

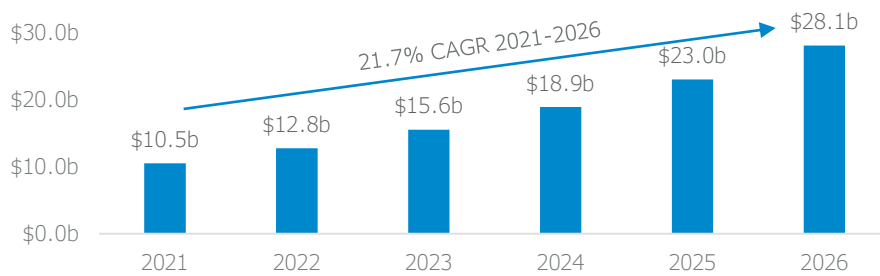
## Market Update Data Science & Analytics

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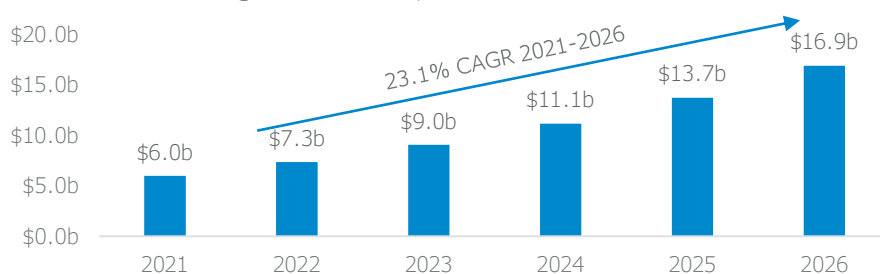
The Data Science and Analytics’ deal markets closed out 2021 on a high note continuing the trend of what has been an incredibly active year across the sector. 7 Mile has been noticing a strong increase the last several years and over the previous six months, flexible data and analytics offerings are becoming pivotal and required for companies to achieve digital transformation and production. 7 Mile expects the underlying M&A trends in Data Science and Analytics to continue to rise in 2022.

Deal volumes and valuations remain high as both strategic and financial buyers have been aggressively investing into emerging data and cloud analytics spaces. Specifically, the Predictive Analytics market has been growing at an impressive 21.7% CAGR and will continue to over the next half decade. Additionally, the Big Data Analytics market for retail players has been growing at a 23.1% CAGR since and is expected to continue at this rate through 2028.

Global Predictive Analytics Market Value

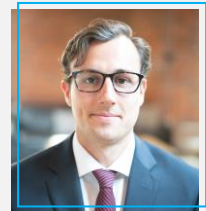


Global Big Data Analytics Market Value - Retail



7MA has completed numerous M&A transactions for companies across the world in the data science and analytics space and has developed unparalleled deal expertise and knowledge of the industry trends, valuation trends, and most active strategic and financial buyers. Please contact Garth Martin or Iliia Ulianchuk if you would like to learn more about Data Science and Analytics.

### Sector Coverage Team



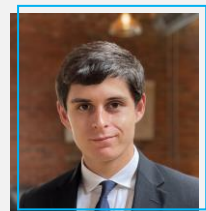
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## Data Science &amp; Analytics in 2022 – A Snapshot

After active 2021 M&A year in the Data Science & Analytic space, sellers can expect to see even greater activity in 2022. Specific trends and expectations for a 2022 “snapshot” can be broken down into five overarching themes.

- 1. Predictive Analytics** demand is incredibly high, and capabilities are sought after as many enterprises around the world are already using predictive analytics for AI/ML algorithms, data mining and predictive marketing to optimize processes.
- 2. Modern AI** is expected to play a large role heading into 2022. Today, AI is a massive asset used to minimize human error and increase automation and efficiencies. As AI technology moves forward, human involvement in AI-related processes will shift to a strategic role and away from more monotonous work. Humans will still be pivotal to decide the best way to scale current technologies, while the algorithms themselves will be doing the actual grunt work.
- 3. Cloud Computing** will have a continuation of rapid adoption and growth in 2022. Heading into this year automation, AI and ML will play an increasingly larger role in cloud environments. Additionally, companies will realize the need to invest in infrastructure modernization if they hope to take advantage of the latest innovations in cloud technology.
- 4. Adoption of Business Intelligence (BI) Tools** will shape 2022 drastically, especially across the manufacturing, business services, and retail industries. As BI tools require minimal computation and data analytics expertise to use, a major shift across businesses will occur to use these tools. Additionally, budgets towards BI tools is expected to grow dramatically during 2022. According to some analysts, estimated budget increases are as high as 50% for many businesses, including those in the retail, financial services and technology.
- 5. Data Management** will be faced by many organizations in 2022. Today, companies have such massive amounts of data to manage. The new “data universe” is made up of data management architectures that act as a central repository where businesses can harness more data. These universes will likely make data warehouses obsolete in the coming years and the shift in companies relying on data universes will be an interesting trend to follow in 2022.

## NTT Data Services, announces Acquisition of Chainalytics, a Supply Chain Analytics Services Provider





Via its financial sponsor, GPB Capital, NTT Data Services, a leader in cloud, data, and applications services, acquired Chainalytics, an Atlanta-based, supply chain consulting and managed analytics services provider. This acquisition will help bolster and broaden NTT’s supply chain consulting arm to bring optimal expertise to its enterprise clients. This transaction marks NTT’s second acquisition of the year with Nexient, a leading software development consultation firm, being their first in May 2021. Since their acquisition in March 2017, NTT has acquired a total of eight companies who all operate in the IT consulting space. Going forward into 2022, it will be interesting to follow NTT’s M&A activity in this booming space.

**Date:** December 22, 2021

**Deal Type:** Buyout/LBO

**Target HQ:** USA

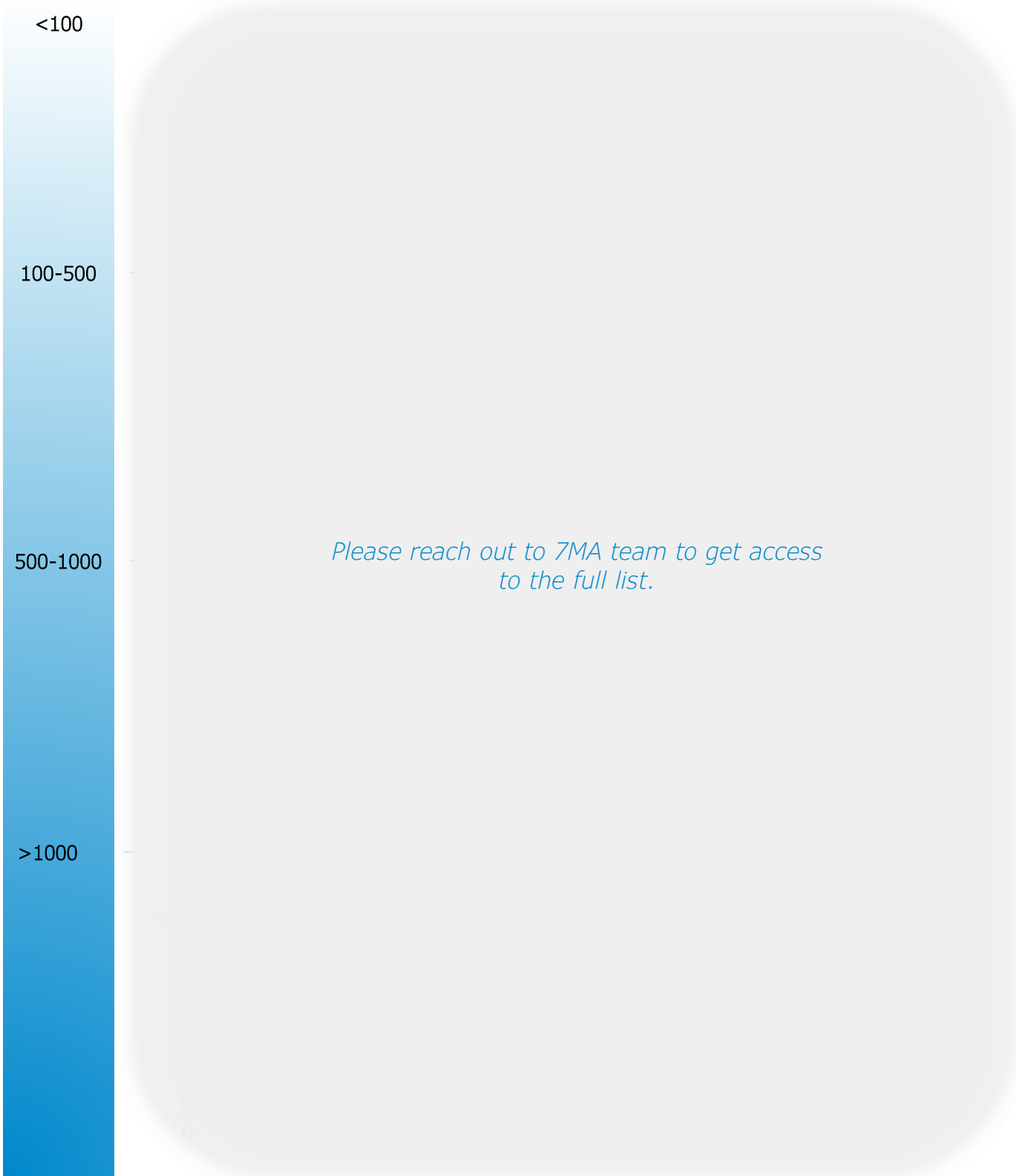
## Most Notable M&amp;A Data Analytics Acquirers in Q4 2021 (M&amp;A and PE)







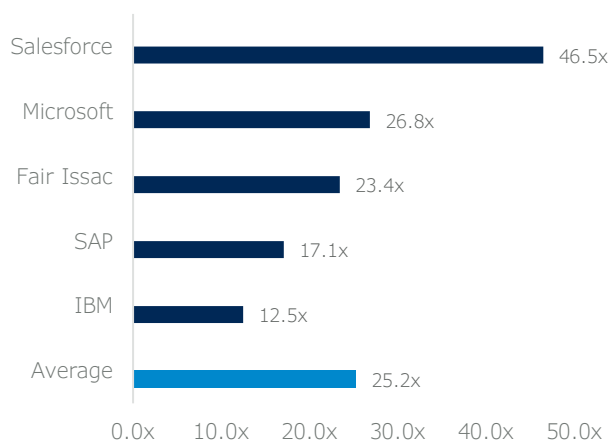

## # of Employees



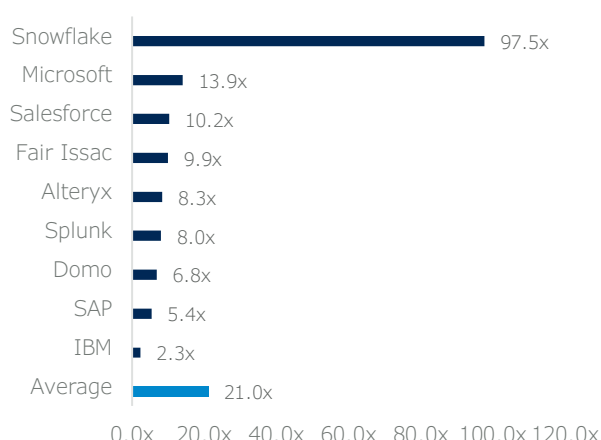
## Publicly-traded Data & Analytics Software Providers – Q4 2021

Companies	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# of FTEs	Rev / FTE \$k
Microsoft	2,457,838	91,653	176,251	18%	69%	52%	13.9x	26.8x	181,000	1,358
Salesforce	254,928	5,488	24,983	24%	74%	22%	10.2x	46.5x	56,606	450
IBM	170,918	13,708	74,460	-5%	48%	18%	2.3x	12.5x	375,300	46
SAP	175,704	10,299	32,743	-1%	72%	31%	5.4x	17.1x	105,015	167
Snowflake	100,072	(131)	1,026	124%	60%	-13%	97.5x	nm	2,495	4,011
Splunk	20,068	(312)	2,518	-5%	72%	-12%	8.0x	nm	7,573	265
Fair Issac	12,982	555	1,317	2%	75%	42%	9.9x	23.4x	3,662	355
Alteryx	4,322	45	523	19%	90%	9%	8.3x	96.1x	1,786	242
Domo	1,657	(33)	245	21%	74%	-13%	6.8x	nm	756	219
<b>Average</b>	<b>456,073</b>	<b>17,323</b>	<b>44,757</b>	<b>22%</b>	<b>67%</b>	<b>20%</b>	<b>21.0x</b>	<b>25.2x</b>	<b>104,522</b>	<b>950</b>
<b>Median</b>	<b>170,918</b>	<b>5,488</b>	<b>24,983</b>	<b>2%</b>	<b>72%</b>	<b>22%</b>	<b>9.9x</b>	<b>23.4x</b>	<b>56,606</b>	<b>355</b>

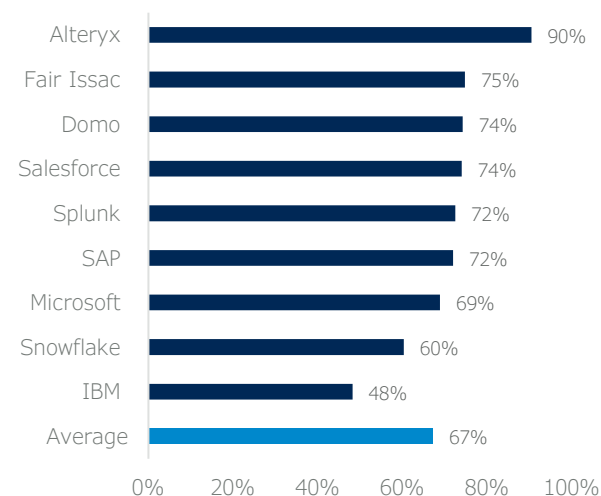
### TEV / EBITDA X



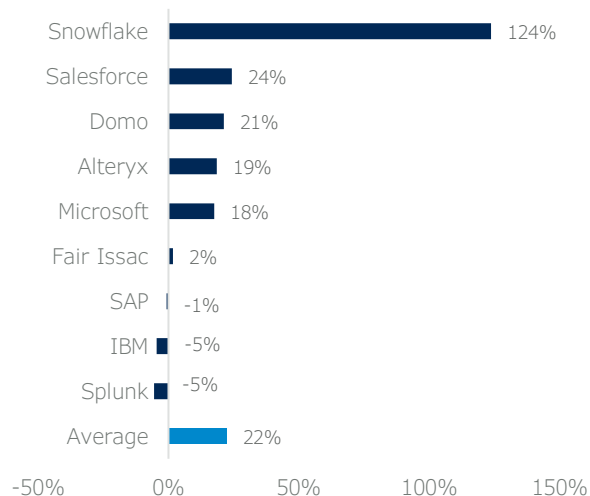
### TEV / Rev X



### Gross Margin %



### Rev Growth YoY



## Q4 2021 M&amp;A Transactions

Date	Target	Buyer / Investor	Target Description
October-21, 2021*	 DataSentic		<ul style="list-style-type: none"> <li>Atos (PAR: ATO) has acquired Datasentics, a data analytics and data science process consulting services provider. The acquisition will help strengthen Atos' AI/ML and computer vision offerings by providing them with modern, AI-oriented products and data science capabilities. Founded in 2016, Datasentics specializes in data analytics and machine learning-powered cloud technologies and will bring extensive knowledge to Atos' current workforce.</li> </ul>
November-2, 2021		 	<ul style="list-style-type: none"> <li>3Cloud, a leading Microsoft Azure services firm and Gryphon Investors portfolio company, has acquired CCG Analytics, a Tampa-based data and analytics consulting firm and premier Microsoft partner. CCG Analytics stands out as an innovative consulting firm, with a diverse mid-market customer portfolio, that helps customers treat data as a critical asset across the organization enabling both resiliency and power to scale in today's digital business economy.</li> </ul>
November-20, 2021			<ul style="list-style-type: none"> <li>Accenture has acquired BRIDGEi2i Analytics Solutions, a leading India-based, AI-driven business and data analytics software developer. The company has four additional offices around the world, three of which are in the United States as well as one in Australia. The deal will help bolster Accenture's international capabilities in data science, machine learning and AI-powered insights, as well as add over 800 skilled professionals to Accenture's Applied Intelligence practice.</li> </ul>
November-29, 2021		 	<ul style="list-style-type: none"> <li>Via its financial sponsor, Apax Partners, Solita acquired Intellishore, a data and strategy consulting services firm designed to aid enterprises in delivering successful digital transformations. Specializing in decision making tools, data analytics and strategy formulation services, the acquisition will improve Intellishore's market position with over 1,200 new colleagues to continue its expansion into Danish and international markets.</li> </ul>
December-17, 2021		 	<ul style="list-style-type: none"> <li>TransUnion's healthcare business division was purchased by nThrive, via its financial sponsor, Clearlake Capital Group, via a \$1.74 billion LBO in December 2021. Resulting from the acquisition, the combined entity will offer healthcare enterprises total, end-to-end RCM technology solutions, expedite patient access for improved patient and monetary results and equip customers with greater predictability regarding financial performance.</li> </ul>
December-20, 2021			<ul style="list-style-type: none"> <li>Clairvoyant, an enterprise data analytics platform developer created to help organizations construct products using big data, analytics and the cloud, was acquired by ExlService Holdings (NAS: EXLS). With the acquisition, EXL's data engineering and cloud enablement capabilities are broadened, further supporting its clients in insurance, healthcare, financial services and retail.</li> </ul>

\*Transaction was announced during Q4 2021

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. All securities transactions are executed by 7M Securities, LLC, member FINRA / SIPC. For more information, including research on the M&A markets, visit [www.7mileadvisors.com](http://www.7mileadvisors.com).



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## Notable 7 Mile Transactions

CRYPHON INVESTORS | 3Cloud  
CCG

groundswell  
Deloitte.

acuant  
a portfolio company of Audax Private Equity  
HELLOSODA

UV | We accelerate businesses.  
argano  
a portfolio company of TRINITY HUNT

ZILKER TECHNOLOGY  
EY

