

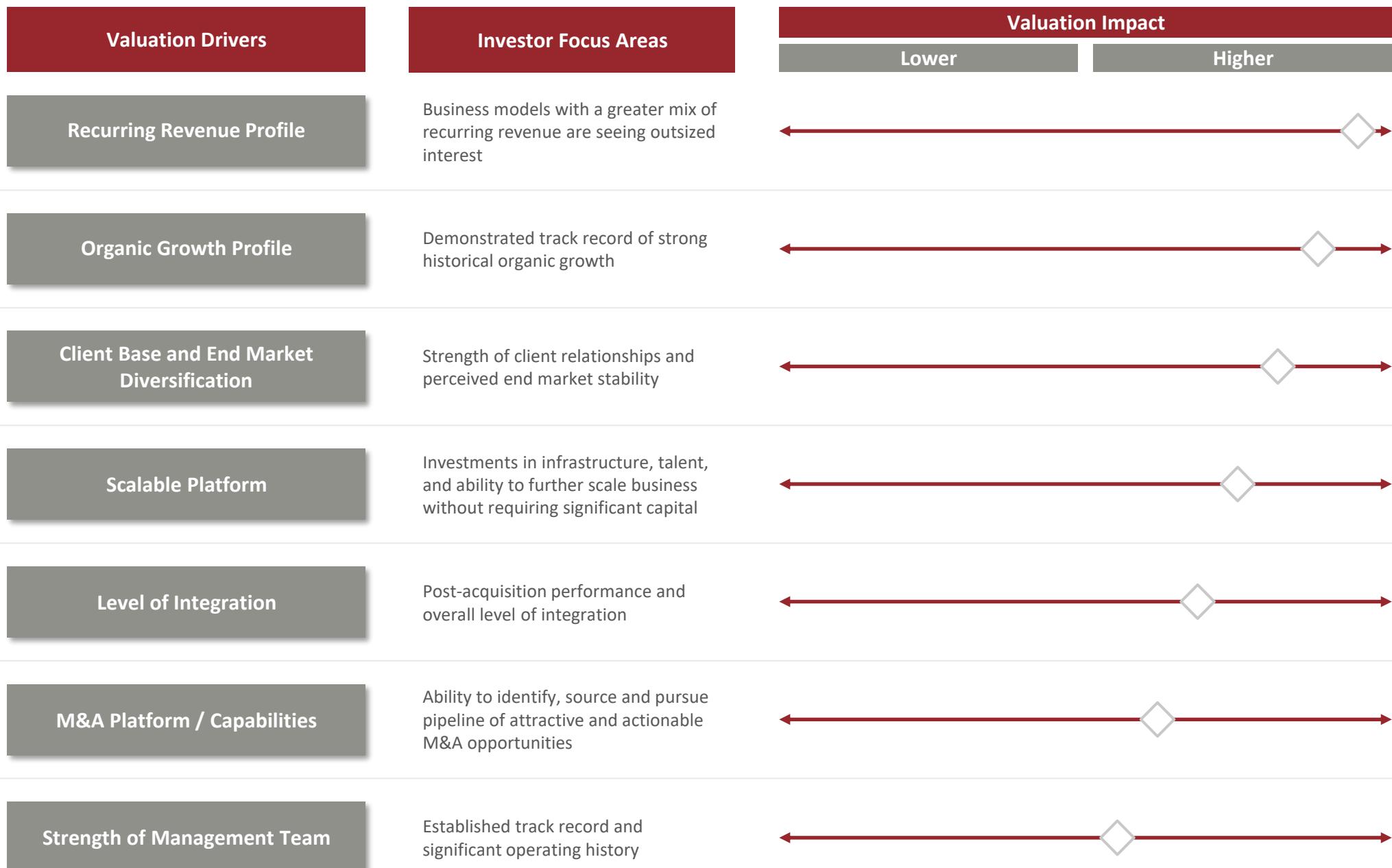


Technology Services

*Valuation Drivers, Precedent M&A Transactions,
and Public Comparables*

September 2021

Key IT Services Valuation Drivers



Relevant IT Services Transactions

Resultant



Date	Dec 2020	Jan 2021
Seller	RENOVUS CAPITAL	MC PARTNERS
Buyer	INVESTCORP	COURT SQUARE
TEV	\$250M	\$300M
TEV Multiple	14.0x	15.0x
Marketed Revenue	\$85M	\$75M ⁽¹⁾
Revenue Growth	NM	7%
Recurring Revenue	55 – 60%	85%
Service Mix	Cloud, data, consulting	Cloud, data, security
Marketed EBITDA	\$18M	\$20M ⁽¹⁾
EBITDA Margin	~21%	~20%
Capex	1% of revenue	1% – 2% of revenue

1. Includes pro forma run-rate impact for a full year of earnings from Thrive's three most recent acquisitions

Technology Services Precedent M&A Transactions

Target	Acquirer	Date Closed	Enterprise Value	LTM Financials		Enterprise Value Multiples	
				Revenue	EBITDA	Revenue	EBITDA
Managed Services / Hosting							
Iver AB	Intermediate Capital Group	Jul-21	NA	NA	NA	NA	18.0x
Red River Technology	Cerberus Capital Management	Jun-21	1,275,000	NA	85,000	NA	15.0x
VC3	Nautic Partners	Mar-21	168,000	NA	12,000	NA	14.0x
Thrive Networks	Court Square Capital Management, L.P.	Jan-21	300,000	75,000	20,000	NA	15.0x
Resultant (fka KSM Consulting)	Investcorp	Dec-20	250,000	85,000	18,000	NA	14.0x
General Informatics	Rosewood Private Investments	Nov-20	91,000	NA	\$7,000	NA	13.0x
InterVision Systems	MidOcean Partners	Oct-20	NA	NA	NA	NA	NA
iVision	CIVC Partners	Aug-20	NA	54,000	8,000	NA	NA
AVI-SPL	Marlin Equity Partners	Apr-20	NA	NA	NA	NA	8.3x
Unisys Federal	Science Applications International Corporation	Mar-20	1,200,000	689,000	NA	1.7x	11.8x
InterXion Holding N.V.	Digital Realty Trust, Inc.	Mar-20	9,138,650	681,980	313,760	NM	NM
PCD Solutions	Converge Technology Solutions Corp.	Feb-20	NA	33,000	NA	NA	5.1x
Incentive Technology Group	ICF Incorporated	Jan-20	255,000	102,000	13,492	2.5x	18.9x
Equilibrium IT Solutions, Inc.	Ntiva, Inc.	Jan-20	NA	5,000	NA	NA	NA
Nasstar Plc	GCI Managed Services Group Limited	Jan-20	78,320	25,970	5,260	3.0x	14.9x
Ascend Technologies LLC	M/C Partners	Dec-19	NA	15,000	NA	NM	NM
Presidio, Inc.	BC Partners Ltd.	Dec-19	2,200,000	NA	241,758	NA	9.1x
PCM, Inc.	Insight Partners	Aug-19	621,780	2,157,010	59,990	0.3x	10.4x
Combell Group	HgCapital	Mar-19	728,689	NA	54,339	NA	13.4x
Frontline Managed Services	BV Investment Partners	Feb-19	NA	7,000	NA	NA	NA
ConvergeOne Holdings, Inc.	CVC Capital Partners Limited	Jan-19	1,640,280	1,404,330	111,850	1.2x	14.7x
Trustteam NV	Ardian	Nov-18	114,600	22,387	7,629	5.1x	15.0x
IT Relation A/S	HgCapital	Sep-18	275,000	NA	20,522	NA	13.4x
Basefarm AS	Orange Business Services Participations SA	Jul-18	350,000	652,973	27,132	0.6x	12.9x
Visma	Axcel Management A/S	Jun-18	877,000	NA	73,900	NA	11.9x
Onepath Systems, LLC	MSouth Equity Partners	Oct-17	212,500	177,700	25,800	1.2x	8.2x
PlusServer GmbH	BC Partners Ltd.	Jul-17	468,017	114,710	NA	4.1x	NA
Zitcom	Intelligent	Jun-17	144,000	NA	13,515	NA	15.0x
Nebula Top Oy	Telia Co. AB	May-17	184,717	NA	14,431	NA	12.8x
ASG Group Ltd.	Nomura Research Institute Ltd.	Sep-16	254,355	137,330	19,400	1.9x	13.1x
INetU, Inc.	ViaWest, Inc.	Dec-15	162,500	27,000	NA	6.0x	NA
Kelway Ltd.	CDW Corp.	Aug-15	741,214	820,823	NA	0.9x	NA
IS Group BV	Royal KPN NV	Jul-15	115,000	NA	10,580	NA	10.9x
Telecity Group Plc	Equinix, Inc.	May-15	3,981,885	574,146	264,458	6.9x	15.1x
Accumuli Plc	NCC Group Plc	Mar-15	75,477	31,750	4,672	2.4x	16.2x
Megapath	GTT Communications, Inc.	Feb-15	152,300	124,000	20,000	1.2x	7.6x
Latisys Corp.	Zayo Group LLC	Jan-15	675,000	88,200	NA	7.7x	NA
Groupe Steria SCA	Sopra Groupe SA	Sep-14	993,440	2,472,316	172,865	0.4x	5.7x
Managed Services / Hosting Median				\$287,500	\$102,000	\$20,000	1.9x
							13.3x

Technology Services Precedent M&A Transactions (cont'd)

Target	Acquirer	Date Closed	Enterprise Value	LTM Financials		Enterprise Value Multiples	
				Revenue	EBITDA	Revenue	EBITDA
Cloud Partners							
Taos	International Business Machines (IBM)	Jan-21	NA	25,000	NA	5.0x	NA
10th Magnitude, Inc.	Cognizant Technology Solutions Corporation	Oct-20	\$175,000	\$35,000	NA	5.0x	NA
New Signature	Cognizant Technology Solutions Corporation	Aug-20	NA	25,000	NA	5.0x	NA
Simplus	Infosys Limited	Mar-20	250,000	67,100	NA	3.7x	NA
2nd Watch, Inc.	ST Telemedia	Oct-19	NA	NA	NA	4.0x	NA
REAN Cloud LLC	Hitachi Vantara Corporation	Oct-18	NA	NA	NA	5.0x	NA
Cloud Sherpas, Inc.	Accenture Plc	Oct-15	400,000	134,000	NA	3.0x	NA
Cloud Partners Median			\$250,000	\$35,000	-	5.0x	-
Application Partner Ecosystems							
Highmetric	Gryphon Investors	May-21	NA	NA	\$8,000	5.0x	NA
Linium	Cognizant Technology Solutions Corporation	Jan-21	NA	\$35,000	NA	3.3x	NA
Blue Acorn iCi	Infosys Limited	Oct-20	NA	NA	NA	3.0x	NA
Application Partner Ecosystems Median			-	\$35,000	\$8,000	3.3x	-
Outsourced Software / Application Development							
Deltix, Inc.	EPAM Systems, Inc.	Feb-20	\$29,600	NA	NA	NA	NA
QualiTest Ltd.	Bridgepoint Advisers Limited	Oct-19	400,000	250,000	30,000	1.6x	13.3x
Belatrix Global Corporation S.A.	Globant S.A.	Aug-19	65,000	NA	NA	NA	NA
Luxoft Holding, Inc.	DXC Technology Company	Jun-19	1,964,750	904,440	95,170	2.2x	20.6x
Softvision, LLC	Cognizant Technology Solutions Corporation	Dec-18	541,000	NA	38,700	NA	14.0x
GlobalLogic Inc.	Partners Group	May-18	2,000,000	500,000	NA	4.0x	NA
Alliance Global Services LLC	EPAM Systems, Inc.	Nov-15	51,860	NA	NA	NA	NA
Outsourced Software / Application Development Median			\$400,000	\$500,000	\$38,700	2.2x	14.0x
Data & Analytics							
Skyline AI	JLL (NYSE: JLL)	Aug-21	NA	NA	NA	NA	NA
Clarity Solutions Group	Accenture Plc	Jan-20	NA	NA	NA	3.0x	NA
Data & Analytics Median			-	-	-	3.0x	-

Technology Services Precedent M&A Transactions (cont'd)

Target	Acquirer	Date Closed	Enterprise Value	LTM Financials		Enterprise Value Multiples	
				Revenue	EBITDA	Revenue	EBITDA
ERP Implementation							
Bounteous	New Mountain Capital	Aug-21	\$680,000	NA	\$27,200	NA	25.0x
Ensono	KKR & Co.	Apr-21	\$1,700,000	NA	\$170,000	NA	10.0x
Velocity Technology Solutions, Inc.	Navisite, LLC	Jan-21	450,000	NA	45,000	NA	10.0x
Symmetry Corporation	NTT Communications Corp.	Oct-19	NA	NA	NA	NA	15.0x
Secure-24 LLC	NTT Communications Corp.	Apr-18	NA	120,000	NA	NA	17.0x
Data Intensity LLC	EQT Partners AB	Aug-17	NA	NA	NA	NA	15.0x
TriCore Solutions, LLC	Rackspace Hosting, Inc.	Jun-17	343,800	NA	19,646	NA	17.5x
ThoughtWorks	Apax Partners	Aug-17	805,000	503,125	43,514	1.6x	18.5x
Tricor Holdings	Permira Advisers Ltd.	Oct-16	550,000	NA	36,667	NA	15.0x
Adapt Services	Datapipe	Aug-16	180,000	66,667	13,433	2.7x	13.4x
Symmetry Corporation	Great Hill Partners LLC	Dec-13	55,000	12,200	3,438	4.5x	16.0x
Secure-24 LLC	Pamlico Capital Management LP	Sep-12	NA	55,000	NA	NA	12.0x
Velocity Technology Solutions, Inc.	Silver Lake Partners	Aug-12	NA	NA	NA	NA	11.0x
ERP Implementation Median			\$500,000	\$66,667	\$31,933	2.7x	15.0x
Cybersecurity							
CyberMaxx	Periscope Equity	Aug-21	\$48,000	\$12,000	\$2,500	4.0x	NA
A-LIGN	Warburg Pincus	Aug-21	\$375,000	\$75,000	\$15,000	NA	25.0x
Context Information Security Limited	Accenture Plc	Mar-20	\$140,000	\$35,000	NA	4.0x	NA
Grupo SIA	Indra Sistemas, S.A.	Dec-19	80,000	65,000	5,674	1.2x	14.1x
Presidio, Inc.	BC Partners Ltd.	Dec-19	2,200,000	NA	241,758	NA	9.1x
2nd Watch, Inc.	ST Telemedia	Oct-19	NA	NA	NA	4.0x	NA
Avisa Partners	RAISE Investissement, SAS	Jul-19	NA	NA	NA	6.5x	16.3x
SecureLink nv	Orange S.A.	Jul-19	576,000	274,286	38,400	2.1x	15.0x
SecureData Europe Limited	Orange S.A.	Jan-19	110,000	50,000	4,151	2.2x	12.0x
Exclusive Networks SAS	Permira Advisers Ltd.	Jul-18	1,500,000	1,875,000	115,385	0.8x	13.0x
Cybersecurity Median			\$257,500	\$65,000	\$15,000	3.1x	14.1x

Technology Services Public Comparable Companies

Company	Enterprise Value	Market Capitalization	% of 52 Week High	1-Year Stock Performance	3-Year Stock Performance	Revenue Growth		2021E EBITDA Margin	Enterprise Value /			
						2021E	2022P		'21E Rev.	'22P Rev.	'21E EBITDA	'22P EBITDA
Accenture	\$213,022	\$217,119	98.0%	58.0%	96.2%	13.6%	11.1%	18.7%	4.0x	3.6x	21.6x	19.2x
IBM	\$174,518	\$122,554	89.8%	16.3%	(8.5%)	2.2%	1.6%	25.2%	2.3x	2.3x	9.2x	9.1x
Cognizant	\$40,429	\$40,550	94.1%	16.4%	0.8%	10.9%	6.7%	18.4%	2.2x	2.1x	11.9x	11.0x
CDW	\$30,435	\$26,471	94.5%	74.4%	116.4%	10.6%	5.4%	8.4%	1.5x	1.4x	17.7x	17.1x
CGI	\$24,629	\$22,308	98.7%	28.7%	34.8%	0.6%	3.4%	20.3%	2.6x	2.5x	12.6x	12.1x
DXC	\$13,028	\$8,862	79.4%	116.9%	(62.8%)	(6.4%)	(0.8%)	15.4%	0.8x	0.8x	5.0x	4.7x
Rackspace	\$6,905	\$2,968	53.5%	(20.9%)	NM	10.7%	9.3%	24.1%	2.3x	2.1x	9.5x	9.0x
Datto	\$3,753	\$3,890	71.6%	NM	NM	17.8%	16.0%	25.2%	6.1x	5.3x	24.3x	22.6x
IT Services & Consulting (US) Median	\$27,532	\$24,389	92.0%	28.7%	17.8%	10.7%	6.0%	19.5%	2.3x	2.2x	12.3x	11.5x
Tata Consultancy Services	\$189,469	\$194,012	97.2%	66.0%	76.1%	13.4%	12.8%	28.3%	7.6x	6.7x	26.9x	24.0x
Infosys	\$97,312	\$100,136	98.6%	81.0%	142.1%	14.8%	13.9%	26.7%	6.3x	5.5x	23.6x	20.8x
HCL Technologies	\$48,808	\$49,935	98.6%	72.5%	144.3%	9.6%	11.8%	25.2%	4.4x	3.9x	17.3x	15.7x
Wipro	\$47,817	\$50,072	96.8%	122.1%	171.3%	19.7%	14.5%	22.4%	4.8x	4.2x	21.4x	18.9x
Tech Mahindra	\$16,728	\$17,965	97.9%	101.5%	101.6%	10.9%	12.3%	18.6%	3.0x	2.6x	15.9x	14.0x
IT Services & Consulting (India) Median	\$48,808	\$50,072	97.9%	81.0%	142.1%	13.4%	12.8%	25.2%	4.8x	4.2x	21.4x	18.9x
Hitachi	\$74,669	\$57,052	95.3%	83.0%	69.2%	10.3%	(0.2%)	12.3%	0.9x	0.9x	7.2x	6.5x
Fujitsu	\$38,955	\$37,949	95.9%	48.3%	163.9%	(1.0%)	2.9%	12.2%	1.2x	1.1x	9.6x	8.9x
NTT Data	\$31,754	\$27,794	97.5%	56.5%	41.4%	4.7%	4.4%	15.6%	1.5x	1.4x	9.4x	8.6x
IT Services & Consulting (Japan) Median	\$48,808	\$50,072	97.9%	81.0%	142.1%	13.4%	12.8%	25.2%	4.8x	4.2x	21.4x	18.9x
Capgemini	\$45,057	\$37,975	97.1%	72.7%	74.9%	11.4%	6.9%	16.2%	2.2x	2.0x	13.4x	12.4x
Bechtle	\$9,487	\$9,242	92.3%	10.9%	115.0%	9.7%	9.3%	6.5%	1.3x	1.2x	19.6x	18.1x
Atos	\$8,631	\$5,757	57.4%	(34.2%)	(58.4%)	(1.1%)	1.2%	11.2%	0.7x	0.7x	5.9x	5.3x
Netcompany	\$6,302	\$6,192	93.1%	53.5%	253.4%	20.9%	18.3%	27.0%	11.7x	9.9x	43.2x	34.9x
Softcat	\$5,792	\$5,878	95.9%	82.3%	172.7%	13.0%	9.9%	9.4%	3.3x	3.0x	34.8x	33.4x
Alten	\$5,283	\$5,251	92.6%	71.3%	42.1%	20.5%	9.1%	12.2%	1.6x	1.5x	13.2x	12.0x
Sopra Steria	\$4,789	\$3,873	90.8%	22.2%	14.1%	8.7%	5.0%	11.5%	0.9x	0.8x	7.7x	6.9x
TietoEVRY	\$4,683	\$3,761	89.0%	14.2%	(0.1%)	(25.8%)	2.0%	18.6%	1.4x	1.4x	7.6x	7.5x
IT Services & Consulting (Europe) Median	\$38,955	\$37,949	95.9%	56.5%	69.2%	4.7%	2.9%	12.3%	1.2x	1.1x	9.4x	8.6x

Note(s): \$ in millions; data from S&P Capital IQ as of 9/07/2021

Technology Services Public Comparable Companies (cont'd)

Company	Enterprise Value	Market Capitalization	% of 52 Week High	1-Year Stock Performance	3-Year Stock Performance	Revenue Growth		2021E EBITDA Margin	Enterprise Value /			
						2021E	2022P		'21E Rev.	'22P Rev.	'21E EBITDA	'22P EBITDA
EPAM Systems	\$34,597	\$35,651	96.5%	98.7%	357.9%	37.8%	26.3%	19.3%	9.4x	7.5x	49.0x	38.6x
Globant	\$13,269	\$13,642	97.5%	89.1%	465.4%	52.8%	26.3%	20.5%	10.7x	8.4x	52.1x	42.0x
Thoughtworks	\$10,466	\$9,151	82.8%	NM	NM	NM	NM	NA	NM	NM	NM	NM
Endava	\$6,546	\$6,590	84.7%	107.3%	320.4%	27.3%	24.5%	24.5%	12.9x	10.4x	52.7x	42.6x
Outsourced Software Development Median	\$11,868	\$11,396	90.6%	98.7%	357.9%	37.8%	26.3%	20.5%	10.7x	8.4x	52.1x	42.0x
CrowdStrike	\$58,850	\$59,853	90.3%	95.0%	NM	64.1%	39.4%	14.5%	43.3x	31.0x	NM	NM
Splunk	\$25,421	\$24,645	68.1%	(14.0%)	30.4%	16.5%	20.1%	NM	10.0x	8.3x	NM	NM
NortonLikeLock	\$17,679	\$14,980	89.2%	26.1%	18.9%	7.6%	8.3%	52.8%	6.5x	6.0x	12.3x	11.7x
Rapid7	\$7,034	\$6,706	96.5%	103.5%	228.0%	27.0%	22.0%	4.9%	13.5x	11.0x	NM	NM
Tenable	\$4,748	\$4,952	82.1%	33.5%	29.1%	20.4%	18.5%	10.4%	9.0x	7.6x	NM	62.6x
FireEye	\$4,549	\$4,340	71.3%	45.4%	10.2%	(49.0%)	20.6%	NM	9.5x	7.9x	NM	NM
Qualys	\$4,246	\$4,664	79.9%	22.0%	35.7%	12.1%	12.0%	44.9%	10.4x	9.3x	23.2x	22.1x
SecureWorks	\$2,104	\$2,275	79.2%	70.9%	54.9%	(3.3%)	1.6%	1.0%	3.9x	3.8x	NM	NM
Managed Security & Compliance Median	\$5,891	\$5,829	81.0%	39.4%	30.4%	14.3%	19.3%	12.4%	9.7x	8.1x	17.8x	22.1x
Shopify	\$178,099	\$184,778	87.4%	58.8%	789.5%	58.1%	34.4%	17.2%	38.5x	28.6x	NM	NM
Verisign	\$24,884	\$24,219	92.6%	7.5%	36.6%	4.9%	8.9%	69.9%	18.8x	17.2x	26.8x	24.1x
GoDaddy	\$14,940	\$12,090	76.5%	(2.2%)	(11.0%)	13.0%	10.5%	22.0%	4.0x	3.6x	18.1x	16.3x
Wix.com	\$10,794	\$11,587	57.2%	(16.6%)	84.9%	27.9%	21.5%	5.7%	8.5x	7.0x	NM	63.3x
United Internet	\$10,610	\$7,421	86.2%	4.0%	(17.5%)	3.7%	3.2%	23.2%	1.6x	1.6x	7.0x	6.8x
Tucows	\$958	\$813	80.4%	11.4%	36.2%	(7.7%)	(7.7%)	10.4%	3.3x	3.6x	32.0x	34.7x
Web Hosting Median	\$12,867	\$11,838	83.3%	5.7%	36.4%	9.0%	9.7%	19.6%	6.3x	5.3x	22.5x	24.1x

Note(s): \$ in millions; data from S&P Capital IQ as of 9/07/2021