

Government Brands Announces Recapitalization with New and Existing Shareholders

Company welcomes new shareholder TPG

Investment to accelerate the company's strategic initiatives and transformational growth

ALPHARETTA, GA – August 5, 2021 – Government Brands, a leading provider of government software and integrated payment solutions, announced today a recapitalization co-led by PSG, a leading growth equity firm partnering with middle-market software and technology-enabled services companies, and TPG, a global alternative asset firm. PSG will retain its majority stake in the company and TPG will become a significant minority shareholder. Greater Sum Ventures (“GSV”) will exit its position in the company. Additional terms of the transaction are not being disclosed.

Government Brands was founded in 2017 to address a significant need by government entities to leverage technology to operate more efficiently. It aims to bring together comprehensive software and payments solutions designed to empower court, tax, utility and public development agencies to optimize and modernize operations while increasing public engagement, and to accelerate revenue collection while providing constituents contactless mediums for payments. The company has undergone significant growth since inception, both organically and through more than 25 acquisitions, with COVID-19 underscoring the critical need for government agencies to accelerate digitization initiatives.

“We believe our partnership with PSG and GSV over the last few years has been critical to Government Brands’ ability to execute on our mission to empower all levels of government to transform how they engage with constituents by providing leading software and payment solutions,” said John Kristel, CEO of Government Brands. “We look forward to further scaling our platform to better serve our customers, in partnership with PSG and TPG, and thank the GSV team for their contributions to support our growth to date.”

Today, Government Brands is one of the only platforms of scale optimizing government operations and revenue collection through one holistic platform. This new round of financing is expected to be used to drive technological development and enhance the company’s ability to serve new and existing customers in its existing markets, including court and land records, tax and treasury, computer-aided mass appraisal and public works, as well as to expand into new markets within the government ecosystem.

Peter Wilde, Co-Founder and Chairman of PSG, commented, “Currently 80% of government organizations are still at the initial stage of developing digital maturity. In our view, John and the entire Government Brands team have done an exceptional job building a platform to provide mission-critical solutions to a market undergoing crucial transformation. We believe the company is well-equipped to deliver technological solutions that will accelerate this transition to an even broader base of customers. We look forward to building on our partnership with the team to support governments entering the next chapter of digital connectivity.”

Tim Millikin, Partner at TPG, commented, “Across industries, organizations are adopting technology at a fast pace to better serve the changing behaviors of their customers. Government Brands provides a robust suite of integrated software solutions purpose-built for government entities of all sizes. TPG has invested in vertical market software for many years, and our investment in Government Brands reflects our continued thematic focus on vertical payments and the digital transformation of the public sector.

We look forward to working with John, Dave, and the PSG team with an aim to accelerate the company's growth."

"We believe that through the strength of its investors, strategic advisors, and talented management team, Government Brands has unlocked immense value for shareholders and customers alike," said Ross Croley, CEO and Founder of GSV. "We're pleased to have played a significant role in the evolution of this platform since its beginning and are proud of the innovation it brings to the government sector. We'll follow the Government Brands story with interest and wish all parties continued success."

For Government Brands, William Blair served as the exclusive financial advisor on the transaction. Shea & Company acted as the sole financial advisor to TPG. TPG is investing in Government Brands out of its TPG Tech Adjacencies Fund, an investment vehicle focused on providing flexible capital solutions to the technology industry.

About Government Brands

Government Brands, LLC is a leading provider of government software and integrated payment solutions. Headquartered in Alpharetta, Georgia, we offer comprehensive solutions for all sizes of government entities - municipalities, counties, states, and federal agencies - with thousands of clients in all 50 states and Canada. Government Brands has more than 500 employees in offices throughout the United States and Canada. For more information, visit www.governmentbrands.com.

About PSG

PSG is a growth equity firm that partners with middle-market software and technology-enabled services companies to help them navigate transformational growth, capitalize on strategic opportunities and build strong teams. Having backed more than 80 companies and facilitated over 325 add-on acquisitions, PSG brings extensive investment experience, deep expertise in software and technology, and a firm commitment to collaborating with management teams. Founded in 2014, PSG operates out of offices in Boston, Kansas City and London. <https://www.psgequity.com/>

About TPG

TPG is a leading global alternative asset firm founded in 1992 with \$96 billion of assets under management and offices in Beijing, Fort Worth, Hong Kong, London, Luxembourg, Melbourne, Mumbai, New York, San Francisco, Seoul, Singapore, and Washington D.C. TPG's investment platforms are across a wide range of asset classes, including private equity, growth equity, impact investing, real estate, secondaries, and public equity. TPG aims to build dynamic products and options for its investors while also instituting discipline and operational excellence across the investment strategy and performance of its portfolio. For more information, visit www.tpg.com or @TPG on Twitter.

About Greater Sum Ventures

Greater Sum Ventures (GSV) is an entrepreneurial family office that invests its own capital in middle market software and tech-enabled services companies. With entrepreneurial roots and proven operational and investing experience, GSV works with select independent co-investing partners to build platforms of technology companies that revolutionize the industries they serve. Headquartered in Knoxville, Tennessee, GSV provides access to capital and operational support to midmarket technology firms all over the world. To learn more, visit GreaterSumVentures.com.

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