



*Press Release*

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## **Bentley Systems Enters into ~ \$1.05 Billion Agreement to Acquire Seequent, Global Leader in 3D Modeling Software for the Geosciences**

*To Advance Environmental Resilience by “Deepening” Infrastructure Digital Twins!*

EXTON, Pa. – March 11, 2021 – Bentley Systems, Incorporated (Nasdaq: BSY), the *infrastructure engineering software* company, today announced that it has entered into a definitive agreement with investors led by Accel-KKR to acquire Seequent—a leader in software for geological and geophysical modeling, geotechnical stability, and cloud services for geodata management, visibility, and collaboration—for \$900 million in cash, subject to adjustment, plus 3,141,361 BSY Class B shares. The acquisition of Seequent is expected to initially add approximately 10% to each of Bentley Systems’ key financial metrics (ARR, annual revenue, and EBITDA) and is expected to be measurably accretive to Bentley’s organic growth rate. Most significantly, the combination will deepen the potential of infrastructure digital twins to help understand and mitigate environmental risks, advancing resilience and sustainability.

The acquisition is subject to customary closing conditions and regulatory approvals, including New Zealand Overseas Investment Act consent as well as clearance under the Hart-Scott-Rodino Antitrust Improvements Act. Upon closing, Seequent will operate as a stand-alone Bentley subsidiary, with Seequent’s current Chief Operating Officer Graham Grant, succeeding its retiring CEO Shaun Maloney, reporting to Bentley’s Chief Product Officer Nicholas Cumins.

Seequent, founded and headquartered in Christchurch, New Zealand, has more than 430 colleagues in 16 office locations, serving geologists, hydrogeologists, geophysicists, geotechnical engineers, and civil engineers in over 100 countries, and the world’s top mining companies. Its established presence in mineral-intensive geographies such as South America and southern Africa is expected to accelerate Bentley’s overall opportunities in these regions with significant infrastructure requirements. In turn, Bentley’s established presence in China, and its

mainstay reach across civil engineering sectors, is expected to accelerate Seequent's expansion in new markets.

Subsurface conditions comprise the “infrastructure of our infrastructure” and literally underlie the earth's major environmental risks. Bentley's current offerings enable digital twins to incorporate what's constructed “near surface,” including foundations, drainage facilities, buried utilities, tunnels, and subsea structures. The addition of Seequent will now make it possible for infrastructure digital twins to reach full subsurface depths, augmenting environmental resilience against flood, seismic, climate, and water security threats.

Seequent first applied implicit modeling technology to geological science more than 15 years ago, using mathematical tools to derive and visualize 3D geological models from measured data and user interpretation. This software advancement caused a “leapfrogging” paradigm shift in the understanding of the earth's subsurface and has been increasingly adopted by geoscientists and researchers around the world to uncover and visualize valuable insights about environmental conditions and challenges.

Seequent's products include *Leapfrog*, its leading product for 3D geological modeling and visualization, *Geosoft* for 3D earth modeling and geoscience data management, and *GeoStudio* for geotechnical slope stability and deformation modeling. Bentley's complementary geotechnical engineering software portfolio, including PLAXIS, gINT, and OpenGround, will be integrated in due course to support open digital workflows from borehole and drillhole data to geological models and geotechnical analysis applications.

The mining industry, with its economic sensitivity and environmental responsibilities, was the first and fastest to adopt 3D earth modeling, superseding traditional 2D processes to speed and improve decision cycles. A mine is at once a never-ending and continuously changing infrastructure construction project, and a valuable and environmentally critical infrastructure asset. Seequent recognized the potential, for ALL major infrastructure engineering projects and assets, to likewise “leapfrog” traditional 2D subsurface modeling and simulation processes. Leapfrog's usage, often in conjunction with Bentley's software offerings, has been growing consistently in civil infrastructure sectors.

The integration of Bentley's and Seequent's solutions, for deeper infrastructure digital twins, can contribute a multiplied “ESG handprint” to improve the world's environment while improving the world's economies. While Seequent's products aren't appreciably used in oil and gas exploration or production—which is served by its own dedicated industry of specialized geophysical software—imperatives for energy transition present new opportunities, even beyond the expansion of mining to produce the materials needed for widespread electrification. Seequent is a leader in 3D modeling for geothermal energy sources, and its software and cloud services provide the important geosciences context for water resources simulations and environmental engineering.

Bentley’s CEO Greg Bentley said, “We can be very confident about Seequent’s contribution to our shared future not only because of our product synergies, but because we recognize in Seequent’s trajectory an echo of the playbook that made Bentley Systems successful—except they have grown faster! They have made farsighted decisions to benefit the future at every stage: identifying and then laser-focusing on the 3D “vertical” opportunity in earth modeling, institutionalizing a subscription commercial model from the outset, directly populating the appropriate global markets, acquiring and consolidating the best software for adjacent disciplines, and bringing it all together with cloud services, ready for digital twins advancement together. I can think of no greater compliment than our determination to leave intact Seequent, as a Bentley Company, entrusting its management with greater responsibilities to continue their dynamic momentum. I congratulate retiring CEO Shaun Maloney on the quality of the business and the team he has developed, and we will warmly welcome his established successor Graham Grant, and all Seequent colleagues, to our shared values and endeavors in advancing infrastructure.”

Tom Barnds, co-managing partner at Accel-KKR and Seequent board member, said, “We had been looking forward to Seequent’s IPO this year, but we are so convinced of the logic of this combination that we are glad to anticipate instead becoming BSY shareholders. The Seequent board congratulates and thanks Shaun Maloney for his long service and remarkably consistent success in growing this great business, its great management team, and this great outcome for Seequent investors and colleagues.”

Shaun Maloney, chief executive officer of Seequent, said, “By ‘leapfrogging ahead’ with Bentley to align geosciences with infrastructure engineering through deeper digital twins, Seequent underscores our conviction that better understanding of the earth creates a better world for all. Users and accounts of Seequent, as a Bentley Company, can expect business as usual, with many product and commercial synergies eventually forthcoming. For my Seequent colleagues, I am confident that the future is in safe hands with like-minded Bentley Systems and our COO Graham Grant, so this presents a timely moment for me to announce my planned retirement. For all, our new larger scope presents a great opportunity for shared advancement.”

Bentley’s CFO David Hollister said, “The transaction is expected to close in Q2, with the cash consideration settled via a combination of cash on hand and availability under our undrawn \$850 million revolving credit facility. We expect Seequent to contribute in excess of \$80 million to our ARR during this year. Seequent impressively has a historical and current organic revenue growth rate which, coupled with an operating margin profile similar to ours, makes Seequent accretive to our financial model. Our financing of this transaction is facilitated by having issued, earlier this year, \$690 million in convertible debt, due 2026. Our deleveraging target—to reduce our total net leverage multiple of Adjusted EBITDA from under 4.0x post-closing, to about 2.5x over the next two years—could be accelerated by any future equity offerings.”

## Advisors

BofA Securities is serving as financial advisor, and Simpson Thacher & Bartlett LLP and Bell Gully are acting as legal counsel, to Bentley Systems. Goldman Sachs is serving as financial advisor and DLA Piper is acting as legal counsel to Seequent.

## Conference Call

A call for investors will be held on Friday, March 12, 2021 at 8:30 a.m. Eastern Standard Time.

To register for the investor call, click this link:

[https://zoom.us/webinar/register/WN\\_TN6D4dUVTcWAIVlsqxDmkw](https://zoom.us/webinar/register/WN_TN6D4dUVTcWAIVlsqxDmkw)

Click [here](#) to view a 90-second video about Seequent.

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## About Seequent

Seequent is a world leader in the development of 3D geological modelling and visual data software for understanding subsurface geoscience and engineering design solutions.

Our solutions enable people to analyze complex data, manage risk and ultimately make better decisions about earth, environment, and energy challenges.

Seequent software is used on large-scale projects globally, including road and rail tunnel construction, groundwater detection and management, geothermal exploration, subsea infrastructure mapping, resource evaluation and subterranean storage of spent nuclear fuel.

Seequent's global footprint includes its Christchurch-based HQ and R&D center, and a network of offices across Asia/Pacific, Africa, South America, North America and Europe servicing blue chip companies and customers with leading subsurface solutions in over 100 countries.

<https://www.seequent.com>

## About Bentley Systems

Bentley Systems (Nasdaq: BSY) is the *infrastructure engineering software* company. We provide innovative software to advance the world's infrastructure – sustaining both the global economy and environment. Our industry-leading software solutions are used by professionals, and organizations of every size, for the design, construction, and operations of roads and bridges, rail and transit, water and wastewater, public works and utilities, buildings and campuses, and industrial facilities. Our offerings include *MicroStation*-based applications for modeling and simulation, *ProjectWise* for project delivery, *AssetWise* for asset and network performance, and the *iTwin* platform for infrastructure digital twins. Bentley Systems employs more than 4,000 colleagues and generates annualized revenues of more than \$800 million in 172

countries. [www.bentley.com](http://www.bentley.com)

## **Forward-Looking Statements**

This press release contains forward-looking statements that involve risks and uncertainties, including statements regarding: the planned acquisition of Seequent and the timing thereof, the impact of the acquisition on Bentley's financial condition and results of operations and the products, services and business relationships of each of Bentley and Seequent.

Any statements made in this press release that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. Forward-looking statements are based on Bentley Systems management's beliefs, as well as assumptions made by, and information currently available to, them. Because such statements are based on expectations as to future events and are not statements of fact, actual results may differ materially from those projected. Factors that could cause actual results to differ materially include the following: Bentley's ability to successfully integrate or operate Seequent's business; any costs or delays attributable to obtaining required regulatory approvals for the acquisition; costs related to the acquisition; adverse changes in the capital markets environment and Bentley's ability to access additional financing on terms acceptable to it or at all; changes in Seequent's customer base or geographic footprint; failure to retain personnel necessary for the operation or integration of Seequent's business; changes in the industries in which Seequent's customers operate; the competitive environment in which both Bentley and Seequent operate and competitive responses to the acquisition; Bentley and Seequent's ability to innovate, develop new products or modify existing products; general economic, market and business conditions; unanticipated impact of accounting for acquisitions; and the ability to satisfy the conditions to the completion of the acquisition on the anticipated schedule, or at all.

Further information on factors which may cause actual results to differ materially from current expectations include, but are not limited, those described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, and the Company's subsequent filings with the SEC.

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