

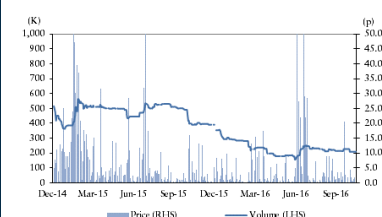
**CORPORATE**

Current price 10.375p

Sector TMT

Code (GFIN.L)

Listing AIM

**SHARE PERFORMANCE**


	1m	3m	12m
GFIN.L	-2.1%	+12.2%	-45.3%

Source: ThomsonOne, Allenby Capital

**SHARE DATA**

Market cap £16.3m

Shares in issue (m) 157.4

52 weeks High Low

28.0 7.57

Financial year end June

Source: Company Data, Allenby Capital.

**KEY SHAREHOLDERS**

Charles Street International 29.98%

Nigel Wray 13.56%

Neville Upton 9.35%

Hargreave Hale 8.81%

Herald 2.54%

Pitch International 2.48%

Source: Company Data, Allenby Capital.

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**GFINITY (GFIN.L)**
*Elite Series: The next level*

Gfinity has announced the launch of the Gfinity Elite Series, a new eSports league format that will comprise multiple franchises competing across the most popular gaming titles. From January, gamers will be able to compete in the Gfinity Challenger Series to win ranking points. The players with the most points will qualify for the Gfinity Elite Draft, where professional teams will be able to pick up players. The Elite Series will launch, initially in the UK, in April and be hosted at the Gfinity arena in London. The Series will generate sponsorship and broadcasting rights for Gfinity and create broadcasting, merchandising and sponsorship opportunities. The Series represents a major investment for Gfinity and commercialisation is at a very early stage. As a result, we are suspending our forecasts until proof points start to emerge.

- Recent FY16 results were in line with forecast with revenue more than doubling to £1.5m, reduced losses and net cash of £0.8m - £0.2m better than expected. This was bolstered post period end by a placing of £3.7m (gross). New participants included Charles Street International, a strategic investor.
- The market for eSports is large and expanding rapidly with more events, more viewers/players and more investment, particularly from publishers. The eSports fan represents an attractive concentrated demographic to advertisers and sponsors. Industry analysts Newzoo increased its 2016 global market estimate in August to \$493m, up 51.7%, and expects revenue to reach \$1.1bn in 2019.
- Gfinity has demonstrated its ability to successfully stage high quality arena-based and smaller online events and built relationships with publishers, broadcasters, sponsors and players. The Elite Series represents the next level and enables Gfinity to capitalise on its reputation and a substantial opportunity. The Series will provide a flow of regular events that will support the game-specific world championships.

Year End: June		
(£'000)	2015A	2016A
REVENUE	561	1,447
EBITDA	(3,543)	(2,976)
EBIT	(3,583)	(3,152)
PBT (NORMALISED)	(3,580)	(3,137)
NET INCOME (NORMALISED)	(3,580)	(3,040)
EPS (p)	-5.98	-3.73
DPS (p)	0.00	0.00
FCF/SHARE (p)	-6.14	-3.54
NET CASH	2,733	830
PE(x)	na	na
EV/REVENUE (x)	27.6	10.7
EV/EBITDA (x)	na	na
FCF YIELD (%)	na	na
DIVIDEND YIELD (%)	0.0%	0.0%

Allenby Capital acts as Nomad &amp; Broker to Gfinity plc.

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