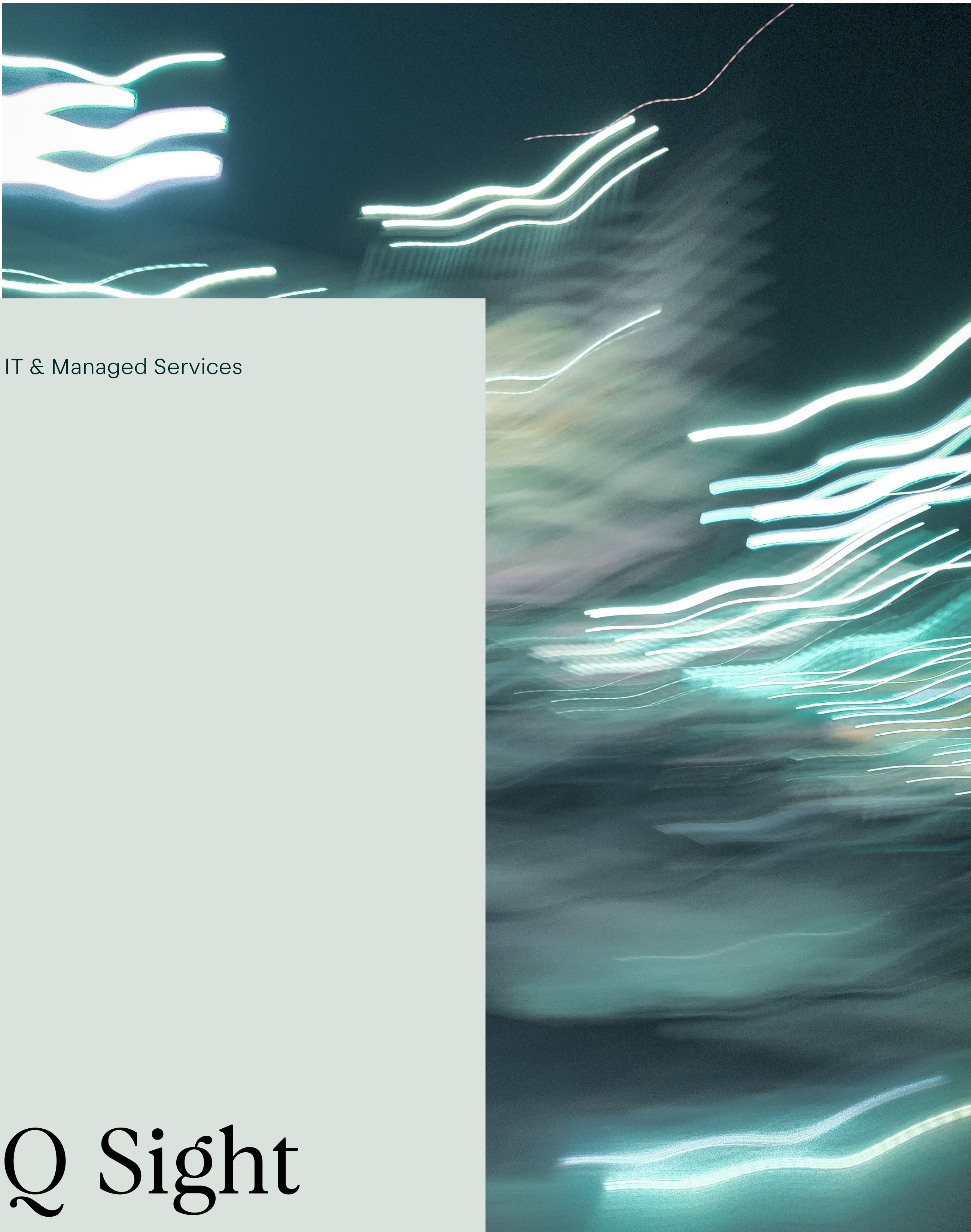


IT & Managed Services

Q Sight

Content

01 Perspectives
The Trusted Advisor Channel Comes of Age: Why Private Equity is Paying Attention

Q Advisors recently advised on the sale of ARG, an established technology channel advisory firm, in a process that drew bids from both private equity and strategic operators. Beyond the outcome for our client, the process itself was revealing; it confirmed that the Trusted Advisor (TA) channel model — long a niche corner of the telecom and IT world — has matured into a durable, investable category, and that capital allocators are increasingly betting on.

A Model That Has Quietly Scaled

The Trusted Advisor model — technology advisors, agents, and the technology services distributors (TSDs, formerly "Master Agents") who support them — originated in telecom but has expanded well beyond it into cloud, cybersecurity, unified communications, and managed services. The traditional TSD model has had to evolve its value proposition to TAs and is increasingly layering on pre- and post-sales tools, financial programs, project management, and engineering support that go far beyond simple order-taking.

The consolidation of that layer has been swift. Among the largest TSDs and TAs, Avant, Bridgepointe, Telarus, Bluewave, and Amplix have each taken on institutional capital.

From Back-Office Support to Direct, Lifecycle-Driven Models

The success of the Trusted Advisor model has also changed the shape of the traditional TSD layer itself. Rather than simply supporting a network of hundreds of independent sub-agents from behind the scenes, several of the largest players have themselves moved toward owning more of the customer relationship directly. Bridgepointe Technologies has built a team of more than 400 in-house strategists, consultants, and engineers who manage the full customer lifecycle — from initial sourcing through implementation and ongoing support — rather than acting purely as a back-office layer. Intelisys and AppDirect have followed a similar path, acquiring and integrating trusted advisory firms and building direct, customer-facing sales and support functions alongside their traditional agent networks. Avant and Telarus have remained focused on building and supporting their sub-agent ecosystem, but all are expanding end-to-end account support capabilities.

01 Perspectives *(cont'd)*
Trusted Advisor Channel Comes of Age

Enhancing the TA Solution Model: Where the Opportunity Lives

What is drawing capital in isn't the legacy commission-brokerage function — it's the platform layer being built on top of it.

1 **Security as a growth engine.** Cybersecurity has moved from an afterthought to a core motion for advisors and TSDs alike. Industry analysts estimate security billings through the Channel grew roughly fourfold between 2021 and 2025, and vendors that once relied exclusively on resellers are now actively courting the advisor channel.

2 **AI-enabled advisory.** Firms across the Channel ecosystem are deploying AI tools for sales training, faster quoting, presentations, RFPs, new product rollout, recruiting, contract administration, data analysis, and more as technology infrastructure to create differentiation, stickier end-user relationships, and back-office efficiencies. For example, ARG's AI investment into its platform ARGenius materially cut down on the time required for front-end presentations, quoting, identifying upsell opportunities, and customer support which resonated well with investors and strategics alike.

3 **M&A as a scale strategy.** ARG's own history — a series of bolt-on acquisitions that broadened it from a telecom-focused advisor into cloud, cybersecurity, and managed services — illustrates how disciplined consolidation, done well, can compound both revenue and capability. Amplix, Bluewave, and other consolidators also credit M&A as the foundation to their strategies.

4 **International expansion.** The Trusted Advisor model is beginning to gain traction in Europe, where technology providers have historically gone to market through direct sales or wholesale/distribution arrangements rather than an independent advisor channel. Adoption is uneven, but the direction of travel points to a meaningful growth opportunity for both TSDs and trusted advisory firms, particularly those with the scale and capability to serve larger, global enterprise accounts.

5 **Rising valuations.** As advisory firms have continued to expand the platform, data, and lifecycle capabilities described above, exit valuations have increased, particularly for TAs with consistent growth targeting the mid-market and enterprise space.

01 Perspectives *(cont'd)*
Trusted Advisor Channel Comes of Age

Why Enterprises Are Embracing the TA Model

The Trusted Advisor model persists and is gaining share against direct vendor and traditional reseller channels, for a simple reason: complexity has outpaced most enterprise IT teams' ability to evaluate new technology options on their own. A Trusted Advisor sits on the client's side of the table, independent of any single vendor, helping enterprises navigate an increasingly fragmented landscape of cloud, connectivity, security, and infrastructure providers without the bias of a captive sales relationship. That independence, combined with technical expertise across multiple product categories, is the core of the value proposition, and it becomes more valuable, not less, as the number of viable technology options keeps expanding.

Why Private Equity Is Growing

Several forces are converging to make this model attractive to sponsors:

Recurring, Commission-Based Revenue

The Channel throws off predictable, largely non-discretionary cash flow tied to enterprise IT spend that itself keeps growing. Renewal rates are high and there is long-term visibility of contracted cash flows.

Asset-Light, Capital-Efficient Growth

The model requires limited fixed infrastructure relative to the revenue it can generate, which is attractive amid a broader private equity environment where exit timelines have stretched, and sponsors are prioritizing capital efficiency.

Fragmentation Ripe for Consolidation

A long tail of regional advisors and smaller TSDs gives platforms a clear roll-up runway, similar to what sponsors have pursued in accounting, wealth management, insurance brokerage, and other advisory-heavy professional services verticals — a category that captured roughly a fifth of all private equity deal volume in a recent quarter.

01 Perspectives *(cont'd)*
Trusted Advisor Channel Comes of Age

Why Private Equity Is Growing (cont'd)

Successful Exits and Re-Ups

Pamlico Capital's decision to reinvest in Avant alongside a new sponsor — rather than exit outright — is a vote of confidence in the space's durability, and it gives other prospective investors a reference point for underwriting returns. The ARG process itself is a further data point: more than a dozen private equity sponsors and strategic operators pursued the asset, underscoring just how competitive demand for Trusted Advisor platforms has become.

Founders Embracing Capital

ARG's own transaction shows founder-led firms increasingly viewing institutional capital as a way to accelerate platform investment and acquisitions without ceding the independence that made them valuable advisors in the first place.

We also expect the buyer universe for Trusted Advisor assets to widen from here. As TSDs move toward direct, lifecycle-driven models, the strategic logic of the model becomes more attractive to a broader set of acquirers. Managed Service providers, Global IT Services, Consulting firms, and Distributors are all interested in TSD and Trusted Advisor platforms, and we expect them to be more active acquirers and investors moving forward.

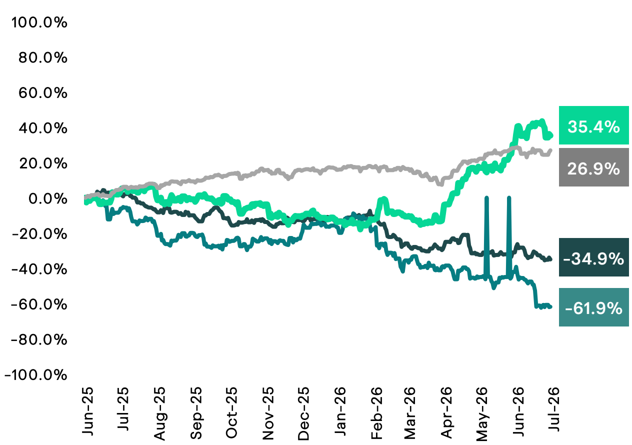
Looking Ahead

The competitive dynamic Q Advisors saw in the ARG process — private equity and strategic buyers actively competing for the same asset — is likely to become more common, not less. As the advisor channel continues to embrace new categories of technology spend and platforms continue investing in data, security, and AI-enabled tools, the businesses that combine scale, independence, and technology differentiation will continue to command significant interest from both strategic acquirers and financial sponsors. For Trusted Advisors and TSDs evaluating their own capital and growth options, the message from the market is increasingly clear: institutional capital now understands, believes in, and is actively competing to own a piece of the Trusted Advisory ecosystem.

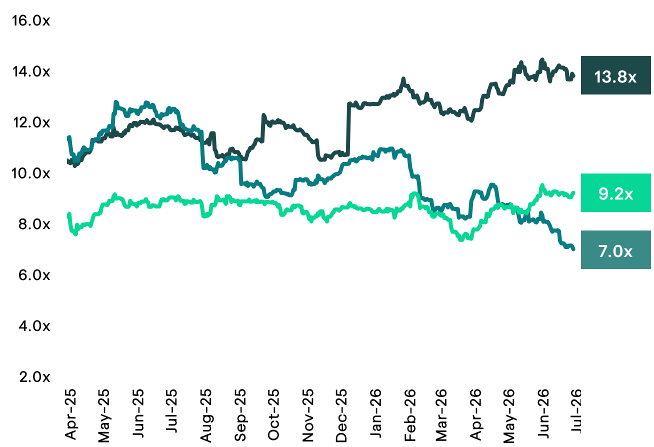
02 Industry Spotlight
IT & Managed Services M&A and Valuation Trends

IT & Managed Services: Public Market Data[1]

→ **PUBLIC IT & MANAGED SERVICES**
Share Price Relative Performance[2]



→ **PUBLIC IT & MANAGED SERVICES**
TEV / TTM EBITDA



IT Consulting, DX, & Outsourcing
Managed IT & Cloud Services
VAR/IT Hardware
S&P 500

Recent Transaction Activity (Buyer / Target)

NLInvesteert / Holland ICT Groep
Managed Services and Cybersecurity

Apheon / easi
Managed IT and Cybersecurity Services

AYCE Capital / Netwide Technical Solutions, Inc
Managed Services

xFact / Stonewall Innovative Technology Solutions
Managed Services and Cybersecurity

verdane / telenor
Managed Services

iren / Mirantis
Managed Services

cognizant / astreya
Managed IT and Cloud Services

Bridgepoint / iC Consult
Cybersecurity Services

Searchlight, abry partners / KORE
Network

(1) Select key public companies in each segment as of June 30th 2026
(2) Market Cap weighted cumulative returns
Source: Pitchbook

03 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

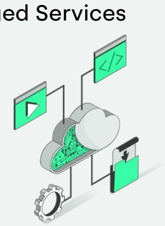
550+
Closed approx. 550+ transactions since inception with value over $25B

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

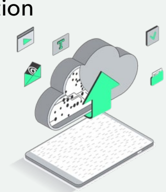
50+
50+ Cross-border transactions

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

03 Q Advisors Profile *(cont'd)*
Dedicated Specialists Across the US and Europe

IT & Managed Services Sector Team

Michael Quinn
Partner, Denver / Europe
–
+1 303 996 3003
quinn@qllc.com

Gerry DeHaven
Partner, Denver
–
+1 303 996 3004
dehaven@qllc.com

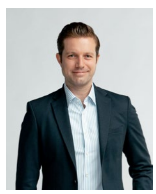
Jordan Rupar
Partner, Denver
–
+1 303 996 4004
rupar@qllc.com

Kristian MacCarter
Partner, Munich
–
+49 89 203 006 133
maccarter@qllc.com

Brian Kornmann
Partner, Denver
–
+1 720 666 6571
kornmann@qllc.com

Hayley Hughes Morabito
Managing Director, Denver
–
+1 303 996 3009
hughes@qllc.com

Wes Faulkenberry
Managing Director, Denver
–
+1 303 996 3002
faulkenberry@qllc.com



Patrick Zukowski
Vice President, Munich
–
+49 170 29 00 265
zukowski@qllc.com

Thomas Beato
Vice President, Denver
–
+1 303 996 3008
beato@qllc.com

Firm Transaction Experience (Select Recent Transactions)

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

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

Exclusive Financial Advisor
ARG IT Clarity®
equity recapitalization by
Bear Creek Partners

Exclusive Financial Advisor
DATAMOB
debt financing by
Boundary Street Stonepeak Credit

Exclusive Financial Advisor
vCom
acquired by
AppDirect

Buy-Side Advisor
Revelstoke Capital Partners
acquired
omega systems

Sell-Side Advisor
netrio
acquired by
L2 Capital Partners

Exclusive Financial Advisor
Bridgepointe
equity recapitalization by
Charlesbank

Sell-Side Advisor
Storagepipe
acquired by
Thrive
a portfolio company of
Court Square

Exclusive Financial Advisor
zLinq
equity recapitalization by
M·One Capital