

TECHNOLOGY MONTHLY

MARCH 2021

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

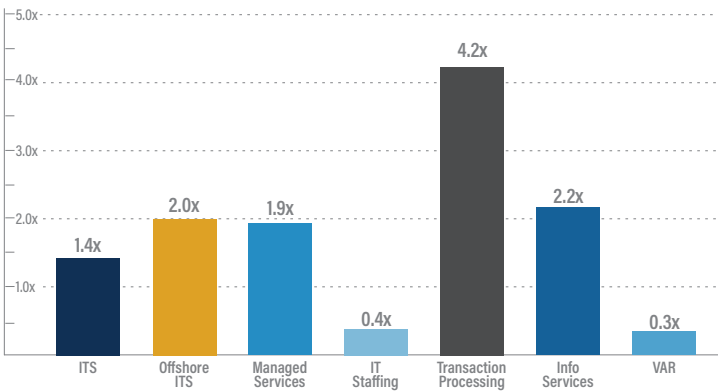
HEADLINE TRANSACTIONS

TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
	INVESTCORP	<ul style="list-style-type: none"> Investcorp, a global manager of alternative investment products, acquired KSM Consulting, a US based provider of technology data and management consulting services, from Renovus Capital Partners Investcorp's backing accelerates KSM's organic growth through geographically expanding across the US, broadening KSMC's service offerings into strategic adjacencies, and building upon KSMC's recent acquisitions of Colorado-based Tempus Nova, Ohio-based Advocate Solutions, and Indianapolis-based Connect Think
EDENHOUSE		<ul style="list-style-type: none"> Accenture (NYSE:ACN), a leading global professional services company, acquired Edenhouse, a UK based independent SAP platinum partner The acquisition strengthens Accenture's digital transformation capabilities in the UK as the demand for cloud solutions continues to increase through the pandemic
		<ul style="list-style-type: none"> Converge Technology Solutions (TSXV: CTS), a Canada based IT distributor, acquired Accudata Systems, a US based IT consulting, security and system integration services provider Converge's 18th acquisition brings Accudata's extensive market and industry experience and key relationships with Microsoft and Cisco to the company
Bails	NORDIC	<ul style="list-style-type: none"> Nordic Consulting, a US based provider of IT staffing, consulting and application managed services to healthcare clients, acquired Bails & Associates, a US based provider of cloud suite application and technical consulting services The acquisition adds Bails' expert ERP capabilities, enhancing Nordic's ability to help its clients face complex integration challenges
FOURKIND	ThoughtWorks®	<ul style="list-style-type: none"> ThoughtWorks, a US based provider of software delivery, tools and consulting services, acquired Fourkind, a Finland based provider of consulting services in the areas of machine learning and data science The acquisition expands ThoughtWorks' expertise in the critical areas of data, digital transformation, enterprise modernization and customer experience
imaginea		<ul style="list-style-type: none"> Accenture (NYSE:ACN), a leading global professional services company, acquired Imaginea, a US based cloud native product and platform engineering firm The acquisition adds over 1,350 cloud professionals to Accenture's employee base and enhances the global capabilities of Accenture Cloud First
	Deloitte.	<ul style="list-style-type: none"> Deloitte, a global professional services company, acquired Focus IT, a Philippines based leading Oracle boutique service provider The acquisition adds Focus IT's team to Deloitte's Southeast Asia Consulting practice and strengthens its Oracle consulting capabilities in the region

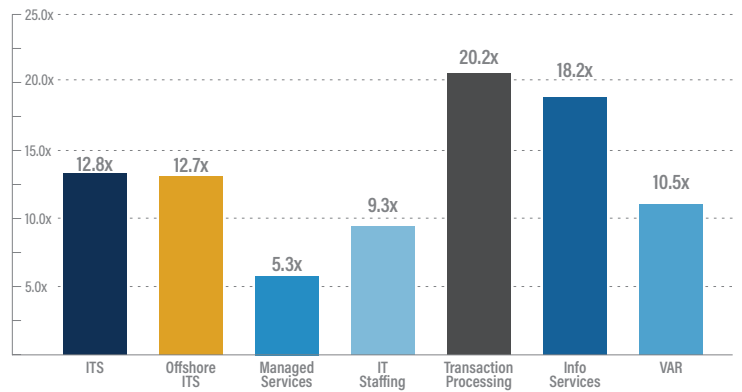
IT Services

TECHNOLOGY GROWTH & VALUATION TRENDS

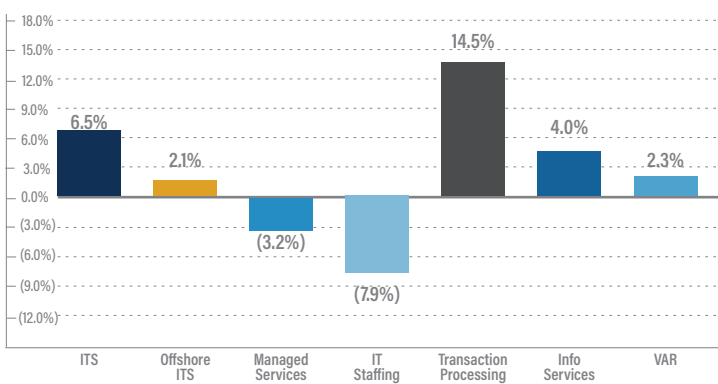
Enterprise Value / LTM Revenue



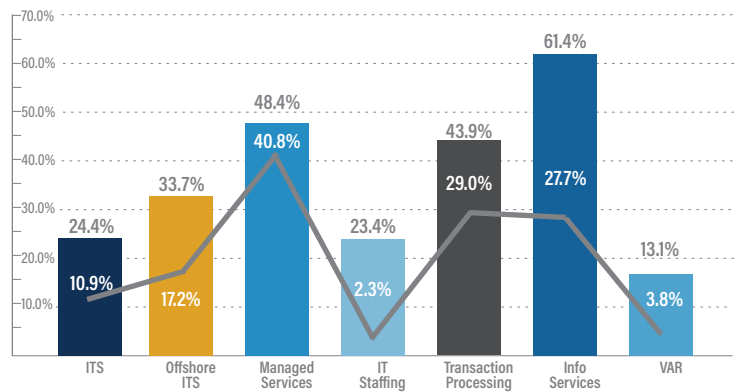
Enterprise Value / LTM EBITDA



LTM Revenue Growth

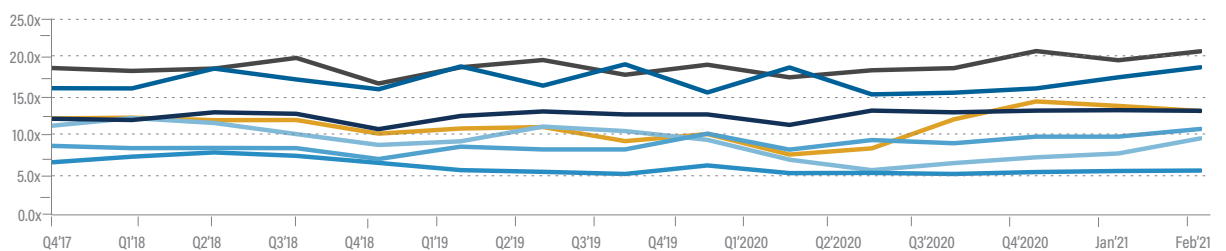


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA



12.8x ITS 12.7x Offshore ITS 5.3x Managed Services 9.3x IT Staffing 20.2x Transaction Processing 18.2x Info Services 10.5x VAR

SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
2/23/2021	IT Services	Computer Design and Integration	Kintyre Solutions	NA	<ul style="list-style-type: none"> Computer Design & Integration (backed by One Equity Partners), a US based provider of technology infrastructure services, acquired Kintyre Solutions, a US based system integrator with practices focused on cloud native application development The acquisition adds deep expertise to CDI's capabilities, including hybrid cloud infrastructure, DevOps, intelligent operations, digital workflow, security technologies, managed and professional services
2/16/2021	IT Services	DoIT International	ProdOps	NA	<ul style="list-style-type: none"> DoIT International (backed by Charlesbank Capital Partners), an Israel based provider of technical support and consulting services, acquired ProdOps, an Israel based provider of software operations and infrastructure automation services The acquisition combines the companies' engineering expertise to address growing demand for operational agility and cloud managed services
2/11/2021	IT Services	Consulting Solutions & Integration	TEK Connexion	NA	<ul style="list-style-type: none"> Consulting Solutions & Integration (backed by White Wolf Capital), a US based national provider of technology solutions and services, acquired TEK Connexion, a US based technology services and workforce solutions provider The acquisition adds TEK Connexion's talented consultants and roster of Fortune 500 clients to Consulting Solutions' portfolio
2/8/2021	IT Services	Astound Commerce	MarketForce	NA	<ul style="list-style-type: none"> Astound Commerce (backed by Salesforce Ventures), a US based provider of e-commerce and omnichannel solutions to various brands and retailers, acquired MarketForce, a US based provider of digital performance marketing services The acquisition scales Astound's demand and digital engagement practice, addressing increasing client demand for higher digital brand and business ROI
2/8/2021	IT Services	Orion Innovation	Tellence Technologies	NA	<ul style="list-style-type: none"> Orion Innovation (backed by One Equity Partners), a US based provider of digital transformation and product development services, acquired Tellence Technologies, a Romania based technology services company The acquisition bolsters Orion's international presence by establishing an R&D operation in Romania with associates in Israel as well
2/2/2021	IT Services	Accenture	Future State	NA	<ul style="list-style-type: none"> Accenture (NYSE:ACN), a leading global professional services company, acquired Future State, a US based change management consulting firm The acquisition adds Future State's 75 employees to Accenture's Talent & Organization / Human Potential team, especially strengthening its agile business transformation capabilities
2/2/2021	IT Services	Accenture	Businet System	NA	<ul style="list-style-type: none"> Accenture (NYSE:ACN), a leading global professional services company, acquired Businet System, a Japan based developer and operator of Salesforce Commerce cloud-based ecommerce sites The acquisition adds Businet's 40 employees to Accenture Interactive in Japan, strengthening its e-commerce services from strategy to system design
2/1/2021	IT Services	NHN Global	Cloudnexus	NA	<ul style="list-style-type: none"> NHN Global (a subsidiary of NHN Corporation), a US based owner and operator of e-commerce and entertainment businesses, acquired Cloudnexus, a US based AWS Premier Consulting Partner and certified AWS Managed Services Provider Now backed by NHN's extensive resources, Cloudnexus intends to strengthen its capabilities and talent within the AWS ecosystem

Selected TM Capital Technology Experience



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