PROGRESSIVE EQUITY RESEARCH

30 January 2017

BANGO PLC

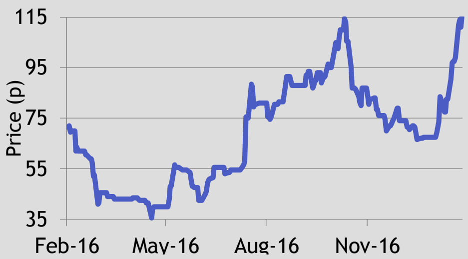
MOBILE COMMUNICATIONS

BGO.L

115p

Market Cap: £74.9m

SHARE PRICE (p)



12m high/low	115/36p

Source: LSE Data

KEY INFORMATION

Enterprise value	£69.4m
Index/market	FTSE AIM
Next news	FY 16 results, Mar-17
Gearing	N/M
Interest cover	N/M

BANGO IS A RESEARCH CLIENT OF PROGRESSIVE

ANALYSTS

Blaine Tatum

+44 (0)20 7781 5309

btatum@progressive-research.com

Gareth Evans

+44 (0)20 7781 5301

gevans@progressive-research.com

Positioned to capitalise on market growth

In this note we initiate formal coverage on Bango. In our view the growth outlook for mobile payments remains favourable and Bango is well positioned to be a key beneficiary of market growth. The Group's recent history of execution is strong, as is its financial position. Following seventeen years of investment, the Bango platform is state-of-the-art and sufficiently scalable to support the anticipated business expansion.

- **Favourable growth prospects in alternative payments:** The global e-commerce market is vast, with a favourable (double digit) outlook for near-term growth. Alternative payment methods have already overtaken traditional methods and are expected to continue to take market share over the next five years. Our analysis shows that mobile payments via Direct Carrier Billing (DCB) is a growing (15% in 2015) piece of the overall payments pie.
- **Strong execution:** Bango's core product is the Bango Payment Platform, a unique software architecture that allows mobile users to make one-click payments to online merchants via their mobile phone bill or wallet, on a massive scale. Bango has been particularly successful in the dominant Android market, which now powers mobile devices, connected homes, and smart vehicles. Broadening the reach of the Bango Payment Platform has driven impressive revenue on End User Spend of around 2%.
- **Platform gives competitive advantage, enables scale:** Long-term investment in technology gives Bango a considerable competitive advantage over first generation payment integrators. As volumes grow, Bango's unique platform approach across multiple stores and in multiple markets generates spending data unavailable to payment integrators without its technology or market position. Consequently, stores, merchants and payment providers are increasingly benefitting by consolidating their activity through the Bango Payment Platform.
- **Solid financial position, funded through to profitability:** Bango closed FY 2016A with gross cash of £5.6m. We estimate this will be sufficient to fund the Group through to profitability and positive cash flow. It also has a marketing advantage given that Bango's blue-chip multinational client base values financial strength.
- **Forecasts introduced:** We introduce forecasts on Bango for the first time. These are summarised below and detailed within.

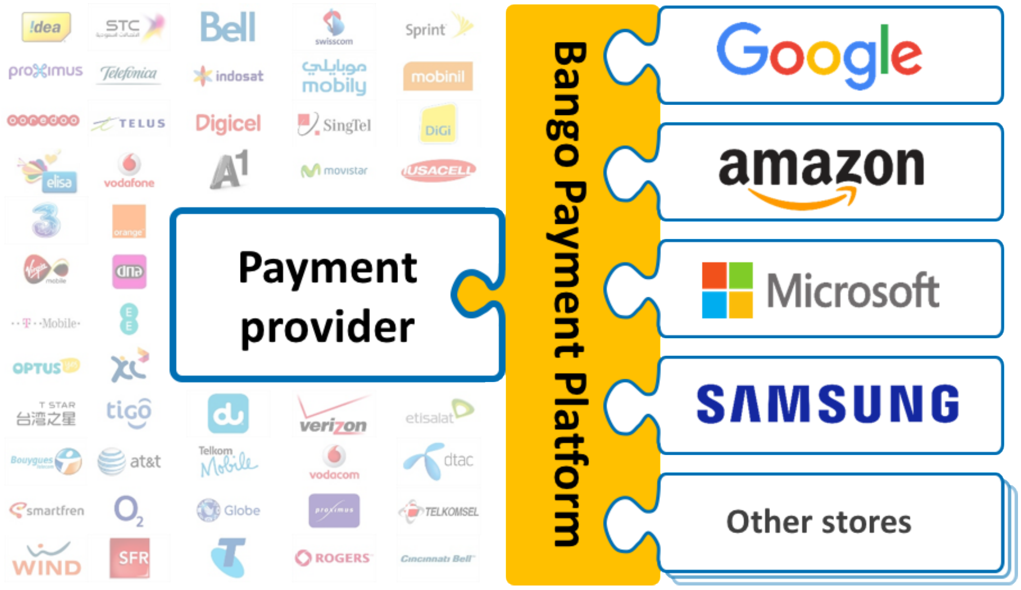
FYE DEC	2014	2015	2016E	2017E	2018E
End User Spend (£m)	25.2	44.7	132.0	266.0	492.1
Revenue (£m)	5.1	1.3	2.6	3.8	6.5
Adjusted EBITDA (£m)	-3.7	-3.1	-2.5	-1.9	0.8
Adjusted EBIT (£m)	-5.4	-5.0	-4.4	-4.0	-1.2
Adjusted EPS (p)	-8.5	-9.5	-8.2	-7.5	-2.3
EV/ EBITDA	n.a.	n.a.	n.a.	n.a.	89.2

Source: Company Information and Progressive Equity Research estimates

The Bango business model

The Bango Payment Platform delivers alternative payment methods that enables online payments beyond traditional credit and debit cards. This includes carrier billing from a customer's pre-paid airtime balance or post-paid mobile account, and stored value instruments, such as mobile wallets, pre-paid cards, vouchers and mobile money, which can be topped up using cash, bank transfer or credit cards. These alternative payment methods do not require bank accounts and therefore enable stores and merchants to reach significantly more paying customers worldwide. The business model is summarised in the following graphic:

Bango Payment Platform



Source: Company Information

The Group's strategy is to provide its technology platform to the biggest global merchants, in particular the major app stores. This is the channel for the vast majority of merchants and developers of digital content to reach billions of customers, and it is also a primary venue visited by end-users to acquire content. Bango's aim is to provide a platform for global merchants to activate routes and offer payments to customers everywhere. Or to use Bango's own terminology – "One integration, many activations". Powering the market leaders is core to Bango's strategy of becoming the de facto standard platform for alternative payments.

Bango's customers are blue-chip multinationals including Amazon, Google, Microsoft, Samsung and global payment providers such as Telefonica and Vodafone.

Bango's core product offering is the Bango Payment Platform (BPP). Bango additionally offers the Bango Grid, Bango Boost and Bango Dashboard products as "value-added" services. These three products are designed to maximise payment provider and app store performance, thereby driving increased payment volume through the BPP. As such Bango typically makes no charge to customers for the three products, but benefits via increased transaction volumes.

Bango Payment Platform

The Bango Payment Platform has two profit streams

- End User Spend *(91% of turnover 1H2016A)*
- Platform fees *(9% of turnover 1H2016A)*

End User Spend (EUS) is transactional, and driven by end-user purchases of digital content via the BPP. Platform fees *(charged to payment providers)* are up front integration fees and support fees. Bango has recently taken a strategic decision to reduce the Group's exposure to platform fees. In management's view this has improved the Group's competitive position by removing a barrier to adoption of the BPP.

End User Spend

End User Spend (EUS) is the value of alternative payment transactions billed for content sales (total value of all payment transactions through the Bango Payment Platform net of sales taxes).

Benefitting from the leverage gained through the Bango Payment Platform, there is no incremental cost to processing a higher volume of payments for Bango. This means the processing fees that Bango retains on EUS contribute 100% to its gross profit. In most cases the fees are set in Bango's agreements with its global store partners, as a percentage of EUS. Continued strong growth in developed markets alongside new EUS streams from emerging markets has led to a blended margin figure close to 2%.

Bango has a global customer base, and therefore material foreign currency exposure. The actual levels of exposure to any given currency depend on the contract between Bango, the store and the payment provider. For example, when Bango is paid by the relevant mobile operator, it receives fees in the currency of the mobile operator. Where the app store pays Bango directly, fees are received in US Dollars and Euro.

Bango does not actively manage foreign currency positions. However, having offices and employing staff across the globe (e.g. Cambridge UK, California, Lagos, Sao Paulo, Singapore and Tokyo amongst others) provides a degree of natural hedging.

Alternative payments: A growing marketplace

Payment services provider Worldpay define alternative payments as any payments using a global payment network that are not cards such as Visa, Mastercard or American Express[1]. Direct Carrier Billing (DCB) is one of several alternative payment methods. DCB allows the purchase of goods, services and digital content by adding the purchase cost directly to the subscriber's mobile phone bill. DCB has historically been available in several forms, including payments via premium-rate SMS and premium-rate calls.

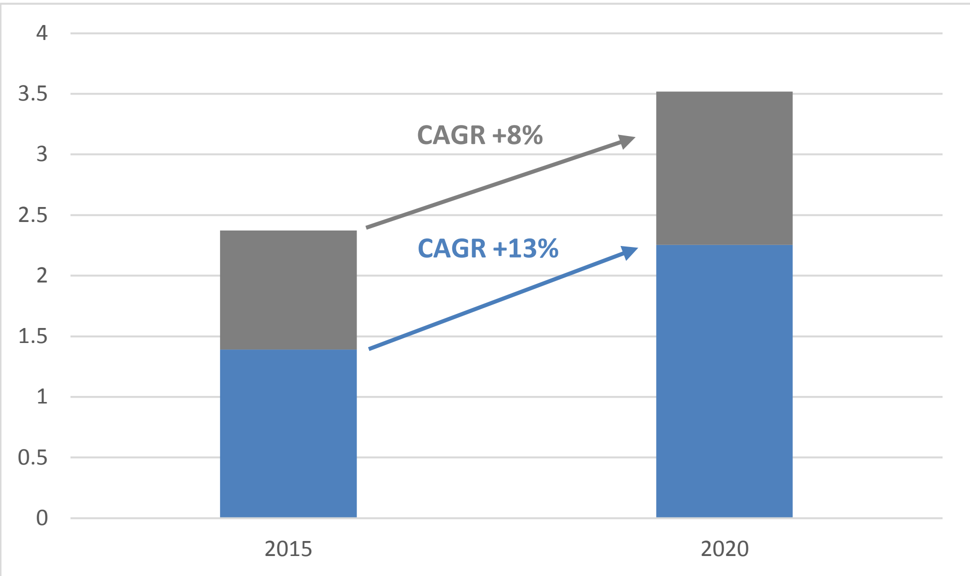
In this section of the report we discuss the market backdrop for alternative payments within the broader e-commerce market. Our analysis will demonstrate three key points, namely:

- The global e-commerce market is vast, with a favourable (double digit) outlook for near-term growth
- Alternative payments have already overtaken traditional payment methods and are expected to continue to take market share over the next five years
- DCB is a relatively small but growing segment within the alternative payments universe

Market size and dynamics

The following chart summarises industry estimates of the total value of global e-commerce.

Global e-commerce market size forecast (US$tn)



Source: Worldpay data[2] Blue bars indicate alternative payments, grey traditional

According to Worldpay, the global e-commerce market stood at US$2.4tn in 2015 and is expected to grow to US$3.5tn by 2020, a 10% CAGR. Alternative payments have already overtaken traditional methods in terms of spend levels and are expected to grow at a significantly faster rate over the near term.

[1] Source: Worldpay: Global payments report 2015.
[2] Source: Worldpay: Global payments report 2016.

Regionally, traditional payment methods are expected to lose share across the globe, significantly, in North America. This is notable given the high levels of credit card penetration in North America (over 160m credit card holders in the USA). Asia is expected to be the fastest growing e-commerce market globally, with alternative payments expected to maintain market leadership.

Over recent years, Bango has made a number of market-driven strategic moves. During 2016 Bango acquired US DCB provider BilltoMobile. The company has also signed a number of alternative payment agreements in emerging markets, for example launching DCB billing routes with the Google Play store in South Africa, India and Latin America.

Direct Carrier Billing

According to consultancy firm Ovum, the monetary value of the global DCB market stood at US$16.6bn in 2015[3], a c15% increase on the US$14.5bn estimated for 2014. Ovum uses a broad definition of DCB, and includes most methods of debiting payments from mobile users' phone bills and pre-paid airtime, including Premium SMS (PSMS) and WAP billing. Ovum also includes content bundling deals struck between mobile operators and OTT media providers (for example Spotify and Netflix) and the sales of physical goods.

Both app stores and mobile operators are increasingly viewing DCB as an attractive method for mobile customers to pay for content. New mobile operators are continually being activated for DCB by Bango, thereby increasing the number of mobile customers able to use DCB. The resulting increase in the DCB market size means it will attract additional merchants into accepting payments via DCB.

Put simply, we believe customer spend levels will increase as more subscribers make more purchases, for more content types, as additional merchants use DCB.

[3] Source: OVUM: Carriers could capture $142bn in m-commerce revenue by 2020 if they push aside barriers

KPIs demonstrate strong execution

In monitoring ongoing business performance, there are two primary Key Performance Indicators (KPIs):

- End User Spend (EUS); and;
- Gross margin

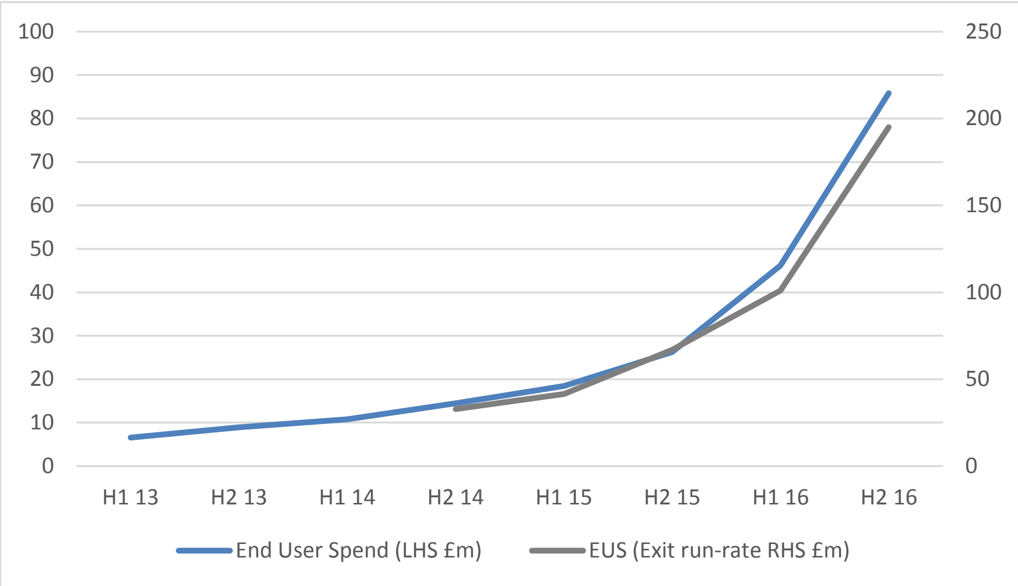
EUS represents the total value of all payments through the Bango Payment Platform (net of sales taxes). Bango makes a small profit on every transaction through the platform. With a largely fixed opex base (c£5m pa), gross margin is a further key indicator of progress towards profitability.

In this section of the report we discuss recent trends. To summarise, EUS has seen impressive growth over recent periods, as has margin. In our view, the performance of Bango's KPIs demonstrate strong execution, indicating that the company is on track for break-even and cash generation.

End User Spend

Recent history has seen strong growth in EUS, reflecting the value of the Bango Payment Platform versus direct connections or other operator/app store integration methods. The following chart summarises the recent EUS development. (*Note the different scales for the respective y-axes*)

Bango – Trends in End User Spend (£m)



Source: Company Data

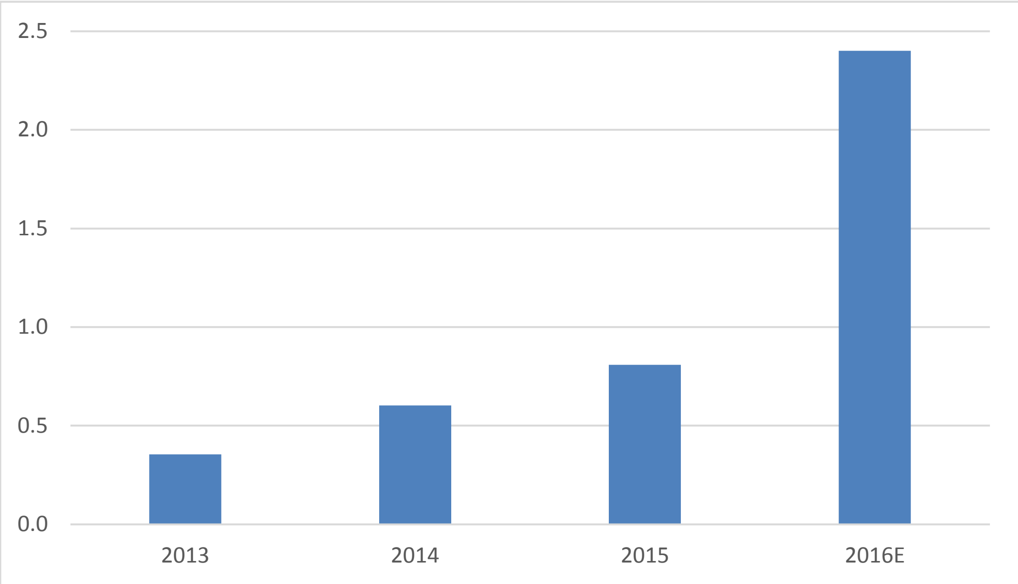
The blue line represents the actual reported EUS for the relevant half-year period. The metric measured impressive growth over the feature timeframe, having grown almost tenfold between 2H 2013 and 2H 2016. On a run-rate basis (the dark grey line on the chart), the performance is even more impressive. In the recent trading update, Bango revealed End User Spend exited the second half of 2016 at £195m on a run-rate basis. This is almost three times the level of H2 2015.

Key drivers of growth in End User Spend have been increased platform usage, and the positive impact from increased customer adoption of Bango Boost. The volume of new activations has resulted in increased reach of the BPP. In the 1H 2016 results release, management disclosed that reach of DCB through the Bango Payment Platform had exceeded 1.7 billion users, with integrations in progress that could expand that reach to over 2 billion once activated.

Gross Margin

Gross margin reflects the costs of processing End User Spend. The following chart summarises recent performance:

Bango – Gross margin on End User Spend (£m)



Source: Company Data

As the chart demonstrates, gross margin has shown impressive growth in absolute terms, growing almost sevenfold between 2013 and 2016. In our view this is a highly credible performance given the accompanying growth in End User Spend (+196% FY 2016A).

The nature of the market in which payments are being processed is a key driver of Gross margin. Profitability is usually higher in developing markets, which are technically and operationally more complex than developed markets. These markets start from a smaller smartphone customer base and lower average revenue per user (ARPU), but they offer good growth potential. Conversely in mature markets margins tend to be lower, but with the compensation of higher volume. Recent growth in Bango's End User Spend has been driven by continuing growth in mature markets alongside new spending by users in developing markets.

Strong financial position

Bango closed FY 2016A with a gross cash position of £5.6m. The company has no debt, but disclosed an aggregate £199k of finance lease liabilities in the interim results, giving an estimated £5.4m net cash position.

In our view the group's solid financial position is a key tenet of the Bango investment case and we believe the following points to be pertinent:

- Bango clients are typically blue-chip multi-nationals of a multiple of Bango's size – for example Google, Microsoft, Telefonica and Verizon. When dealing with much smaller suppliers (like Bango), these kinds of customers value balance sheet strength.
- Management expects the business to be funded through to profitability and this is consistent with our own forecasts (see pages 13 and 14) where we currently expect EBITDA breakeven in 2018.
- The £5.6m gross cash position represents over 7% of the current market capitalisation.
- Cash is predominantly denominated in GBP, and is held in locations where it is readily accessible.

Platform provides good headroom for growth

Bango was formed in 1999. The company has spent seventeen years and over £15m developing the Bango Payment Platform. We believe the platform gives Bango good headroom for growth, and cite the following data points as being supportive of our claim:

1) In-house testing has shown significant (around 8x) additional processing capacity of the Bango Payment Platform (BPP), and;

2) Recent financial performance has demonstrated high operating leverage. Opex has been kept firmly under control, yet End User Spend has seen impressive growth. This reflects a high proportion of fixed costs in the base.

High scalability

Under test conditions, the Bango Payment Platform has been successfully tested with annual End User Spend loads in excess of $2bn. $2bn is over 8x the current £195m exit run-rate in EUS, this demonstrates three key points:

1) Technical and operational scalability is high
2) The business has the potential to grow significantly before additional capital investment in the platform may be required
3) The platform has sufficient capacity to support the levels of business required for profitability and positive cash flow. For FY 2018E, we expect EUS of £492m to generate positive EBITDA and cash flow. Clearly this is some way below the platform's $2bn capacity.

High operating leverage

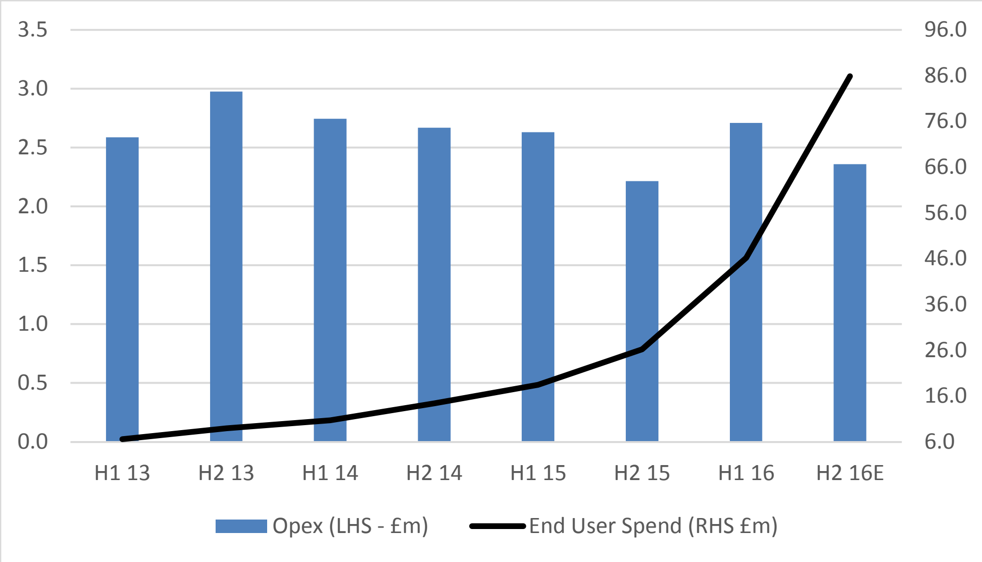
Recent financial performance has shown two key trends:

- Impressive growth in End User Spend; and;
- Tight cost control – particularly in opex terms

Bango's investment in the platform enables greater scale to be achieved without commensurate incremental cost. Consequently, margin on each dollar of End User Spend contributes to rising gross profit, given the predominantly fixed cost base.

These trends are shown graphically in the following chart:

Bango – Operating leverage (Opex £m vs End User Spend £m)



Source: Company Data

Note: Opex excludes Cost of sales, amortisation and depreciation

Note: End User Spend is as incurred during the relevant period
2016 figures exclude non-recurring items

The blue bars on the left-hand scale show opex levels in the most recent semi-annual periods. The black line plotted against the right-hand axis show End User Spend over the same periods.

Over the past eight periods, half-yearly opex levels have remained broadly stable between £2.2-3m. End User Spend has increased by thirteen times over the same period, going from £6.6m in 1H 2013A to £85.8m in 2H 2016A.

On a run-rate basis, the performance is even more impressive. End User Spend exited 2H 2016A at £195m. This represents 191% growth on the £67m reported for H2 2015A. EUS increased by £87m over the year to December 2016, while opex rose by around £200k.

Board Members

Bango's Board Members have vast experience of technology businesses and the payments space. We suggest potential investors meet with the team to gain a sense of the scale of the business opportunity and methods being employed to achieve profitable growth.

CEO – Ray Anderson *(Founder)*

Ray has over 30 years' experience in starting, growing and selling businesses. He was named 'Business Person of the Year' in 2012. Ray co-founded Bango in 1999 after realizing that the convergence of the internet with the ubiquity of mobile phones could open up huge opportunities for content and service providers. Prior to Bango Ray established IXI which created the industry standard network GUI – X.desktop. IXI was an early leader in the creation of the web. It sponsored the first ever WWW conference at CERN and shipped the world's first commercial web browser.

CFO – Rachel Elias-Jones

Rachel is responsible for overall financial management of Bango, for corporate financial functions and Bango's financial relationships with partners. The global reach of Bango requires a wide range of financial and taxation models, Rachel ensures the smooth running of the team delivering this commercial flexibility. Rachel has responsibility for innovation and management in critical finance functions, and is closely involved in product development to ensure the Bango Payment Platform can scale and handle complex requirements.

CMO – Anil Malhotra *(Founder)*

Anil is responsible for Bango's marketing activities and app store partnerships, including device makers, app store providers and global network operators. Anil has extensive experience of creating successful partnerships between technology innovators and major market players in online technologies and OEMs. Before co-founding Bango, Anil developed the major partnerships for Cyberlife Technology, one of Europe's leading computer games technology developers, which resulted in the licensing of the company's 'artificial life' technology by the world's leading games publishers including Warner and Hasbro. Before that he worked with Bango CEO Ray Anderson to establish a technology called X.desktop, which became the global standard for the user interface software on networked computers.

David Sear – Chairman and Non-Executive Director

David has been an entrepreneur and investor in FinTech companies for the last two decades. He is currently Chairman of Semafone, a payments technology business which protects consumer privacy. Previously David was Group Chief Executive of Skrill. He went to Skrill from Weve, the joint venture between EE, Telefonica UK (O2) and Vodafone UK, where he was Chief Executive. In 1999 he was a founder of WorldPay at the genesis of today's FTSE 100 global payments powerhouse. Prior to that at Travelex, the world's largest non-bank payments provider, he spearheaded the global roll out of the CASH PASSPORT travel card business and Travelex Global Business Payments.

Martin Rigby – Non-Executive Director

Martin Rigby is co-founder and CEO of Psonar, the internet music service. He is also founder and a managing director of ET Capital, an early investor in Bango. He has been investing in innovative technology businesses for over 25 years, principally in network services, software and hardware. He is Non-Executive Chairman of FSE Fund Managers and an advisory board member of the Bettany Centre for Entrepreneurship at Cranfield University.

Gianluca D'Agostino – Non-Executive Director

Gianluca is an Angel investor and pioneer in the mobile industry. He has 25 years' experience of founding, growing and investing in international mobile content and payment businesses. In 2007 he founded Neomobile SPA. As CEO, he grew the business organically and via M&A to become a leading mobile monetization enabler across Europe and Latam. Gianluca has a Non-Executive role on the Neomobile SPA board. Before Neomobile, he held senior management roles at KPMG, Freever, TIM and Telecom Italia. He was named in the 'Top 50 Mobile Execs' 2009, 2010 and 2011 and 'Media Momentum Man of the Year' in 2011.

Risks & Challenges

Bango, in common with any organisation active across a range of different areas and with both scale and ambition, faces a number of strategic and tactical challenges, and risks to its business.

The table below highlights some that we consider most relevant, and describes management's actions to mitigate or manage the dangers faced. A fuller and more formal list of the group's assessment of risks, and associated responses, can be found in the Annual Report.

Bango Plc – Risks and Challenges

Financial & Liquidity Risk	
Like any business, Bango faces the risk that at any point in time, financial assets may be insufficient to meet financial liabilities.	Bango monitors the financial risks to which it is exposed through its business activities and ensures sufficient liquidity is available to meet foreseeable needs. It invests in cash assets safely and profitably. Bango does not consider it necessary to use derivative financial instruments to hedge these risks.
Credit Risk	
Credit risk arises from exposure to outstanding receivables.	Potential new customers are assessed for credit risk before credit is given. Due to the nature of the business there is not a significant credit risk from Bango's payment partners and credit risk does not therefore impact liquidity risk.
Foreign Currency Risk	
Bango operates globally, and receives payments in a number of foreign currencies.	Foreign currency sales are largely offset by costs in the same currency, therefore exposure to currency risk and impact on margin is considered relatively small. However, this will increase if our expectation of an ongoing improvement in profitability is confirmed. The Group manages its foreign exchange exposure on a net basis and does not use forward exchange or other such financial instruments.
Technology Risk	
The Group's revenue is dependent on its technology keeping pace with developments in mobile phone technology, including volumes of data and growth in applications.	The Group manages this risk by a commitment to research and development, combined with ongoing dialogue with trading partners and sector specialists to ensure that market developments are understood
Payment Providers	
The current business model is dependent on payment providers. These are therefore key trading relationships to the Group, and Bango's revenue from the end user is subject to influence by the payment providers.	The Group manages risk through regular dialogue and investment in relationships with, payment providers and digital merchants. The Group manages payment risk by undertaking regular credit risk analysis using third parties, combined with other sources of market intelligence and monitoring of payment performance
Payment Platforms	
As the Group continues to expand, the Group has supported payment platforms in a large number of countries. Some of these include territories that may carry money laundering risks, other legal risks and/or sanctions.	The Group monitors the situation in these territories at the project launch stage and after activation to ensure that these risks are appropriately mitigated.
Personal data	
The Group processes personal data (some of which may be sensitive) as part of its business. There is a risk that such data could become public if there were a security breach in respect of such data. The Group could face liability under data protection laws and lose the goodwill of its customers.	The extensive testing of the Bango system by Bango and its major customers as part of ongoing customer audits, and the unique way Bango technology is used gives assurance that this risk is appropriately mitigated.

Source: Progressive Equity Research, company information

Financials & forecast commentary

In this note we present forecasts on Bango for the first time, these are contained overleaf. The key message emerging from our modelling of Bango is that the business is firmly on track to deliver both profits and cash generation.

We forecast Bango to deliver compound annual revenue growth of 64% from FY 2016E to FY 2018E. Our estimates are predicated on the business continuing to activate new billing routes and increased payment volume processing on existing routes. We forecast revenue as a percentage of EUS at 1.33% FY 2018E versus 1.7% 1H 2016A. This reflects our expectation of increased volume in large markets where margins are typically lower. It is also consistent with management's view (re-stated in the 1H 2016 results release) that competitive transaction fees are important to sustain market leadership.

From 1H 2016 results onwards, Bango reports the margin from transactions as revenue, instead of reporting a turnover figure reflecting the agency and principal commercial models. Previously, turnover reflected 100% of the value of a transaction where Bango was principal (with the payments to payment provider and app store reflected in the cost of sales line), and the Bango margin only for agency transactions. Over recent years the business has shifted away from the principal business towards agency. Reporting no longer reflects the different commercial agreements with the stores in the revenue figure.

We expect gross margins to remain a close proxy for revenue (c100%) since reported margin is no longer impacted by payments to payment providers. Our forecasts assume an increase in annual overheads to £5.5m over the forecast period, which although an increase, is clearly significantly slower than our assumed growth in revenue. The result is an expectation of EBITDA breakeven in FY 2018E. We assume an increase in D&A charges over the period (aggregate £1.7m by FY 2018E) and net financials to remain immaterial.

As disclosed in the recent trading update, Bango closed FY 2016E with a gross cash position of £5.6m. Our expectation for improvement in profitability is the key driver of progress in cash flow over the forecast period. While cash levels are forecast to decline in FY 2017E, by FY 2018E the move to positive EBITDA, along with lower capex expectations are the primary contributors to a positive net cash flow.

SUMMARY FINANCIALS

Profit & Loss	FY-13A	FY-14A	FY-15A	FY-16E	FY-17E	FY18E
End-user Spend (non-GAAP)	**15.6**	**25.2**	**44.7**	**132.0**	**266.0**	**492.1**
Revenue	**8.8**	**5.1**	**1.3**	**2.6**	**3.8**	**6.5**
Gross Profit	**2.1**	**1.3**	**1.3**	**2.6**	**3.8**	**6.5**
Adj EBITDA	(3.0)	(3.7)	(3.1)	(2.5)	(1.9)	0.8
Reported PBT	(4.9)	(5.4)	(5.0)	(4.8)	(4.1)	(1.4)
PBT before exceptionals and AAG	(4.9)	(5.4)	(5.0)	(4.4)	(4.0)	(1.2)
Fully adj PBT	**(4.9)**	**(5.4)**	**(5.0)**	**(4.4)**	**(4.0)**	**(1.2)**
NOPAT	(2.5)	(3.0)	1.0	(2.9)	(2.5)	0.2
Reported EPS (p)	(10.5)	(11)	(9.0)	(8.6)	(7.3)	(2.1)
EPS before exceptionals and AAG (p)	(7.9)	(8.3)	2.6	(8.2)	(7.5)	(2.3)
Fully adj EPS (p)	**(8.2)**	**(8.5)**	**(9.5)**	**(8.2)**	**(7.5)**	**(2.3)**
Dividend per share (p)	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow & Balance sheet	**FY-13A**	**FY-14A**	**FY-15A**	**FY-16E**	**FY-17E**	**FY18E**
Operating cash flow	(2.8)	(3.4)	(3.5)	(0.9)	(1.7)	2.6
Free Cash flow £m	(4.0)	(4.2)	(4.1)	(4.1)	(2.7)	1.7
FCF per share p	(8.9)	(8.9)	(7.8)	(7.8)	(5.0)	3.1
Acquisitions	0.0	0.0	0.0	(2.2)	0.0	0.0
Disposals	0.0	0.0	0.0	0.0	0.0	0.0
Shares issued	6.6	5.7	10.5	0.0	0.0	0.0
Net cash flow	**2.9**	**1.1**	**5.9**	**(6.5)**	**(2.6)**	**1.8**
Overdrafts / borrowings	(0.4)	(0.6)	(0.4)	(0.1)	(0.2)	(0.3)
Cash & equivalents	**5.1**	**6.3**	**12.1**	**5.6**	**3.0**	**4.8**
Net (Debt)/Cash	**4.7**	**5.7**	**11.8**	**5.5**	**2.8**	**4.5**
NAV and returns	**FY-13A**	**FY-14A**	**FY-15A**	**FY-16E**	**FY-17E**	**FY18E**
Net asset value	8.9	9.8	15.9	11.6	7.6	6.3
NAV/share (p)	**19.4**	**18.8**	**24.7**	**17.9**	**11.7**	**9.7**
Net Tangible Asset Value	5.5	6.3	12.5	3.4	(0.3)	(2.2)
NTAV/share (p)	**12.0**	**12.1**	**19.3**	**5.2**	**(0.4)**	**(3.4)**
Average equity	8.9	9.3	12.9	13.8	9.6	7.0
Post-tax ROE (%)	**-53.5%**	**-55.2%**	**-37.4%**	**-33.1%**	**-40.6%**	**-16.2%**
Metrics	**FY-13A**	**FY-14A**	**FY-15A**	**FY-16E**	**FY-17E**	**FY18E**
EUS growth	*n.a.*	*61.8%*	*77.5%*	*195.4%*	*101.5%*	*85.0%*
Revenue growth	*n.a.*	*-42.0%*	*-74.5%*	*98.8%*	*45.8%*	*71.9%*

Source: Company information, Progressive Equity Research estimates

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