

DecisionOne Corporation (Canada) Transaction Opportunity



A unique opportunity to acquire a leading provider of IT support services in Canada

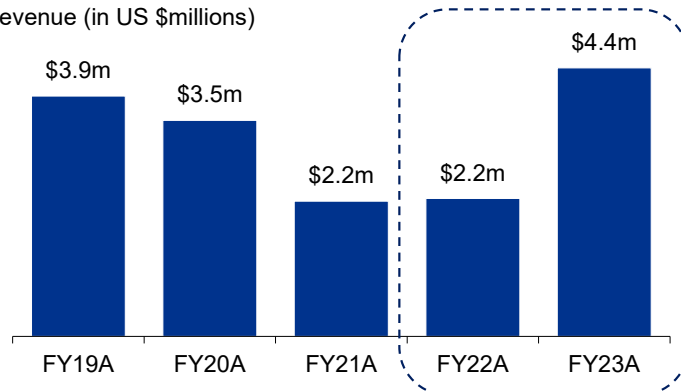
Overview

- KPMG Inc. in its capacity as proposal trustee (the “**Proposal Trustee**”) of DecisionOne Corporation, a leading Ontario-based IT support service provider (the “**Company**”, “**DecisionOne**”, or the “**Vendor**”), is conducting a “stalking horse” solicitation process in relation to the sale of its business and assets (the “**Sale Process**”).
- The Company provides a wide variety of services including IT Asset Management, Staff Augmentation, IT Support Services, Technology Consulting, Technology Deployment and Digital Signage solutions. These services are provided in conjunction with the Company’s formerly affiliated US-based business.
- The Company has 13¹ highly skilled and experienced IT professionals providing on-site and field services.
- DecisionOne caters to a diverse range of customers operating in the financial services, transportation, retail, and oil & gas sectors.

Financial Highlights

The Company has nearly doubled its revenue in FY23 owing to strong revenue growth from key customers

Revenue (in US \$millions)



Operational Highlights

 **\$4.4M**
Revenue
(FY23)

 **>75%**
Customer Renewal
Rate (FY23)

 **<10%**
Attrition Rate²

 **10 Years**
Average
Customer Tenure²

Notable Customers

HCLTech

 **bibliotheca**

 **Cognizant
Technology
Solutions**

EPSON

 **NTT**

Growth Opportunities



Product Portfolio Expansion

Offer additional services such as cloud, data center and network to existing clients



Technical Capability Enhancement

Leverage digital investments to improve customer solutions



Margin expansion

Continued efficiency improvements from scale



Systems and Operations

Accelerate additional systems / process efficiencies to improve margins

KPMG Contacts

Katherine Forbes
Senior Vice President
KPMG Inc.
katherineforbes@kpmg.ca
+1 416 777 8107

Manoj Oommen
Manager
KPMG Inc.
manojoommen@kpmg.ca
+1 416 476 2720

Notes: 1) Excluding 7 SG&A employees which are shared with its formerly affiliated US operations; 2) Management estimates for combined business with formerly affiliated US operations.



© 2023 KPMG Inc. is a subsidiary of KPMG LLP an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

DecisionOne Corporation (Canada) Transaction Opportunity



A unique opportunity to acquire a leading provider of IT support services in Canada

Process Instructions

- On May 19, 2023, DecisionOne, filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”). KPMG Inc. consented to act as Proposal Trustee for the NOI proceedings.
- The Vendor has entered into an asset purchase agreement with a prospective purchaser who has agreed to act as a stalking horse in the sale process (the “**Stalking Horse Agreement**”). The Proposal Trustee is soliciting superior offers to the Stalking Horse Agreement in respect of all or substantially all of the Vendor’s business and assets.
- The key elements of the sale process are as follows:
 - Binding bids shall be delivered to the Proposal Trustee by no later than 5:00 p.m. (prevailing Eastern time) on June 20, 2023 (the “**Bid Deadline**”), and include the Required Bid Terms and Materials (as defined below);
 - A “Qualified Bidder” is a bidder who, by the Bid Deadline, submits a binding bid substantially in the form of the Stalking Horse Agreement that provides for cash consideration of at least US \$3,150,000 million (the “**Base Purchase Price**”);
 - All Qualified Bids must include (but are not limited to) the following (collectively, the “**Required Bid Terms and Materials**”):
 - a) proposed purchase price at least equal to the Base Purchase Price;
 - b) description of any non-cash consideration including details of any liabilities (including operating liabilities) to be assumed by the bid;
 - c) description of the property, contracts and assets that are subject to the transaction;
 - d) no conditions other than approval by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), including no conditions regarding financing, or the outcome or review of any due diligence;
 - e) a cash deposit in the amount of not less than ten percent of the purchase price offered by such bid;
 - f) a provision stating that the Qualified Bid is irrevocably open for acceptance until the earlier of (i) the closing of a Sale approved by the Court; and (ii) July 19, 2023, (the “**Bid Expiration**”);
 - g) reasonable certainty of completion no later than July 19, 2023;
 - h) any other terms or conditions of the bid that the bidder believes are material to the transaction; and
 - i) certain bidder disclosures as outlined in the Sale Process or as otherwise indicated by the Proposal Trustee prior to the Bid Deadline, including proof of authorization and financial capability to consummate the proposed transaction.
- The Stalking Horse Agreement and the Sale Process are subject to Court approval, which motion by the Vendor is scheduled to be heard on June 5, 2023. A copy of the Sale Process can be found on the Proposal Trustee’s website at: kpmg.com/ca/decisionone
- This introductory document has been distributed to a limited number of prospective buyers.
- Parties interested in further discussions will be requested to sign a confidentiality agreement. Upon delivery of the signed agreement, the Proposal Trustee shall provide access to a virtual data room containing additional information about the opportunity and the Sale Process. Under no circumstances should any party make direct contact with the shareholders, management, employees, customers or suppliers of the Company.



DecisionOne Corporation (Canada) Transaction Opportunity



A unique opportunity to acquire a leading provider of IT support services in Canada

Important notice

This investment overview does not constitute an offer or invitation to persons to subscribe for or purchase any shares or other securities in any company or for persons to enter or offer to enter into an investment agreement or to exercise any rights conferred by an investment to acquire, dispose of, underwrite or convert an investment.

The investment overview contains basic information, statements, and estimates provided to the Proposal Trustee, by the Company and its Management.

Any person including any proposed acquirer of the assets of the Company referred to in this document or any business or assets referred to herein must satisfy himself as to all matters relating to the Company or such business assets including all the information and statements contained herein.

The investment overview contains certain statements, estimates and projections with respect to the anticipated future performance of the Company. Such statements, estimates and projections reflect various assumptions made by the Management of the Company concerning anticipated results, which assumptions may or may not prove to be correct. No representation is made as to the accuracy of such statements, estimates and projections.

KPMG Inc. on behalf of itself and all other member firms of KPMG, and all partners, staff and agents thereof, does not accept responsibility for any information contained herein and disclaims all liability to any person or entity arising out of or in connection with such information. KPMG Inc. is a division of KPMG LLP.

The Proposal Trustee has compiled this document from information supplied by the Company. Neither the Proposal Trustee, nor the Company, make any representations or warranties as to the accuracy or completeness of this material and shall have no liability for any representations (express or implied) contained herein.

Nothing obtained herein is or shall be relied upon as a promise or representation of future developments.

