

TECHNOLOGY MONTHLY

AUGUST 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

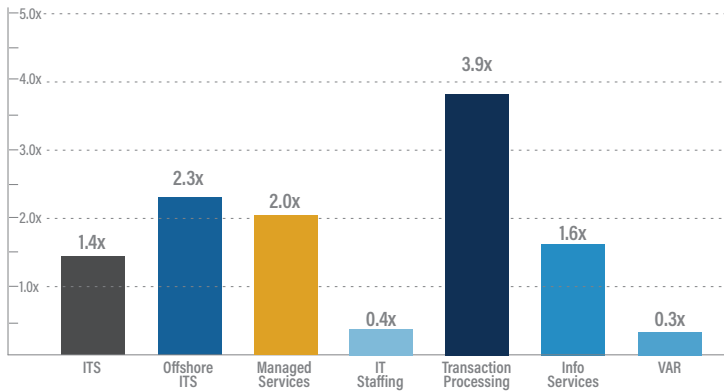
HEADLINE TRANSACTIONS

TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
		<ul style="list-style-type: none"> Accenture (NYSE: ACN), a global consulting and professional services provider, acquired CS Technology, a New York-based technology firm and provider of infrastructure transformation services. The addition of CS Technology will boost Accenture Cloud First's capabilities in infrastructure engineering, enhancing Accenture's portfolio of cloud services aimed at helping clients take full advantage of the benefits that cloud and distributed edge computing platforms offer.
		<ul style="list-style-type: none"> BV Investment Partners, a middle-market private equity firm focused on the tech-enabled business services, software and IT services sectors, announced the sale of Apps Associates, an enterprise application services provider, to Quad-C Management, a generalist private equity firm. Quad C's deep experience with both human capital management and technology-enabled services businesses will help Apps Associates continue to expand the company's service offerings and extend its geographic footprint.
		<ul style="list-style-type: none"> Evergreen Services Group, an IT service management company based in San Francisco, CA, has acquired Telco Experts, a New York City-based voice and data telecommunications provider. Telco provides a cross-sell opportunity within Evergreen's current MSPs as well as an exciting opportunity to grow Telco Experts' partner program, which works with hundreds of IT service provider partners to help them deliver reliable connectivity and voice services.
		<ul style="list-style-type: none"> ASGN Incorporated (NYSE: ASGN), a foremost provider of IT and professional services across commercial and government sectors, entered into a definitive agreement to sell Oxford Global Resources, a provider of specialty staffing and consulting services for \$525 million in cash to an affiliate of H.I.G Capital, a leading global alternative investment firm. The transaction will enable Oxford to accelerate growth through continued investment in its team, capabilities, and service offering and enhance the Company's leadership position in the market.
		<ul style="list-style-type: none"> IBM (NYSE: IBM) has acquired BoxBoat Technologies, a premier DevOps consultancy and enterprise Kubernetes certified service provider. BoxBoat will extend IBM's container strategy and implementation services portfolio to further advance IBM's hybrid cloud strategy and accelerate Red Hat OpenShift adoption globally. BoxBoat builds on IBM's ongoing investment in hybrid cloud services, enhancing IBM's capacity to meet rising client demand for container strategy and the critical people and process components of the cloud transformation journey.
		<ul style="list-style-type: none"> Silverline, a New York City-based digital transformation consultancy backed by Pamlico Capital, has acquired Shift CRM, a Toronto-based company specializing in building solutions on the Salesforce platform for Media and Entertainment organizations. The addition of Shift CRM reinforces Silverline's commitment to using deep industry expertise to create unique solutions on the Salesforce platform and Salesforce Media Cloud that enable client success.

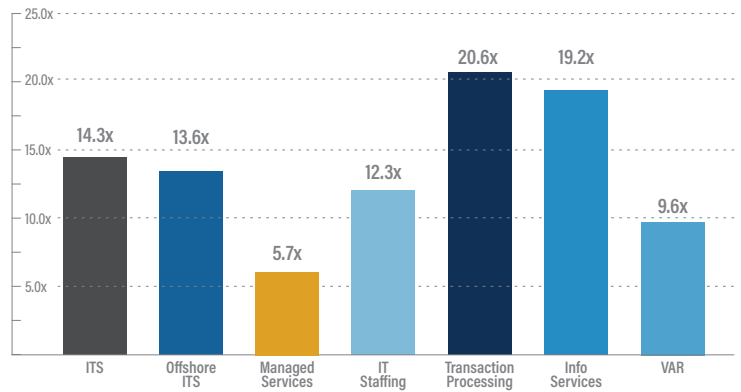
IT Services

TECHNOLOGY GROWTH & VALUATION TRENDS

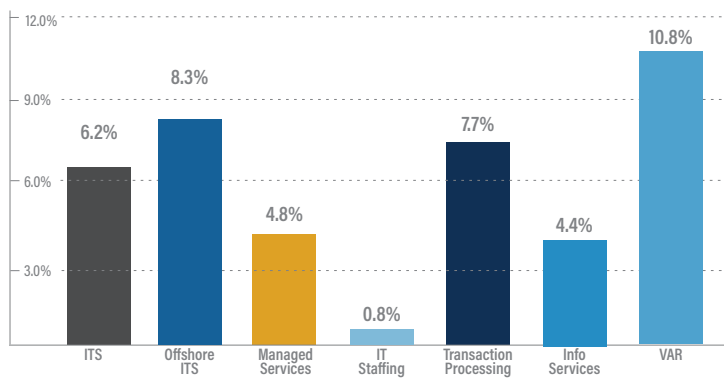
Enterprise Value / LTM Revenue



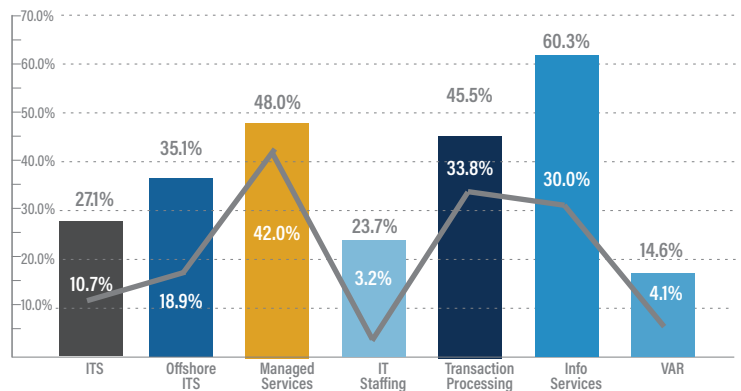
Enterprise Value / LTM EBITDA



LTM Revenue Growth

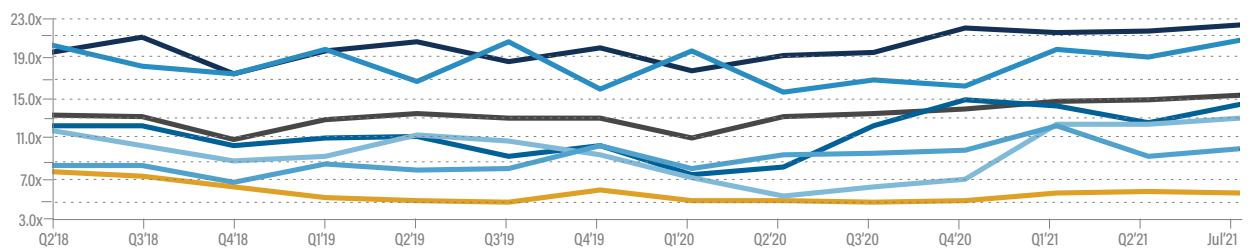


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA



14.3x ITS 13.6x Offshore ITS 5.7x Managed Services 12.3x IT Staffing 20.6x Transaction Processing 19.2x Info Services 9.6x VAR

SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
7/28/2021	IT Services	Sonata Software	Encore Software Services	\$14.6	<ul style="list-style-type: none"> Sonata Software entered into a definitive agreement to acquire Encore Software Services, a Silicon Valley based IT Services Company providing User experience, Data Insights, and real time collaboration services to clients in the Healthcare, Supply-chain / Logistics, and ISV industries. With this acquisition, Sonata further strengthens its geographical presence in the US, and adds significant capability to enhance Sonata's digital transformation strategy.
7/26/2021	IT Services	Angel Oak Companies	Covience	NA	<ul style="list-style-type: none"> Angel Oak Companies has agreed to acquire Toronto, Canada based startup Covience. With extensive experience in digital transformation, Covience provides advisory services, payment and banking solutions, technology and operational improvements, program management, and managed services. The acquisition is part of a two-pronged strategy that will enhance the digital capabilities of Angel Oak in the U.S. while expanding the company's global presence.
7/21/2021	IT Services	Renovus Capital Partners	LeapPoint	NA	<ul style="list-style-type: none"> Renovus Capital Partners, a Philadelphia-area private equity firm, announced that it has acquired LeapPoint, LLC, an industry-leading digital consulting firm specializing in connecting work, technology, and talent to drive unparalleled business experiences and outcomes. The acquisition follows a period of record-setting growth for LeapPoint as it continues to drive digital transformation for some of the world's largest companies.
7/20/2021	IT Services	Cognizant	TQS Integration	NA	<ul style="list-style-type: none"> Cognizant (Nasdaq: CTSI) announced it has agreed to acquire TQS Integration, a privately owned global intertechnology consulting and digital systems integration services company based in Lismore, Ireland. The acquisition enhances Cognizant's end-to-end smart factory capabilities, helping clients realize information and operational technology convergence and drive digital transformation in their manufacturing operations.
7/5/2021	IT Services	Capgemini	Acclimation	NA	<ul style="list-style-type: none"> Capgemini announced the acquisition of Acclimation, a leading SAP services specialist headquartered in Australia. The acquisition significantly strengthens Capgemini's SAP capabilities in the region and adds to its client portfolio locally. The acquisition will strengthen Capgemini's ability to help clients accelerate their transformation to run their entire business in the cloud.
7/2/2021	Managed Services	Intermediate Capital Group	Iver Holding AB	NA	<ul style="list-style-type: none"> EQT, a private equity firm based in Stockholm, Sweden, agreed to sell Iver Holding AB, a managed IT services provider also based in Stockholm, Sweden, to Intermediate Capital Group, a UK-based global alternative asset manager. The acquisition will allow ICG to support Iver's next phase of growth, in areas such as multi-cloud, digital transformation, cybersecurity and DevOps-services.
7/1/2021	IT Staffing	Eliassen Group	Rooster Park	NA	<ul style="list-style-type: none"> Eliassen Group, LLC, a strategic consulting and talent solutions firm, has acquired Rooster Park, a full-service software engineering staffing agency and consultancy based in the Seattle area. The acquisition enables Eliassen Group to expand its services offering to the Northwest US and enhance its strategic consulting offerings, including software engineering consulting.

Selected TM Capital Technology Experience



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