

# TECHNOLOGY MONTHLY

NOVEMBER 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 SYNOPSISIS



**anexinet**

- Anexinet (backed by Mill Point Capital), a US based designer of digital platforms for intelligent insights, customer engagement and enterprise modernization, agreed to acquire SereneIT, a US based provider of a cloud management platform and managed IT services
- The acquisition expands Anexinet's capabilities into containerization, a trending alternative to virtualization



**Atos**

- Atos (ENXTPA:ATO), a France based global provider of digital transformation solutions and services, agreed to acquire Eagle Creek Software, a US based provider of consulting and technical services focusing on customer relationship management (CRM), business intelligence (BI) and application development
- The acquisition bolsters Atos' Salesforce franchise with additional CRM, application development and BI capabilities



**Cognizant**

- Cognizant (NasdaqGS: CTSH), a US based provider of consulting, technology and outsourcing services, acquired Bright Wolf, a US based technology services provider specializing in custom Industrial Internet of Things (IIoT) solutions for Fortune 1000 clients
- The acquisition adds to Cognizant's smart products offering and will allow it to establish an IoT innovation lab in the Raleigh-Durham area



- Salesforce Ventures, the venture capital arm of Salesforce, invested in Apisero, a US based provider of technology consulting services for the MuleSoft and Salesforce platforms
- Salesforce's backing enables Apisero to expand its services into new geographies and build industry-specific cloud offerings



- Huron Consulting (NasdaqGS: HURN), a US based provider of advisory, technology and analytic solutions, acquired ForceIQ, a US based developer of Salesforce and Vlocity cloud solutions for the healthcare industry
- The acquisition expands Huron's cloud software capabilities and adds over 65 employees to its global workforce



- Infosys (NSEI: INFY), an India based provider of consulting, technology, outsourcing and next-generation digital services, acquired Blue Acorn iCi, an US based a digital commerce UX design and strategy agency, for \$125 million
- The acquisition expands Infosys' cross-technology capabilities with customer experience, digital commerce, analytics and experience driven commerce services



- Triton Partners, a large UK based middle market private equity firm, acquired HiQ International (OM: HIQ), a Sweden based provider of IT consulting solutions, for \$457 million, or 15.5x LTM EBITDA
- Triton's backing provides HIQ with the capital needed for numerous organic growth opportunities, operational improvements and potential add-on acquisitions



- Accenture (NYSE:ACN), a leading global professional services company, acquired Zag, a New Zealand based provider of SAP solutions for public and private sector clients, for \$45 million
- The acquisition strengthens Accenture New Zealand's ability to help clients accelerate their business transformation using SAP and cloud technologies



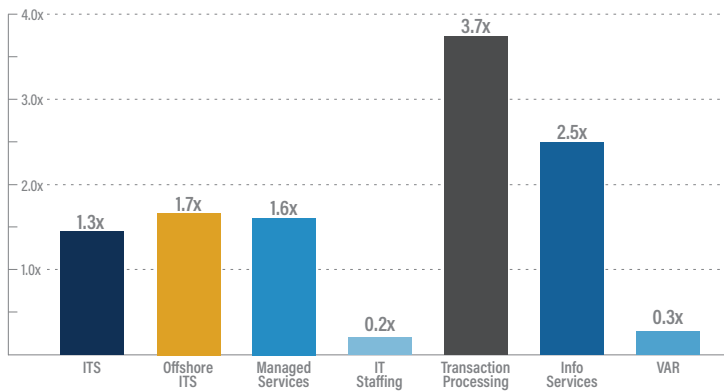
- Converge Technology Solutions (TSXV:CTS), a Canada based IT distributor, acquired Unique Digital, a US based IT solutions provider focused on big data, cloud, data protection, networking, security and virtualization solutions
- The acquisition is Converge's 13th since late 2017, and it brings deep VMware capabilities to its US operations

IT Services

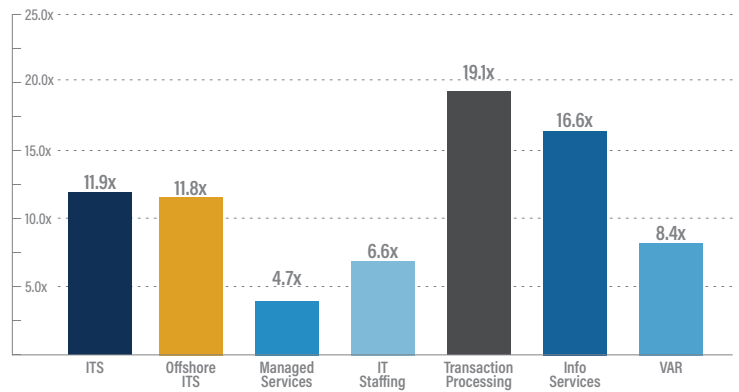
VAR

# TECHNOLOGY GROWTH & VALUATION TRENDS

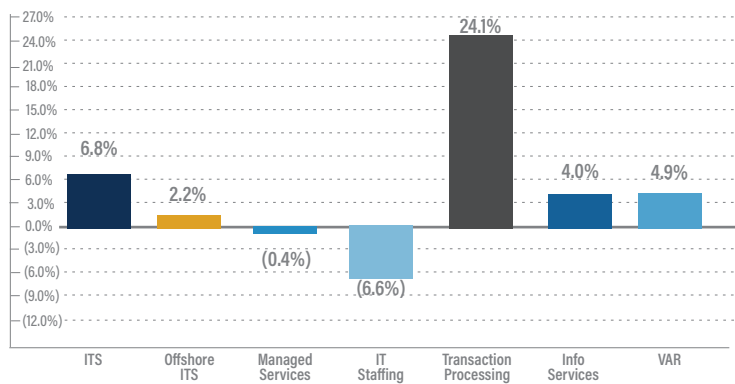
Enterprise Value / LTM Revenue



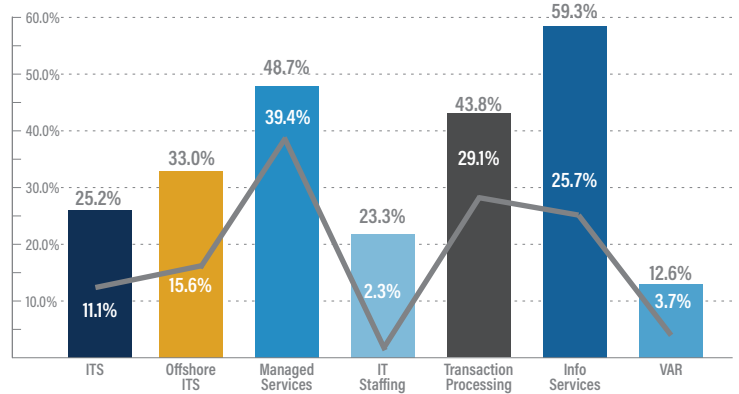
Enterprise Value / LTM EBITDA



LTM Revenue Growth

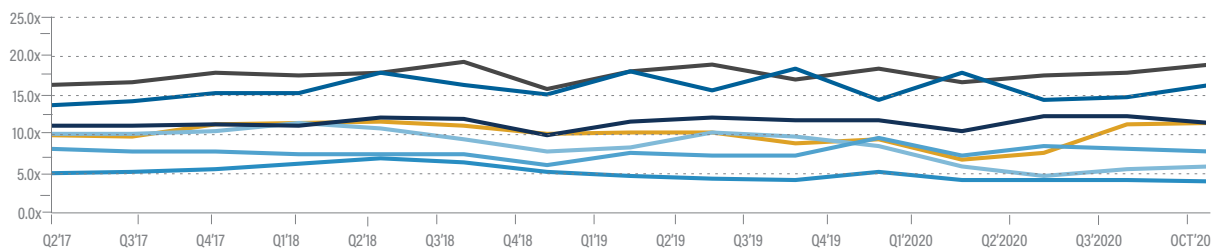


LTM Gross & EBITDA Margin\*



\*EBITDA Margins shown as the gray line.

TEV / EBITDA



11.9x ITS    11.8x Offshore ITS    4.7x Managed Services    6.6x IT Staffing    19.1x Transaction Processing    16.6x Info Services    8.4x VAR

# SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
10/26/2020	IT Services	Avtex Solutions	Aria Solutions	NA	<ul style="list-style-type: none"> <li>Avtex Solutions (backed by Norwest Equity Partners), a US based provider of customer experience integration solutions, acquired Aria Solutions, a Canada based provider of contact center software applications using the Genesys customer interaction management platform</li> <li>The acquisition improves the depth of Avtex's service offerings, especially with access to end-to-end Genesys solutions</li> </ul>
10/22/2020	Managed Services	Ntiva	eGuard Technology Services	NA	<ul style="list-style-type: none"> <li>Ntiva (backed by Southfield Capital), a US based IT, cloud and cybersecurity services firm, acquired eGuard Technology Services, a US based provider of managed IT services to small and medium businesses and non-profits</li> <li>The acquisition increases Ntiva's client base to over 1,400 organizations and expands its footprint into the Washington DC and Baltimore areas</li> </ul>
10/21/2020	Managed Services	Intellitech	Hilltop Consultants	NA	<ul style="list-style-type: none"> <li>Intellitech (backed by BV Investment Partners), a US based provider of outsourced IT and service desk support solutions to the legal and accounting markets, acquired Hilltop Consultants, a US based provider of managed IT and professional services</li> <li>The acquisition expands Intellitech's capabilities into cybersecurity, network &amp; infrastructure support and other specialized offerings</li> </ul>
10/20/2020	IT Services	Sunstone Partners	Cloudbakers	NA	<ul style="list-style-type: none"> <li>Sunstone Partners, a US based technology-focused private equity firm, invested in Cloudbakers, a US based provider of cloud-based SaaS products</li> <li>Sunstone's backing accelerates Cloudbakers' growth strategy, especially in expanding their Google Cloud Platform consulting and management services business</li> </ul>
10/15/2020	IT Services	Focus Technology	IntegrITD	NA	<ul style="list-style-type: none"> <li>Focus Technology, a US based IT infrastructure, managed IT services, cybersecurity and cloud solutions provider, acquired IntegrITD, a US based provider of data engineering and management solutions</li> <li>The acquisition bolsters Focus Technology's expertise in data science and analytics, allowing it to better leverage data to drive digital transformation outcomes for its clients</li> </ul>
10/7/2020	IT Services	Thrive Operations	Timlin Enterprises	NA	<ul style="list-style-type: none"> <li>Thrive Operations (backed by M/C Partners), a US based provider of outsourced IT managed services to small and midsize businesses, acquired Timlin Enterprises, a US based provider of digital transformation services</li> <li>The acquisition bolsters Thrive's existing technology portfolio, especially with the addition of Timlin's team of Microsoft experts and tools</li> </ul>
10/5/2020	IT Staffing	Eliassen Group	Ferguson Consulting	NA	<ul style="list-style-type: none"> <li>Eliassen Group (backed by Stone Point Capital), a US based provider of technology staffing and consulting services, agreed to acquire Ferguson Consulting, a US based provider of IT contractors for Fortune 400 clients</li> <li>The acquisition expands Eliassen's reach into the St. Louis area and fits well into Eliassen's expertise and capabilities</li> </ul>
10/1/2020	IT Services	Mastech Digital	AmberLeaf Partners	NA	<ul style="list-style-type: none"> <li>Mastech Digital (AMEX: MHH), a US based provider of digital transformation services, acquired AmberLeaf Partners, a US based customer experience consulting firm</li> <li>The acquisition enhances Mastech's capabilities in customer experience strategy, global service delivery and IP-led platforms</li> </ul>
10/1/2020	IT Services	New Era Technology	Vintek	NA	<ul style="list-style-type: none"> <li>New Era Technology, an US based provider of managed services, cloud solutions and systems integration services, acquired Vintek, an Australia based IT consulting firm</li> <li>The acquisition expands New Era's operations in Australia and New Zealand</li> </ul>

## Selected TM Capital Technology Experience



## TM Capital's Technology Industry Contacts



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