

DATE

February 06, 2020

SECTORS

Technology & Software

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Sebastian Daumueller
Managing Director



Matt Fiore
Managing Director



Steve Dana
Director

DC Advisory advised Sysnet Global Solutions on its sale to FTV and True Wind



Background:

- Sysnet Global Solutions (Sysnet) is a leading, founder-owned provider of cyber security and compliance solutions to merchant acquirers globally with main offices in Dublin, Ireland (HQ) and Atlanta, USA
- Sysnet provides merchant compliance and security management solutions to some of the world's largest, global acquiring organisations, supporting more than three million merchants worldwide by replacing Payment Card Industry Data Security Standards (PCI DSS) non-compliance fees with a highly-valued set of products and services
- Following the introduction of a unique, software-underpinned service offering that fully manages the compliance and cyber security needs of merchants, Sysnet has enjoyed consistent rapid growth (40% revenue growth YoY), winning long-term contracts with the largest acquirers in both the US and Europe

Process:

- DC Advisory (DC) was engaged by the shareholders of Sysnet to advise on the sale of a majority stake in the business
- DC ran a tailored process, leveraging its sector expertise, cross-border connections, and senior relationships with private equity and trade buyers, which resulted in strong interest across the USA, Europe and Asia
- Given the nascency of Sysnet's new offering, combined with its transformative nature in an otherwise commoditised market, potential acquirers' understanding of the disruptive

potential of this new solution was key to achieving a premium valuation

- Carefully messaged, detailed analysis illustrating the key drivers of the business was provided frequently throughout all phases of the process, and significant time was invested educating those most likely to value the forward-looking earnings profile and growth potential

Outcome:

- Following an intensely competitive process involving a number of international private equity and trade bidders, FTV Capital (FTV) and True Wind Capital (True Wind), both US-based, private equity investors, have committed significant growth funding to support Sysnet's growth in North America and Europe and establish beachheads in Latin America and Asia
- FTV has a track record of over 20 years of successful investments in enterprise technology & services, financial services & payments, and transaction processing sectors and boasts an unparalleled network in the merchant-acquirer ecosystem to deepen Sysnet's relationships at the C-suite
- True Wind are exclusively long-term technology investors, with significant cross-vertical expertise in highly relevant sectors such as cyber security and customer engagement, and relationships with industry leaders and executives in the largest multinational technology companies
- The transaction was signed in December 2019 and completed in January 2020

Today's announcement is a tremendous achievement for Sysnet. We were extremely happy with the assistance provided by DC Advisory during the entire process. From the beginning, DC Advisory provided expert advice and assistance from both sides of the Atlantic. Their expertise in the cyber security domain was of significant benefit to Sysnet and has resulted in securing investment from two growth equity firms, both of whom have successful track records with high-growth, technology-focused companies. It was a pleasure to work with DC Advisory and we are very thankful for their support, guidance and accessibility.

Gabriel Moynagh
CEO, Sysnet Global Solutions

It was a pleasure to work with Gabe and the team and to have advised them on their successful transaction. We are confident Sysnet will continue to go from strength to strength with FTV and True Wind as their new partners. This transaction further highlights our expertise in advising high-growth Technology businesses, and is yet another credential in the attractive Security and Compliance sector for us.

Sebastian Daumueller
Managing Director, DC Advisory UK

This transaction underscores DC Advisory's unique ability to leverage its deep cyber security and compliance sector expertise and global relationships to effect a premium outcome for shareholders and position Sysnet for its next phase of growth.

Matt Fiore
Managing Director, DC Advisory US