



DIF Capital Partners Acquires Majority Stake in US-Based Data Center Provider Tonaquint

January 10, 2023 - DIF Capital Partners is pleased to announce that it has signed an agreement to acquire a majority stake in Tonaquint Data Centers, a leading data center provider in the Mountain West region in the United States, headquartered in St. George, Utah. Tonaquint's management will keep a minority stake. The investment will be done through DIF's core-plus CIF III fund.

Tonaquint is a colocation and cloud service provider with operations in St. George, Utah and Boise, Idaho. The company offers a comprehensive set of critical infrastructure products and services and is active in a fast-growing segment of the digital industry. The acquisition will enable Tonaquint to continue its growth, enhancing its existing facilities and expanding its service offering.

Tonaquint is mainly focusing on high growth smaller markets, which are not as well serviced by other major data center operators. It serves a well-diversified and growing client base in the technology, healthcare, financial services, and industrial sectors.

DIF data center operating advisor Michael DeVito will be joining the Tonaquint management team to further build out the company in North America.

Willem Jansonius, partner and Head of CIF at DIF Capital Partners, commented: "Given the rapid growth of the private cloud market, Tonaquint's product offering is right where the opportunities are. Now and in the years to come. Our investment will enable Tonaquint to further build towards a leading North American data center platform. The acquisition fits DIF's ambition to further grow in the digital infrastructure space in North America and beyond by investing in small to medium-sized businesses. That's exactly why we already started expanding our capabilities and expertise in the sector a few years ago."

Matt Hamlin, co-founder and CEO of Tonaquint said: "Working with the DIF team has been such a great experience. A very experienced team and a good strategic fit as they will be able to help our management team grow Tonaquint as we have envisioned in our overall business strategy. Our goals still remain the same: provide our customers with the best infrastructure and match it with the best client experience. That's who we are."

Philip Daley, co-founder and COO of Tonaquint added: “Tonaquint’s ability to build and maintain quality data centers and cloud services is now enhanced by DIF’s ability to bring additional capital and expertise in digital infrastructure. We look forward to expanding our footprint and services throughout the United States.”

Bank Street Group LLC served as exclusive financial advisor to Tonaquint in connection with this transaction. Agentis Capital served as an exclusive financial advisor to DIF.

About Tonaquint

Tonaquint is a leading data center provider which operates two data center facilities in St. George, Utah and Boise, Idaho. Tonaquint was founded in 2008, and entered into the Boise market in 2020 with the acquisition of Fibertube Data Centers, Inc. The company provides data center services to over 250 customers across its two facilities. Tonaquint provides a robust product suite including colocation, cloud services (including secure and compliant hosting for infrastructure), disaster recovery, and backup as a service, as well as ancillary network and managed services. Tonaquint has achieved strong success within its existing markets, leveraging a sales strategy focused on developing local relationships to build to a longstanding customer base. For more information please visit www.tonaquint.com.

About DIF Capital Partners

DIF Capital Partners is an independent infrastructure fund manager, with more than EUR 15 billion of AUM. DIF was founded in 2005 and has built a leading position in managing mid-market investments, primarily in Europe, North America and Australia.

DIF follows two strategies: its traditional DIF funds, of which DIF VII is the latest fund in the series, invest in lower risk mid-sized infrastructure projects and companies in the energy transition (incl. renewables) and utilities sector, as well as PPPs and concessions. The firm’s CIF funds invest in small to mid-sized companies that will thrive in the new economy. These companies are typically active in the digital, energy transition and sustainable transportation sector.

With a team of over 200 professionals in 11 offices, DIF Capital Partners offers a unique market approach combining global presence with the benefits of strong local networks and investment capabilities. DIF is located in Amsterdam (Schiphol), Frankfurt, Helsinki, London, Luxembourg, Madrid, New York, Paris, Santiago, Sydney and Toronto. For more information please visit www.dif.eu.