



Equiteq's perspective on the Atlassian market & partner ecosystem

Market Research

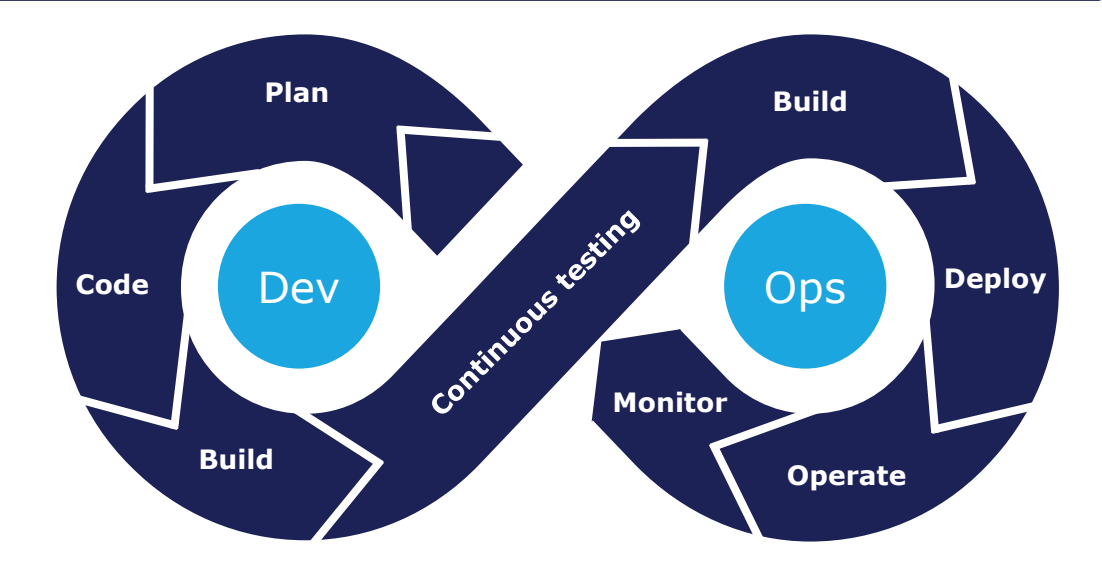
Strictly Private & Confidential

May 2022



DevOps has become a key priority for C-level executives, creating revenue growth opportunities for both Atlassian and its ecosystem

DevOps has optimised the software development lifecycle...



...yielding various benefits to clients

	Scalable infrastructure and efficient development
	Accelerated Time-to-Market
	Enhanced collaboration between teams
	Optimisation of business processes

Massive cloud migration opportunity – ~30,000 server customers to migrate to the cloud

Large customers need solutions partners as Atlassian does not provide any services itself

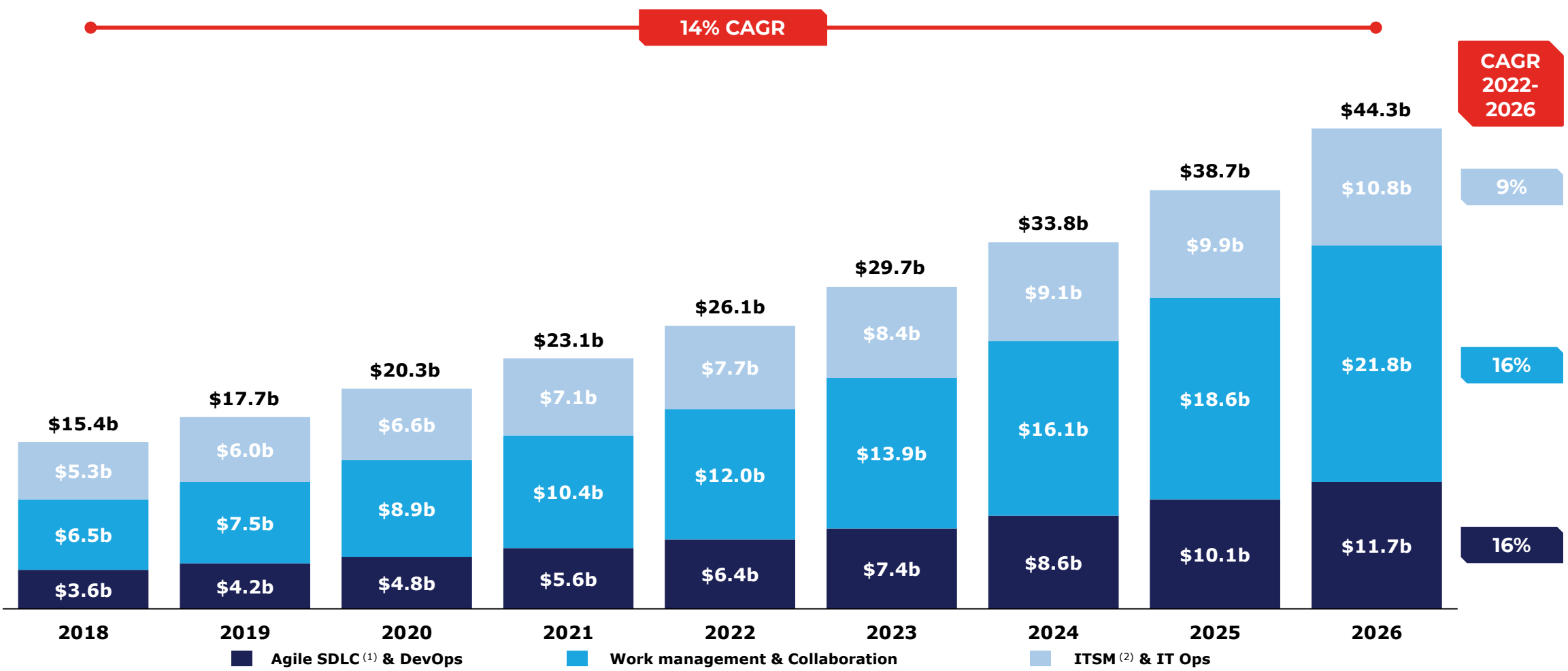
~70% of large cloud deals are done by partners

~80% of large on-premise deals are done by partners

~37% of Atlassian's revenue is transacted by partners (vs. ~10%, 10 years ago)

Source: Equiteq research

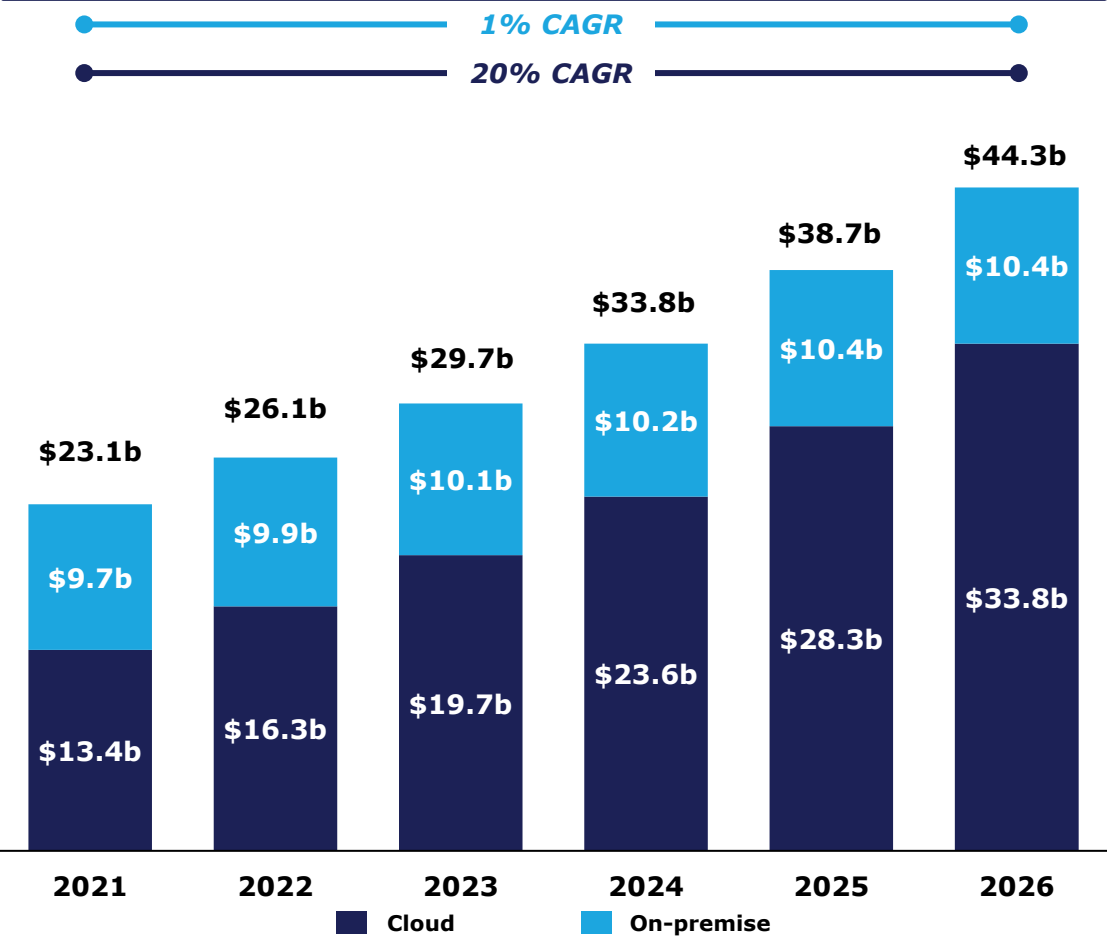
Atlassian's key market (i.e. Agile SDLC & DevOps) is expected to grow at 16% CAGR over the 2022-2026 period



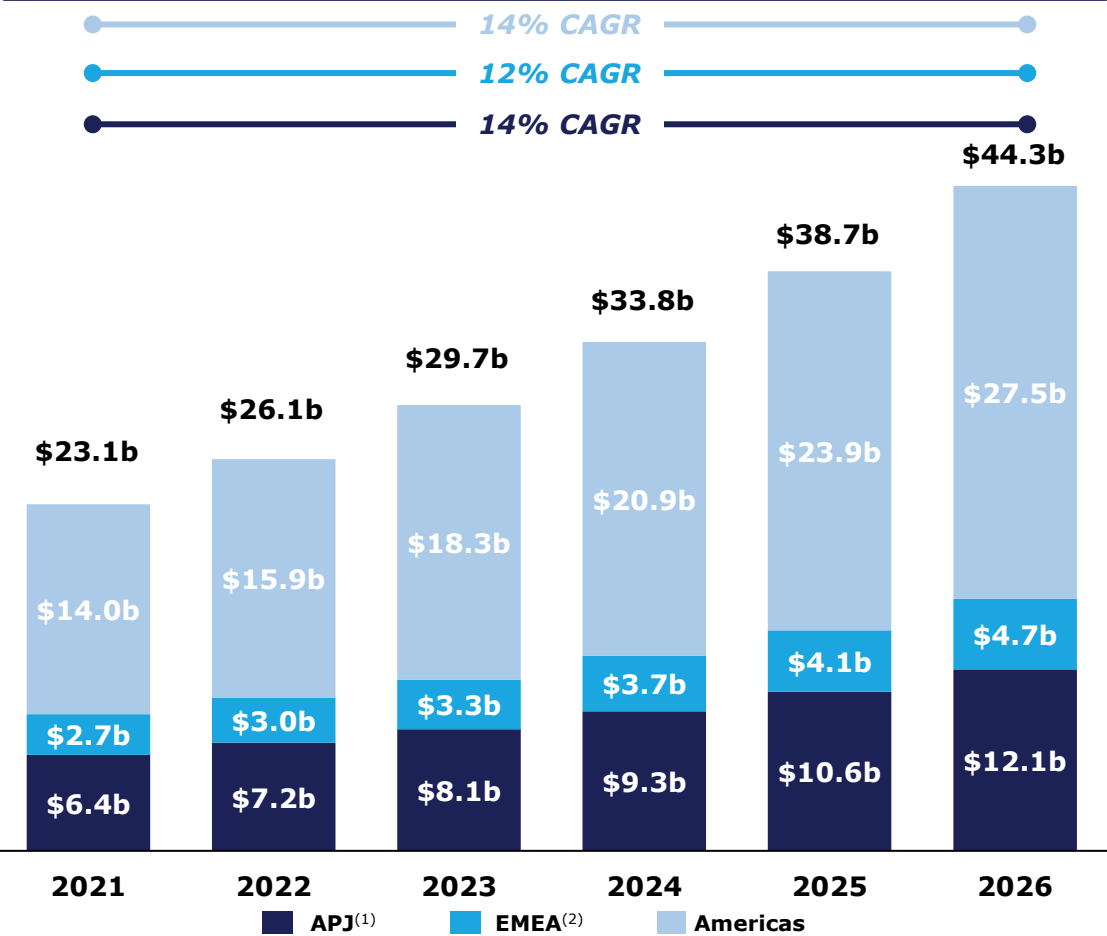
Sources: IDC, Equiteq research; Notes: ⁽¹⁾Systems development life cycle; ⁽²⁾Information technology service management

The Atlassian market is largely driven by clients shifting to cloud-centric tools and a deep addressable market in the Americas

Atlassian’s total addressable market by delivery model

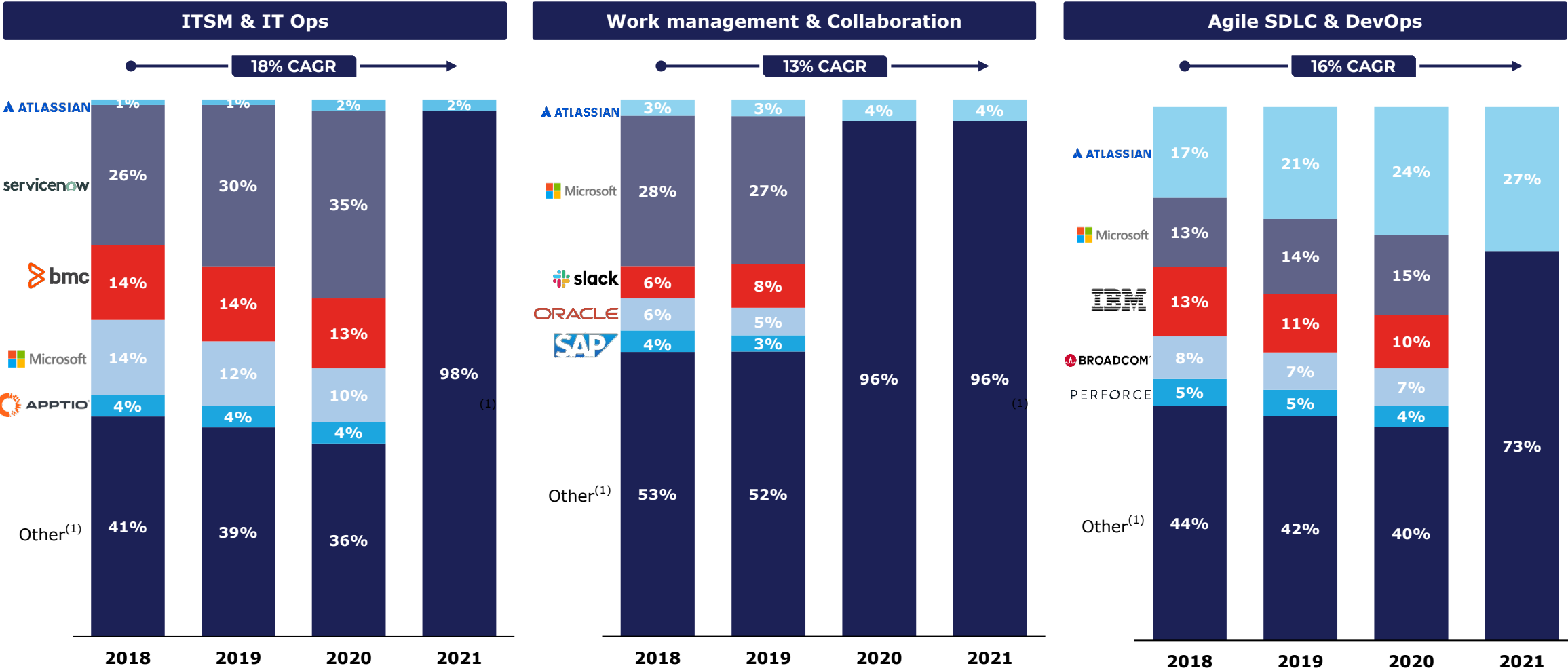


Atlassian’s total addressable market by geography



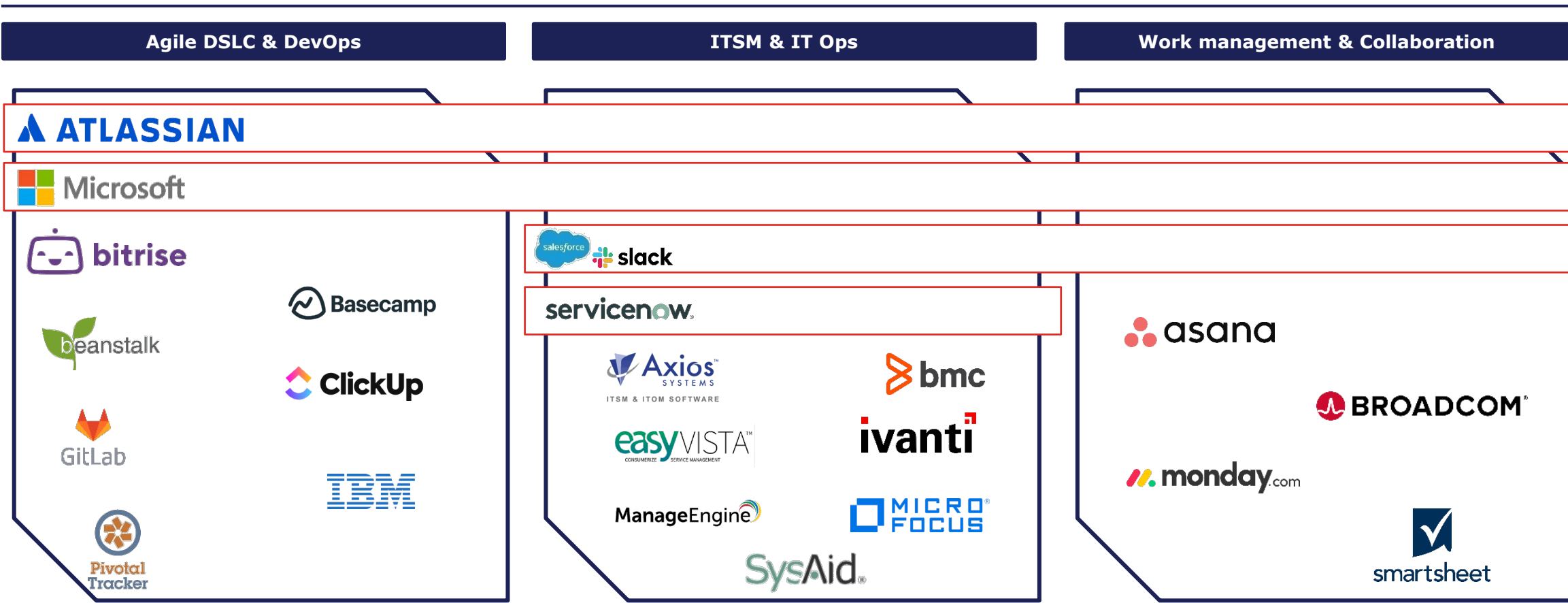
Source: Equiteq research Notes: ⁽¹⁾ Asia Pacific and Japan; ⁽²⁾ Europe, Middle East, and Africa

Atlassian has reached a market-leading position in the agile software development lifecycle & DevOps markets



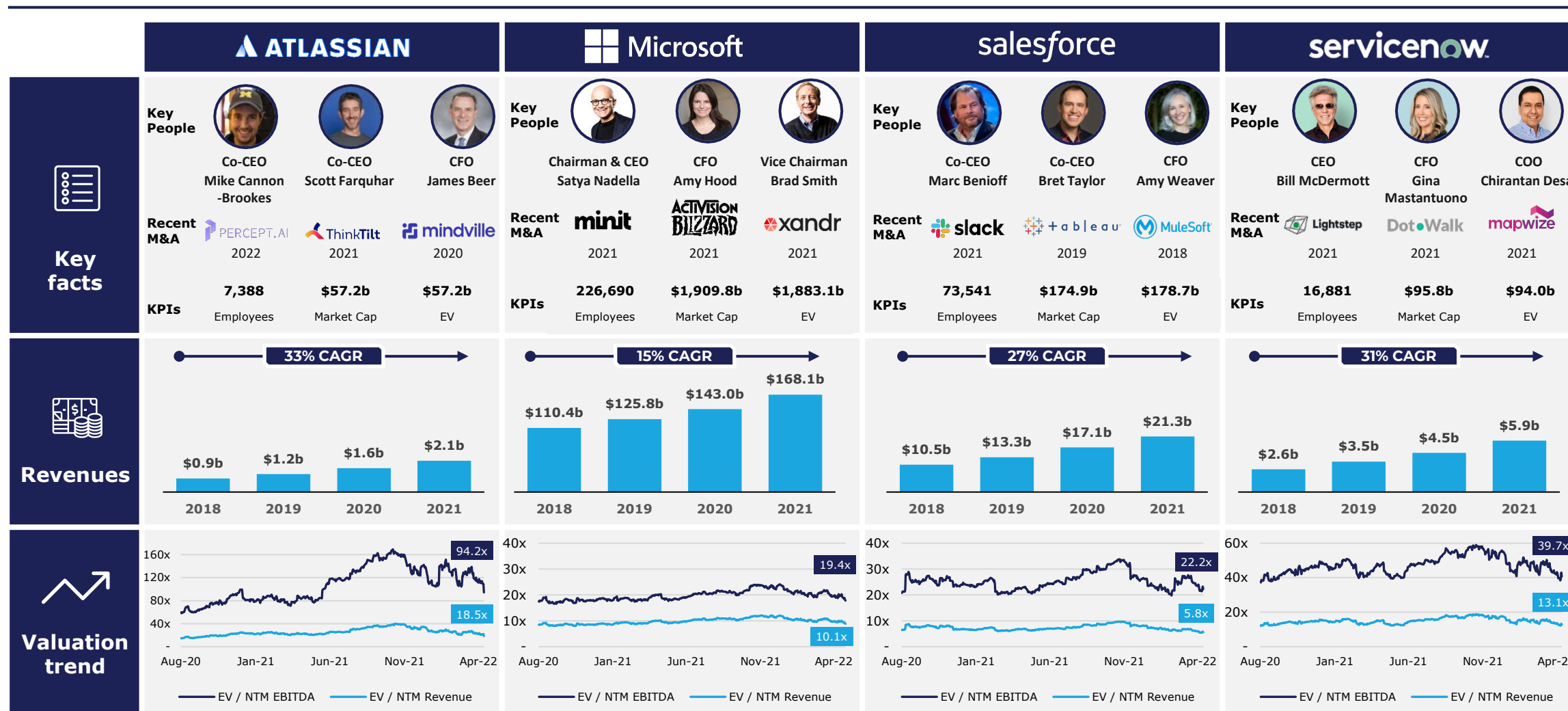
Source: Equiteq research; Note: ⁽¹⁾Market share breakdown for other players in 2021 not available

Although Atlassian faces competition from both integrated players and vertical players...



While Microsoft has coverage but lacks integration and Salesforce has entered collaboration with Slack, Altassian is the only fully integrated provider

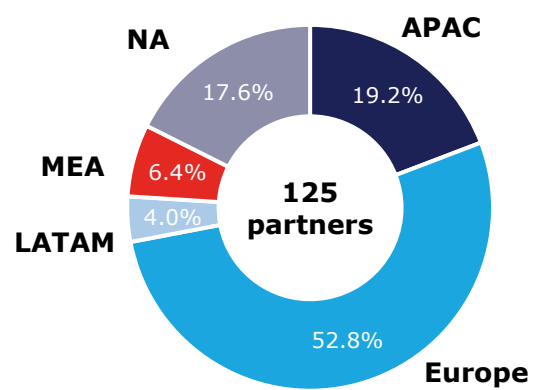
... Atlassian is the most rewarded with premium valuations



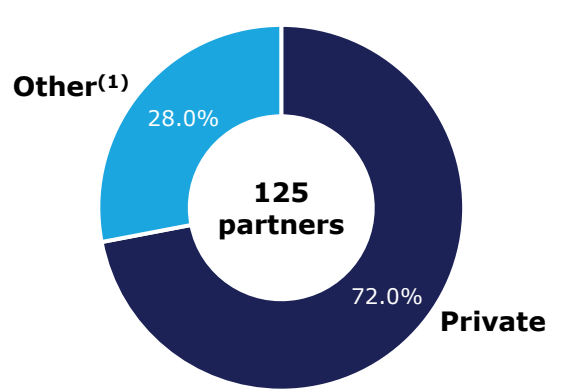
Sources: Equiteq research; S&P Capital IQ

The Atlassian Platinum partner ecosystem is highly fragmented with few global 'pure-play' leaders in the space

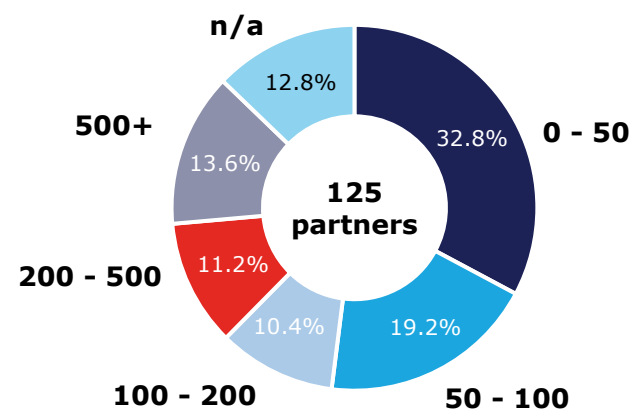
Breakdown by headquarters



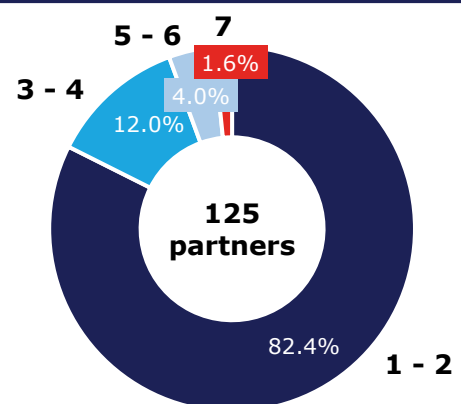
Breakdown by ownership type



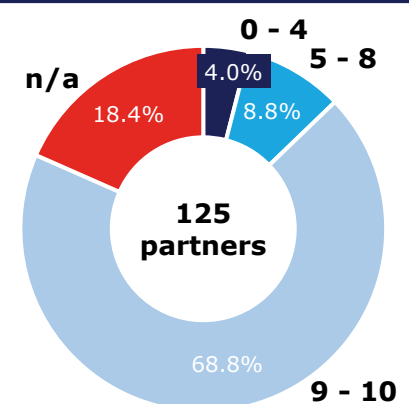
Breakdown by headcount



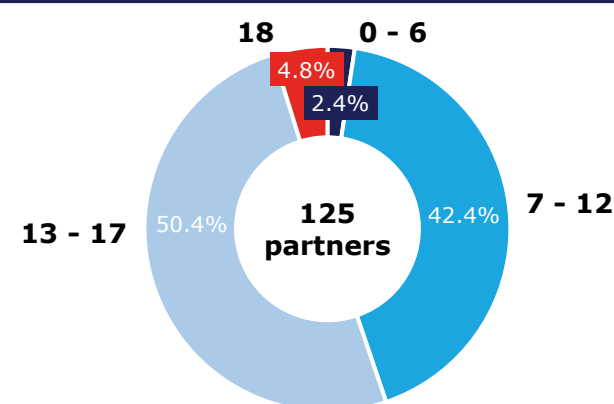
Breakdown by # countries



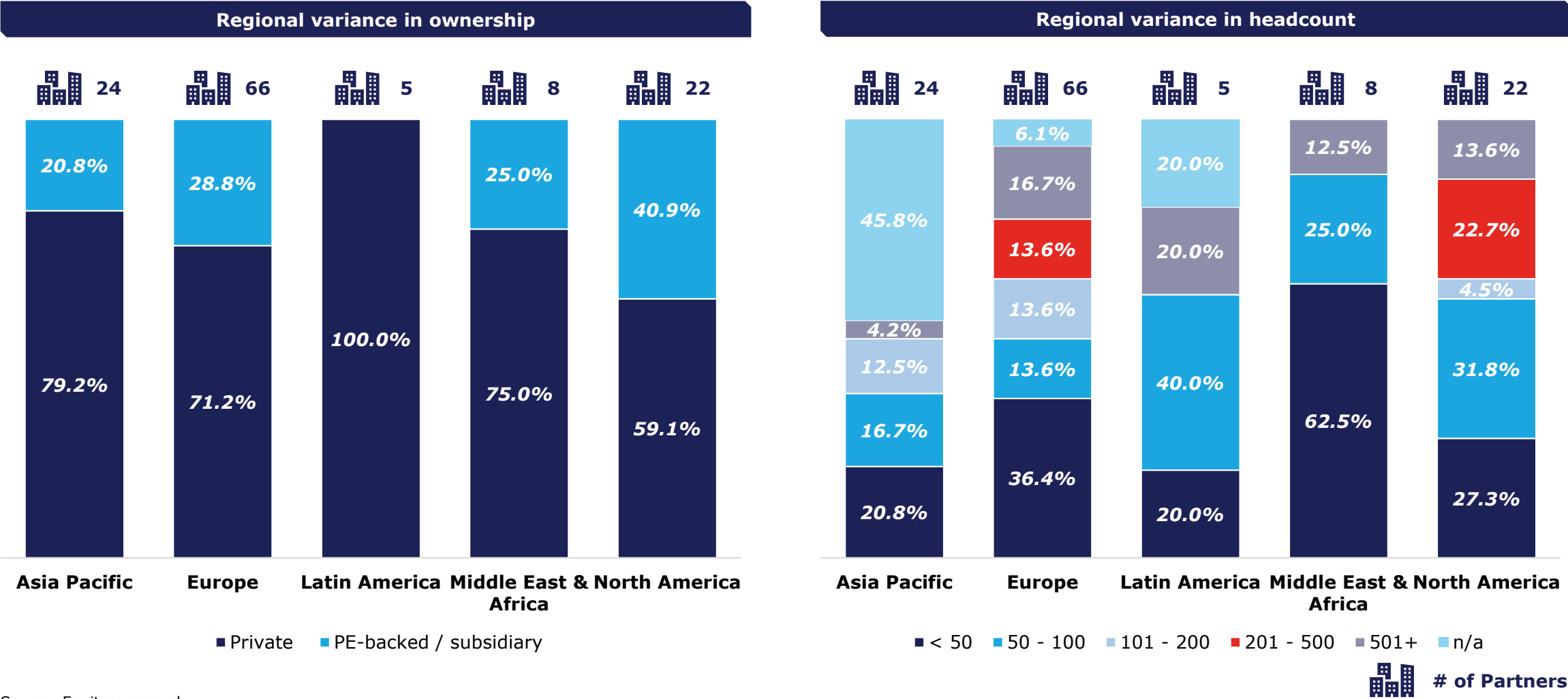
Breakdown by # of sectors served



Breakdown by # of Atlassian products covered

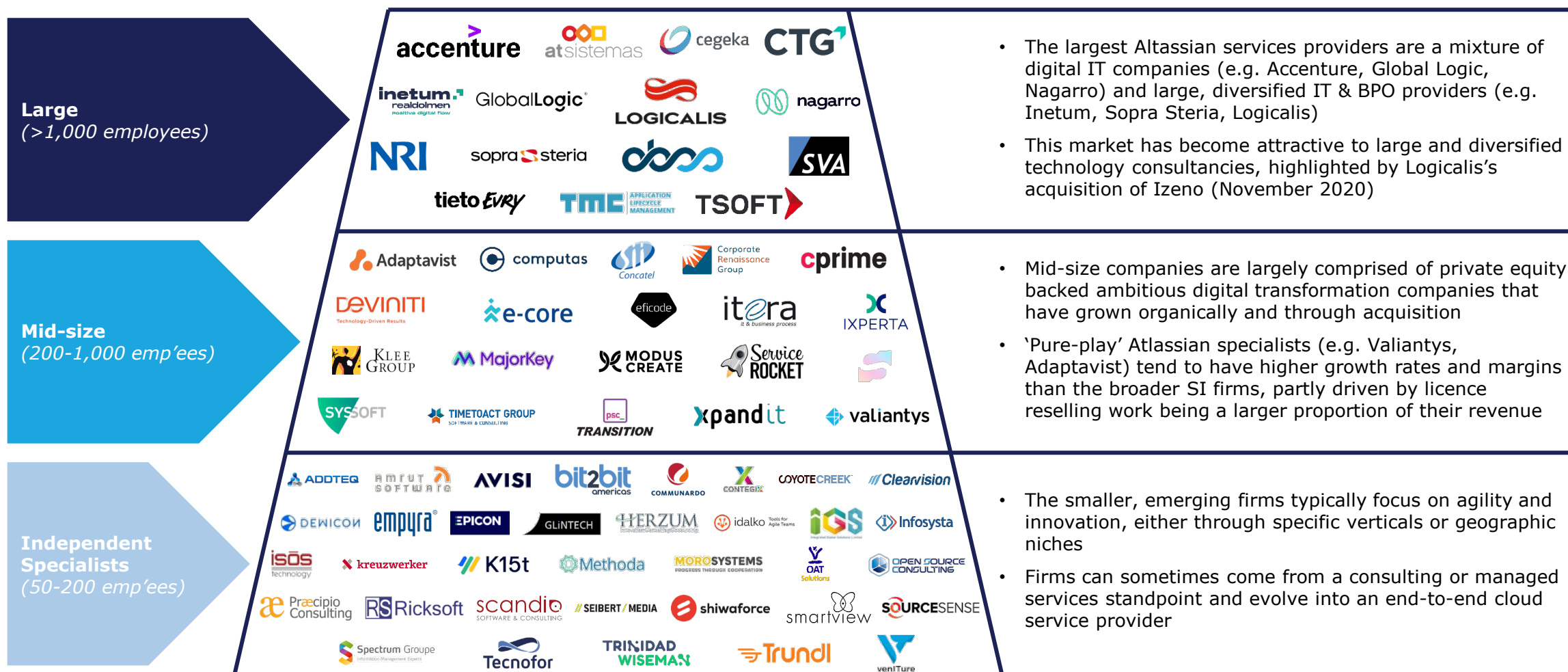


The Atlassian platinum partners are mainly management-owned businesses with a high proportion of Europe-based assets...



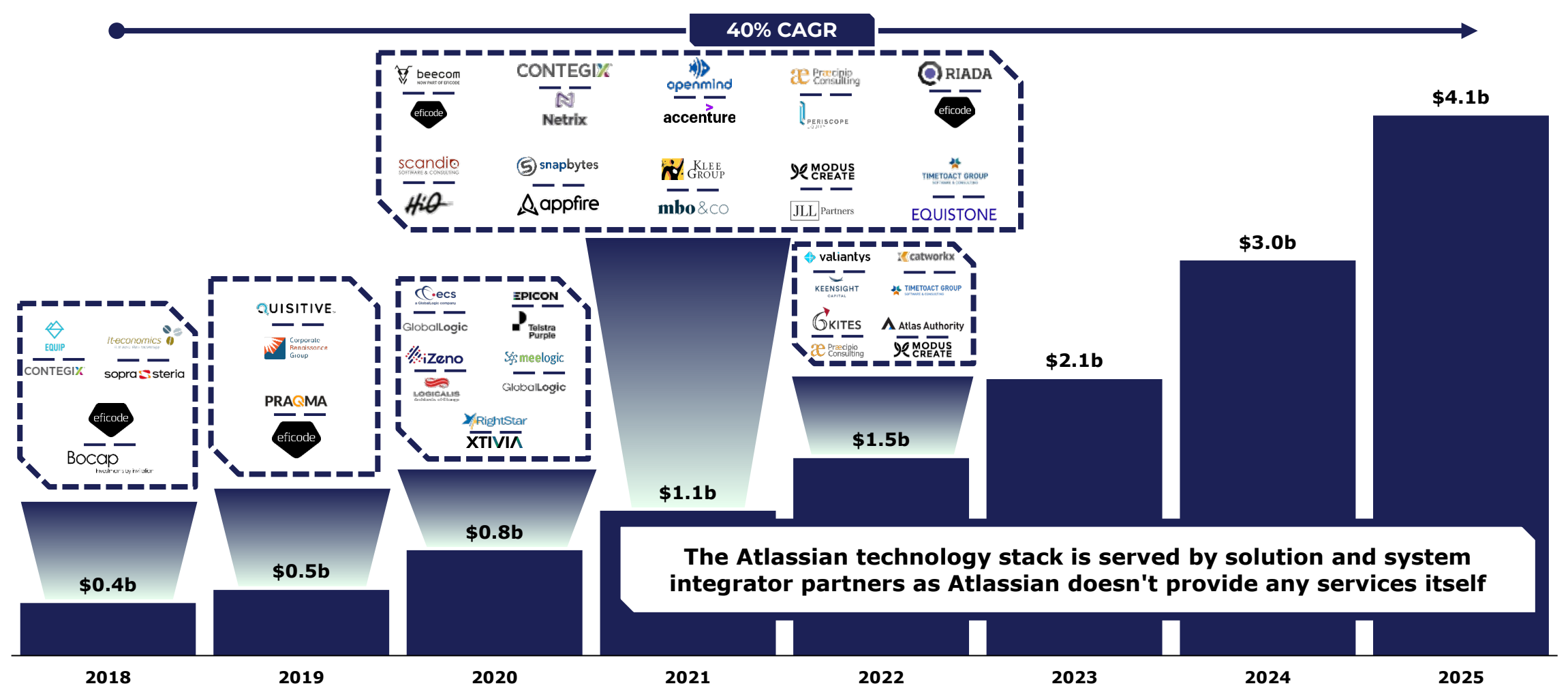
Source: Equiteq research

...set to be consolidated...



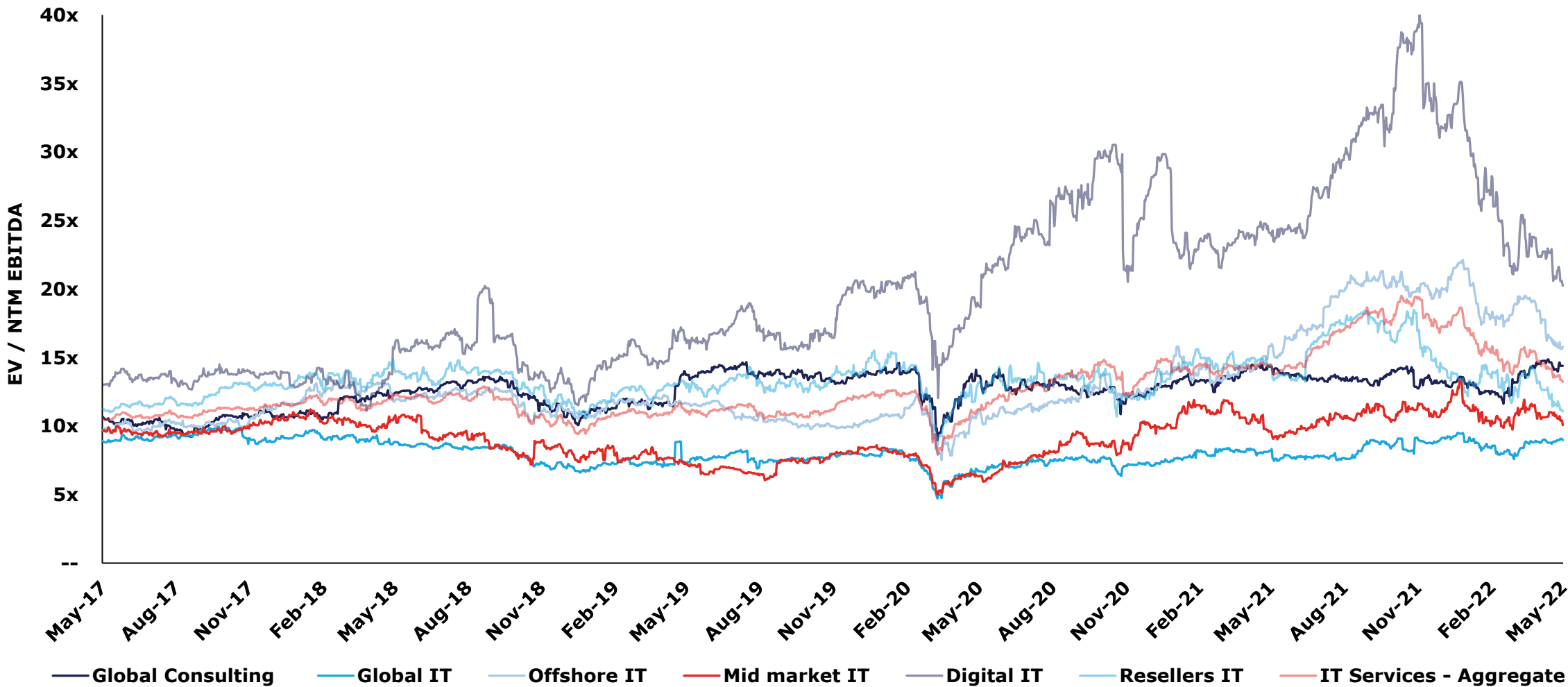
Source: Equiteq research

...and already driving M&A activity with further potential given the underlying growth



Source: Equiteq research

Digital IT firms have remained above pre-COVID levels since the pandemic, now attracting multiples of ~20x NTM EBITDA

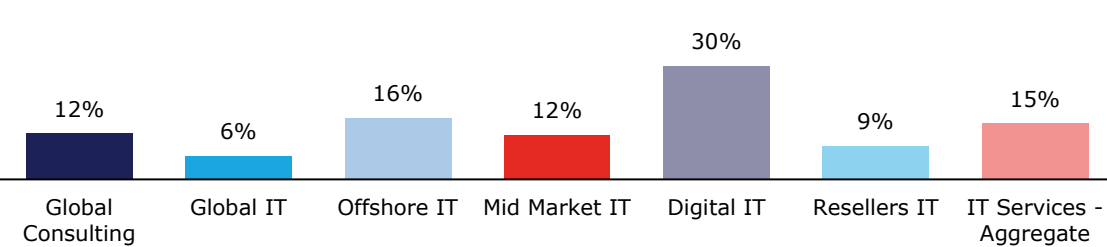


Source: Equiteq research

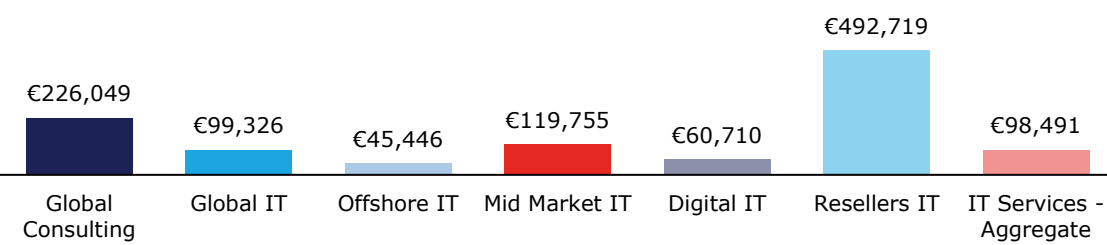
Digital IT firms outperform other categories in growth expectations & EBITDA margins, yielding their elevated valuations

Median Revenue & EV benchmarks

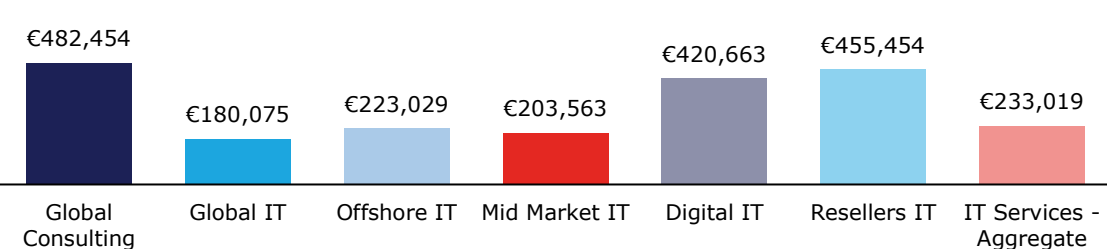
CAGR CY21-CY23 revenue growth



CY21 revenue per head



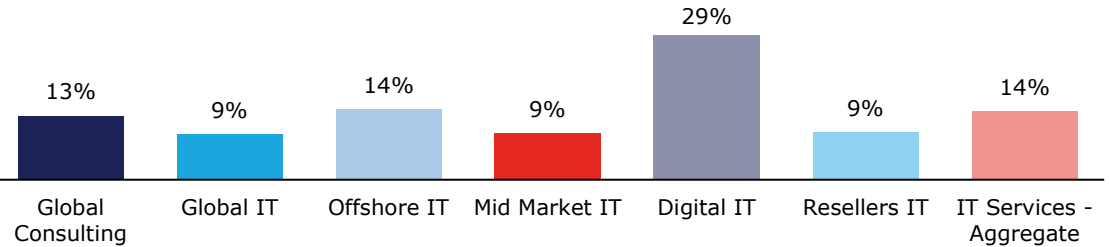
Enterprise Value per head



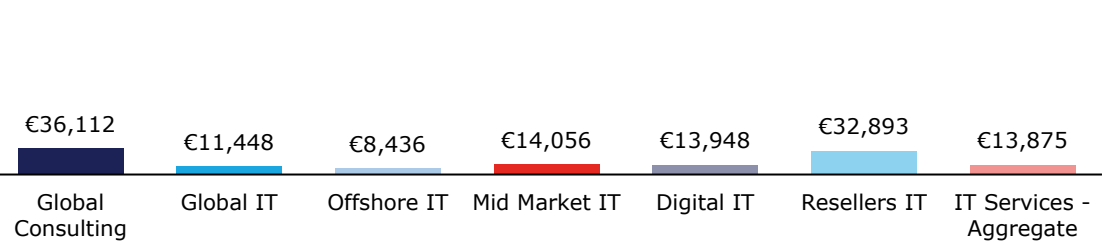
Sources: Equiteq research, S&P Capital IQ

Median EBITDA benchmarks

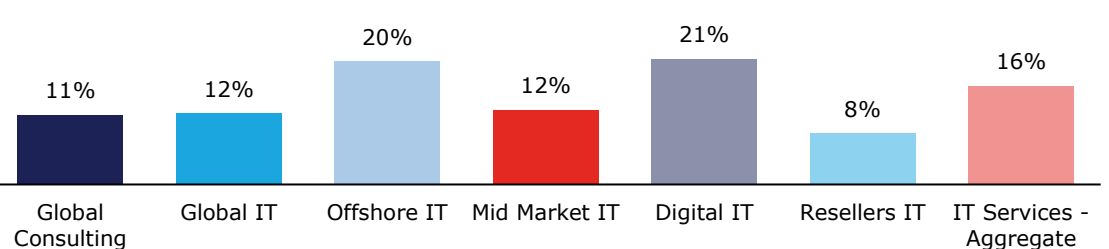
CAGR CY21-CY23 EBITDA growth



CY21 EBITDA per head



CY21 EBITDA margin



Appendix: about us

We are a global integrated team of passionate and specialised M&A transaction advisors.

Our goal is to shed the right light on and deliver outstanding transaction outcomes for owner-managers and private equity that are heavily invested across various segments of the technology services, consulting & outsourcing industry.



Introduction to Equiteq

- 1

Focus on knowledge-specific sectors
 - Through unique research and constant conversation with market participants, Equiteq maintains differentiated insights across the entire knowledge economy
- 2

Strong expertise in positioning knowledge economy businesses
 - Equiteq’s experience with consulting firms ensures that we understand your business and the keys to unlocking maximum value
- 3

Established relationships with the most relevant buyers
 - Equiteq’s Market Intelligence team maintains continuous correspondence with the most active players in the market
- 4

Deep understanding of client’s strategic needs
 - Equiteq recognizes the importance of addressing all of your personal destination goals including the timing, synergy fit, and price
- 5

























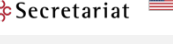














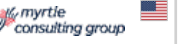











Preparing companies for a successful exit is in our DNA
 - Equiteq boasts over a decade of proven success in running world-class, highly competitive processes and driving exceptional outcomes for clients
- 6

Global presence informs our unique approach to M&A
 - With six offices spread throughout North America, Europe, APAC, and Australia, Equiteq has a true global footprint



We are the most active M&A advisor for the Knowledge Economy worldwide

Selected Completed Transactions

 Anaplan Gold Partner Received investment from  Advised on the investment May 2022	 Design & Innovation Consultancy Sold to  Advised on the sale April 2022	 Infrastructure Consultancy Receives majority investment  Advised on the investment April 2022	 CX Tech Consultancy Sold to  Advised on the sale March 2022	 PE-backed Cybersecurity Specialist Acquired  Advised on the acquisition February 2022	 Financial Services Consultancy Sold to  Advised on the sale February 2022	 AI & Analytics Specialist Sold to  Advised on the sale January 2022	 Data Consultancy Sold to  Advised on the sale January 2022	 Microsoft Gold Partner Growth Financing by  Advised on the financing January 2022	 SAP Consulting Sold to  Advised on the sale January 2022
 Salesforce Consulting Sold to  Advised on the sale January 2022	 Digital Consulting Acquired  Advised on the acquisition December 2021	 Private Equity Invested into  Advised on the investment December 2021	 AI & Automation Consultancy Sold to  Advised on the sale December 2021	 Procurement & Supply Chain Consulting Sold to  Advised on the sale December 2021	 Engineering Consultancy Acquired  Advised on the acquisition November 2021	 Digital consulting Sold to  Advised on the sale October 2021	 Construction Consulting Acquired  Advised on the acquisition October 2021	 Development Solutions Sold to  Advised on the sale August 2021	 Retail Consulting Sold to  Advised on the sale July 2021
 Economics Consulting Sold to  Advised on the sale July 2021	 SAP EPM Specialist Sold to  Advised on the sale June 2021	 Operations Transformation Sold to  Advised on the sale May 2021	 Engineering Consulting Acquired  Advised on the acquisition May 2021	 Microsoft Gold Partner Sold to  Advised on the sale May 2021	 Cloud Transformation Acquired  Advised on the acquisition May 2021	 Healthcare Consulting Equity Financing by  Advised on the financing April 2021	 Change Consulting Sold to  Advised on the sale January 2021	 Change Consulting Merged with  Advised on the merger January 2021	 Banking Technology Sold to  Advised on the sale December 2020
 Geoengineering Solutions Sold to  Advised on the sale December 2020	 ServiceNow Partner Sold to  Advised on the sale December 2020	 IT Solutions Sold to  Advised on the sale November 2020	 Change Consulting Sold to  Advised on the sale October 2020	 Salesforce Consulting Sold to  Advised on the acquisition September 2020	 Life Sciences Consulting Received Investment from  Advised on the investment September 2020	 Salesforce Consulting Sold to  Advised on the sale July 2020	 Management consulting Acquired  Advised on the acquisition July 2020	 Joint Venture Consultancy Sold to  Advised on the sale July 2020	 Engineering Consultancy Acquired  Advised on the acquisition March 2020

Contact

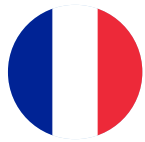
Atlassian M&A Specialists



Jerome Glynn-Smith
Managing Director
jerome.glynn-smith@equiteq.com



Adam Tindall
Managing Director
adam.tindall@equiteq.com



Emmanuel Kostucki
Director
emmanuel.kostucki@equiteq.com



Greg Fincke
Managing Director
greg.fincke@equiteq.com



Important Disclaimer

This document is being furnished to you by Equiteq Advisors Ltd for itself and its affiliates strictly on a confidential basis. The document is for informational purposes only and should not be regarded as an offer to sell, or offer for subscription, or as a solicitation of an offer to buy the securities or other investments mentioned in it. This information profile has been provided to its recipient upon the express understanding that the information contained herein, or made available in connection with any further investigation, is strictly confidential and is intended for the exclusive use of its recipient. It shall not be photocopied, reproduced and/or distributed to others at any time without prior written consent.

This document is neither a prospectus nor an invitation to subscribe to securities or other investments. Nothing in this document is intended to constitute legal, tax, securities or investment advice, or opinion regarding the appropriateness of any investment, or a solicitation for any product or service. The information herein is subject to change without notice. Equiteq Advisors Ltd does not represent that any information, including any third party information, is accurate or complete and it should not be relied upon without proper investigation on the part of the investor/s.

Neither Equiteq Advisors Ltd nor its affiliates nor any of its officers or employees accept any liability whatsoever for any direct or consequential loss arising from any use of this publication or its contents. The recipient of the material should rely on their own investigations and take their own professional advice. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

Investments in securities/equity related instruments are subject to market risk. These risks could be security specific or market specific and arising from company, industry, political, economic (both domestic and global), etc, factors. Investor/s should carefully read all disclosure documents before investing and shall not make Equiteq Advisors Ltd and/or its associates/employees liable for any risks/losses pertaining to any product/scheme offered by them from time to time.

Past performance does not indicate the future performance of any current or strategies advised or managed by Equiteq Advisors Ltd.

Distribution of this document in some jurisdictions may be restricted or prohibited by law and regulation, and accordingly recipients of this document represent that they are able to receive it without contravention of any unfulfilled registration requirements or any other legal or regulatory restrictions. Recipients of this document in such jurisdiction should fully inform themselves about and observe all applicable legal or regulatory requirements and Equiteq Advisors Ltd and its affiliates, directors, shareholders, managers, officers, employees, agents and advisors, do not accept any liability to any person in relation thereto.

For the purposes of distribution within the United Kingdom, this communication is exempt from the financial promotion restriction in Section 21 of the Financial Services and Markets Act, 2000 relating to the communication of an invitation or inducement to engage in investment activity on the grounds that it is made to those persons falling within the following Articles of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended: Article 19 (Investment Professionals) and Article 49 (High Net Worth Companies). Any investment to which this communication relates is only available to investment professionals and high net worth companies.

If you have received this document and you are not the person for whom it is intended, you should not rely on this communication or act on it.

Equiteq

