PensionBee Group plc

31 August 2023

Profitability in sight with investor interest building

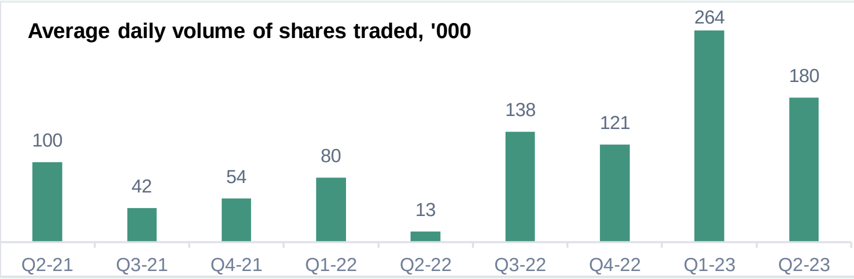
Interims to 30 June 23 show invested customers reaching 211k, with 28k added over H1-23 (+15%) and 52k y-o-y (+33%). AUA was up £678m over H1 (+22% over 6m, +38% y-o-y), reaching £3.7bn, with £469m added from net client inflows and £210m from investment performance.

Encouragingly, increasing brand awareness (c50% prompted brand awareness, see page 2) and sophisticated data-driven marketing has resulted in 'cumulative cost per invested customer' continuing to decline (H1-22: £260; H1-23: £247). This has, in turn, resulted in strong growth continuing but with lower marketing spend (£12m spend in H1-22 v £7m in H1-23 whilst gross inflows were up 6%).

Revenue grew 32% to £10.9m (H1-22: £8.3m) with adjusted EBITDA trajectory (H1-22: -£14.9m; H1-23: -£7.9m) continuing on track to be positive in FY24, a target set at the 2021 IPO. Operational leverage continues with invested customers per staff member increasing from 919 in H1-22 to 1,026 in H1-23. Net cash remains solid at £14m with no new cash raising envisaged.

Investor interest in PBEE shares has continued to ramp up. Contributing factors include: maintaining the timing of the path to profitability (despite difficult economic and market conditions since early-2022); the move from the High-Growth to the Premium Segment of the Main Market of the LSE in Apr 22; and inclusion in the FTSE All-Share and FTSE SmallCap indices in Mar 23.

Investor interest continues to ramp up



Source: ADVFN. Q2-21 data from 26 Apr 21 (date of IPO) to 30 Jun 21.

Fundamental value >100% above current share price

We have made small revenue adjustments (upwards, based on better-than-forecast revenue margins and investment gains) and cost adjustments (also upwards, based on the cost breakdowns in the interim results), with our adjusted EBITDA forecasts reducing slightly for FY23 and FY24. This has negligible impact on **our fundamental valuation which remains 150p per share.**

Key Financials

Year-end 31 Dec	FY 20A	FY 21A	*H1-22A*	FY 22A	*H1-23A*	FY 23E	FY 24E
Invested customers, k	69	117	*138*	183	*211*	234	297
AUA, £bn	1.4	2.6	*2.7*	3.0	*3.7*	4.4	6.3
Rev, £m	6.3	12.8	*8.3*	17.6	*10.9*	24.1	34.3
Adj. expenses*, £m	(16.7)	(29.2)	*(23.2)*	(37.2)	*(18.8)*	(33.1)	(33.9)
Adj EBITDA*, £m	(10.4)	(16.4)	*(14.9)*	(19.5)	*(7.9)*	(9.0)	0.3
Adj EBITDA margin	-166%	-129%	*-181%*	-110%	*-73%*	-37%	1%
Statutory PAT, £m	(13.3)	(24.6)	*(16.7)*	(22.1)	*(9.1)*	(11.1)	(1.6)
EPS basic & adj, p	0.0	(11.9)	*(7.5)*	(10.0)	*(4.1)*	(4.9)	(0.7)
Net assets, £m	6.5	43.8	*28.2*	23.5	*15.6*	14.1	14.0
Net cash, £m	6.7	43.5	*29.1*	21.3	*14.2*	12.0	12.1

Source: Company Historic Data, ED estimates.
**excl. share-based payments, depreciation, and one-off/extraordinary expenses (mostly IPO related)*

Company Data

EPIC	PBEE
Price (last close)	69.4p
52 weeks Hi/Lo	115p/46p
Market cap	£155m
ED Fair Value/share	150p
Net cash	£14m
Avg. daily vol. (12m)	162k

Share Price, p

Source: ADVFN

PensionBee was founded in 2014 and is listed on the Premium Segment of the Main Market of the LSE. Its IPO was in Apr 21.

It is a direct-to-consumer business, whose primary product gives customers the ability to easily switch their (often multiple) 'legacy' pensions, which are typically from previous jobs, and consolidate these into a single new pension. This can then be contributed to until retirement and drawn down from retirement age.

PensionBee also offers 'new' pensions to the self-employed.

AUA 30 Jun 23: £3.7bn

Next Event:

19 Oct 23: Q3-23 trading update

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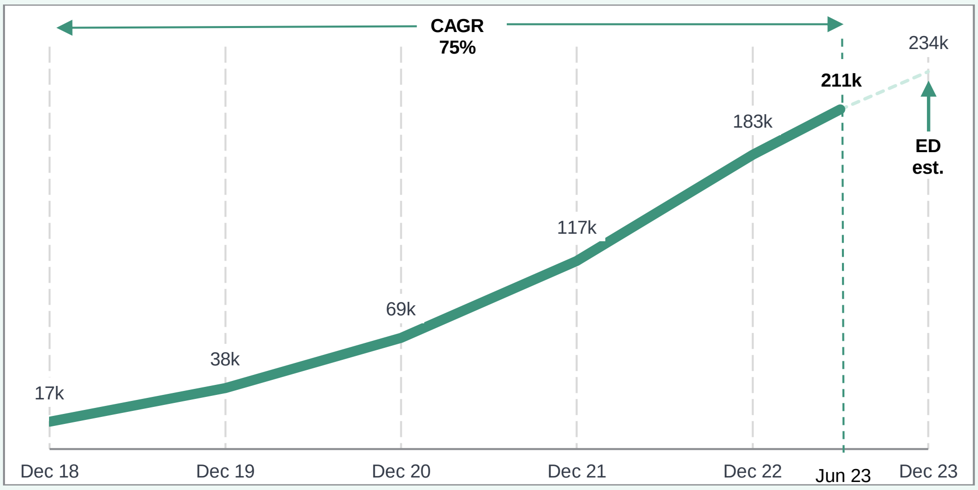
H1-23 results

Customers

PensionBee's most fundamental growth driver at this stage of its lifecycle, ***invested customers*****, has continued to show very strong growth, reaching 211k on 30 June 23, with 28k added over H1-23 (+15%) and 52k y-o-y (+33%).** This progress is on track to meet our previous growth targets and we remind readers that PensionBee is aiming for a 2% share of the UK transferable pensions market i.e., around 1m customers, in the next 5-10 years. **The customer retention rate remained at an impressive 97%**.

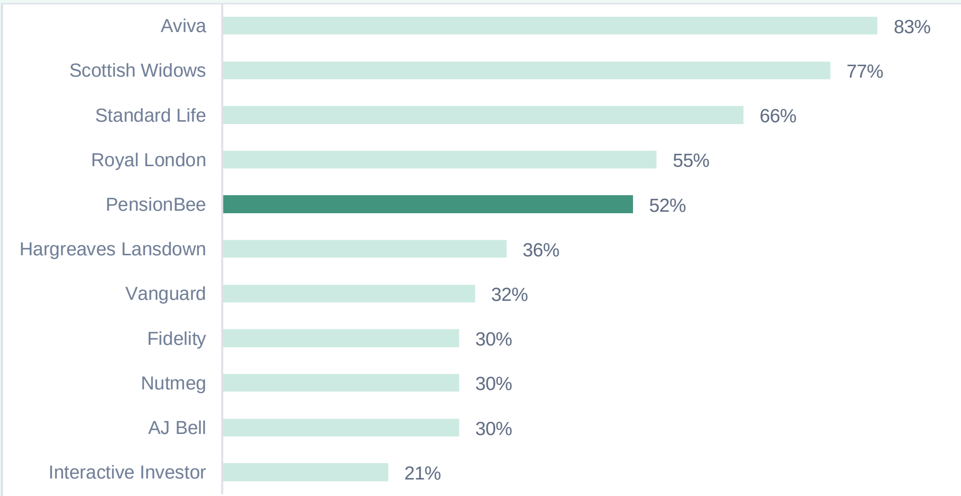
Invested customers



Source: Company reports, ED analysis

Increasing brand awareness (see below) and sophisticated data-driven marketing has resulted in 'cost per invested customer' (CPIC)[1] continuing to decline (H1-22: £260; H1-23: £247). This has, in turn, resulted in strong growth continuing with lower marketing spend (£12.4m spend in H1-22 v £6.8m in H1-23).

Brand awareness* now greater than some much larger incumbents



Source: Company
**PensionBee brand tracker, January 2023. Prompted brand awareness measured through a consumer survey asking: 'Which of the following have you heard of?'*

[1] *Cost per Invested Customer (CPIC) means the cumulative advertising and marketing costs incurred since PensionBee commenced operations up until the relevant point in time divided by the cumulative number of Invested Customers at that point in time. This measure monitors cost discipline of customer acquisition. PensionBee's desired CPIC threshold is £200-£250.*

With this level of customer growth and rapidly growing brand awareness amongst consumers, it should be unsurprising that PensionBee is **rapidly gaining market share**.

Not only is its customer growth *rate* far higher than incumbent D2C platforms AJ Bell and Hargreaves Lansdown (HL), but the *absolute number* of new customers being added has been higher than AJ Bell and is approaching that of HL. This is especially impressive considering that these two competitors offer a range of investment products such as ISAs and general investment accounts in addition to pension products.

Impressive customer growth compared to incumbents

Source: Company reports, ED analysis
PensionBee's total invested customer base stood at 211k at the end of Q2 23, while AJ Bell had 309k D2C clients (pension and non-pension clients), and HL had 1.80m (pension and non-pension clients).

Assets under administration

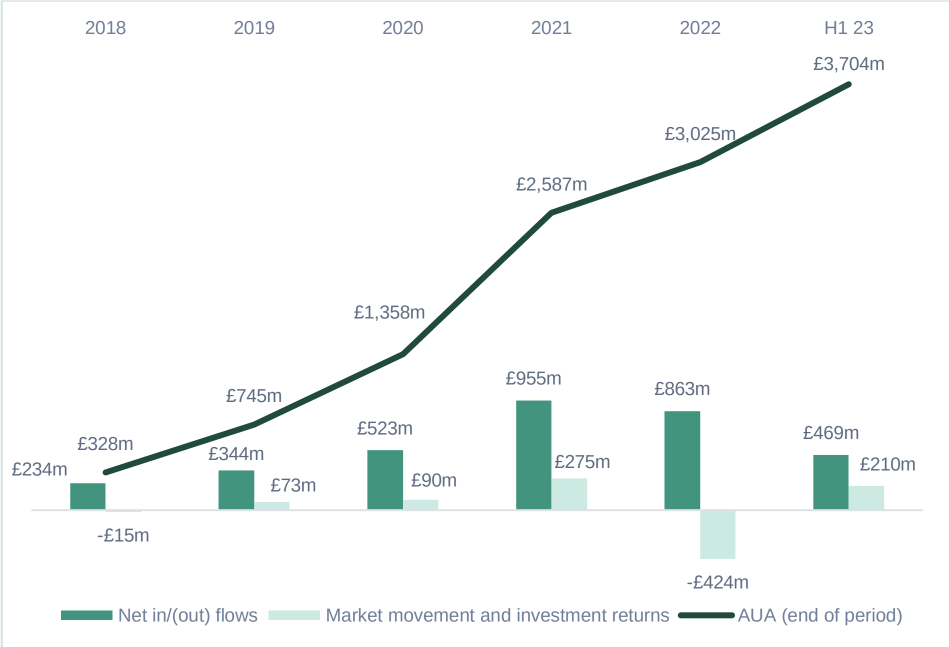
AUA was up £678m over H1 (+22% over 6m, +38% y-o-y), reaching £3.7bn, with £469m added from net client inflows and £210m from positive investment performance.

This marked a continuance of robust net inflows with the bulk of flows (+£365m) coming from new customers (typically transfers of a pension pot or pots to PensionBee), while existing customers added +£104m (contributions to existing pensions, transferring additional pension pots, less withdrawals as a result of customer churn and post-retirement drawdowns).

Importantly, **positive net inflows were seen across all customer cohorts** in H1 23 (as was the case for FY22), even the cohorts acquired in 2016-2018, which indicates that despite the cost-of-living pressures of 2022 and 2023, customers are continuing to pay into their pension pots, and that the long-term nature of PensionBee's customer relationships is in evidence.

PensionBee's longer-term trend of AUA growth and strong net inflows (despite the sharp market falls of 2022 and the ongoing economic uncertainty which is without doubt slowing investors' decisions to put capital into their pensions) is impressive and demonstrates its ability to grow through various types of market conditions, as illustrated on the next page.

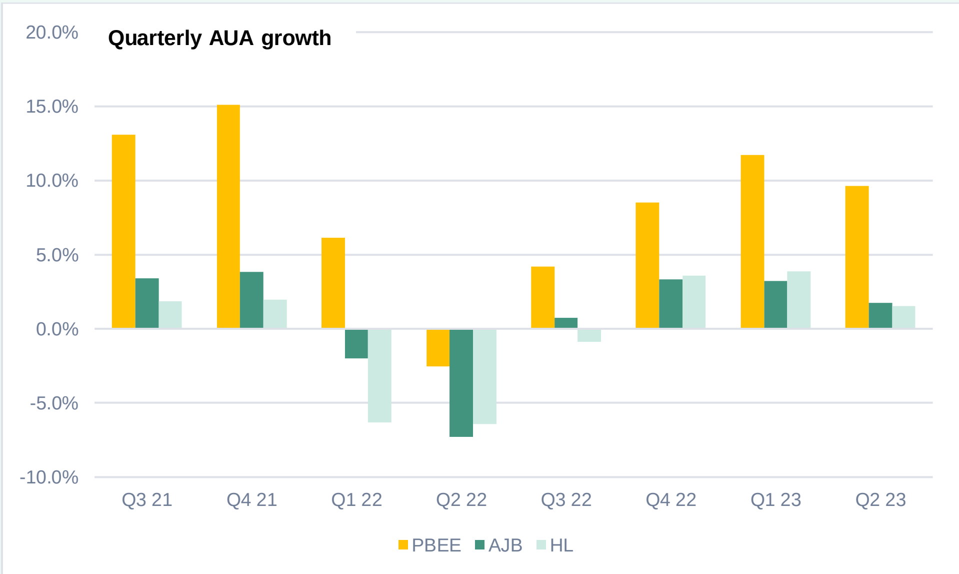
AUA growth and net inflows strong



Source: Company reports

This stands in contrast to incumbents which suffered substantial AUM declines during the difficult market conditions of early-mid-2022, whereas PensionBee recorded AUA growth in every quarter bar H2-22 (a period of particularly sharp market falls), when AUA declined slightly by -2.5%.

AUA growth also much stronger than incumbents

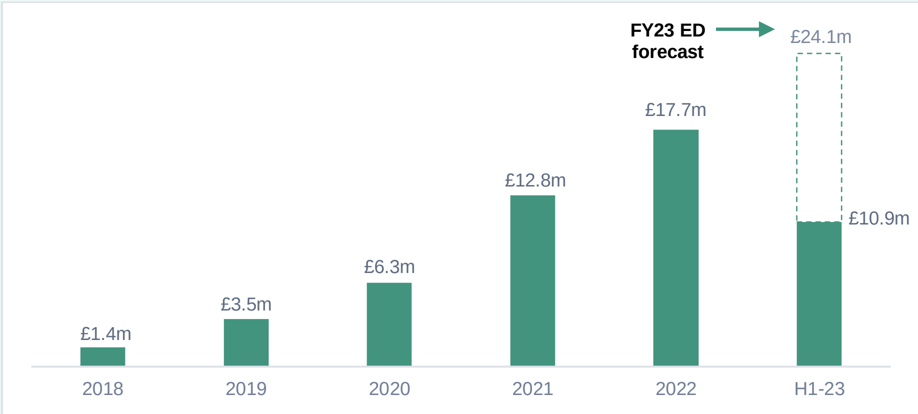


Source: Company reports, ED analysis

Revenue

H1-23 revenue grew by 32% to £10.9m (H1-22: £8.3m) with *Realised Revenue Margin*[2] increasing y-o-y from 0.63% to 0.65%, indicating solid demand for PensionBee's products at current pricing levels. Over the four years between 2018 and 2022, **revenue CAGR has totalled 88%**, and is forecast to be around 77% over the five years to end-2023.

Revenue growth continues through market falls & economic uncertainty



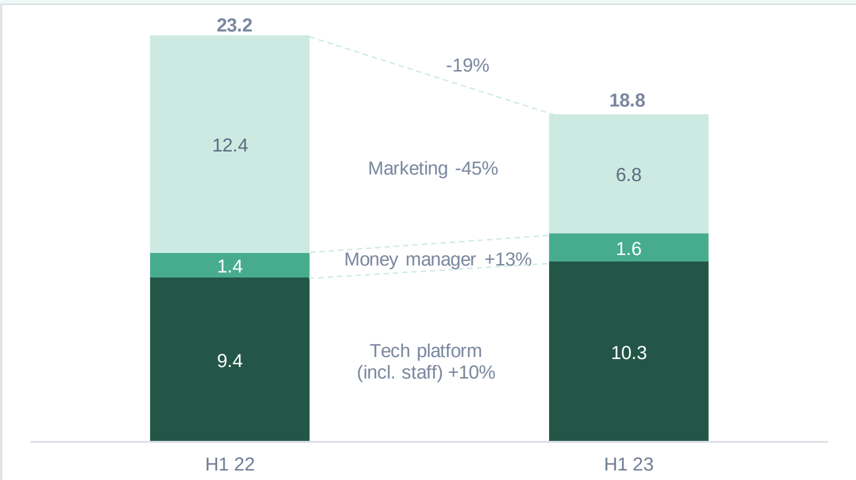
Source: Company reports, ED forecast

Costs

Probably the most useful metric to understand PensionBee's cash cost base is to look at 'operating costs', which exclude taxation, finance costs, depreciation, share based compensation and corporate transaction costs such as IPO costs and costs associated with a move to the premium segment of the LSE. (Revenue less these costs = 'adjusted EBITDA' which is discussed below under the 'Profit' heading).

In H1-23, operating **costs decreased by 19%** y-o-y from £23.2m in H1-22 to £18.8m, although H1-22 costs were particularly high due to a ramp-up in marketing costs which was part of the post-IPO scale-up plan. **Excluding marketing costs, operating costs increased 11% (far lower than the revenue growth rate of 32%, which is indicative of the operational leverage being captured by PensionBee).** The main constituents of operating costs and other IFRS costs are discussed in more detail below.

Summary of operating cost movements H1-23 over H1-22



Source: Company

[2] *Realised Revenue Margin is calculated by using the last twelve months of Recurring Revenue over the average quarterly AUA held in PensionBee's investment plans over the period.*

1. Advertising and marketing costs

These are largely costs which can be 'dialled' up or down to fuel growth and take advantage of consumer market conditions. In H1-23, these totalled £6.8m (down 45% from £12.4m in H1-22 which was a period when PensionBee invested heavily in marketing and brand-building initiatives).

PensionBee has guided that these costs are likely to be lower in H2 compared to H1 (around £10m for FY23) as it is confident that robust levels of growth can now be maintained with a lower marketing spend. This is as a result of more efficient marketing spend which is driven by greatly enhanced brand awareness and more sophisticated marketing spend deployment as the use of data continues to improve over time.

As evidence of this, we highlight that in H1-22, a £12.4m marketing spend resulted in 42,000 new invested customers (an 'in period' spend of £295 per customer), while in H1-23 a £6.8m spend resulted in 28,000 new customers ('in period' spend of £243 per customer). While this in-period metric is not as robust as the 'cumulative' CPIC metric previously discussed (due to factors such as a lag between marketing spend and customer onboarding), it is a good illustrative point.

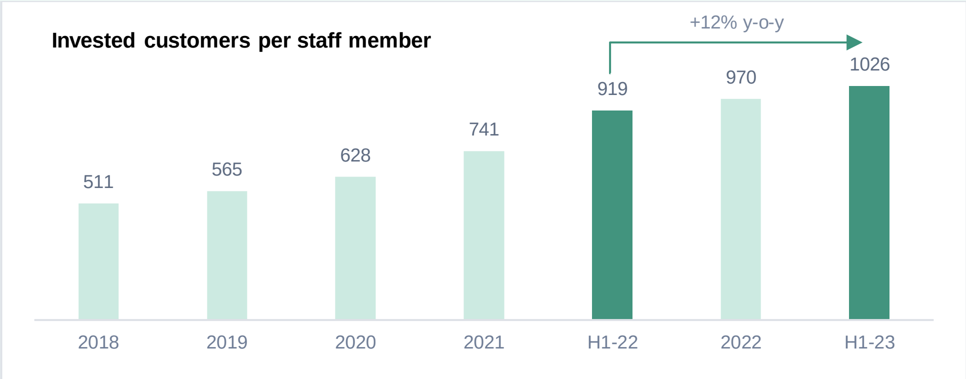
2. Employee costs

Employee costs (excluding share-based payments) are mostly fixed costs but do have a variable pay component and increased 34% from £4.5m in H1-22 to £6.1m.

This was driven mostly by an increase in headcount during H2-22 (with the full costs of these hires recorded in H1-23 results). Headcount remained close to static during H1-23 (209 on 30 Jun 23 v 208 on 31 Dec 22). The low increase in headcount is testament to the increased automation being built into PensionBee's processes which results in a highly scalable platform.

The main metric used to track this scalability is the *number of invested customers per staff member* which has increased 12% y-o-y and continues the longer-term increase in this metric.

PensionBee continues to demonstrate operating leverage



Source: Company reports
** end of period number of Invested Customers divided by the average FTEs for the period*

3. Other operating expenses

These expenses comprise technology platform costs and other administrative costs which are a mix of fixed, part-variable and variable costs. PensionBee's own technology investments are largely fixed costs, but it does also use the Salesforce technology platform which requires payment per 'seat' i.e., as PensionBee adds customer service staff (for example), the Salesforce platform cost rises (although at a much lower rate than revenue growth).

These expenses decreased by 12% from £4.8m in H1-22 to £4.3m in H1-23 with the proportion of these costs as a percentage of revenue decreasing from 58% to 39%, an indication of the continuing scale benefits of PensionBee's technology platform.

4. Money-manager costs

These are fees paid to organisations managing the investment plans offered (e.g. Blackrock, HSBC, L&G, State Street), are charged as a percentage of AUA and are therefore variable costs.

Money Manager Costs increased 13% from £1.4m in H1-22 (17% of revenue) to £1.6m in H1-23 (15% of revenue), with the decline (as % of revenue) mainly as a result of a change in investor portfolio mix. We expect these costs as a percentage of revenue or average AUA to decrease over time as the business scales, because it is common for favourable fee structures to be negotiated with increasing AUA.

Expenses not included in 'operating costs'

Share based payment costs remained stable at £1.1m. No transaction costs were incurred in the half-year (H1-22: of £0.7m, primarily fees and expenses related to the transition to the Premium Segment of the Main Market of the London Stock Exchange). Taxation of +£0.1m (H1-22: £+0.2m) was comprised of enhanced tax credits in relation to routine Research and Development refunds.

Profit

Adjusted EBITDA improved from -£14.9m in H1-22 to -£7.9m in H1-23, as a result of the previously discussed decrease in marketing spend and other costs growing at a lower rate than revenue growth.

We remind readers that **at the time of its IPO, PensionBee forecast that adjusted EBITDA would turn positive on a monthly basis from Dec 23** (i.e., from FY24 on a full-year basis). In these results, **management have reiterated their confidence in achieving this medium-term objective**, confirming that PensionBee is rapidly heading towards profitability, as expected.

This trend toward profitability, and the potential to ramp up profitability once the business has moved past its breakeven point, is primarily as a result of:

1) PensionBee's investment in technology infrastructure and people (largely fixed costs) being spread across a larger customer and AUA base as it grows, and

2) revenue growth being subjected to positive compounding effects i.e., not all revenue growth comes from attracting new customers who transfer their pension pots to PensionBee (which does have an associated marketing cost), but from existing customers who continue to contribute to their pension pots once they have been moved to PensionBee, add additional new pots over time, and as customers' pension pots benefit from investment returns (with these latter three growth drivers having little or no associated marketing cost).

Importantly, PensionBee has stated that its strategic intention is to reinvest excess profit in the short term, after its breakeven milestone is achieved, to maximise the share of market it captures.

For similar reasons as the decreased adjusted EBITDA loss, statutory loss before tax decreased from -£16.9m to -£9.2m, and statutory loss after tax decreased from -£16.7m to -£9.1m. Basic and Diluted Earnings per Share was -4.06p (H1-22: -7.54p).

Balance sheet, cash, and regulatory capital surplus

Net assets closed H1-23 on £15.6m, down from £23.5m at the end of FY22, primarily as a result of the losses incurred as described above. For similar reasons, net cash declined from £21.3m at the end of FY22 to £14.1m. Management have reiterated that no more capital raising is envisaged. PensionBee has no debt.

PensionBee Limited, a subsidiary of the Company, is authorised and regulated by the FCA and must adhere to minimum capital requirements. **As of end-June 2023, capital resources were £12.8m vs a regulatory capital resource requirement of £1.4m, a coverage ratio of 9x.**

Outlook

We believe PensionBee's **strong growth trajectory is set to continue**, and outline five key drivers:

1. Growth from new customers

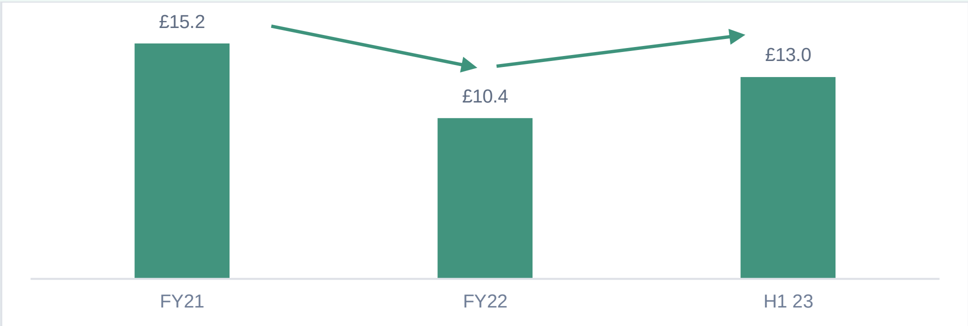
This growth results from new customers who typically transfer an existing pension pot to PensionBee (or multiple pots). The outlook for acquiring additional new customers is bullish, because PensionBee: 1) already has a significant 'in process' pipeline of customers, and 2) is continuing to channel significant investment towards 'top of the funnel' customer acquisition, where it has a proven track record of success.

In terms of adding to its pipeline, PensionBee is still planning on significant marketing spend during FY23 (guided at around £10m, although lower than the £16.6m spent in FY22) and beyond, and given its increased brand awareness, this spending is likely to become more efficient.

In addition, **the value of AUA per new customer is recovering following a dip in 2022**. The dip was due to: 1) market falls (the value of customers' pension pots fell during 2022 before being transferred to PensionBee), and 2) because during 2022 PensionBee deliberately moved its target customers to a slightly younger demographic (with smaller pension pots) as older customers were tending to 'sit on their hands' to a greater degree during the market turmoil of 2022.

Both of these trends have subsequently reversed (markets have increased somewhat and the average new customer age has increased slightly), resulting in a **higher average pension pot size for new customers**. **We expect this trend to continue.**

Average pension pot size of new customers recovering, £'000



Source: Company reports, ED analysis

2. Growth from existing customers

Around one-third of existing customers make regular contributions to their pension pots i.e., there is a continuous inflow of AUA, and revenue.

Some consolidate additional pension pots: customers may not transfer all of their pension pots at once upfront, perhaps wanting to build confidence in PensionBee before moving all of their pots; in addition, when customers switch jobs, they might consolidate the legacy pension pot from the job they have just left.

These inflows are partly offset by: 1) customer churn (lumpy outflows), which has been around 3% over the last few years; and 2) pension drawdowns, by those in retirement.

3. Growth from investment returns

In addition to the above new and existing customer flows, AUA is impacted by investment returns.

Pensions wealth can rise and fall with general market movements and specific investment performance, but over the longer term, we would expect an average annual AUA growth from investment returns of around +5%.

4. ‘Sticky’ AUA and revenue

It is also worth mentioning that **we would expect PensionBee’s AUA and revenue to be less volatile than most other asset or wealth managers,** given that all assets are housed in pensions which by their nature remove some elements of AUA volatility.

First, **customers are mostly unable to withdraw assets prior to their retirement age**, and generally do not see their pensions as a ‘trading’ account. They tend to pick an investment plan and only check up on its performance periodically. There is little temptation (or ability) to withdraw assets when markets fall.

Second, **customers mostly make regular contributions by means of monthly direct debits or the like to their pension accounts** as described above in ‘growth from existing customers’.

And third, **pension customers are ‘sticky’ and tend to switch their pensions less** compared to other investment products. In the case of PensionBee, its customer retention rate has been around 97%.

5. New products

Over the longer term, PensionBee will surely add new product offerings to its portfolio. Indeed, it has already started this journey via a recently incepted partnership with LifeSearch to help customers obtain a range of insurance products, including life and critical illness cover. PensionBee has reported a positive customer response although it is too early in the partnership to have a financial impact on the company.

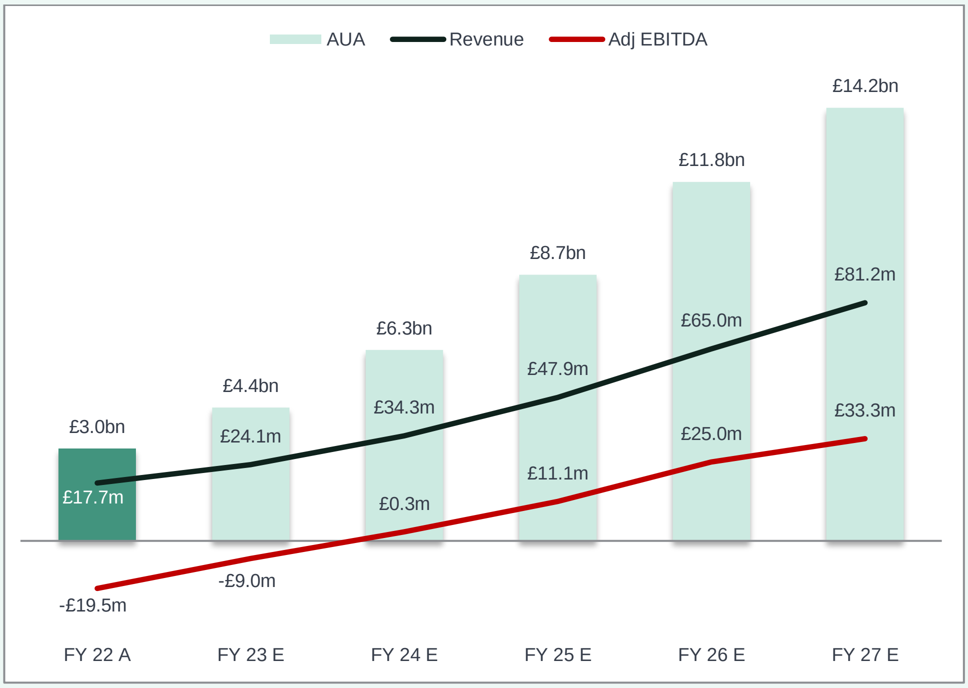
Growth forecasts & valuation

Our forecasts, based on the previously described outlook and most recent financial results are summarised in the chart below.

We also remind readers of management's recent update to longer-term ambitions for the business: "*The Company is pursuing a market share of approximately 2% over the next 5-10 years (equivalent to about 1m Invested Customers, assuming an average pension pot size of £20,000- £25,000). With an expectation of maintaining relative revenue margin stability, this translates into a long term annual Revenue opportunity of approximately £150m. The Company expects to achieve long-term EBITDA margins of more than 50%, leveraging the scalability of the technology platform.*"

It is however important to highlight that PensionBee has stated that its strategic intention is to reinvest excess profit in the short term, after its breakeven milestone is achieved, to maximise the share of market it captures.

Summary growth forecasts – 5 years



Source: Company reports, ED analysis

These forecasts, and successful progress towards management's ambitions outlined above, lead us to a **fundamental valuation of 150p per share.**

Our valuation is based on a discounted cash flow methodology. For this valuation, we have split our forecast into three distinct periods:

- An initial 5-year high growth period with revenue CAGR of 35%;
- A 'medium growth' period in years 5-10, where revenue CAGR is 15% and adj. EBITDA margin builds towards the targeted 50% (notably it is during this period that PensionBee also benefits most from the tax losses it accumulated in its loss-making years, which provides a boost to free cash flow);
- An ongoing period of steady growth thereafter assumed to be 2.5% per annum.

We have then discounted the forecasted free cash flows arising from the above assumptions and the cost of equity (PensionBee has no debt) of 12%.

Historical and forecast financials

Consolidated Income Statement + Forecasts							
12m to end Dec, £'m	**FY20A**	**FY21A**	***H1-22A***	**FY 22A**	***H1-23A***	**FY 23E**	**FY 24E**
Revenue	**6.3**	**12.8**	***8.3***	**17.7**	***10.9***	**24.1**	**34.3**
Employee expense (excl. share-based pmts.)	(4.5)	(7.4)	*(4.5)*	(9.6)	*(6.1)*	(12.0)	(12.3)
Advertising & marketing	(8.2)	(12.9)	*(12.4)*	(16.6)	*(6.8)*	(9.9)	(8.5)
Other expenses*	(4.0)	(8.9)	*(6.3)*	(11.1)	*(5.9)*	(11.2)	(13.1)
Adj. EBITDA	**(10.4)**	**(16.4)**	***(14.9)***	**(19.5)**	***(7.9)***	**(9.0)**	**0.3**
Share based pmts.	(2.2)	(3.9)	*(1.1)*	(1.9)	*(1.1)*	(1.7)	(1.5)
Depreciation	(0.2)	(0.3)	*(0.1)*	(0.3)	*(0.1)*	(0.3)	(0.3)
Transaction costs	(0.6)	(2.9)	*(0.7)*	(0.7)	-	(0.1)	(0.1)
Operating profit/(loss)	**(13.5)**	**(23.6)**	***(16.9)***	**(22.4)**	***(9.2)***	**(11.1)**	**(1.6)**
Finance Costs	(0.0)	(1.4)	*(0.0)*	(0.0)	*(0.0)*	(0.0)	(0.0)
Profit/(loss) before tax	**(13.5)**	**(25.0)**	***(16.9)***	**(22.4)**	***(9.2)***	**(11.1)**	**(1.6)**
Tax (payable)/receivable	0.2	0.3	*0.2*	0.3	*0.1*	-	-
Profit/(loss) after tax	**(13.3)**	**(24.6)**	***(16.7)***	**(22.1)**	***(9.1)***	**(11.1)**	**(1.6)**
Basic & Diluted EPS**, p		(11.9)	*(7.5)*	(10.0)	*(4.1)*	(4.9)	(0.7)

Source: Company Historic Data, ED estimates.
** Including IT Platform costs, other admin expenses, Money Manager fees*
*** EPS shown only in post-IPO period*

Consolidated Balance Sheet + Forecasts

As at end Dec, £'m	FY20A	FY21A	*H1-22A*	FY 22A	*H1-23A*	FY 23E	FY 24E
ASSETS							
Non-current assets							
Property, plant and equipment	0.2	0.1	*0.4*	0.4	*0.3*	0.6	0.8
Right of Use Assets	0.1	0.7	*0.6*	0.6	*0.5*	0.4	0.3
Financial Assets (deposit)					*0.1*		
Other receivables	-	-	*0.1*	-	-	-	-
Total non-current assets	**0.3**	**0.8**	***1.1***	**0.9**	***0.9***	**1.0**	**1.1**
Current assets							
Trade and other receivables	1.5	3.2	*2.9*	3.4	*4.6*	3.6	3.9
Cash and cash equivalents	6.7	43.5	*29.1*	21.3	*14.2*	12.0	12.1
Total current assets	**8.2**	**46.7**	***32.1***	**24.7**	***18.7***	**15.6**	**16.0**
TOTAL ASSETS	**8.6**	**47.5**	***33.2***	**25.6**	***19.6***	**16.6**	**17.1**
LIABILITIES							
Non-current Liabilities							
Lease liabilities	-	0.6	*0.5*	0.4	*0.3*	0.2	0.1
Provisions	-	0.0	*0.0*	0.0	*0.0*	0.0	0.0
Deferred tax liability	-	-	-	-	-	-	-
Total non-current liabilities	**-**	**0.6**	***0.5***	**0.4**	***0.4***	**0.3**	**0.1**
Current Liabilities							
Trade and other payables	2.0	3.0	*4.2*	1.5	*3.5*	2.1	2.9
Lease liabilities	0.1	0.1	*0.2*	0.2	*0.2*	0.2	0.2
Total current liabilities	**2.1**	**3.1**	***4.4***	**1.7**	***3.7***	**2.2**	**3.0**
NET ASSETS	**6.5**	**43.8**	***28.2***	**23.5**	***15.6***	**14.1**	**14.0**
EQUITY							
Share capital	-	0.2	*0.2*	0.2	*0.2*	0.2	0.2
Share premium	30.3	53.2	*53.2*	53.2	*53.2*	53.2	53.2
Share based payment reserve	4.4	8.3	*9.5*	10.2	*11.3*	11.9	13.4
Retained earnings	(28.2)	(18.0)	*(34.7)*	(40.1)	*(49.2)*	(51.3)	(52.9)
Total equity	**6.5**	**43.8**	***28.2***	**23.5**	***15.6***	**14.1**	**14.0**
TOTAL EQUITY + LIABILITIES	**8.6**	**47.5**	***33.2***	**25.6**	***19.6***	**16.6**	**17.1**

Source: Company Historic Data, ED estimates.

Consolidated Cash Flow Statement + Forecast							
12 months to end Dec, £'m	**FY20A**	**FY21A**	***H1-22A***	**FY22A**	***H1-23A***	**FY23E**	**FY24E**
OPERATING ACTIVITIES							
Profit/(loss) for the year	**(13.3)**	**(24.6)**	***(16.7)***	**(22.1)**	***(9.1)***	**(11.1)**	**(1.6)**
Adjustment for non-cash items:							
Depreciation	0.2	0.3	*0.1*	0.3	*0.1*	0.3	0.3
Loss/(profit) on disposal	0.0	0.0	*-*	-	*-*	-	-
Finance costs	0.0	1.4	*0.0*	0.0	*0.0*	-	-
Share based payment transactions	2.2	3.9	*1.1*	1.9	*1.1*	1.7	1.5
Tax	(0.2)	(0.3)	*(0.2)*	(0.3)	*(0.1)*	-	-
Decrease/(increase) in receivables	(0.6)	(1.3)	*(0.0)*	(0.2)	*(1.5)*	(0.2)	(0.3)
(Decr)/incr in trade and other payables	0.8	1.0	*1.2*	(1.5)	*2.0*	0.6	0.8
Cash used in operations	**(10.8)**	**(19.6)**	***(14.4)***	**(21.9)**	***(7.4)***	**(8.8)**	**0.7**
Income taxes received/(paid)	0.4	-	*0.2*	0.2	*0.3*	-	-
Net cash from operating activities	**(10.4)**	**(19.6)**	***(14.2)***	**(21.7)**	***(7.0)***	**(8.8)**	**0.7**
INVESTING ACTIVITIES							
Purchase of property and equipment	(0.1)	(0.1)	*(0.2)*	(0.4)	*(0.0)*	(0.4)	(0.4)
Right-of-use assets	-	(0.0)	*-*	-	*-*	-	-
Net cash used in investing activities	**(0.1)**	**(0.1)**	***(0.2)***	**(0.4)**	***(0.0)***	**(0.4)**	**(0.4)**
FINANCING ACTIVITIES							
Revolving credit facility fees	-	(1.4)	*-*	-	*-*	-	-
Proceeds of issue of shares	7.2	59.8	*-*	-	*-*	-	-
Transaction costs on issue of shares	-	(1.7)	*-*	-	*-*	-	-
Payment of finance costs	-	-	*-*	-	*-*	-	-
Pmt of lease liabilities	(0.2)	(0.1)	*-*	(0.2)	*(0.1)*	(0.2)	(0.2)
Net cash from /(used in) fin activities	**7.1**	**56.5**	***-***	**(0.2)**	***(0.1)***	**(0.2)**	**(0.2)**
Net (decr)/incr in cash & equivalents	**(3.5)**	**36.8**	***(14.4)***	**(22.2)**	***(7.2)***	**(9.4)**	**0.1**
Cash & equivalents at beginning of year	10.2	6.7	*43.5*	43.5	*21.3*	21.3	12.0
Cash & equivalents at end of year	**6.7**	**43.5**	***29.1***	**21.3**	***14.2***	**12.0**	**12.1**

Source: Company Historic Data, ED estimates.

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