RNS Number : 3164W
Bango PLC
15 July 2024

Bango PLC

("Bango")

Trading Update

Cambridge, UK, 15 July 2024 -Bango (AIM: BGO), today announces a trading update for the six months ended 30 June 2024, ahead of announcing Interim Results in September.

Financial Highlights (unaudited)

- Total revenue up 19% to $24.1M (1H23 $20.3M)
  - Transactional Revenue[1] from the payments business grew by 6% (9% in constant currency) to $16.4M (1H23 $15.5M).
  - DVM, Audiences & One-Off Revenue[2] grew by 64% to $7.7M (1H23 $4.7M) driven by growth of the Bango Digital Vending Machine® (DVM™).
- Annual Recurring Revenue (ARR)[3] up 130% to $12.9M (1H23: $5.6M) due to DVM usage growth and new customer wins.
- Net Revenue Retention[4], a measure of the growth in ARR from telcos active in 1H23 was 159%
- Other Income of $1.4M, which is not included in the revenue figure above, related to recovery of tax costs from the acquisition of DOCOMO Digital. $1.1M will be accounted for as a tax cost, resulting in $0.3M profit.
- Adjusted EBITDA[5] is expected to be greater than $4.0M (1H23: -$0.2M).
- Net debt[6] of $5.0M at 30 June 2024.

Operational Highlights

- Bango signed 4 new DVM contracts in the first half including a Latin American bank - the first DVM win in the financial services vertical.
- A leading European telco that adopted the Bango DVM in 2020 extended their DVM contract for a further 3 years. The minimum contract value over the 3 year term is $1.5M.
- 2 existing partners, 1 in North America and 1 in Europe, activated additional DVM capabilities to enable new propositions for their customers.
- 13 new subscription content providers were added to the DVM, taking the total to 106.
- A total of 16 eDisti[7] content providers allows Bango to provide a 'pre-stocked' Digital Vending Machine, reducing time to revenue for DVM customers. eDisti partners include Microsoft and a new Tier 1 video streaming company.
- Bango signed a global agreement with Uber to accelerate the take-up of Uber One subscriptions through telco channels, proving the appeal of the Bango DVM beyond video, music and gaming services.
- The global technology leader announced in June 2022 launched its first two telcos with Bango in 1H24. Additional launches are planned in 2H24.
- Bango joined the Amazon AWS Partner Network. This creates new business opportunities for the DVM in partnership with AWS, which has a strong customer base and expansive reach into new regions and technology domains.
- Chartered Accountant Tony Perkins joined the Bango Board as a Non-Executive Director and Chair of the Audit Committee.

- BDO LLP appointed as new auditor.

Paul Larbey, Chief Executive Officer of Bango, commented:

"The first six months of 2024 have gone to plan. We have driven continued growth from our customer base and won new DVM customers. This growth, along with a strong sales pipeline, positions us for a successful year that meets market expectations. We remain on track to return to a positive net cash position in FY25.

World leaders such as Uber and the Tier 1 video streamer have selected Bango to increase distribution of their subscription products - this is clear evidence of the power of the Digital Vending Machine. The subscriptions market is vast and growing, and the percentage of subscriptions bundled through channels is increasing. Bango's leadership position in this market is strengthening and we are excited by the opportunity ahead."

[1] Transactional Revenue is revenue derived by charging a percentage of the retail price paid by the consumer and is made up of carrier billing, resale and revenue share amounts.

[2] DVM, Bango Audiences & one-off Revenue includes all DVM license and support fees, revenue from Bango Audiences and one-off fees including DVM set-up and change requests.

[3] Annual Recurring Revenue is the expected annual revenues to be generated in the next 12 months based on contracted revenues recognized as at 30 June 2024.

[4] Net Revenue Retention is a measure of the retention and expansion of revenue from existing customers over the previous 12 months and is calculated by dividing the ARR from existing customers at the end of 1H24 by the ARR generated from those same customers at the end of 1H23.

[5] Adjusted EBITDA is earnings before interest, tax, depreciation, amortization, negative goodwill, exceptional items, share of net loss of associate and share based payment charge

[6] Net debt is cash and cash equivalents plus short-term investments less the loan from NHN and borrowings. The Barclays overdraft facility was not drawn on.

[7] eDisti is a program that allows Bango to resell subscriptions from content providers removing the need for a commercial agreement between the DVM customer and the content provider.

ENDS

Contact Details:

Bango PLC	**Singer Capital Markets (Nominated Adviser and Broker)**
+44 1223 617 387	+44 20 7496 3000
investors@bango.com	
Paul Larbey, CEO	Jen Boorer
Matt Garner, CFO	Asha Chotai

About Bango

Bango enables content providers to reach more paying customers through global partnerships. Bango revolutionized the monetization of digital content and services, by opening-up online payments to mobile phone users worldwide. Today, the Digital Vending Machine® is driving the rapid growth of the subscriptions economy, powering choice and control for subscribers.

The world's largest content providers, including Amazon (NASDAQ: AMZN), Google (NASDAQ: GOOG) and Microsoft (NASDAQ: MSFT) trust Bango technology to reach subscribers everywhere.

Bango, where people subscribe. For more information, visitwww.bangoinvestor.com

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our Privacy Policy.

END

TSTBRGDRUUBDGSS