

# TECHNOLOGY MONTHLY

JULY 2020

*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.*

ITS      Offshore ITS      Managed Services      IT Staffing      Transaction Processing      Info Services      VAR

## HEADLINE TRANSACTIONS

TARGET

ACQUIROR

ACQUISITION SYNOPSIS

keste

TRINITY HUNT  
PARTNERS

- Trinity Hunt Partners, a U.S. based growth-oriented private equity firm, acquired a majority stake in Keste, a U.S. based provider of B2B digital transformation services
- Trinity Hunt's IT expertise and backing will enhance Keste's existing capabilities and fuel its growth, especially through future add-on acquisitions

DecisionPoint  
Selling

OVERGROUND  
Cloud Services

- Overground Cloud Services, a leading U.S. based Salesforce consulting firm, acquired DecisionPoint Selling, a U.S. based provider of business process and sales management consulting services
- The acquisition bolsters Overground's traditional CRM implementation services, allowing customers to improve Salesforce adoption and increase sales and win rates

CoastalCloud

SVERICA  
CAPITAL

salesforce  
ventures

- Sverica Capital, a U.S. based middle market private equity firm, invested alongside Salesforce Ventures in Coastal Cloud, a U.S. based independent Salesforce consulting partner
- The funding supports Coastal Cloud's rapid growth trajectory and enables it to improve its agility, efficiency and client service

dn  
m

Deloitte

- Deloitte Ireland, a global provider of accounting and consulting services, acquired DNM, an Ireland based provider of international consulting services in the areas of analytics, cloud and managed services
- The acquisition enhances Deloitte's business transformation offerings, particularly in assisting clients in the adoption of cloud technologies

Privo

NAVISITE

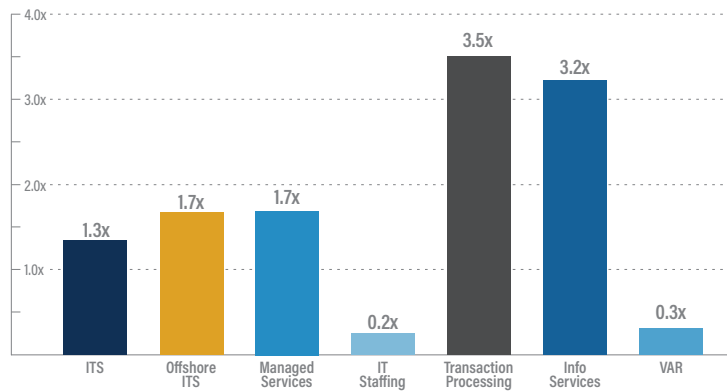
- Navisite (backed by Madison Dearborn Partners), a U.S. based managed cloud services provider, acquired Privo, a U.S. based Premier Consulting Partner in the AWS Partner Network
- The acquisition bolsters Navisite's AWS and cloud services offerings with additional capabilities such as cloud assessment, planning through migration, cost optimization and managed DevOps

IT Services

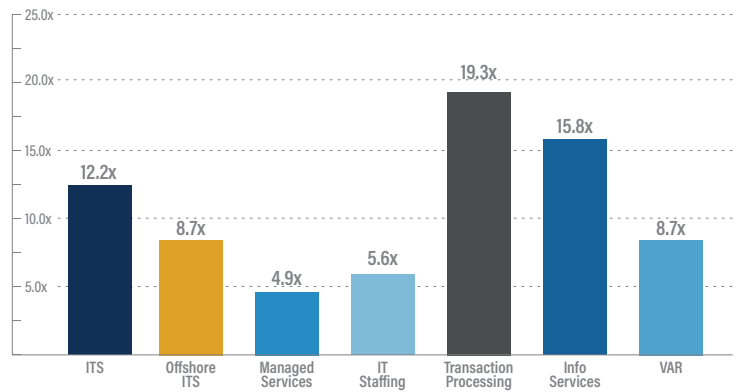
Managed Services

# TECHNOLOGY GROWTH & VALUATION TRENDS

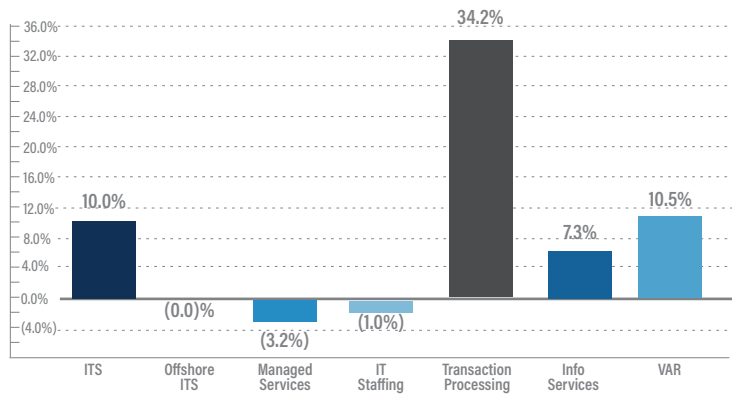
Enterprise Value / LTM Revenue



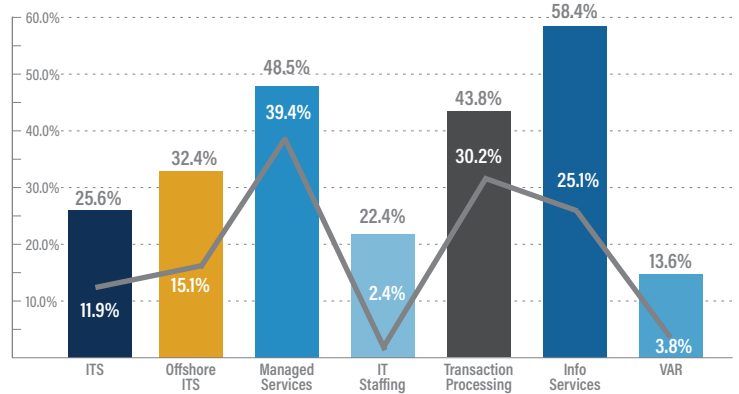
Enterprise Value / LTM EBITDA



LTM Revenue Growth

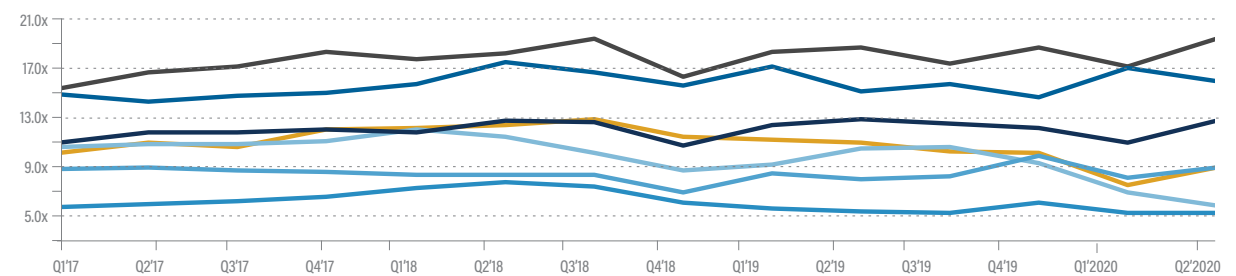


LTM Gross & EBITDA Margin\*



\*EBITDA Margins shown as the gray line.

TEV / EBITDA



12.5x ITS 8.7x Offshore ITS 4.9x Managed Services 5.6x IT Staffing 19.3x Transaction Processing 15.8x Info Services 8.7x VAR

# SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
6/18/2020	Managed Services	Improving	iTexico	NA	<ul style="list-style-type: none"> <li>Improving (backed by Trinity Hunt Partners), a US based provider of IT consulting, training, recruiting and project services, acquired iTexico, a U.S. based provider of software development and mobile maintenance and support services</li> <li>The acquisition adds over 300 professionals to Improving and expands its reach into Mexico and the high-growth Austin market</li> </ul>
6/3/2020	IT Services	Effectual	Five Talent Software	NA	<ul style="list-style-type: none"> <li>Effectual (backed by Catalyst Investors and Lumerity Capital), a U.S. based provider of digital transformation consulting and managed services, acquired Five Talent Software, a U.S. based technology consulting and custom software development firm</li> <li>The acquisition bolsters Effectual's DevOps and cloud native application development capabilities</li> </ul>
6/2/2020	Managed Services	Park Place Technologies	Custom Hardware Engineering & Consulting	NA	<ul style="list-style-type: none"> <li>Park Place Technologies (backed by Charlesbank Capital Partners and GTCR), a U.S. based provider of third party hardware maintenance and support services for IT data centers, acquired Custom Hardware Engineering &amp; Consulting, a U.S. based provider of system maintenance services</li> <li>The acquisition expands Park Place's operational depth and strengthens its engineering and parts advantages in the U.S. market</li> </ul>
6/1/2020	IT Services	ProArch IT Solutions	iV4	NA	<ul style="list-style-type: none"> <li>ProArch, a U.S. based provider of cloud consulting, data platform and product engineering services, acquired iV4, a U.S. based provider of managed IT consulting, cybersecurity and Azure cloud services</li> <li>The acquisition bolsters ProArch's offerings, specifically with the addition of iV4's managed services, networking, cloud architecture and cybersecurity expertise</li> </ul>
6/1/2020	IT Services	Launch Consulting	Level 11	NA	<ul style="list-style-type: none"> <li>Launch Consulting (backed by TA Group Holdings), a U.S. based digital transformation consulting firm, merged with Level 11, a U.S. based provider of user experience and software development services</li> <li>The merger combines the companies' complementary capabilities, creating a world-class platform for end-to-end digital transformation services</li> </ul>

## Selected TM Capital Technology Experience



micromeritics®

HAS COMPLETED A STRATEGIC RECAPITALIZATION WITH



SFW  
CAPITAL PARTNERS



Sierra-Cedar

HAS SOLD



Sierra Systems

TO



NTT DATA



CORE SERVICES

HAS BEEN ACQUIRED BY



EST. 1972  
SYNTAX

A PORTFOLIO COMPANY OF



NOVACAP

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