

TECHNOLOGY MONTHLY

JUNE 2019

Our technology & tech-enabled services practice advises leading private and publicly traded technology companies including many of the world's most respected IT consulting, managed services, technical staffing and enterprise software providers.

Transaction Processing

Info Services

Offshore ITS


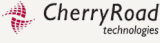








IT Staffing

ITS

Managed Services

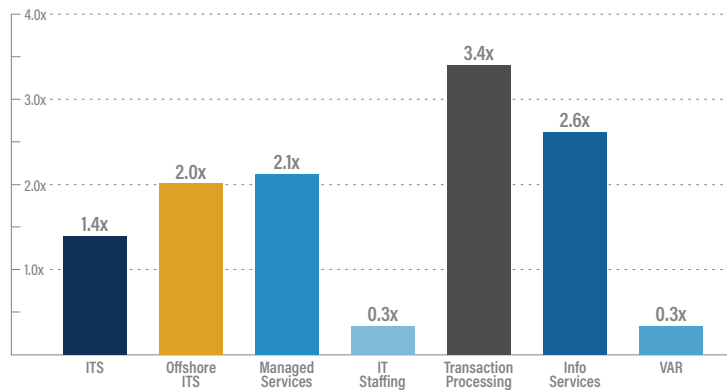
VAR

HEADLINE TRANSACTIONS

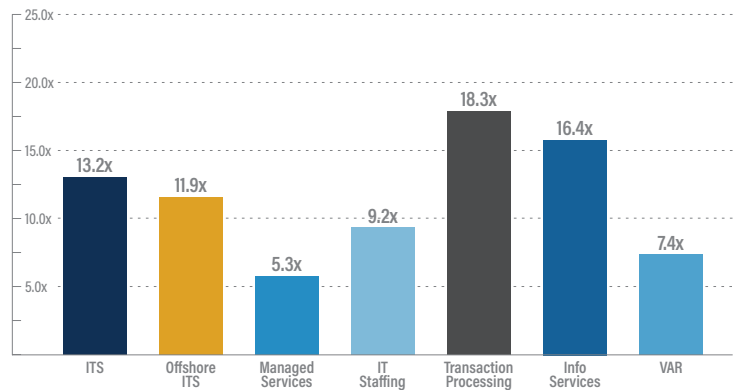
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
IT Services			<ul style="list-style-type: none"> The CherryRoad Group Inc., a US based provider of system integration and consulting services, has acquired Superb Internet Corporation, a US based provider of infrastructure-as-a-service, cloud hosting and website hosting services The acquisition bolsters CherryRoad's cloud-related infrastructure service offerings, particularly within the security, hosting solutions, storage and accessibility verticals
			<ul style="list-style-type: none"> Digital Management, LLC (backed by Goldman Sachs Group, Merchant Banking Division), a US based provider of mobility services including brand marketing, app development, and mobile strategy, has acquired Pragiti, Inc., a US based e-commerce solutions and service provider The acquisition enhances Digital Management's ability to deliver accelerated business transformation through an enhanced digitization service offering
			<ul style="list-style-type: none"> DXC Technology Company (NYSE: DXC), a US based provider of IT services, has acquired Sime Darby Berhad's Global Services Centre, a Malaysian provider of accounting, IT, communication technology and payroll service solutions The acquisition enhances DXC's business process services and delivery operations in Malaysia
Value Added Reseller			<ul style="list-style-type: none"> Synoptek, LLC (backed by Sverica Capital Management), a US based provider of IT management and support services, has acquired Dynamic Resources Inc., a US based value added reseller of Microsoft Dynamics 365, AX, and CRM The acquisition expands Synoptek's geographic presence into the Midwestern US and strengthens its expertise in Microsoft's business and cloud platforms
IT Staffing			<ul style="list-style-type: none"> Eliassen Group, LLC (backed by Stone Point Capital), a US based provider of staffing and consulting services, has acquired Credere Group, a US based provider of management consulting and talent optimization services The acquisition bolsters Eliassen's professional service offerings and expands its footprint into new industries such as energy and manufacturing

TECHNOLOGY GROWTH & VALUATION TRENDS

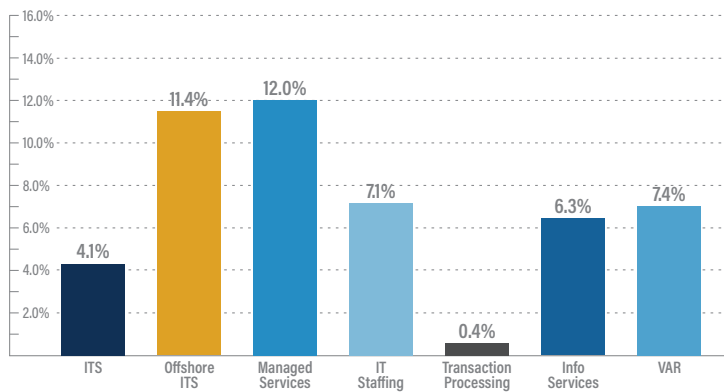
Enterprise Value / LTM Revenue



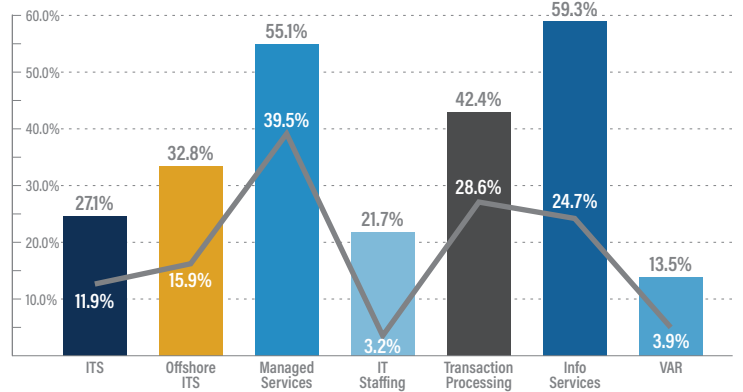
Enterprise Value / LTM EBITDA



LTM Revenue Growth

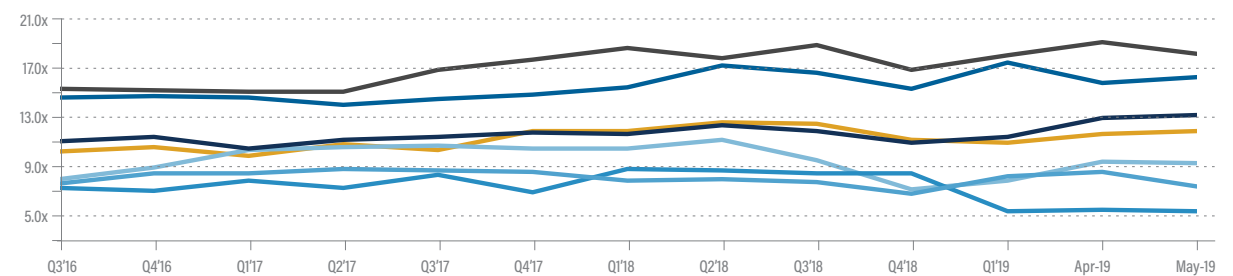


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA

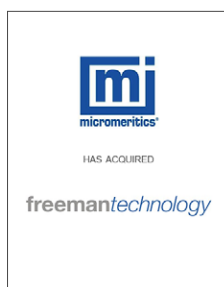


13.2x ITS 11.9x Offshore ITS 5.3x Managed Services 9.2x IT Staffing 18.3x Transaction Processing 16.4x Info Services 7.4x VAR

SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
5/29/2019	IT Services	KPMG AB	Everdon Security AB	NA	<ul style="list-style-type: none"> KPMG AB, a Swedish provider of auditing, accounting and taxation advisory services, has acquired Everdon Security AB, a Swedish provider of cybersecurity, risk management and information security consulting services The acquisition allows KPMG to meet increased customer demands for cybersecurity consulting services in Sweden
5/28/2019	Transaction Processing	Global Payments Inc.	Total System Services, Inc.	\$26,213M	<ul style="list-style-type: none"> Global Payments Inc., a US based provider of payment technology and software solutions, has acquired Total System Services, Inc., a US based provider of merchant and payment processing services The acquisition expands Global Payments' e-commerce presence in the US and allows it to better compete with other payment technology players
5/23/2019	Managed Services	CareWorx Fully Managed	Affinity Managed Services	NA	<ul style="list-style-type: none"> CareWorx Fully Managed, a Canada based provider of managed IT support services, has acquired Affinity Managed Services, a Canada based managed IT service provider The acquisition adds depth and strength to CareWorx Fully Managed's assortment of managed IT services throughout Canada
5/22/2019	IT Services	Avtex Solutions, LLC	NuSoft Solutions, Inc.	NA	<ul style="list-style-type: none"> Avtex Solutions, LLC (backed by Norwest Equity Partners), a US based provider of customer experience integration solutions, has acquired NuSoft Solutions, Inc., a US based leader in Microsoft digital consulting services The acquisition combines two Microsoft Gold Partners and adds to Avtex's capabilities around sales, marketing, data and AI within the Microsoft platform
5/21/2019	IT Services	Champion Solutions Group, Inc.	DirecLogix Corp.	NA	<ul style="list-style-type: none"> Champion Solutions Group, Inc., a provider of technical solutions including cloud computing, application visualization and systems integration services, has acquired DirecLogix Corp., a US based provider of IT consulting, planning and implementation services The acquisition will bolster Champion's data center and software solutions in the Southeast US
5/8/2019	IT Services	Drawbridge Partners, LLC	Advisory Business of inCyber Security	NA	<ul style="list-style-type: none"> Drawbridge Partners, LLC, a US based provider of cybersecurity consulting services, has acquired the Advisory Business of inCyber Security, a US based provider of cybersecurity and compliance services The acquisition broadens Drawbridge's client base as the firm continues expanding its advisory, product and application portfolio

Selected TM Capital Technology Experience



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