

Adviser to BGF portfolio company Helecloud on its acquisition of DataStork



Deal overview:

Wilson Partners Corporate Finance was delighted to advise a client of our firm and BGF portfolio company, Helecloud, on its acquisition of cloud software engineering specialist Datastork.

The acquisition, backed by follow-on investment from BGF, brings Cloud-native software engineering and AI/ML capabilities to HeleCloud, as well as a customer base of global players and market disruptors. The business combination fuels HeleCloud's ambition to be the leading Public Cloud enabler for European businesses and to empower the Cloud revolution by providing the skills, know-how, tools, and operational capabilities for enterprises and midmarket organisations on the AWS platform.

DataStork, which will continue to operate under that name, is now a wholly-owned subsidiary of HeleCloud. The companies have largely coherent portfolios that they will continue to develop and integrate over time. DataStork, with its core VMware R&D legacy and AWS know-how, will accelerate the Public Cloud journey of HeleCloud customers through Cloud-native software re-architecting and AI-driven Hybrid Cloud solutions for the leading AWS/VMware stack.

About the parties:

HeleCloud, a London-headquartered AWS Technology Consulting and Managed Services company with wider presence across EMEA, is already one of the leading AWS partners in EMEA, operating at the highest Premier level.

DataStork, founded in 2016 by Doichin Yordanov who will be staying with the enlarged group, has developed a wide range of technical capabilities covering microservices, IoT and Serverless, DevOps, BigData, backend systems, frontend applications and search. The company has an experienced team of software engineers, developing cutting-edge software solutions for a range of high-profile clients, including Bosch, Uber, HedgeServ and FT. DataStork's strengths range from systems architecture through software development and testing to continuous performance and operational improvement practices.

BGF was set up in 2011 and has invested more than £1.8bn in over 260 companies, making it the most active investor in the UK and globally by number of transactions. BGF has £2.5bn to invest in UK SMEs and in Ireland, and an additional €250m to support Irish businesses. BGF is a minority, non-controlling equity partner with a patient outlook on investments, based on shared long-term goals with the management teams it backs.

Dan James, Director at Wilson Partners said:

"Datastork has delivered strong growth since incorporation through impressive customer wins and looks well positioned to continue on this trajectory, whilst also offering Helecloud a compelling opportunity to expand its service offering."

Guy Pope, Investor at BGF added:

"BGF are excited to further back the management team at Helecloud, continuing their expansion in Europe following the acquisition of Olindata in 2019. Datastork adds cloud native capabilities to Helecloud's offering and a list of global customers. We have worked with Dan and his team on Financial Due Diligence for various investments and they always provide high quality, efficient and detailed analysis."