

1Spatial

Product launch

Launch of 1Data Gateway

Technology

The launch of 1Data Gateway is an important development for 1Spatial in our view. It enables 1Integrate (its key differentiator) to be delivered as a hosted software-as-a-service (SaaS) platform. This should significantly enhance its scalability, allowing adoption across a range of segments at little incremental cost. Hence, we see 1Data Gateway as key to driving growth and raising margins over time.

Year end	Revenue (£m)	EBITDA* (£m)	PBT* (£m)	EPS* (p)	EV/Sales (x)	EV/EBITA (x)	P/E (x)
01/18	16.9	0.4	(1.5)	(2.3)	1.4	57.3	N/A
01/19	17.6	1.2	(0.9)	(1.1)	1.3	19.4	N/A
01/20e	22.8	3.1	0.8	0.7	1.0	7.4	35.5
01/21e	25.6	3.7	1.4	1.0	0.9	6.2	25.9

Note: *EBITDA, PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

1Integrate uses a customisable rules engine to help generate actionable insight from geospatial data stored across multiple repositories in an organisation. Historically it has always been delivered as a customised, on premise solution, making it relatively complex and time consuming to implement. 1Data Gateway changes this. It enables 1Integrate to be accessed as a configurable hosted SaaS solution. At its October analyst day, 1Spatial demonstrated several potential commercial applications across different sectors and geographies (see [Mapping a future path](#)). In addition, the company has updated the core software to enable support for BigQuery, Google's cloud data warehouse.

It may take time for the full financial benefits of 1DataGateway to be felt. Nevertheless, we believe the ability to address multiple clients without substantial cost increases gives it the potential to both accelerate growth and raise margins. Furthermore, it represents an important step towards delivering 1Spatial's Location Master Data Management (LMDM) strategy. The company issued an update statement in January (see [Edison note](#)) suggesting momentum in the business had remained healthy into the last few months of the financial year. Our forecasts are unchanged and we expect a further trading statement at some point in the next month.

6 March 2020

Price **26p**
Market cap **£29m**

Net cash (£m) at end FY19	6.4
Shares in issue	111m
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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