



Databricks Ecosystem M&A Report

July 2022



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

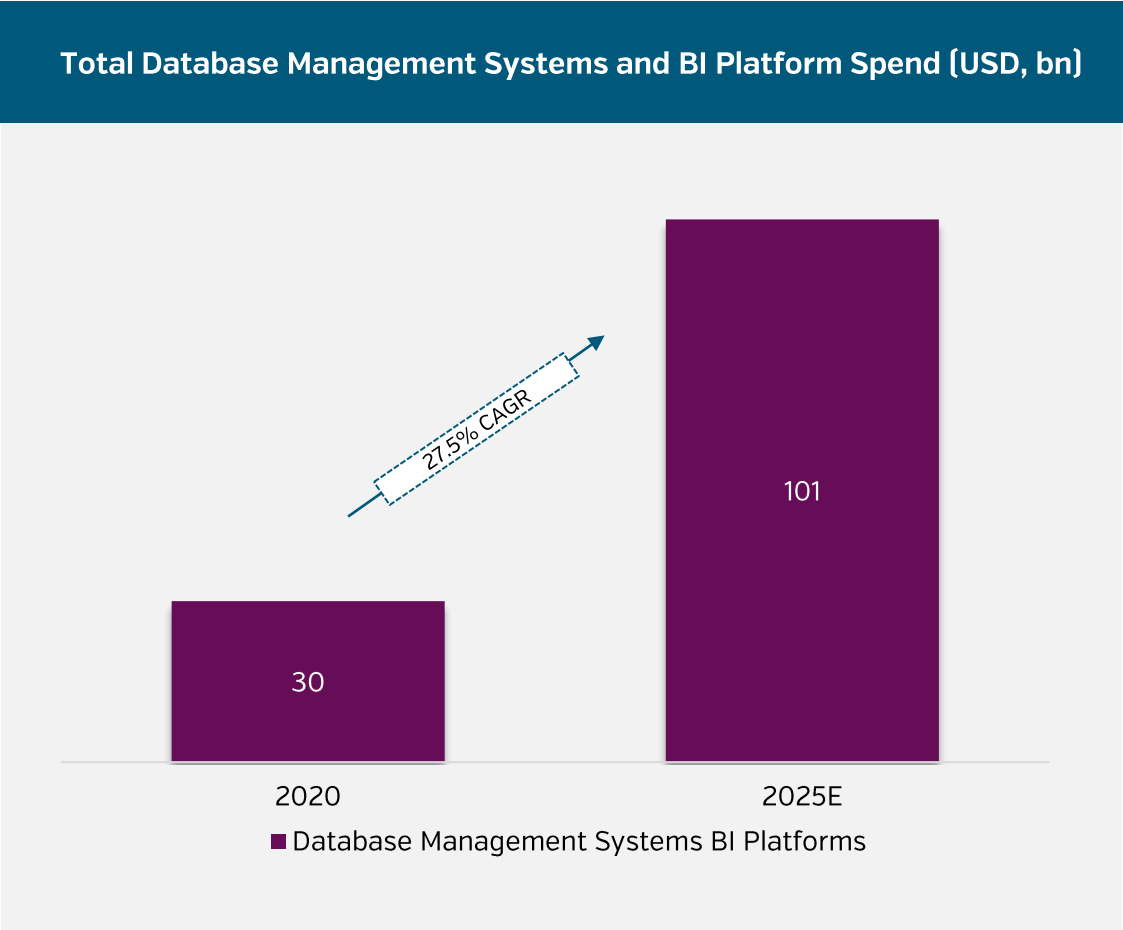
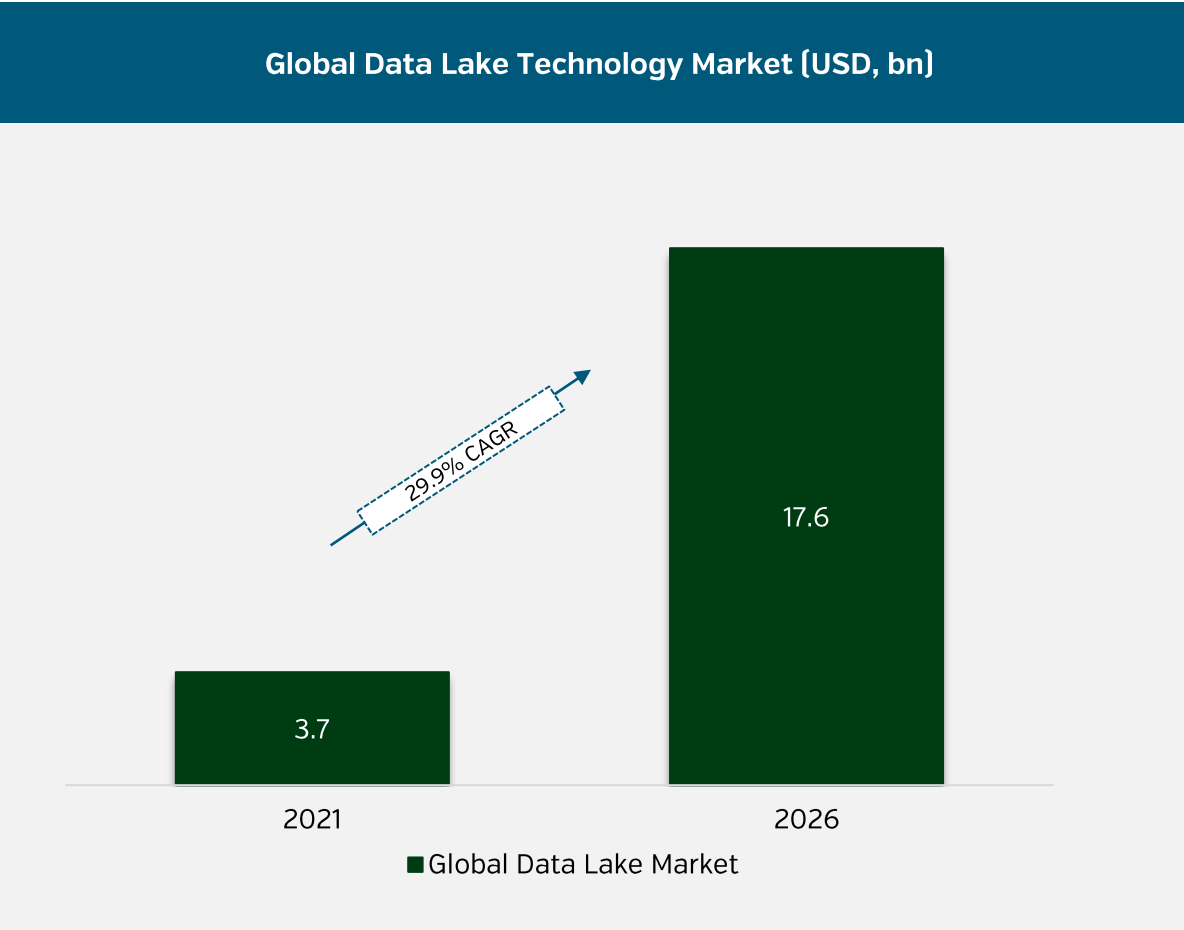
Recent Transactions	Pexlify Platinum Salesforce Partner Sold to dentsu group Advised on the sale June 2022	BEDFORD Consulting Anaplan Gold Partner Received investment from KEENSIGHT CAPITAL Advised on the investment May 2022	grit. Design & Innovation Consultancy Sold to CYIENT Advised on the sale April 2022	infrata Infrastructure Consultancy Receives majority investment from Lonsdale Capital Partners Advised on the investment April 2022	iST CX Tech Consultancy Sold to majorel Advised on the sale March 2022
	 PE-backed Cybersecurity Specialist Acquired CARETOWER 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	4 MILE ANALYTICS Data Consultancy Sold to S4 CAPITAL Advised on the sale January 2022	sa.global Microsoft Gold Partner Growth Financing by KARTESIA Advised on the financing January 2022

Recent Testimonials	4MILE Nick Fogler (Founder & CEO) <i>"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."</i>
	hrc. Antony Karabus (CEO), Farla Efros (President) <i>"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"</i>

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



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



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

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.”

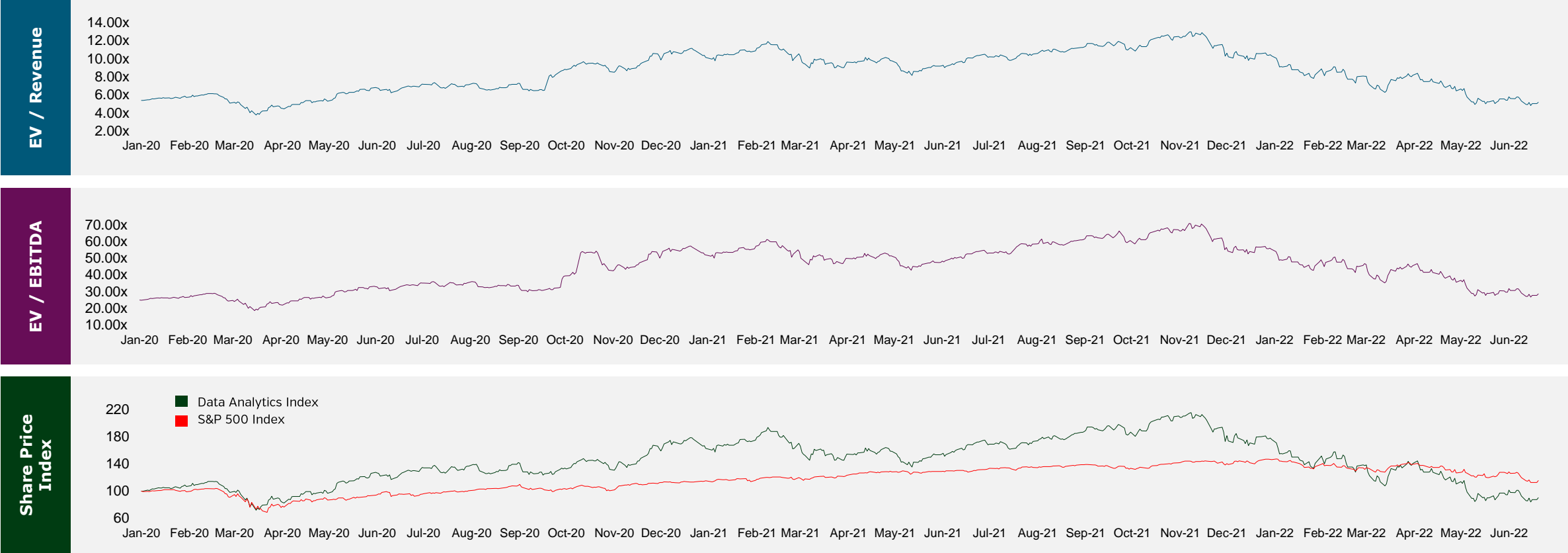


*Junta Nakai – Industry Leader,
Financial Services, Databricks –
Feb 2022*

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

Listed Analytics Multiples and Share Price Performance

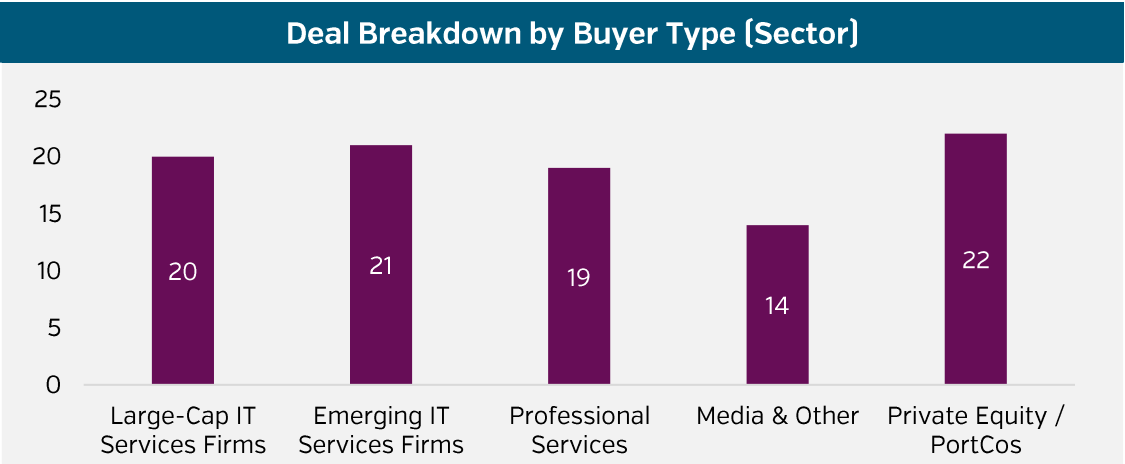
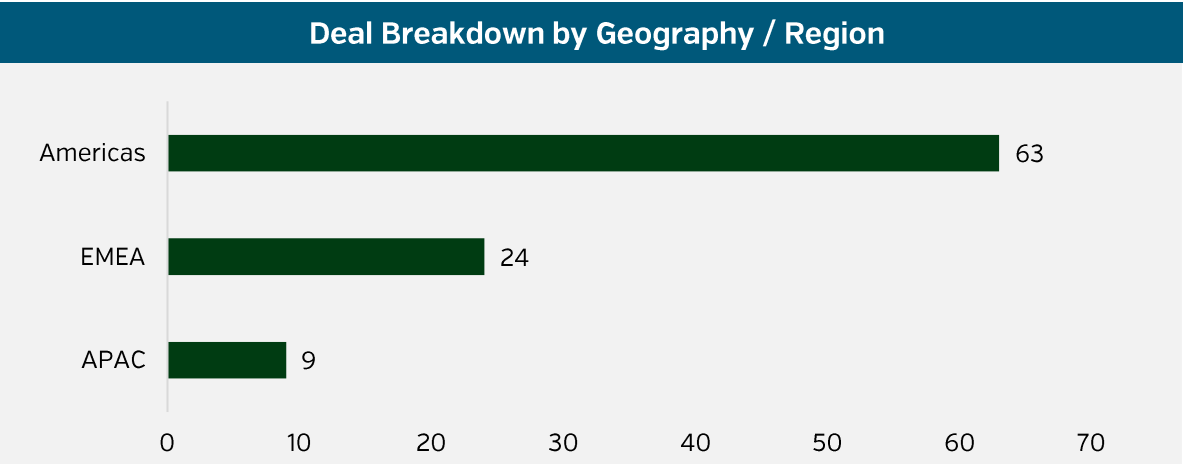
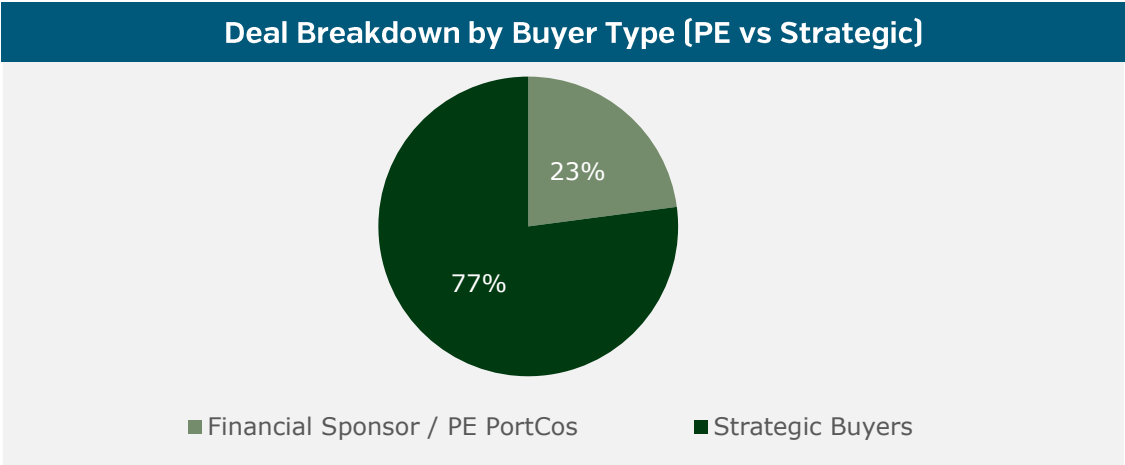
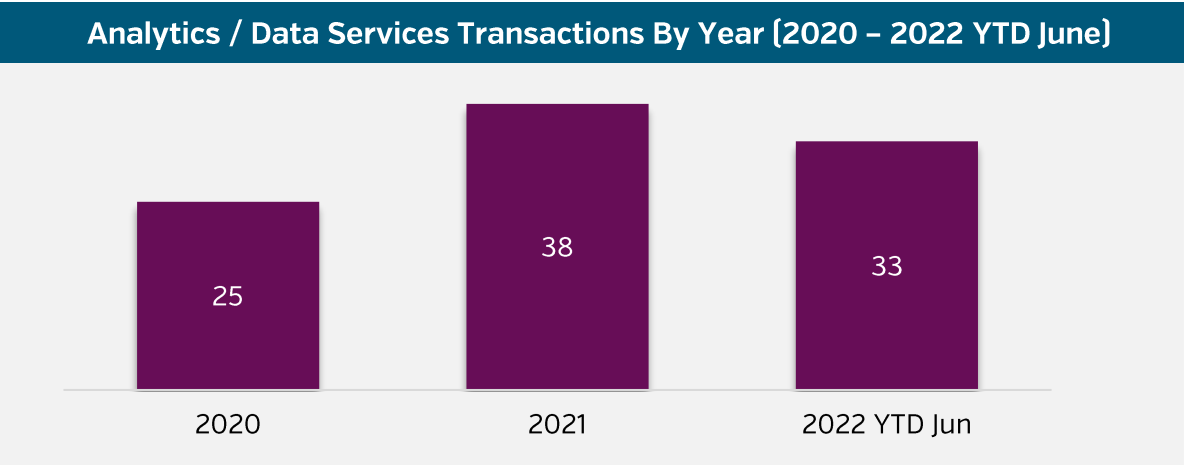
Valuations and share price performance within the Data Analytics space have generally outperformed the broader market in recent years. However, H1 2022 has witnessed a collective decline for Analytics-related multiples and share prices relative to the S&P 500. Leading indicators and equity research perspectives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





























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	 	 	 	 	
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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

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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

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HATCH  Engineering Consultancy Acquired Brainnwave  Data Intelligence Advised on the acquisition November 2021	roam  Digital consulting Sold to amdocs  Advised on the sale October 2021	MGAC  Construction Consulting Acquired rlf  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  Internal Consulting Advised on the sale May 2021
steer  Engineering Consulting Acquired Cloud  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  CREATING FOR PEOPLE 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 solutions  Banking Technology Sold to Advent International  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

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