COMPANY NOTE

FINALS

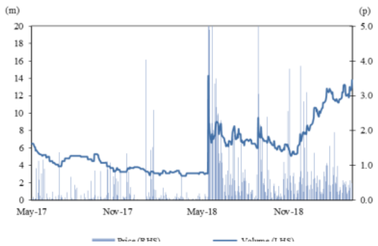
27 March 2019

CORPORATE

Current price	3.4p

Sector	TMT
Code	BBSN.L
Listing	AIM

Share Performance



	1m	3m	12m
BBSN.L	+19%	+58%	+339%

Source: Thomson Reuters, Allenby Capital

Share Data

Market cap (£)		20.6m
Shares in issue (m)		574.3
52 weeks	High	Low
	3.55p	0.7p
Financial year end		31 December

Source: Company Data, Allenby Capital

Key Shareholders

Woodford IM	18.70%
Vesuvius	9.25%
Invesco AM	6.21%
Simon Davies	5.75%
TCG LLC	5.22%
MMC Ventures	5.12%
James Russell DeLeon	4.95%

Source: Argus Vickers

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EQUITY RESEARCH

BRAVE BISON GROUP (BBSN.L)*

Finals – Maiden profit on significant revenue growth

Brave Bison, the social video company, has delivered the first FY EBITDA profit in its history as advertising revenue grew significantly on the back of the success of its twenty Owned and Operated channels on Facebook and other platforms combined with operating cost control. These offer advertisers brand-safe access to targeted audiences. Brave Bison ranked as the seventh largest media and entertainment digital publisher globally and ended the year as the biggest Facebook publisher based on views with the biggest Facebook page with Viral Trnd. Brave Bison has continued to invest in its portfolio and launched two channels during the year and more will follow in 2019. APAC remains a focus for strategic growth and BBSN appointed a new General Manager and expanded the team with hires in Indonesia and South Korea. The company is comfortably capitalised with net cash of £5.4m to fund further investment. For 2019, we expect Fee Based Services revenue to return to the levels seen in 2017 and the growth rate of Advertising to moderate and further opex/capex investment. This points to an FY19 EV/adj. EBITDA of 14.8x falling to 9.2x in FY20. Applying an EV/Adj. EBITDA multiple of 15.0x FY20 would suggest a fair value of 4.6p.

- **FY18 performance –** Revenue increased 19.0% to £21.2m with gross profit +33.0% to £6.5m and gross margin +320bps to 30.5%. Operating costs reduced £2.2m and the combination of these factors resulted in a £1.7m positive swing in adj. EBITDA to £0.8m and adj. PBT by £1.8m to £0.8m. Adj. EPS increased 142% to 0.13p. This translated into an £0.5m increase in net cash to £5.4m.

- **Advertising:** Advertising revenue primarily on BBSN's 20 owned and operated channels increased 42.9% to £17.8m. These channels reach more than a billion people a week and BBSN was the seventh largest Global Media Publisher in 2018 (Source: Tubular Labs) and now has the top Facebook page in the world in terms of views, Viral Trnd. During FY18, BBSN launched two new multi-platform channels, Mutha (sustainability) and Perk (careers advice), and the company will look to add further subject-oriented channels in 2019. Viral Trnd is to be rebranded V Trnd and BBSN will launch a dedicated web site that will open up other monetisation options.

- **Fee based services:** Revenue fell 36.8% to £3.4m after the loss of a contract in Q1 2017 that was partly offset by growth in consultancy fees. The outlook for 2019 is more positive and BBSN has secured a number of content contracts in APAC, since the appointment of a new GM last February and expansion of the team. BBSN has also signed distribution deals with Tencent in China and Oona in Indonesia.

EXHIBIT 1: SUMMARY OF FINANCIALS

Year End: December (£000)	2017A	2018A	2019E	2020E
REVENUE	17,792	21,171	24,016	26,549
ADJUSTED EBITDA*	(907)	802	1,009	1,468
ADJUSTED PBT*	(945)	830	1,049	1,518
ADJUSTED EPS (p)*	0.05	0.13	0.16	0.23
NET CASH/(DEBT)	4,821	5,362	5,655	7,009
EV/ADJ. EBITDA	NEG	19.0	14,8	9.2

Source: Company; Allenby Capital.

**Adjusted EBITDA, PBT and EPS exclude one-off charges, amortisation and share based charges*

INVESTMENT SUMMARY

Maiden profit

Brave Bison delivered its maiden EBITDA profit on the back of 19% revenue growth and generated net cash in FY18, as flagged in December's trading update. The company is executing on the strategy that was set out in the FY17 Annual Report focusing on: growing the portfolio of owned and operated multi-platform channels; strategic partnerships; licensing its owned IP to third parties; and growing its APAC business. There was significant revenue growth in FY18 via its Facebook channels, a solid performance in APAC and good operating cost control and targeted investment in additional channels and its APAC operations. The company is well funded and the outlook is positive as Brave Bison looks to replicate the success it has enjoyed on Facebook on other platforms and continues to expand its portfolio of channels and range of revenue streams. For 2019, we expect Fee based services revenue to return to the levels seen in 2017 and the rate of growth of Advertising to moderate and some further capex/opex investment around new channels and operations. Overall, we expect further growth in profit and this points to an FY19 EV/adj. EBITDA of 14.8x falling to 9.2x in FY20. Applying an EV/Adj. EBITDA multiple of 15.0x to FY20, this would suggest a fair value of 4.6p/share.

ACTIVITIES

Owned and operated channels

Brave Bison is a social video studio and works with brands, creators and platforms to create, distribute and monetise video and derives its revenue from Advertising and Fee Based Services. It has identified three pillars to its service offering: Strategy, Origination and Distribution. It has built a substantial network of social media influencers and a growing number of brand-safe and targeted owned and operated (O&O) channels for advertisers. Unlike many of its competitors (TV production companies and digital agencies), Brave Bison can offer all these elements as a one-stop shop or as individual services.

The company derives its revenue from Advertising revenue from its portfolio of O&O channels; and Fee Based Services (consultancy services around social media strategy, content creation and audience development; content creation for social video or more narratively driven content; and licensing its own and third-party content to publishers, broadcast services production companies and advertising agencies).

FY18 RESULTS

Revenue growth, maiden EBITDA

Revenue increased 19.0% to £21.2m with gross profit up 33.0% to £6.5m and gross margin up 320bps to 30.5%. Advertising revenue increased 42.9% to £17.8m driven by growth mainly in advertising revenue associated with the Facebook platform. Revenue from Fee Based Services fell 36.8% to £3.4m after the loss of a contract in Q1 2017 that was partly offset by growth in consultancy fees. The outlook for 2019 is more positive and BBSN has secured a number of content contracts in APAC and has signed distribution deals with Tencent in China and Oona in Indonesia.

Operating costs reduced £2.2m, primarily reflecting a significant reduction in the amortisation charge (£0.6m from £3.1m) partly offset by an investment in headcount and operations. At the adj. EBITDA level, there was a £1.7m positive swing to £0.8m and by £1.8m in adj. PBT to £0.8m. Adj. EPS increased 142% to 0.13p. This translated in a £0.5m increase in net cash to £5.4m, equivalent to 1.1p/share. The company will use this to invest in existing and additional O&O channels and will look at potential acquisitions.

OWNED AND OPERATED CHANNELS

Substantial growth on Facebook

Brave Bison has benefited from the development by Facebook of its 'Ad Breaks' programme, the ability for short ads to be included in eligible videos to drive monetisation. Brave Bison has built a network of channels and optimised them for

Facebook. At the end of 2018, it was the biggest publisher on Facebook in terms of views and has the single biggest Facebook page in the world with Viral Trnd, to be rebranded V Trnd.

Increased portfolio

Brave Bison has increased its portfolio of owned and operated channels to 20 from 11 in 2017 and these span DIY, entertainment, food and arts. New channels launched in 2018 include Mutha (fashion, food travel, fitness, lifestyle and beauty with an emphasis on sustainable living) and Perk (works and careers for Gen Z and Millennials). Brave Bison has entered into a partnership with the United Nations Environment Programme around Mutha. Although these new channels have been well received by brands and agencies, it takes time to build organically the necessary audience that is material enough to secure advertising.

Developing own web sites

Further channels will be launched in 2019. The company will also be developing a Viral Trnd web site to create additional revenue generating opportunities and crucially BBSN will own the relationship with the audience and the data on that audience as well as the ad inventory, so it can better target that audience. Other channel re-brands will follow in 2019 and Brave Bison will also invest more in data analysis in order to optimise investment and creative production decisions but also inform client spending decisions.

Platform diversification

Given its success on Facebook, Brave Bison is now offering Facebook monetisation and growth building services to third parties. Some of these will be fee based and others on a shared advertising revenue model. Brave Bison is also building on its presence on other platforms. In 2018, Brave Bison added Snapchat as a platform and launched Mutha and Perk on Snapchat's 'Discovery' page, part of Snapchat's strategy to bring more UK creators and content to the site. The profile of Snapchat's user base, 18-24, fits with the new channels. Instagram will be a focus in 2019 with the company moving its bigger brands on to the platform. This platform diversification serves to reduce the risk of any changes made by Facebook to its service offering or algorithms.

YOUTUBE

Sports and music

Brave Bison has considerable expertise in developing the YouTube audiences for third parties. It has been particularly successful with sports federations (e.g. PGA Tour, the European Tour and World Chase Tag) and sports reporting agencies (e.g. Hayters Teamwork). Brave Bison has also helped to build up a number of music channels.

For example, the PGA Tour renewed its relationship with Brave Bison post period end. BBSN has worked with the Tour across its portfolio of YouTube channels since 2017 to help to drive advertising revenue, increase organic views and generate subscriber growth. The Tour's YouTube subscriber base has tripled since the partnership began and views have grown significantly. BBSN also produced a YouTube content series, The Sweet Spot, to market around the Tour's flagship golfing tournaments in 2018. This used archive tournament footage, repurposed for a younger audience and it has brought in three times more subscribers than the Tour's channel average. The relationship will now extend to the Tour's Facebook page.

APAC

Growth opportunity

APAC represents a considerable growth opportunity for creative production services but also more generally for social video services. Ad spend is forecast to grow faster in the region than the rest of the global market and management has found the region to be less congested. In the UK, BBSN typically has to work with brands through existing agency relationships. In APAC, BBSN has been able to establish direct contracts with brands. This model offers both stickier relationships and higher gross margins.

In February 2018, BBSN brought in a new General Manager, Caroline Troman, who was tasked with diversifying the revenue streams as well as expanding the customer base as BBSN was overly dependent on a number of large clients where projects could be lumpy.

Brave Bison has substantially increased the team in APAC with staff in Indonesia and South Korea and will look to expand into additional territories (Japan, China and Thailand) in 2019.

Tencent; Oona

During 2018, the division has signed content distribution deals with Tencent in China and Oona in Indonesia as well as winning the likes of Lego, Accor Hotels, Jaguar Land Rover and Hewlett Packard as new clients. It has also done additional work for SK-II, P&G's luxury beauty brand, and Japanese airline All Nippon Airlines.

At Ad Week Asia in May, BBSN announced a partnership with Unruly, a data driven video marketplace owned by News Corp. As a result, it can offer clients an end-to-end service in APAC covering both social media distribution and publisher distribution. The offering was successfully tested in Singapore and is soon to be tested in South Korea.

REBEL FC & SLASH FOOTBALL

Football

Brave Bison has a 30% stake in Rebel FC, the YouTube football team, and represents the commercial rights. It secured deals with Under Armour for kit and Utilita for front of shirt sponsorship. Post period end, Rebel FC has announced a Rebel FC e-sports venture and hosted its first Rebel football skills academy for young players. Brave Bison will look to leverage Rebel's FC brand equity and sell merchandising in the near future.

Brave Bison won the Digiday Award for best branded content campaign for SEGA's Football Management on Slash Football.

LICENSING, DISTRIBUTION & PRODUCTION

Developing its owned and operated brand portfolio will also drive Brave Bison's distribution business, providing known consumer brands under which to distribute its content to new platforms and services. Owning the IP in the content that Brave Bison produces provides flexibility with licensing and distribution deals.

Viral Vault, Brave Bison's licensing business formerly known as Viral Spiral, performed in line with management expectation in 2018 and there is scope to grow this further as many platforms are dependent on and driven by video content but the cost of producing original content is outside the budget and business model of many digital publishers and brands.

Brave Bison opened its own production facility, Yellowstone Studios, in March 2017. As a result, it is able to offer an end-to-end data driven product for a brand or platform and is looking to create premium content that drives audiences.

FY18 FINANCIAL HIGHLIGHTS

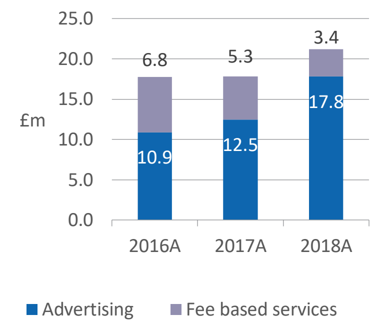
EXHIBIT 2: SUMMARY FINANCIAL HIGHLIGHTS (PRO FORMA)

£000s	FY17A	FY18A		yoy change
Revenue	17,792	21,171		+19.0%
Gross profit	4,858	6,462		+33.0%
Gross margin (bps)	27.30%	30.52%		+3.2%
Total operating expenses	(8,747)	(6,574)		-24.8%
Adj. EBITDA	(907)	802		+1,709
Adj. EBITDA (bps)	-5.1%	3.8%		+8.3%
Adj. PBT	(1,154)	830		+1,984
Adj. EPS (p)	0.05	0.13		+142.3%
Operating cash flow	(1,528)	858	vs	+2,386
Net cash at full year	4,821	5,362	vs	+11.2%

Source: Company; Allenby Capital.

Revenue increased 19% to £21.2m, driven by the growth in Advertising revenue from Brave Bison's owned and operated channels that more than offset the decline in Fee Based Services (Exhibit 3).

EXHIBIT 3: REVENUE BREAKDOWN

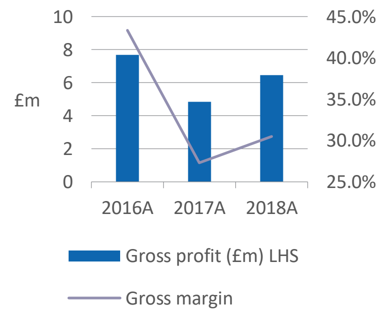


Source: Company; Allenby Capital

Advertising: Revenue increased 42.9% to £17.8m. This was in spite of the loss of £1.6m in revenue after the cessation of a low margin revenue product in Q1 FY17. The bulk of the growth in Advertising revenue was from Facebook as a result of the significant increase in views across its portfolio of 20 owned and operated social media communities, that include Slash Football, Viral Vault, Rebel FC, Canvas, Viral Trnd and Superviral TV. These reach more than one billion people a week. Brave Bison was number seven in the global leaderboard of 'Most Views by Media and Entertainment Properties' produced by Tubular Labs, the leading global video measurement and analytics platform and Viral Trnd is the single most popular Facebook page.

Fee Based Services: Revenue decreased 36.8% to £3.4m. This was partly a function of the loss of a significant contract with a major US movie studio that ended in Q1 2017. Branded content revenue was also down year on year in the UK and APAC, although the APAC business has performed better since Q3 following the appointment of a new General Manager. These declines have been partly offset by growth in consultancy fees for audience development and rights management services for the likes of Shell and Hewlett Packard.

EXHIBIT 4: GROSS PROFIT AND MARGIN



Source: Company; Allenby Capital

It should be noted that the FY17 revenue has been restated following the adoption of IFRS 15 ("Revenues from Contracts from Customer"). This has resulted in the change in determination of certain revenue streams from a net to a gross basis as Brave Bison is now deemed to be acting as principal in the transaction. This grosses up revenue and costs of sales but does not impact gross profit or operating profit.

Gross profit increased 33.0% to £6.5m and gross margin increased 320bps to 30.5%, reflecting a change in the revenue mix. Advertising gross profit increased 88% to £4.7m with a gross margin of 26% (FY17: 20%). Gross profit in Fee Based Services declined 22% to £1.8m but gross margin increased 900bps to 53% reflecting the contribution of higher value fee based services, such as consulting to brands around social media strategy and audience development.

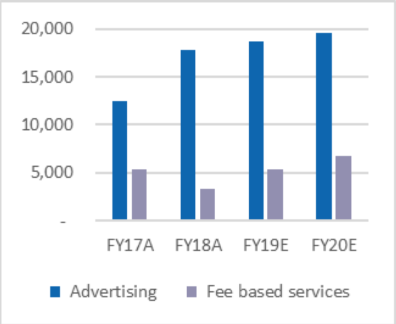
The growth in revenue and gross margin and measured investment resulted in a £1.7m positive swing in adj. EBITDA to a profit of £0.8m – the first in the company's history. As well as the growth in gross profit, there was a £2.2m reduction in operating costs to £6.6m and a £1.1m reduction in restructuring costs. The reduction in operating costs included a £2.4m drop in the amortisation charge that was partly offset by an investment in headcount that increased by seven to 62 at year end, following recruitment in owned and operated channels, business development in the UK and expansion of its APAC operations. There was a £5.0m reduction in reported operating loss to £0.1m.

Brave Bison remains comfortably funded and net cash increased £0.5m to £5.4m in 2018, equivalent to 1.1p/share. Cash inflow from operating activities of £0.9m (FY17: £1.5m outflow) represented a c. 100% conversion of adj. EBITDA. During FY18, BBSN capitalised R&D spend of £0.3m (FY17: £0.5m) on the development of the new multiplatform channels Mutha and Perk. This spend will continue to be capitalised until BBSN starts to derive revenue from these owned and operated channels.

FORECASTS

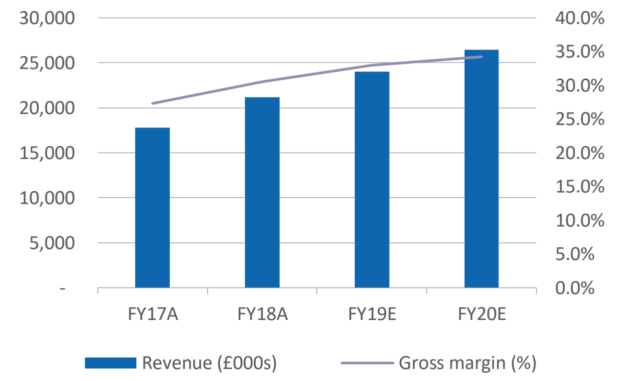
For 2019, we expect Fee based services revenue to return to the levels seen in 2017 before growing further in FY20. Meanwhile we expect the rate of growth of Advertising to moderate somewhat after a very strong performance in FY18. This change in revenue mix should benefit gross margin further (Exhibit 6) and although we anticipate further growth in the operating cost base given the investment in its APAC operations and owned and operated channels, we expect profit and margin to increase.

EXHIBIT 5: REVENUE GROWTH



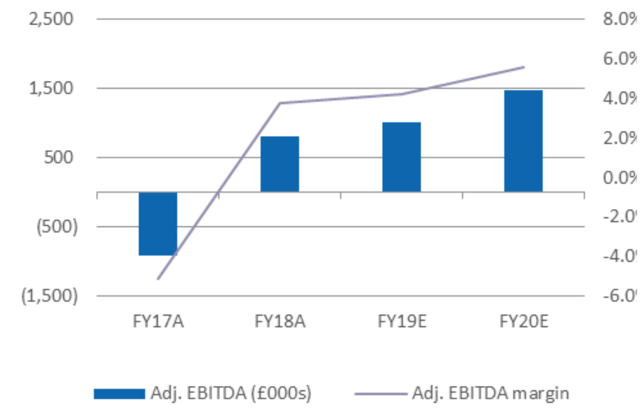
Source: Company; Allenby Capital

EXHIBIT 6: REVENUE AND GROSS MARGIN (£000S)



Source: Source: Company; Allenby Capital

EXHIBIT 7: EBITDA AND MARGIN (£000S)



Source: Source: Company; Allenby Capital

THE MANAGEMENT TEAM

The new management team has achieved much since the appointment of Claire Hungate as Chief Executive Officer in August 2017. Claire has made a number of core appointments as the new management team focuses on the new strategy.

Claire Hungate – CEO

Claire has brought considerable experience in the media and entertainment industry having joined from Warner Bros. Television Production UK where she was Managing Director. Prior to that, she was COO of AIM-listed Shed Media plc through to its acquisition by Warner Bros in 2010 and before that Managing Director of Wall to Wall Ltd that was acquired by Shed Media plc in 2007. Claire has also run the commercial operations of the Institute of Contemporary Arts and was head of business affairs for Princess Productions, a production company and talent agency.

Paul Campbell-White – CFO

Paul Campbell-White joined as Chief Financial Officer in October 2017. Paul has more than 20 years' experience of working in finance in the media and entertainment industry. Like Claire Hungate, Paul joins from Warner Bros. Television Production UK, where he was Chief Financial Officer. Paul was previously Group Financial Controller of Shine Group, an international television production and distribution group, and was Interim Group Financial Controller at Channel 4 and Finance Director of ITV Studios UK prior to that. Paul is a Chartered Accountant, having qualified with KPMG in 1999.

Kate Burns – NED

Kate Burns joined Brave Bison as a Non-Executive Director in July 2018. Kate is a former senior Google, Buzzfeed and AOL executive. She is currently a Venture Partner at Hambro Perks, an investment firm. She brings considerable digital publishing experience to the board.

Caroline Troman – APAC General Manager

Caroline Troman joined as APAC General Manager in February 2018. She has a background in digital sales and digital media. Her challenge has been to diversify the revenue streams for the APAC office and expand the current customer base to reduce reliance on a number of large clients that was creating revenue lumpiness.

Caroline joined from AOL Platforms where she was Commercial Director, APAC. Her expertise spans strategic consultancy, business development and leading key global accounts. She has lived and worked in the APAC region since 2014. Prior to this, Caroline led sales teams at Yahoo and Microsoft Advertising.

EXHIBIT 8: PROFIT AND LOSS FORECASTS

£000s				
Y/E December	**FY 2017A**	**FY 2018A**	**FY 2019E**	**FY 2020E**
Revenue	**17,792**	**21,171**	**24,016**	**26,421**
YoY Growth	*0.4%*	*19.0%*	*13.4%*	*10.0%*
Cost of sales	(12,934)	(14,709)	(16,094)	(17,377)
Gross profit	**4,858**	**6,462**	**7,922**	**9,044**
Gross margin	*27.3%*	*30.5%*	*33.0%*	*34.2%*
General & administration	(8,747)	(6,574)	(7,823)	(8,136)
Restructuring costs	(1,049)	-	-	-
Total operating expenses	**(9,796)**	**(6,574)**	**(7,823)**	**(8,136)**
YoY growth	*-30.6%*	*-32.9%*	*19.0%*	*4.0%*
Operating (loss)/Profit	(4,938)	(112)	99	908
Share of loss from equity accounted investment	-	(19)	-	-
Share-based payments	209	(204)	(200)	(200)
Exceptional items	(1,049)	28	-	-
Adj. operating (Loss)/Profit (excludes D&A)	**(907)**	**802**	**1,009**	**1,468**
Amortisation	(3,070)	(649)	(650)	(300)
Depreciation	(121)	(80)	(60)	(60)
Adj. EBITDA	**(907)**	**802**	**1,009**	**1,468**
Adj. EBITDA margin	*-5.1%*	*3.8%*	*4.2%*	*5.6%*
Reported EBITDA	(1,747)	598	809	1,268
Impairment charge	(12,181)	-	-	-
Net interest	(38)	28	40	50
Adj. profit before tax	**(1,154)**	**830**	**1,049**	**1,518**
PBT margin	*-6.5%*	*0.9%*	*4.4%*	*5.7%*
Profit before tax (reported)	(17,157)	(103)	139	958
Tax	2,308	33	-	-
Tax rate	*NEG*	*NEG*	*na*	*na*
Adj. profit after tax	314	863	1,049	1,518
PAT margin	*2%*	*4%*	*4%*	*6%*
Profit after tax from continuing operations (reported)	(14,849)	(70)	139	958
PAT margin	*-NEG*	*NEG*	*1%*	*4%*
Loss for the year	(14,875)	(71)	139	958
Shares in issue (basic)	572,349	574,279	574,279	574,279
Shares in issue (diluted)	572,349	649,314	649,314	649,314
Earnings per share (basic) (p)	(2.59)	(0.01)	0.02	0.17
Adj. earnings per share (p)	**0.05**	**0.13**	**0.16**	**0.23**

Source: Company; Allenby Capital

BALANCE SHEET

EXHIBIT 9: BALANCE SHEET FORECASTS

Y/E December	FY 2016A	FY 2017A	FY 2019E	FY 2020E
£000s				
Non-current assets				
Intangible assets	2,268	1,928	1,878	1,678
Property, plant and equipment	88	60	50	40
Deferred tax asset	-	-	-	-
Investment in associates	75	56	56	56
Total non-current assets	**2,431**	**2,044**	**1,984**	**1,774**
Current assets				
Trade and other receivables	4,345	5,766	6,829	7,694
Cash and cash equivalents	4,821	5,362	5,655	7,009
Total current assets	**9,166**	**11,128**	**12,484**	**14,704**
TOTAL ASSETS	**11,597**	**13,172**	**14,468**	**16,478**
Current liabilities				
Trade and other payables	(6,201)	(7,684)	(8,641)	(9,493)
Deferred consideration	-	-	-	-
Reorganisation provision	-	-	-	-
Borrowings and other financial liabilities	-	-	-	-
Total current liabilities	**(6,201)**	**(7,684)**	**(8,641)**	**(9,493)**
Net current liabilities	**2,965**	**3,444**	**3,843**	**5,211**
Non-current liabilities				
Borrowings and other financial liabilities	-	-	-	-
Deferred tax liability	(226)	(183)	(183)	(183)
Total non-current liabilities	**(226)**	**(183)**	**(183)**	**(183)**
TOTAL LIABILITIES	**(6,427)**	**(7,867)**	**(8,824)**	**(9,676)**
NET ASSETS	**5,170**	**5,305**	**5,644**	**6,802**
EQUITY				
Share capital	574	576	576	576
Share premium account	78,762	78,762	78,762	78,762
Capital redemption reserve	6,660	6,660	6,660	6,660
Merger reserve	(24,060)	(24,060)	(24,060)	(24,060)
Convertible loan note	-	-	-	-
Merger relief reserve	62,624	62,624	62,624	62,624
Retained deficit	(118,641)	(118,507)	(118,168)	(117,010)
Translation reserve	(749)	(750)	(750)	(750)
Total equity attributable to the equity shareholders	**5,170**	**5,305**	**5,644**	**6,802**
Net cash/(debt)	**4,821**	**5,362**	**5,655**	**7,009**

Source: Company; Allenby Capital

CASH FLOW

EXHIBIT 10: CASH FLOW FORECASTS

Y/E December	FY 2017A	FY 2018A	FY 2019E	FY 2020E
£000s				
Profit/(Loss) before taxation	**(17,157)**	**(103)**	**139**	**958**
Adjustments for:				
Depreciation, amortisation and impairment	15,372	729	710	360
Finance income	-	(28)	(40)	(50)
Finance expense	38	-	-	-
Share-based payment charge/(credit)	(209)	204	200	200
Increase in deferred consideration	-	-	-	-
Share of profits from associates	-	-	-	-
Profit arising on deemed disposal of associate	-	-	-	-
Movement in foreign exchange	-	-	-	-
Deferred consideration classified as remuneration	-	-	-	-
Operating profit before movements in working capital	**(1,956)**	**802**	**1,009**	**1,468**
Decrease / (increase) in trade and other receivables	2,111	(1,373)	(1,063)	(865)
Increase / (decrease) in trade and other payables	(1,673)	1,439	957	851
Movement in provisions	-	-	-	-
Tax paid	(10)	(10)	-	-
Cash flow from operations before tax	**(1,528)**	**858**	**903**	**1,454**
Investing activities				
Purchase of property, plant and equipment	(86)	(52)	(50)	(50)
Purchase of intangible assets	(500)	(309)	(600)	(100)
Payment of deferred consideration	-	-	-	-
Purchase of subsidiary undertakings	-	-	-	-
Cash acquired with subsidiary undertakings	-	-	-	-
Loans to associates	-	-	-	-
Investments	(75)	-	-	-
Interest received	(0)	28	40	50
Cash outflow from investing activities	**(661)**	**(333)**	**(610)**	**(100)**
Net cash flow from operations	**(2,189)**	**525**	**293**	**1,354**
Cash flows from financing activities				
Issue of share capital	2	2	-	-
Share issue costs	-	-	-	-
Loan finance	-	-	-	-
Interest paid	(38)	-	-	-
Net cash flow from financing activities	**(36)**	2	-	-
Net increase / (decrease) in cash and cash equivalents	**(2,225)**	527	293	1,354
Cash and cash equivalents at beginning of period	**7,051**	**4,821**	**5,362**	**5,655**
Movement in foreign exchange	(5)	14	-	-
Cash and cash equivalents at end of period	**4,821**	**5,362**	**5,655**	**7,009**
Net cash	**4,821**	**5,362**	**5,655**	**7,009**

Source: Company; Allenby Capital

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Unless otherwise stated the share prices used in this publication are taken at the close of business for the day prior to the date of publication.

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