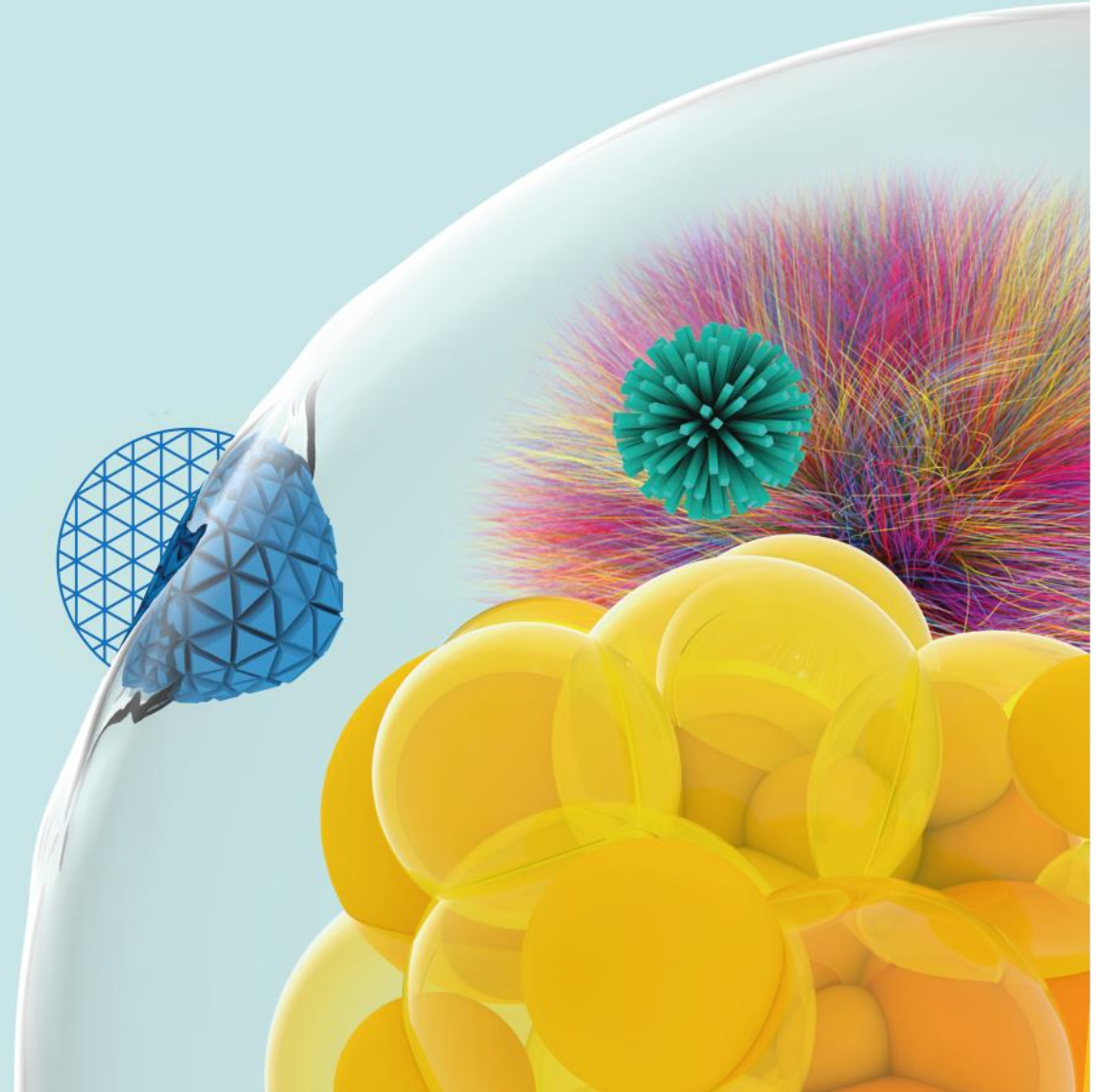


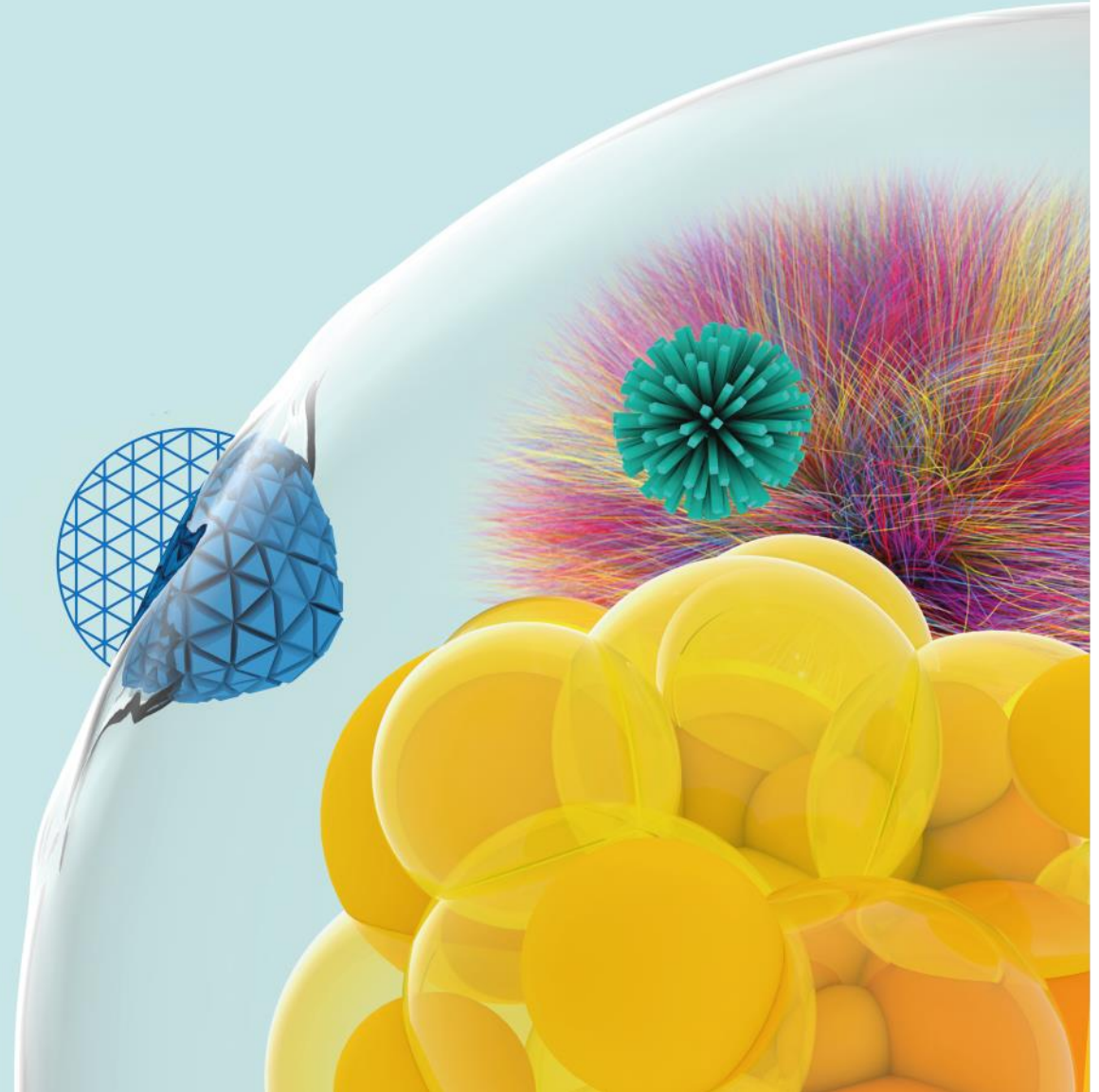
# Bango Strategy Day

## 20 October 2021



# Welcome and Introductions

Ray Anderson



# Welcome from the Bango Board



**Ray Anderson**  
Executive Chair &  
Co-founder



**Paul Larbey**  
CEO



**Matt Garner**  
CFO



**Anil Malhotra**  
CMO & Co-founder



**Sir Eric Peacock**  
Senior Independent Director



**Frank Bury**  
NED



**Nancy Cruickshank**  
NED



**Marcus Weldon**  
NED



**Lisa Gansky**  
NED

## Other members of the Bango team here to meet you



**Jim Plimmer**  
SVP Payment Product  
Strategy & Sales



**Brett Orlanski**  
SVP Marketplace  
Product & Sales



**Rebecca Jamieson**  
Head of Investor  
Relations



**Andy Bovingdon**  
VP Payment Product  
Marketing



**Rachel Greenhalgh**  
Co-sec & Senior  
Counsel



**Sukey Miller**  
VP Marketing  
Communications



**Dale Lawrence**  
Sr. Client Solutions Manager



## The Bango Vision

A future when online commerce is smoother and more efficient.

The Bango platform enables merchants and payment providers to collaborate to provide better user experiences.

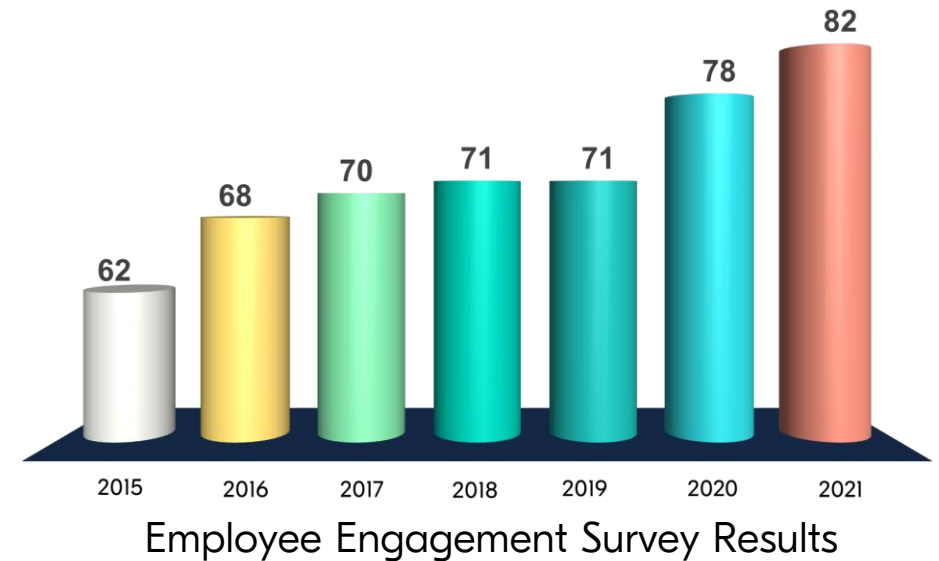
Bango technology enables users to engage with marketing that is more relevant to them.

Bango will become the technology behind every payment choice.



# Building a sustainable business

- Diverse
  - A global team
  - People from 18 different countries
  - 52% managers and leaders are non-male
- Highly engaged people
  - Highest ever engagement survey score
- Responsible
  - Certified carbon neutral
  - Commitment to maintain the certification
  - Matched employee charity donations

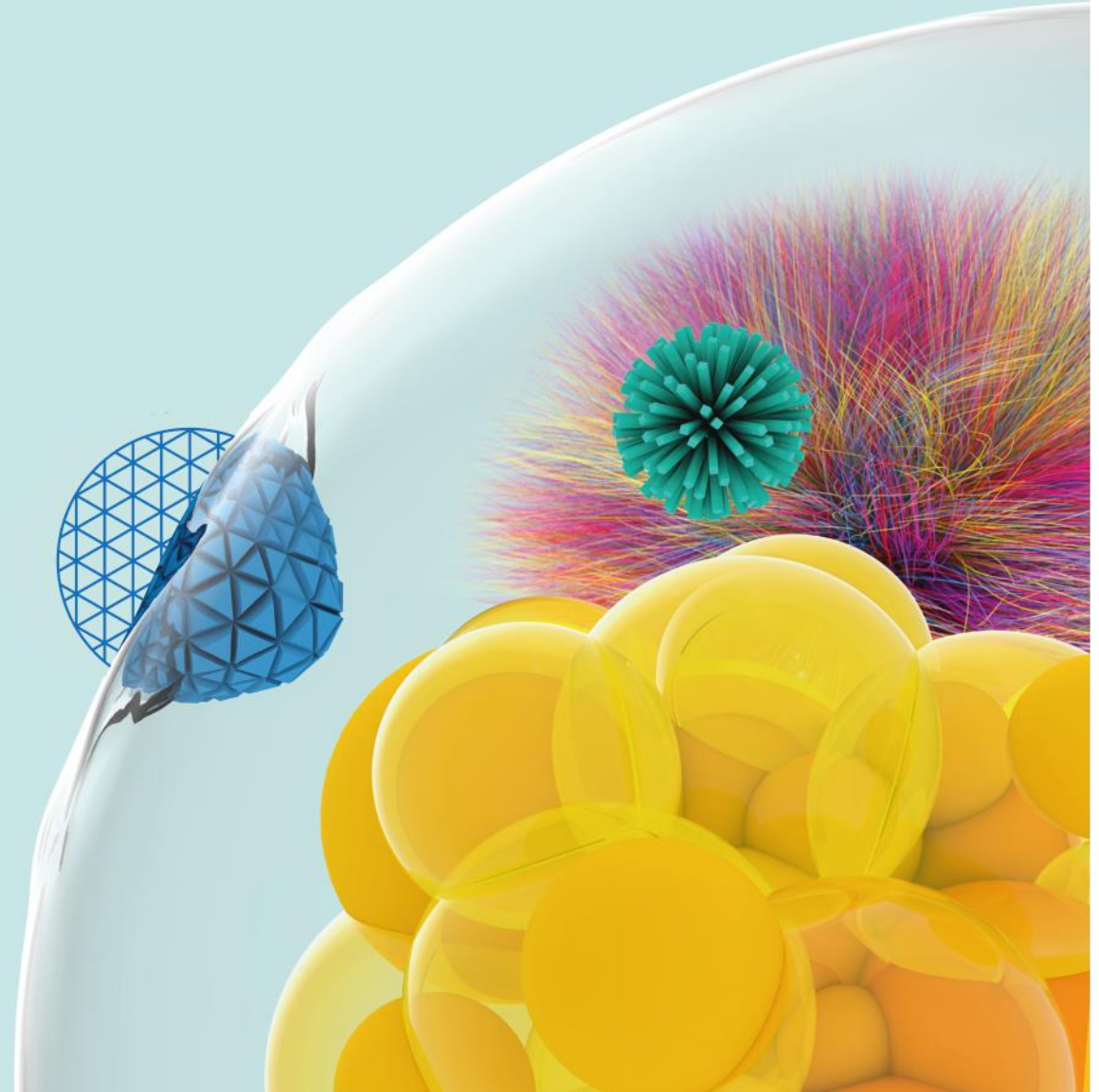


# Agenda

1. Business Overview & Strategy
2. Payment Platform
3. Why Telcos need the power of the platform
4. Marketplace
5. Awareness for Bango MarTech
6. Markets
7. Outlook
8. Q&A

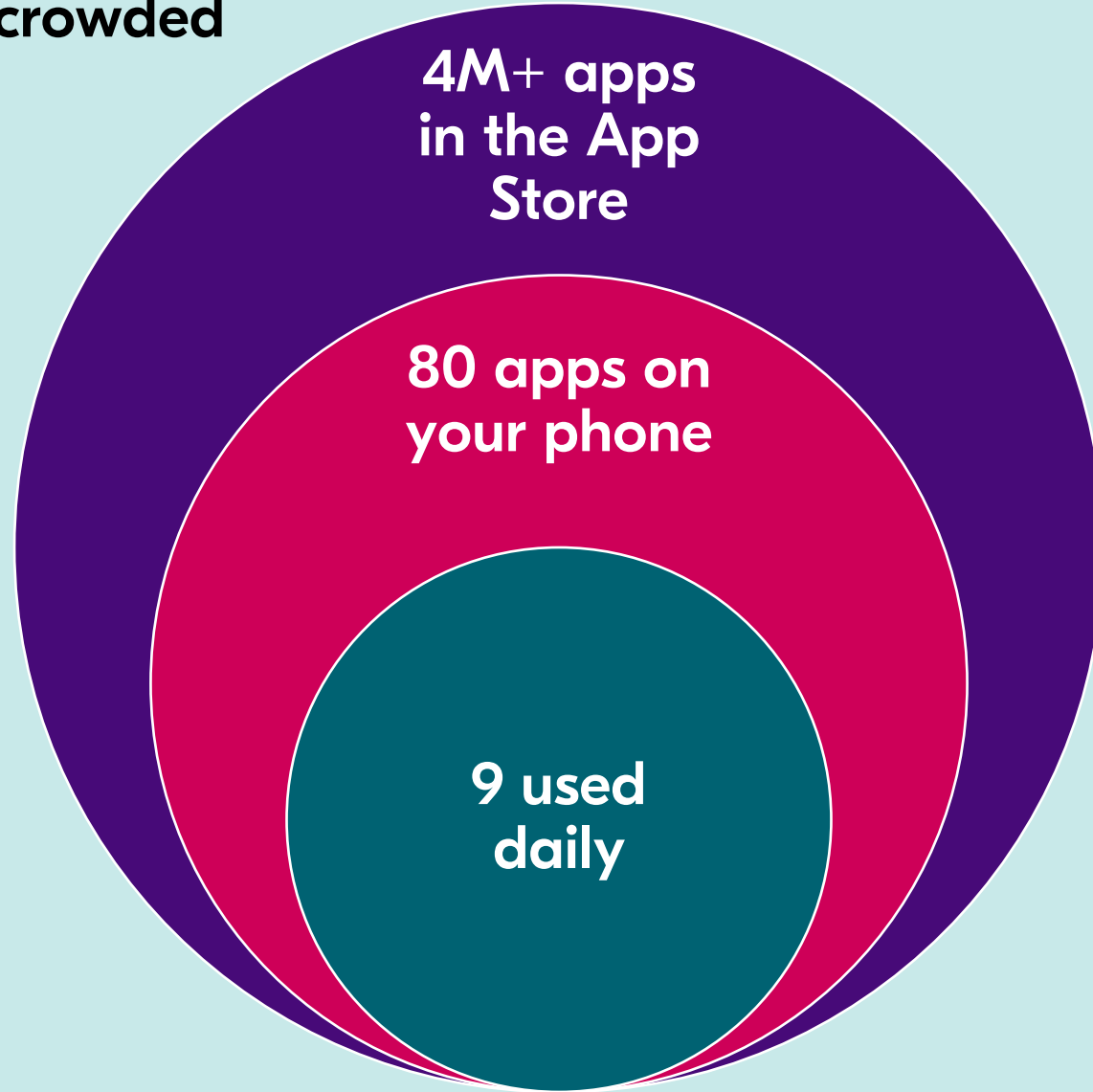
# Business Overview & Strategy

Paul Larbey





# App stores are very crowded



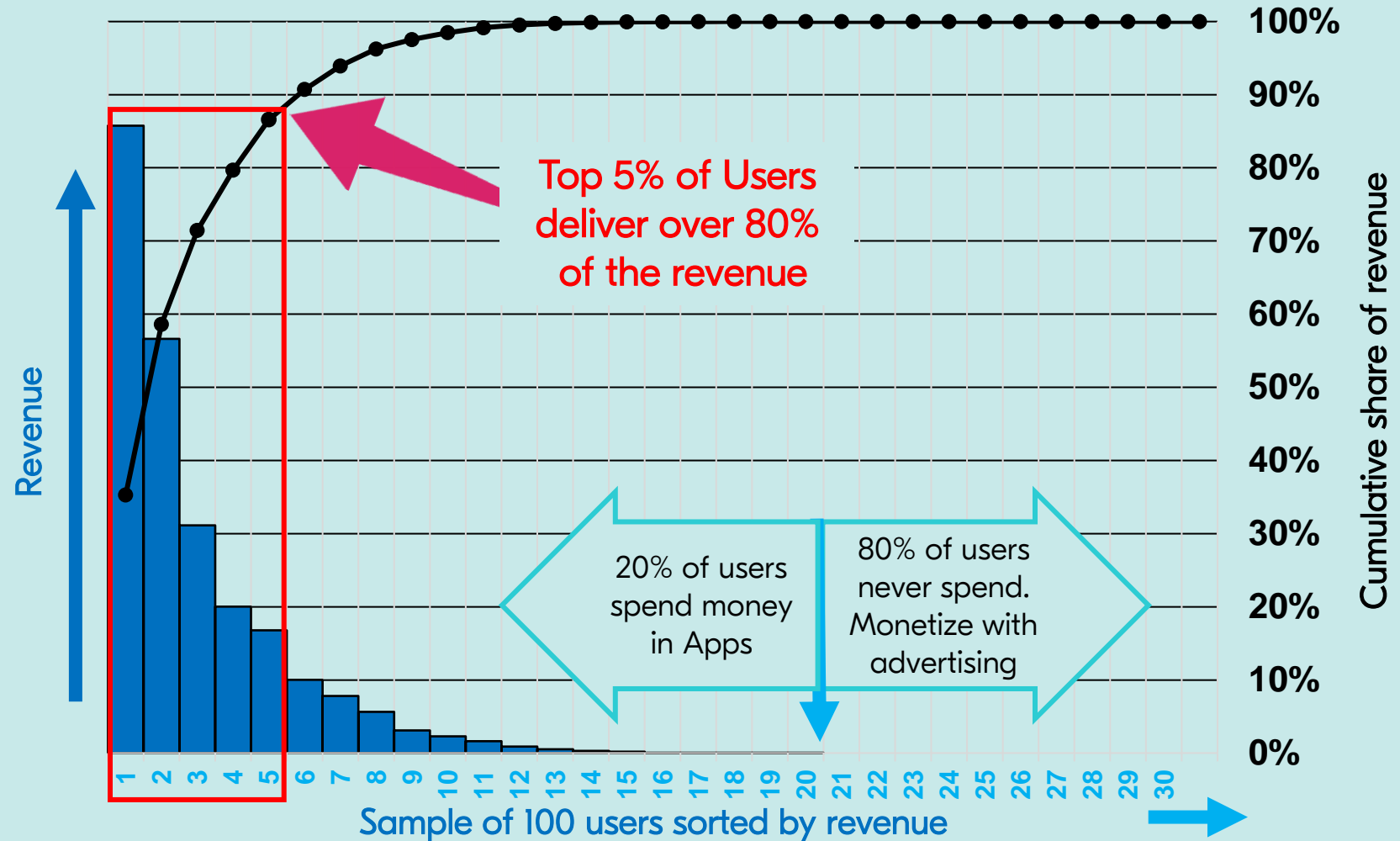
## The challenge: Making money from your user base



- 100 people walk in, but only 5 buy coffee.
- The profit from 5 coffee sales needs to be enough to run the entire coffee shop
- Worse - the 95 that didn't buy don't leave. They take a seat, plug in their laptops, and stay a while

# Bango can identify the users who deliver revenue

The Bango Platform tracks \$ billions of spending by hundreds of millions of users across thousands of apps and merchants



# Purchase Behavior Targeting

20 years ago

Google Search

A screenshot of a Google search for 'pokemon' from 20 years ago. The search results show various Pokémon products like 'Pokémon Pokéball', 'Pokémon Sound & Story CD', and 'Pokémon Trading Card Game'. The interface is a simple search engine results page.

Target based on what people look for

10 years ago

facebook Like

A screenshot of a Facebook post for 'Pokémon GO' from 10 years ago. The post features a scenic landscape image and the text 'Pokémon GO'. Below the image, there are 'Like' and 'Play Game' buttons. The interface shows a social media post with engagement options.

Target based on what people say they like

Today

bango<sup>®</sup> Buy

100 PokéCoins (Pokémon GO) \$0.99 plus tax ⓘ

Verizon Wireless 6692921275

By tapping "Buy", you agree to the [Terms of Service - Android \(US\)](#).

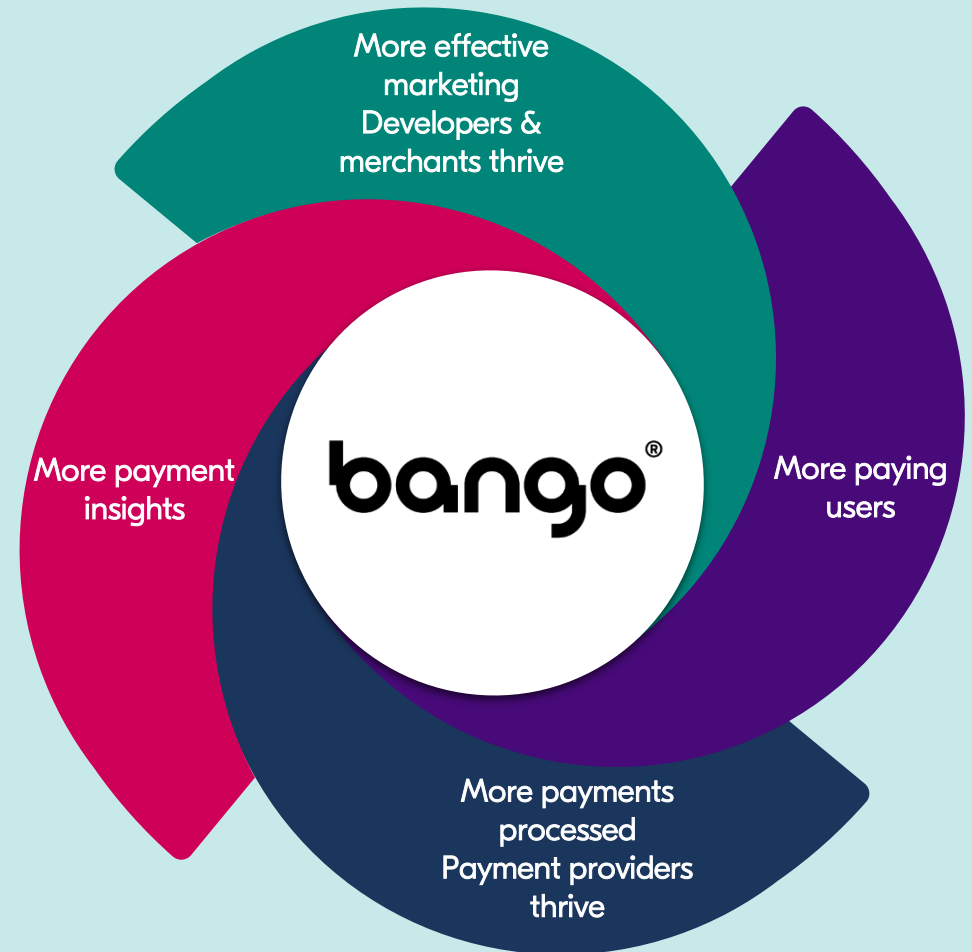
Google Play BUY

A screenshot of a Bango purchase interface for '100 PokéCoins (Pokémon GO)'. The interface shows the product name, price (\$0.99 plus tax), and the Verizon Wireless account number (6692921275). There is a green 'BUY' button and a link to the Terms of Service.

Target based on what people pay for

## Bango strategy – the virtuous circle

- Bango Payments – driving transaction volumes through the platform generating masses of data.
- Bango Marketplace – utilizing the data to create Bango Audiences, a marketing tool that makes us indispensable to online merchants
- The more payment data Bango processes, the more effective and valuable Marketplace becomes.
- Marketing that generates more purchase activity produces more data insights, which continuously improves marketing effectiveness





# Focused on the global brands

Online merchants

Payment providers

App developers



## Why Bango?



**Platform effect** — Each new partner connecting to Bango benefits from the activity of all existing partners and improves the performance of everyone across the platform



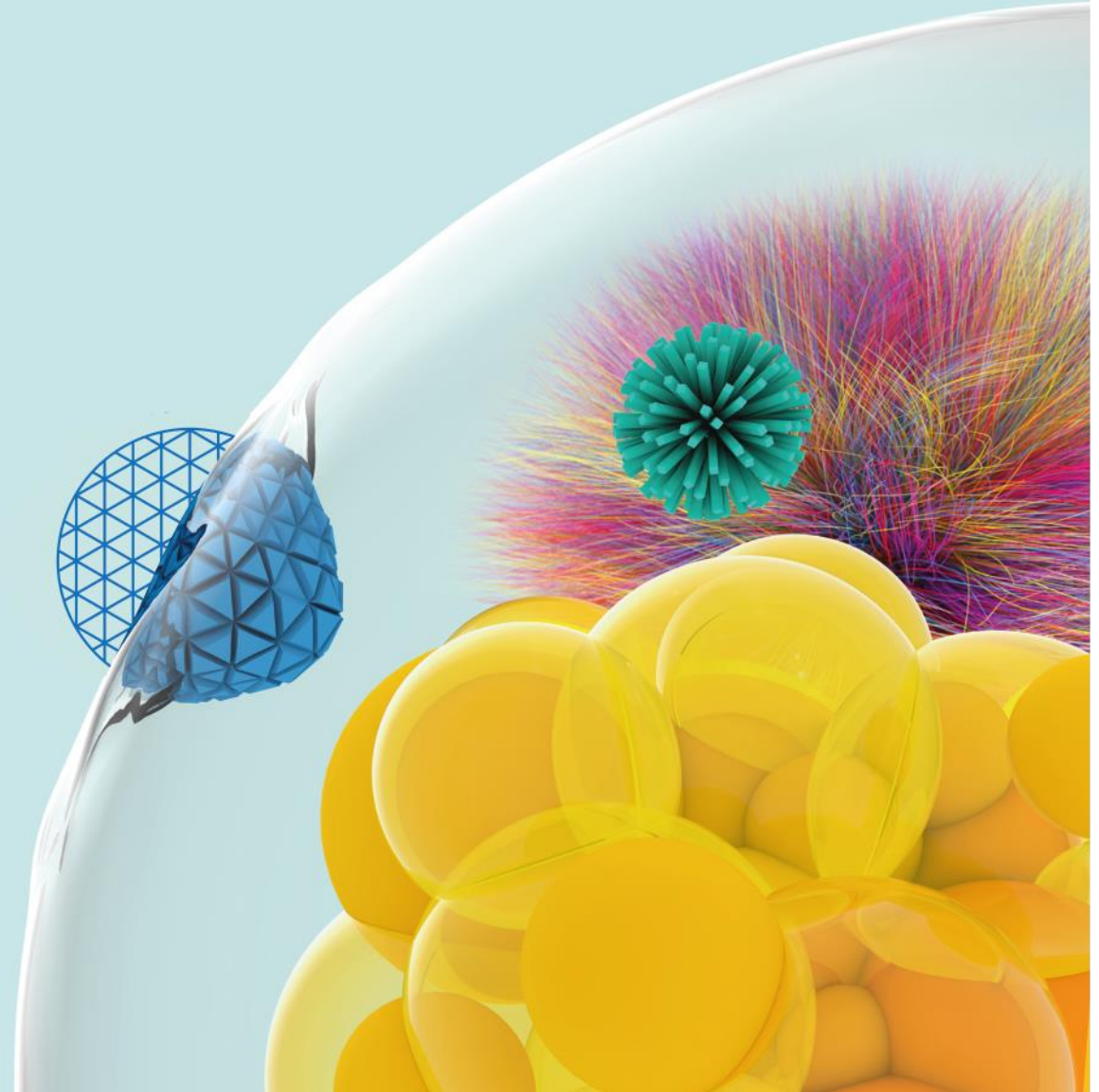
**Innovation** — Uniquely monetizes the combination of marketing and payment processing. Our virtuous circle model means growth in one powers growth in the other.



**Trust** — Long-term partnerships with the world's biggest internet companies

# Payments Platform

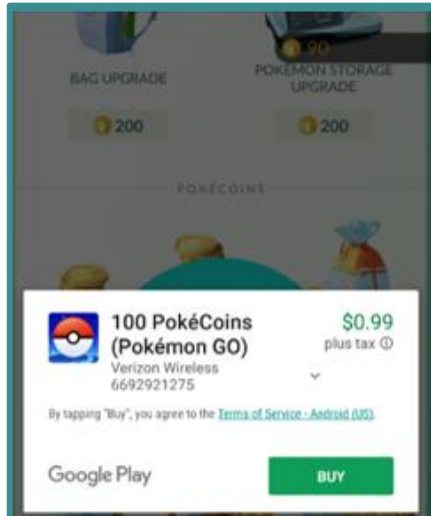
Jim Plimmer



# Bango Payments – one platform, any bill

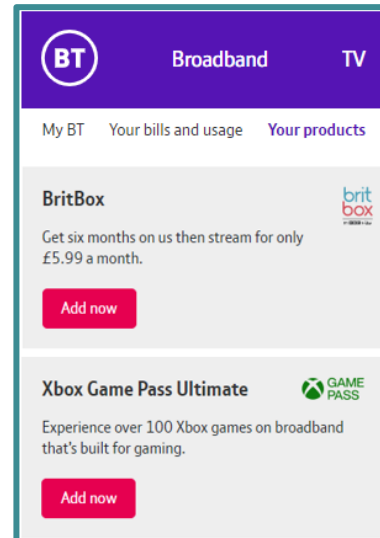
## Carrier Billing

- Consumers pay for digital or physical goods using their prepaid airtime or monthly mobile phone bill.
- Accessible to anyone with a mobile phone
- Simple and easy to use
- Enables those without credit/debit cards to make online payments.



## Subscription Bundling

- Enables the user to charge a subscription to another bill.
- Wide range of payment providers; mobile, broadband, utility etc.
- Makes payments easy for consumers, often providing a discount.
- A new subscriber base for merchants, improving customer retention



## Mobile Wallets

- A digital payment method linked to a mobile phone number
- Users pay for digital or physical goods with a prepaid balance and can top up with cash, so a bank account is not required
- The number one method of online payment, growing faster than credit cards



# Better with Bango



## Acquire and delight more loyal customers

- Creative sales, offers and bundles that win new customers



## Maximize results and services revenue

- Highest payment success, driven by unique data insights



## Targeted engagement, retention & usage insights

- Insights and actions proven to grow customers and revenues



## Launch & scale faster, at lower cost than DIY

- Run, don't walk... always be first to react to market opportunities



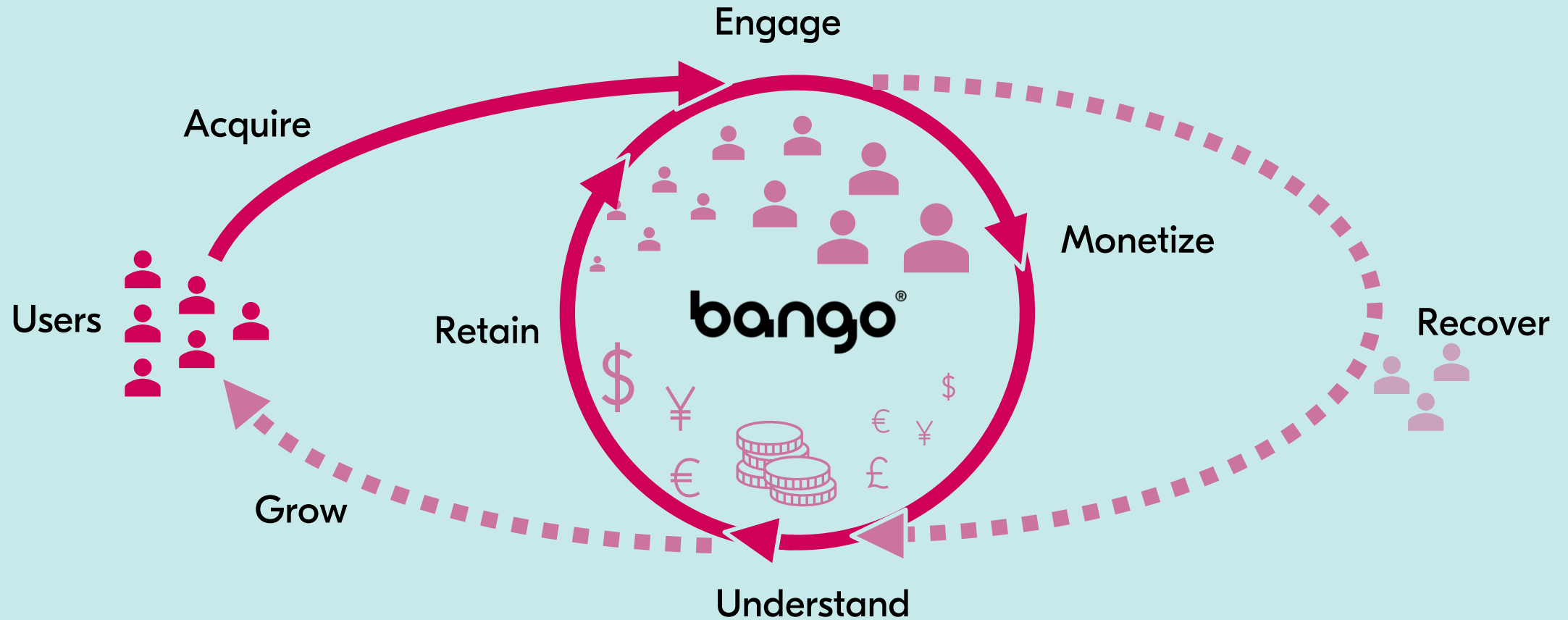
## Beat your competition – thrive

- Never follow... ensure flexibility and power to rapidly overtake...





# Bango virtuous circle technology in action

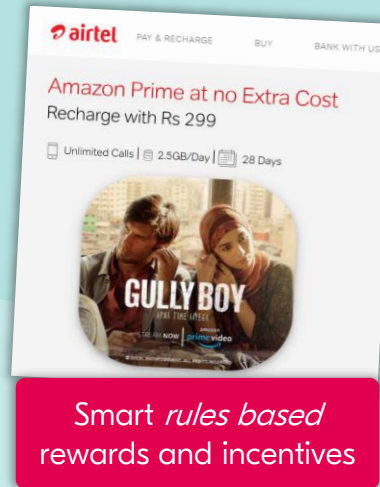
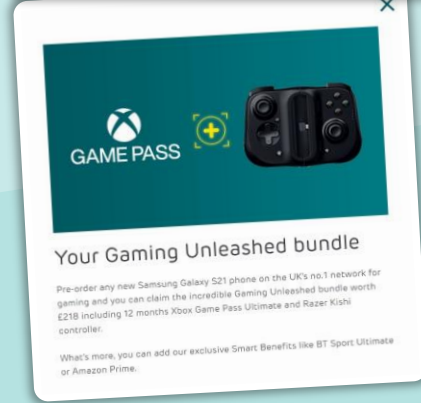
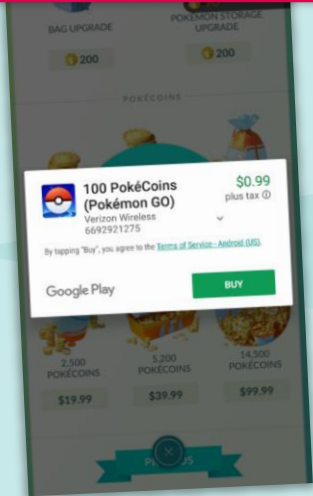


# Evolutionary success

Process payments on-account, to wallets and cards on file

New bundles of hardware, software and services

Process internal payments for premium resale products



Optimize subscription lifetime & renewal success

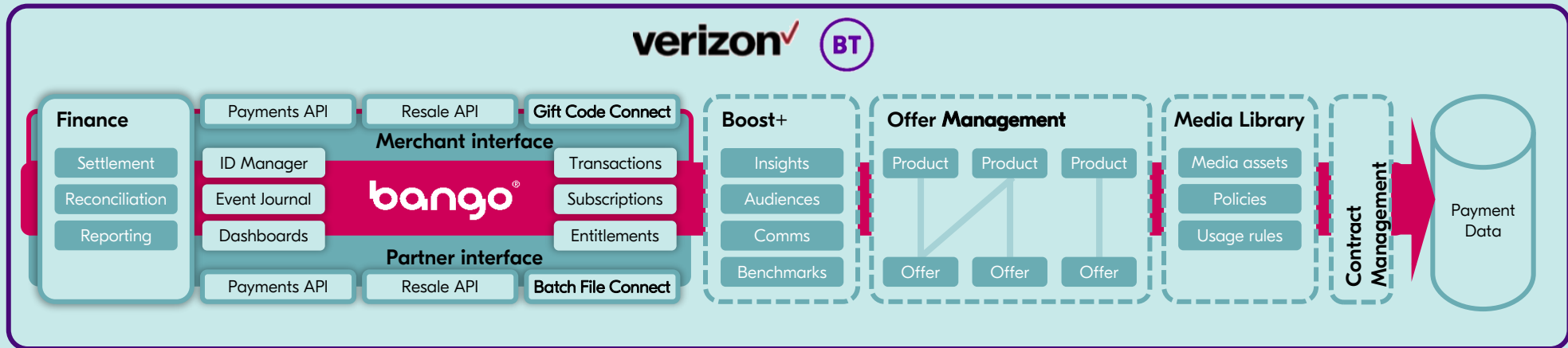
Smart rules based rewards and incentives

Enable tailored offers and bundle packs

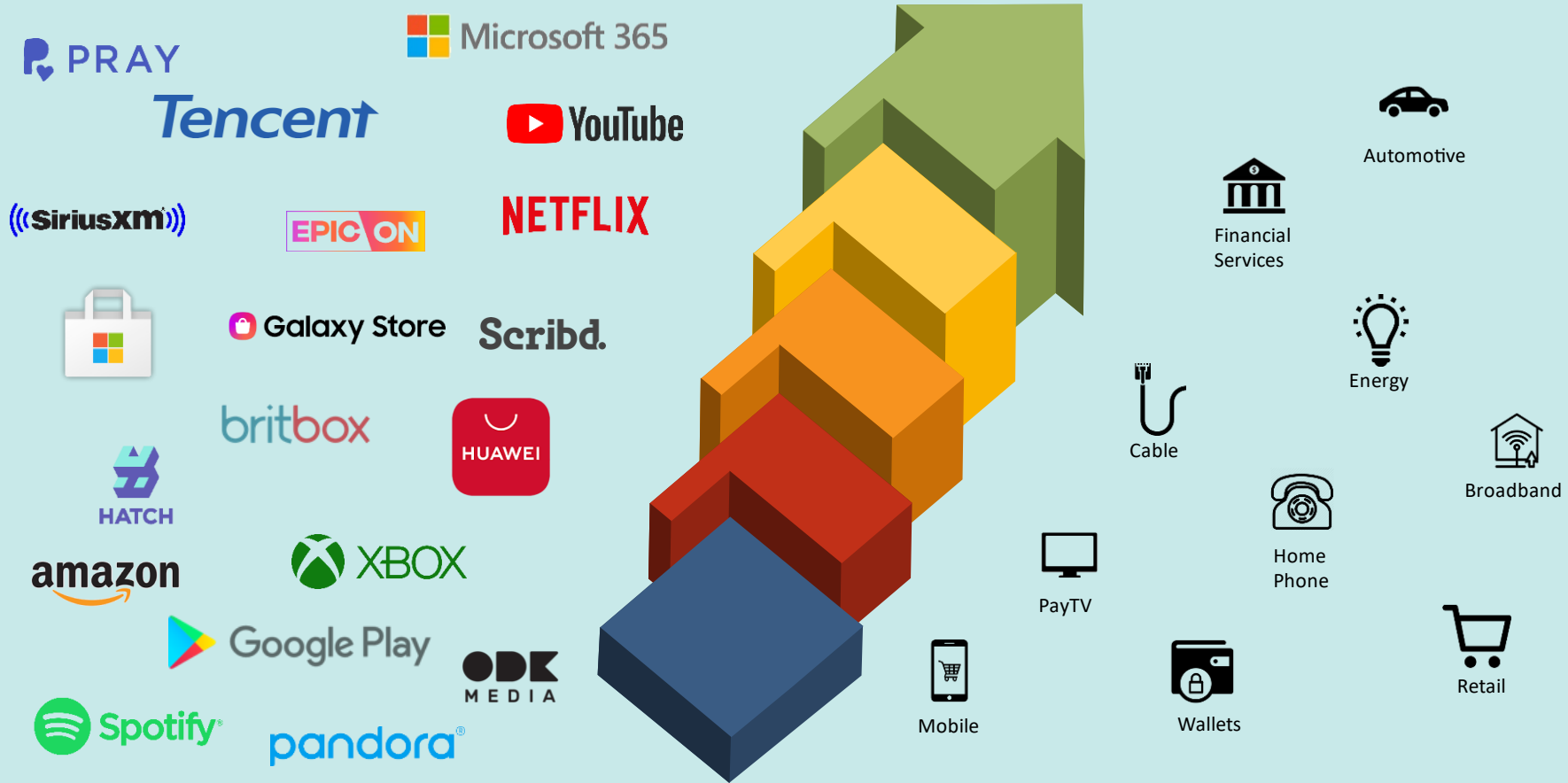
# Platform power

## Merchants

(companies with products or subscription services, e.g., movies, TV, music, gaming, sports, lifestyle, fitness, health, devices, apps and more...)



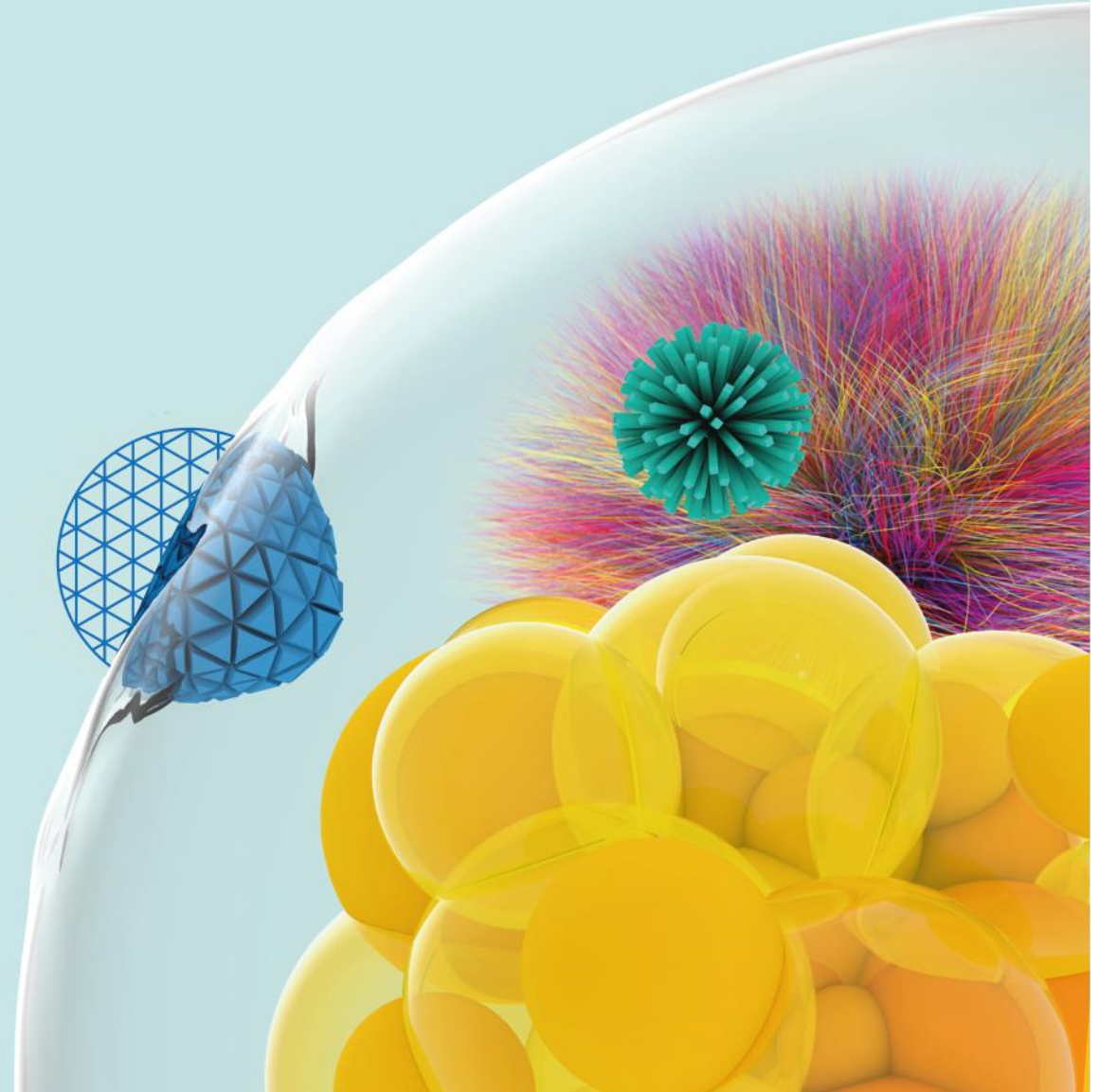
# Payments Growth



Content x Customers = Growth

# Why Telcos need the power of the Bango platform

Marcus Weldon





## A Brief History of me

- British citizen, lived/worked in the USA for 20+ years
- Broad experience across many technologies with deep understanding of fundamentals and strong vision of tech future
- Telco sector particular area of experience/speciality
- Quick rise from researcher to CTO (>€20B turnover/yr), through multiple transitions and industry transformations
- Multiple Science and Technology Award winner. Regarded as leading light in telecom industry regarding present tech innovations and future directions

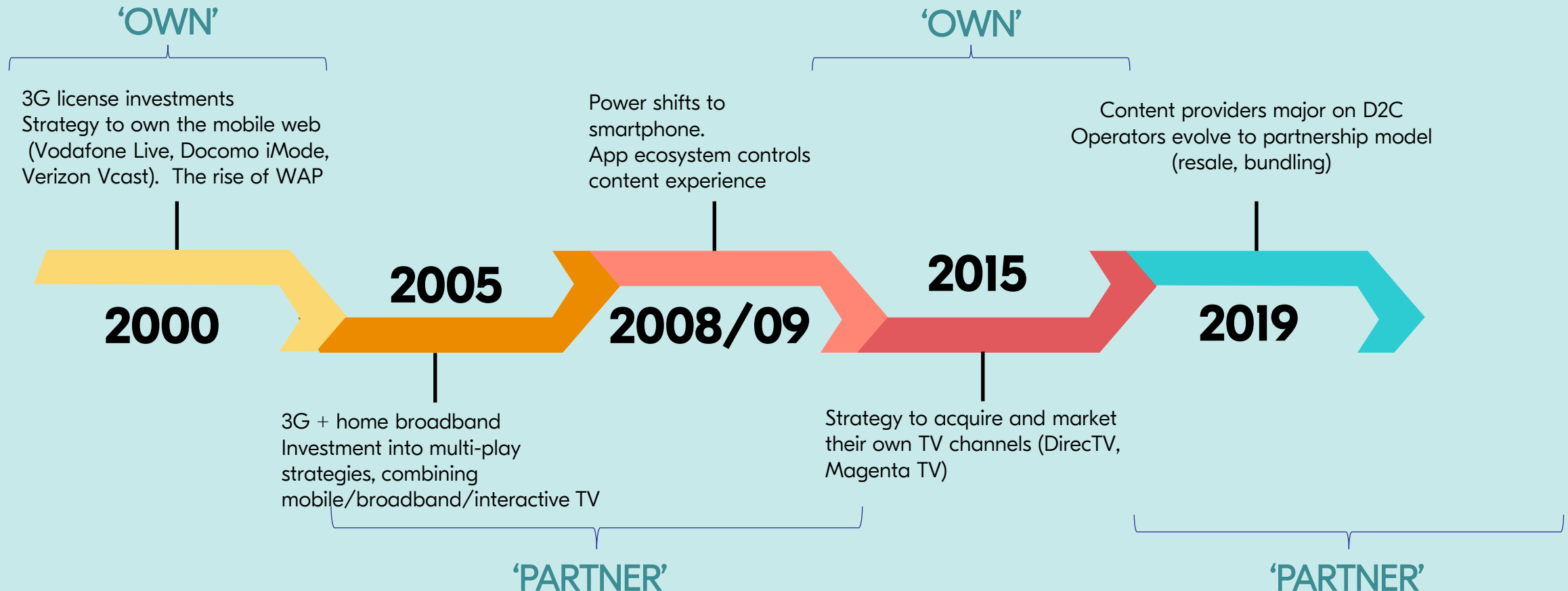


Lucent Technologies  
Bell Labs Innovations








**NOKIA**

# Telcos and Content: The model continuously evolves (and oscillates)



# The Telco Challenge & Conundrum

-  **Commodity** business: Almost impossible to differentiate
-  **Local:** Mostly national providers given geographic specificity, cannot compete effectively with 'web' scale
-  **Debt:** After an accelerated period of capital investment (4G, 5G etc) and M&A, Telcos are left heavily indebted
-  **Consolidation:** No longer a primary option to achieve scale due to regulatory & valuation challenges
-  **Perception & reality:** Innovation and demand has shifted to OTT services, driven by consumer value and convenience

**In the era of OTT dominance, how can Telcos drive growth?**

# What is the Intrinsic Telco Value?

Two powerful value propositions:

## 1. Distribution potential

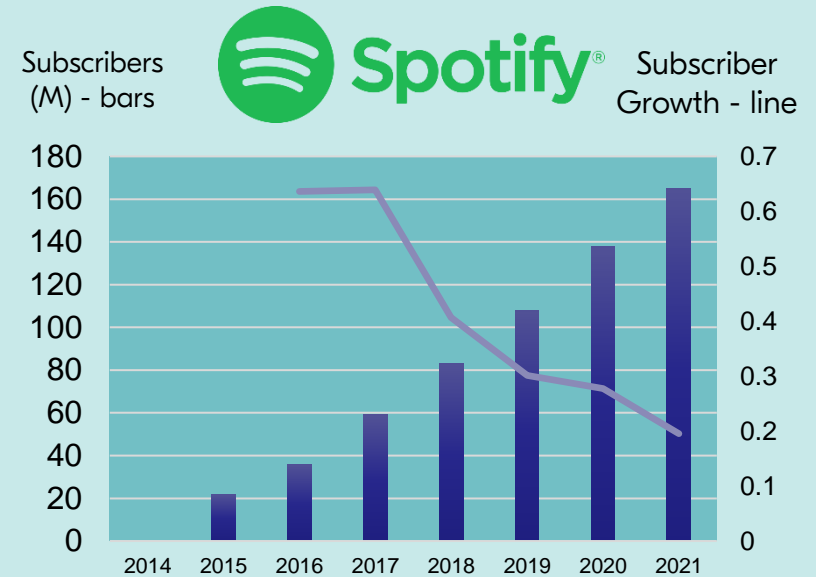
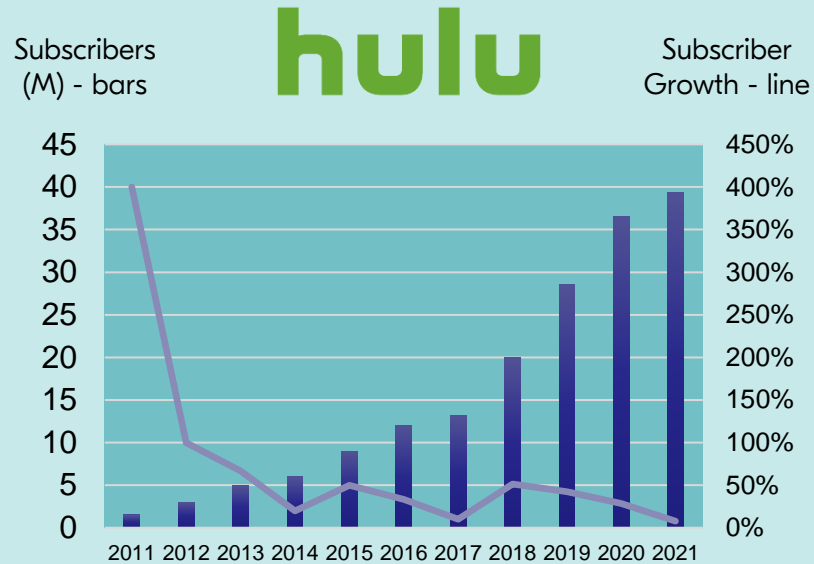
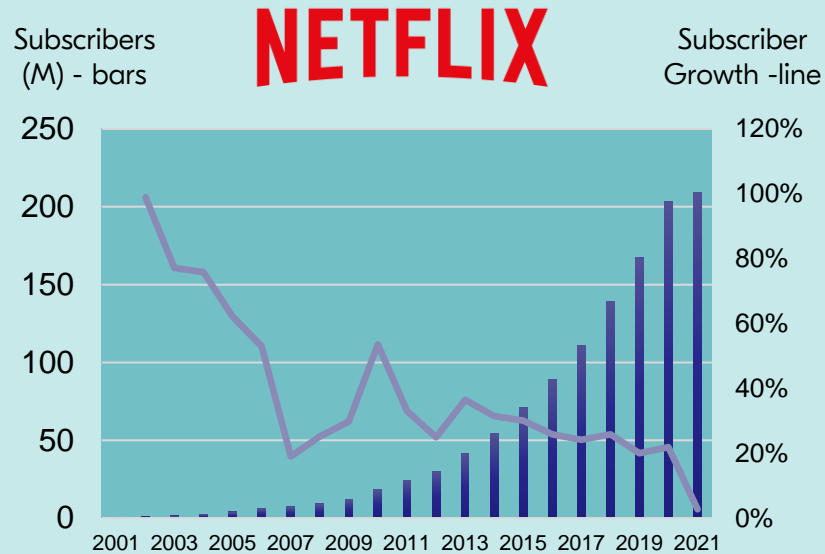
- Massive customer reach in local markets
- In combination, Telcos connect over 4 billion people worldwide
- Provide a direct and inexpensive channel to new customers

## 2. Billing relationships

- The telco bill is an established, recurring payment relationship
- About \$2T billed by telcos annually
- Increasingly extensible from first party to third party services – “Billing on behalf of”

**These combined capabilities are (now) very attractive to OTT service providers**

# What is the Intrinsic OTT Need?



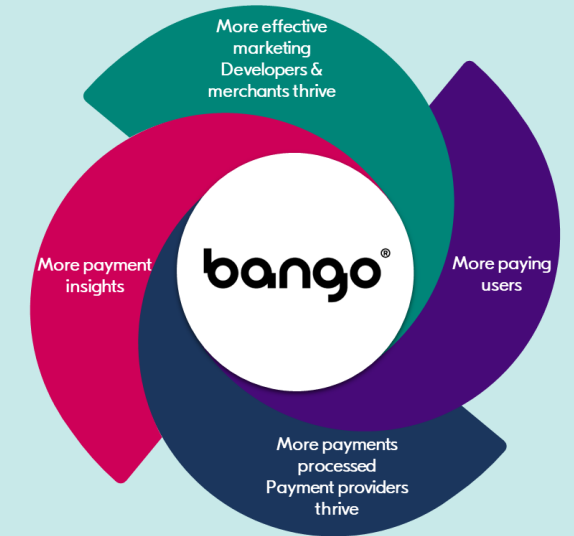
Source: Statista

**Effortless subscriber growth required to maintain momentum & market pre-eminence**

# The Perfect Symbiotic Relationship...

What does the Telco gain?

- ✓ Powerful marketing content
- ✓ Stickier customer relationships
- ✓ Customers can be persuaded to upgrade connectivity service levels = higher ARPU
- ✓ Differentiator to attract new customers



**A Win-Win relationship for Telcos and OTTs**



# Conclusions

1. We are at an industry inflection point. A new status quo is being established between OTTs and Telcos
2. The new shared value perimeter is being defined with a new mediation platform being a key enabler

## **The Bango Platform is key for Telcos to become leading partners in this new regime**

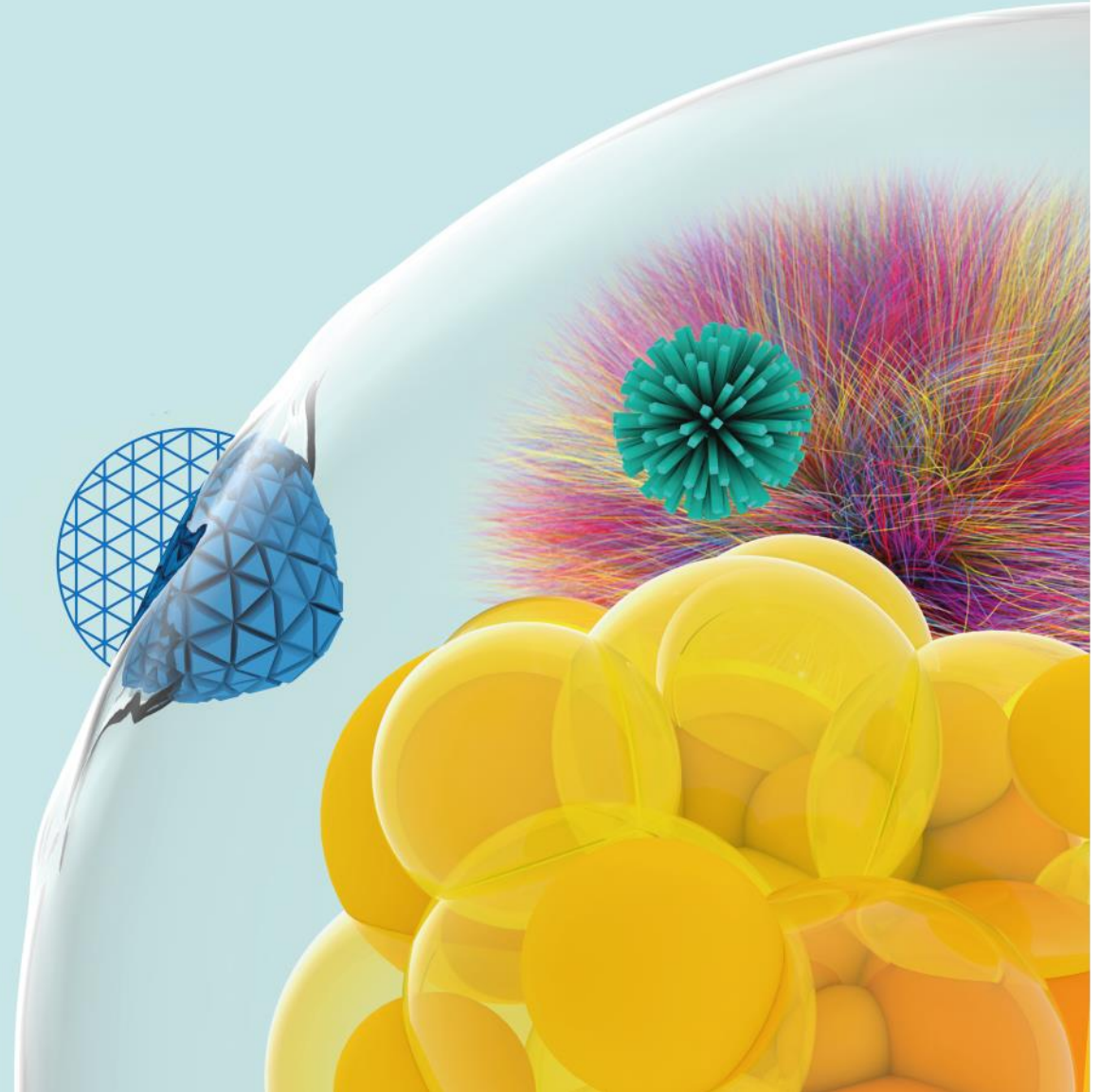
- An industry-wide platform that delivers insights individual telcos cannot get
- Comparatively low cost of ownership
- Fast, agile solution that meets the needs of the leading OTT service providers

# Marketplace



**bango**<sup>®</sup>  
audiences

Brett Orlanski



# Purchase Behavior Targeting

20 years ago

Google Search

A screenshot of a Google search for 'pokemon' from 20 years ago. The search results show various Pokémon products like 'Pokémon Pokéball', 'Pokémon Sound & Story CD', and 'Pokémon Trading Card Game'. The interface is a classic desktop search page with a search bar and a list of results.

Target based on what people look for

10 years ago

facebook Like

A screenshot of a Facebook post for 'Pokémon GO' from 10 years ago. The post features a scenic landscape image and the text 'Pokémon GO'. Below the image, there are 'Like' and 'Play Game' buttons. The interface shows a typical social media post layout.

Target based on what people say they like

Today

bango<sup>®</sup> Buy

100 PokéCoins (Pokémon GO) \$0.99 plus tax ⓘ

Verizon Wireless 6692921275

By tapping "Buy", you agree to the [Terms of Service - Android \(US\)](#).

Google Play BUY

A screenshot of a Bango purchase interface for '100 PokéCoins (Pokémon GO)'. The interface shows the product name, price (\$0.99 plus tax), and a 'BUY' button. It also includes the Google Play logo and a link to the Terms of Service.

Target based on what people pay for

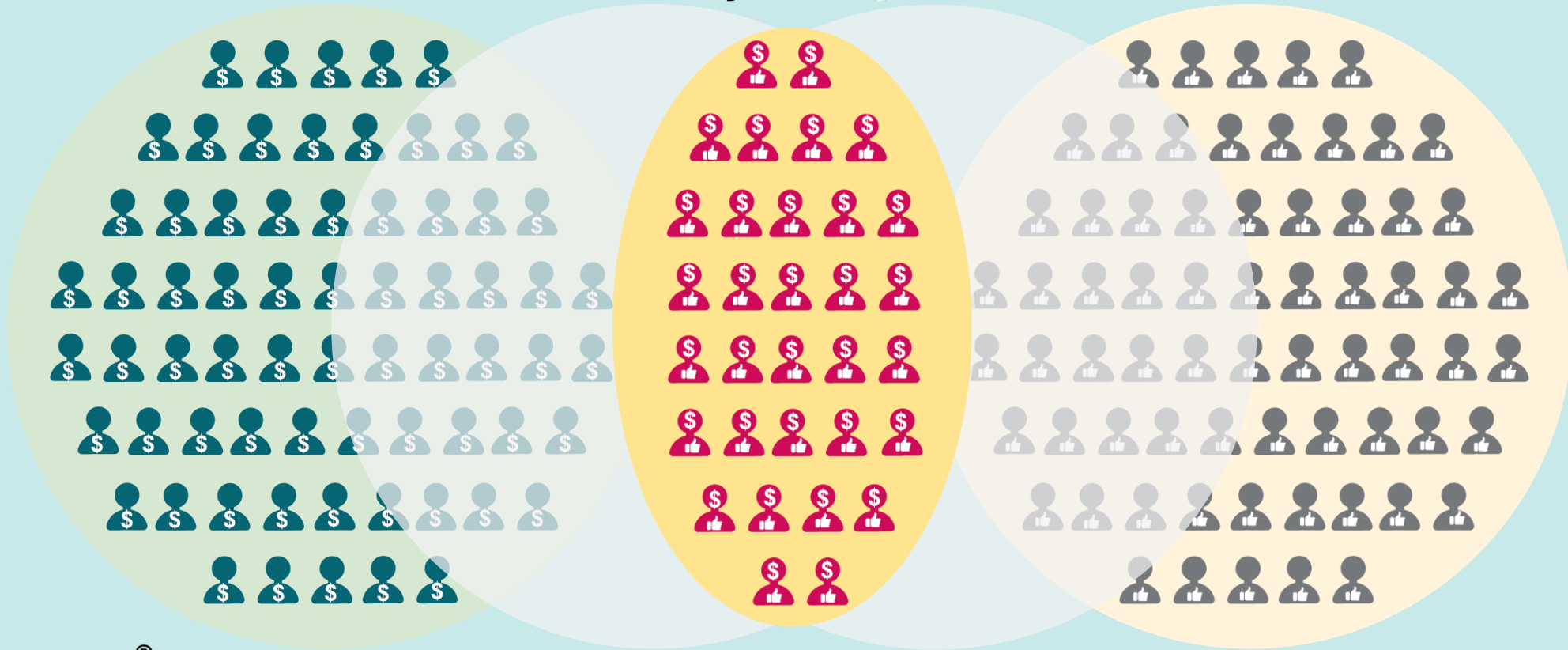
# Focus Facebook demographic ads using Bango Audiences

Bango Audience  
Paying users

Paying users within  
a specific demographic

Facebook Audience  
Demographics and interests

bango® + 



bango®  
audiences

**bango**®

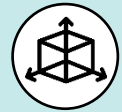
## Why customers choose Bango Audiences



Bango Audiences are unlike any other ad product available.



Purchase Behavior Targeting (PBT) is more effective than targeting by search or 'like' data



Vast data sets, refreshed and growing daily.



Data is secure and compliant. It is never sold or transferred.



Use big data analysis to create audiences from millions of transactions



Can quickly create tailored audiences, specific to client's app category or KPI

## Facebook - case studies

# Triwin

**About:** Triwin Games is a fast-growing game publisher, dedicated to online casino games.

**Goal:** Increase the number of high value paying users acquired

**Solution:** Compared to the campaigns using Triwin's own audiences, the campaign targeted with Bango Audiences achieved:



- **50% higher return on advertising spend**
- **2X higher average revenue per user**
- **5X higher conversion rate**

**bango**<sup>®</sup>



**About:** Nexon has 50+ live games on multiple platforms, available in 190+ countries.

**Goal:** Quickly acquire paying users for a new RPG game

**Solution:** Compared to targeting with Facebook's 'Interest Audience' for the RPG genre, the Bango Audience campaign targeting payers in the RPG genre achieved:

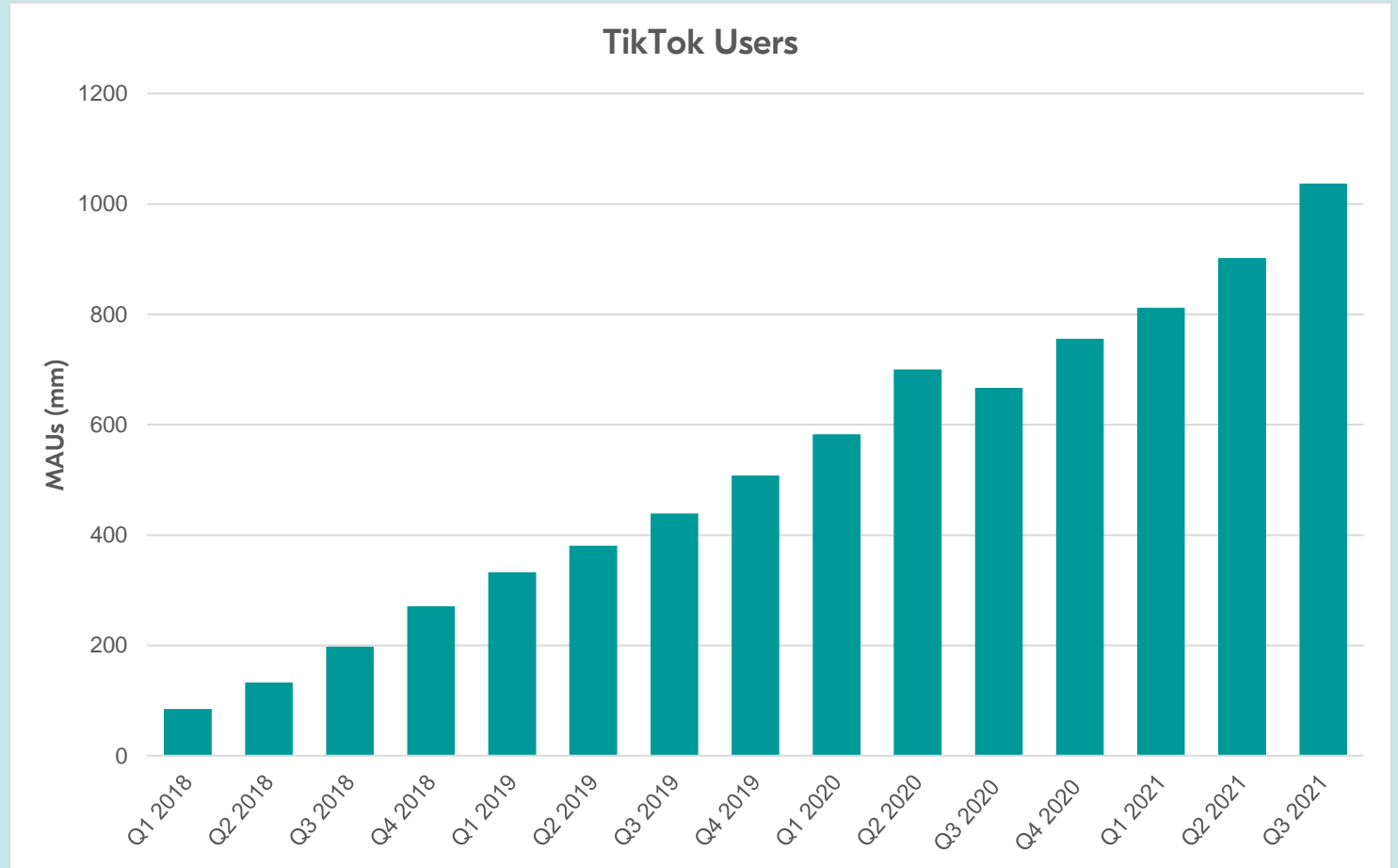


- **3.9X higher return on advertising spend**
- **3.6X higher average revenue per user**
- **2.8X higher conversion rate**





- Launched internationally in Sept 2017
- Over 1 billion monthly active users worldwide in Q321
- Available in 155 countries
- The most downloaded app in 2020
- 4<sup>th</sup> most used social platform (behind Facebook, Instagram & YouTube)
- ByteDance made ~\$30B in ad revenue in 2020. 60% from Douyin (Chinese version of TikTok) and <17% from TikTok.



## TikTok – case study



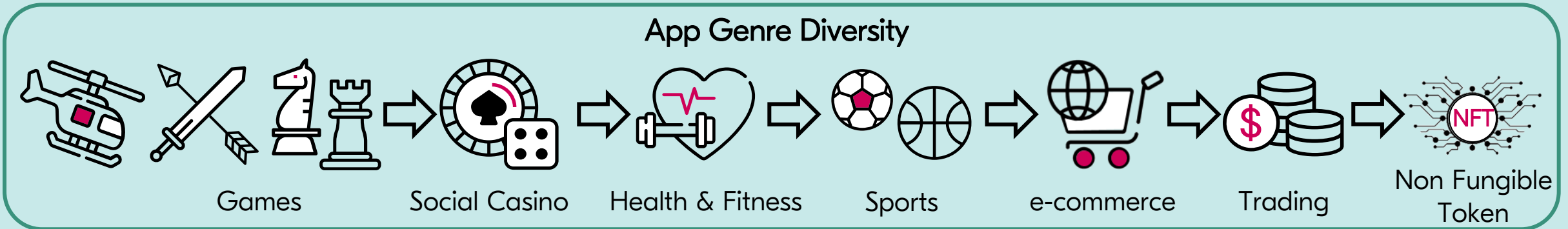
**About:** UBIS is a Korean app publisher. Their app 'Genesis' is a strategic role playing game.

**Goal:** Expand Genesis into Indonesia using a TikTok advertising campaign that delivered a low cost per install and high install conversion.



**Success:** Within a month of launching the TikTok campaign, using a Bango Audience, in Indonesia, UBIS acquired over **30K high value users** for their app, Genesis.

# Data Monetization Growth



**Data Diversity**

Bango Marketplace is the choice for companies looking to monetize data

**Platform Diversity**

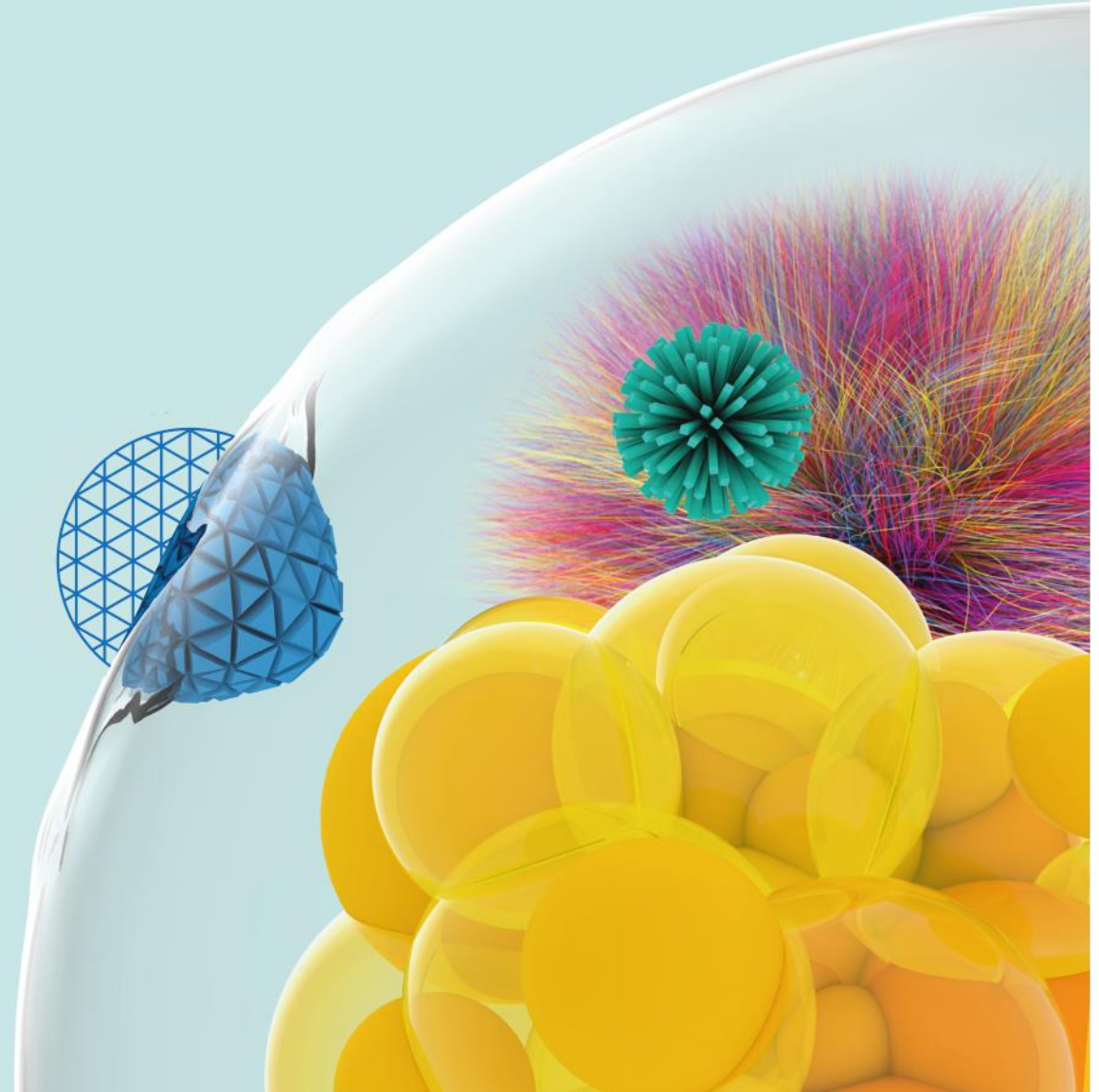
Works on any platform that can accept custom audiences

**Data Accuracy**

Tailored Audiences per developer.  
Data science to extend Audiences

# Awareness for Bango MarTech

Anil Malhotra



## Bango is raising its MarTech awareness

1. Introducing Bango to ad tech media and analysts
2. The concept of “Purchase Behavior Targeting”
3. Generating highly referenceable data points to stir debate
4. Capturing headlines, generate commentary, and challenging norms
5. Creating a market position for Bango:
  - the unique ability to apply payment insights to boost marketing outcomes

## Key themes



### The problem:

Social/search/demographic targeting yields low return on advertising spend



### The idea:

Purchase Behavior Targeting is hard proof of engagement - the customers willingness to buy



### The solution:

Bango Audiences focus your marketing on users that will pay



# 1H 2021 – Board to Death

1. Low relevance of social media advertising metrics to business KPIs
2. Surveyed 200 CEOs across different business verticals in the US and UK
3. Published results to marketing media
4. Introduce Purchase Behavior Targeting
5. Bango data and analysis replayed across 40+ articles, interviews, podcasts

## Board to Death.

Why digital marketing is failing to impress in the board room.

Bango research with 200 US and UK CEOs



**55%**

of CEOs consider digital marketing metrics that aren't associated with sales to be meaningless

**62%**

of CEOs think too much digital marketing budget is wasted on activities that don't deliver meaningful results

**77%**

of CEOs would increase marketing budgets if their activities could be more directly targeted towards those who buy

**77%**

of CEOs don't see digital ads as a key source of new customers or sales

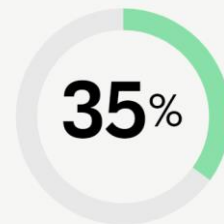
If digital marketers are to justify their ad spends (in terms that matter to management), they need to find a better way to target their activities. They need to focus them less on what people like, search for, or follow and start to look at what they buy.

## 2H 2021 – The Worst Ad Campaign

1. Failure of targeting in paid search advertising
2. Bought the UK's worst billboard location
3. Ran a paid Google ad campaign
4. Analysis of ad impressions showed 35% of paid ads did not reach target prospects
5. Published results through press release, media outreach
6. Emphasize strengths of PBT for reliable, valuable targeting

**\$60.2bn**

of search ad spend was immediately wasted in 2020



of search ads never reach their target audience

Having run experiments with over 65,000 search ad impressions, our data shows that more than a third of search ads never reach the audience. For those that did, more than a quarter still failed to reach anyone in the market to buy.

**bango**<sup>®</sup>

# Breakthrough coverage

**Forbes**

Why Social Media Is Boring Your Board (And What To Do About It)

**PMW**  
Performance Marketing World

The performance marketing world this week: Tik Tok, Clubhouse and 'the worst campaign in the world'

the **Marketingblog**

59% of CEOs do not believe social media can generate sales

**VentureBeat**

Bango: Digital advertising is not a reliable source of new customers

**The Drum**

Bango buys worst-viewed billboard in UK to protest 'broken' search advertising

**CREATIVE MOMENT**

Bango launches 'The Worst Ad Campaign' by buying up space on Britain's least viewed billboard

**netimperative**  
Digital intelligence for business

Most CEOs 'would increase digital marketing budgets if they could deliver direct sales'

**MediaPost**

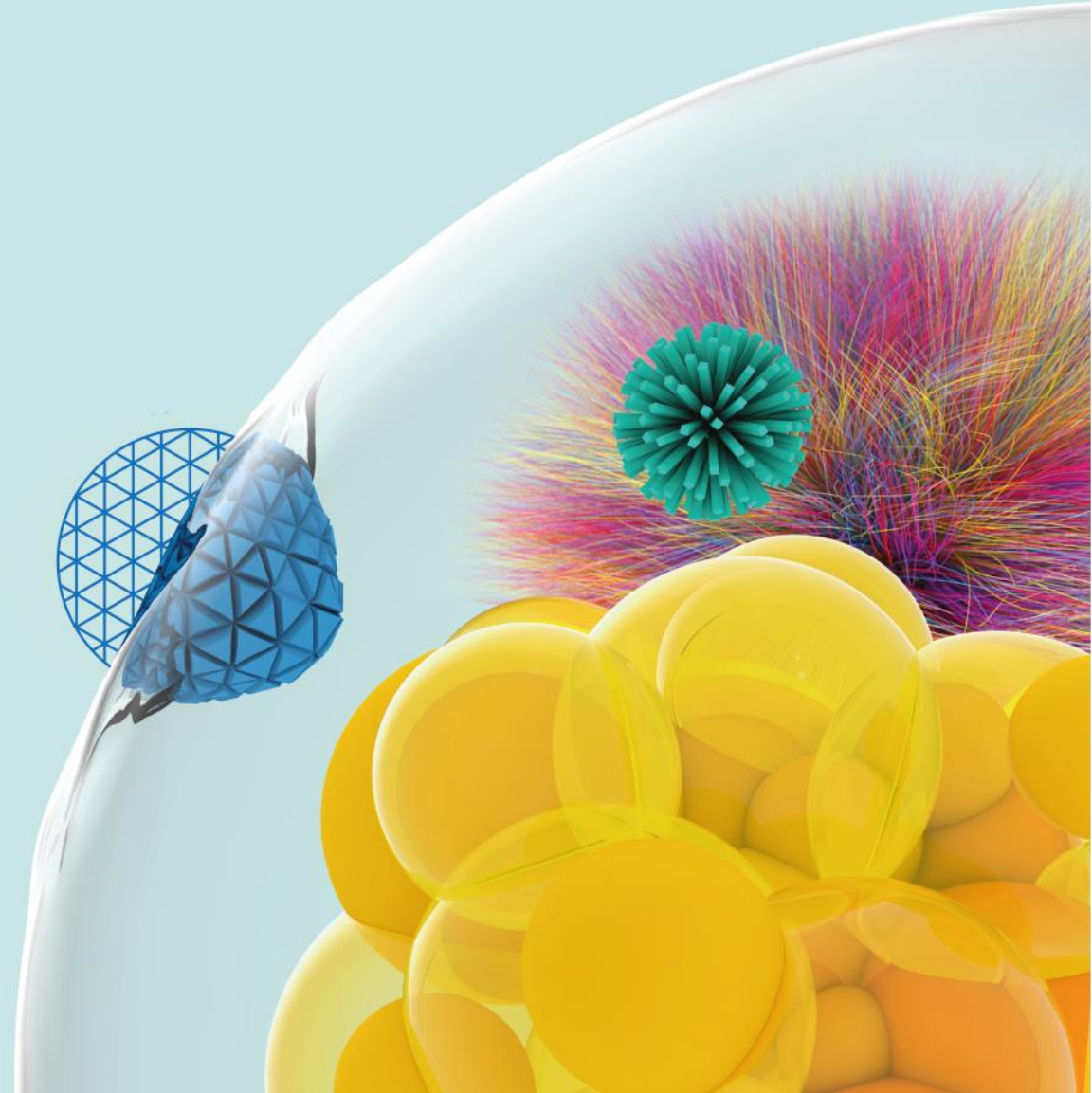
Bango Blasts Search Advertising In Billboard PR Stunt

**bango**<sup>®</sup>



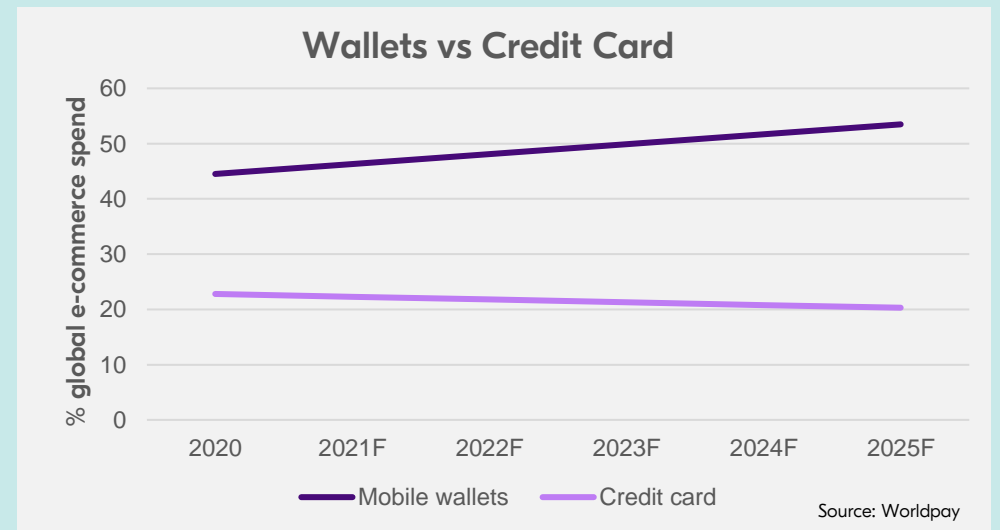
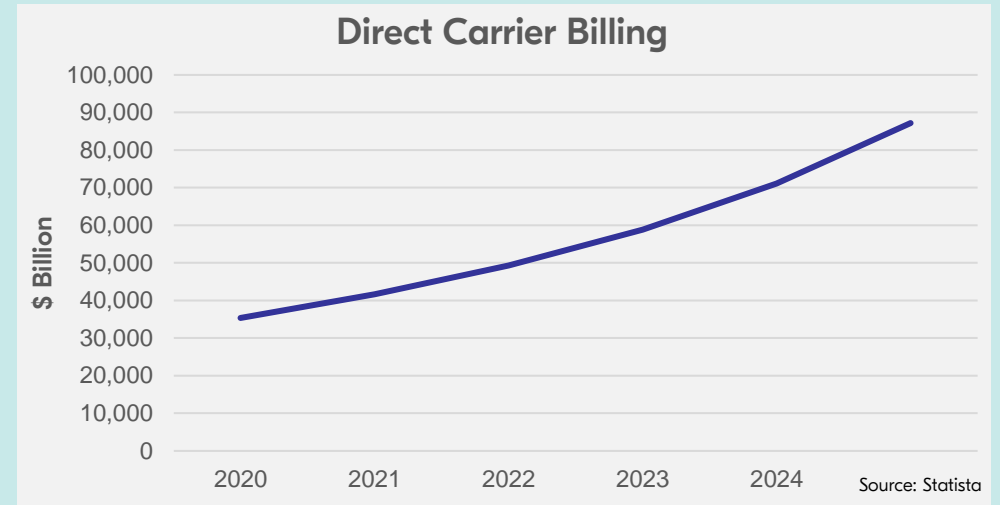
# Markets

Anil Malhotra

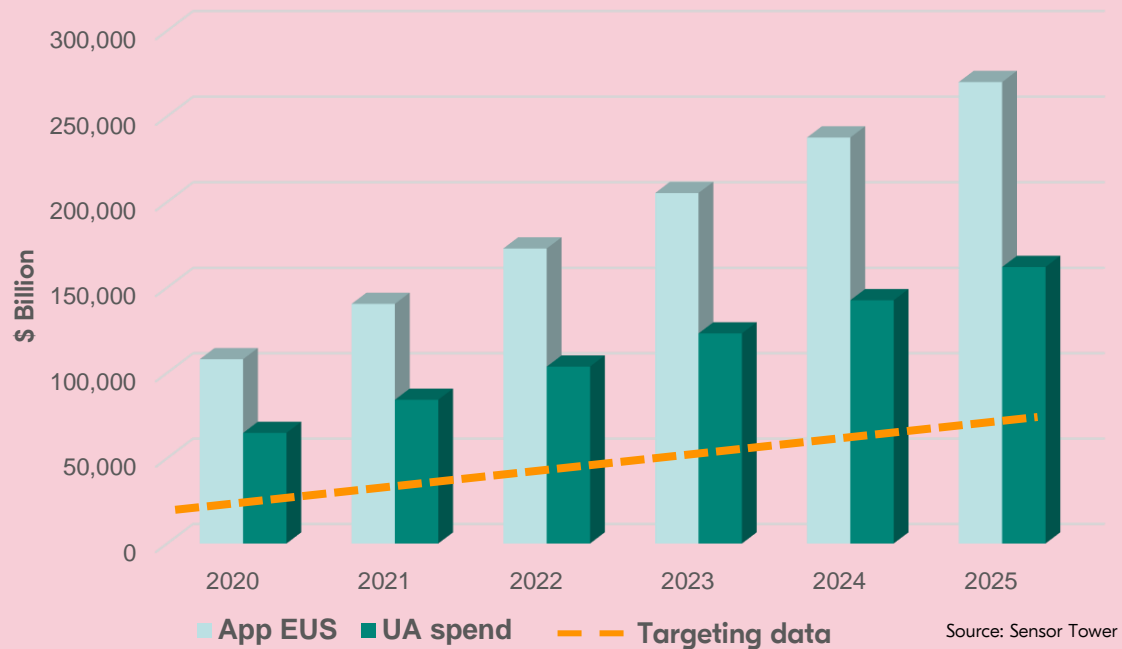


# Growth in alternative payments market

1. Rise in alternate payment adoption (telco billing, digital wallets)
2. Value of telco EUS >100% growth in 4 years
3. Credit card payments losing share to new methods / among younger users
4. Real-time bank payments replaces debit cards in developed economies
5. Innovative application of bundles and discounts in highly competitive digital payments world



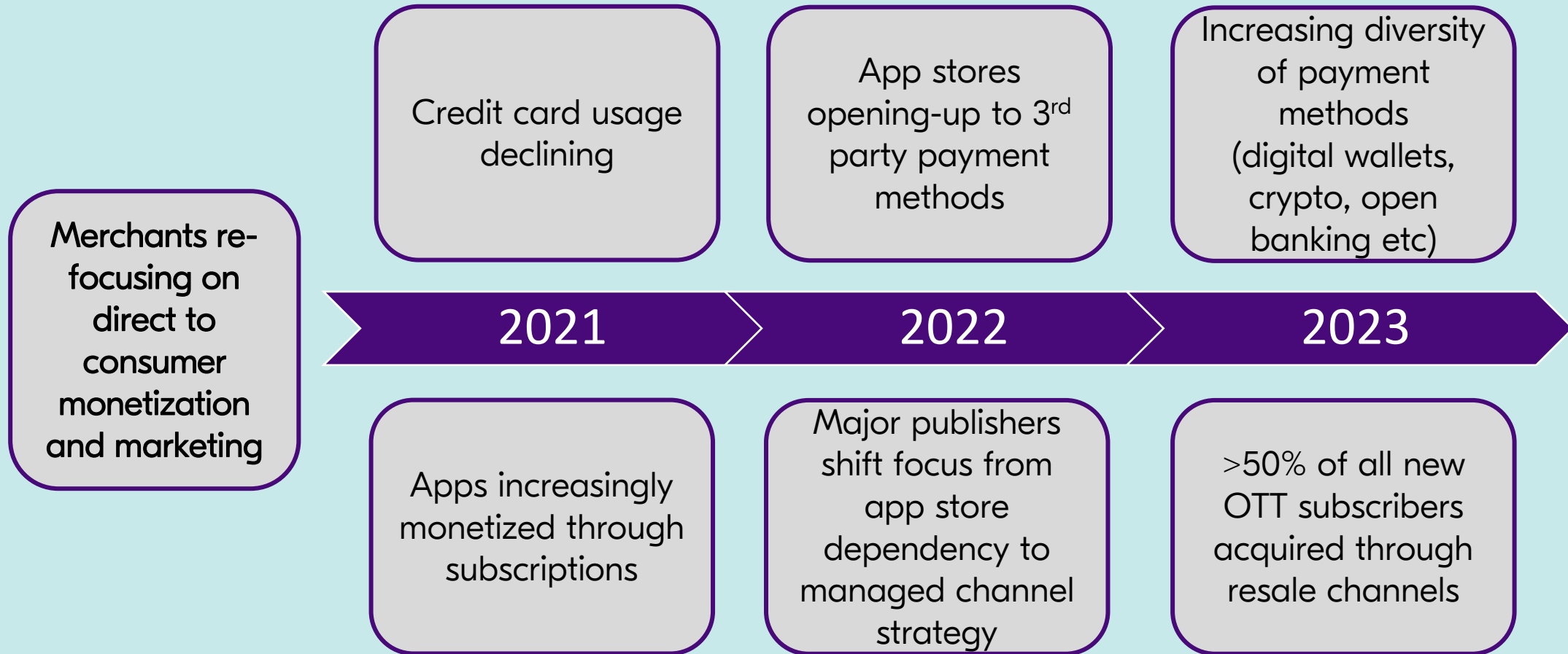
# The market opportunity – App marketing



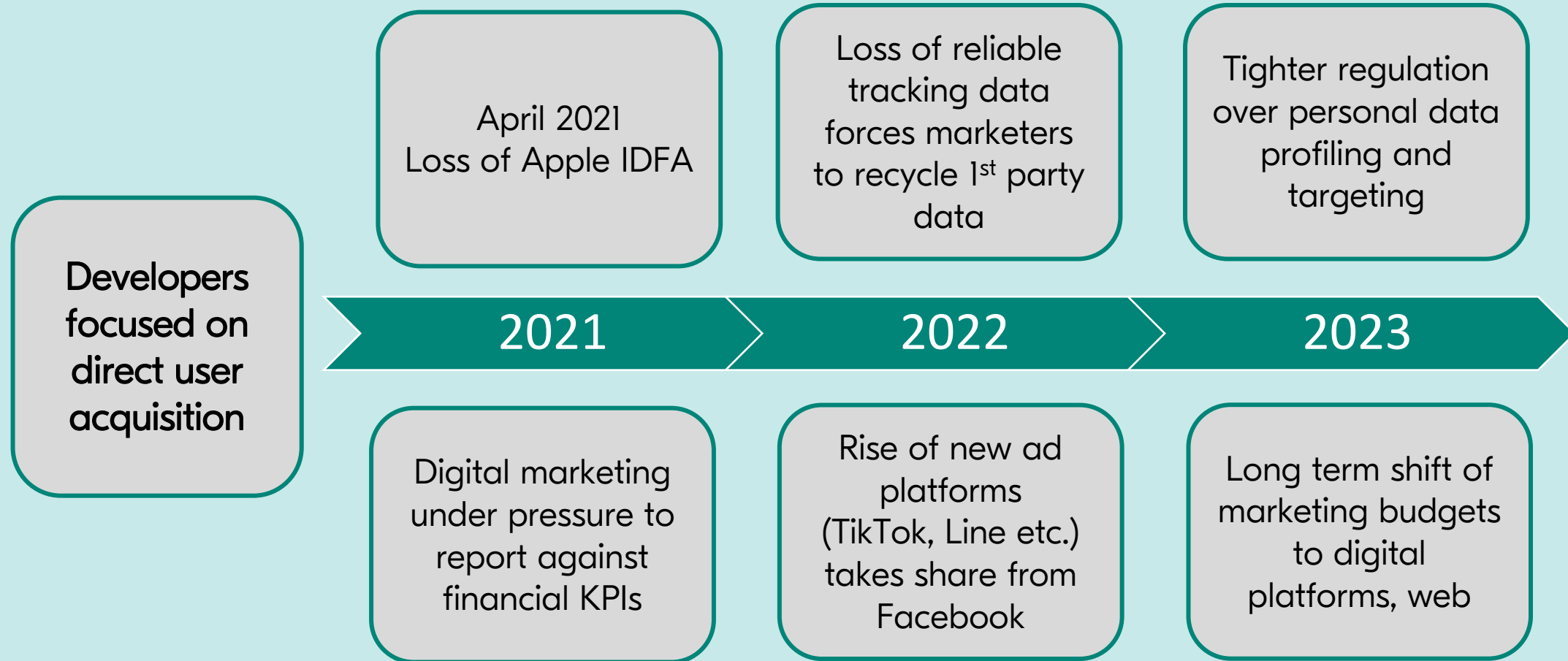
1. EUS on apps grows to >\$250Bn in 4 years
2. Drives increase in UA budgets to >\$150Bn
3. Battle to capture/monetize paying customers
4. Boosts value of targeting data
5. Strong growth characteristics of app market attracts new entrants and competition for consumer \$\$\$



# Market Tailwinds – Resale and Payments

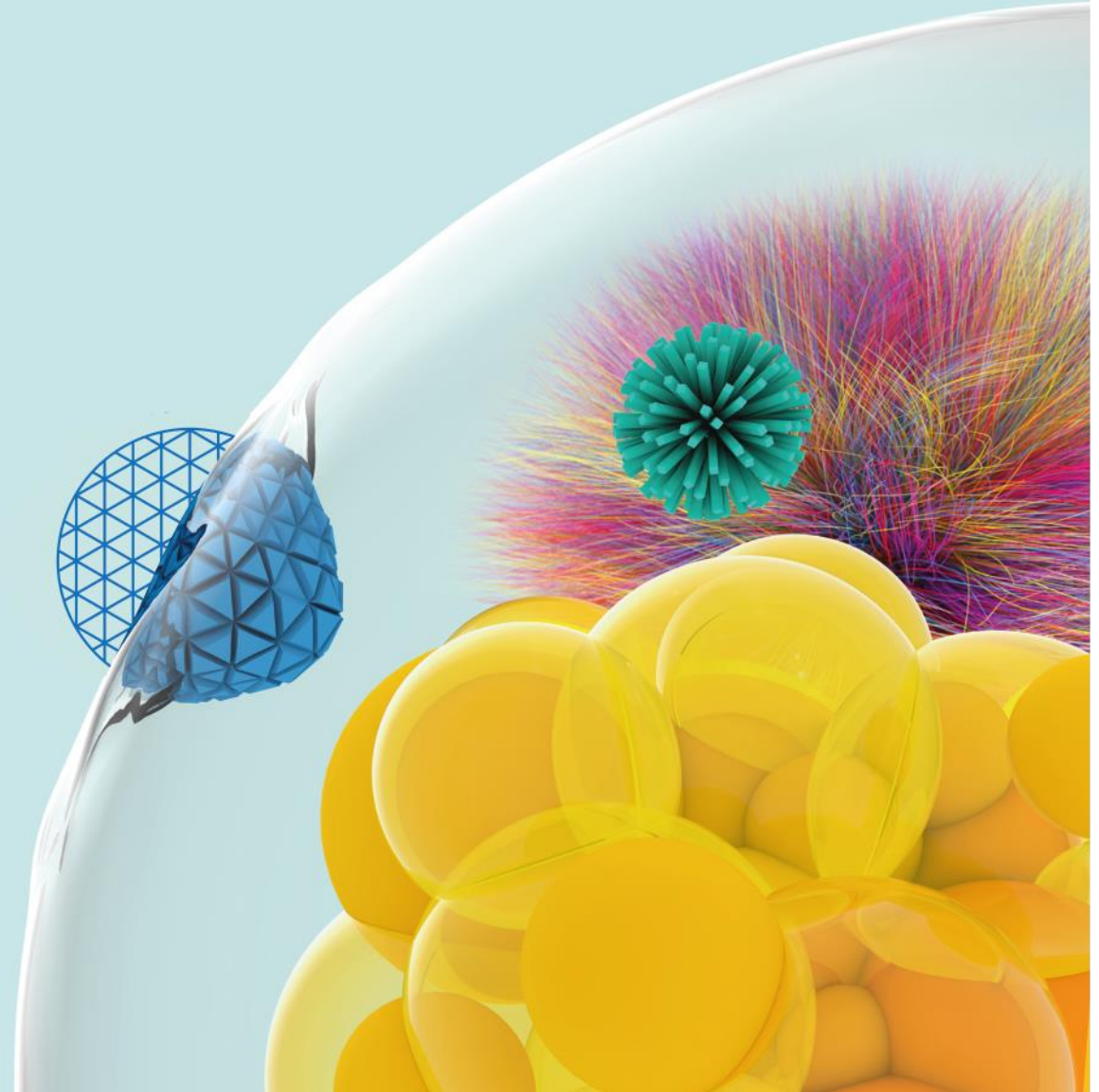


# Market Tailwinds – Bango Audiences



# Outlook

Paul Larbey

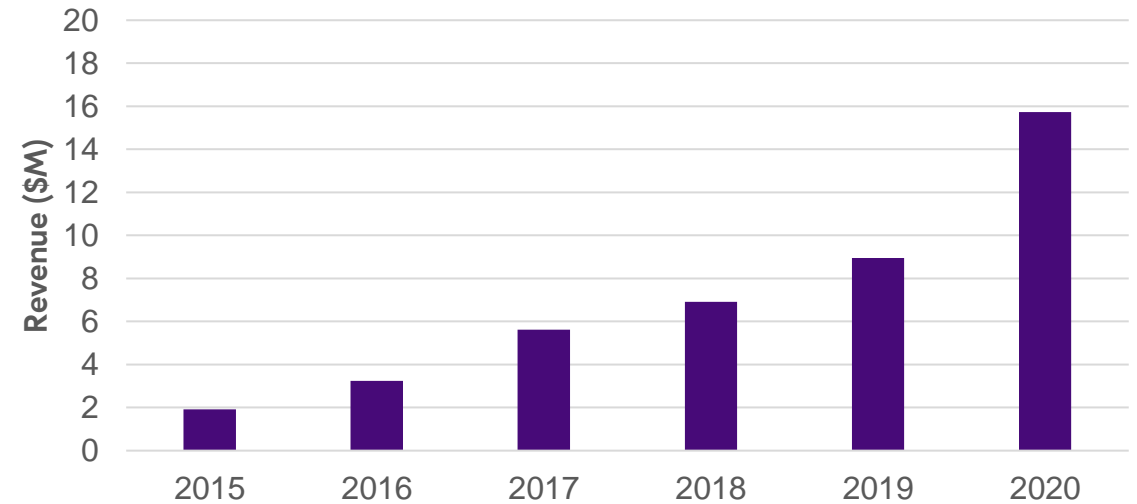


# Track record of growing market share

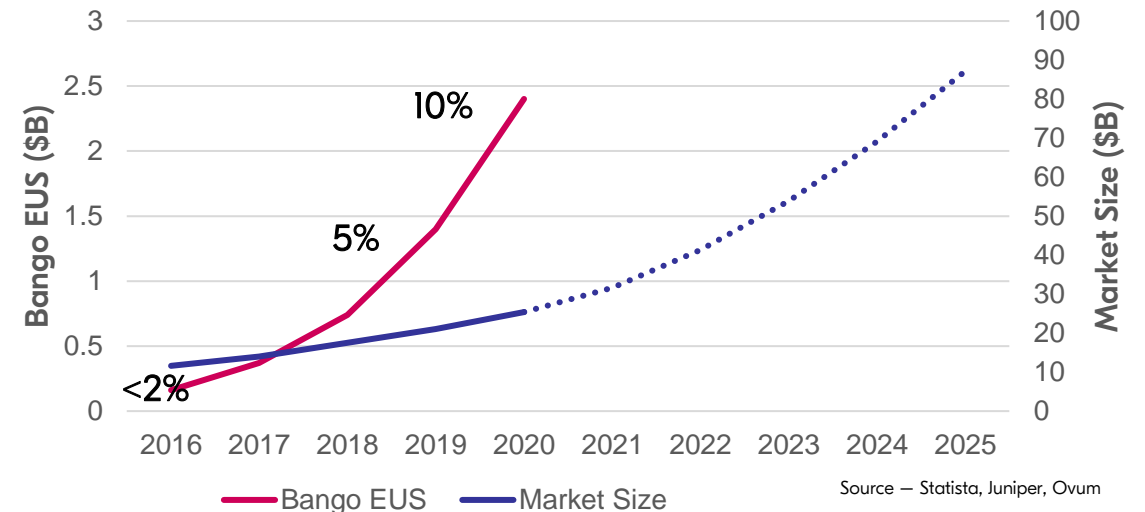
- 52% Revenue CAGR over past 5 years
- Platform has enabled us to grow market share
- Market predicted to grow at >25% per year
- This transactional business will continue to grow at >95% gross margin
- Transactional is now just one of our revenue streams
  - Transactional – business as usual
  - Platform License – SaaS
  - Marketplace - % ad spend



### Revenue Growth



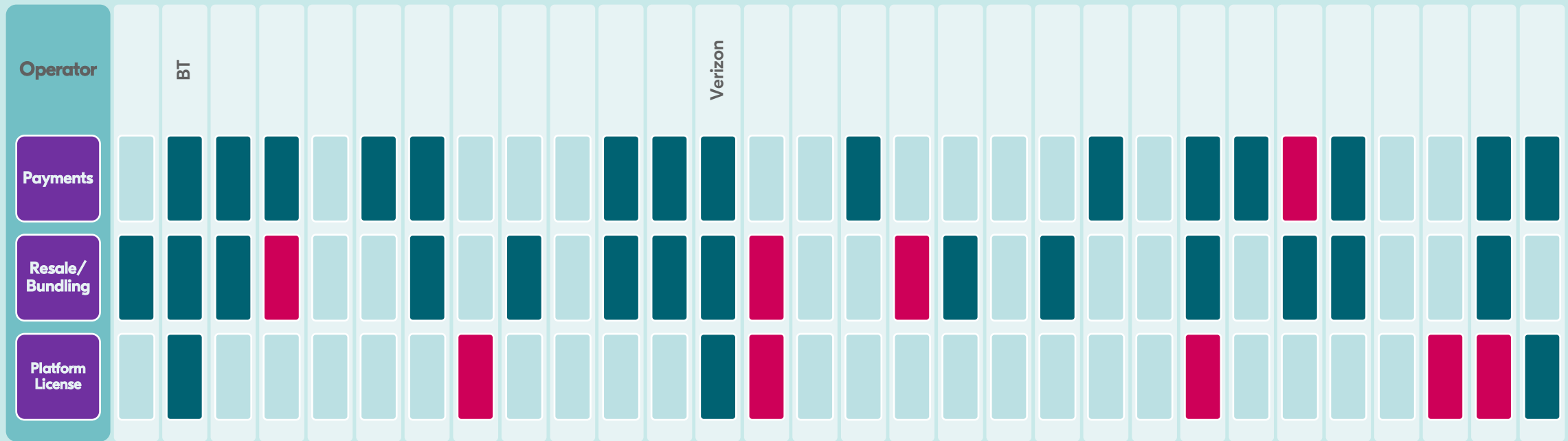
### Growing Market Share



Source – Statista, Juniper, Ovum

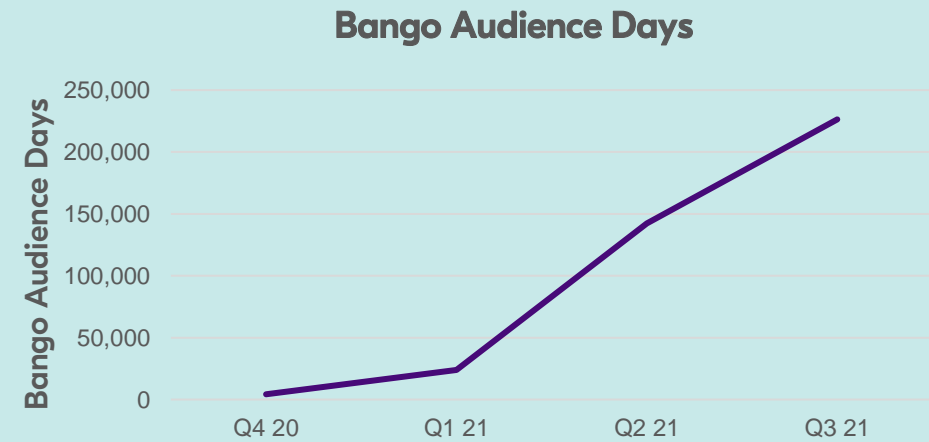
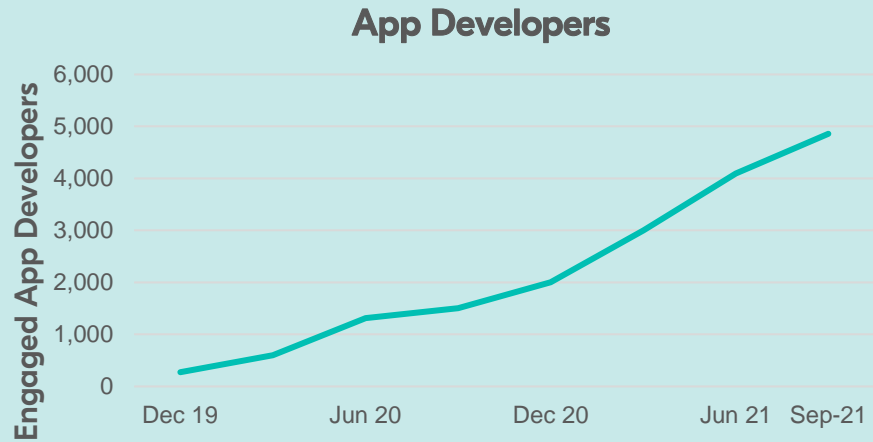
# Platform Landscape Today

Top 30 Telcos by revenue (excl. China)



- Early reference wins - BT, Verizon and 3 others
- Estimated to grow to \$7M+ Annual Recurring Revenue from first 5 early wins by 2023
- Platform means gross margin is >95%

# Marketplace



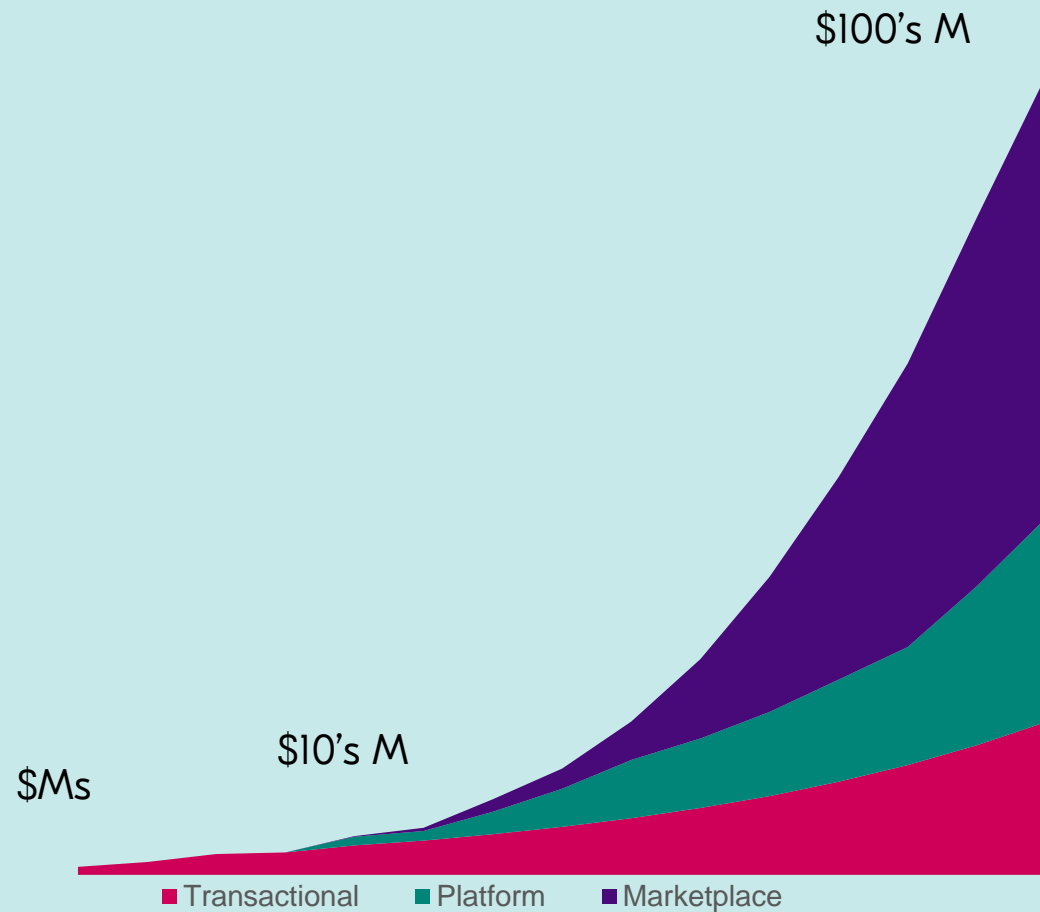
**Number App Developers**  
4,000 in June 2021  
20x growth over 18 months  
Easily scalable to 50,000 developers (>10x)

**Audience Usage**  
10x growth in audience usage 1H 2021  
Priced as % ad spend  
187% growth in ad spend from June to Sept

Good initial growth with huge headroom for expansion  
500 large developers are targeted as key accounts  
6 of these are already spending over \$100k/year on Bango Audiences  
Gross Margin expectations >70%



# Future potential



## Additional Opportunities

- Transactional
  - Out of App Store Billing
- Platform Licenses
  - Beyond Telco – Energy etc
- Marketplace
  - Beyond App Developers



# Summary

- Journey to hundreds of millions revenue is underway
- Growth funded by cash generation from established business
- Core platform technology driving multiple fast growing revenue streams
  - Transactional business strong with opportunity to grow
  - Platform licenses will generate significant recurring revenue even without new wins
  - Marketplace adoption is growing
- Further growth opportunities beyond core markets
- This is a multi-year year journey for Bango to become the technology behind every payment choice

**Thank you**

