



# THRIVE24

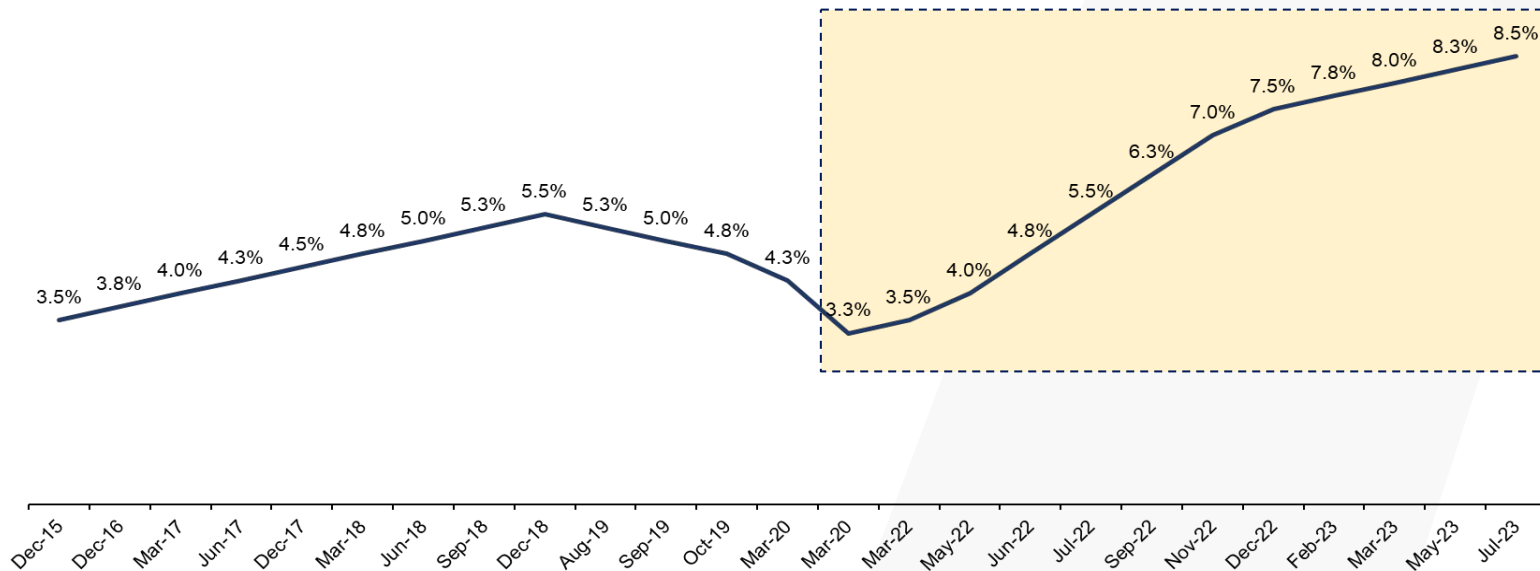
## Help Your Business Thrive with the Right Capital Approach

Jeremy Jones | September 18, 2024

# Traditional Capital Solutions | Debt Market Trends

Debt markets have been volatile since 2020, with WSJ Prime rates reaching all time highs. Bank spreads above WSJ Prime have also been highly variable. We have seen continued interest rate growth despite Fed guidance that rates will begin to decline throughout 2024. Rates have not decreased since March 2020. The increasing cost of capital has put a significant burden on Company's cash flows, with more cost being allocated to interest expenses and less to operations. Even if rates do begin declining throughout 2024, we expect them to marginally contract at 0.25 bps per occurrence. We do not expect to see the lows of 2020.

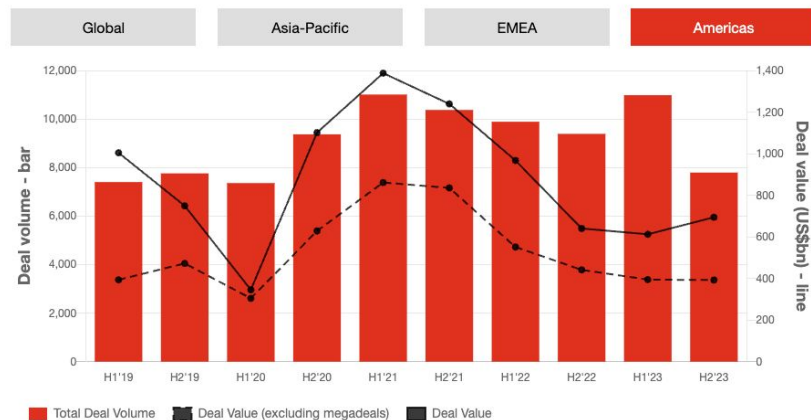
## Wall Street Journal | Trending Prime Interest Rate



# Alternative Capital Solutions | M&A Trends

## M&A Markets Have Shown Signs Of Weakness

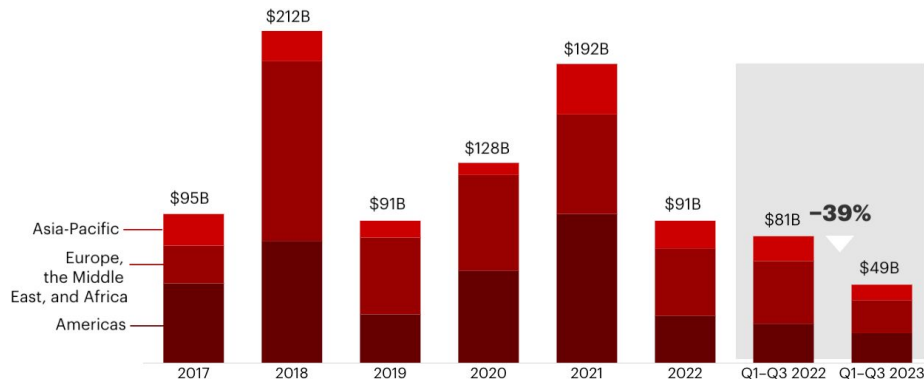
Deal volumes and values, 2019-2023



Sources: LSEG and PwC analysis

## Telco M&A deal value fell 39% through first three Qs of 2023

Global telecom M&A deal value by region



Combine the power of  
upfront non-dilutive  
capital + Marketplace

# AppDirect Capital

## Key benefits for you and your network



Ownership



Receive Liquidity today, grow tomorrow



Simplify & drive operational efficiencies



One-stop-shop marketplace



Accelerated revenue growth



# AppDirect Capital Invest | New \$100M CDPQ Fund



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## AppDirect Secures Additional USD 100 Million Investment from CDPQ for AppDirect Capital Program

*Funding provides flexible capital for technology advisors to transform and scale their business while maintaining 100% ownership*

January 09, 2024 09:07 AM Eastern Standard Time

MONTREAL & SAN FRANCISCO--(BUSINESS WIRE)--AppDirect, the leading B2B subscription commerce platform in North America, today announced it has secured USD 100 million [approximately CAD 136 million]<sup>1</sup> in funding from global investment group CDPQ. This new investment will support innovative financing options for technology advisors through the AppDirect Capital Invest program, allowing them to access flexible capital to transform and scale their business. Building upon the initial USD 80 million financing from CDPQ in 2021, this new investment increases the total program funding to USD 180 million.

"With AppDirect as a partner, we knew we'd have the ability to drive growth. And once we learned that we'd maintain complete control of our business, it was a clear path forward for us."

Post this

In today's dynamic channel market, every technology advisor faces the decision to stay the course, seek capital to invest back into their business or consider whether the time is right to be acquired or acquire. The AppDirect Capital Invest program supports these endeavors by combining upfront, non-restrictive capital with the power of the AppDirect Marketplace, allowing technology advisors to use the capital to scale, innovate, retain top talent, or make outside investments while maintaining 100% ownership of their business. This new funding from CDPQ enables AppDirect to work with technology advisors on flexible capital solutions to meet their unique business needs.

"AppDirect is committed to providing our technology advisors with an unfair advantage. Our invest program is purpose-built to empower our technology advisors," said Emanuel Bertolin, Chief Revenue Officer at AppDirect. "To keep up with today's ever-changing market, technology merchants need fast access to capital to accelerate their growth. With AppDirect Capital, technology advisors can take advantage of innovative capital options to expand their business or invest in the future, which makes increasing access to this program all the more essential."

"Since our initial financing in 2021, AppDirect has demonstrated their ability to accelerate the connectivity and competitiveness of today's businesses," said Marc Cormier, Executive Vice-President and Head of Fixed Income at CDPQ. "As part of our partnership, this repeat investment continues to facilitate the delivery of critical solutions for the digital economy, while generating stable returns for our clients."

"AppDirect is dedicated to fueling innovation and growth for our advisor community," said Nicolas Desmarais, Chairman and CEO at AppDirect. "CDPQ and AppDirect have an established track record of working together, and this new investment further solidifies both companies' commitment to the growth and transformation of AppDirect channel partners and technology advisors."

With this investment, AppDirect expects to continue bringing value to its technology advisors, like NXTSYS. "For the last five years, we've grown consistently between 22% to 30% year over year. Since we partnered with AppDirect Capital Invest, we jumped 50% in a single year in profit. Think about that: not 50% in revenue, but 50% in profit. Those kinds of numbers are phenomenal," said David Wallace, Co-founder and President of NXTSYS. "With AppDirect as a partner, we knew we'd have the ability to drive growth. And once we learned that we'd maintain complete control of our business, it was a clear path forward for us."

To keep up with today's ever-changing market, technology merchants need fast access to capital to accelerate their growth.

With AppDirect Capital, technology advisors can take advantage of innovative capital options to expand their business or invest in the future.

***"For the last five years, we've grown consistently between 22% to 30% year over year. Since we partnered with AppDirect Capital Invest, we jumped 50% in a single year in profit. Think about that: not 50% in revenue, but 50% in profit."***

**-David Wallace, Co-founder and President of NXTSYS**

# AppDirect Capital Invest | Program Participants

Key considerations in selecting a capital solutions provider:

- *Strength of balance sheet*
- *Predictable ownership structure*
- *Proven track record*

## Sample Existing AppDirect Advisor Participants



## Sample Net New Advisor Participants



# AppDirect Capital: Fireside Chat

## Featuring



**Aaron Loehr**

Founder / CEO  
StrataCore



**Joel St. Germain**

Founder / CEO  
GCG



**Tony Cheng**

President & CEO  
Netstar

## Facilitated by



**Jeremy Jones**

Managing Director,  
AppDirect Capital and  
Head of Sales Operations  
AppDirect

# Book a Meeting

JEREMY JONES  
MANAGING DIRECTOR,  
APPDIRECT CAPITAL







# Thank You

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