

UNDER EMBARGO: 05 March 2019; 14.15hrs

Synova exits Meritsoft to Cognizant

Leading growth investor **Synova Capital** (“Synova”) is delighted to announce the sale of portfolio company **Meritsoft** to **Cognizant** [NASDAQ: CTSH], one of the world’s leading professional services companies. The transaction has generated an initial return to Synova of **4.0x invested capital** and an **IRR of 47%** with further returns anticipated under the terms of an earn-out agreed with Cognizant.

Meritsoft is a leading provider of intelligent software solutions to global capital markets participants enabling clients to automate post-trade processes, increase efficiency and comply with increasingly stringent regulatory requirements.

Synova’s partnership with the founders, Kerril Burke & Paul Burke, led to a significant investment in the Meritsoft team with employee numbers increasing threefold, including the strengthening of the sales, marketing and development teams.

During Synova’s period of investment, the management team focused the business on the high growth areas of process automation and analytics. In addition, Synova supported the establishment of an office in New York, which was instrumental in Meritsoft securing a number of Tier 1 Wall Street banks as customers.

Since investment, Meritsoft’s revenues and earnings have grown fourfold.

Randall Winn of 22C Capital, and Non-Executive Chairman Peter Little, invested alongside Synova, making invaluable contributions to the business.

Philip Shapiro, a Managing Partner of Synova and a Non-Executive Director of Meritsoft, commented: *“We partnered with an excellent management team to help accelerate growth in a fantastic business both in the UK and internationally. The exit is a result of the skill and hard work of that team and their strong working relationship with Synova. With a record pipeline and compelling market drivers we wish the team every success in the next stage of their development.”*

Kerril Burke, Founder & CEO of Meritsoft, said: *“We have benefited from a great partnership with Synova, which has been a key part of Meritsoft achieving its strong growth. Personally, I have enjoyed working with the entire Synova team and have found their strategic counsel and operational discipline to be particularly valuable as we have scaled the business both in the UK and internationally.”*

ENDS



NOTES:

1. [Synova](#) is recognised as one of Europe's leading growth investors, generating class-leading returns from investing in companies typically valued at between £20m and £100m. Key verticals include Financial Services, Technology, Business Services, and Health & Education. Synova is currently investing **Synova Fund III** (2016)
2. **Synova Fund I** (2007) was fully realised, returning 4.0x cost, following the 2018 [sale of Mandata to LDC](#), returning 8.0x cost; **Synova Fund II** (2013) announced its first exit in September 2018 with the [sale of 4Ways Healthcare](#), returning 6.0x cost, followed more recently by the announcement of the agreed [sale of Stackhouse Poland to Arthur J. Gallagher & Co.](#) ([NYSE:AJG], returning 5.6x cost. [Synova Fund II invested in Meritsoft in September 2015.](#)
3. [Meritsoft](#) is an award-winning provider of intelligent automated software solutions for tax, regulatory and claims management for major financial institutions. The demand for Meritsoft's products has accelerated, driven by both regulatory demand and an internal drive for efficiencies within large Investment Banks and other Capital Market participants
4. **Cognizant** is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Its unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 195 on the Fortune 500 and is consistently listed among the most admired companies in the world
5. [Philip Shapiro](#) and [Scott Fairlie](#) led the transaction for Synova; Arma Partners acted as corporate finance advisers to the Meritsoft shareholders with Osborne Clark providing legal advice

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