

# TECHNOLOGY MONTHLY

NOVEMBER 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 SYNOPSIS

Secureworks® **SOPHOS**

- Sophos, a Thoma Bravo-backed global cybersecurity leader providing advanced AI-driven solutions for endpoint network, cloud and email security systems, intends to acquire SecureWorks (NASDAQ:SCWX) for \$859 million, a cybersecurity company offering AI-powered threat detection and response services
- SecureWorks, founded in 1999, is a global cybersecurity company specializing in providing advanced threat detection and response services through its AI-powered Taegis platform, which combines AI-driven analytics, real-time threat intelligence and automated incident response capabilities

IT **savvy**® **xerox** 

- Xerox Corporation, a global leader in digital printing, document management and IT services including managed print services and IT outsourcing, acquired ITsavvy for \$400 million, a GenNx360 Capital-backed integrated IT infrastructure solutions provider
- ITsavvy, founded in 2004, specializes in delivering a comprehensive suite of lifecycle, deployment and managed IT services by providing solutions for critical networking, cloud migration and workplace productivity

**contuit** 

- Ntiva, a PSP Partners-backed managed IT and digital security provider offering cloud services, cybersecurity and strategic consulting, acquired Contuit, a technology company specializing in API automation and custom software development
- Contuit, founded in 2017, specializes in providing businesses with technical solutions through their proprietary API automation tool that seamlessly integrates software platforms, automates complex workflows and enhances operational efficiency

**360IT** **PARTNERS** 

- Dataprise, a Trinity Hunt Partners-backed managed IT and cybersecurity services provider specializing in delivering enterprise-grade technology solutions, acquired 360IT Partners (TOMAR Computer Integration), a Virginia Beach-based managed IT services provider
- 360IT Partners, founded in 1995, specializes in proactive technology management and comprehensive IT support services, including network management, cybersecurity, data backup and IT consulting

**DIGNARI** 

- Ernst & Young (EY), a global leader in assurance, consulting, tax and transaction services, acquired Dignari, a technology consulting firm specializing in digital identity and access management solutions
- Dignari, founded in 2013, is a woman-owned technology consultancy with expertise advising U.S. government clients regarding security, performance and technology adoption through data-driven strategies

 **aethereus** 

- RCG Global Services, a Frontenac-backed technology consulting firm specializing in cloud engineering, AI, data analytics and business automation, acquired Aethereus, a Salesforce consulting and transformation firm
- Aethereus, founded in 2019, is a Salesforce Summit Partner specializing in Salesforce advisory, experience design and multi-cloud transformations with a focus on Salesforce's Data Cloud, AI and industry-specific solutions

 **EXUSIA** 

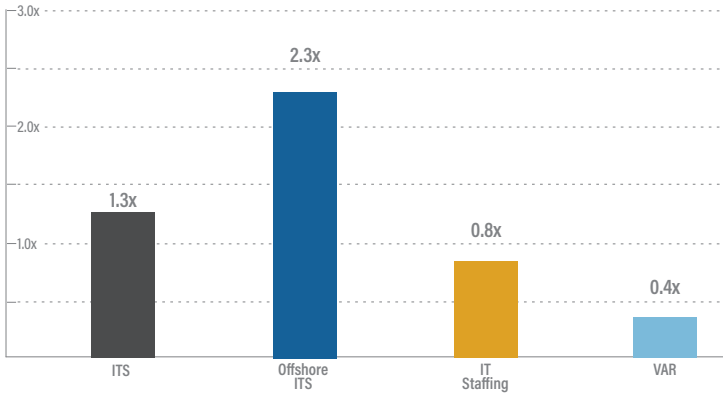
- Globant (NYSE:GLOB), a digitally native technology services provider specializing in AI, cloud and digital transformation services, acquired Exusia, an IT services and consulting firm
- Exusia, founded in 2012, specializes in full lifecycle AI, data engineering, cloud migration and analytics capabilities including strategy, implementation and managed services

Managed Services

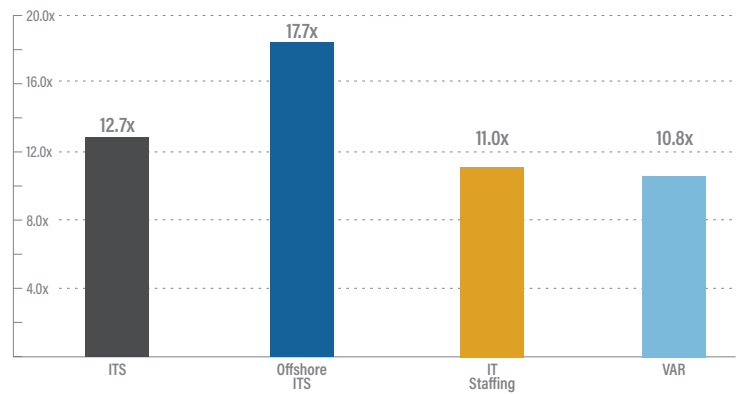
IT Services

# TECHNOLOGY GROWTH & VALUATION TRENDS

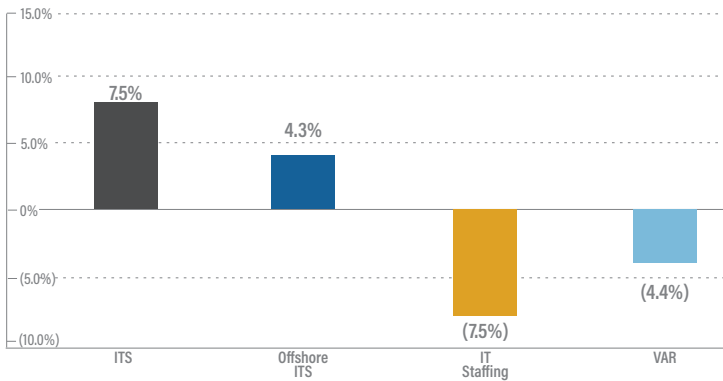
Enterprise Value / LTM Revenue



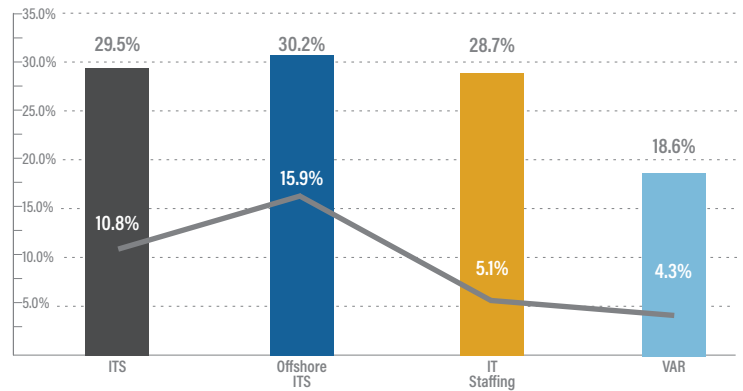
Enterprise Value / LTM EBITDA



LTM Revenue Growth

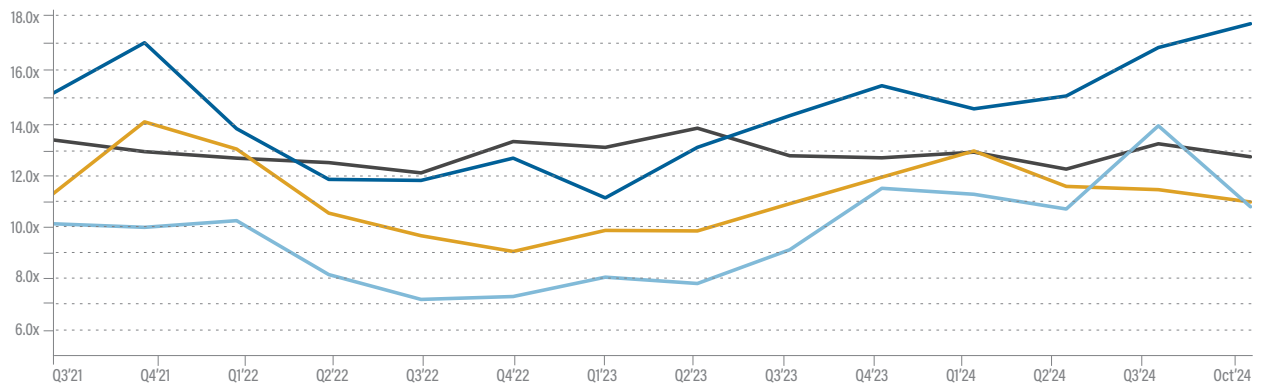


LTM Gross & EBITDA Margin\*



\*EBITDA Margins shown as the gray line.

TEV / EBITDA



12.7x ITS      17.7x Offshore ITS      11.0x IT Staffing      10.8x VAR

# SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
10/31/2024	IT Services	VSS Capital Partners	Lane Four Consulting	NA	<ul style="list-style-type: none"> <li>VSS Capital Partners, a private equity firm focused on providing growth capital to companies in the healthcare, education and business services sectors, acquired Lane Four, strengthening its services offering in the Salesforce consulting space</li> <li>Lane Four Consulting, founded in 2013, is a Salesforce consulting firm that helps high-growth companies optimize and scale their go-to-market operations using Salesforce's suite of integrated, cloud-based solutions</li> </ul>
10/31/2024	Managed Services	ATSG, Inc.	Evolve IP, LLC.	NA	<ul style="list-style-type: none"> <li>ATSG, a RunTide Capital-backed global managed services provider offering cloud, IT managed and cybersecurity solutions, acquired Evolve IP, significantly expanding its service offerings and capabilities in cloud communications and desktop-as-a-service</li> <li>Evolve IP, founded in 2007, is a provider of cloud-based solutions specializing in desktop-as-a-service, unified communications and contact center services, which help organizations migrate their IT technologies to secure and scalable cloud platforms</li> </ul>
10/16/2024	Managed Services	Corporate Technologies LLC	RSPN, LLC	NA	<ul style="list-style-type: none"> <li>Corporate Technologies, a Tonka Bay Partners-backed provider of managed IT services, cybersecurity and disaster recovery solutions, acquired RSPN, expanding its geographic footprint and enhancing its ability to provide hosted services to small and medium sized businesses</li> <li>RSPN, founded in 2006, is an Iowa-based IT services provider specializing in IT managed services, hosted services and project support by offering network management and data backup solutions</li> </ul>
10/16/2024	Managed Services	Thrive	Safety Net, Inc.	NA	<ul style="list-style-type: none"> <li>Thrive, a Court Square Capital-backed global technology outsourcing provider specializing in cybersecurity, cloud services and IT managed services, acquired Safety Net, expanding its presence in the Midwest</li> <li>Safety Net, founded in 1998, is a Michigan-based IT services firm specializing in cybersecurity, managed services and IT solutions with a focus on providing high-touch, strategic IT support</li> </ul>
10/15/2024	IT Services	Syntax Systems Ltd.	Argon Supply Chain Solutions Limited	NA	<ul style="list-style-type: none"> <li>Syntax Systems, a Novacap-backed global leader in cloud application implementation and managed services specializing in multi-ERP deployments including SAP and Oracle, acquired Argon Supply Chain Solutions, to expand its capabilities in logistics execution and supply chain optimization</li> <li>Argon Supply Chain Solutions, founded in 2011, is an SAP Gold Partner specializing in warehouse management and supply chain optimization services by tailoring SAP-based solutions across the consumer goods, manufacturing and life sciences industries</li> </ul>
10/14/2024	IT Staffing	Eliassen Group, LLC	VIA Technical, LLC	NA	<ul style="list-style-type: none"> <li>Eliassen Group, a Stone Point Capital-backed strategic consulting firm providing compliance advisory, clinical solutions and IT services, acquired VIA Technical, enhancing its technology solutions and expanding its Southern California footprint</li> <li>VIA Technical, founded in 2009, is a San Diego-based IT talent services firm that specializes in connecting clients with top IT professionals in areas such as applications, network infrastructure, end-user support and creative development and design</li> </ul>
10/10/2024	IT Services	Presidio, Inc.	Internetwork Engineering, Inc.	NA	<ul style="list-style-type: none"> <li>Presidio, a Clayton Dubilier &amp; Rice-backed technology services provider specializing in IT infrastructure, cloud solutions, digital transformation and cybersecurity, acquired Internetwork Engineering (IE), to expand its geographic presence in the Southeast and leverage IE's expertise in delivering customized IT solutions to mid-market and enterprise clients</li> <li>Internetwork Engineering, founded in 1996, is a North Carolina-based IT solutions provider specializing in operational services consulting, cybersecurity, networking and data center solutions</li> </ul>
10/7/2024	Managed Services	EPAM Systems, Inc.	First Derivatives (Ireland) Limited	\$300.9	<ul style="list-style-type: none"> <li>EPAM Systems (NYSE:EPAM), a global leader in digital transformation services and product engineering specializing in software development, AI cloud solutions and business consulting, intends to acquire First Derivative for \$300 million (12.8x LTM EBITDA), strengthening its capabilities in capital markets, banking operations and asset servicing</li> <li>First Derivative, founded in 1996, is a global provider of consulting, managed services and software solutions for clients in the financial services and capital markets sectors, offering data analytics, technology modernization and regulatory compliance solutions</li> </ul>
10/4/2024	IT Services	Bridgepoint SAS	Condatis Group Limited	NA	<ul style="list-style-type: none"> <li>Bridgepoint, a leading international private equity firm providing financing and strategic support to high-growth companies in the technology and cybersecurity sectors, acquired Condatis, adding to its technology services portfolio and supporting Condatis in its rapid growth in the digital identity and access management sector</li> <li>Condatis, founded in 2011, is a UK-based cybersecurity consulting firm providing advanced technology services to help organizations manage and secure user identities and access to sensitive data across Microsoft's Entra platform</li> </ul>
10/3/2024	IT Staffing	Golden Technology, Inc	Assets of Halcyon Solutions Inc.	NA	<ul style="list-style-type: none"> <li>Golden Technology, a leading provider of IT staffing and consulting solutions for application development and managed service providers, acquired Halcyon Solutions, expanding its international network of consultants and global operations</li> <li>Halcyon Solutions, founded in 1992, is an IT services company specializing in IT staff augmentation, warehouse management and supply chain optimization solutions with a global presence and expertise as an SAP Gold Partner</li> </ul>

## Selected TM Capital Technology Experience



## TM Capital's Technology Industry Contacts



**Brad Adams**  
Managing Director  
badams@tmcapital.com  
617.259.2203



**Jarrad Zalkin**  
Managing Director  
jzalkin@tmcapital.com  
617.259.2207



**Kevin Atchue**  
Managing Director  
katchue@tmcapital.com  
617.259.2209



**Andrew McGuire**  
Analyst  
amcguire@tmcapital.com  
857.287.3830



**Steve Hunter**  
Managing Director  
Head of Financial  
Sponsor Coverage  
shunter@tmcapital.com  
404.995.6232

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