

# TECHNOLOGY MONTHLY

FEBRUARY 2024

*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

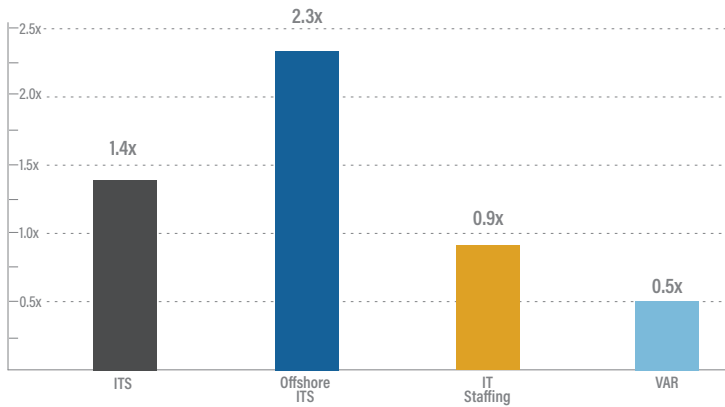
ACQUIROR

ACQUISITION SYNOPSISIS

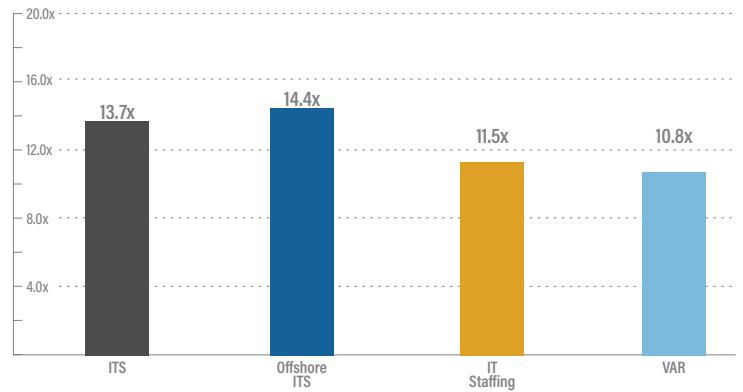
	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
VAR			<ul style="list-style-type: none"> <li>M/C Partners, a private equity firm focused on middle-market businesses in the digital infrastructure and technology services sectors, provided a strategic growth investment in Consortium Networks, a leading provider of multi-vendor, cybersecurity solutions</li> <li>Consortium Networks, founded in 2015, is a cybersecurity platform that offers data security, compliance and privacy protection to its enterprise customer base, which strengthens M/C Partner's portfolio in the Tech Services and Digital Infrastructure space</li> </ul>
Managed Services			<ul style="list-style-type: none"> <li>Evergreen Services Group, an Alpine Investors-backed managed IT services company based in San Francisco, CA, acquired Lancom Technology, an advanced Amazon Web Services and Microsoft Solutions partner based in Auckland, Australia</li> <li>Lancom, founded in 1998, specializes in software development, cloud services, managed services and business process automation, and will have the opportunity to capitalize on Evergreen's global network and resources and add more depth to its growing cloud and software solutions</li> </ul>
Managed Services			<ul style="list-style-type: none"> <li>CIVC Partners, a Chicago, IL-based middle market private equity firm focused on investments in the business services sector, acquired Datavail, a leading data-managed services provider backed by Catalyst Investors</li> <li>Datavail, founded in 2008, is a full-suite managed services provider helping mid-market enterprise and SMB businesses, and CIVC's acquisition enhances its investment thesis in the growing, highly fragmented managed services industry</li> </ul>
Managed Services			<ul style="list-style-type: none"> <li>Accenture, a global strategy, technology and operational services provider, acquired Navisite, an Andover, MA-based application software maintenance, enterprise hosting and cloud desktop services provider backed by Madison Dearborn Partners</li> <li>Navisite, founded in 1998, has extensive experience across multiple cloud providers, enterprise applications and digital technologies, serving clients across a broad range of industries, bolstering Accenture's application and infrastructure managed services capabilities in North America</li> </ul>
IT Services			<ul style="list-style-type: none"> <li>Milestone Technologies, a Silicon Valley-based global IT services and digital solutions firm backed by The Halifax Group and Two Sigma Impact, acquired Suyati Technologies, an IT company providing tech services and solutions in Microsoft and Cloud Technologies based in Kochi, India</li> <li>Suyati, founded in 2009, helps its clients craft and execute impactful digital transformation initiatives utilizing its expertise in CMS, CRM, e-commerce and marketing automation, which expands Milestone's global footprint and bolsters its Applications and Digital Engineering Services portfolio</li> </ul>
IT Services			<ul style="list-style-type: none"> <li>Trace3, an American Securities-backed data analytics and digital services provider in the security, cloud and IT transformation space, acquired Tail Wind Informatics, a highly regarded Midwest firm in the data and analytics consulting space</li> <li>Tail Wind, founded in 2001, leverages its AI expertise to provide data strategy, data architecture, data platforming, data analytics, machine learning and automation solutions, growing Trace3's Data &amp; Analytics business and bolstering its client service capabilities</li> </ul>
IT Services			<ul style="list-style-type: none"> <li>SoftwareOne, a leading global software and cloud solutions provider, acquired Novis Euforia Solutions, a SAP and cloud services provider based in Madrid, Spain</li> <li>Novis Euforia, founded in 2019, specializes in migrating and converting SAP environments to SAP S/4HANA and the cloud, enhancing SoftwareOne's go-to-market capabilities for SAP service offerings in the European market</li> </ul>

# TECHNOLOGY GROWTH & VALUATION TRENDS

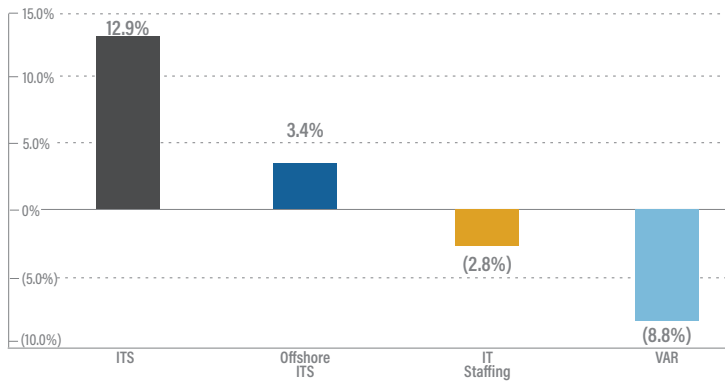
Enterprise Value / LTM Revenue



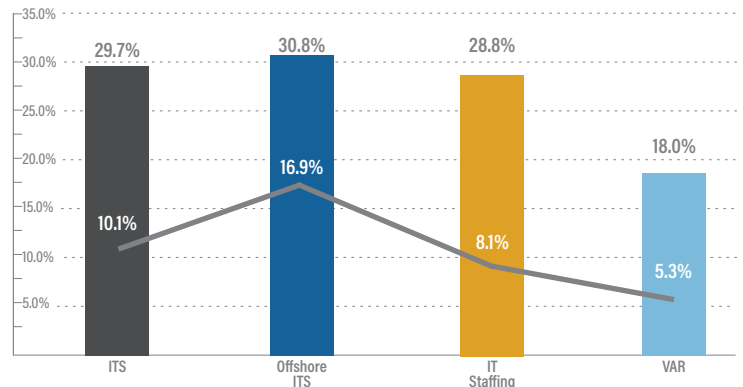
Enterprise Value / LTM EBITDA



LTM Revenue Growth

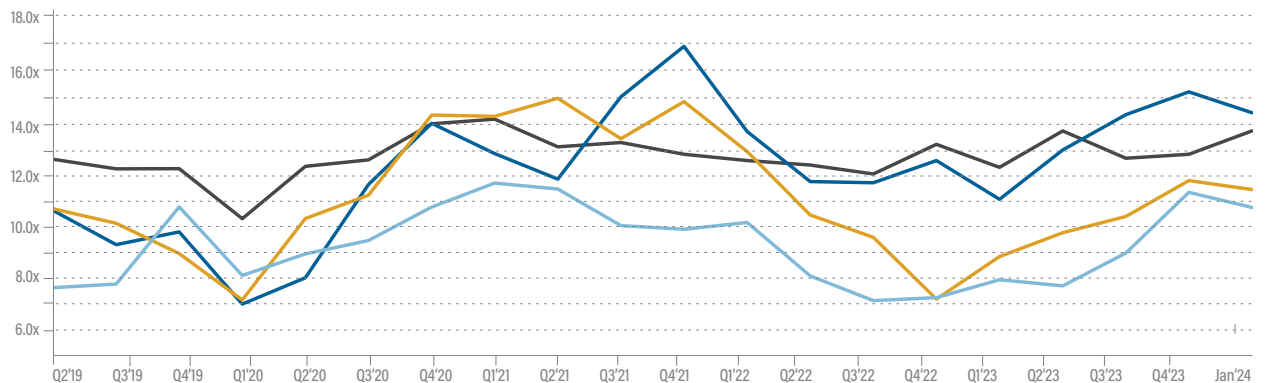


LTM Gross & EBITDA Margin\*



\*EBITDA Margins shown as the gray line.

TEV / EBITDA



13.7x ITS      14.4x Offshore ITS      11.5x IT Staffing      10.8x VAR

# SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
1/24/2024	IT Services	Saalex Corp	Spalding Consulting, Inc.	\$75.0	<ul style="list-style-type: none"> <li>Saalex Corp, a federal IT and cybersecurity services contractor, acquired Spalding Consulting, making it a formidable player in the aerospace and defense market</li> <li>Spalding Consulting, founded in 2001, is a leading provider of software development, IT and engineering services to the defense industry</li> </ul>
1/22/2024	IT Services	Interlock Equity LP	evolv Consulting, LLC	NA	<ul style="list-style-type: none"> <li>Interlock Equity, a Los Angeles, CA-based growth-oriented private equity firm, provided a strategic growth investment in evolv Consulting, to help rapidly reinforce evolv Consulting's market presence, extend its solutions offerings, deepen its industry expertise and broaden its geographic footprint</li> <li>evolv Consulting, founded in 2018, is a leading, data-driven digital and business consulting firm offering a comprehensive suite of services, including business strategy, data &amp; analytics and digital transformation</li> </ul>
1/22/2024	Managed Services	Rapid Circle BV	vNEXT Pty Ltd	NA	<ul style="list-style-type: none"> <li>Rapid Circle, a Mentha Capital-backed Microsoft cloud consultancy and managed services provider based in the Netherlands, acquired vNEXT, offering its clients a broader range of Azure-based services</li> <li>vNEXT, founded in 2019, is a Melbourne, Australia-based Azure-focused data and AI, digital and app consultancy that helps its clients transform with the Microsoft Cloud</li> </ul>
1/22/2024	Managed Services	VC3 Inc.	Dominiontech, LLC	NA	<ul style="list-style-type: none"> <li>VC3, a Columbia, SC-based managed IT and cybersecurity services provider backed by Nautic Partners, acquired Dominiontech, significantly expanding its presence in the New England market</li> <li>Dominiontech, founded in 2001, is an IT services provider supporting small and medium-sized businesses in Vermont and New Hampshire</li> </ul>
1/9/2024	IT Services	Accenture plc	Work & Co	NA	<ul style="list-style-type: none"> <li>Accenture, a global strategy, technology and operational services provider, acquired Work &amp; Co, strengthening its global digital products and experience transformation capabilities</li> <li>Work &amp; Co, founded in 2013, is a global digital products company, backed by Copley Equity Partners, that provides technology design and innovation services for products that range from mobile apps and commerce platforms to retail experiences, digital kiosks and generative AI applications</li> </ul>
1/9/2024	Managed Services	Datagroup	IT TOTAL	NA	<ul style="list-style-type: none"> <li>Datagroup, a leading German IT service provider, acquired IT TOTAL, strengthening its presence in the Southwest of Germany and reinforcing its position with attractive customers and proven IT experts</li> <li>IT TOTAL, founded in 1999, is a full-suite IT services company based in Germany, with a growing managed services business</li> </ul>
1/2/2024	VAR	Shyft Global Services, Inc.	Cokeva, Inc.	NA	<ul style="list-style-type: none"> <li>Shyft Global Services, the managed services division of TD SYNEX, acquired Cokeva, bolstering its global footprint and regional presence on the West Coast</li> <li>Cokeva, founded in 1989, is an industry leader in high-complexity, high-value and mission-critical IT repairs, tests and refurbishments of OEM equipment based in Roseville, CA</li> </ul>
1/3/2024	IT Services	Accenture plc	6Point6 Cloud Gateway Limited	NA	<ul style="list-style-type: none"> <li>Accenture, a global strategy, technology and operational services provider, acquired 6point6, enhancing its strategy and architecture capabilities in the central government, defense and security and financial services sectors</li> <li>6point6, founded in 2012, is a U.K.-based technology consultancy backed by Intermediate Capital Group, specializing in cloud, data and cybersecurity services for the commercial and public sectors</li> </ul>

## Selected TM Capital Technology Experience



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