



Bango PLC

Presenting:

Paul Larbey, CEO

Matt Garner, CFO

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Bango customers are the world's leading online brands

Global giants trust Bango technology to help them find, acquire and retain more paying users

By partnering with Bango, these giants can expand their reach and penetrate new markets quickly

amazon



Microsoft

Google

Calm

Televisa
Univision

PELOTON

shopify

tinder

verizon

OPTUS

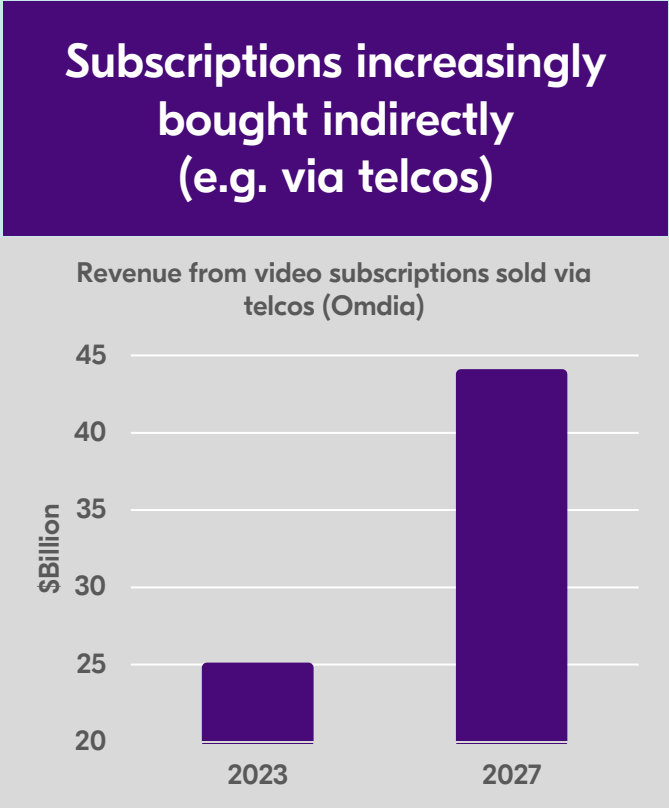
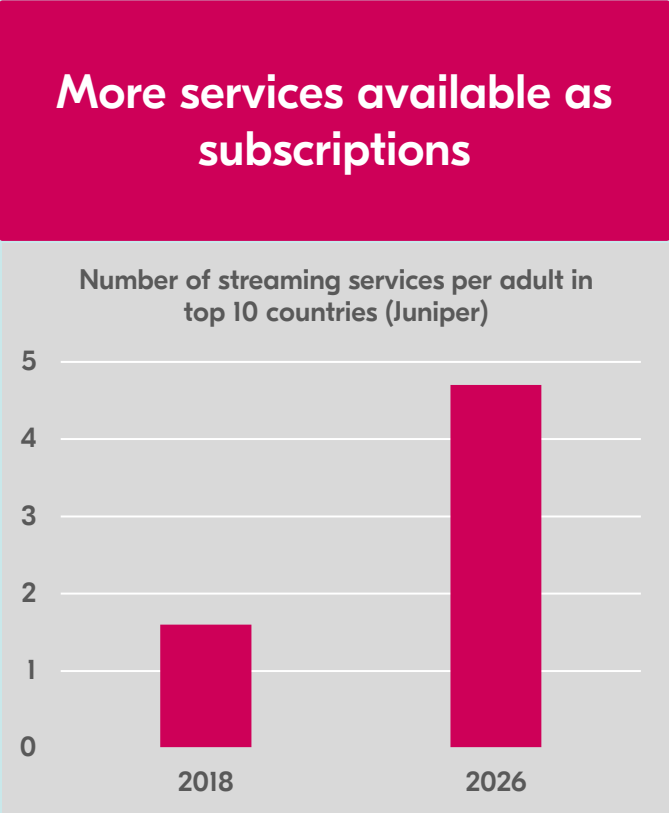
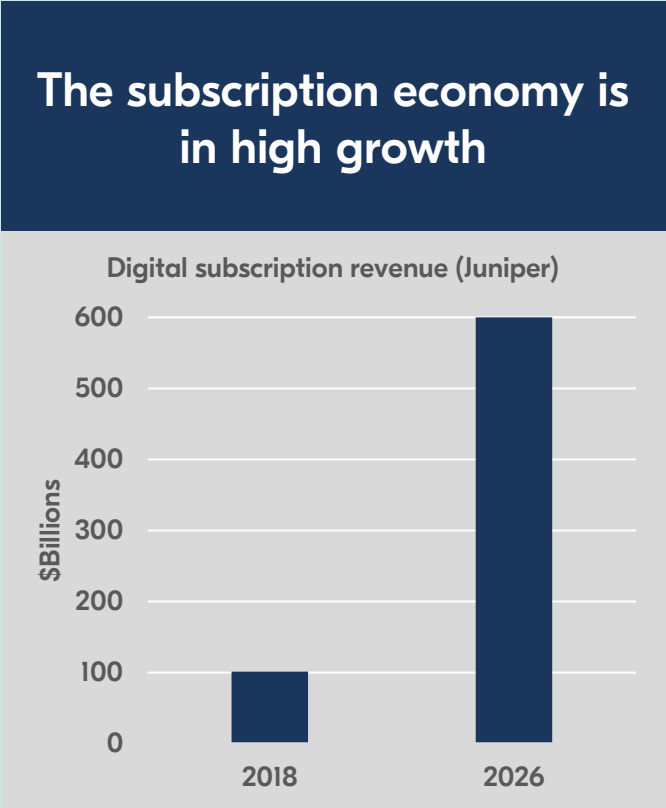
NTT
docomo

T-Mobile

Telefónica

bango®

Subscriptions: a high growth market



The Digital Vending Machine

Bango Digital Vending Machine technology enables our partners to offer their customers dozens of subscription services bundled with their own first-party service.

Why?

- A stickier, more engaged customer base
- A differentiated customer proposition
- Higher ARPU

Bango abstracts the complexity, handling offer management, entitlement, activation etc.



verizon[✓] +play is powered by Bango Technology

+Play lets users discover, purchase & manage all their digital subscriptions in one place.

Users can bundle more than 30 subscription services to their Verizon bill

Subscription on offer vary from TV, Movies, Games, Fitness, Education, Health & Lifestyle and more.

Allows customers greater ability to manage their subscriptions and often comes with discounts & free trials.



The screenshot shows the Verizon +play app interface. At the top, the "+play" logo is displayed in white on a dark background with a pattern of white plus signs. Below the logo, a tagline reads: "Shop, manage and save on subscriptions you love. All in one place."

The main content area features two large promotional banners. The left banner is for "Netflix Special Offer" and includes a "Learn more" button. The right banner is for "Xbox Game Pass" and also includes a "Learn more" button.

Below these banners, a section titled "TV & Movies" is visible. It features a large banner for "HBO Max" with the text "HBO ORIGINAL SUCCESSION" and a "Learn more" button.

At the bottom of the screen, there is a grid of subscription service tiles. Each tile displays the service name, its price, and a "Learn more" button. The services shown are:

- Netflix: \$19.99/mo
- Paramount+: \$99.99/yr (Get 1 year of Netflix Premium)
- STARZ: \$74.99/yr (Get 1 year of Netflix Premium)
- discovery+: \$6.99/mo
- Marquee TV: \$8.99/mo (7-day free trial)
- AMC+: \$83.88/yr (Get 1 year of Netflix Premium)
- Hallmark Movies Now: \$5.99/mo (7-day free trial)
- UP Faith & Family: \$5.99/mo (14-day free trial)
- A&E Crime Central: \$4.99/mo (7-day free trial)
- HISTORY Vault: \$4.99/mo (7-day free trial)
- Lifetime Movie Club: \$4.99/mo (7-day free trial)
- FlixLatino: \$2.99/mo (7-day free trial)

History of bundling

Choose the perfect Big Value Bundle and roam in 50 destinations at no extra cost

| €5 | €10 | €20 | €30 |
|--------------------|--------------------|--------------------|--------------------|
| 100MB data | 1GB data | 6GB data | 20GB data |
| 100 minutes | 200 minutes | 1000 minutes | 3000 minutes |
| 250 texts | Unlimited texts | Unlimited texts | Unlimited texts |
| 100 Rewards points | 150 Rewards points | 250 Rewards points | 350 Rewards points |

Ask us for details & terms

First Gen
Telcos products only



Subscription Bundle
One or two third-party services

Content Bundle
Telco buys content rights and bundles on a set-top box

Select your Sky TV Bundle

The Original Bundle

£21⁹⁹
£10⁷⁵ a month
for 6 months (then £21.50 a month)
+ £25 reward of your choice

The Variety Bundle

£30⁹⁹
£19²⁵ a month
for 6 months (then £30 a month)
+ £25 reward of your choice

The Family Bundle

£36⁹⁹
£25²⁵ a month
for 6 months (then £36 a month)
+ £25 reward of your choice

Super Bundling
Tens of third-party services

Welcome to **Optus SubHub**

Manage a selection of your paid subscriptions with ease by uniting them together in one place.

[Try Optus SubHub Early Access](#)

Included with Optus SubHub

- Optus Sport
- Optus Fitness

Add 2 subscriptions

Save 5% on both subscriptions.

Add 3+ subscriptions

Save 10% on all subscriptions.

Available now

- Amazon Prime Video
- Prime Music
- Prime Gaming
- Kindle Unlimited
- Calm
- ink!
- Optus Sport

Coming soon

- NFL
- Fiiit
- Fetch
- QTV
- Brit Box

Telcos are optimized for Super Bundling

Why are telcos key?

Experience

Telcos have offered first party bundles for many years

Payment

Telcos have a trusted billing relationship with consumers

Marketing

Telcos can apply significant consumer marketing budgets to promote content

Funding

Telcos use customer retention budget to offer subscription discounts in bundles, increasing consumer appeal

Benefits for telcos

Attract new customers

Reduce churn

Increase ARPU & LTV

Boost engagement

What's in it for merchants?

Super bundling gives merchants:

Fast access
to new
markets

Stickier
subscribers

Access to
more
customers

Third-party
marketing
from DVM
operator

Uniquely, super bundling using the Bango DVM gives merchants:

Access to
100s channel
partners
worldwide

Data insights
to effectively
target
marketing

Tools to
increase
conversion &
retention

1-click
creation &
product
updates



Why Bango is winning

Unique technology – The Bango Digital Vending Machine (DVM) provides the key features to launch a successful a Super Bundling business

Time to market – Telcos launch their super bundles faster through the Bango DVM

TCO – DVM SaaS model = lower cost of ownership than telco “DIY” solutions

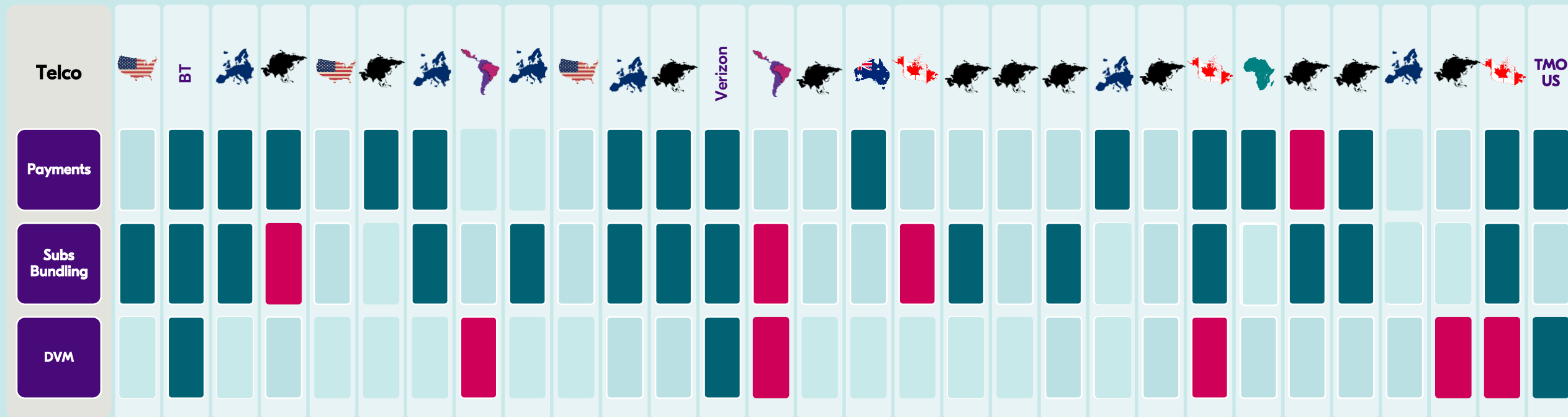
Ecosystem – Bango connects >100 telcos globally and >50 world leading subscriptions merchants

Network effect – Merchants connect once and recommend Bango to telcos



Establishing an unassailable position in telco market – Sept 21

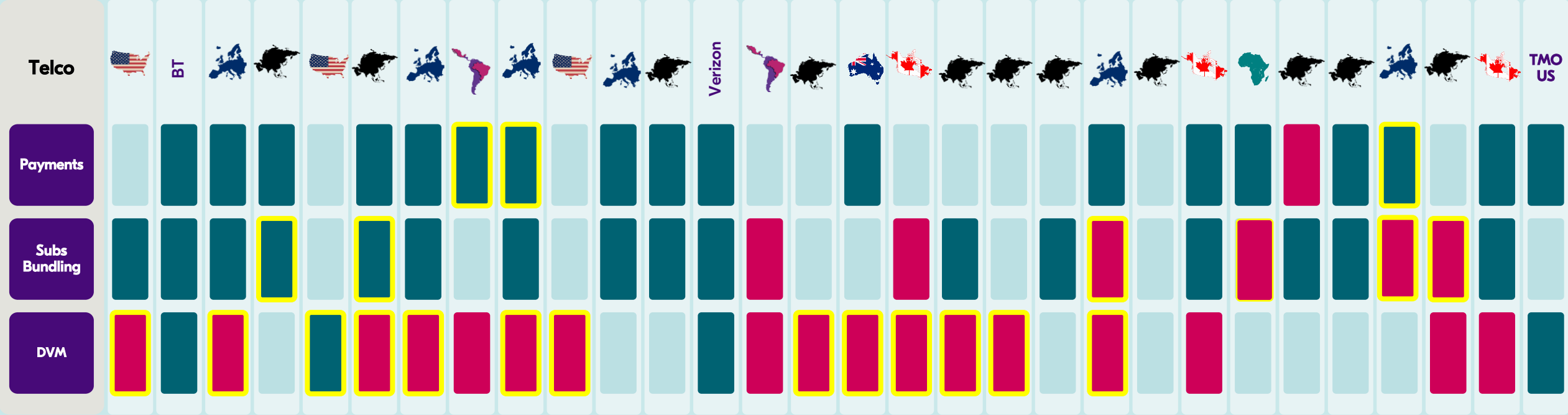
Progress with Top 30 Telcos by revenue (excl. China)



 Live / Won
  Active Discussions

Establishing an unassailable position in telco market – Jun 23

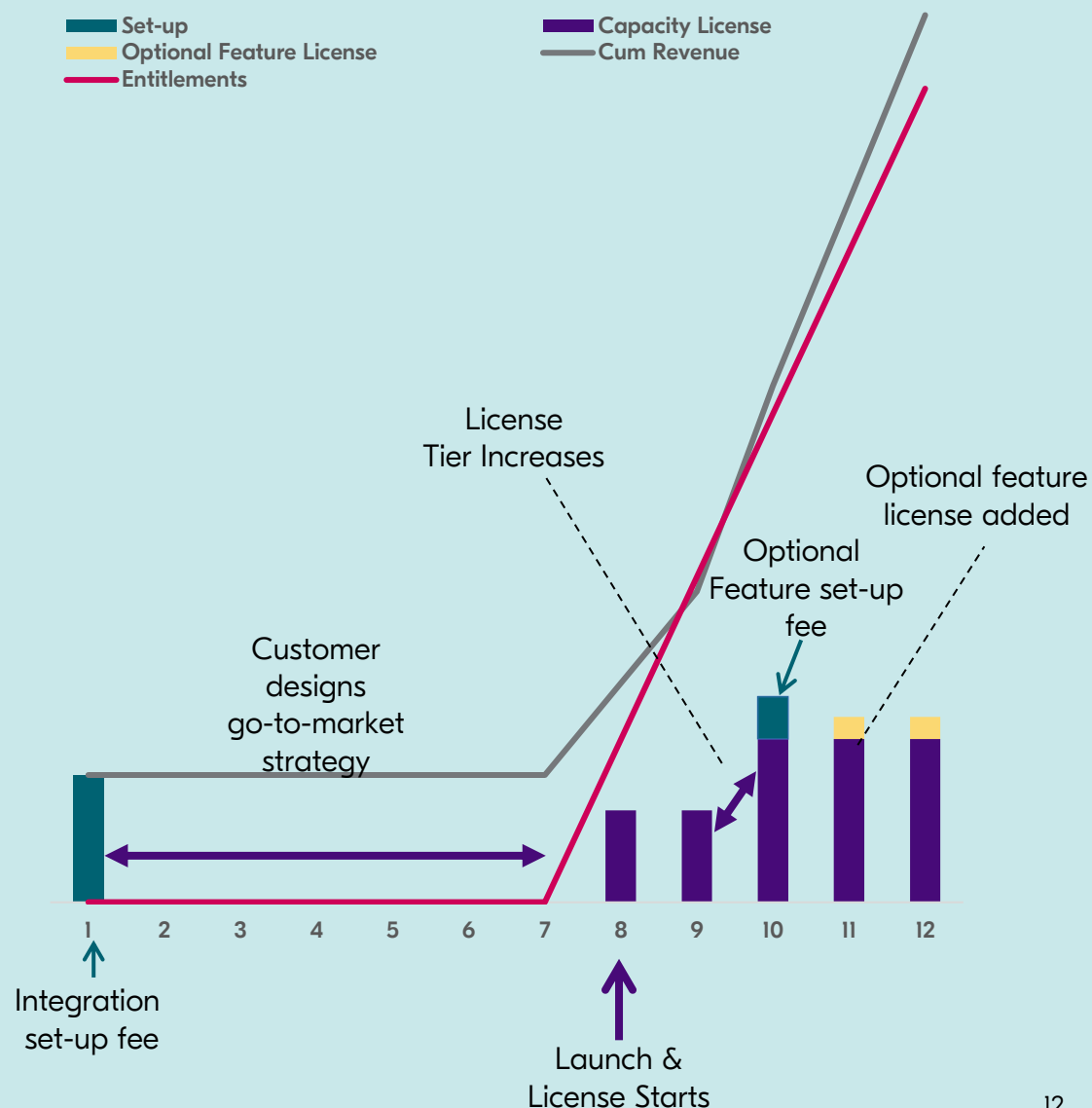
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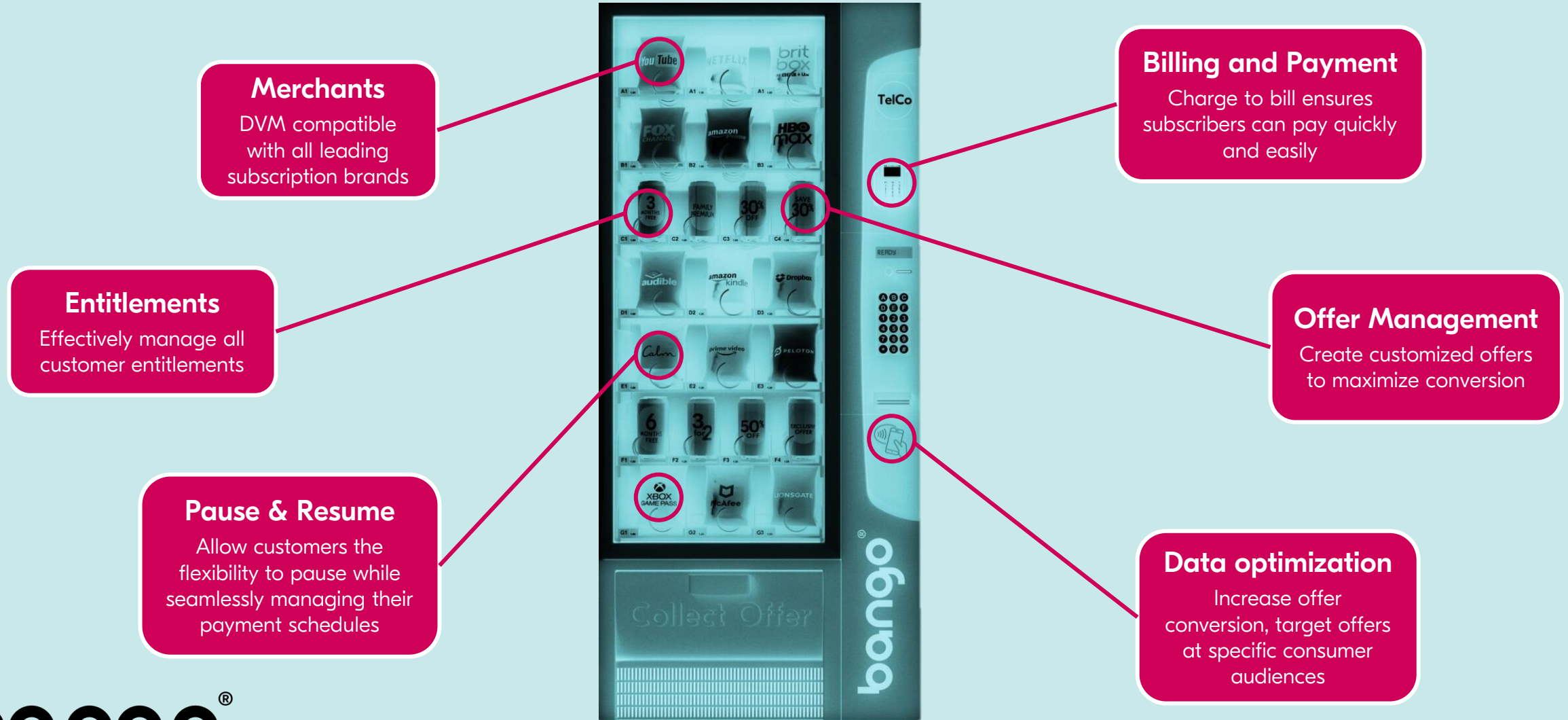
Live / Won Active Discussions New vs Sept 21

How Bango monetizes the DVM

1. **Upfront integration fee**
2. **Recurring SaaS license fee** when the customer launches DVM offering
 - This license fee scales in proportionally to the number of subscription entitlements managed through the DVM
 - 1 subscription = 1 entitlement, so a consumer who takes 3 subscriptions through the DVM counts as 3 entitlements
3. **SaaS license fee scales in tiers.** E.g. the first tier for up to 1M entitlements, second tier up to 3M entitlements, etc....
4. **Optional features** (e.g. dynamic offer management, Bango Audiences etc) charged additionally



DVM – powerful feature set



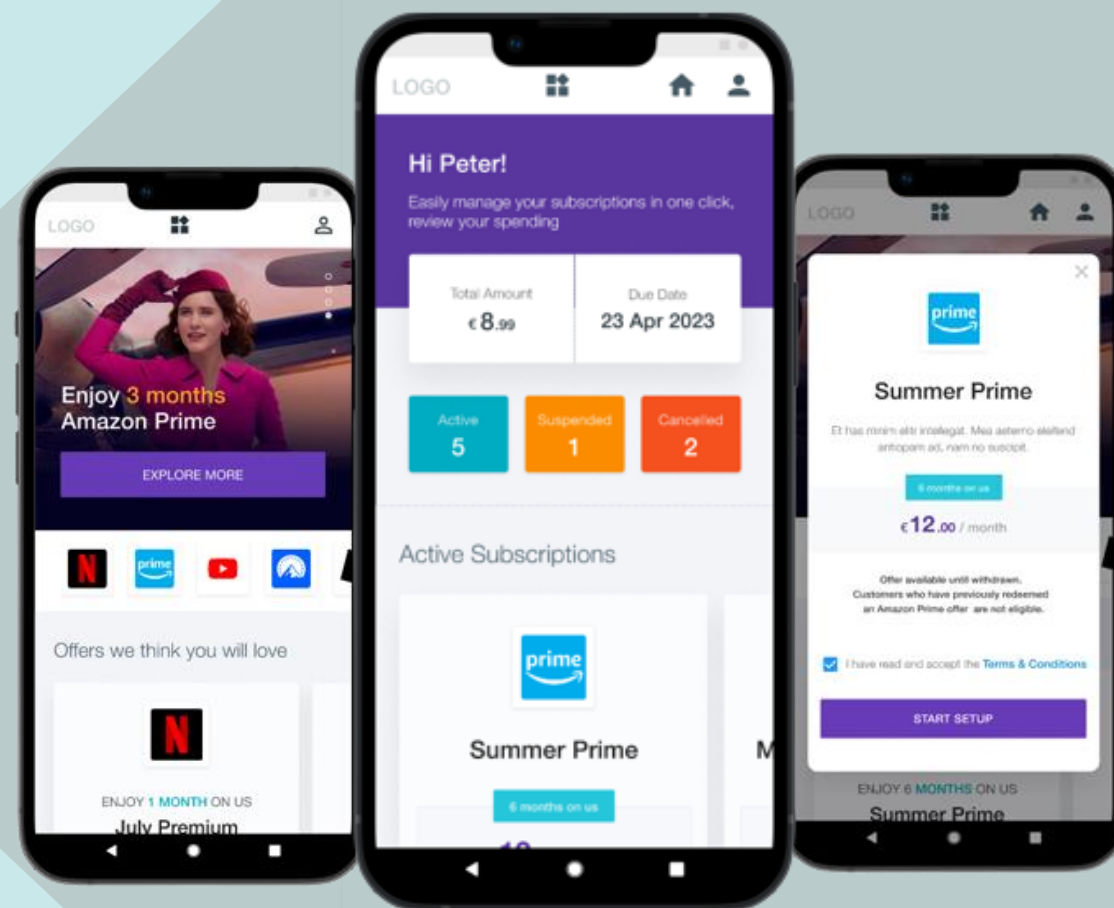
Ongoing R&D investment

Consumer user interface (UI)

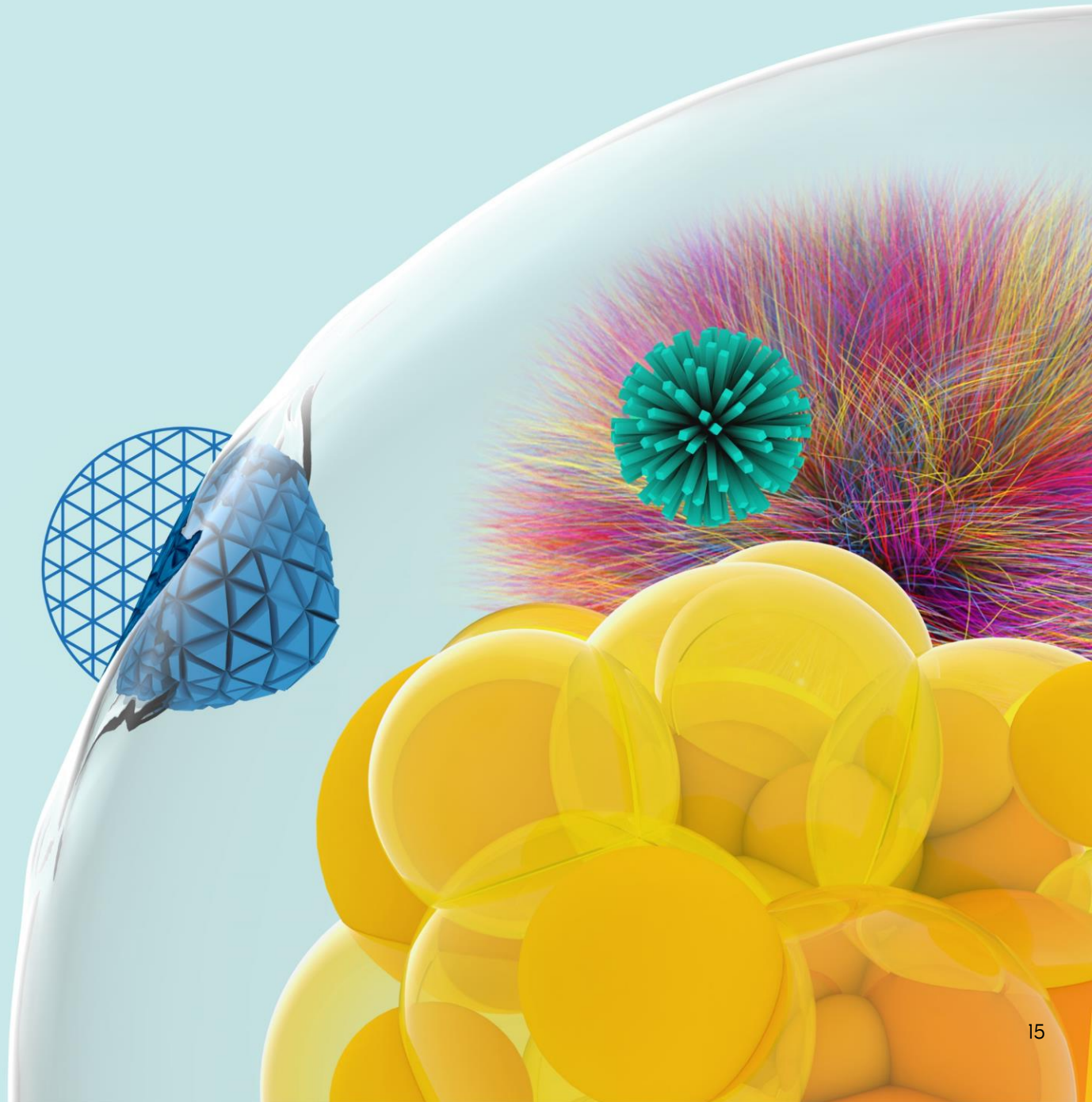
- Pre-built, DVM consumer UI
- Telcos need only to brand the UI
- Pre-built user journeys for browsing, selecting, purchasing, managing subscriptions etc through one interface
- **Faster time to market = faster ARR**

Payment methods

- Extend payment methods supported in DVM
- Include card on file (US operators have millions of cards used to pay monthly bills)
- Card payment enables DVM customers from outside telco subscriber base to be added



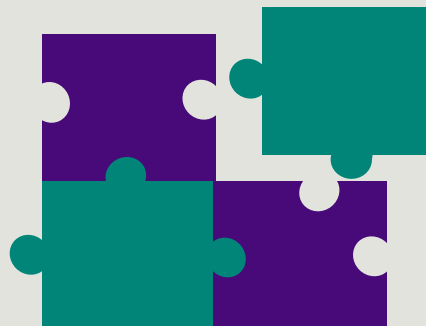
1H23 Review



1H23 Overview - Strong growth, confirmed US market leadership



- 3 new DVM wins, including top 5 US telco
- US market standardizing on DVM. Bango has won 3 out of top 5 US telcos, reaching 61% of US subscribers
- 22 new merchants won



- DOCOMO Digital integration 90% complete
- \$19M out of targeted \$21M cost synergies achieved
- On track to deliver profitability uplift in 2H23



- 88% revenue growth
- 90% gross margin
- On track to meet consensus expectations for FY23

Increasing revenue at high margins

1H23 revenue:

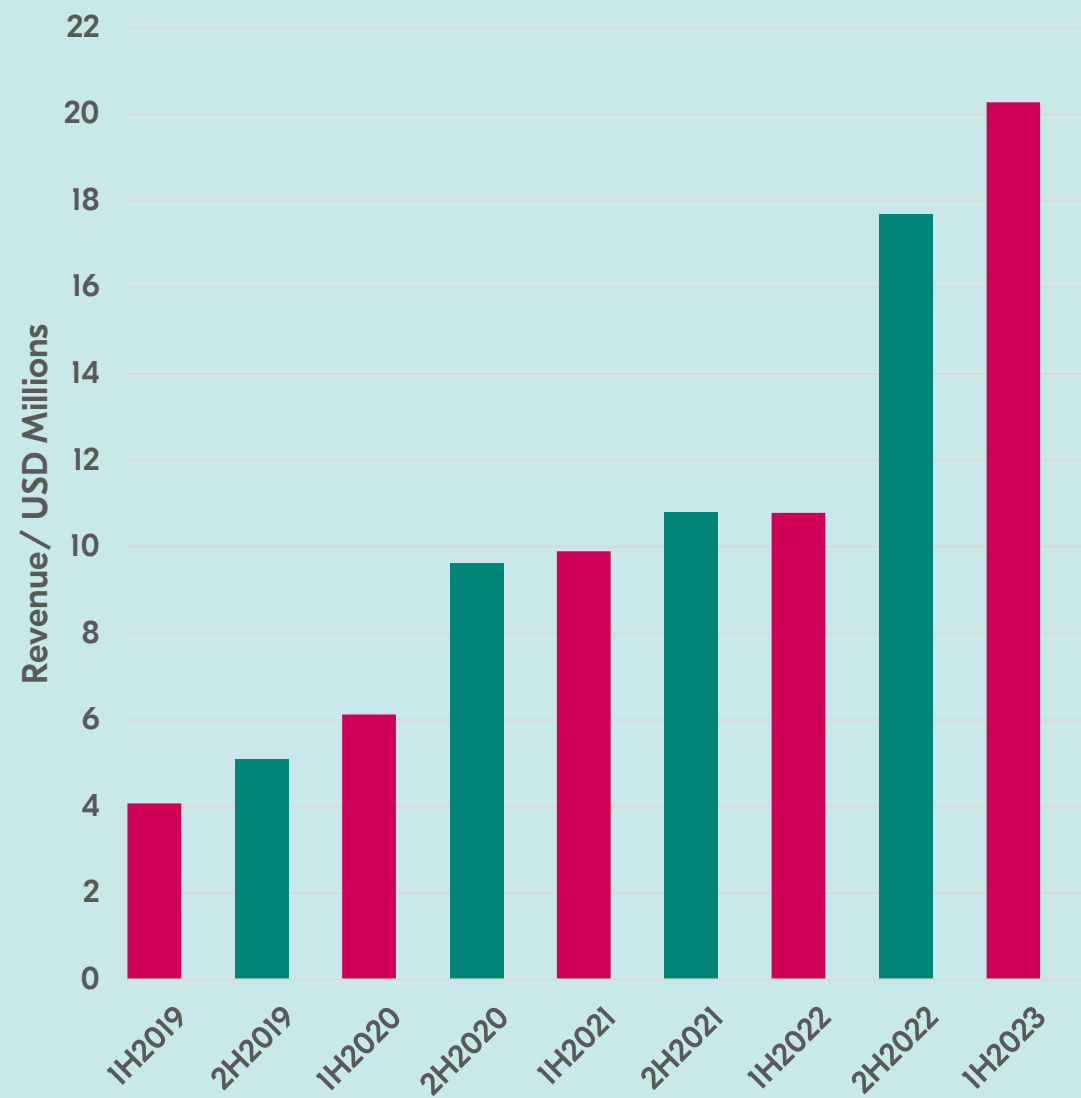
- \$20.3M (1H22: \$10.8M) – 88% increase
- 5-year CAGR: 42.0%
- Annual Recurring Revenue \$5.6M (1H22: \$3.4M) – 63% increase

Growth driven by:

- Payment & subscription volumes
- New DVM contracts
- Contribution from the acquisition of DOCOMO Digital

Gross profit margin:

- 90% (2H22: 90%)



Investing for growth

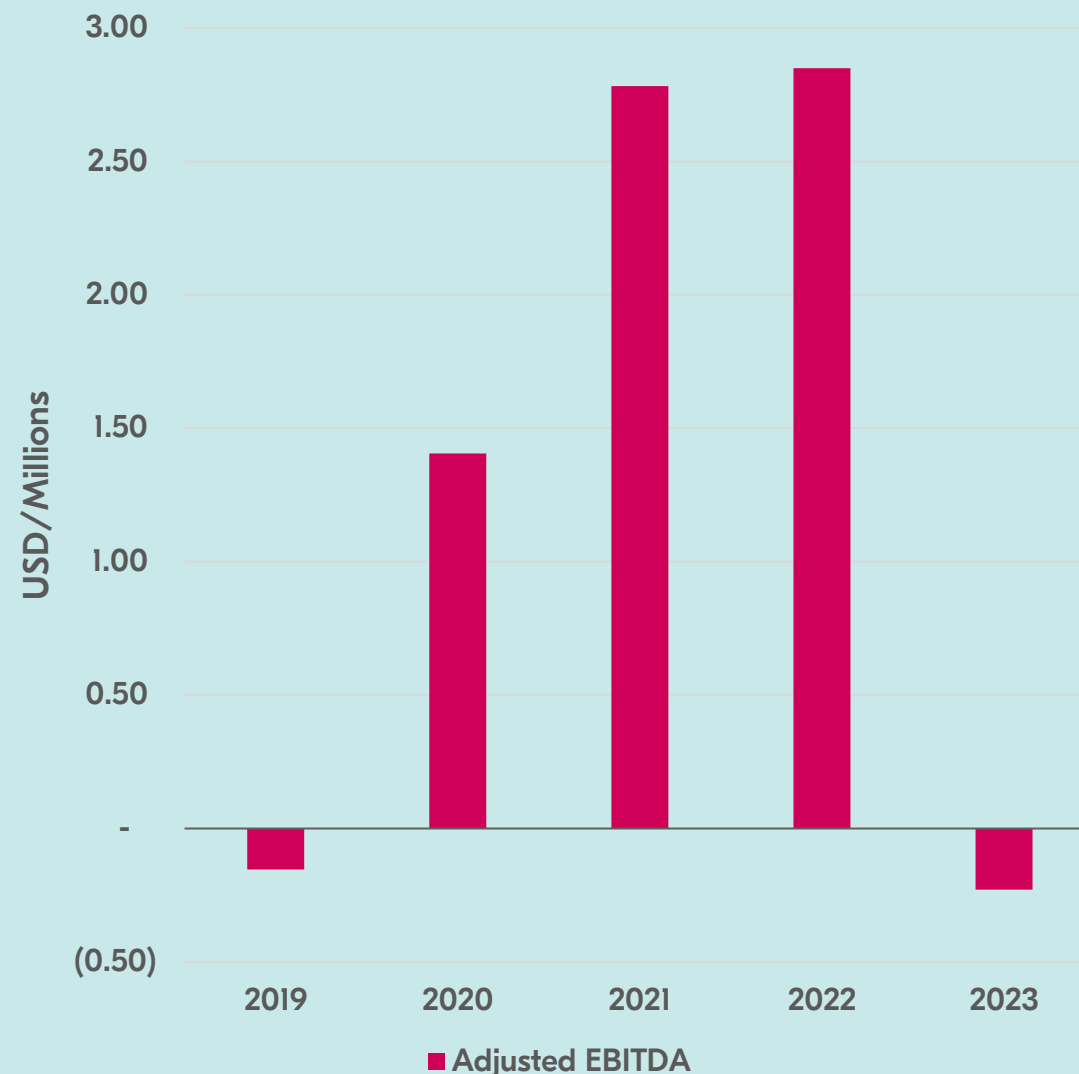
1H23 Adjusted EBITDA*: $-\$0.2\text{M}$ (1H22: $\$2.9\text{M}$)

Operating costs: $\$22.6\text{M}$ (1H22: $\$10.4\text{M}$)

- In line with post acquisition plan. 1H23 reflects the acquired costs from DOCOMO Digital which continue to reduce as synergy actions are completed. 1H22 had no DOCOMO Digital costs
- Bango continues to invest in R&D to support DVM growth


Operating loss: $\$4.3\text{M}$ (1H22: $\$423\text{k}$)

- Increased personnel expenses and costs associated with additional sites/legal entities from the acquisition have impacted 1H23
- Post acquisition synergy actions will reduce operating costs for future periods




*Adjusted EBITDA is earnings before interest, tax, depreciation, amortization, share based payment charge, negative goodwill and exceptional items.

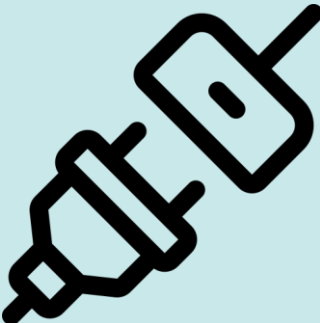
Key actions delivering \$21M cost synergies




All contracts migrated to Bango




Office & country exits




Low value, complex route closure



Headcount reduction



Business simplification



Route migration to Bango Platform



Cash movements



Income Statement

| 6 mths ended 30 June (\$'000) | 1H20 | 1H21 | 1H22 | 1H23 | |
|--------------------------------------|---------|---------|----------|----------|--|
| Revenue | 6,125 | 9,903 | 10,789 | 20,274 | 49.0% CAGR |
| Gross Profit | 6,026 | 9,518 | 10,008 | 18,248 | |
| Gross Profit Margin | 98.4% | 96.1% | 92.8% | 90.0% | High margin – expected to return to prior levels post platform migration |
| Administrative expenses | (4,621) | (6,732) | (10,431) | (22,596) | Reflecting DOCOMO costs, will reduce through synergy actions |
| Adjusted EBITDA | 1,406 | 2,783 | 2,851 | (231) | EBITDA reduced during integration – Long term view is c.50% margin |
| Profit/(Loss) before Associate | **4,873 | 435 | 302 | (3,766) | Reflecting negative DOCOMO contribution |
| Associate Loss | (295) | (963) | (799) | (489) | Share of NewDeep JV Loss (40%) |
| Profit/(Loss) for the Financial Year | **4,578 | (528) | (489) | (4,255) | Gain in 2020 from creation of JV (disposal) |
| Cash* | 5,372 | 9,851 | 5,705 | 13,402 | 2023 includes \$7.9M Loan from NHN received in June 23. |



* Including cash equivalents and cash in short term investments

** Includes \$5,087k profit from discontinued operations

Summary

DVM execution

Focused on dominating the telco market

Merchant growth

Each DVM deal brings new merchants to Bango

Investment in R&D

Reduce DVM sales cycle and deployment time, speeding up ARR generation

Profitability

Synergy execution will lead to significant FCF generation & profit in FY24

FY Forecasts

On track to meet consensus expectations for FY23