

7 Mile Advisors

Latin America - IT Services

Q2 2021



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Industry-focused
investment banking

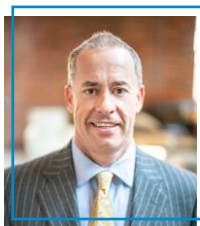
Introduction to 7 Mile Advisors

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LATAM Coverage Team

Leroy Davis

Partner



Partner with over 25 years of investment banking experience. Leroy has managed transactions in the Technology, Consumer, Insurance, Healthcare & Infrastructure sectors. He began his career with Coopers & Lybrand and is a member of the AICPA. Leroy is married with three children. BA Economics - Hampden-Sydney College; MBA - Wake Forest University.

Kevin Postigo

Analyst



Analyst with more than 4 years of experience in the Financial Services field. Previously, Kevin served as AVP of structured products at Bayview Asset Management, an investment management firm focused on credit-related assets, where he led 60+ debt capital market transactions across an array of asset classes. Kevin completed his undergraduate degree from the University of Virginia where he double-majored in Economics and Philosophy.

Horacio Yenaropulos

Managing Director



Managing Director with 25 years of financial experience. Horacio joined 7 Mile Advisors from Globant's corporate development group where he led six transactions to completion, with responsibilities ranging from the due diligence to the SPA closing. Prior to working with Globant, he held financial leadership positions with several key Latin American companies including PricewaterhouseCoopers, Hidronor Chile, Viña San Pedro Wine Group, and Belatrix Software. Horacio leads 7 Mile's Latin America sector coverage team. MBA - University of Pittsburgh.

7MA At A Glance

~175

Tech Consulting
Transactions Executed

\$1.9b+

Aggregate Transaction
Value Last 5 Years

60

Technology Consulting
Transactions Last 5 Years

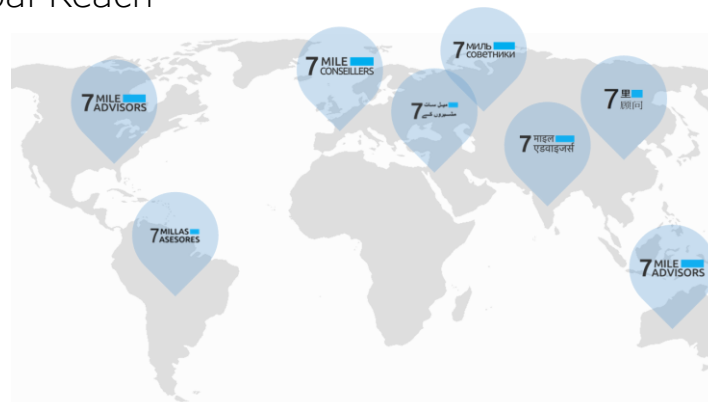
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M&A Professionals
Dedicated to Tech
Services

Pure-Play M&A Advisory Focused on Technology

- Founded in 2008 with a mission to provide deeply verticalized transaction advisory to middle-market technology companies globally
- Defined sub-markets include Cloud Services, Management Consulting, Risk and Security, Software, Systems Integration, IT Consulting, Analytics, Managed IT Services, and Cloud Consulting

Global Reach



7 MILE
ADVISORS

Leader in Technology M&A

- 7MA has advised and executed upon a significant number of Tech transactions. 7MA senior bankers bring decades of Tech expertise and remain engaged every step of the way providing for the utmost in accountability and quality of results, putting client interests first

Sample Acquirors & Investors



"It is the advisor's role to provide guidance, coaching, and insight through what is an uncertain and stressful process (which in our case included a global pandemic). 7MA pivoted where needed, but always stayed laser focused on the best outcome, always putting our interests first. We could not be more thrilled with the results!"

-Alan Kahn, Co-CEO, AKA Enterprise Solutions

7MA Navigating COVID

Advising through the COVID Pandemic

- 7MA's success in middle-market M&A has continued to accelerate over the last few years, including during the COVID pandemic
- M&A processes have required agility and innovation, as well as a deep understanding of the underlying client capabilities to successfully articulate the long-term value proposition of the business model

35
Deals Closed
or LOIs Signed from
April 2020 - May 2021

27
Transactions Closed
April 2020 - May 2021



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LATAM Market Landscape - Executive Summary

- Over the course of the last decade, the emergence of the **Latin American technology market** has been a driver for economic growth in the region. The technology sector was further bolstered by the challenges COVID-19 created for businesses including remote work, communication, cash management, digital marketplaces, and cybersecurity solutions. Within the IT Services ecosystem, the LATAM region has risen to the forefront as a **leading outsourced services provider of digital transformation capabilities**. As business and technology strategies become ever more intertwined, many business leaders are finding that the technology choices of the past are now limiting the business strategies of the future.
- IT service companies in Latin America have been a **stand-out choice** for any company looking to outsource and grow their software development platforms. The advantages Latin American firms enjoy are their geographic location, highly skilled engineers, inexpensive labor force relative to their developed-economy counterparts, and agile delivery methodologies.

Notable Acquirers



Leading Regions

Argentina



Colombia



Costa Rica



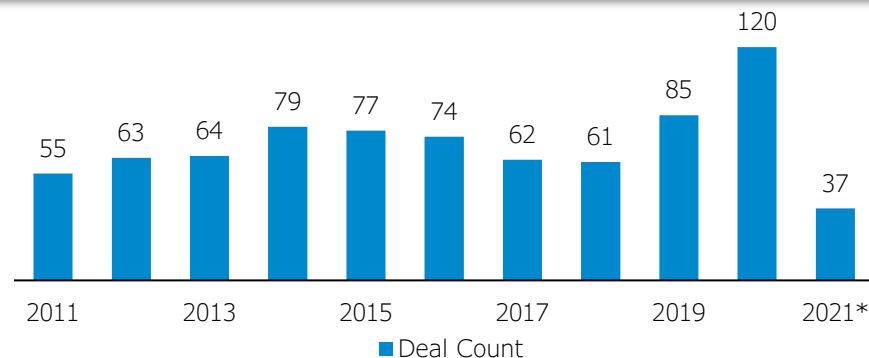
Mexico



7MA LATAM Experience

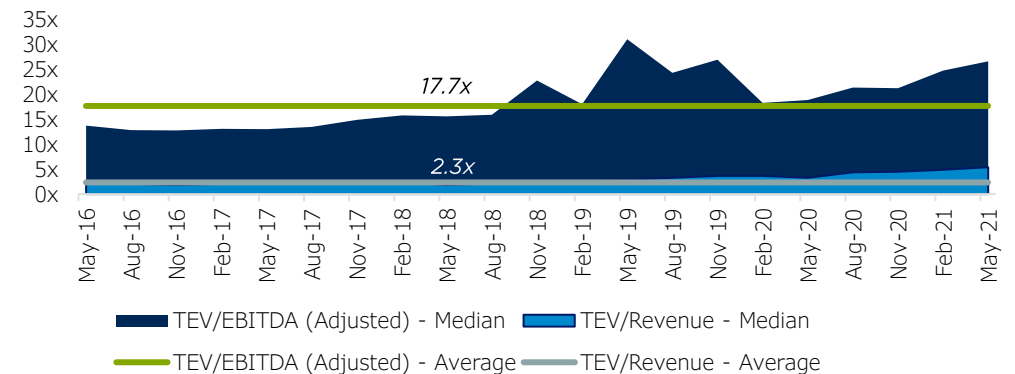


LATAM IT Services Deal Count



* 2021YTD as of Q2 2021

Public Basket Valuation Metrics



7MA IT Services - LATAM

To View the Full Report

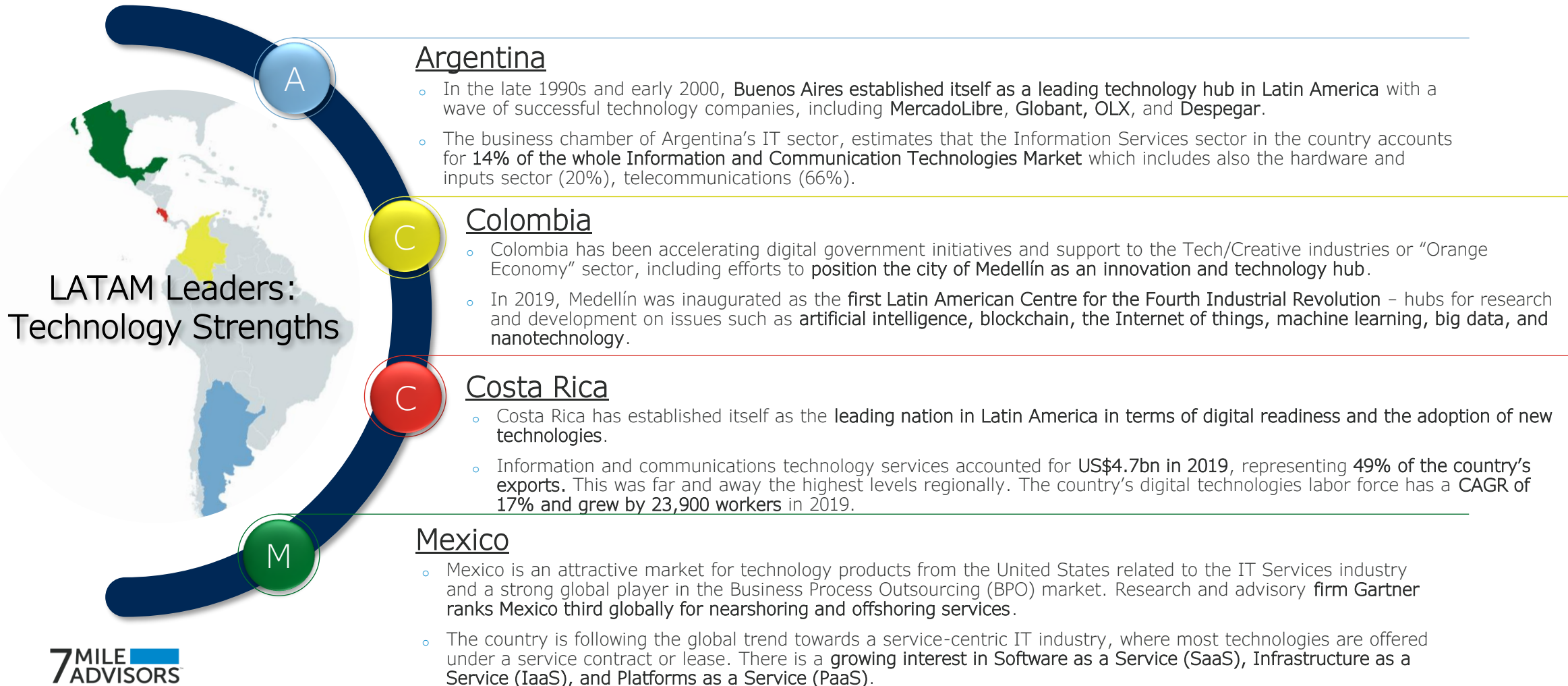
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IT Services – LATAM Positioning

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Top IT Outsourcing Countries in LATAM

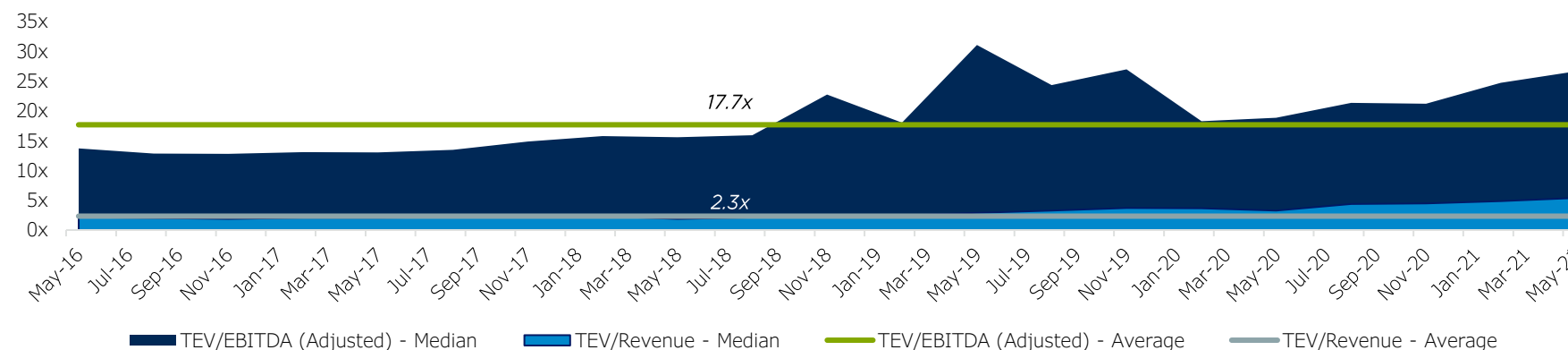


LATAM Sectorwatch

Latin America – Digital Technology Services (Public Basket)

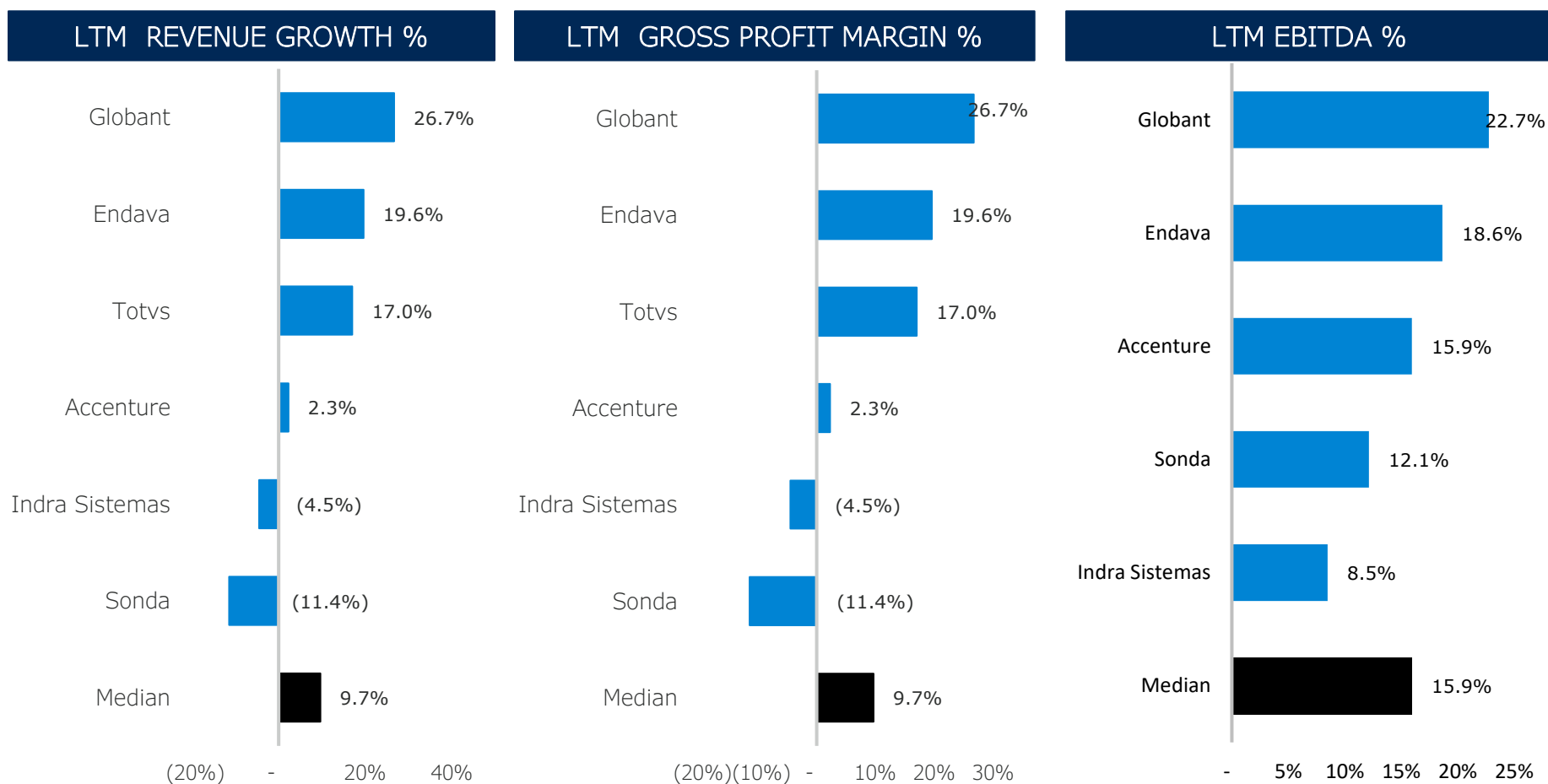
Company	Client Geography	% of workforce in LATAM	TEV \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Sonda	Latin America	100%	994	994	-11.4%	17.4%	12.1%	0.7x	5.7x	13,387	74
Indra Sistemas	Spanish Speaking Countries	30%	3,565	3,565	-4.5%	37.6%	8.5%	0.6x	7.0x	48,979	73
Totvs	Spanish Speaking Countries	100%	502	502	17.0%	70.5%	-	7.1x	-	10,000	50
Endava	United States	15%	526	526	19.6%	33.6%	18.6%	11.8x	63.1x	7,139	74
Globant	United States	90%	893	893	26.7%	37.6%	22.7%	9.9x	43.7x	17,267	52
Accenture	United States	4%	45,677	45,677	2.3%	31.7%	15.9%	3.8x	23.9x	514,000	89
Average			32,609	8,693	8.3%	38.1%	15.6%	5.7x	28.7x	101,795	69
Median			4,889	943	9.7%	35.6%	15.9%	5.5x	23.9x	15,327	73

Public Rev & EBITDA Multiples Over Time



Benchmarking

IT Services – LATAM



IT Services – LATAM Positioning

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IT Services – LATAM M&A Buyer Ecosystem

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LATAM M&A and Buyer Ecosystem

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Contact Info

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions and provide market assessments and benchmarking.

As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. Securities offered through 7M Securities LLC.

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