

TECHNOLOGY MONTHLY

FEBRUARY 2022

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

Transaction Processing

Info Services

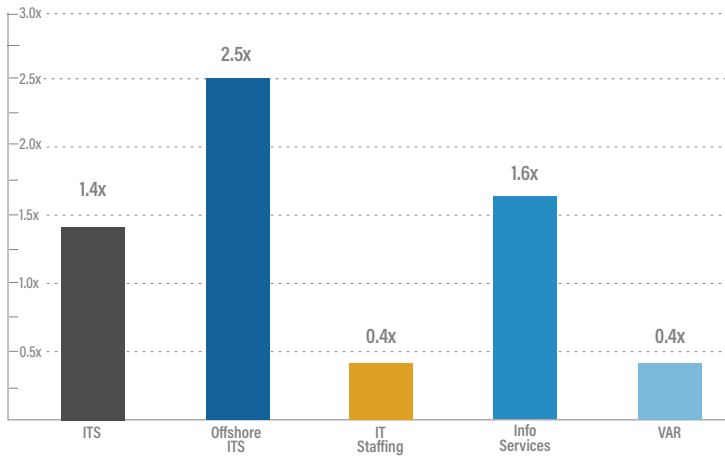
VAR

HEADLINE TRANSACTIONS

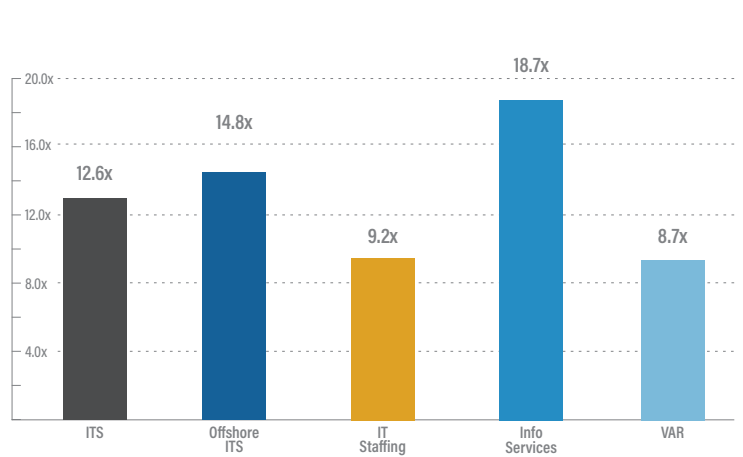
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
IT Services			<ul style="list-style-type: none"> Charlesbank Capital Partners, a private equity firm, made a strategic growth investment of more than \$100M in Bridgepointe Technologies, a San Mateo, California-based IT strategy firm that provides unbiased solutions to help midmarket and enterprise companies meet their technology needs. The capital will be used to fuel continued growth, including partner recruitment and enablement, service and brand expansion, addition of key personnel and fund acquisitions.
			<ul style="list-style-type: none"> ConvergeOne, a Bloomington, Minnesota-based technology solution provider of cloud, collaboration and digital infrastructure, backed by CVC, has acquired Integration Partners Corporation, a Lexington, Massachusetts-based company that designs and implements collaboration and digital infrastructure solutions. Headquartered in Lexington, Massachusetts, Integration Partners specializes in the complete spectrum of data center, networking, cyber security and collaboration solutions supported by professional and managed services capabilities.
Managed Services			<ul style="list-style-type: none"> Ness, a full-lifecycle digital services transformation company, has acquired Niyuj, a leading provider of software product engineering services specializing in digital infrastructure management including cutting edge software products in Networking, Security, Storage and Cloud Solutions. Headquartered in Pune, India, Niyuj, with approximately 200 engineers, specializes in building groundbreaking software products for early-stage start-ups and Fortune 500 companies.
			<ul style="list-style-type: none"> Converge Technology Solutions Corp. [TSX: CTS, FSE:OZB, OTCQX:CTSD], a Canadian software-enabled IT & Cloud Solutions provider announced that it has acquired PDS Holding Company, the parent company of Paragon Development Systems, Inc., from Mason Wells. Paragon Development Systems is a provider of digital transformation services, based in Milwaukee, WI. The acquisition will improve Converge's knowledge and proficiency in the healthcare space and ability to deliver enterprise solutions and managed services to clients across North America.
			<ul style="list-style-type: none"> OSF Digital, a provider of digital transformation services to companies worldwide, announced today the acquisition of Datarati, a Salesforce partner with expertise in Salesforce Marketing Cloud in Australia and New Zealand, with customers across the APAC region. This is OSF Digital's sixth acquisition in the past nine months. OSF Digital is acquiring Datarati as part of a global strategy to grow and scale locally and regionally across APAC, as well as to increase its Salesforce Digital 360 capabilities.
			<ul style="list-style-type: none"> Southfield Capital, a lower middle market private equity firm completed the sale of Ntiva to PSP Partners. Ntiva is a leading IT services company providing businesses across the U.S. with technology expertise and support, including managed IT services, strategic consulting, cybersecurity services, cloud services, and telecom solutions. Southfield Capital acquired Ntiva in 2016. Over the 5-year investment period, Ntiva realized significant growth, nearly quadrupling the earnings of the business through expanding the sales platform and geographic presence, executing acquisitions, broadening service offerings, and recruiting a highly talented management team.

TECHNOLOGY GROWTH & VALUATION TRENDS

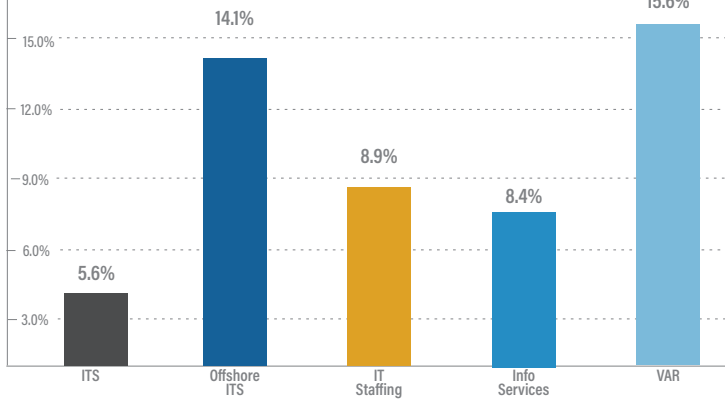
Enterprise Value / LTM Revenue



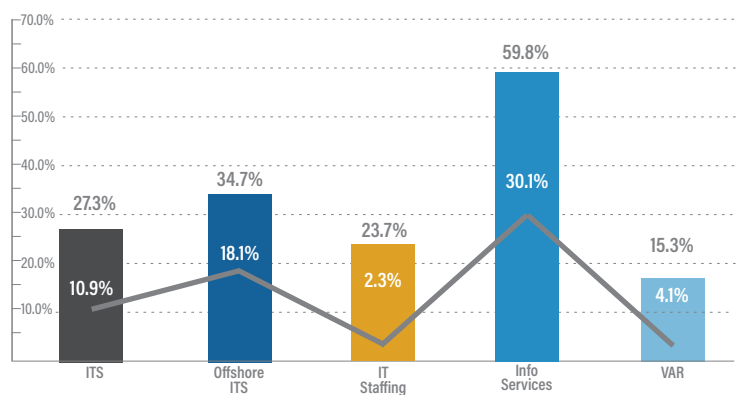
Enterprise Value / LTM EBITDA



LTM Revenue Growth

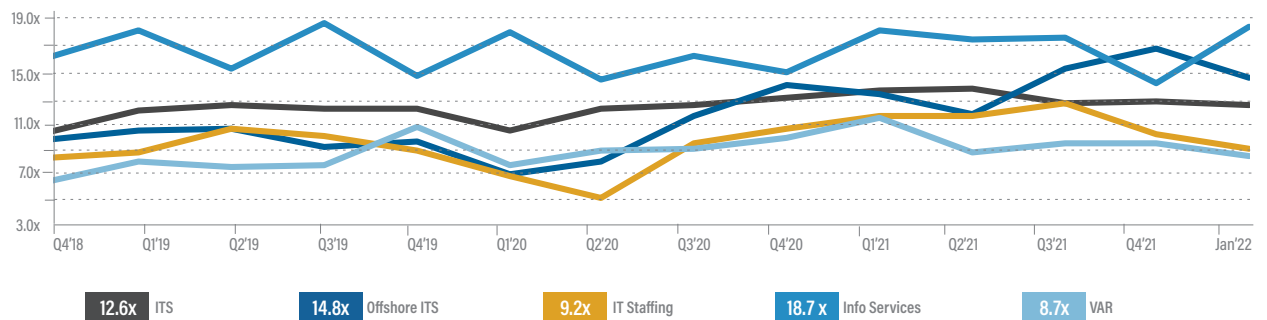


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA



SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
1/5/2022	IT Services	VC3	CW Technology	NA	<ul style="list-style-type: none"> VC3, a South Carolina-based information technology company backed by Nautic Partners, has acquired CW Technology, a leading provider of enterprise-quality IT management services in Minnesota. The addition of this established firm expands the VC3 solution portfolio to municipal and commercial clients in the Minnesota region and adds a local presence of high-caliber operators to the VC3 platform.
1/6/2022	Managed Services	Thrive Networks	InCare Technologies, LLC	NA	<ul style="list-style-type: none"> Thrive Networks, a Foxborough, Massachusetts-based IT consulting and managed services provider owned by Court Square Capital, has acquired InCare Technologies, a Birmingham, Alabama-based information technology managed services provider. The InCare Partnership will extend Thrive's NextGen Cloud & Cybersecurity Managed Services Platform to Clients in the Southern United States.
1/6/2022	IT Services	BV Investment Partners	Marlabs, Inc	NA	<ul style="list-style-type: none"> BV Investment Partners (BV), a middle-market private equity firm focused on the tech-enabled business services, software and IT services sectors, announced that it has made a significant, growth-oriented investment in Marlabs Inc., a global digital solutions company. Marlabs is an end-to-end IT services provider that enables its customers to build and manage IT applications and infrastructure. The investment will help Marlabs expand its services by broadening digital transformation services.
1/6/2022	IT Services	Gcom Software LLC	ASR Analytics, LLC	NA	<ul style="list-style-type: none"> GCOM, a Columbia, Maryland-based technology software and services provider backed by Sagewind Capital, bought ASR Analytics, a Washington, DC-based analytic consulting services firm. ASR focuses on in artificial intelligence (AI), machine learning (ML), and advanced analytics for federal, state, and local governments, as well as higher education institutions. ASR is GCOM's seventh acquisition since 2018 and its second in the data analytics space.
1/7/2022	VAR	Gemspring Capital Management	Security 101	NA	<ul style="list-style-type: none"> Gemspring Capital Management, a middle-market private equity firm, acquired a majority interest in Security 101, a provider of commercial security system solutions. Security 101 delivers a full-service offering of security services and products including the design, installation, and maintenance of integrated access control, video surveillance, intrusion detection, visitor management, and managed service solutions.
1/10/2022	Managed Services	Dataprise, Inc.	Global Data Vault, LLC	NA	<ul style="list-style-type: none"> Dataprise, a Rockville, Maryland-based IT managed services provider backed by Trinity Hunt Partners, has acquired Global Data Vault, a Dallas-based provider of Disaster-Recovery-as-a-Service (DRaaS), Backup-as-a-Service (BaaS) and modern data protection solutions. The addition of Global Data Vault creates one of the industry's broadest portfolios of integrated data protection and cybersecurity offerings to solve client's toughest business resilience, risk mitigation and compliance challenges.
1/12/2022	IT Services	OSF Global Services, Inc.	FitForCommerce, LLC	NA	<ul style="list-style-type: none"> OSF Digital, a provider of digital transformation services to companies worldwide, acquired FitForCommerce, a global commerce strategy consultancy. The acquisition supports OSF's rapid growth and path to full-service enablement for digital transformation and strengthens OSF Digital's market position. FitForCommerce will operate as the commerce strategy consulting arm at OSF Digital.
1/17/2022	IT Services	Open Systems Technologies, Inc.	Stratum Technology Management, LLC	NA	<ul style="list-style-type: none"> Stratum Technology, a Texas-based cloud service provider, has been acquired by Open Systems Technologies, a Midwest-based digital and IT consultancy. This acquisition expands OST's cloud services capabilities because of Stratum's deep technical expertise and certifications in both AWS and Microsoft. Stratum joins OST with architects, engineers and project managers who have developed relationships with top partners and carry advanced specializations such as the Microsoft Azure Expert Managed Services Provider designation.
1/24/2022	IT Services	Prosource	PBSI Technology Solutions	NA	<ul style="list-style-type: none"> Prosource, a Cincinnati, Ohio-based business technology solutions provider, has acquired PBSI Technology Solutions, a Springdale, Ohio-based technology services company. The acquisition further bolsters the capabilities and technical expertise of Prosource's rapidly growing managed technology business, Prosource Technologies.
1/24/2022	Managed Services	Recognize Partners	Applications Software Technology LLC	NA	<ul style="list-style-type: none"> Tailwind Capital, a private equity firm focused on services investments within select end-markets, has completed the sale of AST LLC to Recognize Partners, a technology services focused investment platform. AST is an award-winning full-service cloud services solution provider, serving clients in the public and commercial sectors for more than two decades.
1/27/2022	Managed Services	GSI, Inc.	Cloud Genius Advisors, LLC	NA	<ul style="list-style-type: none"> GSI, Inc. has acquired Cloud Genius Advisors, bringing a broad range of complementary NetSuite solutions and services related to NetSuite ERP, eCommerce, CRM, PSA and more to the company. As a SuiteSuccess certified NetSuite partner, Cloud GENIUS Advisors brings a wealth of experience to complement the GSI NetSuite practice. Its staff of senior consultants are experts in accounting, supply chain and warehouse management.

Selected TM Capital Technology Experience



TM Capital's Technology Industry Contacts

