



Databricks Ecosystem M&A Report

July 2022



 **Equiteq**
Growing equity, realizing value

Equiteq is the Leading, Global Investment Bank Serving the Knowledge Economy...

A Global, Full-Service Investment Bank for the Knowledge Economy...

- Equiteq is a highly regarded & trusted investment bank focused exclusively on the knowledge economy
 - ✓ **Unparalleled** transactional and market expertise
 - ✓ **Global platform** with full-suite of sell-side and buy-side advisory services
 - ✓ **Extensive network** of active strategic and financial buyers
 - ✓ **Excellent track-record** of executing well-orchestrated and successful sale processes
 - ✓ **Deep** repository of proprietary research and tools
- Equiteq is custom-built to efficiently and comprehensively deliver end-to-end M&A advisory solutions to companies within the Knowledge Economy



... With Deep Transactional Expertise & A Proven Track-Record

Recent Transactions

Pexlify	BEDFORD Consulting	grit.	infrata	ist
Platinum Salesforce Partner Sold to dentsu group	Anaplan Gold Partner Received investment from KEENSHIGHT CAPITAL	Design & Innovation Consultancy Sold to CYIENT	Infrastructure Consultancy Receives majority investment Lonsdale Capital Partners	CX Tech Consultancy Sold to majorel
Advised on the sale June 2022	Advised on the investment May 2022	Advised on the sale April 2022	Advised on the investment April 2022	Advised on the sale March 2022
360	Abstech	JUST ANALYTICS	4 MILE ANALYTICS	sa.global
PE-backed Cybersecurity Specialist Acquired CARETOWER	Financial Services Consultancy Sold to bip.	AI & Analytics Specialist Sold to rackspace technology.	Data Consultancy Sold to S4 CAPITAL	Microsoft Gold Partner Growth Financing by KARTESIA
Advised on the acquisition February 2022	Advised on the sale February 2022	Advised on the sale January 2022	Advised on the sale January 2022	Advised on the financing January 2022

Recent Testimonials

4MILE

Nick Fogler
(Founder & CEO)

hrc.

Antony Karabus (CEO),
Farla Efros (President)

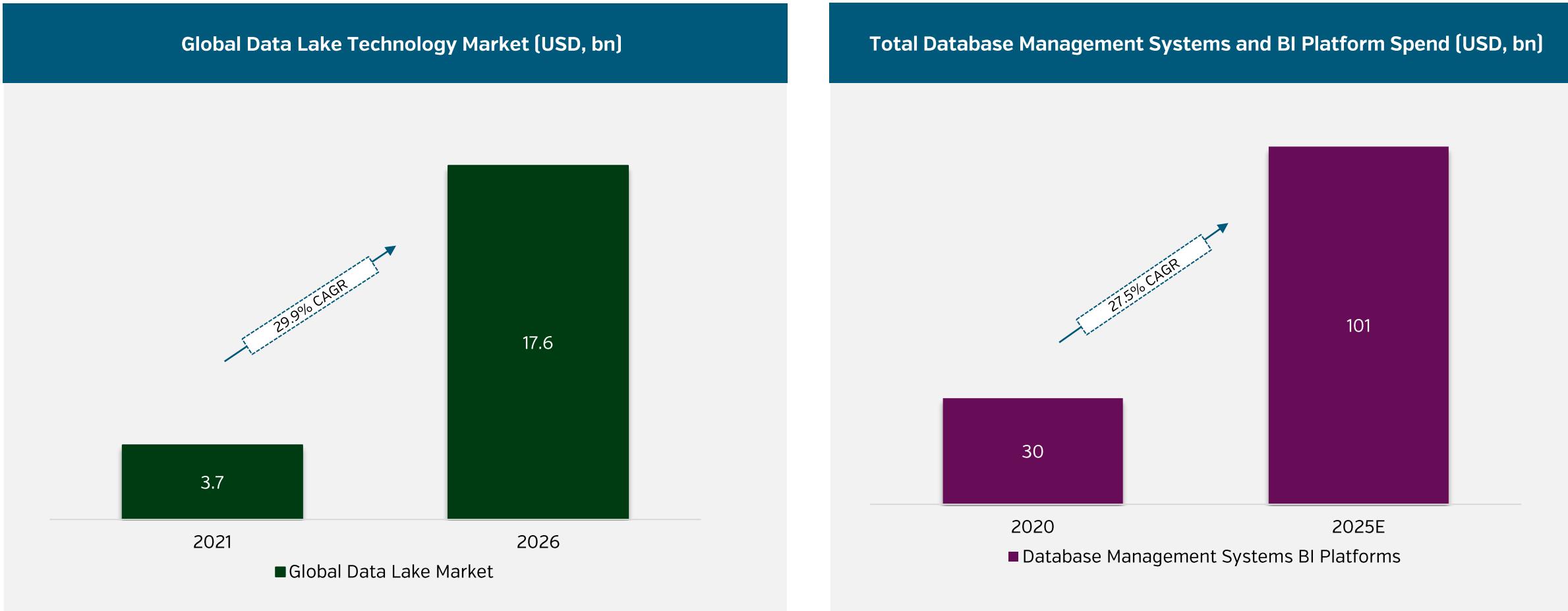
“Overall, Equiteq **far exceeded** our already very high expectations and became a **truly trusted partner** to our leadership team... **We could not have envisioned doing this, or having such a successful outcome, without Equiteq.**”

“Selecting Equiteq to advise us on the sale of HRC Advisory to Accenture was **the best decision we could have made**... We **could not be happier with the result** and would **highly recommend Equiteq** to any business owner considering the sale of their consulting business”

Macro Sector Trends

Strong Growth in Relevant Enterprise Software Spend

The global data lakes market is expected to grow 30% between 2021 - 2026. Additionally, relevant spend within database management systems and general business intelligence platforms is expected to surpass \$100bn by 2025



Source: Company websites, LinkedIn, PitchBook, Owler, CapIQ, CRN, Mordor Intelligence

Strictly Confidential

Data Lakehouse Architecture and Integration Ecosystem

Data Lakehouse Integration Capabilities and Differentiators

- Databricks' Data Lakehouse platform has established itself as the pioneer and leader in the hybrid-based Data Lakehouse architecture
- This hybrid architecture is widely considered an innovative and superior approach that has led to **significant demand for supportive consulting and professional services**
- A primary differentiator of the Data Lakehouse architecture and Databricks platform relates to the **attractive and flexible integration capabilities associated with it**
- Data Warehouses** particularly struggle with support for advanced data engineering, data science, and machine learning
- Data Lakes** notoriously struggle with data quality, transactional support, data governance, and query performance issues
- Alternatively, enterprises can easily connect an extensive range of data, analytics, and AI tools to the Databricks Lakehouse allowing for a seamless and comprehensive modern data stack



Databricks Integration Ecosystem

Business Intelligence & Dashboards



Machine Learning



Data Science



Data Governance



Data Ingestion



Data Pipelines



Databricks Platform Verticalization and Growing Sector Use Cases

Databricks Sector Use Cases



Financial Services



Energy & Utilities



Healthcare & Life Sciences



Retail & CPG



Media & Entertainment



Manufacturing



Public Sector

Selected Use Case: Databricks Financial Services Offering



- Given the regulatory complexity and compliance challenges associated with the Financial Services vertical, these businesses are operating complex IT systems requiring sophisticated AI-driven data analytics tools
- In early 2022, Databricks launched **Lakehouse for Financial Services**, which supports real-time analytics, business intelligence and AI tasks on all data types within multi-cloud environments
- This Financial Services edition of Databricks Lakehouse targets customers in banking, insurance and capital market sectors, supporting various functions including compliance and regulatory reporting, risk management, fraud detection and open banking
- Databricks' Partner Channel will play a massive role in the overall verticalization of the platform
- In fact, Databricks is collaborating with systems integrators in order to facilitate the development of solution accelerators and launch industry-specific go-to-market initiatives
- Examples of these banking-focused accelerators include Avanade Risk Management and Deloitte FinServ Governed Data Platform



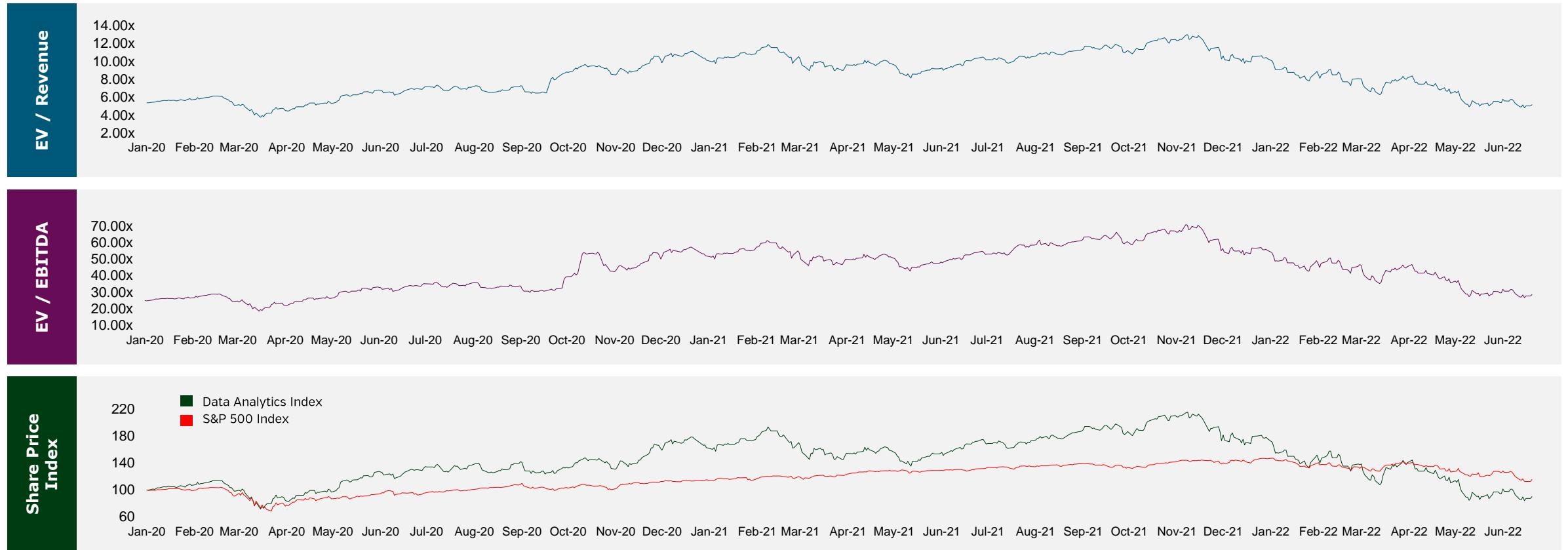
"This is how we go to market now. This a huge focus for the company and how it is going to deliver for our customers going forward. It's going to become increasingly vertical and sector-focused."

Junta Nakai – Industry Leader,
Financial Services, Databricks –
Feb 2022



Listed Analytics Multiples and Share Price Performance

Valuations and share price performance within the Data Analytics space have generally outperformed the broader market in recent years. However, H1 2022 has witnessed a collective decline for Analytics-related multiples and share prices relative to the S&P 500. Leading indicators and equity research perspectives expect the space to regain recent momentum by 2023



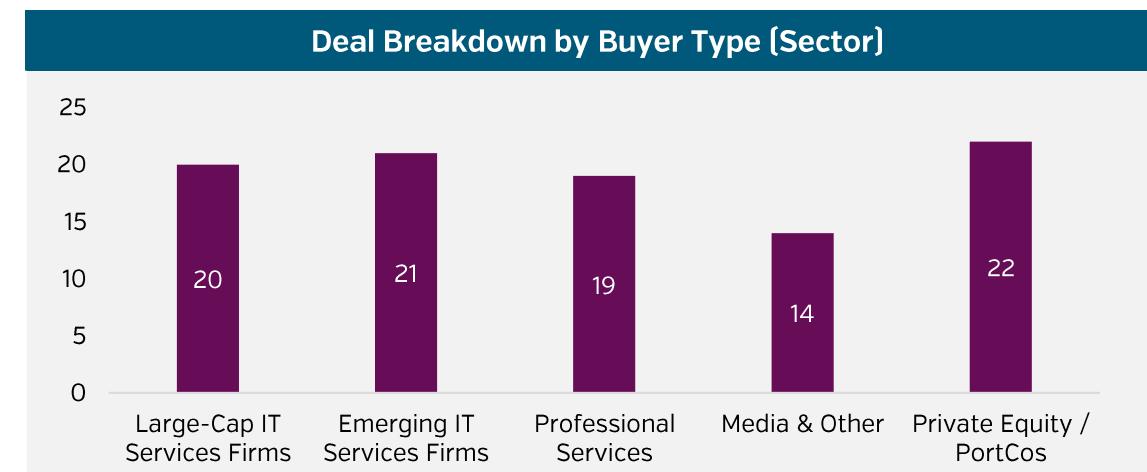
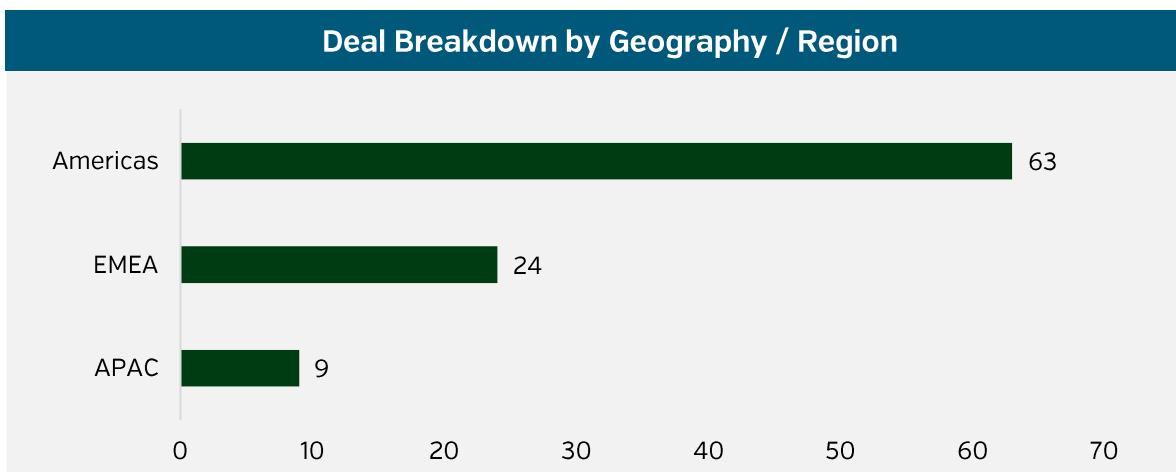
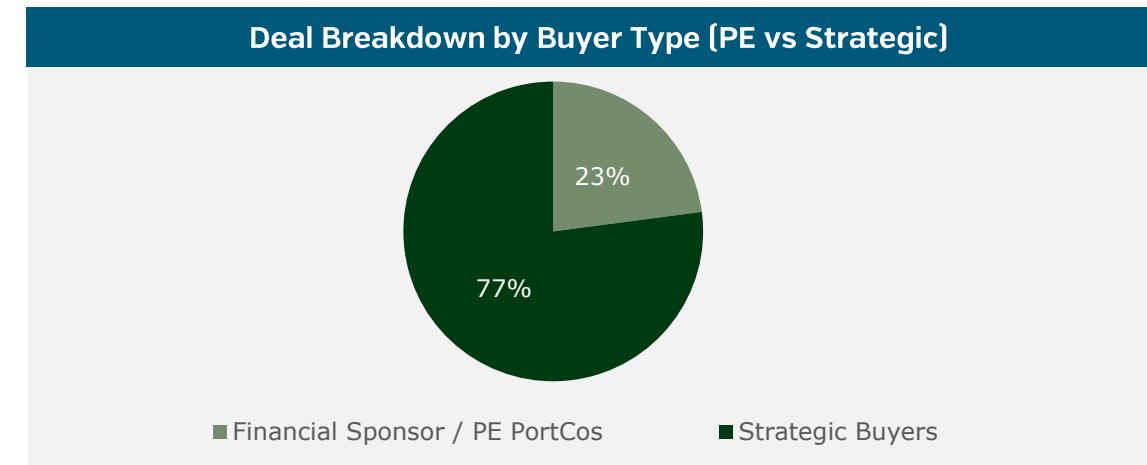
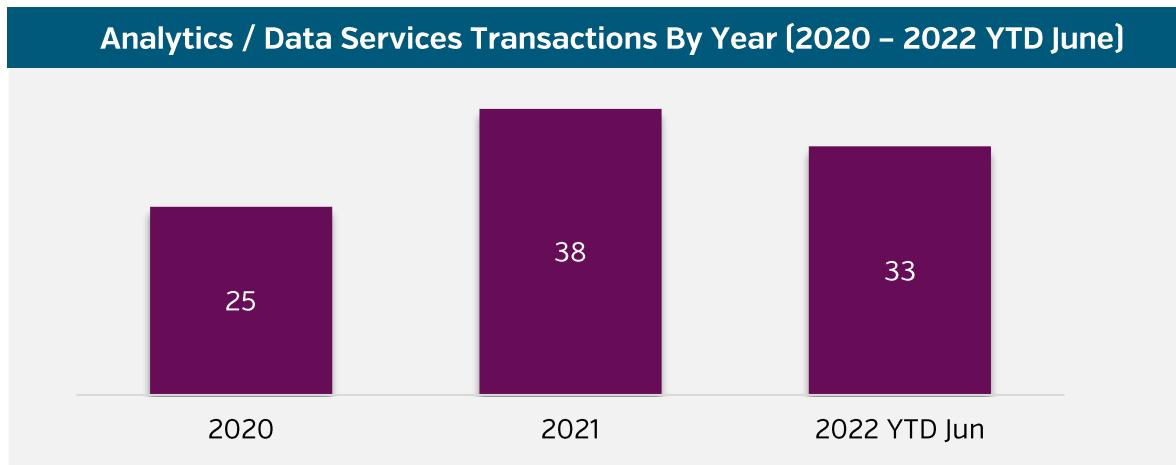
The above analysis only includes companies that generate at least 50% of their revenue from products or services related to big data and analytics (database management, data platforms, dev-ops, big data analytics, or API management)

Source: Company websites, LinkedIn, PitchBook, Owler, CapIQ

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Recent Relevant M&A Activity Analysis

The robust M&A activity within the Analytics, Data Management, Data Warehousing, Data Lakes and Business Intelligence services space implies positive momentum for relevant agencies and technology ecosystems such as Databricks



Selected Relevant Buyer Universe & Market Activity

Equiteq's robust and disciplined approach to buyer coverage arms us with the indispensable market insights that are critical to effectively positioning opportunities with the right buyers

Buyer Group	Selected Sample Potential Acquirers			Relevant Selected Databricks Deals	
IT Services	  		 		 
Consulting	 	 McKinsey & Company	 		
Private Equity	 	 	 		 
					

The Equiteq Team is Comprised of Deeply Experienced Professionals Who Can Help You Navigate the M&A Market With Sound, Objective Strategic Advice

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The Most Active Middle-Market Investment Bank Serving the Knowledge Economy

Equiteq is able to effectively and efficiently leverage its extensive transactional experience, deep industry knowledge, and market insights to support clients end-to-end through an M&A process

After executing 100+ transactions, our unparalleled deal experience across the Knowledge Economy gives us an unrivaled depth of insight that we leverage to realize the best outcomes for our clients

Pexlify  Platinum Salesforce Partner Sold to dentsu group  Advised on the sale June 2022	BEDFORD Consulting  Anaplan Gold Partner Received investment from KEENIGHT CAPITAL  Advised on the investment May 2022	grit.  Design & Innovation Consultancy Sold to CYIENT  Advised on the sale April 2022	infrata  Delivering the confidence to invest Receives majority investment Lonsdale Capital Partners  Advised on the investment April 2022	ist  CX Tech Consultancy Sold to majorel  Advised on the sale March 2022	360  PE-backed Cybersecurity Specialist Acquired CARETOWER S.r.l. - Security Specialists  Advised on the acquisition February 2022	Financial Services Consultancy  Sold to bip.  Advised on the sale February 2022	JUST ANALYTICS  AI & Analytics Specialist Sold to rackspace technology  Advised on the sale January 2022
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HATCH  Engineering Consultancy Acquired Brainwave Data. Intelligence  Advised on the acquisition November 2021	roam  Digital consulting Sold to amdocs  Advised on the sale October 2021	MGAC  Construction Consulting Acquired rif Building Futures  Advised on the acquisition October 2021	PDSGROUP  Development Solutions Sold to Deloitte.  Advised on the sale August 2021	hrc. RETAIL ADVISORY  Retail Consulting Sold to accenture  Advised on the sale July 2021	Economists INCORPORATED  Economics Consulting Sold to Secretariat  Advised on the sale July 2021	OPALWAVE  SAP EPM Specialist Sold to sapphire  Advised on the sale June 2021	LIONPOINT  Operations Transformation Sold to Alpha Financial Consulting  Advised on the sale May 2021
steer  Engineering Consulting Acquired FOURTH EDITION  Advised on the acquisition May 2021	Pythagoras  Microsoft Gold Partner Sold to EY  Advised on the sale May 2021	kerv  Cloud Transformation Acquired cloud Thing>  Advised on the acquisition May 2021	AliraHealth  Healthcare Consulting Equity Financing by CREADEV  Advised on the financing April 2021	FUTURE STATE  Change Consulting Sold to accenture  Advised on the sale January 2021	VOX Financial Partners  Change Consulting Merged with delv+  Advised on the merger January 2021	sophos  Banking Technology Sold to Advent International GLOBAL PRIVATE EQUITY  Advised on the sale December 2020	Ryobi G  Geoengineering Solutions Sold to SGS  Advised on the sale December 2020



New York – Boston – London – Singapore – Sydney – Paris

Securities offered through Equiteq Securities LLC, member FINRA/SIPC

Growing equity, realizing value