


















TECHNOLOGY MONTHLY

JUNE 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

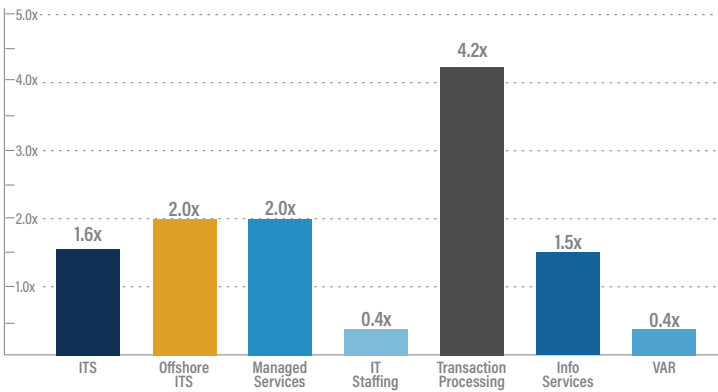
HEADLINE TRANSACTIONS

TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
		<ul style="list-style-type: none"> Gcom Software (backed by Sagewind Capital), a US based provider of software consulting services for public sector clients, acquired Qlarion, a US based provider of data management and business intelligence services The acquisition broadens Gcom's reach and gives state and local governments best-in-class data analysis and technology solutions for more informed decision-making
 		<ul style="list-style-type: none"> Sunstone Partners, a US based growth-oriented private equity firm, is merging its existing portfolio company, Cloudbakers, with Qwinix Technologies to create one of the largest Google Cloud focused partners in the Google ecosystem Backed by Sunstone, the combined entity will provide an end-to-end experience for professional and managed services for both Google Workspace and the Google Cloud Platform
		<ul style="list-style-type: none"> Mindtree (NSE: MINDTREE), a global technology consulting and services company, acquired Nxt Digital, a cloud based IoT and AI platform for Industry 4.0, from L&T Group The acquisition adds scale and market agility to Mindtree, enabling it to meet the growing end-to-end digital transformation demands of customers across the manufacturing and engineering value chain
		<ul style="list-style-type: none"> Alpha Financial Markets Consulting (AIM: AFM), a UK based provider of asset and wealth management consulting services, acquired Lionpoint Holdings, a US based advisory firm focused on alternative investments, for an implied enterprise value of \$90 million (3.0x LTM Revenue and 13.0x LTM EBITDA) The acquisition grows Alpha's exposure to the alternative investment market and strengthens its footprint in North America with Lionpoint's 125 clients across private equity, real estate and private debt funds
		<ul style="list-style-type: none"> NTT DATA Services (subsidiary of NTT DATA), a global provider of IT consulting and digital transformation services, acquired Nexient, a US based cloud-native provider of software development and IT design services The acquisition bolsters NTT DATA's growing cloud-native application development solutions capabilities and adds strength and scale in the US through Nexient's robust rural sourcing delivery model
		<ul style="list-style-type: none"> IBM Corporation (NYSE:IBM), global provider of integrated technology solutions and services worldwide, acquired Waeg, a Belgium based Salesforce Consulting Partner, for an implied enterprise value of €50 million The acquisition extends IBM's portfolio of Salesforce services and advances IBM's hybrid cloud and AI strategy for digital transformations
		<ul style="list-style-type: none"> NWN Corporation (backed by New State Capital Partners), a US based provider of cloud communications and managed devices, acquired Carousel Industries of North America, a US based provider of mid-market level technology solutions related to secure infrastructure, data centers and cloud solutions The acquisition combines two leading solution providers in cloud communications into NWN Carousel, forming a national powerhouse with an estimated \$1 billion run-rate revenue in 2021
		<ul style="list-style-type: none"> EPAM Systems (NYSE:EPAM), a US based provider of digital platform engineering and software development services, acquired Just-BI, a Netherlands based provider of end-to-end business intelligence design and implementation services The acquisition extends EPAM's ability to consult with EU and APAC customers and creates significant depth for in-market SAP S/4HANA expertise

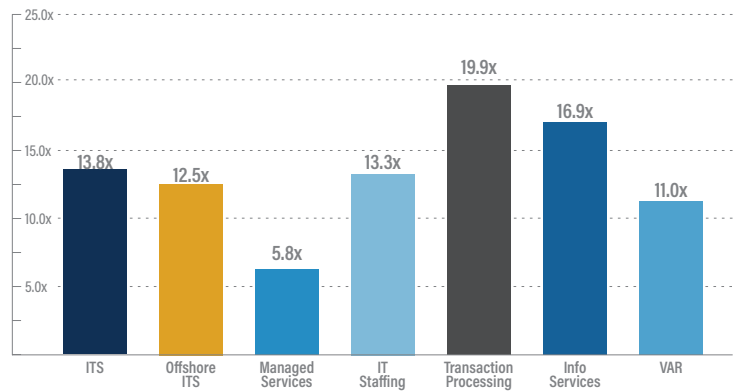
IT Services

TECHNOLOGY GROWTH & VALUATION TRENDS

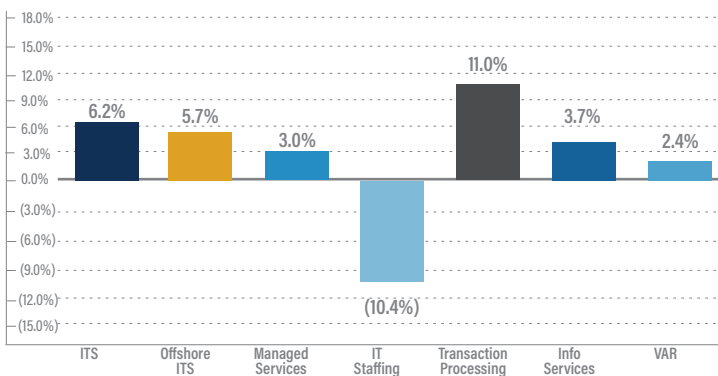
Enterprise Value / LTM Revenue



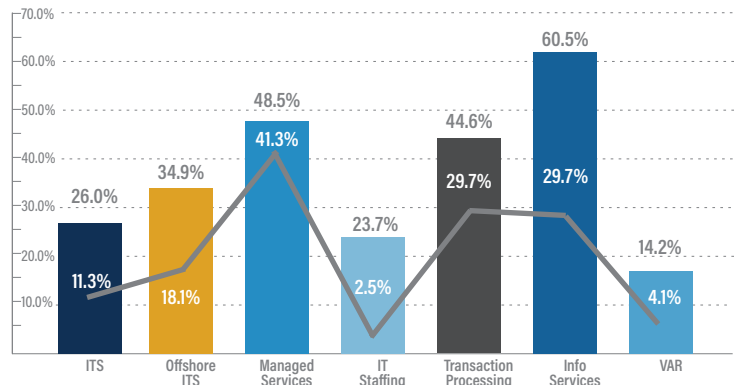
Enterprise Value / LTM EBITDA



LTM Revenue Growth

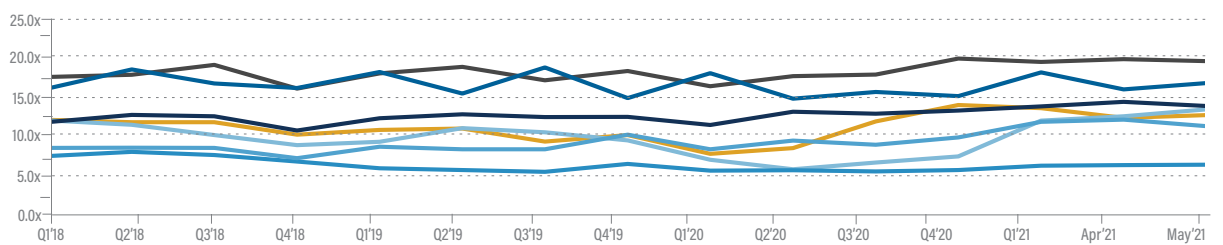


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA



13.8x ITS 12.5x Offshore ITS 5.8x Managed Services 13.3x IT Staffing 19.9x Transaction Processing 16.9x Info Services 11.0x VAR

SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
5/27/2021	IT Services	Gryphon Investors	Fishbone Analytics; Iceberg Networks; ServiceNow Division of Highmetric	NA	<ul style="list-style-type: none"> Gryphon Investors, a US based middle market private equity firm, acquired North American IT service providers Fishbone Analytics, Iceberg Networks and the ServiceNow Division of Highmetric Gryphon Investors' backing creates the largest pure-play ServiceNow partner in the world with global delivery capabilities, and develops a full-service offering to optimize digital transformation workflows for customers
5/26/2021	Managed Services	Veronis Suhler Stevenson	Centroid Systems	NA	<ul style="list-style-type: none"> Veronis Suhler Stevenson (VSS), a US based lower middle market private equity firm, completed a significant growth investment in Centroid Systems, a US based provider of managed cloud-services and enterprise workload consulting services VSS's backing creates new acquisition opportunities to strengthen Centroid's managed services offering, improve digital transformations and capture a larger share of the highly fragmented Oracle ERP market
5/17/2021	IT Services	Argano	United Virtualities	NA	<ul style="list-style-type: none"> Argano (backed by Trinity Hunt Partners), a US based provider of digital operating platforms, acquired United Virtualities, a US based provider of e-commerce and digital solutions The acquisition joins United Virtualities with Keste and interRel Consulting on the Argano Platform, bringing world-class design and technology talent together to deliver ground-breaking commerce experiences for the world's largest B2C brands
5/15/2021	IT Services	Zensar Technologies	M3bi	\$33.0	<ul style="list-style-type: none"> Zensar Technologies Ltd (BSE: 504067), an India based cloud and digital software provider, acquired M3bi, a US and India based digital engineering and data analytics firm, for an implied enterprise value of \$33 million The acquisition gives Zensar access to Fortune 500 clients, provides opportunities to cross-sell services and augments the Company's efforts in AI and machine learning
5/12/2021	IT Services	Delta-V Capital; Salesforce Ventures	OSF Global Services	\$43.0	<ul style="list-style-type: none"> Delta-V Capital and Salesforce Ventures, invested \$43 million in OSF Global Services, a Canada based provider of ecommerce solutions, cloud services and Salesforce automation software The funding supports OSF's robust acquisition roadmap to expand its delivery capabilities across new geographies and products
5/10/2021	IT Services	AgileThought	LIV Capital Acquisition Corp.	NA	<ul style="list-style-type: none"> AgileThought (backed by Nexus Capital), a US based provider of cloud architecture and end-to-end digital transformation, merged with LIV Capital Acquisition Corp. (Nasdaq: LIVK), a blank check SPAC based in Mexico The transaction positions AgileThought at the forefront of the digital transformation services market with an anticipated \$124 million in primary gross proceeds
5/10/2021	IT Services	Wavestone	Consulting Division of Everest Group	\$15.2	<ul style="list-style-type: none"> Wavestone (ENXTPA: WAVE), a France based provider of management and IT consulting services, acquired the Consulting Division of Everest Group, a US based provider of global advisory and research services, for \$10.1 million with an additional \$5.1 million tied to performance (1.0x LTM Revenue) The acquisition expands Wavestone's access to Global 500 clients and the "high-priority" US market
5/6/2021	IT Services	Apexon	Adapty	NA	<ul style="list-style-type: none"> Apexon, a US based provider of application development and IT consulting services, acquired Adapty, a US based provider of B2C and B2B e-commerce and customer experience solutions The acquisition advances customer experience services and broadens the availability of quality talent by adding Mumbai, India as a new delivery center
5/4/2021	Managed Services	Rizing	Attune Consulting USA	NA	<ul style="list-style-type: none"> Rizing (backed by One Equity Partners), a US based provider of software products, managed services and SAP solutions, acquired attune Consulting USA, a US based provider of SAP solutions to the Fashion and Lifestyle industries The acquisition expands Rizing's consumer business and strengthens the Company's SAP S/4HANA cloud solutions across 40 countries
5/4/2021	Managed Services	Ascend Technologies	Switchfast Technologies	NA	<ul style="list-style-type: none"> Ascend Technologies (backed by M/C Partners), a US based provider of cloud, cybersecurity and Salesforce services, acquired Switchfast Technologies, a US based IT managed services provider The acquisition expands Ascend's service offerings and expert support in the Midwest

Selected TM Capital Technology Experience



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