



ASX:BIG
31st August 2017

Big Un Limited Announce FY17 Preliminary Results

Cashflow Positive with \$4.2m Operating Surplus and Revenue up 429%

Big Un Limited (ASX:BIG, or 'the Company') is pleased to announce the release of its 4E preliminary results for the year ended 30 June 2017. BIG achieved cashflow positivity for the year, driven by \$21.5m in cash receipts from customers and other sources (up 429% from FY16). BIG generated a \$4.2m cash surplus from operating activities (FY16 \$3.6m cash deficit). It is the Company's policy to adopt a conservative approach to revenue recognition and recognise accounting revenue over the membership period resulting in a substantial increase in deferred revenues to \$9.4m (FY16 \$1.7m) which will be released over FY18.

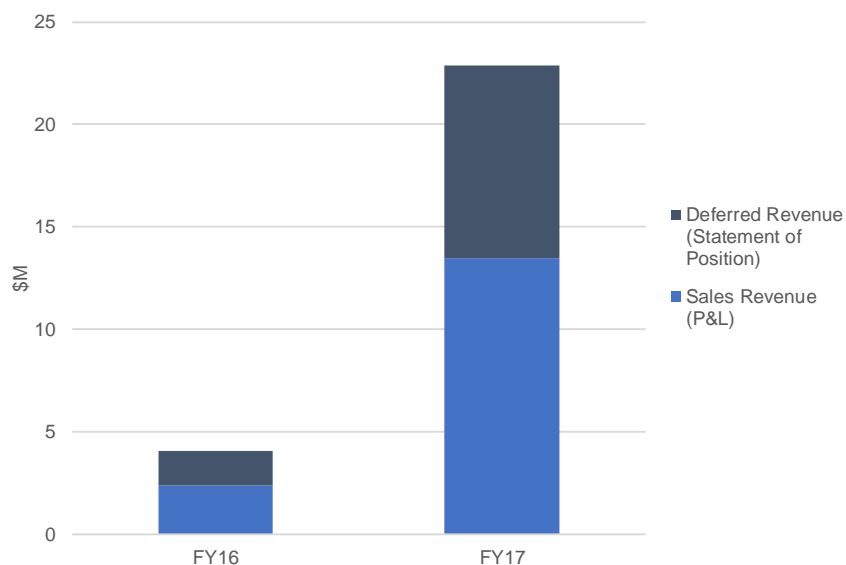
BIG achieved accounting revenues for the year of \$14.0m (up 429% from FY16) and a net loss of \$4.2m for FY17, a significant improvement from the FY16 loss of \$7.8m. This was a result of a strong improvement in gross margin to 27.4% (from a negative gross margin in 2016 of 33%).

Therefore, for the year ended 30 June 2017 the revenue recognised for accounting purposes is \$9.4m lower than the actual cash collected. The consequence of this conservative revenue recognition treatment is that the cash surplus of \$4.2m is reduced to an accounting net loss of \$4.2m. In conclusion, the company's business operations are healthy with a strong and growing operating cash margin.

Financial Overview

Statement of Profit or Loss

- Sales Revenue recognised for accounting purposes in the 2017 financial year was \$13.5m (FY16 \$2.4m) an exceptional increase of 473%.
- The Company's accounting policy recognises most revenues on video subscriptions over the 12 month membership resulting in a significant deferred revenue balance of \$9.4m (FY16 \$1.7m) for the year which will be released through FY18.



- BIG generated a net loss for accounting purposes of \$4.2m for FY17 an improvement of 46% from FY16 as a result of a strong improvement in gross margin to 27.4% (from a negative gross margin in 2016 of 33%) largely due to increased effectiveness and efficiencies within the BIG sales and production engines.

Statement of Financial Position

- BIG achieved a closing cash balance of \$9.2m, an increase of 139% from prior year (FY16 \$3.8m).
- Following the strong sales performance, deferred revenue has increased to \$9.4m (FY16 \$1.7m) which will be recognised in the P&L during FY18.
- The goodwill associated with the acquisition of BHA Media Pty Ltd has been recognised in the intangible assets.
- The Loan – LSP balance reflects loans owed to BIG resulting from the issue of performance shares to the executive team during the year.
- BIG has provided for the final tranche of shares to be issued to complete the acquisition of BHA Media on the basis that \$3m in advertising revenue will be achieved for the year.

Statement of Cash Flows

- The Company drove considerable growth in sales resulting in a significant increase in cash receipts from customers and other sources to \$21.5m (up 429% from FY16 \$4.0m).
- Due to increased efficiencies in the sales and production operations BIG generated a substantial cash surplus from operating activities of \$4.2m as compared to a deficit in 2016 of (\$3.6m).
- Net proceeds for share issues of \$1.2m represents options exercised during the year.

Outlook

Commenting on the outlook for the business Richard Evertz says “Our preliminary results for FY17 are extremely positive and in line with our expectations. We have maintained our exceptional growth trajectory whilst improving on product quality, reducing costs and implementing efficiencies. Demand for our products and services continues to increase in Australia, we are in a strong position to focus on activating additional revenue streams and expand into overseas markets during FY18.”

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ABOUT BIG REVIEW TV

BIG (ASX: BIG) is the parent company of Big Review TV Ltd. Big Review TV are innovative disruptors in the online video space delivering subscription based video technology products and services. The Company has operations across Australia and in New Zealand, the United Kingdom and the United States, Hong Kong, Singapore and Vancouver and was listed on the ASX in December 2014.