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Market Update

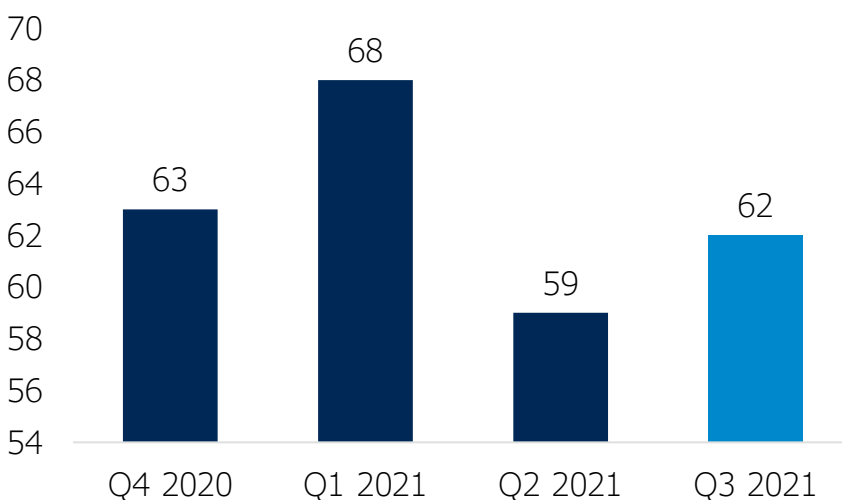
Managed Service Providers

Managed Service Providers (MSPs) will remain hot as buyers continue to show increased interest in cloud adoption, advanced security measures, and desire for IT automation. Given the highly fragmented nature of the MSP space, M&A activity will continue to be abundant as sponsors and strategics look to increase scale and capture emerging technology trends to expand their geographic footprint.

Third-quarter 2021 recorded 62 deals - a 5% increase compared with Q2 2021. Deal volumes and valuations remain high as:

- 1) Cloud adoption continues to grow - by 2023, 40% of all enterprise workloads will be employed in cloud infrastructure - Gartner
- 2) Companies implement advanced security measures to combat cyber terrorist
- 3) IT automation becomes the new normal in our data-driven society

of MSP M&A deals - IT Services

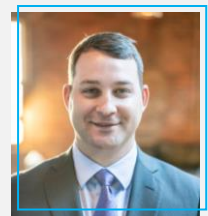


7MA has completed numerous M&A transactions in the MSP space and has developed unparalleled deal expertise and knowledge of the industry trends, valuation trends, and most active strategic and financial buyers. Please contact Tim Frye, Steve Buffington, or Tanner Lange if you would like to learn more about MSPs.

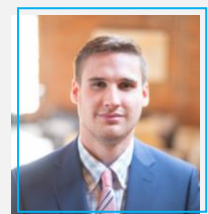
Sector Coverage Team



Tim Frye, *Managing Director*
 tim@7mileadvisors.com
 1.704.973.4709



Steve Buffington, *Vice President*
 steve@7mileadvisors.com
 1.704.960.1828



Tanner Lange, *Analyst*
 tanner@7mileadvisors.com
 1.704.672.0611

7MA Transaction - Pfingsten Acquired Omega Systems

PFINGSTEN



Omega provides managed IT solutions, including cloud-based data hosting, incident management, cybersecurity, help desk support, storage, backup, disaster recovery, hosted infrastructure support, and network health monitoring. The Company also provides professional IT support services and hardware and software configuration. Omega serves small and medium sized businesses within financial services, insurance, manufacturing, healthcare, professional services, education, and local government industries. The Company brings enterprise-caliber IT solutions and support to organizations facing demanding data processing and compliance requirements.

Date: Feb. 2021
Deal Type: M&A
Target HQ: USA

7MA Transaction - Court Square Capital Acquired Thrive



Thrive is a leading provider of NextGen managed services designed to drive business outcomes through application enablement and optimization. The company's Thrive5 Methodology utilizes a unique combination of its Application Performance Platform and strategic services to ensure each business application takes advantage of technology that enables peak performance, scale, and the highest level of security.

Date: Jan. 2021
Deal Type: Majority Recap
Target HQ: USA

7MA Transaction - 3 Cloud (Gryphon Investors) Acquired Pragmatic works

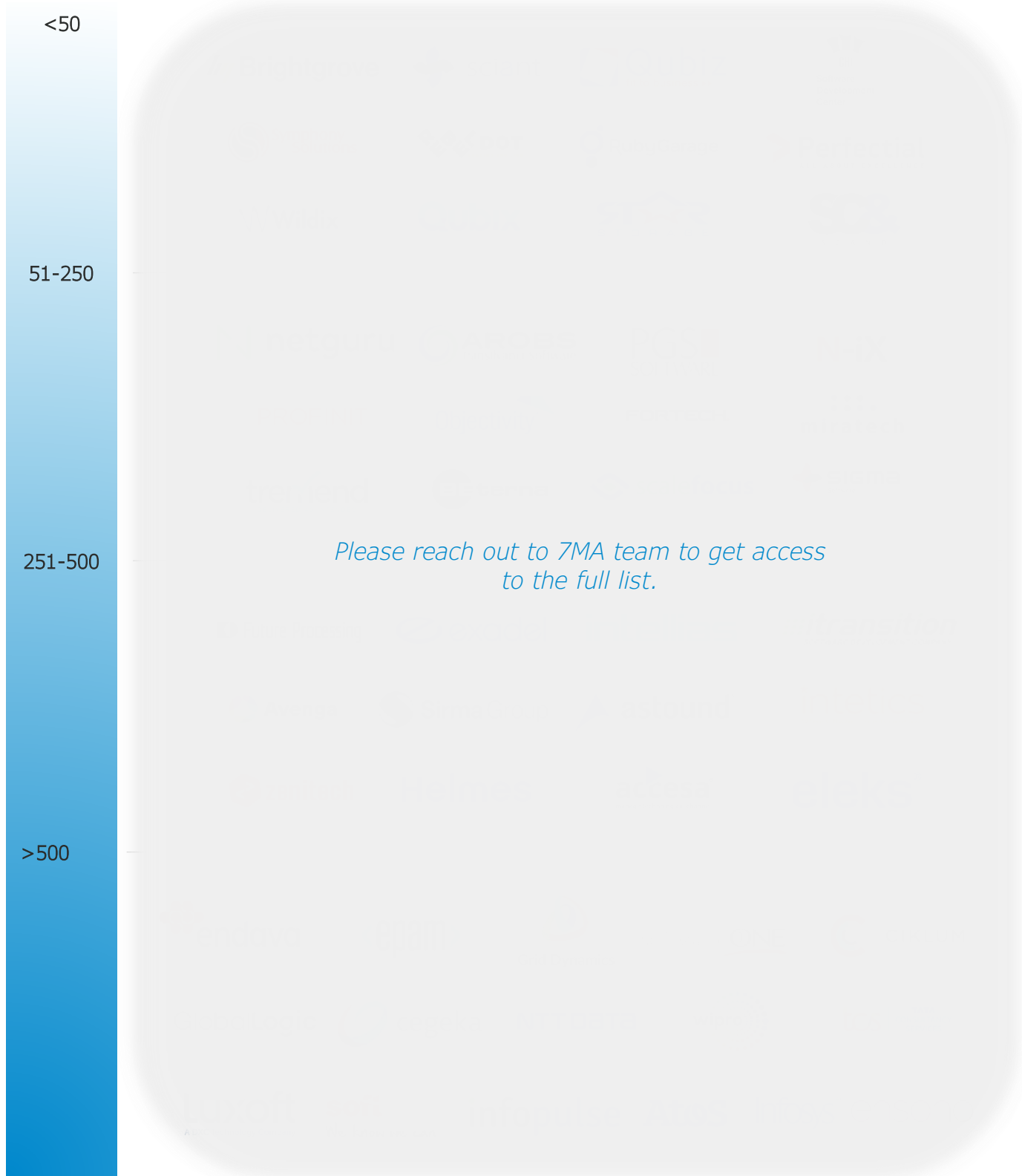


Pragmatic Works is 100% focused on Microsoft's cloud and data platforms. They have worked across the United States with thousands of companies including 97% of the Fortune 100. Through their weekly free training sessions, large-scale virtual Azure events and a team dedicated to helping customers grow their business with data, they are uniquely positioned to consult businesses on taking advantage of the latest Microsoft applications. Pragmatic Works' focused work with Microsoft has led to them being recognized as a finalist for the Data Platform Partner of the Year award in 2017, Data Analytics Partner of the Year award in 2019 and both the Power BI and Power Apps Partner of the Year award in 2020. They have also been named the 2020 MSUS Partner Award winner for Business Applications – Power BI.

Date: Sep. 2020
Deal Type: M&A
Target HQ: USA

Market Landscape

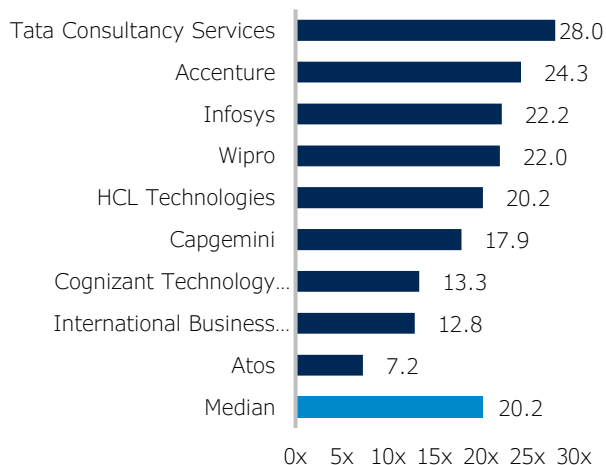
of Employees



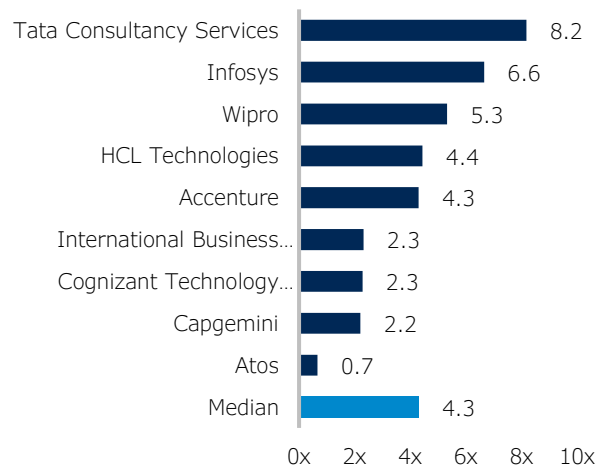
Publicly-traded Managed Service Providers – Q3 2021

Company	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Accenture	206,205	8,490	47,949	7.6%	32.0%	17.7%	4.3x	24.3x	624,000	77
International Business Machines	172,636	13,454	74,404	-1.4%	48.6%	18.1%	2.3x	12.8x	375,300	198
Tata Consultancy Services	189,526	6,774	23,205	9.0%	47.2%	29.2%	8.2x	28.0x	509,058	46
Infosys	94,582	4,259	14,223	11.4%	34.9%	29.9%	6.6x	22.2x	279,617	51
Wipro	47,060	2,139	8,845	6.6%	31.5%	24.2%	5.3x	22.0x	221,365	40
HCL Technologies	46,704	2,331	10,514	7.5%	42.8%	22.2%	4.4x	20.2x	168,977	62
Capgemini	44,721	2,503	20,239	15.5%	26.3%	12.4%	2.2x	17.9x	289,501	70
Cognizant Technology Solutions	39,685	2,978	17,413	3.9%	37.2%	17.1%	2.3x	13.3x	318,400	55
Atos	8,649	1,203	13,086	-4.3%	26.9%	9.2%	0.7x	7.2x	105,000	125
Average	94,419	4,904	25,542	6.2%	36.4%	20.0%	4.0x	18.7x	321,246	80
Median	47,060	2,978	17,413	7.5%	34.9%	18.1%	4.3x	20.2x	289,501	62

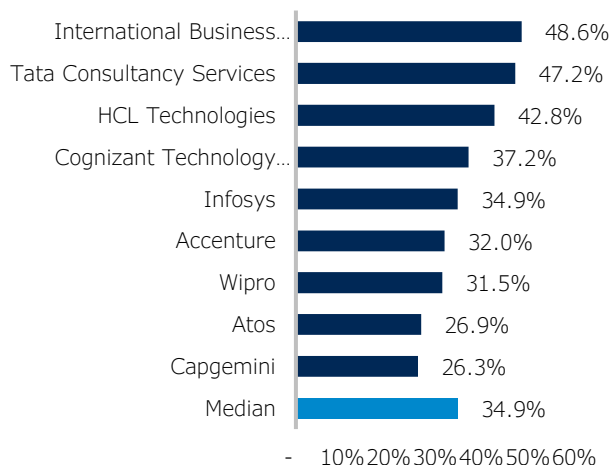
TEV / EBITDA X



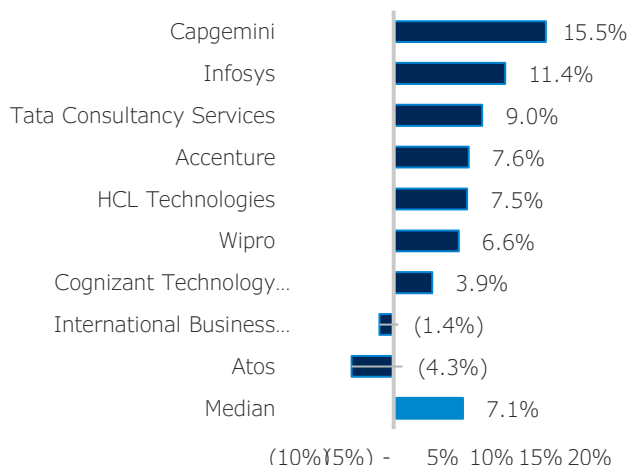
TEV / Rev X



Gross Margin %



Rev Growth YoY



Q3 2021 M&A Transactions

Date	Target	Buyer / Investor	Target Description
September 2021			<ul style="list-style-type: none"> Cipher is an Arizona-based managed security services provider.
September 2021			<ul style="list-style-type: none"> Adnet is located in the greater Hartford, Connecticut area and New York's capital region. The company provides security, cloud, and managed IT services.
September 2021			<ul style="list-style-type: none"> Avaleris Inc., an Ottawa-based firm focused on Microsoft Identity, Security and Cloud services
August 2021			<ul style="list-style-type: none"> 4EOS, founded by CEO Jeremy Holle in 2002, is headquartered in Fort Wayne, Indiana. The MSP's areas of expertise span network managed services, network design and installation, security, and data center services,
August 2021			<ul style="list-style-type: none"> Based in Melbourne, SecureWorx specializes in multi-cloud services, managed security operations and security advisory services for customers dealing with sensitive information
July 2021			<ul style="list-style-type: none"> Located in Santa Ana, California, I.T. Responsive is a Microsoft Gold Partner that works with small and midsized businesses.
July 2021			<ul style="list-style-type: none"> Netrix acquired Contengix's MSP business unit for its ITSM service desk capabilities

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. All securities transactions are executed by 7M Securities, LLC, member FINRA / SIPC. For more information, including research on the M&A markets, visit www.7mileadvisors.com.



508 W. 5th Street,
Suites 140 & 225
Charlotte, NC 28202



+1 (704) 899-5960



www.7mileadvisors.com

Notable 7 Mile Transactions

Omega Systems
PARTNERED WITH
Pfingsten Partners
PFINGSTEN

3Cloud
3Cloud, A Gryphon Investors
Portfolio Company
ACQUIRED
Pragmatic Works
PRAGMATIC
WORKS

SOURCE
SUPPORT
Source Support Services
ACQUIRED BY
Capitala
Capitala

COURT
SQUARE
Court Square Capital
RECAPITALIZED
Thrive
THRIVE

Blue Chip
Blue Chip Consulting Group
ACQUIRED BY
Core BTS
A Tailwind Capital Portfolio Company
CORE
BYS, INC.

