

TECHNOLOGY MONTHLY

OCTOBER 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

VAR

HEADLINE TRANSACTIONS

TARGET

ACQUIROR

ACQUISITION SYNOPSIS



- Fulcrum IT Partners, a Canada-based parent company to established IT solution businesses, acquired F3 Technology Partners, a West Hartford, Connecticut-based IT services provider
- F3 Technology, founded in 2007, has a strong presence and successful track record in the Healthcare and Financial Services verticals, which compliments Fulcrum's existing sector presence and builds on its managed service and cybersecurity expertise



virtusa

- Virtusa Corporation, a global provider of digital strategy, digital engineering and IT services backed by EQT, acquired Factor Creative LLC, a prominent full-service creative agency based in Walnut Creek, CA
- Factor Creative, founded in 2013, has a workforce of creative experts that will meld well with Virtusa's engineering first approach to provide its customers with a more comprehensive end-to-end digital transformation offering

from



TRIVEST

- Trivest Partners completed a platform investment in FROM, a leading provider of design-led, outsourced software development services, and acquired its first add-on company, Algoworks Technologies, a leading provider of software product engineering services and Salesforce implementation and customization services
- FROM, founded in 2016, expands its software product engineering capabilities and product offering for its Fortune 500 client base through Algoworks' software engineering capabilities and salesforce expertise

Chenoa



- 3Pillar Global, a Fairfax, Virginia-based product development software firm backed by H.I.G. Capital, acquired digital engineering firm Chenoa Information Services, based in Berkeley Heights, New Jersey
- Chenoa, founded in 1998, offers robust low-code and no-code development services expertise that augments 3Pillar's deep experience in providing cloud-native product development services



Ridgmont EQUITY PARTNERS™

- Ridgmont Equity Partners, a private equity firm focused in the middle market, acquired smartShift, a leading tech-enabled services provider for SAP custom application migrations, upgrades and transformations
- smartShift, founded in 2002, offers a more efficient way for SAP customers to migrate and optimize their custom code using AI-powered solutions, which will compliment Ridgmont's current technology-focused portfolio companies

LIVEFRONT

rallyday
PARTNERS

- Rallyday Partners, a Denver-based private equity firm, made a growth-stage investment in Livefront Inc. a digital product consulting firm based in Minneapolis
- Livefront, founded in 2001, has helped build, launch and grow digital products on consumer devices for key Fortune 500 customers, which Rallyday hopes to expand upon given the strong industry tailwinds in the mobile app space



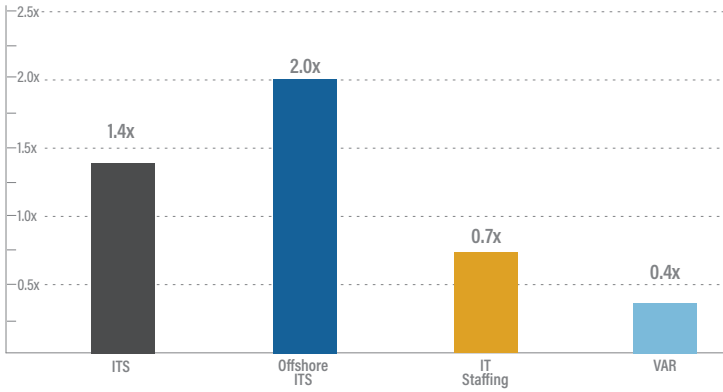
- Coretelligent, a mid-market managed and IT services provider backed by Norwest Equity Partners, acquired Advanced Network Products, a Philadelphia-based provider of outsourced IT management services
- Advanced Network Products, founded in 1984, has deep technical experience and an emphasis on customer service, which pairs well with the advanced technology solutions and services Coretelligent offers to its clients

IT Services

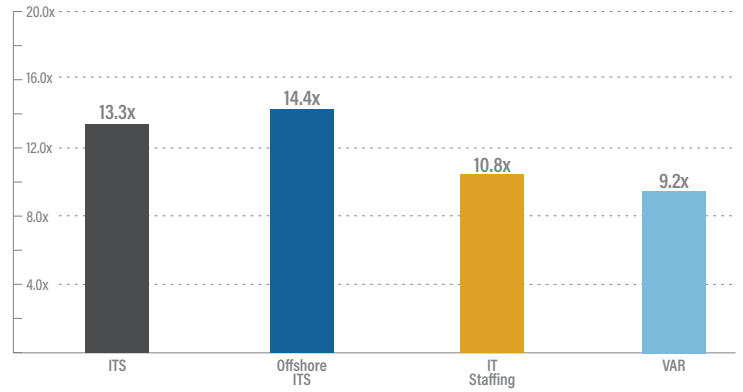
Managed Services

TECHNOLOGY GROWTH & VALUATION TRENDS

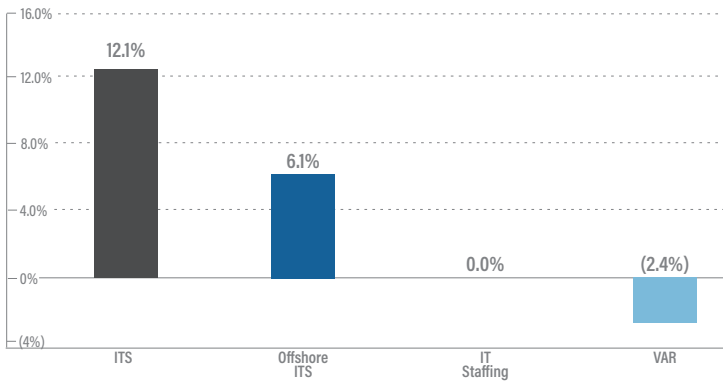
Enterprise Value / LTM Revenue



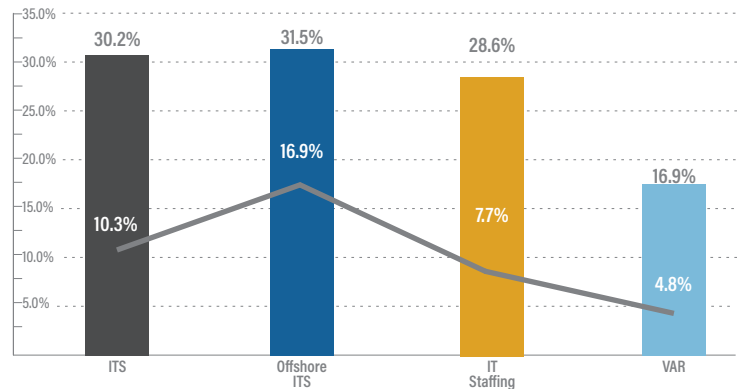
Enterprise Value / LTM EBITDA



LTM Revenue Growth

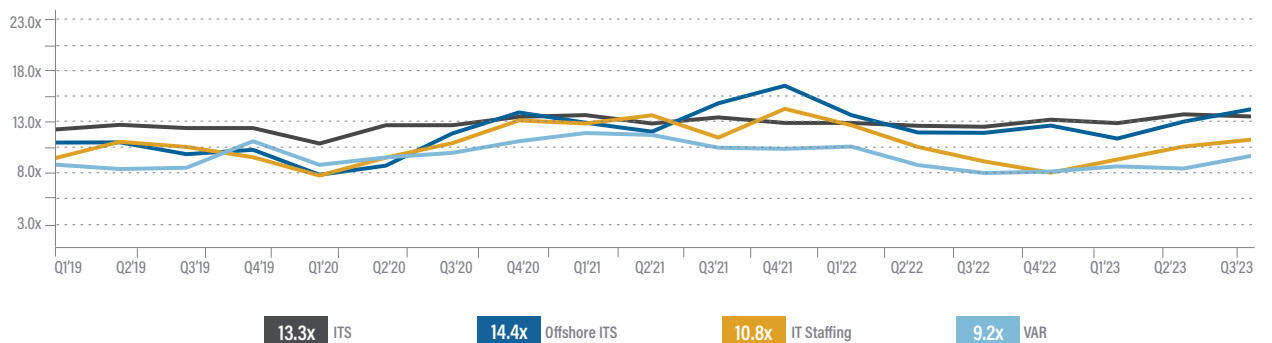


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA




SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
9/28/2023	Managed Services	Orchestrate Technologies	Signal Networking, Inc.	NA	<ul style="list-style-type: none"> Orchestrate Technologies, a leading provider of comprehensive technology solutions, acquired Signal Networking, Inc. expanding its portfolio of subscription-based managed service offerings Signal Networking, founded in 2003, provides network infrastructure, data security, digital video surveillance and building access control and monitoring services
9/27/2023	Managed Services	BV Investment Partners, L.P.; Half Helix	Tomorrow	NA	<ul style="list-style-type: none"> Half Helix, a Shopify consulting and services provider backed by BV Investments, acquired Tomorrow, creating the largest independent pure play Shopify service partner in the world Tomorrow, founded in 2019, is a digital transformation consulting firm that brings enterprise experience to the Shopify Plus ecosystem and provides creative, technology and strategy solutions to its clients
9/25/2023	Managed Services	Kaar Technologies India Private Limited	Dunn Solutions Group, Inc.	NA	<ul style="list-style-type: none"> KaarTech, a digital transformation consulting company based in India, acquired Dunn Solutions Group Inc. broadening its capabilities and geography Dunn Solutions, founded in 1988, is a leading Chicago-based customer experience solutions consultancy firm, specializing in digital commerce and business transformations
9/21/2023	IT Services	Digia Oyj	Top of Minds AB	NA	<ul style="list-style-type: none"> Digia Oyj, a global provider of software and services for digital businesses, acquired Top Minds, broadening its reach in the Swedish market Top Minds, founded in 2011, is a growing IT consulting and service company that offers data and analytics consulting, integration, e-commerce services, and project management
9/14/2023	IT Services	Prolifics, Inc.	Enable Consulting, LLC	NA	<ul style="list-style-type: none"> Prolifics, Inc., a digital engineering firm providing technology services and consulting across the full digital environment, acquired Enable Consulting LLC, deepening its Salesforce consultancy expertise Enable Consulting, founded in 2022, offers end-to-end Salesforce integration services to meet the unique needs of its diverse customer base
9/14/2023	IT Services	INTLOOP Inc.	DICS Holdings Co., Ltd.	\$10.2	<ul style="list-style-type: none"> INTLOOP Inc., a provider of consulting and system development support services using IT professional freelancers in Japan, acquired DICS Holding Company, broadening its digital transformation capabilities DICS Holding is a Japanese holding company which, through its subsidiaries, operates and provides various IT service businesses and IT facility services
9/14/2023	IT Services	Bluewave Technology Group, LLC	J.L. Communications, Inc.	NA	<ul style="list-style-type: none"> Bluewave Technology Group, a customer-centric technology advisory and sourcing company, acquired J.L. Communications, Inc. solidifying its regional dominance in Kentucky J.L. Communications, based in Louisville, Kentucky, is a telecommunications advisory agency with extensive healthcare and manufacturing sector expertise
9/12/2023	IT Services	Stefanini IT Solutions	Solve.it S.p.A.	NA	<ul style="list-style-type: none"> Stefanini, a provider of IT solutions and staffing services, acquired Solve.it, bolstering its presence in Italy and accelerating its European expansion Solve.it, founded in 2003, specializes in IT consulting, application development and management services, primarily catering to large clients across various technology sectors
9/5/2023	IT Services	Spaulding Ridge, LLC	SOLISTIC, LLC	NA	<ul style="list-style-type: none"> Spaulding Ridge, a strategic planning, cloud strategy and implementation and advisory services provider, acquired SOLISTIC, expanding its global salesforce and data analytics practice SOLISTIC, founded in 2017, delivers technical expertise and intelligence in implementing Salesforce Marketing Cloud, Data Cloud, and other Salesforce technologies

Selected TM Capital Technology Experience

 <p>Set Solutions A PORTFOLIO COMPANY OF</p>  <p>THIRD CENTURY CAPITAL BLACK LAKE CAPITAL</p> <p>HAS BEEN ACQUIRED BY</p>  <p>TRACE3</p>	 <p>ASD A PORTFOLIO COMPANY OF</p>  <p>Crossfield Capital PALMARES CAPITAL</p> <p>HAS BEEN RECAPITALIZED BY</p>  <p>RAF</p>	 <p>Cennox</p> <p>HAS RECEIVED A STRATEGIC GROWTH INVESTMENT FROM</p>  <p>YORK CAPITAL MANAGEMENT</p>	 <p>Sierra-Cedar HAS SOLD</p>  <p>Sierra Systems</p> <p>TO</p>  <p>NTT DATA</p>
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