Yet with disruption comes opportunity! The current crisis has accelerated many organic developments related to the use of technology in employee collaboration, mobility, and security. Less obvious are the advantages of trusted data and real-time insight. Crises create disruption in customer behavior and supply chains, and certain impacts will prove enduring. Firms that have invested in modern data and analytics capabilities are best positioned to pivot quickly and thrive in changing conditions. Leaders will leverage these capabilities to reinforce their positions and further distance themselves from competitors.

Pandemic or not, firms are investing in IT and skillsets in cloud, data, and analytics remain scarce. A recent 451 Research survey indicates 34% of respondents plan to increase IT investment as a result of the current pandemic. Deals follow demand, particularly for client spend viewed as highly strategic. Our conversations with M&A decision makers suggest many are using downtime to reprioritize, with an eye towards moving quickly as the market reopens. Cloud and data are recurring high priority themes in these conversations. We expect a surge of activity and are encouraging clients to prepare accordingly for an acceleration of inbound interest.

With warm regards,

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Sources: 451 Research
Accenture Serial Acquisitions Build Global Scale

Over the past year and a half, Accenture has been extremely acquisitive in the data analytics and artificial intelligence space. The global consulting and technology firm has impressively printed deals for well scaled, leading pure plays including Altius, Clarity Insights, and Knowledgent. The acquisitions add more than 1,000 employees with specialized data and analytics skillsets to existing teams in the Applied Intelligence and Technology segments.

We often observe M&A as a vehicle for acquirers to build new capability (or enable brand permission). Yet few would argue that Accenture lacked credibility in this arena. From our vantage point, these deals are interesting because they speak to the value of both scale and specific IP. Demand for data architecture and engineering (particularly when combined with cloud-native skillsets) continues to dramatically outpace supply of existing talent. These deals enhance Accenture’s capacity to execute at scale with enterprise clients (adding 500+ resources in each of the U.S. and U.K.) – a nod to the pain of building vs. buying in a tight labor market. Moreover, each of these assets brings unique and valuable IP that can take many forms. Certain assets (like products and accelerators) enhance labor efficiency and firm differentiation while other, softer assets (such as training curriculum and knowledge bases) support continuing scaling up of human capital.

What can other companies learn from these deals? First that building scale within a focused domain drives value. Acquirers often evaluate targets in the context of filling a specific need within their existing organizational structure – targets offering such a solution are the most coveted. Second, that codifying all forms of IP can create value in an acquisition. For companies lacking hard IP, creating process and structure around softer forms of IP can help articulate unique and enduring enterprise value.

Knowledgent provides machine learning-based data analytics and consulting services to enterprise clients in the healthcare, life sciences, insurance, and financial services sectors.

Clarity Insights provides AI and ML data analytics consulting, software development, and data integration services primarily for clients in healthcare, financial services, and insurance.

Mudano provides AI-based data integration consulting, analytics reporting, IT project management and regulatory compliance assistance services for the financial sector.

AlphaBeta Advisors provides macroeconomics data analytics strategy and consulting services for the private, public and non-profit sectors.

Altius provides data strategy, consulting, analytics and visualization, warehousing, and related managed services for the public and private sectors, globally.

Source: Public filings, 451 Research, Capital IQ, and company websites
Large capital raises for up-and-coming data analytics unicorns outline broader market themes. With the daily evolution of cloud, machine learning, artificial intelligence, and IoT efforts (just to name a few), enterprise behemoths of the past will continue to lose market share to more-efficient and innovative alternatives.

For some time now, there has been a steady stream of private capital invested into innovative market players. Specifically, two key trends have emerged. Firstly, firms that take a hybrid or multi-cloud approach have taken center stage as clients begin to realize the difficulties of a full cloud migration. Secondly, analytics platforms that have a focus on ease-of-use and accessibility to a broader audience have received a lot of attention as big data rapidly becomes integrated into the operations and decision-making processes of every firm across every industry. Two major recent capital raises for innovative firms in the data analytics space are outlined below:

Snowflake Computing designs and develops cloud-based data warehousing software solutions. The Company received $479 million in an investment round led by Dragoneer Investment Group and Salesforce Ventures, bringing the Company’s valuation to $12.7 billion. Snowflake’s CEO noted that the Company was not looking to raise money, but with its new partnership with Salesforce, it needed to find a way to bring Salesforce into the Company’s capitalization table.

Collibra provides a cloud-based or on-prem data governance platform for data citizens. The Company recently announced $112.5 million in Series F funding led by ICONIQ Capital, Index Ventures, and Durable Capital Partners. The capital raise brought the firm’s total venture funding to $345.5 million. Collibra’s commitment to enabling data intelligence and helping its ~450 customers improve the quality of business decisions driven by data is further bolstered by this funding.

Source: Public filings, press releases, 451 Research, Capital IQ, Infoworks, and company websites
<table>
<thead>
<tr>
<th>Announced</th>
<th>Target</th>
<th>Buyer</th>
<th>Target Description / Deal Rationale</th>
</tr>
</thead>
</table>
| 16-Mar-2020 | FusionCharts   | Idera     | • FusionCharts is a JavaScript charting library which allows developers to build user-friendly, visually appealing dashboards for web and enterprise applications  
• With this acquisition, Idera, backed by HGGC, enhances its portfolio of developer tools to include data visualization capabilities |
| 12-Mar-2020 | Yimian Data    | Ascential | • Yimian Data is an AI-powered digital commerce data solutions provider based in China  
• Ascential will incorporate Yimian as a division of Edge by Ascential, its digital commerce insights and advisory subsidiary |
| 10-Mar-2020 | Cloudcover     | ST Telemedia | • Cloudcover is a cloud-centric service provider specializing in Google Cloud, Amazon Web Services, and Microsoft Azure technologies  
• With this acquisition, ST Telemedia, backed by Temasek, will enhance its STT Cloud IT offering |
| 24-Feb-2020 | Zen3           | Tech Mahindra | • Zen3 is a software solution group with expertise in software product engineering, DevOps testing, and analytics  
• Tech Mahindra will add strong capabilities in AI enablement services with this acquisition |
| 21-Feb-2020 | DataRow        | AWS       | • DataRow provides a SQL client aimed at data scientists specifically designed and built for Amazon Redshift  
• By acquiring DataRow, AWS will enable clients providing users with better AWS visualization and query resolution |
| 18-Feb-2020 | Snowflake      | Cirium    | • Snowflake develops a cloud-based application for the aviation industry for data exchange and management  
• Cirium, which is part of RELX, expects the acquisition to give the combined group a world-class capability in handling live flight data for the global air transport industry |
| 21-Jan-2020 | RoxAI          | Qlik      | • RoxAI provides artificial intelligence, machine learning, natural language processing, advanced analytics, and blockchain business solutions  
• Qlik, backed by Thoma Bravo, plans to use RoxAI’s Ping intelligent alerting software to deliver actionable, self-service alerting and workflow automation capabilities |
| 21-Jan-2020 | Symon.AI       | Varicent  | • Symon.AI provides a technology platform build on natural language processing and machine learning algorithms that provides analytics to business users and data scientists  
• With this acquisition, Varicent will enhance its SPM platform to enable more effective compensation plans, optimized territories and quotas, and higher performing sales teams |
| 09-Jan-2020 | Enverus        | Genstar Capital | • RS Energy provides advanced analytics and applied data science to companies that operate or invest in oil & gas and related markets  
• Enverus, backed by Genstar Capital, will enrich its analytics capabilities in the energy sector with the addition of RS Energy |
| 19-Dec-2019 | Pyxis          | Bain & Company | • Pyxis is a data analysis platform that provides consumer behavior insights  
• With this acquisition, Bain & Company will complement its Advanced Analytics capabilities |
| 12-Dec-2019 | AlgoTrace      | Qualitest | • AlgoTrace builds tools that data analysts and data scientists use to simplify and accelerate prediction modelling processes  
• Qualitest, backed by Bridgepoint, will use AlgoTrace’s tools to expand the number of AI-powered testing solutions available to its clients |
| 12-Dec-2019 | Paxata         | DataRobot | • Paxata is a provider of self-service data preparation and data fabric  
• DataRobot acquired Paxata as part of its mission to fulfill its mission to build the world’s first automated end-to-end enterprise AI platform |
### L6M Featured M&A Transactions (Product Companies - continued)

<table>
<thead>
<tr>
<th>Announced</th>
<th>Target</th>
<th>Buyer</th>
<th>Target Description / Deal Rationale</th>
</tr>
</thead>
</table>
| 19-Nov-2019| Detectica     | COMPASS   | - Detectica helps organizations integrate artificial intelligence and machine learning solutions into their overall business strategy  
|            |               |           | - With this acquisition, Urban Compass, backed by SoftBank, deepens its artificial intelligence and machine learning capabilities across its real estate platform |
| 29-Oct-2019| Schoolzilla   | RENAISSANCE | - Schoolzilla develops a data management platform that turns achievement and operational data into interactive reports  
|            |               |           | - Renaissance, backed by Francisco Partners, will pair its extensive education data with Schoolzilla’s dashboards to provide educators with critical insights |
| 22-Oct-2019| Opex Analytics| LLamasoft | - Opex Analytics develops and offers artificial intelligence solutions for predictive analytics  
|            |               |           | - This acquisition creates a combined company that will offer productized applications and innovative solutions to global organizations to accelerate adoption of artificial intelligence |
| 21-Oct-2019| Mover         | Microsoft | - Mover is a provider of cloud file migration, including admin-led and self-service offerings  
|            |               |           | - Microsoft will use Mover’s capabilities to make file migration to Microsoft 365 simpler for customers |
| 21-Oct-2019| Streamlio     | Splunk    | - Streamlio is an enterprise-grade solution unifying messaging, compute, and stream storage  
|            |               |           | - With this acquisition, Splunk will accelerate its efforts in real-time stream processing and containerized multi-tenant cloud platform applications |
| 04-Oct-2019| Feature Labs  | Alteryx   | - Feature Labs builds tools and APIs for data science automation  
|            |               |           | - Alteryx acquired Feature Labs for its ability to automate the creation of machine learning algorithms |

### L6M Featured M&A Transactions (Services Companies)

<table>
<thead>
<tr>
<th>Announced</th>
<th>Target</th>
<th>Buyer</th>
<th>Target Description / Deal Rationale</th>
</tr>
</thead>
</table>
| 25-Mar-2020| WhiteSky Labs | Capgemini | - WhiteSky Labs is a MuleSoft full-service consultancy with operations across Australia and Asia  
|            |               |           | - The acquisition will help Capgemini to realize the potential of API powered enterprise integration across the region |
| 11-Mar-2020| Lagash        | Mercado libre | - Lagash is a Buenos-Aires-based provider of custom software solutions  
|            |               |           | - With this acquisition, Lagash’s team of over 350 professionals will join MercadoLibre’s team of 3,400 developers |
| 09-Mar-2020| altius        | Avanade   | - Altius is UK based company specializing in data performance management and artificial intelligence  
|            |               |           | - This acquisition will provide Avanade with industry expertise in solutions for the retail, travel and transport, infrastructure and public sectors |
| 05-Mar-2020| Sandtable     | GroupM    | - Sandtable builds models on human behavior by developing realistic simulations of populations  
|            |               |           | - GroupM, WPP’s media investment group, will integrate Sandtable into its technology practice, offering simulation capabilities and data science innovation |
| 28-Feb-2020| Lixar         | BDO       | - Lixar connects end-to-end enterprise-scale services in data, development application, mobile, IoT, and cloud solutions  
|            |               |           | - This acquisition will combine BDO Canada’s analytics team and provide BDO with significant credibility in the data analytics space |

Source: Public filings as of 31-Mar-2019, Capital IQ, Pitchbook
## L6M Featured M&A Transactions (Services Companies - continued)

<table>
<thead>
<tr>
<th>Announced</th>
<th>Target Description / Deal Rationale</th>
</tr>
</thead>
</table>
| 27-Feb-2020 | ▪ AlphaBeta Advisors combines business strategy, data analytics and econometrics to advise clients on how to respond to technological, economic, and social change  
▪ This acquisition will allow Accenture to expand its analytics-led strategy capabilities |
| 17-Feb-2020 | ▪ Icon Integration provides SAP digital supply chain solutions and services as well as specialized business intelligence solutions  
▪ The addition of the Icon Integration team will boost Accenture's technology practice and number of SAP professionals in the region |
| 03-Feb-2020 | ▪ Mudano is a UK-based strategic data consultancy serving the financial industry by providing data and artificial intelligence transformation services  
▪ Mudano’s team of industry-focused data professionals will join Accenture Applied Intelligence division |
| 07-Jan-2020 | ▪ JHC Technology is a specialist in offering managed Amazon cloud services to government agencies  
▪ This acquisition will allow Effectual to move into the public sector |
| 31-Dec-2019 | ▪ Prime Technology Group is a provider of outsourced application development and managed software solutions for complex, highly regulated industries  
▪ Frontenac acquired Prime as part of its vision of building a best-in-class application development and modernization services business |
| 18-Dec-2019 | ▪ Maven Wave is a business and technology consulting firm and Google Cloud Partner specialized in delivering digital transformation solutions for large enterprises  
▪ With this acquisition, Atos will be able to enhance its expertise in building digital solutions using cloud-based applications |
| 13-Dec-2019 | ▪ Clarity Insights is a data consultancy with deep data science, artificial intelligence, and machine learning expertise  
▪ This acquisition will add nearly 350 employees, along with a strong portfolio of accelerators, to Accenture’s Applied Intelligence business |
| 03-Dec-2019 | ▪ Flux7 provides IT delivery optimization and cloud-native application migration and modernization  
▪ With the acquisition, NTT DATA adds an AWS Premier Consulting Partner that provides cloud implementation and migration, automation, and DevOps consulting services |
| 09-Nov-2019 | ▪ Yotabites builds specialized solutions that help clients maximize the use of information across digital, analog, historical, cloud and on-premise data sources  
▪ With this acquisition, ProKarma, backed by Carlyle, will enhance its analytics expertise with Yotabites' proficiency in big data |
| 04-Nov-2019 | ▪ Onica is an AWS Partner Network Premier Consulting Partner and AWS Managed Service Provider  
▪ Rackspace, backed by Apollo, will complement its existing managed cloud services capabilities with the acquisition of Onica |
| 17-Oct-2019 | ▪ Intersys is a provider of data, analytics, digital, and cloud services for organizations seeking to drive modernization within their technology products  
▪ The acquisition deepens and expands ASGN's capabilities in digital innovation and enterprise solutions |
| 17-Oct-2019 | ▪ Powerupcloud is an AWS Premier Consulting Partner with data & analytics competency and machine learning competency  
▪ With more than 180 employees, Powerup brings a strong team of cloud consulting, artificial intelligence and data analytics professionals to LTI |
| 16-Oct-2019 | ▪ Contino helps clients accelerate their digital transformation by leveraging enterprise DevOps methodologies, a cloud-native development approach, and data platforms  
▪ With the addition of Contino’s holistic cloud capabilities, Cognizant will now be able to offer transformative cloud-based solutions |
| 01-Oct-2019 | ▪ Silicus Technologies is a Houston-based provider of cloud and Internet of Things services  
▪ This acquisition enables Infogain, backed by ChrysCapital, to quickly scale its cloud and IoT capabilities |

Source: Public filings as of 31-Mar-2019, Capital IQ, Pitchbook
## Data Analytics / BI Software Index

<table>
<thead>
<tr>
<th>Company</th>
<th>Closing Price 31-Mar-2019</th>
<th>% of 52 Week High</th>
<th>Equity Market Cap</th>
<th>Enterprise Value LTM</th>
<th>EV / Revenue Multiples</th>
<th>EV / EBITDA Multiples</th>
<th>LTM EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alteryx</td>
<td>$83.87</td>
<td>97.9%</td>
<td>$5,786</td>
<td>$5,697</td>
<td>20.4 x</td>
<td>9.2 x</td>
<td>NMF</td>
</tr>
<tr>
<td>Cloudera</td>
<td>10.94</td>
<td>48.8%</td>
<td>3,719</td>
<td>3,570</td>
<td>7.4</td>
<td>2.8</td>
<td>NMF</td>
</tr>
<tr>
<td>MicroStrategy</td>
<td>144.25</td>
<td>95.4%</td>
<td>1,463</td>
<td>1,001</td>
<td>2.0</td>
<td>1.8</td>
<td>NA</td>
</tr>
<tr>
<td>Splunk</td>
<td>124.60</td>
<td>86.7%</td>
<td>21,495</td>
<td>23,325</td>
<td>12.9</td>
<td>7.1</td>
<td>NMF</td>
</tr>
<tr>
<td>Talend</td>
<td>50.57</td>
<td>68.8%</td>
<td>1,728</td>
<td>1,711</td>
<td>7.9</td>
<td>5.6</td>
<td>NMF</td>
</tr>
<tr>
<td>Verisk</td>
<td>133.00</td>
<td>99.7%</td>
<td>22,090</td>
<td>25,305</td>
<td>10.4</td>
<td>8.7</td>
<td>19.1</td>
</tr>
</tbody>
</table>

## Diversified Cloud / Analytics Software Index

<table>
<thead>
<tr>
<th>Company</th>
<th>Closing Price 31-Mar-2020</th>
<th>% of 52 Week High</th>
<th>Equity Market Cap</th>
<th>Enterprise Value LTM</th>
<th>EV / Revenue Multiples</th>
<th>EV / EBITDA Multiples</th>
<th>LTM EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>IBM</td>
<td>$110.93</td>
<td>69.9%</td>
<td>$99,745</td>
<td>$159,179</td>
<td>2.1 x</td>
<td>2.1 x</td>
<td>9.5 x</td>
</tr>
<tr>
<td>Intel</td>
<td>54.12</td>
<td>78.1%</td>
<td>236,213</td>
<td>259,938</td>
<td>3.6</td>
<td>3.6</td>
<td>7.8</td>
</tr>
<tr>
<td>Microsoft</td>
<td>157.71</td>
<td>82.7%</td>
<td>1,199,550</td>
<td>1,134,905</td>
<td>8.5</td>
<td>7.6</td>
<td>16.5</td>
</tr>
<tr>
<td>Oracle</td>
<td>48.33</td>
<td>79.9%</td>
<td>77,023</td>
<td>186,023</td>
<td>4.9</td>
<td>4.7</td>
<td>11.7</td>
</tr>
<tr>
<td>SAP</td>
<td>111.62</td>
<td>78.3%</td>
<td>136,998</td>
<td>148,715</td>
<td>4.8</td>
<td>4.6</td>
<td>19.7</td>
</tr>
<tr>
<td>Teradata</td>
<td>20.49</td>
<td>44.4%</td>
<td>2,349</td>
<td>2,522</td>
<td>1.3</td>
<td>1.3</td>
<td>20.3</td>
</tr>
<tr>
<td>VMware</td>
<td>121.10</td>
<td>58.6%</td>
<td>52,807</td>
<td>56,116</td>
<td>4.8</td>
<td>4.8</td>
<td>29.2</td>
</tr>
</tbody>
</table>

## LTM EV / Revenue Multiple Trend – 3 Years

Source: Public filings as of 31-Mar-2020, Capital IQ
Note: Multiples charts may differ from Comparable Company Analysis figures due to detailed adjustments made to the Comparable Company Analysis.
Cloud, Data, & Analytics Market Indices Performance – 1 Year

Source: Public filings as of 31-Mar-2020, Capital IQ

Q1 2020 Share Price Performance – 1 Quarter

Source: Public filings as of 31-Mar-2020, Capital IQ
ABOUT US

Clearsight Advisors is a premier, independent investment bank dedicated to providing world-class M&A and capital raising solutions exclusively to growth-oriented Technology and Business Services companies. Clearsight combines deep market insights across software, services, and data. This market knowledge combined with superior strategic and financial advice allows Clearsight to act as a catalyst, enabling entrepreneurs, private equity owners, and boards of directors to successfully advance their vision. Clearsight Capital Advisors, Inc., a wholly owned subsidiary, is a registered member of FINRA & SIPC. For more information, please visit www.clearsightadvisors.com

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