

Bango 1h2016 Interim Results

20 September 2016

Ray Anderson CEO

Rachel Elias-Jones CFO

Anil Malhotra CMO

The Bango logo is rendered in a bold, lowercase, sans-serif font. The letters are a vibrant yellow color. A registered trademark symbol (®) is positioned at the top right of the letter 'o'. The logo is set against a dark blue background.

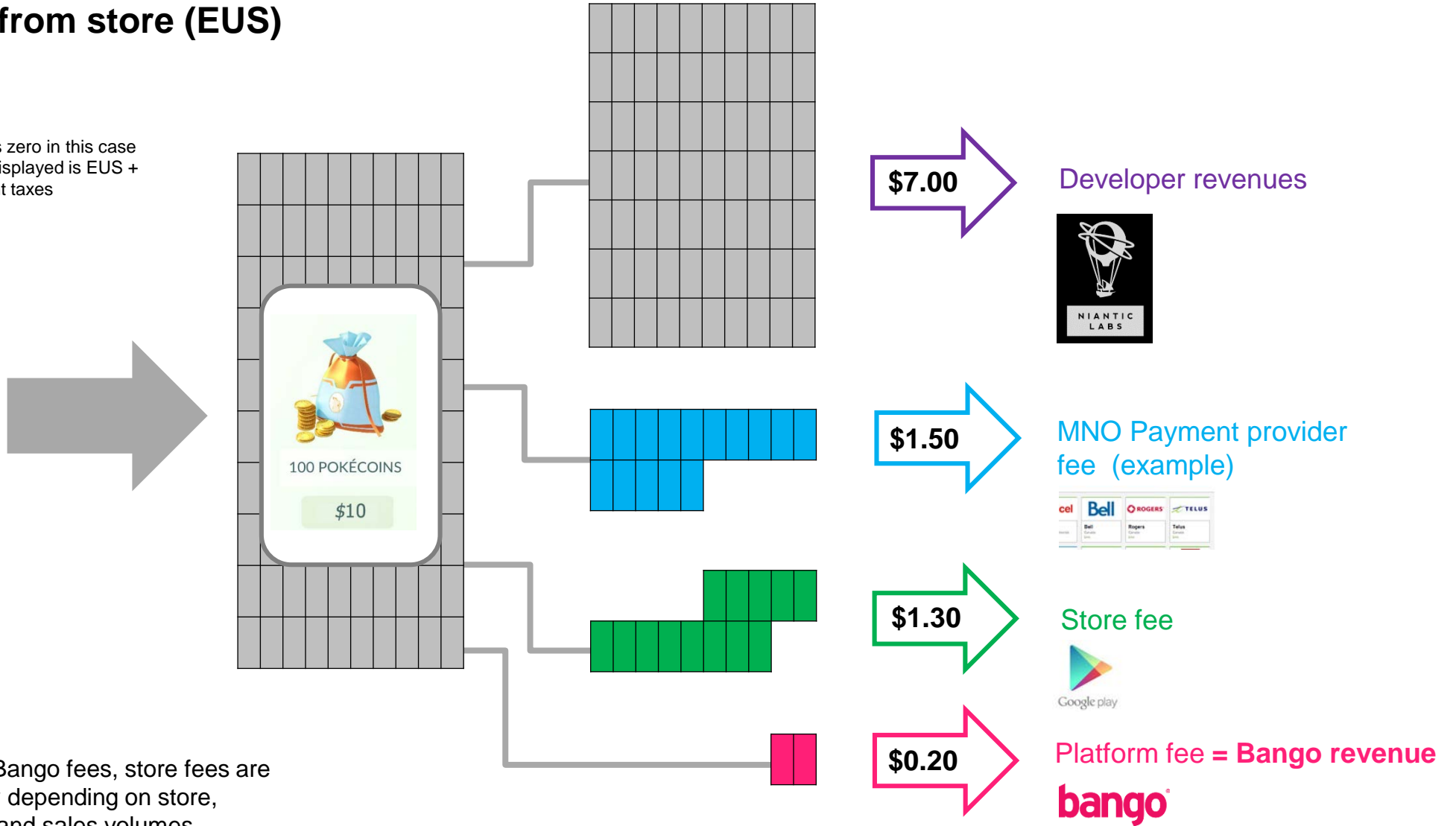
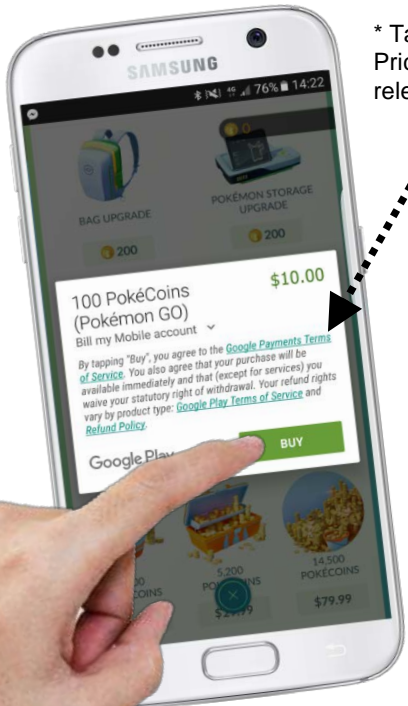
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- **Exceeded organic EUS growth expectations** and acquired leading US carrier billing business BilltoMobile
 - £2.15m (\$3m) cash and £0.35m (\$0.5m) shares
 - Adds £55m/yr EUS
 - Brings new customers to Bango Payment Platform
 - Customers migrated to existing Bango platform so no added opex
- Launched **new Direct Carrier Billing (DCB) routes** in Norway, Finland, Belgium, Australia, Indonesia, Malaysia and 1st Google Play launch in Indian Sub-Continent
- **Maintained stable operational cost base**, while investing in market expansions across key geographies for global app store partners – US and Japan.

App store DCB - How does it work and who gets what?

\$10.00 purchase from store (EUS)

* Tax is zero in this case
Price displayed is EUS +
relevant taxes



Important: MNO fees, Bango fees, store fees are illustrative and may vary depending on store, market, type of product and sales volumes

Financial Update

Rachel Elias-Jones, CFO

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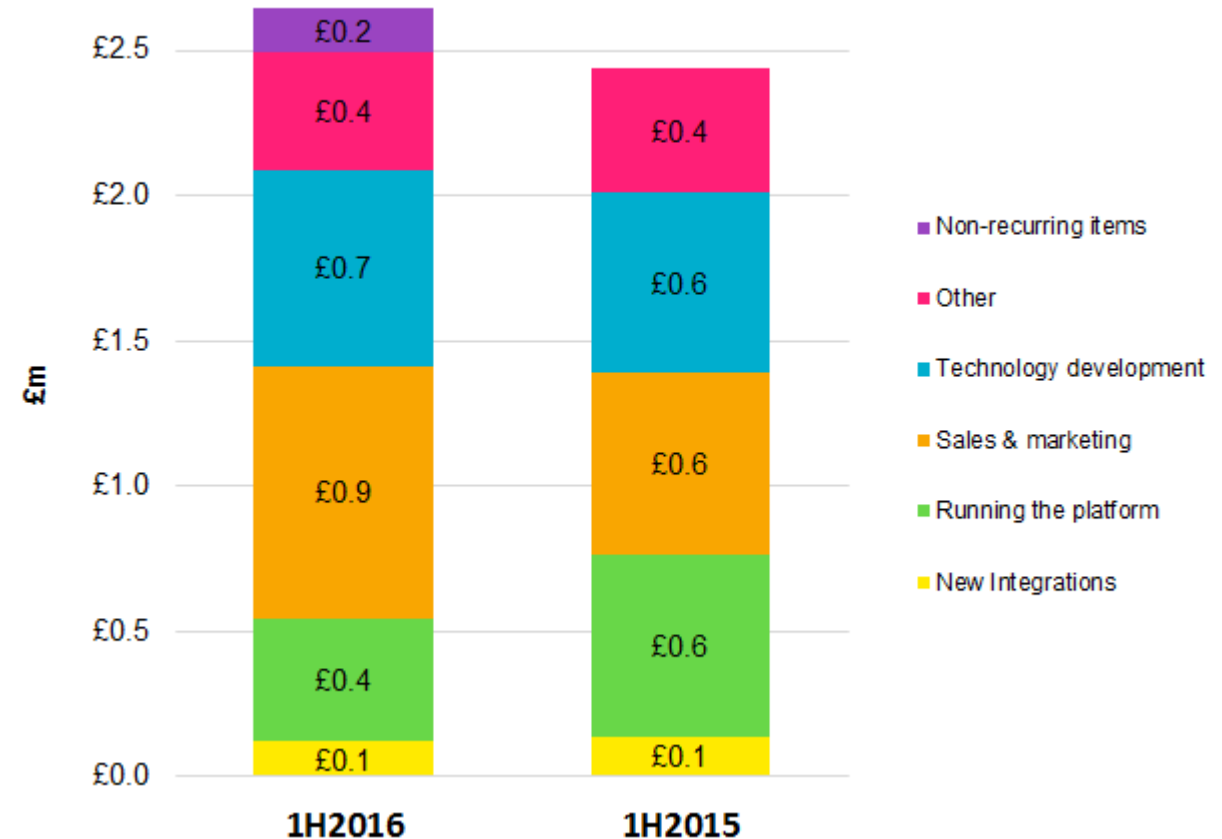
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| | 1h2016 Unaudited | 1h2015 Unaudited |
|-----------------------|---------------------|---------------------|
| | £m | £m |
| End user spend | 46.17 | 18.45 |
| Sources of Margin | | |
| End user | 0.77 | 0.38 |
| Platform fees | 0.08 | 0.23 |
| Total Margin | 0.85 | 0.61 |
| EUS Margin % | 1.67% | 2.06% |
| Operating costs | (2.49) | (2.43) |
| Loss after tax | (2.67) | (2.68) |
| Cash | 7.24 | 4.04 |

- EUS £46.17m (1h2015: £18.45m)
+ 150% growth YoY
- Margin on EUS £0.77m (1h2015: £0.38m)
- Stable cost base in line with forecasts
 - One off costs for acquisition of BilltoMobile
 - Reduction in platform running costs
 - Increased sales and business development
- Acquired BilltoMobile Inc for £2.15m cash & £0.25m shares on 9 May 2016
- £7.24m cash at end of June 2016
sufficient to support Bango to profitability

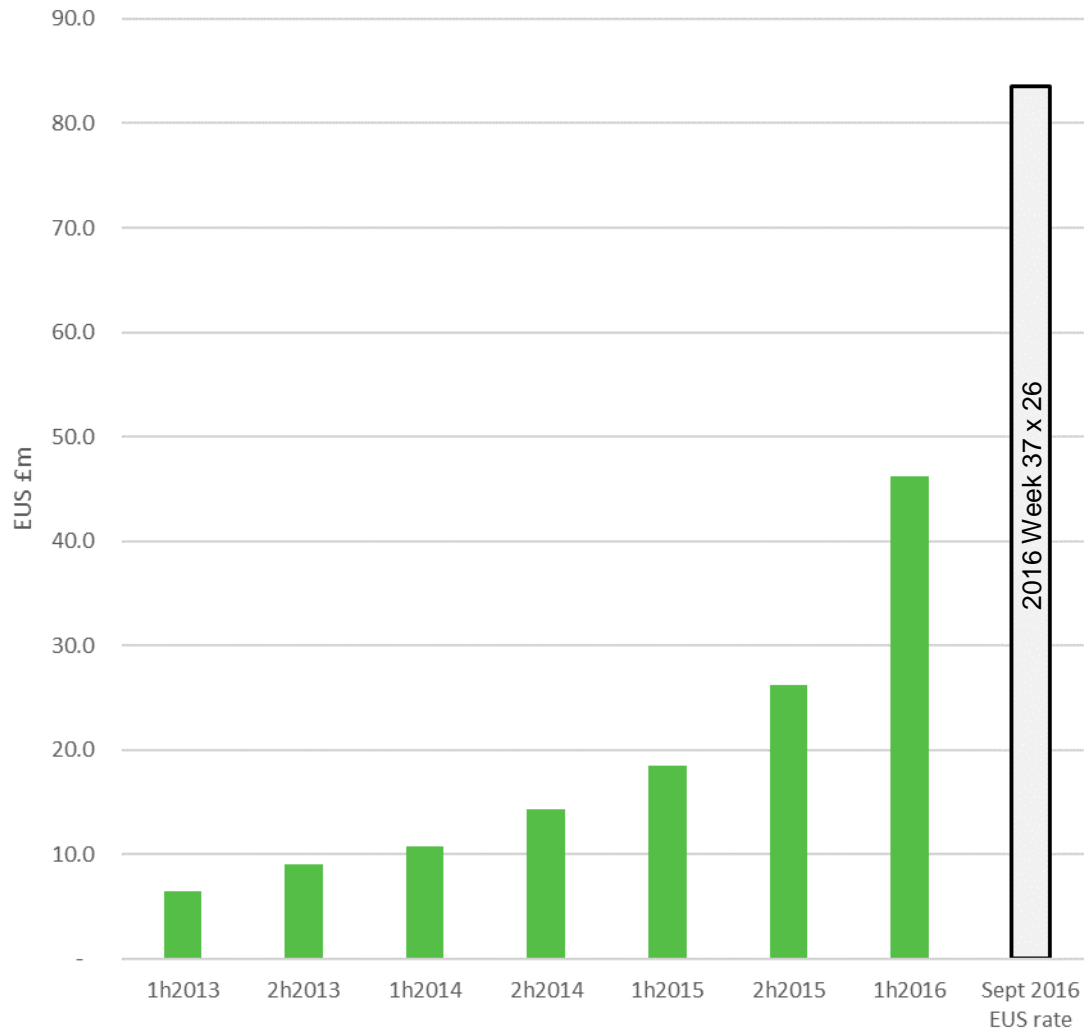
Profit and loss and operational costs

| | 1h2016 Unaudited | 1h2015 Unaudited |
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| Total Margin | 0.85 | 0.61 |
| End User Spend Margin % | 1.67% | 2.06% |
| Operating costs | (2.49) | (2.43) |
| Non-recurring items | (0.15) | - |
| Adjusted LBITDA | (1.64) | (1.82) |
| Depreciation & amortisation | (0.81) | (0.75) |
| Share based payment charge | (0.22) | (0.20) |
| Loss before tax | (2.82) | (2.77) |
| Loss after tax | (2.67) | (2.68) |



- Operational cost base remains stable
- Increased spending on sales and marketing

EUS by half year



- Growth accelerating faster than expected
 - 1h2016 EUS grew to £46.2m (1h2015: £18.5m)
 - Annualized EUS in September £167.4m
- Further new Google, Microsoft, and Samsung activations expected in 2016, supported by Bango Boost
- New store launches will see increased activation pace

Business Review & Outlook

Ray Anderson, CEO and founder

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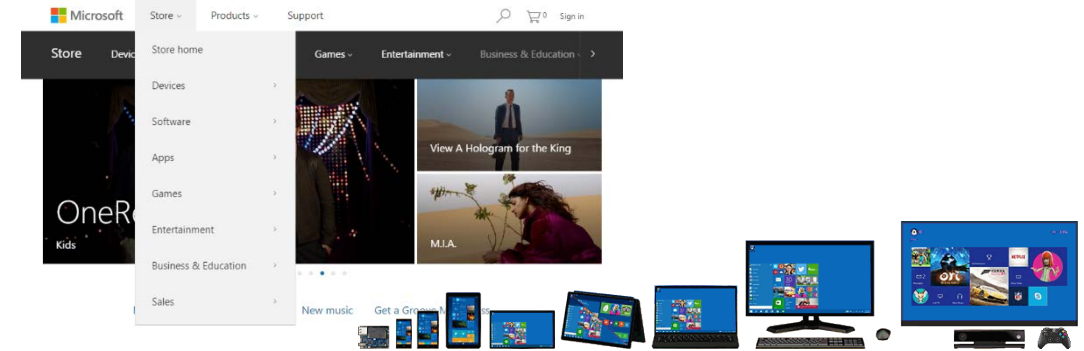
1. More payment routes

- Dozens of new DCB routes currently being activated
- Healthy pipeline of opportunities with mobile operators around the world



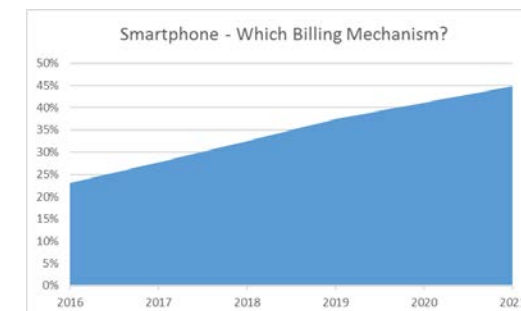
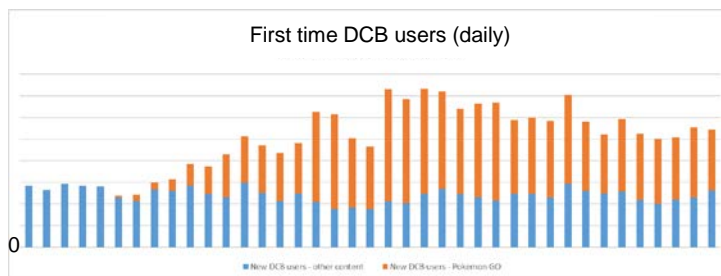
2. More content

- Continued expansion of store content by Google, Samsung and Microsoft – all using Bango as the de-facto global standard
- Significant growth driven by video and entertainment



3. More users

- Smartphone penetration and adoption continuing to grow
- More consumers using DCB for first time



Source: 'Digital Content Business Models: OTT & Operator Strategies 2016-2021' (2016)

Bango Grid - Launch acceleration

- App stores fast-track carrier billing activation using Bango Grid for research, activation management and post-launch care

Bango Platform and Bango API – faster to market for mobile operators

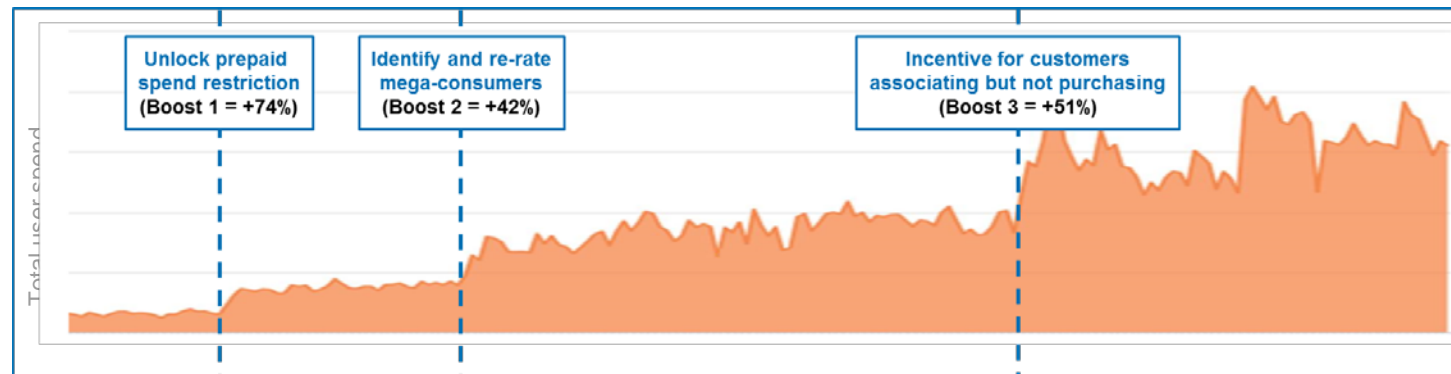
- Integrate once with the Bango Payment Platform. DCB ready for Amazon, Google, Samsung, Microsoft and other stores

Platform capacity – scalability and reliability

- Proven ability to handle regular and irregular spikes in payment activity to capture all transactions

Bango Boost – technology and techniques to grow revenue and users

- Operators gain up to 80% growth in revenue
- Increases number of active DCB customers and spending levels



Strengthened presence

- Silicon Valley – relocated main US office to San Jose to be closer to leading stores
- Asia – new office in Tokyo headed-up by experienced senior executive



Strengthened partnerships

- With Microsoft – expanded agreement to deliver DCB across all Windows 10 devices
- With Danal – to expand payment routes into Asia and add merchants to platform



EUS growth momentum...

...while focused on bottom line...

... and continuous innovation.

Strong Delivery

- Increased market share
- EUS exceeded expectations

- Cost base stable
- Balance sheet strengthened

- Trialed Bango Boost technology, 20% plus gains in EUS achieved

Confident Outlook

- Market expectations raised for Dec 16 annualized EUS to c. £185m (c. +276%)
- Activation of new stores

- EUS growth on stable cost base
- Move closer to profitability

- Broad deployment of Bango Boost technology
- Integration of operator wallets

Appendix

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| | 1H2016 Unaudited | 1H2015 Unaudited |
|-------------------------------------|---------------------|---------------------|
| | £m | £m |
| Non-current assets | 6.28 | 4.01 |
| Trade and other receivables | 1.52 | 1.09 |
| R&D tax credits | 0.38 | 0.10 |
| Cash and cash equivalents | 7.24 | 4.04 |
| Total assets | 15.42 | 9.24 |
| Share capital and reserves | 46.70 | 35.54 |
| Accumulated losses | (32.87) | (28.14) |
| Trade and other payables | 1.39 | 1.32 |
| Short term finance leases | 0.16 | 0.33 |
| Long term finance leases | 0.04 | 0.19 |
| Total equity and liabilities | 15.42 | 9.24 |

- £2.15m cash invested to acquire BilltoMobile business (shown as non-current assets)
- Net cash used by operating activities stable at £1.75m (1h2016 £1.72m)

- Number 1 for app store carrier billing
- Founded in 1999 to enable effective collection of mobile payments
- Chosen by the worlds leading app stores and mobile operators
- Bango technology delivers a superior user experience and higher revenues
- London Stock Exchange since 2005 (AIM: BGO.L)
- Offices in Cambridge, New York, San Jose, Singapore, Lagos, Tokyo and Sao Paulo

Powering the major app stores:



Powering leading payment providers:



Award winning technology:

