



# FINANCIAL INFORMATION, DATA & ANALYTICS Q2 UPDATE

JULY 2023

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AN AFFILIATE OF



# FINANCIAL INFORMATION, DATA & ANALYTICS Q2 UPDATE

Dear Clients and Friends,

Solomon Partners is pleased to present its Financial Information, Data & Analytics Update for Q2 2023.

- Recent advances in the sophistication and accessibility of generative AI have accelerated adoption and created new opportunities for financial information, data & analytics companies
  - Financial end-markets are among the most likely to experience AI-driven disruption, with many leaders in the space already exploring value-additive ways to integrate AI into business operations
  - The value of proprietary data will increase with continued AI innovation as models are developed which require niche, specific datasets to support high-impact outcomes
- Softness persisted in the overall M&A environment, as deal and capital raising volumes were down year-over-year
  - The second quarter, however, featured two large transactions in the sector, with Nasdaq's acquisition of Adenza and Deutsche Börse's acquisition of SimCorp representing over ~\$15B of combined value
- Public Financial Information, Data & Analytics valuations have remained steady
  - The Q2 2023 weighted average EV/LTM EBITDA multiple in Solomon Partners' Financial Information, Data & Analytics Comp Set was ~25x, which represents a ~1x increase since the end of Q2 2022

We hope you enjoy this report, and please reach out if you have any questions. We look forward to staying in touch.

Regards,

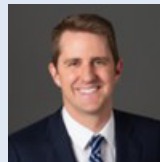


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Partner

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**Joe Watson**

Managing Director

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**Nate Stulman**

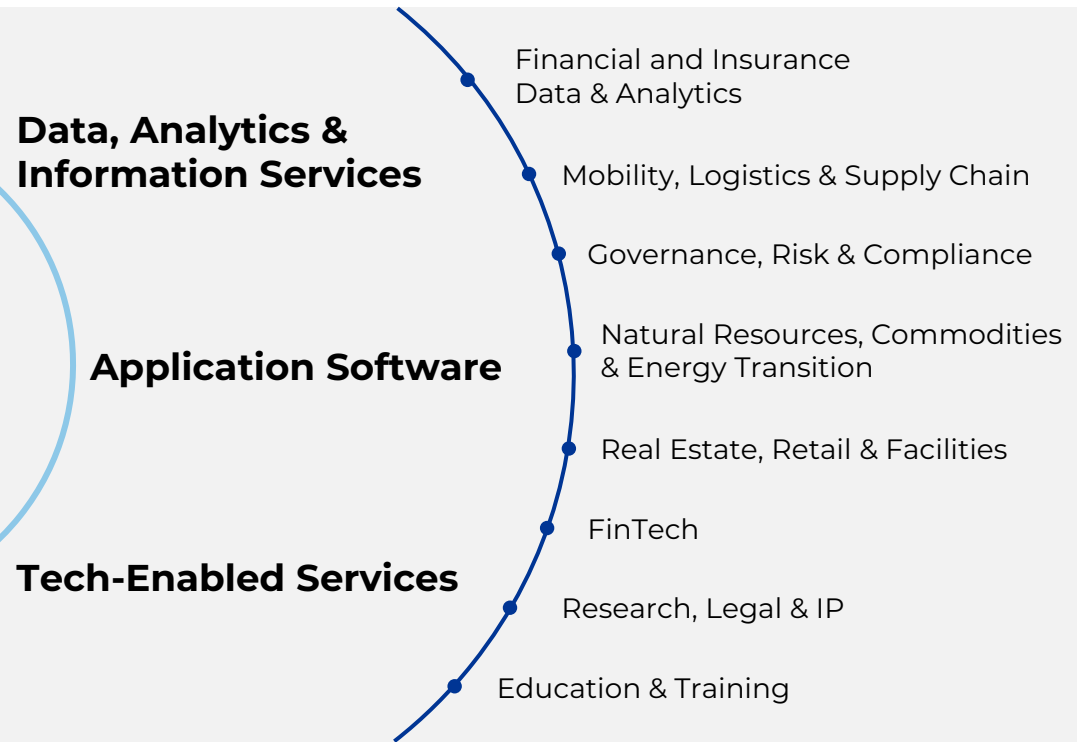
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# SOLOMON PARTNERS – TECHNOLOGY GROUP

## SOLOMON PARTNERS TECHNOLOGY COVERAGE<sup>(a)</sup>



**Wilshire**  
launched Wilshire indexes with

**Evaluate**  
a portfolio company of  
 has merged with

**abry partners**  
has sold  
 to  
STONE POINT CAPITAL

**informa**  
has sold  
 to

**KPLER**  
Has received a minority investment from

**CIP CAPITAL**  
has sold  
 to

**informa / inflexion**  
combines  
 to form  
**curinos**

**IEQT**  
has sold  
 to  
**Moody's**

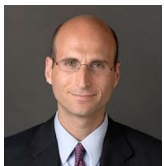
**PowerAdvocate**  
has been acquired by



**Marc Cooper**  
CEO



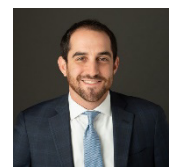
**Craig Muir**  
Partner  
Head of Software,  
Data & Analytics



**Jeffrey Derman**  
Partner



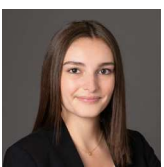
**Joe Watson**  
Managing Director



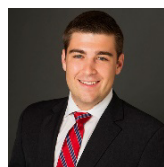
**Jonathan Berger**  
Director



**Incoming Director**  
Joining August 2023



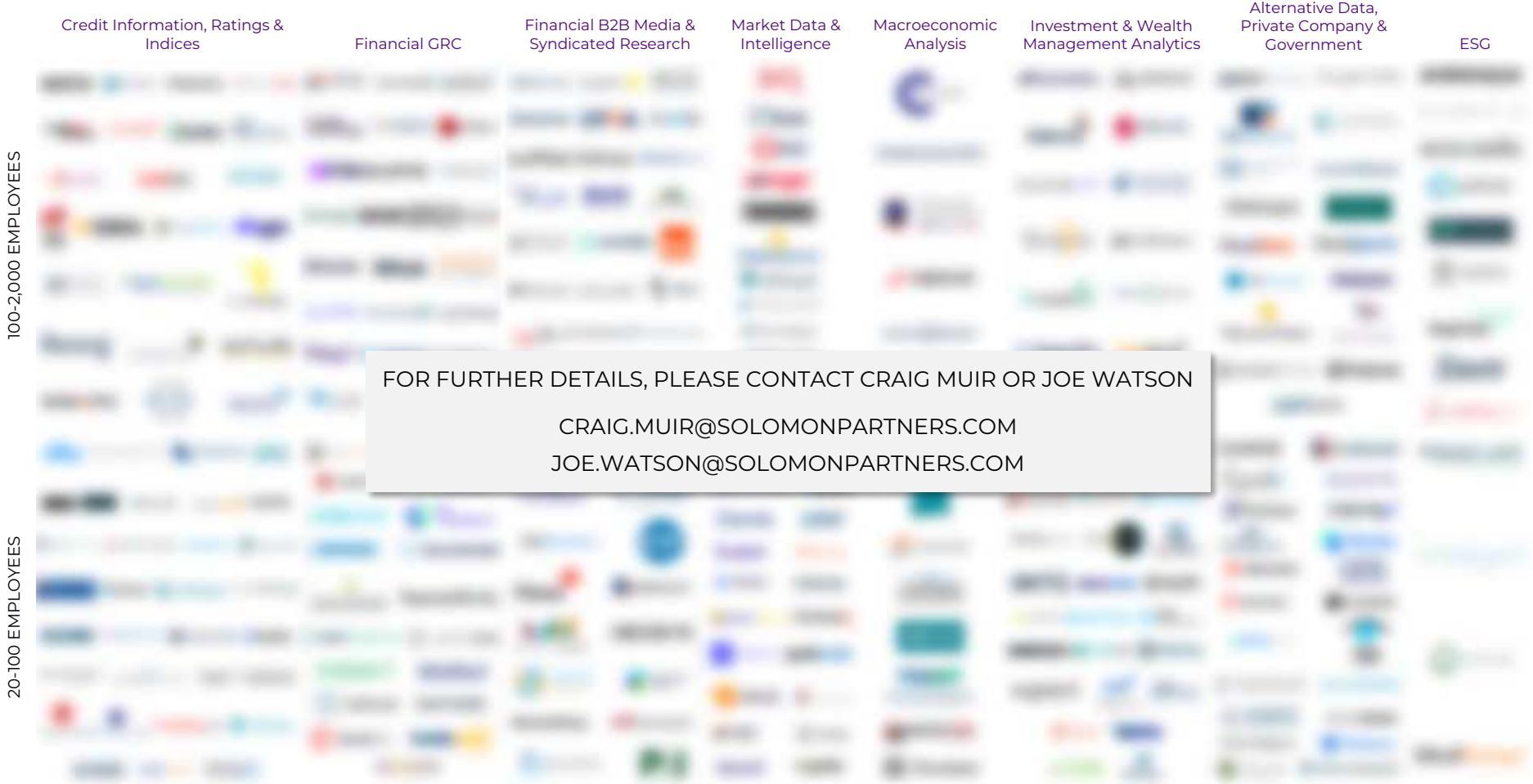
**Anna Broadbent**  
Associate



**Brendan Kirk**  
Associate

a) Note: Includes transactions by Solomon bankers at prior firms. Acted as financial advisor to top company listed on deal credentials.

# MAPPING THE FINANCIAL INFORMATION, DATA & ANALYTICS MARKET



FOR FURTHER DETAILS, PLEASE CONTACT CRAIG MUIR OR JOE WATSON

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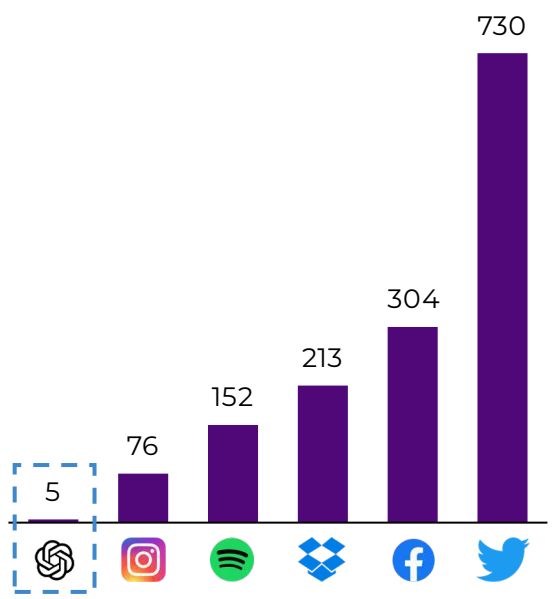
JOE.WATSON@SOLOMONPARTNERS.COM

# AI UPDATES AND PERSPECTIVES

# RAPID ADVANCES IN GENERATIVE AI HAVE ACCELERATED WIDE-SPREAD ADOPTION

<b>June 2017</b>	<b>June 2018</b>	<b>March 2022</b>	<b>November 2022</b>	<b>January 2023</b>	<b>May 2023</b>	<b>June 2023</b>	<b>July 2023</b>
Google researchers first describe the <b>transformer algorithm</b> that would turbocharge the power of chatbots	OpenAI releases <b>GPT-1</b> , demonstrating the ability of transformer-based models to <b>effectively generate coherent sentences</b>	OpenAI releases <b>GPT-4</b> , <b>significantly increasing the parameter size</b> and offering capabilities for <b>image-to-text outputs</b> and <b>competent code generation</b>	OpenAI releases <b>ChatGPT</b> publicly, the first major generative AI application <b>widely-adopted by consumers</b>	<b>Microsoft and Google</b> announce plans to <b>incorporate generative AI</b> into the entirety of their product suites, <b>accelerating AI adoption in business use-cases</b>	<b>Congressional Research Service</b> publishes <b>primer on generative AI and data privacy</b> , outlining <b>governance issues and policy considerations</b> for Congress	<b>EU Parliament</b> approves negotiating position on "A.I. Act", which would put new <b>restrictions</b> on the riskiest AI use cases and require companies to <b>disclose more about data collection processes</b>	<b>Twitter</b> limits the number of tweets users can read to <b>mitigate extreme levels of data scraping</b> for generative AI models

CHATGPT'S GROWTH (DAYS TO A MILLION USERS)<sup>(a)</sup>



KEY RECENT AI FUNDRAISINGS

Date	Investor	Target	Target Description	Amount
Jan 2023	Microsoft	OpenAI	Artificial intelligence research laboratory and technology company focused on the development of generative AI models	\$10B
Feb 2023	breyercapital, FIRST LIGHT CAPITAL, TIME Ventures	SANDBOX AQ™	Provides a secure and controlled environment for the development and testing of AI models and applications	\$500M
Mar 2023	GENERAL CATALYST, SPARK CAPITAL	ADEPT	Develops advanced natural language processing technologies to enhance automation and efficiency in various industries	\$350M
May 2023	SPARK CAPITAL	ANTHROPIC	Develops robust and scalable AI algorithms and conducts research on safety measures to ensure responsible deployment, aiming to build beneficial generative AI systems	\$450M

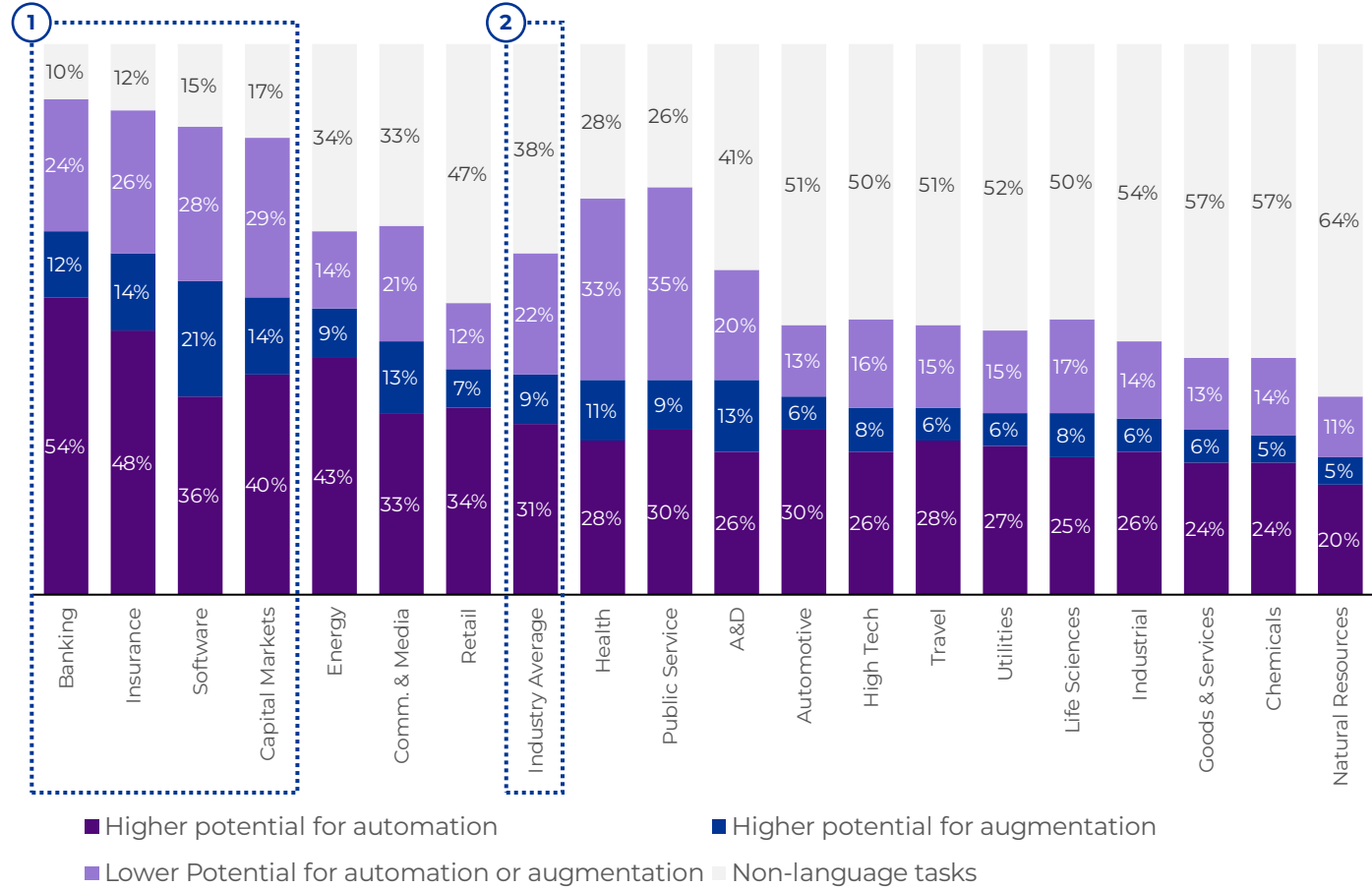
Over \$25B of capital invested in AI companies since the beginning of 2023<sup>(b)</sup>

a) Source: Statista.  
b) Source: Crunchbase.

# FINANCIAL END-MARKETS HAVE THE GREATEST POTENTIAL FOR AUTOMATION THROUGH GENERATIVE-AI

## POTENTIAL GENERATIVE AI IMPACT ON WORK TIME BY INDUSTRY<sup>(a)</sup>

**Categorizing tasks into "automation" (tasks that AI can fully perform) and "augmentation" (tasks where AI can assist human work) to contextualize the potential impacts of generative AI on time spent at work**



## KEY TAKEAWAYS

- 1 Research suggests that the four industries with highest potential to be impacted by either automation or augmentation are financial information, data & analytics-related (banking, insurance, software / platforms and capital markets)
- 2 On average, over 60% of time spent across all industries can be made more efficient through the use of generative AI, leading to role reinvention and heightened productivity

**Financial end-markets are ripe for AI-driven disruption – presents clear opportunities for data, information and analytics innovators**

# GENERATIVE AI PRESENTS MASSIVE OPPORTUNITIES FOR THE FINANCIAL INFORMATION, DATA & ANALYTICS SECTOR

## IMPORTANCE OF PROPRIETARY DATA

“AI is an exciting progression [and] the data these technologies rely upon [is] **proprietary data**. We have the tools and expertise to use these technologies, and **we will be using them in our products and services**”



2023 Full-Year Earnings Call

## DEVELOPMENT OF ADVANCED ANALYTICS TOOLS

“The combination of increasingly available data sets with effective AI and ML capabilities allows for the **generation of mission critical insights** integrated into clients’ workflows...More insightful analytical tools, in turn, drives growing recognition of the **power of analytics in everyday business processes**”



2022 10-K

## ACCELERATED AUTOMATION

“We increasingly utilize proprietary and third-party technologies, including artificial intelligence, machine learning and natural language processing tools, to enhance our ability to gather and analyze data, create content and **automate and enhance the efficiency of many of our data processes**”



2022 10-K

## UNSTRUCTURED DATA

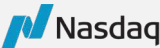
“[We will use AI] to **mine unstructured data** and get more data and even more insights. And of course, there will be the opportunities to do more with customers and prospective customers, better insights and of course, efficiency [...] There’s a very interesting opportunity to **enable the product suite**”



May 2023 Company Conference

## ENHANCED TRANSPARENCY

“We see compelling opportunities to **leverage broader AI models**, including deep reinforcement learning, predictive control and computer vision across our business divisions to support our strategic efforts to **enhance the liquidity, transparency and integrity of the financial ecosystem**”



2023 Q1 Earnings Call

## TRAINING MODELS WITH LARGE DATASETS

“Three areas [of **large language models and generative AI**] are really critical: It is **compute**, which is really expensive. Then there are the **algorithms**, which are more open source and generic. And then it is about **training data**...If you have really good training data, you can improve the algorithms and drive down the compute cost. **We have, as S&P, the largest training dataset for financial markets**”



2023 Q1 Earnings Call

# FINANCIAL INFORMATION, DATA & ANALYTICS LEADERS ON GENERATIVE AI



**Todd Willits**  
CEO, EPFR

### What are opportunities for using generative AI in your business?

“From an operations perspective, **we use AI to lay out basic structures of communications and written documents**, allowing us to **refine the message rather than craft it from scratch every single time**. In the earliest experiments, we’re using these systems to **identify data characteristics, allowing us to quickly create new taxonomies and aggregations** in which our clients express interest.”

### How is your firm approaching the implementation of these tools?

“We have a Chief Innovation Officer who has **immersed themselves in evaluating numerous competitive algorithm and testing capabilities**, but more **importantly outputs**. As we continue to develop potential solutions to problems, **we will build out more formalized processes**.”



**Travis Weldon**  
Head of Corporate Development, FE Fundinfo

### Has increased focus on generative-AI fed into your acquisition criteria?

“Our potential targets’ thinking and planning around generative AI informs us about their **sophistication across their enterprise**. We see the potential for AI to have a **major impact across every step of our value chain** and are actively seeking targets who are doing the same.”

### Are you leveraging generative AI to assist with M&A sourcing?

“AI has the potential to allow us to **digest vast sources of information efficiently** and we are evaluating how it can help us **alongside our traditional methods**. We also believe that there will be a strong use case for **automating some activity in due diligence** with a much more **stringent set of criteria** to ensure the information is handled properly.”



**Per Jirstrand**  
Co-Founder & CEO, DIRO

### What are general perceptions of AI amongst team members?

“**Comprehensive integration of AI has yielded remarkable results for our team**. Not only has the **overall quality of our output significantly improved**, but it has also allowed our team members to **allocate more time to research and development, as well as problem-solving**, rather than being consumed by mundane tasks that can be effectively automated by AI.”

### Is generative AI an opportunity or risk for your business?

“For DIRO, **AI is a massive opportunity**. Not only has generative AI **increased the speed** at which we develop our product (**output increased by 10x** in some instances), but also **improves the end user experience**...I can see a **big risk for any company that does not have a clear strategy or understanding** on how to best leverage generative AI into their businesses.”

# AI BEST PRACTICES AND KEY TAKEAWAYS

## Proprietary Data will be a Differentiator

- AI models require specific data inputs to support high-importance outcomes, accentuating the value of proprietary, niche datasets
- While AI adoption may commoditize certain tools or services, proprietary data providers are well-positioned to benefit and should look to further build / extend data assets

## Opportunity to Realize Efficiencies Across the Organization

- Opportunity to enhance productivity by using AI to automate repetitive tasks and process large volumes of data
- Companies that leverage generative AI tools effectively will have an advantage – reduce operational costs, minimize human error and drive organizational efficiency

## Leverage AI to Develop Novel Insights and Analytical Techniques

- Combining generative AI with deep learning and data mining techniques can transform previously unstructured, underutilized or unrelated data into structured, actionable insights
- Automated exploration of proprietary data and associated feedback loops can be used to enable the creation of differentiated business applications

## Important to Implement Proper Governance

- AI models are built using large data volumes; this process gives rise to important considerations around the collection, usage and storage of third-party data
- Strong data and AI governance will be needed to avoid reputational, legal and monetary risks

## Develop Frameworks and Best-Practices for Employees

- As AI is integrated into everyday operations, companies must develop employee guidelines and best practices to maximize leverage
- Defining clear use cases and frameworks for employees will optimize applications of the technology and avoid pitfalls

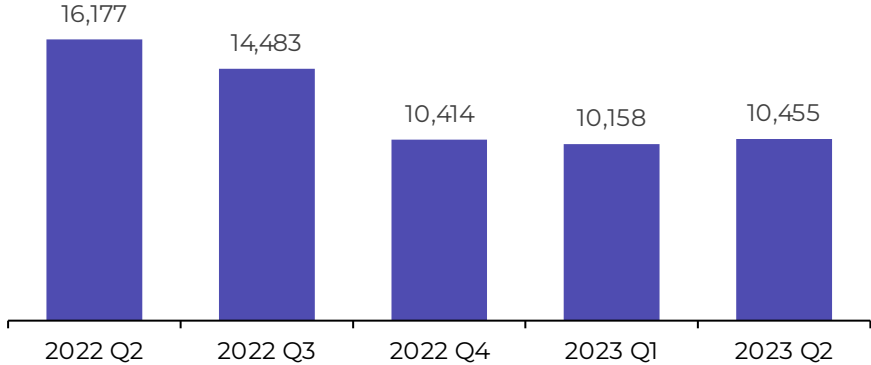
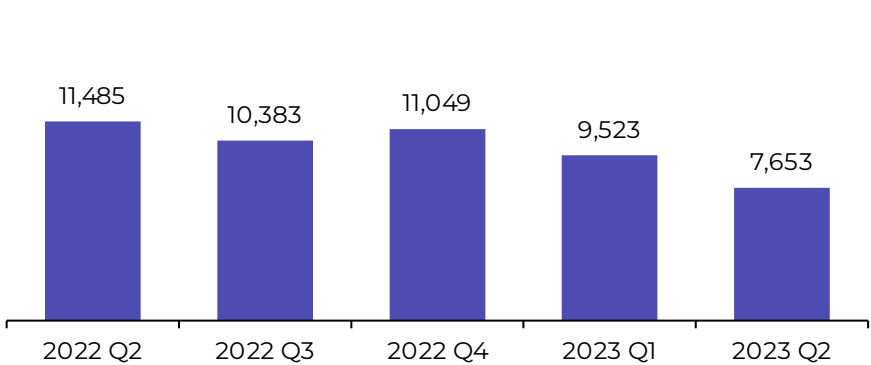
# Q2 2023 DEAL ACTIVITY

# INFORMATION, DATA & ANALYTICS TRANSACTION VOLUMES

## M&A TRANSACTION VOLUME<sup>(a)</sup>

## CAPITAL RAISE TRANSACTION VOLUME<sup>(b)</sup>

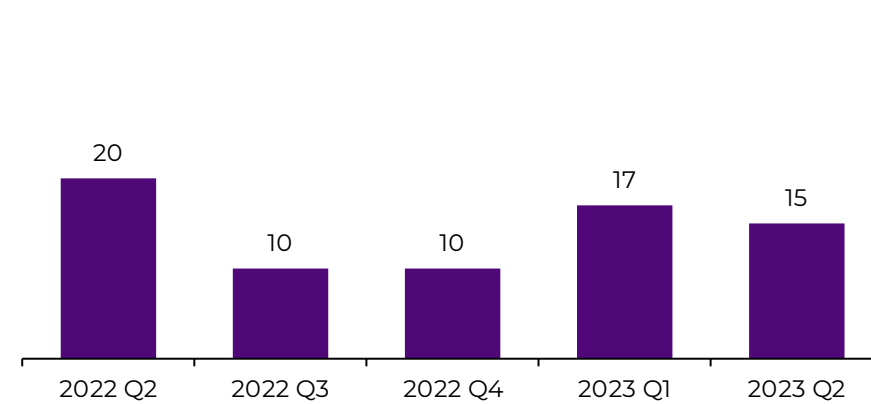
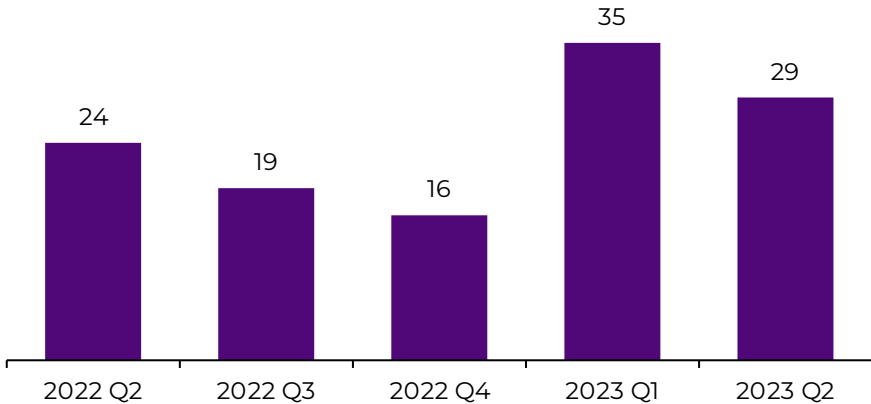
Overall M&A transaction volumes have decreased year-over-year



## INFORMATION, DATA & ANALYTICS M&A TRANSACTION VOLUME

## INFORMATION, DATA & ANALYTICS CAPITAL RAISE TRANSACTION VOLUME

Information, Data & Analytics transaction volumes were slightly lower in Q2 vs Q1



# NASDAQ ACQUIRES ADENZA



## TRANSACTION OVERVIEW

### TRANSACTION OVERVIEW

- On June 12, 2023, Nasdaq, an equity exchange and distributor of market data, announced its acquisition of Adenza, a provider of cloud-enabled front-to-back risk management and regulatory software for the financial services industry, for ~\$10.5B
- Adenza complements Nasdaq’s solutions across marketplace technology and anti-financial crime while also adding new competencies in compliance and risk management technology
- Transaction consideration is comprised of \$5.75B in cash and 85.6M shares of Nasdaq common stock, implying multiples of 20.2x 2022A revenue and 35.4x 2022A EBITDA

### RATIONALE / SYNERGIES

- Expected to yield ~\$80M in cost synergies by the end of year two through functional alignment, product rationalization, location optimization and consolidation of vendors
- Expected to yield ~\$50M in revenue synergies in the medium term and ~\$100M over the long term
- Geographical and product expansion opportunities for Nasdaq by cross-selling Verafin (acquired by Nasdaq in 2020) to European banking customers of Adenza and integrating exchange-traded instruments into Adenza’s risk management tools

### DEAL COMMENTARY

“The acquisition of Adenza brings together two world-class franchises steeped in market infrastructure, regulatory and risk management expertise at a time when financial institutions are navigating some of the most complex market dynamics in history.”

**Adena Friedman**  
CEO, Nasdaq

“Together with Nasdaq, we will be in an even stronger position to take advantage of the growing market opportunities and to provide customers with expanded solutions to solve their most complex problems.”

**Didier Bouillard**  
CEO, Adenza

### ADENZA’S SOLUTIONS

#### Capital Markets

Front office trading and portfolio management	Treasury and liquidity management
Middle office trading risk analytics	Margin call, collateral and securities management
OTC and ETD clearing solutions and trade lifecycles	Optimize efficiency in post-trade processing

#### Risk & Financial Regulatory Reporting

End-to-end solutions for regulatory reporting	Control and compliance in regulatory risk management
Automated approach to liquidity risk management	Handles global shareholding disclosures
End-to-end trade and transaction reporting	Back-office post trade processing

# DEUTSCHE BÖRSE ACQUIRES SIMCORP



## TRANSACTION OVERVIEW

### TRANSACTION OVERVIEW

- On April 27, 2023, Deutsche Börse, an exchange providing access to global capital markets, announced its acquisition of SimCorp, a provider of investment management software and associated technology-enabled services, for ~\$4.2B
- SimCorp complements Deutsche Börse’s existing product offerings and closes a capability gap in investment management solutions
- Transaction price represents a ~39% premium to SimCorp’s closing share price, implying multiples of 6.8x 2022A Revenue and 27.3x 2022A EBITDA

### DEAL COMMENTARY

“Over the last couple of years we have significantly enhanced our data and analytics capabilities with a strong strategic focus to further develop within the investment management business. SimCorp is a perfect fit strategically and culturally.”

**Theodor Weimer**  
CEO, Deutsche Börse

“The offer from Deutsche Börse represents attractive value for the shareholders of SimCorp as the company accelerates its transformation to a full-scale SaaS and BPaaS provider to deliver sustained long-term profitable growth.”

**Peter Schütze**  
Chairman, SimCorp

### SIMCORP’S SERVICES

- Investment Operations** | Manages entire post-trade operations and the related reporting
- Investment Accounting** | Delivers accurate and regulatory compliant accounting data and reports
- Data Management** | Provides clean market and reference data to use in business processes
- Investment Management** | Provides a cloud platform for investment management and streamlining operations
- Success Management** | Offers management services allowing users to maximize value from SimCorp’s services

### COMBINING ISS AND QONTIGO

- Deutsche Börse also announced the combination of two business units: ISS, a provider of corporate governance and responsible investment services, and Qontigo, a provider of financial intelligence
- The combination of ISS and Qontigo creates a leading quality-focused ESG, data, index and analytics provider
- Expected to yield ~€90M of EBITDA synergies from Simcorp acquisition and ISS/Qontigo combination with the transformation of its Data & Analytics segment into Investment Management Solutions<sup>(a)</sup>

a) Source: Press Release details ~€35m run rate revenue synergies and ~€55m run rate cost synergies.

# NUMERIX ACQUIRES FINCAD



## TRANSACTION OVERVIEW

### TRANSACTION OVERVIEW

- On April 12, 2023, Numerix, a provider of risk management technology, announced the acquisition of FINCAD, a provider of pricing and risk analytics for financial derivatives and fixed income products
- FINCAD complements Numerix's platform of analytics for capital markets and expands their offerings into fixed income data and analytics
- Numerix is currently owned by Genstar Capital and FINCAD was previously a subsidiary of Zafin

### DEAL COMMENTARY










"This combination is a game changer for the industry, allowing Numerix clients to use the most robust front-to-risk decision making software with their choice of best of breed analytics."

**Steven R. O'Hanlon**  
CEO, Numerix

"They are set up for growth with successful executions of revamped product and customer success strategies and Numerix now provides FINCAD an excellent avenue to realize their full potential."











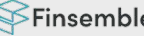







**Al Karim Somji**  
CEO, Zafin

## FINCAD SOLUTIONS

<p><b>Analytics</b></p>	 <p>Derivatives and fixed income analytics that enable decision-making</p>	 <p>Coverage includes instruments across asset classes</p>	 <p>Customized trades and bespoke workflow analysis</p>
<p><b>Valuation &amp; Risk Measurement</b></p>	 <p>Risk analytics that refine portfolio pricing and risk management</p>	 <p>Scenario analyses, stress testing and back testing tools</p>	 <p>Excel and Python-based environments provide high levels of control</p>
<p><b>Solutions</b></p>	 <p>Real-time responses with cloud hosted valuation APIs</p>	 <p>Hedge accounting solutions</p>	 <p>All offerings are monitored 24x7, with an emphasis on security</p>



















# Q2 FINANCIAL INFORMATION, DATA & ANALYTICS M&A TRANSACTIONS

(Amounts in Millions Except Multiple Amounts)

DATE	ACQUIRER	TARGET	TARGET DESCRIPTION	EV	EV/ REVENUE	EV/ EBITDA
6/21/2023	 iQ Insurance Quantified	 Groundspeed	Provider of insurance data automation solutions intended to help clients accelerate their commercial insurance submission process	NA	NA	NA
6/21/2023	 FLEXPOINT FORD	 bakerhill	Developer of loan origination software designed to streamline origination and reduce risk with collateral management	NA	NA	NA
6/12/2023	 Nasdaq	 Adenza	Provider of cloud-enabled front-to-back risk management and regulatory software for the financial services industry	\$10,500	20.2x	35.4x
6/12/2023	 LEVINE LEICHTMAN CAPITAL PARTNERS	 cleversoft <sup>®</sup> <small>the financial services innovator</small>	Developer of a regulatory technology platform intended for financial service providers	NA	NA	NA
6/7/2023	 SymphonyAI	 1010DATA	Technology platform provider of decision science, data management and data analytics to inform business decisions	NA	NA	NA
6/7/2023	 Finsemble	 GLUE42	Interoperability solution provider supporting configurable workflows with expertise in the financial end market	NA	NA	NA
5/30/2023	 Verisk <sup>™</sup>	 MORNING DATA	Supplier of end-to-end software to the global insurance industry, allowing users to process and capture granular risk-level data	NA	NA	NA
5/25/2023	 FIMATIX	 SEMANTIC EVOLUTION	Developer of a data extraction engine designed to shape unstructured data for the finance industry	NA	NA	NA
5/25/2023	 bluevine	 FinFort	Developer of a digital financial platform catering to banks, traditional finance companies, online lenders and lessors	NA	NA	NA

















# Q2 FINANCIAL INFORMATION, DATA & ANALYTICS M&A TRANSACTIONS (CONT.)

(Amounts in Millions Except Multiple Amounts)

DATE	ACQUIRER	TARGET	TARGET DESCRIPTION	EV	EV/ REVENUE	EV/ EBITDA
5/9/2023	 Hg	 GTREASURY	Operator of integrated treasury and risk management solutions that centralize all incoming and outgoing banking activities	NA	NA	NA
5/9/2023	 TALOS	 D3X Systems	Developer of institutional technology to support systematic investment strategies, enabling investors to apply advanced portfolio engineering techniques	NA	NA	NA
5/9/2023	 UNITED FINTECH	 ttm ze ro	Developer of business process automation technology intended to improve financial modeling, documentation and regulatory reporting	NA	NA	NA
4/27/2023	 DEUTSCHE BÖRSE GROUP	 SimCorp	Provider of investment management software and associated technology-enabled services for financial institutions	\$4,237	6.8x	27.3x
4/24/2023	 Phoenix Equity Partners	 4most	Provider of regulatory and credit risk analytics intended to maximize risk-adjusted rate of return for financial institutions	NA	NA	NA
4/17/2023	 EVTEC AUTOMOTIVE	 BLACKBOX STOCKS	Offers real-time proprietary analytics and news for stock and options traders	NA	NA	NA
4/17/2023	 ACT	 green project	Developer of a carbon footprint management platform that provides breakdowns of emissions across investment portfolios	NA	NA	NA
4/13/2023	 Cinven	 ARCHER	Provider of integrated risk management solutions to improve strategic decision-making and operational resilience	NA	NA	NA
4/12/2023	 numerix	 FINCAD	Provider of pricing and risk analytics for financial derivatives and fixed income products	NA	NA	NA

# Q2 FINANCIAL INFORMATION, DATA & ANALYTICS FINANCING TRANSACTIONS

(Amounts in Millions)

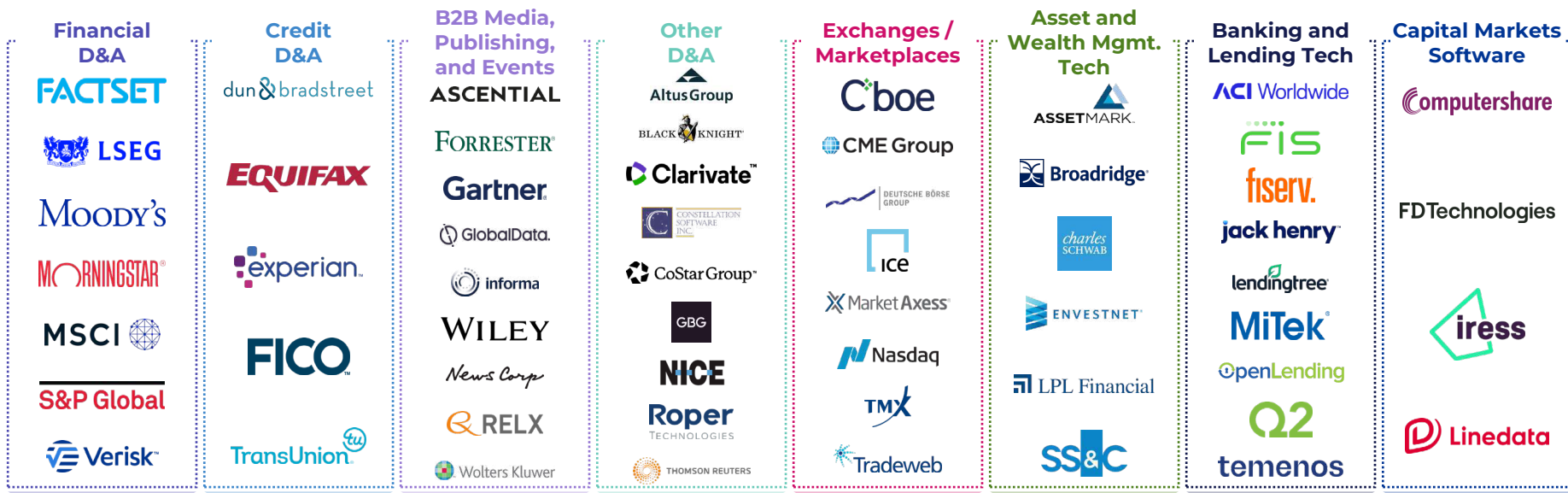
DATE	INVESTOR	TARGET	TARGET DESCRIPTION	CAPITAL RAISED
6/29/2023	 Mainsail Partners	 RED OAK Compliance Solutions	Provider of a software platform that allows firms to minimize risk, reduce costs and increase their compliance process effectiveness and efficiency	\$51
6/14/2023	 MTech CAPITAL	 THINK SURANCE	Developer of an insurance distribution platform that provides data and analytics capabilities for insurers to save time and increase productivity	\$24
6/7/2023	 OMERS   Ventures	 mosaic	Developer of a strategic finance platform designed to provide predictive reporting capabilities, automated insights and flexible business modeling	\$26
5/24/2023	 INOVIA	 novisto	Developer of an ESG data and analytics platform that enables companies to improve the efficiency and accuracy of their sustainability reporting	\$20
4/19/2023	 Fitch Ventures	 BIXBY	Provider of credit information on private syndicated loan issuers	\$6
4/12/2023	 DEUTSCHE BÖRSE GROUP	 Next Gate Tech	Developer of a software platform that provides data harmonization and analytics capabilities to generate insights for the funds industry	\$9
4/11/2023	 CapitalG	 AlphaSense	Market intelligence and search platform which delivers insights from public and private content (such as equity research and news) to financial institutions	\$100
4/4/2023	 GIC	 quantexa	Provider of analytics and data integration solutions to the financial industry, enabling enhanced risk management, fraud detection and compliance monitoring	\$129

# VALUATION UPDATE

# FINANCIAL INFORMATION, DATA & ANALYTICS VALUATION AND OPERATIONAL BENCHMARKING

## SP'S FINANCIAL INFORMATION, DATA & ANALYTICS COMP SET

## RELEVANT FINANCIAL TECHNOLOGY SEGMENTS



	Financial D&A	Credit D&A	B2B Media, Publishing, and Events	Other D&A	Exchanges / Marketplaces	Asset and Wealth Mgmt. Tech	Banking and Lending Tech	Capital Markets Software
<b>VALUATION METRICS<sup>(a)</sup></b>	<b>11.5x</b> 2023E Revenue	<b>5.8x</b> 2023E Revenue	<b>3.6x</b> 2023E Revenue	<b>5.7x</b> 2023E Revenue	<b>9.4x</b> 2023E Revenue	<b>3.8x</b> 2023E Revenue	<b>3.5x</b> 2023E Revenue	<b>2.8x</b> 2023E Revenue
	<b>24.3x</b> 2023E EBITDA	<b>17.5x</b> 2023E EBITDA	<b>12.5x</b> 2023E EBITDA	<b>17.3x</b> 2023E EBITDA	<b>15.3x</b> 2023E EBITDA	<b>13.1x</b> 2023E EBITDA	<b>12.6x</b> 2023E EBITDA	<b>11.7x</b> 2023E EBITDA
<b>OPERATIONAL METRICS<sup>(a)</sup></b>	<b>8.3%</b> 2022A-2024E Revenue CAGR	<b>6.9%</b> 2022A-2024E Revenue CAGR	<b>6.8%</b> 2022A-2024E Revenue CAGR	<b>7.6%</b> 2022A-2024E Revenue CAGR	<b>6.1%</b> 2022A-2024E Revenue CAGR	<b>7.0%</b> 2022A-2024E Revenue CAGR	<b>6.3%</b> 2022A-2024E Revenue CAGR	<b>4.5%</b> 2022A-2024E Revenue CAGR
	<b>46.3%</b> 2023E EBITDA Margin	<b>36.3%</b> 2023E EBITDA Margin	<b>23.2%</b> 2023E EBITDA Margin	<b>33.1%</b> 2023E EBITDA Margin	<b>58.1%</b> 2023E EBITDA Margin	<b>30.9%</b> 2023E EBITDA Margin	<b>32.4%</b> 2023E EBITDA Margin	<b>25.3%</b> 2023E EBITDA Margin

# KEY DRIVERS OF VALUE FOR FINANCIAL INFORMATION, DATA & ANALYTICS COMPANIES

PROFITABLE AND HIGH GROWTH CHARACTERISTICS CONTINUE TO BE THE PRIMARY VALUATION DRIVER FOR PUBLIC COMPANIES - DEMONSTRATED BY THE STRONG CORRELATION BETWEEN EV/EBITDA AND RULE OF 40<sup>(a)</sup>

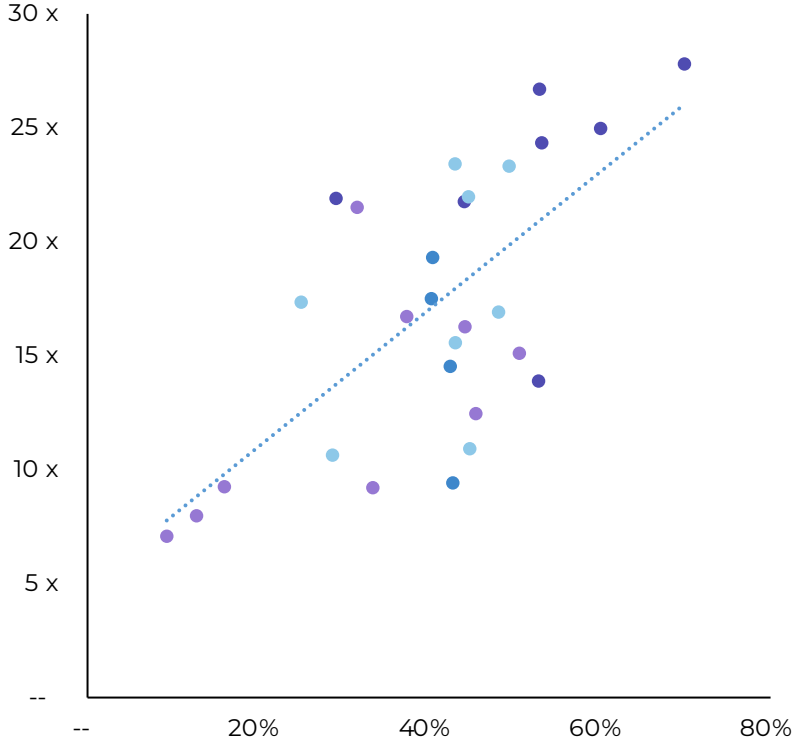
## INFORMATION, DATA & ANALYTICS – VALUE DRIVERS

- 1 'Must have' offerings underpinned by differentiated IP; high barriers to entry
- 2 History of product innovation and excellence; best-in-class data / technology
- 3 Market leader in large and growing markets
- 4 Well-funded customer base with retention and upsell track record
- 5 Fast growth and high % of recurring / re-occurring revenue
- 6 Scalable business model supporting high margins and cash conversion
- 7 Ability to plug gaps in potential acquirers' offerings and provide a competitive advantage

## EV/EBITDA VS. RULE OF 40<sup>(a)</sup>

SP's Financial Information, Data & Analytics Comp Set<sup>(b)</sup>

- Financial D&A
- Credit D&A
- B2B Media, Publishing and Events
- Other D&A



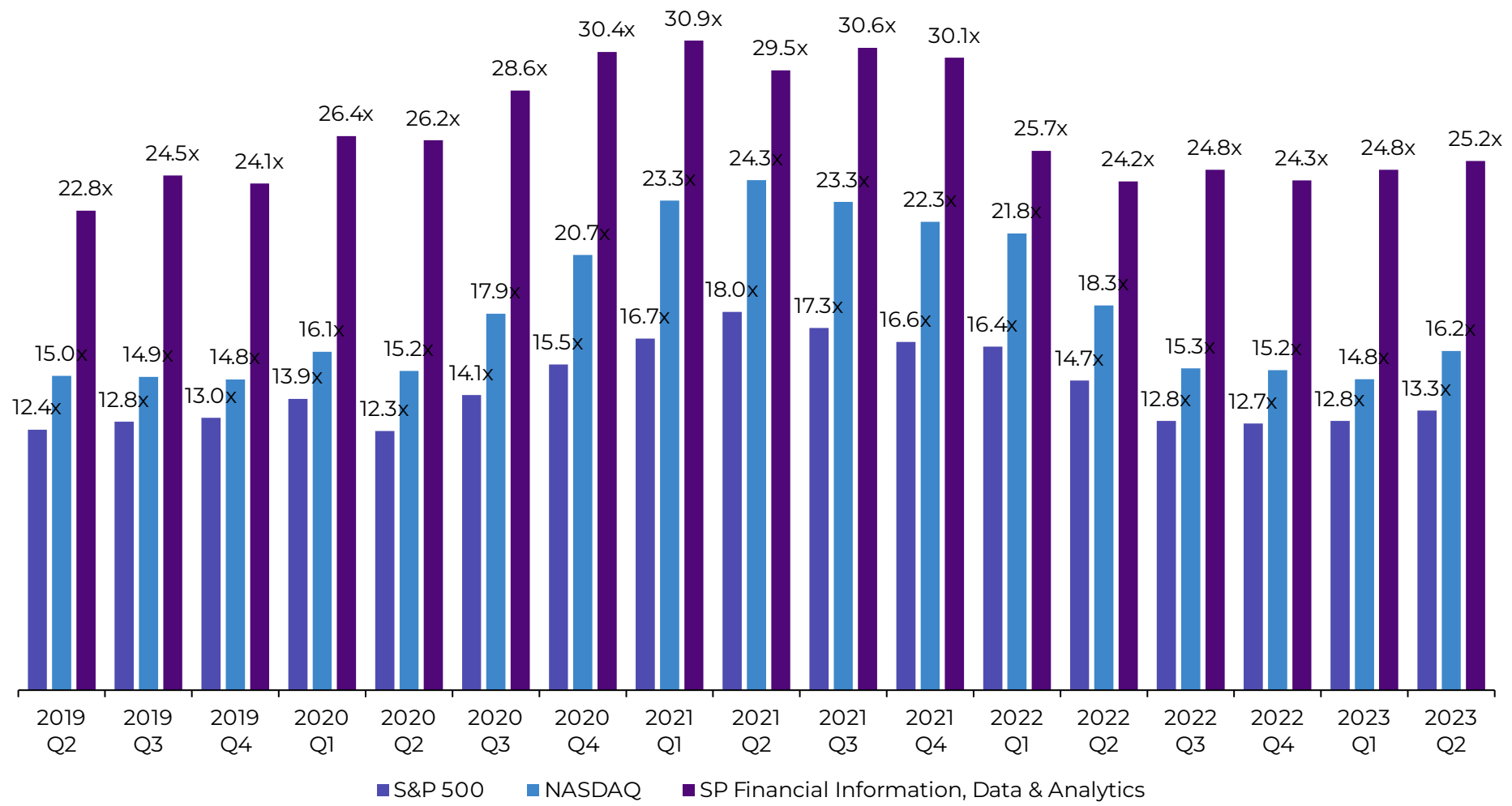
Source: Capital IQ as of June 30, 2023.

a) "Rule of 40" is defined as 2022A-2024E Revenue CAGR + 2023E EBITDA Margin, both Capital IQ estimates.

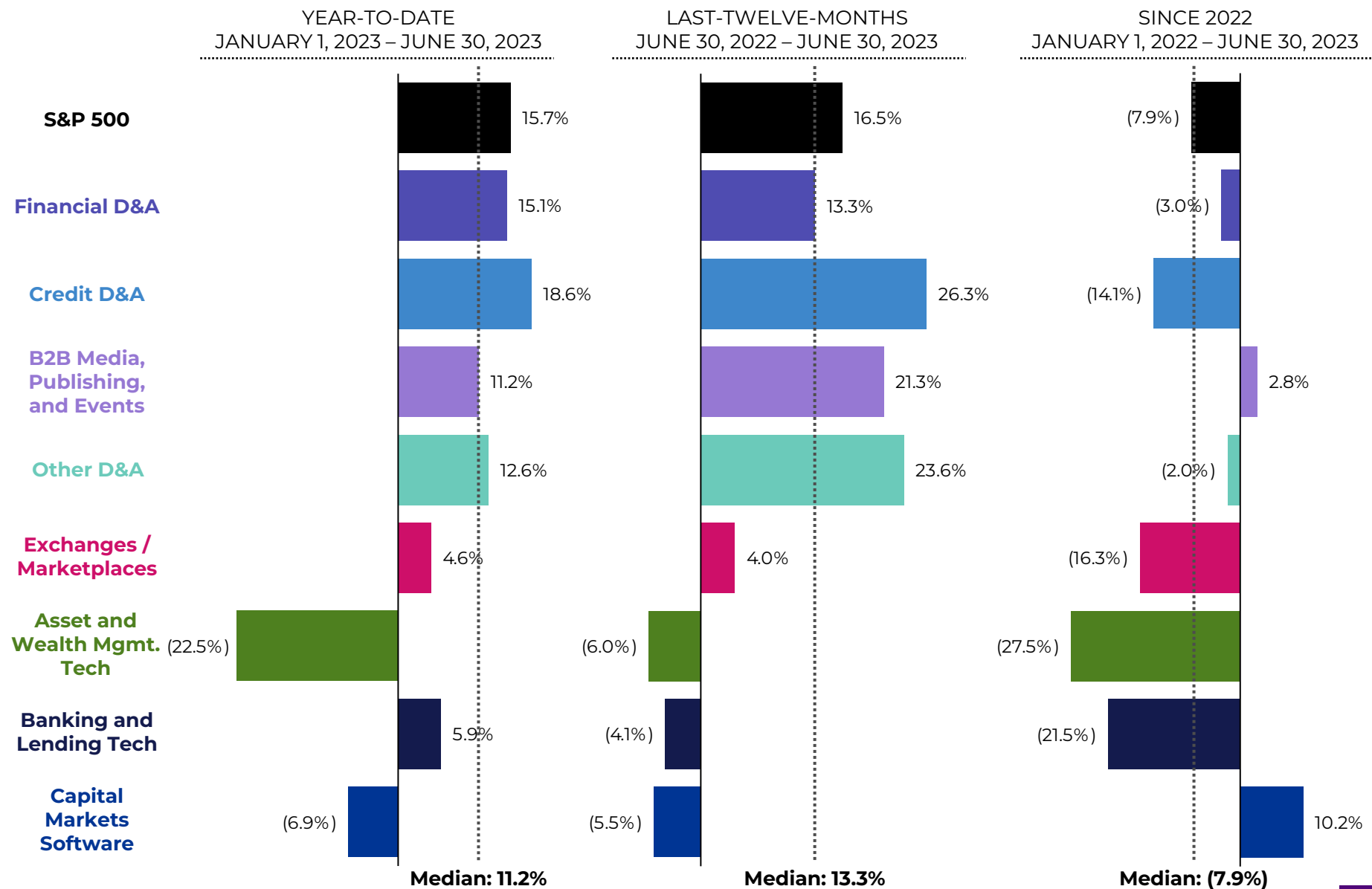
b) Note: Refer to page 19 for information on companies included in SP Financial Information, Data & Analytics comp set. Excludes CoStar Group.

# THE FINANCIAL INFORMATION, DATA & ANALYTICS SECTOR CONTINUES TO ATTRACT A PREMIUM

ENTERPRISE VALUE / LTM EBITDA MULTIPLE (WEIGHTED BY MARKET CAPITALIZATION)<sup>(a)</sup>



# STOCK PERFORMANCE BREAKDOWN BY SUB-SECTOR (WEIGHTED BY MARKET CAPITALIZATION)



# SOLOMON PARTNERS OVERVIEW

# ABOUT US

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**Solomon Partners is an independently operated investment bank with proprietary access to global financing capabilities and international coverage through our parent company, Natixis**

- Founded in 1989, we are a leading financial advisory firm with a legacy as one of the first independent investment banks
- We offer unmatched industry knowledge in the sectors we cover, providing comprehensive strategic solutions tailored to generate long-term shareholder value
- We offer the “best of both worlds”: the experience of a boutique culture with the international reach and capabilities of a global institution

---

**New York  
Headquarters**

**Additional Offices in  
Chicago and Miami**

**210+**  
Employees

**150+**  
Investment  
Bankers

**29**  
Partners &  
Managing  
Directors

**9**  
Senior  
Advisors

# OUR SECTORS

## Business Services

Our team brings a differentiated approach to our M&A processes and has developed a reputation for consistently delivering high watermark valuations and results to middle market companies across the business services landscape.

## Consumer Retail

We provide strategic and financial advisory services to public and private companies in retail, apparel, beauty & personal care, health & wellness, household products & consumer durables, and automotive & powersports industries.

## Financial Sponsors

Our experienced team works with all sector bankers to provide alternative investment managers with access to quality deal flow and investment ideas. We marshal firm resources to offer creative solutions to our clients, which include M&A, financing and restructuring advisory services.

## FinTech

We partner with clients to provide differentiated financial and strategic advisory services across the Financial Services and FinTech ecosystems.

## Grocery, Pharmacy & Restaurants

Grocery, pharmacies and restaurants are experiencing significant change, driven by a variety of emerging factors. We have advised our clients, many family-owned, on some of the largest and most significant food retail M&A transactions in the past two decades.

## Healthcare

We provide advisory services to healthcare clients across the ecosystem with core coverage including Medical Devices / Technology, Outsourced Device & Pharma Services, Healthcare Tech & Tech-Enabled Services, Pharmacy & Pharmacy Services, and Consumer Health.

## Industrials

We provide a full suite of advisory services, including buy-side and sell-side M&A, special committee and fairness opinions, activist and takeover defense, restructuring, and capital raising and financial advisory services.

## Infrastructure, Power & Renewables

Our clients range from specialized infrastructure, power and renewables private equity funds to municipal entities, corporates and pension funds. We support high-profile and historic projects across Europe and the Americas.

## Media

We provide M&A, capital markets, restructuring and financing advisory services to private and publicly traded clients ranging from multi-billion-dollar global media companies to growth-oriented private companies and investment funds across the media, entertainment, and communications subsectors.

## Technology

We cover sectors and businesses that provide vital data, analytics, software, or tech-enabled services to global markets. We differentiate ourselves by providing sector-specific advice, combining superior end-market knowledge and deep industry relationships.

## Telecommunications

We advise corporate clients from early-stage entrepreneurs and sponsor-backed platforms, to publicly traded global corporations. We deliver a differentiated domain of expertise developed through our experience in communications, real estate, infrastructure, technology and services.

# THE NATIXIS GLOBAL NETWORK

SOLOMON PARTNERS IS AN INDEPENDENTLY OPERATED AFFILIATE OF NATIXIS, PART OF GROUPE BPCE. WE PROVIDE OUR CLIENTS ACCESS TO STRATEGIC ADVISORY SERVICES AND PROPRIETARY FINANCING CAPABILITIES THROUGHOUT EUROPE, ASIA PACIFIC AND THE AMERICAS

## DEDICATED M&A TEAMS IN THE NATIXIS NETWORK

### North America

New York Chicago Miami

### Europe

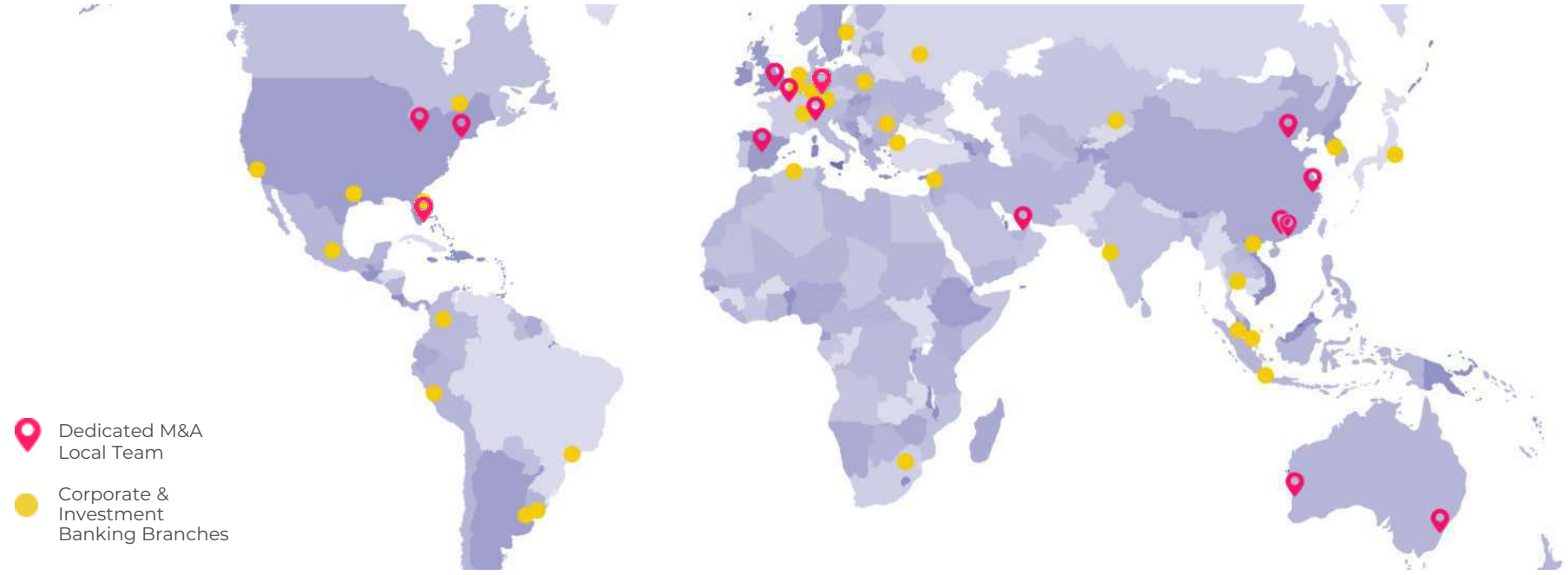
London Madrid Milan Munich Paris

### Middle East

Dubai

### Asia Pacific

Beijing Hong Kong Perth Shanghai Shenzhen Sydney



## NATIXIS BY THE NUMBERS

**\$1.2T**  
AUM<sup>(a)</sup>

**€7.1B**  
Net Revenues<sup>(b)</sup>

**35**  
Countries<sup>(b)</sup>

**17,000**  
Employees<sup>(b)</sup>

a) Assets under management ("AUM") as of December 31, 2022. AUM, as reported, may include notional assets, assets serviced, gross assets, assets of minority-owned affiliated entities and other types of non-regulatory AUM managed or serviced by firms affiliated with Natixis Investment Managers.  
b) Figures at 12/31/22.

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PARTNERS