



ACT
CAPITAL
ADVISORS

**Software Products & Managed
I.T. Services Company**

ACT Client #212101

Available for Acquisition

Company Overview

ACT Capital Advisors is pleased to offer a Software Products & I.T. Services company for acquisition. The Company is a Microsoft Gold Partner in Project Portfolio Management (PPM) and the leading provider of software products for Microsoft PPM administration, migration, and reporting. The Company’s service offerings include configuration management, implementation, data integration & visualization, technology consulting, and business intelligence analysis.

Investment Highlights

Sticky, Recurring Revenue: Through FY2021 (Q3), the Company’s Total Product Subscription revenue represents 96.1% (\$2.3MM) of Total Revenue (\$2.4MM). Within Total Product Subscription revenue, \$1.4MM was generated via subscription renewals – 59.0% of Total Revenue and 61.3% of Total Subscription Revenue.

Sustained Margin Expansion: The Company’s shift away from services to software product subscriptions has dramatically improved its profitability. Since 2018, Gross Margin has grown from 43.0% to 56.1%. During the same period, the Company’s Adj. EBITDA margin has grown from 6.1% to 30.5%.

Well-Diversified Customer Base: Since 2018, the Company has delivered 600 projects for 208 unique clients per year. The Company’s clients are blue-chip, Fortune 500 organizations spanning sectors that include Technology, Healthcare, Education, Industrials, and Financial Services.

Robust Distribution Network: The Company distributes its products through a curated network of Authorized Partners and Resellers. Authorized Partners must be a Gold-Certified Microsoft Partner and receive a 15.0% commission for each software product license sale. Authorized Resellers are not required to hold and certifications and receive a 5.0% commission for each software product license sale. The Company has 46 Authorized Partners and Resellers around the world.

Cost-Effective Offshore Talent: The Company sources high-end development and support talent from Eastern Europe. The Company’s Products & Services teams earn an average annual salary of \$39,216.

Thought Leadership: The Company is recognized by industry peers as a leading expert in Microsoft PPM solutions. The Company produces white papers, webinars, and blog posts that cover topics such as disaster recovery, platform integration, and migration implementation. The Company’s resource library includes 17 white papers, 65 webinars, and blog content dating back to 2017.

Healthy Balance Sheet: The Company’s strong balance sheet reflects the capital efficiency of its business model. The Company has negligible Current Liabilities (T3Y Average: \$19,218) and carries no long-term debt. There is no significant Capital Expenditure requirement.

Key Performance Indicators

208

Average Unique Customers per Year

\$2,773

Average Cost of Customer Acquisition

\$12,252

Average Annual Revenue per Customer

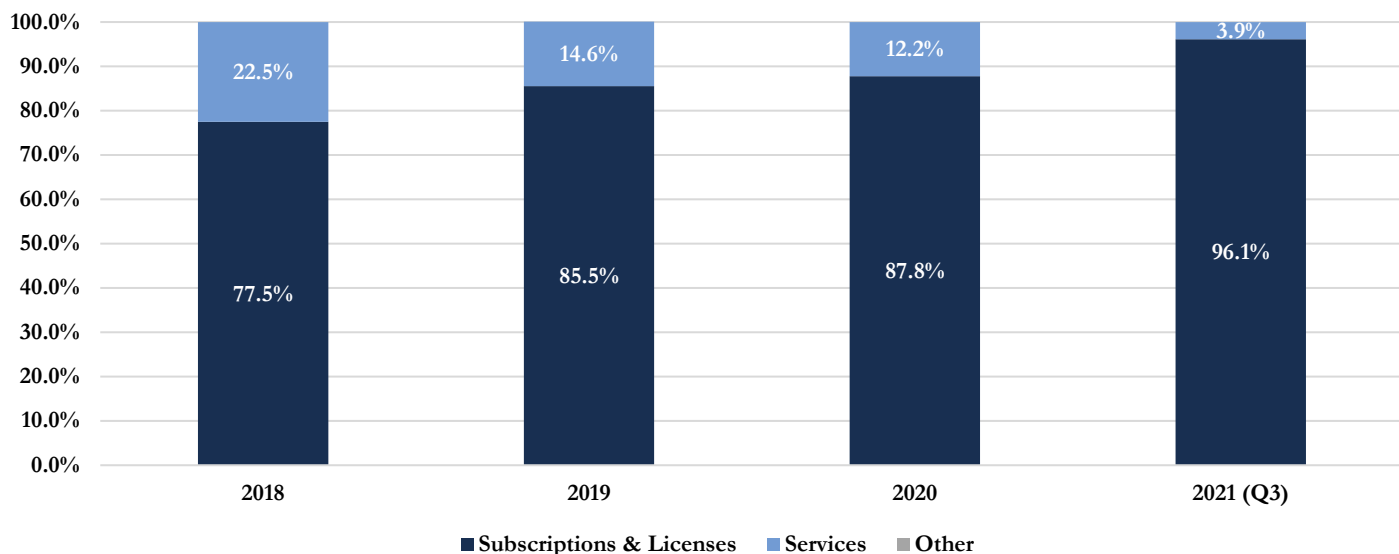
27 months

Average Customer Lifetime

Financial Information (Historical & Pro-Forma)

FYE	2018	2019	2020	2021 (Q3)	2021E	2022E
Revenue	\$3,400,654	\$2,901,600	\$3,056,517	\$2,447,021	\$3,128,039	\$3,420,198
Gross Profit <i>Margin</i>	\$1,463,487 43.0%	\$1,177,547 40.6%	\$1,715,596 56.1%	\$1,279,772 52.3%	\$1,742,761 55.7%	\$1,922,636 56.2%
Adj. EBITDA <i>Margin</i>	\$206,361 6.1%	\$251,582 8.7%	\$932,843 30.5%	\$657,039 26.9%	\$978,909 31.3%	\$1,095,991 32.0%

Historical Revenue Mix by Type



Contact Information & Next Steps

Interested parties should execute the attached Non-Disclosure Agreement (“NDA”) and return to ACT Capital Advisors with a written request to receive the Confidential Information Memorandum (“CIM”).

NDA’s and CIM requests should be submitted to Michael Seeley, ACT Vice President.

Email: mseeley@actcapitaladvisors.com

Direct: 206.486.3407