

Bango PLC

("Bango" or the "Company")

2024 Full Year Results and Outlook

Cambridge, UK, 6 June 2025 - Bango (AIM: BGO), today announces its full year results for the 12 months ended 31 December 2024 and provides an update on current trading and outlook for 2025.

FY24 Financial Overview:

Results for the 12 months ended 31 December 2024	FY24	FY23	YoY Change
Transactional Revenue ¹	36.2M	32.7M	+11%
DVM & One Off Revenue ²	17.2M	13.4M	+28%
Total Revenue	53.4M	46.1M	+16%
Annual Recurring Revenue (ARR) ³	14.0M	8.8M	+59%
Net Retention ⁴	125%	137%	
Adjusted EBITDA ⁵	15.3M	6.4M	+139%
Loss After Tax	(3.7M)	(8.8M)	5.1M
Net (debt)/cash at 31 December ⁶	(1.8M)	(4.0M)	2.2M

FY24 Operational highlights:

- 9 new Digital Vending Machine® (DVM™) license customers (total 27 at end of 2024)
- 110 content providers connected to the DVM, up from 93 at the end of 2023
- Launched Disney+ with Continente - Portugal's largest high-street retailer, in only 12 weeks from first customer contact
- First two DVM CX (user interface) customers signed, including Altice in the US
- First Eastern European DVM customer signed

Post period-end

Digital Vending Machine®

- 6 new DVM customers to date in 2025, including:
 - New US wins mean the Bango DVM now serves 6 out of the top 8 US communication providers (by subscriber count)
 - First DVM customer in South Korea - leading Telco selected Bango DVM for bundling
 - New DVM Telco customer in Benelux marks the first win from an improved Western Europe DVM pipeline
- First customer launch of the Bango DVM CX (user interface) with Altice in the US. The DVM CX reduces the effort for resellers when launching bundled offers, allowing them to launch much faster. It is sold as an additional license fee.
- DVM is on track to once again deliver double digit revenue growth in-line with consensus⁷.

Transactional

- 98% of traffic acquired with DOCOMO Digital has been migrated to the Bango platform
- The high cost of sales routes acquired from DOCOMO Digital have experienced volatility and are below expectation however, given the margin profile of these routes, there is minimal impact to EBITDA. Work to optimize or restructure these routes is ongoing.
- Bango has disconnected several small, unprofitable routes since the DOCOMO Digital acquisition and continues to launch selected new routes where there is significant growth potential.
- Core Transactional revenue (excluding the high cost of sales routes) is in-line with expectations.

Financing

- Bango has secured financing which will be used to strengthen the balance sheet and provide further flexibility on the timing of cost reductions.

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- Bango has secured an enhanced loan facility from NHN. Under the agreement, the existing loan will increase by 2.85M and include a deferral of principal repayments for 18 months (further information can be found detailed in the RNS announcement published earlier today titled, 'Loan Agreement and Related Party Transaction').
- In addition, Bango has secured a 15M Revolving Credit Facility (RCF) with NatWest. This provides a committed, long-term financing solution that will replace the existing £3M overdraft from Barclays.

Efficiency Initiatives

- Bango expects to report FY25 Adj. EBITDA in-line with consensus⁷
- Further efficiencies are expected to result in a modest increase to Adj. EBITDA vs consensus⁷ in FY26 of 1M
- A reduction in R&D capital expenditure versus current consensus⁷, of 0.5M in FY25 and 1M in FY26 is planned.

Board changes

- As separately announced, (See 'Directorate Change' RNS published today), Anil Malhotra and Frank Bury will formally step down from the Board at the conclusion of the AGM on 30 June 2025.

Investor Presentation:

Bango is hosting a presentation, open to all existing and potential shareholders, at 10.30am BST today. Investors can sign up to Investor Meet Company for free and register to join the call here:

<https://www.investormeetcompany.com/bango-plc/register-investor>

Bango CEO, Paul Larbey, said:

"2024 was a pivotal year for Bango, marked by strong revenue growth, a significant increase in profitability, and strategic progress across both our Digital Vending Machine® and Payments businesses. We delivered a 16% increase in total revenue and more than doubled Adjusted EBITDA to 15.3M, reflecting the operational leverage of our platform and disciplined cost management. The DVM continues to gain global traction, with 9 new customers added during the year and a strong pipeline rapidly converting in 2025 with 6 new wins including our first customer in South Korea.

With tens of millions of subscriptions already managed, and the scalability to support hundreds of millions more, Bango is uniquely placed to benefit from the structural shift toward subscription-based services and indirect distribution models. Increasingly, the Bango DVM is becoming the standard platform for subscription bundling - not just in capability, also in reputation. It's the solution recommended by some of the world's largest content providers when their partners want to scale subscriptions and build customer engagement, and now serves 6 of the top 8 US communication service providers. This positions Bango at the very heart of the global subscription economy.

In the Payments business, Bango continues to have a leading position in the market and remains the largest Direct Carrier Billing partner for the Google Play store, the only partner powering DCB for the Amazon store in Japan and the sole provider of online DCB services to NTT DOCOMO Japan - the largest operator, in the most valuable DCB market. With the migration of traffic from the DOCOMO Digital platform to the Bango platform we are optimizing our Payments business for cash and profitability by simplifying operations.

The financing provided by NatWest and NHN demonstrate strong confidence in Bango's business model & strategic plan and materially strengthens the balance sheet. The decision to make the strategic investment in DVM coupled with the market growth in "Super bundling" are driving a strong sales pipeline. This combined with disciplined cost management, a reduction in R&D capex and the inherent operational leverage of our platform will deliver a step-change in cash generation in FY26 and drive shareholder returns. We view the future opportunity with both confidence and excitement."

Notes:

The Annual Report, including full accounts, is available at, <https://bangoinvestor.com/results-reports>, and will be sent to shareholders shortly.

¹ Transactional Revenue is revenue derived by charging a percentage of the retail price paid by the consumer and is made up of carrier billing, resale and e-Disti revenue share amounts.

² DVM & One Off Revenue includes all DVM license and support fees, revenue from Bango Audiences (discontinued in Q1 FY24) and one off fees including DVM set-up and change requests.

³ Annual Revenue Guidance is the expected annual revenue to be reported in the next 12 months.

³Annual Recurring Revenue is the expected annual revenues to be generated in the next 12 months based on contracted revenues recognized as at 31 December.

⁴Net Retention is a measure of the retention and expansion of revenue from existing customers over a specific period and is calculated by dividing the ARR from existing customers at the end of a period by the ARR generated from those same customers at the beginning of the period.

⁵Adjusted EBITDA is earnings before interest, tax, depreciation, amortization, negative goodwill, exceptional items and share based payment charge.

⁶Net debt is cash and cash equivalents plus short-term investments less loans and borrowings.

⁷Current consensus market expectations prior to today's announcement.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No.596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain. The person responsible for making this announcement on behalf of Bango is Paul Larbey, Chief Executive Officer.

For further information, please contact:

Investor questions on this announcement

We encourage all investors to share questions on this announcement via our investor hub

<https://bangoinvestor.com/s/2a69da>

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About Bango

Bango enables content providers to reach more paying customers through global partnerships. Bango revolutionized the monetization of digital content and services, by opening-up online payments to mobile phone users worldwide. Today, the Digital Vending Machine® is driving the rapid growth of the subscriptions economy, powering choice and control for subscribers.

The world's largest content providers, including Amazon (NASDAQ: AMZN), Google (NASDAQ: GOOG) and Microsoft (NASDAQ: MSFT) trust Bango technology to reach subscribers everywhere.

Bango, where people subscribe. For more information, visit www.bangoinvestor.com

Subscribe to our news alert service: <https://bangoinvestor.com/auth/signup>

Chair's Statement

2024 was a year of significant progress for Bango. In a rapidly evolving subscription economy, we have strengthened our leadership position, expanded our capabilities, and delivered solid financial performance. This success reflects the skill, resilience, and ambition of the Bango team as we navigate opportunities and challenges alike.

The subscription economy is growing at an extraordinary pace, with billions of active subscriptions and a fundamental shift toward subscription-based models. Bango sits at the heart of this transformation, leading the way in subscription bundling - an emerging trend that helps users to manage subscriptions seamlessly and enables content providers to gain new customers efficiently.

At the core of this growth is the Digital Vending Machine® (DVM™) from Bango, which powers subscription bundling for some of the world's largest Telco and content partners. Our momentum is accelerating - three of the top five US Telco

some of the world's largest telcos and content partners. Our momentum is accelerating - three of the top five US telcos have already chosen DVM, and deployments continue worldwide. In December 2024, DVM drove recurring revenue exceeding 14M per year, and we see a clear trajectory toward over 100M per year as more subscriptions flow through the platform.

Alongside the DVM, our Payments business remains a vital part of the Bango commercial model. Processing billions of dollars of payments, the Direct Carrier Billing (DCB) business is trusted and cash-generative, integrated with over 100 Telco billing and wallet systems. As one of only two global market leaders in DCB, Bango is capitalizing on prior investments to drive exceptional performance for our customers. In 2024, we made significant strides toward our target of 50%+ EBITDA margins in DCB, benefiting from the integration of DOCOMO Digital.

With the complexities of acquisition, platform migrations, and restructuring largely behind us, Bango is now fully focused on accelerating growth. The upcoming switch-off of legacy systems marks the completion of a demanding phase, allowing us to concentrate entirely on scaling DVM and maximizing value from our DCB foundation. As we move forward, we are committed to providing clear, transparent financial insights to ensure investors understand how we are driving shareholder value in both the near and long term.

We strengthened our leadership team in 2024 with the appointment of Matt Wilson as CFO and by welcoming Tony Perkins to the Board as Audit Chair and Senior Independent Director. Their deep financial expertise enhances our ability to execute effectively and reinforces our commitment to strong governance and strategic execution.

Anil Malhotra and Frank Bury will not be seeking re-election to the Bango PLC Board at the June 2025 AGM. Anil will be focusing all his energy and extensive AI credentials on helping Telcos and others leverage the unique data the DVM gathers, helping increase its value and importance to the subscription industry. I would like to thank Frank for his invaluable contributions, excellent guidance and counsel to Bango as a NED since 2019 and as a supportive shareholder.

Looking ahead, the Board remains focused on three core priorities:

- Demonstrating clear financial progress - increasing free cash flow while maintaining disciplined cost management.
- Expanding our leadership in subscription bundling - growing the number of subscriptions flowing through DVM.
- Strengthening competitive barriers - ensuring Bango remains the market leader as subscription bundling scales globally.

2024 tested our agility and resilience, but the Bango team has demonstrated its ability to adapt, innovate, and deliver. With a high caliber team, clear strategy, strong execution, and an expanding market opportunity, I am confident that Bango will continue to thrive, creating lasting value for our shareholders, customers, and employees.

Ray Anderson

Chair

CEO Statement

Bango operates two distinct product lines that share a common technology stack and customer base but differ in revenue model and growth dynamics which, together, made 2024 a year of both growth and optimization at Bango.

Digital Vending Machine® (DVM™): The Bango DVM enables subscription services to scale through major distribution channels including telcos, retailers, banks and others. Subscription services are increasingly delivered to consumers through these indirect channels, in the form of bundles and offers, enabled by the DVM.

By connecting once to the DVM, a content provider becomes part of a large and expanding network of resellers. Equally, a reseller connected to the DVM becomes part of an ecosystem of over one hundred content providers. This unique position makes Bango THE place that the world's largest companies come to for bundling.

The DVM is a powerful technology that is continually evolving to make bundling simple and powerful. The DVM, while still early in its evolution, has the characteristics to become the defacto standard for subscription bundling.

Payments/Transactional: Bango was an early innovator in Direct Carrier Billing (DCB), a payment method that enables consumers to charge purchases directly to their mobile phone bill. Everything from paying for bags of gems in the Google

Play store to buying duffel bags from Amazon in Japan can be paid for via DCB. Bango has a leading position in this market. Bango is the largest DCB partner in the Google Play store, the only partner Amazon use for DCB in Japan and the sole provider of online DCB services to NTT DOCOMO - the largest operator, in the largest DCB market in the world.

Bango generates revenue from payments by charging a percentage of the retail price for processing the transaction. The DCB market is expected to grow steadily and the Bango payments business will grow with the market.

Strategy for Growth

In my 2024 interim statement, I described the four pillars driving our strategy for growth:

- Extract: Manage the payments business for cash and profit
- Expand: Lead the bundling of subscription services through telco channels
- Enhance: Use data to differentiate Bango and monetize content providers
- Explore: Identify new bundling opportunities outside telcos

Below I set out the progress made in 2024 against each pillar.

Extract: Manage the payments business for cash and profit

The payments business continues to perform well, growing 11% in 2024 vs 2023.

The fastest growing routes were in Asia and MEA, which Bango acquired with DOCOMO Digital (DDL). These routes operate on lower margin contracts, affecting overall gross profitability in the payments business. Work to optimize or restructure these contracts is ongoing.

Bango has disconnected a number of small, unprofitable routes since the DOCOMO Digital acquisition but continues to launch selected new routes where there is significant growth potential.

The migration of the routes from the DDL platform to the Bango Platform is largely complete, with the final route migrations planned to complete in 1H 2025, allowing us to close the physical data centre we acquired in Frankfurt. We have reorganized the sales and account management teams to separate payments and DVM. This provides an increased focus on profitable growth.

Expand: Lead the bundling of subscription services through telco channels

Telcos are the primary channel used by content providers to distribute subscription services. Omdia estimates that in 2024, 418M digital content subscriptions are distributed by Telcos. Early, bilateral integrations were completed directly between a Telco and content provider. As more subscription services become available and Telcos add more content providers to their consumer propositions, these direct integrations no longer make economic sense and face increasing technical complexity, limiting the ability to create targeted multi content bundles - enter the Digital Vending Machine from Bango.

In 2024, the global growth of the DVM continued. 9 new customer wins in 2024 brought the total DVM customers to 27 at 31 Dec 2024.

- Entering 2024, Bango already powered 3 of the top 5 US Telcos. During 2024, the growth continued across North America with the DVM expanding to regional Telcos and cable companies, many of whom have millions of customers. With the decline in large PayTV packages these communications companies have struggled to retain their subscribers. Super bundling provides an ideal mechanism for these businesses to remain competitive, and to retain and grow subscriber numbers. Time to market is as important as reducing the work required by their internal IT teams. The R&D investment into new capabilities, such as the user interface (CX) and offer management, proved critical in securing new DVM customers, further differentiating Bango from the competition.
- In LATAM existing customers continued to launch new bundles, expanding quickly. A number of new, large Telcos made significant progress towards launching super bundling with DVM.
- Europe continues to lag the Americas. After two early customer wins with BT and Liberty Global, momentum has been slow in Western Europe. However, in 2024, we signed our first customer in Eastern Europe and in Q1 2025 signed an agreement with an operator in Western Europe - early signs that momentum is building.
- APAC is a very diverse region. However, the overall number of opportunities is growing. In 2024, we signed new customers (our first DVM customers outside Australia). The 2025 pipeline is strong, and the product investments

made to simplify the integration into pre-pay markets has opened-up new opportunities.

Growth from existing customers is high, as evidenced by a Net Revenue Retention of 125%, which measures the growth in license revenue for customers who were active at the end of 2023. We expect this to continue as large customers accelerate and start to move through the license tiers as they manage more subscriptions through the DVM.

Today, Bango manages tens of millions of subscriptions, generating tens of millions of dollars in revenue. However, DVM subscriptions are growing fast as existing customers launch more services to more users. Late in 2024, the first Tier 1 Telco moved out of the first license fee tier into the (higher price) second tier.

Bango estimates that around 600 million subscriptions could be managed by super bundling platforms in 2029. The platform itself has been tested to support much higher volumes without significant additional capex or opex, to ensure it can accommodate the growth in the market that Telcos have indicated. For example, the Verizon CEO stated at a recent UBS Media Conference:

*"Our ambition is to have more than **50%** of our customers on myPlan. It's the quickest or fastest-growing service product we have had for wireless consumers..."*

With the average US household having 5.4 subscriptions this could lead to tens (if not hundreds) of millions of subscriptions being managed by the Bango DVM from Verizon alone.

Enhance: Use data to differentiate Bango and monetize content providers

The Bango DVM provides significant benefit to content providers, many of whom use the Bango platform to connect to resellers with no direct cost - the DVM license fee being paid by the reseller. While the DVM is the leading solution - and rapidly becoming the standard - for creating subscription bundles, the potential value extends far beyond bundling connections.

"Enhance" is the newest growth pillar but has enormous potential. In 2024, we appointed Marisa Teh as Chief Product Officer to accelerate innovation in this area. Our current focus is on harnessing the rich insights within the Bango platform to help content providers understand, benchmark, predict, and influence subscriber growth for their bundled offers.

By delivering powerful analytics and targeting opportunities through the DVM, we can enable content providers to scale faster and optimize their business strategies.

The aim of this investment is to unlock the holy grail of any platform business - the ability to generate value from both sides of the platform - resellers and content providers. By leveraging data to drive subscriber engagement and growth, we are creating new revenue opportunities for content providers while strengthening the entire marketplace.

Explore: Identify new bundling opportunities outside telcos

While Telco is the largest vertical for super bundling, the Bango DVM is agnostic to the reseller, the same product powers retailers, banks and other resellers, as it does Telcos. The Bango DVM's flexibility was demonstrated when Continente, Portugal's largest retailer, launched Disney+ bundles just 12 weeks after a referral from Disney - despite Continente having no prior subscription bundling experience.

Non-Telco verticals are not new to Bango. We launched employee benefits provider Benefit One in Japan in February 2023, and have powered bundles with US retailers Sams Club and Best Buy for a number of years. However, there is a new trend to move beyond offering one or two basic bundles to a more comprehensive subscription marketplace. This is DVM territory, and we have started to build a pipeline of opportunities in both financial services and retail.

Another interesting observation is the trend for content providers to connect to both sides of the DVM, using the DVM to connect to resellers and also using the DVM to bundle complementary content with their own subscription services. (e.g. Sirius XM who are bundling other content service such as Fox Nation with their own music service) again this is something the existing DVM makes seamless.

Summary

At Bango, we are creating something truly exceptional with the DVM. It solves real problems for consumers, content providers and resellers, as highlighted when the Japanese publication Nikkei selected Super Bundling as one of their top two trends for 2025.

The growth path is clear, the market opportunity is clear and the DVM is the right product to capture the opportunity. The payments business continues to be a strong bedrock, providing the profit and cash for us to continue to build resilience and invest in the DVM.

The DOCOMO Digital acquisition has been complicated but solidified our position as a leader in the DCB market, creating significant economies of scale. With the acquisition integration largely complete, and with growing DVM recurring revenue, Bango is positioned to further extend its market leadership and deliver significant value to shareholders.

Outlook

We have seen a strong start to 2025. In the first quarter of the year we added 4 new DVM customers compared with an average of 9 per annum for the prior 2 years. The revenue from these 4 new customers in FY25 will amount to over 50% of the total new DVM revenue we added in 2024. The growth continued in Q2 with additional wins including our first ever contract in South Korea where a leading Telco has adopted the DVM to support their bundling strategy.

The core of the transactional business is growing as expected however the lower margin routes are experiencing some volatility though the margin profile of these routes means that there is no impact to profitability.

With a stronger balance sheet (as a result of the NHN loan extension and the 15M RCF) Bango has more flexibility to manage the business while providing increased comfort to our large partners. This flexibility will allow further cost reductions to be accelerated delivering increasing cash and profitability in line with consensus in 2025 with further profitability upside in 2026.

Paul Larbey

Chief Executive Officer

CFO Statement

I am thrilled to have recently joined Bango and look forward to supporting the team's strategic ambitions and driving value for our stakeholders. As newly appointed CFO, my focus is on driving sustainable growth, strengthening our balance sheet, optimizing costs and ensuring that every investment consolidates Bango leadership in subscription bundling.

I am pleased to report that FY24 was a transformational year for Bango. We delivered double-digit revenue growth, a significant EBITDA improvement and a strong 2H performance that underscores our continued progress and resilience. Net debt (excluding lease liabilities) also improved to 1.8M (FY23: 4.0M) following the first two repayments of the loan provided by our strategic shareholder, NHN Corporation. With the migration of routes from the DOCOMO Digital (DDL) platform to the Bango platform nearing completion, Bango saw core administrative costs¹ decrease by 7.1M, as well as a reduction in R&D capital expenditure of 2.3M versus prior year.

Total revenue increased by 16% year-on-year to 53.4M (FY23: 46.1M). An 11% increase in Transactional revenue was driven by increased consumer demand from routes in Asia and the MEA. We grew DVM license and one-off revenues by 28%, despite our decision to wind down the Bango Audiences business and related revenues in the first quarter of the financial year. Bango signed 9 DVM contracts in FY24 and 2025 shows a very strong sales pipeline of opportunities.

Revenue and costs of sale

Bango continues to report revenues under two lines:

- Transactional Revenue (36.2M; FY23: 32.7M) is revenue derived by charging a percentage of the retail price paid by the consumer and is made up of direct carrier billing, resale and e-Disti revenue share amounts; and
- DVM and One-off Revenue (17.2M; FY23: 13.4M) includes all DVM license and support fees, revenue from Bango Audiences (discontinued in Q1 2024) and one-off fees including DVM set-up and change requests.

Revenue, such as setup fees, is recognized on completion of contractual milestones or on a percentage of completion and after consideration of the requirements of IFRS15 (Revenue from Contracts with Customers). Subsequent ongoing platform license and support fees have been judged as a separate distinct revenue, based on the contractual agreements, individual orders and discussions between customers and Bango.

Total revenue increased 16% to 53.4M (FY23: 46.1M) despite currency headwinds from the strong US Dollar against the Euro and Japanese Yen. The Transactional revenue increase of 11% exceeded our expectations, although much of this difference was from low-margin revenues from Asia and MEA routes acquired at the time of the DOCOMO Digital acquisition. DVM and one-off revenue again saw a strong growth against prior year (+28%), although true growth has been masked by the cessation of the Audiences business in the first quarter of FY2024. Excluding the Audiences business from both years, underlying growth was +40%.

Annualized Recurring Revenue (ARR), the expected annual revenues to be generated in the next 12 months based on contracted revenues recognized as at 31 December, increased 59% from December 2023 to 14.0M (FY23: 8.8M) in December 2024. The addition of a third Tier 1 US Telco in Q1 2024 increased the ARR by 2M. ARR growth rate is therefore best measured over the longer term.

Gross profit margins reduced this year to 78% (FY23: 86%) due to rapid growth in the high cost of sales DOCOMO Digital Transactional routes highlighted above. Excluding these routes, the Transactional business gross margin was approximately 90%. The DVM delivered gross margins in excess of 99%.

Operating expenditure of continuing operations

During the period, administrative expenses increased to 46.7M (FY23: 44.8M) as a result of a 2.6M increase in depreciation and amortization (driven by the release of capitalized internal development costs as they become available for use and capable of generating economic benefit). At the same time, capitalized R&D costs for the year decreased by 2.3M to 15.3M. Importantly, as noted above, core administrative costs, which excludes the impact of exceptionals, depreciation and amortization, share based payment charge and capitalized R&D reduced by 7.1M to 45.0M.

Adjusted EBITDA² for the year increased to 15.3M, (2023: 6.4M). This growth of 139% was driven by a combination of increased revenues and cost efficiencies. It also benefited from 2.2M of other income relating to recovery of costs from NTT DOCOMO arising from the acquisition of DOCOMO Digital (1.4M of which was reported in 1H 2024).

The share-based payment charge of 2.1M (2023: 2.3M) was again calculated using the Black-Scholes model. The share-based payments relate to the Bango share option program that enables all Bango employees to share in the growth in value of Bango. Share options are allocated to employees twice a year. It is a vital recruitment and retention tool in a competitive market for top talent.

Exceptional items

Exceptional costs for the year of 4.2M (2023: 3.9M) relate to one-off costs as part of route migrations from the old DOCOMO Digital platform, together with the write down of maintenance costs incurred on the former DOCOMO Digital Platform that have now been expensed. It also includes an impairment charge (2.1M) relating to intangible software assets. These assets were originally obtained following the disposal of the NewDeep Joint Venture, which had been subsequently used in the Audiences business. Following the closure of the Audiences business during FY24, the asset was accordingly fully impaired.

Loss for the financial year and earnings per share

As newly developed features begin to generate revenue, there has been an increase in non-cash amortization costs which reduced the overall improvement in net loss result for the year. As these investments begin generating revenue, we expect a stronger contribution to profitability in future periods.

The total loss after tax of 3.7M (2023: loss 8.8M) includes taxes related to the DDL acquisition and R&D tax credits of 1.3M (2023: 1.4M). It should be noted that the R&D tax relief system has been revised by the UK tax authorities for accounting periods beginning on or after April 2024 which will reduce the tax relief on overseas R&D. As a result, less of Bango's R&D expenditure will now qualify for tax credits in future.

Basic loss per share was 4.75 cents (2023 Basic loss per share: 11.51 cents) while diluted loss per share was also 4.75 cents (2023 Basic loss per share: 11.51 cents). This equates to a reduction in loss of nearly 60% versus the prior year.

Cash, net debt and cashflow

Bango had cash, cash equivalents and cash held in short term investments of 3.3M at 31 December 2024 (31 December

2023: 3.8M), financing debt from leases of 1.8M (31 December 2023: 2.8M) and an external loan from NHN of 5.1M (31 December 2023: 7.7M) the "NHN Loan". The NHN Loan is denominated in KRW and carries a fixed annual interest rate of 6 per cent with repayment in eight equal quarterly instalments which commenced in September 2024. The first two quarterly payments were made, in line with the agreement, in 2H FY2024 with a further installment paid in Q1 2025 post period end.

Post period end, Bango secured an enhanced loan facility from NHN. Under the agreement the existing loan will increase by 2.85M and include a deferral of principal repayments. Both the additional funding and remaining balance of the existing loan will be repaid over 8 equal quarterly installments, starting in December 2026 and ending in September 2028. The full loan will carry a fixed annual interest rate of 7 percent. In connection with the new loan, NHN has been granted 2,048,319 5-year warrants to purchase new ordinary shares in Bango at 80p each (the average closing share price over the 30 trading days preceding the agreement in principle being received from NHN). These warrants will replace the 314,380 warrants attached to the existing loan which have now been cancelled.

In addition, Bango has secured a new 15M multi-currency Revolving Credit Facility (RCF) with NatWest. The RCF provides a committed, long-term financing solution that will replace the existing £3M overdraft from Barclays. The new RCF is a three-year facility with a step down in year 3 to 12M. Borrowings are subject to interest of SOFR plus a margin. The margin will initially be fixed for 12 months and then calculated based on a ratchet linked to net leverage. The facility includes standard financial covenants based on the Bango's overall net leverage, interest cover and level of capital expenditure, with each covenant tested on a quarterly basis (starting September 25). Bango will actively monitor forecast compliance with covenants as part of its financial planning processes and retains adequate headroom under all covenant metrics.

The NHN loan together with the RCF provides significant strength to the balance sheet which has been closely managed since the acquisition. This additional flexibility will allow Bango to implement further cost reduction programs earlier than planned and provide a working capital buffer. A stronger balance sheet should also provide additional comfort to our partners.

Cashflow saw an increase from operating activities to (18.9M; FY23 - 1.6M) supported by an inflow from working capital. This working capital inflow was due to the natural timing difference between receipts and payments, particularly from the growth in lower margin Asia and MEA routes, as well as the benefit from upfront integration and license fee payments. Bango continues to invest in its customer proposition and saw an outflow from R&D investing activities of 15.3M (FY23: 17.7M). This capitalized R&D expenditure included investment in DVM features to maximize the revenue opportunity by supporting faster customer onboarding and elevating the customer experience. While R&D capital expenditure remains at elevated levels due to the simultaneous investment to complete the DOCOMO Migration and to expand the DVM product, overall capitalized R&D reduced by 2.3M during the year vs FY 23. Cash flow from financing activities decreased by 11.0M driven by the loan repayments on the NHN Loan which began from September 2024 as well as the proceeds from the first issuance of that loan in FY23. Overall, cash movements for the year improved to (0.4M) (vs. (9.6M) in FY23) and net debt (excluding lease liabilities) reduced from 4.0Mas of 31 December 2023 to 1.8Mas at 31 December 2024.

Intangible assets

Intangible assets net book value increased 2.0M to 39.6M (2023: 37.7M) largely reflecting the continued investment in the DVM product to underpin future growth and the investment to migrate the DOCOMO Digital routes to the Bango platform. Some examples include:

- New offer management features to support the definition, creation and management of bundles.
- Offer orchestration to consolidate multiple APIs into a single call.
- Asandbox environment to build, test and validate integrations to ultimately launch faster.
- Partner discovery to facilitate better discovery and engagement between our content providers.
- The launch of our CX customer experience interface to support consumers in managing their subscription content in one white-label configurable hub.

These new investments were partially offset by the write down of development costs incurred on the DOCOMO Digital platform that have now been expensed due to the planned migration to the Bango platform, as well as for historical costs for the Audiences business which has since ceased. Bango expects the level of investment to continue to decline as the migration related work ends and investment in DVM reduces. Internally generated R&D is calculated in line with the principles of IAS38 and is largely based on data from timesheets related to key projects which are then amortized over 5 to 7 years, commencing upon deployment, with projects assessed in relation to their individual cash generation ability.

Liabilities

Overall current liabilities have increased 5.4M to 39.2M (2023: 33.8M) on account of growth in the business this year and growth in routes where Bango collects receipts from the carrier and passes them to the underlying merchant before deducting its revenue share. Right of use lease liabilities at 31 December 2024 have reduced slightly to 1.9M (2023: 2.7M).

Going concern

The Board have considered the Group's financial position, cashflow forecasts and funding arrangements and believe there continues to be sufficient cash and resources to support further planned investments to drive sales growth and the development of the DVM. As part of this assessment, the Group's operational performance and expected future trading have been taken into account, as well as the additional liquidity available under the enhanced NHN loan facility and the new 15M Revolving credit facility from NatWest. Based on the review of forecasts, sensitivities and wider macro-economic effects, the Board have a reasonable expectation that the Group has adequate resources to continue as a going concern.

Looking ahead

While currency fluctuations and the complexity of the DOCOMO Digital integration extended our timelines, the business delivered strong execution in FY24. Disciplined cost management and expanding revenue streams have positioned us well for sustainable growth.

In FY25, our priorities remain focused on cash generation, cost optimization, and revenue growth. Strategic investments in the DVM and growth in "Super Bundling" are driving a strong DVM sales pipeline with plenty of opportunity. Although the high cost of sales Transactional routes have seen a more volatile start to the year - following strong growth in FY24 - we maintain our guidance for FY25 Adjusted EBITDA in line with current consensus expectations³.

We are also progressing with a series of efficiency initiatives this year, which are expected to deliver a 1M uplift to FY26 Adjusted EBITDA versus current consensus. These improvements will require upfront investment and come alongside a normalization in working capital, as some of the favorable timing benefits seen in FY24 unwind. As a result, we expect a temporary cash outflow in FY25, however, our enhanced NHN loan facility and revolving credit facility with NatWest will provide flexibility to manage this transition effectively.

With the core DVM platform now in place and major migrations largely complete, we also anticipate a reduction in R&D capital expenditure - c. 0.5M below consensus in FY25 - with further reductions expected in FY26. Taken together, these actions are expected to significantly enhance cash generation in FY26 and establish a strong foundation for long-term, sustainable value creation.

Matt Wilson

Chief Financial Officer

¹Core administrative costs are administrative costs before exceptional items, share based payment charge, capitalized R&D expenses and depreciation and amortization.

²Adjusted EBITDA is earnings before interest, tax, depreciation, amortization, negative goodwill, exceptional items and share based payment charge.

³Current consensus as of May 2025.

Consolidated statement of comprehensive income for the year ended 31 December 2024

	2024	2023
	000	000
Revenue	53,370	46,098
Cost of sales	<u>(11,578)</u>	<u>(6,476)</u>
Gross profit	41,792	39,622
Other operating income	2,162	-
Administrative expenses	(46,666)	(44,767)

Adjusted EBITDA	15,285	6,395
Exceptional items	(4,217)	(3,857)
Negative goodwill	-	3,799
Share based payments	(2,068)	(2,345)
Depreciation	(1,035)	(1,052)
Amortization	(10,677)	(8,085)
Operating loss	(2,712)	(5,145)
Finance costs	(842)	(497)
Finance income	15	15
Share of net loss of associate accounted for using the equity method	-	(4,577)
Loss before taxation	(3,539)	(10,204)
Income tax	(112)	1,378
Loss for the financial year (attributable to equity holders of the company)	(3,651)	(8,826)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Foreign exchange on consolidation	240	1,701
Currency movement in net investment	-	(922)
	240	779
Loss and total comprehensive income for the financial year	(3,411)	(8,047)

Loss per share attributable to the equity holders of the parent

Note

Basic (loss) per share	<u>(4.75) c</u>	<u>(11.51) c</u>
Diluted (loss) per share	<u>(4.75) c</u>	<u>(11.51) c</u>

Consolidated Statement of Financial Position as at 31 December 2024

	31 December 2024 000	31 December 2023 000
ASSETS		
Non-current assets		
Property, plant and equipment	1,216	1,271
Right-of-use assets	1,928	2,734
Intangible assets	39,637	37,670
Other investments	50	50
Trade and other receivables	-	250
	<u>42,831</u>	<u>41,975</u>
Current assets		
Trade and other receivables	20,932	22,526
Research and development tax credits	1,344	1,412
Short-term investments	41	40
Cash and cash equivalents	3,337	3,720
	<u>25,654</u>	<u>27,698</u>
Total assets	<u>68,485</u>	<u>69,673</u>
EQUITY		
Capital and reserves attributable to owners of the parent company		
Share capital	24,593	24,584
Share premium account	63,197	63,161
Merger reserve	2,886	2,886
Share-based payments reserve	9,273	7,218
Foreign exchange reserve	(1,793)	(2,033)
Accumulated losses	(71,974)	(68,323)
Total equity	<u>26,182</u>	<u>27,493</u>

LIABILITIES**Current liabilities**

Trade and other payables	34,236	30,841
Lease liabilities	880	1,013
Loans and borrowings	3,412	1,925
Income tax liability	678	-
	<u>39,206</u>	<u>33,779</u>

Non-current liabilities

Loans and borrowings	1,706	5,776
Trade and other payables	-	196
Lease liabilities	887	1,770
Deferred tax	504	659
	<u>3,097</u>	<u>8,401</u>

Total liabilities	<u>42,303</u>	<u>42,180</u>
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Total equity and liabilities	<u>68,485</u>	<u>69,673</u>
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Consolidated cashflow statement For the year ended 31 December 2024

	2024 000	2023 000
Cash flows from operating activities		
Net cash flow from operating activities	<u>18,879</u>	<u>1,638</u>
Cash flows from investing activities		
Acquisitions of property plant and equipment	(183)	(275)
Expenditure on capitalized development costs and intangible assets	(15,347)	(17,663)
Short-term investments	(1)	1
Interest received	15	15
Additional investment in associate	-	(636)
Net cash flows from investing activities	<u>(15,516)</u>	<u>(18,558)</u>
Cash flows from financing activities		
Proceeds from issue of ordinary shares, net of issue costs	45	863
Interest paid on borrowings	(687)	(322)
Proceeds from borrowings	-	7,873
Repayment of bank borrowing	(1,957)	-
Lease payments	(1,108)	(954)
Interest payment on leases	(14)	(128)
Net cash flows from financing activities	<u>(3,721)</u>	<u>7,332</u>
Net decrease in cash and cash equivalents	(358)	(9,588)
Cash and cash equivalents at 1 January	3,720	12,657
Effect of exchange rate fluctuations on cash held	(25)	651
Cash and cash equivalents at 31 December	<u>3,337</u>	<u>3,720</u>

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2024

	Share capital 000	Share premium 000	Merger reserve 000	Share based payment reserve 000	Foreign currency translation 000	Accumulated losses 000	Total 000
At 1 January 2024	24,584	63,161	2,886	7,218	(2,033)	(68,323)	27,493
Loss for the year	-	-	-	-	-	(3,651)	(3,651)
Foreign exchange translation	-	-	-	(13)	240	-	227
Total comprehensive income	-	-	-	(13)	240	(3,651)	(3,424)
Share-based payment transactions	-	-	-	2,068	-	-	2,068
Exercise of share options and warrants	9	36	-	-	-	-	45

Transactions with owners	9	36	-	2,068	-	-	2,113
At 31 December 2024	24,593	63,197	2,886	9,273	(1,793)	(71,974)	26,182

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2024 (continued)

	Share capital	Share premium account	Merger reserve	Share based payment reserve	Foreign currency translation	Accumulated losses	Total
	000	000	000	000	000	000	000
At 1 January 2023	24,471	62,411	2,886	4,029	(2,812)	(59,541)	31,444
Loss for the year	-	-	-	-	-	(8,826)	(8,826)
Foreign exchange translation	-	-	-	603	(603)	-	-
Other comprehensive income	-	-	-	-	1,382	-	1,382
Total comprehensive income	-	-	-	603	779	(8,826)	(7,444)
Issue of warrants	-	-	-	285	-	-	285
Share-based payment transactions	-	-	-	2,345	-	-	2,345
Transfer for exercised options	-	-	-	(44)	-	44	-
Exercise of share options and warrants	113	750	-	-	-	-	863
Transactions with owners	113	750	-	2,586	-	44	3,493
At 31 December 2023	24,584	63,161	2,886	7,218	(2,033)	(68,323)	27,493

1 Basis of preparation

The financial information set out above and below, does not constitute the company's statutory accounts for the years ended 31 December 2024 or 2023 but is derived from those accounts. Statutory accounts for 2023 have been delivered to the registrar of Companies, and those for 2024 will be delivered in due course. The auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006, this announcement does not itself contain sufficient information to comply with UK-adopted international accounting standards. The financial information contained within this full year results statement was approved and authorized for issue by the Board on 5 June 2025.

These financial statements are presented in US Dollars (USD), the presentation currency of Bango PLC Group.

2 Revenue

Revenue by product:

	2024 000	2023 000
Transactional revenue	36,205	32,737
DVM, Audiences & One off revenue	<u>17,165</u>	<u>13,361</u>
	<u>53,370</u>	<u>46,098</u>

Transactional revenues are derived by charging a percentage of the retail price paid by the consumer and is made up of carrier billing, resale and e-Disti revenue share amounts. DVM, Audiences and one-off revenue includes all DVM license and support fees, revenue from Bango Audiences and one-off fees including DVM set-up and change requests.

Transactional revenue is currently recognized at a point in time while DVM, Audiences and One-off revenues are recognized over time.

Geographical analysis

Bango's revenue from external customers is divided into the following geographical areas.

	2024 000	2023 000
United Kingdom (country of domicile)	1,765	1,784
EU	6,348	6,217
USA and Canada	13,770	10,053
Asia (including Japan)	16,734	18,048
Middle East and Africa (including Iraq)	11,031	3,813
Rest of the World	<u>3,722</u>	<u>6,183</u>
	<u>53,370</u>	<u>46,098</u>

All turnover is spread over many territories, of which 9.1M and 7.0M comes from two partners in Asia and Middle East. (2023: 6.3M, 5.7M and 5.3M from three partners in Asia and Middle East). The 2023 comparative figures have been updated to reflect the additional categories now presented.

Bango's non-current assets are divided into the following geographical areas.

	2024 000	2023 000
United Kingdom (country of domicile)	41,366	39,783
Germany	1,425	2,082
Japan	<u>40</u>	<u>110</u>
	<u>42,831</u>	<u>41,975</u>

Non-current assets are allocated based on their physical location.

3 (Loss) per share

(a) Basic

Basic (loss) per share are calculated by dividing the loss attributable to equity holders of Bango PLC by the weighted average number of ordinary shares in issue during the year.

	2024 000	2023 000
Basic (loss) per share		
(Loss) for the financial year	<u>(3,651)</u>	<u>(8,826)</u>

Weighted average number of ordinary shares in issue	<u>76,813,432</u>	<u>76,709,473</u>
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Basic (loss) per share attributable to equity holders	<u>(4.75) c</u>	<u>(11.51) c</u>
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Basic adjusted (loss)/earnings per share

Adjusted (loss)/earnings per share is a key financial information which discloses the financial performance of the core business for which the directors have direct control. Adjusted basic (loss)/earnings per share is determined as the (loss) / profit attributable to equity holders of Bango PLC excluding the Bango PLC share of the net loss of associate for the period, negative goodwill and exceptional items divided by the weighted average number of ordinary shares in issue during the year.

	2024 000	2023 000
Profit / (loss) attributable to equity holders of Bango PLC:		
From continuing operations	(3,651)	(8,826)
Exceptional items	4,217	3,857
Negative goodwill	-	(3,799)
Share of net loss of associates accounted for using the equity method	-	4,577
Adjusted profit / (loss) attributable to equity holders of Bango PLC	<u>566</u>	<u>(4,191)</u>

Weighted average number of ordinary shares in issue	<u>76,813,432</u>	<u>76,709,473</u>
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Adjusted basic (loss) / earnings per share attributable to equity holders	<u>0.74 c</u>	<u>(5.46) c</u>
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(c)

(b) **Diluted**

Diluted loss per share is in line with basic loss per share. The weighted average number of shares for the purposes of calculating diluted loss per share are the same as for the basic loss per share calculation. This is because the outstanding share options would have the effect of reducing the loss per share and would not, therefore, be dilutive under the terms of IAS 33.

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