

1Spatial

Contract win

1Spatial wins data migration contract with NGN

1Spatial has announced a multi-year contract with Northern Gas Networks (NGN) with a total contract value of more than £1m, including a recurring revenue element of more than £0.2m. NGN will use 1Spatial's 1Integrate product to audit, clean and migrate data to Esri's ArcGIS. The bulk of the revenues are expected to fall in the current financial year (FY22). We make no changes to numbers, but following 1Spatial's CalOES win in the US last month (see [Edison note](#)) momentum in the business appears to be encouraging.

Year end	Revenue (£m)	EBITDA* (£m)	EBIT* (£m)	EPS* (p)	EV/sales (x)	EV/EBIT* (x)	P/E (x)
01/19	17.6	1.2	(0.3)	(0.6)	1.7	N/A	N/A
01/20	23.4	3.2	1.0	0.6	1.3	30.5	51.4
01/21e	23.4	2.8	(0.4)	(0.4)	1.3	N/A	N/A
01/22e	25.1	3.6	0.4	0.2	1.2	75.0	N/A

Note: *EBITDA, EBIT and EPS exclude amortisation of acquired intangibles, exceptional items and share-based payments. Geomap-Imagis consolidated from May 2019 (FY20).

NGN distributes gas to 2.7m homes in northern England. It has selected 1Spatial's core 1Integrate product to migrate its geospatial data into a newly released ArcGIS utility network data model from Esri. 1Integrate's key differentiator is its ability to integrate, harmonise and error correct huge geospatial datasets, which should enable NGN to substantially enhance the quality of its data.

NGN is an existing customer and has worked with 1Spatial in the past to develop innovative solutions based on geospatial data to improve its processes (see [Edison note](#)). However, this contract is potentially particularly significant as it represents 1Spatial's first major UK collaboration with Esri (a leading GIS supplier) and the solution chosen by NGN has the potential to be adopted by other utility customers as they migrate their network data onto the new Esri model.

Software & comp services

12 February 2021

Price **30.0p**

Market cap **£34m**

Net cash (£m) at end FY20 3.9

Shares in issue 113.5m

Free float 93%

Code SPA

Primary exchange AIM

Secondary exchange N/A

Share price performance



Business description

1Spatial's core technology validates, rectifies and enhances customers' geospatial data. The combination of its software and advisory services reduces the need for costly manual checking and correcting of data.

Analysts

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