

TECHNOLOGY MONTHLY


JANUARY 2025

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

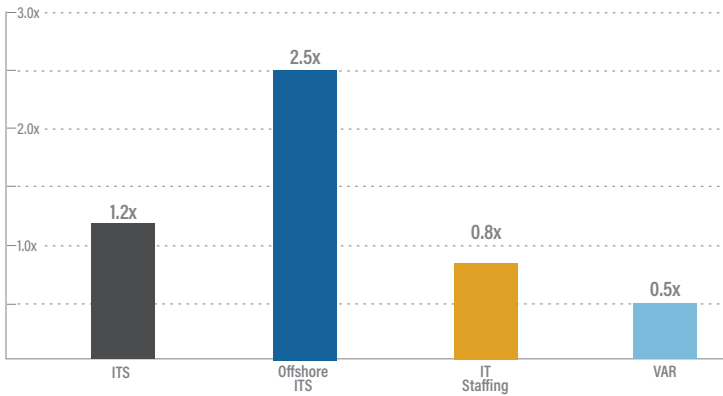
HEADLINE TRANSACTIONS

TARGET ACQUIROR ACQUISITION SYNOPSIS

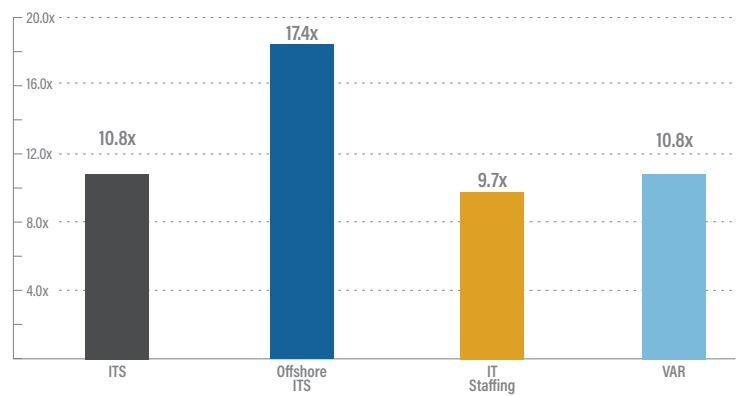
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Managed Services			<ul style="list-style-type: none"> World Wide Technology, a global IT solutions provider specializing in software, cloud, cybersecurity and AI solutions, acquired Softchoice, a Toronto-based IT solutions provider, from Birch Hill Equity Partners for \$1.3 billion Softchoice, founded in 1989, is a IT solutions provider specializing in software, cloud and AI-powered digital workplace solutions, helping organizations optimize technology, reduce IT costs and drive business innovation
			<ul style="list-style-type: none"> Ideal Integrations, a Frontenac-backed managed services provider specializing in IT, cybersecurity and cloud solutions, acquired 1Path, a managed IT services and cybersecurity provider, from MSouth Equity Partners 1Path, founded in 2011, is a managed IT services provider specializing in comprehensive IT support, cybersecurity and cloud services by offering network management, data security and cloud computing solutions
			<ul style="list-style-type: none"> Broad Sky Partners, a private equity firm focused on investing in growing middle-market companies in the tech-enabled services and IT sectors, acquired Frontline Managed Services, a provider of managed IT services, from BV Investment Partners Frontline Managed Services, founded in 1987, is a global provider of managed IT services and revenue cycle management solutions for clients in the legal industry
			<ul style="list-style-type: none"> CDW (NASDAQ:CDW), a provider of multi-brand IT services specializing in cloud, security and data solutions, acquired Mission Cloud, a cloud services provider of AWS solutions, from Great Hill Partners Mission Cloud, founded in 2017, is a cloud services provider specializing in offering end-to-end cloud solutions, managed services, cybersecurity and AI-driven innovations primarily for AWS customers
IT Services			<ul style="list-style-type: none"> Trace3, an American Securities-backed IT services provider specializing in convergent solutions across data, security and cloud technologies, acquired Zivaro, a technology solutions provider focused on the government and public sectors Zivaro, founded in 2002, is a technology solutions provider specializing in software engineering, managed hybrid cloud, application modernization and public sector system integration for government and public sector clients
			<ul style="list-style-type: none"> CGI, a global IT and business consulting services firm providing end-to-end solutions including strategic IT consulting, systems integration and business process services, acquired Daugherty, an IT consulting and professional services firm Daugherty, founded in 1985, is a professional services firm specializing in AI, data analytics, strategic IT consulting and business advisory services for Fortune 500 clients
			<ul style="list-style-type: none"> Ness Digital Engineering, a KKR-backed global full-lifecycle digital services transformation company specializing in product engineering, data, AI and digital strategies, acquired Raja Software Labs, a product engineering company Raja Software Labs, founded in 2003, is a software company specialized in developing and enhancing high-volume mobile and web applications, with expertise in mobile app development, IoT and web front-end technologies

TECHNOLOGY GROWTH & VALUATION TRENDS

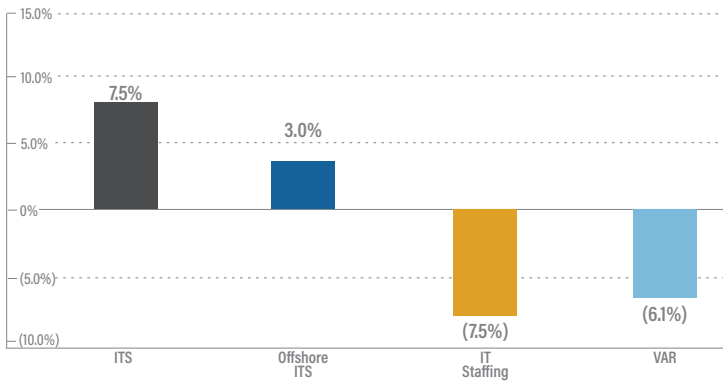
Enterprise Value / LTM Revenue



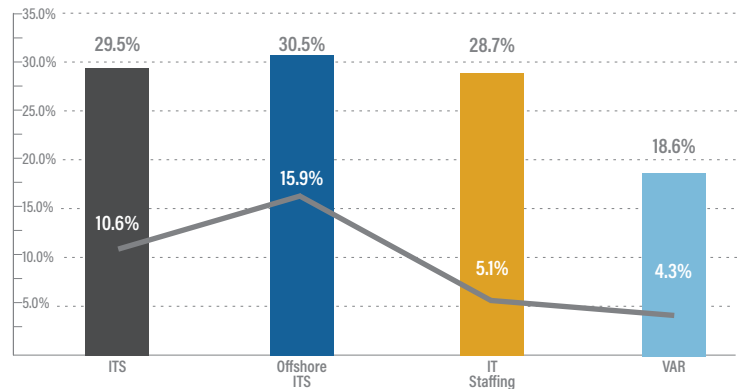
Enterprise Value / LTM EBITDA



LTM Revenue Growth

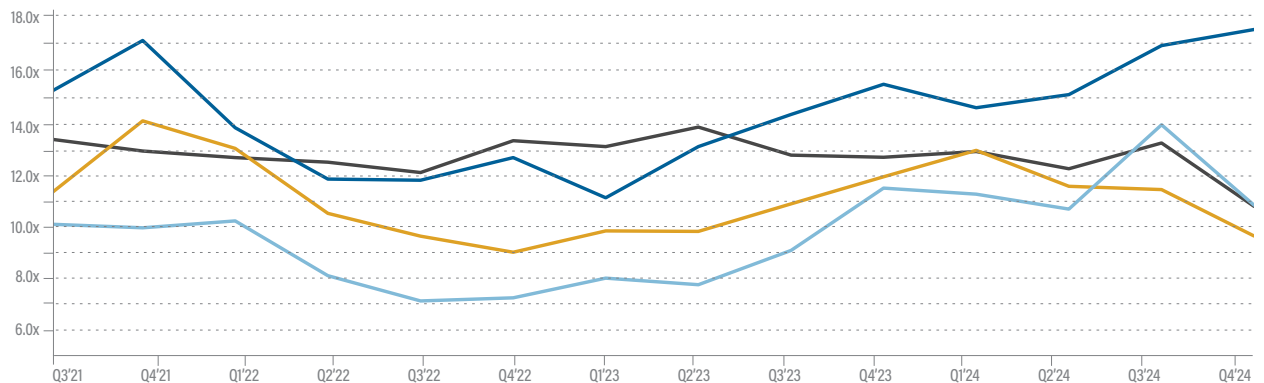


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA

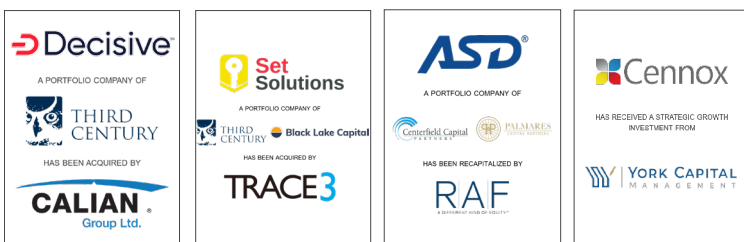


10.8x ITS 17.4x Offshore ITS 9.7x IT Staffing 10.8x VAR

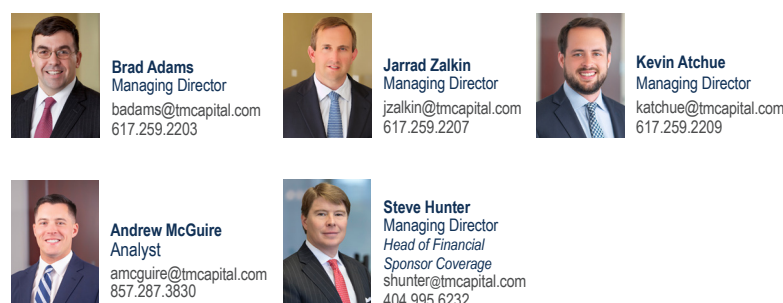
SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
12/19/2024	IT Services	2X LLC	Rocket Factory, LLC	NA	<ul style="list-style-type: none"> 2X, a Recognize Partners-backed marketing-as-a-service provider specializing in delivering scalable, cost-efficient marketing operations, strategy and execution, acquired Intelligent Demand, expanding its abilities in scalable execution and high-impact growth strategies Intelligent Demand, founded in 2011, is a B2B growth services agency offering integrated marketing solutions including go-to-market strategy, demand generation and marketing automation
12/12/2024	Managed Services	Cyderes, LLC	Outpost Security LLC	NA	<ul style="list-style-type: none"> Cyderes, an Apax Partners-backed cybersecurity solutions provider that specializes in managed security services, access management and professional services, acquired Outpost Security, fortifying its cyber defense capabilities in the managed services and incident response categories Outpost Security, founded in 2019, is a cybersecurity firm specializing in enterprise security and risk-based alerting, with experience in Splunk, focused on enhancing threat detection and response through advanced automation
12/11/2024	Managed Services	Comcast Business Class Security, LLC	Nitel, Inc.	NA	<ul style="list-style-type: none"> Comcast Business, a provider of connectivity, cloud services and advanced technology solutions, acquired Nitel from Cinven Limited, expanding its portfolio and enhancing its capabilities in managed network services and global secure networking Nitel, founded in 1997, is a managed services provider specializing in network-as-a-service (NaaS), delivering advanced managed network, cloud and cybersecurity solutions to enterprise customers
12/11/2024	Managed Services	Evergreen Services Group LLC	CT Group Ltd.	NA	<ul style="list-style-type: none"> Evergreen, an Alpine Investors-backed provider of managed IT services focused on delivering reliable, innovative technology support and solutions, acquired CT Group, extending its presence in the Australia market, specifically the Perth region CT Group, founded in 2001, is a global consultancy that specializes in providing expertise in research, intelligence, campaigns and advisory services
12/9/2024	IT Services	Recognize Partners LP	SDG Corporation	NA	<ul style="list-style-type: none"> Recognize Partners, a private equity firm focused on investing in digital services businesses, acquired SDG, bolstering its technology services portfolio by leveraging SDG's strong reputation and long-term enterprise relationships SDG, founded in 1993, is a provider of cybersecurity, access management and risk management services offering continuous engineering, threat management and risk mitigation solutions
12/9/2024	IT Services	Datavail Corporation	Adjacent Solutions LLC	NA	<ul style="list-style-type: none"> Datavail, a CIVC Partners-backed provider of data management, analytics and application services specializing in cloud modernization and managed services, acquired Adjacent Solutions, strengthening its Oracle service offerings and expanding its expertise in Oracle applications Adjacent Solutions, founded in 2008, is an IT consultancy specializing in Oracle applications, cloud modernization, licensing and manages services
12/5/2024	IT Services	Hero Digital, LLC	Huge, LLC	NA	<ul style="list-style-type: none"> Hero Digital, an AEA Investors-backed digital customer experience company specializing in strategy, design, technology, marketing and data, acquired Huge from The Interpublic Group of Companies (IPG), expanding its global reach and enhancing its capabilities and scale in the experience transformation space Huge, founded in 1999, is a design and innovation company specializing in creating digital products and experiences to help brands grow, focusing on user-centric designs by leveraging emerging technologies
12/5/2024	Managed Services	L Squared Capital Partners	NETRIO, LLC	NA	<ul style="list-style-type: none"> L Squared Capital Partners, a private equity firm focused on making long-term investments in growth companies across the tech-enabled and industrial technology sectors, acquired Netrio, expanding its portfolio in the managed IT services sector Netrio, founded in 2003, is a managed IT services provider that helps small to mid-market organizations simplify technology management by offering solutions in IT services, cybersecurity and cloud services
12/4/2024	IT Services	ASH Investment Partners, LLC	FortyAU, LLC	NA	<ul style="list-style-type: none"> ASH Investment Partners, a private equity firm focused on investing in and partnering with digital services companies, acquired FortyAU, expanding its portfolio and supporting FortyAU's growth trajectory by leveraging its deep technical expertise in healthcare and other highly regulated industries FortyAU, founded in 2011, is a digital services firm specializing in custom software engineering, data science, AI and strategy solutions primarily for the healthcare industry
12/4/2024	Managed Services	SEI, Inc.	Mid-Range Computer Group Inc.	NA	<ul style="list-style-type: none"> Service Express, a Warburg Pincus-backed data center solutions provider specializing in multivendor maintenance, managed infrastructure and hardware services, acquired Mid-Range, expanding its presence in Canada and strengthening its managed services offerings Mid-Range, founded in 1988, is a managed infrastructure solutions provider and Gold IBM Business partner specializing in cloud, managed services, professional services and hardware solutions
12/3/2024	IT Services	Huron Consulting Group Inc.	AXIA Consulting, Inc.	NA	<ul style="list-style-type: none"> Huron Consulting (NASDAQ:HURN), a global professional services firm specializing in optimizing operations, accelerating digital transformation and strategic process improvement, acquired AXIA, enhancing its supply chain capabilities in the industrials, manufacturing and retail sectors AXIA, founded in 2005, is a consulting firm specializing in supply chain-focused solutions, process optimization, people transformation and digital leadership

Selected TM Capital Technology Experience



TM Capital's Technology Industry Contacts



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