

Q4: Quarterly Industry Update

AS OF December 31, 2023



Predictive Analysis Industry Summary

COGENT VALUATION identified **Predictive Analytics** publicly traded companies, IPOs, and recent M&A transactions within the Predictive Analytics industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since December 31, 2022, the median 52-week share price return of the Predictive Analytics industry decreased from 44.1% to 36.5%, and the median YTD return increased from 12.4% to 19.4%. Between December 31, 2022 and December 31, 2023, the median EV/Revenue multiple decreased from 1.8 to .7 and the median EV/EBITDA multiple decreased from 33.2 to 22.6. The median price-to-earnings multiple increased from 35.4 to 44.3 and the median EV/Gross profit multiple decreased from 52.3 to 41.4 over the same period. The median MVIC/Earnings multiple decreased from 4.2 to 2.2. The median Price/Revenue multiple increased from 9.4 to 11 over the same period.

Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
36.5%	19.4%	4.2x	22.6x
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/Earnings Multiple	Median Price/Revenue Multiple
44.3x	41.4x	2.2x	11.9x

Public Company Median Multiples by Quarter

	12/31/23	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Median EV/Revenue Multiple	4.2x	3.2x	3.4x	2.7x	3.1x	3.2x	2.9x	3.0x
Median EV/EBITDA Multiple	22.6x	28.0x	17.6x	13.4x	14.6x	14.6x	19.4x	10.7x
Median Price/Earnings Multiple	44.3x	30.9x	20.3x	21.2x	20.8x	19.7x	17.9x	17.7x
Median EV/Gross Profit Multiple	41.4x	22.2x	21.3x	23.6x	24.5x	23.3x	20.4x	25.0x
Median MVIC/Earnings Multiple	2.2x	1.6x	2.7x	3.7x	5.4x	3.5x	2.2x	3.2x
Median Price/ Revenue Multiple	11.9x	3.2x	3.4x	2.7x	10.6x	2.5x	3.2x	3.2x

■ Highest Multiple
 ■ Median Multiple
 ■ Lowest Multiple

Comparable Public Company Market Price Returns as of December 31, 2023

Company Name	Q4 2023	12-months 2023	Two Year ¹	Three Year ¹	2022	2021	2020
Brightcove Inc.	-17.6%	-20.2%	14.8%	2.8%	28.1%	3.2%	-45.2%
Fair Isaac Corporation	-2.1%	-21.9%	7.0%	-11.8%	29.8%	-20.3%	-45.0%
MicroStrategy Incorporated	-15.5%	11.5%	-16.8%	-9.8%	-23.3%	-11.4%	62.3%
NetScout Systems, Inc.	10.6%	31.3%	27.5%	28.5%	26.6%	30.3%	15.1%
NICE Ltd.	-1.8%	-31.3%	-14.4%	-33.5%	10.1%	10.4%	30.7%
Open Text Corporation	-13.5%	-30.6%	-0.4%	-3.3%	2.6%	-16.0%	23.5%
Pegasystems Inc.	1.0%	39.1%	26.6%	35.2%	18.4%	13.9%	23.4%
PROS Holdings, Inc.	-2.4%	2.3%	22.0%	15.4%	29.0%	-17.7%	26.7%
Verint Systems Inc.	28.6%	38.3%	30.9%	31.0%	30.9%	32.4%	-15.5%
Median of Industry Public Companies	19.4%	36.5%	7.1%	22.9%	18.4%	-11.4%	23.4%

[1] Calculated as the average annual return.

■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Initial Public Offerings—Predictive Analytics (dollars in millions, except share prices)

Effective Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets ¹	Debt ¹	LTM Revenue ¹	LTM EBITDA ¹	LTM Net Income ¹	LTM Cash Flows ¹
11/13/23	TransUnion	\$22.50	29.5	\$664.8	\$4,614.3	\$2,976.4	\$1,354.4	\$398.9	(\$4.4)	\$629.4
10/17/23	Brightcove Inc.	\$11.00	5.0	\$55.0	\$47.3	\$7.0	\$63.6	(\$14.0)	(\$17.6)	(\$11.9)
2/27/23	PROS Holdings, Inc.	\$11.00	6.8	\$75.1	\$25.7	\$20.0	\$49.9	\$9.5	\$8.3	\$10.7
11/26/22	comScore, Inc.	\$16.50	5.3	\$87.5	\$45.5	\$3.3	\$70.0	\$11.4	\$7.1	\$14.4
12/12/21	Guidance Software, Inc.	\$11.50	5.0	\$57.5	\$26.6	\$2.0	\$51.2	(\$0.3)	(\$1.8)	\$1.4
11/10/21	IHS Markit Ltd.	\$16.00	14.5	\$232.2	\$743.0	\$0.3	\$468.5	\$63.5	\$52.4	\$73.6
Median of all IPOs		nm	5.6	\$81.3	\$46.4	\$5.2	\$66.8	\$3.1	\$2.7	\$12.6

Multiple year periods are calculated as the average annual return.

■ Highest Return
 ■ Lowest Return
 ■ Median Return

[1] As of the effective date of the IPO

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues ¹	EV/ Revenues ¹
11/20/23	Datamyx LLC	The Descartes Systems	\$106.6	100%	\$6.2	9.4x
10/6/23	Unruly Group Limited	Enhouse Systems Limited	\$17.3	100%	\$2,691	1.0x
9/4/23	1010data, Inc.	Deluxe Corp.	\$160.0	100%	\$58.3	0.6x
4/12/23	Applied Predictive Tech.	News Corp UK & Ireland	\$176.8	80%	\$367.3	4.3x
10/16/22	ColdLight Solutions, LLC	Advance Communication	\$500.0	100%	\$93.0	4.2x
9/2/22	Prelytix, LLC	MasterCard Inc.	\$600.0	100%	\$43.2	1.5x
8/23/22	Evolv, Inc.	PTC Inc.	\$103.8	75%	\$6.2	9.4x
7/2/22	QuantiSense, Inc.	Market Resource Partners	\$20.0	100%	\$491.2	5.3x
6/2/22	KnowledgeAdvisors, Inc.	Cornerstone OnDemand	\$127.6	97%	\$21.4	1.4x

[1] As of the close of the Transaction

■ USA ■ International

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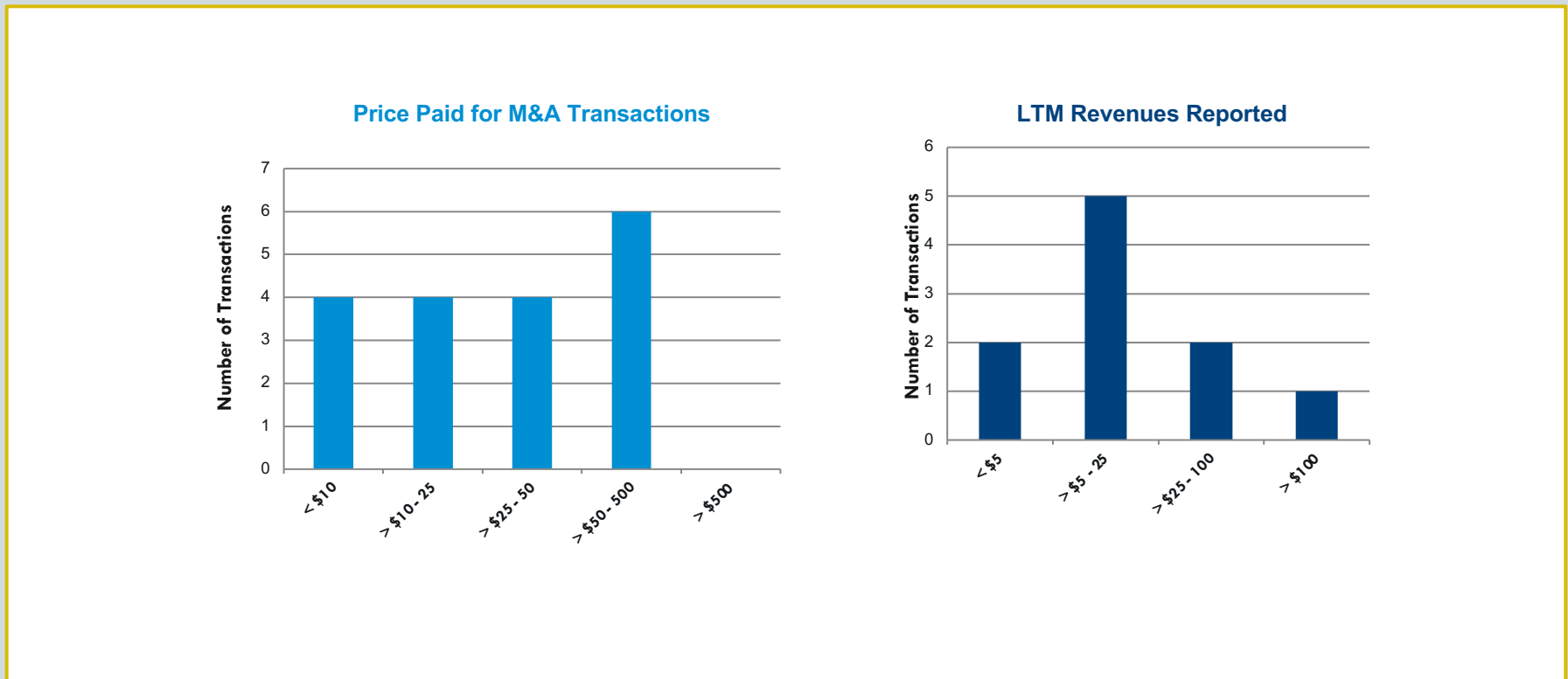
Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues ¹	EV/ Revenues ₁
5/20/22	Angoss Software Corp.	Datawatch Corporation	\$32.7	100%	\$10.2	2.8x
5/6/22	automotiveMastermind, Inc.	IHS Markit Ltd.	\$435.0	100%	\$37.3	5.1x
4/14/22	MacroPoint, LLC	The Descartes Systems	\$106.6	100%	\$93.0	5.4x
4/12/22	Tollgrade Communications, Inc.	Enghouse Systems Limited	\$17.3	100%	\$43.2	1.4x
10/16/22	Datamyx LLC	Deluxe Corp.	\$160.0	100%	\$6.2	5.3x
9/2/21	Unruly Group Limited	News Corp UK & Ireland	\$176.8	100%	\$91.2	1.4x
6/1/21	1010data, Inc.	Advance Communication	\$500.0	100%	\$2.0	10.0x
2/20/21	Evolv, Inc.	PTC Inc.	\$600.0	100%	\$6.1	7.3x
12/26/21	QuantiSense, Inc.	Market Resource Partners	\$20.0	100%	\$18.1	7.4x
11/28/20	KnowledgeAdvisors, Inc.	Corporate Executive Board	\$45.0	100%	\$9.1	2.4x
9/5/20	Rationalwave, Inc.	Bottomline Technologies	\$8.0	100%	\$35.9	3.4x
5/6/20	Scout Analytics, Inc.	ServiceSource International	\$32.5	100%	\$5.4	6.0x
Median of the M&A Transaction Targets			\$33.2	100%	\$7.0	5.5x

■ USA
 ■ International

[1] As of the close of the Transaction

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

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