

PRIVATE EQUITY IN ACTION - CASE STUDY

App-DNA



Country	United Kingdom
Region	London
Investor	Foresight Group, Matrix Private Equity Partners

Not everything in business can be planned for in advance, but firms must always be ready to move quickly and decisively should circumstances change - for the better or the worse. Foresight Group's investment in, and Matrix Private Equity Partners' subsequent support of, Camwood - an IT consulting business based in the UK - demonstrates how private equity is able to do just this, acting opportunistically to take advantage of a changing landscape.

When it emerged that an in-house software tool at Camwood had a potentially huge external market, the two private equity firms were ready to help a new business, App-DNA, launch itself into the outside world, and provided the support and professionalism it needed in those early, high-growth years.

What did the business need?

- Initial investment in Camwood, providing the IT consulting business with development capital for growth
- Management improvement
- International expansion

How did private equity backing create lasting value?

- Helped to identify internal software tool as having commercial potential
- Developed business plan for App-DNA, setting benchmarks and KPIs
- Provided flexible financing structure to cover start-up costs
- Built team, installed best-practice structures and build

32x
return on investment

80
staff now at App-DNA - up from zero



Foresight and Matrix provided App-DNA with not only finance, but also the professional support and advice to develop the business.

PATRICK DE SMEDT

Chairman
App-DNA

management function

- Introduced networks to add value and build skills
- Brought in top management including the ex-Chairman of Microsoft Europe

What outcomes did private equity investment achieve?

- Grew from half a dozen to 80 staff in three years
- Now present in the US, Australia and France, with sales across the globe
- Sale to Citrix for \$95m consideration achieved a 32x return and an IRR of around 240% for investors, with App-DNA still growing strongly
- Retains stake in Camwood - still performing strongly, with staff numbers up from 25 to 70 during investment period

More information

[App-DNA](#)

[Foresight Group](#)

App-DNA revenues, 2009-2011 (£m)

