Mobile Tornado

Annual Report and Financial Statements

for the year ended 31 December 2024

Mobile Tornado Group plc
Company registration number: 5136300

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Strategic report

Introduction

Mobile Tornado Group plc, a leading provider of resource management mobile solutions to the enterprise market, announces its results for the year ended 31 December 2024.

Financial Highlights

	2024	2023
	£'000	£'000
Recurring revenue	**1,745**	1,852
Non-recurring revenue*	**288**	414
Total revenue	**2,033**	2,266
Gross profit	**1,979**	2,080
Administrative expenses**	**(2,568)**	(2,328)
Adjusted EBITDA* **	**(589)**	(248)
Group operating loss	**(855)**	(293)
Loss before tax	**(1,667)**	(1,072)

- Total revenue decreased by 10% to £2.03m (2023: £2.27m)
    - Recurring revenues decreased by 6% to £1.75m (2023: £1.85m)
    - Non-recurring revenues* decreased by 30% to £0.29m (2023: £0.41m)
- Gross profit decreased by 5% to £1.98m (2023: £2.08m)
- Administrative expenses before depreciation, amortisation, exceptional items and exchange differences increased by 10% to £2.57m (2023: £2.33m)
- Adjusted EBITDA*** loss of £0.59m (2023: loss of £0.25m)
- Group operating loss for the year increased to £0.86m (2023: £0.29m)
- Loss before tax of £1.67m (2023: loss of £1.07m)
- Basic loss per share of 0.37p (2023: loss of 0.24p)
- Cash at bank at 31 December 2024 of £0.11m (31 December 2023: £0.19m) with net debt of £11.36m (2023: £10.67m)

** Non-recurring revenues comprise installation fees, hardware, professional services and capex license fees*
*** Administrative expenses excludes depreciation, amortization, exceptional items and exchange differences*
****Earnings before interest, tax, depreciation, amortisation, exceptional items and excluding exchange rate differences*

Operating highlights

- Deal closed with Zain Iraq, part of Zain Group, a leading mobile network operator ("MNO") in the Middle East and Africa through our in-country partner
- Reseller agreement signed with Prairie Mobile Communications, a well-established technology provider in Canada with a national presence
- Appointment of Syndico Distribution, a disruptive communications technology provider, as our exclusive UK distributor
- New 10-year exclusive agreement signed with our largest customer, Servitron, in Mexico which should strengthen our license growth prospects
- Launch of our live video streaming service and software radio bridge, delivering key differentiators that enable seamless video communication and integration with legacy radio systems.

- £425k equity fundraise concluded in November 2024 to further support the scale up of sales, marketing and business development activities

Financial results and key performance indicators

Total revenue for the year ended 31 December 2024 decreased by 10% to £2.03m (2023: £2.27m). Recurring revenues decreased by 6% to £1.75m (2023: £1.85m). This was largely the result of a renegotiated exclusive contract with our partner in South Africa in order that they can provide a more competitively priced proposition with a view to generating higher sales volumes in due course.

Non-recurring revenues, comprising installation fees, hardware, professional services and capex license fees decreased to £0.29m (2023: £0.41m). As a result, gross profit decreased by 5% to £1.98m (2023: £2.08m).

Administrative expenses before depreciation, amortisation, exceptional items and exchange differences in the year increased by 10% to £2.57m (2023: £2.33m), reflecting our greater investment in business development activities.

Due to the annual retranslation of certain financial liabilities on the balance sheet, the Group reported a translation gain of £0.07m (2023: gain of £0.08m) arising from the appreciation of Sterling relative to both the Euro and the US Dollar as at 31 December 2024 versus the previous year end. The Group recorded a net income tax credit of £0.10m (2023: credit of £0.08m).

The loss after tax for the year increased to £1.56m (2023: loss of £0.99m) equating to a basic loss per share of 0.37p (2023: 0.24p).

The net cash used in operations increased to £0.37m (2023: £0.13m). At 31 December 2024, the Group had £0.11m cash at bank (2023: £0.19m) and net debt of £11.36m (31 December 2023: £10.67m).

The balance sheet continues to reflect the cumulative loss position of the Group, and those net liabilities that have resulted from this. We continue to hold levels of debt in the Group which have funded these historical losses.

Results and dividends

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2024 (year ended 31 December 2023: nil). The Company currently intends to reinvest future earnings to finance the growth of the business over the near term.

Review of operations

2024 marked a year of continued strategic execution and operational progress for Mobile Tornado. While headline revenue declined, reflecting the renegotiation of our contract with our longstanding South African partner, we made substantial progress expanding our global footprint, strengthening our partner ecosystem, and enhancing the capabilities of our technical platform.

The revised commercial terms in South Africa were necessary to provide a more competitive proposition in a challenging economic environment. Early signs of success have emerged, with one of the country's largest security firms signing on for several thousand licences.

At the same time, our business development strategy, launched in 2023, has matured into a robust engine for global expansion. Our broadened channel strategy, key account wins, and product enhancements have placed the Group in a significantly stronger position to capitalise on a growing market for critical communications technology.

In September 2024, we were proud to announce a landmark partnership with Zain Iraq, one of the Middle East's leading telecommunications providers and part of the Zain Group. The launch, which took place at the ITEX Iraq event, featured live demonstrations of our solution, which now powers instant, secure group communications and workforce management services across sectors such as logistics, healthcare, construction and energy. The service leverages Zain's 4.5G+ high-speed network and marks a pivotal step in our expansion across the region.

Our North American footprint has also expanded. In Canada, we signed a reseller agreement with Prairie Mobile Communications, a well-established connected technology provider with a national presence. With 26 locations across the country and deep penetration into key verticals including agriculture, mining and public safety, Prairie Mobile is already migrating an existing user base to our platform and has expressed strong expectations for a long-term, high-growth partnership.

In December 2024 we appointed Syndico Distribution as our exclusive UK distributor. Syndico has a proven track record of bringing disruptive communications technology to market and is well placed to drive the transition from traditional narrowband radio systems to our LTE-powered, scalable solutions. The deal includes a minimum commitment and early signs indicate a quality pipeline.

In May 2025, we entered into a new 10-year exclusive agreement with our largest customer, Servitron, in Mexico. This deal should significantly strengthen our license growth prospects and represents a major milestone in solidifying one of our most important strategic relationships.

We also took the decision to consolidate our R&D operations into the UK, winding down our historic development base in Israel. This move has delivered significant cost savings and operational efficiencies, while also increasing focus, productivity, and alignment between our technical and commercial functions. Our UK-based development centre is now fully operational and continues to drive forward innovation with agility and pace.

Technology and Innovation

We continue to invest heavily in product development. During 2024, we launched our live video streaming service and software radio bridge, delivering key differentiators that enable seamless video communication and integration with legacy radio systems. We also extended compatibility across a wider range of devices, further increasing our addressable market.

Our R&D efforts remain focused on building new functionality that meets real market needs and enhances our competitive positioning.

Looking ahead, we are actively developing a roadmap to deliver a Mission Critical Push-to-Talk (MCPTT) platform. As part of this initiative, we are currently reviewing potential technical partners to identify the most suitable collaborators to accelerate delivery and ensure compliance with 3GPP standards. MCPTT is the globally recognised standard for public safety and emergency communication over LTE networks, offering significant enhancements over traditional push-to-talk technology. These include advanced call prioritisation, guaranteed quality of service, enhanced security, and seamless interoperability with other mission-critical applications such as data and video. The integration of MCPTT capabilities into our platform will allow us to address new verticals, particularly in the public safety and government sectors, where compliance, reliability and resilience are paramount. This development will further strengthen our value proposition in both developed and emerging markets, positioning the Company as a leading provider of next-generation critical communication solutions.

People and Board

The appointments of Luke Wilkinson as Chief Operating Officer and Marcus Emptage as Finance Director have significantly strengthened the executive team. Both joined the Board in June 2024 and have made immediate, positive impacts across their respective areas.

I am pleased to confirm that, effective today, Luke Wilkinson has been appointed Chief Executive Officer. This follows the outstanding progress he has led since joining the business, particularly in spearheading our business development strategy. Under Luke's leadership, the Group has widened its global partner network, deepened engagement with key customers, and delivered a significantly expanded commercial pipeline. His strategic vision and energy have been instrumental in positioning Mobile Tornado for future growth.

We also said farewell to Peter Wilkinson, who stepped down as Non-Executive Director in September 2024 after many years of invaluable support. Peter's contribution to the business, both operationally and financially, has been immense, and we continue to benefit from his backing through Holf Investments Ltd, which provides the Group's revolving credit facility.

Funding

In November 2024, we concluded a subscription for 21.25m new ordinary shares of 2 pence each representing approximately 5.1 per cent. of the existing issued ordinary share capital of the Company at a price of 2 pence per share to raise £425,000.

This equity funding was directed towards enhancing our business development activities, including the participation in major industry trade shows and the recruitment of additional sales professionals to manage the increasing portfolio of partners.

On 30 August 2024, our revolving loan facility agreement with Intechnology plc was assigned by them to Holf Investments Ltd. At the same time, the term of the agreement was extended by 12 months to 26 September 2025. All other terms of the agreement remain unchanged and as previously announced. The balance drawn down at 31 December 2024 and at today's date is £50,000. Holf investments Ltd has offered to extend the term of the revolving loan facility by a further 12 months to 26 September 2026 should it be requested by the Company.

Our principal shareholder Holf Investments Ltd, has also agreed not to call on existing loans, borrowings totaling £11,460,000 for a minimum period of 12 months following the signing of these accounts unless cashflows of the Group should allow repayments to be made.

We remain confident that the above support and our available cash resources together with our long-established recurring revenue customer base and anticipated future contracts will provide us with adequate financial resources for the foreseeable future.

Principal risks and uncertainties

The management of the business and the nature of the Group's strategy are subject to a number of risks. The Directors have set out below the principal risks facing the business. The Directors are of the opinion that a thorough risk management process is adopted, which involves the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Product obsolescence

Due to the nature of the market in which the Group operates, products are subject to technological advances and as a result, obsolescence. The Directors are committed to the Group's current research and development strategy and are confident that the Group can react effectively to developments within the market.

Indirect route to market

As described above, one of the Group's primary channels to market are MNOs reselling our services to their enterprise customers. Whilst MNOs are ideally positioned to forward sell our services and are likely to possess material resources for doing so, there remains an inherent uncertainty arising from the Group's inability to exert full control over the sales and marketing strategies of these customers.

Going concern

The Financial Statements are prepared on a going concern basis.

When determining the adoption of this approach, the Directors have considered a wide range of information relating to present and future conditions, including the current state of the Balance Sheet, the support offered by our principal shareholder Holf Investments Ltd, who have agreed not to call on existing loans, borrowings and revolving loan facility totaling £11,460,000. Further consideration has been given to future projections, cash flow forecasts, access to funding, ability to successfully secure additional investment, available mitigating actions and the medium-term strategy of the business.

The Group is dependent on its ability to meet its cash flow forecasts. Within those forecasts the Group has included a number of significant payments and receipts based on its best estimate but, as with all forecasts, there does exist some uncertainty as to the timing and size of those payments and receipts. In particular, the forecasts assume the ongoing deferral and phased payment of some of the Group's creditors, including a contingent consideration balance of £2,718,000, (as disclosed in note 12 to the financial statements), and the continuation at the current level of recurring revenues. In the event that some or all of these receipts are delayed, deferred or reduced, or payments not deferred, management has considered the actions that it would need to take to conserve cash. These actions would include cost savings (principally payroll based) and/or seeking additional funding from its shareholders, for which there is currently no shareholder commitment requested. These conditions, together with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

The Directors, whilst noting the existence of a material uncertainty and having considered the possible management actions as noted above, are of the view that the Group is a going concern and will be able to meet its debts as and when they fall due for a period of at least 12 months from the date of signing these accounts.

Section 172 statement – our stakeholders

The Board recognises its duty to consider the needs and concerns of the Group's key stakeholders during its discussions and decision-making. The Board has had regard to the importance of fostering relationships with its stakeholders as set out below, and also detailed in the Corporate Governance section of this Annual Report.

Colleagues

We have an experienced, and dedicated workforce which we recognise as the key asset of our business. It is vital to the success of the Group to continue to create the right environment to encourage and create opportunities for individuals and teams to realise their full potential. The Board and management team pay close attention to employee feedback and seek to respond constructively to any suggestions or concerns raised.

Regular colleague briefing sessions are held with the Executive Chairman to enable colleagues to ask questions and raise issues and for colleagues to be provided with updates on the business. Key performance information such as trading updates and financial results are always promptly communicated to colleagues. The Group has in place a share option scheme to enable colleagues to become personally invested as shareholders of the Group.

Customers

Regular communication takes place with the Group's partners and customers to discuss operational updates, product roadmap developments and gain key customer feedback. This enables increased engagement with customers at a strategic level and a greater understanding of both customer pain points and future requirements from strategic to end-user level.

Strategy

The Group continues to invest in an R&D strategy, to ensure that the technical platform continues to meet the needs of the market. The Board are focused on delivering an increasing level of recurring revenues through its developing partner network.

Suppliers

The Board is committed to building trusted partnerships with the Group's suppliers. Through these partnerships, we deliver value and quality to our other stakeholders.

Shareholders

The Executive Chairman holds meetings with existing and prospective investors during the year, particularly following the release of the Group's interim and full year results and feedback from those meetings is shared with the Board. The AGM is a key opportunity for engagement between the Board and shareholders, particularly private shareholders. The Group's annual report and accounts is made available to all shareholders both online and in hard copy where requested. All presentations and announcements and other key shareholder information is available on the investor section of the Group's website.

Outlook

The strategic framework we have put in place is now delivering clear commercial results. Our expanding global partner network, enhanced product suite and referenceable customer base, including flagship names like Zain, Syndico and Servitron, have put us in a strong position for 2025 and beyond.

The Board's focus remains on growing recurring revenues and converting our expanded pipeline into meaningful financial returns. We entered the new financial year with renewed sales momentum and a significantly reduced cost base. We are cautiously optimistic that the business will be able to deliver an improved set of financial results for 2025.

I would like to thank our employees, partners and shareholders for their ongoing commitment. We look forward to building on these foundations in the year ahead.

Approved by the Board of Directors and signed on behalf of the Board

Jeremy Fenn
Chairman
11 June 2025

Directors' report

The Directors present their annual report and audited financial statements of the Company and the Group for the year ended 31 December 2024.

Share issues

The Company completed on 11 November 2024 a placing of 21.25m ordinary shares at 2p per share to raise £0.425m to further support the growth of the Company's business development activities.

On the same date, the Company issued 21.25m Warrants over ordinary shares to participants in the ordinary share subscription, with one Warrant being granted for every ordinary share subscribed for. Each Warrant entitles the holder to acquire one ordinary share at the issue price of 2p per share for a period of three years from the date of issue.

Directors

The Directors of the Company who were in office during the year were:

- **Peter Wilkinson** became Non-Executive Director on 30 September 2016, having previously served as Non-Executive Chairman since his appointment to the Board on 24 November 2006. Peter was formerly Chairman of Sports Internet Group plc which was sold to BSkyB plc for £301 million in May 2000. He also founded the free ISP model Freeserve, the internet access service which was launched by Dixons Group plc.

- **Jeremy Fenn** became Executive Chairman on 30 September 2016, having previously served as Chief Executive Officer and acting Finance Director since his appointment to the Board on 24 November 2006. Jeremy is a qualified chartered accountant and was formerly Chief Executive of Sports Internet Group plc. Following the sale of that business he remained as a Director of Skysports.com until December 2003. Prior to this he was Managing Director of Leeds United Football Club from 1996 to 1999.

- **Luke Wilkinson** was appointed as Chief Operating Officer on 19 June 2024. Luke joined the Company in January 2023 as Head of Business Development. Prior to joining Mobile Tornado, Luke founded Storm Intelligent Communications Limited ("Storm") in 2020. Storm is a UK based non-exclusive reseller of Mobile Tornado's solutions.

- **Marcus Emptage** was appointed as Finance Director on 19 June 2024. Marcus joined the Company in October 2006 as Group Financial Controller and is a qualified chartered management accountant.

- **Jonathan Freeland** was appointed to the Board as an independent non-executive Director on 9 February 2018. Jonathan has 20 years' experience in financial services across wealth and investment banking, private equity and commercial lending. He was a Partner at Venn Partners LLP, the specialist private credit investment manager, from 2011-2015. He is currently CEO of Waveney Capital Management Ltd a credit focussed investment business he founded in 2016.

Peter Wilkinson resigned from the Board on 6 September 2024 owing to a desire to reduce his overall business commitments.

Directors' report

The Directors and their families had the following beneficial interests in the ordinary share capital of the Company:

	31 December 2024 number	**%**	31 December 2023 number	%
Peter Wilkinson*	**38,146,141**	**8.7**	38,146,141	9.1
Jeremy Fenn	**12,184,752**	**2.8**	12,184,752	2.9
Jonathan Freeland	**3,381,014**	**0.8**	3,381,014	0.8
Luke Wilkinson	**13,046,834**	**3.0**	1,366,834	0.3

*Resigned 6 September 2024

Third party indemnity insurance is in place for all Directors above. This was in force during the year and at the date of this report.

Details of related party transactions involving Directors of the Company are given in note 18 to the Group financial statements.

Directors' emoluments

The remuneration of the Directors of the Company was as follows:

	Salary £'000	**Fees £'000**	**Pension £'000**	**Benefits in kind £'000**	**2024 Total £'000**	2023 Total £'000
Peter Wilkinson	-	-	-	-	**-**	-
Jeremy Fenn	6	120	-	3	**129**	130
Jonathan Freeland	-	18	-	-	**18**	18
Marcus Emptage	47	-	52	-	**99**	-
Luke Wilkinson	20	-	-	2	**22**	-
Aggregate emoluments	**72**	**138**	**52**	**5**	**268**	148

Interests in share options

Set out below are details of share options granted to Directors as at 31 December 2024:

	No. of share options 2024	Exercise price pence	Grant date	Earliest exercise date	Expiry date	No. of share options 2023
Jeremy Fenn	3,000,000	6.5	15/06/17	15/06/20	15/06/27	3,000,000
Sub-Total	**3,000,000**					**3,000,000**
Marcus Emptage	200,000	6.0	18/06/15	18/06/18	18/06/25	200,000
Marcus Emptage	200,000	6.5	15/06/17	15/06/20	15/06/27	200,000
Marcus Emptage	450,000	5.0	15/01/19	15/06/20	15/01/29	450,000
Marcus Emptage	500,000	6.0	22/06/20	22/06/23	22/06/30	500,000
Marcus Emptage	1,650,000	2.0	08/08/23	08/08/26	08/08/33	1,650,000
Total	**3,000,000**					**3,000,000**
Luke Wilkinson	3,000,000	2.0	08/08/23	08/08/26	08/08/33	3,000,000
Total	**3,000,000**					**3,000,000**

Substantial shareholdings

As of today's date, Holf Investments Ltd ("Holf") owns 46.9% of the issued ordinary share capital of the Company. Holf is 100% owned by Peter Wilkinson and his family. Peter Wilkinson has a total direct and indirect beneficial interest in 55.6% of Mobile Tornado's issued share capital.

Corporate governance

Since September 2018 all AIM Companies have been required to comply with a recognised corporate governance code. Mobile Tornado Group plc has chosen the Quoted Companies Alliance (QCA) Corporate Governance Code published in April 2018 for this purpose. High standards of corporate governance are a priority for the Board and details of how Mobile Tornado addresses key governance principles defined in the QCA code are set out below. For the year ending 31 December 2025, the Company will be adopting the 2023 QCA Code.

1. Establish a strategy and business model which promote long-term value for shareholders

The strategy and business operations of the Group are set out in the Strategic Report on pages 2 to 7.

The Group's strategy and business model and amendments thereto, are developed by the Chief Executive Officer and his senior management team and approved by the Board. The management team, led by the Chief Executive Officer, is responsible for implementing the strategy and managing the business at an operational level.

The Group operates in an inherently high risk sector and this is reflected in the principal risks and uncertainties set out on pages 5,6 and 14. In executing the Group's strategy and operational plans, management will typically confront a range of day-to-day challenges associated with these key risks and uncertainties and will seek to deploy the identified mitigation steps to manage these risks as they manifest themselves.

2. Seek to understand and meet shareholder needs and expectations

The Group seeks to maintain a regular dialogue with both existing and potential new shareholders in order to communicate the Group's strategy and progress and to understand the needs and expectations of shareholders.

Beyond the Annual General Meeting, the Chief Executive Officer and, where appropriate, other members of the Board meet regularly with investors and analysts to provide them with updates on the Group's business and to obtain feedback regarding the market's expectations of the Group.

The Group's investor relations activities encompass dialogue with both institutional and private investors and which the Board considers have proved beneficial. The Company's AGM provides an opportunity for all shareholders to address their needs and expectations to the Board so we encourage our shareholders to attend the AGM.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholder groups. These include the Group's: investors, employees, partners, suppliers and regulatory authorities. The Group's operations and working methodologies take account of the requirement to balance the needs of all these stakeholder groups while maintaining focus on the Board's primary responsibility to promote the success of the Group for the benefit of its members as a whole. The Group endeavours to take account of feedback received from stakeholders, making amendments to working arrangements and operational plans where appropriate and where such amendments are consistent with the Group's longer term strategy.

The Group takes due account of any impact that its activities may have on the environment and seeks to minimise this impact wherever possible. Through the various procedures and systems it operates, the Group ensures full compliance with health and safety and environmental legislation relevant to its activities.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board is responsible for the systems of risk management and internal control and for reviewing their effectiveness. The internal controls are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss. The Audit Committee evaluates the effectiveness of these internal controls on an annual basis or as required.

A summary of the principal risks and uncertainties facing the Group, as well as mitigating actions, are set out on pages 5,6 and 14. A comprehensive budgeting process is completed by the Finance Director once a year and is reviewed and approved by the Board. The Group's results, compared with the budget, are reported to the Board on a monthly basis.

The Group maintains appropriate insurance cover in respect of actions taken against the Directors because of their roles, as well as against material loss or claims against the Group. The insured values and type of cover are comprehensively reviewed by the Board on a periodic basis.

The senior management team meet at least twice monthly to consider new risks and opportunities presented to the Group, making recommendations to the Board and/or the Audit Committee as appropriate.

5. **Maintain the Board as a well-functioning, balanced team led by the Chair**

Mobile Tornado's Board currently comprises one Non-executive Director and three Executive Directors. All of the Directors are subject to election by shareholders at the first Annual General Meeting after their appointment to the Board and, from next year, all Director's will continue to seek re-election each year. Directors' biographies are set out on page 8.

The Board recognises the importance of ensuring our Board has the required skill set and that it conforms with the QCA.

The Board is responsible to the shareholders for the proper management of the Group and meets at least six times a year to set the overall direction and strategy of the Group, to review operational and financial performance and to advise on management appointments. All key operational and investment decisions are subject to Board approval.

The Board considers itself to be sufficiently independent. Whilst Jonathan Freeland is the only Non-executive Director who sits on the Board of the Company, the Board considers this to be appropriate for the Group's current size. The Board will regularly review the value to the Group and its stakeholders of making further appointments to the Board.

Non-Executive Directors receive their fees in the form of a basic cash fee. No equity-based fee arrangements are currently in place. The current remuneration structure for the Board's Non-Executive Director is deemed to be proportionate to the time they are required to commit to their roles.

During the year, and since the year end, there was a full attendance at all Board meetings.

6. **Ensure that between them, the Directors have the necessary up-to-date experience, skills and capabilities**

The Board considers that the Non-Executive Director is of sufficient competence and calibre to add strength and objectivity to its activities and bring considerable experience in operational and financial development of mobile applications services. Directors' biographies are set out on page 8.

The Board regularly reviews the composition of the Board to ensure that it has the necessary breadth and depth of skills to support the ongoing development of the Group.

The Chairman ensures that the Directors' knowledge is kept up to date on key issues and developments pertaining to the Group, its operational environment and to the Directors' responsibilities as members of the Board. The Board also receives regular guidance from its legal advisers and nominated adviser on key regulatory developments.

Directors' service contracts or appointment letters make provision for a Director to seek personal advice in furtherance of his or her duties and responsibilities. No external advisers have been appointed to assist the board of any of its committees in the past 12 months.

7. **Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**

Evaluation of the performance of the Board is implemented in an informal manner. On an ongoing basis, Board members maintain a watching brief to identify relevant internal and external candidates who may be suitable additions to, backup for or succession planning for current Board members. Given the size of the business, the primary evaluation metric utilised by the board is the financial performance of the Company.

The Board does not consider that the Company requires a nominations committee, given the size and nature of the business. As the Company progresses, the Board will consider the implementation of a nominations committee and more formal internal and external board appraisal procedures.

8. Promote a corporate culture that is based on ethical values and behaviours

The Board seeks to maintain the highest standards of integrity and probity in the conduct of the Group’s operations. These values are enshrined in the written policies and working practices adopted by all employees in the Group. An open culture is encouraged within the Group, with regular communications to staff regarding progress and staff feedback regularly sought. The management team regularly monitors the Group’s cultural environment and seeks to address any concerns than may arise, escalating these to Board level as necessary.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board has overall responsibility for promoting the success of the Group. The Executive Director has day-to-day responsibility for the operational management of the Group’s activities. The Non-Executive Director is responsible for bringing independent and objective judgement to Board decisions.

The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board’s decision-making and ensuring the Non-Executive Directors are properly briefed on matters. The Chairman has overall responsibility for corporate governance matters in the Group and chairs the Corporate Governance Committee. The Chief Executive Officer has the responsibility for implementing the strategy of the Board and managing the day-to-day business activities of the Group.

The Board has established an Audit Committee and Remuneration Committee with formally delegated duties and responsibilities.

The Audit Committee is chaired by Jonathan Freeland and its other member is Executive Chairman, Jeremy Fenn and normally meets twice a year and has responsibility for, amongst other things, planning and reviewing the annual report and accounts and interim statements involving, where appropriate, the external auditors. The Committee also approves external auditors’ fees and ensures the auditors’ independence as well as focusing on compliance with legal requirements and accounting standards. It is also responsible for ensuring that an effective system of internal control is maintained. The ultimate responsibility for reviewing and approving the annual financial statements and interim statements remains with the Board.

The Remuneration Committee is chaired by Jonathan Freeland and its other member is Executive Chairman, Jeremy Fenn and meets as required, but at least once a year, has responsibility for making recommendations to the Board on the compensation of senior executives and determining, within agreed terms of reference, the specific remuneration packages for each of the Executive Directors. It also supervises the Company’s share incentive schemes and sets performance conditions for share options granted under the schemes.

10. Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Group places a high priority on regular communications with its various stakeholder groups and aims to ensure that all communications concerning the Group’s activities are clear, fair and accurate. The Group’s website is regularly updated with announcements or details of presentations and events as well as the Group’s financial reports.

At the Company’s last AGM, all votes were passed by a significant majority. The Company will provide details of any resolutions at the Company’s AGMs which receive significant votes against and seek to understand from shareholders the reasons behind that vote result. All of the Company's AGM notices and annual reports and accounts for the past five years are available to view in the Report and Accounts section of the website.

Internal control

The Directors acknowledge their responsibility for the Group's systems of internal control. The Group maintains systems of internal controls, including suitable monitoring procedures, in order to provide reasonable, but not absolute, assurance of the maintenance of adequate accounting records and the consequent reliability of the financial information used within the business to identify and deal with any problems on a timely basis. The monitoring and control procedures include the specification of defined lines of responsibility and authorisation limits, the delegation of authority, the identification of risks and the continual process of the preparation of, and reporting against, annual budgets, forecasts and strategic plans.

Financial risk management

The Group's financial instruments comprise, principally, cash and short-term deposits and preference shares from its principal shareholder – Holf Investments Ltd, and various items, such as trade receivables and trade payables, arising directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations. The main risks arising from the Group's financial instruments are currency risk, interest risk,

liquidity risk and credit risk. The Board's policies for managing these risks are summarised as follows:

Currency risk – the Group has no borrowings in foreign currency, and foreign currency liabilities are matched wherever possible by corresponding foreign currency assets, however, no formal hedging is performed. Foreign currency bank accounts are utilised where appropriate. No foreign currency transactions of a speculative nature are undertaken.

Interest risk – the Group is exposed to interest rate risk as it has loans outstanding on variable rate terms. Borrowing costs are minimised by ongoing review of the Group's cashflow requirements.

Liquidity risk – the Group seeks to ensure sufficient liquidity is available to meet its foreseeable needs. The Board regularly reviews cash flow projections and the headroom position to ensure the Group is adequately funded.

Credit risk – the Group's exposure to credit risk is limited to the carrying amount of its financial assets at 31 December. In respect of trade and other receivables, the Group is currently exposed to credit risk in respect of a significant overdue receivable from one particular customer. The Group has a strong trading relationship with this customer, and the Directors maintain an open dialogue with them as to their financial position. During the current year, the Group re-entered into a formal repayment plan with this customer and as at today's date, this plan has been adhered to.

The Group continually monitors its trade receivables and incorporates this information into its credit risk controls.

Going concern

In preparing the consolidated financial statements the Directors must satisfy themselves that it is reasonable to adopt the going concern basis.

When determining the adoption of this approach, the Directors have considered a wide range of information relating to present and future conditions, including the current state of the Balance Sheet, that support offered by our principal shareholder Holf Investments

Ltd, who have agreed not to call on existing loans and borrowings totaling £11,460,000. Further consideration has been given to future projections, cash flow forecasts, access to funding, ability to successfully secure additional investment, available mitigating actions and the medium-term strategy of the business.

The Group is dependent on its ability to meet its cash flow forecasts. Within those forecasts the Group has included a number of significant payments and receipts based on its best estimate but, as with all forecasts, there does exist some uncertainty as to the timing and size of those payments and receipts. In particular, the forecasts assume the ongoing deferral and phased payment of some of the Group's creditors, including a contingent consideration balance of £2,718,000, (as disclosed in note 12 to the financial statements), and the continuation at the current level of recurring revenues. In the event that some or all of these receipts are delayed, deferred or reduced, or payments not deferred, management has considered the actions that it would need to take to conserve cash. These actions would include cost savings (principally payroll based) and/or seeking additional funding from its shareholders, for which there is currently no shareholder commitment requested. These conditions, together with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

The Directors, whilst noting the existence of a material uncertainty and having considered the possible management actions as noted above, are of the view that the Group is a going concern and will be able to meet its debts as and when they fall due for a period of at least 12 months from the date of signing these accounts.

Results, dividends & future outlook

Detailed commentary of the Group's results, dividends and future outlook are provided in the Strategic report on pages 2 to 7.

Employees

The Group places considerable value on the involvement of its employees and has continued its practice of keeping them informed of matters affecting them as employees and the various factors affecting the performance of the Group.

The Directors recognise that continued and sustained improvement in the performance of the Group depends on its ability to attract, motivate and retain employees of the highest calibre. Furthermore, the Directors believe that the Group's ability to sustain a competitive advantage over the long-term depends in a large part on ensuring that all employees contribute to the maximum of their potential. The Group is committed to improving the performance of all employees through development and training.

The Group is an equal opportunity employer. The Group's policies seek to promote an environment free from discrimination, harassment and victimisation and to ensure that no employee or applicant is treated less favourably on the grounds of gender, marital status, age, race, colour, nationality or national origin, disability or sexual orientation or is disadvantaged by conditions or requirements which cannot objectively be justified. Entry into, and progression within the Group, is solely determined on the basis of work criteria and individual merit.

The Group continues to give full and fair consideration to applications for employment made by disabled persons, having regard to their respective aptitudes and abilities. The policy includes, where practicable, the continued employment of those who may become disabled during their employment and the provision of training and career development and promotion, where appropriate.

Share schemes

Share ownership is at the heart of the Group's remuneration philosophy and the Directors believe that the key to the Group's future success lies in a motivated workforce holding a stake in the Company. Details of share options granted are set out in note 15 to the financial statements.

Pension costs

The Group operates a defined contribution pension scheme and makes contributions to its employees in adherence with its auto-enrolment obligations. These contributions are charged against profits. No pension contribution payments have been made to Directors during the year.

Research and development

The Group continues to undertake research and development of new products with the objective of increasing future profitability. The cost to the Group of £874,000 (2023: £894,000) is charged to the income statement as incurred after consideration of the criteria for capitalisation under UK-adopted International Accounting Standards.

Environment

The Group recognises the importance of environmental responsibility. The nature of its activities has a minimal effect on the environment but where it does, the Group acts responsibly and is aware of its obligations at all times.

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation. Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group financial statements in accordance with UK-adopted International Accounting Standards and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the United Kingdom have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 102, have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The Directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and company's auditors are aware of that information.

Annual General Meeting

The date for the next AGM of the Company will be announced in due course.

On behalf of the Board

Jeremy Fenn
Chairman
11 June 2025

Independent auditors' report to the members of Mobile Tornado Group plc

Opinion

We have audited the financial statements of Mobile Tornado Group Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise Consolidated income statement, Consolidated statement of comprehensive income, Consolidated statement of financial position and Company balance sheet, Consolidated and Company statement of changes in equity, Consolidated statement of cash flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the group and of the parent company as at 31 December 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern – Group and Company

As described in note 1.2 to the Group financial statements and note 3.2 to the Company financial statements, the Group and Company have a loan of £2,004,000 which is repayable on demand, and redeemable preference shares of £9,351,000 due on 31 December 2025. Both are due to the majority shareholder, Holf Investments Limited. The going concern assumption depends upon the repayment of these balances being deferred for at least 12 months from the date of signing the financial statements.

Holf Investments Limited has confirmed its willingness to extend the redemption date of the preference shares and not to demand repayment of the loan for at least 12 months from the date of signing the financial statements. We do not believe this confirmation is legally binding but it indicates the majority shareholder's intention. The majority shareholder has in prior years provided similar support.

There is also £2,718,000 of deferred consideration payable at 31 December 2024, of which £2,262,000 is disclosed as due within one year. An agreed amount is payable each month relating to this payable, and is included in the group's forecast, but the going concern assumption depends on £2,718,000 of the balance being deferred for at least the next 12 months consistent with historic arrangements.

Further, the trading position of the group is such that the ongoing costs are currently not covered by recurring revenue. The cash flow forecasts include assumptions regarding recurring revenue and a reduction in the cost base. In the event that these revenues do not materialise the group has the ability to make further significant cost savings and/or could request additional support from the majority shareholder.

These conditions indicate the existence of a material uncertainty, which may cast significant doubt on the Group's and Company's ability to continue as a going concern. Our opinion is not modified in respect of the matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and company's ability to continue to adopt the going concern basis of accounting included:

- obtaining and reviewing the cashflow forecasts prepared by management;
- testing the mathematical accuracy of those forecasts and agreeing to current cash balances;
- considering the outcome of previous forecasts to assess management's ability to accurately assess the timing and extent of the significant cash flows;
- reviewing the assumptions in the cash flow forecasts and sensitising projected revenues and operating expenses under a range of scenarios taking into account the possibility of mitigating actions where revenues are less than those forecast;
- discussing post balance sheet events with the Directors to assess their impact on the going concern assumption including reviewing the post year end cash balances compared to forecast positions;
- considering the level of headroom that exists on the Group's currently available facilities.
- We also obtained and reviewed the confirmation that the Group has received from its majority shareholder, and assessed the ability of the shareholder to provide that support.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our approach to the audit

We conducted our audit in accordance with International Standards on Auditing (ISAs) (UK and Ireland). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the audit of the financial statements' section of our report.

We tailored the scope of our audit to ensure that we obtained sufficient evidence to support our opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate. As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Independent auditors' report to the members of Mobile Tornado Group plc

The Group consists of the Company, incorporated and operating within the UK, and its subsidiary, located in Israel. A full scope audit of the UK Company has been performed by the Group engagement team. The subsidiary company is not material for the purposes of issuing the Group opinion as it contributes no revenue and less than 1% of the Group's losses before tax. Analytical procedures and substantive procedures were performed over this subsidiary by the Group audit team.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
Revenue recognition (Group and Company) The Group has various revenue streams and bespoke contracts with customers. Due to the varying nature of the contracts there is a risk that revenue has not been recognised correctly in accordance with the requirements of IFRS 15 Revenue from Contracts with Customers. Due to the significance of the revenue streams to the financial statements this has been identified as a key audit matter.	Our audit procedures included the following: • We have gained a thorough understanding of the revenue streams and associated performance obligations including obtaining and reviewing contractual terms; • We have substantively tested all revenue streams on a sample basis by reference to contracts, license usage statements, bank statements, and third-party stock movement reports; • We have reviewed the revenue recognition accounting policies adopted for each revenue stream against the requirements of IFRS 15; • We have reviewed the revenue disclosures in the financial statements against the requirements of IFRS. Based on the work performed, we believe that the Group and Company financial statements are not materially misstated in relation to the recognition of revenue.
Carrying value of goodwill (Company) Goodwill was recognised in the Company on 31 October 2009 when the trade and assets of a wholly owned subsidiary were transferred to Mobile Tornado Group Plc.	Our audit procedures included the following: • We reviewed the impairment assessment prepared by management, including value in use calculations in support of the

Given that the Company continues to be loss making there is a risk that goodwill is impaired. Due to the significance of the goodwill balance to the company financial statements and the high level of estimation uncertainty attached to management's assessment of the recoverable amount this is considered to be a key audit matter.	goodwill. We checked for mathematical accuracy and to ensure the methodology applied by management was consistent with the requirements of IAS 36; • We challenged the assumptions made in the impairment model, in particular the revenue growth rates, and considered the historical accuracy of management's forecasts and we also performed sensitivity analysis on the key assumptions used in management's model; • We reviewed substantive evidence to support the forecast and the assumptions used and considered whether the information gathered was consistent with findings from other areas of our audit. • We assessed the discount rate applied in the model; and • We assessed whether an impairment would be required if reasonably possible changes in the discount rate and other key assumptions occurred. Based on the work performed we have not identified any material misstatements arising from the carrying value of goodwill.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We apply the concept of materiality in planning and performing our audit, in evaluating the effect of any identified misstatements and in forming our opinion. Our overall objective as auditor is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. We consider a misstatement to be material where it could reasonably be expected to influence the economic decisions of the users of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the financial statements as a whole.

Overall Group and Company materiality was set at £61,000 (2023: £45,000) based on 3% of the expected level of turnover for the year. We have applied this benchmark based on our analysis of the information needs of the stakeholders and other users of the group financial statements. Performance materiality for the Group and Company was set at 75% of materiality. Our triviality level was set at £3,000 (2023: £2,000), which is 5% of planning materiality, and any uncorrected audit differences below this level were not reported to management, unless warranted under qualitative grounds.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and the parent company'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 the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors and by updating our understanding of the sector in which the group and parent company operate.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006, the AIM Rules for Companies and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Jonathan Davis (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors
10 Wellington Place
Leeds
LS1 4AP

11 June 2025

Consolidated income statement
For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Continuing operations			
Revenue	2	**2,033**	2,266
Cost of sales		**(54)**	(186)
Gross profit		**1,979**	2,080
Operating expenses			
Administrative expenses		**(2,568)**	(2,328)
Exchange differences		**67**	75
Reorganisation costs	3	**(100)**	-
Depreciation and amortisation expense		**(233)**	(120)
Total operating expenses		**(2,834)**	(2,373)
Group operating loss before exchange differences, depreciation and amortisation expense		**(589)**	(248)
Group operating loss	3	**(855)**	(293)
Finance costs	4	**(812)**	(779)
Loss before tax		**(1,667)**	(1,072)
Income tax credit	5	**104**	80
Loss for the year		**(1,563)**	(992)
Loss per share (pence)			
Basic and diluted	6	**(0.37)**	(0.24)

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

	2024 £'000	2023 £'000
Loss for the year	**(1,563)**	(992)
Other comprehensive gain/(loss)		
Item that will subsequently be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	**(10)**	28
Total comprehensive loss for the year	**(1,573)**	(964)
Attributable to:		
Equity holders of the parent	**(1,573)**	(964)

The accompanying accounting policies and notes form an integral part of these financial statements.

Consolidated statement of financial position
As at 31 December 2024

Mobile Tornado

	Note	**2024 £'000**	2023 £'000
Assets			
Non-current assets			
Property, plant and equipment	7	**-**	135
Right-of-use assets	8	**-**	250
		-	385
Current assets			
Trade and other receivables	9	**825**	1,345
Inventories	10	**8**	13
Cash and cash equivalents	11	**113**	186
		946	1,544
Liabilities			
Current liabilities			
Trade and other payables	12	**(5,500)**	(5,376)
Borrowings	13	**(11,470)**	(10,840)
Lease liabilities	13	**-**	(110)
Net current liabilities		**(16,024)**	(14,782)
Non-current liabilities			
Trade and other payables	12	**(456)**	(769)
Borrowings	13	**(7)**	(18)
Lease liabilities	13	**-**	(155)
		(463)	(942)
Net liabilities		**(16,487)**	(15,339)
Equity attributable to the owners of the parent			
Share capital	14	**8,779**	8,354
Share premium	14	**15,797**	15,797
Reverse acquisition reserve		**(7,620)**	(7,620)
Merger reserve		**10,938**	10,938
Foreign currency translation reserve		**(2,252)**	(2,242)
Accumulated losses		**(42,129)**	(40,566)
Total equity		**(16,487)**	(15,339)

The financial statements on pages 25 to 57 were approved by the Board of Directors on 11 June 2025 and were signed on its behalf by:

Jeremy Fenn
Chairman
11 June 2025
Company Number: 5136300

Consolidated statement of changes in equity
For the year ended 31 December 2024

	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Merger reserve £'000	Foreign currency translation reserve £'000	Accumulated Losses £'000	Total equity £'000
Balance at 1 January 2023	**7,595**	**15,797**	**(7,620)**	**10,938**	**(2,270)**	**(39,566)**	**(15,126)**
Loss for the year	-	-	-	-	-	(992)	(992)
Exchange differences on translation of foreign operations	-	-	-	-	28	-	28
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**28**	**(992)**	**(964)**
Issue of share capital	**759**	**-**	**-**	**-**	**-**	**(10)**	**748**
Equity settled share-based payments	-	-	-	-	-	2	2
Balance at 31 December 2023	**8,354**	**15,797**	**(7,620)**	**10,938**	**(2,242)**	**(40,566)**	**(15,339)**

	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Merger reserve £'000	Foreign currency translation reserve £'000	Accumulated Losses £'000	Total equity £'000
Balance at 1 January 2024	**8,354**	**15,797**	**(7,620)**	**10,938**	**(2,242)**	**(40,566)**	**(15,339)**
Loss for the year	-	-	-	-	-	(1,563)	(1,563)
Exchange differences on translation of foreign operations	-	-	-	-	(10)	-	(10)
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**(10)**	**(1,563)**	**(1,573)**
Issue of share capital	**425**	**-**	**-**	**-**	**-**	**-**	**425**
Equity settled share-based payments	-	-	-	-	-	-	-
Balance at 31 December 2024	**8,779**	**15,797**	**(7,620)**	**10,938**	**(2,252)**	**(42,129)**	**(16,487)**

The accompanying accounting policies and notes form an integral part of these financial statements.

Consolidated statement of cash flows
For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Operating activities			
Cash used in operations	16	**(372)**	(129)
Tax received		**92**	60
Interest paid		**-**	-
Net cash (used in)/from operating activities		**(280)**	(69)
Investing activities			
Purchase of property, plant & equipment		**-**	(7)
Net cash used in investing activities		-	(7)
Financing activities			
Issue of ordinary share capital		**425**	500
Share issue costs		**-**	(10)
Repayment of borrowings	13	**(110)**	(260)
IFRS 16 leases		**(110)**	(110)
Net cash generated from financing activities		**205**	120
Effects of exchange rates on cash and cash equivalents		**2**	(3)
Net (decrease)/ increase in cash and cash equivalents in the year		**(73)**	41
Cash and cash equivalents at beginning of year		**186**	145
Cash and cash equivalents at end of year		**113**	186

The accompanying accounting policies and notes form an integral part of these financial statements.

1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Nature of operations

The principal activity of the Group is the provision of instant communication mobile applications which serve the market of mobile data services in the mobile communication industry. The Company is a public limited company limited by shares which is listed on the Alternative Investment Market and incorporated and domiciled in England within the UK. The address of the registered office is Copthall Bridge, 59 Station Parade, Harrogate, HG1 1TT.

1.2 Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards. The financial statements have been prepared on the historical cost basis with the exception of certain items which are measured at fair value as disclosed in the principal accounting policies set out below. These policies have been consistently applied to both years presented unless otherwise stated.

Going concern

In preparing the consolidated financial statements the Directors must satisfy themselves that it is reasonable to adopt the going concern basis.

When determining the adoption of this approach, the Directors have considered a wide range of information relating to present and future conditions, including the current state of the Balance Sheet, that support offered by our principal shareholder Holf Investments Ltd, who have agreed not to call on existing loans and borrowings totaling £11,460,000. Further consideration has been given to future projections, cash flow forecasts, access to funding, ability to successfully secure additional investment, available mitigating actions and the medium-term strategy of the business.

The Group is dependent on its ability to meet its cash flow forecasts. Within those forecasts the Group has included a number of significant payments and receipts based on its best estimate but, as with all forecasts, there does exist some uncertainty as to the timing and size of those payments and receipts. In particular, the forecasts assume the ongoing deferral and phased payment of some of the Group's creditors, including a contingent consideration balance of £2,718,000, (as disclosed in note 12 to the financial statements), and the continuation at the current level of recurring revenues. In the event that some or all of these receipts are delayed, deferred or reduced, or payments not deferred, management has considered the actions that it would need to take to conserve cash. These actions would include cost savings (principally payroll based) and/or seeking additional funding from its shareholders, for which there is currently no shareholder commitment requested. These conditions, together with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

The Directors, whilst noting the existence of a material uncertainty and having considered the possible management actions as noted above, are of the view that the Group is a going concern and will be able to meet its debts as and when they fall due for a period of at least 12 months from the date of signing these accounts.

Significant accounting estimates and judgements

The preparation of these financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue during the reporting period. Actual results could differ from these estimates. The key sources of estimation and judgement are:

Contingent consideration – payments are dependent on estimates of future license sales revenues (note 13).

Trade and other receivables – recognition of any impairment provisions in respect of amounts recorded as trade and other receivables is dependent on judgements made on the recoverability of such items (note 10).

Research and development - distinguishing the research and development phases of the Group's research and development expenditure and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. Details of these judgements made are provided in accounting policy 1.15.

Satisfaction of performance obligations - The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue.

1.3 Basis of consolidation

The Group financial statements consolidate those of the Company and its subsidiary undertakings at 31 December 2024. A subsidiary is an entity controlled by the Group. Control is achieved where the Group has the power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. All subsidiaries have a reporting date of 31 December. All transactions and balances between Group companies are eliminated on consolidation including unrealised gains and losses on transactions between Group companies.

1.4 Business combinations

Acquisitions of subsidiaries are dealt with using the acquisition method of accounting. The acquisition method of accounting involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities, of the subsidiary at the acquisition date regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated statement of financial position at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group’s accounting policies. Goodwill is stated after separating out identifiable intangible assets. Any difference between the fair value of assets acquired and the consideration paid is treated as goodwill in the consolidated statement of financial position. The results of subsidiaries are included from the date that control commences to the date that control ceases. Business combinations that preceded the Group’s transition to IFRS on 1 July 2006 have not been restated.

1.5 Revenue recognition

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1. Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2. Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5. Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group recognises revenue from the following sources: sale of licences, services and goods, excluding inter-company sales and value-added taxes. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Payment for service fees is not due from the customer until the services are complete and therefore a contract asset is recognised over the period in which the services are performed representing the entity’s right to consideration for the services performed to date.

The Group provides certain warranties on goods sold. In the event that goods supplied have a defect within the warranty terms offered, the Group has an obligation to make good such defect.

License fees
License fees comprise:

Recurring monthly license fee – represents a license fee with a duration of one month and is recognised at the time the license is sold and delivered to the customer, when at such point our performance obligations have been materially fulfilled.

Capex license fee – represents a license fee for a period greater than one month. Contracted fees of this nature are recognised in full when the license is sold and delivered to the customer, when at such point, our performance obligations have been materially fulfilled. If performance obligations are not fulfilled, a contract liability is recognised at the time of the initial sales transaction.

Service fees

Service fees comprise:

Support & Maintenance - recognised on a straight-line basis over the contractual service period. The directors have assessed that the stage of completion determined as the proportion of the total time of the service contract that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under IFRS15 Revenue from Contracts with Customers.

Installation and other professional services - recognised when these have been provided to customer per our contractual deliverables. Where a service contract is delivered over a timeframe, the service fee will be part recognised based on a stage-of-completion assessment.

Hardware sales

Revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery).

1.6 Interest

Interest is recognised on an accruals basis using the effective interest method.

1.7 Operating expenses

Operating expenses are recognised in the income statement upon utilisation of the service or as incurred.

1.8 Employee benefits

Pension obligations

The Group operates a defined contribution pension scheme and makes contributions to its employees in adherence with its auto-enrolment obligations. These contributions are charged to the income statement in the period to which the contributions relate.

Share-based payments

The Group operates equity-settled share-based remuneration plans for its employees. Vesting conditions are non-market based.

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, which takes into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

1.9 Foreign currency translation

The consolidated financial statements are presented in UK Sterling (GBP £000). Sterling is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated).

Foreign operations

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than sterling (the Group's presentation currency) are translated into sterling upon consolidation. The functional currency of the entities in the Group have remained unchanged during the reporting period.

On consolidation, assets and liabilities of foreign operations have been translated into sterling at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period given that these rates do not fluctuate significantly over the year. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal.

1.10 Segmental reporting

The Group presents its results in accordance with internal management reporting information to the chief operating decision maker (Board of Directors). The Group has only one operating segment. At 31 December, the Board continue to monitor operating results by category of revenue.

1.11 Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date. The tax currently payable is based on taxable profit for the year. Taxable loss differs from net loss as reported in income statement because it excludes items of income that are taxable or deductible in other years and it further excludes items that are never tax deductible.

Deferred tax

The charge for taxation is based on the profits for the year and takes into account taxation deferred because of temporary differences between the treatment of certain items for taxation and for accounting purposes.

Temporary differences arise from the inclusion of profits and losses in the accounts in different periods from which they are recognised in tax assessments and primarily arise as a result of the difference between tax allowances on property, plant & equipment and the corresponding depreciation charge. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting Date

No provision is made for unremitted earnings of foreign subsidiaries where there is no commitment to remit such earnings. Similarly, no provision is made for temporary differences relating to investments in subsidiaries since realisation of such differences can be controlled and is not probable in the foreseeable future. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

1.12 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. The Group's policy is to write off the difference between the cost of all property, plant and equipment and their residual value on a straight-line basis over their estimated useful lives as follows:

Office equipment	3-15 years
Computer equipment	3-5 years
Leasehold improvement	3-15 years

Reviews are made annually of the estimated remaining lives and residual values of all assets, taking account of commercial and technological obsolescence as well as normal wear and tear, and adjustments are made where appropriate. All individual assets are reviewed for impairment when there are indications that the carrying value may not be recoverable.

In respect of leasehold improvements and estimating their expected useful lives, consideration is given to the length of existing lease term remaining, together with an assessment of the suitability of the current property continuing to serve the Company's needs beyond this current term and therefore the likelihood of a renewal.

1.13 IFRS 16 Leases

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement of the lease.

The right-of-use assets are included in the 'right-of-use asset' line of the Consolidated Statement of Financial position.

The Group applies IAS36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per note 1.12.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the group and the lease does not benefit from a guarantee from the group.

Lease payments included in the measurement of the lease liability comprise.

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;

- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

1.14 Inventories

Inventories are stated at the lower of historical cost and net realisable amount. Net realisable amount is the estimated selling price in the ordinary course of business less any applicable variable selling costs. Provision is made for obsolete, slow moving and defective inventory where appropriate.

1.15 Intangible assets

Research and development

Research expenditure, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is charged to the income statement in the year in which it is incurred. Internal development expenditure, whereby research findings are applied to a plan for the production of new or substantially improved products or processes, is charged to the income statement in the year in which it is incurred unless it meets the recognition criteria of IAS 38 'Intangible Assets' which are;

▪ the development costs can be measured reliably;
▪ the project is technically and commercially feasible;
▪ the Group intends to and has sufficient resources to complete the project;
▪ the Group has the ability to use or sell the resulting technology; and
▪ the resulting technology will generate probable future economic benefits.

Measurement uncertainties over economic benefits generally mean that such criteria are not met. Where, however, the recognition criteria are met, intangible assets are capitalised and amortised over their useful economic lives from product launch. The useful economic life of assets is assessed by reference to both previous product launches of the Group and also comparable launches within similar industries. Intangible assets relating to products in development are subject to impairment testing at each balance sheet date or earlier upon indication of impairment. Any impairment losses are written off immediately to the income statement in operating expenses.

1.16 Equity

Equity comprises the following:

▪ "Share capital" represents the nominal value of equity shares.
▪ "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
▪ "Reverse acquisition reserve" represents the difference between the required total of the Group's equity instruments and the reported equity of the legal parent.
▪ "Merger reserve" represents the difference between the nominal value of the share capital issued by the Company and their fair value at 7 March 2006, the date of the acquisition of Mobile Tornado International Ltd.

▪ "Foreign currency translation reserve" represents the differences arising from translation of investments in overseas subsidiaries into Sterling.
▪ "Accumulated losses" represents retained losses.

All transactions with owners of the parent are recorded separately within equity.

Reverse acquisition and merger reserves were frozen at their previous GAAP values from 1 July 2006, the date of transition to IFRS. The foreign currency translation reserve was reset to zero at this date.

1.17 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash with maturities of three months or less from inception and which are subject to an insignificant risk of changes in value.

1.18 Financial assets

Initial recognition and measurement

In accordance with IFRS9, 'Financial Instruments' the Group has classified its financial assets as 'Financial assets at amortised cost'. The Group determines the classification of its financial assets at initial recognition.
All financial assets are recognised initially at fair value plus, in the case of assets not at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below:

a. Financial assets carried at amortised cost

This category applies to trade and other receivables due from customers in the normal course of business. These assets are held at amortised cost.
The group classifies its financial assets as at amortised cost only if both of the following criteria are met:
(i) the asset is held within a business model with the objective of collecting the contractual cash flows; and
(ii) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortised cost comprise current trade and other receivables due from customers in the normal course of business and cash and cash equivalents.

The Group does not hold any material financial assets at fair value through other comprehensive income or at fair value through profit or loss.

The Group does not hold any derivatives and does not undertake any hedging activities.

Trade receivables are initially recognised at their transaction price. The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money. Other financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Trade and other receivables are measured at amortised cost less provision for expected credit losses.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets measured at amortised cost. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

For other financial assets at amortised cost, the Group determines whether there has been a significant increase in credit risk since initial recognition. The Group recognises twelve month expected credit losses if there has not been a significant increase in credit risk and lifetime expected credit losses if there has been a significant increase in credit risk.
Expected credit losses incorporate forward looking information such as general economic conditions, take into account the time value of money when there is a significant financing component and are based on days past due; the external credit ratings of its customers; and significant changes in the expected performance and behaviour of the borrower.

Financial assets are written off when there is no reasonable expectation of recovery. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the Statement of Comprehensive Income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement, and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the assets.

1.19 Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of directly attributable transaction costs.

The Group’s financial liabilities include trade and other payables and previously included loans and other borrowings including Directors loans.

Subsequent measurement

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method (EIR). Gains and losses are recognised in the Statement of Comprehensive Income when the liabilities are derecognised as well as through the (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Comprehensive Income.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Comprehensive Income.

1.20 Contingent consideration

Contingent consideration arising on the acquisition of a business is held as a creditor in the balance sheet until such time as those amounts are paid. Amounts arising on business combinations before 1 July 2006, the date of transition to IFRS, were not restated at this date.

1.21 Standards in issue not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective:

- Lack of Exchangeability (Amendments to IAS21)

The Directors are evaluating the impact this standard will have on the financial statements of Group.

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, have not been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed:

Standard	Effective date, annual period beginning on or after
Classification and Measurement of Financial Instruments (Amendments to IFRS 7 and IFRS 9)	1 January 2026
Annual Improvements to IFRS Accounting Standards – *Volume 11*	1 January 2026
IFRS 18 – *Presentation and Disclosure in Financial Statements*	1 January 2027
IFRS 19 – *Subsidiaries without Public Accountability: Disclosures*	1 January 2027

1.22 New standards and amendments

During the financial year, the Group has adopted the following new IFRSs (including amendments thereto) and IFRIC interpretations, that became effective for the first time.

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Classification of Liabilities as Current or Non-Current, Non-current Liabilities with Covenants: *amendments to IAS 1*
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

Their adoption has not had any material impact on the disclosures or amounts reported in the financial statements.

2 Segmental analysis

The Group presents its results in accordance with internal management reporting information to the chief operating decision maker (Board of Directors). At 31 December 2024 the Board continued to monitor operating results by category of revenue within a single operating segment, the provision of instant communication solutions. Under IFRS 8 the Group has only one operating segment.

Revenue by category

	2024 £'000	2023 £'000
License fees	**1,786**	1,943
Hardware & software	**107**	273
Professional services	**107**	-
Support & Maintenance	**33**	50
Total	**2,033**	2,266

	2024 £'000	2023 £'000
Recurring	**1,745**	1,852
Non-recurring	**288**	414
Total	**2,033**	2,266

Revenue is reported by geographical location of customers. Non-current assets are reported by geographical location of assets.

	2024 Revenue £'000	**2024 Non-current assets £'000**	2023 Revenue £'000	2023 Non-current assets £'000
UK	**51**	**-**	27	-
Europe	**201**	**-**	165	-
North America	**84**	**-**	58	-
South America - Mexico	**1,202**	**-**	1,283	-
Middle East	**346**	**-**	483	385
Africa	**140**	**-**	242	-
Asia/Pacific	**9**	**-**	8	-
Total	**2,033**	**-**	2,266	385

Of the total revenue of the Group, two customers (2023: three) each represented revenue greater than 10% of this total – these being 37% or £746,000 (2023: 31% or £702,000) and 22% or £457,000 (2023: 26% or £580,000 respectively).

3 Group operating loss

	2024 £'000	2023 £'000
Group operating loss before taxation is stated after charging/(crediting):		
Staff costs (note 17)	**1,450**	1,500
Depreciation of owned property, plant and equipment (note 7)	**133**	20
Depreciation of leased right-of-use assets (note 8)	**100**	100
Research and development expenditure	**874**	894
Net exchange (gain)/loss	**(67)**	(75)

Research and development expenditure comprises staff costs of £748,000 also included within the staff costs figure noted separately above.

Reorganisation costs

During the year the Group transferred its core R&D activities from its Israel subsidiary into the UK. The exceptional costs relate to the notice periods of six members of staff in Israel totalling £72,000, as well as property costs of the Israel office for the final two months of its lease totalling £28,000.

Auditors' remuneration

During the year the Group obtained the following services from the Group's auditors as detailed below:

	2024 £'000	2023 £'000
Fees payable to the Group's auditors for the audit of the Group's financial statements	**45**	39

4 Finance costs

	2024 £'000	2023 £'000
Finance charge on preference shares	**(802)**	(750)
Finance charge on loans	**(15)**	(16)
Finance credit/(charge) on leases	**5**	(13)
Total finance costs	**(812)**	(779)

5 Income tax credit

(a) Analysis of credit for the year

	2024 £'000	2023 £'000
United Kingdom current tax		
Current year research & development tax credit claimed	**(149)**	(138)
Prior year research & development tax credit claimed	**(2)**	-
Withholding tax on overseas sales receipts	**47**	58
Total credit for the year	**(104)**	(80)

(b) Factors affecting the tax credit for the year

Deferred tax:

At 31 December 2024 the Group had accumulated tax losses of £30,377,000 (31 December 2023: £30,377,000) which are available for offset against future trading profits of certain Group operations, subject to agreement with the relevant tax authorities. No deferred tax asset has been recognised in respect of these losses given the level of uncertainty over their recoverability.

	2024	2023
	£'000	£'000
Loss before tax	**(1,667)**	(1,072)
At standard rate of corporation tax of 19.00% (2023: 19.00%	**(317)**	(204)
Effects of:		
Expenses not deductible for tax purposes	**154**	148
Withholding tax on overseas sales receipts	**47**	58
Other permanent differences	**163**	56
Current year research & development tax credit claimed	**(149)**	(138)
Prior year research & development tax credit claimed	**(2)**	-
Total credit for the year	**(104)**	(80)

6 Loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders of £1,563,000 (2023: £992,000) by the weighted average number of ordinary shares in issue during the year of 422,977,467 (2023: 412,101,271).

	2024		2023	
	Basic and diluted		Basic and diluted	
	Loss	**Loss per share**	Loss	Loss per share
	£'000	**pence**	£'000	pence
Loss attributable to ordinary shareholders	**(1,563)**	**(0.37)**	(992)	(0.24)

The loss attributable to ordinary shareholders and the weighted average number of ordinary shares for the purpose of calculating the diluted earnings per ordinary share are identical to those used for basic earnings per ordinary share. This is because the exercise of share options are anti-dilutive under the terms of IAS 33.

Mobile Tornado

7 Property, plant and equipment

	Office equipment £'000	Computer equipment £'000	Leasehold improvement £'000	Total £'000
Cost				
At 1 January 2023	129	822	191	1,142
Additions	-	-	7	7
Exchange adjustments	(4)	(18)	(9)	(31)
At 31 December 2023	**126**	**804**	**188**	**1,118**
Additions	-	-	-	-
Disposals	(126)	(306)	(188)	(620)
At 31 December 2024	**-**	**498**	**-**	**498**
Accumulated depreciation				
At 1 January 2023	124	812	50	987
Charge for the year	-	-	20	20
Exchange adjustments	(3)	(17)	(3)	(23)
At 31 December 2023	**121**	**795**	**67**	**983**
Charge for the year	5	9	119	133
Disposals	(126)	(306)	(186)	(618)
At 31 December 2024	**-**	**498**	**-**	**498**
Net book amount at 31 December 2024	**0**	**0**	**0**	**0**
Net book amount at 31 December 2023	5	9	121	135

8 Right-of-use assets

	Leasehold Property £'000	Vehicles £'000	Total £'000
Cost			
At 1 January 2023	1,095	137	1,232
Additions	-	-	-
Disposals	-	-	-
At 31 December 2023	**1,095**	**137**	**1,232**
Disposals	(1,095)	(137)	(1,232)
At 31 December 2024	**(0)**	**-**	**(0)**
Accumulated depreciation			
At 1 January 2023	745	137	882
Charge for the year	100	-	100
At 31 December 2023	**845**	**137**	**982**
Charge for the year	100	-	100
Disposals	(945)	(137)	(1,082)
At 31 December 2024	**-**	**-**	**-**
Net book amount at 31 December 2024	**(0)**	**-**	**(0)**
Net book amount at 31 December 2023	250	-	250

The above asset related to a property lease. This lease agreement commenced on 1 July 2022 and had a four-year term, with a break clause after two years. The break clause was triggered during the year and the lease ended on 31 December 2024.

9 Trade and other receivables

	2024 £'000	2023 £'000
Trade receivables	**389**	986
Less: provision for impairment of trade receivables	**(55)**	(73)
Trade receivables - net	**334**	913
Other receivables	**183**	180
Prepayments and contract assets	**308**	252
	825	1,345
Current portion	**825**	1,345

The Group had contract assets within Prepayments and contract assets of £167,000 (2023: £157,000)

Included within other receivables is a tax credit due of £149,000 (2023: £138,000)

The age of the Group’s year end overdue receivables is as follows:

	2024 £'000	2023 £'000
Impaired		
Less than three months	**-**	-
Three to six months	**-**	-
Over six months	**55**	73
	55	73
Not impaired		
Less than three months	**40**	53
Three to six months	**49**	37
Over six months	**127**	644
	216	733

Of the overdue receivables, £178,000 (2023: £694,000) relates to one particular customer, for which a formal repayment plan was agreed in 2023 and repayments per this agreement are up to-date as of the date of signing these accounts. In parallel, an assessment of this customer's ability to pay has been made by reference to its current and projected operating cash flows as well as the level of cash payments received during the year, post year-end from the customer and, on the basis of this, no provision has been made.

The carrying amounts of the Group's receivables are denominated in US dollar and Euros. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

Movement on the Group's provision for impairment of receivables is as follows:

	2024 £'000	2023 £'000
At 1 January	**73**	70
Provision for receivables impairment	**(18)**	3
	55	73

10 Inventories

	2024 £'000	2023 £'000
Hardware	**8**	13

The cost of inventories recognised as an expense and included within cost of sales amounted to £54,000 (2023: £177,000).

11 Cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank and in hand:		
-Sterling	**41**	23
-US Dollar	**39**	106
-Euro	**3**	1
-New israel shekel	**30**	56
	113	186

12 Trade and other payables

	2024 £'000	2023 £'000
Trade payables	**928**	943
Accruals	**229**	299
Social security and other taxes	**68**	89
Contract liabilities	**2,013**	2,139
Contingent consideration	**2,718**	2,675
	5,956	6,145
Less non-current portion: contingent consideration	**(456)**	(769)
Current portion	**5,500**	5,376

The contingent consideration arose on the purchase of intellectual property from Tersync Limited in 2001 and represents a royalty payable on future sales of Push to Talk related products by Mobile Tornado, payable in part as consideration for the acquisition of the rights to the technology underlying such product. The royalty is payable quarterly on any relevant sales (on a cash receipts basis) as follows:

(i) 50% of the first US$200,000 relevant sales.

(ii) 15% of any additional relevant sales, subject to any related cumulative royalty payments being capped at a maximum of US$5.3 million. Direct reseller and other third party costs may be deducted in arriving at these royalty payments, subject to such costs not exceeding 10% of the relevant sales.

The split between current and non-current reflects the Group's estimate of future sales and the amount of royalty payment that would fall due within the next 12 months based on the above terms.

The deferred income balance includes an amount of £1,964,000 (2023: £2,061,000) received from InTechnology plc in respect of 12 month licenses that had not been brought into use at the balance sheet date. The Group will recognise related income from the date of activation of each licence, or the expiration of its obligations if sooner.

13 Borrowings, other financial liabilities and other financial assets

	2024	2023
	£'000	£'000
Preference shares	**9,351**	8,550
Loans from related party undertakings	**2,109**	2,281
Bank loans	**17**	26
Lease liabilities	**-**	265
Total borrowings	**11,477**	11,122

Maturity analysis

Preference shares and loans

	2024	2023
	£'000	£'000
In one year or less	**11,470**	10,840
Between one and two years	**7**	10
Between two and five years	**-**	7
Total	**11,477**	10,857

Lease liabilities

	2024	2023
	£'000	£'000
In one year or less	**-**	110
Between two and five years	**-**	155
Total	**-**	265

Other financial liabilities include Trade and Other payables, all of which have a maturity profile of being due within 30 days

All preference shares are non-voting, non-convertible cumulative redeemable preference shares. They are currently redeemable at par value on 31 December 2025, or, at the Company's discretion, at any earlier date and will accrue interest at a fixed rate of 10 per cent. per annum. All preferences shares and accrued interest thereon are thus classified as repayable in one year or less.

The nominal value of preference share indebtedness is £5,702,000 (31 December 2023: £5,702,000) with the balance of £3,649,000 (31 December 2023: £2,848,000) comprising unpaid coupon and accrued interest thereon. Holf Investments Ltd has confirmed its willingness, should the Group request, to extend the redemption date on these preference shares until 31 December 2026.

Of the total loan balance of £2,109,000 provided by Holf Investments Ltd, £2,059,000 is repayable on demand. On 30 August 2024, our revolving loan facility agreement with Intechnology plc was assigned by them to Holf Investments Ltd. At the same time, the term of the agreement was extended by 12 months to 26 September 2025. All other terms of the agreement remain unchanged and as previously announced. The balance drawn down at 31 December 2024 and at today's date is £50,000. Further details of the terms of this facility are provided within the related party note on page 55.

Holf Investments Ltd has agreed not to demand repayment of all amounts due for payment in one year or less, for a period of at least 12 months from the date of signing of the financial statements.

The Group availed of a £50,000 bounce-back loan offered in 2020. This loan accrues interest at a fixed rate of 2.5%. The balance of this loan at 31 December 2024 was £17,000 (31 December 2023: £26,000).

The Group do not have any derivative financial liabilities at 31 December 2024 or 31 December 2023.

Financial risks

The main financial risks faced by the Group include interest rate risk, liquidity risk, credit risk and foreign currency risk. The Board reviews and agrees policies for managing each of these risks.

The Group's financial instruments comprise cash, liquid resources and various items, such as receivables and payables that arise directly from its operations. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken. The year-end position reflects these policies and there have been no changes in policies or risks since the year end.

Financial asset returns are maximised by ongoing review of the Group's cash flow requirements. Any funds surplus to short-term working capital requirements are placed on interest bearing deposit.

Interest rate risk profile of financial assets

The interest rate risk profile of the financial assets of the Group comprise cash of £113,000 (2023: £186,000) as follows:

	Floating rate	
	2024	2023
	£'000	£'000
Currency		
Sterling	**41**	23
US dollar	**39**	106
Euro	**3**	1
Israel shekel	**30**	56
Total	**113**	186

The Sterling, US dollar and Euro financial assets relate to cash at bank. There are no fixed rate financial assets (2023: £nil). Interest rates being received on these balances are immaterial such that the interest risk associated with these balances is considered extremely low.

Interest rate risk profile of financial liabilities

The interest rate profile of the financial liabilities of the Group is as follows:

	Fixed	
	2024	2023
	£'000	£'000
10% preference shares classified as debt	**5,702**	5,702
Loans from related party undertakings	**2,109**	2,281
2.5% bank loan	**17**	26
Total	**7,828**	8,009

	Floating	
	2024	2023
	£'000	£'000
Unpaid coupon on preference shares classified as debt	**3,649**	2,848
Total	**3,649**	2,848

Of the Loans from related party undertakings, £2,004,000 (31 December 2023: £2,090,000) does not bear any interest. Further details of which can be found in note 20.

The unpaid coupon on preference share debt accrues interest at a rate of 3% above Bank of England base rate and constitutes the company's main exposure to interest rate risk. The company seeks to manage this risk thru annual reviews of the wider debt markets and prevailing interest rates to identify any opportunities that may exist for renegotiating existing terms.

Currency risk

The table below shows the extent to which the Group held monetary assets and liabilities in currencies other than their local currency.

	2024	2023
	£'000	£'000
Functional currency of operation: Sterling		
US Dollar (net liabilities)	**(2,159)**	(1,892)
Euro (net liabilities)	**(1,951)**	(2,054)
Total	**(4,110)**	(3,946)

Foreign currency assets comprise cash, contract assets and trade receivables. Liabilities comprise contract liabilities and trade payables.

Sensitivity analysis

Financial assets and liabilities are sensitive to movements in interest rates and foreign exchange rates.

A 10% movement in both sterling to US dollar and Euro exchange rates would result in a charge or credit to profit and equity of £374,000 (2023: £359,000).

A 1% movement in interest rates would result in a charge or credit to profit and equity of £36,000 (2023: £28,000).

Liquidity risk

The Group seeks to ensure sufficient liquidity is available to meet its foreseeable needs. The Board regularly reviews cash flow projections and the headroom position to ensure the Group is adequately funded. The Group has a £500,000 working capital facility which the provider of which has confirmed its willingness to extend the current period of the facility for a further period of 12 months if requested by the Group.

The Group undertakes significant discretionary expenditures under it's control and which could be tapered back on relatively short notice and therefore act as a support to the management of liquidity within the Group.

Capital management

Managed capital is cash to meet working capital needs.

The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern; and
- To provide an adequate return to shareholders.

The Group's goal in capital management is to maintain adequate cash balances with the minimum necessary borrowing. There are no externally imposed capital requirements during the year covered by the financial statements.

Summary of the Group's financial assets and liabilities

	2024	2023
	£'000	£'000
Current assets - financial assets at amortised cost		
Trade and other receivables	**517**	1,093
Cash and cash equivalents	**113**	186
	630	1,279
Current liabilities - held at amortised cost		
Trade and other payables	**(3,419)**	(3,149)
Preference shares	**(9,351)**	(8,550)
Loans	**(2,119)**	(2,290)
	(14,889)	(13,989)
Non-current liabilities - held at amortised cost		
Trade and other payables	**(456)**	(769)
Loans	**(7)**	(17)
	(463)	(786)
Net financial assets and liabilities	**(14,721)**	(13,496)

The Directors consider that the fair value of financial assets and liabilities approximates to the carrying value for both 2024 and 2023.

14 Share capital and share premium

	Number of issued and fully paid shares '000	Share capital £'000	Share premium £'000	Total £'000
At 1 January 2024	417,719	8,354	15,797	24,151
Issue of shares	21,250	425	-	425
As at 31 December 2024	**438,969**	**8,779**	**15,797**	**24,576**

The total authorised number of ordinary shares is 475 million (2023: 475 million) with a par value of 2p per share (2023: 2p per share).

Non-voting preference shares – included in financial liabilities

	Number of shares '000	Nominal Value £'000
As at 31 December 2023 and 2024	**71,277**	**5,702**

All preference shares are non-voting, non-convertible cumulative redeemable preference shares. They are currently redeemable at par value on 31 December 2025, or, at the Company's discretion, at any earlier date and will accrue interest at a fixed rate of 10 per cent. per annum. Unpaid dividends accrue interest at 3% above Bank of England base rate until settled. Holf Investments Ltd has confirmed its willingness, should the Group request, to extend the redemption date on these preference shares until 31 December 2026.

15 Share-based payments

The Group has a share option scheme for certain employees and Directors. Options are exercisable at a price equal to the average market price of the Company's shares on the date of grant. The options are settled in equity.

The number of shares subject to options, the periods in which they were granted and the dates on which they may be exercised are as follows:

Name of scheme	Number of shares 2024 '000	2023 '000	Exercise price pence	Earliest exercise date	Vesting condition	Expiry date
UK scheme	**200**	200	6.0	18/06/18	-	18/06/25
Israel scheme	**500**	500	2.0	16/05/19	-	31/12/26
Israel scheme	**1,350**	1,350	4.0	04/11/19	-	31/12/26
Israel scheme	**1,450**	1,450	6.5	15/06/20	Group reports positive annual EBITDA	15/06/27
UK scheme	**3,200**	3,200	6.5	15/06/20	Group reports positive annual EBITDA	15/06/27
Israel scheme	**1,100**	1,100	5.0	09/01/22	-	09/01/29
UK scheme	**450**	450	5.0	09/01/22	-	09/01/29
Israel scheme	**-**	-	5.0	28/02/22	-	28/02/29
Israel scheme	**2,200**	2,600	6.0	22/06/23	-	22/06/30
UK scheme	**500**	500	6.0	22/06/23	-	22/06/30
Israel scheme	**5,600**	6,100	2.0	08/08/26	-	08/08/33
UK scheme	**5,150**	5,150	2.0	08/08/26	-	08/08/33
Total	**21,700**	22,600				

Options were valued using the Black-Scholes option-pricing model.

The expected volatility is based on historical volatility over the last year. The expected life is assumed as being equal to the earliest exercise date. The risk-free rate of return is taken as the Bank of England base-rate at the date of grant.

A reconciliation of option movements over the year to 31 December 2024 is shown below:

	2024 Number '000	**2024** Weighted average exercise price pence	2023 Number '000	2023 Weighted average exercise price pence
Outstanding at 1 January	**22,600**	**4.0**	21,900	5.3
Granted	**-**	**0.0**	11,250	2.8
Forfeited	**(900)**	**3.8**	(10,550)	4.9
Outstanding at 31 December	**21,700**	**4.0**	22,600	4.0
Exercisable at 31 December	**10,950**	**5.6**	11,350	5.7

The closing mid-market share price on 9 June 2025 was 1.1 pence.

The weighted average remaining contractual life of the share options outstanding at 31 December 2024 was 6.3 years (31 December 2023: 7.4 years) at exercise prices ranging from 2.0 pence to 6.0 pence. (31 December 2023: 2.0 pence to 6.0 pence).

Those options exercisable at 31 December 2024 are at exercise prices ranging from 2.0 pence to 6.0 pence. (31 December 2023: 2.0 pence to 6.0 pence)

The total charge for the year relating to employee share-based payment plans was £2,000 (2023: £nil), all of which related to equity-settled share-based payment transactions.

16 Cash used in operations

	2024 £'000	2023 £'000
Loss before taxation	**(1,667)**	(1,072)
Adjustments for:		
Depreciation and amortisation	**233**	120
Share-based payment charge	**-**	2
Debt conversion to equity	**-**	259
Interest expense	**812**	779
Changes in working capital:		
Decrease in inventories	**5**	11
Decrease/(Increase) in trade and other receivables	**534**	87
Increase/(Decrease) in trade and other payables	**(289)**	(315)
Net cash used in operations	**(372)**	(129)

Changes in liabilities arising from financing activities

For the year ended 31 December 2023

			Non-cash changes				
	2022 £'000	**Cash flows £'000**	**New leases £'000**	**Finance charge £'000**	**conversion to equity £'000**	**Exchange differences £'000**	**2023 £'000**
Preference shares	8,059	-	-	750	(259)	-	8,550
Loans from related party under	2,490	(250)	-	41	-	-	2,281
Bank loans	37	(11)	-	-	-	-	26
Lease liabilities	363	(98)	-	-	-	-	265
Total liabilities from from financing activities	**10,949**	**(359)**	**-**	**791**	**(259)**	**-**	**11,122**
Cash and cash equivalents	(145)	(41)	-	-	-	-	(186)
Net debt	**10,804**	**(400)**	-	**791**	**(259)**	-	**10,936**

For the year ended 31 December 2024

			Non-cash changes				
	2023 £'000	Cash flows £'000	New leases £'000	Finance charge £'000	conversion to equity £'000	Exchange differences £'000	2024 £'000
Preference shares	8,550	-	-	801	-	-	9,351
Loans from related party under	2,281	(187)	-	15	-	-	2,109
Bank loans	26	(9)	-	-	-	-	17
Lease liabilities	265	(265)	-	-	-	-	-
Total liabilities from from financing activities	**11,122**	**(461)**	**-**	**816**	**-**	**-**	**11,477**
Cash and cash equivalents	(186)	74	-	-	-	-	(113)
Net debt	**10,936**	**(387)**	-	**816**	**-**	-	**11,364**

17 Employee information

The average monthly number of persons (including Executive Directors) employed by the Group during the year was:

	2024 Number	2023 Number
Sales	**9**	6
Product development & operations	**6**	6
Finance & administration	**6**	5
Total	**21**	17

Not included in the table above are 15 persons that provide services to the Group on a contractor basis (2023: 26).

Staff costs for the persons above were:

	2024 £'000	2023 £'000
Wages and salaries	**1,220**	1,224
Social security costs	**93**	86
Other pension costs	**104**	102
Share-based payment charge	**-**	2
Other benefits	**33**	85
Total	**1,450**	1,500

Other pension costs relate to the defined contribution plan charge.

Directors' costs included within the above were:

	Salary £'000	Fees £'000	Pension £'000	Benefits in kind £'000	2024 Total £'000	2023 Total £'000
Peter Wilkinson	-	-	-	-	**-**	-
Jeremy Fenn	6	120	-	3	**129**	130
Jonathan Freeland	-	18	-	-	**18**	18
Marcus Emptage	47	-	52	-	**99**	-
Luke Wilkinson	20	-	-	2	**22**	-
Aggregate emoluments	**72**	**138**	**52**	**5**	**268**	148

During the year the Group transferred its core R&D activities from its Israel subsidiary into the UK. The exceptional costs relate to the notice periods of six members of staff in Israel totalling £72,000. as well as property costs of the Israel office for the final two months of its lease totalling £28,000.

18 Related party transactions

For the purposes of IAS 24, key management of the Group are the same as those of the Board of Directors. There were no share options issued to key management personnel during the year.

Peter Wilkinson is a shareholder and Director of Intechnology plc. In previous years, Intechnology plc bought right of use licenses totalling €2,400,000 from Mobile Tornado Group plc. During the year to 31 December 2024 the value of licenses brought into use was €nil (year ended 31 December 2023; €nil). The balance of unused licenses as at 31 December 2023 was €2,376,000 (31 December 2022; €2,376,000). This balance is included in contract liabilities in the accounts.

Peter Wilkinson is a shareholder and Director of Holf Investments Ltd. Mobile Tornado Group plc has bought goods and services totalling £nil from Holf Investments Ltd in the year ending 31 December 2024 (year ended 31 December 2023; £nil). As at 31 December 2024, Mobile Tornado Group plc owed Holf Investments Ltd £719,000 (31 December 2023; £nil).

Holf Investments Ltd has provided loan finance to Mobile Tornado Group plc in the year ended 31 December 2024 of £nil (year ended 31 December 2023; £nil). Mobile Tornado Group has made loan repayments to Holf Investments Ltd in the year ended 31 December 2024 of £86,000 (year ended 31 December 2023; £nil). As at 31 December 2024, Mobile Tornado Group plc owed Holf Investments Ltd £2,004,000 (31 December 2023; £2,090,000).

The Company's preference share indebtedness to Holf Investments Ltd increased by £801,000 in the year ended 31 December 2024, comprising unpaid coupon and interest on the accumulated unpaid coupon (year ended 31 December 2023; £492,000). As at 31 December 2024, Mobile Tornado Group plc had total preference share indebtedness to Holf Investments Ltd of £9,351,000 (31 December 2023; £8,550,000).

On 30 August 2024, the Company's revolving loan facility agreement with InTechnology plc was assigned by Intechnology plc in full to Holf Investments Ltd. On the same date, the terms of the facility were amended, extending the term by a further 12 months to 26 September 2025.

During the year, £100,000 was repaid (2023: £250,000 repaid). As at 31 December 2024, Mobile Tornado Group plc owed Holf Investments Ltd £50,000 (31 December 2023; Intechnology plc £150,000). In addition to this principal amount, interest and facilities fees for the year amounted to £14,000 (year ended 31 December 2023; £16,000), of which £nil (year ended 31 December 2023; £nil), was paid during the year. The total amount of interest and facility fees owed to Holf Investments as at 31 December 2024 was £55,000 (31 December 2023: £41,000)

Payments to a third party, Mainstream Capital Partners LLP, are made in respect of the services provided by Jeremy Fenn, Executive Chairman. As at 31 December 2024, Mobile Tornado Group Plc owed £nil (31 December 2023: £12,000) to Mainstream Capital Partners LLP.

Peter Wilkinson is a shareholder and Director of Intechnology plc. Mobile Tornado Group plc has bought goods and services totalling £30,000 from Intechnology plc in the year ending 31 December 2024 (year ended 31 December 2023; £nil). As at 31 December 2024, Mobile Tornado Group plc owed Intechnology plc £nil (31 December 2023; £nil).

Luke Wilkinson is a shareholder and Director of Storm Intelligent Communications Ltd. Mobile Tornado Group plc has sold goods and services totalling £28,000 to Storm Intelligent Communications Ltd in the year ending 31 December 2024 (year ended 31 December 2023; £20,000). As at 31 December 2024, Storm Intelligent Communications Ltd owed Mobile Tornado Group plc £51,000 (31 December 2023; £36,000).

The Group is controlled by Holf Investments Ltd (incorporated in the UK) which, as of today's date, owns 46.9% of the Company's ordinary shares. The Group's ultimate parent and controlling party is Peter Wilkinson who has a total direct and indirect beneficial interest in 55.6% of Mobile Tornado's issued share capital.

19 Investments

Details of the principal investments at 31 December 2024 in which the Company holds more than 20% of the nominal value of ordinary share capital are as follows:

	Country of incorporation or registration	Nature of business	Group proportion held	Company proportion held
M.T. Labs Limited	Israel	Sale of instant communication services	100%	100%

With registered address: 11 Amal street, Afek Industrial Park, Rosh Ha'ayin, P.O.Box 11785, Israel

Company balance sheet
As at 31 December 2024

	Note	2024 £'000	2023 £'000
Fixed assets			
Intangible assets	4	**2,731**	3,307
Tangible assets	5	**-**	-
		2,731	3,307
Current assets			
Debtors	7	**1,304**	1,802
Cash at bank and in hand		**82**	130
		1,386	1,932
Creditors - amounts falling due within one year	8	**(16,803)**	(15,930)
Net current liabilities		**(15,417)**	(13,998)
Total assets less current liabilities		**(12,686)**	(10,691)
Creditors - amounts falling due after more than one year	8	**(463)**	(786)
Net liabilities		**(13,149)**	(11,477)
Capital and reserves			
Called up share capital	9	**8,779**	8,354
Share premium account		**15,797**	15,797
Merger reserve		**10,938**	10,938
Accumulated losses		**(48,663)**	(46,566)
Total shareholders' deficit		**(13,149)**	(11,477)

The Company's loss for the financial year was £2,097,000 (2023: £1,557,000 loss).

The financial statements on pages 57 to 67 were approved by the Board of Directors on 11 June 2025 and were signed on its behalf by:

Jeremy Fenn
Chairman
11 June 2025
Company Number: 5136300

The accompanying notes form an integral part of these financial statements.

Company statement of changes in equity
For the year ended 31 December 2024

	Called up share capital £'000	Share premium account £'000	Merger reserve £'000	Share option reserve £'000	Accumulated losses £'000	Shareholders' deficit £'000
Balance at 1 January 2023	**7,595**	**15,797**	**10,938**	**333**	**(45,334)**	**(10,671)**
Equity settled share-based payments	-	-	-	2	-	2
Issue of share capital	759	-	-	-	(10)	749
Loss for the financial year	-	-	-	-	(1,557)	(1,557)
Balance at 31 December 2023	**8,354**	**15,797**	**10,938**	**335**	**(46,901)**	**(11,477)**

	Called up share capital £'000	Share premium account £'000	Merger reserve £'000	Share option reserve £'000	Accumulated losses £'000	Shareholders' deficit £'000
Balance at 1 January 2024	**8,354**	**15,797**	**10,938**	**335**	**(46,901)**	**(11,477)**
Equity settled share-based payments	-	-	-	-	-	-
Issue of share capital	425	-	-	-	-	425
Loss for the financial year	-	-	-	-	(2,097)	(2,097)
Balance at 31 December 2024	**8,779**	**15,797**	**10,938**	**335**	**(48,998)**	**(13,149)**

1. General information

The principal activity of the Company is the provision of instant communication mobile applications which serve the market of mobile data services in the mobile communication industry. The Company is a public limited company limited by shares which is listed on the Alternative Investment Market and incorporated and domiciled in England within the UK. The address of the registered office is Copthall Bridge, 59 Station Parade, Harrogate, HG1 1TT.

2. Statement of compliance

The individual financial statements of Mobile Tornado Group plc have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation

The financial statements are presented in sterling, rounded to the nearest thousand. They are prepared on a going concern basis and under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.3.

The Company has taken advantage of the following exemptions in its individual financial statements:

- From preparing a statement of cashflows;
- Disclosure of related party transactions with and between wholly-owned subsidiaries;
- Disclosures relating to financial instruments;
- Share based payment disclosure.

A description of each type of share-based payment arrangement that existed at any time during the period, including the general terms and conditions of each arrangement, such as vesting requirements, the maximum term of options granted, and the method of settlement (e.g. whether in cash or equity) is provided in note 15 to the Group accounts.

3.2 Going concern

The Financial Statements are prepared on a going concern basis.

When determining the adoption of this approach, the Directors have considered a wide range of information relating to present and future conditions, including the current state of the Balance Sheet, that support offered by our principal shareholder Holf Investments Ltd, who have agreed not to call on existing loans and borrowings totaling £11,460,000. Further consideration has been given to future projections, cash flow forecasts, access to funding, ability to successfully secure additional investment, available mitigating actions and the medium-term strategy of the business.

The Group is dependent on its ability to meet its cash flow forecasts. Within those forecasts the Group has included a number of significant payments and receipts based on its best estimate but, as with all forecasts, there does exist some uncertainty as to the timing and size of those payments and receipts. In particular, the forecasts assume the ongoing deferral and phased payment of some of the Group's creditors, including a contingent consideration balance of £2,718,000, (as disclosed in note 12 to the financial statements), and the continuation at the current level of recurring revenue and a significant increase in the level of non-recurring revenues. In the event that some or all of these receipts are delayed, deferred or reduced, or payments not deferred, management has considered the actions that it would need to take to conserve cash. These actions would include significant cost savings (principally payroll based) and/or seeking additional funding from its shareholders, for which there is currently no shareholder commitment requested. These conditions, together with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

The Directors, whilst noting the existence of a material uncertainty and having considered the possible management actions as noted above, are of the view that the Group is a going concern and will be able to meet its debts as and when they fall due for a period of at least 12 months from the date of signing these accounts.

3.3 Critical accounting estimates and judgements

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Contingent consideration – payments are dependent on estimates of future license sales revenues.

Trade and other receivables – recognition of any impairment provisions in respect of amounts recorded as trade and other receivables is dependent on judgements made on the recoverability of such items.

Research and development - distinguishing the research and development phases of the Group's research and development expenditure and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement.

Valuation of goodwill – the carrying value of goodwill is reviewed for impairment at least annually. In determining whether goodwill is impaired an estimation of the fair value and/or the value in use of the cash generating unit (CGU) to which the goodwill has been allocated is required. This calculation of value in use requires estimates to be made relating to the timing and amount of future cash flows expected from the CGU, and suitable discount rates based on the Company's weighted average cost of capital adjusted to reflect the specific economic environment of the relevant CGU. The calculation of fair value requires estimates of the market value of the Company by reference to existing market data for the Company or for similar entities.

3.4 Share options

The Company grants share options to employees and Directors on a discretionary basis.

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, which takes into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

3.5 Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to sterling at the exchange rates ruling at the balance sheet date.

All exchange differences are taken to the profit and loss account.

3.6 Tangible fixed assets

The cost of tangible fixed assets is their purchase cost. Depreciation is calculated so as to write-off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer & other equipment	3 years

The Directors review tangible fixed assets for impairment if events or changes in circumstances indicate that the carrying value of may not be recoverable.

3.7 Goodwill

The Directors continue to assess that the goodwill has a finite life of 20 years and therefore will continue to amortise the goodwill over the remaining years of this period.

After initial recognition, goodwill is measured at cost less amortisation and accumulated impairment losses. At each year end date goodwill is reviewed for impairment using a discounted cash flow method applied to business forecasts. If this review demonstrates that impairment has occurred, this is expensed to the Company’s income statement. Goodwill is allocated to cash generating units for the purpose of impairment testing.

3.8 Intangible assets

Research expenditure, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is charged to income in the year in which it is incurred. Internal development expenditure, whereby research findings are applied to a plan for the production of new or substantially improved products or processes, is charged to income in the year in which it is incurred unless it meets the recognition criteria of FRS102 Section 18 'Intangible Assets which, other than for goodwill', are;

▪ The technical feasibility of completing the intangible asset so that it will be available for use or sale.
▪ Its intention to complete the intangible asset and use or sell it.
▪ Its ability to use or sell the intangible asset
▪ How the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
▪ The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
▪ Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement uncertainties over economic benefits generally mean that such criteria are not met. Where, however, the recognition criteria are met, intangible assets are capitalised and amortised over their useful economic lives from product launch. Intangible assets relating to products in development are subject to impairment testing at each balance sheet date or earlier upon indication of impairment. Any impairment losses are written off immediately to income.

3.9 Investments

Investments are stated at cost less provision for any permanent impairment in value. The carrying value of investments is reviewed annually to determine the need for any provision for impairment. The investment has been fully impaired in previous periods.

3.10 Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligation of the financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains and losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividend and distributions relating to equity instruments are debited direct to equity.

4 Intangible assets

	Goodwill £'000	Software £'000	Total £'000
Cost			
At 1 January 2024	12,758	-	12,758
Additions	-	-	-
At 31 December 2024	**12,758**	**-**	**12,758**
Accumulated amortisation			
At 1 January 2024	9,451	-	9,451
Charge for the year	576	-	576
At 31 December 2024	**10,027**	**-**	**10,027**
Net book amount at 31 December 2024	**2,731**	**-**	**2,731**
Net book amount at 31 December 2023	3,307	-	3,307

The Directors have considered the underlying cash generating assets to which the goodwill relates and the future cashflows it will generate, and on the basis of this do not consider the asset to be impaired. They key assumptions within this consideration were:

1. an increase in the current level of recurring revenues, sourced from a combination of existing as well as forecast new Partners.
2. a modest increase in the underlying operating costbase

5 Tangible assets

	Computer equipment £'000	Vehicles £'000	Total £'000
Cost			
At 1 January 2024	498	24	522
Additions	-	-	-
Disposals	-	(24)	(24)
At 31 December 2024	**498**	**-**	**498**
Accumulated depreciation			
At 1 January 2024	498	24	522
Charge for the year	-	-	-
Disposals	-	(24)	(24)
At 31 December 2024	**498**	**-**	**498**
Net book amount at 31 December 2024	**-**	-	**-**
Net book amount at 31 December 2023	-	-	-

6 Investment in subsidiary

Details of the investments at 31 December 2024 in which the Company holds more than 20% of the nominal value of ordinary share capital are as follows:

	Country of incorporation or registration	Nature of business	Group proportion held	Company proportion held
M.T. Labs Limited	Israel	Sale of instant communication services	100%	100%

With registered address: 13 Amal street, Afek Industrial Park, Rosh Ha'ayin 4809249, Israel

On 31 October 2009 the trade and net assets of Mobile Tornado International Limited were transferred to Mobile Tornado Group plc at book value, following which the net investment held by Mobile Tornado Group plc in Mobile Tornado International Limited was £12,758,000. Consequently, the value of the investment held in Mobile Tornado International Limited is not supported by any net assets or future cash flows. As the transfer did not impair the future profitability of the Company, £12,758,000 was transferred from investments to goodwill in the Company balance sheet.

Mobile Tornado International Limited was subsequently dissolved.

7 Debtors

	2024	2023
	£'000	£'000
Amounts falling due after more than one year:		
Trade receivables	**321**	796
Prepayments	**83**	26
Accrued income	**167**	157
Other debtors	**157**	154
Amounts owed by Group undertakings	**576**	669
	1,304	1,802

Trade receivables includes £nil (2023: £nil) falling due after more than one year. Trade receivables are stated after provisions for impairment of £106,000 (2023: £73,000).

Amounts due from group undertakings are unsecured, interest free and repayable on demand.

8 Creditors

	2024 £'000	2023 £'000
Trade creditors	**839**	874
Accruals	**166**	136
Other taxation and social security	**53**	35
10% cumulative preference shares	**9,351**	8,550
Bank loans	**17**	26
Deferred income	**2,013**	2,139
Loans owed to related party undertakings	**2,109**	2,281
Contingent consideration	**2,718**	2,675
	17,266	16,716
Less non-current portion:		
Deferred consideration	**(456)**	(769)
Bank loans	**(7)**	(17)
Amounts due within 1 year	**16,803**	15,930

The contingent consideration arose on the purchase of intellectual property from Tersync Limited in 2001 and represents a royalty payable on future sales of Push to Talk related products by Mobile Tornado, payable in part as consideration for the acquisition of the rights to the technology underlying such product. The royalty is payable quarterly on any relevant sales (on a cash receipts basis) as follows:

(i) 50% of the first US$200,000 relevant sales.

(ii) 15% of any additional relevant sales, subject to any related cumulative royalty payments being capped at a maximum of US$5.3 million. Direct reseller and other third party costs may be deducted in arriving at these royalty payments, subject to such costs not exceeding 10% of the relevant sales.

The split between current and non-current reflects the Group's estimate of future sales and the amount of royalty payment that would fall due within the next 12 months based on the above terms.

The deferred income balance includes an amount of £1,964,000 (2023: £2,139,000) received from InTechnology plc in respect of 12 month licenses that had not been brought into use at the balance sheet date. The Group will recognise related income from the date of activation of each licence, or the expiration of its obligations if sooner.

9 Called up share capital

	2024 £'000	2023 £'000
Allotted, called up and fully paid		
438,969,415 (2023: 417,719,415) Ordinary shares of 2p each	**8,779**	8,354
Total	**8,779**	8,354

There is a single class of ordinary shares. There are no restrictions on the distributions.

Non-voting preference shares – classified as liability

	Number of shares '000	Nominal Value £'000
As at 31 December 2023 and 2024	**71,277**	**5,702**

All preference shares are non-voting, non-convertible cumulative redeemable preference shares. They are redeemable at par value on 31 December 2024, or, at the Company's discretion, at any earlier date and will accrue interest at a fixed rate of 10 per cent. per annum. Unpaid dividends accrue interest at 3% above Bank of England base rate until settled.

Holf Investments Ltd has confirmed its willingness, should the Group request, to extend the redemption date on these preference shares until 31 December 2026.

10 Capital and other commitments

At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2024 £'000	2023 £'000
One to five years	**41**	35
Total	**41**	35

Operating lease payments represent rentals payable by the Company for certain data centre and network services.

11 Related party transactions

The Company has taken advantage of the exemption available under FRS 102 'Related Party Disclosures' from disclosing transactions between the Company and its wholly owned subsidiary undertaking as these have been eliminated on consolidation of these financial statements.

Peter Wilkinson is a shareholder and Director of Intechnology plc. In previous years, Intechnology plc bought right of use licenses totalling €2,400,000 from Mobile Tornado Group plc. During the year to 31 December 2024 the value of licenses brought into use was €nil (year ended 31 December 2023; €nil). The balance of unused licenses as at 31 December 2023 was €2,376,000 (31 December 2022; €2,376,000). This balance is included in contract liabilities in the accounts.

Peter Wilkinson is a shareholder and Director of Holf Investments Ltd. Mobile Tornado Group plc has bought goods and services totalling £nil from Holf Investments Ltd in the year ending 31 December 2024 (year ended 31 December 2023; £nil). As at 31 December 2024, Mobile Tornado Group plc owed Holf Investments Ltd £719,000 (31 December 2023; £nil).

Holf Investments Ltd has provided loan finance to Mobile Tornado Group plc in the year ended 31 December 2024 of £nil (year ended 31 December 2023; £nil). Mobile Tornado Group has made loan repayments to Holf Investments Ltd in the year ended 31 December

2024 of £86,000 (year ended 31 December 2023; £nil). As at 31 December 2024, Mobile Tornado Group plc owed Holf Investments Ltd £2,004,000 (31 December 2023; £2,090,000).

Holf Investments Ltd has provided preference share finance of £nil to Mobile Tornado Group plc in the year ended 31 December 2024 (year ended 31 December 2022; £nil). As at 31 December 2024, Mobile Tornado Group plc had total preference share indebtedness to Holf Investments Ltd of £9,351,000 (31 December 2023; £8,550,000).

On 30 August 2024, the Company's revolving loan facility agreement with InTechnology plc was assigned by Intechnology plc in full to Holf Investments Ltd. On the same date, the terms of the facility were amended, extending the term by a further 12 months to 26 September 2025.

During the year, £100,000 was repaid (2023: £250,000 repaid). As at 31 December 2024, Mobile Tornado Group plc owed Holf Investments Ltd £50,000 (31 December 2023; Intechnology plc £150,000). In addition to this principal amount, interest and facilities fees for the year amounted to £14,000 (year ended 31 December 2023; £16,000), of which £nil (year ended 31 December 2023; £nil), was paid during the year. The total amount of interest and facility fees owed to Holf Investments as at 31 December 2024 was £55,000 (31 December 2023: £41,000)

Payments to a third party, Mainstream Capital Partners LLP, are made in respect of the services provided by Jeremy Fenn, Executive Chairman. As at 31 December 2024, Mobile Tornado Group Plc owed £nil (31 December 2023: £12,000) to Mainstream Capital Partners LLP.

Peter Wilkinson is a shareholder and Director of Intechnology plc. Mobile Tornado Group plc has bought goods and services totalling £30,000 from Intechnology plc in the year ending 31 December 2024 (year ended 31 December 2023; £nil). As at 31 December 2024, Mobile Tornado Group plc owed Intechnology plc £nil (31 December 2023; £nil).

Luke Wilkinson is a shareholder and Director of Storm Intelligent Communications Ltd. Mobile Tornado Group plc has sold goods and services totalling £28,000 to Storm Intelligent Communications Ltd in the year ending 31 December 2024 (year ended 31 December 2023; £20,000). As at 31 December 2024, Storm Intelligent Communications Ltd owed Mobile Tornado Group plc £51,000 (31 December 2023; £36,000).

The Group is controlled by Holf Investments Ltd (incorporated in the UK) which, as of today's date, owns 46.9% of the Company's ordinary shares. The Group's ultimate parent and controlling party is Peter Wilkinson who has a total direct and indirect beneficial interest in 55.6% of Mobile Tornado's issued share capital.

12 Loss for the financial year

The Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Parent Company's loss for the year ended 31 December 2024 was £2,097,000 (year ended 31 December 2023: £1,557,000 loss).

13 Employee information

The average monthly number of persons (including Executive Directors) employed by the Company during the year was 12 (2023: 5)

Corporate information

Company Registration Number:	5136300	
Registered Office:	Copthall Bridge 59 Station Parade Harrogate North Yorkshire HG1 1TT	
Directors:	Jeremy Fenn Luke Wilkinson Marcus Emptage Jonathan Freeland	(Executive Chairman) (Chief Executive Officer) (Finance Director) (Non-Executive Director)
Nominated Adviser and Broker:	Allenby Capital Ltd 5 St Helen's Place London EC3A 6AB	
Bankers:	Barclays Bank Plc Hanover Square 50 Pall Mall London SW1Y 5AX	
Solicitors:	Schofield Sweeney LLP 76 Wellington Street Leeds LS1 2AY	
Registrars:	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU	
Auditors:	Saffery LLP 10 Wellington Place Leeds LS1 4AP	

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