



```
def operation == "MIRROR_Z":  
    mirror_mod.use_x = False  
    mirror_mod.use_y = True  
    mirror_mod.use_z = False  
elif operation == "MIRROR_Z":  
    mirror_mod.use_x = False  
    mirror_mod.use_y = False  
    mirror_mod.use_z = True
```

```
#selection at the end -add back the deselected mirror modifier  
mirror_ob.select= 1  
modifier_ob.select=1  
bpy.context.scene.objects.active = modifier_ob  
print("Selected" + str(modifier_ob)) # modifier ob is the active ob  
mirror_ob.select = 0  
time = bpy.context.selected_objects[0]  
for obj in bpy.context.selected_objects:
```

Spotlight on Digital Engineering

FEBRUARY 2021

What Is Driving Demand and Investment in Digital Engineering

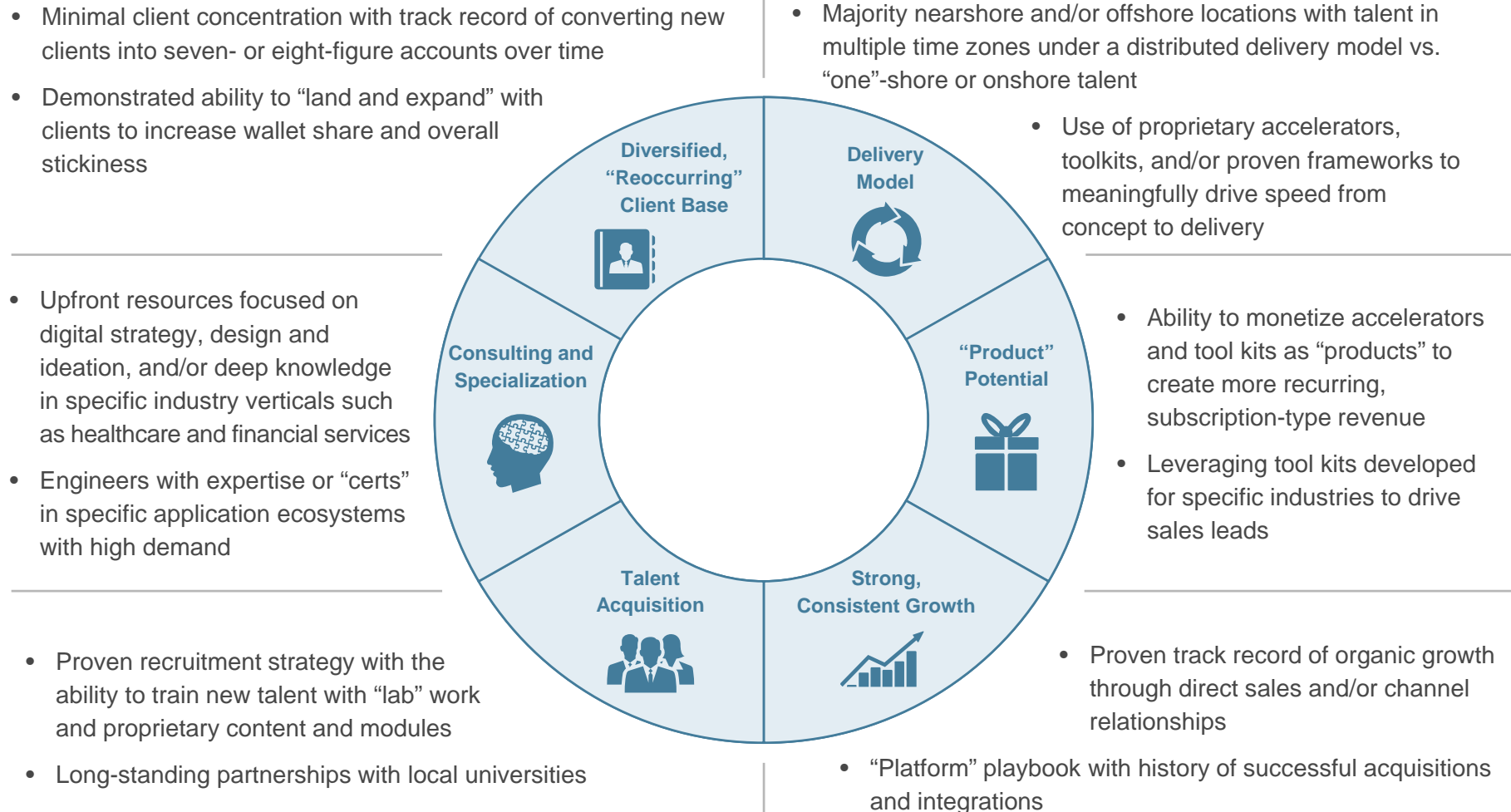
The digital engineering market has seen tremendous growth over the past several years, and the COVID-19 pandemic has furthered many long-term trends while bringing to light the importance of executing on a sound technology roadmap.

Key Demand Drivers		Key Investment Drivers	
COVID-19	<ul style="list-style-type: none"> COVID-19 has accelerated many long-term trends in the digital world, especially when it comes to the way firms interact with their customers. Since the onset of COVID-19, companies have accelerated the digitization of their customer interactions by three-plus years.⁽¹⁾ In a recent survey of technology and business decision-makers, 60% of respondents reported that the pandemic has increased their firm's sense of urgency around digital transformation initiatives.⁽²⁾ 	Large Addressable Market With Significant Tailwinds	<ul style="list-style-type: none"> Shortage of qualified talent, cloud adoption, shift from legacy systems, COVID-19 accelerants, and the advent of agile are all bolstering spend in digital transformation, which amounted to \$1.3 trillion in 2020 and is expected to increase a further 75%+ over the next three years.⁽³⁾
Cloud Adoption	<ul style="list-style-type: none"> There has been a continued shift off-prem as the public cloud and hybrid environments become more and more popular with customers looking for simpler, more flexible, and economic ways to manage workloads across environments. 	Fragmented Competitive Landscape With Few Players of Scale	<ul style="list-style-type: none"> A dearth of differentiated assets of meaningful size has led to increased competition (and higher valuations) for the limited targets available. The industry landscape is characterized by a lack of firms with greater than \$50 million of revenue but hundreds of smaller, regional, and/or vertically focused players in the <\$25 million range, presenting a compelling consolidation opportunity.
Legacy Systems	<ul style="list-style-type: none"> Legacy systems are a burden to today's organizations, which need to be nimble, adaptive, and proactive. The ongoing shift to modern systems and architecture is a driving force of the digital engineering market. 	Shift to Long-Term Projects With 'Reoccurring Revenue'	<ul style="list-style-type: none"> Digital engineering players perform "mission-critical" work, embedding themselves into the operations of client firms and creating significant opportunities for follow-on work, resulting in a "recurring revenue" model. Agile delivery process further establishes and engrains the repeatable nature of providers' services.
Shortage of Talent and Need for Specialization	<ul style="list-style-type: none"> Organizations big and small are struggling to find and retain the right talent to digitally transform their businesses. This high demand for talent has put a premium on labor resources, especially those resources with specialized certifications, such as Adobe Experience Manager. The evolution of the offshore model has resulted in expansion of the geographic footprint of vendors, from traditionally India-based resources to a growing presence in Central and Eastern Europe and Central and South America. 	Expansion of Services and Solutions	<ul style="list-style-type: none"> There has been organic expansion of service offerings and specialties—such as UI/UX consulting, artificial intelligence, machine learning, big data, etc.—as well as internally developed "products" that can be monetized via subscription models.
Shift to Agile and New Programming Languages	<ul style="list-style-type: none"> Firms are being forced to keep up with demand for rapid deployment of their products and services, pushing them to implement agile delivery methods and use newer, sleeker programming languages. 	Performance of Publicly Traded Next-Gen IT Peers	<ul style="list-style-type: none"> Next-generation IT services players such as Endava, EPAM, and Globant have experienced tremendous growth as public companies—225%, 3,441% and 2,325% increase in market cap since their listing, respectively—and trade at significant premiums to their traditional IT services peers (8.8x EV/LTM revenue for next-gen players vs. 3.3x for offshore players such as Cognizant, HCL, Tata, and Wipro).⁽⁴⁾

(1) "How COVID-19 Has Pushed Companies Over the Technology Tipping Point—and Transformed Business Forever," McKinsey & Company, October 5, 2020. (2) "State of Digital Transformation, DX2020: COVID-19 Edition," TEKsystems, June 2020. (3) "Digital Transformation Spending Worldwide 2017-2023," Statista, January 11, 2021. (4) S&P Capital IQ.

Key Value Drivers in Digital Engineering

While scale and scalability remain the most important drivers of value, there are a number of characteristics that may be viewed at a premium or as a key differentiator.



Recent Houlihan Lokey Deal: Magenic



Company Profile

Founded in 1995 and headquartered in Minneapolis, Minnesota, Magenic is a leading custom software development firm providing innovative, cloud-based solutions to enterprise clients.

For more than 25 years, the company has been solving complex business and technology challenges with the utmost speed.

Magenic utilizes a distributed delivery model, including domestic, nearshore and offshore resources, to efficiently fulfill clients' cloud development and modernization needs.

Magenic's Differentiators

Global, Distributed Delivery Model

Deep Cloud Knowledge and Skill Sets

Data-Driven Approach

Technology-Agnostic Capabilities

Emphasis on Speed and Quality

Maximizing Value and Structure Through Process Discipline and Competitive Tension



Highly Motivated Buyer Universe

- Houlihan Lokey conducted a **highly competitive sales process** by reaching out to a prequalified set of highly motivated, high-probability IT Services investors (a mix of strategic and financial buyers).



Salient Cloud Transformation Tailwinds

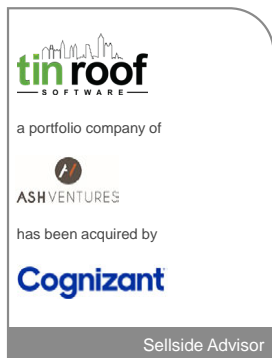
- Houlihan Lokey highlighted the growing demand for cloud and digital transformation across all marketing documents and helped push bidders to higher valuations by showcasing Magenic as **one of only a few platforms of scale**.



Ideal Outcome

- Houlihan Lokey helped the company evaluate multiple offers and negotiated more favorable terms for our client.
- Magenic has found a new home under the Cognizant/Softvision brand and has **achieved this outcome in roughly four months**.

Recent Houlihan Lokey Deal: Tin Roof Software



Situation Background

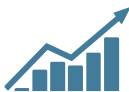
Company Profile

Founded in 2014 and headquartered in Atlanta, Georgia, Tin Roof Software (Tin Roof) provides IT consulting and digital engineering services across a broad range of technologies and software languages to help clients solve complex problems and transform their businesses. The company specializes in high-end enterprise software development solutions and support services across digital transformation for Fortune 500 clients.

2018 Sale to ASH Ventures

Tin Roof hired Houlihan Lokey to conduct a sales process to maximize shareholder value and provide liquidity for the management team and business owners. Houlihan Lokey approached 150+ investors, strategic and financial, and was able to create significant value by successfully educating investors on the industry, positioning Tin Roof as a platform and creating competitive tension throughout the process.

Maximizing Value by Highlighting Key Differentiators



Consistent, Industry-Leading Growth

- Houlihan Lokey emphasized Tin Roof's **market-leading growth rates** and performance sustainability to drive value.



Unique, Embedded Consulting Model

- Houlihan Lokey helped differentiate Tin Roof by showcasing the company's unique, "software-only," **cross-functional delivery model**.



Long-Standing Relationships With Fortune 100 Accounts

- Houlihan Lokey also highlighted Tin Roof's **long-standing relationships with blue-chip clients** and underscored the company's ability to continue growing by expanding wallet share.

Mapping the M&A Market

The digital engineering space continues to draw interest from both private equity firms seeking platform investments and strategic players looking to acquire high-quality differentiated assets to bolster their own offerings.

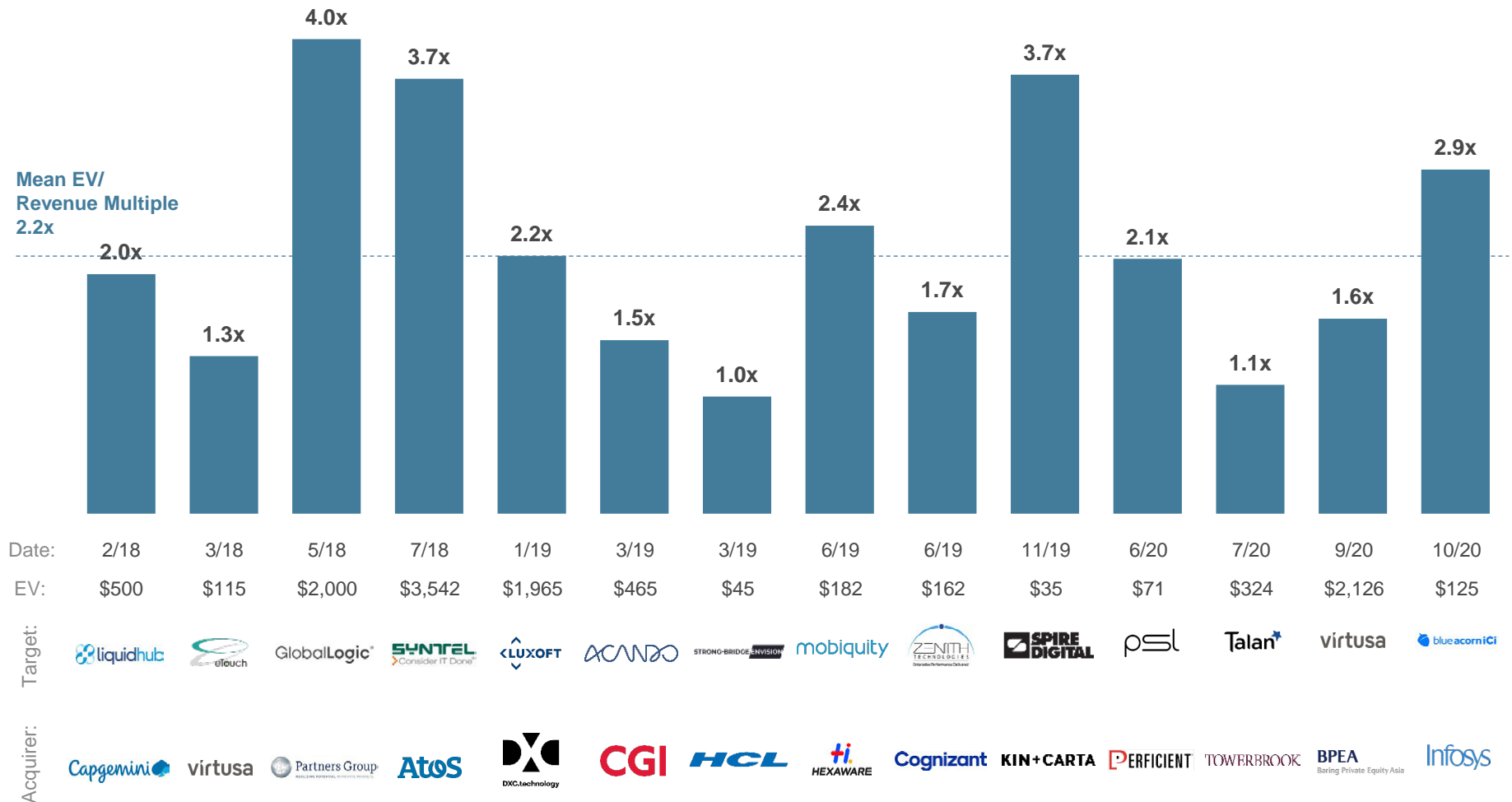


Houlihan Lokey Maintains Long-Standing Relationships With the Most Active Strategic Buyers in the Space


















Select Digital Engineering Precedent M&A Transactions

Enterprise Value and Revenue Multiples (\$M)



Insights From Public Players

 		  		  	
 		  		  	
Next-Gen IT Services		Offshore IT Services		Global IT Services	
33.5%	19.1%	14.1%	22.6%	1.1%	16.6%
'17A-'20E Rev CAGR	LTM EBITDA Margin	'17A-'20E Rev CAGR	LTM EBITDA Margin	'17A-'20E Rev CAGR	LTM EBITDA Margin
36.0%	8.8x/43.6x	35.0%	3.3x/17.3x	29.2%	2.1x/10.9x
LTM Gross Margin	EV/LTM Revenue/EBITDA	LTM Gross Margin	EV/LTM Revenue/EBITDA	LTM Gross Margin	EV/LTM Revenue/EBITDA

A Closer Look at the Next-Gen IT Services Value Proposition

Next-gen IT services players trade considerably higher than their traditional global and offshore counterparts	EV/LTM Rev/ EBITDA	Revenue Growth ('17A-'20E CAGR)	+	Profitability (LTM EBITDA Margin)	These result from the following differentiators.
	8.8x / 43.6x Next-Gen	33.5% Next-Gen	19.1% Next-Gen		
	3.3x / 17.3x Offshore	14.1% Offshore	22.6% Offshore		
	2.1x / 10.9x Global	1.1% Global	16.6% Global		
	Why the premium?				
Ability to provide customized and revenue-driving solutions					
Focus in high-growth areas (like digital engineering) as opposed to commoditized, legacy services (like maintenance)					
High-margin, reoccurring revenue model that delivers consistent growth and visibility					
Highly technical talent base from STEM-heavy Central and Eastern Europe					

Note: Statistics shown are median values.
Source: S&P Capital IQ as of February 12, 2020.

Houlihan Lokey's Digital Engineering and Cloud Expertise

Houlihan Lokey has significant experience advising on the most relevant transactions in the digital engineering space as well as a long track record of working with high-profile strategic players and private equity investors in the industry.

Highly Relevant Digital Engineering and Cloud Experience



Thomas Bailey
Managing Director



Brian Pryor
Managing Director



Vik Pandit
Director



Chin Pandya
Director



Dan Dresner
Vice President



R.B. McCutcheon
Vice President



Alex Scott
Associate



Bennett Tullos
Associate

Under LOI

Project Jupiter
Digital Engineering Services

Sellside Advisor

has been acquired by

Sellside Advisor

governmentCIO
TRANSFORMING GOVERNMENT IT

has been acquired by

Sellside Advisor

tin roof
SOFTWARE

a portfolio company of

has been acquired by

Sellside Advisor

TIN ROOF SOFTWARE

has received an investment from

Financial Advisor

has been acquired by

Sellside Advisor

Tombstones included herein represent transactions closed from 2015 forward.

Houlihan Lokey Is the Premier Independent Investment Bank

Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank, with a proven track record of delivering extraordinary results for clients.

Corporate Finance

2020 M&A Advisory Rankings All U.S. Transactions		
Advisor		Deals
1	Houlihan Lokey	210
2	Goldman Sachs & Co	172
3	JP Morgan	132
4	Evercore Partners	126
5	Morgan Stanley	123
Source: Refinitiv (formerly known as Thomson Reuters)		

No. 1 U.S. M&A Advisor

Top 10 Global M&A Advisor

Leading Capital Markets Advisor

Financial Restructuring

2020 Global Distressed Debt & Bankruptcy Restructuring Rankings		
Advisor		Deals
1	Houlihan Lokey	106
2	PJT Partners Inc	63
3	Lazard	50
4	Rothschild & Co	46
5	Moelis & Co	39
Source: Refinitiv (formerly known as Thomson Reuters)		

No. 1 Global Restructuring Advisor

1,400+ Transactions Completed Valued
at More Than \$3.0 Trillion Collectively

Financial and Valuation Advisory

2001 to 2020 Global M&A Fairness Advisory Rankings		
Advisor		Deals
1	Houlihan Lokey	956
2	JP Morgan	876
3	Duff & Phelps	802
4	Morgan Stanley	599
5	BofA Securities Inc	542
Refinitiv (formerly known as Thomson Reuters). Announced or completed transactions.		

No. 1 Global M&A Fairness Opinion
Advisor Over the Past 20 Years

1,000+ Annual Valuation Engagements



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