

# Sectorwatch: Location Intelligence

July 2018

# Location Intelligence

July 2018

- Sector Dashboard [4]
- Public Basket Performance [5]
- Operational Metrics [7]
- Valuation Comparison [10]
- Recent Deals [13]
- Appendix [14]

# 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.

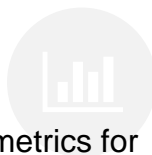
## Dashboard

- 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 Momentum

↑0.03

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

Current revenue growth rate exceeds the average of the last 3 years by this amount, indicating that market momentum is increasing

## Pricing / Gross Margin Momentum

↑0.9%

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

Current gross profit margin exceeds the average of the last 3 years gross profit margin by this amount, indicating supplier pricing power

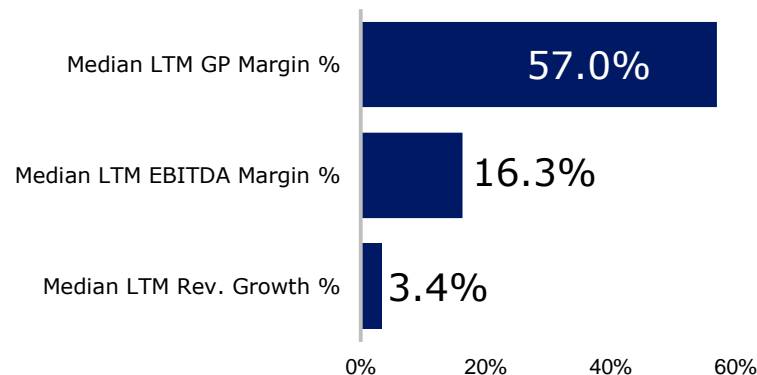
## Profitability Momentum

↑1.7%

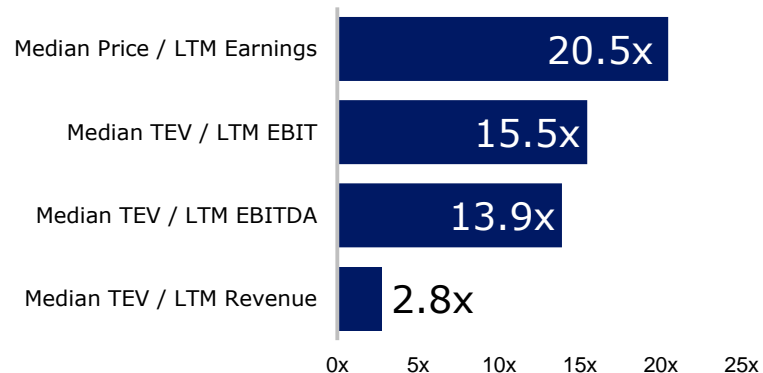
1 - year EBITDA % compared to EBITDA % average for last 3 years

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



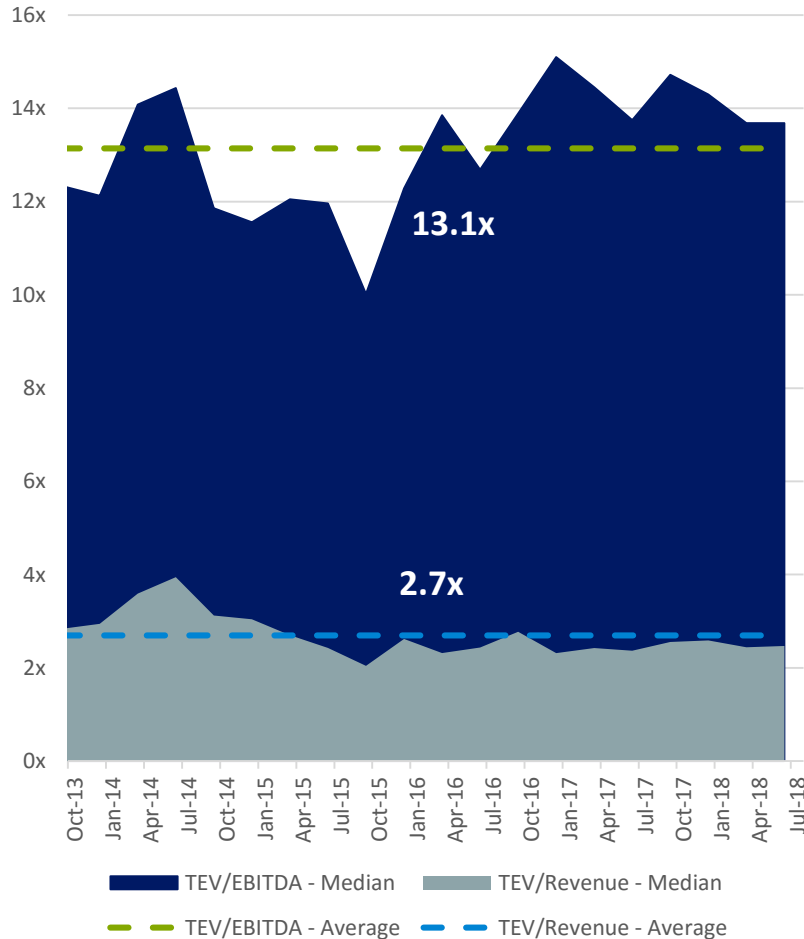
# Public Basket



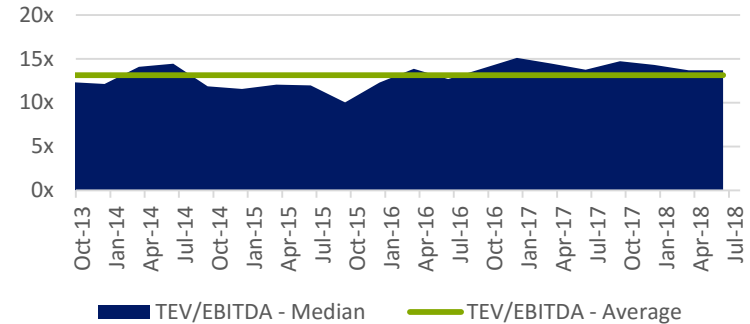
Company	TEV \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Ubisense Group Plc	66	37	3%	40%	-9%	1.8	0.0	138	267
Inseego Corp.	231	211	-9%	32%	2%	1.1	53.4	927	227
TomTom N.V.	2,217	1,004	-11%	66%	16%	2.2	13.9	4,825	208
NavInfo Co., Ltd.	3,509	357	38%	75%	13%	10.6	81.6	4,762	75
Pitney Bowes Inc.	4,429	3,696	9%	49%	17%	1.2	6.9	14,700	251
Trimble Inc.	9,713	2,786	17%	56%	17%	3.5	19.6	9,523	293
Garmin Ltd.	10,887	3,156	4%	58%	25%	3.4	13.9	12,300	257
QUALCOMM Incorporated	74,668	22,832	1%	58%	30%	3.3	11.6	33,800	676
<b>Average</b>	13,215	4,260	6%	54%	14%	3.4	25.1	10,122	282
<b>Median</b>	3,969	1,895	3%	57%	16%	2.8	13.9	7,174	254

share price as of 26Jul18

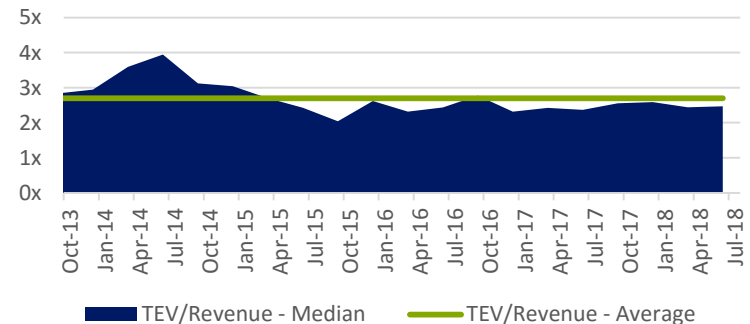
# Public Basket Valuation Trends



## Public EBITDA Multiples over Time



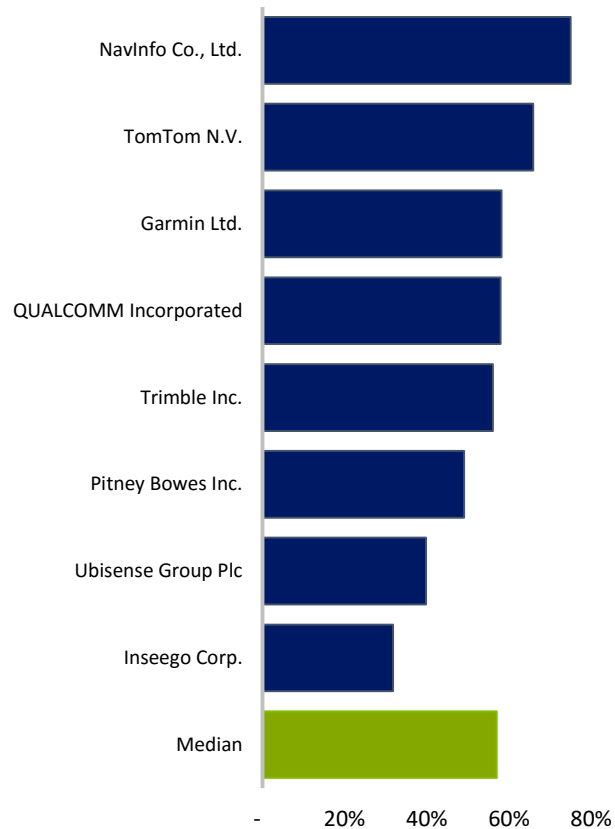
## Public Revenue Multiples over Time



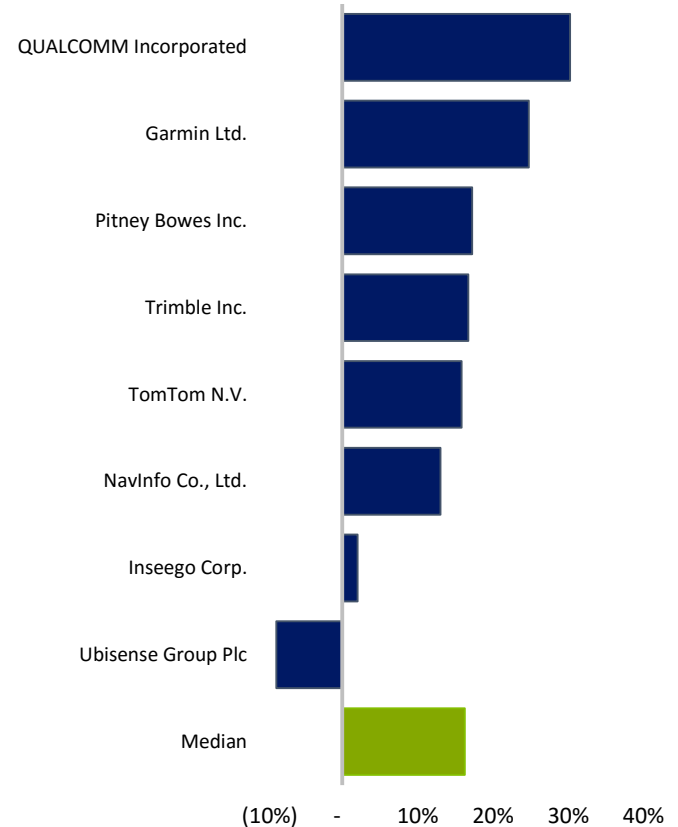
# Operational Metrics



LTM Gross Profit Margin %



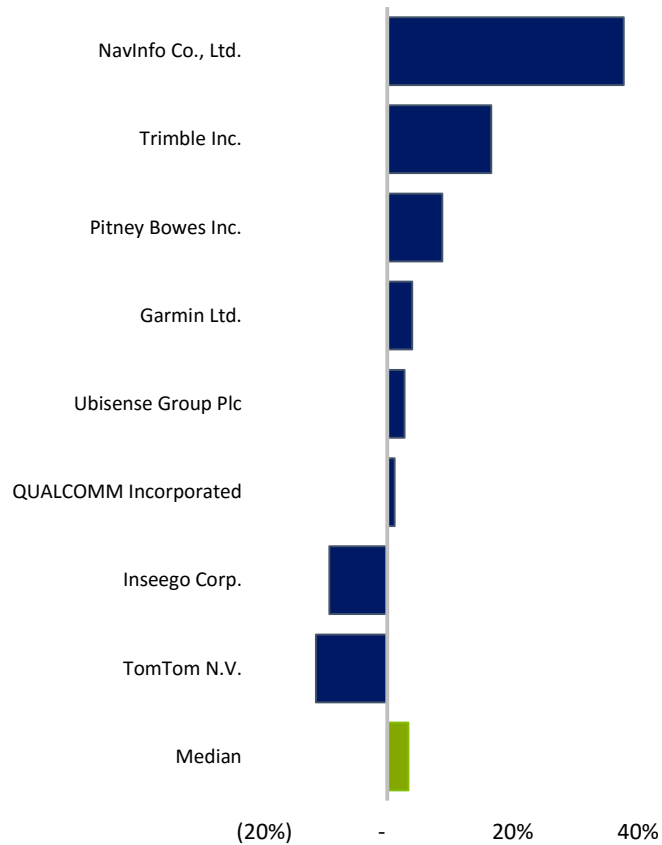
LTM EBITDA %



# Operational Metrics



## LTM Revenue Growth %



## LTM Revenue per Full Time Employee x 000's

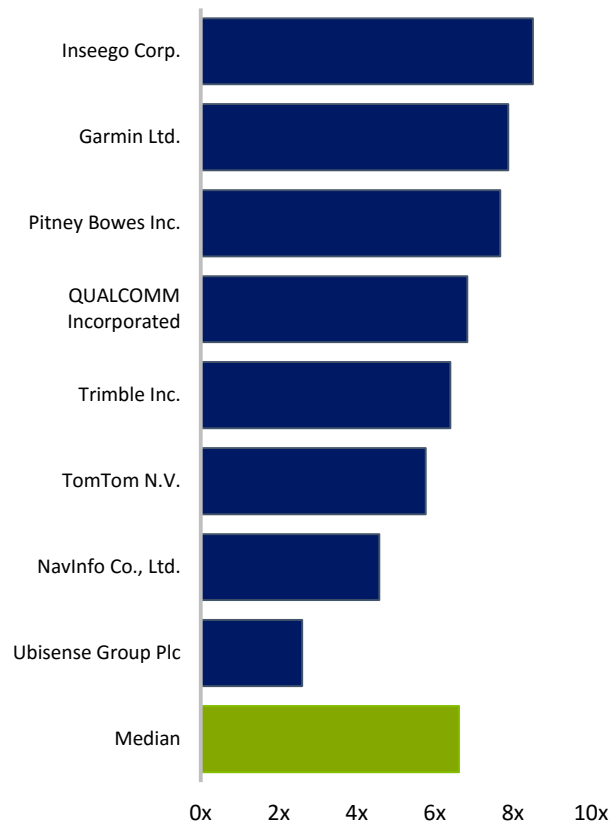




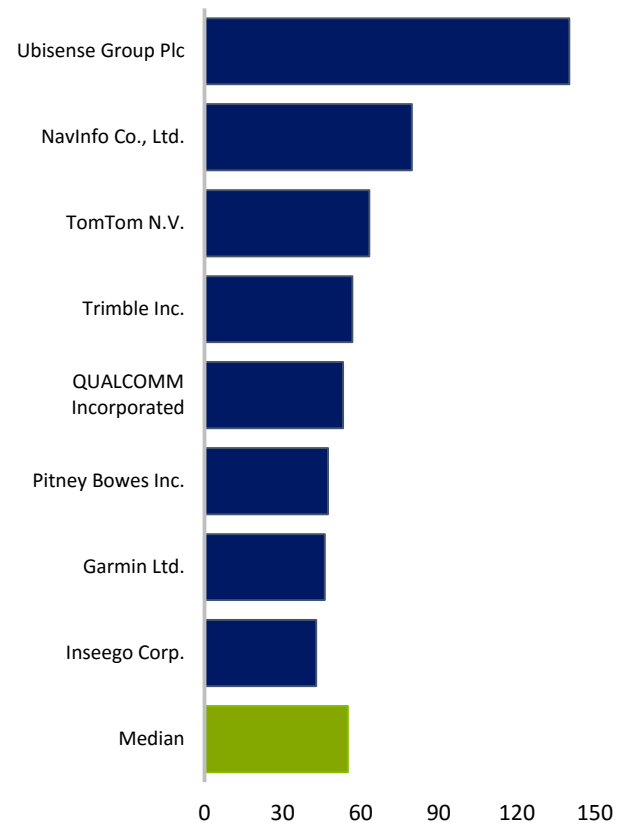
# Operational Metrics



## Accounts Receivable Turnover



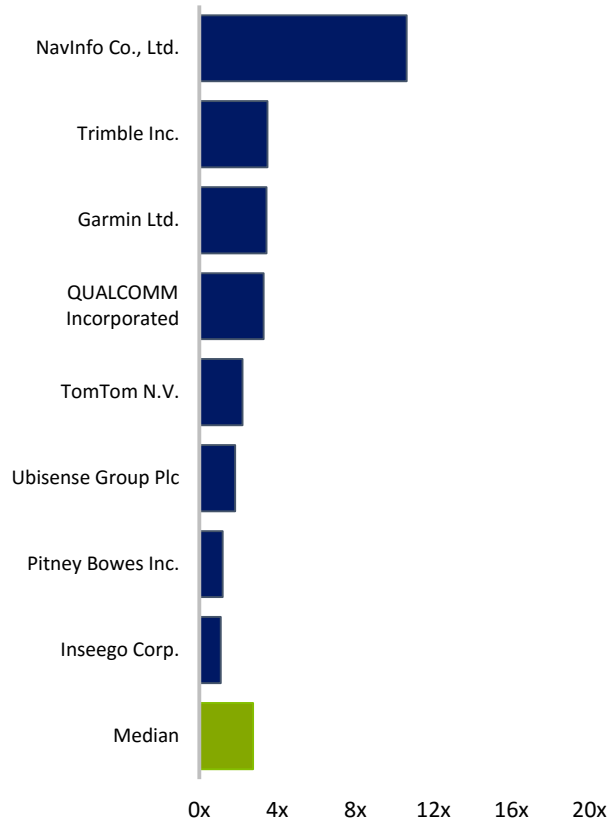
## Average Days Sales Outstanding



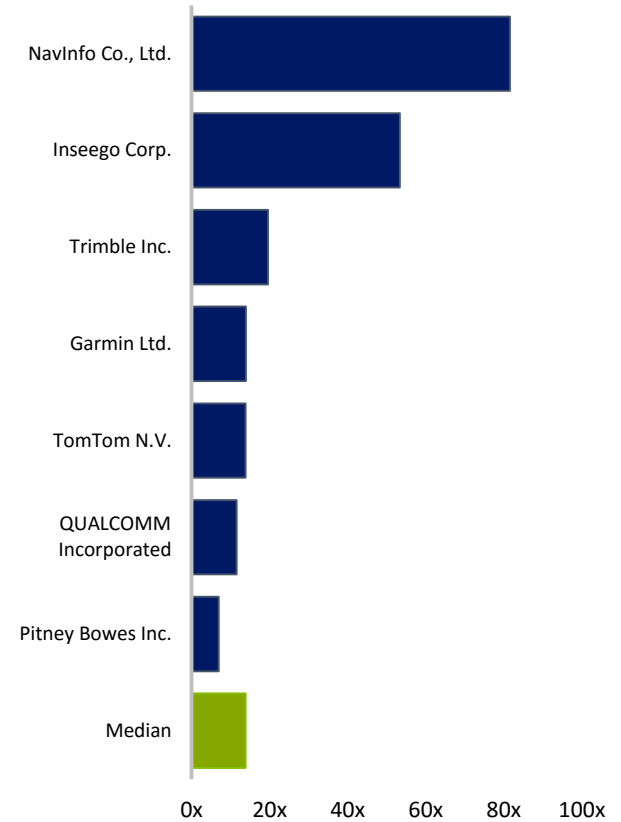
# Valuation



TEV / LTM Revenue



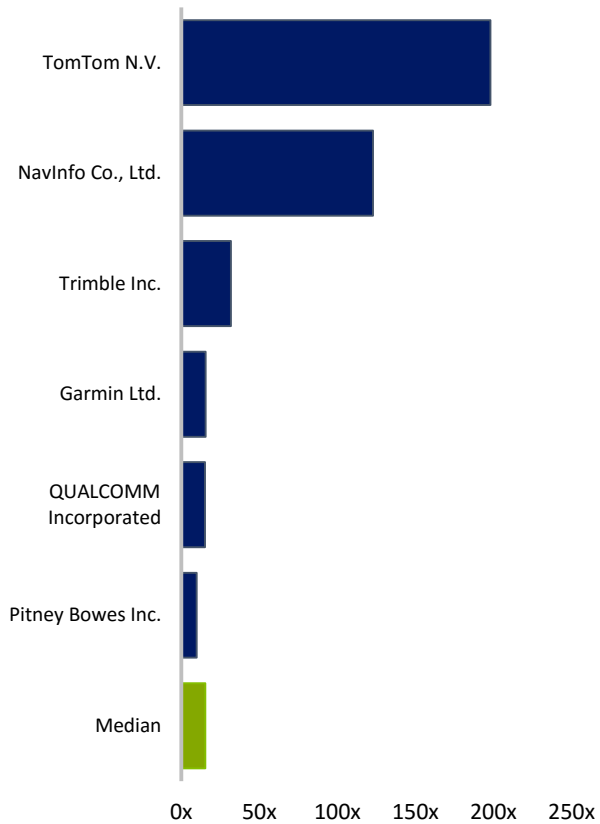
TEV / LTM EBITDA



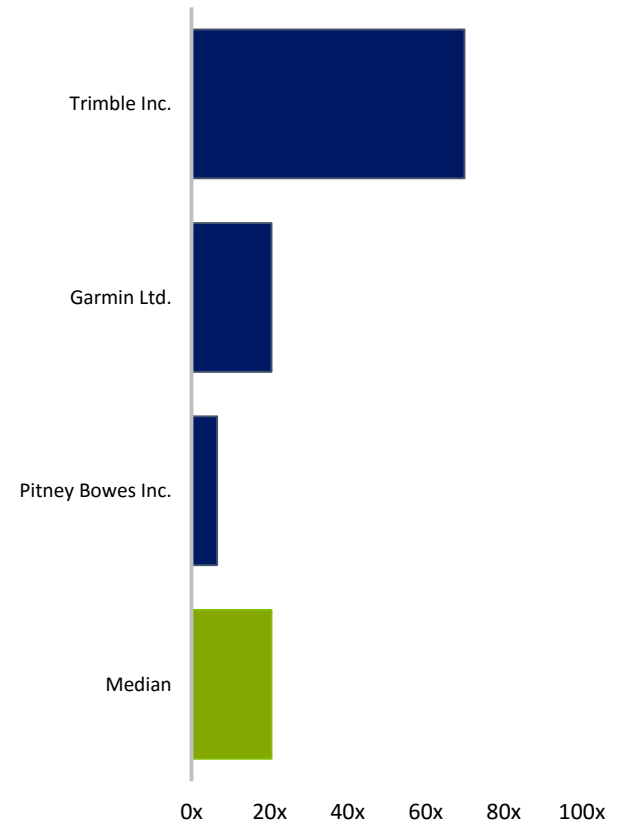
# Valuation



## TEV / LTM EBIT



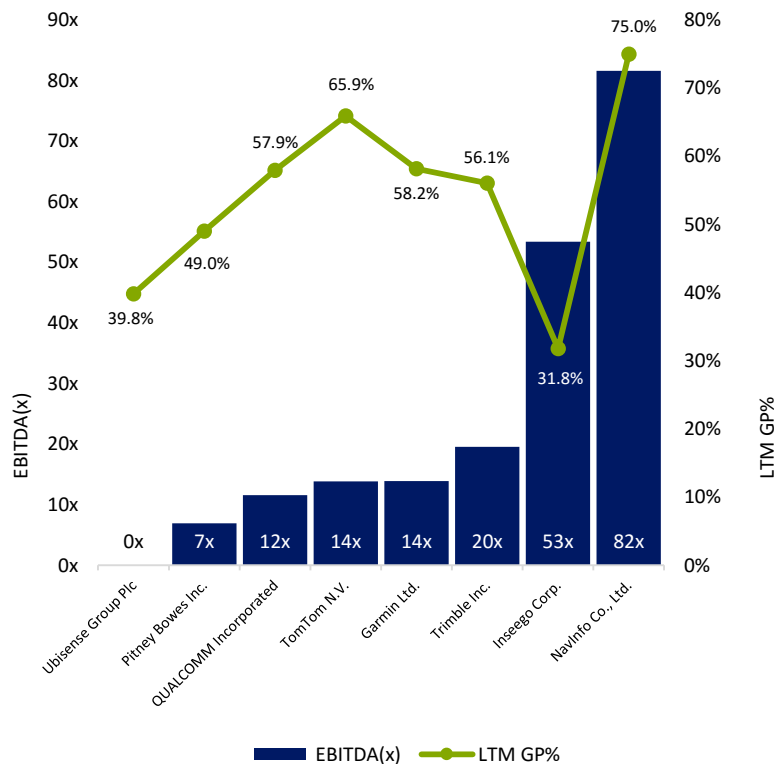
## Price / LTM Earnings



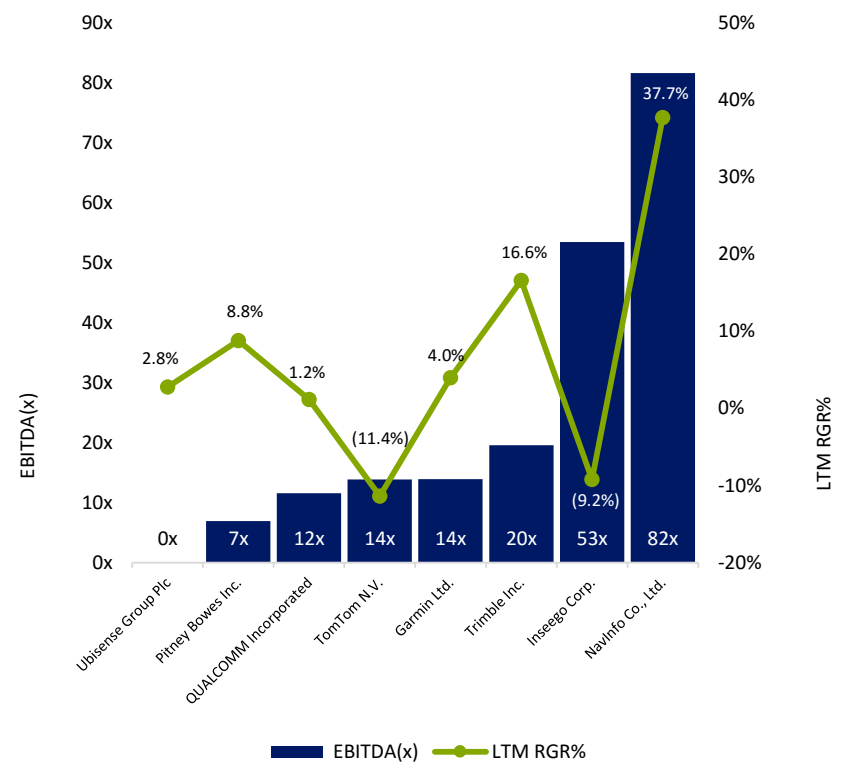
# Valuation



## Historical Valuation Multiples versus Gross Profit



## Historical Valuation Multiples versus Revenue Growth Rate



# Recent Transactions



Date	Target	Buyer / Investor	Total Transaction Value	Target Revenue	TEV / Revenue	TEV / EBITDA
21Jun18	Mobiquity Technologies, Inc.	Glen Eagles Acquisitions LP	9.00	0.34	-	-
15Jun18	X-Locations Inc.	iRidge, Inc.	-	-	-	-
27May18	Lifesight Pte. Ltd.	-	2.00	-	-	-
22May18	Viavi Solutions Inc.	-	69.50	814.50	-	-
27Apr18	Cuebiq Inc.	Goldman Sachs Group, Merchant Banking Division; Tribeca Venture Partners; TLcom Capital LLP; DRW Ventures; Nasdaq, Inc., Investment Arm; Tribeca Angels	32.83	-	-	-
16Apr18	Leviathan Analytics	Findyr	-	-	-	-
12Feb18	1020, Inc.	Ericsson Emodo	-	-	-	-
13Feb18	Unacast, Inc.	Telia Company AB (publ); Investinor AS; Open Ocean Capital Ltd.; White Star Capital, L.P.	17.50	-	-	-
31Aug17	Telematics4u Services Pvt. Ltd.	Rane Holdings Limited	0.18	2.91	0.1x	-
14Aug17	Nanotron Technologies GmbH	Sensera Limited	7.55	1.81	4.2x	NM
11Aug17	Mobiquity Technologies, Inc.	-	-	2.44	-	-
8May17	Inseego Corp.	-	20.00	232.00	-	-
8May17	Cuebiq Inc.	Balyasny Asset Management L.P.; Elevate Innovation Partners	-	-	-	-
5May17	aWhere, Inc.	-	-	-	-	-
28Feb17	LocusLabs, Inc.	Société Internationale de Télécommunications Aéronautiques; Acorn Pacific Ventures	3.50	-	-	-
8Feb17	Cuebiq Inc.	Angel Round Capital Fund, L.P.	3.50	-	-	-
3Jan17	LocateAR, LLC	The Glimpse Group, Inc.	-	-	-	-
20Dec16	Bigdatapump Oy	Affecto Oyj	6.74	1.87	3.6x	-
16Nov16	LocusLabs, Inc.	SparkLabs IoT	-	-	-	-
15Sep16	Leantegra Inc.	Plug and Play Tech Center	-	-	-	-
3Aug16	SiteZeus Services LLC	-	1.50	-	-	-
7Jul16	NOMi Corporation	Point Grey Research Inc.	-	-	-	-
21Jun16	Telogis, Inc.	Verizon Telematics, Inc.	900.00	-	-	-
23May16	Locomizer Ltd.	Impulse VC; Phystech Ventures	0.30	-	-	-
15Apr16	Mobiquity Technologies, Inc.	-	1.50	2.49	-	-
12Apr16	Blis Media Limited	Beringea LLC; Unilever Ventures Limited; Endeit Capital	25.00	-	-	-
17Feb16	CartoDB Estonia OÜ	CARTO	-	-	-	-
7Jan16	NOMi Corporation	Horizon Technology Finance Management, LLC; Horizon Technology Finance Corporation	15.00	-	-	-

# Location Intelligence

July 2018

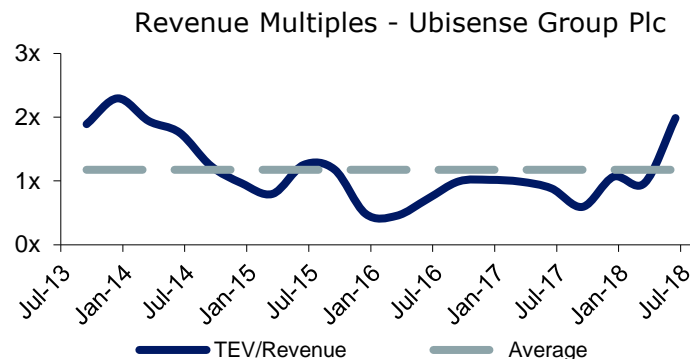
## APPENDIX: Public Basket Constituents

# Public Basket



## Ubisense Group Plc

Ubisense Group Plc provides enterprise location intelligence solutions worldwide. It operates in two segments, Real-Time Location Systems SmartSpace (RTLS) and Geospatial. The company develops RTLS SmartSpace, a modular software platform that manages real-time location and identification data from multiple sources to support industrial-scale, mission-critical visibility, and control applications, as well as provides a foundation platform for manufacturers' industry 4.0 strategy enabling customers to create real-time digital twin of the production environment. Its Geospatial myWorld transforms the ability of infrastructure companies to manage their geographically dispersed assets by creating a single architecture for geospatial-based applications, as well as enables customers to create a real-time digital twin of their physical operations that can be shared by thousands of field and office staff across all departments, connecting to other critical enterprise systems. Ubisense Group Plc was founded in 2002 and is headquartered in Cambridge, the United Kingdom.



Date	Key Development Headline
------	--------------------------

3/5/18	FinTech Global Incorporated (TSE:8789) entered into an agreement to acquire Japanese third party geospatial services business from Ubisense Group Plc (AIM:UBI) for ¥100 million
--------	--

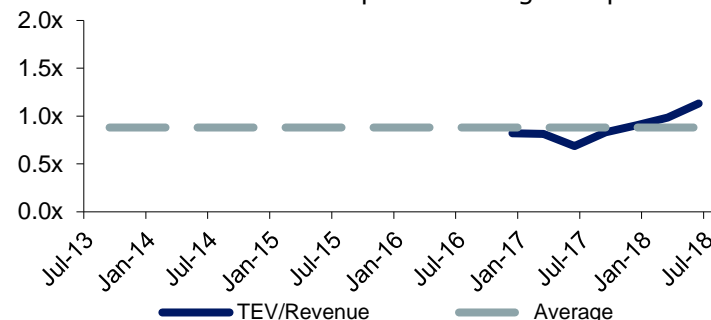
# Public Basket



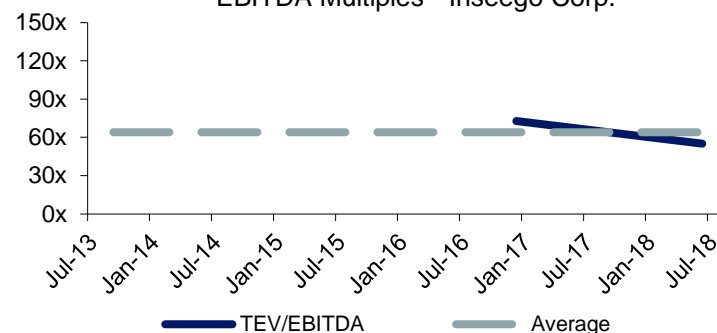
## Inseego Corp.

Inseego Corp., together with its subsidiaries, provides software-as-a-service (SaaS), Internet of Things (IoT), and mobile solutions worldwide. The company sells SaaS, software, and service solutions across multiple IoT vertical markets, including fleet management and vehicle telematics, aviation, usage-based insurance, stolen vehicle recovery, asset tracking and monitoring, business connectivity, and subscription management. Its SaaS delivery platforms include Ctrack platforms, which provide fleet, vehicle, aviation, asset, and other telematics applications; and Device Management Solutions, a hosted SaaS platform that helps organizations to manage the selection, deployment, and spend of their wireless assets. The company also provides a range of wireless hardware products address various markets, such as fleet and commercial telematics, after-market telematics, smart city infrastructure management, and remote monitoring and control, as well as security, connected home, and wireless surveillance systems. Inseego Corp. was founded in 1996 and is headquartered in San Diego, California.

Revenue Multiples - Inseego Corp.



EBITDA Multiples - Inseego Corp.



### Date Key Development Headline

10/16/17 Verizon, Qualcomm Technologies, Inc. and Novatel Wireless Announce Collaboration



# Public Basket



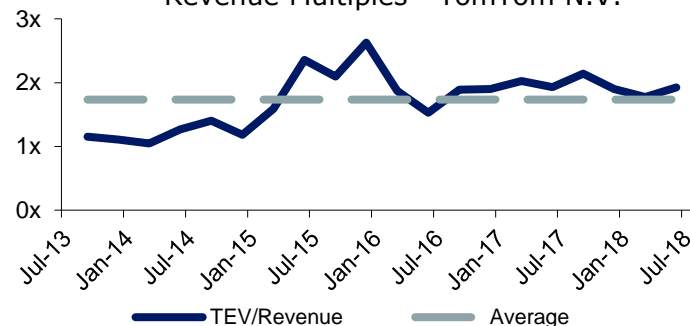
## TomTom N.V.

TomTom N.V. designs, develops, and sells navigation and location-based solutions worldwide. It offers SD and HD maps; maps and traffic as-a-service through sets of online APIs; Maps SDKs; navigation software components; and traffic and online services to OEMs, tier one head unit vendors, and automotive manufacturers to integrate company's products into their offerings for in-vehicle navigation, advanced driver assistance systems, autonomous driving, and location based web applications. The company also provides fleet management, vehicle telematics, and connected car services; WEBFLEET platform, a software-as-a-service solution used by small and large businesses; NEXTFLEET, an aftermarket connected car services platform; telematics devices and driver terminals; and services for the insurance, and rental and leasing industries, as well as for the car importers and companies that address businesses and consumers. In addition, it sells smart consumer electronics devices in the drive and sports categories, such as PNDs and sports watches. TomTom N.V. was founded in 1991 and is headquartered in Amsterdam, the Netherlands.

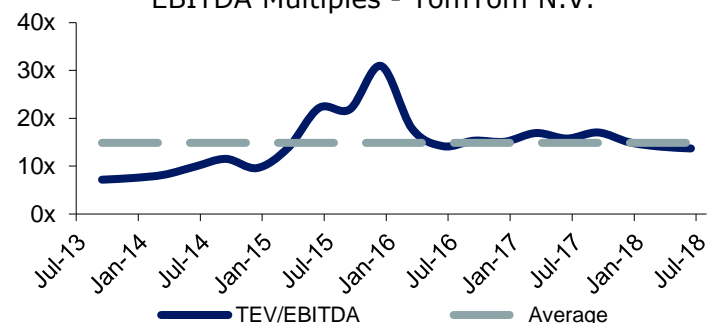
### Date Key Development Headline

7/8/18	TomTom N.V. (ENXTAM:TOM2) acquired an additional 24% stake in TomTom Africa (Pty) Ltd.
10/26/17	TomTom and ZENRIN Announce Strategic Mapping and Traffic Services Cooperation

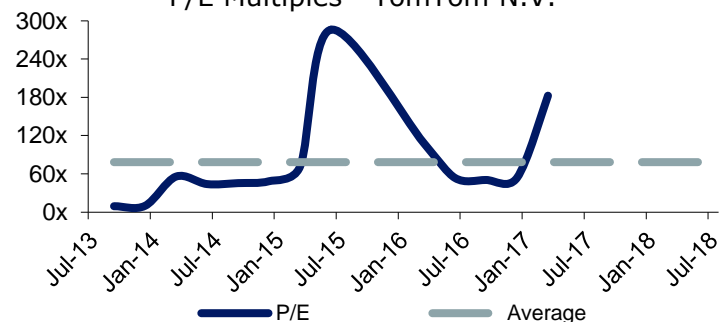
Revenue Multiples - TomTom N.V.



EBITDA Multiples - TomTom N.V.



P/E Multiples - TomTom N.V.



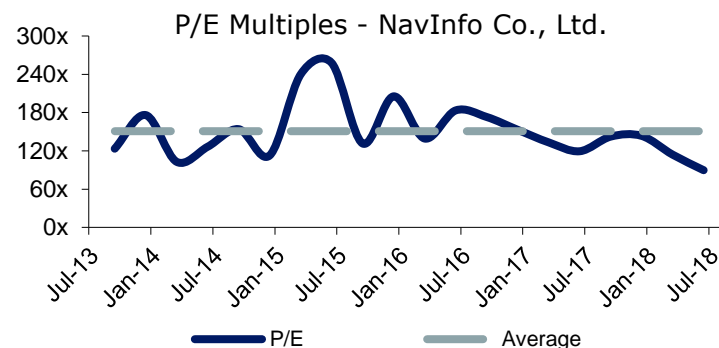
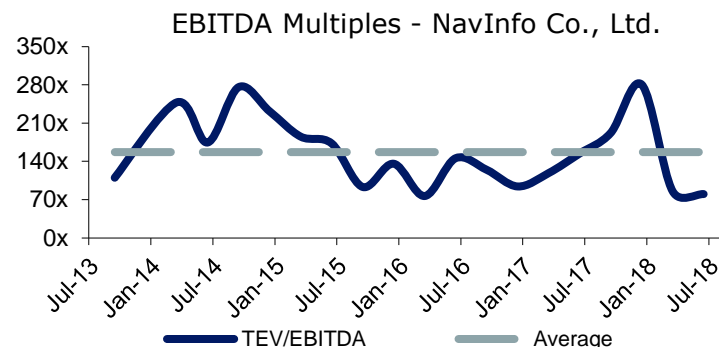
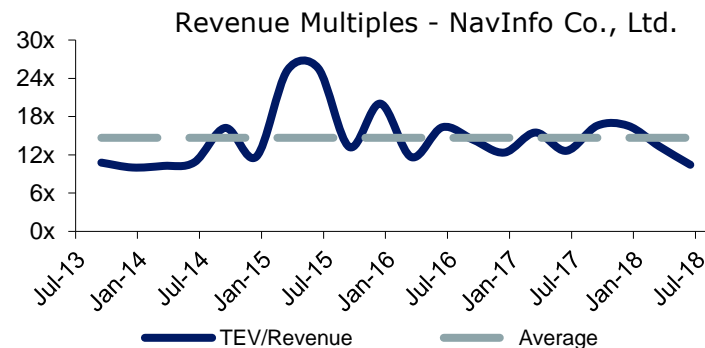
# Public Basket



## NavInfo Co., Ltd.

NavInfo Co., Ltd. provides navigation map, dynamic traffic information, navigation software development, and customized telematics services for passenger and commercial vehicles worldwide. It offers digital map products, such as basic, high-precision advanced driver assistance system (ADAS), 3D, voice recognition, pedestrian navigation, and indoor and parking navigation map products, as well as detailed POI and incremental update services. The company also provides digital map and ADAS compilation, and testing and validation services; traffic information services; 'Internet of Cars' application system that covers passenger cars and commercial vehicles; and Internet and mobile Internet services in the form of data and APIs. NavInfo Co., Ltd. was founded in 2002 and is based in Beijing, China.

Date	Key Development Headline
12/24/17	NavInfo Co., Ltd. (SZSE:002405) agreed to acquire additional 37.4% stake in China Satellite Navigation and Communications Co., Ltd. from China Siwei Surveying & Mapping Technology Co., Ltd. for CNY 66.4 million.
9/25/17	GIC Pte. Ltd., Tencent Holdings Limited (SEHK:700) and NavInfo Co., Ltd. (SZSE:002405) cancelled the acquisition of 10% stake in HERE Global B.V. from AUDI AG (DB:NSU), Daimler AG (XTRA:DAI) and Bayerische Motoren Werke Aktiengesellschaft (DB:BMW).



# Public Basket

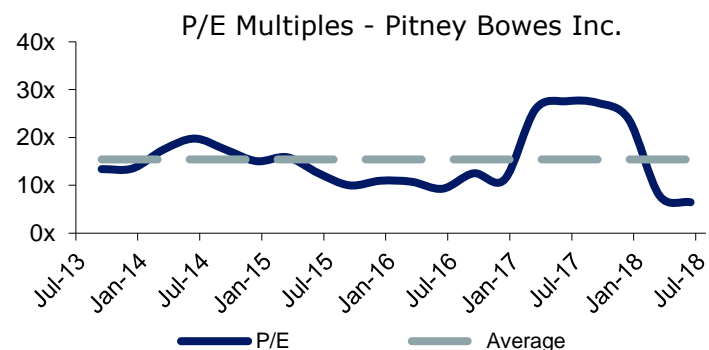
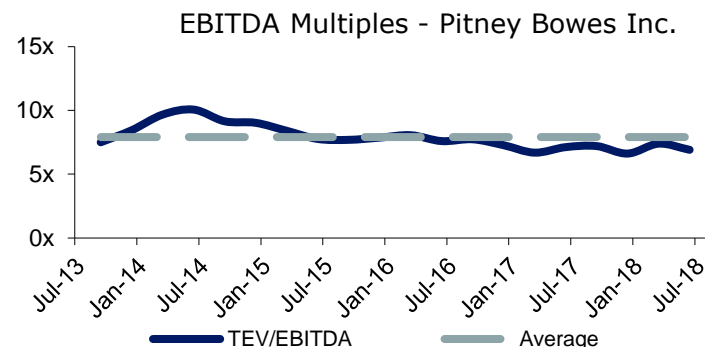
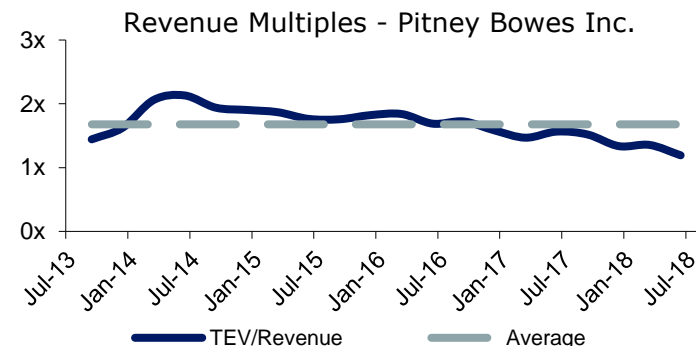


## Pitney Bowes Inc.

Pitney Bowes Inc. offers customer information management, location intelligence, and customer engagement products and solutions in the United States and internationally. The company operates in three segments: Small & Medium Business Solutions; Enterprise Business Solutions; and Digital Commerce Solutions. The Small & Medium Business Solutions segment provides mailing and office solutions; and financing services and supplies for small and medium businesses. The Enterprise Business Solutions segment offers equipment and services that enable large enterprises to process inbound and outbound mail. Pitney Bowes Inc. was founded in 1920 and is headquartered in Stamford, Connecticut.

### Date Key Development Headline

7/1/18	Platinum Equity, LLC completed the acquisition of Pitney Bowes Document Messaging Technologies Limited from Pitney Bowes Inc. (NYSE:PBI).
6/4/18	NIIT Signs Learning and Development Partnership with Pitney Bowes
4/29/18	Platinum Equity, LLC entered into a definitive agreement to acquire Pitney Bowes Document Messaging Technologies Limited from Pitney Bowes Inc. (NYSE:PBI) for approximately \$360 million.
1/12/18	Blackstone Group and Carlyle Group May Acquire Pitney Bowes
11/27/17	Pitney Bowes Inc. (NYSE:PBI) acquired Miller's Presort Inc.



# Public Basket

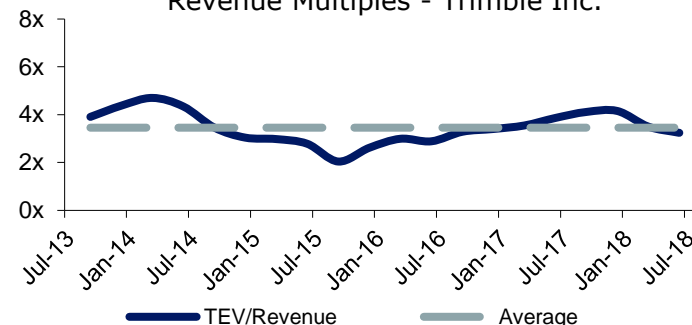


## Trimble Inc.

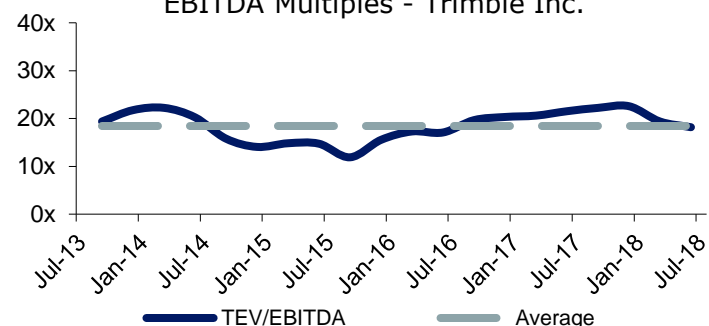
Trimble Inc. provides technology solutions that enable professionals and field mobile workers to enhance or transform their work processes worldwide.. The Buildings and Infrastructure segment offers field and office software for route selection and design; systems to guide and control construction equipment; systems to monitor, track, and manage assets, equipment, and workers; software to share and communicate data; 3D conceptual design and modeling software; building information modeling software; integrated site layout and measurement systems; applications for sub-contractors and trades; integrated workplace management services software; capital program and facility management solutions; field based data collection systems; and communication systems and back-office software. Trimble Inc. was founded in 1978 and is headquartered in Sunnyvale, California.

Date	Key Development Headline
7/1/18	Trimble Inc. (NasdaqGS:TRMB) completed the acquisition of Viewpoint, Inc. from Bain Capital Private Equity, LP.
5/30/18	Trimble Seeks Acquisitions
4/24/18	Hortonworks and Trimble Partner to Utilize Data Management Solutions Enhance Logistics and Transportation
4/23/18	Trimble Inc., Viewpoint, Inc. - M&A Call
4/22/18	Trimble Inc. (NasdaqGS:TRMB) entered into a definitive agreement to acquire Viewpoint, Inc. from Bain Capital Private Equity, LP for \$1.2 billion.

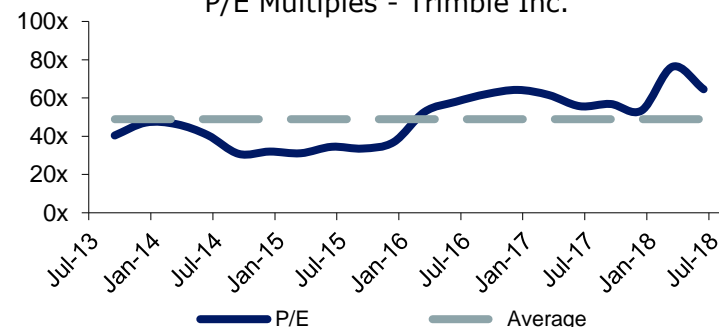
Revenue Multiples - Trimble Inc.



EBITDA Multiples - Trimble Inc.



P/E Multiples - Trimble Inc.



# Public Basket

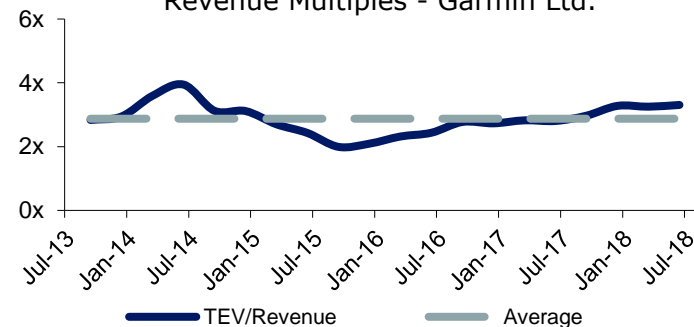


## Garmin Ltd.

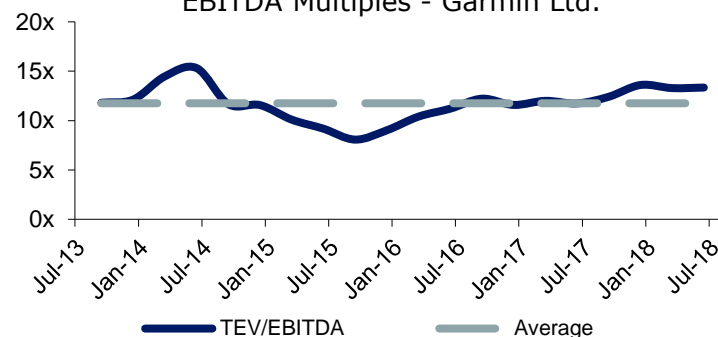
Garmin Ltd. designs, develops, manufactures, markets, and distributes a range of navigation, communication, and information devices worldwide. It operates through five segments: Auto, Aviation, Marine, Outdoor, and Fitness. The Auto segment offers personal navigation devices; infotainment systems; and action cameras, as well as mobile applications under the Garmin and NAVIGON names. The Aviation segment provides navigation, communication, flight control, hazard avoidance, weather radar, radar altimeter, datalink weather, in-cockpit and cloud connectivity, voice controls, and other products and services; wearables, portables, apps, training, simulation, and aviation data services; and traffic collision avoidance, engine information, and terrain awareness and warning systems. This segment also offers controller-pilot data link, a suite of automatic dependent surveillance broadcast solutions. The Marine segment provides chartplotters and multi-function displays, Cartography Products, fish finders, sounders, autopilot systems, radars, compliant instrument displays, VHF communication radios, handhelds and wearable devices, sailing products, and entertainment products. Garmin Ltd. was founded in 1990 and is based in Schaffhausen, Switzerland.

Date	Key Development Headline
5/2/18	Garmin Seeks Acquisitions
2/19/18	Garmin Ltd. (NasdaqGS:GRMN) acquired Trigentic AB.
10/26/17	Garmin Ltd. (NasdaqGS:GRMN) acquired Navionics SpA.

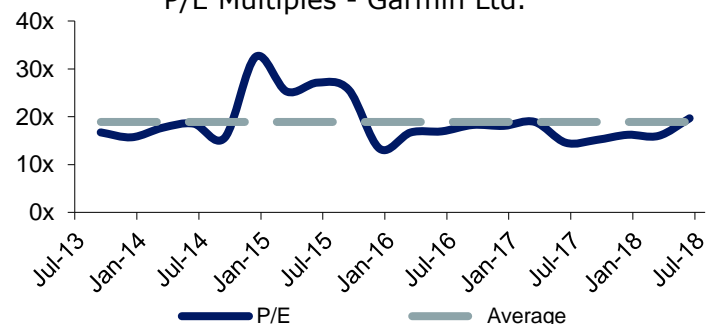
Revenue Multiples - Garmin Ltd.



EBITDA Multiples - Garmin Ltd.



P/E Multiples - Garmin Ltd.



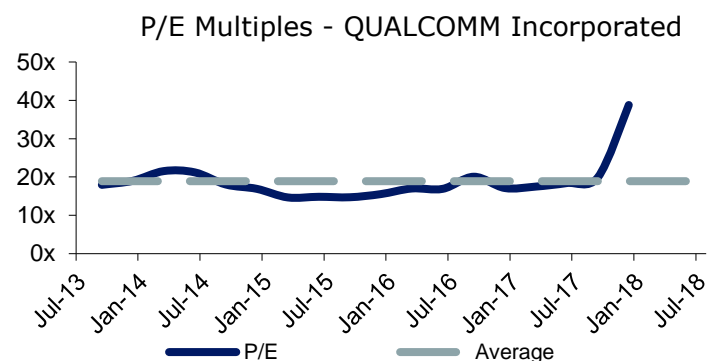
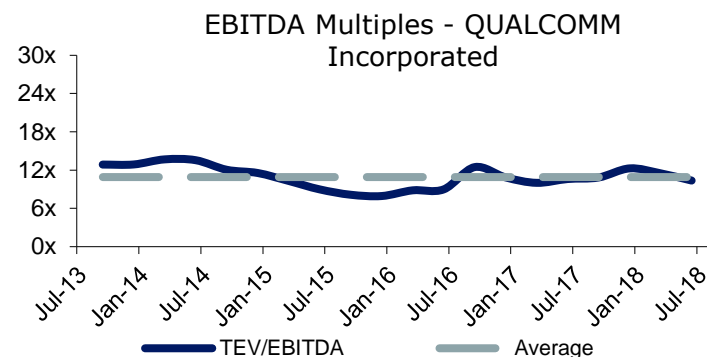
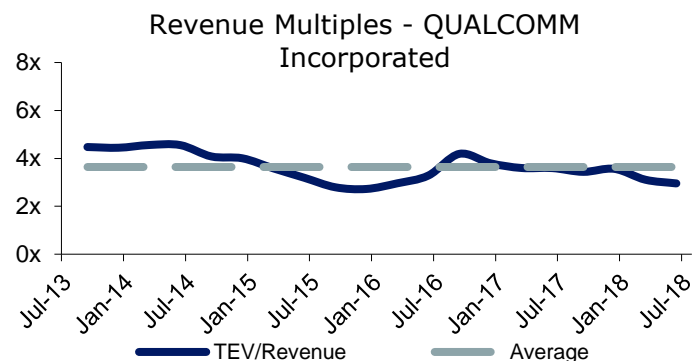
# Public Basket



## QUALCOMM Incorporated

QUALCOMM Incorporated designs, develops, manufactures, and markets digital communication products worldwide. It operates through three segments: Qualcomm CDMA Technologies (QCT); Qualcomm Technology Licensing (QTL); and Qualcomm Strategic Initiatives (QSI). The QCT segment develops and supplies integrated circuits and system software based on code division multiple access (CDMA), orthogonal frequency division multiple access, and other technologies for use in wireless voice and data communications, networking, application processing, multimedia, and global positioning system products. QUALCOMM Incorporated was founded in 1985 and is headquartered in San Diego, California.

Date	Key Development Headline
3/25/18	Blackberry and Jaguar Land Rover Sign Collaborative Supply Agreement
3/21/18	Goertek Announces Partnership with Qualcomm
3/13/18	Broadcom Limited (NasdaqGS:AVGO) cancelled the acquisition of QUALCOMM Incorporated (NasdaqGS:QCOM).
11/5/17	Broadcom Limited (NasdaqGS:AVGO) made a proposal to acquire QUALCOMM Incorporated (NasdaqGS:QCOM) for approximately \$120 billion.
8/30/17	Qualcomm Incorporated, Qualcomm Technologies, Inc., and Himax Technologies, Inc. Jointly Announce High Resolution 3D Depth Sensing Solution



# Contact Information

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.

Leroy Davis, Partner	704.899.5962	leroy@7mileadvisors.com
Tripp Davis, Partner	704.899.5762	tripp@7mileadvisors.com
Andy Johnston, Partner	704.899.5961	andy@7mileadvisors.com
Tom Dinnegan, Managing Director	310. 426.2410	tom@7mileadvisors.com
Ben Lunka, Managing Director	704.496.2995	ben@7mileadvisors.com
Jeff Stoecklein, Managing Director	312.373.3737	jeff@7mileadvisors.com
Kristina Sergueeva, Director	704.899.5149	kristina@7mileadvisors.com
Neil Churman, Director	704.899.5960 x 121	neil@7mileadvisors.com
John Cooper, Director	704.973.3996	john@7mileadvisors.com
Tim Frye, Director	704.973.3994	tim@7mileadvisors.com
Casey Augustine, Business Development - Manager	704.973.3999	casey@7mileadvisors.com
Nicholas Prendergast, Financial Analyst	704.899.5960	nicholas@7mileadvisors.com
Ariail Siggins, Marketing Director	704.899.5960 x 123	ariail@7mileadvisors.com
Sydney Larese, Associate	704.899.5960	sydney@7mileadvisors.com
Marty Johnson, Associate	704.899.5960	marty@7mileadvisors.com
Rory Julyan, Associate	704.899.5960	rory@7mileadvisors.com
Garth Martin, Associate	704.899.5960 x 109	garth.martin@7mileadvisors.com
Chevonese Dacres, Analyst	360.499.1502	chevonese@7mileadvisors.com