

TECHNOLOGY MONTHLY

MAY 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

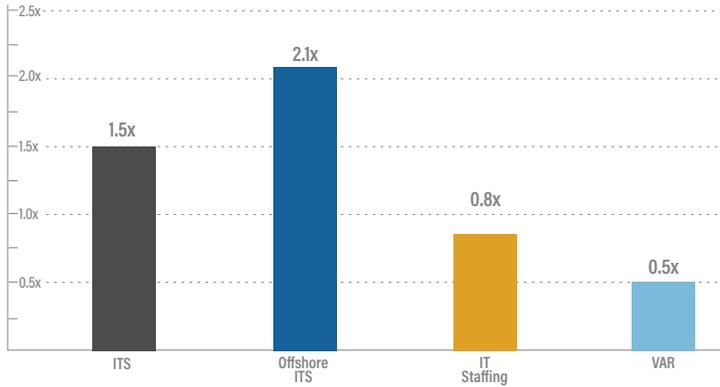
HEADLINE TRANSACTIONS

TARGET ACQUIROR ACQUISITION SYNOPSISIS

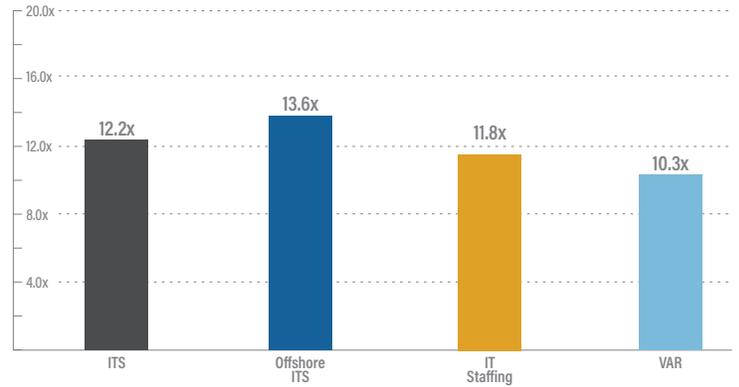
IT Staffing			<ul style="list-style-type: none"> ServicePoint, a Mill Point Capital-backed field services provider focused on design & engineering, installation and maintenance of technology infrastructure, acquired SmartSource, a leading provider of IT staffing, multi-site deployment and technical solutions SmartSource, founded in 1996, caters its IT staffing services to VARs, OEMs, MSPs and Systems Integrators, which enhances ServicePoint's service capabilities, customer reach and operational scale
VAR			<ul style="list-style-type: none"> Clayton Dubilier & Rice (CD&R), a leading private investment firm operating across a broad range of industries, acquired Presidio, a leading technology services and solutions provider backed by BC Partners Presidio, founded in 2003, offers a full suite of solutions including data and analytics, cloud services, cybersecurity solutions and infrastructure services to its blue-chip customer base in the technology sector, which pairs perfectly with CD&R's experience in the technology sector
Managed Services			<ul style="list-style-type: none"> LightEdge, a leading provider of secure cloud and colocation services backed by GI Partners, acquired Connectria, a provider of multi-cloud infrastructure and managed hosting solutions, from Bregal Sagemount Connectria, founded in 1996, offers public, private and hybrid managed hosting, cloud security and cloud management software support services, making LightEdge one of the only secure and compliant infrastructure providers in the country offering both hybrid colocation and tailored multi-cloud solutions
			<ul style="list-style-type: none"> Colohouse, a Valterra Partners-backed global colocation, cloud services and managed services provider, acquired Hivelocity, a leading provider of bare metal hosting and IT infrastructure services Hivelocity, founded in 2001, offers robust bare metal servers, network automation and virtual private cloud solutions, which expands Colohouse's service offerings to include those that require more computing power and connectivity options
			<ul style="list-style-type: none"> EY, a global professional services company providing assurance, auditing, technology and security risk services, acquired Nuvalence, a Troy, NY-based IT consulting firm Nuvalence, founded in 2018, specializes in platform engineering, product development and generative AI platform-enabled services across a broad range of industries, which will accelerate EY's growth into the generative AI space
IT Services			<ul style="list-style-type: none"> Virtusa, a BPEA EQT-backed provider of digital strategy, digital engineering and IT services, acquired ITMAGINATION, a leading technology consulting company providing digital transformation, cloud computing, data analytics and artificial intelligence services ITMAGINATION, founded in 2008, is a Poland-based IT consulting partner that provides deep technical experience to its clients across Europe and North America, and significantly strengthens Virtusa's capabilities in offering advanced nearshore delivery in Poland
			<ul style="list-style-type: none"> Intellias, a Ukraine-based software engineering and digital consulting firm backed by Horizon Capital, acquired C2 Solutions, a technology services and product lifecycle management firm based in Bloomington, MN C2 Solutions, founded in 2010, offers services in development & integration, information architecture & data insights, and firmware & software engineering, which expands the array of Intellias' offerings across North America

TECHNOLOGY GROWTH & VALUATION TRENDS

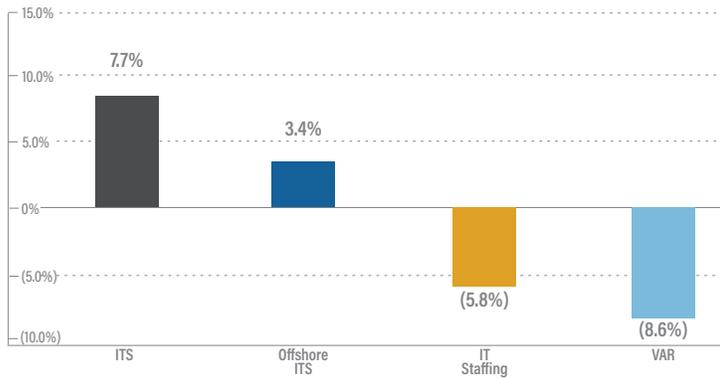
Enterprise Value / LTM Revenue



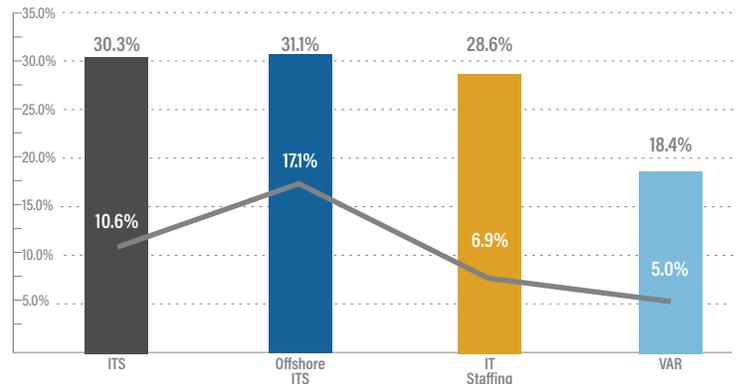
Enterprise Value / LTM EBITDA



LTM Revenue Growth



LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA



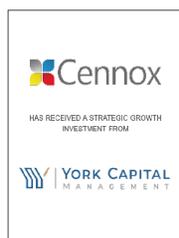
12.2x ITS 13.6x Offshore ITS 11.8x IT Staffing 10.3x VAR



SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
4/29/2024	Managed Services	Ntiva, Inc.	The Purple Guys	NA	<ul style="list-style-type: none"> Ntiva, a PSP Capital-backed IT and cybersecurity services firm, acquired The Purple Guys, creating one of the largest pure-play MSPs servicing small and mid-sized businesses in the U.S. The Purple Guys, founded in 1994, is a Kian Capital-backed managed services provider offering IT services and support across the Central and Southern U.S.
4/25/2024	Managed Services	Intercity Technology Limited	Centrality Limited	NA	<ul style="list-style-type: none"> Intercity Group, an IT services and solutions provider specializing in managed services, cloud migration, cybersecurity and digital transformations, acquired Centrality, expanding its service offerings into the Microsoft Solutions ecosystem Centrality, founded in 1996, is one of the UK's most accredited Microsoft Solutions Partners, providing expertise across M365, Azure, Power Platform and security
4/23/2024	IT Staffing	CoreTech Consulting Group, LLC	Theoris, Inc.	NA	<ul style="list-style-type: none"> CoreTech, a national professional staffing services provider and a division of Magic Software, acquired Theoris, expanding CoreTech's service capabilities in the Midwest market Theoris, founded in 1984, is an IT staffing company that has expanded its services to include engineering staffing, software development, IT consulting and direct placement services
4/16/2024	Managed Services	Medicus It LLC	BlueNovo, Inc.	NA	<ul style="list-style-type: none"> Medicus IT, a Plexus and 424 Capital-backed provider of healthcare technology solutions and managed services, acquired BlueNovo, marking its 9th expansion initiative, and reinforcing the company's focus on supporting community health centers BlueNovo, founded in 2007, is a premier provider of physician and patient-centered healthcare, quality and technology services dedicated to community health centers
4/15/2024	IT Services	Accenture PLC	Cognosante, LLC	NA	<ul style="list-style-type: none"> Accenture, a global strategy, technology and operational services provider, acquired Cognosante, which will expand Accenture's Federal Services division Cognosante, founded in 2008, is a provider of digital transformation and cloud modernization solutions for federal health, defense, intelligence and civilian agencies
4/11/2024	Managed Services	Secur-Serv	Btech Service, LLC	NA	<ul style="list-style-type: none"> Secur-Serv, the managed services division of Scantron Corporation and backed by Transom Capital, acquired Btech, strengthening its position in the managed services market for financial institutions Btech, founded in 2000, is a managed IT services provider headquartered in Pasadena, CA, primarily serving community banks and credit unions
4/11/2024	IT Services	Havas SA	TED Consulting	NA	<ul style="list-style-type: none"> Havas, a French advertising and public relations business, acquired TED Consulting, which will join under Havas Media Network to enhance its use of data through unique expertise in AI powered hyper-automation TED Consulting, founded in 2016, is a French data consulting firm specializing in all aspects of digital transformation and Robotic Process Automation technology
4/9/2024	IT Services	nClouds, Inc.	Foghorn, Consulting Inc.	NA	<ul style="list-style-type: none"> nClouds, a California-based provider of cloud and data migration, application modernization, security and compliance, managed services and DevOps, acquired Foghorn Consulting, expanding its cloud-based service offering Founded in 2008 and backed by Brookfield Partners, Foghorn Consulting is an AWS Premier Tier Services Partner specializing in cloud security, migration and application modernization services

Selected TM Capital Technology Experience



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