case studies from prior vintages highlight Veritas' ability to identify and scale high-potential businesses:



- *Peraton*: A next-generation national security and enterprise IT provider with \$7.1 billion in annual revenue, focusing on defense, space, intelligence, and cyber operations.
- *Candescent*: A \$2.5 billion digital banking carve-out serving 1,300 customers and 20 million users, capitalizing on the growth of mobile banking and fintech.
- *Cotiviti*: A leader in AI/ML-driven healthcare solutions, addressing a \$1 billion+ market opportunity.
- *Frontgrade*: A provider of high-reliability electronic solutions for space, defense, and healthcare, generating \$500 million in revenue with a 29% EBITDA margin.

Investment Details

Veritas Capital Fund IX is available to qualified purchasers with a minimum investment of \$100,000. The fund operates as a drawdown capital call fund, meaning investors commit capital upfront, which is called intermittently over the next four years. Given the fund's 10-year illiquidity period, it is best suited for investors who can lock up their capital for the long term.

Accretive Wealth Management's Perspective

Veritas Capital Fund IX offers a unique opportunity to invest in a fund with a proven track record of delivering top tier returns. By focusing on government-regulated sectors with significant growth potential, leveraging operational expertise, and executing strategic exits, Veritas continues to set itself apart as a leader in private equity.

This fund is available only to qualified purchasers and involves significant risks, including illiquidity and capital calls that require you to plan your capital availability. Investors should carefully consider their financial situation and consult with us before investing. The deadline to commit to this opportunity and submit signed documents, is March 31, 2025. For qualified investors seeking to diversify their portfolios with a high-performing, long-term investment, Veritas Capital Fund IX is a compelling choice.