

Boku

Consolidating the carrier billing market

Acquisition of Fortumo

Software & comp services

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Boku has announced plans to acquire Fortumo, a direct carrier billing (DCB) competitor, for an enterprise value of \$41m. While not large in volume terms, Fortumo's focus on smaller merchants attracts higher take rates and, combined with its low-cost Estonian operations, results in a highly profitable business. The acquisition is being funded by the recent equity raise (23.6m shares at 85p) and new debt. We estimate that the deal is immediately earnings enhancing, and strengthens Boku's already dominant position in the DCB market. While no cost or revenue synergies are currently factored in, in the medium term there is potential for Boku to take advantage of Fortumo's lower cost base, and for Fortumo to benefit from Boku's carrier relationships and scale.

Year end	Revenue (\$m)	EBITDA* (\$m)	Diluted EPS* (\$)	DPS (\$)	P/E (x)	EV/EBITDA (x)
12/18	35.3	6.3	0.016	0.0	80.1	53.3
12/19	50.1	7.4**	0.012	0.0	103.4	45.6
12/20e	56.2	12.1	0.021	0.0	59.9	27.9
12/21e	70.1	17.7	0.032	0.0	39.3	19.1
12/22e	80.1	21.0	0.040	0.0	31.0	16.0

Note: *EBITDA and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments. **Excludes one-off revenue recognition.

Acquiring a highly profitable DCB business

Estonia-based Fortumo's DCB business generated revenue growth of 25% pa over the last two years and achieved an EBITDA margin of 32.4% in FY19. With 280 carrier connections across 80 countries, Fortumo is focused on a large number of SMEs (c 400), earning take rates of c 4% compared to Boku Payments' 0.81% in FY19. Fortumo also serves several large merchants including Google and Amazon.

Earnings-accretive deal

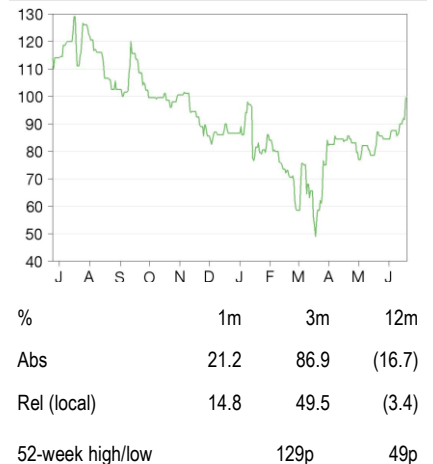
Boku is paying \$45m to acquire Fortumo: \$41m enterprise value plus \$4m in working capital. This is made up of initial cash consideration of \$37.6m, up to a \$5.4m earnout and \$2m-worth of restricted stock units for employees. This is being funded by the recent placing (\$25m) and new debt worth \$20m. We lift our normalised EPS forecasts by 2.1% in FY20, 0.8% in FY21 and 0.7% in FY22.

Valuation: Sum-of-parts suggests upside

On EV/Sales and EV/EBITDA, Boku is trading at a discount to the average of payment processor peers and identity management peers. However, we believe that Boku's investment in the Identity business is masking the performance of the Payments business. As the two businesses have different growth and profitability dynamics, we take a sum-of-the-parts approach to assign value to each separately, generating a group equity value of 123p per share (119p previously). Excluding the Identity business entirely, Boku would be worth 116p per share (111p previously), still well ahead of the current share price. Key catalysts for the share price include continued revenue growth in the Boku Identity business, new major merchants being signed up in either business or a growing contribution from the wallets service.

Price	100p
Market cap	£281m
	\$1.24:£1
Net cash (\$m) at end FY19	32.6
Shares in issue	281.4m
Free float	89%
Code	BOKU
Primary exchange	AIM
Secondary exchange	N/A

Share price performance



Business description

Boku operates a billing and identity verification platform that connects merchants with mobile network operators in more than 50 countries. It has c 215 employees, with its main offices in the US, UK, Germany and India.

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Acquisition of Fortumo

On 17 June, Boku announced plans to acquire Fortumo, one of the three main competitors in the direct carrier billing (DCB) market.

Terms of the deal

Boku is acquiring Fortumo for a maximum enterprise value of \$41m/£33m. The maximum consideration of \$45m includes \$4m of working capital and is made up of:

- initial cash consideration of \$37.6m;
- further cash consideration of up to \$5.4m which will be held in escrow subject to EBITDA earnout targets and meeting working capital and indemnity conditions; and
- the issue of restricted stock units (RSUs) worth \$2m. These are being issued to Fortumo employees to replace existing RSUs in Fortumo.

The company is funding this through an equity raise and debt. Boku placed 23.6m shares at 85p per share (7.1% discount to the closing price on 17 June) raising gross proceeds of £20.1m/\$25.2m. In addition, the company has put in place a debt facility with Citibank for \$20m/£15.9m, consisting of a \$10m revolving credit facility and a \$10m term loan. The loan has a four-year term, with \$1.25m repaid each year and an interest rate of Libor + 2.5%.

The placing shares are expected to be admitted on 22 June. The acquisition is conditional on the shares being placed and the target date for completing the acquisition is 1 July (latest date 17 September).

Boku expects the deal to be immediately earnings accretive, before synergies.

Background on Fortumo

Fortumo was founded in Estonia in 2007 and has been profitable since 2009. The company has 73 employees, most who are based in Estonia, with small regional offices in India, the US, Singapore, Vietnam and Indonesia. Fortumo has built up a network of 280 carrier connections in 80 countries, with the majority of merchants using its platform based in Europe and Asia. It has tended to focus on supporting small to medium-sized enterprises (c 400), although it does also work with large merchants such as Amazon, Google, Spotify and Tencent.

Its platform is typically used to buy the same kind of digital content as Boku's: gaming, music, streaming video, apps. In addition, it supports merchants in the Nordic parking market and the digital publishing market.

The table below shows the company's financial performance over the last three years.

Exhibit 1: Fortumo financial highlights, FY17–19				
\$m	FY17	FY18	FY19	
Revenue	4.578	5.748	7.207	
Adj. EBITDA	0.583	1.219	2.338	
Adj. operating profit	0.505	1.017	2.084	
Revenue growth		25.6%	25.4%	
Adj. EBITDA margin	12.7%	21.2%	32.4%	
Adj. operating margin	11.0%	17.7%	28.9%	

Source: Boku. Note: Accounts adjusted to match Boku's revenue recognition. EBITDA and operating profit exclude exceptional items, share-based payments and foreign exchange movements.

Clearly, the business has shown strong revenue growth over the period and has more than doubled EBITDA margins over the same period. EBIT margins are very close to EBITDA margins, implying a

historical low level of capitalised development costs. At the end of FY19, Fortumo had net assets of \$8.7m and gross assets of \$25.5m. The majority of merchants contract with Fortumo via the settlement model (c 90% of volume), while some of the larger merchants (Google, Amazon) contract via the transaction model.

The company has also disclosed Fortumo's performance during Q120. As for Boku, Fortumo has seen increased demand from gaming during lockdown, countered by a delay in some deployments. According to management, Fortumo hit its Q120 targets, despite the disruption from COVID-19.

Exhibit 2: Fortumo quarterly performance			
\$m	Q120	Q119	y-o-y
Revenues	1.796	1.531	17%
EBITDA	0.618	0.454	36%
EBITDA margin	34.4%	29.7%	

Source: Boku

Strategic rationale

Management outlined the logic behind the deal:

Consolidates two most profitable DCB businesses

Based on its own research, Boku estimates that it is the largest DCB provider, with TPV (total payment volume) of \$5bn and Payments EBITDA margin of 31.6% in FY19 (excluding one-off revenue of \$3.3m). It estimates that the next largest provider is DOCOMO Digital, a subsidiary of NTT DOCOMO, with TPV of c €3bn in the year ended 31 March 2019 (no profitability data are available for the Payments business, but the group reported an EBITDA margin below 10%). In third place by volume is Bango, with £1.1bn of end-user spend in CY19 generating £7.2m of Payments revenue (0.65% take rate). The company is just profitable at the group EBITDA level, although this is after investment in its data business. Smallest by TPV is Fortumo (we estimate c \$180m in FY19), but with a higher take rate of c 4% and an EBITDA margin of 32.4%. Buying Fortumo provides Boku with access to the smaller end of the merchant market, where take rates are much higher – partly due to the reduced bargaining power compared to the likes of Google and Apple, but also because most merchants are using the settlement model.

Earnings accretive immediately

Due to Fortumo's high level of profitability, we estimate that the deal will be earnings accretive for FY20 and onwards. After factoring in the placing and acquisition (as of 1 July), our normalised diluted EPS forecasts increase by 2.1% for FY20, 0.8% for FY21 and 0.7% for FY22.

Potential for operational efficiencies

The company has no immediate plans to make cost savings but noted that Fortumo's Estonian operations result in a lower cost base than Boku's on a per head basis. In particular, development activities are based in Estonia, where the cost of developers can be as little as 20% of the cost of developers in the US. So, while we are not likely to see any immediate cuts to the cost base, future headcount increases are likely to be biased towards Estonia. For non-staff costs, Fortumo may be able to take advantage of Boku's buying power.

Fortumo's platform provides self-service capabilities for merchants resulting in a much lower onboarding cost. Boku has typically focused on fewer, much larger merchants who require customisation of the service in return for providing high transaction volumes. The combined entities will now be able to service all types of merchant efficiently.

In terms of operator relationships, Fortumo has better direct connections in some Asian countries, including Indonesia, Vietnam and Pakistan. On the other hand, in some countries it has

connections via intermediaries where Boku has direct connections. There could be scope for both businesses to leverage the other's connections.

Expanded Payments business

Boku plans to keep Fortumo as a standalone business, retaining the current management team headed by Martin Koppel (CEO) and the brand.

Boku noted that there is limited customer overlap between the two businesses. The combined entity will encompass high-volume, large merchants mainly using the transaction model (and hence lower take rates) and small and medium-sized merchants, mostly using the settlement model (with higher take rates).

The earnout requires Fortumo to generate EBITDA of €4.3m in the 12 months to 30 June 2021 in order to receive the maximum \$5.4m payout. EBITDA below €2m will result in no earnout being paid, and EBITDA in the range €2–4.3m will generate a payout on a sliding scale.

Changes to estimates

We have assumed that the acquisition completes on 1 July. We factor in revenue growth in the low to mid-teens for Fortumo with a gradually expanding EBITDA margin. We have also factored in an increase in capitalised development costs and related amortisation, and higher share-based payments. This results in enhanced EBITDA and operating margins in all forecast years, and we raise our normalised diluted EPS forecast by 2.1% in FY20, 0.8% in FY21 and 0.7% in FY22. Even with the debt taken on to fund the acquisition, we estimate that the company will maintain a growing net cash position over the forecast period.

Exhibit 3: Changes to forecasts													
\$m	FY20e				FY21e				FY22e				
	Old	New	Change	y-o-y	Old	New	Change	y-o-y	Old	New	Change	y-o-y	
Payment revenues	45.0	49.2	9.3%	13.2%	50.0	59.3	18.6%	20.5%	54.9	65.6	19.4%	10.6%	
Identity revenues	7.0	7.0	0.0%	4.9%	10.8	10.8	0.0%	54.3%	14.5	14.5	0.0%	34.3%	
Total revenues	52.0	56.2	8.1%	12.1%	60.8	70.1	15.3%	24.7%	69.4	80.1	15.4%	14.2%	
Gross profit	45.6	49.5	8.8%	11.1%	51.8	60.7	17.0%	22.4%	58.0	68.1	17.5%	12.3%	
Gross margin	87.6%	88.1%	0.6%	-0.8%	85.2%	86.5%	1.3%	-1.6%	83.5%	85.0%	1.5%	-1.5%	
Payment EBITDA	14.9	16.5	10.3%	3.3%	17.5	20.8	19.0%	26.6%	19.2	23.2	20.7%	11.5%	
Identity EBITDA	(4.4)	(4.4)	0.0%	-16.7%	(3.2)	(3.2)	0.0%	-27.7%	-2.2	(2.2)	0.0%	-30.8%	
Total EBITDA	10.5	12.1	14.6%	13.2%	14.3	17.7	23.2%	46.4%	17.0	21.0	23.4%	19.1%	
Payment EBITDA margin	33.2%	33.5%	0.3%	-3.2%	35.0%	35.1%	0.1%	1.7%	35.1%	35.4%	0.4%	0.3%	
Identity EBITDA margin	-62.9%	-62.9%	0.0%	16.3%	-29.4%	-29.4%	0.0%	33.4%	-15.2%	-15.2%	0.0%	14.3%	
EBITDA margin	20.2%	21.5%	6.0%	0.2%	23.6%	25.2%	6.9%	3.7%	24.6%	26.3%	6.9%	1.1%	
Normalised operating profit	7.8	8.6	11.0%	91.4%	11.6	13.5	15.8%	55.9%	14.5	16.7	14.6%	23.7%	
Normalised operating margin	15.0%	15.4%	0.4%	6.4%	19.1%	19.2%	0.1%	3.8%	21.0%	20.8%	-0.1%	1.6%	
Reported operating profit	1.1	(1.9)	-272.0%	118.1%	5.0	6.4	28.7%	-432.0%	8.7	10.4	19.8%	62.7%	
Reported operating margin	2.2%	-3.4%	-5.6%	-1.7%	8.2%	9.1%	1.0%	12.6%	12.5%	13.0%	0.5%	3.9%	
Normalised PBT	7.1	7.6	7.9%	85.7%	11.0	12.2	11.5%	60.2%	13.9	15.5	11.4%	26.8%	
Reported PBT	0.4	(3.0)	-843.0%	N/A	4.3	5.1	19.7%	-274.0%	8.1	9.2	14.6%	79.7%	
Normalised net income	5.6	6.1	9.3%	88.0%	8.7	9.8	12.9%	60.2%	11.0	12.4	12.8%	26.8%	
Reported net income	0.4	(2.8)	-884.3%	N/A	3.6	4.6	26.8%	-264.9%	6.8	7.8	14.6%	69.7%	
Normalised basic EPS	0.022	0.023	3.7%	73.8%	0.034	0.035	1.8%	51.9%	0.043	0.044	1.8%	26.8%	
Normalised diluted EPS	0.020	0.021	2.1%	72.6%	0.031	0.032	0.8%	52.7%	0.040	0.040	0.7%	26.8%	
Reported basic EPS	0.001	(0.011)	-843.9%	N/A	0.014	0.016	14.4%	-256.3%	0.027	0.028	3.4%	69.7%	
Net debt/(cash)	(34.2)	(14.9)	-56.3%	-54.3%	(47.5)	(32.2)	-32.2%	115.5%	(64.5)	(51.8)	-19.8%	60.9%	
TPV (\$bn)	6.30	6.40	1.7%	26.8%	7.53	7.77	3.2%	19.6%	8.57	8.85	3.2%	13.9%	
Take rate	0.71%	0.77%	0.1%	-0.04%	0.66%	0.76%	0.1%	-0.01%	0.64%	0.74%	0.1%	-0.02%	

Source: Edison Investment Research

Valuation

The table below summarises the valuation of Fortumo, based on historic and forecast revenue and EBITDA. On a sales multiple, the price paid for Fortumo is in line with Boku's valuation prior to the deal announcement. On an EV/EBITDA basis, Fortumo is valued at a discount to Boku, reflecting its higher profitability compared to Boku's group profitability (which includes the loss-making Identity business).

Exhibit 4: Valuation multiples					
		FY19	FY20e	FY21e	FY22e
Fortumo					
EV/Sales (x)		5.7	5.1	4.4	3.8
EV/EBITDA (x)		17.5	15.3	12.4	10.3
Boku (pre-deal)					
EV/Sales (x)		5.7	5.1	4.4	3.8
EV/EBITDA (x)		36.0	25.3	18.6	15.6
Source: Edison Investment Research					

The table below shows the new enlarged Boku group valuation versus Payment and Identity peers.

Exhibit 5: Peer group valuation metrics												
	Share	Market cap	EV	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
	price	List ccy	Rep ccy	CY	NY	NY+1	CY	NY	NY+1	CY	NY	NY+1
Boku	100	281	337	6.0	4.8	4.2	27.9	19.1	16.0	59.9	39.3	31.0
Bango	180	134	132	11.1	N/A	N/A	41.2	N/A	N/A	105.9	N/A	N/A
Ingenico	136.1	8,687	10,419	3.5	3.2	3.2	17.7	15.9	14.9	29.1	25.5	23.3
Worldline	72.06	13,198	13,984	5.9	5.4	5.0	23.9	20.5	18.2	44.2	35.8	31.2
FIS	138.59	85,626	102,483	8.3	7.6	7.1	19.3	16.4	14.8	25.5	20.7	18.1
Fiserv	103.15	69,057	91,832	6.6	6.1	5.8	16.7	14.9	13.3	23.4	19.3	16.6
Global Payments	180.97	54,129	62,611	9.5	8.4	7.6	21.1	17.6	15.4	29.0	23.0	19.3
PayPal	163.83	192,333	190,158	9.4	8.1	6.8	34.8	28.3	23.6	49.1	39.9	32.6
Square	97.03	42,630	41,907	8.0	6.4	4.9	215.5	80.5	48.3	365.6	103.6	65.3
Average Payment Processors				7.8	6.5	5.8	48.8	27.7	21.2	84.0	38.3	29.5
Average Payment Processors exc. Square				7.8	6.5	5.9	24.9	18.9	16.7	43.7	27.4	23.5
Equifax	170.5	20,693	23,874	6.5	6.3	5.9	20.1	18.5	16.3	33.0	29.8	24.6
Experian	2822	25,700	36,390	7.3	6.7	6.3	21.7	19.3	17.9	37.7	32.6	30.2
GB Group	695	1,352	1,407	7.1	7.6	6.8	28.8	35.7	29.3	38.8	52.6	40.0
TransUnion	89.76	17,036	20,458	8.0	7.4	6.8	21.5	18.8	16.8	35.8	29.7	25.4
Average ID management				7.2	7.0	6.4	23.0	23.1	20.0	36.3	36.2	30.0
Source: Edison Investment Research, Refinitiv (as at 18 June)												

As we have done before, we look at the valuation on a sum-of-the-parts basis to reflect the different profiles of the Payments and Identity businesses. We use the peer group average EV/EBITDA multiple for FY21 (to reflect a full year ownership of Fortumo) for the Payments business. For Identity, we use the value of the acquisition of \$25m; this is conservative compared to peer valuations but reflects the fact that the business is currently loss-making. This generates an equity value for the group of \$432m or 123p per share, compared to the current share price of 100p. Excluding the Identity business entirely, the group would be worth \$407m or 116p per share, still well ahead of the current share price. When we last wrote (10 June), we estimated a group per share value of 119p, and excluding Identity, 111p. A slight increase in the peer average EBITDA multiple combined with the higher EBITDA forecast for Boku in FY21 more than outweigh the cost of acquiring Fortumo.

Exhibit 6: Financial summary

	\$'m	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
31-December		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
INCOME STATEMENT										
Revenue		18.3	19.2	17.2	24.4	35.3	50.1	56.2	70.1	80.1
Cost of Sales		(4.1)	(4.0)	(3.2)	(2.3)	(2.5)	(5.6)	(6.7)	(9.4)	(12.0)
Gross Profit		14.2	15.2	14.0	22.1	32.8	44.6	49.5	60.7	68.1
EBITDA		(9.6)	(11.4)	(12.3)	(2.3)	6.3	10.7	12.1	17.7	21.0
Normalised operating profit		(9.8)	(12.4)	(13.8)	(4.0)	4.8	4.5	8.6	13.5	16.7
Amortisation of acquired intangibles		(0.8)	(1.9)	(1.7)	(1.3)	(1.3)	(1.6)	(1.6)	(1.6)	(0.8)
Exceptionals		(2.1)	(0.1)	(2.4)	(2.2)	(1.4)	(0.3)	(2.0)	0.0	0.0
Share-based payments		(1.7)	(1.8)	(2.1)	(1.5)	(4.6)	(6.8)	(7.0)	(5.5)	(5.5)
Reported operating profit		(14.4)	(16.2)	(19.9)	(9.0)	(2.4)	(4.1)	(1.9)	6.4	10.4
Net Interest		(0.6)	(0.4)	(1.2)	(2.4)	(0.6)	(0.4)	(1.0)	(1.3)	(1.2)
Joint ventures & associates (post tax)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Exceptionals		0.0	0.0	0.0	(17.1)	0.0	0.0	0.0	0.0	0.0
Profit Before Tax (norm)		(10.4)	(12.8)	(15.0)	(6.4)	4.3	4.1	7.6	12.2	15.5
Profit Before Tax (reported)		(15.0)	(16.6)	(21.1)	(28.5)	(3.0)	(1.3)	(3.0)	5.1	9.2
Reported tax		(0.4)	(0.4)	0.5	(0.1)	(1.3)	1.7	0.1	(0.5)	(1.4)
Profit After Tax (norm)		(7.8)	(9.6)	(11.2)	(4.8)	3.4	3.2	6.1	9.8	12.4
Profit After Tax (reported)		(15.4)	(17.0)	(20.6)	(28.7)	(4.3)	0.4	(2.8)	4.6	7.8
Minority interests		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Discontinued operations		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (normalised)		(7.8)	(9.6)	(11.2)	(4.8)	3.4	3.2	6.1	9.8	12.4
Net income (reported)		(15.4)	(17.0)	(20.6)	(28.7)	(4.3)	0.4	(2.8)	4.6	7.8
Basic ave. number of shares outstanding (m)		21.3	27.4	140.1	150.3	217.1	246.8	266.9	281.4	281.4
EPS - basic normalised (\$)		(0.36)	(0.35)	(0.08)	(0.03)	0.02	0.01	0.02	0.03	0.04
EPS - diluted normalised (\$)		(0.36)	(0.35)	(0.08)	(0.03)	0.02	0.01	0.02	0.03	0.04
EPS - basic reported (\$)		(0.72)	(0.62)	(0.15)	(0.19)	(0.02)	0.00	(0.01)	0.02	0.03
Dividend (\$)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue growth (%)	#DIV/0!	4.7	(10.4)	42.0	44.5	42.2	12.1	24.7	14.2	
Gross Margin (%)		77.6	79.1	81.4	90.7	92.9	88.9	88.1	86.5	85.0
EBITDA Margin (%)		(52.5)	(59.2)	(71.4)	(9.5)	17.9	21.3	21.5	25.2	26.3
Normalised Operating Margin		(53.2)	(64.4)	(80.0)	(16.5)	13.7	9.0	15.4	19.2	20.8
BALANCE SHEET										
Fixed Assets		32.7	30.8	26.8	26.9	23.0	52.2	96.1	94.2	92.1
Intangible Assets		32.5	30.1	25.7	25.8	22.5	46.8	91.0	89.5	88.8
Tangible Assets		0.2	0.7	0.5	0.4	0.3	3.5	2.5	1.5	0.5
Investments & other		0.0	0.0	0.6	0.7	0.3	1.8	2.7	3.2	2.8
Current Assets		72.5	53.0	48.9	79.3	84.0	89.2	103.8	146.8	179.3
Stocks		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debtors		59.7	43.3	37.1	59.1	51.7	53.6	65.9	92.9	107.1
Cash & cash equivalents		12.0	9.0	11.3	18.7	31.1	34.7	37.0	53.0	71.4
Other		0.7	0.6	0.5	1.4	1.3	0.9	0.9	0.9	0.9
Current Liabilities		(69.6)	(65.5)	(61.0)	(78.0)	(79.6)	(81.8)	(94.0)	(126.1)	(144.5)
Creditors		(64.6)	(60.4)	(54.9)	(75.5)	(77.4)	(78.0)	(88.7)	(122.3)	(140.6)
Tax and social security		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short term borrowings		(5.0)	(5.1)	(6.1)	(2.5)	(2.2)	(2.1)	(3.3)	(3.3)	(3.3)
Other		0.0	0.0	0.0	(0.0)	0.0	(1.7)	(1.9)	(0.5)	(0.6)
Long Term Liabilities		0.0	(0.3)	(15.2)	(0.2)	(0.8)	(2.6)	(20.0)	(18.7)	(17.5)
Long term borrowings		0.0	(0.2)	(15.1)	(0.0)	0.0	0.0	(18.8)	(17.5)	(16.3)
Other long term liabilities		0.0	(0.1)	(0.1)	(0.1)	(0.8)	(2.6)	(1.2)	(1.2)	(1.2)
Net Assets		35.5	18.0	(0.4)	28.0	26.6	57.0	85.9	96.1	109.4
Minority interests		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shareholders' equity		35.5	18.0	(0.4)	28.0	26.6	57.0	85.9	96.1	109.4
CASH FLOW										
Op Cash Flow before WC and tax		(9.6)	(11.4)	(12.3)	(2.3)	6.3	7.4	12.1	17.7	21.0
Working capital		9.3	11.6	(3.4)	1.0	7.2	3.0	(1.6)	6.6	4.1
Exceptional & other		(1.6)	1.1	4.2	(5.5)	0.2	(1.3)	(2.4)	0.0	0.0
Tax		(0.0)	(0.0)	(0.0)	0.0	(0.2)	(0.1)	(0.7)	(1.0)	(1.0)
Net operating cash flow		(1.9)	1.3	(11.5)	(6.8)	13.5	9.0	7.5	23.2	24.1
Capex		(1.1)	(3.6)	(1.5)	(0.3)	(0.3)	(2.1)	(2.5)	(2.7)	(2.8)
Acquisitions/disposals		5.9	0.3	0.0	0.0	(0.2)	(0.7)	(43.0)	0.0	0.0
Net interest		(0.3)	(0.3)	(0.3)	(0.9)	(0.6)	(0.4)	(0.9)	(1.2)	(1.1)
Equity financing		0.2	0.1	0.1	19.8	0.5	0.6	23.1	0.0	0.0
Dividends		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other		0.6	(0.0)	0.1	(1.1)	0.2	(1.5)	(1.9)	(2.1)	(0.6)
Net Cash Flow		3.3	(2.2)	(13.1)	10.6	13.1	4.857	(17.7)	17.3	19.6
Opening net debt/(cash)		(4.9)	(7.0)	(3.6)	9.9	(16.2)	(28.9)	(32.6)	(14.9)	(32.2)
FX		(1.2)	(0.8)	(0.4)	0.4	(0.5)	(1.1)	0.0	0.0	0.0
Other non-cash movements		0.0	(0.4)	(0.0)	15.1	(0.0)	(0.0)	0.0	0.0	0.0
Closing net debt/(cash)		(7.0)	(3.6)	9.9	(16.2)	(28.9)	(32.6)	(14.9)	(32.2)	(51.8)

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