Solganick & Co.

Technology Services

M&A Update

February 2023

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About Solganick & Co.

Investment banking firm founded in 2009, with offices in Los Angeles and Dallas

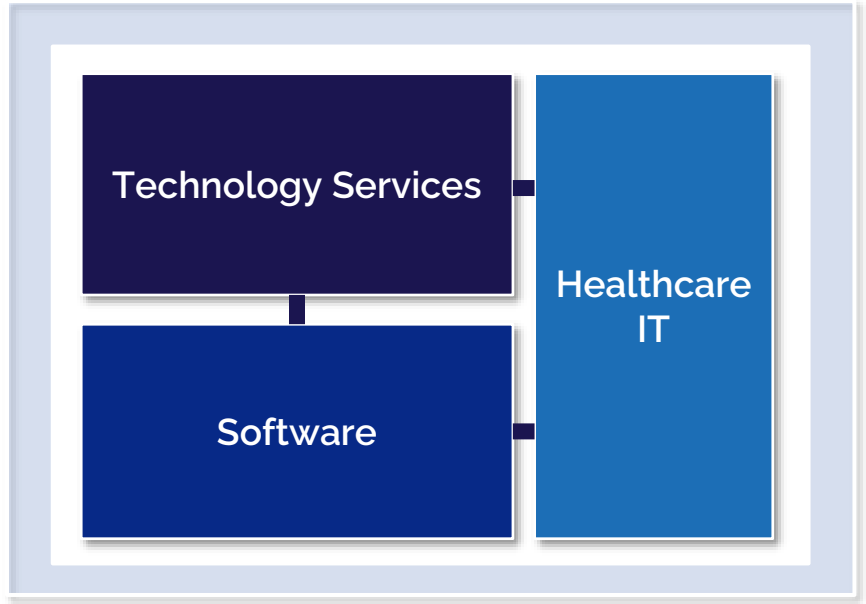
Exclusively serving the **Technology Services, Software, and Healthcare IT** sectors

Experienced team of technology-focused investment banking professionals

Founded by Aaron Solganick, **a 28+ year experienced technology-focused investment banker** (Bear Stearns, KPMG, Perot Systems Corp., and B. Riley FBR)

Axial Top Software M&A Advisory Firm, 2022

Solganick & Co. was recognized as a top software M&A advisor by Axial



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Recent Solganick & Co. Transaction Experience

Solganick & Co.

Recent Solganick & Co. Transactions

Technology Services	Technology Services	Technology Services	Technology Services	Technology Services
PANDERA	visualbi	SIG	FLAGSHIP SOLUTIONS GROUP	LONE STAR
has merged with	has been acquired by	has been recapitalized by	has merged with	has been recapitalized by
66degrees backed by SUNSTONE PARTNERS	Atos	FORT POINT CAPITAL	Data Storage CORPORATION	HCAP PARTNERS

Technology Services	Technology Services	Technology Services	Software	Software
NAVIGATOR BUSINESS SOLUTIONS	APTELIS	iXerv	learn on demand systems	VIRIDIAN SCIENCES
has been acquired by	has been acquired by	has been acquired by	has been recapitalized by	has been acquired by
ALERION Capital Group, LLC	CONTX	TSP THE SILICON PARTNERS backed by MONETA VENTURES	QUAD PARTNERS	AKERNA

Healthcare IT	Healthcare IT	Healthcare IT	Healthcare IT	Healthcare IT
eMedApps	Waypoint	ITENTIVE Healthcare Solutions	ITELAGEN HEALTHCARE	AIM ARTIFICIAL INTELLIGENCE IN MEDICINE INC.
has been acquired by	has been acquired by	has been acquired by	has been acquired by	has been acquired by
Med Tech Solutions backed by SUNSTONE PARTNERS	WIPFLI	DASHealth backed by SHERIDAN CAPITAL PARTNERS	SHERIDAN CAPITAL PARTNERS	inspirata

Highlighted Transaction: *Pandera Systems*

Solganick & Co. Advises Pandera Systems in its sale to 66 degrees, a portfolio company of Sunstone Partners

- Pandera Systems, a Google Cloud Premier Partner headquartered in Orlando, FL is a global analytics and technology provider with a primary focus on developing innovative data solutions leveraging the advanced capabilities of the cloud.
- Because of Solganick & Co.'s deep experience with the IT/Cloud services buyer universe, valuation drivers and M&A environment, Solganick & Co. was engaged to run a highly targeted, efficient and competitive M&A process.
- The Solganick team worked closely with Pandera Systems management to attractively position the business and quickly solicit several attractive offers that significantly exceeded initial valuation expectations.
- Solganick & Co. supported the client's selection of 66degrees/ Sunstone Partners through a successful close of the transaction.

PANDERA has merged with 66degrees backed by SUNSTONE PARTNERS

Data Analytics

IT Consulting

Public Cloud

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Technology Services: M&A Market Overview

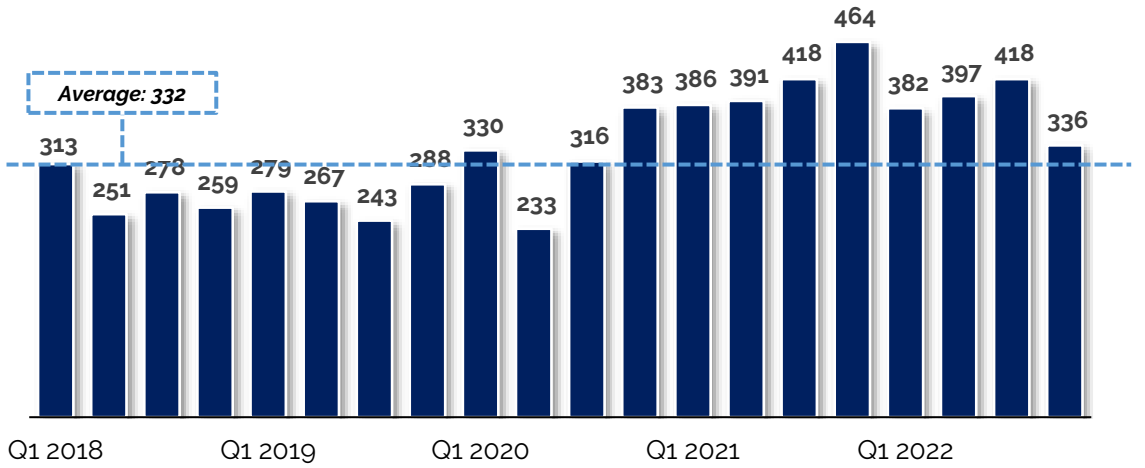
Market Commentary

- Transaction volume and valuation multiples for technology services companies has remained resilient as we enter 2023, reverting to pre-pandemic levels in aggregate. Strong balance sheets and available capital from both financial and strategic acquirers has helped support deal activity and valuations, particularly for companies in the middle market and lower middle market.
- We expect that cybersecurity, AI/ML competencies (particularly within cloud computing), DevOps, software development, digital transformation and immersive environments will be themes for 2023 in technology services M&A. These segments are expected to grow significantly in the coming years.
- Amid a challenging macroeconomic environment, investors are particularly interested in companies with a meaningful recurring revenue profile. In addition, demand for specialty firms supporting application software platforms continues to be very strong, particularly for partners of applications supporting larger market opportunities (e.g., public cloud computing adoption, data analytics, cybersecurity).
- For software and SaaS-based companies, more pronounced softness in valuations has resulted in a flurry of recent take-private transactions. In some cases, this may bring downstream implications (and opportunities) for related technology services companies (e.g., Citrix/ Vista Equity, Datto/ Kaseya, Anaplan/Thoma Bravo, Coupa Software/ Thoma Bravo, among others).

Key Market Growth Drivers

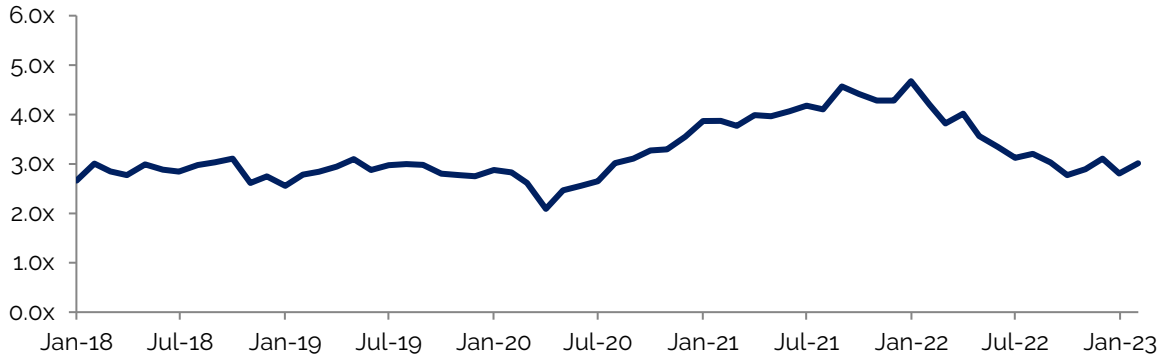
Growing Reliance on Technology	Increasing Complexity of Technology	Opportunity to Achieve Efficiencies	Adoption of Cloud Computing
Security Threats are Proliferating	Data Security Compliance Requirements	Practical Uses for Emerging Technologies (AI/ ML and Immersive Environments)	Flexible Delivery Models to Meet Wide Range of Needs

Transaction Volume



Source: *Pitchbook, IT Services Companies M&A Deal Activity from 2018 to 2022*

Valuation Multiples: EV/Revenue



Source: *Solganick & Co. Public Technology Consulting Index, Market Cap Weighted, Pitchbook*

Sources: *PwC, Statista*

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Technology Services: Subsector Coverage Areas

Solganick & Co.

Application Partners

Firms supporting enterprise software applications and ecosystems such as Salesforce, ServiceNow, SAP and Oracle. Services include resale, implementation, and ongoing support and customization.

Public Cloud Partners

Firms focused on the implementation, optimization and maintenance of cloud computing capabilities, typically supporting Amazon Web Services (AWS), Microsoft Azure and Google Cloud.

Cybersecurity Services Providers

Firms providing managed security services (MSSP), managed detection and response (MDR), penetration testing, Identity and Access Management (IAM), governance, risk and compliance (GRC).

Data Analytics Consultancies

Firms helping businesses make more informed and data driven decisions through technology adoption.

Managed Service Providers (MSP)

Firms providing outsourced IT support services including IT planning and strategy, help desk, network management and communications.

Software Development Firms

Firms providing outsourced software development and product engineering services. Services delivered both onshore and offshore, and often with specific application and vertical specializations.

Representative Companies

AST, apps associates, 3Cloud, 66degrees, AVERTIUM, BISHOPFOX, Analytics8, aspirent, 1PATH, coretelligent, 3PILLAR GLOBAL, 10Pearls, OSF DIGITAL, NAVISITE, AllCloud, CAYLENT, deepwatch, HERJAVEC GROUP, atrium, CELEBAL TECHNOLOGIES, Evergreen Services Group, Integris., ALLATA, ASCENDION, NEWROCKET, SILVERLINE, Hso, mission, IC CONSULT, NETSPI, fractal, SpringML, MERIPLEX, Ntiva, encora, marlabs, SPAULDING RIDGE, THIRDERA, Onix, SADA, Ntirety, OPTIV, REPLY, wavicle, Synoptek, THRIVE, RSI, unosquare

Key Trends

Adoption and optimal use of enterprise software, especially within large enterprises, is complex and organizations must rely on specialists to help them through the implementation and ongoing management of these software applications.

Implementation and management of cloud computing technology is highly technical, and organizations are increasingly reliant on third-party professional services firms to create and support the necessary infrastructure.

With cyber attacks becoming more prevalent, cybersecurity services have become critically important for organizations, especially those which are highly regulated such as education, healthcare and financial services.

Effective management and use of increasingly large and diverse data sources to drive effective business decision making and processes is becoming a necessary element of the basic strategy of companies in all industries.

Third-party outsourcing of fundamental IT support services is increasingly common within all industries, a trend expected to continue as the underlying complexity and breadth of technology increases.

Outsourcing software development initiatives is often more cost effective, flexible, faster and more effective than in-house solutions, particularly as the complexity and breadth of the underlying technology continues to expand.

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Subsector Coverage: Application Partners

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Market Commentary

- Many of the leading enterprise software companies such as Salesforce, SAP, Oracle and ServiceNow rely on their partner networks to sell and implement their products and ensure customer success via the availability of related professional services. Salesforce, for example, has over 2,000 consulting partners worldwide.
- Demand among strategic and financial acquirers for software application partners continues to grow, with considerable levels of capital available to deploy towards M&A in the coming years.
- Many "pure play" technology services companies focus on a single software or platform, while others remain agnostic or adopt a multi-partner approach, dependent on strategic, industry, geographic and scale related factors.

Select Application Partner Ecosystems

ATLASSIAN, Anaplan, ORACLE, DATADOG, infor, SAP, salesforce, servicenow, UiPath, workday

Data Analytics

Collibra, databricks, snowflake, tableau, Qlik

Public Cloud

amazon, Google, Microsoft, IBM

Contact Solganick team for additional M&A market information on specific Application Partner Ecosystems

Highlighted Transaction: OneSource

onesource VIRTUAL acquired by cognizant

- Cognizant will acquire the professional services and application management practices of Dallas-based OneSource Virtual, announced November 2022.
- The acquisition will complement Cognizant's existing Workday finance and HR advisory implementation services and expand the firm's capabilities in consulting, deployment, and post-deployment support across North America and the United Kingdom.

Select M&A Transactions

Date	Target	Acquirer	Description
Jan. 2023	SILVERSTORM	THIRDERA	• A ServiceNow Elite-level partner based in Europe, SilverStorm was one of the first ServiceNow partners in the ecosystem
Jan. 2023	Copilot	VASS	• Copilot's cloud and data consulting team holds more than 90 Salesforce certifications within the financial services, real estate and tech startup verticals
Dec. 2022	isos technology	THE ACACIA GROUP	• Isos will be combined with the Atlassian practice of MajorKey Technologies; Atlassian specialists with deep experience in consulting and cloud migration
Nov. 2022	WILCO SOURCE	CitiusTech	• Salesforce consulting and implementation services provider for healthcare and life sciences companies
Nov. 2022	oe:gen	OSF DIGITAL	• The acquisition will establish a Salesforce Experience Cloud team in the UK region and expand OSF's multi-cloud center of excellence and delivery team
Oct. 2022	ESS	KKR	• ~$500M acquisition of a global digital transformation company with Salesforce cloud and Snowflake expertise

Sources: *Pitchbook, Grand View Research, Salesforce*

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Subsector Coverage: Public Cloud Partners

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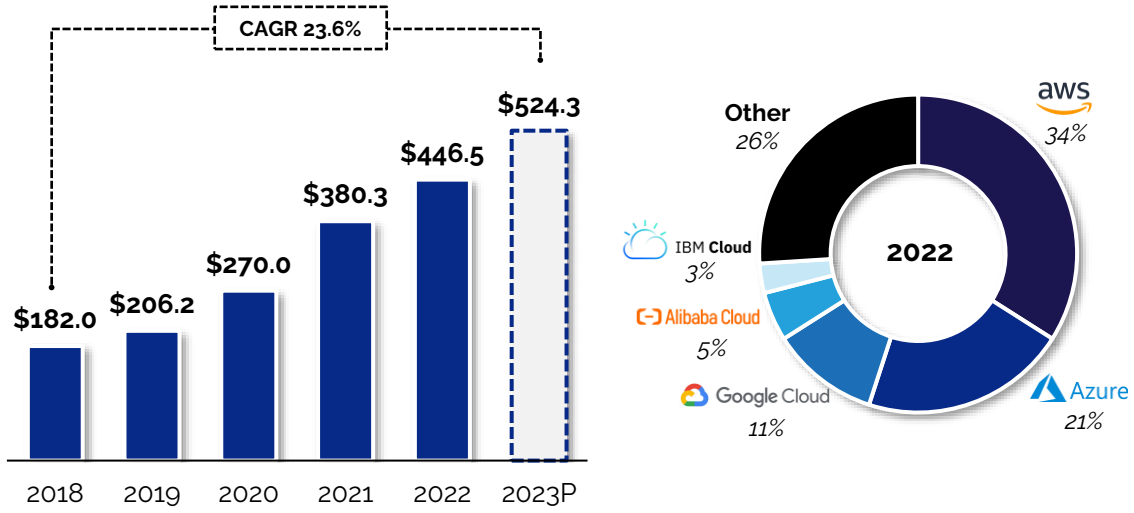
Market Commentary

- Many investors have adopted or are evaluating strategies around the recent growth and opportunity presented within the cloud computing market. The cloud computing services market is expected to grow at CAGR of 17.0% from 2022 to 2030, reaching a market size of $1.6 trillion.
- In recent years AWS, Microsoft Azure, and Google Cloud have matured and expanded their offerings, with their cloud services segments now representing significant parts of each company's overall business profile and defining their future growth aspirations and success.
- Each company is investing heavily in their partner networks and related relationships as a strategy to drive market share. Buyers continue to seek companies with a strong relationship with their partner company(ies), often placing a premium valuation for those with a differentiated service offering and profile.

Market Size and Share Overview



Highlighted Transaction: Pandera Systems

PANDERA acquired by 66 degrees (SUNSTONE PARTNERS)

- Pandera Systems, a Google Cloud Premier Partner headquartered in Orlando, FL is a global analytics and technology provider with a primary focus on developing innovative data solutions leveraging the advanced capabilities of the cloud.
- The merger between 66 degrees and Pandera creates the second largest pure-play Google Cloud services firm in North America by both employee count and professional services revenue. The transaction closed October 2022.
- ***Solganick & Co. acted as the exclusive financial advisor to Pandera Systems.***

Select M&A Transactions

Date	Target	Acquirer	Description
Feb. 2023	Itoc	thoughtworks	• Australia-based provider of cloud consulting services
Dec. 2023	WatServ	Centrilogic, TRISPAN, Long Point Capital	• WatServe holds multiple Microsoft Azure Advanced Specializations and Azure Solution Partner Designations
Dec. 2023	OCTO	IBM	• IT consulting firm offering AI, cloud, infrastructure, cybersecurity, data modernization, and blockchain services to U.S. federal government agencies
Nov. 2022	CAYLENT	GRYPHON INVESTORS	• Caylent is a cloud native services company that helps organizations bring the best out of their people and technology using AWS
Nov. 2022	Motion10	Hso	• Motion 10 is a specialist in cloud transformation and digital innovation services on Microsoft Cloud
Mar. 2022	acts	pwc	• The acquisition of ACTS will extend the reach of PwC's cloud experience (Azure partner) in financial services

Sources: *Pitchbook, Precedence Research, Statista, Channel Futures*

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Subsector Coverage: Cybersecurity Service Providers

Solganick & Co.

Market Commentary

- The growing exposure, compliance requirements, and potential repercussions of cybersecurity events is driving businesses to invest heavily in their technology security infrastructure and related managed support services. Cyberattacks rose by 38% in 2022, with an average of 1,168 weekly attacks per organization recorded. At its current rate, damage from cyberattacks is expected to amount to approximately $10.5 trillion annually by 2025.
- The significant long-term market opportunity has driven considerable investor interest in the space. Key investment themes in cybersecurity services in 2023 include cloud security, identity and access management.
- Cybersecurity M&A deal volume consistently remained above 400 for the fourth consecutive year through 2022. It reached an all-time high in 2021, with 480 deal announcements.
- A difficult 2022 for technology stock performance broadly helped facilitate several recent take-private transactions (e.g., ForgeRock (Thoma Bravo), KnowBe4 (Vista Equity) and Ping Identity (Thoma Bravo)).
- Financial and strategic acquirers continue to be increasingly for providers of managed security services (MSSPs), providing managed services around penetration testing, managed detection response (MDR) and identity and access management (IAM), among others.

Select Cybersecurity Software Platforms

CROWDSTRIKE · f5 · FORTINET · okta · splunk> · RAPID7 · Secureworks

Highlighted Transaction: Makros

makros Cyber Security Expert

acquired by

Deloitte.

- The December 2022 acquisition of Makros tucks into Deloitte's Chile-based SecOps practice.
- Key areas of Makros expertise include information security and operational continuity solutions — such as next-gen anti-virus, endpoint detection and response, and CASB (cloud access security brokerage).
- Makros has 250 professionals who support customers in Chile and abroad.

Select M&A Transactions

Date	Target	Acquirer	Description
Jan. 2023	GUARDSIGHT	IRONBOW	• GuardSight's areas of expertise include cybersecurity assessments, consulting and operations
Jan. 2023	DTS SOLUTION	BEYON Cyber	• DTS offers network and infrastructure security, endpoint protection and zero trust
Nov. 2022	cycurion	WESTERN ACQUISITION VENTURES	• MSSP and managed IT services provider focused on cybersecurity, network support, and healthcare IT • SPAC IPO merger with an implied EV of $170 million
Nov. 2022	SENSATO	CloudWave · ABRY PARTNERS	• Sensato offers Managed cybersecurity services focused on the healthcare sector
Oct. 2022	SECURITY 7	Integris. · Frontenac	• Security7 Networks brings multiple cybersecurity capabilities and the ability to expand Integris' vCISO services and capabilities
Oct. 2022	NETSPI	KKR	• NetSPI is the leader in enterprise penetration testing and attack surface management

Sources: *Pitchbook, GlobalData ,McKinsey, MSSP Alert*

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Subsector Coverage: Data Analytics Consultancies

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Market Commentary

- The global data analytics market size is expected to be worth around $346 billion by 2030 from valued at $32 billion in 2021 and expanding growth at a CAGR of 30% from 2022 to 2030.
- The amount of data produced by enterprises globally has increased exponentially in recent years. The acquired data provides insights that help various firms make better, timely, and decisions based on real facts. Particularly as it relates to data management as well as strategic decision-making, this has increased demand for advanced analytics solutions.
- Partially accelerated by and in response to the COVID-19 pandemic, many businesses have implemented data analytics and AI technologies to help manage highly complicated supply chains and engage customers online.
- Data analytics consultancies are growing in tandem with the underlying technologies in which they provide services towards such as Snowflake (who experienced 100+% revenue growth between 2021 and 2022).
- Given the highly technical nature of data analytics professional services, many of the more recent high-profile transactions involving data analytics consultancies have involved strategic acquirers (i.e., international technology consultancies).
- In our current and recent engagements, we are seeing particular interest for firms providing services in and around Snowflake and Databricks.
- **Solganick & Co. has advised on the sale of three Snowflake Partners over the last 18 months.**

Select Data Analytics Platforms

alteryx · Collibra · data iku · databricks · Qlik · snowflake · Starburst · tableau

Highlighted Transaction: Aspirent

aspirent acquired by NTT DATA

- Aspirent, who joined NTT Data in November 2022 will add over 230 data advisors and technologists to NTT DATA's digital transformation services team and bolster its data engineering capabilities across key data partners such as Azure, AWS, Databricks, and Snowflake.
- Aspirent clients and employees will benefit from access to NTT DATA's powerhouse of innovation resources and broader digital transformation capabilities including a $3.6 billion average annual R&D investment.

Select M&A Transactions

Date	Target	Acquirer	Description
Nov. 2022	Albert	accenture	• Albert offers AI and big data analytics services, AI-based algorithm development, AI implementation consulting and data science training support
Nov. 2022	SAGENCE	pwc	• Acquisition of a data management and analytics consulting firm to expand PWC's expertise in data strategy and data cloud transformation capabilities
Oct. 2022	Reformis	Deloitte.	• The addition of Reformis' investment management technology and data experts will boost Deloitte's capabilities within the sector
Oct. 2022	Quantmetry	Capgemini	• Quantmetry's areas of expertise include data mining, big data, machine learning, business intelligence, machine learning and others
Oct. 2022	Premier International	Renovus Capital	• Premier's areas of expertise include data conversion, data migration, data analytics and data cleansing
Feb. 2022	Waypoint	WIPFLI	• Acquisition of a data management and analytics consulting firm

Sources: *Pitchbook Acumen Research,, Gartner*

▫ = Solganick & Co. Advised Transaction

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Subsector Coverage: Managed Service Providers

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Market Commentary

- The technologies supporting businesses continue to expand in scope, complexity and criticality, causing organizations across all industries to outsource the related support and expertise to managed service providers (MSPs). As such, the overall managed service market is forecasted to grow rapidly in the coming years.
- Key themes driving demand growth for MSP services (as well as investor interest) in 2023 and beyond include IoT and the rapid expansion of connected devices, meeting the technology needs of a more remote and distributed workforce, cybersecurity risk mitigation and compliance, and an increasing adoption of cloud computing solutions.
- The M&A market for MSPs has remained resilient, reflecting a highly fragmented industry coupled with a broad range of strategic and financial investors pursuing aggressive M&A strategies.
- In addition to scale-based valuation arbitrage opportunities driving consolidation, both strategic and financial investors continue to create value through acquisition into new geographies, within new industry verticals, and via an expanded range of service offerings (e.g., cybersecurity or cloud services).
- MSPs with an industry or vertical focus (e.g., healthcare or financial services) often command a premium valuation in the market, as their unique expertise and value proposition positions them to be more successful and expanding client relationships in the long-term.

Select MSP Platforms

PATH
Absolute Performance
coretelligent – The Power of IT
Evergreen Services Group
Integris.
Meriplex
Ntiva – When IT matters
Synoptek
Thrive

Healthcare-focused

DASHealth – Health IT & Management Solutions
Med Tech Solutions
MEDICUS IT

Highlighted Transaction: CalTech

CalTech acquired by Integris. / Frontenac

- In January 2023, Integris announced it had purchased CalTech, a community banking focused IT MSP with offices in Texas and Kansas.
- This marks Integris' third acquisition in less than six months, accelerating tremendous growth for the company and its national footprint.
- Integris, backed by private equity firm Frontenac, is actively engaged and looking for additional managed service providers.

Select M&A Transactions

Date	Target	Acquirer	Description
Jan. 2023	IBT	THE 20	• IBT's areas of expertise include managed IT services, business continuity, cloud services, and cybersecurity services
Nov. 2022	MDCENTRIC TECHNOLOGIES	MEDICUS IT / 424 CAPITAL	• IT managed service provider focused on serving the healthcare and non-profit industry
Oct. 2022	CONCEPTS	BrightWorks IT / Cloud Equity	• The acquisition continues Cloud Equity Group's strategy of consolidating the fragmented IT services industry
Sep. 2022	GOLDEN	ThePurpleGuys – Stress-Free IT Support / KIAN CAPITAL	• The acquisition will help The Purple Guys deliver its SMB MSP services to the Indiana and Chicago areas
Sep. 2022	Synoptek	QUAD-C	• Synoptek is a solution provider and MSP with a broad suite of business IT and digital transformation services
Jul. 2022	eMedApps	Med Tech Solutions / SUNSTONE PARTNERS	• Healthcare IT firm providing EHR hosting, implementation and support services, in addition to offering related interoperability and archival software solutions

Sources: *Pitchbook, Grand View Research*

▭ = Solganick & Co. Advised Transaction

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Subsector Coverage: Software Development Firms

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Market Commentary

- The global application development software market size grew 28% to $335 billion in 2023 and is expected to reach a value of $916 billion by 2027, representing a CAGR of 29%.
- For U.S.-based companies where the costs of labor continue to rise, outsourcing software development capabilities is becoming increasingly commonplace. Additionally, software development firms typically offer services on a flexible, project-by-project basis. Companies typically also benefit from an improved speed-to-market for development initiatives. In a recent survey by Commit, its President and Chairman, Arik Faingold, states "*While finding the right skillsets is essential, it is also vital to consider the hidden costs of lengthy recruitment processes, as well as inevitable challenges like rapid turnover. To address these obstacles, organizations need new strategies for outsourcing and tech team building that enable rapid onboarding of quality talent with reduced risk.*"
- The war in Ukraine has affected many software development firms with resources based in the region, resulting in increased market and investor interest in other sources of nearshore talent, including within South America.
- Despite a softer valuation environment for large, publicly-traded software companies, transaction activity and valuations within the middle and lower-middle market for software development professional services firms remains robust. Strategic and financial acquirers continue to deploy significant levels of capital in companies providing software engineering services, underscoring the continued market demand and growth opportunity in the space.

Select Software Development Platforms

3Pillar Global · 10Pearls · Allata · Ascendion · Commit · Encora · marlabs · Pentalog · unosquare

Highlighted Transaction: WillowTree

WILLOWTREE acquired by TELUS

- In January 2023, Telus completed its $1.2 billion acquisition of WillowTree, a digital product consultancy offering mobile strategy development and custom app / web development.
- The purchase marks the latest in a string of acquisitions of CX and user interface vendors that have positioned the Vancouver-based vendor as a power in the custom CX and UI market.

Select M&A Transactions

Date	Target	Acquirer	Description
Feb. 2023	Umbrage	BAIN & COMPANY	• Houston, TX- based digital product studio
Jan. 2023	mobica.	cognizant	• Provider of software engineering and design services
Dec. 2022	CATALYST UX	unosquare TRIVEST	• Provides app modernization, full UX design and development, and digital innovation for verticals such as medical, life sciences, and fintech
Oct. 2022	bit quill	improving / TRINITY HUNT	• Data and cloud software development firm based in Vancouver, Canada. Established in 2017, Bit Quill produces end-to-end software solutions for their customers
Oct. 2022	Ameex	PERFICIENT	• The acquisition strengthens Perficient's global delivery capabilities and capacity and broadens its commerce and content solution offerings
Nov. 2022	WHIZ	10Pearls	• Whiz is a Peru-based software development company

Sources: *Pitchbook, Commit, Business Research Company*

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Public Markets Update: *Representative Public Companies*

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Application Ecosystems	Cloud Computing	Cybersecurity	Data Analytics	IT Consulting *(International)*	IT Consulting *(US-Based)*
ORACLE	Alibaba.com	CROWDSTRIKE	alteryx	Atos	accenture
salesforce	amazon	f5	DATADOG	Capgemini	cognizant
SAP	Google	FORTINET	Informatica	HCLTech	DXC TECHNOLOGY
servicenow	IBM	Secureworks	MicroStrategy	Infosys	epam
workday	Microsoft	splunk>	snowflake	NTT DATA	HURON
		RAPID7	teradata.	TATA	kyndryl
				wipro	thoughtworks
					rackspace

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Public Markets Update: *Median Metrics and Multiples by Subsector*

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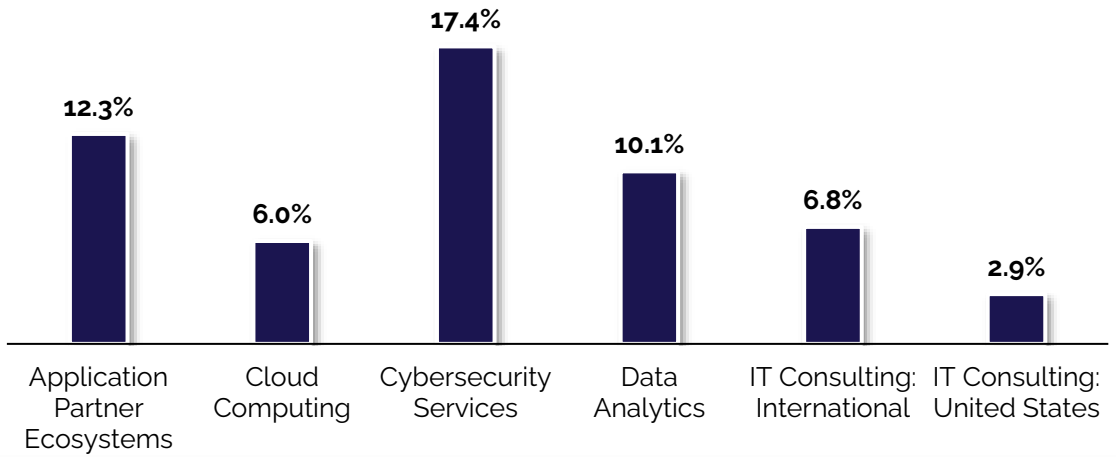
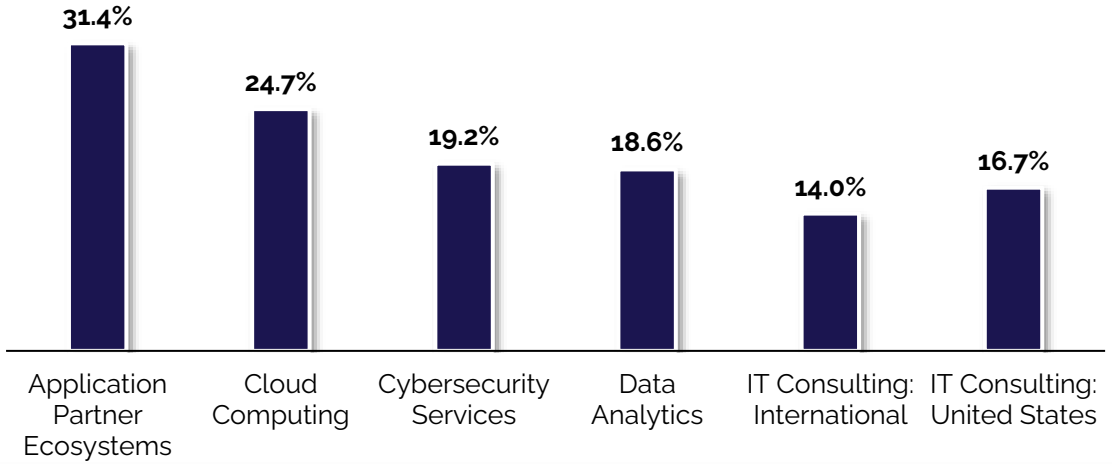
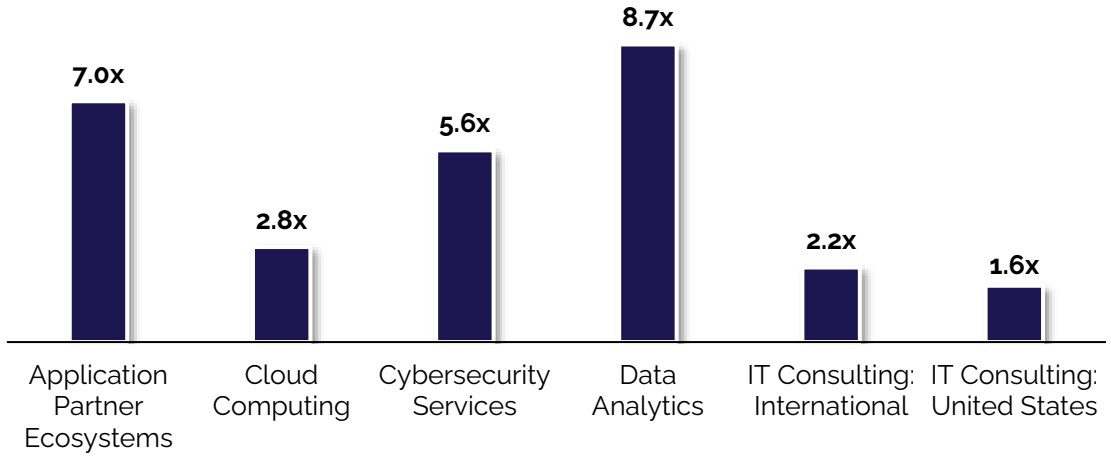
Revenue Growth



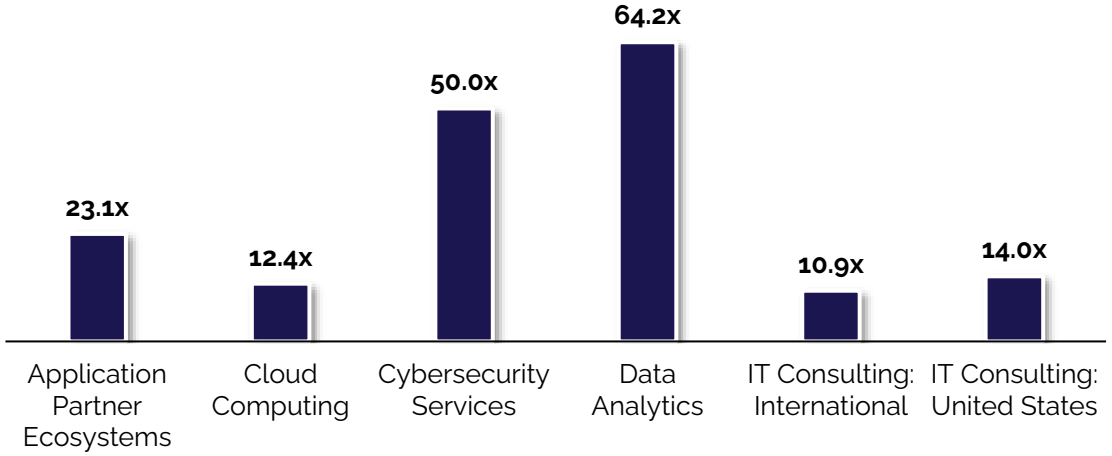
EBITDA Margin



Revenue Multiples



EBITDA Multiples



Sources: *Pitchbook, as of 2/15/2023*

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Public Markets Update: *Application Partners*

Solganick & Co.

Application Partners

	Market Data ($ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	TTM (A) Revenue	NTM (E) EBITDA	TTM (A)	NTM (E)	TTM (A)	NTM (E)	NTM (E)	TTM (A)
Oracle	$240,209	$324,248	$46,073	$27,677	7.0x	6.3x	15.2x	11.7x	12%	54%
Salesforce	$169,960	$172,040	$30,294	$11,324	5.7x	5.1x	23.1x	15.2x	12%	33%
SAP	$137,897	$145,646	$32,906	$10,832	4.5x	4.2x	13.9x	13.4x	8%	31%
ServiceNow	$93,654	$91,606	$7,245	$2,786	12.6x	10.3x	41.6x	32.9x	22%	31%
Workday	$48,712	$46,481	$5,946	$1,930	7.8x	6.4x	31.0x	24.1x	22%	27%
Median	**$137,897**	**$145,646**	**$30,294**	**$10,832**	**7.0x**	**6.3x**	**23.1x**	**15.2x**	**12%**	**31%**

Source: Pitchbook, data as of 2/15/2023

Sources: *Pitchbook*

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Public Markets Update: *Cloud Computing*

Solganick & Co.

Cloud Computing

	Market Data ($ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	TTM (A) Revenue	NTM (E) EBITDA	TTM (A)	NTM (E)	TTM (A)	NTM (E)	NTM (E)	TTM (A)
Microsoft	$2,025,980	$1,986,599	$204,094	$107,276	9.7x	9.1x	20.4x	18.5x	7%	49%
Alphabet	$1,214,178	$1,130,095	$282,836	$116,924	4.0x	3.8x	12.4x	9.7x	6%	39%
Amazon.com	$1,021,652	$1,091,744	$513,983	$85,430	2.1x	2.0x	21.8x	12.8x	8%	15%
Alibaba Group	$276,559	$249,736	$131,105	$28,526	1.9x	1.8x	7.3x	8.8x	5%	21%
International Business Machines	$122,970	$168,322	$60,533	$15,516	2.8x	2.7x	12.1x	10.8x	4%	25%
Median	**$1,021,652**	**$1,091,744**	**$204,094**	**$85,430**	**2.8x**	**2.7x**	**12.4x**	**10.8x**	**6%**	**25%**

Source: Pitchbook, data as of 2/15/2023

Sources: *Pitchbook*

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Public Markets Update: *Cybersecurity Services*

Solganick & Co.

Cybersecurity Services

	Market Data ($ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	TTM (A) Revenue	NTM (E) EBITDA	TTM (A)	NTM (E)	TTM (A)	NTM (E)	NTM (E)	TTM (A)
Fortinet	$47,804	$46,583	$4,098	$1,530	10.5x	8.6x	41.6x	30.5x	22%	28%
CrowdStrike Holdings	$27,262	$25,588	$2,035	$616	12.6x	8.7x	61.6x	41.5x	45%	21%
Splunk	$17,447	$19,762	$3,304	$701	6.0x	4.9x	50.0x	28.2x	22%	17%
F5 Networks	$8,852	$8,503	$2,709	$1,020	3.1x	2.8x	10.8x	8.3x	11%	34%
Rapid7	$2,956	$3,579	$652	$81	5.2x	4.6x	170.0x	44.2x	13%	10%
SecureWorks	$680	$554	$476	($99)	1.2x	1.3x		-5.6x	(9%)	(23%)
Median	**$13,149**	**$14,132**	**$2,372**	**$658**	**5.6x**	**4.8x**	**50.0x**	**29.3x**	**17%**	**19%**

Source: Pitchbook, data as of 2/15/2023

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Public Markets Update: *Data Analytics*

Solganick & Co.

Data Analytics

	Market Data ($ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	TTM (A) Revenue	NTM (E) EBITDA	TTM (A)	NTM (E)	TTM (A)	NTM (E)	NTM (E)	TTM (A)
Snowflake(Database Software)	$55,000	$51,324	$1,860	$249	27.6x	17.1x	504.0x	205.9x	61%	8%
Datadog	$27,145	$26,215	$1,532	$421	17.1x	12.0x	76.4x	62.2x	42%	19%
Informatica	$5,208	$6,405	$1,513	$428	4.3x	4.1x	17.2x	15.0x	5%	27%
MicroStrategy	$3,131	$5,534	$501	$91	11.1x	10.9x	51.9x	61.1x	2%	18%
Alteryx	$4,797	$5,394	$855	$91	6.3x	5.5x	152.8x	59.3x	15%	9%
Teradata	$4,139	$4,207	$1,818	$390	2.3x	2.3x	10.3x	10.8x	2%	21%
Median	**$5,002**	**$5,969**	**$1,522**	**$320**	**8.7x**	**8.2x**	**64.2x**	**60.2x**	**10%**	**19%**

Source: Pitchbook, data as of 2/15/2023

Sources: *Pitchbook*

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Public Markets Update: *IT Consulting – International*

Solganick & Co.

IT Consulting: *International*

	Market Data ($ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	TTM (A) Revenue	NTM (E) EBITDA	TTM (A)	NTM (E)	TTM (A)	NTM (E)	NTM (E)	TTM (A)
Tata Consultancy Services	$155,053	$155,144	$27,601		5.6x		20.5x		NM	NM
Infosys	$80,443	$78,833	$17,937		4.4x		18.3x		NM	NM
NTT Data	$20,603	$39,033	$23,663	$3,614	1.6x	1.3x	10.7x	10.8x	28%	12%
Capgemini	$33,507	$38,613	$22,677	$3,980	1.7x	1.6x	10.7x	9.7x	9%	16%
HCL Technologies	$36,889	$35,488	$12,359		2.9x		12.9x		NM	NM
Wipro	$26,850	$24,482	$11,219	$2,290	2.2x	2.1x	10.9x	10.7x	5%	19%
Atos	$1,421	$4,336	$12,363	$1,198	0.4x	0.4x	4.3x	3.6x	(1%)	10%
Median	**$33,507**	**$38,613**	**$17,937**	**$2,952**	**2.2x**	**1.4x**	**10.9x**	**10.2x**	**7%**	**14%**

Source: Pitchbook, data as of 2/15/2023

Sources: *Pitchbook*

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Public Markets Update: *IT Consulting – United States*

Solganick & Co.

IT Consulting: *U.S.-based*

	Market Data ($ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	TTM (A) Revenue	NTM (E) EBITDA	TTM (A)	NTM (E)	TTM (A)	NTM (E)	NTM (E)	TTM (A)
Accenture	$179,331	$177,419	$62,377	$12,199	2.8x	2.7x	16.8x	14.5x	5%	19%
Cognizant Technology Solutions	$34,312	$33,345	$19,366	$3,602	1.7x	1.7x	9.3x	9.3x	1%	18%
EPAM Systems	$20,791	$19,442	$4,701	$993	4.1x	3.5x	20.6x	19.6x	18%	18%
DXC Technology	$6,630	$10,598	$14,847	$2,234	0.7x	0.7x	4.5x	4.7x	(3%)	16%
Kyndryl Holdings	$3,831	$6,247	$17,202	$1,868	0.4x	0.4x		3.3x	(4%)	11%
Rackspace Technology	$638	$4,297	$3,113	$448	1.4x	1.4x	6.6x	9.6x	(1%)	14%
ThoughtWorks	$3,265	$3,522	$1,272	$273	2.8x	2.4x	14.6x	12.9x	15%	19%
Huron Consulting Group	$1,346	$1,737	$1,099	$148	1.6x	1.4x	14.0x	11.7x	10%	12%
Median	**$5,231**	**$8,423**	**$9,774**	**$1,431**	**1.6x**	**1.6x**	**14.0x**	**10.7x**	**3%**	**17%**

Source: Pitchbook, data as of 2/15/2023

Sources: *Pitchbook*

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