

GLOBAL PAYOUT, INC.

Substantially Raising Price Target on GOHE Stock

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GLOBAL PAYOUT, INC. (OTC:PK – GOHE - \$0.26)

New Near-Term Price Target: \$0.33

Rating: Speculative Buy

COMPANY SNAPSHOT

Global Payout, Inc. is a B2B purveyor of electronic payment solutions such as prepaid debit cards and e-wallet solutions tailored to any size business or organization. Global Payout's proprietary Consolidated Payment Platform (CPG) and prepaid debit card solutions (which include MasterCard, Visa, Discover), uniquely serve an estimated \$3 trillion market with an easier to use and a lower cost platform providing competitive and comparative advantages. The company's payment solutions, allow issuers to distribute funds, and account holders with or without bank accounts to access and use funds, on a worldwide basis, for payroll purposes, vendor payments, and general spend prepaid programs. Global Payout's electronic payment platforms can transfer money to bank accounts, credit cards and debit cards worldwide.

KEY STATISTICS

Price as of 2/25/14	\$0.26
52 Wk High – Low	\$0.26 – 0.03
Est. Shares Outstanding	106.4M
Market Capitalization	\$27.7M
3 Mo Avg Vol	44,000
Exchange	OTC:PK

COMPANY INFORMATION

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KEY TAKEAWAYS

A Top Performer: Stock up 420% in Six Months

Since our September 2013 report, Global Payout, Inc. has been one of the best performing stocks in the OTC market, rising 420% from \$0.05 to a close of \$0.26 yesterday, on consistently solid trading volume. Stock technicians will likely agree that the stock chart is enviable and GOHE is in the early innings of a move to a new, higher trading range.

Flurry of New Contracts: Multiple Deals in 7 Weeks

Driven by broad adoption of its proprietary Consolidated Payment Platform (CPG), Global Payout's team has been on fire, securing multiple sizable and strategic international deals, with more to come. Carrying higher margins and with little to no head-to-head competition, the international market should bear considerable fruit in 2014. These contracts are with firms in Europe and Asia and represent financial trading, banking, and network marketing organizations, among others.

New Target Price: Raising Price Target to \$0.34

On the heels of the swift and broad acceptance of a full-featured, low-cost electronic payment solutions platform, we have elected to increase our target price to \$0.34. Our previous price target of \$0.14 in September 2013 reflected deals on the come, while this new objective represents deals in hand, along with new deals in the offing, deeper penetration of existing relationships and the value of the proprietary technology.

Low Cost Structure: Profitability Ahead in 1H14

The Global Payout model leverages its low-cost infrastructure plus the upfront cash and recurring revenue model, and future revenue generated via deeper customer penetration. With all of the activity already secured this quarter, we deem it likely that GOHE will record its first major operating profits in the first half of 2014.



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Recent Deals at a Glance

In early January, GOHE has secured a CPG deal in Europe which will expand to other regions. **The contract with Younique GmbH is for use of Global Payout's proprietary MoneyTrac™ Consolidated Payment Gateway which enables Younique GmbH's members to access and manage their earnings.** GOHE will provide the company's affiliates with an electronic wallet to receive commission payouts. Younique expects to have up to three thousand regular members within one year.

Three weeks ago, Global Payout announced a product launch with ChinaUnionPay (CUP), the only domestic bank card organization in China and the second largest payment network in the world. This deal with the largest debit card platform in China through 70 domestic banks should result in the company potentially generating millions of new, Chinese account holders who can receive funds from multi-national companies in an efficient manner.

A new agreement with XPayCard International, calls for the immediate delivery of an initial 5,000 Prepaid Chip and Pin cards, and 5,000 initial accounts on the CPG. XPayCard estimates the activation and distribution of 50,000 CPG accounts by the end of 2014 which will result in major significant transactional revenue to Global Payout, with revenue already booked in 1Q14.

Leveraging the huge growth in network marketing, Global Payout stated it now has 4 contracts that provide payment solutions to network marketing companies, has activated 25,000 member accounts and sees significant international growth potential within the niche. The company also announced details of its newest contract recently signed with Worldwidepays Inc., Ltd., a Malaysian company, and its affiliated group of network marketing companies. Account activations have also begun during the first quarter of 2014 as a result of this newest contract. The new contract calls for the deployment of a series of customized gateway platforms (Consolidated Payment Gateway Electronic Wallet) for the financial management needs of Worldwidepays and its affiliated companies.

Conclusion

Driven by broad adoption of its proprietary Consolidated Payment Platform (CPG), the now recognized inherent advantages and value of the technology, and the likelihood of profitability in the near term, we reiterate our Speculative Buy rating and increase our near term price target to \$0.34.

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Recent Trading History For GOHE

(Source: Stockta.com)





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Senior Analyst: Robert Goldman

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

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