

AMINO TECHNOLOGIES

SOFTWARE AND COMPUTER SERVICES

23 February 2021

AMO.L

149p

Market Cap: £112.9m

SHARE PRICE (p)



12m high/low

152p/110p

Source: LSE Data

KEY DATA

Net (Debt)/Cash	\$9.5m (at 30/11/20)
Enterprise value	£105.4m
Index/market	AIM
Next news	AGM, March 2021
Shares in Issue (m)	76.0
Chairman	Karen Bach
Chief Executive	Donald McGarva
Finance Director	Mark Carlisle

COMPANY DESCRIPTION

Amino is a global Media Tech company that delivers modern TV and video experiences.

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AMINO TECHNOLOGIES IS A RESEARCH CLIENT OF
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Delivering next-gen TV in Malta and Cyprus

Amino has announced PayTV+ deployments for Maltese incumbent telco GO and Cablenet, the leading cable TV operator in Cyprus. The release contains no financial details as to the value for Amino and we make no changes to forecasts. Nevertheless, the contracts represent the deepening of an existing customer relationship and in our view demonstrate the group's ability to capitalise on ongoing structural shifts in the global TV industry.

- New PayTV+ deployments in Malta and Cyprus:** Amino has deployed AminoOS-powered Amigo 7X devices and Amino Engage, the group's cloud-based service management platform to provide GO Malta and Cablenet's customers in Cyprus with new "Over the Top" Android TV-based video services. Amino's solution will provide both sets of customers with a seamless viewing experience combining both linear TV and streaming services such as Disney+, allowing consumers to access all the content they want in a single location.
- About GO and Cablenet:** GO is Malta's leading communications services company. The company provides a quad-play service offering of mobile, fixed line, internet and TV services to more than 500,000 customers. Majority owned by Go, Cablenet is the leading cable operator in Cyprus, providing broadband internet access, fixed telephony and television services to more than 70,000 subscribers.
- Deepening an existing customer relationship:** GO is a long-standing Amino client, with Amino having made sales into Malta since the mid-2010s. Today's announcement therefore represents the deepening of an existing customer relationship, and in our view demonstrates the group's ability to drive growth from current clients.
- Capitalising on structural shifts in the TV industry:** The new Amino 2025 strategy has been implemented to capture growth opportunities arising from the ongoing convergence of traditional linear TV and streaming TV services. With industry sources forecasting the global TV streaming market to double by 2025 to \$167bn, the opportunity is vast, and we continue to believe that Amino sits at the sweet spot of this turbulence. The GO and Cablevision contracts both involve the deployment of an integrated linear TV + streaming solution. In our view this further demonstrates the group's position as a beneficiary of disruption in the global TV industry.

FYE NOV (\$M)	2018	2019	2020	2021E	2022E
Revenue	88.9	77.2	82.7	82.6	84.4
Adj EBITDA	16.8	14.8	16.7	20.0	21.2
Fully Adj PBT	11.2	9.4	9.8	12.1	13.3
Fully Adj EPS (c)	15.5	10.8	9.9	13.3	14.7
EV/EBITDA (x)	8.0x	9.1x	8.0x	6.7x	6.3x
PER (x)	12.2x	17.5x	19.2x	14.2x	12.9x
Dividend yield	4.9%	1.1%	1.3%	2.3%	2.6%

Source: Company Information and Progressive Equity Research estimates.

This publication should not be seen as an inducement under MiFID II regulations.

Please refer to important disclosures at the end of the document.

Financial Summary: Amino Technologies

Year end: November (\$m unless shown)

	2018	2019	2020	2021E	2022E
PROFIT & LOSS					
Revenue	88.9	77.2	82.7	82.6	84.4
Adj EBITDA	16.8	14.8	16.7	20.0	21.2
Adj EBIT	11.2	10.2	10.5	12.3	13.5
Reported PBT	7.7	3.5	4.4	8.0	9.2
Fully Adj PBT	11.2	9.4	9.8	12.1	13.3
NOPAT	11.2	10.2	10.5	12.3	13.5
Reported EPS (c)	10.7	4.0	4.0	8.1	9.5
Fully Adj EPS (c)	15.5	10.8	9.9	13.3	14.7
Dividend per share (p)	7.3	1.7	1.9	3.4	3.8
CASH FLOW & BALANCE SHEET					
Operating cash flow	14.3	13.8	16.4	18.0	19.2
Free Cash flow	9.5	8.5	8.9	9.2	10.3
FCF per share (c)	13.0	11.3	11.5	11.6	13.0
Capex	(4.8)	(4.2)	(5.8)	(7.0)	(7.0)
Acquisitions	0.0	(18.9)	(0.2)	(1.0)	(1.0)
Dividends	(6.8)	(6.9)	0.0	(4.1)	(4.5)
Net cash flow	2.9	(11.7)	0.9	4.1	4.8
Shares issued	0.0	0.0	0.0	0.0	0.0
Other movements	0.0	0.0	0.0	0.0	0.0
Net (Debt)/Cash	20.3	1.4	9.5	13.6	18.4
NAV AND RETURNS					
Net asset value	73.5	76.3	79.0	85.4	92.9
NAV/share (c)	100.9	101.3	101.7	108.1	117.6
Net Tangible Asset Value	1.0	1.2	1.4	1.6	1.8
NTAV/share (c)	1.4	1.6	1.9	2.1	2.3
Average equity	73.3	74.9	77.7	82.2	89.1
Post-tax ROE (%)	10.6%	3.8%	3.4%	7.8%	8.4%
METRICS		2019	2020	2021E	2022E
Revenue growth		(13.2%)	7.1%	(0.1%)	2.2%
Adj EBITDA growth		(11.6%)	12.8%	19.5%	6.3%
Adj EBIT growth		(8.4%)	2.5%	17.0%	10.2%
Adj PBT growth		(16.3%)	4.3%	23.4%	10.4%
Adj EPS growth		(30.1%)	(8.7%)	34.7%	10.4%
Dividend growth		(77.0%)	11.3%	84.3%	10.4%
Adj EBIT margins		13.2%	12.7%	14.8%	16.0%
VALUATION		2019	2020	2021E	2022E
EV/Sales (x)	1.5	1.7	1.6	1.6	1.6
EV/EBITDA (x)	8.0	9.1	8.0	6.7	6.3
EV/NOPAT (x)	12.0	13.1	12.8	10.9	9.9
PER (x)	12.2	17.5	19.2	14.2	12.9
Dividend yield	4.9%	1.1%	1.3%	2.3%	2.6%
FCF yield	6.9%	6.0%	6.1%	6.2%	6.9%

Source: Company information and Progressive Equity Research estimates

Disclaimers and Disclosures

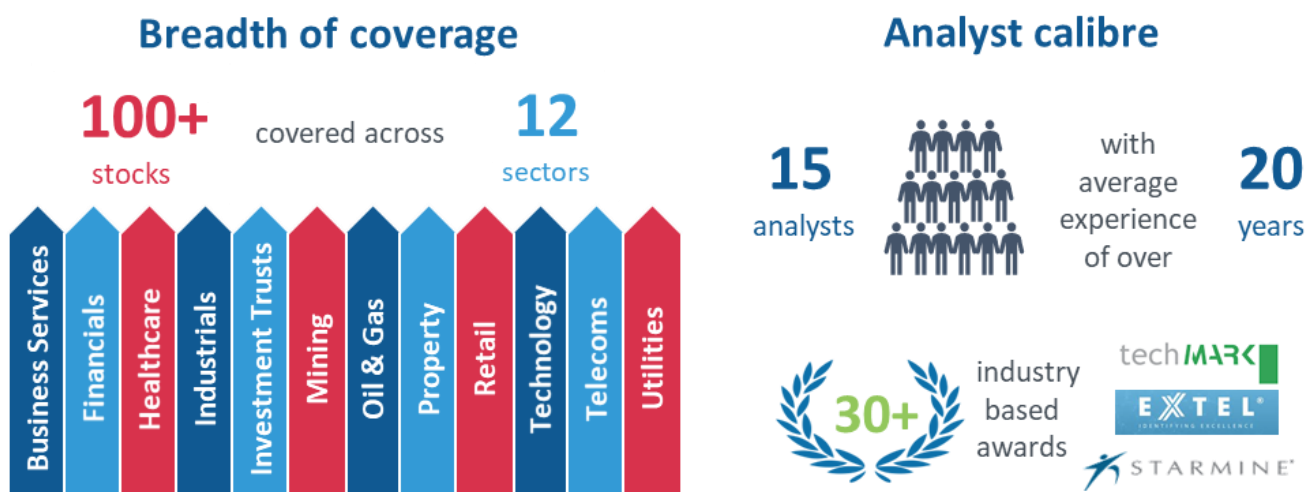
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