



EPAM Announces Agreement to Acquire First Derivative, Expanding Global Financial Services Practice



Press Release

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Strategic Acquisition will Enhance Capabilities in Capital Markets, Banking Operations and Asset Servicing, Strengthening Client Offerings Globally

NEWTOWN, PA, USA, and NEWRY, N. IRELAND, October 7, 2024 — **EPAM Systems, Inc.** (NYSE: EPAM), a leading digital transformation services and product engineering company, today announced its agreement to acquire First Derivative, a Northern Ireland-headquartered managed services and consulting business for the capital markets industry with more than 1,800 employees worldwide and major delivery capability in the U.K., Ireland, North America and APAC.

EPAM will leverage First Derivative's strong industry experience and brand to deliver a comprehensive set of AI-enabled end-to-end capabilities to clients in banking, capital markets and other financially regulated businesses across North America, Europe and APAC. Through the acquisition, First Derivative will bring more than 100 new clients under

the EPAM umbrella, offering unmatched value and setting a new standard for technology services in the financial services industry.

“We’re pleased to expand our financial services portfolio and diversify our global footprint in key regions with the addition of First Derivative’s deep expertise across capital markets, banking operations and asset servicing,” said Balazs Fejes, President of Global Business and Chief Revenue Officer, EPAM. “The combination of EPAM’s digital technology and engineering heritage with First Derivative’s business services and packaged implementation software offerings, bolstered by the transformative potential of Generative AI, will establish valuable end-to-end capabilities for our clients. This enables them to evolve and scale their digital ecosystems, gain deeper data insights, enhance operations and drive innovation, all while minimizing risks and maintaining regulatory compliance.” First Derivative specializes in delivering engineering, technical and business services to help the world’s leading financial institutions, including the top 20 global banks, stay compliant, reduce costs and enhance efficiency through tech modernization. Through highly customizable, holistic and easy-to-integrate solutions, clients are equipped to leverage the power of data and AI to enhance decision making.

“EPAM’s commitment to engineering excellence and its transformational capabilities, including GenAI, will strengthen and expand our ability to shape the future for clients, including the world’s largest investment banks,” said David Collins, CEO, First Derivative. “As a top employer for highly skilled engineers, analysts and consultants in capital markets, we are excited to continue our momentum by joining the EPAM team and extending our mission to help organizations accelerate agility and remain competitive in an ever-evolving landscape. Together, we are positioned to be the market leading services provider with a highly differentiated capability, combining strong domain expertise and the best in modern technology. We will offer a full suite of end-to-end business and technology services to the world’s leading investment banks.”

First Derivative is a division of FD Technologies plc, which is listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

“For more than 25 years, First Derivative has helped the world’s largest global banks and financial services companies solve their most pressing operational, data and technological challenges,” said Seamus Keating, CEO, FD Technologies plc. “With its combination of domain knowledge and technical expertise, we are proud of First Derivative’s proven track record and long-standing relationships with blue-chip financial institutions and look forward to seeing its continued success.”

To learn more about EPAM’s growing financial services capabilities, visit www.epam.com/industries/financial-services.

Details Regarding Proposed Acquisition of First Derivative

The acquisition is subject to customary closing conditions, including the receipt of necessary regulatory clearances, and is expected to close in the fourth quarter of 2024.

Stone Key Partners LLC served as the exclusive financial advisor and Faegre Drinker served as the legal advisor to EPAM.

ABOUT EPAM SYSTEMS

Since 1993, EPAM Systems, Inc. (NYSE: EPAM) has used its software engineering expertise to become a leading global provider of digital engineering, cloud and AI-enabled transformation services, and a leading business and experience consulting partner for global enterprises and ambitious startups. We address our clients' transformation challenges by fusing EPAM Continuum's integrated strategy, experience and technology consulting with our 30+ years of engineering execution to speed our clients' time to market and drive greater value from their innovations and digital investments.

We make GenAI real with our AI LLM orchestration, testing and engineering solutions, EPAM DIAL, EPAM EliteA™ and EPAM AI/RUN™, respectively.

We deliver globally, but engage locally with our expert teams of consultants, architects, designers and engineers, making the future real for our clients, our partners and our people around the world.

We believe the right solutions are the ones that improve people's lives and fuel competitive advantage for our clients across diverse industries. Our thinking comes to life in the experiences, products and platforms we design and bring to market.

Added to the S&P 500 and the Forbes Global 2000 in 2021 and recognized by Glassdoor and Newsweek as a Top 100 Best Workplace, our multidisciplinary teams serve customers across six continents. We are proud to be among the top 15 companies in Information Technology Services in the Fortune 1000 and to be recognized as a leader in the IDC MarketScapes for Worldwide Experience Build Services, Worldwide Experience Design Services and Worldwide Software Engineering Services as well as a leader in the 2023 Gartner® Magic Quadrant™ for Custom Software Development Services, Worldwide.*

Learn more at www.epam.com and follow us on [LinkedIn](#).

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ABOUT FD TECHNOLOGIES

FD Technologies is a group of data-driven businesses that unlock the value of insight, hindsight and foresight to drive organisations forward. The Group comprises KX, which provides software to accelerate AI-driven innovation and First Derivative, providing consulting services which drive digital transformation in financial services and capital

markets. FD Technologies operates from 13 locations across Europe, North America and Asia Pacific, and employs more than 2,400 people worldwide.

For further information, please visit www.fdtechnologies.com and www.kx.com.

Forward-Looking Statement

This press release includes certain statements which may constitute forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the accuracy of which are necessarily subject to risks, uncertainties, and assumptions as to future events that may not prove to be accurate. Such forward-looking statements are mainly based on our current expectations and estimates of future events and trends, which affect or may affect our business and operations. These statements may include words such as “may,” “will,” “should,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate” or similar expressions. Those future events and trends may relate to, among other things, the closing of the Acquisition, which may not close on the terms or timing anticipated, or at all, the satisfaction or waiver of any conditions to the closing of the Acquisition, the anticipated impacts or benefits of the Acquisition, developments relating to the war in Ukraine and escalation of the war in the surrounding region, political and civil unrest or military action in the geographies where we conduct business and operate, difficult conditions in global capital markets, foreign exchange markets and the broader economy, and the effect that these events may have on client demand and our revenues, operations, access to capital, and profitability. Other factors that could cause actual results to differ materially from those expressed or implied include general economic conditions, the risk factors discussed in our most recent Annual Report on Form 10-K and the factors discussed in our Quarterly Reports on Form 10-Q, particularly under the headings “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” and other filings with the Securities and Exchange Commission. Although we believe that these forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made based on information currently available to us. EPAM undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable securities law.

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