

TECHNOLOGY MONTHLY

JULY 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

NEXTIRA 

- Accenture (NYSE: ACN), a multinational professional services company that provides a wide range of consulting, technology, and outsourcing services, has acquired Nextira, a technology services company that specializes in providing communication, collaboration and networking solutions to businesses and is an Amazon Web Services (AWS) Premier Partner
- Nextira, founded in 2008 and based in Austin, TX, builds cloud-based solutions and services with cutting-edge engineering skills, artificial intelligence (AI), machine learning and data analytics that enable clients to design, build, launch and optimize high-performance computing environments

 **AGYLA.CLOUD**



- IBM (NYSE: IBM), a multinational technology company that offers a wide range of products, services and solutions in IT, cloud computing, artificial intelligence, cybersecurity and data analytics, has signed an agreement to acquire Agyla SAS, a leading cloud professional services firm in France, to expand IBM Consulting's localized cloud expertise for French clients
- Founded in 2013, Agyla SAS delivers cloud platform engineering services, helping clients - which include leading brands in France across key sectors such as industrial, retail, banking and public services - build mission-critical hybrid cloud infrastructure and application capabilities in modernization, migration, DevOps and security

SPARQ



- Harvest Partners Ascend, a New York, NY-based private equity firm specializing in investing in middle market companies, has acquired a majority stake in Sparq, a U.S.-based provider of outsourced digital engineering services for technology companies
- Founded in 2004 and based in Atlanta, Georgia, Sparq empowers experienced software engineering teams across the country with a disciplined, product-oriented approach and the collaborative infrastructure to meet and exceed customer needs

 **HOVERSTATE**

softserve

- SoftServe, a global IT consulting firm, has acquired Hoverstate, a full-service digital agency specializing in mobile and web-based solutions
- Founded in 2008, Hoverstate is a full-service digital agency with deep expertise in the health insurance, pharmaceutical and life sciences industries

UMT360 **NORTH HIGHLAND**

- North Highland, a global management consulting firm that offers a range of services to help clients solve complex business challenges, drive strategic growth and improve operational performance, has acquired UMT360, a software company that specializes in enterprise portfolio management (EPM) solutions
- Founded in 2013, UMT360 offers a unique combination of software and services specifically designed to help break down organization silos and drive business agility

 **Lovelytics**


INTERLOCK EQUITY

databricks

- Interlock Equity, a Los Angeles, CA-based private equity firm and Databricks Ventures, the investment arm of Databricks, Inc., a software company that provides a unified analytics platform built on Apache Spark, have invested in Lovelytics Secures, a leading data engineering and business intelligence consultancy
- Founded in 2017, Lovelytics provides strategy, data engineering and technology implementation services that enable global enterprises to optimize the management, governance and utilization of organizational data

QED NATIONAL
Problem Solved!

SENECA | RESOURCES

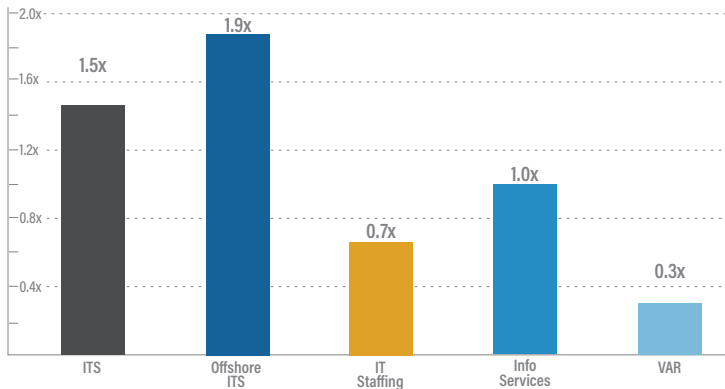
- Seneca Resources, a leading, national IT, engineering and business professional talent provider backed by Caymus Equity, has acquired QED National, an IT consulting firm based in New York City, which equips Seneca with enhanced capabilities and a broadened suite of client solutions
- QED provides informational technology management and staffing services in critical areas such as cyber risk management, information security program and critical infrastructure

IT Services

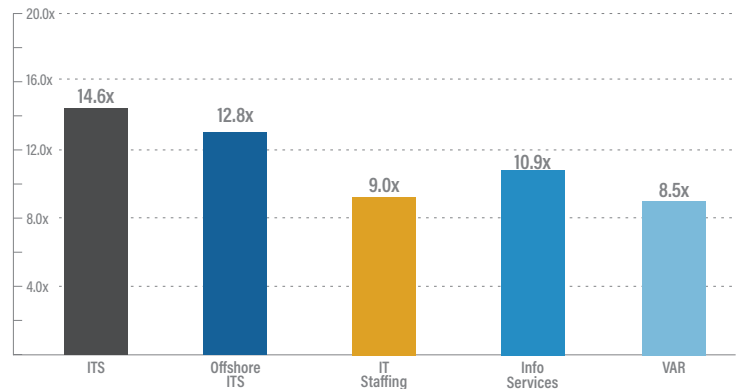
IT Staffing

TECHNOLOGY GROWTH & VALUATION TRENDS

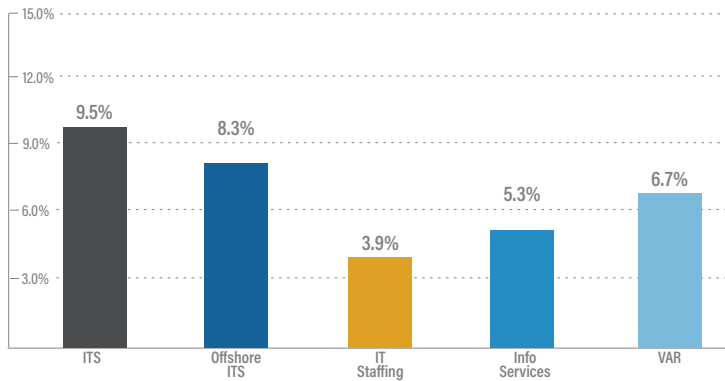
Enterprise Value / LTM Revenue



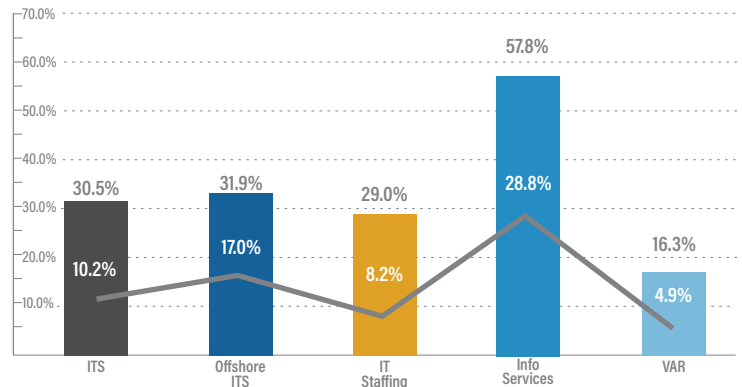
Enterprise Value / LTM EBITDA



LTM Revenue Growth

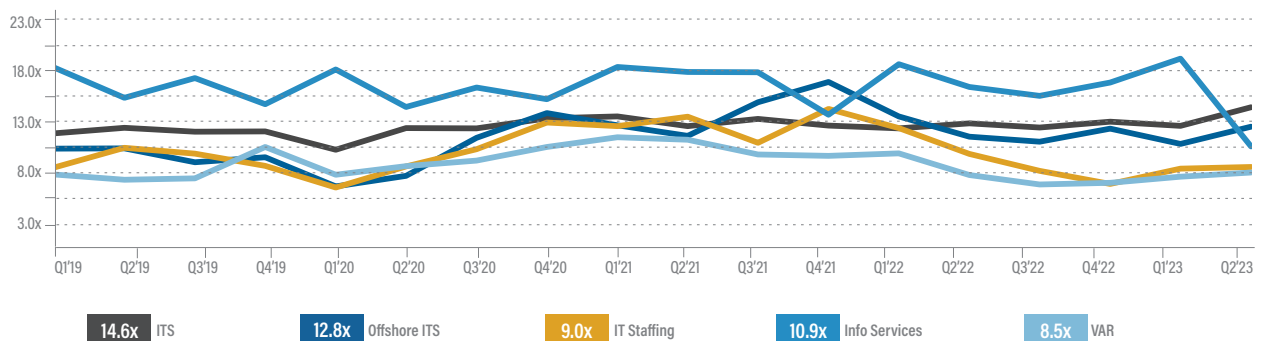


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA



SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
6/29/2023	IT Services	Alcott Enterprises, LLC	Shadow Systems	NA	<ul style="list-style-type: none"> Alcott Enterprises, a Los Angeles, CA-based national information technology consulting company providing IT strategies and next-generation IT managed services, has acquired Shadow Systems, a national IT service provider based in Southern California Founded in 1999, Shadow Systems is dedicated to providing technology solutions and customer service to its customers
6/21/2023	Managed Services	Dataprise, Inc.	RevelSec	NA	<ul style="list-style-type: none"> Dataprise, a premier provider of managed IT, cybersecurity and cloud solutions backed by Trinity Hunt Partners, has acquired RevelSec, a security-first managed service provider headquartered in Houston, TX Since 2011, RevelSec has been helping clients defend their enterprise infrastructure through leading-edge cybersecurity, cloud and managed services
6/21/2023	IT Services	Accenture plc	Anser Advisory, LLC	NA	<ul style="list-style-type: none"> Accenture (NYSE: ACN), a multinational professional services company that provides a wide range of consulting, technology, and outsourcing services, has acquired Anser Advisory, a Santa Ana, CA-headquartered consulting firm that provides advisory, compliance and management services for infrastructure projects Founded in 1996, Anser advises capital project owners on how to plan and monitor projects with an increasing focus on sustainability, fleet electrification, energy transmission, distribution and storage
6/8/2023	IT Services	Centroid SYSTEMS, LLC	Epm Intelligence, LLC	NA	<ul style="list-style-type: none"> Centroid Systems, an IT company backed by VSS Capital Partners that specializes in providing enterprise software solutions and services including software development, systems integration, cloud computing, data analytics and IT consulting, has acquired EPM Intelligence, a provider of Oracle implementation, training, managed services and staffing for the technology-enabled solution industries EPMI is a Houston, TX-based systems integrator with an outstanding reputation for implementing Oracle's Enterprise Performance Management software solutions
6/5/2023	IT Staffing	Atrium Staffing Services, Ltd.	Gibbs Hybrid International Limited	NA	<ul style="list-style-type: none"> Atrium, a staffing and recruitment agency that specializes in providing temporary, temp-to-hire, direct hire and executive search services, announced the expansion of its global operations through the acquisition of a majority interest in London, UK-based IT and Business Services Firm, Gibbs Hybrid Gibbs Hybrid is a global workforce solutions provider offering a range of talent acquisition, managed services and consulting solutions
6/2/2023	Managed Services	The 20 MSP	Manus Dei, Inc.	NA	<ul style="list-style-type: none"> Leading national managed service provider The 20 MSP has acquired Manus Dei, a highly regarded MSP serving clients across Northern Virginia Manus Dei joined The 20 MSP Group, The 20's business development consortium, in 2018 to streamline operations, achieve greater scalability and bring more value to their clients, and since then they have grown into an operationally mature MSP

Selected TM Capital Technology Experience



Set Solutions
A PORTFOLIO COMPANY OF



THIRD CENTURY Black Lake Capital
HAS BEEN ACQUIRED BY

TRACE3



ASD
A PORTFOLIO COMPANY OF



Centennial Capital
HAS BEEN RECAPITALIZED BY

RAF



Cennox

HAS RECEIVED A STRATEGIC GROWTH INVESTMENT FROM



YORK CAPITAL MANAGEMENT



Sierra-Cedar
HAS SOLD



Sierra Systems
TO

NTT DATA

TM Capital's Technology Industry Contacts



Brad Adams
Managing Director
badams@tmcapital.com
617.259.2203



Jarrad Zalkin
Managing Director
jzalkin@tmcapital.com
617.259.2207



Kevin Atchue
Principal
katchue@tmcapital.com
617.259.2209



Steve Hunter
Managing Director
Sponsor Coverage
shunter@tmcapital.com
404.995.6232