

### Renewed focus on clinical care support

Total Brain Ltd (ASX:TTB) is the developer of a neuroscience-based mental health and fitness platform powered by the largest standardised neuroscientific database in the world formed over almost two decades and with >\$50m of R&D funding. In a recent operational update TTB noted it would invoice affinity partner IBM \$0.15m in revenue before the end of the calendar year for work in relation to preparation for the official launch of the GRIT (Get Results In Transition) digital mobile support platform for US veterans in transition on December 2. GRIT is the first product generated by Total Brain's collaboration with IBM on its Health & Wellness 360 platform. Total Brain powers the Mind Gym module of the GRIT app. TTB's update also noted that the previously announced deal with Hamptons Life for a direct-to-consumer version of the Total Brain platform is unlikely to proceed on the terms entered into in the non-binding Heads of Agreement due to a deteriorating operating environment from COVID-19. Discussions are ongoing for a smaller, non-exclusive partnership. At the company's annual general meeting yesterday, new Interim CEO Matt Mund highlighted a renewed focus on clinical care support both from a branded Total Brain app and white-labelled Total Brain services. Mr Mund also noted that Total Brain remained focused on developing its population health vertical, well represented by the IBM GRIT programme for US veterans. He noted that TTB expects to end CY2021 with a 39% increase in annual recurring revenues of \$4.8m and that based on current cash balances of \$2.6m and near-term inflows, the expected cash runway was until the end of June 2022.

### Business model

Total Brain operates a subscription-as-a-service (SaaS) model for its mental health and fitness platform. The science behind the platform has been developed over almost two decades with input from the leading academic institutions in the field. This has generated a proprietary neuroscientific database of scale which underpins the scientific validation that differentiates Total Brain from other brain training and wellness applications. The app, promoted by affinity partners, assesses the four core brain capacities (emotion, feeling, cognition, self-control), pre-screens seven common mental health conditions, and delivers personalised brain and mind/body training.

### Refocused priorities in go-to-market plans

Total Brain's new Interim CEO has announced that TTB will refocus on expanding its presence in the clinical market, going direct to addiction and behavioural health clinics, licensing data to pharma companies and seeking out opportunities with large clinical platform providers. TTB also plans to pursue existing and additional population health opportunities, including those within the IBM pipeline, and will focus on maintaining its existing 35 corporate clients while pursuing new channel and platform partnership deals. As we have previously outlined in our research ([Total Brain RaaS Update 3 February 2020](#) and [Total Brain RaaS Update 2 November 2020](#)), we anticipate that the IBM affinity partnership will be rolled out to large populations (federal agencies, civil agencies, employer groups and consumer groups), with this addressable market conservatively estimated at 29m in the US and Total Brain securing 4.1% market share by 2030. This underpins \$0.23/share in our \$0.77/share valuation. TTB also noted it had a cash runway until 30 June 2022 with \$2.6m cash at 30 September, \$2.3m from an R&D receivable, anticipated data licensing deals, and the proceeds from existing and new client contracts.

### Base-case valuation is \$0.77/share (previously \$0.80/share)

Our base-case DCF valuation is \$0.77/share after our earnings adjustments to remove forecasts for the Hamptons Life deal. Near-term share price catalysts include the IBM Health & Wellness 360 rollout and additional contracts in the affinity and clinical segments.

### Historical earnings and RaaS estimates (In \$A unless otherwise stated)

Year end	Revenue	Gross profit	EBITDA reported	NPAT reported	EPS* (c)	EV/Sales (x)
06/21a	3.7	3.4	(7.2)	(8.3)	(7.7)	4.0
06/22e	7.0	5.9	(5.4)	(6.2)	(4.8)	2.2
06/23e	11.4	9.6	(1.5)	(1.6)	(1.1)	1.4
06/24e	19.4	16.3	1.2	0.3	0.2	0.9

Source: Company data, RaaS estimates for FY22e, FY23e and FY24e \*Adj. for one-off items

### Healthcare Services

1st December 2021

#### Share Details

ASX code	TTB
Share price (30-Nov)	\$0.11
Market capitalisation	\$14.7M
Shares on issue	133.39M
Net debt (30-Sept)	\$1.0m
Free float	~57%

#### Share Performance (12 months)



#### Upside Case

- Opportunity to leverage technology both through direct and white-label deals in clinical care and in partnership
- Significant validation achieved with IBM choosing the platform as the engine for Health and Wellness 360
- Targeting predominantly US clinical care support organisations and large populations

#### Downside Case

- Enterprise and government sales cycles can take several months
- Competitive marketplace for health apps
- Large scale take up to date has been elusive

#### Board of Directors

Dr Evian Gordon	Executive Chairman/ Founder
Matt Mund	Interim CEO
Matthew Morgan	Non-Executive Director
David Torrible	Non-Executive Director
David Daglio	Non-Executive Director

#### Company Contact

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## Change At The Helm

Earlier this month, Total Brain announced its CEO and Managing Director Louis Gagnon had resigned due to COVID-19 health complications and named Chief Operating Officer Matt Mund as Interim CEO. Mr Mund joined Total Brain in 2017, shortly after Mr Gagnon, and was previously, along with Mr Gagnon, one of the core members of the team that built employment platform Monster. He has been instrumental in bringing about the affinity partnership with IBM.

## Earnings Adjustments

We have removed our estimates for the Hamptons Life D2C deal which was to deliver \$6m in an upfront fee for exclusive rights to the Total Brain platform and an ongoing fee of \$0.36m a year. While the company is still in discussions for a smaller, non-exclusive partnership, we feel it prudent to include nothing in our forecasts for the moment.

<b>Exhibit 1: Earnings adjustments</b>				
	FY22 old	FY22 new	FY23 old	FY23 new
Revenue	8.1	7.0	13.8	11.4
Gross profit	6.9	5.9	11.6	9.6
EBITDA underlying	(4.4)	(5.4)	0.5	(1.5)
EBIT underlying	(4.9)	(5.9)	0.0	(2.0)
NPAT	(5.2)	(6.2)	(0.2)	(1.6)

Source: RaaS estimates

## DCF Valuation

We are of the view that the discounted cashflow methodology is the most appropriate methodology for valuing early-stage companies. Our base-case DCF valuation of Total Brain is \$102m, which derives a \$0.77/share valuation. Our terminal value is \$0.35/share within this valuation.

<b>Exhibit 2: Base-case DCF valuation</b>	
Parameters	Outcome
Discount Rate / WACC	14.7%
Beta	2.0
Terminal growth rate assumption	2.20%
Sum of PV (\$m)	55.8
PV of terminal value (\$m)	47.3
PV of enterprise (\$m)	103.1
Debt (cash) (\$m)	1.0
Net value – shareholder (\$m)	102.1
No. of shares on issue (m)	133
NPV	\$0.77

Source: RaaS estimates

**Exhibit 4: Financial Year Financial Summary (In A\$m)**

Total Brain (TTB.AX)						Share price (30 November 2021)						A\$	0.11				
Profit and Loss (A\$m)						Interim (A\$m)						H121A	H221A	H122F	H222F	H222F	H222F
Y/E 30 June	FY20A	FY21A	FY22F	FY23F	FY24F	Revenue	2.0	1.7	2.3	4.7	4.8	6.6					
Revenue	3.9	3.7	7.0	11.4	19.4	EBITDA	(3.8)	(3.4)	(3.9)	(1.5)	(1.5)	(0.0)					
Gross profit	3.3	3.4	5.9	9.6	16.3	EBIT	(4.0)	(4.2)	(4.1)	(1.8)	(1.7)	(0.3)					
GP margin %	85.2%	92.8%	85.0%	84.0%	84.0%	NPAT (normalised)	(3.9)	(4.3)	(4.3)	(1.9)	(1.3)	(0.3)					
EBITDA	(7.4)	(7.2)	(5.4)	(1.5)	1.2	Minorities	0.0	0.0	0.0	0.0	0.0	0.0					
Depn	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	NPAT (reported)	(3.9)	(4.3)	(4.3)	(1.9)	(1.3)	(0.3)					
Amort	(0.2)	(0.6)	(0.4)	(0.4)	(0.4)	EPS (normalised)	(3.6)	(3.9)	(3.3)	(1.5)	(0.9)	(0.2)					
EBIT	(7.7)	(8.3)	(5.9)	(2.0)	0.7	EPS (reported)	(3.6)	(3.9)	(3.3)	(1.5)	(0.9)	(0.2)					
Interest	0.0	(0.0)	(0.3)	(0.3)	(0.3)	Dividend (cps)	0.0	0.0	0.0	0.0	0.0	0.0					
Tax	0.0	0.1	0.0	0.6	(0.1)	Imputation	30.0	30.0	30.0	30.0	30.0	30.0					
Minorities	0.0	0.0	0.0	0.0	0.0	Operating cash flow	(4.3)	(2.9)	(1.6)	1.3	(1.0)	(0.5)					
Equity accounted assoc	0.0	0.0	0.0	0.0	0.0	Free Cash flow	(1.8)	(0.3)	0.3	1.8	(0.5)	0.1					
NPAT pre significant items	(7.6)	(8.3)	(6.2)	(1.6)	0.3	<b>Divisionals</b>	<b>H121A</b>	<b>H221A</b>	<b>H122F</b>	<b>H222F</b>	<b>H222F</b>	<b>H222F</b>					
Significant items	0.0	(0.0)	0.0	0.0	0.0	Total Brain - Corporate	1.3	1.0	1.2	1.9	2.3	2.6					
<b>NPAT (reported)</b>	<b>(7.6)</b>	<b>(8.3)</b>	<b>(6.2)</b>	<b>(1.6)</b>	<b>0.3</b>	Total Brain Affinity	0.6	0.5	0.8	1.3	2.0	3.3					
<b>Cash flow (A\$m)</b>						Total Brain - D2C	-	-	-	-	-	-					
Y/E 30 June	FY20A	FY21A	FY22F	FY23F	FY24F	Other revenues	0.2	0.1	0.2	1.2	0.3	0.4					
EBITDA	(7.4)	(7.2)	(5.4)	(1.5)	1.2	<b>Total Revenue</b>	<b>2.0</b>	<b>1.6</b>	<b>2.2</b>	<b>4.4</b>	<b>4.6</b>	<b>6.3</b>					
Interest	0.0	0.0	(0.3)	(0.3)	(0.3)	Gross profit	1.9	1.6	1.9	4.0	4.1	5.5					
Tax	0.0	0.0	0.0	0.0	(0.2)	Gross Profit Margin %	94%	95%	87%	89%	88%	88%					
Working capital changes	1.4	0.0	5.4	0.3	(0.9)	Employment	4.0	3.2	4.0	3.7	3.7	3.7					
Operating cash flow	(6.0)	(7.2)	(0.4)	(1.5)	(0.2)	Marketing	0.4	0.7	0.5	0.5	0.5	0.5					
Mtce capex	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	Other costs	1.2	1.1	1.3	1.3	1.3	1.3					
Free cash flow	(6.1)	(7.2)	(0.5)	(1.6)	(0.3)	Total costs	<b>5.6</b>	<b>5.0</b>	<b>5.8</b>	<b>5.5</b>	<b>5.5</b>	<b>5.6</b>					
Growth capex	(2.6)	(5.0)	(2.4)	(1.0)	(1.0)	<b>EBITDA</b>	<b>(3.8)</b>	<b>(3.4)</b>	<b>(3.9)</b>	<b>(1.5)</b>	<b>(1.5)</b>	<b>(0.0)</b>					
Acquisitions/Disposals	0.0	0.0	0.0	0.0	0.0	Margins, Leverage, Returns		<b>FY20A</b>	<b>FY21A</b>	<b>FY22F</b>	<b>FY23F</b>	<b>FY24F</b>					
Other	0.0	0.0	0.0	0.0	0.0	EBITDA margin %		(191.6%)	(194.6%)	(78.2%)	(13.2%)	6.3%					
Cash flow pre financing	(8.7)	(12.2)	(2.9)	(2.6)	(1.3)	EBIT margin %		(197.6%)	(226.0%)	(85.1%)	(17.2%)	3.8%					
Equity	13.7	0.0	6.5	2.0	0.0	NPAT margin (pre significant items)		(197.2%)	(225.0%)	(89.6%)	(14.4%)	1.6%					
Debt	1.1	3.2	(0.7)	0.0	0.0	Net Debt (Cash)		10.00	- 2.84	0.36	- 0.23	- 1.51					
Dividends paid	0.0	0.0	0.0	0.0	0.0	Net debt/EBITDA (x)	(x)	n/a	n/a	n/a	n/a	- 1.24					
Net cash flow for year	6.0	(9.1)	3.0	(0.6)	(1.3)	ND/ND+Equity (%)	(%)	(61.0%)	13.6%	(2.0%)	1.2%	7.3%					
<b>Balance sheet (A\$m)</b>						EBIT interest cover (x)	(x)	n/a	n/a	n/a	n/a	40.7%					
Y/E 30 June	FY20A	FY21A	FY22F	FY23F	FY24F	ROA		nm	(31.2%)	(24.0%)	(7.7%)	2.8%					
Cash	11.1	1.4	3.9	3.3	2.1	ROE		nm	(37.4%)	(34.3%)	(8.9%)	1.7%					
Accounts receivable	2.8	5.1	4.0	4.4	6.5	ROIC		nm	(98.7%)	(100.7%)	(18.3%)	7.3%					
Inventory	0.0	0.0	0.0	0.0	0.0	<b>NTA (per share)</b>		27.8%	13.5%	12.6%	12.8%	13.2%					
Other current assets	0.1	0.2	0.2	0.2	0.2	<b>Working capital</b>		237.6%	458.9%	195.8%	225.1%	339.5%					
<b>Total current assets</b>	<b>14.1</b>	<b>6.8</b>	<b>8.2</b>	<b>8.0</b>	<b>8.8</b>	<b>WC/Sales (%)</b>		<b>61.3%</b>	<b>124.2%</b>	<b>28.1%</b>	<b>19.7%</b>	<b>17.5%</b>					
PPE	0.3	0.3	0.3	0.4	0.5	<b>Revenue growth</b>		49.0%	(4.7%)	88.5%	64.0%	70.2%					
Goodwill	0.0	0.0	0.0	0.0	0.0	<b>Pricing</b>		<b>FY20A</b>	<b>FY21A</b>	<b>FY22F</b>	<b>FY23F</b>	<b>FY24F</b>					
Intangibles	15.0	17.0	16.7	17.3	17.8	No of shares (y/e)	(m)	95	133	146	146	146					
Deferred tax asset	0.0	0.0	0.0	0.0	0.0	Weighted Av Dil Shares	(m)	95	108	143	146	146					
Other non current assets	0.0	0.0	0.0	0.0	0.0	EPS Reported	cps	(8.07)	(7.68)	(4.81)	(1.14)	0.22					
<b>Total non current assets</b>	<b>15.3</b>	<b>17.3</b>	<b>17.1</b>	<b>17.7</b>	<b>18.3</b>	EPS Normalised/Diluted	cps	(8.07)	(7.68)	(4.81)	(1.14)	0.22					
<b>Total Assets</b>	<b>29.4</b>	<b>24.1</b>	<b>25.3</b>	<b>25.7</b>	<b>27.1</b>	PE (x)		-	-	-	-	50.4					
Accounts payable	0.5	0.5	2.1	2.2	3.1	PE market		18.0	18.0	18.0	18.0	18.0					
Short term debt	1.1	4.3	3.6	3.6	3.6	Premium/(discount)		(100.0%)	(100.0%)	(100.0%)	(100.0%)	179.9%					
Tax payable	0.0	0.0	0.0	0.0	0.0	EV/Sales		0.1	4.0	2.2	1.4	0.9					
Deferred revenue	1.4	1.3	1.3	1.3	1.3	FCF/Share	cps	(6.2)	(5.3)	(0.2)	(1.0)	(0.1)					
<b>Total current liabilities</b>	<b>3.0</b>	<b>6.1</b>	<b>7.0</b>	<b>7.1</b>	<b>8.0</b>	Price/FCF share		(1.8)	(2.1)	(60.7)	(11.6)	(186.5)					
Long term debt	0.0	0.0	0.0	0.0	0.0	Free Cash flow Yield		(56.3%)	(48.3%)	(1.6%)	(8.7%)	(0.5%)					
Other non current liabs	0.1	0.0	0.0	0.0	0.0												
<b>Total long term liabilities</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>												
<b>Total Liabilities</b>	<b>3.0</b>	<b>6.1</b>	<b>7.0</b>	<b>7.1</b>	<b>8.0</b>												
<b>Net Assets</b>	<b>26.4</b>	<b>18.0</b>	<b>18.4</b>	<b>18.7</b>	<b>19.2</b>												
Share capital	78.4	78.5	85.0	87.0	87.2												
Accumulated profits/losses	(56.4)	(64.7)	(71.0)	(72.6)	(72.3)												
Reserves	4.4	4.3	4.3	4.3	4.3												
Minorities	0.0	0.0	0.0	0.0	0.0												
<b>Total Shareholder funds</b>	<b>26.4</b>	<b>18.0</b>	<b>18.4</b>	<b>18.7</b>	<b>19.2</b>												

Source: Company data for historicals, RaaS estimates

### Exhibit 5: Calendar Year Financial Summary (in A\$m)

Total Brain (ASX:TTB)						Share price (30 November 2021)						A\$	0.11				
Profit and Loss (A\$m)						Interim (A\$m)						H1CY20A	H2CY20F	H1CY21A	H2CY21F	H1CY22F	H2CY22F
Y/E December 31	CY19A	CY20A	CY21F	CY22F	CY23F	Revenue	1.7	2.0	1.7	2.3	4.7	4.8					
Revenue	2.6	3.9	3.7	7.0	9.5	EBITDA	(3.6)	(3.8)	(3.4)	(3.9)	(1.5)	(1.5)					
Gross profit	2.3	3.3	3.4	5.9	8.0	EBIT	(3.7)	(4.0)	(4.2)	(4.1)	(1.8)	(1.7)					
GP margin %	87.8%	85.2%	92.8%	85.0%	84.5%	NPAT (normalised)	(3.7)	(3.9)	(4.3)	(4.3)	(1.9)	(1.3)					
EBITDA	(8.1)	(7.4)	(7.2)	(5.4)	(3.0)	Minorities	0.0	0.0	0.0	0.0	0.0	0.0					
Depn	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)	NPAT (reported)	(3.7)	(3.9)	(4.3)	(4.3)	(1.9)	(1.3)					
Amort	(0.4)	(0.2)	(0.6)	(0.4)	(0.4)	EPS (normalised)	(3.3)	(3.6)	(3.9)	(3.3)	(1.5)	(0.9)					
EBIT	(8.5)	(7.7)	(8.2)	(5.9)	(3.5)	EPS (reported)	(3.3)	(3.6)	(3.9)	(3.3)	(1.5)	(0.9)					
Interest	0.0	0.0	(0.0)	(0.3)	(0.3)	Dividend (cps)	0.0	0.0	0.0	0.0	0.0	0.0					
Tax	0.0	0.0	0.1	0.0	0.5	Imputation	30.0	30.0	30.0	30.0	30.0	30.0					
Minorities	0.0	0.0	0.0	0.0	0.0	Operating cash flow	(1.7)	(4.3)	(2.9)	(1.6)	1.3	(1.0)					
Equity accounted assoc	0.0	0.0	0.0	0.0	0.0	Free Cash flow	(0.1)	(1.8)	(0.3)	0.3	1.8	(0.5)					
NPAT pre significant items	(8.6)	(7.6)	(8.2)	(6.2)	(3.3)	<b>Divisionals</b>	<b>H1CY20A</b>	<b>H2CY20F</b>	<b>H1CY21A</b>	<b>H2CY21F</b>	<b>H1CY22F</b>	<b>H2CY22F</b>					
Significant items	0.0	0.0	(0.0)	0.0	0.0	Total Brain - Corporate	1.2	1.3	1.0	1.2	1.9	2.3					
NPAT (reported)	(8.6)	(7.6)	(8.2)	(6.2)	(3.3)	Total Brain Affinity	0.3	0.6	0.5	0.8	1.3	2.0					
<b>Cash flow (A\$m)</b>						Total Brain D2C	-	-	-	-	-	-					
Y/E December 31	CY19A	CY20A	CY21F	CY22F	CY23F	Other revenues	0.2	0.2	0.1	0.2	1.3	0.5					
EBITDA	(8.1)	(7.4)	(7.2)	(5.4)	(3.0)	<b>Total Revenue</b>	<b>1.7</b>	<b>2.0</b>	<b>1.7</b>	<b>2.3</b>	<b>4.5</b>	<b>4.8</b>					
Interest	0.0	0.0	0.0	(0.3)	(0.3)	Gross profit	1.5	1.9	1.6	1.9	4.0	4.1					
Tax	0.0	0.0	0.0	0.0	0.0	Gross Profit Margin %	86%	92%	95%	85%	88%	84%					
Working capital changes	2.5	1.4	0.0	5.4	3.6	Employment	3.1	4.0	3.2	4.0	3.7	3.7					
Operating cash flow	(5.6)	(6.0)	(7.2)	(0.4)	0.3	Marketing	0.5	0.4	0.7	0.5	0.5	0.5					
Mtce capex	0.0	(0.1)	(0.1)	(0.1)	(0.1)	Other costs	1.2	1.2	1.1	1.3	1.3	1.3					
Free cash flow	(5.6)	(6.1)	(7.2)	(0.5)	0.2	Total costs	<b>4.8</b>	<b>5.6</b>	<b>5.0</b>	<b>5.8</b>	<b>5.5</b>	<b>5.5</b>					
Growth capex	(2.7)	(2.6)	(5.0)	(2.4)	(1.0)	<b>EBITDA</b>	<b>(3.3)</b>	<b>(3.8)</b>	<b>(3.4)</b>	<b>(3.9)</b>	<b>(1.5)</b>	<b>(1.5)</b>					
Acquisitions/Disposals	0.0	0.0	0.0	0.0	0.0	<b>Margins, Leverage, Returns</b>		<b>CY19A</b>	<b>CY20A</b>	<b>CY21F</b>	<b>CY22F</b>	<b>CY23F</b>					
Other	(0.1)	0.1	0.0	0.0	0.0	EBITDA margin %		(312.3%)	(191.6%)	-195%	-78%	-32%					
Cash flow pre financing	(8.4)	(8.6)	(12.2)	(2.9)	(0.8)	EBIT margin %		(328.4%)	(197.6%)	-222%	-85%	-37%					
Equity	6.7	13.7	0.0	6.5	2.0	NPAT margin (pre significant items)		(329.4%)	(197.2%)	-221%	-90%	-35%					
Debt	(0.1)	0.0	1.1	3.2	(0.7)	Net Debt (Cash)		5.21	10.00	-	2.84	0.36					
Dividends paid	0.0	0.0	0.0	0.0	0.0	Net debt/EBITDA (x)	(x)	n/a	n/a	n/a	n/a	n/a					
Net cash flow for year	(1.8)	5.0	(11.1)	6.8	0.5	ND/ND+Equity (%)	(%)	(34.8%)	(61.0%)	13.6%	(2.0%)	(4.4%)					
<b>Balance sheet (A\$m)</b>						<b>NTA (per share)</b>		38.1%	44.9%	19.0%	13.7%	13.0%					
Y/E December 31	CY19A	CY20A	CY21F	CY22F	CY23F	<b>Working capital</b>		35.3%	237.6%	458.9%	195.8%	184.1%					
Cash	5.2	11.1	1.4	3.9	4.4	<b>WC/Sales (%)</b>		<b>13.6%</b>	<b>61.3%</b>	<b>124.2%</b>	<b>28.1%</b>	<b>19.4%</b>					
Accounts receivable	0.8	2.8	5.1	4.0	3.9	<b>Revenue growth</b>		(2.2%)	49.0%	(4.7%)	88.5%	36.5%					
Inventory	0.0	0.0	0.0	0.0	0.0	<b>Pricing</b>		<b>CY19A</b>	<b>CY20A</b>	<b>CY21F</b>	<b>CY22F</b>	<b>CY23F</b>					
Other current assets	0.2	0.1	0.2	0.2	0.2	No of shares (y/e)	(m)	78	108	108	146	146					
Total current assets	6.2	14.1	6.8	8.2	8.5	Weighted Av Dil Shares	(m)	78	108	108	146	146					
PPE	0.2	0.3	0.3	0.3	0.4	EPS Reported	cps	(13.72)	(8.07)	(7.54)	(4.68)	(2.38)					
Goodwill	0.0	0.0	0.0	0.0	0.0	EPS Normalised/Diluted	cps	(13.72)	(8.07)	(7.54)	(4.68)	(2.38)					
Investments	0.0	0.0	0.0	0.0	0.0	PE (x)		-	-	-	-	-					
Deferred tax asset	0.0	0.0	0.0	0.0	0.0	PE market		18.0	18.0	18.0	18.0	18.0					
Other non current assets	14.9	15.0	17.1	16.7	17.0	Premium/discount		(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)					
Total non current assets	15.2	15.3	17.3	17.1	17.4	EV/Sales		5.8	1.7	0.5	2.7	1.6					
<b>Total Assets</b>	<b>21.4</b>	<b>29.4</b>	<b>24.1</b>	<b>25.3</b>	<b>25.9</b>	FCF/Share	cps	(5.0)	(5.2)	(5.4)	(4.9)	(0.2)					
Accounts payable	0.5	0.5	0.5	2.1	2.1	Price/FCF share		(2.2)	(2.1)	(2.0)	-	2.3					
Short term debt	0.0	1.1	4.3	3.6	3.6	Free Cash flow Yield		(45.3%)	(47.4%)	(49.3%)	(44.2%)	(1.6%)					
Tax payable	0.0	0.0	0.0	0.0	0.0												
Deferred revenue	0.6	1.4	1.3	1.3	1.3												
Total current liabilities	1.1	3.0	6.1	7.0	7.0												
Long term debt	0.0	0.0	0.0	0.0	0.0												
Other non current liabs	0.1	0.1	0.0	0.0	0.0												
Total long term liabilities	0.1	0.1	0.0	0.0	0.0												
<b>Total Liabilities</b>	<b>1.2</b>	<b>3.0</b>	<b>6.1</b>	<b>7.0</b>	<b>7.0</b>												
<b>Net Assets</b>	<b>20.2</b>	<b>26.4</b>	<b>18.0</b>	<b>18.3</b>	<b>18.9</b>												
Share capital	64.8	78.4	78.4	84.9	86.9												
Accumulated profits/losses	(48.8)	(56.4)	(64.7)	(71.0)	(72.3)												
Reserves	4.2	4.4	4.3	4.3	4.3												
Minorities	0.0	0.0	0.0	0.0	0.0												
<b>Total Shareholder funds</b>	<b>20.2</b>	<b>26.4</b>	<b>18.0</b>	<b>18.3</b>	<b>18.9</b>												

Source: Company data for historicals, RaaS estimates



# FINANCIAL SERVICES GUIDE

**RaaS Advisory Pty Ltd**

**ABN 99 614 783 363**

**Corporate Authorised Representative, number 1248415**

**of**

**BR SECURITIES AUSTRALIA PTY LTD**

**ABN 92 168 734 530**

**AFSL 456663**

**Effective Date: 6<sup>th</sup> May 2021**

### About Us

BR Securities Australia Pty Ltd (BR) is the holder of Australian Financial Services License (“AFSL”) number 456663. RaaS Advisory Pty Ltd (RaaS) is an Authorised Representative (number 1248415) of BR.

This Financial Service Guide (FSG) is designed to assist you in deciding whether to use RaaS’s services and includes such things as

- who we are
- our services
- how we transact with you
- how we are paid, and
- complaint processes

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RaaS is the entity providing the authorised AFSL services to you as a retail or wholesale client.

**What Financial Services are we authorised to provide?** RaaS is authorised to

- provide general advice to retail and wholesale clients in relation to
  - Securities
- deal on behalf of retail and wholesale clients in relation to
  - Securities

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Website: [www.afca.org.au](http://www.afca.org.au); Email: [info@afca.org.au](mailto:info@afca.org.au); Telephone: 1800931678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne, VIC, 3001.

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