



Persistent

Compounding Value Creation at Speed for Private Equity Firms and Portfolio Companies



We are Persistent

We are a trusted Digital Engineering and Enterprise Modernization partner.

33+ years of leadership in software engineering and digital transformation.

Highest customer experience scores of any company in IT industry, rated by ISG.

Boutique mindset focused on enterprise clients moving their digital presence to cloud.

Diverse, open and innovative business partner ecosystem for maximum adaptability.

1990

Founded

\$1,186M

FY24 Annual Revenue

23,850+

Employee

21

Countries






We serve Private Equity firms across the investment lifecycle and transaction types

Persistent works with Private Equity firms across the asset lifecycle. Our extensive range of services includes tech due diligence, transition support (when there is a TSA), greenfield IT setup during a divisional carve-out, and various value creation initiatives and services such as product engineering, digital transformation, IT, professional services, cost optimization, and more that can be seamlessly integrated during the asset’s lifetime. Additionally, we provide resource and contract flexibility during exit stages through “Build-Operate-Transfer” arrangements to ensure a smooth transition and continuous support.

Asset Acquisition \ Secondary Transactions \ Bolt-On Acquisitions \ Carve-outs	Tech Due Diligence	Transition Support
	Value Creation <hr/> Cost-Out Engineering + Innovation IT Partnerships Professional Services	
	Exit and Continuity Post-exit	

Private Equity Footprint

<p>30 PE Firms</p>	<p>110+ Portfolio Companies</p>	<p>2,300+ Technologists</p>
 <p>Operational Improvement</p>	 <p>Multiple Expansion</p>	 <p>Financial Structuring</p>

Persistent's services for portfolio companies

Creating building blocks for business, R&D and cost-led transformation

For Software and SaaS Companies

Product Engineering

- \ Accelerated Modernization & Deployments
- \ Intelligent Product Sustenance
- \ Quality Engineering & API Test Automation

Cloud & Infrastructure

- \ Cloud Native Development & Modernization
- \ Containerization, Service Mesh
- \ OnPrem to Cloud Migration

Data / AI Modernization

- \ Data Mesh Architecture
- \ Serverless Data Products
- \ Data Security and Insight

Intelligent Automation

- \ Low-Code, RPA and DMS Application Development
- \ AI-driven Automation
- \ Legacy Modernization

Security

- \ Product Threat Modeling
- \ Shift-left, DevSecOps
- \ Cloud Security and Workload Protection

After Market

- \ Ecosystem-led Professional Services
- \ Product Support

Process Modernization

Continuous Delivery \ Test Automation \ DevSecOps \ Pipeline Automation

Cost Take-outs

Legacy Product Takeovers \ IT Carve-outs \ Function Carve-outs

Our strategic partner ecosystem



Need for change — more than before

Today board rooms are asking execs to stress-test the business - can the business maintain profitability levels amidst the anticipated revenue degrowth in the short-medium term, thanks to the economic situation; how best to manage the burn rate, given the credit crunch that is prevalent?



Sustain

(You are here)

Board rooms asking execs to perform stress tests

Profitability in scenarios of 10%, 20%, 30% revenue degrowth over short / medium term

Contain burn rate / assess ability to pare down debt (where applicable)

Evolve

Every \$\$ expense needs to be prioritized

Short term **revenue-led innovation** takes even more importance

Sustaining engineering — Mid to late stage products — Spend needs to be squeezed out

Prosper

Rule of 40: Growth + Profits \geq ~40%

Even harder to chase given the growth is going to be elusive

Profits need to be raked in — **Costs need to be contained / variabilized** in line with the revenues

Potential levers to unlock value, optimize cost and enhance innovation

In the current dynamic economic landscape, optimizing costs and improving margins are the key imperatives of most portfolio companies, alongside the need for product acceleration. Persistent is working with several Private Equity companies across 3 broad areas:

- 1\ Setting up a **Global Technology Center (GTC)**, wherein we can quickly create and scale an offshore team, that is organized around technology skills, functional areas such (e.g. Dev / QA), or products, combine that with other value adds and best practices around tools, processes, etc., organize the team to achieve scalability and manage performance and outcomes through a systematic governance approach.
- 2\ **Product / Portfolio Carve-out**, where we take over non-strategic products and provide managed services to sustain and enhance their performance. We also deliver white-labeled professional services implementations for such products. Additionally, we can offer opportunities for joint go-to-market with such products, thereby boosting the top-line.
- 3\ **Functional Carve-out**, where we can take over a 'non-core' function such as QA, IT, Professional Services, etc., in an end-to-end manner and run it like a well-oiled engine with business and IT SLAs to offer the best of predictability and cost optimization.

	Global Technology Center (GTC)	Product / Portfolio Carve-out	Functional Carve-out
What?	<p>“Scaled” Offshore Setup</p> <p>To onboard the right talent, at the right cost in a “follow the sun” model, with sufficient overlap to boost time to market.</p>	<p>Engineering Takeover</p> <p>Provide R&D, support and product management; May involve rebadging employees.</p>	<p>“Non-core” Activity Takeover</p> <p>Of the product / center (testing of a product, sustenance and maintenance, infrastructure support, IT, etc.).</p>
How?	<p>Center of Excellence</p> <p>Bringing talent, processes, tools and facilities together through an organization structure and governance mechanism that is geared to deliver transformational business outcomes; CoE can be created with a technology or product focus.</p>	<p>Product Acquisition</p> <p>Take over a product line (non-strategic, sunset, etc.). Customer can assign Client Contracts to Persistent, retain royalties, in a Revenue Share Model.</p>	<p>Functional Center of Excellence</p> <p>Rebadge resources (optionally) and set up a functional CoE while delivering the business and tech SLAs “as-a-service” e.g., IT CoE, Support CoE, BI / Analytics CoE.</p>
Why?	<p>Product Acceleration & Cost Optimization</p> <p>that offers margin improvement & time to market benefits.</p>	<p>Engineering + PS + GTM</p> <p>(1) Free up capacity to focus on Core products. (2) White-labeled professional services to customers. (3) Take solutions to combined customer base (Persistent + Customer) thereby making it a revenue earning initiative for both.</p>	<p>Benefit</p> <p>From (1) Immediate cost savings along with. (2) The expenses moving from CapEx to OpEx.</p>

**See
Beyond,
Rise
Above**

About Persistent

With over 23,000 employees located in 21 countries, Persistent Systems (BSE & NSE: PERSISTENT) is a global services and solutions company delivering Digital Engineering and Enterprise Modernization. As a participant of the United Nations Global Compact, Persistent is committed to aligning strategies and operations with universal principles on human rights, labor, environment, and anti-corruption, as well as take actions that advance societal goals. With 268% growth since 2020, Persistent is the fastest-growing Indian IT Services brand according to Brand Finance.

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