

Agile Growth Equity is a growth-oriented private equity group seeking to partner with innovative lower middle market B2B companies ready for digital transformation

## The Future Is Digital

- Digital transformation barriers-to-entry are dropping
  - Cost of sensors, storage, and other digital infrastructure continues to decrease
  - Open-source code is ubiquitous in commercial applications
- Demands from upstream vendors and customers to digitize are increasing
- Labor rate increases will continue to meaningfully impact operating margins
- Innovative companies look to code and automation as an additional form of operating leverage

## The Challenge Is Human

- Talent acquisition obstacles stand in the way of successful digitalization initiatives within lower middle market companies
- Successful digital transformation depends on:
  - Attracting and retaining the right talent
  - Transforming culture and developing institutional knowledge
- The human challenge is difficult enough for software companies; basic businesses face additional uphill battles
- Alignment of interest is key to success

## Lower Middle Market Investing Meets the Digital Transformation Age

### Investment Criteria

#### Transaction Type

- Control equity investments (>50% equity ownership) in support of:
  - Buyouts
  - Recapitalizations
  - Founder / owner succession solutions
  - Growth initiatives
- Meaningful seller retained equity required for alignment of interests

#### Industries / Sectors

- Business services
- Industrial services
- Manufacturing
- Value added distribution
- Specialty rental

#### Target Company Characteristics

- Established lower middle market companies
- \$2.0 to \$10.0 million EBITDA
- B2B products and services
- Track record of growth, demonstrated ability to generate free cash flow
- High service quality
- Differentiated product offerings
- Forward-thinking management team

#### Geographic Focus

- United States

### Contact Info

**Alejandro Capetillo** | Partner

acapetillo@agilege.com

(832) 867-6792



**Brett Baucum** | Partner

bbaucum@agilege.com

(713) 446-5212

927 Studewood St, Suite 320  
Houston, TX 77008

www.agilege.com