Cloud Communications & Collaboration

Quarterly Report

Contents

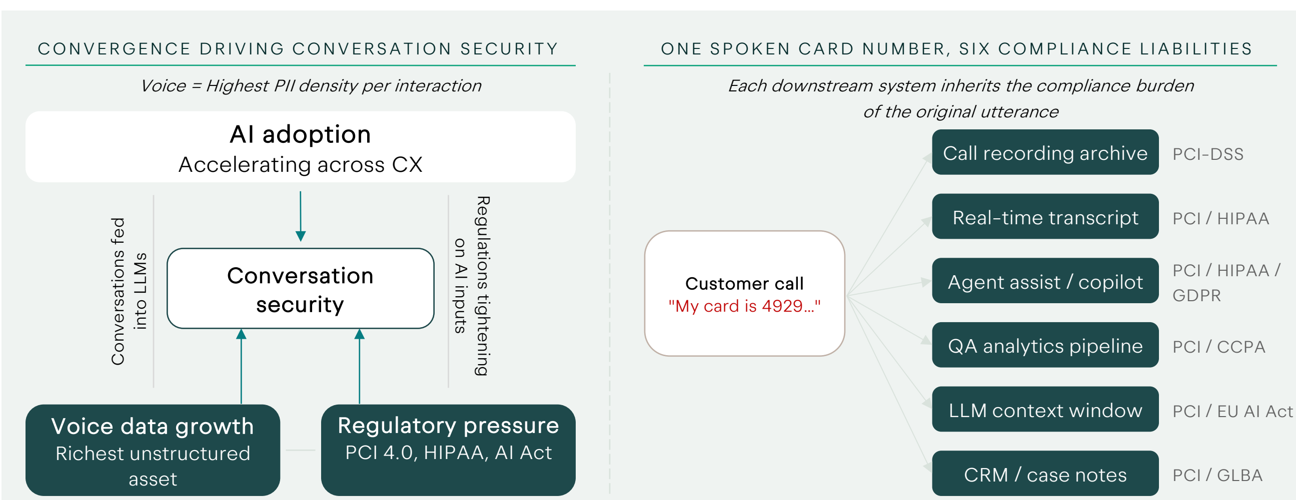
01 Perspectives

Enterprise AI Has a Blind Spot. It Is Listening to Every Call

The AI discussion has, rightly, been pointed towards a familiar set of data assets and use cases: structured databases, document management and mining, emails and code. Literally billions of dollars have flowed into AI tools that ingest, summarize and "reason" over these inputs across enterprise use cases.

We continue to believe that the single richest and largest source of enterprise data are live voice conversations. These conversations remain unstructured, ungoverned, unprotected, and under-levered.

This is not for lack of interest. Contact centers alone generate billions of recorded interactions per year, and each of those interactions contain possible insight into customer intent, sentiment, objections and resolutions—all patterns which feed AI models in every other major use case to date. Consider sales calls, internal meetings, telehealth visits and outright full AI-powered voice agent and not only has voice quietly become the largest source of unstructured enterprise data being produced but it has also become, by a wide margin, the most exposed to compliance risk.



A single customer phone call can contain credit card numbers (PCI-DSS), protected health information (HIPAA), social security numbers (state privacy laws), and account identifiers (GLBA) which are volunteered unprompted by the caller.

Unlike a web form that captures only the fields you design, voice conversations capture everything a person chooses to say. Unlike a document sitting in a repository, a live conversation replicates instantly: into the call recording, real-time transcript, agent-assist engine, QA analytics pipeline, and increasingly, the LLM context window powering post-call summarization.

One spoken card number can appear across a half-dozen systems within seconds of being uttered. The result is a widening gap between AI ambition and compliance reality.

01 Perspectives (cont.)

Enterprise AI Has a Blind Spot. It Is Listening to Every Call

Opposing Forces Will Cause Significant Organizational Tension

Enterprises want to feed conversational data into AI at scale. Regulators and regulations including PCI DSS v4.0, evolving HIPAA enforcement, the EU AI Act, and a growing patchwork of state-level privacy laws are tightening the rules around exactly that data.

Add to this that the existing compliance tooling, much of it purpose-built a decade ago for a single use case (masking credit card digits in the contact center), was never architected for the breadth of data types, channels, and AI workflows that define today's voice ecosystem.

	Legacy PCI compliance	Conversation Security
DATA TYPE PROTECTED	Card numbers; PHI, PII, SSN — *Exposed*	Cards, PHI, PII, SSN — *Full coverage*
CHANNELS COVERED	CCaaS; UCaaS, Voice AI — *Exposed*	CCaaS, UCaaS, Voice AI — *Full coverage*
REDACTION APPROACH	DTMF masking / pause-and-resume	Real-time, at point of capture
AI PIPELINE READINESS	Not designed — PII leaks into LLMs	Clean data for LLM ingestion
WHERE PROTECTION STOPS / REACHES	Recording only — not transcripts or AI	Recording + transcript + AI pipeline
DELIVERY MODEL	On-prem or hybrid, CCaaS-only	Cloud-native, partner-delivered
COMPLIANCE FRAMEWORKS	PCI-DSS; HIPAA, GDPR — *Exposed*	PCI-DSS, HIPAA, GDPR — *Full coverage*

Protected

Exposed / unprotected

Functional but limited

01 Perspectives (cont.)

Enterprise AI Has a Blind Spot. It Is Listening to Every Call

Opposing Forces Will Cause Significant Organizational Tension (cont'd)

A new infrastructure layer is emerging to close this gap. We call it Conversation Security. Businesses and software which provide real-time detection and redaction of sensitive data at the point of voice capture, before it reaches storage, analytics, or AI pipelines. It is the compliance framework that makes enterprise AI in voice possible, and it represents both a significant market opportunity and a critical area of M&A activity.

Conversation security

Platform checklist

- ✓ Real-time redaction at point of capture
- ✓ Multi-data-type coverage (cards, PHI, PII, SSN)
- ✓ Multi-channel reach (CCaaS + UCaaS + voice AI)
- ✓ AI-pipeline-ready output (clean transcripts for LLMs)
- ✓ Partner-deliverable via cloud communications platforms
- ✓ Multi-framework compliance (PCI-DSS, HIPAA, GDPR)

The platforms that check every box are positioned for the next wave of M&A

Final Thoughts

The scale of the opportunity is directly proportional to the scale of the risk. The global conversational AI market was valued at approximately $14.8 billion in 2025 and is projected to exceed $82 billion by 2034, growing at a 21% CAGR[1]. Within that, the voice AI agent segment alone (synthetic agents handling live customer calls) is expected to grow from $2.4 billion to $47.5 billion over the same period at nearly a 35% CAGR[2].

The gap between the volume of sensitive voice data being generated and the tools available to protect it is widening, not narrowing. For operators, investors, and acquirers in the cloud communications ecosystem, conversation security represents one of the most compelling and underappreciated infrastructure opportunities we are tracking.

(1) Fortune Business Insights; (2) Market.us

01 Perspectives (cont.)

Enterprise AI Has a Blind Spot. It Is Listening to Every Call

Conversation Security Landscape

Company / Ownership	Website	Footprint	Revenue[1]	GTM	Key Partners	Key Products
In-Call / Real-Time Redaction Players						
SecurePII	securepii.cloud	Global	Early Stage / 2027 Series A	Partner Model	Cisco Webex (Calling + CC) Genesys	SecureCall (real-time voice redaction PCI payments)
Sycurio.	sycurio.com	Global	~$20M	Channel Direct	Multi-platform; 50+ countries	Cardprotect Voice+, omnichannel data security, DTMF masking, tokenization
Eckoh	eckoh.com	Global	~$37M	Channel Direct	Contact center platforms; strong NA presence (~51% rev)	CallGuard, Secure Call Recording, Secure Digital Payments
PCIpal	pcipal.com	Global	~$23M	Partner Model	RingCentral, Genesys, Amazon Connect, Cognigy, PolyAI	Speak to Pay, Key to Pay, Click to Pay, AI Fraud Risk Scoring
smarsh	Smarsh.com	Global	~$200M	Channel Direct	Global banks, Financial Services	Compliant call recording, automated PII/PHI/PCI redaction

"When we deployed AI Voice across our partner base, the compliance surface area expanded overnight. A single AI-handled call now lives in the recording, the transcript, the agent-assist context, and the LLM summarization layer. Every one of those systems inherits the PII the caller volunteered. The platforms that win the next five years won't be the ones with the smartest voice agents; they'll be the ones who solved redaction at the point of capture before the data ever fans out."

Daniel Rosenrauch
CEO & Co-Founder
viirtue

"Large enterprises are sitting on one of the richest sources of unstructured data in existence: customer conversations. The challenge is unlocking that data at AI scale in a world with hundreds if not thousands of data privacy and compliance rules and regulations. That is a data architecture problem, not a legal or compliance problem. With PCI compliance as an example, legacy tools reduce PCI scope; the real challenge is to eliminate it entirely."

Bill Placki
President & Co-Founder
SecurePII

(1) FY 2025 estimated through external sources

02 Featured Case Study

CallTower Acquired by Court Square Capital Partners

Company Overview

Since its inception, CallTower has grown into a leading managed cloud communications service provider focused on enterprises around the globe. The Company enables organizations to adopt and manage best-of-breed cloud communications solutions across complex, multi-vendor environments, including leading platforms such as Teams, Webex, Zoom, Genesys and Five9.

In 2023, CallTower sold a majority stake to BV Investment Partners, facilitated by Q Advisors.

CallTower at a glance

- **Founded in 2002:** Global managed cloud communications service provider
- **Core Focus Areas:** Managed UC, CCaaS, and collaboration solutions delivered across best-of-breed platforms, enabling seamless integration and management of complex, multi-vendor environments
- **Target Market:** Mid-sized and enterprise customers with complex, multi-vendor, multi-location communication needs, served via a managed service model

The Situation

Following its successful partnership with BV Investment Partners, CallTower entered a new phase of accelerated growth driven by platform innovation, geographic expansion, and continued demand for managed cloud communications solutions.

With strong sector tailwinds and significant inbound investor interest, CallTower's leadership once again engaged Q Advisors, leveraging the firm's deep familiarity with the business and the managed communications landscape, to evaluate strategic alternatives and identify the right partner to support its next phase of growth.

The Result

Q Advisors advised CallTower and BV Investment Partners on the sale of the Company to Court Square Capital Partners, marking Q's second successful majority recap with CallTower and demonstrating the firm's ability to serve as a long-term strategic partner across multiple phases of a company's growth. Court Square emerged as the right partner given its long history of driving transformational growth alongside management teams, deep managed cloud communications investing experience, and highly relevant portfolio expertise.

The transaction delivered an outstanding outcome for shareholders and positioned CallTower to continue scaling through organic growth, strategic M&A, and continued investment in its managed cloud communications platform.

"This transaction is a testament to the value CallTower has created over the years, and Q Advisors was a critical part of that story. From our original partnership with BV Investment Partners to this milestone with Court Square, Q Advisors brought unmatched knowledge of the managed communications landscape and an exceptional ability to position CallTower's differentiated platform and articulate our growth opportunity to the right buyers. We're grateful to have had them alongside us for this journey."

Bret England, Chief Executive Officer
CallTower

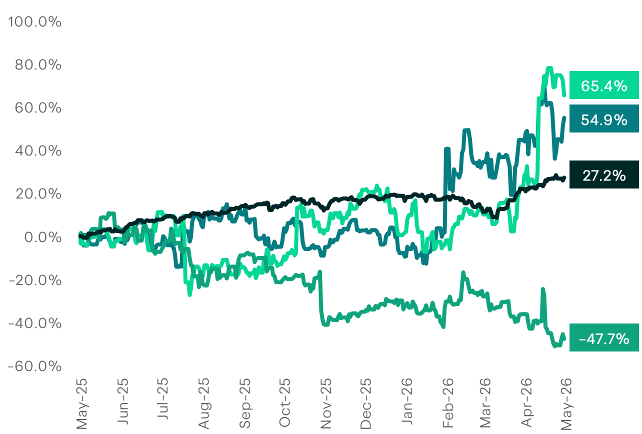
03 Industry Spotlight

Cloud Communications Valuation Trends and M&A

Cloud Communications & Collaboration Public Comparables[1]

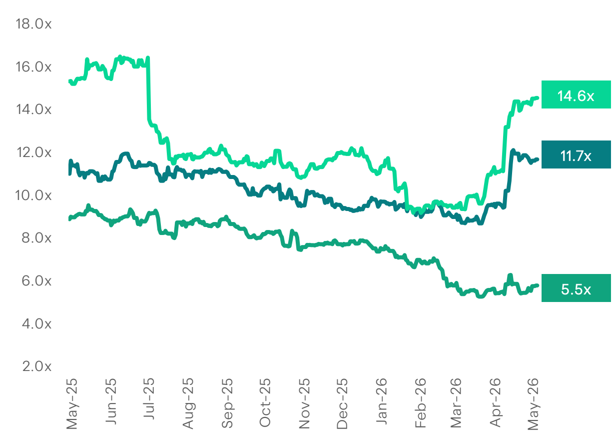
PUBLIC CLOUD COMMUNICATIONS & COLLABORATION

Share Price Relative Performance



PUBLIC CLOUD COMMUNICATIONS & COLLABORATION

TEV / EBITDA



CCaaS & CX — UCaaS — CPaaS — S&P-500

Select Recent Transaction Activity (Buyer / Target)

Cloud Communications

Conversational AI & CX

Managed Cloud Communication Services

Cloud Communications

Managed Cloud Communication Services

Communication Software

Unified Communications

Cloud Communications

Cloud Communications Channel

(1) Select key public competitors in each segment as of May 2026

04 Q Advisors Profile

Global Boutique Investment Bank Focused on TMT

→ Founded in 2001 as a Partner-owned and operated boutique investment bank that combines a sector focused approach with depth in experience. We´re not just bankers by training, we´re also operators, lawyers, and consultants.

→ Proven capabilities in structuring and negotiating M&A and financing transactions for private and public companies

Facts & Figures

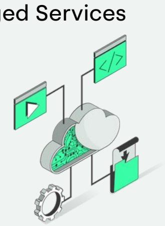
550+
Closed approx. 550+ transactions since inception with value over $25B

30
Team of approx. 30 professionals with offices in Denver and Munich

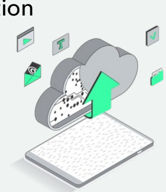
50+
50+ Cross-border transactions

Sector Expertise

IT & Managed Services



Cloud Communications & Collaboration



Digital Infrastructure

Software & Technology

Service Offering

M&A Advisory
- Sell and Buy-Side M&A
- Divestitures
- Carve-Outs

Private Placements
- Equity and Debt Financings
- Recapitalizations
- Minority Interest

Strategic Financial Advisory
- Valuation Analysis
- Strategic Competitive Analysis
- Fairness Opinions

Financial Restructuring
- Balance Sheet Re-organization
- Corporate and Operational Analysis

04 Q Advisors Profile (cont'd)

Global Boutique Investment Bank Focused on TMT

Cloud Communications & Collaboration Sector Team

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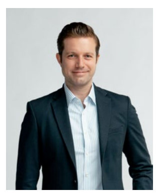

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Firm Transaction Experience (Select Recent Transactions)

Excl. Financial Advisor
s-net Communications
acquired by
COEO
a portfolio company of
RCG Riata Capital Group

Excl. Financial Advisor
calltower
a portfolio company of
bv Investment Partners
acquired by
Court Square

Financial Advisor
ARG IT Clarity
equity recapitalization by
Bear Creek Partners

Excl. Financial Advisor
DATAMOB
debt financing by
Boundary Street Stonepeak Credit

Excl. Financial Advisor
AveriStar
acquired by
Clearspan
a portfolio company of
SearchLight

Excl. Financial Advisor
COEO
acquired by
RCG Riata Capital Group

Excl. Sell-Side Advisor
voip supply
a business unit of
Sangoma
acquired by management-led strategic buyer in partnership with a debt financing partner

Excl. Financial Advisor
Grupo NGN
acquired by
White Label Communications
a portfolio company of
Incline Equity Partners

Excl. Financial Advisor
selected Imasys activities of
Swissphone
a portfolio company of
Rigeto
acquired by
F24
a portfolio company of
Altor Hg

Excl. Financial Advisor
Starface Comfortphoning
a portfolio company of
Maxburg Capital Partners
acquired by
Gamma
Deal Size: €196M