

WHITE PAPER

# PROJECTED TO RAISE (P2R)

A fast, efficient way to uncover high-potential investment opportunities through predictive analytics

CONTENTS

Introduction .....1

A Smarter Approach and Stronger Outcomes .....2

How Projected to Raise Works .....5

Predictive Analytics in Action .....7

Comparative Differentiator Table .....9

Proven Accuracy and Precision.....10

Conclusion .....12

About Cyndx .....13

# Introduction

---

Private market participants are under increasing pressure to identify high-quality investment and acquisition opportunities earlier in the business lifecycle. But access to private market intelligence remains challenging – requiring specialized expertise, extensive time commitments, and often, expensive tools.

We believe that discovering promising private companies shouldn't be constrained by outdated systems or inaccessible data. That's why we built Projected to Raise (P2R) – a proprietary machine learning pipeline that predicts which companies are likely to raise capital or enter transactions in the next six months.

Trained on a robust data ecosystem and powered by artificial intelligence (AI), predictive analytics examines patterns across historical funding rounds, company attributes, and market activity to forecast future fundraising behavior. The result? A fast, scalable model that gives investors and acquirers an information edge – helping them find relevant opportunities ahead of competitors.

Here we'll explore how our predictive analytics works, what makes it unique, and how it's evolving to deliver higher accuracy, better performance, and value in private market deal sourcing.

Upgrades to our predictive analytics tool have delivered major leaps in performance, speed, and scalability. By restructuring the algorithms and refining the model's training pipeline, Cyndx has reduced run times to just minutes – all while eliminating the need for costly infrastructure.

In addition to speed and accuracy, predictive analytics is now more explainable. New interpretability tools shed light on which features – and combinations of features – drive each prediction. For example, the model can pinpoint whether a company's recent acceleration in funding activity, relative to its peers, is a key signal. This transparency enables users to better trust and act on the insights surfaced, making the tool more than just a prediction engine – it's a lens into the behavior of capital formation in the private markets.

# A Smarter Approach and Stronger Outcomes

We enhance the discovery of high-potential private companies by combining proprietary data ingestion, semantic mapping, and advanced machine learning. Our platform intelligently identifies and contextualizes companies, investors, and growth opportunities by understanding how businesses describe themselves – enabling more accurate, dynamic market mapping that reflects near real-time shifts in company positioning.

Traditional methods rely on limited keywords and outdated classifications, which constrain visibility, especially in emerging sectors. Our approach goes deeper. With initiatives like our Projected to Raise pipeline, we leverage historical funding data, company attributes, and proprietary signals to predict which companies are likely to raise capital in the next six months.

Our tool analyzes data from hundreds of thousands of private entities with enhanced feature engineering, explainability tools, and modular infrastructure that allows for rapid iteration and onboarding of new datasets. It improves performance, precision, and scalability – offering actionable insight to investors, professionals, and strategic decision-makers.

The model was 86.1% precise in the United States.

Cyndx uses a combination of frontier and industry-specific learning language models to derive knowledge about industries and companies from the most abundant data source available: the text on websites. It enables market participants to better understand nuances in companies' approaches and business lines, and to identify the companies that best fit their investment theses. Importantly, because Cyndx can better associate related companies, it enables market participants to more accurately predict when a company may raise capital.

Based on what companies reveal on their websites – taken in the context of similar companies – Cyndx's model imputes financial and other descriptive data. The solution leverages language modeling and an embedding space to analyze website content. Essentially, it translates documents such as websites into coordinates in a 768-dimensional space.

Documents with similar semantic content are naturally positioned close to one another, allowing participants to see both private and public comparable companies, and enabling downstream models to learn the complex patterns behind market events. Cyndx's approach is not to categorize companies according to sector or niche. Instead, the model maps from business website text to its high-dimensional space with each company closest to those with which it has the most in common.

Consider this example:

An investment firm knows that a particular company just raised money, and the firm is looking for similar targets that either are seeking capital or are appropriate acquisition targets.

**Cyndx can both identify the most relevant companies and rank order them based on similarity.**

A filter is used to narrow down a target list of companies based on similarity, the historical amount of capital raised, geographic location, number of employees, and financial data that has been publicly disclosed. The results identify potential acquirers or investors in a particular space, defined by a search and ranked by the number of investments the firm has made and the relevance of the investments or acquisitions.

Cyndx also provides a list of the most relevant public companies and their trading statistics, which can be used for a basic valuation for any targeted group of private companies.

Updates to the predictive analytics tool bring better performance, increased ease-of-use, and added features of model explainability.

### Optimization

Increased model performance through increased accuracy and recall (true positive rate)

Sped up model runs using less computational resources

### Modularity

Ability to add new datasets and test end-to-end in a few hours

Proper code structure and imbued MLOps decrease developer maintenance time

### Explainability

Model explainability and interpretability frameworks have been created enabling explanation of predictions and training

# How Projected to Raise Works

---

Projected to Raise is Cyndx's proprietary machine learning pipeline designed to forecast which companies are likely to raise capital within the next six months. Unlike traditional models that rely on financial reporting, our predictive analytics tool requires only basic public signals – such as the company's website and the date and amount of its most recent funding round. This enables the model to score companies with limited financial disclosures while maintaining high predictive accuracy.

Powered by a deep learning ensemble of six predictive models and a meta-model that integrates their outputs, predictive analytics evaluates company and market-level funding dynamics to estimate the timing of future fundraising events. Using embeddings derived from company features, the system infers financial profiles by identifying similar companies in the space – allowing it to estimate fundraising intervals with high precision, even for companies lacking financial data.

We make continuous update to improve accuracy and efficiency. Runtime has dropped significantly, and the architecture is now modular – enabling rapid integration of new data sources and use case-specific enhancements. Explainability tools allow users to understand both individual predictions and broader model behaviors, creating a more transparent and actionable forecasting tool.

One noteworthy example, is on a certain date and a given set of macroeconomic variables, the models impute whether it is a good time to call a particular company.

All combined, the output of the models produces a final prediction on a given day as to whether or not a particular company is likely to raise capital in the next six months.

Predictive analytics operates on fine-grained, representation-based learning rather than relying on manual labels or rigid classification schemes. It autonomously learns the structure of the funding ecosystem by mapping company and market signals into a high-dimensional space and identifying patterns that correlate with future capital raises.

By integrating a wide range of datasets – including funding histories, company attributes, macroeconomic indicators, and proprietary embeddings – the tool achieves high predictive performance. Its architecture supports modular data integration, allowing new sources such as investor quality metrics, executive networks, and external signals (e.g., interest rates, market indexes) to be incorporated in under a day.

Users can surface predictions through a simple search filtered by the “projected to raise capital” tag, returning hundreds of high-confidence companies identified by the model. Predictions span the full lifecycle – from pre-seed startups to pre-IPO firms – and are backed by model explainability features that surface both feature-level and interaction-level reasoning behind each prediction. This makes the tool not only powerful but also interpretable and actionable.

Globally, the model was 76.9% precise, meaning that when a company was identified as projected to raise, 76.9% of the time that company raised capital within the next six months.

# Predictive Analytics in Action

---

Cyndx's predictive analytics tool has demonstrated its efficacy in identifying companies poised for capital-raising events. Here are five real-world instances where the tool anticipated fundraising activities or mergers and acquisitions (M&A):

## 1. Wysa and April Health Merge

The merger between AI-driven therapy platform Wysa and behavioral health innovator April Health aimed to expand access through primary care networks. P2R identified both companies as likely candidates for a major transaction by analyzing funding momentum in the digital health sector, employee growth patterns, and investor activity. This case illustrates the tool's capability to foresee not just fundraising rounds but also a strategic merger moves that signals industry shifts.

## 2. Cyber Guru and Mantra

In the evolving landscape of cybersecurity, awareness training has become paramount. Our predictive analytics tool flagged both Cyber Guru and Mantra as companies on the verge of raising capital, noting increased demand for security education and heightened investor interest in AI-driven training platforms. Their subsequent merger addressed an urgent market need with combined expertise, showcasing the platform's proficiency in detecting signals leading to such deals before public announcements.

## 3. Forcepoint Acquires Getvisibility

Forcepoint's acquisition of Getvisibility, a company specializing in AI-driven data security, was anticipated by our predictive analytics platform. The tool identified Getvisibility as a strong candidate for fundraising or acquisition based on recent funding rounds, market interest in AI-driven data security, and Forcepoint's strategic movements in the sector. This prediction underscores the tool's advantage in pinpointing companies primed for exits, enabling investors to stay ahead of industry consolidation trends.

#### 4. Accenture Acquires Altus Consulting

Accenture's acquisition of Altus Consulting aimed to bolster its capabilities in insurance and investment consulting in the UK. Predictive analytics had flagged Altus as likely to need funds, considering its growth trajectory, industry trends, and investor interest in fintech and digital transformation. Instead of pursuing fresh capital, Altus opted for acquisition, exemplifying how the tool can anticipate capital events beyond traditional funding rounds.

#### 5. Metronome's \$50M Series C

Metronome, a SaaS company at the forefront of usage-based pricing, secured a \$50 million Series C round. Predictive analytics had identified Metronome as a top contender for a significant raise, analyzing market momentum and investor enthusiasm for SaaS companies embracing flexible pricing models. This case demonstrates the tool's ability to pinpoint high-probability candidates for substantial fundraising events.

# Comparative Differentiator Table

The following table provides a comparison between Cyndx’s predictive analytics tool and traditional investment sourcing methods:

| Feature                     | Cyndx Projected to Raise (P2R)                                          | Traditional Investment Sourcing Methods              |
|-----------------------------|-------------------------------------------------------------------------|------------------------------------------------------|
| Predictive Precision (US)   | 86.1%                                                                   | Varies; typically lower due to manual analysis       |
| Global Predictive Precision | 76.9%                                                                   | Varies; often inconsistent across regions            |
| Data Processing Speed       | Processes data in 30 minutes                                            | Manual processes can take days to weeks              |
| Data Sources                | Analyzes over 13 million private companies using AI                     | Relies on limited public records and manual research |
| Update Frequency            | Weekly model updates                                                    | Periodic; depends on analyst schedules               |
| Explainability              | Provides feature-level and interaction-level reasoning                  | Limited; often lacks transparency in decision-making |
| Scalability                 | High; modular architecture allows rapid integration of new data sources | Limited by human resources and manual processes      |
| Cost Efficiency             | Reduces infrastructure needs and operational costs                      | Higher costs due to labor-intensive processes        |
| Use Case Versatility        | Applicable to fundraising, M&A, and market trend analysis               | Typically focused on specific areas; less adaptable  |

This comparison highlights the tool’s advantages in predictive accuracy, speed, scalability, and cost efficiency over traditional methods.

## Proven Accuracy and Precision

---

To evaluate the performance of Projected to Raise, Cyndx conducted a benchmarking analysis using historical funding data. The initial study examined companies flagged in February 2020 as likely to raise capital within six months, and compared those predictions to actual fundraising events by February 2021. Despite some underreporting – due to private funding rounds or company closures – the model demonstrated strong predictive precision: globally, 76.9% of companies flagged by the tool successfully raised capital within the target window, with U.S.-based companies reaching a precision rate of 86.1%.

Since then, the tool has undergone significant upgrades. The most recent backtest, focused on the second half of 2024, showed that the model now identifies 4.5x more true positives with no increase in the false negative rate – boosting overall accuracy.

| Precision of the Projected to Raise (P2R) Model by Sector |       |
|-----------------------------------------------------------|-------|
| Consumer Durables                                         | 86.1% |
| Producer Manufacturing                                    | 76.9% |
| Miscellaneous                                             | 65%   |
| Commercial Services                                       | 66%   |
| Electronic Technology                                     | 82%   |
| Technology Services                                       | 82%   |
| Distribution Services                                     | 100%  |
| Consumer Services                                         | 77%   |
| Retail Trade                                              | 70%   |
| Transportation                                            | 100%  |
| Finance                                                   | 72%   |
| Process Industries                                        | 100%  |
| Health Technology                                         | 82%   |

This evolution reflects broader improvements in model performance, explainability, and operational efficiency. New modular design enables rapid integration of additional data sources, while an explainability framework provides visibility into both individual feature impacts (e.g., number of funding rounds, time since last round) and interactions (e.g., segment-specific funding growth rates).

Together, these enhancements allow the tool to deliver more accurate, interpretable predictions – and position it as a strategic intelligence asset for investors and financial professionals.

# Conclusion

---

Projected to Raise represents a significant advancement in predictive analytics for capital-raising activities. Leveraging machine learning and Cyndx's unique data ecosystem, the tool empowers investors and financial professionals to identify companies likely to raise capital in the next six months, well before these events are publicly known. This targeted intelligence allows for earlier engagement with emerging opportunities.

Ongoing updates continue to improve the tool's accuracy and computational efficiency. With the reduction in model run-time, investors can now obtain more frequent, up-to-date insights. The added explainability framework provides transparency into the factors driving predictions, fostering greater trust and confidence in decision-making.

The predictive analytics tool's design ensures its adaptability as new data sources and features are integrated. Whether adding investor profiles, company attributes, or external market indicators, the system is scalable and evolves to meet the needs of a dynamic investment environment. This flexibility allows for continuous refinement and the expansion of predictive capabilities.

Ultimately, the tool equips users with a competitive edge by providing early insights into fundraising events, saving time and money, and enabling more informed decisions. As the system evolves, its value will only increase, making it an indispensable tool for investors, market analysts, and companies navigating the future of capital raising.

For more information, contact [marketing@cyndx.com](mailto:marketing@cyndx.com).

# About Cyndx

---

Cyndx is an advanced technology platform that provides growing companies, investors, and financial institutions access to a broad spectrum of curated data to enhance capital raising, M&A transactions, and other business opportunities. Our team of seasoned investment bankers, data scientists and M&A specialists built Cyndx to enable buyers and sellers to discover the connections and opportunities that others have missed.

Cyndx uses AI, deep learning and NLP-driven proprietary algorithms to make data smarter and make raising growth capital, finding investment or acquisition opportunities, and managing a company's cap table simple, efficient and intelligent.