

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 13, 2021

ICF International, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

001-33045

(Commission File Number)

22-3661438

(I.R.S. Employer
Identification Number)

9300 Lee Highway, Fairfax, Virginia

(Address of principal executive offices)

22031

(Zip Code)

Registrant's telephone number, including area code: **(703) 934-3000**

Not Applicable

(Former name or former address, if changed since last report.)

Securities registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbols(s)	Name of each exchange on which registered
Common Stock	ICFI	NASDAQ

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement

On December 13, 2021, ICF International, Inc. (the “Company”), by and through its wholly-owned subsidiary, ICF Incorporated, L.L.C., a Delaware limited liability company, (“ICF Incorporated”), entered into an Equity Purchase Agreement (the “Purchase Agreement”) by and among ICF Incorporated, L.L.C., Creative Systems and Consulting, L.L.C., a Virginia limited liability company (“Creative”), Project Apple Holdings, LLC, a Virginia limited liability company and parent company of Creative (“Apple”), and Vinetha Khera, individually and Vishal Khera, individually and as Trustee of the Dewdrop Trust (“Equity Holders”). By the terms of the Purchase Agreement, which contains customary representations and warranties, ICF Incorporated will acquire 100% of the membership interests in Apple (the “Acquisition”), which will become a wholly-owned subsidiary of ICF Incorporated and an indirect subsidiary of the Company. The Company will pay a base purchase price of US\$160 million (the “Purchase Price”) in cash payable to Creative, which intends to distribute the proceeds to the Equity Holders, (subject to adjustment as provided in the Purchase Agreement).

At the closing of the Acquisition, the Company will (i) hold back approximately US\$390,000 of the Purchase Price for any applicable post-closing and working capital adjustments to the Purchase Price; and (ii) place US\$1.8 million of the Purchase Price into an escrow account for potential indemnification claims and/or breaches of representations, warranties or covenants.

The completion of the Acquisition is subject to certain conditions including, among others, (i) subject to certain materiality exceptions, the representations and warranties made by ICF Incorporated, Creative, Apple and the Equity Holders, respectively, being true and correct; and (iii) ICF Incorporated, Creative, Apple and the Equity Holders being in compliance in all material respects with their respective Purchase Agreement obligations.

The Company and Apple may terminate the Purchase Agreement upon mutual written agreement, or any party may terminate the Purchase Agreement if: (1) the other party materially violates or breaches any covenant, representation or warranty contained in the Purchase Agreement that has prevented the satisfaction of any closing condition and such violation or breach has not been cured or waived within ten (10) days after receipt of written notice; provided, however, that failure of the closing to occur on the date specified, or failure of the Company to deliver the closing consideration, is not subject to cure unless agreed to in writing by the Equity Holders, or (2) the Acquisition has not closed on or before February 15, 2022.

The Purchase Price will be funded through the Company’s bank credit facility.

The foregoing description of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement, which will be filed as an exhibit by an amendment to this Current Report on Form 8-K.

Cautionary Note Regarding the Purchase Agreement

The Purchase Agreement will provide investors and security holders with information regarding its terms and conditions and is not intended to provide any factual information about the Company, Creative or Apple. In particular, the assertions embodied in the representations and warranties contained in the Purchase Agreement are qualified by information in confidential disclosure schedules that the parties have exchanged in connection with the signing of the Purchase Agreement. Moreover, certain representations and warranties in the Purchase Agreement were used for the purpose of allocating risk, rather than establishing matters as facts. Accordingly, investors and security holders should not rely on the representations and warranties in the Purchase Agreement as characterizations of the actual state of facts, since they were made only as of the date of the Purchase Agreement and are modified in important part by the underlying confidential disclosure schedules. In addition, the representations and warranties and other terms of the Purchase Agreement may be subject to subsequent waiver or modification. Moreover, information concerning the subject matter of the representations and warranties and other terms may change after the date of the Purchase Agreement, which subsequent information may or may not be fully reflected in the Company’s public disclosures.

Cautionary Statements

This filing and the exhibit attached hereto contain forward-looking statements that involve risks, uncertainties and assumptions. If such risks or uncertainties materialize or such assumptions prove incorrect, the results of the Company and its consolidated subsidiaries could differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including the expected benefits and costs of the Acquisition.

Item 7.01 Regulation FD Disclosure

On December 13, 2021, the Company issued a press release announcing the signing of the Purchase, a copy of which is attached hereto as Exhibit 99.1.

Neither the information in 7.01 of this Current Report on Form 8-K, nor the information in the press release shall be deemed “filed” for purposes of Section 18 of the Exchange Act, or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) The following exhibits are being furnished with this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated December 13, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ICF International, Inc.

Date: December 13, 2021

By: /s/ Bettina G. Welsh
Bettina G. Welsh
*Senior Vice President and
Chief Financial Officer*

**NEWS RELEASE
FOR IMMEDIATE RELEASE****Contact: Lauren Dyke, lauren.dyke@ICF.com, +1.571.373.5577****ICF to Acquire Creative Systems and Consulting**

- *Acquisition Expands ICF's Federal IT Modernization/Digital Transformation Capabilities with Leading Salesforce, Microsoft Implementation Teams*
- *Transaction Expected to be Slightly Accretive to ICF's GAAP EPS in 2022*

FAIRFAX, VA (December 13, 2021) – ICF (NASDAQ:ICFI), a global consulting and digital services provider, today announced that it has entered into a definitive agreement to acquire Creative Systems and Consulting (Creative), a premier provider of IT modernization and digital transformation solutions to U.S. federal agencies. ICF estimates that Creative will generate approximately \$60 million in revenue in 2021. ICF also anticipates it will maintain a post-acquisition revenue growth rate during 2022 in the mid-teens. Creative's margins are at the high end of the ICF federal government range, and the transaction is expected to be slightly accretive to ICF's GAAP EPS in 2022. The acquisition is subject to customary closing conditions and is expected to close before the end of 2021.

Creative provides federal agencies with a full suite of capabilities including digital strategy, cloud and infrastructure solutions, customer experience and data analytics. Their 270-person team brings substantial expertise in Salesforce as well as the Microsoft and ServiceNow platforms, complementing ICF's leading ServiceNow and Appian capabilities.

"This transaction is aligned with our strategy of pairing organic growth with select acquisitions that strengthen ICF's position in key growth markets," said John Wasson, chairman and chief executive officer. "Creative's expertise in cloud development considerably expands our qualifications in the federal IT modernization/digital transformation arena, and the company has delivered flagship work with many civilian agencies that have been long-standing clients of ICF, including the U.S. Department of Health and Human Services, the U.S. Department of Agriculture and the U.S. Department of Treasury. We expect this acquisition to provide significant opportunities for revenue synergies over time as ICF now will offer leading practices supporting the most highly adopted low-code/no-code platforms in the federal government. Importantly, the cultural fit is excellent, highlighted by a shared commitment to delivering value to clients while making a difference in the communities we serve."

Creative brings over 900 technical and platform certifications, including over 300 in Salesforce, over 50 in Microsoft and 160 in ServiceNow, and has supported over 200 federal cloud and infrastructure projects.

"We are excited by the opportunity to join ICF and build on their strong digital transformation capabilities and leading platform partnerships," said Vanitha Khera, Creative CEO. "Together, we will offer an unparalleled portfolio of digital services along with our world-class domain expertise—from strategic advisory to analytics to platforms and agile delivery—as federal agencies work to generate scalable, more efficient and cost-effective outcomes."

Founded in 2010, Creative has been at the forefront of designing, orchestrating and managing SaaS environments through human-centered design and DevSecOps (Development, Security and Operations) approaches. The company recently received the highest possible level of Salesforce Partnership, SUMMIT.

ICF provides deep domain expertise and the latest digital, cyber, low-code platform and cloud-based modernization services to deliver responsive, scalable solutions. ICF is a leading ServiceNow implementor and was named ServiceNow's #1 Federal Partner of the Year in 2019. ICF is also the largest federal Appian practice in North America and was named the Appian 2021 Trusted Delivery Partner in the Public Sector.

ICF's corporate development team managed a proprietary acquisition process with Creative's exclusive financial advisor, Baird.

Read more about [ICF and Creative](#).

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About ICF

ICF is a global consulting services company with approximately 7,500 full- and part-time employees, but we are not your typical consultants. At ICF, business analysts and policy specialists work together with digital strategists, data scientists and creatives. We combine unmatched industry expertise with cutting-edge engagement capabilities to help organizations solve their most complex challenges. Since 1969, public and private sector clients have worked with ICF to navigate change and shape the future. Learn more at icf.com.

Caution Concerning Forward-looking Statements

Statements that are not historical facts and involve known and unknown risks and uncertainties are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements may concern our current expectations about our future results, plans, operations and prospects and involve certain risks, including those related to the government contracting industry generally; our particular business, including our dependence on contracts with U.S. federal government agencies; our ability to acquire and successfully integrate businesses; and the effects of the novel coronavirus disease (COVID-19) and related federal, state and local government actions and reactions on the health of our staff and that of our clients, the continuity of our and our clients' operations, our results of operations and our outlook. These and other factors that could cause our actual results to differ from those indicated in forward-looking statements that are included in the "Risk Factors" section of our securities filings with the Securities and Exchange Commission. The forward-looking statements included herein are only made as of the date hereof, and we specifically disclaim any obligation to update these statements in the future.