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Bango PLC
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Bango PLC

("Bango")

Trading Update

Strong first half with 88% revenue growth and new tier-1 DVM contracts

Cambridge, UK, 27 July 2023 - Bango (AIM: BGO), the global platform for data-driven commerce, today announces a trading update for the 6 months ended 30 June 2023, ahead of announcing Interim Results in September.

Bango generated strong growth during the first half of FY23 with revenue up 88% to $20.3M (1H22 $10.8M), in line with management expectations.

The Bango Digital Vending Machine ("DVM") continued to drive growth, with ARR up 64% to $5.6M (1H22: $3.4M) and remains on track to reach $10M by the end of 2023. Bango signed new DVM contracts in the first half, with BenefitOne and 2 US telcos, including another top 5 operator. These new US contracts will begin generating ARR in 2H23. The Bango DVM now enables digital subscription services for 3 out of the top 5 US operators, serving 61% of US consumers.

Adjusted EBITDA* in 1H23 is expected to be -$0.4M (1H22: $2.9M), in line with management expectations, reflecting the costs associated with the DOCOMO Digital integration. The integration is progressing well with actions already taken to deliver $19M of the $21M of guided cost synergies. The benefit from synergy actions and the typical second half revenue weighting underpins management's confidence in delivering EBITDA in line with market expectations for the full year.**

Gross profit margin remained high at 90% in 1H23 (FY22: 91%). As at 30 June 2023, Bango had net cash of $13.4m (31 December 2022: $9.5M***), including the previously announced $8M NHN loan. This is as a result of the phasing of working capital movements, which has positively impacted the first half.

Paul Larbey, Chief Executive Officer of Bango, commented:

"Bango made great progress in the first half of the year with 88% revenue growth, demonstrating the momentum in the business. Traction of the Digital Vending Machine is clear, particularly in the US market, with a further 2 key US wins. Fast DVM growth means recurring, multi-year SaaS revenue is becoming an increasing proportion of the Bango revenue mix. The high-profile launch of Verizon +Play in March sets a clear standard for super bundling globally and I am excited by the deals we have in the pipeline".

** Adjusted EBITDA is earnings before interest, tax, depreciation, amortization, share based payment charge and exceptional items.*
*** Market consensus can be found here: https://bangoinvestor.com/analyst-consensus*
**** Excludes cash $3M previously marked as restricted for discontinued operations*

This announcement contains inside information for the purposes of the retained UK version of the EU Market Abuse Regulation (EU) 596/2014 ("UK MAR").

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About Bango

The world's largest online merchants, including Amazon (NASDAQ: AMZN), Google (NASDAQ: GOOG) and Microsoft (NASDAQ: MSFT), use Bango technology to acquire more paying users.

Bango has developed unique purchase behavior technology that enables millions more users to buy the products and services they want, using innovative methods of payment including carrier billing, digital wallets and subscription bundling. Bango harnesses this purchase activity into valuable marketing segments, called Bango Audiences. Merchants use these audiences to target their marketing at paying customers based on their purchase behavior. Better targeting increases spend through the Bango payments business, in turn generating more data insights, creating a powerful virtuous circle that drives continuous growth. Everyone connected to the Bango Platform thrives as the virtuous circle grows.

Bango, the technology behind every payment choice. For more information, visit www.bangoinvestor.com

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