Outsourced Custom Software Development Market Report

May 2023

Equiteq

Growing equity, realizing value

Highlights from the Custom Software Development market

Unique market dynamics…

- The global CSD market is forecast to grow at an 8.5% CAGR to $120bn in 2026
- The global software developer talent pool cannot keep up with the demand, creating acute talent shortages
- Macroeconomic and geopolitical disruption has added a further bottleneck to the supply of talent
- These dynamics are creating the ideal circumstances for the proliferation of low-code solutions that democratize CSD throughout organizations, posing a risk to traditional CSD firms
- CSD firms are increasingly acquiring higher value-add IT services to address these demands

… and a diverse ecosystem of CSD assets…

- Equiteq identified c. 24,000 CSD firms across the globe, with notable hubs being North America (c. 28%), APAC (c. 28) and Central & Eastern Europe (c. 15%)
- The landscape is highly fragmented, with c. 55% of identified CSD firms operating with under 50 employees
- CSD firms operate a mixture of on-, off-, and nearshore delivery models – with diversified delivery increasingly popular amongst firms

… have attracted specific buyers to the space…

- Strategic buyers and PE investors have been equally active, with PE investors driving the majority of transactions in 2022 through both direct investments and bolt-ons
- Buyers are primarily based in North America and Western Europe
- Nearshore CSD, Diversified Regional IT and Diversified Global IT firms have been the most active strategic acquirer category, accounting for c. 18%, c. 16% and c. 13% respectively
- Bolt-ons for PE-backed CSD platforms have have been prioritised for (i) niche capabilities, (ii) onshore scale and (iii) geographical expansion

… driving strong volumes of M&A…

- Deal volume saw a c. 23% CAGR between 2019 and 2022
- 2022 saw 129 deals, a slight decrease from 143 deals in 2021 driven by softening M&A demand from strategic buyers and fewer PE platform investments
- Equiteq identified 39 PE add-ons in 2022, up from 36 in 2021, indicating that market consolidation continued despite worsening market conditions
- North America and Western Europe saw the highest levels deal volume, with CEE in third despite the Ukraine War creating investor hesitance

… at evolving valuation levels

- Since 2019, public valuations have been on a tumultuous path with COVID-19, interest rate hikes, the Ukraine War, and prolonged inflation causing valuations to converge in the 12-15x NTM EBITDA range
- This is markedly down from the highs of 2021 which saw assets trading as high as 30x NTM EBITDA on a median basis
- Recent turmoil has caused investors to turn towards EBITDA-based valuations as profitability is preferred over growth
- Private markets have remained resilient, with the median valuation at the c. 15x LTM EBITDA level

Source: Equiteq research

Executive Summary

1. **Market overview and valuation trends**
   - CSD market sizing, industry trends, and market drivers
   - Macro valuation commentary and trading comparable analysis

2. **Global landscape overview**
   - Distribution of CSD service providers across the globe
   - Key player landscape

3. **M&A activity – 2019 to present**
   - Deal volume by transaction type and region
   - Analysis of CSD acquirers’ strategic rationales

4. **Regional CSD M&A overview of nearshore hubs**
   - Analysis of M&A amongst CSD firms in CEE, LatAm, and MEA
   - Deals by country, buyer region, and transaction type

5. **Regional CSD M&A overview of offshore hubs**
   - Analysis of M&A amongst CSD firms in APAC
   - Deals by country, buyer region, and transaction type

6. **Select PE-backed platforms: M&A since inception**
   - Distribution of select PE-backed platforms in the CSD space
   - Investment cycle, transaction rationale, and investor analysis

7. **About Equiteq**
   - Introduction to Equiteq and select completed transactions
   - Equiteq’s expert CSD M&A team

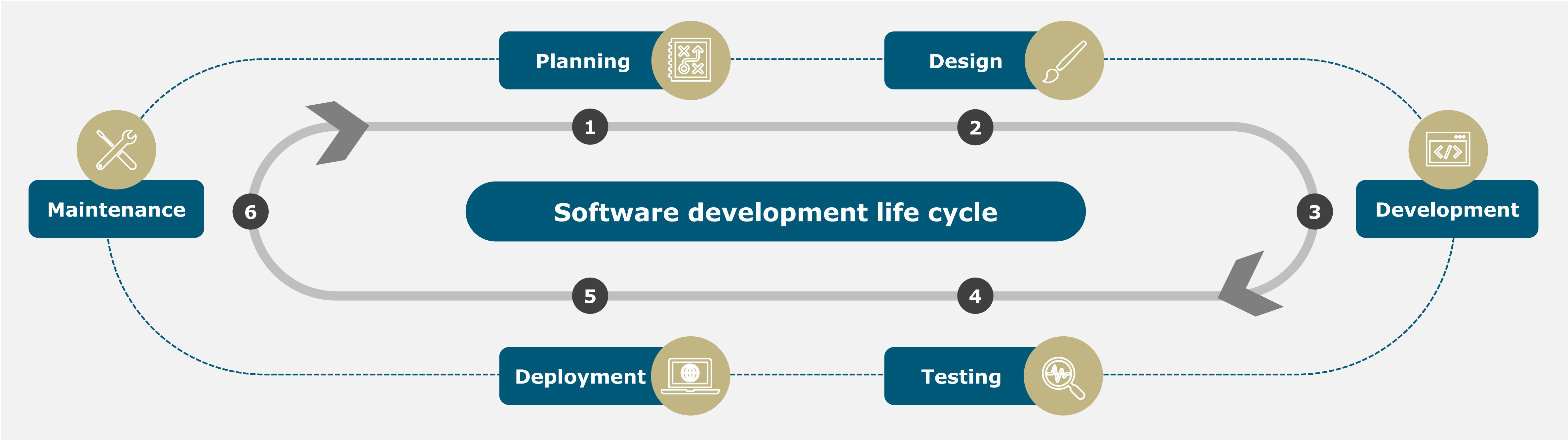
Equiteq

Defining custom software development (CSD)

Custom software development is the process of designing, creating, deploying and maintaining software for a specific set of users, functions or organizations

Custom software is bespoke and not designed to be used outside of the client in question. It is also distinct from DevOps, the practice of improving a client's software development process rather than the actual development itself

Custom software development encompasses a range of capabilities across the project life-cycle; service providers must have a sophisticated, integrated offering to meet client demand across this full life-cycle



Despite macro headwinds and the rise of competing technologies, the global CSD market is forecast to expand at 8.5% CAGR to 2026

Companies are increasingly requiring bespoke solutions as off-the-shelf products do not satisfy their specific, complex needs

- Global IT spend is forecast to reach $6.2tn by 2026
- Software will be the fastest-growing subsegment at a 11.9% CAGR, with spend on infrastructure software required for bespoke solutions leading at a 12.8% CAGR

The regional dislocation of IT spend & talent supply, combined with cost arbitrage opportunities, is drawing buyers to near & offshore

- R&D spend largely stems from developed nations while near & offshore markets offer deep talent pools at a significant cost discount
- This dislocation is attracting buyers to the regions

The global software talent market is rapidly tightening, driving price inflation and impacting business leaders' priorities

- Global software spend is forecast to grow at a CAGR of 11.6%[(1)] vs only 4.2% for software talent to 2026, propelling talent sourcing to the top of CIOs' priorities
- Companies are rethinking their IT & talent strategies, and actioning price increase

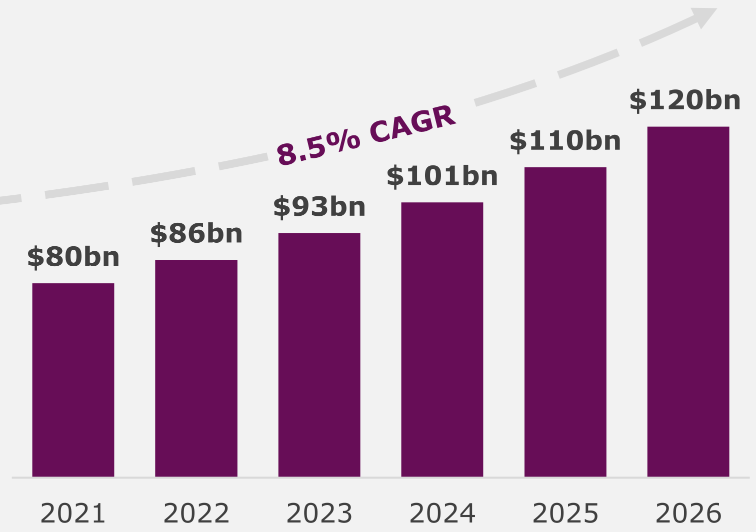
The proliferation of low code / no code platforms creates a tangible alternative to selecting bespoke solution providers

- The tightening labor market, combined with the adoption of emerging technologies and ways of work, have created fertile ground for low code / no code platforms
- At a forecast spend of ~$60bn by 2026, this technology creates a tangible alternative to custom solution

The macroenvironment is driving the demand for higher-value strategic services, which established developers are pursuing

- Remote working, rising nationalism, changing socio-political landscapes, increasing complexity of businesses and evolution of delivery models is turning business leaders' attention to seeking higher value strategic services

Global Custom Software Development market



"CIOs are using more IT services to assist in the lack of skilled IT staff. Tasks that require lower skill sets tend to be outsourced to managed service firms to alleviate staff time, while critical strategy work, which requires high-end skills unobtainable by many enterprises, will increasingly be fulfilled by external consultants."

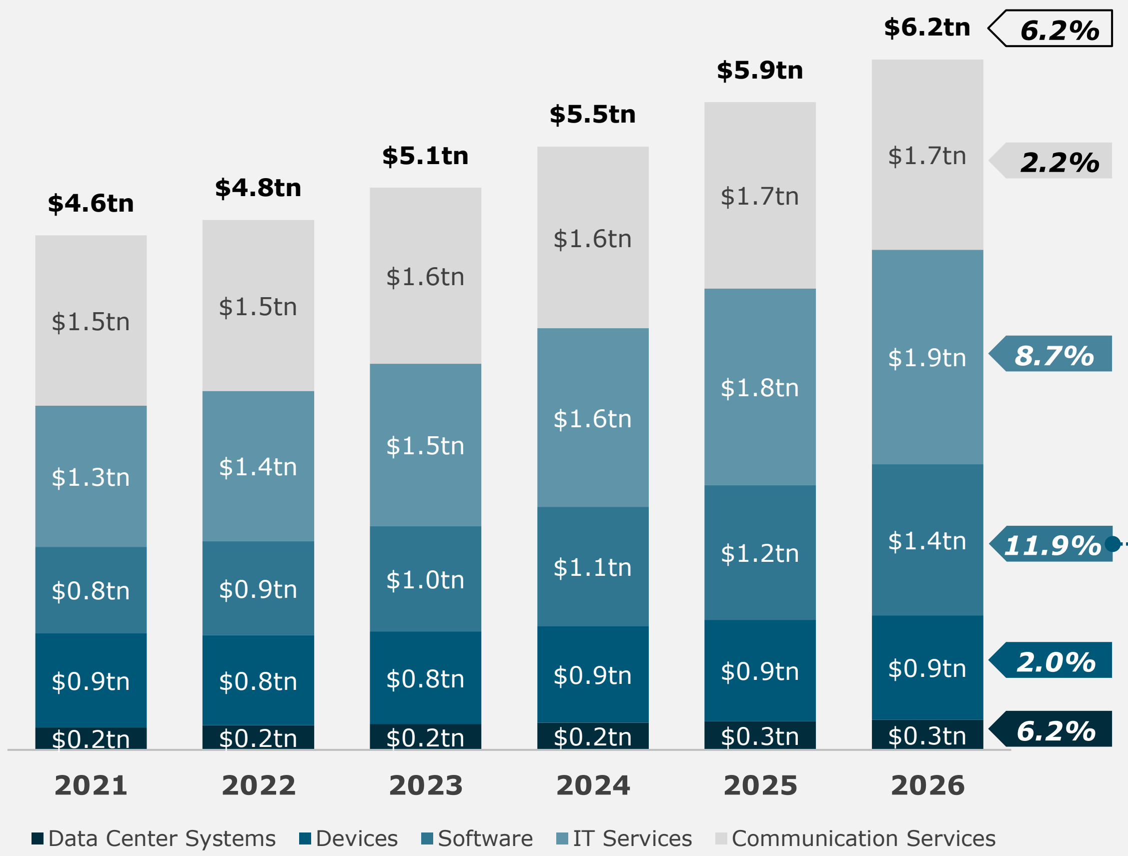
- John-David Lovelock, Research VP at Gartner

Sources: Equiteq research, Gartner, Statista, Technavio, Spiceworks Ziff Davis; [(1)] includes spend on both software & custom software development

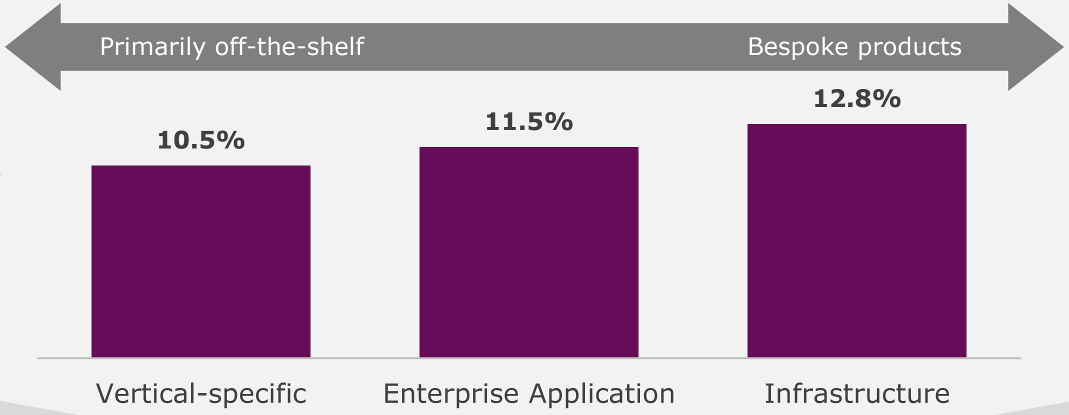
The global IT spend is forecast to reach $6.2tn by 2026, with budgets being increasingly allocated to software required for bespoke solutions

Software will be the fastest growing IT subsegment over the coming years

Global Forecast IT Spend by Category



2020-2025 CAGR of Spend on Core Software Subcategories



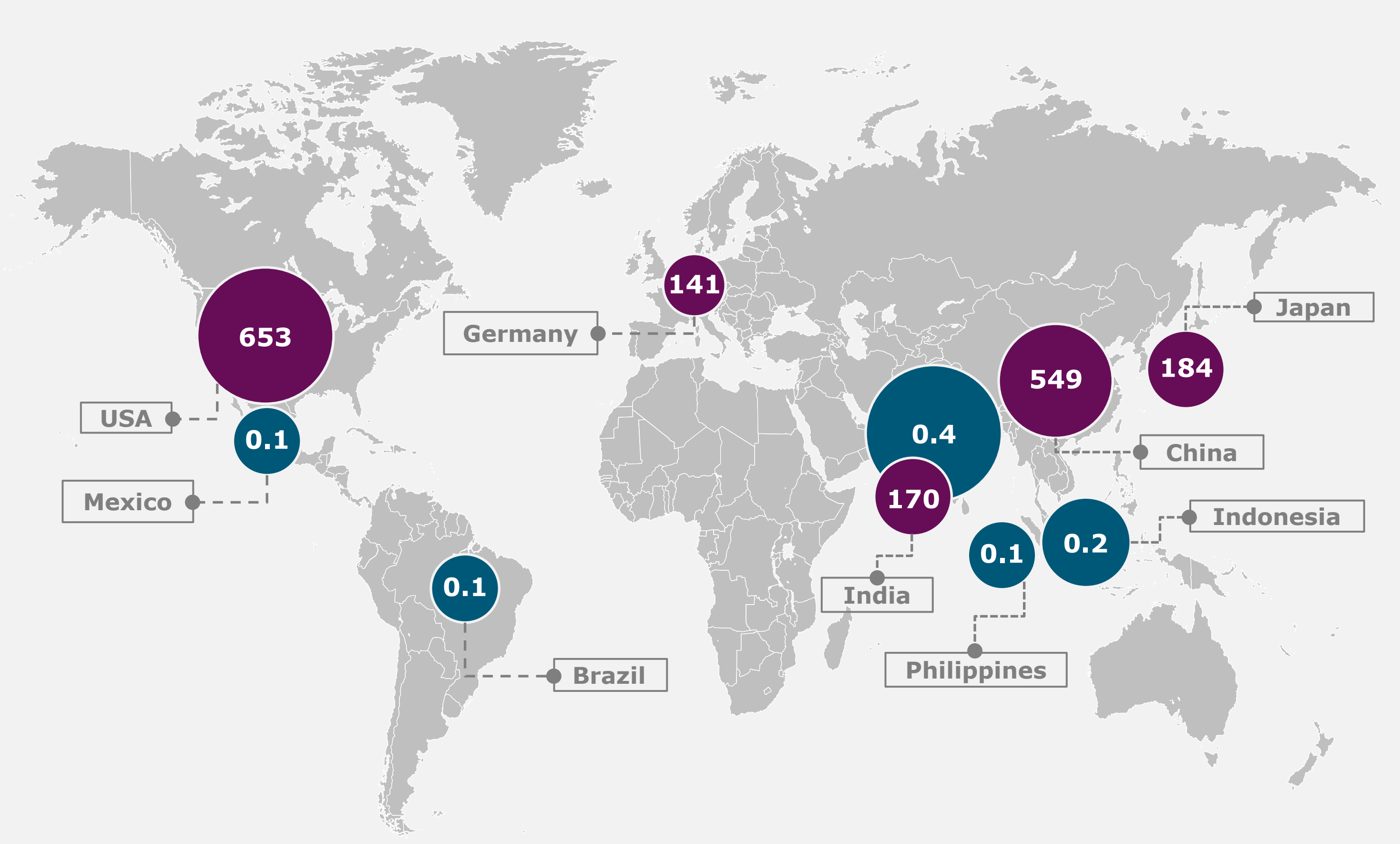
Business leaders are realizing the strategic advantage their IT systems provide in an increasingly interconnected, digital & data-driven world…

… which typical off-the-shelf products cannot capitalize on, driving demand for bespoke solutions & their underpinning infrastructure tools

Sources: Equiteq research, Gartner

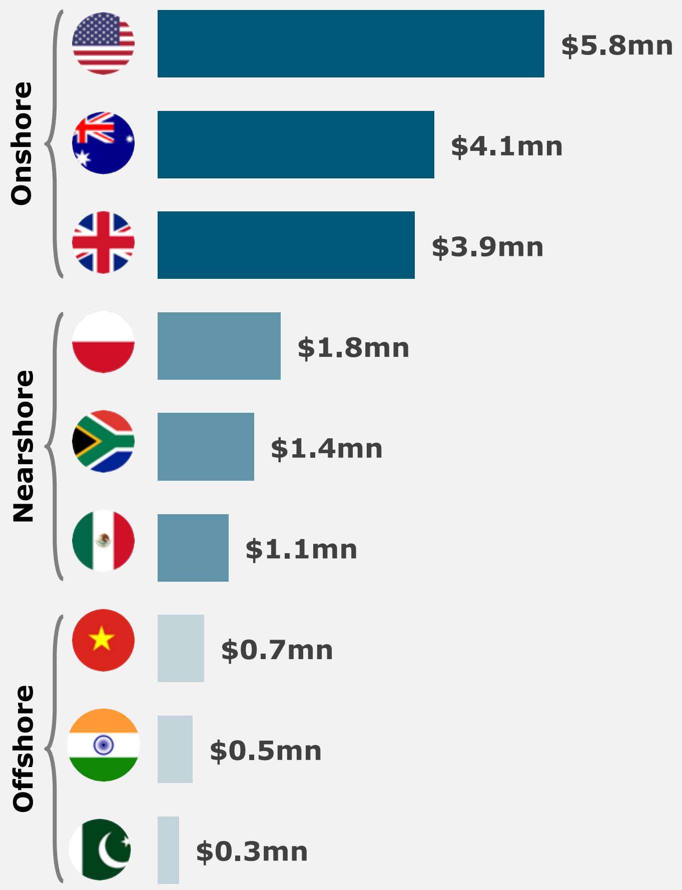
While demand is primarily coming from developed nations, cost arbitrage & deep talent pools draw buyers to near & offshore markets

Top 5 countries for R&D spend and # of ICT graduates



Top 5 spending on R&D ($bn), latest
Top 5 annual # of ICT graduates[1] (mn), latest

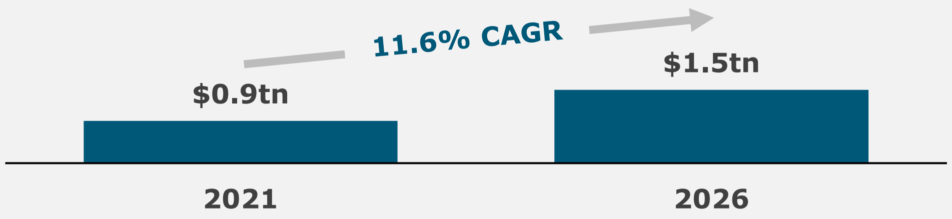
Illustrative annual running costs[2]



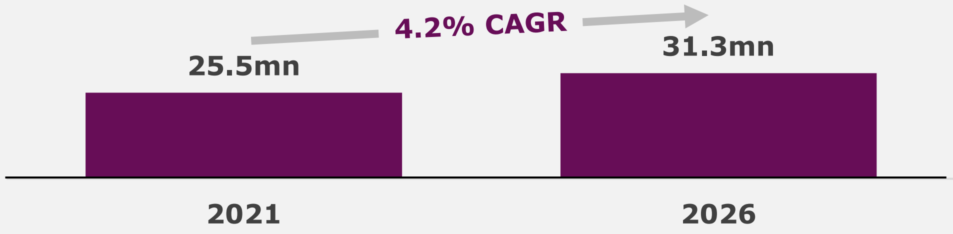
Sources: Equiteq research, World Bank, UNESCO, Trading Economics; [1] based on UNESCO database which did not have data for certain countries including China and Japan; [2] assumed running costs for a 50 person CSD shop with 9.3 SqM of office space per person and average salary and social security contributions

Software demand is quickly outstripping the supply of talent, driving inflation and impacting business leaders' strategic priorities…

While the global spend on software[1] is forecast to almost double between 2021 and 2026….



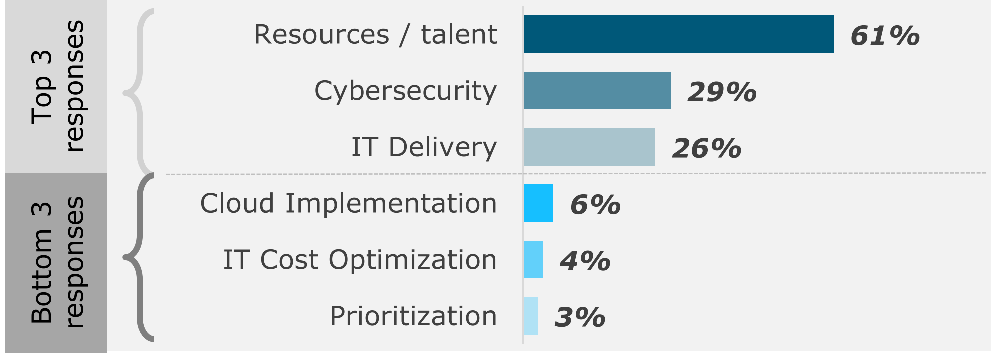
… the number of software developers worldwide is forecast to increase by less than a quarter over the same period



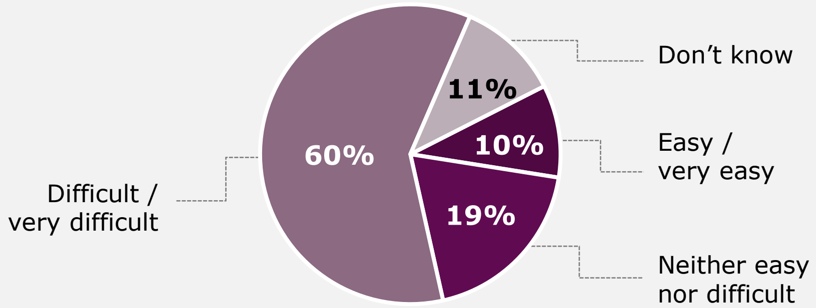
Significant tightening of the software talent market…

… which is already impacting CIOs' priorities and, surprisingly, reducing sensitivity to IT cost inflation

Gartner survey responses for ***"Thinking about the next 18 months, what are your top three most demanding work problems?"***



SWZD survey responses for ***"Which of the following best describes how you feel about the current state of the IT labor market?"***



Impact

- IT staff have a 10% lower intent to stay compared to non-IT staff
- Businesses are adopting a human-centric vs office-centric work model, granting flexibility on hours and location
- Employers are rethinking compensation strategy & flexibility
- Firms are quick to pass on increased costs to customers through price increases

Sources: Equiteq research, Gartner, Statista, Technavio, Spiceworks Ziff Davis; [1] includes spend on both software & custom software development

… creating, among other enablers, the ideal environment for low code / no code platforms, posing a threat to bespoke development providers

Dependence on IT specialists for the maintenance of high-code programs is becoming increasingly challenging…

- A very hot labor market for IT specialists is making it hard to attract and retain top talent
- Increasing costs of maintaining high-code programs
- High-code programs quickly become outdated, posing a significant disadvantage to businesses lacking the resources to continuously update their systems

… driving the proliferation of low-code / no-code vendors…

appian, Creatio, kintone, mendix, newgen, outsystems, PEGA, quickbase

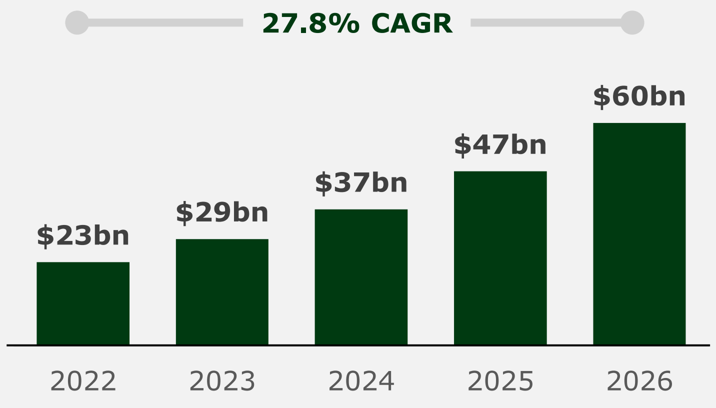
… and buy-in from established vendors in adjacent fields.

(May-20)	Microsoft	softomotive
(Jul-19)	salesforce	tableau
(Oct-17)	servicenow	SkyGiraffe

Companies and business leaders are reaping the benefits of enabling citizen developers through low code / no code

- Reduced IT backlog & strain on IT teams
- Cost savings through lower maintenance costs and reduced need for in-house IT
- Reduced development time enabling faster response to market conditions
- Bottlenecks & miscommunication are avoided by business users handling their own criteria

Global spend is forecast to reach ~$60bn by 2026 after growing at a CAGR of 27.8%, making it one of the fastest growing subsegments of enterprise software



 Sources: Equiteq research, Gartner

The numerous macroeconomic developments of recent years have increased the demand for higher value-add strategic services…

IT delivery models are susceptible to changing macro environments

The acceleration of **remote working** following the C-19 pandemic has reduced expectations for in-person presence, opening the door for typically onshore, higher value-add services to be delivered from near or offshore locations

Rising **nationalism / anti-globalization** across the globe is weighing on the decision-making process of firms choosing between onshore, nearshore and offshore

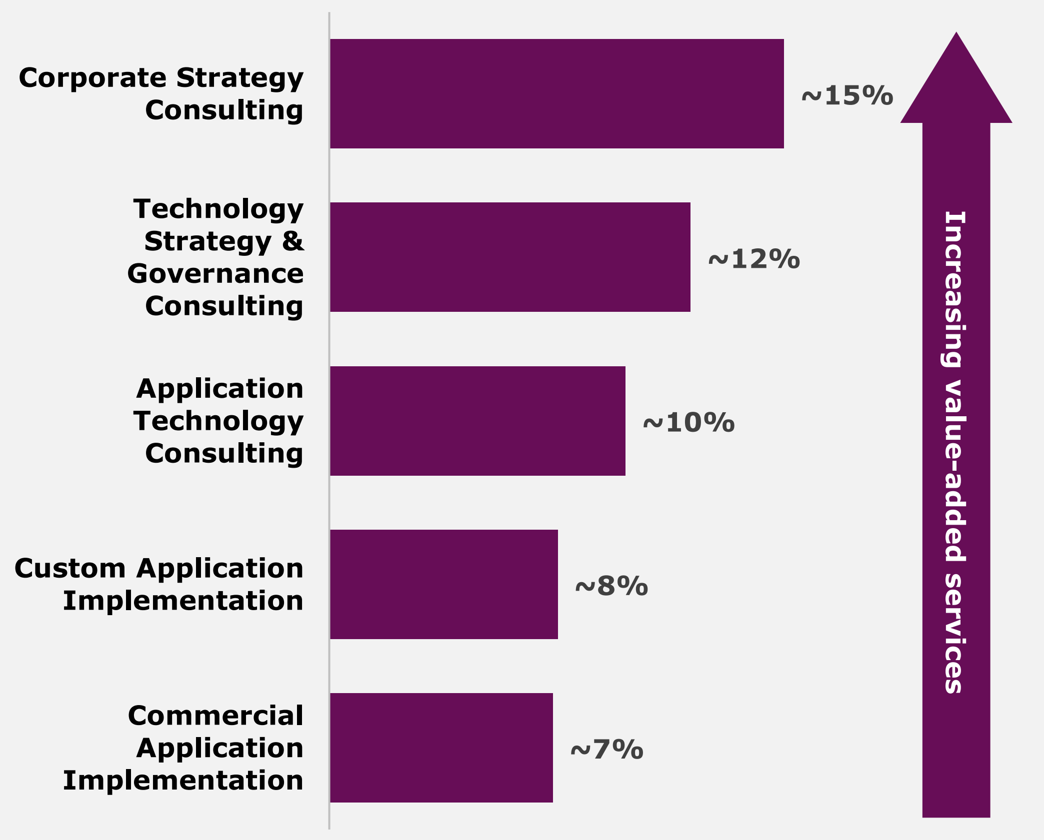
Changing **sociopolitical landscapes and international relations** (such as the invasion of Ukraine, rising China-US tensions) are adding further tangible risks to nearshore / offshore models

Increasing complexity of businesses and the realization of IT's strategic advantage are driving demand for higher value add consulting services, where proximity, language, and cultural affinity play significant roles in vendor selection

Delivery models & processes are becoming increasingly iterative and bespoke, benefiting vendors with closer proximity

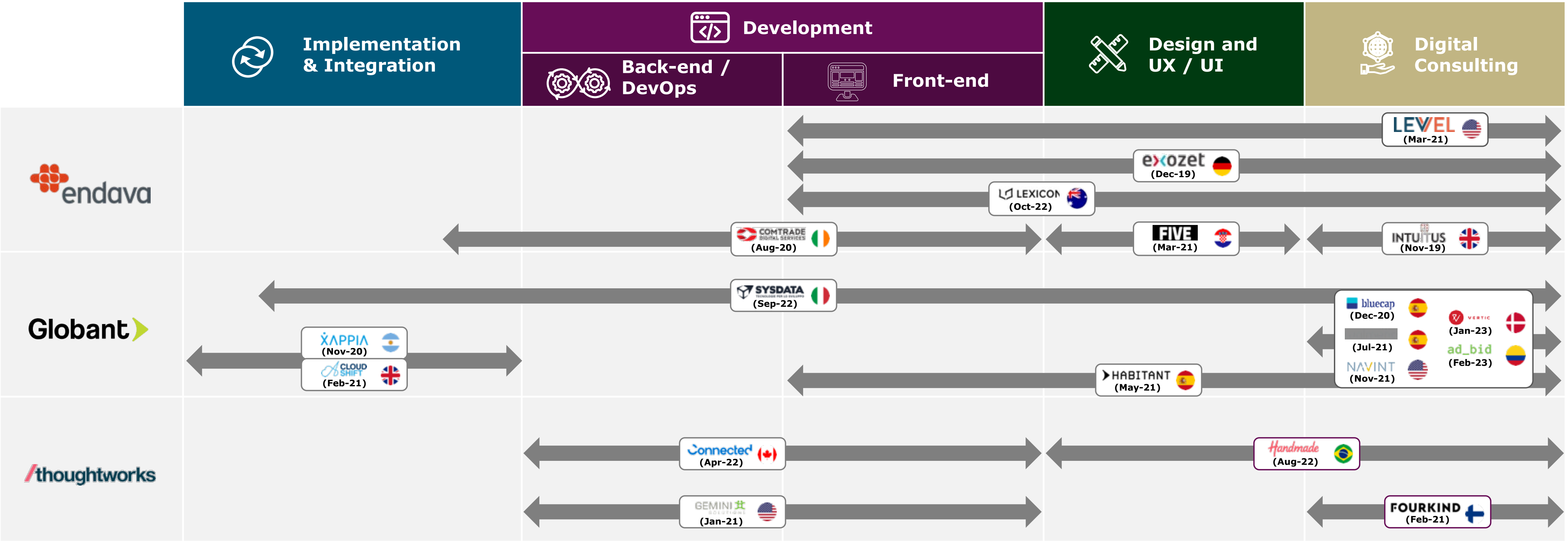
Business leaders are seeking strategic advice in the current market

2020-2025 CAGR of Consulting & Implementation Services spend



Sources: Equiteq research, Gartner

… which established CSD players are pursuing through targeted acquisitions



Consulting services are seen as value-additive and a cornerstone of creating an integrated digital service offering for enterprise clients…

epam

"Our strategic acquisitions have expanded our geographic reach and service capabilities to include digital strategy, design, and consulting… [we are] moving beyond traditional services into business consulting, design, and physical product development" – ***FY21 10K***

PERFICIENT

"In 2021, we continued to implement a strategy focused on…leveraging our existing (and pursuing new) strategic alliances by targeting leading business advisory companies" **– *FY21 10K***

These various sector dynamics and the fragmented nature of the market have attracted investors seeking platforms for consolidation

Company	Date
ARICOMA GROUP	
KKCG	PE Backed Sep 2019
seavus	Dec 2020
KOMIX	Mar 2021
STRATITEQ	Sep 2021
CLEARCODE	Jan 2022
MusalaSoft	Aug 2022
sabris friendly professional	Feb 2023

Company	Date
intive	
MidEuropa	PE Backed Feb 2019
AMMEON	May 2021
SimTLiX	Nov 2021
SPARK DIGITAL	Nov 2021

Company	Date
Catalysts + crisp RESEARCH = cloudflight	
Deutsche Beteiligungs AG	PE Backed Feb 2019
teamecho	Jul 2021
macio	Nov 2021
cognostics	Dec 2021
divante	Dec 2021
mogree	Sep 2022
Partners Group REALIZING POTENTIAL IN PRIVATE MARKETS	Secondary Buyout Nov 2022

Nearshoring | *Vertical Specific Dev.* | *Data & AI* | *Digital Consulting*

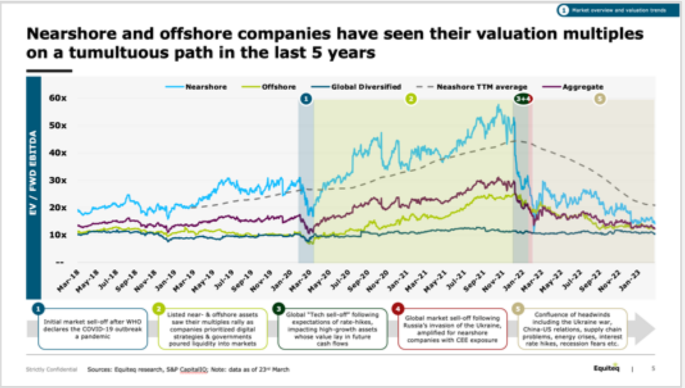
Sources: Equiteq research, S&P CapitalIQ

Severe macro disruption has altered traditional valuation indicators for publicly traded CSD firms

Public comparables have seen their valuations below pre-COVID levels

In the face of historic volatility, publicly traded CSD firms now trade at levels below their pre-COVID averages

Following the initial COVID shock, CSD equities enjoyed a strong rally which was curtailed by the onset of inflationary pressure and the Ukraine War



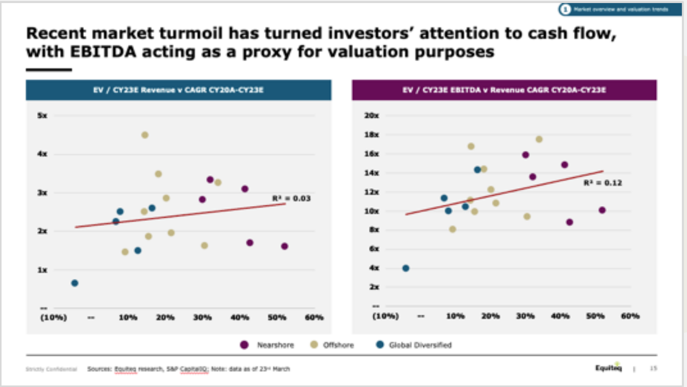
War in Ukraine has cut CEE nearshoring firms' growth prospects

The humanitarian crises caused by the Ukraine War have uprooted talent pools vital to the nearshore model

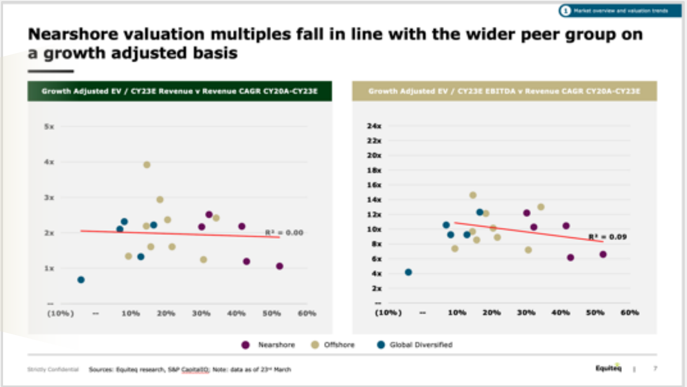
Global sanctions and the reticence of businesses to continue operations in Belarus and Russia have dramatically impacted the growth prospects of CSD firms with exposure to the CEE region

This has had a direct impact on valuation: e.g. EPAM (with ~58% of its delivery headcount in Ukraine, Belarus and Russia[1]) saw a 52% draw-down in its stock price in the week following the invasion[2]

Though growth remains highly-impactful on valuation, turmoil has driven investors to prioritise profitability

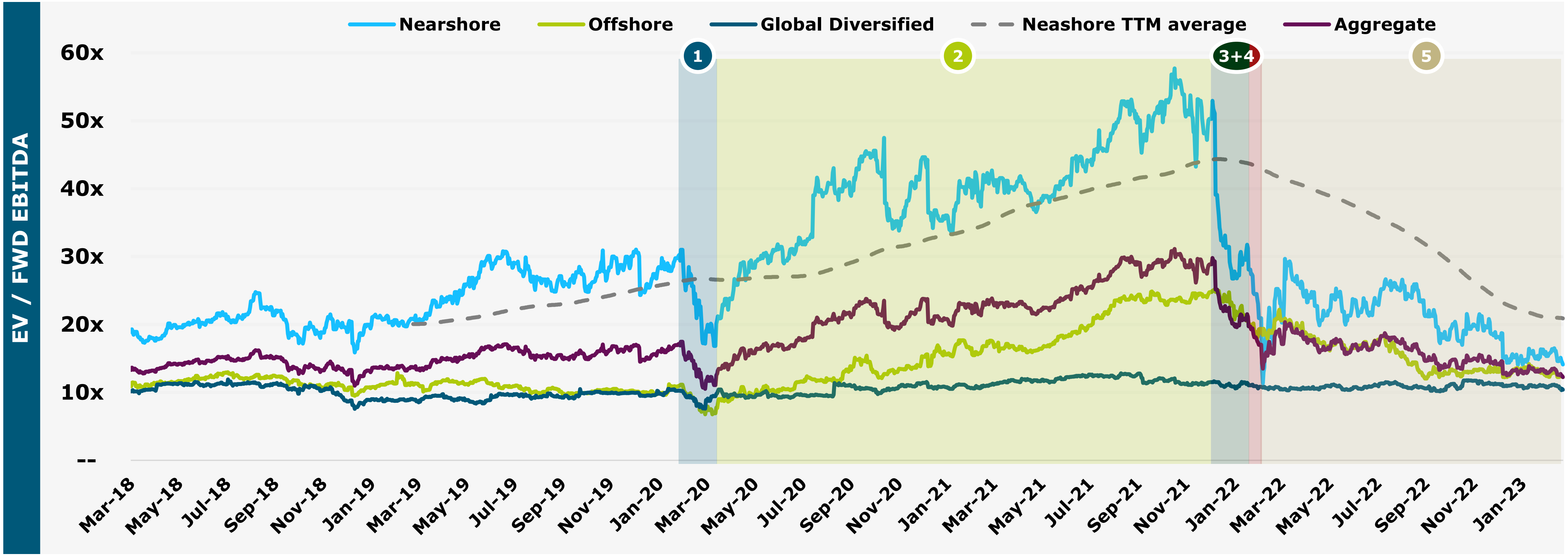


Revenue growth has historically been the valuation bellwether for IT services firms; recent growth challenges have disrupted this model, pushing investors to view profitability in the form of EBITDA as the key valuation driver



Sources: Equiteq research, S&P CapitalIQ, Pitchbook; [1] according to FY21 10-K; [2] S&P CapitalIQ data, close prices of $418 as at 23/02/2022 and $199 as at 04/03/2022

Nearshore and offshore companies have seen their valuation multiples on a tumultuous path in the last 5 years

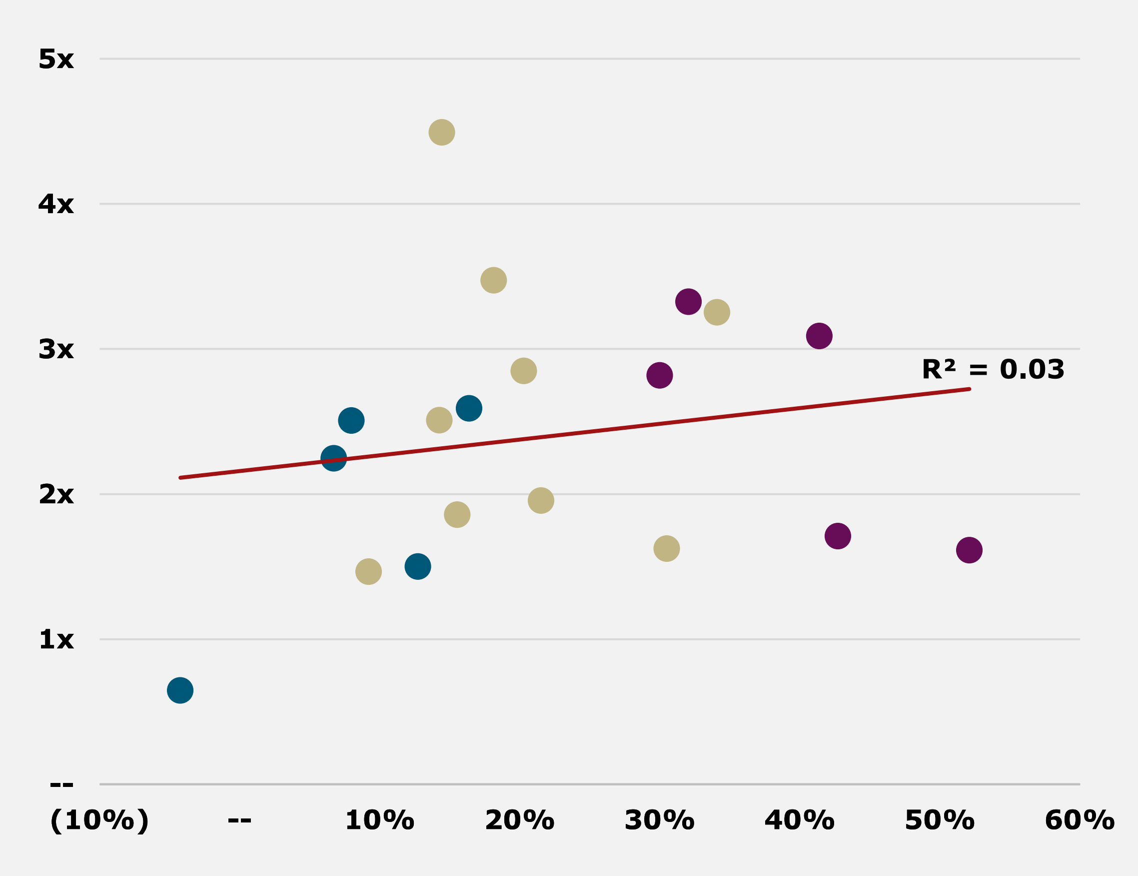


1. Initial market sell-off after WHO declares the COVID-19 outbreak a pandemic
2. Listed near- & offshore assets saw their multiples rally as companies prioritized digital strategies & governments poured liquidity into markets
3. Global "Tech sell-off" following expectations of rate-hikes, impacting high-growth assets whose value lay in future cash flows
4. Global market sell-off following Russia's invasion of the Ukraine, amplified for nearshore companies with CEE exposure
5. Confluence of headwinds including the Ukraine war, China-US relations, supply chain problems, energy crises, interest rate hikes, recession fears etc.

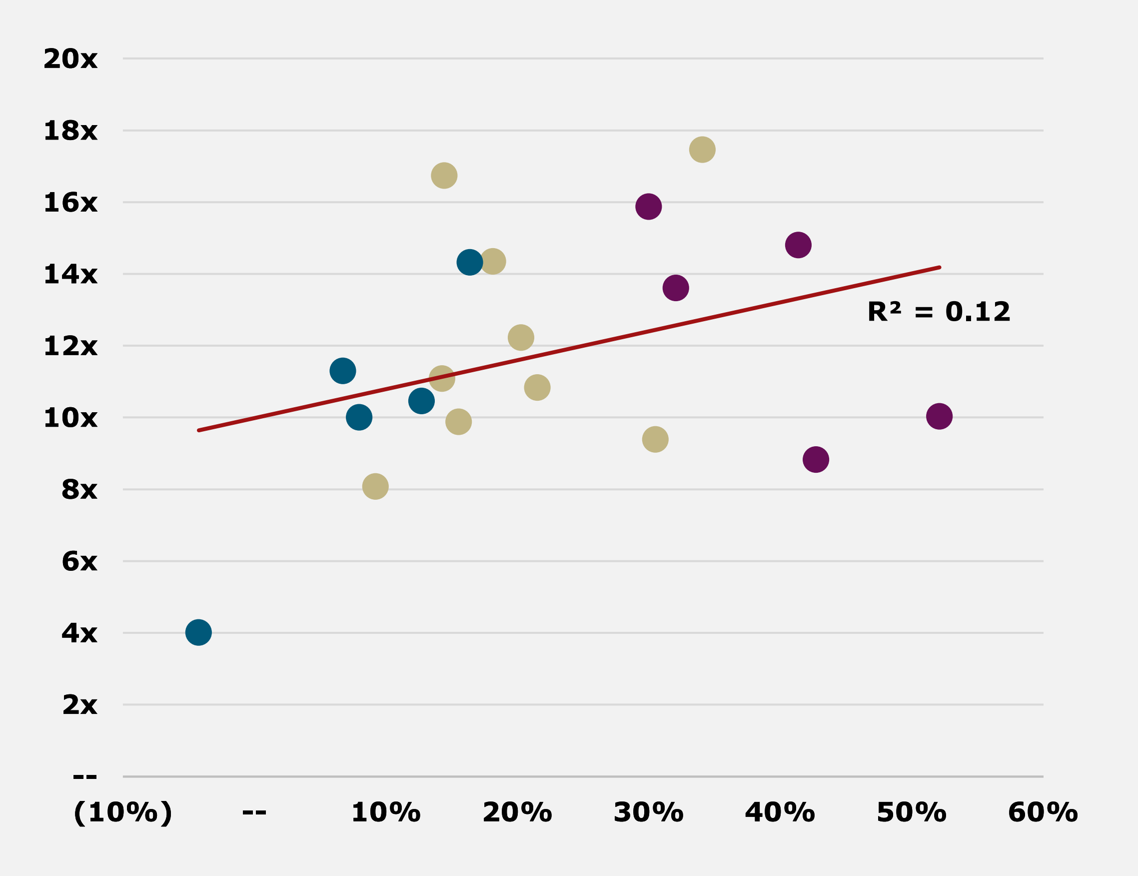
Sources: Equiteq research, S&P CapitalIQ; Note: data as of 23rd March

Recent market turmoil has turned investors' attention to cash flow, with EBITDA acting as a proxy for valuation purposes

EV / CY23E Revenue v CAGR CY20A-CY23E



EV / CY23E EBITDA v Revenue CAGR CY20A-CY23E

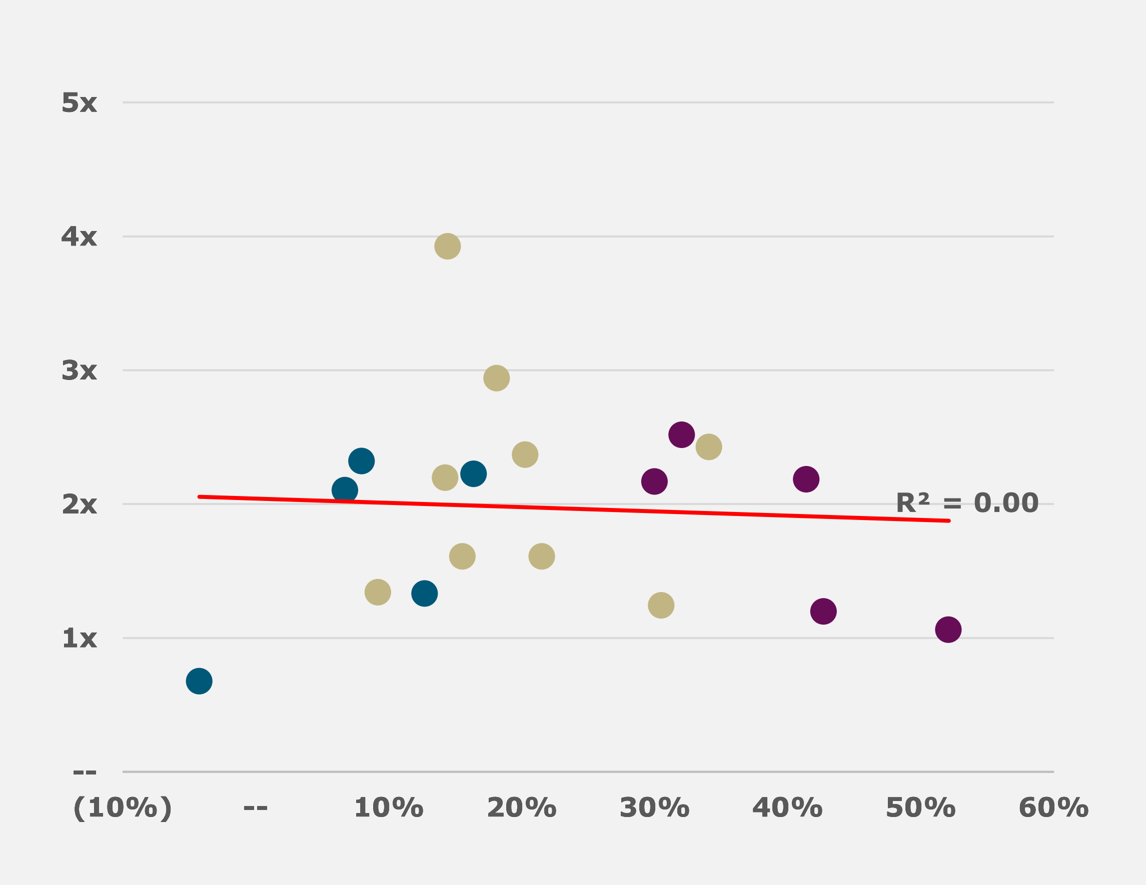


Nearshore Offshore Global Diversified

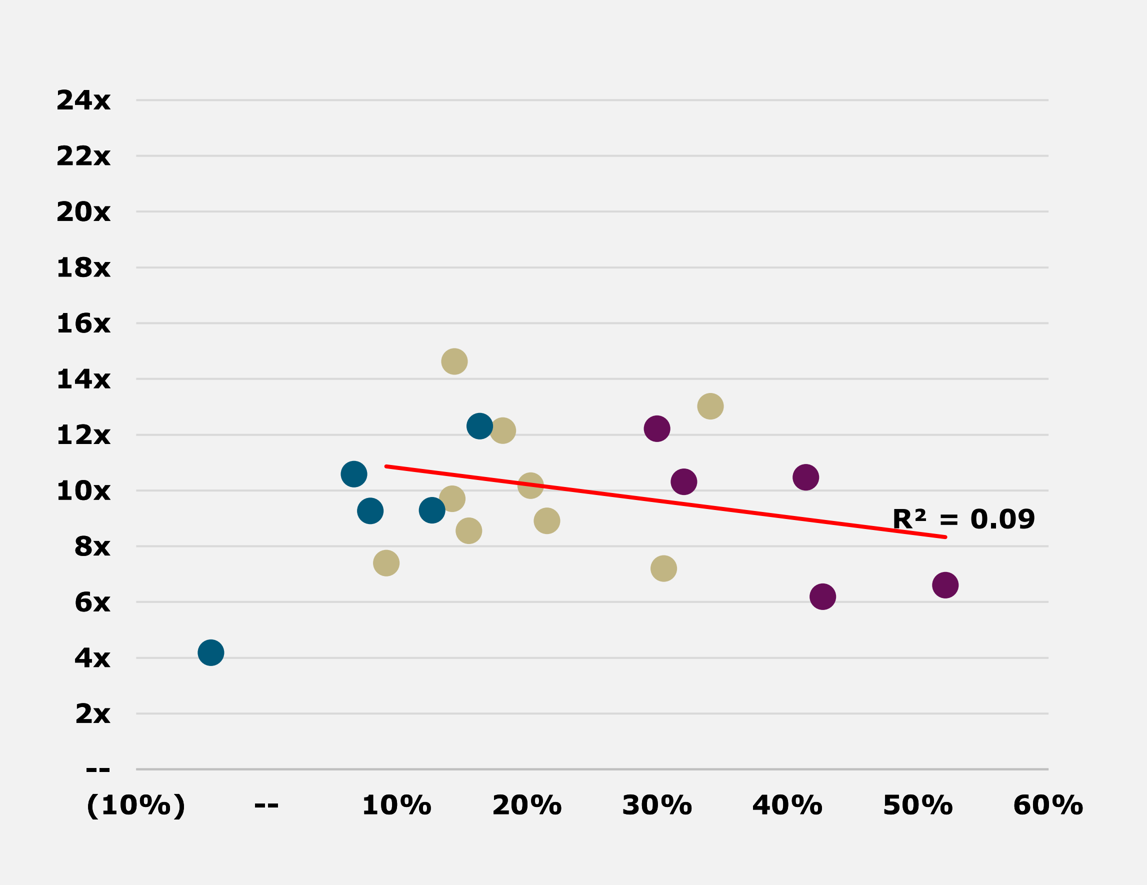
Sources: Equiteq research, S&P CapitalIQ; Note: data as of 23rd March

Nearshore valuation multiples fall in line with the wider peer group on a growth adjusted basis

Growth Adjusted EV / CY23E Revenue v Revenue CAGR CY20A-CY23E



Growth Adjusted EV / CY23E EBITDA v Revenue CAGR CY20A-CY23E



Nearshore Offshore Global Diversified

Sources: Equiteq research, S&P CapitalIQ; Note: data as of 23rd March

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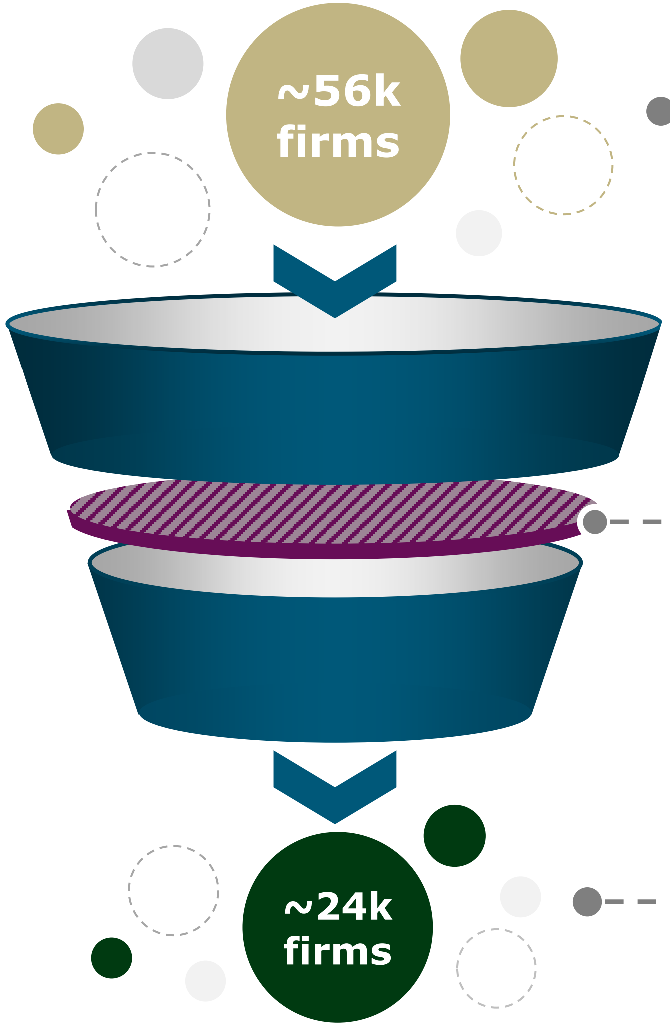
Of the ~56k identified companies offering development services, ~24k could be viewed as having development at core



Across the globe there are ~56k firms operating in custom software development and / or web development

per Clutch

Equiteq filtered out firms operating predominantly in the mobile app & web development segments due to their service offering predominantly revolving around design consulting, SEO, e-commerce, branding, UI / UX etc, with development positioned as an adjacent service

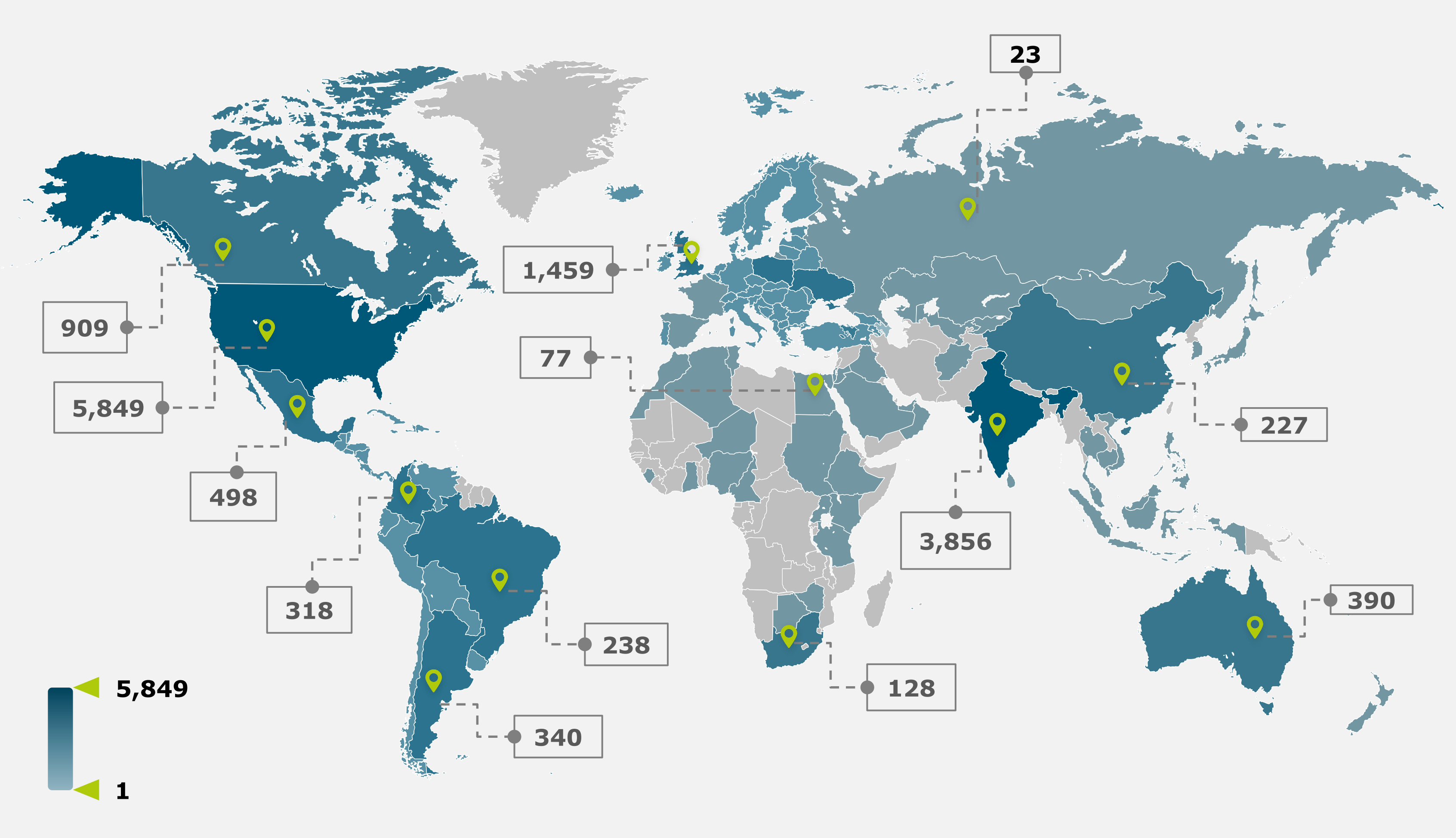
The resulting pool of companies was enriched with Equiteq's proprietary database of known custom software development companies across the globe, yielding ~24k firms

Summary on next page

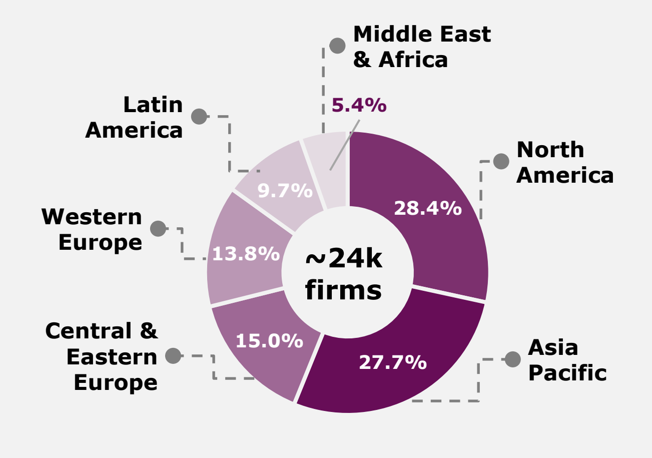
Sources: Equiteq research, Clutch.co

The global CSD space is notably fragmented yet concentrated, with most firms employing < 50 people

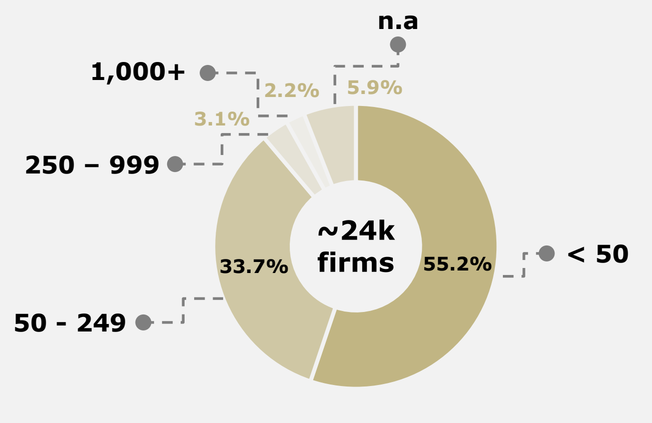
Heatmap of Custom Software Development Headquarters by country[1] (select countries showing # of companies)



Breakdown by region of headquarters

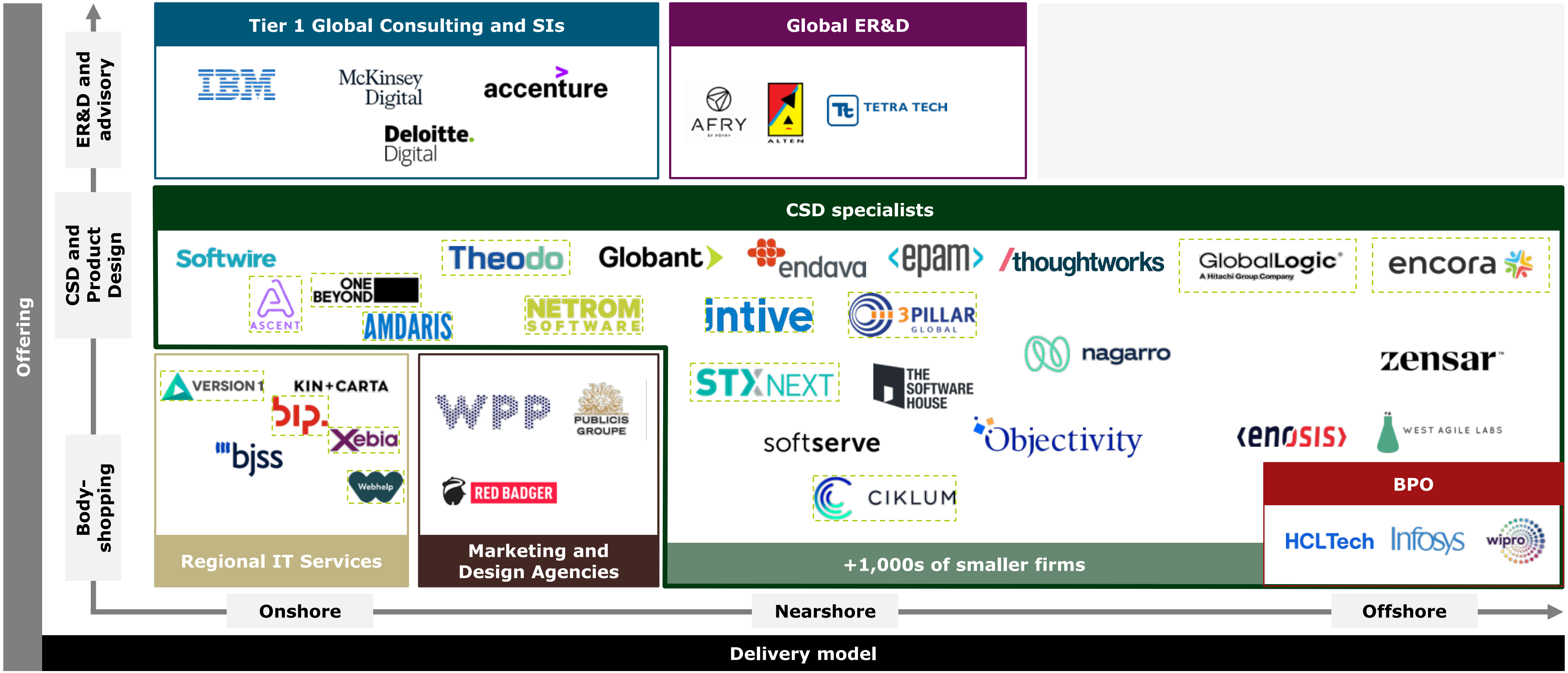


Breakdown by # of employees



Sources: Equiteq research, Clutch.co; [1] Note the analysis is limited to the coverage of Clutch.co's penetration of select countries, however it does provide a sense of scale and relativity between regions

CSD firms compete with a number of adjacent verticals with similar capabilities while focusing on perfecting their legacy delivery model

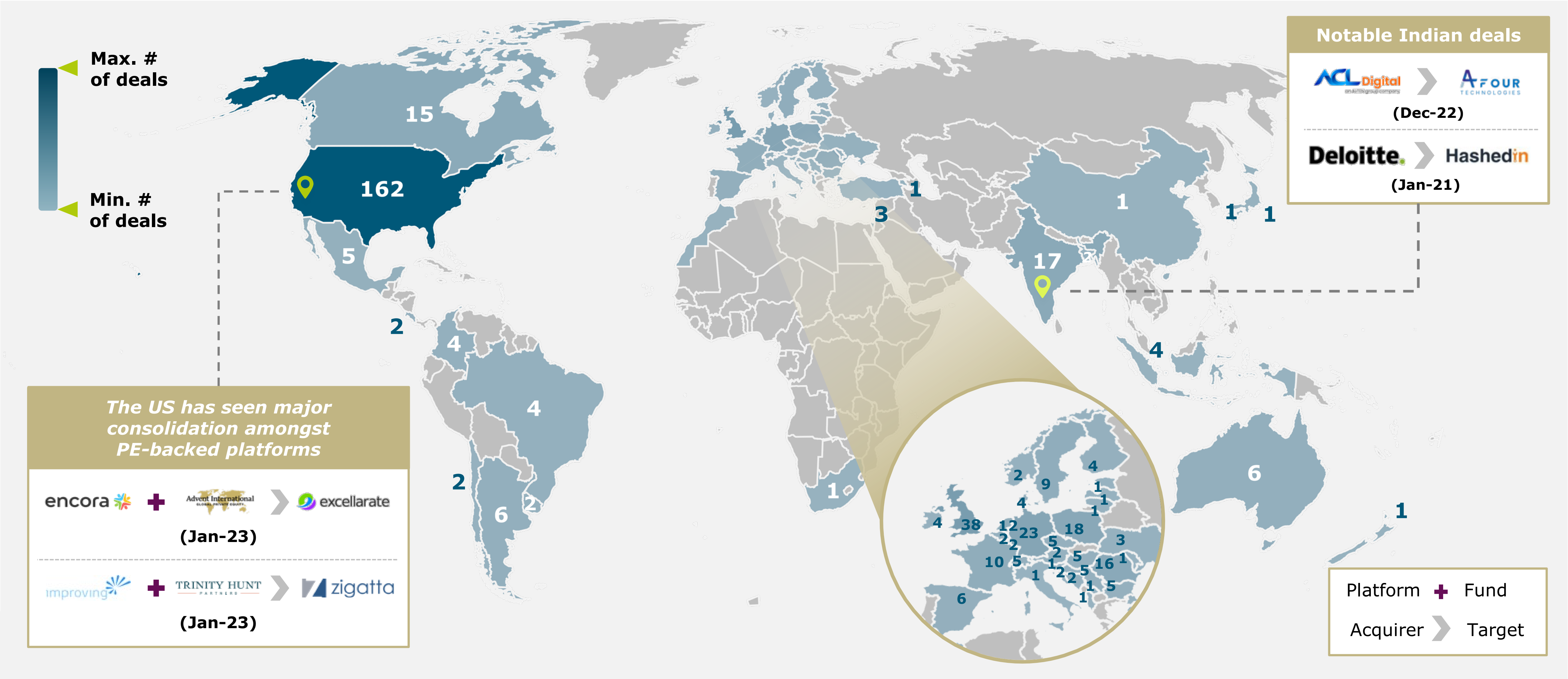


Source: Equiteq research

Firms with backing (PE and/or corporate)

Equiteq

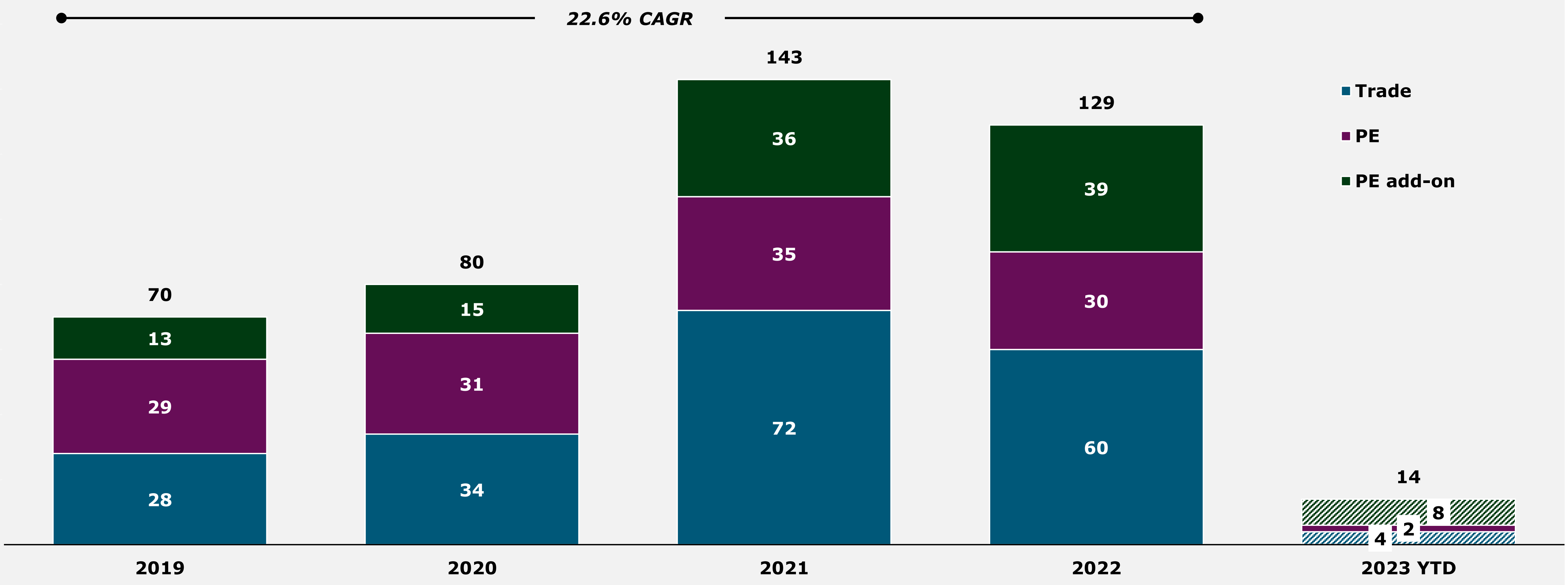
The US and Western Europe have dominated deal volumes, though LATAM, CEE, and the Indian sub-continent have seen strong investment



Sources: Equiteq research, S&P CapitalIQ, PitchBook

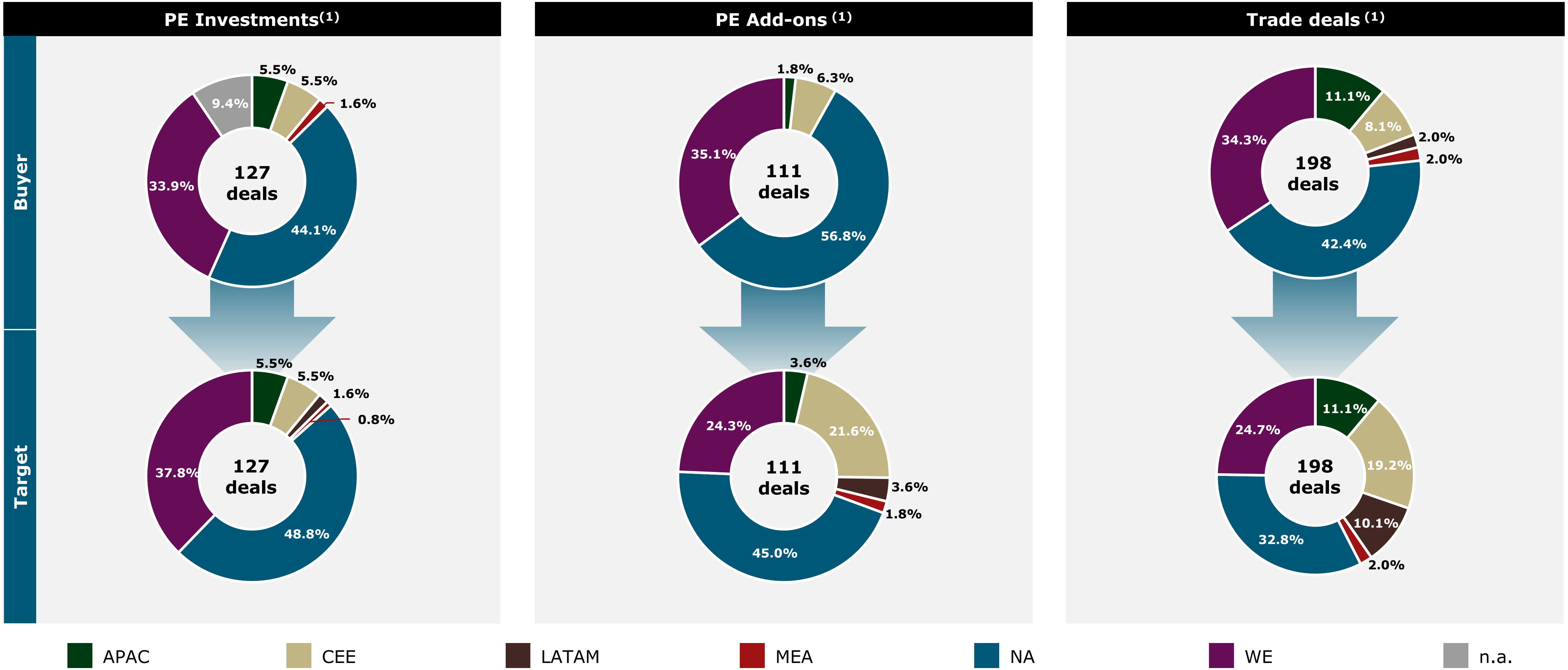
Private Equity investments and add-ons now represent the majority of recent deals in the OCSD space

Breakdown of Customer Software Development transactions by transaction type



Sources: Equiteq research, S&P CapitalIQ, PitchBook

Western investors have predominantly targeted local platforms, which, like trade buyers, seek inorganic scale across near & offshore hubs



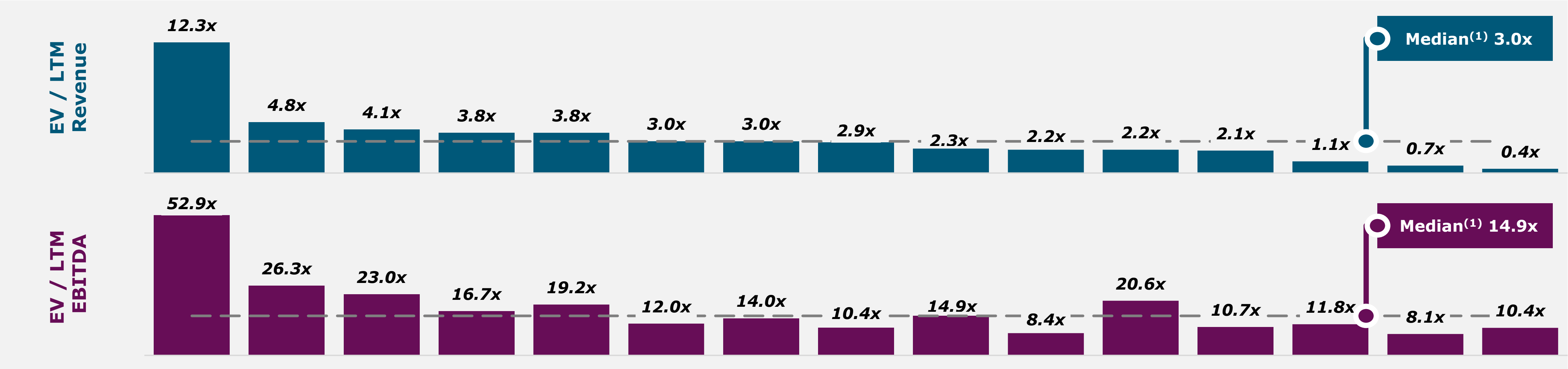
Sources: Equiteq research, S&P CapitalIQ, PitchBook, Company Websites, ChannelE2E; Note: (1) since January 1st 2019

Capability driven M&A is a priority for larger, diversified IT services firms whilst CSD shops themselves prioritize scale

Buyer Category	Total Share Of Transactions	Sample Acquirers	Level of Interest Based On: Geographic Expansion	Vertical Expansion	Nearshore Scale	Offshore Scale	Onshore Scale	Niche Capabilities
Digital Advertising & Marketing	2.1%	AKQA, Publicis Groupe, S4 Capital	○	○	◔	○	○	◔
Diversified Global IT	12.6%	accenture, HCLTech, DXC Technology, cognizant, Perficient	◔	◕	◕	◔	●	●
Diversified Regional IT	15.8%	HTEC Group, Version 1, improving, Webhelp, Kin+Carta, Xebia	◑	●	◕	○	●	●
Global ER&D	0.9%	AFRY, ALTEN, Tetra Tech	○	◑	○	○	◔	◔
CSD – Nearshore	18.1%	3Pillar Global, Globant, Ciklum, intive, epam, STX Next	●	●	●	○	◕	◕
CSD – Offshore	3.9%	encora, GlobalLogic, West Agile Labs	◔	◔	◔	◔	◔	◔
CSD – Onshore	6.4%	10Pearls, Ascent, Theodo	◑	◔	◕	○	◑	◔
Other	3.2%	apoBank, FT, Reshamandi	○	○	○	○	○	◔
Private Equity	29.4%	Affirma Capital, MidEuropa, FTV Capital, KKCG, H.I.G. Capital, Warburg Pincus	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Professional Services	4.4%	Deloitte, EY, McKinsey & Company	○	○	◑	○	◑	◑
Software Platform	3.2%	KOBIL, scientist.com, snowflake	○	◔	◔	○	◔	◑

Sources: Equiteq research, S&P CapitalIQ, PitchBook, Company Websites, Press Releases

Private markets have on average traded at lower multiples over the last years, though at-scale assets have attracted premium valuations



Target	Logo	GlobalLogic	mobica	Infinity Works	GlobalLogic	mobica	Ascent	cloudThing	Aricent	Version 1	arthurly	luxoft	intive	Geometric	Nortal	excelian
	HQ															
Date		Mar-21	Sep-15	Apr-19	Apr-17	Jan-23	Dec-19	May-21	Mar-18	Mar-17	Jun-20	Jun-19	Feb-19	Mar-17	Jun-16	Feb-15
Buyer		HITACHI	inflexion	accenture	CPP Investment Board	cognizant	HORIZON	kerv	altran	VOLPI Capital	TPXimpact	DXC Technology	MIDEUROPA Partners	HCL	Emp'ees	luxoft

Sources: Equiteq research, S&P CapitalIQ, PitchBook, Megabuyte; Note: (1) Medians include proprietary Equiteq deals not shown in graph

Equiteq

1 Market overview and valuation trends

2 Global landscape overview

3 M&A activity – 2019 to present

4 Regional CSD M&A overview of nearshore hubs

5 Regional CSD M&A overview of offshore hubs

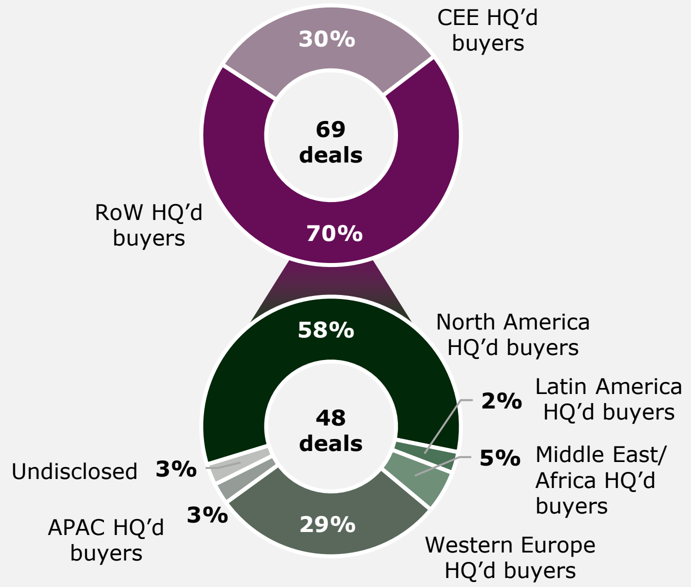
6 Select PE-backed platforms: M&A since inception

7 About Equiteq

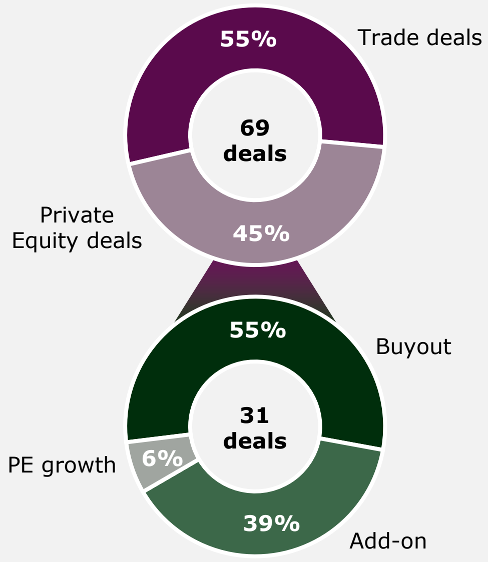
Overview of recent[1] CEE M&A

Poland has been the #1 country for buyers

Foreign buyers have invested significantly in CEE



Trade deals dominate despite PE consolidation



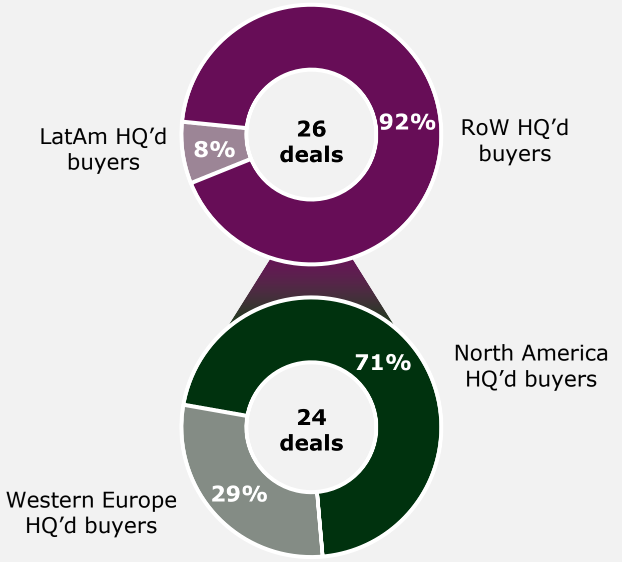
Local buyers have been serial acquirers in CEE, with foreign buyers making more ad-hoc investments

CEE HQ'd			WE HQ'd	NA HQ'd
AROBS Transilvania Software	ARICOMA GROUP	TenderHut	Ascent	epam
2 deals	4 deals	2 deals	1 deal	1 deal

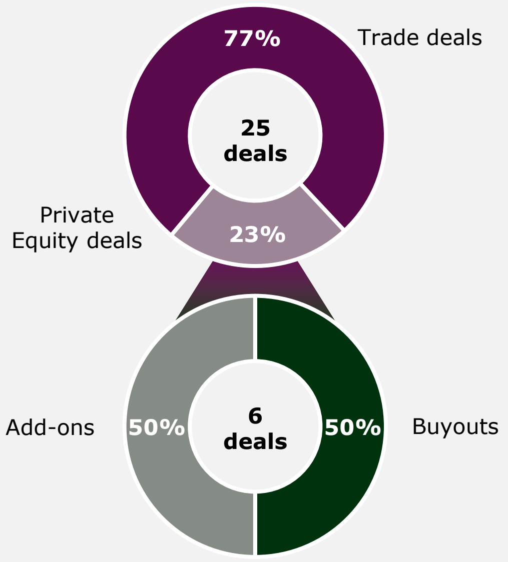
Overview of recent(1) LatAm M&A

Argentina has been the #1 region for buyers

The vast majority of transactions have been led by non-LatAm HQ'd buyers



Trade deals have dominated transactions



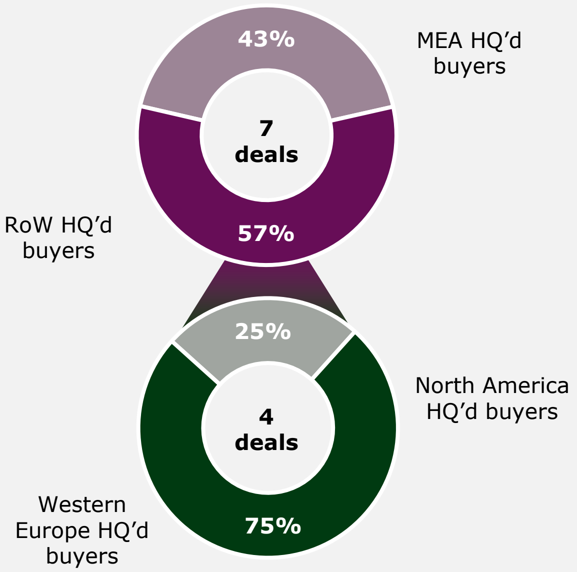
The top 3 most active buyers accounted for 27% of transactions in the recent period

Advent International	Globant	Perficient
2 deals	**3 deals**	**2 deals**

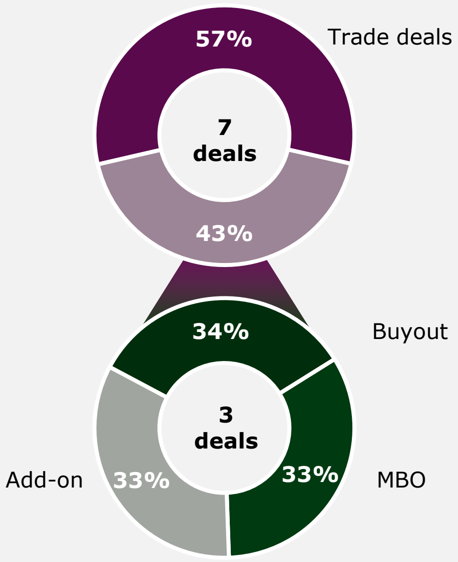
Overview of recent[1] MEA M&A

Israel has been the #1 country for buyers

Foreign buyers have driven MEA deal volume



Trade deals dominate despite PE consolidation



High profile MEA acquirers

Theodo

Backed by Keensight Capital and ISAI until exit in March 2022

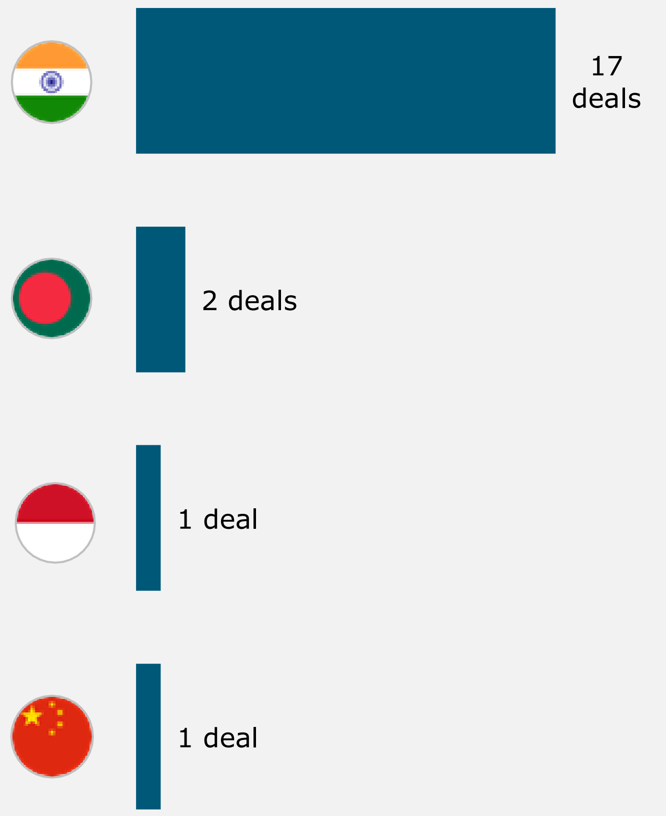
epam

Belorussian-US CSD house famous for pioneering offshore development model

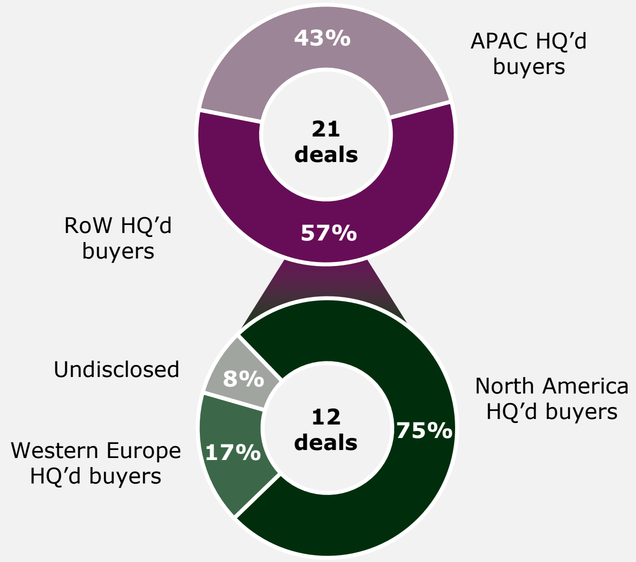
Equiteq

Overview of recent[1] APAC M&A

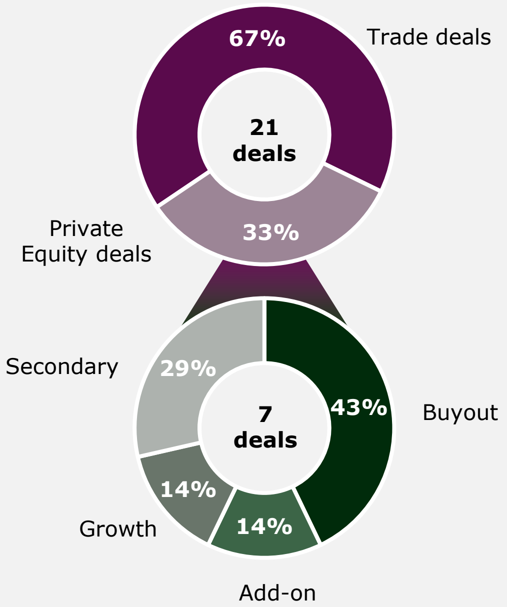
India has been the #1 country for buyers



Foreign buyers have begun to dominate APAC deal volumes



Trade buyers have driven deal volume



No single buyer has dominated the APAC market

APAC HQ'd

AFFIRMA CAPITAL — **1 deal**

LTI — **1 deal**

WE HQ'd

ACL Digital (an ALTEN group company) — **2 deals**

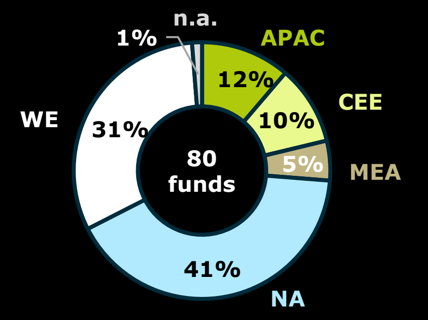
NA HQ'd

NESS — **1 deal**

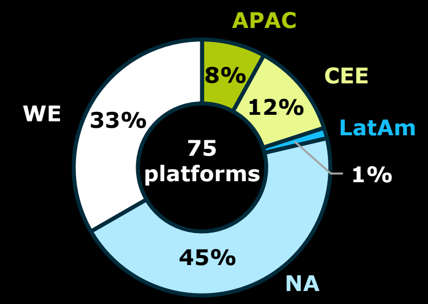
Equiteq

PE investment in CSD platforms has been truly global, with firms often receiving multiples funding rounds

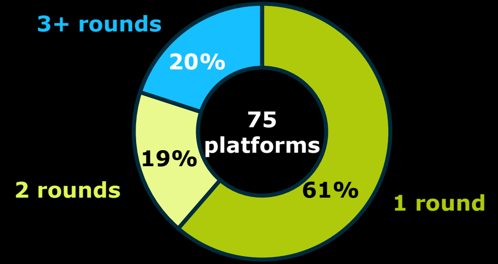
Active PE funds by region



Platforms by region



Platforms by # of investment rounds

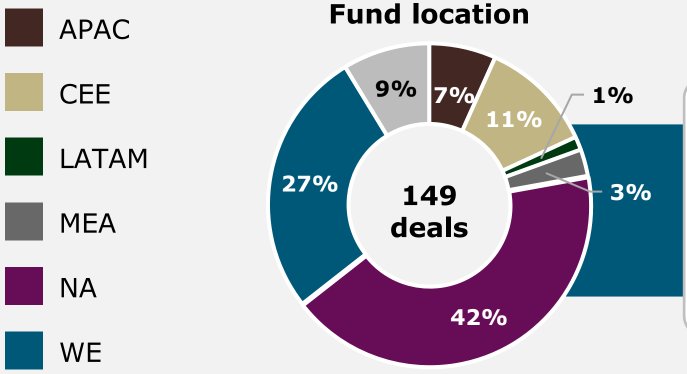


= HQ country   Platform / Investor(s)

Sources: Equiteq research, S&P CapitalIQ, PitchBook, LinkedIn, Company websites

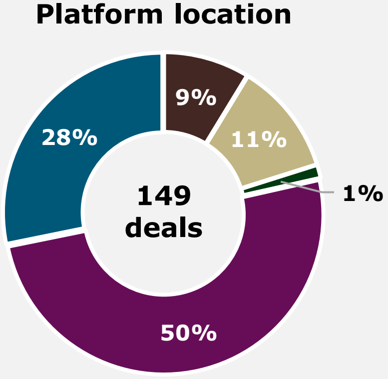
More mature markets see most platform investment and have shorter holding periods compared to nearshore and offshore regions

All platform investments since inception – regional breakdown



Select serial investors

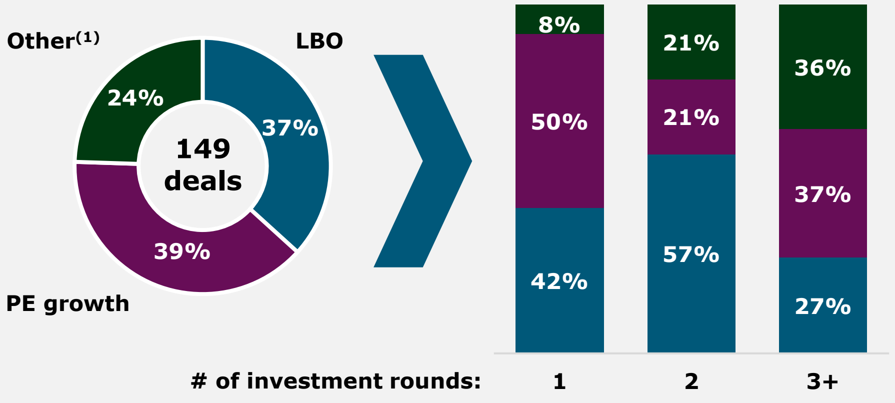
Enterprise Investors
Advent International
Keensight Capital
Horizon Capital



35% of platform investments were cross-border

25% of platform investments were cross-regional

Investment type evolution across rounds



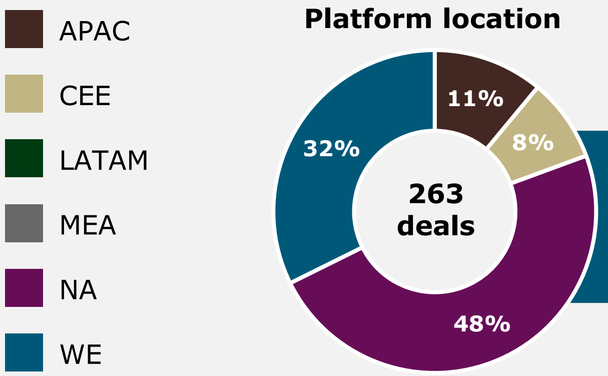
Platform M&A activity and PE journey KPIs

Region	Average # of acquisitions made before PE investment	Average # of PE investment rounds	Average # of PE add-ons	Average holding period
APAC	--	2	5	4.1 years
CEE	1	2	2	2.9 years
LATAM	--	2	--	4.0 years
NA	1	2	3	1.9 years
WE	1	2	3	2.8 years
Global	**1**	**2**	**3**	***2.5 years***

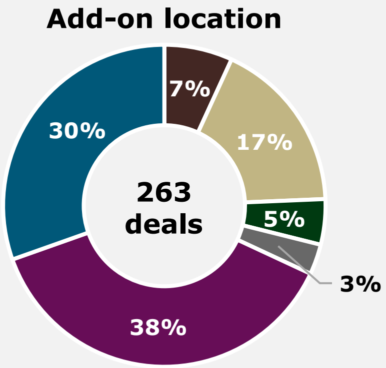
Sources: Equiteq research, S&P CapitalIQ, PitchBook, LinkedIn, Company websites, Company press releases; Note: (1) includes Platform creations, MBOs, Corporate takeovers, VC rounds, and IPOs

PE platforms have shown outsized interest in near and offshore locations for inorganic growth, with add-ons being capability driven

Add-ons - regional breakdown



Select serial acquirers

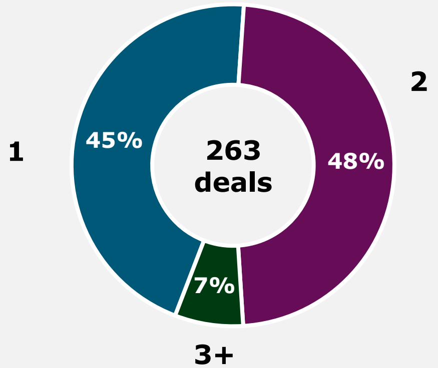


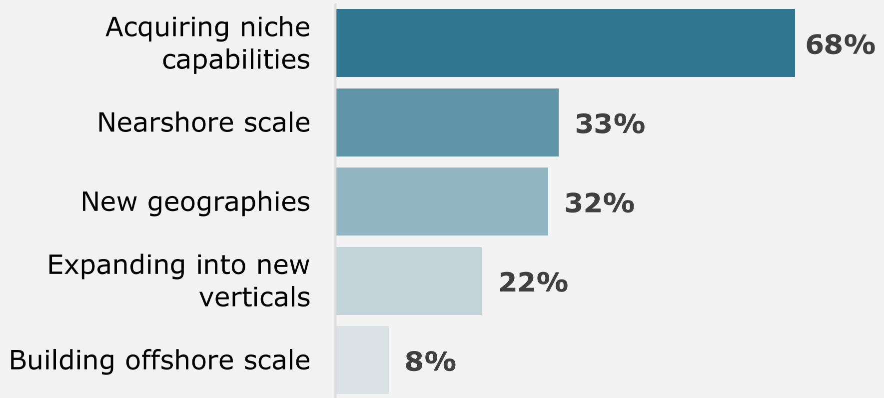
Top add-on countries

1	91 deals
2	17 deals
=3	15 deals
=3	15 deals
5	14 deals
=6	11 deals
=6	11 deals
8	9 deals
=9	8 deals
=9	8 deals

Add-on rationale breakdown

Add-ons by number of rationales



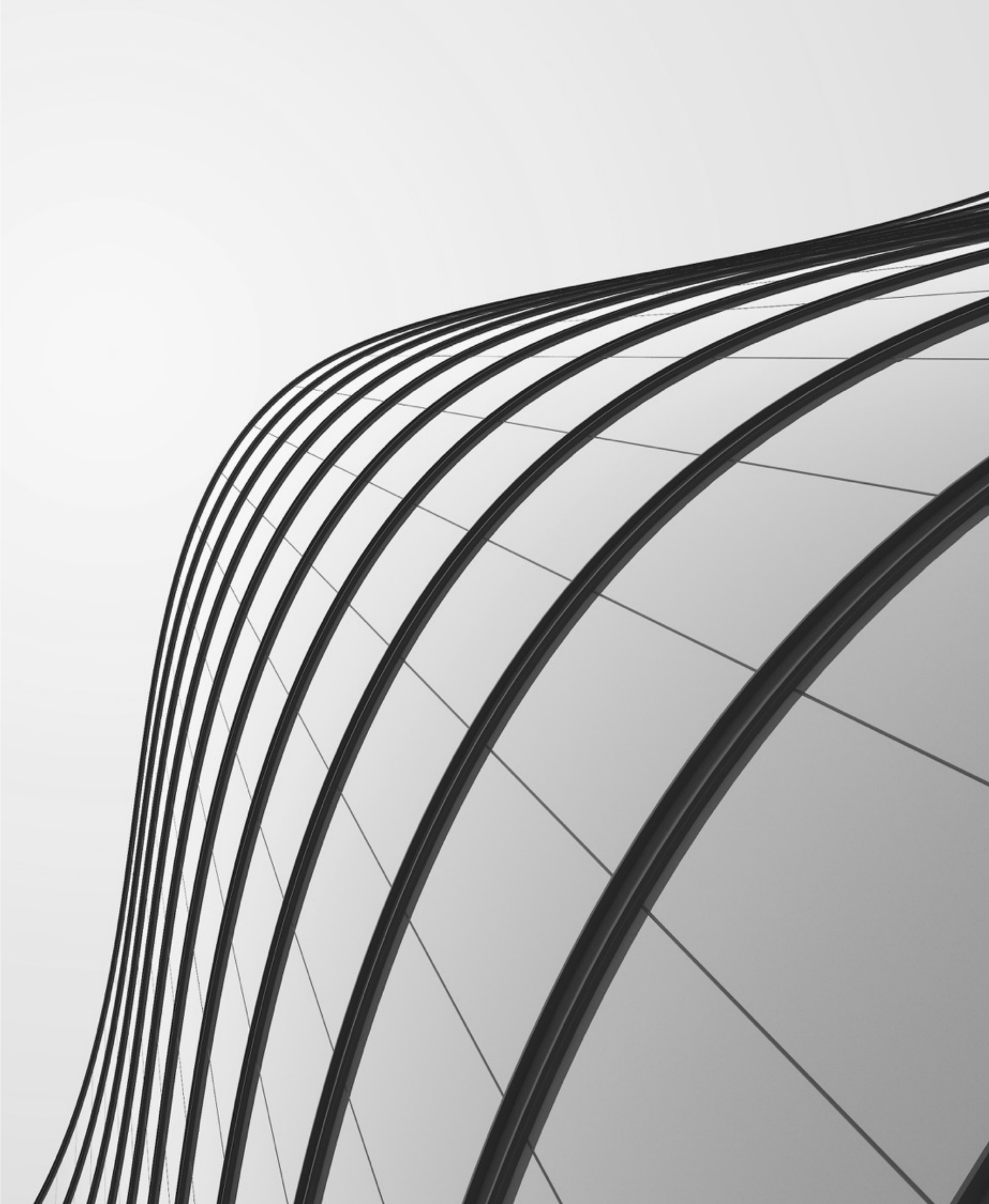


Top combinations

1. **19% of add-ons** acquiring niche capabilities and expanding into new geographies
2. **13% of add-ons** acquiring niche capabilities and building nearshore scale
3. **12% of add-ons** acquiring niche capabilities and expanding into new verticals

Sources: Equiteq research, S&P CapitalIQ, PitchBook, LinkedIn, Company websites, Company press releases

7 About Equiteq



About Equiteq

We are a global integrated team of passionate and specialized 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	2	3	4	5	6
Focus on knowledge-specific sectors	Strong expertise in positioning knowledge economy businesses	Established relationships with the most relevant buyers	Deep understanding of client's strategic needs	Preparing companies for a successful exit is in our DNA	Global presence informs our unique approach to M&A
Through unique research and constant conversation with market participants, Equiteq maintains differentiated insights across the entire knowledge economy	Equiteq's experience with IT services and consulting firms ensures that we understand your business and the keys to unlocking maximum value	Equiteq's Market Intelligence team maintains continuous correspondence with the most active players in the market	Equiteq recognizes the importance of addressing all of your personal destination goals including the timing, synergy fit, and price	Equiteq boasts over a decade of proven success in running world-class, highly competitive processes and driving exceptional outcomes for clients	With six offices spread throughout North America, Europe, APAC, and Australia, Equiteq has a true global footprint

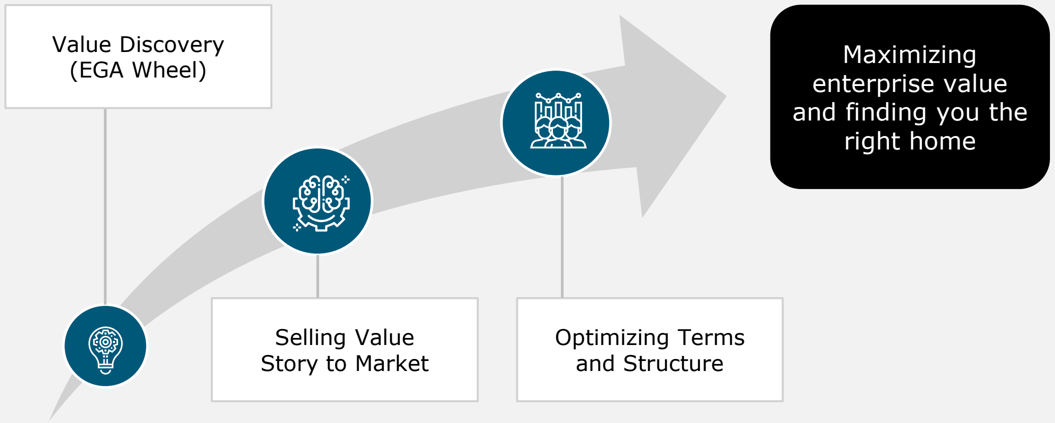
Global Reach

75
employees

6
offices

4
continents

Structured Process to Maximize Value



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

Selected Completed Transactions

Company	Transaction	Counterparty	Advised on
TSA	Project Management and Advisory Firm Acquired	Henry Riley	Advised on the acquisition May 2023
nvm	Private Equity Invested in	leading resolutions	Advised on the investment April 2023
cg consus	Procurement and Supply chain solutions provider Sold to	YCP Holdings	Advised on the sale April 2023
HelloTech	Software CPaaS firm company Sold to	soprano	Advised on the sale April 2023
MML	Private Equity Firm Invested in	KICKMAKER	Advised on the investment February 2023
Talan	Digital Transformation Specialist Acquired	Gemserv	Advised on the acquisition January 2023
BAIN & COMPANY	Management Consultancy (ET) Acquired	Enterprise Blueprints	Advised on the acquisition January 2023
CLEARTELLIGENCE	Data & Analytics Consultancy Recapitalized by	ALIGN CAPITAL PARTNERS	Advised on the sale January 2023
Delivery Associates	Public Sector Impact Consultancy Sold to	TRILL IMPACT	Advised on the sale November 2022
HBR CONSULTING	Legal Consultancy Sold to	RENOVUS CAPITAL	Advised on the sale November 2022
BIOS	Managed Cloud Provider Sold to	zain TECH	Advised on the sale October 2022
VALUE POINT	Cybersecurity Solutions & Services Sold to	softline	Advised on the sale October 2022
LEXICON	Digital Consultancy Sold to	endava	Advised on the sale October 2022
ALLATA	CSD & Digital Transformation Consultancy Received investment from	CIVC PARTNERS	Advised on the investment September 2022
NOVATIO	RPA Consultancy Received investment from	KEYSTONE CAPITAL	Advised on the investment August 2022
SOLVERA	Digital Transformation Services Sold to	accenture	Advised on the sale July 2022
risual	Azure Partner & Cloud Specialist Sold to	NODE4	Advised on the sale July 2022
SCANQMI	Anaplan Gold Partner Sold to	VISEO	Advised on the sale June 2022
Pexlify	Platinum Salesforce Partner Sold to	dentsu group	Advised on the sale June 2022
BEDFORD Consulting	Anaplan Gold Partner Received investment from	KEENSIGHT CAPITAL	Advised on the investment May 2022
grit.	Design & Innovation Consultancy Sold to	CYIENT	Advised on the sale April 2022
infrata	Infrastructure Consultancy Receives majority investment	Lonsdale Capital Partners	Advised on the investment April 2022
iST	CX Tech Consultancy Sold to	majorel	Advised on the sale March 2022
360	PE-backed Cybersecurity Specialist Acquired	CARETOWER	Advised on the acquisition February 2022
Monticello Consulting Group	Financial Services Consultancy Sold to	bip.	Advised on the sale February 2022
JUST ANALYTICS	AI & Analytics Specialist Sold to	rackspace technology	Advised on the sale January 2022
4 MILE ANALYTICS	Data Consultancy Sold to	S4 CAPITAL	Advised on the sale January 2022
sa.global	Microsoft Gold Partner Growth Financing by	KARTESIA	Advised on the financing January 2022
enowa.	SAP Consulting Sold to	REPLY	Advised on the sale January 2022
GROUNDSWELL CLOUD SOLUTIONS	Salesforce Consulting Sold to	GYANSYS	Advised on the sale January 2022
intive	Digital Consulting Acquired	SPARK DIGITAL	Advised on the acquisition December 2021
BLUEPOINT	Private Equity Invested into	Stax	Advised on the investment December 2021
BOYDAK AUTOMATION	AI & Automation Consultancy Sold to	BEterna enterprise software	Advised on the sale December 2021
PROKURA	Procurement & Supply Chain Consulting Sold to	KEARNEY	Advised on the sale December 2021
HATCH	Engineering Consultancy Acquired	Brainwave Data. Intelligence.	Advised on the acquisition November 2021
roam	Digital consulting Sold to	amdocs	Advised on the sale October 2021
MGAC	Construction Consulting Acquired	rlf Building Futures	Advised on the acquisition October 2021
PDSGROUP	Development Solutions Sold to	Deloitte.	Advised on the sale August 2021
hrc. RETAIL ADVISORY	Retail Consulting Sold to	accenture	Advised on the sale July 2021
Economists INCORPORATED	Economics Consulting Sold to	Secretariat	Advised on the sale July 2021

The Equiteq team is comprised of deeply experienced professionals who can help you navigate the M&A market

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Equiteq

Growing equity, realizing value

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