



Investor Briefing

Interim Results Presentation | 6-months ended 31 December 2024



The Business

Rob Weisz

Chief Executive Officer

Executive Summary



Trading in line with expectations for the year



Mobile network operator connectivity and strategic partnerships in Portugal



Gross profits from key segments of payments & messaging have continued to see solid growth



Increased ordinary dividend, in addition to special dividend paid in February 2025

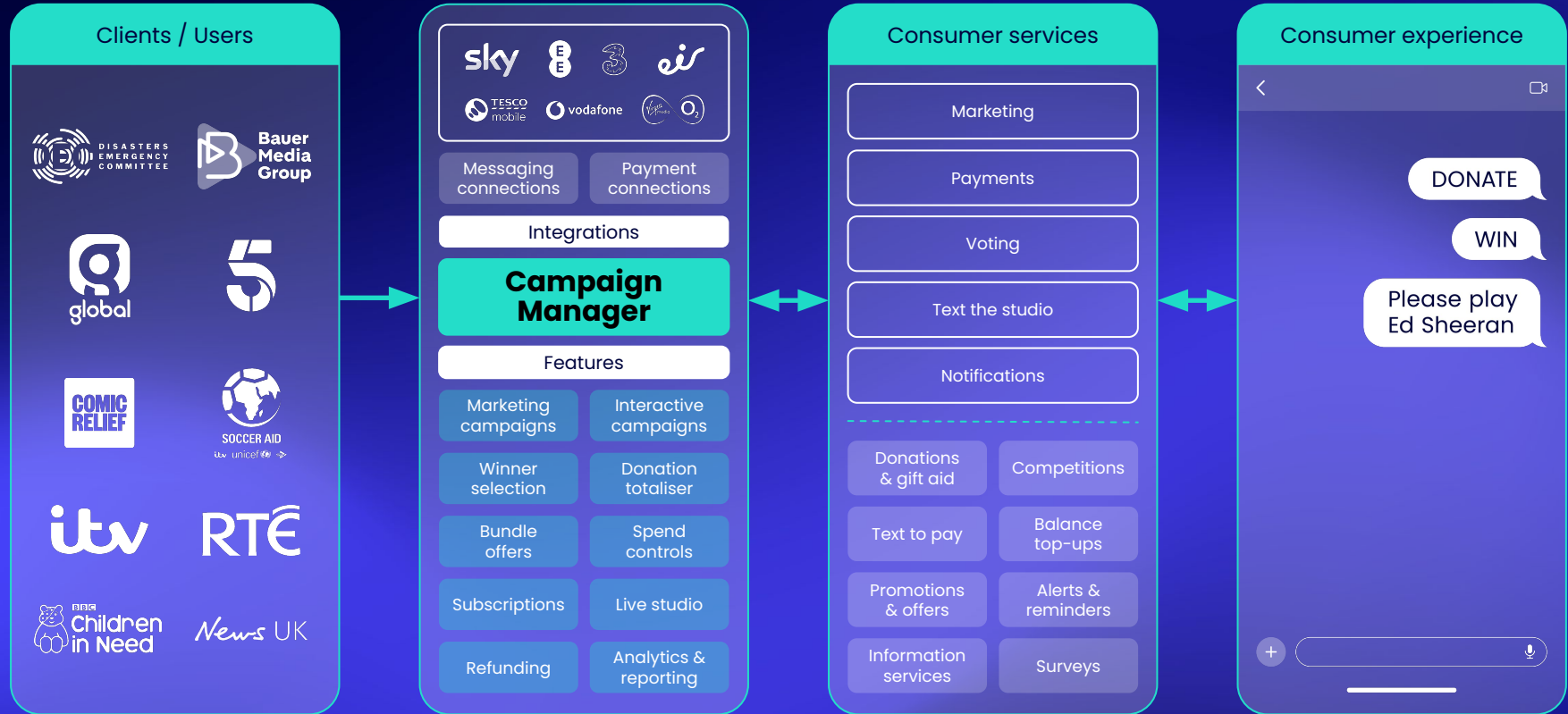


Growth strategy continues to deliver sustainable, long-term profitability



Increased product investment and continued focus on international markets

What we do and how





Operational & Financial Update

Michael Foulkes

Chief Financial & Operating Officer

Operational Highlights

Key achievements for the 6 months ended 31 December 2024:



Product innovation



+5

MNO* connections



International investment



100%

Platform uptime



Enhanced structure



99%

Income of a repeating nature

*MNO = Mobile Network Operator

The Product & Technology

A market leading payments and messaging platform built by industry experts



Commercially centric development

Focus on features to drive growth for clients



Robust, secure & reliable

with 100% uptime throughout year



Highly scalable

cloud based technology



*MNO = Mobile Network Operator

Key Performance Indicators

Financial and operating key performance indicators for the 6 months ended 31 December 2024:

TPV¹



£150m

- 5.4% YOY

Gross Profit



£9.8m

+ 6.5% YOY

Adjusted EBITDA²



£7.8m

+ 6.8% YOY

Adjusted PBT³



£7.8m

+ 5.4% YOY

¹ TPV means the Total Payment Value and represents the gross value of consumer spend on both commercial and charity customer services.

² Adjusted EBITDA excludes share-based payment charges along with depreciation, amortisation, interest, R&D tax credits and tax from the measure of profit.

³ Adjusted PBT is profit before tax excluding share-based payment charges and R&D tax credits.

Trading Growth YOY

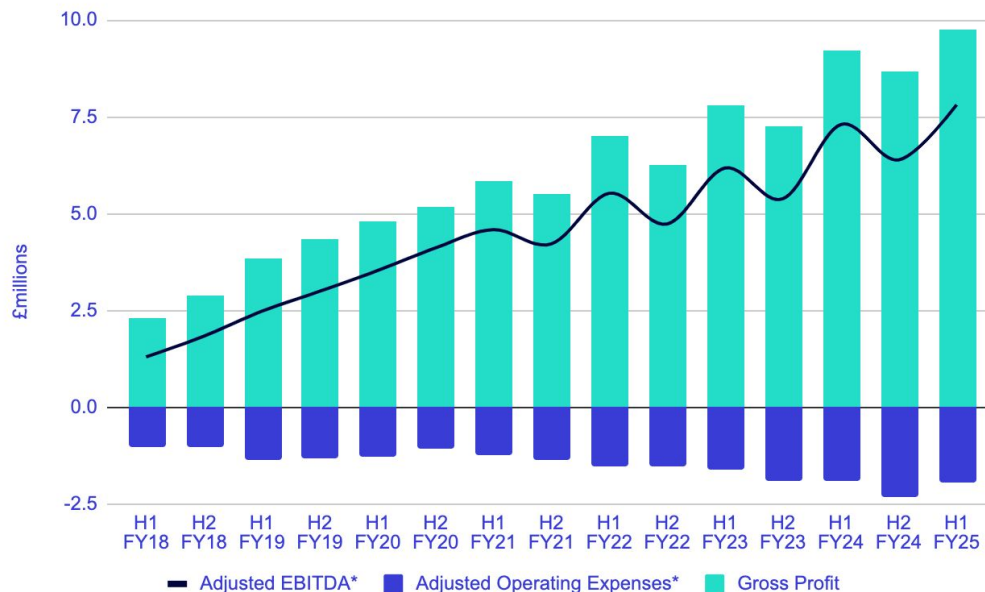
Revenue, gross profit and adjusted EBITDA growth all in line with expectations.

Fonix is well positioned for a strong second half of the financial year, supported by a solid base of recurring revenue from existing clients and the addition of new customers such as News UK (Virgin Radio & talkSport), Lebara and Grace Media. The upcoming launch of services in Portugal further strengthens growth prospects.

The Board anticipates a stronger H2 weighting than usual periods, driven by our growing client base and steady demand for enterprise messaging solutions.

Financial performance

(July 2017 to Dec 2024)



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

Segmental Analysis

Gross profit continues to be the business' most important financial indicator as this represents the company's share of revenue for processing mobile payments and SMS messages.

Mobile payments represents charges made to consumers on behalf of merchants. GP increase driven by growth in existing customers in both the UK and overseas, as well as new customers such as News UK in the UK. GP% increased due to changes in client, product and the tariff mix of customer services.

Mobile messaging represents notification and marketing SMSs sent to consumers by merchants. GP growth largely driven by growth in Fonix's enterprise messaging services.

Managed services represents other fees and non-transactional revenue. GP increase driven by new MNO connections.

	H1 FY25 £000s	H1 FY24 £000s	Change YoY	Share of H1 FY25
Revenue				
Mobile payments	25,995	28,375	-8%	67%
Mobile messaging	11,719	10,281	14%	30%
Managed services	1,036	1,002	3%	3%
Total revenue	38,750	39,658	-2%	100%

Gross profit				
Mobile payments	7,939	7,522	6%	81%
Mobile messaging	1,442	1,308	10%	15%
Managed services	383	368	4%	4%
Total gross profit	9,764	9,198	6%	100%

Gross profit %	%	%		
Mobile payments	30.5%	26.5%		
Mobile messaging	12.3%	12.7%		
Managed services	37.0%	36.7%		
Total gross profit	25.2%	23.2%		

	£000s	£000s	Change YoY	Share of H1 FY25
GP by geography				
United Kingdom	8,542	8,078	6%	87%
Rest of Europe	1,222	1,120	9%	13%
Total gross profit	9,764	9,198	6%	100%

Financial Performance

Gross profit growth of 6% YOY, driven primarily by increased income from existing customers, with continued strong international growth and expansion in enterprise messaging services.

Adjusted operating expenses increased 3%, largely due to an increase in staff costs offset by other efficiency savings.

Adjusted EBITDA increased 7% YOY due to gross profit growth and continued prudent expense management.

Interim DPS of 2.9p (FY24: 2.6p) declared in line with the company's progressive dividend policy to pay-out at least 75% of adjusted earnings per share per year. In addition to 3.0p special dividend paid in February 2025.

TPV down YOY, reflecting fewer charity campaigns, a reduction in low-margin voice telephony services, and the exit of some gaming customers from the UK market.

Financial Performance	HI FY25 £000s	HI FY24 £000s	Change YoY
TPV	150,000	158,000	-5%
Revenue	38,750	39,658	-2%
Gross profit	9,764	9,198	6%
Other income	-	-	
Adjusted operating expenses	(1,952)	(1,895)	3%
Adjusted EBITDA	7,812	7,303	7%
R&D tax credit	122	-	
Share-based payment charge	(39)	(46)	-15%
Depreciation and amortisation	(482)	(389)	24%
Operating profit	7,413	6,868	8%
Financial expense, income	452	492	-8%
Taxation	(1,804)	(1,675)	8%
Net profit	6,061	5,685	7%

Cashflow

Underlying cash shows the business' true available cash flow and excludes cash held on behalf of customers. Underlying cash remained relatively stable in the period as additional cash from operating activities during the period was offset by accelerated corporation payments in the UK and Ireland. Net cash flow from investing activities predominantly relates to capitalised software development expenditure less interest received on bank deposits.

Actual cash includes cash held on behalf of customers and therefore fluctuates substantially period to period depending on the timing of mobile operator inflows at month end.

	Actual cash H1 FY25 £'000	Actual Cash H1 FY24 £'000	Underlying cash H1 FY25 £'000	Underlying cash H1 FY24 £'000
Actual & underlying cash flow				
Net cash flows from operating activities	4,328	13,755	5,410	6,629
Net cash flows from investing activities	(149)	(20)	(149)	(20)
Net proceeds from issue of equity	90	114	90	114
Dividends paid	(5,647)	(4,884)	(5,647)	(4,884)
Purchase of own shares	-	-	-	-
Capital payments in respect of leases	(56)	(61)	(56)	(61)
Interest paid in respect of leases	(12)	(4)	(12)	(4)
Net (decrease)/increase in cash	(1,446)	8,900	(364)	1,774
Cash at beginning of period	26,480	20,648	11,324	9,446
Cash at end of period	25,034	29,548	10,960	11,220



Strategy Update

Rob Weisz

Chief Executive Officer



Media

Payments & interactivity for TV & radio

- **£174m+** UK TV engagement market ⁽²⁾
- **Significant international expansion opportunity** across neighbouring European markets



Charity

Mobile donation technology

- **£13.9bn donated** in the UK ⁽¹⁾
- **£36m+** donated via carrier billing in UK ⁽²⁾
- **International expansion opportunity**



Gaming

Payments & gaming operators

- **£15bn+** UK gaming market ⁽³⁾
- **£61m spent** via carrier billing in UK ⁽²⁾



Transport & Ticketing

Payments for e-mobility and parking



Digital Services

Publishers, lifestyle & digital entertainment

Product strategy

Driving revenue growth through innovation



Richer messaging:

- **Visually compelling** messaging with **interactive content** and instant payments



Optimised payments:

- Providing consumers **greater choice** and **better overall conversion** for customers



New MNO* integrations:

- Access to **more consumers** and **new** international **markets**

*MNO = Mobile Network Operator



PayPal G Pay Apple Pay

Ireland

Fonix launched in Ireland in 2021 and continues to achieve **high single-digit percentage growth** YoY in gross profits.

9%+

Customers continue to operate unchanged following new gambling legislation in 2024.

Portugal

Fonix anticipates launching in Portugal in 2025 and estimates there is a **total addressable market of up to €50m** per year in consumer spend (TPV).

€50m

Contracts and connections with all mobile network operators.

Strategic partnership with one of Portugal's leading telecom providers.

Commercial discussions with **multiple leading broadcasters.**

Other markets

Early discussions with prospective customers and mobile network operators in several other European markets, with an estimated combined **total addressable market of over €200m** per year in consumer spend (TPV).

€200m+

"Fonix has reinvigorated the market and changed the landscape for premium and interactive services *in Ireland*"

(Three Mobile Ireland)



Outlook

Rob Weisz

Chief Executive Officer

Executive Summary

Trading



Trading in line with expectations for the year

Growth



Continuing to grow existing accounts and win new accounts in our core sectors

Investment



Investing in growth with increased spend on product and international exploration

International



Imminent launch of interactive services in Portugal

Pipeline



A significant pipeline of commercial opportunities across all sectors and markets

Thank you for
your time



Appendix



The Team

Board



Ed Spurrier
Chair



Carmel Warren
Non-executive Director



Will Neale
Non-executive Director



Rob Weisz
CEO



Michael Foulkes
CFO & COO

Senior Leadership



Francesca Gangemi
Director of Technology
and Engineering



Marcus Kern
Head of Tech
Strategy



Louisa Harris
Operations &
Delivery Director



Steve George
Client Success &
Partnerships Director



Clare Charles
Client Service
Director



Anthony Baladi
Commercial
Director

Balance Sheet

Balance sheet	H1 FY25 £'000	H1 FY24 £'000	Change YoY
Intangible asset	1,795	1,423	26%
Right of use asset	226	346	-35%
Tangible assets	33	27	22%
Trade and other receivables	48,215	44,032	9%
Cash and cash equivalent (actual cash)	25,034	29,548	-15%
Total assets	75,303	75,376	0%
Current liabilities	63,746	64,676	-1%
Non-current liabilities	313	351	-11%
Total liabilities	64,059	65,027	-1%
Total equity / net assets	11,244	10,349	9%
Underlying cash and cash equivalent	10,960	11,220	-2%

The Market

