

TECHNOLOGY MONTHLY















JANUARY 2023

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 Info Services VAR

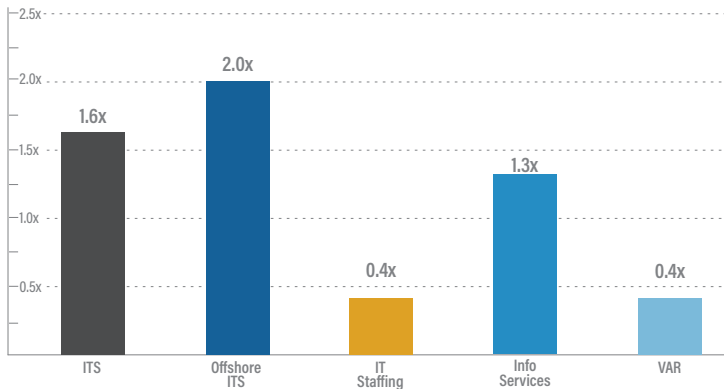
HEADLINE TRANSACTIONS

TARGET ACQUIROR ACQUISITION SYNOPSIS

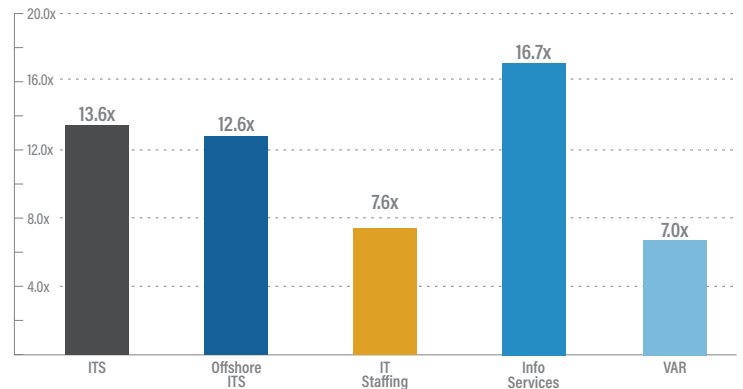
Managed Services			<ul style="list-style-type: none"> ATSG, a leading global, tech-enabled managed services and solutions company, announced its acquisition of Xentaurus, LLC, a provider of modern cybersecurity consulting, design, implementation, and managed detection & response (MDR) services The acquisition of Xentaurus will add deep, new capabilities and will provide the ability to leverage proven software/API development processes to customize MDR workflows to serve ATSG enterprise clients and partners looking for more robust cybersecurity consulting and operational offerings
			<ul style="list-style-type: none"> Tempest, a multi-vendor provider of network telecommunications equipment and related repair services, announced that it has received a significant investment from Pfungsten Partners, L.L.C, a leading middle market private equity firm Tempest provides full life-cycle network solutions including network deployment, optimization, expansion and reconfiguration & decommissioning to solve complex challenges that slow down network operators
VAR			<ul style="list-style-type: none"> Hexagon AB, a global leader in digital reality solutions combining sensor, software and autonomous technologies, announced the acquisition of CIM3, a leading Italian value-added reseller of Hexagon's ESPRIT software Headquartered in Ravenna, Italy, CIM3 provides value added resale and support services for ESPRIT, a state-of-the-art CAD/CAM software for a wide variety of commercial applications
			<ul style="list-style-type: none"> AVI Systems, the largest global systems integrator, announced it will acquire Neurilink, a full-service audio visual design and integration business that serves the Northwest United States The acquisition expands AVI's service footprint in the Northwest U.S. and allows the combined companies to bring AV and unified collaboration services to more customers across Idaho, Washington, Oregon, Montana and Utah
IT Services			<ul style="list-style-type: none"> GemSpring Capital Management, LLC, a middle-market private equity firm, announced that an affiliate has acquired a majority interest in AmpliX, a leading provider of technology advisory services and software, formed through the merger of ROI Communications, Blue Front Technology Group and allConnex AmpliX provides technology advisory services and software to more than 2,000 customers across multiple industries, enabling data-driven enhancements to technology decision-making and optimization
			<ul style="list-style-type: none"> Cognizant (Nasdaq: CTSI) announced it has agreed to acquire Houston-based Utegration LLC (backed by RLH Equity Partners), a full-service consulting and solutions provider specializing in SAP® technology and SAP-certified products for the energy and utilities sectors Utegration serves 50+ North America-based clients in the energy and utilities sector with solutions across four domains aligned to key market needs including customer experience, billing and advanced metering infrastructures as well as managed services, data science and analytics
			<ul style="list-style-type: none"> Convergent, a global leader in service-based systems integration, announced it has acquired Beckwith, a Texas-based integrator comprised of Beckwith Electronic Engineering, Co. and Beckwith Electronic Systems, LLC Beckwith specializes in communication, security, and life safety systems, and the acquisition adds 140 colleagues to Convergent, significantly expanding the company's vertical reach and presence across the South Central region of the United States

TECHNOLOGY GROWTH & VALUATION TRENDS

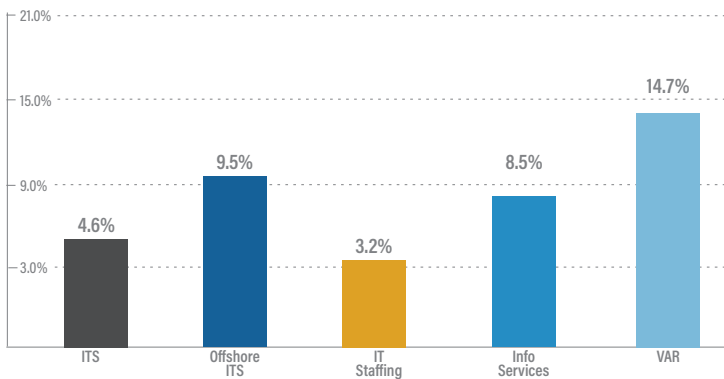
Enterprise Value / LTM Revenue



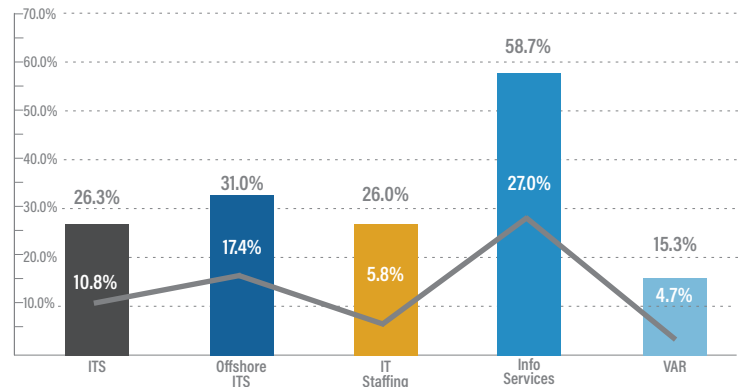
Enterprise Value / LTM EBITDA



LTM Revenue Growth

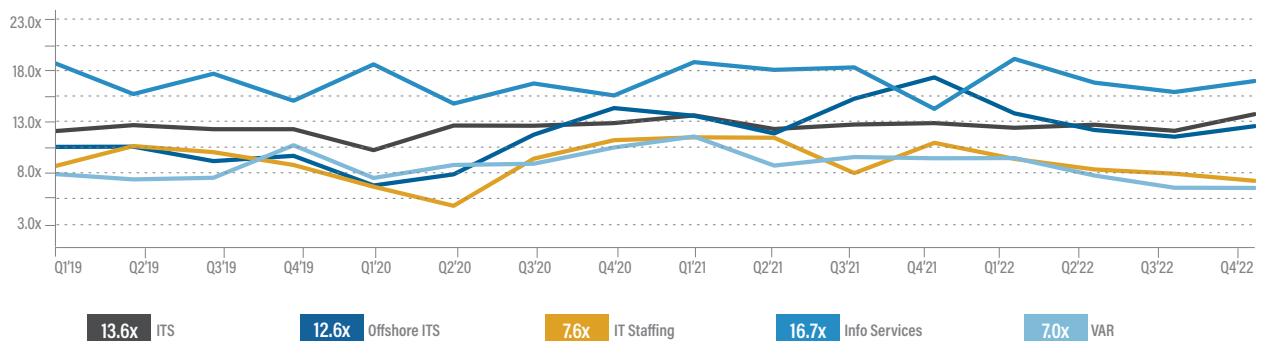


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA



SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
12/14/2022	Managed Services	Xobee Networks, LLC	Myers Network Solutions, Inc.	\$1.7	<ul style="list-style-type: none"> Xobee Networks, California's largest-growing Managed IT Support company and portfolio company of O2 Investment Partners, announced the acquisition of Myers Network Solutions, a San Jose-based provider of computer business technology solutions Myers Network Solutions offers information technology services including IT support packages, backup & disaster recovery, hosting services, VoIP phone systems, print management, document management and augmented IT staff services for small and medium enterprise clients
12/14/2022	IT Services	SDC Capital Partners, LLC	Effectual Inc.	NA	<ul style="list-style-type: none"> Effectual, a rapidly growing cloud services provider, announced that SDC Capital Partners has made a controlling investment to provide Effectual with additional resources to fuel its growth and acquisition strategy As an elite pure-play AWS services provider with six AWS competencies and more than 250 AWS certificates, Effectual offers managed and professional digital transformation and full stack IT modernization services for commercial enterprise and public sector customers
12/8/2022	IT Services	DLH Holdings Corp.	Grove Resource Solutions, Inc.	\$184.4	<ul style="list-style-type: none"> DLH Holdings Corp. (NASDAQ: DLHC), a leading provider of research and development, systems engineering and integration, and digital transformation solutions to federal agencies, announced that it has acquired privately-held Grove Resource Solutions, Inc. ("GRSi") GRSi provides a broad array of cloud-based enterprise modernization and cyber security solutions to numerous civilian and military federal agencies, most notably including the National Institutes of Health (NIH), U.S. Navy (USN), and U.S. Marine Corps (USMC)
12/6/2022	IT Services	Investcorp Holdings B.S.C.	CrossCountry Consulting LLC	NA	<ul style="list-style-type: none"> RLH Equity Partners announced that Investcorp, a global alternative investment firm, and Public Sector Pension Investment Board have acquired a majority ownership position in RLH's portfolio company, CrossCountry Consulting Founded in 2011, CrossCountry provides accounting, finance, risk, operations, cyber, and technology-enabled transformation solutions for the Office of the CFO in public and private organizations
12/6/2022	Managed Services	Sourcepass, Inc.	Contemporary Computer Services, Inc.	NA	<ul style="list-style-type: none"> Sourcepass, an innovative digital IT managed services and security provider, announced its acquisition of Contemporary Computer Services, Inc. (CCSI), its sixth acquisition of 2022 CCSI, based in Bohemia, New York, is a mid-market and enterprise-level co-managed IT services specialist leveraging technology to inspire innovation, promote growth, drive efficiency and accelerate its clients' success
12/6/2022	Managed Services	Synoptek, LLC	Optistar Technology Consultants, Inc.	NA	<ul style="list-style-type: none"> Synoptek, a leading global business and technology consulting firm, announced it has acquired Optistar Technology Consultants, the technology services business division of The Vertex Companies, LLC with offices spanning New York, Boston, Denver, and Seattle Optistar Technology Consultants is an IT consulting company focused on delivering the highest caliber managed services, comprehensive cyber security and defense capabilities and cutting-edge IT solutions with exceptional service, support and unparalleled strategic advice
12/1/2022	IT Services	Salute Mission Critical, LLC	Iconix Critical Solutions LLC	NA	<ul style="list-style-type: none"> Salute Mission Critical, a global data center services provider, announces the acquisition of Iconix Critical Solutions, a provider of commissioning, testing and consulting services for data centers and mission critical environments Iconix is a leading commissioning and QA/QC provider in the U.S. with strong relationships across hyperscale and colocation data center customers

Selected TM Capital Technology Experience



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