



HYDE PARK CAPITAL

Integrity | Expertise | Results

Investment Banking | Mergers & Acquisitions | Capital Raising

Overview

Nationally recognized investment bank
founded in 2000

Over 300 transactions completed, totaling
more than \$10 billion in transaction value

Extensive relationships with leading
institutional lenders, PE investors,
and strategic buyers

Proven ability to source quality buyers
and maximize deal value

Industry Expertise

- Technology
- Healthcare
- Business Services
- Industrials
- Financial Services
- Consumer

Investment Banking Services

Mergers & acquisitions, recapitalizations,
and management buyouts

Capital raising of equity, mezzanine, and
senior debt capital

Financial advisory, analytical support,
and fairness opinions

Comprehensive and targeted sell-side
marketing efforts

Hyde Park Capital Advisors, LLC

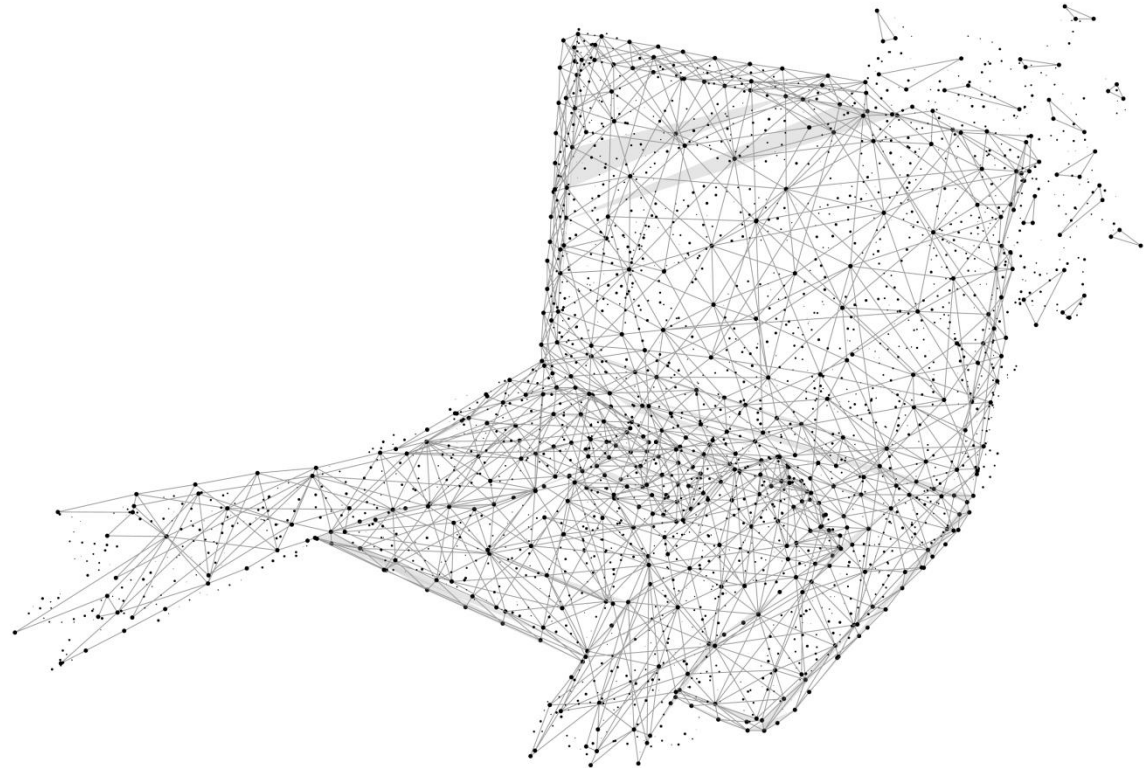
701 N. Franklin Street

Tampa, FL 33602

Tel: 813-383-0202

www.hydeparkcapital.com

IT Services Market Insights Spring 2023



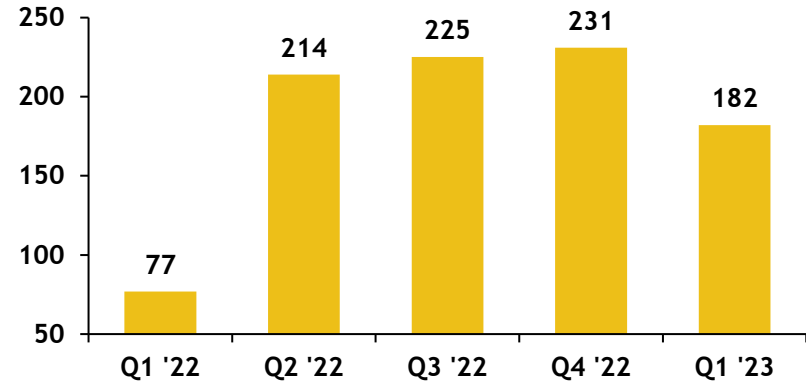
Market Observations

IT Services

- The global IT Services market was valued at **\$1.2 trillion** in 2022 and is expected to grow **5.5% in 2023** to **\$1.3 trillion** by year end.
- Globally, increased IT spending, coupled with the widespread adoption of SaaS and increased cloud-based offerings, indicates strong demand for IT services. With improved IT infrastructures, threats related to data are also on the rise - this is leading to increased demand for advanced security solutions and services over traditional ones.
- There has been a significant breakthrough in cloud computing over the past few years, as cloud solutions offer various advantages but expose data hosted to substantial risks, including privacy identity theft, among others. Many organizations adopting cloud computing are implementing IT services that can analyze all executions, applications, and network connections.
- Due to advancements in the IT operation across the cloud-based platform, IT services have become more data-driven as well as real-time, creating greater value for businesses, especially in the areas of operational efficiency, business opportunity discovery, and remote access optimization.
- The IT services industry is highly fragmented, paving the way for intense M&A activity as companies attempt to gain market share.

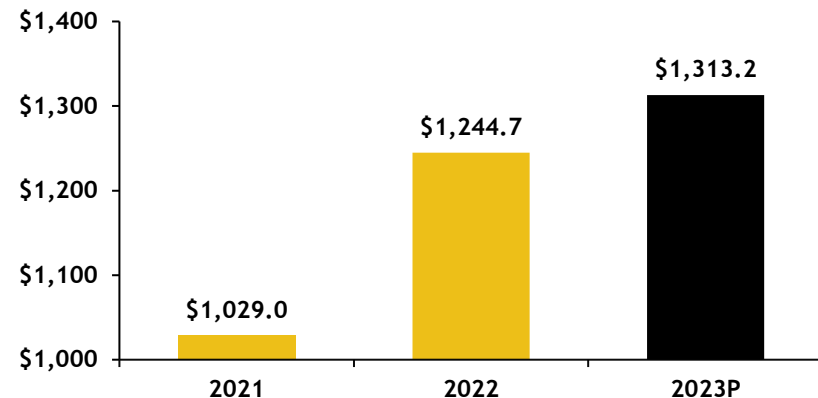
Recent U.S. IT Services M&A Activity

U.S. Strategic & PE Buyer Deals



Global IT Services Market Size

(\$ in billions)



Sources: Pitchbook, Mordor Intelligence, Gartner

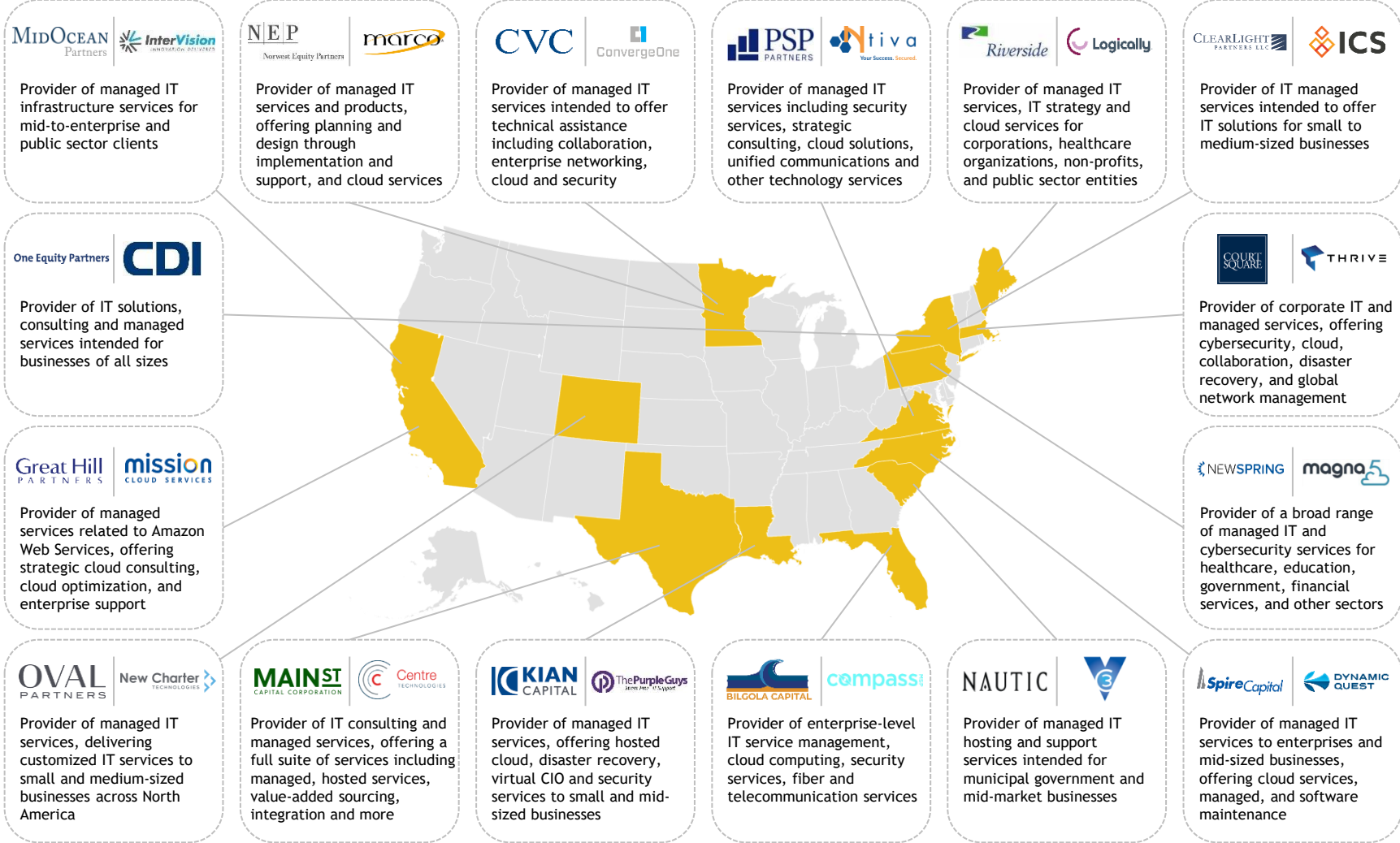


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Market Observations












Select Sponsor-Backed Rollups



Public Companies

IT Services





(\$ in millions, except per share)

Company	Stock Price at 5/24/2023	% of 52 Week High	Enterprise Value	LTM		LTM Margins		3 Year CAGR		Enterprise Value / LTM	
				Revenue	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA	Revenue	EBITDA
 accenture	\$286.82	88.8%	\$181,140	\$63,144	\$10,700	32.1%	16.9%	12.5%	14.5%	2.9x	16.9x
 TCS TATA CONSULTANCY SERVICES	\$39.96	92.4%	\$141,419	\$27,454	\$7,216	42.6%	26.3%	9.4%	9.2%	5.2x	19.6x
 Infosys	\$15.71	77.6%	\$64,533	\$18,212	\$4,203	29.6%	23.1%	11.4%	11.3%	3.5x	15.4x
 Capgemini	\$170.74	82.4%	\$34,076	\$23,506	\$3,168	26.5%	13.5%	15.9%	18.0%	1.4x	10.8x
 Cognizant	\$62.61	83.0%	\$31,270	\$19,414	\$3,534	35.9%	18.2%	5.0%	2.6%	1.6x	8.8x
 CDW	\$167.74	78.0%	\$29,225	\$22,903	\$2,042	20.4%	8.9%	9.6%	14.0%	1.3x	14.3x
 CGI	\$101.21	97.2%	\$26,159	\$10,104	\$1,773	30.5%	17.5%	2.0%	3.4%	2.6x	14.8x
 wipro	\$4.83	81.8%	\$23,793	\$11,019	\$1,951	28.7%	17.7%	10.5%	11.3%	2.2x	12.2x
 Tech Mahindra	\$13.29	91.7%	\$11,305	\$6,489	\$978	33.0%	15.1%	8.7%	6.5%	1.7x	11.6x
 Insight	\$131.03	90.5%	\$5,556	\$10,104	\$478	16.3%	4.7%	10.5%	16.2%	0.5x	11.6x
 PERFICIENT	\$76.93	69.8%	\$3,205	\$914	\$183	38.9%	20.0%	17.0%	32.9%	3.5x	17.5x



Public Companies

IT Services

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				Revenue	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA	Revenue	EBITDA
 ePlus Technology	\$46.34	73.8%	\$1,307	\$2,068	\$189	25.0%	9.2%	9.9%	19.8%	0.6x	6.9x
 Connection we solve IT	\$43.72	77.1%	\$1,029	\$3,064	\$121	17.0%	4.0%	3.5%	1.7%	0.3x	8.5x
 CONVERGE TECHNOLOGY SOLUTIONS	\$2.36	39.9%	\$804	\$1,736	\$99	26.1%	5.7%	46.5%	67.0%	0.5x	8.1x
 UNISYS	\$4.32	29.5%	\$470	\$2,050	\$193	30.5%	9.4%	NM	3.9%	0.2x	2.4x
				Average		28.9%	14.0%	12.3%	15.5%	1.9x	12.0x
				Median		29.6%	15.1%	10.2%	11.3%	1.6x	11.6x



Select M&A Transactions

Deal Date	Target	Target Description	Buyer/Investor	TEV (\$M)
05/17/23	Objectivity	Provider of IT outsourcing services specializing in designing, delivering and supporting IT solutions that help clients grow.	Accenture (NYSE: ACN)	N/A
05/16/23	Resulting IT	Provider of ERP consulting and IT services intended for the digital infrastructure of businesses.	YFM Equity Partners	\$30
05/11/23	Laager Sustainable Technologies	Provider of IoT and IT services in São Paulo, Brazil.	Constanta Group	\$30
05/09/23	Serverius	Provider of IT infrastructure services, offering data center colocation, internet connectivity, DDoS protection, cloud storage, hardware finance services, website security, and more.	CapMan (HEL: CAPMAN)	N/A
05/05/23	Out of The Box Technology	Provider of technology services including process automation, data migration, documentation management and custom software development.	Next Coast Ventures	\$17
05/05/23	360 Smart Networks	Provider of IT services designed to support SMBs, offering cybersecurity, cloud backup, consulting, risk and project management services.	Next Coast Ventures	\$35
05/04/23	Kirey Group	Provider of systems integration and IT services, offering cybersecurity services, data management, and ERP integration services.	One Equity Partners	N/A
05/02/23	MSP Corp	Managed services provider, offering cloud computing, cybersecurity and IT support.	Groupe Access (Alfar Capital)	\$100
04/05/23	Detron	Provider of IT services, offering cloud services, workplace management, connectivity, IT security services and communications solutions and other related services to its clients.	Avedon Capital Partners	N/A
04/04/23	Quantum Security Services	Provider of IT and cybersecurity services intended for the public and private sectors.	Quadrant Private Equity	N/A
03/31/23	Lutech Advanced Solutions	Provider of IT services, including digital workplace, computer vision, cybersecurity, cloud and high-performance computing.	Lutech Group (Apax Partners)	\$500
03/22/23	Cloudflight	Provider of IT services intended for aerospace, discrete manufacturing, mobility, transportation, logistics and other industries.	Partners Group	\$426

Sources: PitchBook, Capital IQ



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Deal Date	Target	Target Description	Buyer/Investor	TEV (\$M)
03/16/23	Quant Systems	Provider of IT services, offering enterprise data portfolio, privacy enablement, data management and governance, insights, cloud labs, cloud-native development, DevOps enablement, enterprise quality assurance and salesforce implementation.	Sonata Software (BOM: 532221)	\$160
03/10/23	Mobica	Provider of integration software engineering and IT development services through Talent-as-a-Service (TaaS) to businesses.	Cognizant Technology Solutions (NASDAQ: CTSH)	\$301
02/24/23	FSP	Provider of IT services intended to serve large enterprises and public sector organizations, offering a portfolio of cloud, productivity, data and artificial intelligence solutions and managed services.	CBPE Capital	\$106
02/23/23	Aditinet Consulting	Provider of IT services, specializing in cybersecurity and networking, offering managed services, cloud services, cloud infrastructure services, cybersecurity, enterprise networking and cloud transformation.	Nomios (IK Partners)	N/A
02/17/23	Locus Technology	Provider of IT consulting and outsourcing services, specializing in information, network, systems and application security, cloud computing, networking, monitoring and intrusion detection, breach and incident responding and IT infrastructure.	CDW (NASDAQ: CDW)	\$23
01/26/23	Excellerate	Provider of outsourced enterprise software platform development services and support services, offering data management, cloud services, business process management and support.	Encora (Advent International)	N/A
01/17/23	Intechnica	Provider of IT services, software development and technology consulting services intended for organizations across the United Kingdom.	Crosslake Technologies (Falfurris Capital Partners)	\$18
01/11/23	IMS Technology Services	Provider of IT services, specializing in refining sophisticated IT and telephone systems, and cybersecurity services.	OneCom (Ares Management)	N/A
01/10/23	Cprime	Provider of IT services, offering custom end-to-end project management, cloud migration, application prototyping and related training solutions and services.	Everstone Capital / Goldman Sachs Asset Management	\$290
01/05/23	Fēnom Digital	Provider of IT managed services, strategy, UI/UX design and development, personalized merchandising, and more.	WPP (LON: WPP)	\$75
01/04/23	WillowTree	Provider of full-service digital product consultancy and IT services, offering strategy development, custom app and web development, product design, prototyping and mobile marketing services.	Telus International (TSE: TIXT)	\$1,225
01/01/23	Zebra Technologies	Provider of IT services in the field of information security, data communications, network management, and virtualization.	Matrix IT (TAE: MTRX)	\$27

Sources: PitchBook, Capital IQ



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HPC Overview

- Founded in 2000 - by the two prior heads of the Technology and Healthcare Investment Banking Groups at Raymond James
- Advised on **300+ transactions** and has been a consistent leader in providing independent and unbiased strategic counsel and advisory services to global sellers and buyers of middle-market firms
- Diverse team with extensive execution experience across all areas of IT Services
- Bulge bracket capabilities with a boutique touch



Industry Leading. . . Technology Coverage. . . With a Focus on IT Services



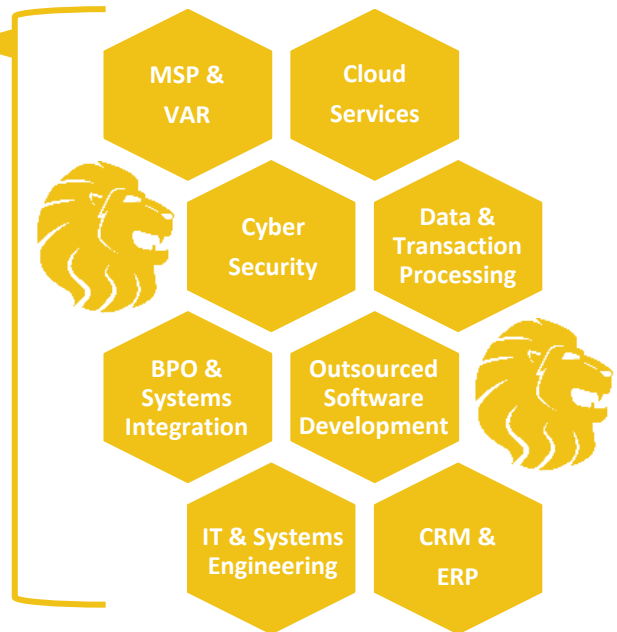
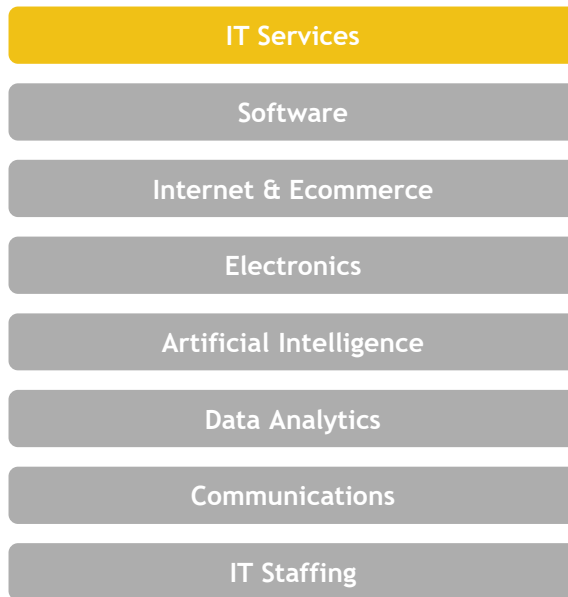
- M&A Atlas Awards Boutique Investment Bank of the Year and Deal of the Year Winner (Business Services)



- Global Finance World's Best Investment Bank (Southeast Region)



- Ernst & Young Entrepreneur of the Year (Florida Region, Financial Services)



HPC Overview

Senior M&A banker with extensive IT Services experience and a relentless commitment to clients

Experienced M&A Banker



Matthew Gladdish
Vice President

701 N. Franklin St.
Tampa, FL 33602
(813) 383-0203
gladdish@hydeparkcapital.com

Experience:

- 5+ years finance and investment banking experience
- Advised on 20+ strategic M&A and financing transactions
- Managed Service Providers, IT Services, and Communications Services coverage

Education:

- B.S. in Finance and Business Management from the University of South Florida
- GrowFL Advisory Board Member

Select M&A Transactions

 <p>has been acquired by</p>  <p>Sell-Side M&A Advisory</p>	 <p>has been acquired by</p>  <p>Sell-Side M&A Advisory</p>	 <p>has been acquired by</p>  <p>Sell-Side M&A Advisory</p>
 <p>has been acquired by</p>  <p>Sell-Side M&A Advisory</p>	 <p>has been acquired by</p>  <p>Sell-Side M&A Advisory</p>	 <p>has been recapitalized by</p> <p>THE GORES GROUP & Platinum Equity</p> <p>Sell-Side M&A Advisory</p>
 <p>has been acquired by</p>  <p>a subsidiary of</p>  <p>Sell-Side M&A Advisory</p>	 <p>has been acquired by</p>  <p>Sell-Side M&A Advisory</p>	 <p>has been acquired by</p>  <p>a subsidiary of</p>  <p>Sell-Side M&A Advisory</p>

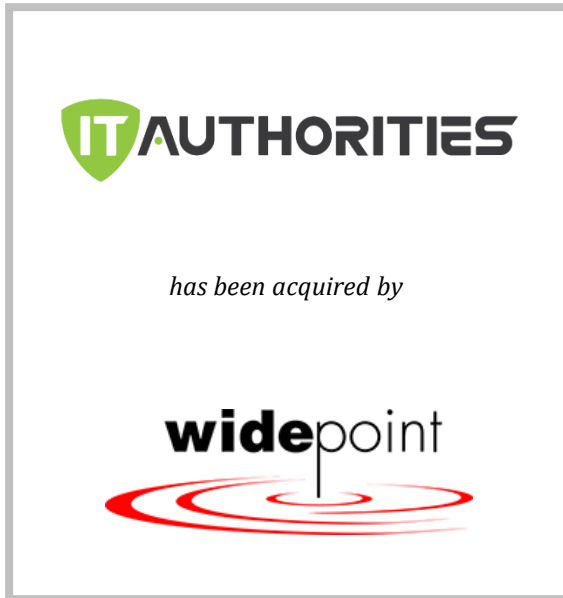


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HPC Overview (cont.)

Case Study - IT Services



Overview of the Transaction

- 100% sale of IT Authorities (“ITA”) to WidePoint Corporation (ASE: WYY) (“WidePoint”).
- Based in Tampa, FL, IT Authorities is a leading total managed services solution provider (MSP) offering turnkey operating environments with monthly subscription pricing that covers everything from installation to support for mission critical applications. The Company focuses on MS Azure cloud solutions and its enterprise help desk proactively prevents thousands of IT bumps while handling over 8,000 calls a month, resolving issues in under 10 minutes.
- WidePoint (NYSE:WYY) is a publicly traded technology company providing customized telecom and mobile management solutions, primarily to the U.S. public sector.

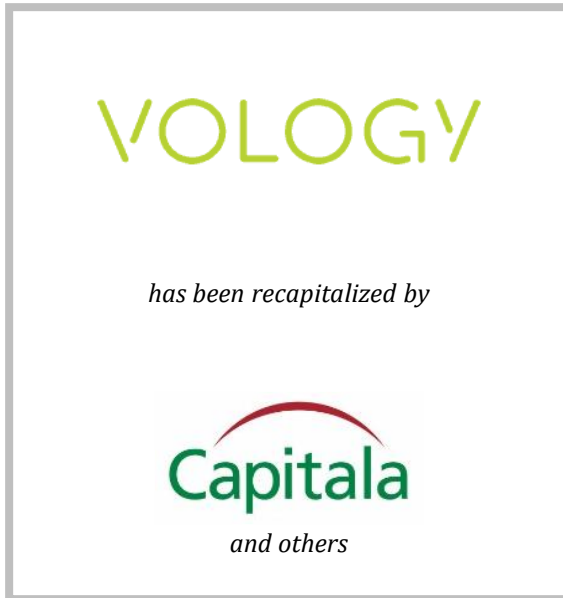
Hyde Park Capital’s Role

- Hyde Park Capital was engaged as the exclusive investment banker and financial advisor to ITA for this transaction.
- Hyde Park Capital originated, negotiated and closed the transaction with WidePoint.



HPC Overview (cont.)

Case Study - IT Services



Overview of the Transaction

- Recapitalization of Vology, Inc. by an investor consortium led by Capitala Group.
- Vology is a leading Managed IT, Security and Cloud Services Provider, that positions companies for growth by empowering digital transformation and delivering custom solutions. Vology currently monitors, manages and maintains 260,000 devices at 32,000 customer sites, providing 24/7/365 support through its U.S.-based Network Operations Center (NOC) and Security Operations Center (SOC).
- The company also provides field services with access to 2,200 fully audited field technicians nationwide. Vology is ranked as the No. 21 Managed Services Provider in the world on the 2018 MSP 501 list.
- Capitala Group is a \$3.0 billion asset management firm that has been providing capital to lower middle market companies through its credit, growth and equity investment strategies throughout North America for twenty years.

Hyde Park Capital's Role

- Hyde Park Capital was engaged as the exclusive investment banker and financial advisor to Vology in connection with the recapitalization of the business.

