

# ASGN Incorporated Announces Acquisition of LeapFrog Systems, Inc.

Adds core capabilities in digital transformation solutions for the Financial Services, Insurance and Healthcare Industries

GLEN ALLEN, Va.--(BUSINESS WIRE)-- ASGN Incorporated (NYSE: ASGN), one of the foremost providers of information technology (IT) and professional services in the technology, digital, creative, engineering, life sciences and government sectors, announced today the acquisition of LeapFrog Systems, Inc. ("LeapFrog") for up to \$72.0 million in cash. The acquisition deepens and expands ASGN's capabilities in digital innovation and enterprise solutions for its financial services, insurance and healthcare clients. LeapFrog will become part of ASGN's Apex Systems division.

LeapFrog is a specialized consultancy headquartered in Boston, Massachusetts and focused on providing enterprise-scale digital business transformation services to Fortune 500 clients. Over its 20-year history, the Company has developed a strong presence in the financial services, insurance and healthcare sectors. LeapFrog offers digital capacity on demand, including strategy and implementation services, as well as provides digital transformation consulting to organizations looking to drive modernization within their technology products and systems, while simultaneously accelerating their growth strategies. LeapFrog anticipates approximately \$33.3 million in revenues for full year 2020 along with double-digit revenue growth in 2021. ASGN expects to realize revenue synergies by leveraging LeapFrog's robust capabilities to capture an increased portion of the Apex Segment's expanding pipeline of commercial consulting opportunities.

"I am very pleased to announce the acquisition of LeapFrog, which further enhances our commercial consulting capabilities," said ASGN President and Chief Executive Officer, Ted Hanson. "At ASGN, we are committed to delivering value to all of our stakeholders by strategically growing our business in areas of increasing customer demand, while at the same time scaling our consultative capabilities in the key industry segments we serve. The acquisition of LeapFrog fits perfectly with each of these goals. Their industry expertise, geographic location and unique digitization services strengthen ASGN's digital roadmap solutions. We have been

witnessing an accelerating trend toward digital transformation, making now the ideal time to welcome LeapFrog to ASGN.”

As part of Apex Systems, LeapFrog will benefit from greater access to industry-leading methodologies and a broader talent pool to address some of the most critical digital transformation and enterprise solutions challenges faced by Fortune 500 and 1000 companies today. LeapFrog will offer ASGN subject matter expertise and long-standing client relationships in the financial services, insurance and healthcare sectors.

“We are excited to join Apex Systems and together scale LeapFrog’s Digital Business Transformation offerings to a significantly larger group of customers,” said LeapFrog’s Chief Executive Officer, Bob Malone. “ASGN’s reputation as a fast-growing technology services firm with nationwide reach and access to over 60% of the Fortune 500 will help us grow from a regionally successful player to a national competitor. By leveraging ASGN’s just-in-time recruiting capabilities and large candidate database, we will be able to quickly scale our projects while continuing to provide the exceptional service our customers have come to expect. Both LeapFrog and Apex Systems have always revolved around doing what is in the best interests of our employees and our customers, and this transaction is no different.”

#### Equity Grants

In addition to the cash consideration, ASGN is granting restricted stock unit awards to 14 LeapFrog employees covering approximately 42,000 shares. Subject to continued service to the company, the grants will vest: (a) one-half on the second anniversary of the grant date, and (b) 25 percent on each of the third and fourth anniversaries of the grant date. The restricted stock unit awards were granted to the employees of LeapFrog as employment inducement awards pursuant to New York Stock Exchange rules.

#### Legal and Financial Advisors

ASGN retained Sullivan & Cromwell LLP as legal counsel on the transaction. LeapFrog retained Choate, Hall & Stewart LLP as legal counsel and Fairmount Partners as their investment banking advisor.

#### About ASGN Incorporated

ASGN Incorporated (NYSE: ASGN) is one of the foremost providers of IT and professional services in the technology, digital, creative, engineering and life sciences fields across commercial and government sectors. Operating through its

Apex, Oxford and ECS segments, ASGN helps leading corporate enterprises and government organizations develop, implement and operate critical IT and business solutions through its integrated offering of professional staffing and IT solutions. ASGN's mission is to be the most trusted partner for companies seeking highly skilled human capital and integrated solutions to fulfill their strategic and operational needs. For more information, visit us at [asgn.com](http://asgn.com).

#### About Apex Systems

Apex Systems is a world class technology services business that incorporates industry insights and experience to deliver solutions that fulfill our clients' digital visions. We provide a continuum of service from workforce mobilization and modern enterprise solutions to digital innovation to drive better results and bring more value to our clients. Apex transforms our customers with modern enterprise solutions tailored to the industries we serve. Apex has a presence in over 70 markets across US, Canada and Mexico. Apex is a segment of ASGN Incorporated. (NYSE: ASGN). To learn more, visit [www.apexsystems.com](http://www.apexsystems.com).

#### About LeapFrog

LeapFrog is headquartered in Boston, Massachusetts and delivers cutting-edge digital business transformation services at enterprise scale with C-Suite visibility for Fortune 500 clients. "Connected People, Connected Process, Connected Platform" form the core principles of LeapFrog's approach, which enable and empower digital business transformation within organizations. LeapFrog has operations in Boston, Massachusetts, Irving, Texas and Raleigh, North Carolina. For more information, visit [www.leapfrogsystems.com](http://www.leapfrogsystems.com).

#### Safe Harbor

Certain statements made in this news release are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and involve a high degree of risk and uncertainty. Forward-looking statements include statements regarding our anticipated financial and operating performance.

All statements in this release, other than those setting forth strictly historical information, are forward-looking statements. Forward-looking statements are not guarantees of future performance, and actual results might differ materially. In particular, we make no assurances that the estimates of revenues and Adjusted EBITDA will be achieved. Factors that could cause or contribute to such differences include actual demand for ASGN or LeapFrog services, the companies' abilities to

attract, train and retain qualified staffing consultants, the companies' abilities to remain competitive in obtaining and retaining clients, the availability of qualified contract professionals, management of growth, continued performance and improvement of enterprise-wide information systems, the companies' ability to manage litigation matters, the successful integration of LeapFrog, the expected impact of the COVID-19 global pandemic on the companies' competitive position and demand for each of our services and other risks detailed from time to time in reports filed with the SEC, including ASGN's Annual Report on Form 10-K for the year ended December 31, 2019, as filed with the SEC on March 21, 2020 and ASGN's Quarterly Reports on Form 10-Q for the quarter ended for the quarters ended March 31, and June 30, 2020, as filed with the SEC on May 11 and August 10, 2020, respectively. We specifically disclaim any intention or duty to update any forward-looking statements contained in this news release.

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