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Bango PLC
20 January 2026

Bango PLC

("Bango")

Trading Update

Cambridge, UK, 20 January 2026 - Bango (AIM: BGO), today announces a trading update for the 12 months ended 31 December 2025, ahead of announcing FY25 Final Results in Q2.

"2025 marked an important year for Bango as we successfully executed on the key strategic priorities of continued strong growth in recurring revenue and continued opex and capex reductions. This resulted in positive Cash EBITDA of approximately $2.3M, a $2.5M improvement from the negative Cash EBITDA of FY24. We expect the growth of Cash EBITDA to accelerate in FY26.

Annual Recurring Revenue increased by 30% year-on-year to $18.2M, driven by almost 60% growth in active subscriptions managed by the Digital Vending Machine (DVM). With zero churn of live customers, the subscription growth delivered Net Revenue Retention of 117%, highlighting the critical role the DVM plays for our customers as they scale their subscription offerings.

We secured a record 12 new enterprise DVM customers in 2025 up from nine in each of the previous two years. The DVM has now been adopted by 7 of the top 8 Telcos in the US and in new countries including Japan, South Korea, Turkey and South Africa. The closing of several large DVM opportunities moved from Q4 FY25 into FY26 due to extended customer processes; the scale and quality of these contracts remain unchanged.

Driven by the cost efficiencies delivered during FY25, expansion of core DCB routes, continued growth in active subscriptions and a strong pipeline of new DVM customers, Bango is well positioned to generate improved profitability and free cash flow in FY26."

Paul Larbey, Bango CEO

Financial Highlights

Transactional revenue[1] is expected to be $33.4M (FY24: $36.2M), with the year-on-year reduction resulting from a small number of low margin routes; the restructuring of these routes is under review. Excluding these routes, the Core Transactional revenue (which make up the majority of the portfolio) grew by 6% year-on-year. Overall Transactional gross profit was 3% higher in FY25 compared with FY24. With the integration of the DOCOMO Digital acquisition now complete, the Transactional business is expected to generate Adjusted EBITDA[5] margins of around 40% with minimal capex.

DVM and One-off revenue[2] is expected to increase by 10% to $18.8M (FY24: $17.2M). One-off implementation revenue was $1.5M lower than FY24, reflecting the timing of several large DVM contracts that moved into FY26.

Total FY25 revenue is expected to be $52.2M (FY24: $53.4M). Gross margin is expected to increase by over 600 basis points to 84.5% (FY24 78.3%) driven by growing contributions from recurring DVM platform revenues and the higher margin Core Transactional business.

Other Income, which is not included in the revenue figure above, was $1M (FY24 $2.2M) relating primarily to tax recoveries associated with the DOCOMO Digital acquisition.

Core administrative expenses[3] significantly reduced by $2.9M year-on-year, reflecting the efficiency initiatives executed during FY25. These savings were achieved despite adverse foreign exchange cost headwinds of approximately $1.1M, compared with FY24. Permanent headcount at the end of FY25 was 164 (end FY24 219).

Cash EBITDA[4] (Adjusted EBITDA[5] less net capital expenditure) for FY25 is positive and is expected to be $2.3M (FY24 negative $0.2M). Adjusted EBITDA grew by 7% to at least $16.3M (FY24: $15.3M).

Net debt[6] at 31 December 2025 was $9.3M (FY24: $1.8M), reflecting planned working capital movements, the refinancing completed in 1H25 and the timing of cash inflows. With cost efficiencies now embedded and revenue visibility improving, net leverage is expected to reduce materially during FY26 as cash generation strengthens.

Visibility of revenue growth continues to improve. Annual Recurring Revenue (ARR)[7] increased by 30% growing to $18.2M at 31 December 2025, with Net Revenue Retention (NRR)[8] remaining strong at 117%.

[1]Transactional Revenue 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.

[2] DVM & One Off Revenue 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.

[3] Core administrative expenses is administrative costs before exceptional items, share based payment charge, capitalized R&D expenses and depreciation and amortization.

[4]Cash EBITDA is Adjusted EBITDA less net capital expenditure.

[5]Adjusted EBITDA is earnings before interest, tax, depreciation, amortization, negative goodwill, exceptional items, share of net loss of associate and share based payment charge.

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

[7]Annual Recurring Revenue is the expected annual revenues to be generated in the next 12 months based on contracted revenues recognized as at 31 December 2025.

[8]Net Revenue Retention is a measure of the retention and expansion of revenue from existing customers over the previous 12 months 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.

Engage with the Bango management team directly by asking questions, watching video summaries and seeing what other shareholders have to say. Navigate to our interactive Investorhub here: https://bangoinvestor.com

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For further information, please contact:

Investor questions on this announcement https://bangoinvestor.com/link/yzj62y

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

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