

# TECHNOLOGY MONTHLY

DECEMBER 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



- Accenture, a global strategy, technology and operational services provider, acquired Incapsulate, a leading digital transformation consulting firm that specializes in Salesforce solutions
- Incapsulate, founded in 2008, has created a niche for its services in the public sector and financial services industries, strengthening Accenture's existing capabilities for Salesforce services in these sectors



- SMX Group, a mission support, digital transformation and IT solutions provider backed by OceanSound Partners, acquired Outside Analytics, a trusted software engineering and data analytics partner within the National Security Space community
- Outside Analytics, founded in 2017, uses software, analytics and visualization to address data-driven challenges in the security and commercial space industries, giving SMX Group a foothold in the rapidly expanding market



THE SHELBY GROUP



- Accenture, a global strategy, technology and operational services provider, acquired The Shelby Group, a leading provider of digital procurement and optimization services backed by Westview Capital Partners
- The Shelby Group, founded in 2002, has deep experience in Coupa and Ivalua solutions for clients in the manufacturing, financial services, consumer, healthcare and technology industries, which enhances Accenture's capabilities in sourcing and procurement technology transformation



- ReachOut Technology, a leading designer and developer of IT security system solutions, acquired RedGear, a Texas-based provider of professional technology services
- RedGear, founded in 2016, has established itself as a reliable partner to a vast network of education and government clients, deepening ReachOut's presence within the sectors and Southwest region



- Compugen, Canada's largest provider of IT products, services and solutions for mid- to large-sized companies, acquired CPU Design, a Québec-based provider of information technology consulting, product deployment and technical services
- CPU Design, founded in 1984, has solidified its position as a leader in the IT infrastructure products and services market, diversifying Compugen's portfolio of offerings in the space



- Thrive, a cybersecurity and managed services provider backed by Court Square Capital Partners and M/C Partners, acquired 4IT, an award-winning South Florida-based managed services provider
- 4IT, founded in 2003, offers a full suite of IT service solutions to its entrenched regional customer base, solidifying Thrive's presence in the Florida cloud solutions and IT services market



- IT Solutions Consulting, an IT consulting and computer system design provider backed by Nautic Partners, acquired Spade Technology, a recognized IT service provider for the Greater Boston Area
- Spade Technology, founded in 2001, specializes in managed IT services and technology solutions for small to medium-sized businesses in New England, which strategically broadens IT Solutions' reach into the Northeast

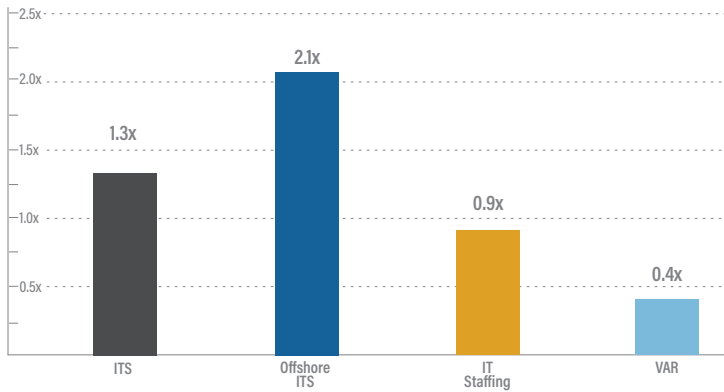
IT Services

VAR

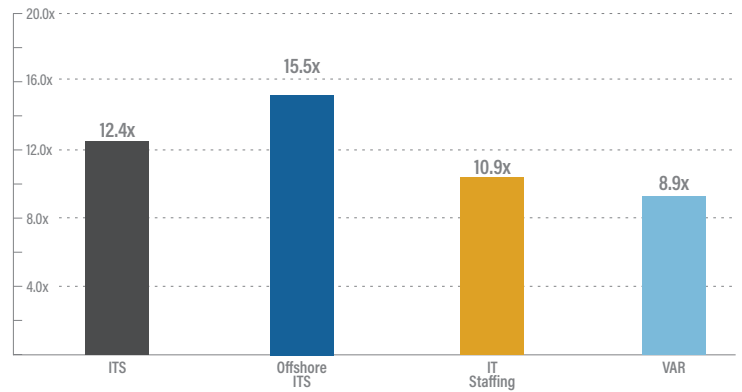
Managed Services

# TECHNOLOGY GROWTH & VALUATION TRENDS

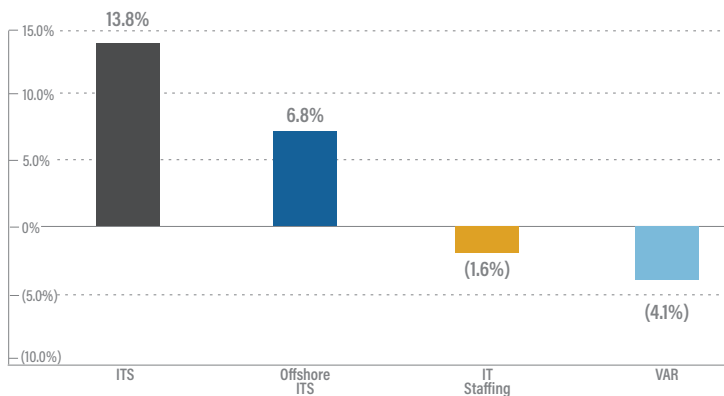
Enterprise Value / LTM Revenue



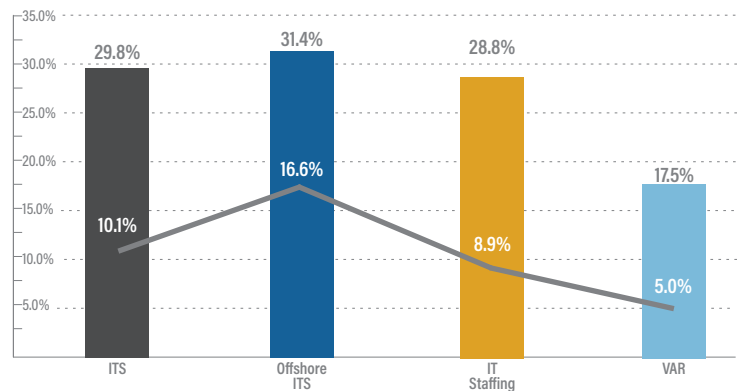
Enterprise Value / LTM EBITDA



LTM Revenue Growth

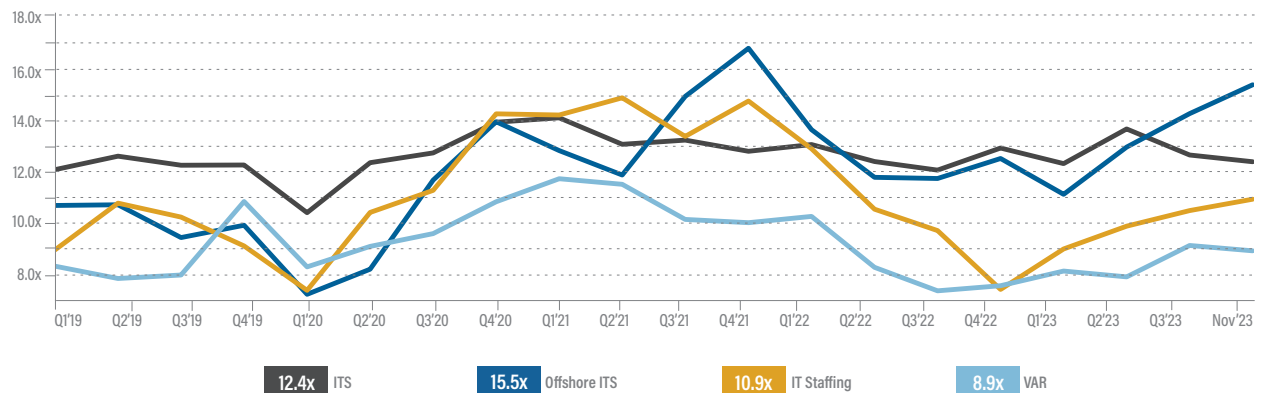


LTM Gross & EBITDA Margin\*



\*EBITDA Margins shown as the gray line.

TEV / EBITDA



## SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
11/29/2023	IT Staffing	Talent Groups	Progilisys Solutions, LLC	NA	<ul style="list-style-type: none"> <li>Talent Groups, a prominent national IT staffing solutions provider and a portfolio company of Osceola Capital, acquired Progilisys, enhancing its capacity to deliver innovative and comprehensive IT staffing solutions across the United States</li> <li>Progilisys, founded in 2011, is a leading Phoenix-based provider of technical recruiting and staffing services intended to serve IT employers</li> </ul>
11/27/2023	IT Services	GAP Solutions Inc.	KeyLogic Systems, Inc.	NA	<ul style="list-style-type: none"> <li>GAP Solutions, a leading provider of outsourced services and workforce solutions and subsidiary of System One, acquired KeyLogic systems as part of its expansion strategy focused on fostering growth through acquisition</li> <li>KeyLogic, founded in 1999, is an established consulting and data management leader providing mission-critical services to the energy, commerce and defense sectors</li> </ul>
11/21/2023	Managed Services	Nostra Technologies Limited	Compunet (Ireland) Ltd.	NA	<ul style="list-style-type: none"> <li>Nostra Technologies, a Phoenix Equity Partners-backed provider of IT support and ancillary services to small and medium-sized businesses, acquired Compunet as part of its regional expansion strategy within Ireland</li> <li>Compunet, founded in 1987, is a specialized IT services, Microsoft Gold Partner and Cloud Solutions provider based out of Cork, Ireland</li> </ul>
11/15/2023	IT Services	Washington Harbour Partners LP	SIXGEN Incorporated	NA	<ul style="list-style-type: none"> <li>Washington Harbour Partners, a leading employee owned hedge fund sponsor, acquired Sixgen, increasing its investment in the cyber-security industry</li> <li>Sixgen, founded in 2014, is a world-class cyber solutions company for the U.S. national security, intelligence, and defense communities and critical commercial industries</li> </ul>
11/15/2023	IT Services	Accenture plc	Solnet Solutions Limited	NA	<ul style="list-style-type: none"> <li>Accenture, a global strategy, technology and operational services provider, acquired Solnet Solutions expanding its local cloud and infrastructure engineering capabilities</li> <li>Solnet, founded in 1994, is an IT services provider with deep technology consulting experience for the New Zealand government and private organizations across multiple industries</li> </ul>
11/15/2023	IT Services	Resources Connection, Inc.	CloudGo Pte. Ltd.	NA	<ul style="list-style-type: none"> <li>Resources Connection, a global provider of a broad range of consulting services, acquired CloudGo, accelerating the expansion of its digital presence across the Asia Pacific region</li> <li>CloudGo, founded in 2016, is a digital transformation firm and one of the fastest growing Elite ServiceNow Partners</li> </ul>
11/14/2023	Managed Services	VC3 Inc.	Go Concepts, Inc.	NA	<ul style="list-style-type: none"> <li>VC3, a Nautic Partners-backed managed services provider focused on the financial services and government markets, acquired Go Concept, adding a deeper Midwestern presence to its geographic footprint</li> <li>Go Concept, founded in 1997, is a managed IT services, business continuity, cybersecurity and cloud solutions provider serving the government market</li> </ul>
11/7/2023	IT Services	Amdocs Limited	Astadia Inc.	\$75.0	<ul style="list-style-type: none"> <li>Amdocs Limited, a provider of open modular cloud design and implementation services, acquired Astadia in its aim to enhance its cloud capabilities and expand its digital transformation services portfolio</li> <li>Astadia, backed by New Harbour Partners and Spring Lake Equity, specializes in providing end-to-end cloud migration and modernization solutions</li> </ul>

### Selected TM Capital Technology Experience



### TM Capital's Technology Industry Contacts

