

**PayPoint Plc**  
**Results for the half year ended 30 September 2025**

**Resilient half year performance with good progress on delivery of key growth projects**

**GROUP FINANCIAL HIGHLIGHTS**

- **Underlying EBITDA of £37.3 million** (H1 FY25: £37.5 million) decreased by £0.2 million (0.5%)
- **Underlying profit before tax of £25.7 million** (H1 FY25: £26.9 million) decreased by £1.2 million (4.5%)
- **Net corporate debt of £84.0 million** decreased by £13.4 million from opening position of £97.4 million
- **Interim dividend of 19.8 pence per share**, an increase of 2.1% vs the prior half year of 19.4 pence per share

Half year ended 30 September 2025	H1 FY26	H1 FY25	Change
Revenue	<b>£144.1m</b>	£135.0m	6.7%
Net revenue <sup>1</sup>	<b>£84.7m</b>	£84.6m	0.1%
Underlying EBITDA <sup>2</sup>	<b>£37.3m</b>	£37.5m	(0.5)%
Underlying profit before tax <sup>3</sup>	<b>£25.7m</b>	£26.9m	(4.5)%
Adjusting items <sup>4</sup>	<b>£(5.8)m</b>	£(3.8)m	52.6%
Profit before tax	<b>£19.9m</b>	£23.1m	(13.9)%
Diluted underlying earnings per share <sup>5</sup>	<b>26.7p</b>	27.4p	(2.6)%
Diluted earnings per share	<b>20.6p</b>	23.5p	(12.3)%
Net corporate debt <sup>6</sup>	<b>£(84.0)m</b>	£(86.8)m	(3.2)%

**Nick Wiles, Chief Executive of PayPoint Plc, said:**

*"We have continued to build on an encouraging start to the year and in the first half we have reached important milestones in the delivery of major projects key to our long-term growth plans. Against the background of a generally weak economy and some specific business challenges, we remain confident in delivering further progress in the current year.*

*"We expect underlying EBITDA for FY26 to be ahead of last year and broadly in line with current market expectations. While we continue to make progress towards delivering underlying EBITDA of £100 million in the current financial year – which remains a key financial objective the business is confident of reaching – it is likely we will take longer to do so. As the current year has progressed, we have faced two challenges: firstly, the impact from the disruption to our parcels network from the harmonisation of InPost and Yodel services combined with the commercial terms of our new 3-year contract has been greater than we had anticipated, and secondly, while obconnect continues to build its new business pipeline and range of opportunities, the pace of growth and monetising of these opportunities in year is slower than we had planned.*

*In the first half, the underlying business performance has continued to trade in line with expectations and, throughout the Group, we have continued to broaden the adoption of our enhanced capabilities into our existing client base, develop and execute on strong new business pipelines and accelerate the execution of our key strategic projects. In Local Banking, we successfully launched our BankLocal service in August 2025 for the Lloyds Banking Group, enabling consumer cash deposits via their banking app across our extensive network of over 30,000 locations. In September 2025, we extended the service to enable deposits via card for their customers in 3,000 sites, and we are now working to enable further High St Banks for the service over the next 12 months. In Parcels, we announced the strategic investment by Royal Mail into the Collect+ business in September 2025, with over 3,000 sites now branded as Royal Mail Shop enabling customers to buy postage in store as well as collect, send and return parcels. In both these projects the key to the ramp up of significant transaction volumes is a strong follow-on communications and marketing campaign to support consumer awareness and adoption of these services through our network. In Open Banking and Digital payments, we have secured further wins as we grow our strong market position in the Housing sector particularly, including Peabody Housing for the full suite of MultiPay payment solutions and the Department for Work and Pensions and other government departments for Confirmation of Payee. In addition, we are delivering several open banking initiatives into our utilities client base while working closely with obconnect in identifying new sector opportunities for open banking. In Love2shop, our partnership with InComm Payments has continued to accelerate, with further expansion into major retailers and a material step up in billings ahead of peak.*

<sup>1</sup> Net revenue is an alternative performance measure. Refer to note 4 to the financial statements for a reconciliation to revenue.

<sup>2</sup> Underlying EBITDA (EBITDA excluding adjusting items) is an alternative performance measure. Refer to note 1 to the financial statements for the definition and the Finance Review for a reconciliation to profit before tax.

<sup>3</sup> Underlying profit before tax (profit before tax excluding adjusting items) is an alternative performance measure. Refer to note 1 to the financial statements for the definition.

<sup>4</sup> Adjusting items comprise exceptional items (£2.6 million for legal costs related to claims against PayPoint and £0.6 million for organisational framework costs), and amortisation of intangible assets arising on acquisition (£1.1 million for Love2shop and £1.5 million for PayPoint's previous acquisitions). Refer to note 1 to the financial statements for a reconciliation.

<sup>5</sup> Diluted underlying earnings per share is an alternative performance measure. Refer to note 1 to the financial statements.

<sup>6</sup> Net corporate debt (excluding IFRS 16 liabilities) is an alternative performance measure. Refer to note 1 to the financial statements for a reconciliation to cash and cash equivalents.

*Consumer uncertainty and tightening household budgets are not new factors as we enter the peak trading period for several of our businesses. For the second half of the year, our focus remains on 1) tight cost discipline and driving efficiencies as we continue to work with Nile Partners to establish the right organisational framework for the future, 2) strong execution of the projects supporting our long-term growth plans, and 3) good operating disciplines across the business as a whole and agility to respond to the two specific business challenges and the broader changing market conditions.*

*Our continued confidence in the growth opportunities in the business and making further progress in our long-term objectives has provided the platform for the Board to further enhance shareholder returns in the current year, with the business on course to generate returns to shareholders of over £90 million through a combination of our ordinary dividend, continuing share buyback programme and special dividend. The Board remain confident in delivering further progress in the current year”*

## **DIVISIONAL HIGHLIGHTS**

### **Shopping divisional net revenue increased by 0.6% to £33.1 million (H1 FY25: £32.9 million)**

- Service fee net revenue increased by 8.4% to £11.6 million, reflecting growth in the number of revenue-generating PayPoint One/Mini sites to 20,389 (31 March 2025: 20,275 sites) and the annual RPI service fee increase.
- In Cards, we continue to strengthen the operating foundation to the business with a greater focus on optimising profitability per merchant: a continued strong performance in Telesales, a reset of our Field sales approach and head count, further processes to support the early life merchant experience and churn management, further proposition enhancements for merchants, supported by the improvements to pricing governance, time to transact and customer onboarding delivered in the last financial year.
- Card payment net revenue decreased by 3.0% to £16.1 million, with further site growth in the PayPoint Lloyds Cardnet estate to 10,665 (31 March 2025: 10,552) and a reduction in the Handepay EVO/Lloyds Cardnet estate to 20,251 (31 March 2025: 21,435), with higher quality contract mix with more than 85% new merchants on 12 and 18-month contracts
- Card processed value decreased by 4.4% overall to £3.4 billion (H1 FY25: £3.6 billion), with the Handepay EVO estate -2.5% and the PayPoint Lloyds Cardnet estate -8.2% versus the prior half year
- Launch of significantly enhanced eCommerce proposition, expansion of partner integrations and on track to achieve over 7,000 merchant reward members by year end.
- Positive performance for Business Finance via YouLend, with over £14.6 million of funding provided to businesses, up 58% year on year.
- 16 brand campaigns delivered in the half year for major consumer brands via PayPoint Engage, with a strong pipeline heading into the second half.
- Encouraging progress from the ATM operational action plan, with transaction performance now aligned with LINK industry data and initiatives underway to further improve estate performance.
- New Store Growth Specialist team increasing activities and engagement with our retailer partners to deliver further revenue growth through store visits driven by targeted data and support. Learnings from this team are increasingly being adopted more widely across the field team.
- UK retail network increased to 30,962 sites (31 March 2025: 30,712), with 70.0% in independent retailer partners and 30.0% in multiple retail groups.

### **E-commerce divisional net revenue increased by 7.5% to £8.6 million (H1 FY25: £8.0 million)**

- Strong half year for Collect+ as parcel transactions grew by a further 20.0% to 74.3 million (H1 FY25: 61.9 million) driven by strong parcel growth in partnership with the Royal Mail.
- Collect+ network increased to 14,274 sites (31 March 2025: 14,213), with further expansion planned to support volume growth across all key carriers and the rollout of Royal Mail
- Strategic investment by Royal Mail in Collect+, with over 3,000 sites now live with the Royal Mail Shop brand, enabling consumers to buy postage in store as well as collect, send and return parcels. The Royal Mail shop rollout will continue over H2 FY26 to the rest of the 8,000-site network, including the launch of self-service kiosks during Q4 FY26.
- Proactive operational actions taken to mitigate impact of InPost/Yodel network harmonisation in the Collect+ network, including establishing priority routing and collections for high volume stores, dedicated Pick Up Drop Off (PUDO)-only routes and regular communications with affected stores.
- New 3-year commercial agreement signed with InPost and Yodel, including the potential to utilise up to 6,000 PUDO locations within Collect+ network for both InPost and Yodel
- Continued engagement with our wider carrier partner portfolio, focusing on volume growth and driving further consumer adoption of Out of Home

## **Payments & Banking divisional net revenue increased by 4.4% to £26.0 million (H1 FY25: £24.9 million)**

- Continued growth through our MultiPay platform, with underlying net revenue increasing by 17.2% to £3.4 million (H1 FY25: £2.9 million)
- Positive half year for new business wins in Housing with strong market position now established in the sector - 4 new contract wins (Peabody, RHP, Orwell Housing Association and Gloucester City Homes), 16 clients in total now live with our MultiPay platform, and our first PISP client signed with Thirteen Group
- Good progress on upselling to existing client base, with Confirmation of Payee now live for EON, Warm Home Discount activity secured with Utilita, Ecotricity and Octopus Energy, and further growth in our PayPoint OpenPay service for cheque replacement
- Growth in Open Banking activities with net revenue within the PayPoint business growing to £0.6 million (H1 FY25: £0.3 million), including wins secured in the half with the Department for Work and Pensions and AccessPay for Confirmation of Payee, and an obconnect contribution of £1.9 million (H1 FY25: £nil)
- The focus in obconnect this year has been on consolidating and growing new business pipelines after the strong success of the launch of the Confirmation of Payee ecosystem for the New Zealand Banking Association in FY25 and the pivoting of new business development following the disappointing lack of opportunities from Verification of Payee (VoP) in the Single Euro Payments Area (SEPA)
- Total digital net revenue increased by 39.7% to £8.8 million (H1 FY25: £6.3 million), including the obconnect contribution of £1.9 million (H1 FY25: £nil)
- Cash through to digital net revenue was at £3.5 million in the half year (H1 FY25: £3.4 million), with continued growth in neobank deposits with over £342 million of consumer deposits processed in the period through our extensive network
- BankLocal service launched in August 2025 for Lloyds Banking Group customers, enabling consumer cash deposits via app across our extensive network of 30,000 locations. Deposits via card launched for Lloyds in September 2025 across 3,000 sites, with second major bank now going live later than planned in Q4 FY26 and plans underway to enable more High St banks for the service over the course of the next 6 months
- Cash payments net revenue decreased by 9.9% to £13.7 million (H1 FY25: £15.2 million). Legacy energy sector net revenue decreased by 17.7% for the half year in line with expectations

## **Love2shop divisional net revenue decreased by 9.6% to £17.0 million (H1 FY25: £18.8 million)**

- Love2shop continues to trade in line with expectations for the current year, with reported net revenue in H1 affected by the changes to the timing of revenue recognition for expiry of cards following the move to a more prudent accounting treatment in FY24. Proactive management of this change ahead of the current financial year will result in a stronger H2 performance as card expiries lead to a greater weighting in the second half of the current year.
- Positive Love2shop Business performance, with billings +5.8% at £70.9 million (H1 FY25: £67.0 m), driven by strong performance within Major Accounts and Platform sales.
- MBL value processed increased by 98.5% to £81.2 million (H1 FY25: £40.9 million) with positive performances from Greggs, Matalan, Frasers, Tapi and schuh
- Park Christmas Savings – 2025 savings season expected to be broadly flat year on year, supported by multiple campaigns and actions taken in the year to strengthen our Agent proposition, including the launch of Agent Perks and a new Agent App with over 13,000 downloads, improved average order value for returning direct savers, and a more premium fulfilment experience and packaging for customers receiving orders. Planning for 2026 campaign now well developed with innovative multichannel marketing campaign focused on both retaining and growing the customer base.
- New redemption partners onboarded in the half year, including Moonpig, Body Shop and Moss
- Partnership with Incomm continuing to deliver strong growth in billings with expanded distribution and ongoing promotional support ahead of the peak season.
- Exciting Love2Shop product innovation for launch in early 2026 of a Mastercard digital card, curated into category designs for spend in store, mobile wallet and online, initially for single load B2C followed by B2B and multiple load later in 2026.

## **MANAGING SPECIFIC BUSINESS CHALLENGES**

As the current year has progressed, we have faced two specific business challenges:

### **1. Impact of renewed 3-year commercial contract and InPost/Yodel network harmonisation**

Following the acquisition of Yodel by InPost, a new 3-year commercial contract was negotiated and agreed for the combined business. This contract recognised the continued importance of the long-term partnership between InPost and PayPoint, including a commitment to a minimum level of volume through the Collect+ network and an expansion of the number of sites offered to InPost customers to reflect the existing Yodel network, albeit on less favourable commercial terms to PayPoint. Our expectation has been that the enlarged Collect+ network for InPost / Yodel customers would result in increased volumes to mitigate these less favourable commercial terms. In the second quarter this has not been the case, with the initiatives from InPost to harmonise the enlarged InPost/Yodel business resulting in significant disruption to service and parcel volumes across the Collect + network. We believe the immediate impact of this operational disruption has now reduced, largely managed through proactive actions from the two businesses and we expect to see volumes

through the Collect + network recover as we move into the traditional peak trading period.

## **2. New business pipeline growth in obconnect**

In obconnect, the first half has seen a consolidation in the business and reassessment of the new business opportunities following PayPoint taking a majority ownership of the business. For PayPoint, obconnect delivers the platform to drive growth for both new and existing clients through the provision of Open Banking services and payments channels. In obconnect, the focus is on providing the necessary support and expertise to deliver data sharing ecosystems for major banks and jurisdictions, as well as broader Open Banking solutions. We have retained and strengthened relationships with all existing clients (except for one US bank who exited the UK market) as well as adding 6 new client services in H1 FY26. The business has a small number of clients now live with Verification of Payee (VoP) in SEPA. However, the overall opportunity from VoP has been disappointing, and as a result the business has refocused on other growth areas as it builds its new business pipeline and opportunities for H2 FY26 and into next year.

Our confidence in the opportunities obconnect brings from its range of capabilities and technology is undiminished. Promising discussions are underway with other jurisdictions and some large international banks for secure data-sharing ecosystems, replicating the success of Get Verified for the New Zealand Banking Association which has now been in operation for a year. The market for Account-to-Account (A2A) payments and account information across Europe, UK and USA remains strong and obconnect is well positioned to help organisations achieve connectivity to these ecosystems. A UK CoP rule variation championed by PayPoint was also agreed by Pay.UK and the scheme participants in September 2025. This expands CoP access to many more organisations, creating new opportunities for PayPoint and obconnect. Following a maiden contribution in the first half, we expect obconnect to deliver a stronger performance in the second half and an improvement in net revenue achieved for H2 FY25.

## **DELIVERY OF KEY GROWTH PROJECTS**

The standout achievement of the first half has been the successful launch of multiple projects that enhance our consumer proposition in several areas of our business, establish important partnerships and strengthen the long-term prospects of the business. Each of these projects has required detailed planning and collaboration with our partners and a business wide effort to deliver.

In each case the focus is now shifting from rollout to the necessary marketing and consumer awareness campaigns to drive awareness and adoption.

### **1. Launch of PayPoint BankLocal with the Lloyds Banking Group**

On 26 August 2025, we launched our BankLocal service enabling consumer cash deposits via app for customers of Lloyds, Halifax and Bank of Scotland across our extensive network of over 30,000 locations. This successful launch was supported by a business-wide effort to prepare and train our retailer partners to deliver this vital new service, with over 240,000 direct communications delivered, over 4,000 store visits completed and a Trustpilot score of 4.9/5 achieved from retailer feedback. The service has been adopted rapidly by customers, with over £10m of deposits processed<sup>7</sup> since launch and further proactive consumer marketing activity underway by Lloyds to drive awareness of the service.

On 30 September 2025, we enhanced this service further with over 3,000 sites launched for consumer cash deposits via card, particularly targeted at customers who are not digitally enabled. With over 40% of transactions taking place before 9am and after 5pm, and c.25% of transactions happening at weekends, this service has reinforced the vital role that our leading retail network plays in providing a vast range of essential services at the heart of communities across the UK, for everything from banking, utility, parcel, cash and government services.

### **2. Launch of Royal Mail Shop and strategic investment in Collect+ by Royal Mail**

As announced on 30 September 2025, International Distribution Services (IDS), owner of Royal Mail, completed a strategic investment in Collect+ to take a 49% ownership, with an investment of £43.9 million, valuing the Collect+ business at £90 million.

The Collect+ business has seen strong growth over the past 5 years as we have established it as the leading open Out of Home (OOH) store network in the UK. Currently, Collect+ has a network of over 14,000 OOH locations in the UK, of which almost 8,000 offer Royal Mail collect, send and return parcel services today. As part of the next stage in this partnership, over 3,000 of these sites have now been upgraded with Royal Mail Shop branding, of which 2,200 have the ability to deliver Royal Mail over the counter services, enabling customers to buy postage in store. The balance of the 8,000 sites will have Royal Mail Shop branding rolled out over the course of the next 6 months. Over the next 12 months the intention is to expand the rollout of Royal Mail over the counter services through the network, including the launch of self-service kiosks by Q4 FY26.

<sup>7</sup> As of close of business 16 November 2025

Establishing this partnership is important to the next stage of growth for Collect+ and its positioning as the leading OOH store network in the UK. As an open network, Collect+ will continue to work closely with the carrier partners with whom it has well-established relationships to support the increasing consumer adoption of OOH services across the UK and to invest in the technology and training required to deliver an outstanding consumer experience.

### 3. Acceleration of Love2shop partnership with InComm Payments

Following the launch of our partnership with InComm Payments in October 2024, we have established a strong new sales channel enabling distribution of physical Love2shop gift cards into major grocers and High St brands. The partnership has delivered a strong half year performance, with sales of Love2shop physical gift card billings growing in consecutive half year periods by +43.5%. We have also delivered further progress developing our retailer channels for Love2shop gift cards, which has included an expansion to 800+ Sainsbury's Local convenience stores and a recent expansion to The Range ahead of the key peak trading period. New Love2shop gift cards are also now being rolled out to further PayPoint retailer network locations, with sales in this channel +54% year on year, leveraging the strength of the Love2shop brand and reinforcing our expanded multichannel strategy for Love2shop gift card sales across digital and physical channels

Opportunities for growth in these sales channels will be further enhanced with the launch of the Love2shop digital Mastercard in early 2026 which will enable spend in store, via digital wallet and online, initially as a B2C single load product ahead of B2B and multi-load enabled later in 2026.

### RECONCILIATION OF REPORTED NUMBERS

£m	H1 FY26	H1 FY25
Reported profit before tax	<b>19.9</b>	23.1
Exceptional items <sup>8</sup>	<b>3.2</b>	2.5
<b>Profit before tax excluding exceptional items</b>	<b>23.1</b>	<b>25.6</b>
Net movement on investments – obconnect	-	(2.7)
Amortisation of intangible assets arising on acquisition – PayPoint (previous acquisitions, inc. obconnect)	<b>1.5</b>	1.0
Amortisation of intangible assets arising on acquisition – Love2shop	<b>1.1</b>	3.0
<b>Underlying profit before tax (profit before tax excluding adjusting items)</b>	<b>25.7</b>	<b>26.9</b>
<b>Underlying EBITDA</b>	<b>37.3</b>	<b>37.5</b>

### BUSINESS DIVISION NET REVENUE AND MIX

Net revenue by business division (£m)	H1 FY26	H1 FY25	H1 FY24
Shopping	<b>33.1</b>	32.9	32.1
E-commerce	<b>8.6</b>	8.0	5.1
Payments & Banking	<b>26.0</b>	24.9	25.1
PayPoint Segment Total	<b>67.7</b>	65.8	62.3
Love2shop Segment Total	<b>17.0</b>	18.8	17.5
<b>PayPoint Group Total</b>	<b>84.7</b>	84.6	79.8
Business division mix	H1 FY26	H1 FY25	H1 FY24
Shopping	<b>39.1%</b>	38.9%	40.2%
E-commerce	<b>10.1%</b>	9.5%	6.4%
Payments & Banking	<b>30.7%</b>	29.4%	31.5%
Love2shop	<b>20.1%</b>	22.2%	21.9%

#### Enquiries

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##### **FGS Global**

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*A presentation for analysts is being held at 9.30am today (20 November 2025) via webcast. This announcement, along with details for the webcast, is available on the PayPoint Plc website: [paypointbusiness.com/corporate](http://paypointbusiness.com/corporate)*

<sup>8</sup> Exceptional items comprise £2.6 million for legal costs related to claims against PayPoint and £0.6 million for organisational framework costs

## **CHIEF EXECUTIVE'S REVIEW**

### **GROUP UPDATE**

#### **Resilient half year performance with good progress on delivery of key growth projects**

We have continued to build on an encouraging start to the year and in the first half we have reached important milestones in the delivery of major projects key to our long-term growth plans. Against the background of a generally weak economy and some specific business challenges we remain confident in delivering further progress in the current year.

"We expect underlying EBITDA for FY26 to be ahead of last year and broadly in line with current market expectations. While we continue to make progress towards delivering underlying EBITDA of £100 million in the current financial year – which remains a key financial objective the business is confident of reaching – it is likely we will take longer to do so. As the current year has progressed, we have faced two challenges: firstly, the impact from the disruption to our parcels network from the harmonisation of InPost and Yodel services combined with the commercial terms of our new 3-year contract has been greater than we had anticipated, and secondly, while obconnect continues to build its new business pipeline and range of opportunities, the pace of growth and monetising of these opportunities in year is slower than we had planned.

Consumer uncertainty and tightening household budgets are not new factors as we enter the peak trading period for several of our businesses. For the second half of the year our focus remains on 1) tight cost discipline and driving efficiencies as we continue to work with Nile Partners to establish the right organisational framework for the future, 2) strong execution of the projects supporting our long-term growth plans, and 3) good operating disciplines across the business as a whole and agility to respond to the two specific business challenges and the broader changing market conditions.

#### **Our longer-term growth targets to the end of FY28**

As announced at our full year results in June 2025, we have now established new targets for the Group for the next three years to the end of FY28, reflecting our confidence in the growth prospects of the business and our continued commitment to delivering enhanced returns for our shareholders:

##### **1. Achieving net revenue growth in the range of 5% to 8% per annum across the Group**

Our strategy over the past five years to transform the business and its capabilities from our legacy cash bill payments history has created a more robust and higher organic growth platform. We believe a combination of our business mix today and the opportunities in each of our key building blocks for growth supports a consistent, underlying net revenue growth rate in the range of 5-8% per annum in the medium term.

##### **2. Establishing an organisational framework which will deliver greater automation of processes and greater agility to support the delivery of our plan**

An important next step to support the delivery of this growth is to ensure as a business we have the necessary organisational framework to deliver better operational performance at a reduced cost and a higher level of customer service and experience. To achieve this, we have sought the support of Nile, an independent consultancy, in a project to review our operational structure and business processes today and develop a plan to deliver greater automation and business agility in the future to support the delivery of our plan.

##### **3. Delivering a reduction of at least 20% of our issued share capital, with scope for leverage in the range of 1.2x to 1.5x**

The actions we are taking to deliver sustained organic growth across the business in a more efficient and agile business structure will further enhance the core cash generative characteristics of the business, enabling an accelerated share buyback programme over the next three years within a prudent capital structure of leverage in the range of 1.2x to 1.5x

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## **REVIEW BY DIVISION**

### **SHOPPING DIVISION**

In Retail Services, it has been an intensive period where we have focused our efforts on supporting our retailer partners to deliver more revenue from PayPoint services and a business-wide effort to prepare and train sites ahead of the major launches of BankLocal and Royal Mail Shops. Our new Store Growth Specialist team, launched at the beginning of the financial year, has continued to have a positive impact with retailers, driven by targeted data and support. The learnings from the success of this team are now being assessed, with a view to scaling best practice across our entire field team. Key focus areas in the half year have been merchandising new Love2shop physical gift card units in over 2,000 sites ahead of the key peak trading period and completing an extensive training and merchandising programme for our BankLocal and Royal Mail Shop rollouts. Over 4,000 site visits have been completed in total, with positive retailer partner feedback and successful launches delivered for both services. In

our FMCG consumer engagement proposition, PayPoint Engage, 16 campaigns have been delivered for major consumer brands, leveraging our PayPoint One platform, advertising screens and vouchering capability. In ATMs, there are some early signs of progress from the actions already taken in the business with the estate performance now aligned with LINK industry transaction data. In addition to the recovery plan already implemented at the beginning of the year, we have completed a thorough strategic review of this business, with plans underway to optimise sites across the network driven by data and supported by our enhanced maintenance and support partnership with NoteMachine.

In Cards, we continue to strengthen the operating foundation to the business with a greater focus on optimising profitability per merchant: a continued strong performance in Telesales, a reset of our Field sales approach and head count, further processes to support early life merchant experience and churn management, further proposition enhancements for merchants, supported by the improvements to pricing governance, time to transact and customer onboarding delivered in the last financial year. Proposition enhancements for merchants include an updated terminal application enabling split bill and digital receipt functionality, real-time transaction data now live in our merchant mobile app and app registrations in total on course to exceed our target of 10,000 merchants by the end of FY26. We now have 6 integrations and partnerships live for merchants to access our services. In October 2025, we launched our new e-comm product, in partnership with Global Payments, including Pay By Link functionality in the app and integration with major shopping carts. Over H2, there is an active roadmap of future proposition enhancements which will be delivered, including Tap to Pay in app, 7-day settlement and the launch of a 'Pay Once' proposition. We have also delivered a positive performance for Business Finance via YouLend, with over £14.6 million of funding provided to businesses, up 58% year on year.

In Local Banking, we successfully launched our BankLocal service for the Lloyds Banking Group on 26 August 2025, enabling consumer cash deposits via app for customers of Lloyds, Halifax and Bank of Scotland across our extensive network of over 30,000 locations. The service has been adopted rapidly by customers, with over £10m of deposits processed since launch and further proactive consumer marketing activity underway by Lloyds to drive awareness of the service. On 30 September 2025, we enhanced this service with over 3,000 sites launched for consumer cash deposits via card, particularly targeted at customers who are not digitally enabled. With over 40% of transactions taking place before 9am and after 5pm, and c.25% of transactions happening at weekends, this service has successfully built on our existing neobank deposit service and has reinforced the vital role that our leading retail network plays in providing a vast range of essential services at the heart of communities across the UK, for everything from banking, utility, parcel, cash and government services.

Looking ahead to H2, a second major bank is now going live later than planned in Q4 FY26 and we have plans in progress to enable more High St banks for the service over the course of the next 6 months, as well as enabling a more extensive use of our Counter Cash withdrawal service. In addition, we are well underway with plans to develop and launch an SME solution for cash deposits in 2026.

Across the whole division, data analytics is now central to how we operate, make decisions, and deliver value to customers and partners. Analytics have been embedded into decision-making for external clients and retail partners, combining multiple sources like regional performance, demographic insights, and usage patterns. This unified view is a major step forward, and there is the opportunity to refine these models further, expand data sources, and improve predictive accuracy in the future. Our algorithms now recommend tailored product mixes for retailers and identify promotions that drive sales and partner returns, with our investment in AI and machine learning opening the door to further development of predictive analytics, enabling teams to act on insights quickly and effectively. The work ahead in this area will unlock even greater visibility, efficiency, and value for our customers, partners and the business as a whole.

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## E-COMMERCE DIVISION

In E-commerce, there continues to be strong momentum for Collect+, with net revenue +7.5% at £8.6 million and parcel transactions growing to 74.3 million. Collect+ is well-established as the leading Out of Home (OOH) store network in the UK and, as an open network, we will continue to work closely with our carrier partners to support the increasing consumer adoption of OOH services across the UK. In the half year, we have successfully grown the Collect+ network to 14,274 sites in new locations and demographics, including a new partnership with Gridserve, the leading EV charging network.

As announced on 30 September 2025, Royal Mail has now taken a strategic investment in Collect+. Over 3,000 sites have now been upgraded with Royal Mail Shop branding, of which 2,200 have the ability to deliver Royal Mail over the counter services, enabling customers to buy postage in store as well as collecting, sending and returning parcels. This will form part of over 8,000 sites that will feature Royal Mail Shop branding over the next 6 months. In addition, we have now launched the sale of stamps across the 8,000 sites, including a retail exclusive set of 4 Christmas Stamps available at Royal Mail Shops. Over the next 12 months, the intention is to expand the rollout of Royal Mail over the counter services through the network, including the launch of self-service kiosks during Q1 2026. This partnership is important to the next stage of growth for Collect+ and its positioning as the leading OOH store network in the UK, again enhancing our retailer and consumer propositions delivering vital services at the heart of communities across the UK.

In the half, we have also signed a new 3-year commercial agreement with InPost and Yodel, including the potential to utilise up to 6,000 Pick Up Drop Off (PUDO) locations within Collect+ network. We had underappreciated the disruptive impact of the InPost/Yodel harmonisation and subsequent logistical challenges in our parcels business but took proactive operational actions to mitigate impact this disruption, including establishing priority routing and collections for high volume stores, dedicated PUDO-only

routes and regular communications with affected stores. We expect these actions have now addressed the operational issues in the network, resulting in volumes recovering as we enter the peak trading period.

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## **PAYMENTS & BANKING DIVISION**

In Payments & Banking, our integrated digital payments platform, MultiPay, continues to establish itself as a comprehensive payment solution for clients across card processing, Open Banking, direct debit and cash, with net revenue growth of 17.2% year on year. We have secured further strong wins in the Housing sector, with Peabody, RHP, Orwell Housing Association and Gloucester City Homes, and in the Charity sector with Thames Hospice and Firefighter's Charity. There continues to be a focus on increasing opportunities to cross-sell payments services within our existing client base, leveraging our wider multichannel payments platform and Open Banking capabilities. Our Open Banking solutions are unlocking further pipeline opportunities, supporting major clients with cheque replacement solutions via our PayPoint OpenPay service and our new Suspense Manager solution, tackling the issue of unallocated customer payments.

In Open Banking, we have made further progress in executing on our strategy. In PayPoint, we are focused on winning business with both new and existing clients delivering Open Banking services and payments channels, all enabled by obconnect and Aperidata, with 70 clients now live for our services, including the Department for Work and Pensions and other government departments, and AccessPay for Confirmation of Payee and Thirteen Group live for PISP. In obconnect, we have retained and strengthened relationships with all existing clients (except for one US bank who exited the UK market) as well as adding 6 new client services in H1 FY26. The business has a small number of clients now live with VoP in SEPA. However, the overall opportunity from VoP has been disappointing, and as a result the business has refocused on other growth areas as it builds its new business pipeline and opportunities for H2 FY25 and into next year. Promising discussions are underway with other jurisdictions and some large international banks for secure data-sharing ecosystems, replicating the success of Get Verified for the New Zealand Banking Association which has now been in operation for a year. A UK CoP rule variation championed by PayPoint was agreed by Pay.UK and the scheme participants in September 2025. This expands CoP access to many more organisations, creating new opportunities for both PayPoint and obconnect.

In our cash through to digital category, we have now rolled out new display units to a further 2,000 sites, combining our leading portfolio of consumer brands, including Amazon, Netflix, Deliveroo and Uber, with physical Love2shop gift cards in store. This creates a strong consumer proposition, offering the choice of specific cash through to digital brands and our Love2shop multi-retailer redemption card, which is expected to generate meaningful additional card load and revenue opportunities for retailer partners. We intend to expand further the number of stores offering Love2shop physical gift cards and our digital Pin on Receipt brands over the course of H2. The strength of this proposition is evidenced by the sales momentum built with Love2shop gift cards in over 2,600 multiple retailers in the PayPoint network, with sales +54% year on year, and the continuing success of our partnership with InComm Payments offering Love2shop gift cards into a range of major retailers. In addition, our existing neobank cash deposit service processed over £342 million of deposits in the half, complementing our new BankLocal service for High St banks.

In Cash, legacy energy bill payments net revenue decreased by 17.7% for the half year consistent with our expectations, with this part of the business continuing to be resilient. Over the half year, the energy price cap, updated by Ofgem on a quarterly basis, was set for pre-pay customers at £1,803 for April to June 2025 and £1,672 for July to September 2025. However, the price cap has been confirmed in the current quarter at £1,707 for pre-pay customers for October to December 2025.

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## **LOVE2SHOP DIVISION**

Overall, Love2shop continues to trade in line with expectations for the current year, with net revenue in H1 affected by the changes to the timing of revenue recognition for expiry of cards following the adoption of a more prudent accounting treatment in FY24. Under the previous policy 'end of life' revenue was recognised progressively over the life of the card. Proactive management of this accounting change ahead of the current financial year will result in a stronger H2 performance as the expiry dates of cards issued in prior periods are weighted towards the second half of the current year. While this change results in the deferral of revenue to the expiry date, it has no material impact on the total revenue expected over the life of the cards. Overall, the Love2shop division has had a solid half year, delivering growth in Love2shop Business, a resilient performance in Park Christmas Savings and strong progress in our partnership with InComm Payments. In Love2shop Business, we have delivered a positive performance, with billings +5.8% at £70.9 million (H1 FY25: £67.0 m), driven by a strong performance within Major Accounts and Platform sales. We are also leveraging AI across the business to better drive and target marketing engagement and new campaigns, with positive early results contributing to new business pipelines. Highstreetvouchers.com continues to trade in line with expectations.

We have delivered a strong half year from our InComm Payments partnership, with sales of Love2shop physical gift card billings growing in consecutive half year periods by +43.5% since launch in October 2024. We have also made further progress developing our retailer channels for Love2shop gift cards, which has included an expansion to 800+ Sainsbury's Local convenience stores and a recent expansion to The Range ahead of the key peak trading period. New Love2shop gift cards are also now being rolled out to further PayPoint retailer network locations, supported by our new Store Growth Specialist team, with sales in this channel +54% year on year. Opportunities for growth in these sales channels will be further enhanced with the launch of the Love2Shop digital

Mastercard in early 2026 which will enable spend in store, via digital wallet and online, initially as a B2C single load product ahead of B2B and multi-load enabled later in 2026.

Park Christmas Savings billings are expected to be broadly flat year on year for the Christmas 2025 season, against the backdrop of tighter consumer spending and fluctuating consumer confidence over the year. This has been supported by a strengthened Agent proposition, including the launch of Agent Perks and a new Agent App with over 13,000 downloads, an improved average order value for returning direct savers, and the launch of a more premium fulfilment experience and packaging for customers receiving orders for Christmas 2025. This again reinforces the enduring appeal and vital role this service plays in helping consumers budget for big occasions and avoid debt, with a Trustpilot rating of 4.6/5 and over £2 million of value delivered to savers each year.

MBL, the leading gift card technology platform, processed £81.2 million in gift card value in the half year (H1 FY25: £40.9 million), reflecting continued strong momentum as a gift card service provider for Greggs, B&M, New Look, Tapi, and schuh, and as a key distributor for over 150 UK retailers' gift cards

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### **DETAIL ON THE FINANCIAL IMPACT OF THE IDS TRANSACTION**

The net proceeds of £34.1m on the £43.9m IDS investment in Collect+ is after deducting associated costs of £0.4m and £9.4m of tax from the gain on disposal. These proceeds were distributed in the form of a special dividend of 50 pence per share for c. 69 million eligible shares on 31 October 2025, with a resulting payment of £34.5m. Alongside this, the 12 for 13 share consolidation on 17 October 2025 reduced the issued share capital by c. 5.3 million shares to c. 63.7 million shares in issue as of this date.

This investment entitles IDS to a 49% minority share of the profits of Collect+ Brand Limited, which as part of the transaction now includes all revenues and associated costs from the wider E-commerce division, with the previous holding company (Collect+ Holdings Limited) prepared for dissolution. The Board anticipates the transaction as a whole to be EPS enhancing in the first full year to March 2027 through a combination of the special dividend, share consolidation and expected growth in volumes from the Royal Mail services through the Collect+ network. EPS enhancement assumptions include investment costs associated with the branding of the 8,000 Royal Mail sites, technology to support over the counter services, plus the launch of self-service kiosks during Q1 2026.

### **UPDATE ON ORGANISATIONAL FRAMEWORK PROGRAMME**

As announced in our full year results in June 2025, an important step to the delivery of growth is to ensure as a business we have the necessary organisational framework to deliver better operational performance at a reduced cost and a higher level of customer service and experience.

To achieve this, the Group has recently completed the second phase of a project being supported by Nile, an independent consultancy firm. The key outputs from this phase have been the establishment of a target state framework for three key processes: onboarding, customer support, and billings and settlement. For each of these, key outcomes from moving to the target future state have been established. For example, in the case of onboarding, substantially reducing time taken to onboard new customers. In addition, for each process, this phase has quantified the benefits from moving to this future state, including both financial benefits (increased revenue, lower costs, lower operational risk events) and non-financial benefits (e.g. improved customer service/satisfaction levels).

Preliminary estimates have highlighted at least £2 million of operating profit upside, through a combination of reduced costs and improved net revenue, with the potential to grow this figure further through the next phase of work, which will include identifying technical solutions and external providers to support the shift to the future target state, along with the costs associated with this transition. This work is expected to be completed in advance of our full year results announcement in June 2026, with implementation commencing in early FY27.

### **UPDATE ON CLAIMS AGAINST PAYPOINT**

In FY24, a number of companies in the PayPoint Group, including PayPoint Plc, received a claim from Global-365 plc and Global Prepaid Solution Limited ("Global 365") relating to issues addressed by commitments accepted by Ofgem in November 2021 as a resolution of Ofgem's concerns raised in its Statement of Objections received by the PayPoint Group in September 2020. The Ofgem resolution did not include any infringement findings.

Global 365's claim was heard at a trial at the Competition Appeal Tribunal between 10 June and 11 July 2025. PayPoint is confident that it successfully defended the claim by Global 365 and remains of the view that Global 365's claim fundamentally misunderstands the energy market and the relationships between the relevant PayPoint Group companies and the major energy providers, whilst also over-estimating the opportunity available, if any, for the products offered by Global 365. The parties are awaiting judgment from the Competition Appeal Tribunal.

## **OUTLOOK AND DIVIDEND**

The Board remain confident in delivering further progress in the current year and achieving our medium-term financial goals.

Whilst as a business we cannot determine the pace at which new services are adopted by consumers, the delivery of our key projects in the first half of the year is a great reflection of the progress we are making in the delivery of our long-term strategy.

Whilst there remain challenges in the broader UK economy and in particular weak consumer confidence and tightening household budgets, we remain focused on the delivery of the key initiatives across the business that will deliver the outcome for the current year and foundations for the longer-term growth in the business. We are now into the most important seasonal trading period for several of our business areas where focused execution is key to the outcome for the current year.

Our continued confidence in the growth opportunities in the business and making further progress in our longer-term objectives have provided a strong platform for the Board to further enhance shareholder returns in the current year, with the business on course to generate returns to shareholders of over £90 million through a combination of our ordinary dividend, continuing share buyback programme and special dividend. The Board has declared an interim dividend of [19.8]p per share, an increase of [2.1]% vs the prior year interim dividend of 19.4p per share, consistent with our dividend policy and target cover range of 1.5 to 2.0 times earnings excluding exceptional items.

**Nick Wiles**  
**Chief Executive**  
**19 November 2025**

## FINANCIAL REVIEW

£m	Six months to 30 September 2025	Six months to 30 September 2024	Change %
PayPoint segment	89.0	85.6	4.0%
Love2shop segment	55.1	49.4	11.5%
<b>Total revenue</b>	<b>144.1</b>	135.0	6.7%
PayPoint segment	67.7	65.8	2.9%
Love2shop segment	17.0	18.8	(9.6)%
<b>Total net revenue<sup>1</sup></b>	<b>84.7</b>	84.6	0.1%
PayPoint segment	(43.2)	(41.2)	4.9%
Love2shop segment	(15.8)	(16.5)	(4.2)%
<b>Total costs (excluding adjusting items)</b>	<b>(59.0)</b>	(57.7)	2.3%
PayPoint segment	24.5	24.6	(0.4)%
Love2shop segment	1.2	2.3	(47.8)%
<b>Underlying profit before tax<sup>2</sup></b>	<b>25.7</b>	26.9	(4.5)%
Adjusting items:			
Amortisation of intangible assets arising on acquisition	(2.6)	(4.0)	(35.0)%
Net movement in convertible loan notes and other investments	-	2.7	n/m
Exceptional items	(3.2)	(2.5)	28.0%
<b>Profit before tax</b>	<b>19.9</b>	23.1	(13.9)%
Underlying EBITDA <sup>3</sup>	37.3	37.5	(0.5)%
Net corporate debt <sup>4</sup>	(84.0)	(86.8)	(3.2)%

Total revenue increased by £9.1 million (6.7%) to £144.1 million (September 2024: £135.0 million). Net revenue increased by £0.1 million (0.1%) to £84.7 million (September 2024: £84.6 million). The increase in Love2shop revenue was driven by single-retailer redemption products which have an associated cost of revenue and therefore a relatively small impact on net revenue.

Total costs increased by £1.3 million to £59.0 million (September 2024: £57.7 million). The increase includes £1.7 million current period obconnect costs (prior period: £nil). There were also increases in cost of sales, reflecting the increase in revenue, and in finance costs, reflecting the Group's increased borrowing. These impacts were partially offset by lower overhead costs. Exceptional costs are one-off, non-recurring and do not reflect current operational performance. The £3.2 million charge to September 2025 comprises legal fees incurred in defence of claims served against the Group and costs associated with the organisational framework to deliver greater automation and agility. The prior period exceptional cost comprised legal fees in defence of the same claims, plus the accelerated amortisation of certain modules of L2s ERP systems.

The underlying profit before tax decreased by £1.2 million (4.5%) to £25.7 million (September 2024: £26.9 million). The current period result includes £1.2 million from the Love2shop segment, a decrease of £1.1 million (47.8%) on the prior period's £2.3 million. The Love2shop decrease reflects the change in expiry date of sold vouchers. The September 2024 result benefitted from significant non-redemption revenue from expiry on vouchers in August 2024, whereas the equivalent non-redemption revenue will be earned in the second half of the current financial year.

Profit before tax decreased by £3.2 million (13.9%) to £19.9 million (September 2024: £23.1 million). The decrease is mainly due to the £2.7m adjusting item in the prior period for the increase in fair value of the Group's investments in obconnect, prior to the acquisition of obconnect in October 2024.

<sup>1</sup> Net revenue is an alternative performance measure. Refer to note 4 to the financial statements for a reconciliation to revenue.

<sup>2</sup> Underlying profit before tax is an alternative performance measure. Refer to note 1 to the financial statements for the definition.

<sup>3</sup> Underlying EBITDA is an alternative performance measure. Refer to note 1 to the financial statements for the definition and to the following page for a reconciliation to profit before tax.

<sup>4</sup> Net corporate debt (excluding IFRS16 liabilities) is an alternative performance measure. Refer to note 1 to the financial statements for a reconciliation to cash and cash equivalents.

EBITDA / Underlying EBITDA (£m)	Six months to 30 September 2025	Six months to 30 September 2024
Profit before tax	19.9	23.1
add back:		
Net interest expense	3.8	3.2
Depreciation & Amortisation - including amortisation of intangible assets arising on acquisition	10.4	11.4
<b>EBITDA (£m)</b>	<b>34.1</b>	<b>37.7</b>
Exceptional items and net movement in convertible loan notes and other investments	3.2	(0.2)
<b>Underlying EBITDA (£m)</b>	<b>37.3</b>	<b>37.5</b>

Underlying EBITDA decreased by £0.2 million to £37.3 million (September 2024: £37.5 million), comprising £33.3 million for the PayPoint segment (September 2024: £32.0 million) and £4.0 million for the Love2shop segment (September 2024: £5.5 million).

Cash generation decreased to £24.2 million (September 2024: £30.7 million), delivered from underlying profit before tax of £25.7 million (September 2024: £26.9 million). There was a net working capital outflow of £6.1 million, £4.6 million of which relates to the timing of Love2shop product purchase and despatch and will unwind in the second half of the financial year. The remaining £1.5 million is principally due to professional fee payments in the current period, related to prior period exceptional items.

Net corporate debt decreased by £13.4 million to £84.0 million at September 2025 (March 2025: £97.4 million). This is as a result of positive cash generation and proceeds from the part-disposal of Collect+, partly offset by working capital requirements in the first six months along with the exceptional settlement payment, share buy-back and tax, capex and dividend requirements. At 30 September 2025 loans and borrowings were £114.1 million (September 2024: £107.2 million).

#### PAYPOINT SEGMENT

£m	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Revenue</b>	<b>89.0</b>	85.6	4.0%
Shopping	33.1	32.9	0.6%
E-commerce	8.6	8.0	7.5%
Payments & Banking	26.0	24.9	4.4%
<b>Net revenue</b>	<b>67.7</b>	65.8	2.9%
<b>Total costs</b>	<b>43.2</b>	41.2	4.9%
<b>Underlying profit before tax (excluding adjusting items)</b>	<b>24.5</b>	24.6	(0.4)%

Shopping net revenue increased by £0.2 million (0.6%) to £33.1 million (September 2024: £32.9 million). Service fees net revenue increased by £0.9 million (8.4%) driven by the additional PayPoint Mini sites and the annual RPI increase. Cards net revenue decreased by £0.5 million (3.0%); a reduction in acquiring revenue was partially offset by an increase in lending revenue, with rental revenue flat. ATM and Counter Cash net revenue decreased by £0.2 million (5.0%) due to a reduction in transactions driven by the continuing trend of reduced demand for cash across the economy.

E-commerce net revenue increased by £0.6 million (7.5%) to £8.6 million (September 2024: £8.0 million), driven by strong growth in transaction numbers, which increased by 20.0%. This was due to our continued strength in the clothing/fashion category and the impact of new carrier partners, partially offset by the impact of the terms of the new commercial deal with Yodel.

Payments & Banking net revenue increased by £1.1 million (4.4%) to £26.0 million (September 2024: £24.9 million), including £1.9 million net revenue from obconnect, acquired by the Group in October 2024. Excluding the impact of obconnect, net revenue decreased by £0.8 million compared with the prior period. Cash bill payments and top ups revenue decreased by £1.6 million (12.7%) to £11.0 million (September 2024: £12.6 million) driven by a 15.1% reduction in transactions caused by reduced usage of cash and the continued switch to digital payments. Digital net revenue, excluding obconnect, increased by £0.6 million (9.5%) to £6.9 million (September 2024: £6.3 million).

The cost of commission to retailers increased by £1.3 million (6.5%) to £21.3 million (September 2024: £20.0 million). This increase in payment to our retailer partners reflects an increase in the number of transactions processed and a higher proportion of transactions with higher commission rates.

Total costs (excluding adjusting items) increased by £2.0 million (4.9%) to £43.2 million, including a £0.9 million increase in finance costs due principally to the share buy-back programme, £1.8 million obconnect costs following acquisition in October 2024, £0.5 million additional depreciation on cards devices, partially offset by a £1.2m decrease in overhead and other costs, reflecting cost saving measures implemented.

## SECTOR ANALYSIS

### SHOPPING

Shopping consists of services PayPoint provides to retailer partners, which form part of PayPoint's network, and SME partners.

Services include providing the PayPoint One platform (which has a basic till application), EPoS, card payments, terminal leasing, ATMs, Counter Cash and FMCG vouchering.

Net revenue (£m)	Six months to 30 September 2025	Six months to 30 September 2024	Change %
Service fees	11.6	10.7	8.4%
Card payments	16.1	16.6	(3.0)%
ATMs and Counter Cash	3.8	4.0	(5.0)%
Other shopping	1.6	1.6	-
<b>Total net revenue (£m)</b>	<b>33.1</b>	<b>32.9</b>	<b>0.6%</b>

Net revenue increased by £0.2 million (0.6%) to £33.1 million (September 2024: £32.9 million) primarily due to the growth in service fees. The net revenue of each of our key products is separately addressed below.

Service fees from terminals	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Net Revenue (£m)</b>	<b>11.6</b>	<b>10.7</b>	<b>8.4%</b>
<b>PayPoint terminal sites (No.)</b>			
PayPoint One Terminals	16,462	17,872	(7.9)%
PayPoint Mini	3,927	1,983	98.0%
<b>Total PayPoint One / Mini</b>	<b>20,389</b>	<b>19,855</b>	<b>2.7%</b>
Legacy (T2)	-	12	-
PPoS	9,833	9,447	4.1%
PayPoint One – non-revenue generating	740	837	(11.6)%
<b>Total terminal sites in PayPoint network</b>	<b>30,962</b>	<b>30,151</b>	<b>2.7%</b>

As at 30 September 2025, PayPoint had a live terminal in 30,962 UK sites, an increase of 2.7% primarily due to new PayPoint mini sales.

**Service fees:** This is a core growth area and consists of service fees from PayPoint One, PayPoint Mini and our legacy terminals. Service fee net revenue increased by £0.9 million (8.4%) to £11.6 million driven by an increase in the number of revenue- generating sites compared to the prior period.

Card payments and leases	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Net Revenue (£m)</b>			
Acquiring	<b>10.3</b>	11.2	(8.0)%
Rentals	<b>5.2</b>	5.2	-
Business finance and other	<b>0.6</b>	0.2	200%
<b>Total net revenue</b>	<b>16.1</b>	16.6	(3.0)%
<b>Services in Live sites (No.)</b>			
Acquiring – Handepay SME partners	<b>20,251</b>	22,081	(8.3)%
Acquiring – PayPoint retailer partners	<b>10,665</b>	10,283	3.7%
Rentals – Handepay SME terminals	<b>49,648</b>	50,217	(1.1)%
<b>Transaction value (£'m)</b>			
Handepay SME partners	<b>2,324</b>	2,383	(2.5)%
PayPoint retailer partners	<b>1,104</b>	1,202	(8.2)%

**Card Payments:** Card payments net revenue overall decreased by 3.0% to £16.1 million (September 2024: £16.6 million).

Card payments acquiring services generated £10.3 million net revenue in the six-month period, a reduction of £0.9 million from the previous year (September 2024: £11.2 million), reflecting the decrease in the number of SME and retailer partners and in the average value processed per merchant. Card payments lending and other net revenue increased by £0.4 million to £0.6 million. Transaction values overall decreased by 4.4% to £3,428 million (September 2024 £3,585 million).

Card payment terminal rentals remained at £5.2 million, with a slight reduction in the number of terminals.

ATMs and Counter Cash	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Net Revenue (£m)</b>	<b>3.8</b>	4.0	(5.0)%
<b>Active sites (No.)</b>	<b>7,094</b>	6,488	9.3%
<b>Transactions (Millions)</b>	<b>11.5</b>	12.7	(9.4)%

Net revenue reduced by £0.2m (5.0%) to £3.8 million (September 2024: £4.0 million) as transactions reduced by 9.4% to 11.5 million. This reflects a continuation of the reduced demand for cash across the economy, although net revenue from Counter Cash was flat. ATM and Counter Cash live sites increased 9.3% to 7,094, reflecting the new local banking service which went live in September 2025.

**Other:** Other shopping services, which includes FMCG voucher campaigns, remained at £1.6 million.

#### E-COMMERCE

Parcels	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Net Revenue (£m)</b>	<b>8.6</b>	8.0	7.5%
<b>Services in Live sites (No.)</b>	<b>14,274</b>	13,421	6.4%
<b>Transactions (Millions)</b>	<b>74.3</b>	61.9	20.0%

E-commerce net revenue increased by £0.6 million (7.5%) to £8.6 million (September 2024: £8.0 million) due to the continued increase in total parcels transactions, by 20.0% to 74.3 million. This was due to our continued strength in the clothing/fashion category and the impact of new carrier partners, partially offset by the impact of the terms of the new commercial deal with Yodel. Parcel sites increased by 6.4% to 14,274 sites.

## PAYMENTS & BANKING

	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Net revenue (£m)</b>			
Cash – bill payments and top ups	<b>11.0</b>	12.6	(12.7)%
Digital – MultiPay and direct debits	<b>6.9</b>	6.3	9.5%
Digital - obconnect	<b>1.9</b>	-	-
Cash through to digital	<b>3.5</b>	3.4	2.9%
Other payments and banking	<b>2.7</b>	2.6	3.8%
<b>Total net revenue (£m)</b>	<b>26.0</b>	24.9	4.4%

Payments & Banking divisional net revenue increased by £1.1 million (4.4%) to £26.0 million (September 2024: £24.9 million), benefitting from the £1.9 million contribution from obconnect. This was partially offset by the impact of fewer cash bill payments and top up transactions.

	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Cash – bill payments and top ups</b>			
Net revenue (£m)	<b>11.0</b>	12.6	(12.7)%
Transactions (millions)	<b>47.7</b>	56.2	(15.1)%
Transaction value (£m)	<b>1,490.0</b>	1,664.0	(10.5)%
Average transaction value (£)	<b>31.2</b>	29.6	5.4%
Net revenue per transaction (pence)	<b>23.2</b>	22.4	3.6%

**Cash - bill payments and top ups** net revenue decreased by £1.6 million (12.7%) to £11.0 million (September 2024: £12.6 million).

	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Digital – MultiPay and direct debits</b>			
Net revenue (£m)	<b>6.9</b>	6.3	9.5%
Transactions (millions)	<b>21.9</b>	20.1	9.0%
Transaction value (£m)	<b>480.0</b>	426.9	12.4%
Average transaction value (£)	<b>21.9</b>	21.2	3.3%
Net revenue per transaction (pence)	<b>31.5</b>	31.3	0.6%

**Digital** (MultiPay, Direct Debits, Cash Out and Open banking) net revenue increased by £0.6 million (9.5%) to £6.9 million (September 2024: £6.3 million) and digital transactions increased by 1.8 million (9.0%) to 21.9 million. MultiPay net revenue increased by £0.5 million to £3.4 million (September 2024: £2.9 million) with transactions remaining at 13.9 million. Cashout net revenue decreased by £0.1 million (7.3%) to £1.1 million (September 2024: £1.2 million).

	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Cash through to digital</b>			
Net revenue (£m)	<b>3.5</b>	3.4	2.9%
Transactions (millions)	<b>4.5</b>	3.8	18.2%
Transaction value (£m)	<b>385.3</b>	259.8	48.3%
Average transaction value (£)	<b>86.2</b>	68.6	25.7%
Net revenue per transaction (pence)	<b>77.8</b>	90.3	(13.8)%

Cash through to digital (eMoney) net revenue increased by £0.1 million (2.9%) to £3.5 million (September 2024: £3.4 million) and transactions increased by 0.7 million (18.2%) to 4.5 million (September 2024: 3.8 million). eMoney transactions derive a substantially higher fee per transaction than traditional top-up transactions as they are more complex to process. 15

Other Payments & Banking net revenue includes SIM sales, interest generated by investing cash received on client funds and other ad-hoc items which contributed £2.7 million (September 2024: £2.6 million) net revenue.

#### LOVE2SHOP SEGMENT

£m	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Billings</b>	<b>106.7</b>	102.0	4.6%
<b>Love2shop billings</b>	<b>84.2</b>	76.9	9.5%
<b>Prepaid Christmas savings billings</b>	<b>22.5</b>	25.1	(10.4)%
<b>Total billings</b>	<b>106.7</b>	102.0	4.6%
<b>Revenue</b>	<b>55.1</b>	49.4	11.5%
<b>Net revenue</b>	<b>17.0</b>	18.8	(9.6)%
<b>Total costs</b>	<b>(15.8)</b>	(16.5)	(4.2)%
<b>Underlying profit before tax (excluding adjusting items)</b>	<b>1.2</b>	2.3	(47.8)%

Love2shop (L2s) generated £106.7 million total billings in the period, an increase of 4.6% on the prior period. Billings are a measure of the total value of balance sold on cards and vouchers.

The business is seasonal in nature, and profit is primarily generated in the second half of the financial year, which represents the peak trading period of the L2s corporate business and of the dispatch of Park Christmas savings prepaid products prior to Christmas.

The £5.7 million (11.5%) increase in revenue is largely attributable to single-retailer cards and vouchers, partially offset by a £2.1 million decrease in non-redemption income. The latter reflects the change in the annual expiry date of a significant proportion of cards and vouchers, from the first half of the prior financial year to the second half of the current financial year.

Net revenue for the 6 months to 30 September 2025 was £17.0 million, a decrease of £1.8 million (9.6%) on prior period, principally due to the decrease in non-redemption income referred to above.

#### PROFIT BEFORE TAX AND TAXATION

The income tax charge of £5.0 million (September 2024: £5.8 million) on profit before tax of £19.9 million (September 2024: £23.1 million) represents an effective tax rate of 24.9% (September 2024: 25.1%). This is lower than the UK statutory rate of 25% due to the tax impact of share-based payments.

#### GROUP STATEMENT OF FINANCIAL POSITION

Net assets of £102.0 million (September 2024: £104.2 million) decreased by £2.2 million, reflecting the continuation of the share buyback program and dividends, partially offset by profit for the period and the part-disposal of Collect+. Current assets increased by £15.2 million to £364.6 million (September 2024: £349.4 million), mainly due to an increase in cash and cash equivalents. Non-current assets of £240.6 million (September 2024: £238.3 million) increased by £2.3 million, of which £16.6 million arose on the acquisition of obconnect (£12.2 million goodwill, £11.0 million intangible assets, less £6.6 million previously recorded as investments). Partially offsetting this was a £12.3 million decrease in the fair value of the Group's investments in Yodel.

Current liabilities increased by £6.5 million to £364.4 million (September 2024: £357.9 million), including a £7.4 million increase in the share buyback liability. Phase two of the share buy-back programme, which commenced in July 2025, was for £30 million of committed share purchases, compared with £20 million for phase one. Non-current liabilities of £138.9 million (September 2024: £125.6 million) increased by £13.3 million, including a £7.1 million increase in loans and borrowings, a £3.6 million increase in deferred tax, of which £2.5 million arose on the obconnect acquired intangible assets, and a £3.6 million settlement provision.

At 30 September 2025 net corporate debt was £84.0 million (September 2024: £86.8 million), a decrease of £13.4 million from the year end position. This derives from positive cash generation and net proceeds from the part-disposal of Collect+, partially offset by tax, capex and dividend requirements, along with an exceptional settlement and share buy-back payments. Total loans and borrowings of £114.1 million (September 2024: £107.2 million), increased by £11.8 million from 31 March 2025, and comprise a £75.0 million non-amortising term loan, £40.0 million drawdown of the £90.0 million revolving credit facility, £0.4 million accrued interest less £1.3 million arrangement fees (September 2024: £63.0 million drawdown from the revolving credit facility, £45.0 million non-amortising term loan, £0.4 million accrued interest less £1.2 million arrangement fees).

## GROUP CASH FLOW AND LIQUIDITY

The following table summarises the cash flow movements during the period.

	Six months to 30 September 2025	Six months to 30 September 2024	Change %
<b>Profit before tax</b>	<b>19.9</b>	23.1	(13.9)%
Non-cash adjusting items	-	(2.3)	-
Depreciation and amortisation	10.5	11.4	(7.9)%
Share-based payments and other items	(0.1)	0.3	-
Working capital changes (corporate)	(6.1)	(1.8)	(16.7)%
<b>Cash generation</b>	<b>24.2</b>	30.7	(21.2)%
Taxation payments	(4.6)	(6.1)	(24.6)%
Capital expenditure	(10.5)	(8.9)	18.0%
Exceptional settlement payment	(10.4)	-	-
Pension contribution	(1.5)	-	-
Part-disposal of subsidiary, net of costs	43.5	-	-
Purchase of convertible loan notes and other investments	-	(16.2)	-
Payment of leases	(0.4)	(0.5)	(20.0)%
Share buyback	(13.0)	(4.4)	286%
Dividends paid	(13.9)	(13.9)	-
<b>Decrease / (increase) in net debt</b>	<b>13.4</b>	(19.3)	-
<b>Net corporate debt at the beginning of the period</b>	<b>(97.4)</b>	(67.5)	44.3%
<b>Net corporate debt at the end of the period</b>	<b>(84.0)</b>	(86.8)	(3.2)%

Cash generation decreased to £24.2 million (September 2024: £30.7 million) delivered from profit before tax of £19.9 million (September 2024: £23.1 million). There was a net working capital outflow of £6.1 million, £4.6 million of which relates to the timing of Love2shop product purchase and despatch and will unwind in the second half of the financial year. The remaining £1.5 million is principally due to professional fee payments in the current period, related to prior period exceptional items. The working capital outflow is higher than the prior period outflow, which benefitted from a £3.0 million cash collection from a key account in September 2024.

The £10.4 million exceptional settlement payment relates to the Utilita accrual disclosed in the March 2025 financial statements. The £1.5 million pension contribution was to the L2s defined benefit scheme. The £43.5 million inflow from the part-disposal of subsidiary relates to the investment by IDS in the Group's parcel division and is net of disposal costs.

The £13.0 million share buyback outflow in the period exceeds the £4.4 million in the prior period, which included only 3 months' share purchases of a lower annual committed amount than the current period commitment.

Capital expenditure of £10.5 million (September 2024: £8.9 million) was £1.6 million higher than the prior period, primarily the result of software development investment to modernise heritage systems and Love2shop's e-commerce project.

## DIVIDENDS

In the six months to 30 September 2025, total dividend payments were £13.9 million or 19.6 pence per share (September 2024: £13.9 million or 19.2 pence per share), representing the final ordinary dividend for the year ended 31 March 2025. This is a 2.1% increase on the final dividend per share for the year ended 31 March 2024.

On 17 October 2025 the Group approved a special dividend of 50.0 pence per share, paid on 29 October 2025 to shareholders on the register on 17 October 2025, representing c. 69 million eligible shares. Alongside this, the 12 for 13 share consolidation on 17 October 2025 reduced the issued share capital by c. 5.3 million shares to c. 63.7 million shares in issue as of this date.

We have declared an increased interim dividend of 19.8 pence per share (September 2024: 19.4 pence) payable in equal instalments of 9.9 pence per share on 19 December 2025 and 27 March 2026 (to shareholders on the register on 28 November 2025 and 27 February 2026 respectively). This is an increase of 1.0% compared to the final dividend declared of 19.6 pence per share, and an increase of 2.1% compared to 19.4 pence per share interim dividend for prior year.

In aggregate, the special dividend and interim dividends will result in £46.9 million (September 2024: £13.9 million) being paid to shareholders from the standalone statement of financial position of the Company which, as at 30 September 2025, had approximately £101.4 million (September 2024: £67.9 million) of distributable reserves.

## CAPITAL ALLOCATION

The Board's immediate priority is to continue to preserve PayPoint's balance sheet strength. The Group maintains a capital structure appropriate for current and prospective trading over the medium term that allows a healthy mix of returns to shareholders and cash for investments. The Group's capital allocation priorities are as follows:

- Investment in the business through capital expenditure and innovation to drive future revenue streams and improve the resilience and efficiency of our operations
- Progressive ordinary dividends, targeting a dividend cover<sup>5</sup> of over 2.0 times by FY28

- Continuation of the 4-year share buyback programme, which returned £20 million over the initial 12 months to 30 June 2025 and will return a further £30 million in each of years 2, 3 and 4, depending on business performance, market conditions, cash generation and the overall capital needs of the business.
- Targeting an appropriate leverage ratio of 1.2x to 1.5x net debt/EBITDA

#### **GOING CONCERN**

The financial statements have been prepared on a going concern basis having regard to the identified principal risks and uncertainties. Our cash and borrowing capacity provides sufficient funds to meet the foreseeable needs of the Group including dividends.

**Rob Harding**  
**Chief Financial Officer**

**19 November 2025**

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<sup>5</sup>Dividend cover represents profit after tax divided by reported dividends.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

Note	6 months ended 30 September 2025 £'000	6 months ended 30 September 2024 £'000	Year ended 31 March 2025 £'000
<b>Revenue - underlying</b>	<b>133,024</b>	121,726	294,919
<b>Revenue – adjusting item</b>	<b>3,5</b>	<b>-</b>	<b>(14,205)</b>
<b>Revenue - total</b>	<b>133,024</b>	121,726	280,714
<b>Other revenue</b>	<b>3</b>	<b>11,117</b>	30,000
<b>Total revenue</b>	<b>144,141</b>	135,009	310,714
Cost of revenue	(80,501)	(69,962)	(174,283)
<b>Gross profit</b>	<b>63,640</b>	65,047	136,431
Administrative expenses – excluding adjusting items	(34,176)	(34,881)	(75,522)
<b>Operating profit before adjusting items</b>	<b>29,464</b>	30,166	60,909
Adjusting items:			
Exceptional items - administrative expenses	5	(3,162)	(2,474)
Amortisation of intangible assets arising on acquisition – administrative expenses		(2,611)	(4,038)
Movement on convertible loan notes		-	(10,413)
Movement on other investments		-	805
<b>Operating profit</b>	<b>23,691</b>	26,347	33,356
Finance income	722	772	1,383
Finance costs	(4,507)	(4,012)	(8,448)
<b>Profit before tax</b>	<b>19,906</b>	23,107	26,291
Tax	6	(4,966)	(5,802)
<b>Profit for the period</b>	<b>14,940</b>	17,305	19,300
<b>Attributable to:</b>			
Owners of the parent		14,588	17,305
Non-controlling interest		352	-
		<b>14,940</b>	17,305
<b>Earnings per share (pence)</b>			
Basic		20.8	23.8
Diluted		20.6	23.5
<b>Underlying earnings per share – before adjusting items (pence)</b>			
Basic		27.0	27.8
Diluted		26.7	27.4

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Note	6 months ended 30 September 2025 £000	6 months ended 30 September 2024 £000	Year ended 31 March 2025 £000
<b>Items that will not be reclassified to the consolidated statement of profit or loss:</b>			
Remeasurement of defined benefit pension scheme	161	23	(230)
Deferred tax on defined benefit pension scheme	(40)	(6)	58
Post-tax gain on part-disposal of subsidiary	9	34,026	-
<b>Items that may subsequently be reclassified to the consolidated statement of profit or loss:</b>			
Movement on cashflow hedge reserve	(137)	(579)	(266)
<b>Other comprehensive income / (expense) for the period</b>	<b>34,010</b>	<b>(562)</b>	<b>(438)</b>
Profit for the period	14,940	17,305	19,300
<b>Total comprehensive income for the period</b>	<b>48,950</b>	<b>16,743</b>	<b>18,862</b>
<b>Attributable to:</b>			
Owners of the parent	48,598	16,743	18,753
Non-controlling interests	352	-	109
	<b>48,950</b>	<b>16,743</b>	<b>18,862</b>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
<b>Non-current assets</b>				
Goodwill		129,633	117,427	129,633
Other intangible assets		72,189	63,573	71,901
Convertible loan notes		1,000	22,116	3,159
Other investments		2,899	717	740
Property, plant and equipment		32,704	33,854	31,933
Net investment in finance lease receivables		210	243	189
Retirement benefit asset		1,989	392	224
<b>Total non-current assets</b>		240,624	238,322	237,779
<b>Current assets</b>				
Inventories		5,957	9,870	6,162
Trade and other receivables		109,623	106,165	110,010
Current tax asset		569	4,497	9,734
Cash and cash equivalents – corporate		30,050	20,427	4,927
Cash and cash equivalents – non-corporate		121,883	131,384	28,262
Restricted funds held on deposit		96,508	77,020	111,475
<b>Total current assets</b>		364,590	349,363	270,570
<b>Total assets</b>		605,214	587,685	508,349
<b>Current liabilities</b>				
Trade and other payables		149,508	168,904	133,610
Payables in respect of clients' funds and retail partners' deposits		20,578	13,171	20,966
Payables in respect of gift card vouchers and prepay savers		192,224	174,809	117,793
Lease liabilities		672	576	768
Provisions		1,012	31	11,198
Loans and borrowings		371	364	265
<b>Total current liabilities</b>		364,365	357,855	284,600
<b>Non-current liabilities</b>				
Lease liabilities		3,238	3,851	2,410
Loans and borrowings		113,716	106,852	102,043
Derivative liability		403	579	264
Deferred tax liability		17,915	14,324	17,559
Provisions		3,621	-	4,152
<b>Total non-current liabilities</b>		138,893	125,606	126,428
<b>Total liabilities</b>		503,258	483,461	411,028
<b>Net assets</b>		101,956	104,224	97,321
<b>Equity</b>				
Share capital	10	230	241	236
Share premium	10	1,000	1,000	1,000
Merger reserve	10	18,243	18,243	18,243
Share-based payment reserve		3,045	2,655	3,471
Capital redemption reserve	10	13	2	7
Retained earnings		75,215	82,083	70,255
<b>Total equity attributable to equity holders of the parent</b>		97,746	104,224	93,212
Non-controlling interest		4,210	-	4,109
<b>Total equity</b>		101,956	104,224	97,321

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £'000	Share premium £'000	Merger reserve £'000	Share-based payment reserve £'000	Capital Redemption reserve £'000	Retained earnings £'000	Total £'000	Non-controlling Interests £'000	Total equity £'000
<b>At 1 April 2024</b>		242	1,000	18,243	2,992	-	98,683	121,160	-	121,160
Profit for the year		-	-	-	-	-	17,305	17,305	-	17,305
<b>Total other comprehensive income</b>		-	-	-	-	-	(562)	(562)	-	(562)
Comprehensive income for the year		-	-	-	-	-	16,743	16,743	-	16,743
Issue of shares	1	-	-	-	-	-	-	1	-	1
Purchase of own shares	(2)	-	-	-	-	2	(20,011)	(20,011)	-	(20,011)
Equity-settled share-based payment expense		-	-	-	988	-	-	988	-	988
Vesting of share scheme		-	-	-	(1,325)	-	593	(732)	-	(732)
Dividends		-	-	-	-	-	(13,925)	(13,925)	-	(13,925)
<b>At 30 September 2024</b>		241	1,000	18,243	2,655	2	82,083	104,224	-	104,224
Non-controlling interest arising on acquisition		-	-	-	-	-	-	-	4,000	4,000
Profit for the year		-	-	-	-	-	1,886	1,886	109	1,995
<b>Total other comprehensive expense</b>		-	-	-	-	-	124	124	-	124
Comprehensive income for the year		-	-	-	-	-	2,010	2,010	109	2,119
Purchase of own shares	10	(5)	-	-	-	5	(118)	(118)	-	(118)
Equity-settled share-based payment expense		-	-	-	1,030	-	(814)	216	-	216
Vesting of share scheme		-	-	-	(214)	-	946	732	-	732
Dividends		-	-	-	-	-	(13,852)	(13,852)	-	(13,852)
<b>At 31 March 2025</b>		236	1,000	18,243	3,471	7	70,255	93,3212	4,109	97,321
Profit for the year		-	-	-	-	-	14,588	14,588	352	14,940
<b>Total other comprehensive income</b>		-	-	-	-	-	34,010	34,010	-	34,010
<b>Comprehensive income for the year</b>		-	-	-	-	-	48,598	48,598	352	48,950
Issue of shares		-	-	-	-	-	-	-	-	-
Purchase of own shares	(6)	-	-	-	-	6	(30,279)	(30,279)	-	(30,279)
Equity-settled share-based payment expense		-	-	-	1,038	-	(1,133)	(95)	-	(95)
Vesting of share scheme		-	-	-	(1,464)	-	1,464	-	-	-
Dividends		-	-	-	-	-	(13,690)	(13,690)	(251)	(13,941)
<b>At 30 September 2025</b>		230	1,000	18,243	3,045	13	75,215	97,746	4,210	101,956

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	6 months ended 30 September 2025 £'000	6 months ended 30 September 2024 £'000	Year ended 31 March 2025 £'000
<b>Net cash generated by operations</b>	11	<b>20,791</b>	36,396	74,701
Corporation tax paid		(4,642)	(6,054)	(11,383)
Interest received		277	858	502
Interest paid		(4,316)	(4,084)	(7,848)
Movement in restricted funds held on deposit (non-corporate)		14,967	1,179	(33,277)
Movement in payables – non-corporate		74,043	66,103	1,699
<b>Net cash inflow from operating activities</b>		<b>101,120</b>	94,398	24,394
<b>Investing activities</b>				
Purchases of property, plant and equipment		(4,528)	(4,733)	(9,248)
Purchases of intangible assets		(5,934)	(4,126)	(9,529)
Acquisitions of subsidiaries net of cash and cash equivalents acquired		-	-	(8,919)
Proceeds on part-disposal of subsidiary	9	43,461	-	-
Purchase of convertible loan notes		-	(16,000)	(16,000)
Purchase of investments		-	(200)	(200)
<b>Net cash generated from / (used in) investing activities</b>		<b>32,999</b>	(25,059)	(43,896)
<b>Financing activities</b>				
Dividends paid		(13,941)	(13,925)	(27,777)
Proceeds from issue of share capital		-	1	1
Purchase of own shares		(12,985)	(4,415)	(14,914)
Payment of lease liabilities		(449)	(459)	(889)
Repayment of loans and borrowings		(26,500)	(27,500)	(88,000)
Proceeds from loans and borrowings		38,500	42,000	97,500
<b>Net cash used in financing activities</b>		<b>(15,375)</b>	(4,298)	(34,079)
<b>Net increase in cash and cash equivalents</b>		<b>118,744</b>	65,041	(53,581)
Cash and cash equivalents at beginning of year		33,189	86,770	86,770
<b>Cash and cash equivalents at period end</b>		<b>151,933</b>	151,811	33,189
<b>Reconciliation of cash and cash equivalents</b>				
Corporate cash		30,050	20,427	4,927
Non-corporate cash		121,883	131,384	28,262
<b>Cash and cash equivalents on the condensed consolidated statement of financial position</b>		<b>151,933</b>	151,811	33,189

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 1. Accounting policies Reporting entity

PayPoint plc ('PayPoint' or the 'Company') is a public limited company, incorporated and registered in the UK under the Companies Act 2006. Its registered office is at Unit 1, The Boulevard, Welwyn Garden City, Hertfordshire, AL7 1EL. Its shares are listed on the London Stock Exchange.

These condensed consolidated interim financial statements ('interim financial statements') as at and for the six months ended 30 September 2025 comprise the Company and its subsidiaries (together referred to as the 'Group'). They were approved for issue on 20 November 2025.

These interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2025 were approved by the board of directors on 11 June 2025 and delivered to the Registrar of Companies. The report of the auditor on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statements under section 498 of the Companies Act 2006.

The financial statements have been reviewed, not audited.

### Basis of preparation

The interim financial statements for the half-year reporting period ended 30 September 2025 have been prepared in accordance with the UK-adopted International Accounting Standard 34 *Interim Financial Reporting* and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority.

### Adoption of standards and policies

The accounting policies applied by the Group in the interim financial statements for the period ended 30 September 2025 are consistent with those set out in the Group's Annual Report for the year ended 31 March 2025.

### Going concern

The interim financial statements have been prepared on a going concern basis. The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt-to-equity balance. The capital structure of the Group consists of debt, cash and cash equivalents, restricted funds held on deposit and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings.

The Group's policy is to borrow centrally to meet anticipated funding requirements. Our cash and borrowing capacity provide sufficient funds to meet the foreseeable needs of the Group. At 30 September 2025, the Group had corporate cash of £30.1 million.

On 11 June 2025, the Group completed an amendment to its borrowing facilities, to manage its working capital requirements and capital allocation. Its borrowing facilities now consist of:

- a £75.0 million non-amortising term loan expiring in June 2029; and
- a £90.0 million unsecured revolving credit facility expiring in June 2029.

At 30 September 2025, £40.0 million was drawn down from the revolving credit facility (30 September 2024: £63.0 million).

The Group's statement of financial position shows net assets of £102.0 million as at 30 September 2025 (£104.2 million as at 30 September 2024), having made a profit after tax for the period of £14.9 million (30 September 2024: £17.3 million) and delivered cash from operations of £20.8 million for the period (30 September 2024: £36.4 million). The Group has net current assets of £0.2 million at 30 September 2025 (30 September 2024: net current liabilities of £8.5 million).

The Directors consider the going concern period as twelve months from the date of signing of these interim financial statements and have reviewed detailed monthly cash flow forecasts from the Group over this period. In this 'base case' scenario, the cash flow forecasts show considerable liquidity headroom and debt covenants will be met throughout the period. In addition, the Directors have considered and confirm there are no significant or material events that have been identified beyond the going concern period that may cast doubt upon the continuing use of the going concern basis.

In addition to the 'base case' scenario, the Directors have prepared a 'downside' scenario which includes the following assumptions:

#### Shopping

- 10% decline in ATM transactions
- 10% decline in card acquiring revenue
- Loss of an additional 500 retailers through churn
- 1,000 decline in terminal rentals

#### E-commerce

- 10% decline in transactions

#### Payments and banking

- 10% decline in transactions

## Love2shop

- 10% decline in billings across all channels

Even with the above assumptions, the forecasts indicate that there is sufficient headroom and liquidity for the Group to continue with its existing borrowing facilities.

Based on this assessment, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of not less than 12 months from the date of approval of these interim financial statements and therefore have prepared the interim financial statements on a going concern basis.

### **Use of judgements and estimates**

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### ***Critical judgement: recognition of cash and cash equivalents and restricted funds held on deposit***

The nature of payments and banking services means that PayPoint collects and holds funds on behalf of clients as those funds pass through the settlement process and retains retailer partners' deposits as security for those collections. Following the Love2shop acquisition, it also holds card and voucher deposits on behalf of agents, cardholders and redeemers, some of which is held in trust.

A critical judgement in this area is whether each of the above categories of funds, and restricted funds held on deposit, are recognised on the Consolidated statement of financial position, and whether they are included in cash and cash equivalents for the purpose of the Statement of consolidated cash flows. This includes evaluating:

- (a) the existence of a binding agreement, such as a legal trust, clearly identifying the beneficiary of the funds;
- (b) the identification of funds, ability to allocate and separability of funds;
- (c) the identification of the holder of those funds at any point in time; and
- (d) whether the Group bears the credit risk

Where there is a binding agreement specifying that PayPoint holds funds on behalf of the client (i.e. acting in the capacity of a trustee) and those funds have been separately identified as belonging to that beneficiary, the cash (referred to as 'Clients' own funds') and the related liability are not included on the Consolidated statement of financial position.

In all other cases, the Group has access to the interest on such monies and can, having met certain conditions, withdraw the funds. The cash and corresponding liability are therefore recognised on the Consolidated statement of financial position. Corporate cash and cash equivalents consists of cash freely available to the Group for use in its daily operations and is presented as a separate line item on the Consolidated statement of financial position from non-corporate cash and cash equivalents, which is not freely available to the Group, either because of self-regulation and segregation or due to contractual or regulatory requirements. Non-corporate cash and cash equivalents comprises:

- Clients' cash – cash collected on behalf of clients from retailer partners but not yet transferred to clients. Clients' cash is held in PayPoint's bank accounts
- Gift card voucher cash – cash collected on the issue of gift card vouchers which have not yet expired or been redeemed
- Prepay savers' cash - cash received from customers under a prepayment scheme accumulating towards their selected savings target. It is converted to gift card vouchers once the target is reached
- Retailer partners' deposits – cash received from retailers held as security against their default

Both corporate cash and non-corporate cash are included within cash and cash equivalents on the Consolidated statement of cash flows.

Restricted funds held on deposit (non-corporate), comprises gift card voucher cash and prepay savers' cash. However, unlike the gift card voucher cash and prepay savers' cash included in non-corporate cash and cash equivalents, restricted funds held on deposit (non-corporate) may only be accessed after a minimum of three months. Consequently, they are excluded from cash and cash equivalents on the Consolidated statement of financial position and the Consolidated statement of cash flows.

The amounts recognised on the Statement of financial position as at 30 September 2025 are as follows:

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
<b>Cash and cash equivalents</b>			
Corporate cash	30,050	20,427	4,927
Clients' cash	15,506	9,846	15,165
Gift card voucher cash	23,611	14,910	3,030
Prepay savers' cash	77,694	101,286	4,266
Retailer partners' deposits	5,072	5,342	5,801
Sub-total: non-corporate cash	121,883	131,384	28,262
<b>Total cash and cash equivalents</b>	<b>151,933</b>	<b>151,811</b>	<b>33,189</b>
<b>Restricted funds held on deposit (non-corporate)</b>			
Prepay savers' cash	48,254	22,000	48,254
Gift card voucher cash	48,254	55,020	63,221
<b>Total</b>	<b>96,508</b>	<b>77,020</b>	<b>111,475</b>

#### Clients' own funds

Clients' cash held in trust off the Consolidated statement of financial position as at 30 September 2025 is £50.8 million (30 September 2024: £49.4 million).

#### Alternative performance measures

Non-IFRS measures or alternative performance measures are used by the Directors and management for performance analysis, planning, reporting and incentive setting purposes and have remained consistent with the alternative performance measures disclosed in the Annual Report for the year ended 31 March 2025. These measures are included in these interim financial statements to provide additional useful information on performance and trends to shareholders.

These measures are not defined terms under IFRS and therefore they may not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for IFRS measures.

#### Underlying performance measures (non-IFRS measures)

Underlying performance measures allow shareholders to understand the operational performance in the year, to facilitate comparison with prior years and to assess trends in financial performance. They usually exclude the impact of one-off, non-recurring and exceptional items and the amortisation of intangible assets arising on acquisition, such as brands and customer relationships.

The adjusting items between the Group's statutory and underlying performance measures are as follows:

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
Exceptional item - revenue	-	-	14,205
Exceptional item – legal fees	2,611	2,040	6,357
Exceptional item – organisational framework costs	551	-	-
Exceptional item – Chapel St. lease	-	-	2,004
Exceptional item – accelerated amortisation costs	-	434	868
<b>Sub-total: exceptional items – administrative expenses</b>	<b>3,162</b>	<b>2,474</b>	<b>9,229</b>
Amortisation of intangible assets arising on acquisition	2,611	4,038	8,716
Net movement on convertible loan note fair values	-	(2,427)	10,413
Net movement on other investment fair values	-	(266)	(805)
<b>Total adjusting items</b>	<b>5,773</b>	<b>3,819</b>	<b>41,758</b>

See note 5 for explanations of the above exceptional items.

#### Love2Shop billings (non-IFRS measures relating solely to the Love2Shop segment)

Billings represents the value of goods and services shipped and invoiced to customers during the period and is recorded net of VAT, rebates and discounts. Billings is an alternative performance measure, which the directors believe provides an additional measure of the level of activity other than total revenue. This is due to billings being recognised at a different time to revenue from multi-retailer redemption products being reported on a 'net' basis, whilst revenue from single-retailer redemption products and other goods are reported on a 'gross' basis.

**Net revenue (non-IFRS measure)**

Net revenue is total revenue less commissions paid (to retailer partners and Park Christmas agents) and the cost of revenue for items where the Group acts in the capacity of principal (including single-retailer vouchers and SIM cards). This reflects the benefit attributable to the Group's performance, eliminating pass-through costs to create comparability of performance under both the agent and principal revenue models. It is a key consistent measure of the overall success of the Group's strategy. A reconciliation from revenue to net revenue is included in note 4.

**Total costs (non-IFRS measure)**

Total costs comprise other costs of revenue, administrative expenses, financing income and finance costs. Total costs exclude adjusting items, being exceptional costs, amortisation of intangible assets arising on acquisition and net movement on convertible loan notes.

**Earnings before interest, tax, depreciation and amortisation (EBITDA) (non-IFRS measure)**

The Group presents EBITDA as it is widely used by investors, analysts and other interested parties to evaluate profitability of companies. This measures earnings before interest, tax, depreciation and amortisation.

**Underlying earnings before interest, tax, depreciation and amortisation (Underlying EBITDA) (non-IFRS measure)**

The Group also presents adjusted EBITDA, which comprises EBITDA, as defined above, excluding exceptional items and net movements on convertible loan notes and other investments.

**Underlying earnings per share (non-IFRS measure)**

Underlying earnings per share is calculated by dividing the net profit before adjusting items attributable to equity holders of the parent by the basic or diluted weighted average number of ordinary shares in issue.

**Underlying profit before tax (non-IFRS measure)**

Underlying profit before tax represents statutory profit before tax excluding adjusting items.

**Net corporate debt (non-IFRS measure)**

Net corporate debt represents corporate cash and cash equivalents less amounts borrowed under financing facilities (excluding IFRS 16 liabilities). The reconciliation of cash and cash equivalents to net corporate debt is as follows:

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
Cash and cash equivalents - corporate cash	30,050	20,427	4,927
Less:			
Loans and borrowings	(114,087)	(107,216)	(102,308)
<b>Net corporate debt</b>	<b>(84,037)</b>	<b>(86,789)</b>	<b>(97,381)</b>

**2. Segmental reporting**

The Group considers its Love2shop business to be a separate segment from its legacy PayPoint business, since discrete financial information is prepared for Love2shop and it offers different products and services. Furthermore, the chief operating decision maker (CODM) reviews separate monthly internal management reports (including financial information) for both Love2shop and PayPoint to allocate resources and assess performance.

The material products and services offered by each segment are as follows:

PayPoint

- Card payment services to retailers, including leased payment devices
- ATM cash machines
- Bill payment services and cash top-ups to individual consumers, through a network of retailers
- Parcel delivery and collection
- Retailer service fees
- Digital payments
- Open banking services, including confirmation of payee

Love2shop

- Shopping vouchers, cards and e-codes which customers may redeem with participating retailers. These are either 'single-retailer' or 'multi-retailer'. The former may only be used at the specified retailer, whilst the latter may be redeemed at one or more of over 200 retailers.
- Christmas savings club, to which customers make regular payments throughout the year to help spread the cost of Christmas, before converting to a voucher.

Information related to each reportable segment is set out below. Segment profit / (loss) before tax and adjusting items is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

The Group operates exclusively in the UK.

6 months ended 30 September 2025 and as at 30 September 2025	PayPoint £000	Love2shop £000	Total £000
Revenue	87,674	45,350	133,024
Other revenue	1,355	9,762	11,117
<b>Segment revenue</b>	<b>89,029</b>	<b>55,112</b>	<b>144,141</b>
Segment profit before tax and adjusting items	24,485	1,194	25,679
Exceptional items	(2,914)	(248)	(3,162)
Amortisation of intangible assets arising on acquisition	(1,555)	(1,056)	(2,611)
<b>Segment profit / (loss) before tax</b>	<b>20,016</b>	<b>(110)</b>	<b>19,906</b>
Interest income	271	451	722
Interest expense	2,061	2,446	4,507
Depreciation and amortisation	8,079	2,372	10,451
Capital expenditure	7,938	2,524	10,462
<b>Segment assets</b>	<b>277,250</b>	<b>327,964</b>	<b>605,214</b>
<b>Segment liabilities</b>	<b>197,200</b>	<b>306,058</b>	<b>503,258</b>
<b>Segment equity</b>	<b>80,050</b>	<b>21,906</b>	<b>101,956</b>

6 months ended 30 September 2024 and as at 30 September 2024

	PayPoint £000	Love2shop £000	Total £000
Revenue	84,803	36,923	121,726
Other revenue	844	12,439	13,283
Segment revenue	85,647	49,362	135,009
Segment profit before tax and adjusting items	24,688	2,238	26,926
Exceptional items	(2,040)	(434)	(2,474)
Amortisation of intangible assets arising on acquisition	(1,068)	(2,970)	(4,038)
Net movement in investment fair values	2,693	-	2,693
Segment profit before tax	24,273	(1,166)	23,107
Interest income	154	618	772
Interest expense	1,561	2,451	4,012
Depreciation and amortisation	6,993	4,399	11,392
Capital expenditure	7,056	1,803	8,859
Segment assets	263,639	324,046	587,685
Segment liabilities	178,926	304,535	483,461
Segment equity	84,713	19,511	104,224

### 3. Revenue

#### Disaggregation of revenue

	6 months ended 30 September 2025 £000	6 months ended 30 September 2024 £000	Year ended 31 March 2025 £000
<b>Shopping</b>			
Service fees	11,521	10,710	21,754
Cards - acquiring	10,284	11,220	21,019
Cards - rentals	5,172	5,211	10,590
Cards – lending / other	649	166	812
ATMs	5,071	5,343	10,395
Other shopping	1,938	1,978	3,995
<b>Shopping total</b>	<b>34,635</b>	34,628	68,565
 <b>e-commerce total</b>	 <b>21,837</b>	19,097	40,409
 <b>Payments and banking</b>	 		
Cash – bill payments - underlying	10,727	12,510	26,291
Cash – bill payments – adjusting item	-	-	(14,205)
Cash – bill payments - total	10,727	12,510	12,086
Cash – top-ups	4,798	5,248	10,228
Digital (including obconnect)	9,789	7,379	17,757
Cash through to digital	3,926	3,796	7,593
Other payments and banking	1,962	2,145	5,338
<b>Payments and banking total</b>	<b>31,202</b>	31,078	53,002
 <b>Love2Shop – card and voucher service fee</b>	 <b>45,350</b>	36,923	118,738
 <b>Total</b>	 <b>133,024</b>	121,726	280,714

Service fee revenue of £11.5 million (September 2024: £10.7 million) and management fees, set-up fees and up-front lump sum payments of £0.7 million (September 2024: £0.7 million) are recognised on a straight-line basis over the period of the contract. Card terminal leasing revenue is recognised over the expected lease term using the sum of digits method for finance leases and on a straight-line basis for operating leases. Multi-retailer voucher, card and e-code service fee revenue is recognised on redemption by the customer. Multi-retailer non-redemption revenue is recognised when the product has expired (and, where applicable, when the right of refund has lapsed). The remainder of revenue is recognised at the point in time when each transaction is processed. The usual timing of payment by PayPoint customers is on fourteen-day terms. The usual timing of Love2shop's corporate customers is fifteen-day terms; its consumer customers pay on ordering.

Revenue subject to variable consideration of £6.5 million (September 2024: £8.0 million) exists where the consideration to which the Group is entitled varies according to transaction volumes processed and rate per transaction. Management estimates the total transaction price using the expected value method at contract inception, which is reassessed at the end of each reporting period, by applying a blended rate per transaction to estimated transaction volumes. Any required adjustment is made against the transaction prices in the period to which it relates. The revenue is recognised at the constrained amount to the extent that it is highly probable that the inclusion will not result in a significant revenue reversal in the future, with the estimates based on projected transaction volumes and historical experience. The potential range in outcomes for revenue subject to variable consideration resulting from changes in these estimates is not material.

Love2shop revenue is recorded net of corporate discounts.

#### Seasonality of operations

Following the Group's acquisition of Love2shop on 28 February 2023, its performance is now considered "highly seasonal" under IAS 34 *Interim Financial Reporting*. The Love2shop business is heavily weighted towards the second half of the financial year, in particular the peak September to December pre-Christmas period when revenues from card, voucher and e-code redemptions are at their highest.

The PayPoint business is far less seasonal, although its e-commerce division also generates its highest revenues in the pre-Christmas months. Bill payment transactions, which were historically higher during the winter months (H2), continue to be impacted by the shift in consumer behaviour towards making fewer, larger payments and structural changes in this market. Card payments typically generate higher value processed and revenue in the summer months (H1). Card terminal leasing revenue is relatively unaffected by seasonality.

#### Other revenue

	6 months ended 30 September 2025 £000	6 months ended 30 September 2024 £000	Year ended 31 March 2025 £000
<b>PayPoint</b>			
Interest revenue	1,355	844	1,601
<b>Love2shop</b>			
Interest revenue	3,415	3,980	7,246
Non-redemption revenue	6,347	8,459	21,153
<b>Love2shop total</b>	<b>9,762</b>	12,439	28,399
<b>Total other revenue</b>	<b>11,117</b>	13,283	30,000

Other revenue comprises:

- Multi-retailer voucher and card non-redemption revenue recognised on expiry (where the customer has no right of refund) or on expiry and lapse of the refund period (where the customer has a right of refund).
- Interest revenue generated by investing clients' funds, retailer partners' deposits, gift card cash, prepay savers' cash and restricted funds held on deposit.

#### 4. Alternative performance measures

##### Net revenue

The reconciliation between total underlying revenue and net revenue is as follows:

	6 months ended 30 September 2025 £000	6 months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Service revenue – Shopping	34,635	34,628	68,565
Service revenue – e-commerce	21,837	19,028	31,615
Service revenue – Payments and banking	30,735	30,670	66,224
Service revenue – multi-retailer redemption products	4,786	491	17,747
Service revenue – other	1,566	3,847	3,074
Sale of goods – single-retailer redemption products	38,996	32,585	97,759
Sale of goods – other	469	408	1,141
Royalties – e-commerce	-	69	8,794
Other revenue – multi-retailer non-redemption income	6,347	8,459	21,153
Other revenue – interest on clients' funds, retailer partners' deposits, gift card cash, prepay savers' cash and restricted funds held on deposit	4,770	4,824	8,847
<b>Total underlying revenue</b>	<b>144,141</b>	135,009	324,919
less:			
Retailer partners' commissions	(21,499)	(19,971)	(43,671)
Cost of single-retailer cards and vouchers	(37,918)	(30,431)	(93,476)
Cost of SIM cards and e-money sales as principal	(59)	(51)	(51)
<b>Net revenue</b>	<b>84,665</b>	84,556	187,721

**Total costs excluding adjusting items**

	6 months ended 30 September 2025 £000	6 months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Other costs of revenue	21,025	19,510	37,085
Administrative expenses – excluding adjusting items	34,176	34,881	75,522
Finance income	(722)	(772)	(1,383)
Finance costs	4,507	4,012	8,448
<b>Total costs excluding adjusting items</b>	<b>58,986</b>	<b>57,631</b>	<b>119,672</b>

**5. Exceptional items**

	6 months ended 30 September 2025 £000	6 months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Claim settlement - revenue	-	-	14,205
Legal fees	2,611	2,040	6,357
Organisational framework costs	551	-	-
Chapel St. lease	-	-	2,004
Accelerated amortisation costs	-	434	868
<b>Total exceptional items included in administrative expenses</b>	<b>3,162</b>	<b>2,474</b>	<b>9,229</b>
<b>Total exceptional items included in profit or loss</b>	<b>3,162</b>	<b>2,474</b>	<b>23,434</b>

The tax impact of the exceptional items is £0.79 million (September 2024: £0.62 million)

Exceptional items are those which are considered significant by virtue of their nature, size or incidence. These items are presented as exceptional within their relevant income statement categories to assist in the understanding of the performance and financial results of the Group, as they do not form part of the underlying business.

Legal fees

The current period legal fees relate to the Group's defence of two claims served on a number of its companies in connection with issues addressed by commitments accepted by Ofgem as a resolution of its concerns raised in Ofgem's Statement of Objections received by the Group in September 2020. The Group remains confident that it will successfully defend the claim served by Global-365. See note 12.

Organisational framework costs

The current period organisational framework costs are fees to a third party engaged to support the Group deliver greater automation and agility. The work is expected to be completed during the year ending 31 March 2027, with total costs expected to exceed £1 million.

**6. Tax**

	6 months ended 30 September 2025 £000	6 months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Current tax charge	4,612	6,949	7,310
Deferred tax charge / (credit)	354	(1,147)	(319)
<b>Total income tax charge</b>	<b>4,966</b>	<b>5,802</b>	<b>6,991</b>
<b>Effective tax rate</b>	<b>24.9%</b>	<b>25.1%</b>	<b>26.6%</b>
<b>Tax charged directly to other comprehensive income</b>			
Deferred tax on movement on defined benefit pension scheme asset	40	6	(58)

## 7. Earnings per share

Basic and diluted earnings per share are calculated on the net profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue as follows:

	6 months ended 30 September 2025 £'000	6 months ended 30 September 2024 £'000	Year ended 31 March 2025 £'000
<b>Net profit attributable to equity holders of the parent</b>			
Profit after tax	<b>14,588</b>	17,305	19,191
Adjusting items (note 1)	<b>5,773</b>	3,819	41,758
Tax on adjusting items	(1,443)	(955)	(10,440)
<b>Underlying profit after tax</b>	<b>18,918</b>	20,169	50,509
	30 September 2025 Number of Shares Thousands	30 September 2024 Number of Shares Thousands	31 March 2025 Number of Shares Thousands
Weighted average number of ordinary shares in issue (for basic earnings per share)	<b>70,074</b>	72,579	72,053
<b>Potential dilutive ordinary shares:</b>			
Restricted share awards	<b>649</b>	813	743
Deferred annual bonus scheme	<b>154</b>	205	188
SIP and other	-	117	100
<b>Weighted average number of ordinary shares in issue (for diluted earnings per share)</b>	<b>70,877</b>	73,714	73,084

## 8. Investments

The fair values of the Group's investments are as follows:

	Judge Logistics Ltd £'000	Aperidata Ltd £'000	Total £'000
<b>At 31 March 2025 and 30 September 2025</b>	<b>2,699</b>	1,200	<b>3,899</b>

No unrealised gains or losses arose in the current or prior period.

### Judge Logistics Ltd

Judge Logistics Ltd is the parent company of Yodel Ltd, a customer in the Group's ecommerce parcel business. The Group's investment in Judge Logistics Ltd is an equity investment of 4.5% of the ordinary share capital. This comprises an initial equity investment purchased for consideration of £100 on 26 July 2024 and a further 3.6% investment arising on conversion of the Group's £15 million convertible loan note on 17 April 2025.

At 31 March 2025 the Company revalued its investments at fair values of £540,000 for the equity investment and £2,159,000 for the convertible loan note, i.e. £2,699,000 in aggregate.

At 30 September 2025, based on the Company's fair value assessment, it has maintained the fair value of its investment at £2,699,000.

### Aperidata Ltd

In May 2024, the Group acquired an equity investment of 19.9% of the ordinary share capital of Aperidata Ltd for £0.2 million and purchased a convertible loan note investment in Aperidata Ltd for consideration of £1.0 million.

At 31 March 2025 and at 30 September 2025, the Company fair valued the investments at their respective costs.

## 9. Part-disposal of subsidiary

On 18 July 2025, the Company disposed of 20% of its investment in a wholly owned subsidiary, Collect+ Brand Ltd, to International Distribution Services plc ("IDS"), a third-party partner in the Group's e-commerce division. The consideration, net of transaction costs, was £11.9 million.

On 30 September 2025, the Company disposed of a further 29% of its investment in Collect+ Brand Ltd to IDS for

consideration of £31.6 million, net of transaction costs. Total net consideration received was therefore £43.5 million.

The Group retains control of Collect+ Brand Ltd following the above transactions, due to the rights associated with the Group's remaining 51% ownership. Consequently, the Group continues to account for Collect+ Brand Ltd as a subsidiary. It now also recognises a non-controlling interest, to which 49% of Collect+ Brand Ltd's post-tax result is attributed in the Consolidated statement of profit or loss.

The combined transaction gave rise to a post-tax gain on disposal of £34.0 million reported within equity, in accordance with IFRS 10 *Consolidated financial statements* (see Consolidated statement of comprehensive income).

#### 10. Share capital, share premium, merger reserve and capital redemption reserve

Called up, allotted and fully paid share capital	30 September 2025 £000	30 September 2025 £000	31 March 2025 £000
69,122,970 ordinary shares of 0.3611p each (September 2024: 72,197,199 ordinary shares of 1/3p each)	230	241	236

In the current period 140,828 shares were issued (of 1/3p each) for share awards which vested in the period and 7,432 matching shares were issued (of 1/3p each) under the Employee Share Incentive Plan.

On 17 October 2025, the Group carried out a share consolidation of 12 new ordinary shares for 13 existing ordinary shares, applicable to shareholders on the register on that date, following which the new ordinary shares have a nominal value of 0.3611 pence per share (see note 13).

On 12 June 2025, the Group announced that the share buy-back programme, which it began on 1 July 2024 for an initial 12-month period, would be extended until the end of March 2028. The Group plans to purchase at least £30 million of shares per annum, in an extension to the programme which began on 1 July 2025. In accordance with IFRS 9, the Group therefore recognised an initial liability for the full amount of £30.2 million (including stamp duty and associated costs) in the current period, with a corresponding reduction in retained earnings. A total of 1,859,450 shares were purchased in the period, with a nominal value of £6k. This resulted in a reduction in share capital of £6k and a corresponding increase in the capital redemption reserve balance from £7k to £13k.

The share premium of £1.0 million (September 2024: £1.0 million) represents the payment of deferred, contingent share consideration in excess of the nominal value of shares issued in relation to the i-movo acquisition.

The merger reserve of £18.2 million (September 2024: £18.2 million) comprises £1.0 million initial share consideration in excess of the nominal value of shares issued on the initial acquisition of i-movo and £17.2 million share consideration in excess of the nominal value of shares issued in relation to the Love2shop acquisition.

## 11. Notes to the condensed consolidated statement of cash flows

	6 months ended 30 September 2025 £000	6 months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Profit before tax	19,906	23,107	26,291
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment	4,835	4,221	9,655
Amortisation of intangible assets	5,616	7,171	15,637
Exceptional provision settlement	(10,400)	-	-
Exceptional items – non-cash charges	-	434	15,350
Adjusting item – non-cash movement on convertible loan note	-	(2,427)	10,413
Adjusting item – non-cash movement on other investments	-	(266)	(805)
Loss on disposal of fixed assets	133	-	187
Finance income	(722)	(772)	(1,383)
Finance costs	4,507	4,012	8,448
Contribution to defined benefit pension scheme	(1,500)	-	-
Share-based payment charge	1,038	988	2,018
Cash-settled share-based remuneration	(1,133)	(732)	(814)
<b>Operating cash flows before movements in corporate working capital</b>	<b>22,280</b>	<b>35,736</b>	<b>84,997</b>
Movement in inventories	205	(6,609)	(2,902)
Movement in trade and other receivables	(656)	(3,882)	(8,536)
Movement in finance lease receivables	225	730	803
Movement in contract assets	(314)	(422)	(743)
Movement in contract liabilities	(9)	(231)	(258)
Movement in provisions	(317)	(1,819)	(1,850)
Movement in trade and other payables – corporate	(623)	12,893	3,190
Movement in working capital - corporate	(1,489)	660	(10,296)
<b>Cash generated by operations</b>	<b>20,791</b>	<b>36,396</b>	<b>74,701</b>

## 12. Contingent liability

### Ofgem statement of objections

Further to the update provided on 12 June 2025, the Group's position remains unchanged: it is confident that it will successfully defend the claim by Global 365, which fundamentally misunderstands the energy market and the relationships between the relevant Group companies and the major energy providers, whilst also over-estimating the opportunity available, if any, for the products offered by Global 365. As a result, no accounting provision has been made for this claims.

The Group will continue to update the market on a quarterly basis as part of its financial reporting cycle.

### HMRC assessment

In February 2024, HMRC raised an assessment on the Group's tax position for the accounting period ended 31 March 2021. The Group has appealed the assessment on the grounds that it is not valid from a tax technical and administrative perspective and no provision has therefore been recognised.

## 13. Events after the reporting date

### Share consolidation and special dividend

At a special general meeting held on 17 October 2025, the Group's shareholders approved a share consolidation of 12 new ordinary shares for 13 existing ordinary shares, applicable to shareholders on the register on that date. As a result of the share consolidation, the new ordinary shares have a nominal value of 0.3611 pence per share. In all other respects, the new ordinary shares are equivalent to the existing ordinary shares, including their dividend, voting and other rights.

At the same special general meeting on 17 October 2025, following approval of the share consolidation, the Group's shareholders approved a special dividend of 50 pence per new ordinary share, payable to shareholders on the register on that date. The special dividend payment of £34.5 million was made on 31 October 2025.

## PRINCIPAL RISKS AND UNCERTAINTIES

Our risk management and internal control framework is designed to ensure that the Group maintains an effective and dynamic risk management process which identifies our risk exposures, ensures our programme of mitigating controls operates effectively and provides assurance to our stakeholders that effective risk management is embedded in our operations.

The Group's principal risks and uncertainties remain closely aligned to those risks disclosed in the Strategic Report section of its Annual Report for the year ended 31<sup>st</sup> of March 2025 and are detailed below.

	Risk Trend & Appetite	Potential Impact	Mitigation Strategies	Status
<b>Principal Risks</b>				
1	<b>Competition and markets</b>  Trend = Stable  Appetite = High	PayPoint's competitors and the market in which it operates continue to evolve. The decline in the legacy business of cash is expected to continue and is reflected in the continuing need for further business diversification as recognised in our business strategy. The current economic climate of lower levels of consumer spending continues to impact our business, such as the Cards market, where transaction processed volumes remain subdued.	The Executive Board closely monitors consumer trends and spending behaviour, regularly reassessing our markets and competitor activity, along with any opportunities to further de-risk the legacy business. We continue to develop our service offerings and to adapt to changes in consumer needs and behaviours, including strategic acquisitions or investments, where appropriate.	Cost of living pressures continue to have an impact on consumer activities and spend behaviours. Outlook remains uncertain given wider macro economic factors, including the implications of the Autumn budget.
2	<b>Emerging Technology</b>  Trend = Stable  Appetite = Medium	As the markets continue to change at a pace, so does the technology supporting the service provision. Pressures to deliver new and innovative products remain with new technologies emerging into the marketplace. Failure to develop in tandem with these changes in technology remains a risk to the group.	We continually review technological developments, including the evolution of AI, to understand how new technologies can be used to support our service offerings and to keep our products relevant and up to date with technological advances. We also develop and implement our own innovative technology, where appropriate.	Risk remains stable as the Group's acquisitions, investment and partnerships have helped to mitigate risks associated with emerging technologies. The Group continues to invest in its digital capabilities and the modernisation of its products (such as the continued roll-out of PayPoint mini across the retailer estate).
3	<b>IT Transformation</b>  Trend = Increasing  Appetite = Medium	Several significant IT projects are in our 3-year plan and the delivery of these projects remains key to delivering our business strategy and growth aspirations. Our continued investment programme allows the business to deliver operationally resilient services as well as affording the business the opportunity to capitalise on opportunities for growth.	The Executive Board is accountable for the management and delivery of these projects, with oversight from the Group Board to ensure the Group continues to deliver innovative, robust, and efficient project management of these major programmes.	The Group continues to invest in its legacy IT estate and in this financial year the focus has been on the modernisation of customer facing technology in Love2shop. Projects covering the wider IT estate will continue over the next 2-3 years.
4	<b>Client Services</b>  Trend = Stable  Appetite = Medium	Clients continue to have high expectations in terms of service level standards and compliance. This is expected to continue as the business diversifies into new products/ channels (such as community banking).  Client retention and the exposure to clients developing in house solutions as an alternative to our services remains an ongoing risk, along with customer concentration risk, such as in Parcels	The Group builds and carefully manages strategic relationships with key clients, retailers, redemption partners and suppliers. We continually seek to improve and diversify services through new initiatives, products and technology and our involvement in new and innovating markets	Risk is stable, but the Group expects this risk to decrease over the next 2-3 years as we invest and establish greater automation and agility, supported by an independent consultancy firm (Nile).

5	<b>Legal and Regulatory</b> Trend = Stable Appetite = Low	PayPoint is required to conform with numerous legal, contractual and continuously evolving regulatory requirements. Failure to comply and meet our obligations may result in fines, penalties, prosecution, and reputational damage. Increased levels of regulatory supervision, new and changing regulatory requirements and the addition of new service offerings, such as open banking and PISP, have all increased the complexity of the regulatory environment in which we operate.	Our Legal and Compliance teams work closely with the business on all legal and regulatory matters and enable the business to adopt strategies to ensure PayPoint is appropriately protected and complies with all applicable regulatory requirements. The teams advise on all key contracts and legal matters and oversee regulatory compliance, monitoring, and reporting. Emerging regulations are incorporated into strategic and operational planning, and we engage with regulators to ensure our frameworks are appropriate to support new products and initiatives.	Risk is stable. From a legal perspective, the risk is decreasing following the settlement reached with Utilita Energy Limited and Utilita Services Limited earlier in 2025. The Group's position in respect of the legal case with Global 365 remains unchanged – it is confident that it will successfully defend the claim at trial. The trial was held at the Competition Appeal Tribunal and is currently under consideration.
6	<b>People</b> Trend = Stable Appetite = Low	Maintaining a strong workforce and our ethical and responsible culture is vital to ensuring we continue to deliver our key strategies over the coming years. Failure to retain and attract key talent impacts many areas of our business. A key element of the 3-year plan is revenue growth, and we need to be confident we can attract/ retain those individuals who are instrumental in driving top line growth, along with individuals who will support the operational transformation of our business. Key person dependency, at both executive and senior management levels, have been noted as a key risk.	The Executive Board continues to monitor this risk, with oversight from the Remuneration Committee. We continue to invest in our people, with a clear focus on retaining talent and key person dependency. PayPoint's purpose, vision, and values, are defined and embedded within the business, our expected behaviours and our review and monitoring processes. An employee forum comprising employees from across the business engages directly with the Executive Board on employee matters.	Risk is stable. The delivery of revenue growth over the next 3 years is underpinned by retaining and attracting key talent to support delivery of this growth. Employee engagement surveys remain positive and key actions around cost-of-living support, better employee interaction and flexible working have been implemented.
7	<b>Cyber Security</b> Trend = Increasing Appetite = Low	Cyber security risk continues to grow due to the growing volume and ever-increasing sophistication of the nature of these attacks and our expanding digital footprint. Such attacks may significantly impact service delivery and data protection causing harm to PayPoint, our customers and stakeholders. As the geographical instability has continued and increased over the last year, cyber-crime and its potential impact on our Group continues to increase as do our efforts to mitigate the likelihood of such an attack and monitoring activities for potential instances of attack.	Recognising the importance and potential impact this risk poses to our business, the Executive Board regularly assesses PayPoint's cyber security and data protection framework, and the Cyber Security and IT Sub-Committee of the Audit Committee maintain oversight. Our IT security framework is comprehensive, with multiple security systems and controls deployed across the Group and is continually under review. We are ISO27001 and PCI DSS Level 1 certified, and systems are constantly monitored for attacks with response plans implemented and evaluated.	Risk is increasing because of the growing volume and sophistication of cyber-attacks, coupled with our expanding digital footprint. We continue to enhance our architecture, systems, processes and cyber security monitoring and response capabilities. We regularly engage third parties to assess and assist with our cyber defences and strengthen our controls and have implemented strong monitoring capability across the Group.

			Employees receive regular cyber security training, and awareness is promoted through phishing simulations and other initiatives. We have implemented tools to assist in quick identification of potential threats. We operate a robust incident response framework to address potential and actual breaches in our estate or within our supply chain. We engage with stakeholders, including suppliers on cyber-crime and proactively manage adherence with data protection requirements.	
8	<b>Business Interruption</b>  Trend = Stable Appetite = Low	Failure to provide a resilient, stable, and reliable infrastructure environment or to promptly recover failed services following an incident can lead to loss of service provision, financial and reputational loss. Interruptions may be caused by system failures, cyber-attack, failure by a third party or failure of an internal process.	PayPoint has developed a comprehensive and robust business continuity framework. This is reviewed by the Executive Board and the Cyber Security and IT sub-Committee of the Audit Committee maintains oversight of the framework and its implementation. Business continuity, disaster recovery and major incident response plans are maintained and tested with failover capabilities across third party data centres and the cloud. Systems are routinely upgraded with numerous change management processes deployed and resilience embedded where possible. Risk from supplier failure is managed through contractual arrangements, alternative supplier arrangements and business continuity plans.	Risk is stable. System disruption is an inherent business risk however we recognise that the acquisition of Love2shop, our IT transformation projects and our expansion into different products contribute to an increasing complexity of our operations. With the investment in the Group's IT estate (Risk 3) and focus on greater automation and agility (Risk 4), we expect the risk to be reducing over the next 2-3 years.  Better staff training and retention has enhanced our ability to detect and recover from service issues.
9	<b>Credit and Liquidity/ Treasury Management Incorporating Counter Party Risk Management</b>  Trend = Increasing Appetite = Medium	The Group has significant exposures to large clients/retailers, redemption partners and other counterparties.  We have invested in a number of strategically important counter party relationships as part of our diversification and operational delivery plan.  The Group also operates a number of debt/banking covenants which must be carefully managed. Cashflow management plays an increasingly key role in our Group's operations.	PayPoint has effective credit and operational processes and controls. Ongoing credit reviews, and effective debt management processes have been implemented across the group.  A number of mitigating controls have been implemented to effectively manage counter party risk including board representation, increased engagement, and active monitoring of our significant counter parties.  We have effective governance to manage cashflows through our treasury oversight committee and have implemented detailed and effective cash management control processes to support our operations.	Risk is increasing following recent investment activities aligned to our strategy.  Cost of living pressures may impact our client and retail estate. However, we have robust monitoring in place to reduce default rates and impacts.  We have enhanced and increased our controls to ensure effective counterparty risk management.  The Group has robust financing arrangements in place and our cash generation remains robust.
10	<b>Operational Delivery</b>  Trend = Stable Appetite = Low	Delivery of key initiatives and strategic objectives, including sales and service delivery growth, is key to achieving the desired success levels anticipated for the Group. Planning, forecasting and successful execution of all	The Executive Board has implemented a robust and effective reporting suite to ensure management of BAU is supported by timely and accurate business analysis. We continue to develop our Business Intelligence and	Risk is stable. We continue to focus on effective integration of Love2shop into our business and to develop new services and enhance existing capabilities.

		<p>business function areas are key to ensuring operational delivery. Supply chain management is also a key factor in delivering our operational targets. Failure to manage this risk would hamper our business performance, impact our stakeholders, and may lead to regulatory or legal sanctions.</p>	<p>Management information reporting capabilities to enhance, support and develop our BAU management functions. Our existing processes are continuously reviewed to make sure they are efficient and well controlled.</p>	
<b>Emerging Risk</b>				
1	<b>ESG and Climate</b>  Trend = Stable  Appetite = Medium	<p>We continue to focus on environmental, social and governance matters and recognise that our business needs to be environmentally responsible to create shared value for all stakeholders.</p> <p>PayPoint continues to seek ways to reduce carbon emissions and its environmental impact.</p> <p>We continue to closely monitor the impacts on our business to ensure our revenue streams remain sustainable.</p>	<p>The CEO and the Executive Board have overall accountability for PayPoint's climate and social responsibility agendas, and they recommend strategy to the Board. PayPoint aligns its business with its stated ESG goals and continually assesses its approach to environmental risk and social responsibility, which are embedded in our decision-making processes. We have multiple policies and processes governing our social responsibility strategy and we continually assess and evolve our strategy and working practices to ensure the best outcomes for stakeholders and the environment.</p>	<p>Our ESG working group has implemented various measures as we continue to embed low carbon strategies into our working practices and business strategy.</p> <p>The continued roll out of the PayPoint Mini, supports reduction of our carbon footprint through production of lower emissions. We are focused on the move toward electric cars for our company fleet and helping our field team to travel in more environmentally friendly ways.</p> <p>We run an employee forum to encourage open communication channels with our employees and continue to engage with our employees on socially responsible initiatives, such as volunteering, work in the community and school mentoring programmes.</p>

## RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge this set of interim financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* as contained in UK-adopted IFRS and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 (indication of important events during the first half and description of principal risks and uncertainties for the remaining half of the year) and DTR 4.2.8 (disclosure of related parties' transactions and changes therein).

Nick Wiles  
**Chief Executive**

Rob Harding  
**Finance Director**

# Independent review report to PayPoint Plc

## Report on the condensed consolidated interim financial statements

### Our conclusion

We have reviewed PayPoint Plc's condensed consolidated interim financial statements (the "interim financial statements") in the Interim results of PayPoint Plc for the 6 month period ended 30 September 2025 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Statement of Financial Position as at 30 September 2025;
- the Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended;
- the Condensed Consolidated Statement of Cash Flows for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Interim results of PayPoint Plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

### Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Interim results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

### Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

### Responsibilities for the interim financial statements and the review

#### Our responsibilities and those of the directors

The Interim results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Interim results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Interim results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Interim results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP

Chartered Accountants

Watford

19 November 2025