

Vianet Group plc

Unaudited Final Results for the year ended 31 March 2025

Strong Performance and Strategic Progress Across Divisions

Final Dividend increased.

Vianet Group plc (AIM: VNET), a leader in delivering actionable data and business insights through an integrated ecosystem of hardware devices, software platforms, and smart insights portals, announces its unaudited results for the fiscal year ended 31 March 2025.

Financial Highlights:

- **Revenue Growth:** Total revenue increased to £15.27 million, up from £15.18 million in FY24, highlighting the company's ability to drive sales amidst evolving and yet challenging market conditions.
- **Recurring Revenue:** Recurring revenue reached £13.17 million, representing 86% of total revenue, compared to £12.94 million (85% in FY24). This robust performance underscores the stability and reliability of our business model.
- **Strong Gross Margin:** The gross margin remained strong at 68.3%, compared to 68.7% in the previous year, reflecting enhanced operational efficiencies and cost control measures on recurring lines offsetting lower hardware margins associated with our footprint expansion strategy.
- **Increased Adjusted EBITA:** Adjusted EBITA* rose by 3.6% to £3.59 million, compared to £3.47 million in FY24, due to effective management and strategic execution.
- **Profit Before Tax:** Profit before tax stood at £0.93 million, including a £0.25m R&D tax credit compared to £0.78 million in FY24, supporting resilience in profit generation during a challenging economic environment.
- **Profit After Tax:** Profit after tax was up 60% to £0.86m (FY24: £0.54m)
- **Strong Earnings Growth:** Earnings Per Share (EPS) increased 61% to 2.92p compared to 1.81p in FY24.
- **Final Dividend Increase:** A final dividend of 1.00p is proposed, marking a 33% increase from 0.75p in FY24. This brings the total annual dividend to 1.3p up from 0.75p total dividend for FY24, highlighting our confidence in future growth and commitment to shareholder returns.
- **Significant Debt Reduction:** Net debt has been reduced by 75% to £0.38 million, down from £1.52 million in FY24, reinforcing our financial stability and capacity for investment. It is worth noting that the cash position is post increased dividends payments and after increased buybacks for 2024.
- **Strong Cash Position:** Year-end cash increased to £2.78 million, compared to £1.82 million in FY24, providing a solid foundation for future growth initiatives and strategic investments.

* Before exceptional items and share-based payments

Vianet's performance in the fiscal year ending 31 March 2025 underscores our strategic focus and commitment to innovation. With a solid financial base, growing recurring revenue, and a commitment to returning value to shareholders through increased dividends, we are well-positioned for continued success in the coming years. We look forward to leveraging our strengths and pursuing new opportunities to drive further growth and deliver exceptional results.

James Dickson, Chairman of Vianet Group plc, commented:

"These solid results underscore our focus on delivering exceptional customer value and position Vianet for sustained growth. Our unattended retail division remains highly competitive, securing long-term contracts with strong recurring revenue visibility and a valuable UK market share. The hospitality division continues to deliver EBITA growth, with strategic investments in beverage metrics, advanced reporting tools and key partnerships unlocking new markets in the UK and US.

We have proactively navigated challenges, including supply chain pressures, the 3G switch-off, and both economic and geopolitical uncertainties, while achieving solid financial performance and strong momentum in both divisions. Our unattended retail division secured 120 new contracts, driving higher value cashless device growth, while the hospitality division secured renewals with major clients like Greene King and Heineken. The current financial year has started positively, and we are well-positioned to enter new verticals, continue to drive subscription revenues, and deliver on our growth objectives."

Divisional & Operational Highlights

Unattended Retail Division

- Adjusted Operating Profit £2.13m, down from £2.46m in FY24.
- Added 8,956 New Connected Machines (FY24: 8,900)
- Secured 120 new contracts, including renewals with WSH, The Vending People, Compass, Rontec, and Wilcomatic in the fuel forecourt market.
- Strong recurring income underpinned by long term contracts allied to a strong market position places the division in an enviable position

Hospitality Division

- Revenue increased 4.7% to £9.02m from £8.62m in FY24.
- Operating Profit up 6.3% to £4.18m from £3.94m in FY24.
- Installation base stable at c 9,600 sites (FY24: 9,638), with 323 new installations offsetting unit closures in the sector.
- Secured long-term contract renewals with Greene King, Punch, Heineken, Marstons, Trust Inns, and Red Oak.
- EBITA growth allied to strategic investments are unlocking new markets both in the UK and the USA.

Investor Presentation

James Dickson, Chairman & CEO, and Mark Foster, CFO, will host a live presentation on the financial results via the Investor Meet Company platform on 10 June 2025 at 10:30 am GMT. The presentation is open to all shareholders, with questions accepted pre-event via the Investor Meet Company dashboard until 9 am the day before or during the live session.

Register at: <https://www.investormeetcompany.com/Pony-group-plc/register-investor>

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CHAIRMAN'S STATEMENT

Introduction

After the investments that have been made in recent years, the Group is well-positioned for both revenue and profit growth. Revenue increased to £15.27m, with adjusted operating profit rising by 3.6% to £3.59m. Our focus on revenue growth and profitability has enabled the Board to reinstate an interim dividend and propose a 33% increase in the final dividend to 1.00p per share.

Our hospitality division continues to deliver EBITA growth and secure long-term contracts. Beverage Metrics Inc. is now firmly established, and together with our key investment in advanced reporting, it is delivering an exciting roadmap for the UK and USA hospitality sectors. This strategic messaging is instrumental in securing contract renewals with existing customers and enhancing customer engagement, as well as expanding our commercial pipeline in new markets.

In the unattended retail sector, I am pleased to report significant progress in securing long-term contracts with both new and existing customers. This bodes well for sustained growth in recurring income as these customers gradually achieve estate-wide connectivity. We are competitive having successfully secured 120 new long-term contracts with strong recurring revenue visibility, despite sector challenges stemming from the transition from 3G to 4G and customer estate rationalisation where our solutions have proven valuable in helping customers identify unprofitable machine sites.

Furthermore, our expansion into the fuel forecourt market, coupled with improved financing terms from HSBC, highlights our adaptability and financial strength. The Board remains confident in our ability to sustain momentum, deliver growth, and support progressive dividends.

Dividend

Strong customer engagement and commercial momentum underpin our confidence in recurring revenue growth and cash generation for FY26, with a projected positive net cash position. The Board recognises the significance of dividends for shareholders and, in support of a progressive policy, proposes a dividend of 1p per share, payable on 1 August 2025 to shareholders on the register on 20 June 2025.

Board and Staff

At present, I will continue to serve as the acting CEO to sustain our commercial momentum, enhance customer conversions in the US, and explore strategic initiatives aimed at maximising shareholder value.

Mark Foster, who has dedicated almost two decades to the role of CFO, will step down prior to the AGM on July 16, 2025. He will be succeeded by Sarah Bentham, our Finance Director, while Mark will remain available to Vianet for a period as a consultant to facilitate a smooth transition. I would like to take this opportunity to express my heartfelt gratitude for Mark's hard work and unwavering devotion to Vianet and our shareholders throughout his tenure.

Our outstanding team consistently displays their enthusiasm, dedication, and collaboration, which are key to Vianet's strong

reputation. I appreciate the invaluable contributions of our executive team, employees, and Board in driving our continued success.

Conclusion and Outlook

FY25 marked another significant year of progress in securing long-term customer commitments across both divisions, setting the stage for future growth in recurring revenue and cash generation. Our innovative solutions, strategic partnerships, and reputation as a trusted advisor and partner have fostered excellent customer engagement, providing a solid foundation for expansion, and an increasing number of growth opportunities.

- **Unattended Retail:** Our emphasis on connected devices and market-leading transaction rates has resulted in a robust sales pipeline, culminating in 120 new contracts. This positions us well for continued growth in FY26 and FY27.
- **Hospitality:** Beverage Metrics has bolstered our growth in the UK and is increasingly well-positioned to establish a profitable presence in the US market. We are building a growing pipeline of installations and commercial contracts anticipated in FY26 and beyond.
- **New Verticals:** Our investments in cloud infrastructure and mobile technology, along with strategic partnerships in fuel forecourts and food service, are set to drive scalability and revenue growth.

With a strong base of recurring revenue and robust cash flow, the Board is confident in our ability to deliver earnings growth and expand strategic options in FY26 and beyond.

James Dickson
Chairman
10 June 2025

STRATEGIC REPORT

We are pleased to report that we have successfully met our revised market expectations for FY25, as highlighted in our January 2025 trading update. Our achievements in key financial metrics - revenue, EBITA, EBITDA, cash generation, and net debt reduction - underscores our strategic focus and operational resilience in a challenging economic landscape.

Market Positioning and Strategy

Both divisions of our business have secured long-term contracts with a mix of existing and new customers, reaffirming our competitive edge and adaptability. In the unattended retail sector, we strategically shifted our focus towards enhancing device sales and expanding our installation footprint. This pivot involved a deliberate step back from vending management ERP software, allowing us to concentrate on refining our SmartVend service module. This module now offers simplified access to key sales data, alerts, and alarms, improving our customer engagement and operational efficiency.

Our commitment to competitive pricing and market-leading transaction rates, together with outstanding customer support, has resulted in the acquisition of 120 new contracts, developing a robust sales pipeline that continues to support recurring revenue growth. Additionally, we have successfully completed third-party integrations that facilitate seamless data transfer from our cashless and telemetry devices. This capacity for data delivery from our devices to various vending management ERP platforms improves our market access and reinforces our reputation as trusted advisors, whilst driving significant sales growth.

Growth Opportunities

Looking ahead, we identify further cashless and telemetry opportunities, particularly in emerging marketplaces such as fuel forecourts, where we have established a foundation of over 2,000 devices. This growth potential aligns with our strategic intent to capitalise on the expanding demand for cashless solutions.

In our hospitality division, bolstered by the integration of Beverage Metrics, we are committed to delivering comprehensive beverage management solutions. Our efforts have delivered growth in the UK, and we are strategically positioning ourselves to penetrate the US market further. While ongoing investment will be necessary during FY26, we are optimistic about converting pilot programs into profitable commercial contracts within the fiscal year. This conversion will accelerate our hospitality development roadmap, enabling us to expand profitably in both the US and UK markets beyond our established leased and tenanted customer base, who continue to be loyal users of our innovative solutions.

Conclusion

In summary, our strategic initiatives have not only met but exceeded expectations, positioning us favourably for continued growth and success. By focusing on innovation, customer-centric solutions, and market expansion, we are well-equipped to navigate the future and capitalise on new opportunities in both the unattended retail and hospitality sectors.

OPERATING REVIEW

Unattended Retail Division

- **Revenue:** £6.25m (FY24: £6.56m).
- **Operating Profit:** £2.13m (FY24: £2.46m).
- **New Connected Machines:** 8,956 (FY24: 8,900), with a year-end estate of 35,955 (FY24: 36,083).
- **Recurring Revenue:** Increased to 75.3% of turnover (FY24: 74%).

Our proactive response to the MNO 3G switch-off has played a crucial role in supporting our customers' transition to 4G LTE connectivity. By providing transparency in machine performance, we have empowered vending operators to assess the

profitability of their machines and locations, facilitating a rationalisation of their estates. While this rationalisation, combined with the short-term impact of reduced ERP revenue and a higher proportion of rental sales, has led to a slight year-on-year decline in revenue and profitability, we are confident of a rebound in FY26.

Growth Outlook:

Looking ahead, we anticipate a resurgence in both revenue and profitability as we capitalise on a full year of our recurring revenue footprint and benefit from over 120 new long-term customer contracts, each with a minimum three-year term. The robust nature of this pipeline means we are well-positioned to support our growth plans moving forward.

Our cashless payment solutions are supported by partnerships with industry leaders, including Elavon, Worldpay, NMI, and Attenda, which are further enhanced by our PCI Master Merchant service. Our solutions significantly improve machine uptime, utilisation, and sales performance for our customers, delivering advantages such as reduced cash handling costs, enhanced cash flow, and assured payment collections.

Market Potential:

The addressable market presents significant opportunities, with over 300,000 vending machines in the UK and approximately three million across Europe, of which less than 50% are currently equipped with any form of connectivity. This underscores the vast potential for growth as we continue to innovate and expand our connected solutions.

In summary, while we faced challenges in the past year, our strategic initiatives and market positioning are set to drive future success, enabling us to leverage our established customer relationships and capitalise on the growing demand for cashless solutions in the unattended retail sector.

Hospitality Division

- **Revenue:** £9.02m (FY24: £8.62m).
- **Recurring Revenue:** Remained strong at 94% (FY24: 94%)
- **Operating Profit:** £4.18m (FY24: £3.94m).

In FY25, new installation sales increased to 323 new sites (compared to 260 sites in FY24). This growth was supported by four new contract wins and five contract renewals, including three long-term customers, driven by an increasing demand for data and insights.

Our UK pub installation base saw 361 disposals and temporary closures (FY24: 454), which, alongside the new installations, resulted in a net reduction of 38 UK installations. This brings the total installed UK and USA base to approximately 9,600 sites (FY24: 9,638).

Predicting pub closures and openings remains challenging, particularly as the profitability threshold for managed venues continues to rise. This trend is resulting in more managed pubs migrating to leased and tenanted models, where the hurdle rate for profitability is lower.

Our BMI software solutions have significantly enhanced commercial engagement in both the UK and US hospitality sectors, unlocking new opportunities, particularly in the US, where strong growth is anticipated in FY26. The demand for brand and market data insights is on the rise, bolstered by the launches of the BMI and Smart Insights portals.

Our partnership with the Oxford Partnership is delivering innovative, consumer-level insights for beer brands, with further growth expected in FY26. Additionally, incorporating compliance services and data analytics into our BMI assets is enhancing operational and retail performance, especially for private equity-owned pubs, thereby maximising their return potential.

Vianet Americas Inc (VAI)

VAI reported a pre-amortisation loss of £385k for FY25, slightly improved from £387k in FY24. This loss reflects our ongoing investment strategy aimed at maximising our full potential and capitalising on the commercial opportunities that lie ahead. The integration of Vianet's draught monitoring into the Beverage Metrics inventory platform provides a comprehensive drinks management solution, enabling operators to reduce costs, enhance productivity, and maximise sales, driving profitability across the entire drinks category.

This strategic proposition firmly positions Vianet's hospitality operations for growth in the UK while paving the way for a profitable presence in the US, where we benefit from direct access to most national retail chains. The US market, being the largest operator market globally, presents significant opportunities, with several advanced-stage conversations and commercial prospects underway.

While further investment in our US operations will be necessary, we anticipate strong commercial traction in FY26, with expectations for a significant reduction in losses by year-end. We remain committed to establishing a substantial profit centre in the US, positioning Vianet for long-term success in this key market.

R&D Investment

R&D investment is essential for maintaining the Group's market position, and we continue to invest in executing our product roadmap and enhancing operational capabilities.

- **SmartVend:** Enhanced device and asset management.
- **Beverage Metrics:** Improved features and reduced hardware and support costs.
- **SmartInsight:** Launched market insight portal.
- **Hardware Development:** Adapted technology for new verticals, improving speed and latency.

Further unattended retail product enhancements, leveraging of BMI products and services, and securing new market verticals for telemetry and cashless payments on a cloud-based platform will further boost our services to customers in existing and new verticals.

The Board believes that the investment in data capture technology, our core data management capability, and management software platforms will continue to deliver growth and enhance the quality and visibility of our recurring revenue streams.

Looking Forward

Vianet has a strong growth trajectory, leveraging its momentum to capitalise on opportunities in remote asset management, cashless payments, and market data insights across core and new markets. BMI's end-to-end product suite has enabled deeper C-suite engagement in the UK and US, supporting expansion in hospitality operations.

Our SmartVend platform reinforces our leadership in device asset management, with a highly motivated sales team driving conversions in the UK and Europe's 3 million+ vending machine market. New customer acquisitions (120 onboarded this year) have boosted machine sales, exceeding prior-year performance despite customer estate rationalisation.

The Hospitality division has a robust sales pipeline in the UK leased and tenanted sector, powered by our advanced data capabilities. FY26 system sales are expected to offset pub closures and expand our core estate. The combination of BMI's inventory platform and draught beer monitoring delivers a comprehensive beverage management solution, unlocking stock optimisation, analytics, and commercial insights. This positions us for growth across UK pubs and increasing traction in the US, where private equity ownership drives a sharper focus on commercial performance—an area where we add significant value.

Our partnership with Attenda has helped establish a presence of over 2,000 devices in fuel forecourts, creating an excellent platform for further expansion into catering and forecourt solutions.

While not immune to global geopolitical pressures and domestic fiscal challenges affecting our customers in this difficult economic climate, Vianet remains well-positioned for continued growth. We anticipate that rising demand for our mission-critical solutions will drive:

- Sustained revenue expansion
- High-quality recurring income (86% of total)
- Strong cash flow generation
- A transition from net debt to net cash during FY26

Our ongoing investments in product innovation and talent development are generating significant momentum. The Group has confidence in our team's abilities, market-leading solutions, and financial strength, which will enable us to achieve consistent business growth.

The Board remains committed to our long-term strategy, which will:

- Accelerate sales momentum.
- Deliver sustainable earnings growth.
- Enhance profitability.

Supported by our exceptional team, proven strategy, and clear earnings visibility, we are well-positioned to profitably expand our IoT presence. Our advanced data and insight solutions empower customers to optimise asset performance and drive transformational business outcomes.

James Dickson
Chairman and Chief Executive

FINANCIAL REVIEW

Financial Performance

The Group's operating profit before exceptional items, amortisation, and share-based payments increased to £3.59m in FY25, up from £3.47m in FY24, reflecting a year-on-year growth of approximately 3.6%. Our gross margin remained strong at 68.3%, compared to 68.7% in the previous year, highlighting the benefits derived from ongoing higher-margin recurring revenues and operational efficiency improvements, which offset our hardware pricing strategy.

Revenue & Recurring Revenue

Total revenue grew by 0.6% to £15.27m, slightly up from £15.18m in FY24. This growth was primarily driven by an increase in the Hospitality division, although it was partially offset by a slower performance in the Unattended Retail division, as detailed in the Operating Report. The Group's contracted recurring revenue base is strong and was further bolstered by several new 3 to 5-year contracts secured across both divisions with both new and existing customers.

Consolidated recurring revenue now accounts for 86.3% of total revenue, up from 85.2% in FY24. This increase in recurring revenue was supported by higher rental income in the Unattended Retail division, which effectively offset the higher capital expenditure sales in the Hospitality division.

Performance Summary

Metric	FY25	FY24	Change
Revenue	£15.27m	£15.18m	+0.6%

Metric	FY25	FY24	Change
Operating profit ^(a)	£3.59m	£3.47m	+3.6%
Profit before tax ^(d)	£0.93m	£0.78m	+18.4%
EBITDA ^(b)	£4.14m	£4.01m	+3.1%
Basic EPS ^(c)	2.92p	1.81p	+61.3%
Dividend per share	1.00p	0.75p	+33.3%
Net debt	£0.38m	£1.52m	-74.9%

a) Pre-exceptional items, amortisation, and share-based payments.

b) Pre-exceptional EBITDA.

c) See EPS note below.

d) Including a £0.25m R&D tax credit as defined as other income.

Exceptional Items

Item	FY25 (£000)	FY24 (£000)
People and office rationalisation	64	65
3G network obsolescence costs	15	25
Corporate activity and BMI acquisition costs	118	346
Recovered corporate costs	(5)	(350)
Bank refinance costs	-	59
Total	192	145

Corporate activity and acquisition costs represent advisor fees related to potential acquisitions and strategic reviews. FY24 included the recovery of costs related to a historic matter under confidentiality.

Overall, the financial performance reflects a mixed but stable outlook, with revenue growth and improved operating profit, alongside a significant reduction in net debt. The increase in dividend per share demonstrates our commitment to returning value to shareholders while navigating the challenges reflected in profit before tax.

Dividend Announcement

As highlighted in the Chairman's statement, the Board proposes a final dividend of 1.00p per share, an increase from last year's 0.75p per share.

Cash Performance

Cash generated before working capital movements reached £3.98m for the year, compared to £3.93 million in FY24. This represents 110.6% of pre-exceptional EBITA and 102.9% of EBITDA (96.1% pre-exceptional). Positive working capital management contributed to a £0.64m inflow, a significant improvement from a £0.26m outflow in FY24. Consequently, post-working capital cash generation rose to £4.61m, up 25.7% year-on-year, compared to £3.67m in FY24 (excluding a £0.92m tax rebate).

Cash Deployment

The generated cash has been strategically deployed towards various initiatives, including R&D investment, recurring rental assets, lease costs associated with refreshing the vehicle fleet, and an increase in both dividend and share buybacks. After these expenditures, the Group recorded a net cash inflow of £0.96m, compared to a net outflow of £2.92m for FY2024, which included a tax rebate and a £1.1m refinancing inflow.

Year-End Financial Position

As of year-end, cash reserves stood at £2.78m, an increase from £1.82m in FY24. Additionally, net debt was reduced to £0.38m, down from £1.52m in FY24. The Group aims to transition to a net cash position by FY2026.

Outlook

The robust results and improved cash position, along with the positive momentum discussed in the Chair and CEO reports, reinforce our confidence in the Group's strategic direction and growth ambitions.

Divisional Performance

Unattended Retail Division

This division delivers cashless payment, telemetry, and connectivity solutions primarily across vending, coffee-to-go, and fuel forecourts.

Metric	FY25	FY24
Turnover	£6.25m	£6.56m
Operating profit*	£2.13m	£2.46m
New telemetry machines	1,442	3,644
New cashless machines	7,514	5,256

Metric **FY25** **FY24**
 Pre-exceptional items, share-based payments, and amortisation on a continuing basis.

Recurring revenues accounted for approximately 75% of turnover, up from 74% in FY24, highlighting robust year-on-year growth and an increasing share of new rental units. Our machine estate has remained stable, reflecting our strategic emphasis on asset management and estate optimisation during the transition from 3G to 4G LTE technology. While operating profit saw a slight adjustment to £2.13m compared to £2.46m in FY24, this reflects our commitment to long-term sustainability and growth.

Hospitality Division

This division provides beverage and inventory monitoring services, as well as data insights and business services, across all geographies.

Metric	FY25	FY24
Turnover	£9.02m	£8.62m
Operating profit (a)	£4.18m	£3.94m
New site installations	323	260
Year-end estate (b)	9,600	9,638

- a) Pre-exceptional items, share-based payments, and amortisation.
 b) UK, USA, and Europe.

Recurring revenue remained robust at 94% of turnover, consistent with FY24. The division showcased impressive performance, bolstered by growth in new venue sales and sustained strength in recurring revenue streams, alongside a notable slowdown in pub disposals. The expansion into US venues further fuelled revenue growth, highlighting strong customer engagement and the resilience of our revenue model. By year-end, our estate included approximately 9,600 sites across the UK, USA, and Europe, a slight decrease from 9,638 in FY24, reflecting our strategic focus. Additionally, Smart Zones' operating profit increased by an impressive 6.3% to £4.18m, up from £3.94m in FY24, proving our commitment to profitability and growth.

Taxation

The tax charge arises from a combination of tax due in the year and movements in deferred tax for current and prior years. Approximately £1.5m of Group losses will continue to be utilised for relief in FY26.

Earnings per Share

Basic EPS was 2.92p compared to FY24 restated 1.81p. Further information on the tax restatement can be found in Note 8.

Balance Sheet and Cash Flow

The Group's balance sheet remains robust and strategically positioned to support our growth ambitions, further strengthened by increased cash reserves and a significant reduction in net debt. Operating cash flow before working capital movements rose to £3.98m, up from £3.93m in FY24, reflecting a year-on-year growth of 1.2%. A favourable working capital movement of £0.64m, driven by lower debtors and stock levels, contributed to a total net cash inflow of £4.61m, compared to £3.67m in FY24 (excluding the tax rebate).

This cash influx has been strategically used for investing in technology development, acquiring additional rental assets, lease costs associated with refreshing our vehicle fleet, reducing borrowings, and enhancing shareholder returns through dividends and share buybacks. By year-end, total borrowings decreased to £3.16m from £3.34m in FY24 and included an extended revolving credit facility (RCF) to April 2028, term loan, and mortgage. Notably, net debt was reduced to £0.38m from £1.52m in FY24.

The Group's strong cash generation and resilient balance sheet provide a solid foundation to build upon the progress made in FY25 and to pursue significant growth opportunities ahead.

Mark Foster

Chief Financial Officer

Consolidated Statement of Comprehensive Income for the year ended 31 March 2025

	Before Exceptional 2025 £000	Exceptional 2025 £000	Total 2025 £000	As Restated Before Exceptional 2024 £000	Exceptional 2024 £000	As Restated Total 2024 £000
Note						
Continuing operations						
Gross Revenue	15,266	-	15,266	15,176	-	15,176
Rebates	(242)	-	(242)	(260)	-	(260)
Net Revenue	15,024	-	15,024	14,916	-	14,916

Revenue	15,024	-	15,024	14,916	-	14,916
Cost of sales	(4,603)	-	(4,603)	(4,485)	-	(4,485)
Gross profit	10,421	-	10,421	10,431	-	10,431
Administration and other operating expenses	(6,827)	(192)	(7,019)	(6,962)	(145)	(7,107)
Operating profit pre amortisation and share based payments	3,594	(192)	3,402	3,469	(145)	3,324
Intangible asset amortisation	(2,292)	-	(2,292)	(2,164)	-	(2,164)
Share based payments	(79)	-	(79)	(100)	-	(100)
Total administrative expenses	(9,198)	(192)	(9,390)	(9,226)	(145)	(9,371)
Operating Profit	1,223	(192)	1,031	1,205	(145)	1,060
Net finance costs	(349)	-	(349)	(276)	-	(276)
Other income	247	-	247	-	-	-
Profit before tax	1,121	(192)	929	929	(145)	784
Income tax charge 1	(72)	-	(72)	(249)	-	(249)
Profit and other comprehensive income for the year	1,049	(192)	857	680	(145)	535
Earnings per share						
Total						
- Basic 3			2.92p			1.81p
- Diluted 3			2.86p			1.80p

Consolidated Balance Sheet at 31 March 2025

	2025 £000	As Restated 2024 £000
Assets		
Non-current assets		
Goodwill	17,856	17,856
Other intangible assets	5,253	5,884
Property, plant and equipment	3,379	3,327
Total non-current assets	26,488	27,067
Current assets		
Inventories	1,503	2,185
Trade and other receivables	3,242	3,873
Cash and cash equivalents	2,777	1,822
	7,522	7,880
Total assets	34,010	34,947
Equity and liabilities		
Liabilities		
Current liabilities		
Trade and other payables	2,329	3,061
Leases	110	123
Borrowings	185	177
	2,624	3,361
Non-current liabilities		
Leases	47	157
Borrowings	2,974	3,159
Deferred tax liability	901	1,076

Contingent consideration	322	268
	4,244	4,660
Equity attributable to owners of the parent		
Share capital	2,900	2,940
Share premium account	11,770	11,748
Capital redemption reserve	75	32
Share based payment reserve	655	583
Merger reserve	818	818
Retained profit	10,924	10,805
Total equity	27,142	26,926
Total equity and liabilities	34,010	34,947

Consolidated Statement of Changes in Equity for the year ended 31 March 2025

	Share capital	Share premium account	Share based payment reserve	Merger reserve	Capital Redemption Reserve	Retained profit	Total
At 1 April 2023	2,880	11,711	563	310	15	10,488	25,967
Share based payments	-	-	100	-	-	-	100
Share option forfeitures	-	-	(80)	-	-	80	-
Dividends	-	-	-	-	-	(148)	(148)
Share capital issued	77	37	-	508	-	-	622
Shares cancelled	(17)	-	-	-	17	(150)	(150)
Transactions with owners	60	37	20	508	17	(218)	424
Profit and total comprehensive income for the year	-	-	-	-	-	801	801
Total comprehensive income less owners transactions	60	37	20	508	17	583	1,225
At 31 March 2024	2,940	11,748	583	818	32	11,071	27,192
At 1 April 2024 (as previously stated)	2,940	11,748	583	818	32	11,071	27,192
Prior year adjustment (Note 8)	-	-	-	-	-	(266)	(266)
At 1 April 2024 (as restated)	2,940	11,748	583	818	32	10,805	26,926
Share based payments	-	-	79	-	-	-	79
Share option forfeitures	-	-	(7)	-	-	7	-
Dividends	-	-	-	-	-	(309)	(309)
Share capital issued	3	22	-	-	-	-	25
Shares cancelled	(43)	-	-	-	43	(436)	(436)
Transactions with owners	(40)	22	72	-	43	(738)	(641)
Profit and total comprehensive income for the year	-	-	-	-	-	857	857
Total comprehensive income less owners transactions	(40)	22	72	-	43	119	216
At 31 March 2025	2,900	11,770	655	818	75	10,924	27,142

Consolidated Cash Flow Statement for the year ended 31 March 2025

	Note	2025 £000	As Restated 2024 £000
Cash flows from operating activities			
Profit for the year		857	535
Adjustments for			
Net interest payable		349	276
Income tax charge		72	249
R&D tax credit (Other income)		(247)	-

Amortisation of intangible assets	2,292	2,164
Depreciation	541	544
Loss on impairment of property, plant and equipment and businesses	32	61
Share based payments	79	100
Operating cash flows before changes in working capital and provisions	3,975	3,929
Change in inventories	683	91
Change in receivables	631	(996)
Change in payables	(678)	646
	636	(259)
Cash generated from operations	4,611	3,670
Income Taxes refunded	-	922
Net cash generated from operating activities	4,611	4,592
Cash flows from investing activities		
Purchases of property, plant and equipment	(625)	(577)
Capitalisation of development costs	(1,657)	(1,724)
Purchases of intangible assets	(4)	(8)
Net cash used in investing activities	(2,286)	(2,309)
Cash flows from financing activities		
Net interest payable	(349)	(276)
Repayment of leases	(123)	(84)
Issue of share capital	25	44
New leases	-	190
Shares Purchased and cancellation	(436)	(150)
Dividends paid	(309)	(148)
New borrowings	-	3,440
Repayments of borrowings	(178)	(2,378)
Net cash (used)/received in financing activities	(1,370)	638
Net increase in cash and cash equivalents	955	2,921
Cash and cash equivalents at beginning of year	1,822	(1,099)
Cash and cash equivalents at end of year	2,777	1,822

Notes to the financial statements

1. Taxation

Analysis of tax charge in year

	2025 £000	As Restated 2024 £000
Current tax expense		
- Amounts in respect of the current year	247	-
- Amounts in respect of prior periods	-	-
	247	-
Deferred tax charge:		
- Amounts in respect of the current year	(246)	184
- Amounts in respect of prior periods	71	65
Income tax charge	72	249

Reconciliation of effective tax rate

The tax for the 2025 year is higher (2024: was lower) than the standard rate of corporation tax in the UK (2024: 25%). The differences are explained below:

As Restated

	2025 £000	2024 £000
Profit before taxation		
- Continuing operations	929	784
Profit before taxation multiplied by rate of corporation tax in the UK of 25% (2024: 25%)	232	196
Effects of:		
Other expenses not deductible for tax purposes	(92)	26
Non-taxable income	-	(111)
Deferred tax provided for	(378)	-
Gains not provided for	188	380
Adjustments for prior years	71	65
Amortisation of intangible assets, Research and Development	51	(307)
Total tax charge	72	249

2. Ordinary dividends

	2025 £000	2024 £000
Final dividend for the year ended 31 March 2024 of 0.75p (year ended 31 March 2023: 0.50p)	221	148
Interim dividend paid in respect of the year of 0.30p (2024: nil)	88	-
Amounts recognised as distributions to equity holders	309	148

In addition, the directors are proposing a final dividend in respect of the year ended 31 March 2025 of 1.00p per share payable on 1 August 2025 to shareholders on the register on 20 June 2025. Total dividend payable 1.30p (2024: 0.75p).

3. Earnings per share

Earnings per share for the year ended 31 March 2025 was 2.92p (2024: 1.81p).

Basic earnings per share are calculated by dividing the earnings attributable to ordinary shareholders being a profit of £857k (2024: £535k) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated on the basis of profit for the year after tax divided by the weighted average number of shares in issue in the year plus the weighted average number of shares which would be issued if all the options granted were exercised.

	2025			As Restated 2024		
	Earnings £000	Basic earnings per share	Diluted earnings per share	Earnings £000	Basic earnings per share	Diluted earnings per share
Post-tax profit attributable to equity shareholders	857	2.92p	2.86p	535	1.81p	1.80p
Weighted average number of ordinary shares				29,329,080	29,493,637	
Dilutive effect of share options				596,339	250,533	
Diluted weighted average number of ordinary shares				29,925,419	29,744,170	

4. Exceptional items

	2025 £000	2024 £000
Corporate activity	118	346
Recovered corporate costs	(5)	(350)
Staff transitional costs	64	65
3G Project (4G swap)	15	25
Bank refinance costs	-	59
	192	145

Corporate activity costs relate to fees paid to corporate advisors in respect of prospective corporate evaluations. During FY24 the company recovered costs associated with a previous historic matter that is the subject of a Confidentiality Agreement.

Staff transitional costs relate to the transition of people and management to new projects and the closure of

Staff transitional costs relate to the transition of people and management to ensure we have to succession and calibre of people on board to deliver the strategic aims and aspirations of the Group.

5. Basis of preparation

In accordance with the Companies Act 2006, this preliminary report is based on the unaudited financial statements and has been prepared and approved by the Directors in accordance with UK adopted international accounting standards, and in accordance with the AIM rules and is not therefore in full compliance with IFRS. The company prepares its parent company financial statements in accordance with FRS 101.

The financial information for the year ended 31 March 2024 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The independent auditors' report on the full financial statements for the year ended 31 March 2024 was unqualified and did not contain an emphasis of matter paragraph or any statement under section 498 of the Companies Act 2006. This preliminary announcement does not constitute the Group's full financial statements for the year ended 31 March 2024.

The Group's full financial statements will be approved by the Board of Directors and reported on by the auditors on 19 June 2025. Accordingly, the financial information for the year ended 31 March 2025 is presented unaudited in the preliminary announcement.

The consolidated financial statements have been prepared on an historical cost basis, except for derivative financial instruments that have been measured at fair value. The consolidated financial statements are presented in pounds sterling, and all values are rounded to the nearest hundred thousand, expressed in millions to one decimal point, except when otherwise indicated.

The Directors have prepared this financial information on the fundamental assumption that the Group is a going concern and will continue to trade for at least 12 months following the date of approval of the financial information. In determining whether the Group's accounts should be prepared on a going concern basis the Directors have considered the factors likely to affect future performance.

6. Notes supporting statement of cashflows

	Borrowings due within one year £000	Borrowings due after one year £000	Total £000
Net debt as 1 April 2023	(757)	(1,517)	(2,274)
Cash flows	580	(1,642)	(1,062)
Non cash-flows			
- Interest accruing in the year	-	-	-
Net debt at 31 March 2024	(177)	(3,159)	(3,336)
Cash flows	(8)	185	177
Non cash-flows			
- Interest accruing in the year	-	-	-
Net debt at 31 March 2025	(185)	(2,974)	(3,159)

Cash and cash equivalents for the purpose of the statement of cash flows comprises

	2025 £000	2024 £000
Cash at bank available on demand	2,777	1,822
Cash on hand	-	-
Adjusted net cash generation	2,777	1,822

Non- cash transactions from financing activities are shown in the reconciliation of liabilities from financing transactions in Note 6.

7. Alternative Performance Measures

In the reporting of financial information, the Directors have adopted the APMs "Adjusted operating (loss)/profit", "Adjusted operating cash generation", and "Adjusted net cash generation", (APMs were previously termed 'Non-GAAP measures'), which is not defined or specified under International Financial Reporting Standards (IFRS).

These measures are not defined by IFRS and therefore may not be directly comparable with other companies' APMS, including those in the Group's industry. APMs should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measurements.

Purpose

The Directors believe that these APMs assist in providing additional useful information on the underlying trends, performance, and position of the Group. These APMs are also used to enhance the comparability of information between reporting periods and business units by adjusting for non-recurring or uncontrollable factors which affect IFRS measures.

reporting periods and business units, by adjusting for non-recurring or non-representative factors which affect the measures, to aid the user in understanding the Group's performance.

Consequently, APMs are used by the Directors and management for performance analysis, planning, reporting and incentive setting purposes and this remains consistent with the prior year. Adjusted APMs are used by the Group in order to understand underlying performance and exclude items which distort comparability, as well as being consistent with public broker forecasts and measures.

	2025 £000	2024 £000
Operating profit (IFRS measure)	1,031	1,060
Add back:		
Amortisation charge	2,292	2,164
Share based payment charge	79	100
Exceptional items charge	192	145
Adjusted operating profit	3,594	3,469

8. Prior Year Adjustment

The Directors have identified an error in the prior year Corporation Tax Charge and Deferred Tax Asset balances. In the prior period financial statements, the tax charge was understated by £266,000 as a result of an error made in the tax provision workings in respect of the deduction of disallowable expenditure.

The following adjustments have been made to the prior period results.

	As previous £000	Adjustment £000	Restated £000
Income tax (credit)/charge	(17)	266	249
Deferred Tax Asset	565	(266)	299

Furthermore, a correction was made to the consolidated cash flow statement to correct the income tax credit line, along with the associated reduction in profit. The above adjustments to the 31 March 2024 year reflect the position as if this change has been made.

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