

TECHNOLOGY MONTHLY

APRIL 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

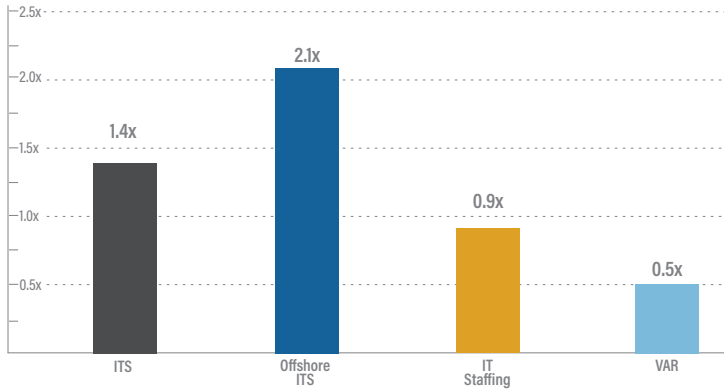
ACQUIROR

ACQUISITION SYNOPSISIS

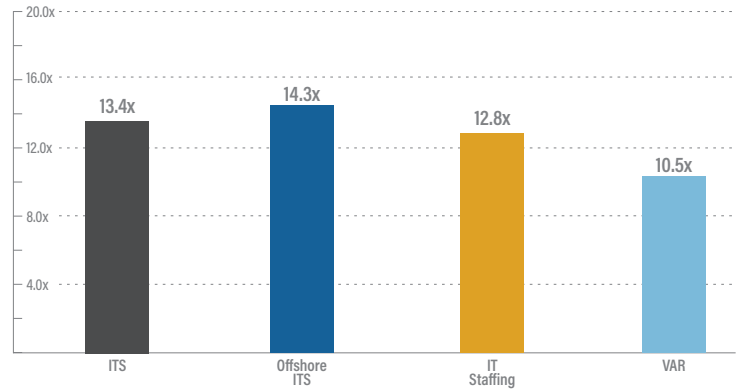
	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Managed Services			<ul style="list-style-type: none"> Intelligent Technical Solutions, a provider of IT managed services backed by Tower Arch Capital, acquired Digital Seattle in partnership with Voiko and Vikki Tanev, the company's founders Digital Seattle, founded in 1996, is a Seattle-based managed IT service provider that offers a wide array of IT and managed services to small and mid-sized businesses, including security services, hosted cloud solutions and software services, which strengthens Intelligent Technical Solutions' geographic footprint and leadership in the Pacific Northwest
			<ul style="list-style-type: none"> Court Square Capital, a New York-based middle market-focused private equity firm, acquired Velosio, a leading provider of digital transformation services, managed services and managed cloud subscriptions for the Microsoft Dynamics ecosystem Velosio, founded in 1991, specializes in providing managed cloud subscriptions for the Microsoft Dynamics ecosystem for mid-market and emerging companies, providing a foundation for Court Square to accelerate the company's growth organically and inorganically
	  		<ul style="list-style-type: none"> The 20 MSP, a Plano, Texas-based managed IT services provider, acquired three managed service providers: Drivetech from Massachusetts, Accurate Computer Solutions from Texas, and Blue Cactus Consulting from Arizona, expanding MSP's national reach Drivetech, offers a wide variety of system, network management and security services; Accurate Computer Solutions provides IT support, printer and copier, phone systems and cybersecurity services; Blue Cactus Consulting provides business continuity, cloud, VoIP and security services
IT Services			<ul style="list-style-type: none"> Publicis Sapient, a leading international provider of IT consulting services, acquired Spinnaker SCA, a leading digital supply chain services firm that provides end-to-end supply chain strategy, planning and execution consulting services Spinnaker SCA, founded in 2002, designs and builds supply chains for leading brands across Consumer Staples, High Tech, Industrial Manufacturing, Retail & Apparel, Medical Devices and Distribution industries, expanding Publicis Sapient's digital supply chain transformation services capabilities
			<ul style="list-style-type: none"> Centroid Systems, a top North American cloud service and technology company backed by VSS Capital Partners, acquired Intelletive, an innovative technology consulting firm focused on software development and operations Intelletive, founded in 2008, specializes in the automation and deployment of software and infrastructure, with expertise in full-stack software development, AI and ML solutions, solidifying Centroid's position in the marketplace and accelerating its growth trajectory
			<ul style="list-style-type: none"> Corsica Technologies, an Inverness Graham-backed provider of computer support and managed services across the United States, acquired Hughes Systems, a provider of managed data integration services for B2B, EDI and application-to-application solutions Hughes Systems, founded in 2000, has expertise in enterprise-scale data integration delivered as a managed service, bringing a complementary service offering to the Corsica platform
			<ul style="list-style-type: none"> RLH Equity Partners, a private equity investment firm based in Los Angeles, CA, acquired Red Clay Consulting, a provider of IT consulting and implementation services to Tier 1 and Tier 2 utilities, largely based on Oracle's software Red Clay Consulting, founded in 2001, offers longer-term, project-based services, typically including program leadership, implementation, training and integration with other software systems, expanding RLH's portfolio into the Oracle ecosystem

TECHNOLOGY GROWTH & VALUATION TRENDS

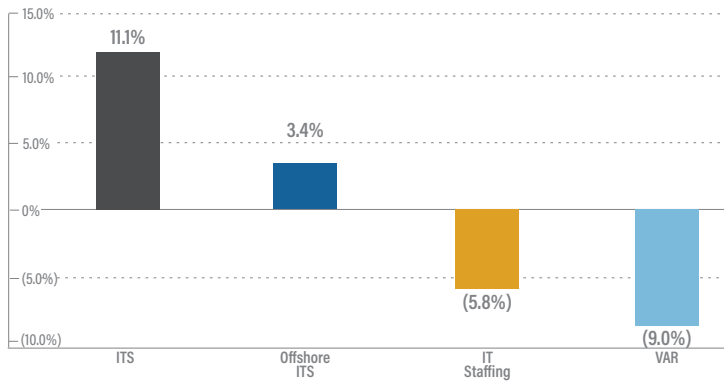
Enterprise Value / LTM Revenue



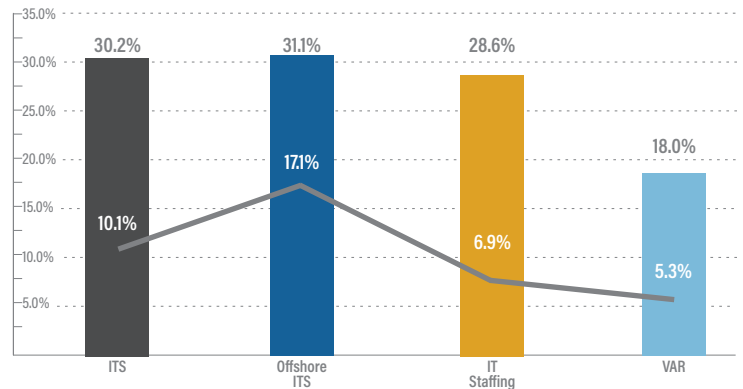
Enterprise Value / LTM EBITDA



LTM Revenue Growth

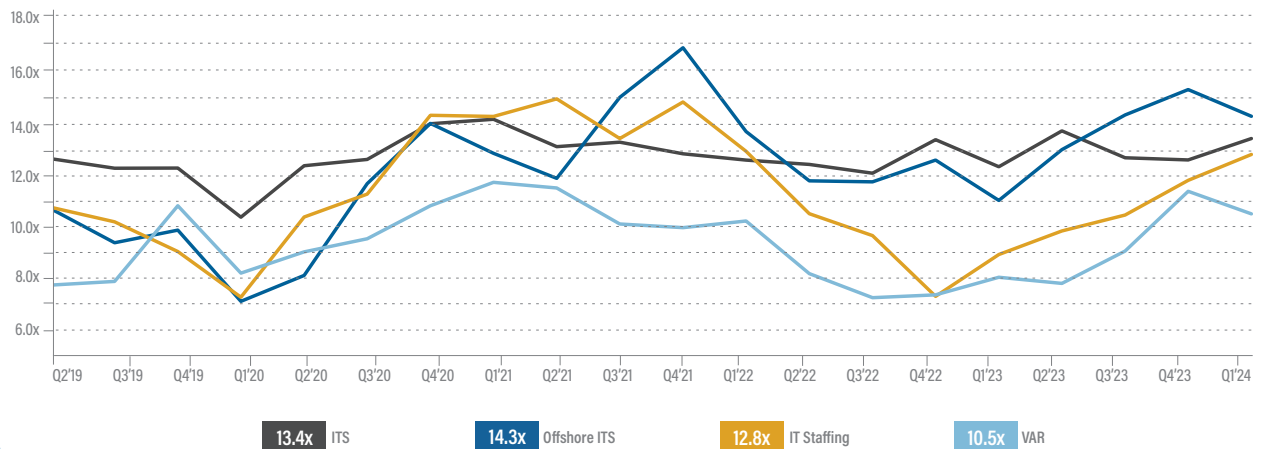


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

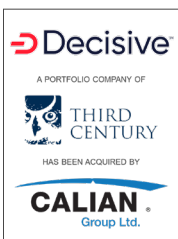
TEV / EBITDA



SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
3/28/2024	IT Services	Exclusive Networks SA	NEXTGEN Group Pty Limited	NA	<ul style="list-style-type: none"> Exclusive Networks, a specialized provider of cybersecurity and cloud computing solutions for digital infrastructures, acquired NEXTGEN Group, making it a clear go-to-market leader in Australia and New Zealand NEXTGEN, founded in 2011, is a leading hyper-growth channel services company focused on cybersecurity, data resiliency and digital enterprise solutions in the Asia Pacific region
3/27/2024	Managed Services	Protera Technologies, Inc.	ManageCore, LLC	NA	<ul style="list-style-type: none"> Protera Technologies, a global provider of SAP and cloud managed services backed by Pamlico Capital, acquired Managecore, deepening its commitment to SAP and bringing expertise in the Google Cloud Platform which compliments its partnership with AWS and Azure Managecore, founded in 2016, is a Wisconsin-based provider of RISE with SAP and broader public cloud-focused SAP services
3/26/2024	IT Services	Techone BV	Hupra ICT B.V.	NA	<ul style="list-style-type: none"> Techone, a Dutch IT services provider backed by Nedvest Capital, acquired Hupra ICT, expanding its cloud-based service offering and its market share in the Dutch region Hupra ICT, founded in 1980, is a provider of information technology and cloud security services intended for small and medium-sized businesses based in the Netherlands
3/20/2024	IT Staffing	Software Mind	Number 8, LLC	\$49.1	<ul style="list-style-type: none"> Software Mind, an Enterprise Investors-backed provider of IT and software engineering services, acquired Number 8, strengthening its American presence and increasing its nearshore talent pool Number 8, founded in 2000, provides nearshore software engineers to accelerate product development capabilities for clients across a broad range of industries
3/19/2024	IT Services	Accenture plc	Flo Group Holding B.V.	NA	<ul style="list-style-type: none"> Accenture, a global strategy, technology and operational services provider, acquired Flo Group, further enhancing its Oracle capabilities in the European market Flo Group, founded 2007, is a leading global consultancy and Oracle business partner specializing in global supply chain logistics, with offices across Europe, Argentina and India
3/18/2024	IT Services	ARK Technologies Companies, Inc.	5S Technologies, LLC	NA	<ul style="list-style-type: none"> ARK Technologies, a rapidly growing consulting and technology firm backed by Station Partners, acquired 5S Technologies, expanding its presence along the eastern seaboard and marking the third acquisition since its founding in 2021 5S Technologies, founded in 2014, is a full-service professional and managed IT services organization known for its expertise in Nutanix, security offerings and data center solutions
3/4/2024	Managed Services	Air IT Ltd	SCS Technology Solutions Ltd	NA	<ul style="list-style-type: none"> Air IT, an IT and managed services provider for small and medium-sized enterprises, acquired SCS Technology, reinforcing its position as a leading, SME-focused provider of managed IT services SCS Technology, founded in 1995, specializes in managed IT services including fully and co-managed IT support for businesses across the United Kingdom

Selected TM Capital Technology Experience



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