

Case Study – £30m AiM flotation



Norwich-based mCommerce software business Proxama, worked with Numitas to grow from a relatively small NFC consultancy business to an AIM listed Plc with a market value in excess of £30m.

Proxama's innovative software tools tap into our growing dependence on mobile devices and it works with clients that include banks and well known consumer brands to enable their customers to use their mobile phone to pay for goods, collect coupons and loyalty points and engage with branded content.

The role of a part time FD



The role played by a financial director (FD) in this home grown tale of growth and success against the backdrop of a tough economic climate cannot be underplayed. In fact Neil Garner, Proxama CEO, wishes he had brought one on even earlier. "We appointed a Finance Director too late. The optimum time for the appointment is **in the first year** but by that I mean **you should appoint a part time Finance Director** not a full time member of staff", he admits.

The company, which was a winner of the Cambridge Wireless Discovering Start-Ups competition in December 2011 and has an impressive blue chip client base for NFC technology, turned to an FD to help it with several key areas in the business. "Long term **funding for growth** and **international expansion** (are the biggest challenges facing businesses)", explains Garner, and an experienced FD is ideally placed to help meet these challenges.

Chris Chapman, Managing Partner of Numitas, has been a member of the board at Proxama and during that period he advised them on a whole range of financial issues including helping to raise equity investment, how to benefit from R&D tax credits, grant funding and readiness for the AIM listing process.

Recognising the value an experienced FD can bring to a business Garner explains why the role goes far beyond the numbers, with a **good FD evolving into a lynchpin of any business**. "The role of an FD is broader and more rounded than just finance. They need to understand all the day-to-day numerical requirements for a business and they have to be flexible and open minded on how to grow a business. It is not just about profitability", he explains.

In a business such as Proxama that means finding an FD who will show faith in a new technology from the outset. Chapman says that he has always believed in the possibilities of Proxama's innovative product, even when others were slow to understand and adopt it.

This faith was well placed as Proxama has now executed over 400 proximity marketing campaigns globally, including campaigns for Guinness and X-Men: First Class, plus an award-winning NFC marketing campaign for Nokia and VOX and the UK's first NFC consumer marketing campaign with Orange and EAT.

This success culminated in the **float executed via a reverse takeover** of London cash shell Longships earlier this year. The company is now targeting a £62.4 billion market with its technology that turns your smartphone into a wallet. It plans to capitalize on the growing market for mCommerce, which in the UK alone has seen sales triple to £7.5bn last year. To help reach its goals it has pinpointed several areas of potential growth internationally, targeting the US, Canada and South America in particular.

Benefits



Two key benefits of working with an experienced Finance Director are that you will be guided on how to **grow your business** and to achieve the **maximum value** for it when you come to sell or float it.

To enable any company to realize its ambitions for the future, continued advice from an expert Finance Director will be critical, after all, as Garner points out: "If you can't manage your finances you can't manage your business".