



Sectorwatch: Geospatial Services and Technology

November 2019

Geospatial Services and Technology

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- Sector Dashboard [4]
- Public Basket Performance [5]
- Operational Metrics [7]
- Valuation Comparison [10]
- Recent Deals [13]
- Appendix [15]

Overview

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. We publish our sectorwatch, a review of M&A and operational trends in the industries we focus.

Dashboard

- Summary metrics on the sector
- Commentary on market momentum by comparing the most recent 12-month performance against the last 3-year averages.



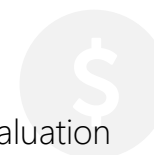
Public Basket Performance

- Summary valuation and operating metrics for a basket of comparable public companies



Valuation Comparison

- Graphical, detailed comparison of valuation multiples for the public basket



Recent Deals

- The most recently announced deals in the sector



Dashboard



Revenue Growth

↓ -0.7%

1 - year revenue growth compared to revenue growth average for last 3 years

Current revenue growth rate is less than the average of the last 3 years, indicating that the market may be flattening or declining

Pricing / Gross Margin

↓ -0.8%

1 - year gross profit % compared to gross profit % average for last 3 years

Current gross profit margin is less than the average of the last 3 years gross profit margins, indicating customer pricing power

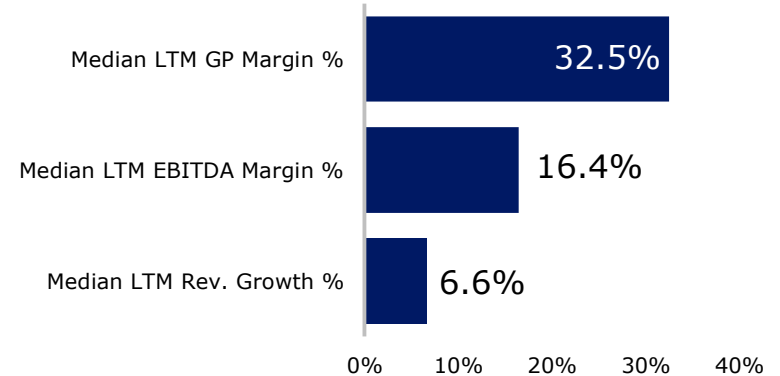
Profitability Momentum

↑ 2.2%

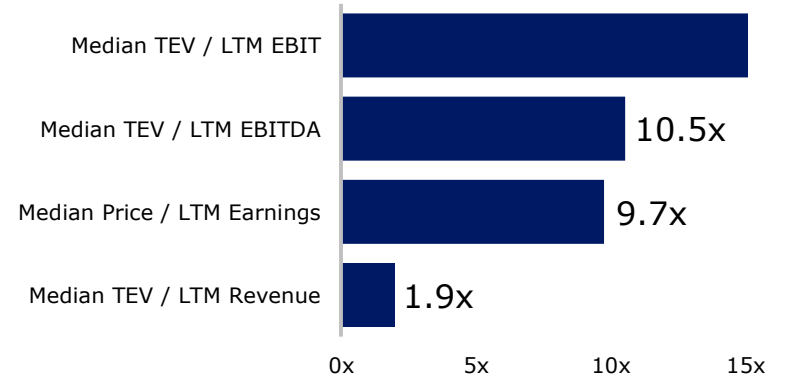
1 - year EBITDA % compared to EBITDA % average for last 3 years

Current EBITDA margin exceeds the average of the last 3 years EBITDA margin by this amount, a condition that may attract new entrants

Operating Metrics



Valuation



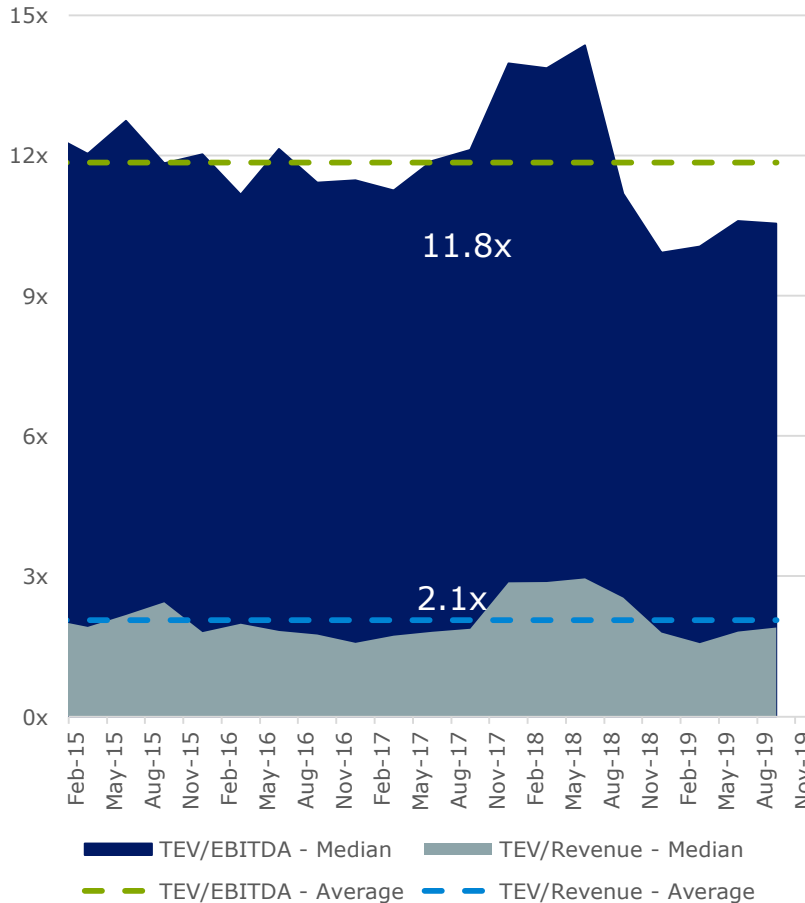
Public Basket



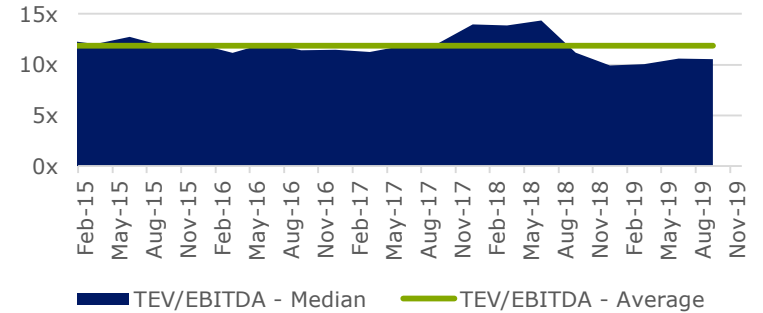
Company	TEV \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Asia Air Survey Co., Ltd.	29	255	14%	23%	6%	0.1	1.9	1,241	205
Genesys International Corporation Limited	43	19	18%	32%	16%	2.3	14.2	-	NA
Information Services Corporation	222	95	18%	77%	22%	2.4	10.6	368	258
Pasco Corporation	205	489	3%	24%	10%	0.4	4.2	2,693	181
Cyient Limited	525	651	7%	32%	13%	0.8	6.1	15,084	43
Fugro N.V.	1,597	1,949	18%	25%	8%	0.8	10.5	9,744	200
Maxar Technologies Inc.	3,839	1,969	-10%	40%	21%	1.9	9.3	6,100	323
CoreLogic, Inc.	4,946	1,740	-5%	49%	21%	2.8	13.9	5,800	300
Hexagon AB (publ)	22,688	4,244	6%	63%	29%	5.3	18.3	20,048	212
Average	3,788	1,268	7%	41%	16%	1.9	9.9	6,786	215
Median	525	651	7%	32%	16%	1.9	10.5	5,800	209

share price as of 05Nov19

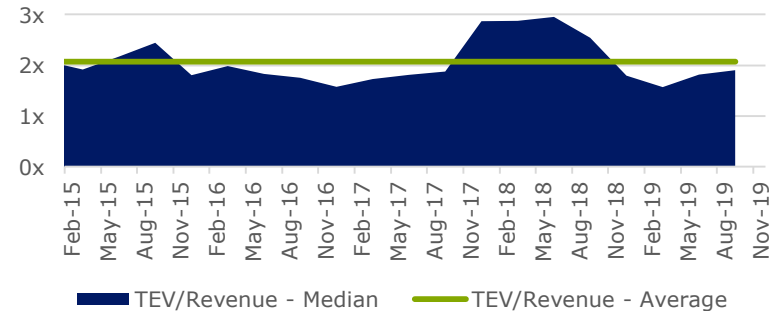
Public Basket Valuation Trends



Public EBITDA Multiples over Time



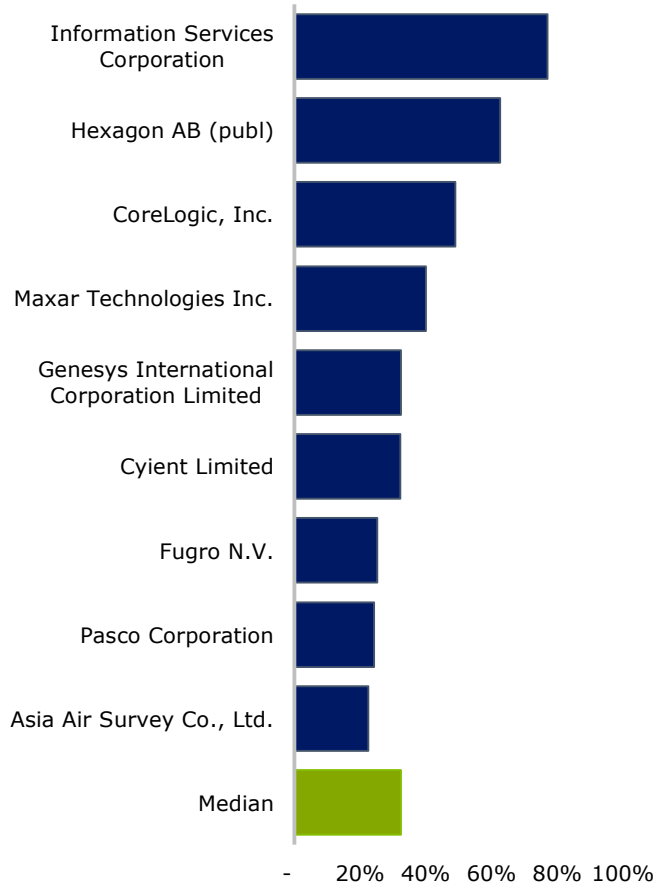
Public Revenue Multiples over Time



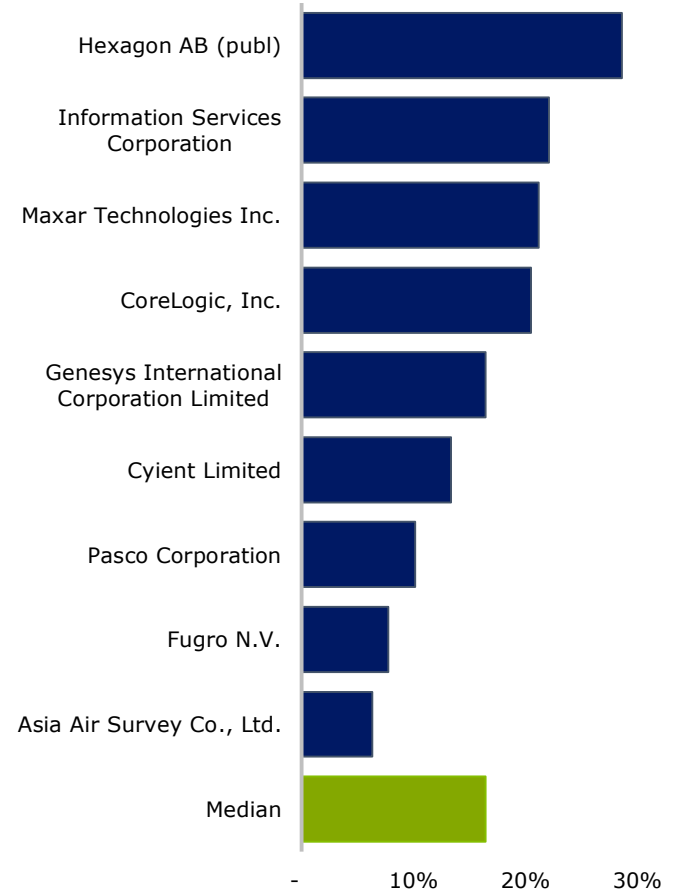
Operational Metrics



LTM Gross Profit Margin %



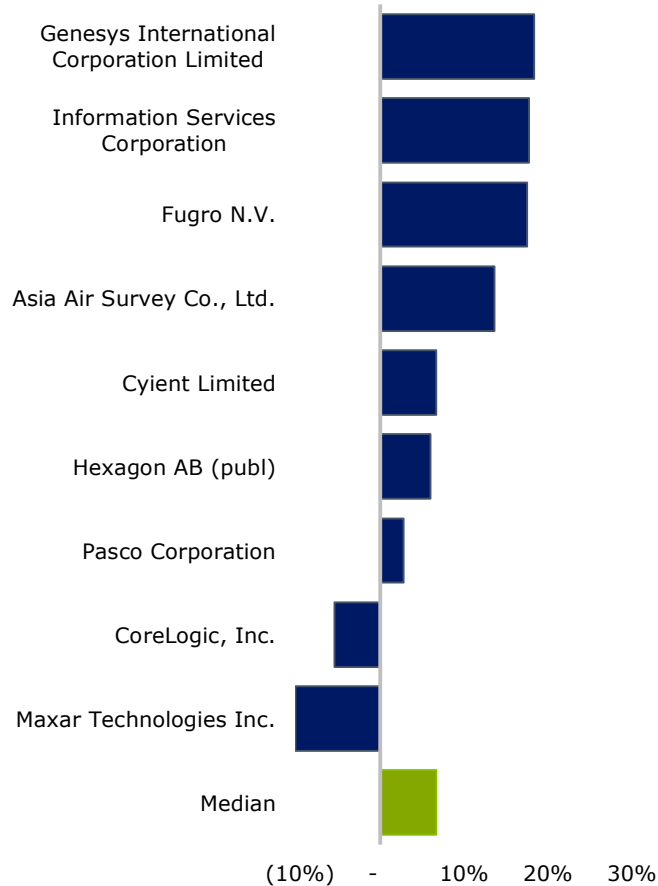
LTM EBITDA %



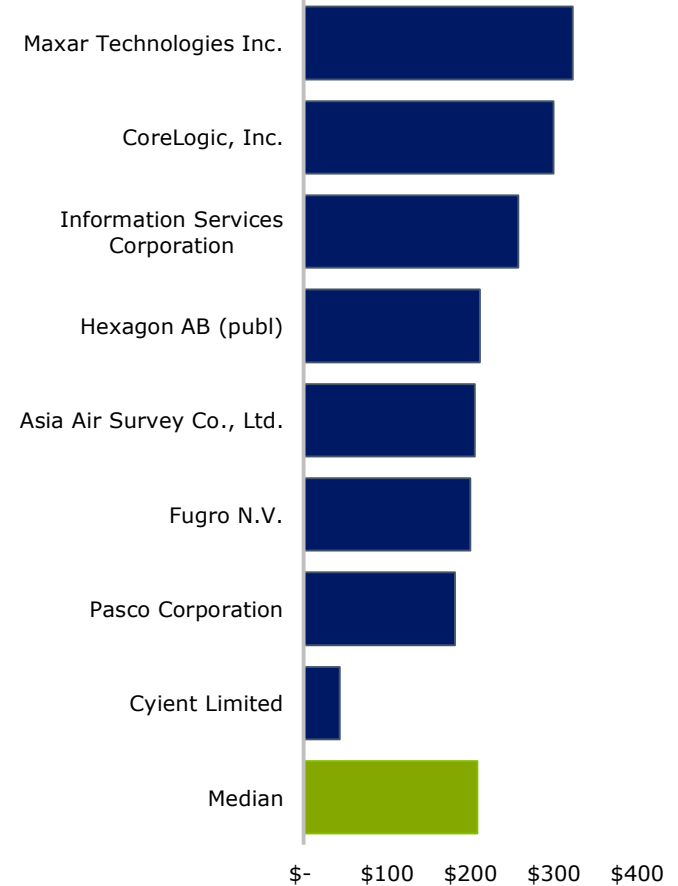
Operational Metrics



LTM Revenue Growth %



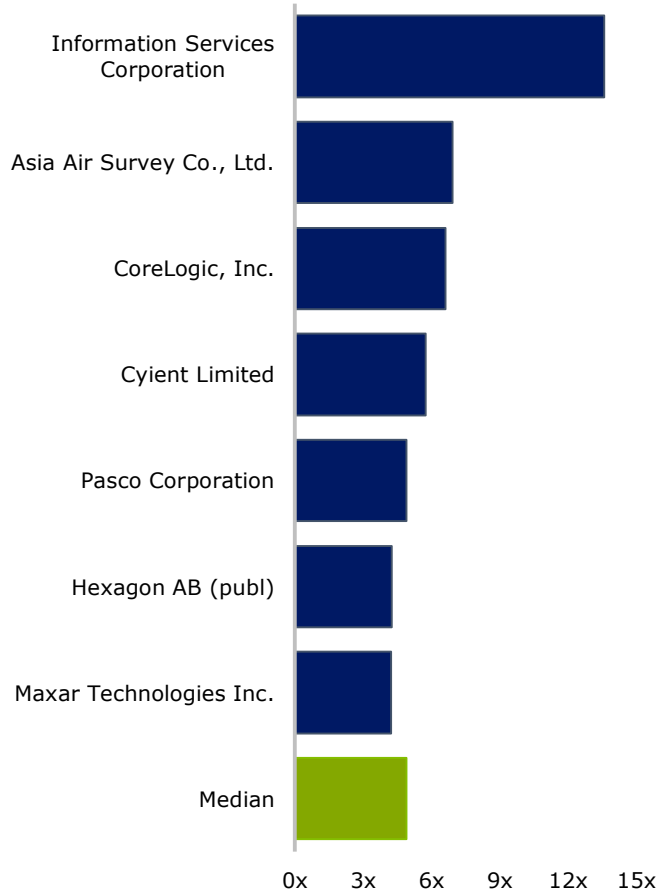
LTM Revenue per Full Time Employee x 000's



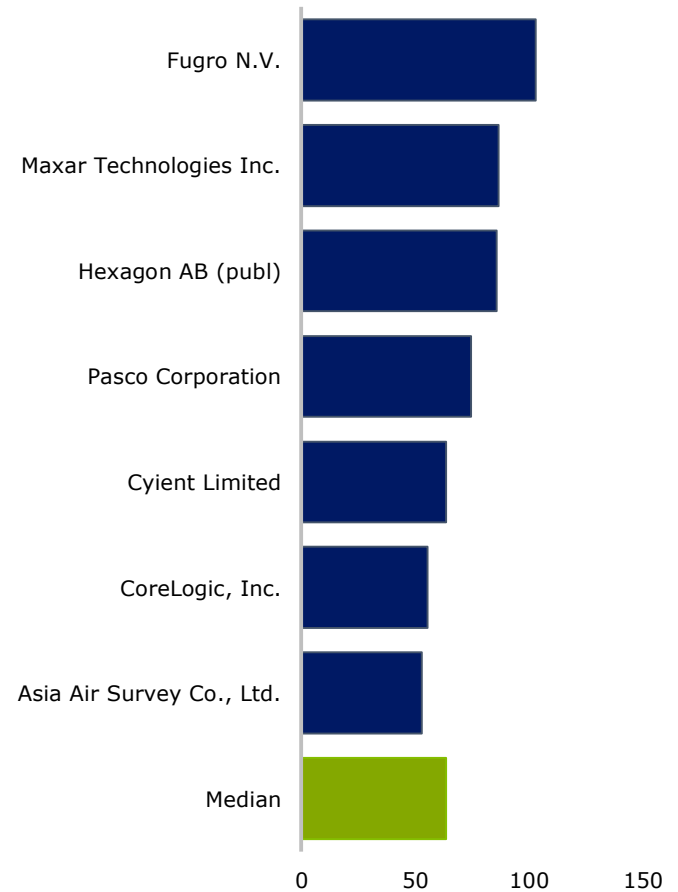
Operational Metrics



Accounts Receivable Turnover



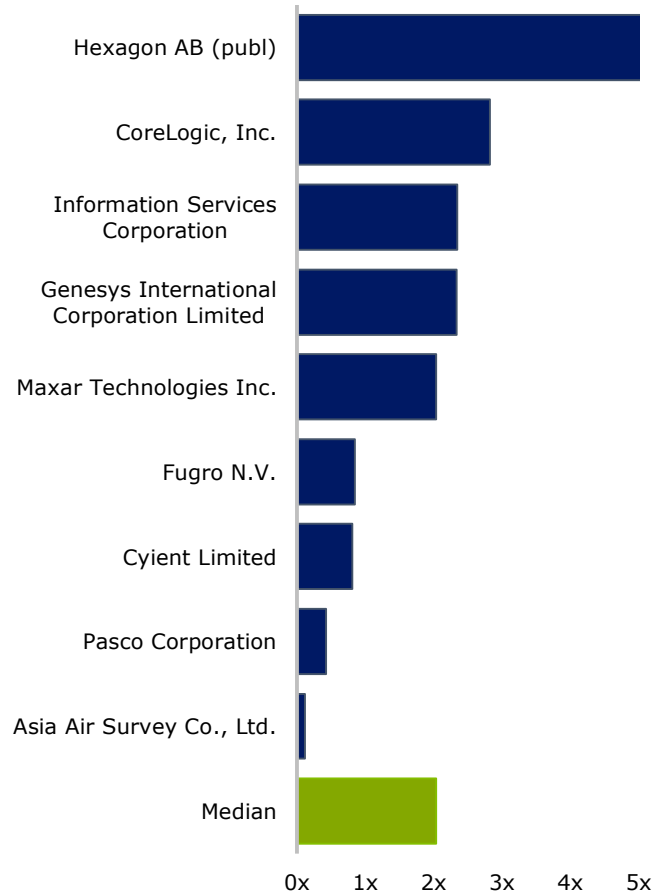
Average Days Sales Outstanding



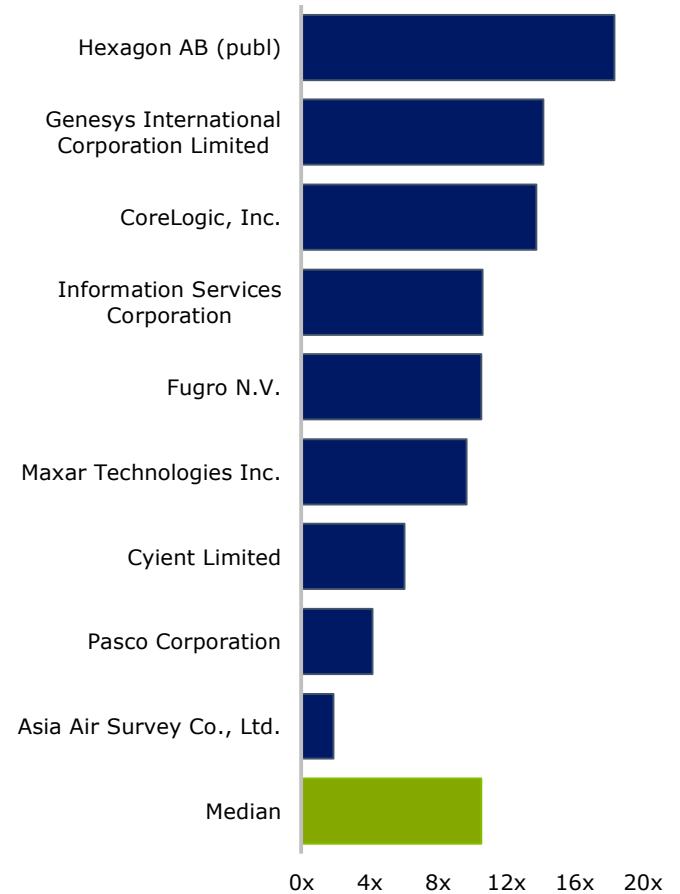
Valuation



TEV / LTM Revenue



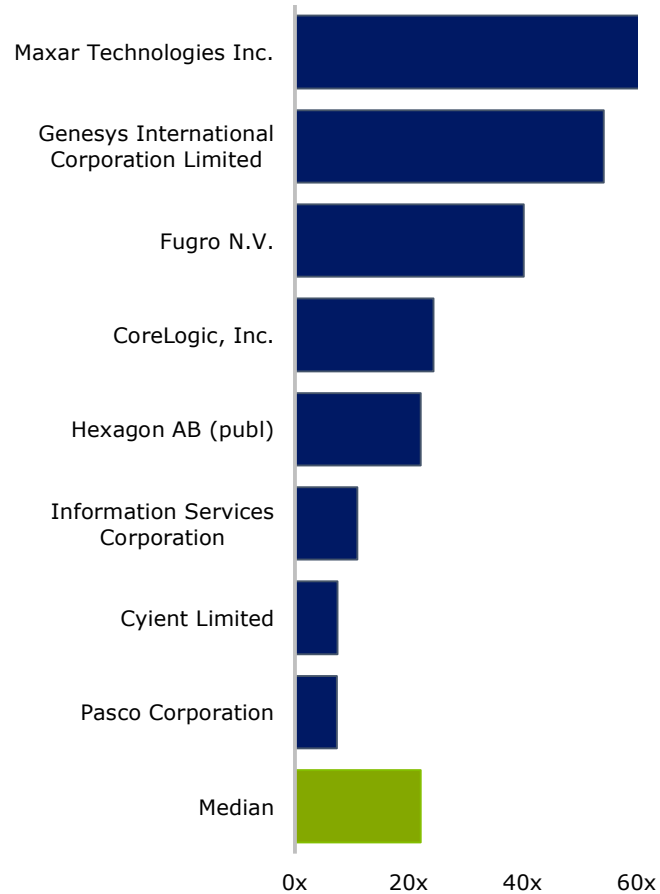
TEV / LTM EBITDA



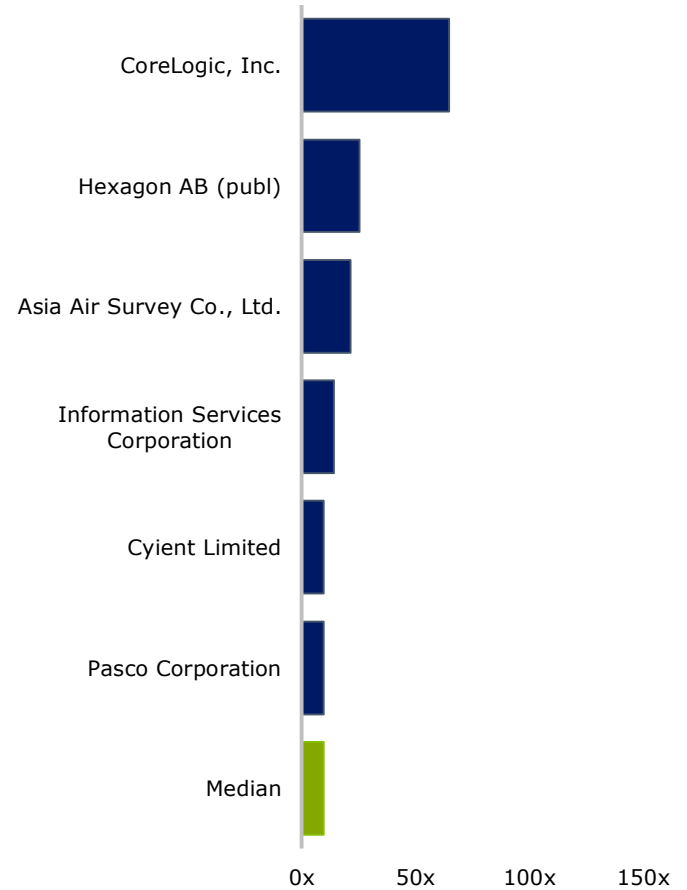
Valuation



TEV / LTM EBIT



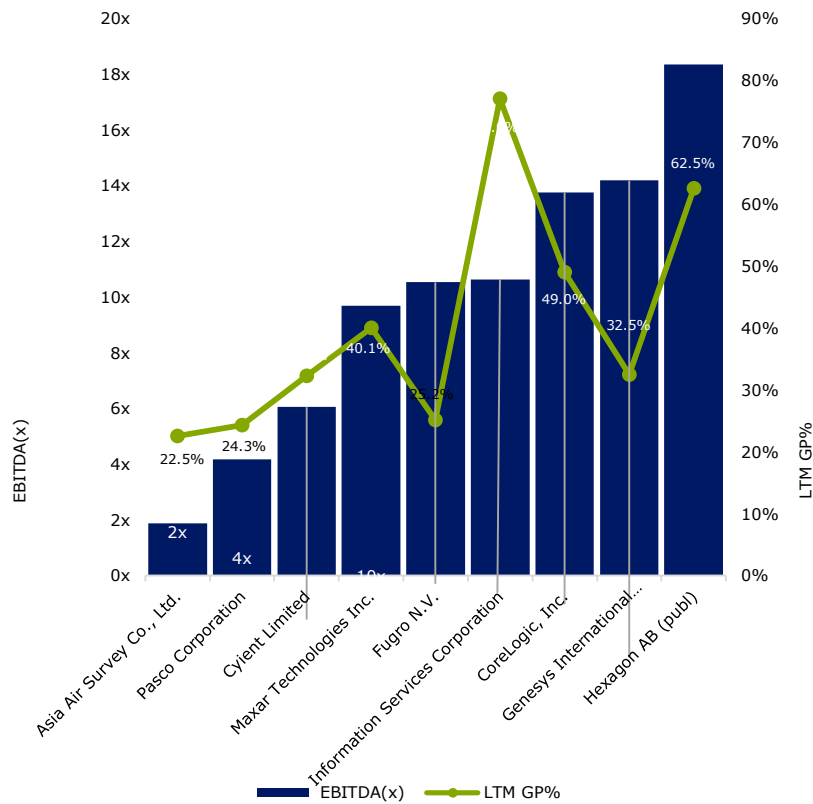
Price / LTM Earnings



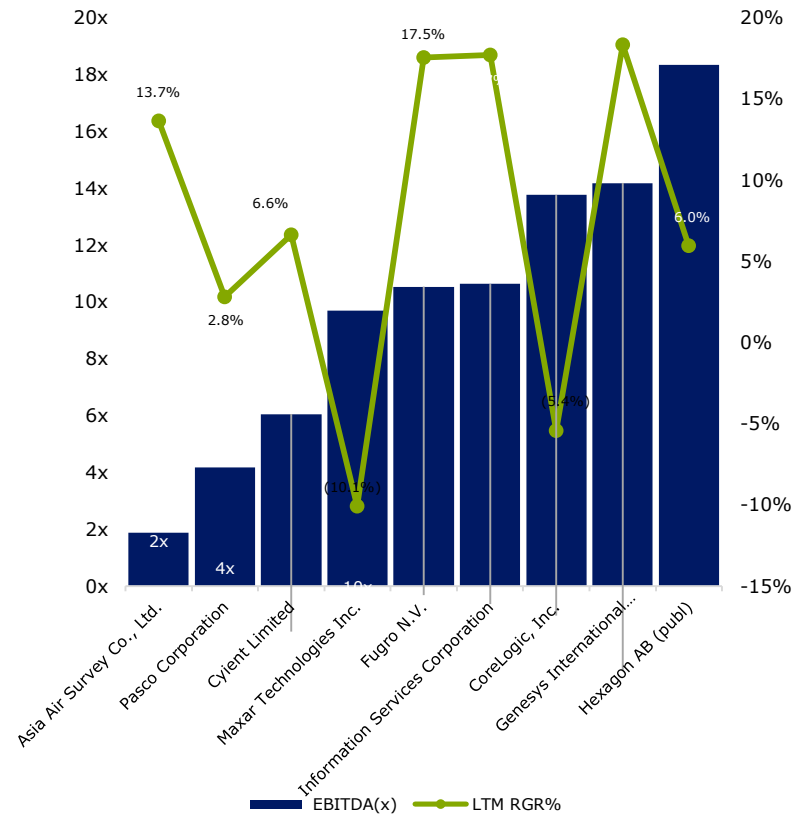
Valuation



Historical Valuation Multiples versus Gross Profit



Historical Valuation Multiples versus Revenue Growth Rate



Recent Transactions



Date	Target	Buyer	Total Transaction Value	Target Revenue	TEV / Revenue	TEV / EBITDA
5Nov19	Pointerra Limited	-	1.72	0.31	-	-
22Oct19	The AEGIS Technologies Group, Inc.	Arlington Management Employees, LLC	-	-	-	-
22Oct19	Velodyne LIDAR, Inc.	Hyundai Mobis Co.,Ltd	50.00	-	-	-
20Oct19	Citilabs Inc./Orbit Geospatial Technologies	Bentley Systems, Incorporated	-	-	-	-
15Oct19	Hummingbird Technologies Limited	TELUS Ventures; BASF Venture Capital GmbH; Saudi Agricultural & Livestock Investment Company; Downing Ventures	-	-	-	-
9Oct19	GeoIQ, Inc.	Inflection Point Ventures LLP	-	-	-	-
10Oct19	SenSat Ltd	Tencent Holdings Limited; Sistema Venture Capital	10.00	-	-	-
30Sep19	Geodesial SAS	Keensight Capital	-	-	-	-
27Sep19	Certain Assets of PowerLine Technology Inc.	ikeGPS Group Limited	3.07	-	-	-
27Sep19	ikeGPS Group Limited	-	3.14	5.04	-	-
26Sep19	EOLOS Floating Lidar Solutions S.L.	Prorsum AG	-	-	-	-
24Sep19	Viamapa, Serviços de Topografia S.A.	GEOSAT	-	-	-	-
17Sep19	Picterra SA	Omidyar Network Services LLC; Atlantic Internet GmbH; Space Angels Holdings, Inc.	3.30	-	-	-
4Sep19	Ursa Space Systems Inc.	-	12.60	-	-	-
21Aug19	Drone Pilot Agency Co., Ltd.	Kashiwabara Corporation; B Dash Ventures Inc.	0.52	-	-	-
27Jun19	PIXIA Corp.	Cubic Corporation	50.00	-	-	-
5Aug19	Ventus Geospatial Inc. (nka:Terra Drone Ventus)	Terra Drone Corporation	-	-	-	-
24Jul19	Keystone Aerial Surveys, Inc.	Geomni, Inc.	29.90	18.68	1.6x	-
23Jul19	Assets of Mapper.ai, Inc.	Velodyne LIDAR, Inc.	-	-	-	-
15Jul19	AEVEX Aerospace	-	160.00	-	-	-
9Jul19	Jibestream Inc.	Impixon Canada, Inc.	6.10	-	-	-
3Jul19	Cesium GS, Inc.	Falcon Global Capital, LLC	5.00	-	-	-
26Jun19	TerraStride, Inc.	-	-	-	-	-
11Jun19	TerraSond Limited	Acteon Group Limited	-	-	-	-
19Jun19	Survey Solutions Ltd.	RJD Partners Limited; RJD Private Equity Fund III	-	-	-	-
3Jun19	Assets of RME Geomatics	Aethon Aerial Solutions Inc.	-	-	-	-
3Jun19	ProStar Geocorp, Inc.	-	3.50	-	-	-
29May19	Geografia Aplicada Sociedad Limitada	CARTO	-	-	-	-
10May19	AmigoCloud, Inc.	Essential Services Group Inc	16.00	-	-	-
23May19	Blackmore Sensors and Analytics Inc.	Aurora Innovation, Inc.	-	-	-	-
22May19	Geomatics Data Solutions, Inc.	Woolpert, Inc.	-	-	-	-
21May19	GEOSAT	Bpifrance Investissement; Société Générale Capital Partenaires SAS, SCR	11.16	-	-	-
16May19	iGeolise Limited	Environmental Technologies Fund LP	3.97	-	-	-
14May19	AEye, Inc.	Pegasus Tech Ventures	-	-	-	-

Geospatial Services and Technology

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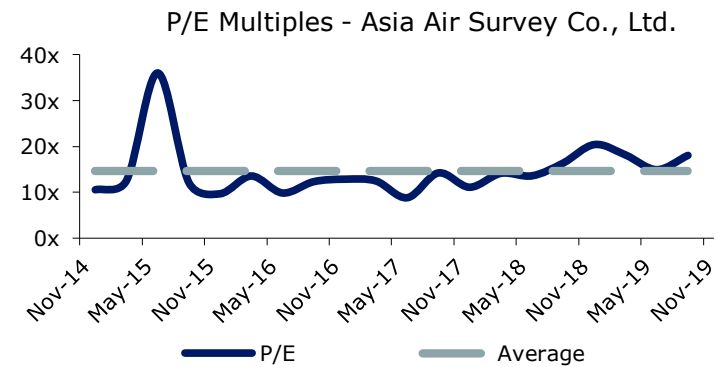
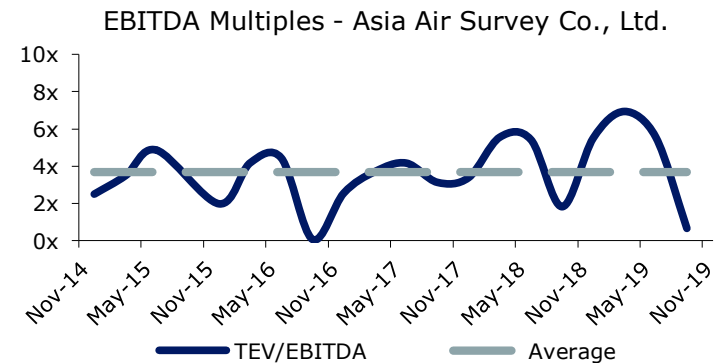
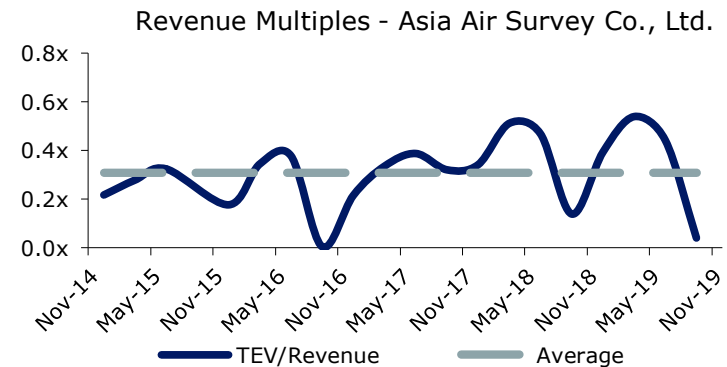
APPENDIX:
Public Basket
Constituents

Public Basket



Asia Air Survey Co., Ltd.

Asia Air Survey Co., Ltd., a construction consulting company, provides aerial surveying services and products in Japan and internationally. The company offers geospatial survey services, including space-borne remote sensing, aerial photography, airborne and mobile LiDAR surveying, UAV aerial surveying services, etc. It also engages in map-making, GIS data preparation, 3D model creation and visualization, LiDAR data analysis and visualization, administration-support GIS, and mapping system and 3DViewer system development activities, as well as the provision of red relief image maps. In addition, the company provides disaster management services, including erosion control, volcanic disaster prevention, and river disaster prevention consulting, as well as regional planning for disaster prevention; and environmental management services, such as biodiversity conservation, environmental assessment, forest resources management, soil contamination investigation, support for environmental rehabilitation, and renewable energy development. Further, it offers infrastructure asset management services, including urban and regional planning; planning and designing of public facilities comprising roads, ports, bridges, rivers, and lifeline facilities; maintenance engineering services, such as investigation, diagnosis, analysis, monitoring, and reinforcement; and system and database for facility management. Asia Air Survey Co., Ltd. was founded in 1949 and is headquartered in Kawasaki, Japan.

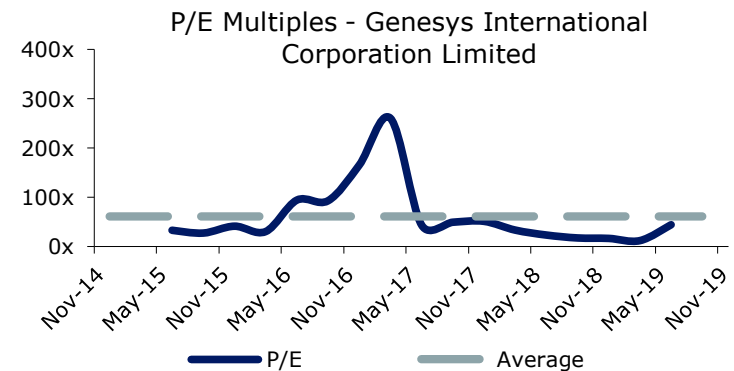
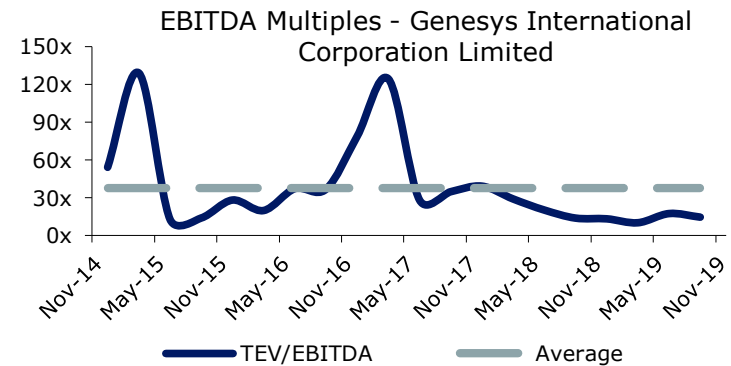
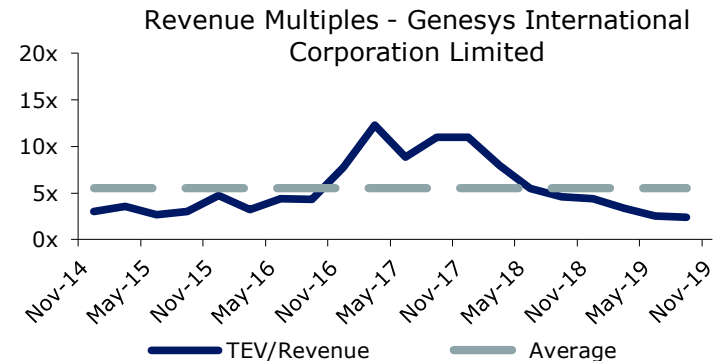


Public Basket



Genesys International Corporation Limited

Genesys International Corporation Limited provides mapping, survey, and geospatial services for enterprises, government agencies, and consumers worldwide. The company offers geographical information systems (GIS) consulting services, including mapping/GIS needs assessments, QA/QC analysis, and project design; spatial data conversion and migration services; and photogrammetric services, such as planning and collection of aerial imagery acquisition, photogrammetric film scanning, aerial triangulation and adjustment, 3D building and structure modelling, stereo-compilation, orthorectification, training and capacity building, and DEM/DTM contouring and cross-sections, as well as 3D data migration and GIS ready formats. It also provides light detection and ranging (LiDAR) engineering services comprising corridor survey and mapping, asset mapping, infringement analysis, as-built drawings, walk throughs and 3D visualizations, and 3D modeling and simulation for mobile LiDAR survey and mapping; terrestrial LiDAR survey and mapping services that include 2D/3D topographic feature maps, contour maps, 3D data sets, engineering drawings, and 3D animation/fly through services; and aerial LiDAR scanning and mapping services, such as aerial LiDAR acquisition, classification of bare earth and above ground features, power line classification, hydro enforcement, 3D feature extraction and modeling, and contour generation, as well as DSM, DEM, and intensity images. The company was founded in 1983 and is headquartered in Mumbai, India.



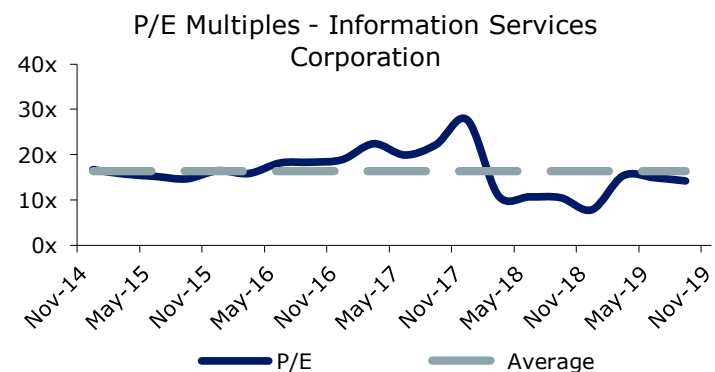
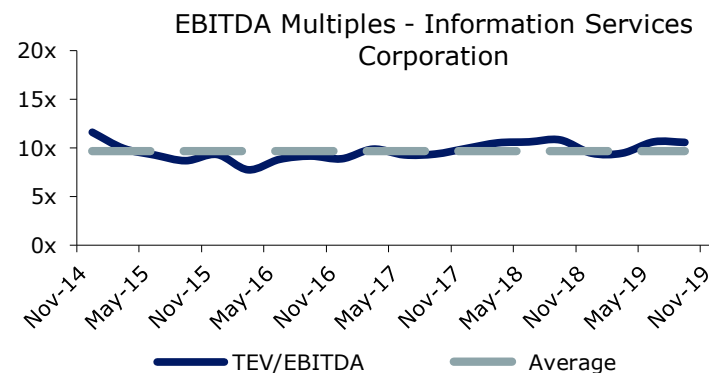
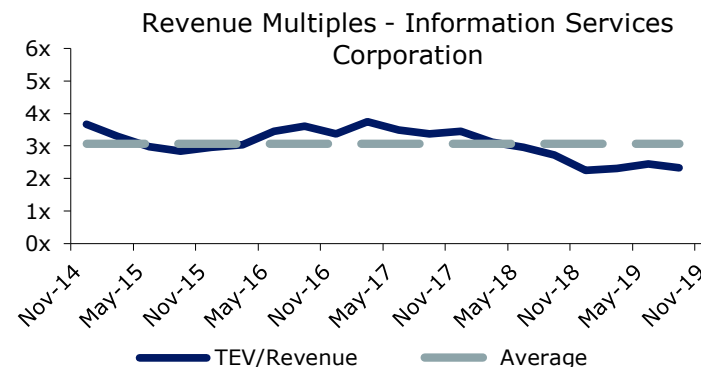
Public Basket



Information Services Corporation

Information Services Corporation, together with its subsidiaries, provides registry and information management services, and software solutions to governments and private sector organizations in Canada and internationally. It operates through two segments, Registries and Services. The company provides land titles registry services that issues titles to land and registers transactions affecting titles, including changes of ownership and the registration of interests in land; land surveys directory that plans and creates a representation of Saskatchewan land parcels in the cadastral parcel mapping system; and geomatics services that manages geographic data in relation to the cadastral parcel mapping system. In addition, the company provides search and registration services through online customer channel for the Ontario business information system; know-your-customer services to support customers' due diligence activities for compliance purposes and credit service solutions; and corporate supplies for companies to organize and maintain corporate legal documents. Information Services Corporation serves law firms, corporations, and financial service institutions, as well as lending, leasing, and credit issuing businesses and institutions. Information Services Corporation was founded in 2000 and is headquartered in Regina, Canada.

Date	Key Development Headline
3/20/19	Information Services To Seek Acquisitions
2/4/19	ISC To Seek Acquisitions

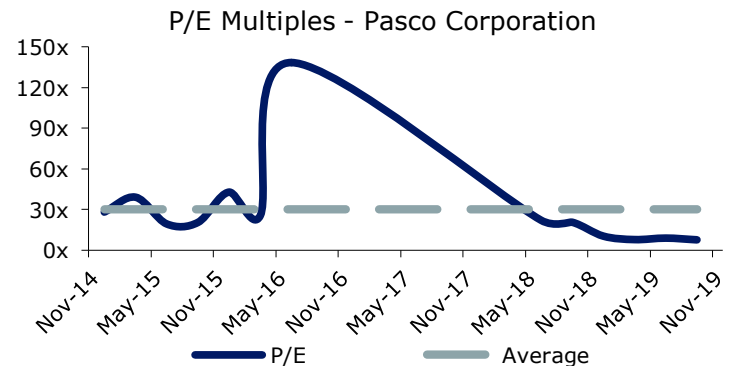
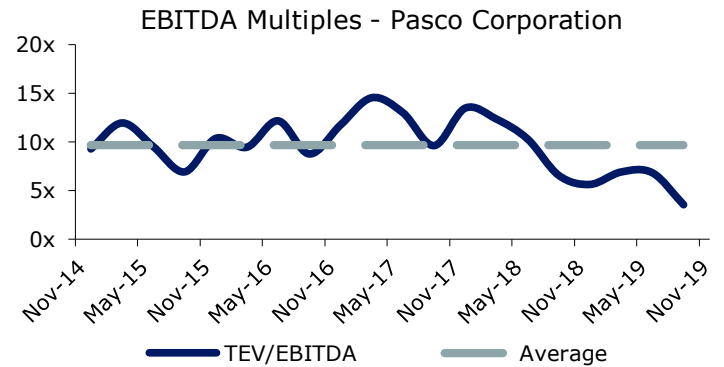
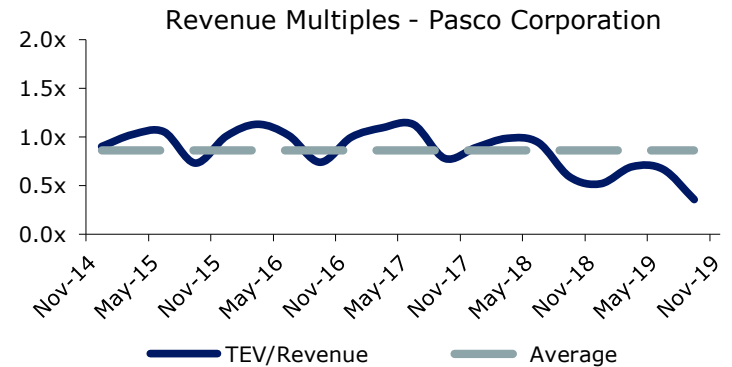


Public Basket



Pasco Corporation

Pasco Corporation engages in the acquisition, analysis, and provision of geospatial information in Japan and internationally. The company offers space borne services that handle data from the commercial earth observation satellites launched worldwide; and airborne surveying services, such as aerial photogrammetric, aerial laser, thermal sensor, and hyperspectral sensor surveying, as well as portable aerial photography and locator systems. It also provides vehicle/ground surveying services, including road condition laser, road condition, global positioning system, total station, precision, and terrestrial laser surveying, as well as ground based InSAR and Radar; water area surveying services comprising bathymetry and seabed exploration; and analysis bases for geospatial information consisting of satellite signal receiving facilities and MMS high accuracy information center. In addition, the company offers geographic information system (GIS) cloud services, such as Internet-based regional analysis and marketing, reassurance with disaster prevention systems, and services for local governments and public institutions; MarketPlanner, a GIS. Pasco Corporation is a subsidiary of Secom Co., Ltd.



Date	Key Development Headline
7/23/19	Geomni, Inc. agreed to acquire Keystone Aerial Surveys, Inc. from Pasco Corporation (TSE:9232) for \$30 million.

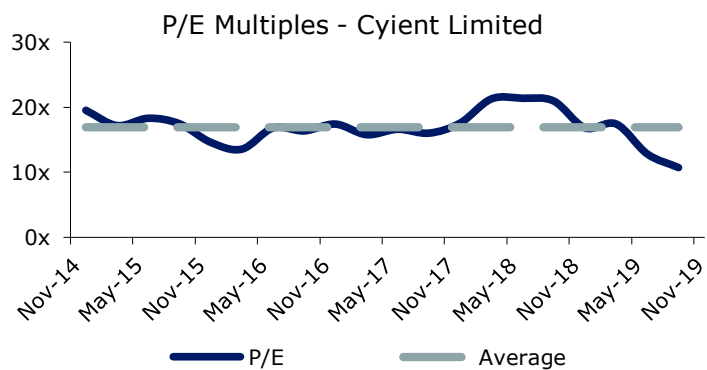
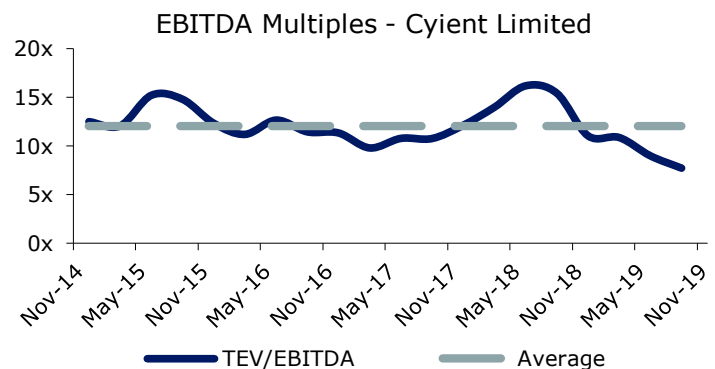
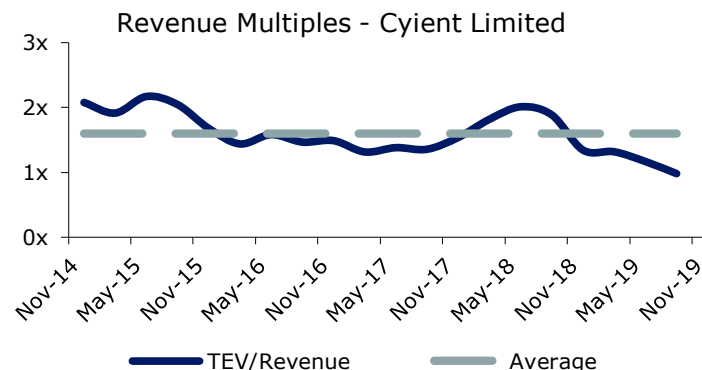
Public Basket



Cyient Limited

Cyient Limited provides geospatial, engineering design, information technology (IT) solutions, and data analytic services in India and internationally. It offers engineering services, such as mechanical engineering, plant engineering, aftermarket, manufacturing engineering, embedded software and electronic, engineering application software development, electrical engineering, rail signaling and electrification, semiconductor design services, and intellectual property and allied services. The company also provides electronic and mechanical manufacturing services; analytics, big data consulting, and IoT and M2M services; and network and operation service. Cyient Limited was founded in 1991 and is headquartered in Hyderabad, India.

Date	Key Development Headline
2/14/19	Cyient Limited (BSE:532175) completed the acquisition of remaining 26% stake in Cyient DLM Private Limited.
1/21/19	Cyient Limited (BSE:532175) entered into a definitive agreement to acquire remaining 26% stake in Cyient DLM Private Limited for approximately INR 430 million.

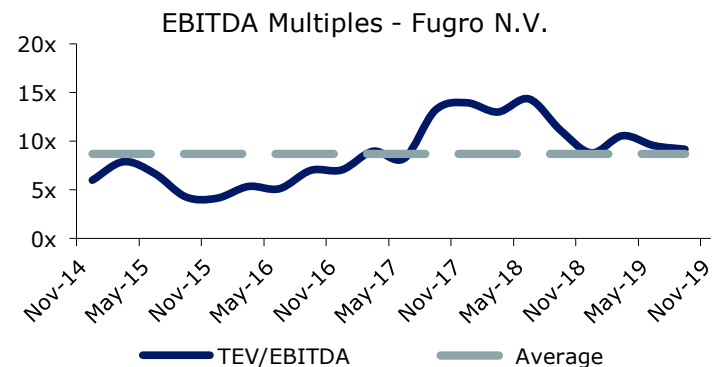
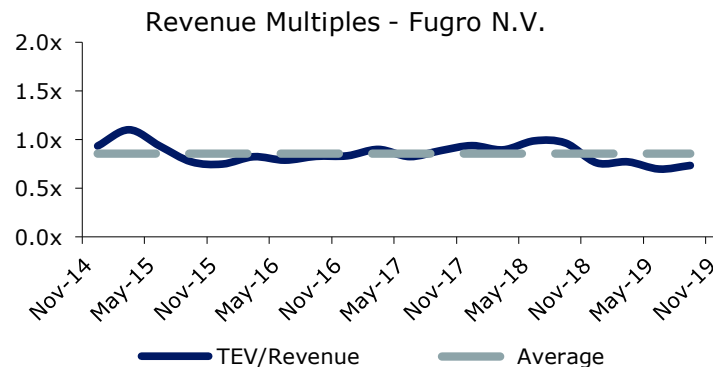


Public Basket



Fugro N.V.

Fugro N.V. provides geo-intelligence and asset integrity solutions for constructions, infrastructure and natural resources in Europe, Africa, the Middle East, India, the Asia Pacific, and the Americas. The company operates through three segments: Marine, Land, and Geoscience. The company's Marine segment is involved in the acquisition of geotechnical drilling and related laboratory testing; and the mapping of soil characteristics using geophysical surveys, including the related interpretation and visualization, as well as in construction and installation related activities. This segment also provides geo-consulting, general purpose navigation charts and environmental, meteorological and oceanographic measurement, construction support, monitoring and forecasting, drill support, remote systems technology, and inspection, repair, and maintenance services; and positioning signaling and services. The Land segment engages in the determination of soil characteristics through cone penetration testing and/or the acquisition of geotechnical drilling and related laboratory testing. Fugro N.V. was founded in 1962 and is headquartered in Leidschendam, the Netherlands.



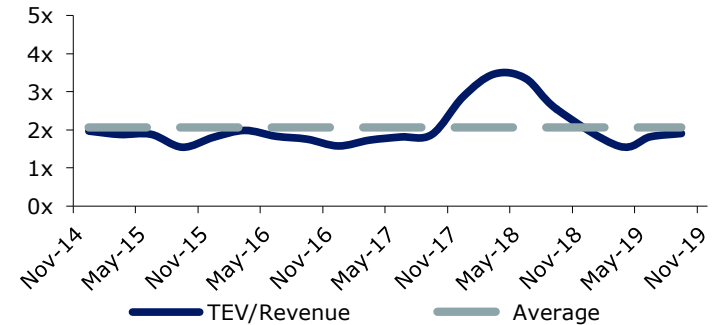
Public Basket



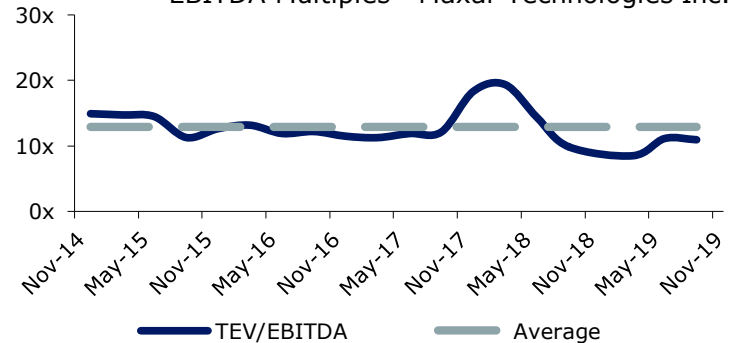
Maxar Technologies Ltd.

Maxar Technologies Ltd., a space and geospatial intelligence company, provides satellites, earth imagery, geospatial data, and analytics for the commercial and government customers worldwide. The company operates through three segments: Space Systems, Imagery, and Services. The Space Systems segment supplies space and ground based infrastructure and information solutions, including communication and imaging satellites, payloads and antenna subsystems, space-based and airborne surveillance solutions, and associated ground infrastructure and support services for communications and surveillance and intelligence applications. This segment also offers a range of services, such as television and radio distribution, broadband Internet, and mobile communications in the communications market; and spacecraft and subsystems for the U.S. government and other customers, as well as robotic systems for the space and terrestrial markets. The Imagery segment supplies integrated electro-optical and radar imagery products for the U.S., Canadian, and other international government agencies, such as defense and intelligence, as well as commercial customers in various markets. Maxar Technologies Ltd. was founded in 1969 and is based in Westminster, Colorado.

Revenue Multiples - Maxar Technologies Inc.



EBITDA Multiples - Maxar Technologies Inc.



Date	Key Development Headline
4/24/19	TRI-AD, Maxar Technologies and NTT DATA Corporation to Build High-Definition Maps for Autonomous Vehicles from Space

Public Basket

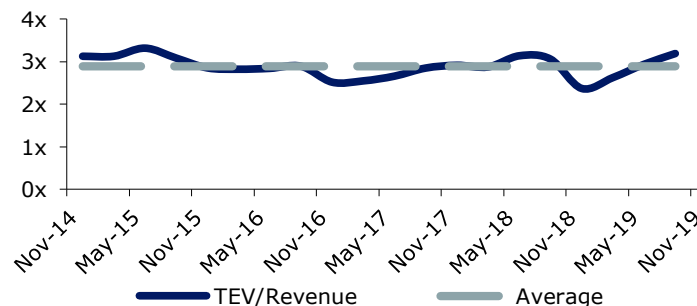


CoreLogic, Inc.

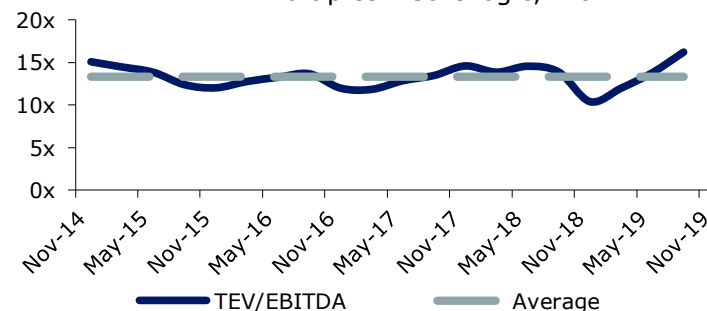
CoreLogic, Inc. provides property information, analytics, and data-enabled services in North America, Western Europe, and the Asia Pacific. The company's Property Intelligence segment owns or licenses loan information, property sales and characteristic information, property risk and replacement cost, natural hazard data, geospatial data, parcel maps, and mortgage-backed securities information. This segment's products and services include data licensing and analytics, data-enabled advisory services, platform solutions, and valuation solutions. This segment delivers information directly to clients in a standard format over the Web, through customizable software platforms, or in bulk data form. CoreLogic, Inc. was incorporated in 1894 and is headquartered in Irvine, California.

Date	Key Development Headline
9/24/19	CoreLogic, Inc. (NYSE:CLGX) acquired National Tax Search, LLC.
12/17/18	CoreLogic, Inc. (NYSE:CLGX) completed the acquisition of remaining 71.96% stake in Symbility Solutions Inc. (TSXV:SY).
12/16/18	CoreLogic, Inc. (NYSE:CLGX) acquired Breakaway Holdings, LLC for \$12.7 million.
10/21/18	CoreLogic, Inc. (NYSE:CLGX) entered into a non-binding letter of intent to acquire remaining 71.96% stake in Symbility Solutions Inc. (TSXV:SY) for approximately CAD 110 million.

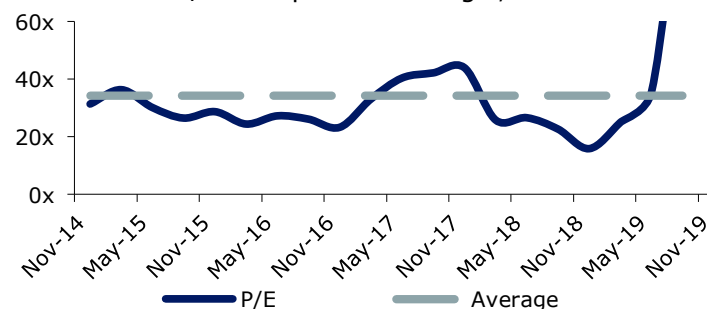
Revenue Multiples - CoreLogic, Inc.



EBITDA Multiples - CoreLogic, Inc.



P/E Multiples - CoreLogic, Inc.



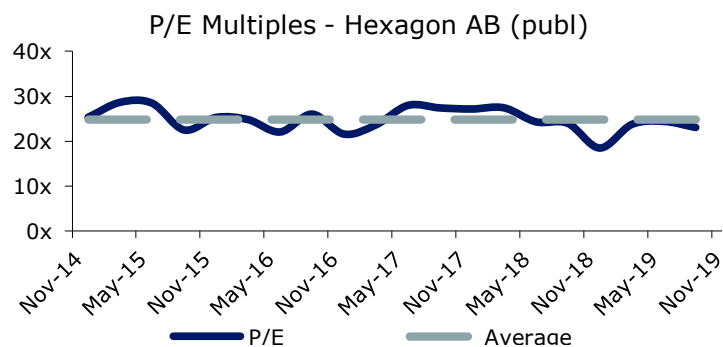
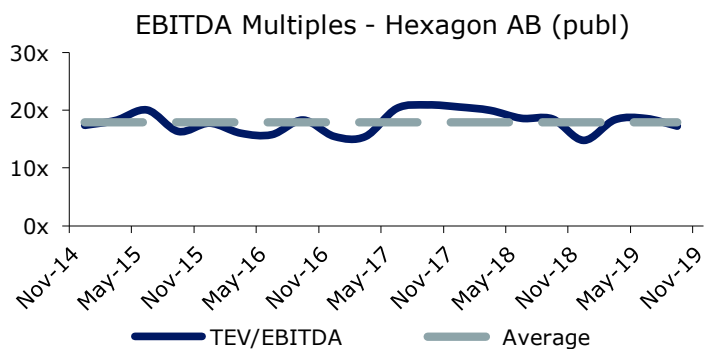
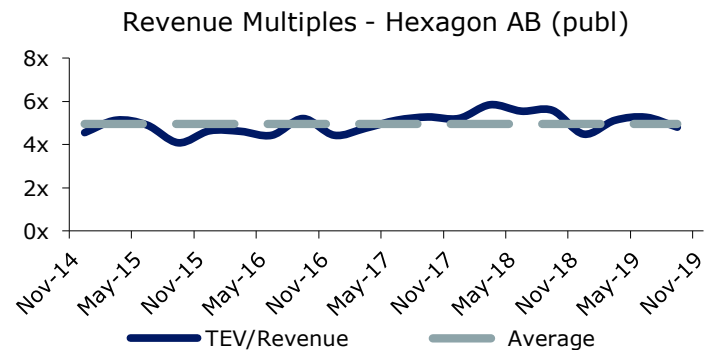
Public Basket



Hexagon AB (publ)

Hexagon AB (publ) provides information technology solutions for geospatial and industrial landscapes worldwide. The company operates through two segments, Industrial Enterprise Solutions (IES) and Geospatial Enterprise Solutions (GIS). The IES segment offers metrology systems that incorporate the in sensor technology for measurements, as well as computer-aided design, computer-aided manufacturing, and computer-aided engineering software. Its solutions include coordinate measuring machines, optical and portable scanners, industrial metrology software, and life cycle engineering software solutions. This segment's solutions are used in power and energy, electronics and manufacturing, automotive, and aerospace and defense industries. Hexagon AB (publ) was founded in 1975 and is headquartered in Stockholm, Sweden.

Date	Key Development Headline
6/12/19	Aspen Technology and Hexagon Announces New Collaboration to Accelerate Digital Transformation in Process Industries
4/11/19	Hexagon AB (publ) (OM:HEXA B) completed the acquisition of Thermopylae Sciences and Technology, LLC
2/24/19	Hexagon AB (publ) (OM:HEXA B) entered into an agreement to acquire Thermopylae Sciences and Technology, LLC.
1/16/19	Hexagon AB (publ) (OM:HEXA B) acquired j5 International Limited.
1/6/19	Hexagon AB (publ) (OM:HEXA B) acquired Etalon Ag.



CONTACT INFO

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. Securities offered through 7M Securities LLC.

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