

23 September 2025

Fonix plc
("Fonix" or the "Company")

Final Results for the year ended 30 June 2025 (the "Year")

Robust performance with product launches and international expansion set to accelerate growth

Financial Highlights

	2025	2024	Change
Gross profit	£18.6m	£17.9m	+3.9%
Adjusted EBITDA ¹	£14.6m	£13.7m	+6.6%
Adjusted PBT ²	£14.3m	£14.0m	+2.1%
Adjusted EPS ³	11.3p	10.8p	+4.6%
Proposed Final DPS	5.90p	5.70p	+3.5%
Underlying cash ⁴	£9.9m	£11.3m	-12.4%
Special DPS (paid Feb 2025)	3.0p	-	n/a

Highlights

- **Strategic execution in FY25:** Delivered earnings growth in line with expectations while laying strong foundations for the next phase of expansion.
- **International progress:** Overseas markets now represent c.13% of gross profit, driven primarily by Ireland; first live campaigns launched in Portugal in June with broader commercial rollout taking place in mid-September and additional customer launches expected later in FY26; legal entities established and contracting underway in two additional European territories.
- **Product innovation advancing:** Strong progress across the product suite – PayFlex launched with major UK broadcasters, CompsPortal scheduled for first launches in October 2025, and RCS (Rich Communication Services)⁵ preparations underway for FY26 – extending Fonix's capabilities beyond SMS and positioning the Company as a leader in multi-channel interactivity and payments.
- **Growing and scalable platform:** 29m unique mobile user interactions during the year (FY24: 23m) with 100% uptime; platform proven to scale reliably with increasing demand.⁶

- **Solid client base:** High retention maintained, including renewal of the Bauer UK contract on an exclusive two-year basis. New customer wins such as GB News and News UK added further momentum in the UK media sector.
- **Shareholder returns:** Final dividend of 5.9p per share recommended, in line with progressive dividend policy to distribute at least 75% of adjusted earnings; together with the interim and special dividends already paid, total distributions for FY25 exceed 100% of adjusted earnings.

The Board expects to publish its Annual Report for the year ending 30 June 2025 on the Company's website on Friday 17 October 2025. The Annual General Meeting is scheduled to take place on Thursday 13 November 2025.

Outlook

Fonix enters FY26 with strong momentum. Full commercial services are now live with a major broadcaster in Portugal, and two further European markets are progressing at pace. At the same time PayFlex, CompsPortal and RCS broaden the product suite and create new revenue opportunities. Together, these initiatives will diversify earnings beyond the UK and reinforce Fonix's leadership in interactive services. With a highly cash-generative model and proven track record of execution, the Board is confident in delivering sustained, profitable growth.

Notes

¹ Adjusted EBITDA excludes share-based payment charges along with depreciation, amortisation, interest, R&D tax credits and tax from the measure of profit.

² Adjusted PBT is profit before tax excluding share-based payment charges and R&D tax credits.

³ Adjusted EPS is earnings per share excluding share-based payment charges.

⁴ Underlying cash is actual cash excluding cash held on behalf of customers.

⁵ RCS means Rich Communication Services and is the next generation of native mobile messaging, supporting rich media, interactivity, and branded business communication.

⁶ Unique mobile users are calculated as the number of unique Mobile Station International Subscriber Directory Numbers (MSISDNs) processed through Fonix services.

Rob Weisz, CEO, commented:

"FY25 has been a pivotal year of preparation, and we now move into FY26 with the strongest growth platform in our history. With Portugal live, two further European markets progressing, and additional geographies already on our roadmap, international expansion is set to become a major driver of growth.

At the same time, our product innovations are opening entirely new revenue streams. PayFlex, CompsPortal and RCS together represent a step-change in capability – enabling richer consumer journeys, higher-value transactions and deeper relationships for our clients. These are not incremental add-ons but transformational products that expand our addressable market and reinforce our position as the leading provider of interactive services.

The combination of international scale and product innovation means Fonix is entering its next phase with powerful momentum. We are confident that FY26 will mark the start of an acceleration in growth, greater diversification of our earnings, and sustained long-term value creation. Above all, we believe the opportunity ahead of us is larger and more exciting than at any point since IPO, and we look forward to delivering on it."

Enquiries**Fonix plc**

Robert Weisz, CEO

Michael Foulkes, CFO

Tel: +44 20 8114 7007

Cavendish Capital Markets Limited (Nomad and Broker)

Tel: +44 20 7220 0500

Jonny Franklin-Adams / Seamus Fricker / Hamish Waller (Corporate Finance)

Sunila de Silva / Harriet Ward (ECM)

About Fonix

Founded in 2006, Fonix is a leading provider of mobile payments and messaging solutions, enabling businesses to connect, engage, and transact seamlessly through mobile technology.

Fonix helps organisations across media, charity, entertainment, and enterprise sectors drive revenue and enhance audience engagement.

Headquartered in London, Fonix is a fast-growing, innovation-driven company, trusted by industry leaders such as ITV, Bauer Media, RTÉ, Global, Comic Relief, and BBC Children in Need. With a strong focus on technology and consumer experience, Fonix continues to shape the future of mobile payments and interactivity.

Chair's Review

I am pleased to present my review of the year ended 30 June 2025, a period marked by investment, innovation and international expansion for Fonix. Although headline growth was more measured than in recent years, the business delivered resilient earnings and strong cash generation, underpinned by disciplined execution of our strategy. FY25 has been a strategically important year in which we have broadened our product offering, expanded our international footprint, and laid the foundations for the next phase of growth.

Gross profit grew by 3.9% to £18.6m, adjusted EBITDA increased by 6.6% to £14.6m, and adjusted earnings per share rose by 4.6% to 11.3p. These results underline the strength of our business model, with profitability holding firm and gross margins improving year-on-year. The decline in total payment volumes was largely attributable to lower charitable giving, reduced telephone voting traffic, and a decision by a gaming client to exit the market – all of which had lower margins and limited impact on Fonix's earnings. In addition, some broadcasters encouraged consumers towards higher price points, which reduced volumes but maintained margins. Taken together, these dynamics highlight the resilience of our revenues and our ability to deliver sustainable returns, even as market formats evolve. Return on capital employed rose further to 125%, reflecting the efficiency of our operations.

Fonix remains highly cash generative, and the Board is recommending an increased final dividend of 5.9p per share in line with market expectations, taking the full-year ordinary dividend to 78% of adjusted earnings, in line with our progressive policy. In addition, a special dividend of 3p was paid in February, reflecting our strong cash generation and balance sheet. These distributions demonstrate our commitment to returning surplus capital to shareholders while continuing to invest in growth.

Strategy and growth

Our UK and Ireland SMS business has remained resilient, supported by strong client relationships and a leading market position, such that we attracted new clients News UK and GB news in the year. We continue to see opportunities for growth in this area, while recognising that the primary drivers of future expansion will be international markets and product innovation. New capabilities such as RCS and online interactivity will broaden our addressable market and position Fonix to capture additional opportunities across competitions and adjacent sectors.

International expansion has been a major focus, with a live trial in Portugal being completed in June 2025, followed by full commercial launch earlier in mid-September. This represents an important milestone: while Ireland demonstrated the potential of our client-led model in closely aligned markets, Portugal reinforces the broader opportunity and proves our ability to expand successfully into geographies where cultures and languages are less closely aligned with the

UK. Building on this success, we are establishing legal entities and entering into contracts with broadcasters and mobile operators in two further European markets, with additional geographies identified on our roadmap. Many of these markets remain underdeveloped in interactive services, where incumbents have placed limited focus. With our proven technology, trusted reputation with regulators and operators, and broadened product suite, Fonix is well positioned to capture and expand this significant opportunity.

Governance and people

During the year we appointed Michael Foulkes to the expanded role of Chief Financial and Operating Officer (CFOO). This reflects the increasing scale and complexity of our business as we broaden our product suite and expand into multiple new geographies. Michael's dual oversight of finance and operations ensures Fonix is well positioned to deliver disciplined execution alongside ambitious growth.

The Board continues to progress the appointment of an additional independent non-executive director, in line with shareholder feedback and best practice under the QCA Corporate Governance Code. A key consideration in our search is to identify a candidate with deep local market knowledge in the new geographies we are targeting. Having board-level expertise in these regions would provide valuable insight as we navigate entry, strengthen relationships and establish our presence.

More broadly, the Board recognises the strength of Fonix's entrepreneurial, specialist team, which has consistently demonstrated its ability to deliver innovation, scale efficiently, and maintain the Company's competitive edge.

As always, I would like to thank our talented team for their dedication and hard work, our customers and partners for their collaboration, and our shareholders for their ongoing support.

Outlook

Fonix enters FY26 with strong momentum. With launches planned in multiple new markets, and new products such as PayFlex, CompsPortal and RCS set to broaden our reach and deepen customer relationships, the Board is confident in the Company's long-term prospects.

Our strategic focus remains clear: to drive sustainable, high-quality growth, expand internationally in partnership with leading broadcasters, and deliver long-term value creation for our shareholders.

Edward Spurrier, Non-executive Chair

CEO's Statement

FY25 has been a year of delivery and preparation, in which Fonix has made strong progress across products, clients and international markets. While overall growth was steadier than in prior years, this has been a period of real momentum behind the scenes, laying the foundations for the next phase of expansion.

Our strategy is clear and focused, built around three core pillars that guide how we deliver growth and scale the business:

1. Driving revenue growth through technological innovation

Our UK business continues to be the foundation of Fonix. While SMS revenues remain steady, SMS remains a crucial foundation of our business, as the only truly universal mobile channel available on every handset and there is meaningful opportunity for further growth as newer clients, such as News UK, scale their activity. At the same time, we are broadening our product suite in ways that we believe will significantly increase our addressable market for both new and existing customers:

PayFlex

PayFlex enables consumers to complete online payments directly within, or from, a message-based chat. Its first application is helping broadcasters recover failed SMS billing transactions by offering alternatives such as Apple Pay, Google Pay or PayPal. More broadly, PayFlex allows customers to offer online payment options where SMS billing is restricted by regulation or commercial limits, supporting higher-value transactions and new campaign formats. Fully integrated into Campaign Manager, PayFlex provides a flexible way for clients to increase revenues while keeping the user journey simple and familiar. Payflex has been trialled by a number of clients over the summer, and is ready for a full launch this autumn.

CompsPortal

CompsPortal allows broadcasters to extend their on-air competitions with a dedicated online site promoted alongside SMS campaigns. This expands the broadcaster's opportunity to promote their competitions to an online audience, increasing engagement channels and creating opportunities to drive for higher revenues. Integration with Campaign Manager makes campaign setup, management and winner selection straightforward across every channel. By unifying consumer data across SMS, PayFlex, RCS and online, CompsPortal also enables more personalised marketing and ensures the most effective channel is promoted at the right time. CompsPortal is being launched with one major customer in October 2025, and will be rolled out to others over the coming year.

RCS

RCS is the next major evolution of interactive messaging, giving brands the ability to deliver richer, branded experiences directly within consumers' native messaging apps. It combines embedded payments, interactive content and real-time engagement within a single conversation. For customers, this means higher participation, stronger audience relationships and entirely new formats that go beyond the limitations of SMS or email. Fonix is one of the few providers able to deliver RCS with integrated payments, giving us a clear advantage as adoption accelerates. We see RCS as a major opportunity to bring conversational commerce to life, with purchases, upgrades and upsells taking place directly within the chat.

Together, these innovations extend Fonix's capabilities beyond SMS, positioning us as the market leader in multi-channel interactivity and payments.

2. Client- and sector-led international expansion

International growth adds a significant new dimension to our strategy. In September, we completed a full rollout across a major broadcaster's radio portfolio, marking an important milestone and proving our ability to expand successfully into markets beyond those closely aligned with the UK. With direct connectivity across all operators and a growing broadcaster pipeline, Portugal clearly demonstrates the scalability of our model.

We are also in the process of establishing legal entities and contracting with broadcasters and carriers in two further European markets, with other geographies identified for future expansion. Early engagement has been highly encouraging, and we look forward to updating shareholders as and when services are live and generating revenues.

Crucially, the innovations we have developed in the UK – PayFlex, CompsPortal and RCS – will be major differentiators overseas. Many international markets remain underserved in interactive services, with incumbents focused elsewhere. Broadcasters and operators are actively seeking modern, flexible solutions, and Fonix's reputation as a trusted partner – built on years of regulator and operator collaboration – gives us a strong platform to accelerate adoption.

3. Sustaining long-term profitability for shareholders

We continue to take a disciplined approach to growth, balancing investment in innovation and international expansion with consistent shareholder returns. Our highly leveraged operating model allows profitability to scale faster than costs, enabling us to invest in new products and international infrastructure from a position of strength. At the same time, we remain committed to returning surplus cash to shareholders, as demonstrated by both the ordinary and special dividends paid during the year.

Looking ahead, we may incur one-off exceptional costs where we see opportunities to accelerate international expansion. In particular, certain larger neighbouring markets represent a very significant medium-term opportunity but may require additional upfront investment in overheads, regulatory work and local operations before delivering material revenues. Where such opportunities exist, we will take a measured approach – investing selectively to establish an early-mover advantage, while ensuring the underlying business remains highly profitable and cash generative.

The expansion of Michael Foulkes' role to CFOO has been an important development, bringing together oversight of finance, operations and technology delivery. This unified remit ensures that as we broaden our product suite and scale into new geographies, we maintain tight cost control, operational resilience, and the agility to allocate resources quickly to areas of greatest opportunity.

People and culture

Fonix's success is built on its people. Headcount increased to 52 during the year, with senior hires in engineering and operations strengthening our capacity to deliver multiple product workstreams. As we expand internationally, we are also building teams with local expertise to help navigate regional dynamics and support relationships with broadcasters and operators.

Our entrepreneurial, specialist team is a key differentiator. Their deep sector expertise and innovative mindset enable us to deliver unique value to clients, while maintaining the scalability of a technology-led business rather than a services model.

Outlook

FY25 has been a pivotal year of preparation, and we now move into FY26 with the strongest growth platform in our history. With Portugal live, two further European markets progressing, and additional geographies already on our roadmap, international expansion is set to become a major driver of growth.

At the same time, our product innovations are opening entirely new revenue streams. PayFlex, CompsPortal and RCS together represent a step-change in capability – enabling richer consumer journeys, higher-value transactions and deeper relationships for our clients. These are not incremental add-ons but transformational products that expand our addressable market and reinforce our position as the leading provider of interactive services.

The combination of international scale and product innovation means Fonix is entering its next phase with powerful momentum. We are confident that FY26 will mark the start of an acceleration in growth, greater diversification of our earnings, and sustained long-term value

creation. Above all, we believe the opportunity ahead of us is larger and more exciting than at any point since IPO, and we look forward to delivering on it.

Robert Weisz, Chief Executive Officer

Financial Review

Key performance indicators

Financial	2025	2024	Change
Gross profit	£18.6m	£17.9m	3.9%
Adjusted EBITDA ¹	£14.6m	£13.7m	6.6%
Adjusted PBT ²	£14.3m	£14.0m	2.1%
Underlying cash ³	£9.9m	£11.3m	-12.4%
Adjusted EPS ⁴	11.3p	10.8p	4.6%
Adjusted ROCE ⁵	125%	116%	

Non-financial	2025	2024	Change
Total payments volume (TPV) ⁶	£280.9m	£303.3m	-7.4%

¹ Adjusted EBITDA excludes share-based payment charges along with depreciation, amortisation, interest, R&D tax credits and tax from the measure of profit.

² Adjusted PBT is profit before tax excluding share-based payment charges and R&D tax credits.

³ Underlying cash is actual cash excluding cash held on behalf of customers.

⁴ Adjusted EPS is earnings per share excluding share-based payment charges.

⁵ Adjusted ROCE is return on capital employed calculated as adjusted EBIT (being earnings before interest, R&D tax credits and tax excluding share-based payment charges) divided by capital employed (total assets less total current liabilities).

⁶ Total payments volume is consumer spend inclusive of VAT processed via carrier billing, SMS billing and voice, along with the total value of payments facilitated through third-party payment service providers via Google Pay, Apple Pay, PayPal and bank card.

Financial Review

Total payments volume (TPV)

Total Payment Volume (TPV) represents the cash payments processed or facilitated by Fonix on behalf of customers. TPV declined to £281m (2024: £303m), primarily due to fewer charity campaigns and the planned exit of certain low-margin services. These included a gaming client withdrawing from the UK market in response to tighter gambling regulations and the discontinuation of paid voting by a broadcast customer. In addition, some broadcaster customers encouraged consumer spend at higher price points—delivering them stronger margins but typically lower volumes. Overall, the impact on gross profit was limited, reflecting our strategic focus on sustainable, higher-margin revenue.

Revenue and other income

Gross profit remains the Company's key indicator of growth and is regarded as the most meaningful measure of performance. By contrast, reported revenues include the share of each payment transaction retained by mobile network operators (MNOs), which can vary significantly depending on product mix, operator, price point, and geography. Revenues for the year decreased to £72.7m (2024: £76.1m), reflecting changes in the service and product mix—most notably the discontinuation of certain gaming and voting services which, while low-margin for the Company, were valuable to MNOs, as well as greater use of higher price points by customers, where the average MNO share of transactions is lower.

Gross profit

Gross profit is the business' most important financial indicator as this represents the Company's share of revenue for processing mobile payments and messages.

Gross profit for the year increased to £18.6m (2024: £17.9m) growing 3.9% on the previous year, with mobile payments growing 1% (2024: 17%), mobile messaging growing 26% (2024: 43%) and managed services growing 6% (2024: 2%).

Blended gross profit margin increased to 25.6% (2024: 23.5%), reflecting the same product and client mix dynamics described above. The discontinuation of lower-margin voting and gaming services reduced the share of revenue retained by mobile network operators, while some customers shifted towards higher average transaction values. These factors lowered MNO transaction shares and, in turn, lifted gross margins for mobile payments.

Adjusted operating expenses

Operating costs were kept firmly under control, with increases arising mainly from investments to support future growth. Adjusted operating costs remained broadly unchanged at £4.1m (2024: £4.2m). The reduction reflects lower staff bonuses, in line with

more modest business growth, a decrease in one-off marketing spend, and an additional £0.2m of headcount spend allocated to capitalised new product development.

Staff-related costs and incentives—including remuneration, bonuses, benefits, recruitment, and training—rose to £4.5m (2024: £4.3m), driven by growth in engineering and operations headcount, partly offset by reduced bonuses. Average headcount increased to 52 (2024: 49).

IT hosting costs fell slightly to £200k (2024: £217k) following the consolidation of certain platform databases.

Software development costs of £1,285k (2024: £1,061k) were capitalised, representing 67% of development costs (2024: 67%). The increase reflects expansion of the development team and further investment in the Fonix platform. Capitalised spend was offset by an amortisation charge of £874k (2024: £693k), with development costs amortised on a straight-line basis over three years.

Adjusted EBITDA

Growth in gross profit, combined with continued cost control, drove a 6.6% increase in adjusted EBITDA to £14.6m (2024: £13.7m). Adjusted EBITDA is presented as a clearer measure of underlying business performance, excluding share-based payment charges, depreciation, amortisation, interest, R&D tax credits, and tax.

Finance income and expenses

Finance expense, relating to the unwinding of the discounted lease liability, increased slightly to £21k (2024: £18k) following the renewal of the Company's office lease for a further three years in November 2023.

Finance income decreased to £0.8m (2024: £1.1m), reflecting lower base interest rates during the year.

Corporation tax

The Company's effective corporate tax rate decreased to 22.7% (2024: 23.2%) following the adoption of an HMRC-approved branch profits exemption from 1 July 2024. Under this arrangement, profits generated by branches outside the UK are taxed at the applicable local rate rather than UK corporation tax. While the UK headline rate remains 25%, the corporation tax rate in Ireland, where the Company operates a branch, is 12.5%.

EPS and Dividends

Given the Company's strong performance, cash resources, distributable reserves and confidence in future prospects, the board recommends paying out 78% of adjusted EPS as

an ordinary dividend, in line with the Company's progressive policy to distribute at least 75% of adjusted earnings per share each year. This excludes the special dividend of 3p paid in February; when included, total dividends for the year amount to more than 100% of adjusted EPS. The board therefore intends to recommend an increased final dividend of 5.90p per share (2024: 5.70p), to be approved at the AGM in November.

Statement of Financial Position

The Company had net assets of £10.5m (2024: £10.7m) at the year-end, including capitalised software development costs with a carrying value of £2.0m (2024: £1.6m). The movement in net assets reflects profit after tax less dividend payments and share options exercised.

Current assets decreased to £56m (2024: £62m), primarily reflecting lower cash balances at year end. This was driven by the Company holding less cash on behalf of customers, which is correspondingly reflected in reduced trade and other payables.

Current liabilities decreased to £47m (2024: £53m), reflecting lower trade payables at year end due to changes in the timing of certain customer campaigns, as well as a reduction in VAT owed, driven by invoicing timing differences.

Non-current liabilities decreased to £0.3m (2024: £0.4m) as the Company partially unwound its office lease liability following the lease renewal in November 2023.

Cash and underlying cash

The board distinguishes between actual cash, which includes cash held on behalf of customers, and underlying cash, which excludes cash held on behalf of customers.

Underlying cash is considered a better reflection of the cash flow available to the business. It decreased to £9.9m (2024: £11.3m), primarily due to additional shareholder distributions, including a £3.0m special dividend paid in February 2025.

Actual cash, which includes cash held on behalf of customers, can vary substantially from period to period and is particularly sensitive to the timing of passthrough outpayments. Actual cash held decreased to £22.0m (2024: £26.5m) in the year. The reduction, beyond the movement in underlying cash, was purely timing-related and reflects the settlement of certain customer liabilities around the year end.

Michael Foulkes, Chief Finance Officer

Audited results for the year ended 30 June 2025

Statement of Comprehensive Income

For the year ended 30 June 2025

	Note	2025 £'000	2024 £'000
Continuing operations			
Revenue	4	72,780	76,089
Cost of sales		(54,152)	(58,203)
<hr/>			
Gross profit	3	18,628	17,886
Other income		-	-
Adjusted operating expenses ¹		(4,074)	(4,193)
<hr/>			
Profit before interest, tax, depreciation, amortisation, share-based payment charge and exceptional costs			
		14,554	13,693
R&D tax credit		131	58
Share-based payment charge		(86)	(100)
Depreciation and amortisation		(1,014)	(825)
<hr/>			
Operating profit		13,585	12,826
Finance income		826	1,127
Finance expense		(21)	(19)
<hr/>			
Profit before taxation		14,390	13,934
Taxation		(3,245)	(3,317)
<hr/>			
Total comprehensive profit for the financial year		11,145	10,617

¹ Adjusted operating expenses excludes R&D tax credits, share-based payment charge, depreciation and amortisation

Earnings per share	2025	2024
Basic earnings per share	11.3p	10.7p
Diluted earnings per share	11.2p	10.6p
Adjusted basic earnings per share	11.3p	10.8p

Statement of Financial Position

As at 30 June 2025

	2025	2024
	£'000	£'000
Non-current assets		
Intangible asset	2,017	1,606
Right of use asset	166	286
Tangible assets	31	30
	2,214	1,922
Current assets		
Trade and other receivables	33,766	35,947
Cash and cash equivalent	21,998	26,480
	55,764	62,427
Total assets	57,978	64,349
Equity and liabilities		
Equity		
Share capital	100	100
Share premium account	679	679
Treasury shares	(2,051)	(2,273)
Share option reserves	422	362
Retained earnings	11,380	11,834
	10,530	10,702
Liabilities		
Non-current liabilities		
Deferred tax liabilities	287	237
Lease liabilities	19	146
	306	383
Current liabilities		
Trade and other payables	47,015	53,148
Lease liabilities	127	116
	47,142	53,264
Total liabilities	47,448	53,647
Total equity and liabilities	57,978	64,349

Statement of Changes in Equity

For the year ended 30 June 2025

	Share capital £'000	Share premium £'000	Share option reserve £'000	Treasury shares £'000	Retained earnings £'000	Total £'000
Balance at 1 July 2023	100	679	297	(495)	8,807	9,388
Profit for the financial year	-	-	-	-	10,617	10,617
	-	-	-	-	10,617	10,617
Transactions with shareholders						
Dividends	-	-	-	-	(7,481)	(7,481)
Share-based payment charge	-	-	100	-	-	100
Purchase of own shares	-	-	-	(2,040)	-	(2,040)
Exercise of share options issued from treasury shares	-	-	-	262	(144)	118
Fair value of options exercised in the period	-	-	(35)	-	35	-
	-	-	65	(1,778)	(7,590)	(9,303)
Balance at 30 June 2024	100	679	362	(2,273)	11,834	10,702
Profit for the financial year	-	-	-	-	11,145	11,145
	-	-	-	-	11,145	11,145
Transactions with shareholders						
Dividends	-	-	-	-	(11,493)	(11,493)
Share-based payment charge	-	-	86	-	-	86
Purchase of own shares	-	-	-	-	-	-
Exercise of share options issued from treasury shares	-	-	-	222	(132)	90
Fair value of options exercised in the period	-	-	(26)	-	26	-
	-	-	60	222	(11,599)	(11,317)
Balance at 30 June 2025	100	679	422	(2,051)	11,380	10,530

Statement of Cash Flows

For the year ended 30 June 2025

	2025	2024
	£'000	£'000
Cash flows from operating activities		
Profit before taxation	14,390	13,934
Adjustments for		
Depreciation	20	15
Amortisation	994	809
Share-based payment charge	86	100
Finance income	(826)	(1,127)
Finance expense	21	19
(Increase)/decrease in trade and other receivables	2,180	111
Increase/(decrease) in trade and other payables	(5,758)	4,297
Income tax paid	(3,570)	(2,839)
Net cash flows from operating activities	7,537	15,319
Cash flows from investing activities		
Interest received	826	1,127
Payments to acquire tangible assets	(20)	(18)
Payments to acquire intangible assets	(1,285)	(1,061)
Net cash flows from investing activities	(479)	48
Cash flows from financing activities		
Net proceeds from issue of equity	90	119
Dividends paid	(11,493)	(7,481)
Purchase of own shares	-	(2,040)
Capital payments in respect of leases	(116)	(115)
Interest paid in respect of leases	(21)	(18)
Net cash flows from financing activities	(11,540)	(9,535)
Net increase in cash and cash equivalents for the period	(4,482)	5,832
Cash and cash equivalents at beginning of period	26,480	20,648
Cash and cash equivalents at end of period	21,998	26,480

Statement of Underlying Cash Flows

For the year ended 30 June 2025

The company's mobile payments segment involves collecting cash on behalf of clients which is then paid to clients net of the company's share of revenues or fees associated with collecting the cash. The company's cash balance therefore fluctuates depending on the timing of "pass through" cash received and paid. The analysis below shows the movements in the company's underlying cash flow excluding the monies held on behalf of customers. The underlying cash is derived from actual cash by adjusting for customer related trade and other receivables less customer related trade and other payables and customer related VAT liabilities.

	2025	2024
	£'000	£'000
Underlying cash flows from operating activities		
Profit before taxation	14,390	13,934
Adjustments for		
Depreciation	20	15
Amortisation	994	809
Share-based payment charge	86	100
Finance income	(826)	(1,127)
Finance expense	21	19
(Increase)/decrease in trade and other receivables	(410)	(31)
Increase/(decrease) in trade and other payables	(133)	485
Income tax paid	(3,570)	(2,839)
Net underlying cash flows from operating activities	10,572	11,365
Underlying cash flows from investing activities		
Interest received	826	1,127
Payments to acquire tangible assets	(20)	(18)
Payments to acquire intangible assets	(1,285)	(1,061)
Net underlying cash flows from investing activities	(479)	48
Underlying cash flows from financing activities		
Net proceeds from issue of equity	90	119
Dividends paid	(11,493)	(7,481)
Purchase of own shares	-	(2,040)
Capital payments in respect of leases	(116)	(115)
Interest paid in respect of leases	(21)	(18)
Net underlying cash flows from financing activities	(11,540)	(9,535)
Net increase in underlying cash for the period	(1,447)	1,878
Underlying cash at beginning of period	11,324	9,446
Underlying cash equivalents at end of period	9,877	11,324

Notes to the preliminary financial information

1. Basis of preparation

The financial information set out herein does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the Year ended 30 June 2025 has been extracted from the company's audited financial statements which were approved by the Board of Directors on 22 September 2025 and which, if adopted by the members at the Annual General Meeting, will be delivered to the Registrar of Companies for England and Wales.

The financial information for the Year ended 30 June 2024 has been extracted from the company's audited financial statements which were approved by the Board of Directors on 23 September 2024 and which have been delivered to the Registrar of Companies for England and Wales.

The reports of the auditor on both these financial statements were unqualified, did not include any references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under Section 498(2) or Section 498(3) of the Companies Act 2006.

The information included in this preliminary announcement has been prepared on a going concern basis under the historical cost convention, and in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and the International Financial Reporting Interpretations Committee (IFRIC) interpretations issued by the International Accounting Standards Board ("IASB") that are effective as at the date of these financial statements.

The company is a public limited company incorporated and domiciled in England & Wales and whose shares are quoted on AIM, a market operated by The London Stock Exchange.

2. Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Fonix is not externally funded and accordingly is not affected by borrowing covenants. In addition, the cost of capital represents dividend distributions or share buy-backs – which are discretionary.

At 30 June 2025 the company had cash and cash equivalents of £22.0 million (2024: £26.5 million) and net current assets of £8.6 million (2024: £9.2 million). The business model of

Fonix is cash generative – with increased sales generally impacting positively on the working capital cycle and profits from trading activities being rapidly reflected in cash at bank.

The directors maintain sufficient net assets in the company by moderating or increasing dividend distributions or share buy-backs as necessary.

The directors have prepared detailed cash flow forecasts for the next 18 months that indicate the existing activities of the company do not require additional funding during that period. The forecasts are challenged by various downside scenarios to stress test the estimated future cash and net current asset position. The directors are pleased to note that the stress tests did not have a significant impact on the funding requirement. In addition, current trading is in line with the forecast for the year.

Accordingly, the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

3. Segmental reporting

Management currently identifies one operating segment in the company under IFRS 8 – being the facilitating of mobile payments and messaging. However, the directors monitor results and performance based upon the gross profit generated from the service lines as follows:

	2025	2024
Gross profit	£'000	£'000
Mobile payments	14,871	14,782
Mobile messaging	2,937	2,332
Managed services	820	772
	18,628	17,886

Differences between the way in which the single operating segment is reported in the financial statements and the internal reporting to the Board for monitoring and strategic decisions, relates to the recording of revenue in line with IFRS 15. The IFRS adjustments do not impact on the calculation or reporting of gross profit.

Gross profits can be attributed to the following geographical locations, based on the end user and the associated mobile network operators' location:

	2025	2024
Gross profit by geography	£'000	£'000
United Kingdom	16,268	15,691
Rest of Europe	2,360	2,195
	18,628	17,886

4. Revenue

The company disaggregates revenue between the different streams outlined as this is intended to show its nature and amount.

The total revenue of the company has been derived from its principal activity undertaken wholly in the United Kingdom and EU.

Revenue is recognised at the point in time of each transaction when the economic benefit is received. The total revenue of the company by service line is as follows:

	2025	2024
Revenue by service line	£'000	£'000
Mobile payments	48,784	54,199
Mobile messaging	21,831	19,859
Managed services	2,165	2,031
	72,780	76,089

Revenues can be attributed to the following geographical locations, based on the end user and the associated mobile network operators' location:

	2025	2024
Revenue by geography	£'000	£'000
United Kingdom	60,209	63,915
Rest of Europe	12,571	12,174
	72,780	76,089

The number of customers representing more than 10% of gross profit in the year was 3 (2024: 3).

5. Earnings per share

The calculations of earnings per share are based on the following profits and number of shares:

	2025	2024
	£'000	£'000
Retained profit for the financial year	11,145	10,617
<hr/>		
Number of shares	2025	2024
	Number	Number
Weighted average number of shares outstanding	99,036,308	99,651,884
Share options	695,763	803,079
	99,732,071	100,454,963
<hr/>		
Earnings per ordinary share		
Basic	11.3p	10.7p
Diluted	11.2p	10.6p

The calculations of adjusted earnings per share are based on the following adjusted profits and number of shares listed above:

	2025	2024
Adjusted earnings per share	£'000	£'000
Retained profit for the financial year	11,145	10,617
<hr/>		
Adjustments		
Share-based payment charge	86	100
Net adjustments	86	100
Adjusted earnings	11,231	10,717
Adjusted basic earnings per ordinary share	11.3p	10.8p

At 30 June 2025, the total number of ordinary shares of 0.1 pence each in the capital of the Company, in issue was 100,000,000. The Company held 924,472 shares in treasury, and therefore the total number of ordinary shares outstanding in the Company was 99,075,528.