Cambridge Cognition Holdings plc

Annual Report and Accounts
for the year ended 31 December 2024

Company Number: 08211361

Contents

Chair's Statement

Cambridge Cognition has taken decisive steps to return to growth. The Group is a brain health company whose market leading software tools provide an accurate detection of cognitive change to improve the diagnosis and treatment of brain health.

Overview

Built on rich, curated data and deep technical expertise we are building a strong global brand with scalable technology that will support the rising world demand for diagnosing and treating brain health, mental health, and CNS disorders. The Board believes that the Group can reach revenue of £75-100m by 2030 and will create shareholder value through organic sales growth, strategic partnerships, joint ventures and spin-outs.

Critical steps were taken in 2024 and in Q1 2025 to achieve this vision and these have delivered a material improvement in new Sales Orders - with £7.4m contracted in 2024, of which £3.1m contracted in Q4, and £4.2m contracted in Q1 2025.

Commercial

- Commercial team rebuilt and strengthened.
- Revised the commercial strategy to focus on building long term relationships with larger, well-funded pharmaceutical and biotech companies.

Leadership

- Alex Livingstone-Learmonth recruited to lead the regeneration of the Group's commercial activities.
- Appointed Rob Baker (Chief Operating Officer) and Alex Livingstone-Learmonth (Chief Commercial Officer) as Joint Acting Managing Directors in September 2024, following the CEO's departure.
- Initiated a CEO selection process in Q1 2025.
- Strengthened the Board with three new Non-Executive Director appointments: Nick Rodgers, Stuart Gall and Jon Kempster.
- Created a new Scientific Advisory Board to advise on the scientific and technology development of the Group.

Product and technology advancements

- Launched a new in-house Rater Training service to complement and expand the service offering in clinical trials.
- Submitted a Letter of Intent to the U.S. FDA to qualify CANTAB® as an objective measure for cognitive impairment in schizophrenia ('CIAS') as a Drug Development Tool.
- Demonstrated CANTAB's effectiveness in a post-hoc analysis of Bristol Myers Squibb clinical research on cognitive impairment in schizophrenia.
- Demonstrated the effectiveness of an innovative Automated Quality Assurance ('AQUA') tool developed using Winterlight technology.
- Secured a £1.0m Innovate UK grant to provide voice and touchscreen cognitive assessments for the Global Alzheimer's Platform Foundations Bio-Hermes 2 project.
- Supported Biogen and Apple in the Intuition Brain Health study, one of the world's largest brain health studies, with findings published in Nature Medicine.
- The valuation of the Group's investment in its spin-out, Monument Therapeutics, increasing to £1.7m following equity financings in 2024.

Financial results

- 2024 revenue of £10.3m (2023: £13.5m).
- Operating costs reduced by £4.4m in 2024 to £10.0m (2023: £14.4m).
- Improved Adjusted EBITDA loss to £43k (2023: loss of £1.0m).
- Completed a £2.6m equity placing and open offer in June 2024.
- Cash at 31 December 2024 of £1.3m (2023: £3.2m).
- Reduced borrowing to £1.9m at 31 December 2024 (2023: £2.5m).
- Order book at 31 December 2024 £13.6m (2023: £17.2m).

A strong Q1 2025, with new Sales Orders of £4.2m, gives an increased Order Book of £15.8m at 31 March 2025. The Group anticipates delivering 2025 revenue of £8.5m from the current Order Book before the impact of contracting further new Sales Orders in Q2-Q4 2025.

Current trading and outlook

Following the return to commercial growth in late 2024 with new Sales Orders of £3.1m in Q4, this has continued into 2025 with a further £4.2m in Q1. The Group therefore believes that the revised commercial strategy is delivering growth. The Order Book increased to £15.8m at 31 March 2025, up from £13.6m at 31 December 2024. The Order Book is anticipated to deliver £8.5m in Revenue in 2025 and this will increase as new Sales Orders are contracted during 2025.

Costs were reduced materially in 2024 and the focus on cost control, profitability and cash generation continues. Cambridge Cognition is committed to reaching sustained profitability as measured by Adjusted EBITDA.

As the Group secures new Sales Orders during the year, which brings upfront cash generation, this is expected to increase cash resources and enable the Group to reach sustained profitability and positive cashflow without further fund raising. In addition, based on the anticipated servicing of the loan facility the balance of the loan will reduce from £1.9m at 31 December 2024 to £0.9m by end of 2025.

Steven Powell
Chair
22 May 2025

Service Offering and Business Model

The Group develops proprietary technologies for the assessment of cognition as a measure of brain health.

These deliver patient assessments via:

- **Digital touchscreen cognitive assessments**, known as **CANTAB®**, where participants complete specific tasks that generate objective cognitive data and brain health insights.
- **Voice-based cognitive assessments**, which were materially enhanced and expanded through the acquisition of Winterlight Labs in 2023.

These assessments can serve four market segments:

- **Clinical Studies** to assess the efficacy and safety of new pharmaceutical or other healthcare products.
- **Academic Research** focussed principally on understanding underlying disease mechanisms.
- **Healthcare** to support physicians in diagnosis, treatment and monitoring of patients in a real-world setting by measuring cognitive function.
- **Consumer Health & Wellness** applications to allow individuals to assess cognitive function with a reliable, accurate and meaningful output.

To date the Group has only generated consistent and significant revenue from Clinical Studies and Academic Research. It is a strategic objective to generate income from both the Healthcare and Consumer Health & Wellness channels through corporate partnership.

	2024 £m	**2024 %**	**2023 £m**	**2023 %**
Clinical Studies	**9.3**	*90.2%*	12.5	*92.7%*
Academic Research	**0.9**	*8.4%*	0.9	*6.6%*
Healthcare	**0.1**	*1.4%*	0.1	*0.7%*
Total Revenue	**10.3**	*100.0%*	13.5	*100.0%*

Clinical Studies

In 2024 the Group earned 90.2% (2023: 92.7%) of its revenue supporting clinical studies conducted by pharmaceutical and biotechnology companies developing new drugs. These new drug products are typically being developed to treat central nervous system ('CNS') disorders where the customer seeks to measure the effect of a drug candidate on a patient's cognition. The Group believes the largest potential growth areas to be assessed using **CANTAB** and **Voice** are: Alzheimer's disease, major depressive disorder and schizophrenia.

To support clinical studies the Group offers three further services:

- **eCOA**, or electronic clinical outcomes assessment, was materially enhanced by the acquisition of eClinicalHealth (or 'Clinpal') in October 2022. eCOA employs electronic questionnaires and clinical scales to enable faster and more accurate study delivery compared to paper clinical outcome assessment scales.

- **AQUA** – the Group developed and launched a unique, automated quality assurance platform powered by Winterlight Labs' innovative speech analysis platform, which was acquired in 2023. AQUA analyses audio recordings during administration of CNS clinical scales to detect deviations in administration and scoring to ensure that clinical data is both standardised and accurate and it maximizes the likelihood of success in the clinical study.
- **Rater training** – in 2024 the Group launched its advanced in-house rater qualification and management programme that ensures raters administer and score cognitive assessments consistently and to the highest standards. The Group's method is founded on the comprehensive insight, developed over more than 20 years, into the typical challenges and error patterns faced by raters in CNS clinical studies. The training aligns the experience levels of each rater with the clinical study to reduce the training burden and accelerates the timeline for study start-up.

Academic Research

The Group supports researchers in academia who use the CANTAB Connect Research ('CCR') platform. CCR is based on the full CANTAB Connect platform but has been tailored to meet the needs of academic researchers at a more affordable price point. Backed by over 30 years of scientific discovery and validation, CANTAB assessments have been referenced in over 3,000 peer reviewed papers and articles. The Group believes that the Academic Research market segment has the scope for continued growth and is developing focussed academic market access routes to expand usage.

Healthcare

The Group has historically sought to deliver its technology to physicians for patient cognitive assessment through a limited number of partner and distributor relationships. The return on these has been disappointing. Since Q4 2024, these relationships have been re-evaluated based on capability, fit and delivery against targets. As a result, several agreements have been terminated. A dedicated team is now seeking to identify new partners with the commercial reach, infrastructure and desire to bring these technologies to market to benefit physicians and patients.

Consumer Health & Wellness

The Group believes a significant opportunity exists within the Consumer Health & Wellness market. Increasingly, individuals can access an array of health and wellness services online and via apps, enabling them to self-monitor aspects of their health. Data must be accurate, reliable and meaningful so that it can be trusted should the individual wish to seek input from a healthcare professional. A dedicated team has been established to evaluate routes to market entry, with the Group being well positioned to address this growing need.

The Group looks forward to making further updates on the Healthcare and Consumer Health & Wellness markets during 2025.

Technology Licensing

The Group has generated a substantial bank of data relating to cognitive health over 30 years of research. The Group is actively seeking routes to create value from this data.

Monument Therapeutics Limited ('Monument'), in which the Group holds a 22.1% stake, typifies a strategic opportunity to realise long-term value. Spun out in 2021, Monument combines the Group's digital biomarkers with novel drug development. Its lead programme is targeting cognitive impairment in schizophrenia. In 2024, Monument raised £2.5m in new equity, leading the Group to increase the fair value of its investment to £1.8m; an uplift of £1.7m.

Operating Review

Commercial

The Group's most important activity in 2024 has been to rebuild, re-energise and refresh its Commercial team. The Group's Order Book had fallen from an all-time high of £19.9m in June 2023 to £13.1m in September 2024, as new Sales Orders failed to replace revenue recognised.

Alex Livingstone-Learmonth was appointed as Chief Commercial Officer in February 2024. During 2024, Alex has worked to recruit and build an effective Sales team and strengthen the marketing function. At the same time, he has revised the strategic sales focus to build long-term relationships with large pharmaceutical companies and well-funded biotechs through dedicated account management. Developing these relationships provides greater visibility of opportunities and reduces friction during the contracting process.

The changes in the Commercial team and the revised focus are delivering results. In January to September 2024, the Group closed £4.3m of Sales Orders, of which a substantial proportion were change orders and extensions to existing studies. In Q4 2024 the Group secured £3.1m in Sales Orders, of which 80% comprised new clinical studies. At 31 December 2024, the Order Book had stopped its decline and stood at £13.6m.

Continuing the improvement seen in Q4 2024, the Group secured new Sales Orders in Q1 2025 of £4.2m, approximately 85% of which are new clinical studies. At 31 March 2025, the Order Book had increased to £15.8m.

The Group has reported several recent notable contract wins:

- The award of large Phase III autoimmune disease clinical trial which will generate approximately £1.0m in revenue.
- The award of digital cognitive and voice assessments for two Phase III clinical trials in adolescents with Major Depressive Disorder which will generate approximately £1.2m in revenue.
- The expansion of the relationship with Actinogen Medical Limited (ASX: ACW) for the Phase IIb/III XanaMIA Alzheimer's disease trial.

Leadership

The Board has strengthened the leadership of the Group at both a non-executive and executive level.

The Company has appointed three highly experienced Non-Executive Directors: Nick Rodgers and Stuart Gall joined the Board in January 2024, and Jon Kempster joined in February 2025.

Following the departure of the CEO in September 2024, the Board appointed Rob Baker (Chief Operating Officer) and Alex Livingstone-Learmonth (Chief Commercial Officer) as Joint Acting Managing Directors. Since their appointment, the Group has seen substantial positive development and a return to sales growth with the Order Book recovering and future revenue prospects improving. Through their leadership there has also been increased communication across the international teams and with shareholders. Post the reporting period, and with increased stability in the Group, the Board has initiated a process to identify and select a CEO to deliver the next phase in the development of Cambridge Cognition. The Board will keep shareholders updated on the outcome of this process.

To ensure the continued growth in the Group's technology and scientific base, a new Scientific Advisory Board has been formed to advise on relevant developments in the CNS field. This comprises Professor Judith Jaeger, Professor John Harrison, Liam Kaufman (VP Corporate Business Development and former CEO of Winterlight Labs), and Dr Francesca Cormack (Cambridge Cognition's Chief Scientist).

Product and technology

Science and technology lie at the core of the Group's offering, based on a deep understanding of neuroscience and particularly cognition and diseases which affect cognition. This is combined with the creation of innovative software-based solutions to assess, monitor and measure cognition in human health with tools for each specific market segment. The Group believes that continued investment and development is essential. Over 2024 the Group:

- Launched the Rater Training service to complement the suite of tools and services to support CNS clinical studies alongside CANTAB and voice assessments, eCOA and AQUA. Rater Training ensures individuals conducting cognitive assessments on patients in a clinical study ('raters') have been prepared to the highest standards for a particular study, ensuring high quality data is collected.
- Announced that Bristol Myers Squibb used data from CANTAB cognitive assessments to conduct a post-hoc analysis of two-Phase III trials, which was published in The American Journal of Psychiatry. The CANTAB assessments showed improvement in patients with pre-specified cognitive impairments after treatment with the drug Cobenfy™.

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- Submitted a letter of intent to the U.S. Food and Drug Administration ('FDA') under the Drug Development Tool pathway. This outlines the Group's plan to develop and validate an objective and reliable measure of cognitive impairment associated with schizophrenia ('CIAS'). This could serve as a co-primary outcome in schizophrenia clinical trials, alongside functional improvement. Unlike other schizophrenia symptoms, CIAS tends to persist regardless of whether other symptoms are well-controlled. There is no approved treatment which targets CIAS. The Group's proposed approach to digital cognitive assessment is intended to reduce the burden associated with lengthy and potentially less accurate paper-based cognitive tests.
- Demonstrated the value created through the spin-out, Monument Therapeutics ('Monument') which raised a further £2.5m in new equity. The Group has fair valued its investment in Monument to £1.8m, an increase of 1.7m.
- Presented new data at the International Society for CNS Clinical Trials and Methodology conference which demonstrated that AQUA has strong alignment with expert reviewers on key quality indicators of Clinical Dementia Rating ('CDR') recordings in an Alzheimer's disease trial. AQUA analyses the audio recording of CNS clinical interviews and detects deviations in administration and scoring by the rater. This allows AQUA to enhance COA review processes and offer an efficient solution to support central monitoring.
- Secured a £1.0m Innovate UK grant to provide voice and touchscreen cognitive assessments for the Global Alzheimer's Platform Foundations Bio-Hermes 2 project.

Outlook

Following a return to commercial growth in late 2024, with new Sales Orders of £3.1m in Q4, the Group had another strong quarter in Q1 2025 with new Sales Orders of £4.2m. These included several multi-study agreements and repeat business with top tier pharma companies. The Group is confident that the revised sales strategy is yielding results.

The Order Book, which represents contracted work which has not been executed and recognised as revenue, increased to £15.8m at 31 March 2025, up from £13.6m at 31 December 2024. This provides visibility of revenues of £8.5m for 2025, £4.1m for 2026 and £5.1m for 2027 and beyond. The pipeline of sales opportunities which the Group is pursuing is £38.3m, up from £34.2m at 31 December 2024.

Clinical studies are typically executed over a two- to five-year period. Therefore, new Sales Orders will only deliver a portion of their revenue in 2025. While further wins are required to reach market expectations, the strong sales performance over the last six months gives the Group confidence that the Order Book will grow materially during 2025.

Costs were reduced materially in 2024 and the focus on cost control, profitability and cash generation continues. This focus will remain as the Group scales up operations to accommodate the increased number of clinical trials it anticipates delivering. The Board and management remain committed to reaching profitability at an Adjusted EBITDA level.

The Group typically invoices a significant portion of a contract upfront and continues to invoice ahead of completing work throughout the contract. This means cash is closely linked to winning new Sales Orders and is generated ahead of revenue. As the Group continues to close new Sales Orders this will increase cash resources across the year.

The Board is monitoring recent trade developments in the United States closely. The US is a key market, representing approximately half of the world's pharmaceutical research and development spend. The Group believes that the current tariff increases will have a limited impact on Cambridge Cognition. However, there may be broader market effects on the appetite to conduct and fund pharmaceutical R&D. The Group is paying close attention to signals and is seeking ways to mitigate any impact

Based on the improving sales performance, reduced costs, and focus on future cost control, provided the recovery in new Sales Orders continues, the Directors believe that the Group will close the year with strong revenues, an improvement in Adjusted EBITDA, reduced borrowing and increased cash resources. A materially strengthened Order Book will underpin future revenue, profitability and cash flow.

Finally, 2024 was a year of significant disruption both internally and in international markets. Cambridge Cognition has emerged from the past year stronger, leaner and with renewed ambitions. This would not have been possible without the leadership of the executive, the hard work of the operational teams and the enduring support of shareholders. We look forward to carrying the strong performance of Q4 2024 and Q1 2025 onwards into the future.

Finance Review

While 2024 saw Revenue reduce to £10.3m (2023: £13.5m) the Group recorded an improved Adjusted EBITDA loss of £43k (2023: £1.0m). At year end, the Group's Order Book, which represents future contracted work, was £13.6m (2023: £17.2m) of which £6.6m is anticipated to be recognised in revenue in 2025. The Group closed the year with Cash of £1.3m (2023: £3.2m), reduced borrowings of £1.8m (2023: £2.5m) and a net debt position of £0.6m (2023: net cash £0.7m). Liquidity was improved through a £2.3m equity issuance in June 2024.

Order Book, Sales Orders and Revenue

The Order Book underpins revenue. Nearly all revenue is generated through long-term contracts from Sales Orders. When contracted, this is referred to as Order Book and is subsequently recognised as revenue when work is undertaken.

Due to the duration of clinical studies, which can range from 6 months to over 5 years, the Order Book provides visibility of future revenue. Most of the revenue in any given year is derived from the opening Order Book, with the balance coming from Sales Orders contracted and work undertaken during the year.

The Order Book, as shown below, was £17.2m at 1 January 2024, of which £8.9m was scheduled to be recognised as revenue in 2024.

During 2024 the Group secured total new Sales Orders of £7.4m, and these contributed £2.1m to revenue in the year. This resulted in £10.3m of Revenue, after other adjustments.

The decrease in Revenue to £10.3m (2023: £13.5m) was driven by:

- The fall in the Order Book during 2023; and
- Low Sales Orders during early 2024 with only £3.3m contracted in H1 2024.

Given the duration of clinical studies, new Sales Orders received in the first half of any financial year will yield greater revenue in the year than those Sales Orders received in the second half.

	Order Book	Revenue recognition					FY
	2024	*2024*	*2025*	*2026*	*2027*	*2028+*	2023
At 1 January	**17.2**	*8.9*	*3.4*	*1.5*	*1.4*	*2.0*	17.6
Acquisition							1.5
New Sales Orders	**7.4**	*2.1*	*3.5*	*1.3*	*0.4*	*0.1*	10.9
Other adjustments[1]	**(0.6)**	*(0.7)*	*(0.3)*	*0.8*	*(0.6)*	*0.1*	0.7
Revenue recognised	**(10.3)**	*(10.3)*	-	-	-	-	(13.5)
At 31 December	**13.6**	-	*6.6*	*3.6*	*1.2*	*2.2*	17.2

1. Impact of foreign currency exchange rates, cancellations and delays.

At 31 December 2024, the Order Book stood at £13.6m. While this is a decline from 1 January 2024 (£17.2m) and 30 June 2024 (£14.6m), it shows the start of a recovery. The Order Book had reached a low of £13.1m at the end of Q3 2024.

New Sales Orders in 2024 were £7.4m (2023: £10.9m). During Q1 to Q3, £4.3m was contracted; however, only 44% was new clinical studies, with £2.3m being change orders and extensions to existing studies. In Q4 2024, £3.1m was contracted, with 80% being new clinical studies.

In Q1 2025, £4.2m of new Sales Orders were contracted, with 85% being new clinical studies. This brings total new Sales Orders in the last six months to £7.3m and increased the Order Book at 31 March 2025 to £15.8m, providing visibility to £8.5m of Revenue in 2025.

Since September 2024, trading conditions remained challenging and the Group believes that the increase in new Sales Orders is largely driven by the recruitment of new Commercial leadership, rebuilding the sales and marketing team, and by a change in focus to those larger well-funded pharmaceutical and biotech companies which have portfolios of multiple potential studies.

The Group's principal source of Revenue is from Clinical Studies. Revenue by market segment is as follows:

	2024 £m	2023 £m	Movement £m	Movement %
Clinical Studies	**9.3**	12.5	(3.2)	(25.6)
Academic Research	**0.9**	0.9	-	-
Healthcare	**0.1**	0.1	-	-
Total Revenue	**10.3**	13.5	(3.2)	(23.7)

Gross margin and gross profit

Gross profit decreased 22% to £8.4m (2023: £10.8m), caused by lower revenue in 2024. Gross margin was 81.2% (2023: 79.9%), improving slightly due to operational efficiencies realised through the restructuring exercises undertaken in 2024 and 2023, and a reduced number of lower margin study start start-ups.

Operating expenditure

The Group focused significant effort on operational efficiencies and reducing its cost base starting in 2023 and continuing in 2024. A significant multi-departmental restructuring exercise was implemented in the first half of the 2024. This resulted in annualised cost savings of £2.0m, bringing total annualised cost saving of £3.5m from restructurings and cost cutting measures completed in 2023 and 2024.

Operating expenditure was as follows:

	2024 £m	2023 £m	Movement £m	Movement %
Research and development expense	**2.6**	3.8	(1.2)	(31.6)
Sales and marketing expense	**2.3**	3.0	(0.7)	(23.3)
Administrative expense	**4.9**	6.1	(1.2)	(19.7)
Non-recurring items	**0.2**	1.5	(1.3)	(86.7)
Total operating expense	**10.0**	14.4	(4.4)	(30.6)

Non-recurring items includes costs associated with acquisitions and integrations of £0.1m (2023: £1.2m) and restructuring costs of £0.1m (2023: £0.2m). These decreased year-on-year as there were no acquisitions in 2024, and the integrations of Winterlight and Clinpal were materially completed in 2023.

Other operating income

Other operating income primarily relates to grant income, and this increased by 167% in 2024 to £0.5m (2023: £0.3m). The Group participated in two grant schemes during the year: Bio-Hermes 2 funded by Innovate UK, and Trials@Home.

Adjusted EBITDA

The Group presents the non-GAAP measure of Adjusted EBITDA, to assist in year-on-year comparisons of underlying, day-to-day operations. This is a change from Adjusted operating profit/loss as presented in prior year. This is reconciled to Operating Loss as follows:

	2024 £m	2023 £m
Operating loss	**(1.2)**	(3.3)
Adjusting items		
Depreciation of property, plant and equipment	**0.1**	0.1
Amortisation of intangible assets	**0.6**	0.5
Share-based payments	**0.3**	0.2
Non-recurring items	**0.2**	1.5
Adjusted EBITDA	**-**	(1.0)

Adjusted EBITDA loss decreased to £43k (2023: loss of £1.0m). Adjusted EBITDA excludes:

- depreciation of property, plant and equipment as a non-cash cost.
- amortisation of intangible assets primarily relates to the amortisation of assets arising as a result of the acquisitions of Winterlight and Clinpal, for which there has been no direct cash cost and does not reflect the economic realities of the Group's day-to-day operations.
- share-based payments as a non-cash cost.
- non-recurring items related to non-core activities (acquisition, integrations, significant restructuring exercises).

Liquidity: Cash, Borrowing and Net Cash/Debt

The Board recognises the need to ensure that the Group reaches sustained profitability and cash flow. Cash flow, cash resources and financial commitments are standing items at all Board meetings.

In June 2024, the Group completed a £2.6m equity financing, via a placing of 6,561,057 new Ordinary Shares at 40p each which was supported by both new and existing shareholders. These funds enable the Group to grow technical, business development and commercial activities and strengthen the balance sheet through provision of working capital. The Group believes the impact of strengthening the Commercial group is being seen in the improvement in new Sales Orders particularly over the six months to 31 March 2025.

The Group ended the year with £1.3m of cash (2023: £3.2m).

Loans and borrowings decreased to £1.9m (2023: £2.5m) due to repayments on the principal of the term loan entered in September 2023. The associated Finance costs increased to £0.6m in 2024 (2023: £0.2m) as a result of the facility being in place for the entire year.

As a result, at 31 December 2024 the Group's net debt was of £0.6m (2023: net cash £0.7m).

Investment in Monument Therapeutics

At 31 December 2024, the Group held a 22.1% (2023: 28.9%) investment in Monument Therapeutics Limited ('Monument'). Monument closed two rounds of equity funding in 2024, raising £2.5m. A further fundraise of £0.9m completed in early 2025. The Group did not participate in these funding rounds.

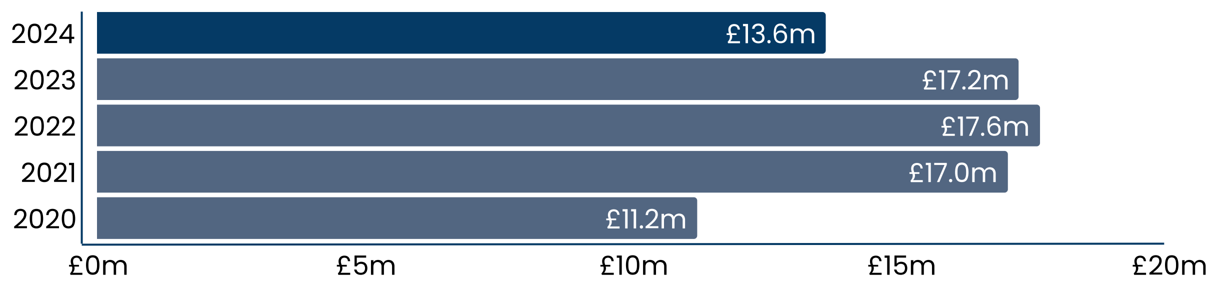
The Group's investment was fair valued on 31 December 2024 based on a mark-to-market basis to the enterprise value for these investment rounds. This increased the value of the investment to £1.8m (2023: £0.2m).

Key Performance Indicators

Our KPIs measure performance against our strategy and highlight progress towards longer-term goals. See the Finance Review for additional commentary on our progress against these metrics.

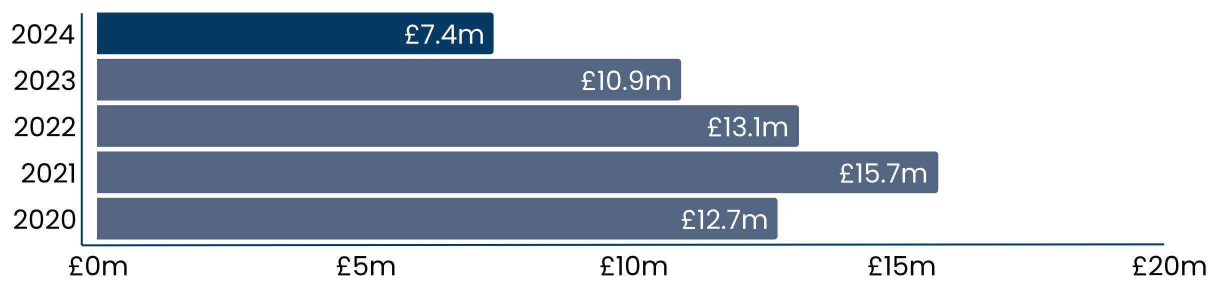
Order Book

The Order Book determines how much future revenue there is still to be recognised from existing contracted orders. It is a measure of our future revenue growth.



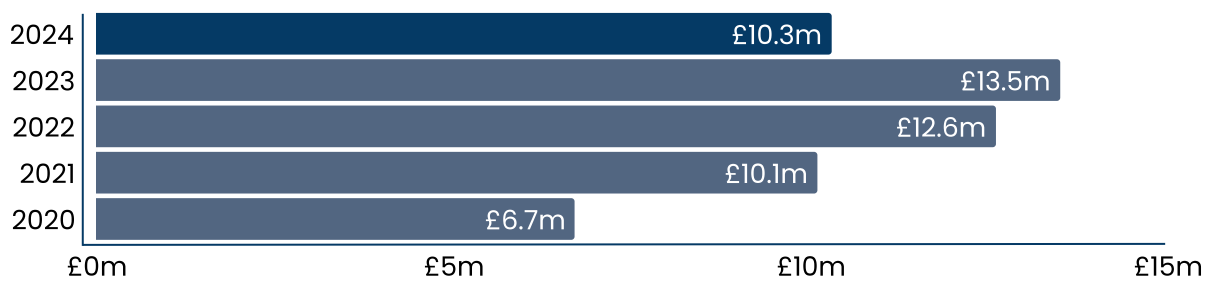
Sales Orders

New Sales Orders measure success in selling our products.



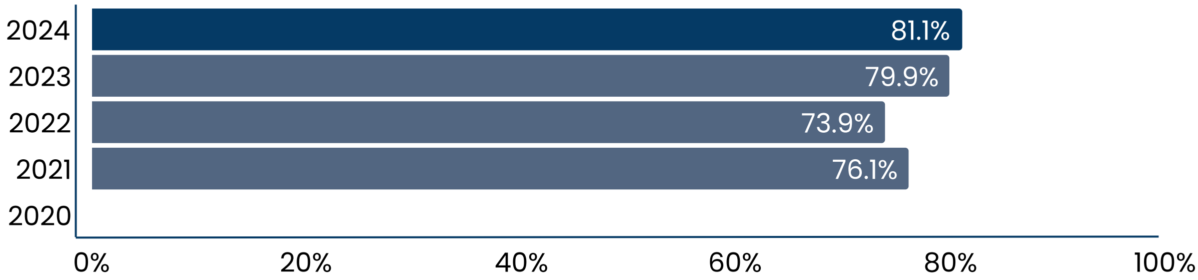
Revenue

Revenue is a measure of our business growth over time.



Gross margin

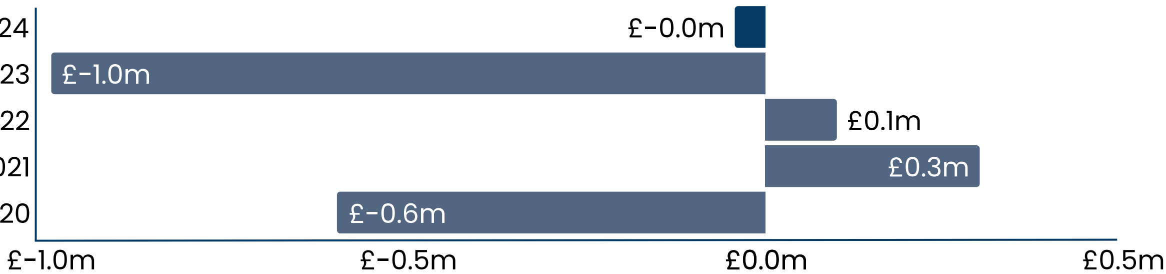
Gross margin is a measure of how efficiently we deliver services to our customers.



The Group changed its accounting policy for cost of sales in 2022. 2020 gross margin has not been restated for this change.

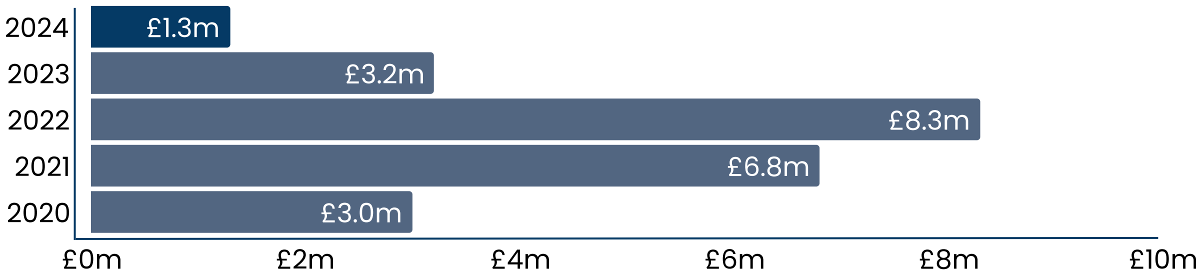
Adjusted EBITDA

Adjusted EBITDA is a measure of the profitability of the Group's underlying, day-to-day operations.



Cash

Cash is a measure of our liquidity and how secure the Group's future operations are.



Principal Risks and Uncertainties

Approach to risk management

The Board has ultimate responsibility for the Group's risk management, with regular oversight delegated to the Board Sub-Committees. The Group's Executive team are responsible for maintaining the risk register and updating it on a regular basis.

Principal risks are grouped into four categories:

- **Strategic risks**: risks that could threaten our strategic goals and influence our internal decision making.
- **Financial risks**: risks that could impact our financial results or cash position.
- **Operational risks**: risks that could materially impact our day-to-day operations.
- **Compliance risks**: risks regarding the material reputational or financial risk following a breach of laws and regulations.

Principal risks and uncertainties

The Group's key business risks are presented below. They are not presented in order of priority. The following changes have been made to the Group's principal risks and uncertainties in 2024:

- Growth management has been renamed Talent.
- Financial has been renamed Liquidity.
- Foreign exchange has been included as a new risk.
- Regulatory compliance has been included as a new risk.

Risk	Description	Mitigation
Strategic risks		
Product and market development	The ability to transition current products to new markets, and the development of new products and services for both existing and new markets, will determine how successful future growth is. Failure to do this would impact near term revenue growth and impede the commercialisation of innovative new products and services.	The Group continues to invest carefully in R&D, spending £2.6m in 2024 to integrate and develop our products and remain competitive at the forefront of the sector. Clinpal and Winterlight were acquired in recent years to broaden the Group's product offering and increase the addressable market size. In 2023 AQUA was launched, and rater training in early 2025 following initial sales in late 2024.

Risk	Description	Mitigation
Technology and regulation	The Group's success and ability to compete effectively partly depends upon the protection of intellectual property and exploitation of the Group's technology. Failure to do so could result in the loss of a competitive advantage and loss of market share.	The Group files patent applications and trademarks in key markets to protect and enhance intellectual property and brands. In the event of a breach of patent or trademark rights, the Group would consider action to enforce its rights.
Financial risks		
Liquidity	The Group had £1.3m of cash at 31 December 2024 and a recent history of consuming cash. Cash outflow from operating activities was £3.1m (2023: cash outflow £5.0m). Additionally, the Group is required to make term loan repayments of £1.3m in 2025. Future cash inflows are heavily dependent upon winning new sales orders. Failure to win new orders could result in the Group consuming cash and existing finance facilities being insufficient to meet the Group's cash needs. In this scenario, additional external financing may be required, or the Group may need to be wound down, sold or restructured. See the going concern statement in note 2.2 of the Notes to the Consolidated Financial Statements.	The Group's cost base and cash flow forecasts are monitored continuously to identify potential cost savings or future cash flow risks. The Board review three-year forecasts quarterly, including financial forecasts and cash flows. Cash, future cash flow projections and the sales pipeline is reported to the Directors monthly. Should existing financing facilities be insufficient, additional external financing may be sought. In 2024: • An equity fundraise was completed, raising £2.6m before transaction costs. • A restructuring and cost reduction exercise was completed, generating £2.0m of annualised cost savings. Total annualised cost savings from 2023 and 2024 are £3.5m.

Principal Risks and Uncertainties

Risk	Description	Mitigation
Foreign exchange	Approximately 80% of the Group's cash is generated in US Dollars (USD), and the Group has a US subsidiary. The Group's presentation currency is Pounds Sterling (GBP), and cash outflows are principally GBP, Euros and Canadian Dollars denominated. This creates a significant exposure to USD foreign exchange rates. A weakening of USD could materially impact the Group's cash generation and revenue.	The Group regularly converts surplus USD into GBP to provide a natural hedge against significant foreign exchange swings. Foreign currency hedging instruments would be considered to mitigate currency fluctuations if required.
Reliance on key customers	A significant proportion of the Group's revenue is generated from a small number of key customers. In 2024, one customer (2023: one) accounted for 18% of revenue (2023: 18%). Loss of a major customer would result in a significant revenue shortfall.	We maintain close relationships with our customers but aim to not be overly dependent on any one of them. We consistently receive high net promoter scores from our customers. In 2022 and 2023, the Group acquired Clinpal and Winterlight increasing the range of product offering and assisting in diversifying the customer base. The Group's Commercial team is actively working on increasing the depth of the Group's customer base.
Operational risks		
Talent	The Group is heavily reliant on its employees to deliver projects to customers, develop products and sell our specialised products and services to customers. These are niche skills, and an inability to attract or retain individuals with these skills and experience could materially impact the success of the Group.	The Group aims to offer a competitive remuneration package to recruit and retain high calibre employees. This includes: salary benchmarking, share options and maintaining open communication. The Group has implemented several initiatives in 2024 to increase the competitiveness of its remuneration package. New values have also been introduced and will be integrated throughout 2025. See page 22.

Risk	Description	Mitigation
Cyber-security	The Group delivers software to customers via the Cloud. Use of the Group's software is of critical importance to clinical trials, and the Group handles personal and confidential data. Software needs to be secure and available to customers on demand. A security breach could result in private data being accessed causing a breach of regulations and customer contracts. Disruption in service could have significant impacts upon our customers and may result in financial penalties being imposed upon the Group.	The Group continuously monitors and updates threat management software and uses several specialist, expert consultants to assess and put in place measures to help prevent ransomware, social engineering, and insider threats. Vulnerability is assessed by specialists on an ongoing basis with a deep assessment every six months. Employees receive regular training on cybersecurity risks and policies. The Group has business continuity plans that are regularly reviewed and tested at least annually.
Compliance risks		
Regulatory compliance	The Group is required to comply with international and local laws in each of the jurisdictions in which it operates. These include fraud, data privacy laws, anti-bribery and corruption laws, IP law, competition law, taxation, AIM regulations, and requirements of the FDA, EMA or other regulatory authorities. Failure to comply could result in reputational damage, as well as potentially significant fines and penalties.	The Group maintains an internal Quality team, responsible for leading the development of documentation for the Quality Management System (QMS). The QMS contains Standard Operating Procedures (SOPs) and policies for a wide range of areas. All new hires are required to complete training on these documents upon joining, and all employees complete scheduled refresher training. All departments are subject to an internal audit on a regular basis. Additionally, the Group maintains accreditation for ISOs 9001, 27001 and 13485.

Environmental, Social & Governance

The Board and management are focused on delivering services and products which have a significant positive impact on patients and healthcare systems, particularly in the field of central-nervous system disorders ('CNS'). The Board is aware that the way the Group operates has environmental, social and governance impacts.

Environmental

The Board considers the Group's carbon footprint and exposure to climate change risk to be low. However, as a responsible business, we continue to strive to manage and reduce our overall environmental footprint.

2024 progress

The Group has made good progress towards its environmental ambitions. These have included:

- Completing an EcoVadis sustainability assessment, benchmarking our performance and procedures against peers.
- Setting near-term emission reduction targets, validated by the Science-Based Targets Initiative ('SBTI'). We aim to reduce our Scope 1 and 2 emissions by 42% from our 2022 baseline by 2030.
- Completing our first submission to the Carbon Disclosure Project ('CDP'). This tracks our progress against SBTI targets.
- Measuring our Scope 3 emissions for the first time in 2024.

Carbon emissions data

Carbon emissions is the principal method by which the Group tracks its environmental impact:

Tonnes CO_2e	2024	2023	Movement	%
Scope 1	**-**	**2.8**	**(2.8)**	**(100)%**
- air conditioning installation & maintenance[1]	-	2.8	(2.8)	(100)%
Scope 2	**12.4**	**15.2**	**(2.8)**	**(18)%**
- purchased electricity for own use	12.4	15.2	(2.8)	(18)%
Scope 3	**5,042.3**	**14,363.9**	**(9,321.6)**	**(65)%**
- purchased goods and services	62.1	81.9	(19.8)	(24)%
- capital goods	33.2	71.1	(37.9)	(53)%
- upstream transportation	3.0	6.3	(3.3)	(52)%
- business travel	66.2	72.2	(6.0)	(8)%
- employee commuting and homeworking	67.1	113.4	(46.3)	(41)%
- downstream transportation	3.4	5.9	(2.5)	(42)%
- use of sold products	4,806.8	14,012.2	(9,205.4)	(66)%
- end of life treatment of sold products	0.5	0.9	(0.4)	(44)%
Total	**5,054.7**	**14,381.9**	**(9,327.2)**	(65)%
Intensity measurements				
Tonnes CO_2e per employee	**60.2**	120.9	(60.7)	(50)%
Tonnes CO2e per £m of revenue	**495.6**	1,065.3	(569.7)	(53)%

1. During 2024, no new units were installed and no greenhouse gases used during servicing.

Scope 1 emissions: covers the emissions we produce directly, e.g. through our buildings. We have limited sources of direct emissions, and these did not materially change year on year.

Scope 2 emissions: covers the emissions we produce indirectly in our operations, e.g. the energy purchased for our buildings. These reduced in 2024 due to office closures because of restructuring exercises and cost synergies following acquisitions.

Scope 3 emissions: covers the indirect emissions incurred in our value chain, from our suppliers to our customers. Emissions decreased because of:

- fewer hardware shipments to customers in 2024;
- a reduction in the purchase of computer equipment for employee use;
- a reduced headcount, resulting in fewer commuting miles and days worked from home; and
- reduced emissions arising from efficiencies from and increased green energy usage in outsourced Cloud hosting services.

2025 goals

- Work towards compliance with new sustainability disclosure requirements IFRS S1 'General Requirements for Disclosure of Sustainability-Related Financial Information' and IFRS S2 'Climate-Related Disclosures'. UK-endorsed versions of these standards are expected to be published in 2025, and applicable from 1 January 2026.
- Continue to review recommendations from the EcoVadis survey to improve our environmental performance and score.
- Identify potential emission reductions to continue progress towards achieving SBTi and CDP reduction targets.
- Continue to evolve and improve collection of emissions data.

Social

We seek to have a positive impact on people and society. We operate our business in a professional, fair, ethical and socially responsible manner. In our business dealings and relationships we act with integrity. Our culture is designed to foster a positive, supportive and inclusive working environment and seeks to ensure our employees remain engaged, motivated and aligned with the Group's purpose.

2024 progress

2024 has centred around three key areas:

- Improving employee engagement
- Shaping our culture and values
- Beginning our inclusivity journey

Improving employee engagement

Throughout 2024 we have:

- Increased the flexibility of working arrangements through implementation of flexible days and a holiday buy and sell scheme.
- Supported the development of our people through the introduction of departmental career progression frameworks. We aim for all our people to have a clearly defined route for progression.
- Enhanced private medical cover to include family members.
- Introduced a global benchmarking and market-based pay review process.

Shaping our culture and values

We also shaped our culture and values, engaging with stakeholders both internally and externally to understand what it means to work for, or do business with, us. From this we distilled three key values and behaviours:

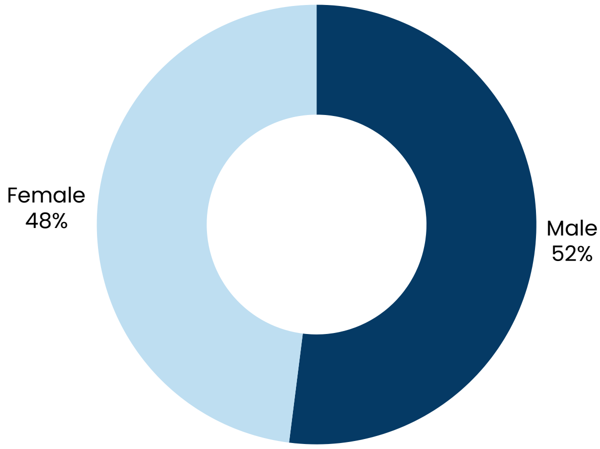
We make extraordinary impact	We help to evidence how cognition is understood, prioritise progress over perfection and embrace the possibility we may fail in order to progress.
We have professional curiosity	We positively disrupt the status quo, think progressively to evolve, iterate and simplify and ask questions to drive success.
We ensure purpose driven collaboration	We aim to add value with every interaction, build trust through mutual accountability and embrace diverse perspectives to learn and grow.

Beginning our inclusivity journey

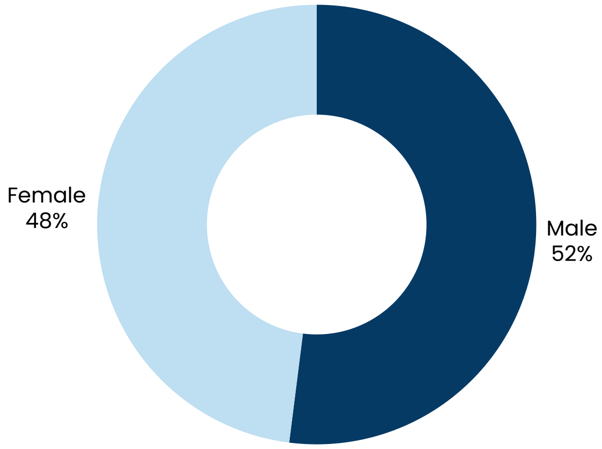
We have increased our support for inclusivity and are introducing several initiatives to support this:

- Implementation of a global inclusivity policy.
- Awareness training for all employees, to help understand what inclusivity is and how it might apply to their roles.
- Strengthening policies on anti-bullying and harassment and introducing training to educate our people on how to report incidents and our line managers on how to deal with reports effectively.
- Unconscious bias training to support our managers when recruiting, helping ensure we hold equitable recruitment processes, attracting diverse talent.

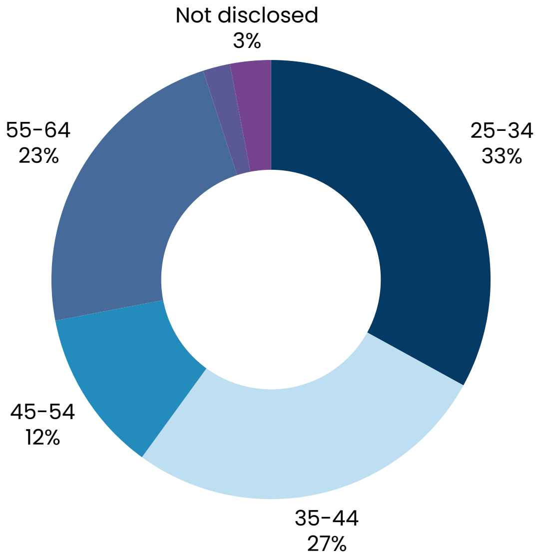
Employees by Gender



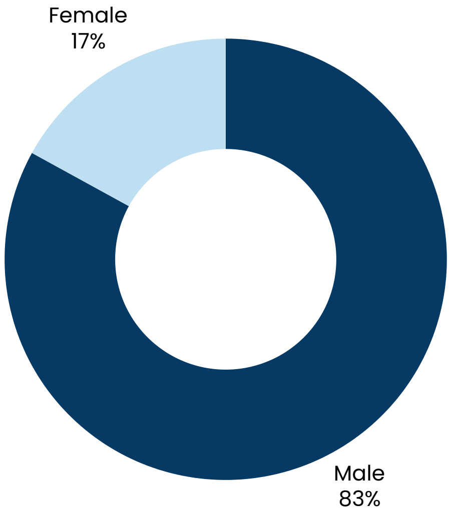
Managers by Gender



Employees by Age



Directors by Gender



2025 goals

Embed values
We will continue to embed our values across the Group. This will involve working with our employees to understand how the values can be applied to their roles as well as updates to our recruitment, onboarding, performance management and recognition processes to ensure these values underpin all of our decision-making processes.

Implement further inclusivity measures
We are continuing our journey of commitment to inclusivity by embedding initiatives across the organisation including:

- Rolling out awareness training across the Group and further educating our managers on the value of diversity and recognising unintentional biases.
- Evaluating recruitment processes to ensure we are adopting inclusive practices and attracting diverse talent.
- Reviewing diversity data and collecting further data where required to understand underrepresented groups which will enable us to consider meaningful inclusivity initiatives.
- Monitoring feedback from employees to gather insights on workplace culture and employee satisfaction, aiding identification of focus areas for inclusivity in future.

Continue to improve engagement
We recognise our people are the key to our success. We are committed to creating the best possible experience to support our people. We made great strides in improving employee engagement in 2024 and intend to continue this into 2025 by:

- Creating moments that matter for our people by implementing recognition of professional and personal milestones.
- Improving parental leave entitlements to support our people when they need it most.
- Enabling our people to give back to the local community through charity support. In 2025, we will be supporting Blue Smile (UK) and Ontario Shores Foundation for Mental Health (Canada) through local and global events.
- Supporting our managers to be the best they can be through development opportunities and improved feedback.

Governance

The Board endeavours to conduct business in accordance with established best practice and to adopt appropriate values and standards.

2024 progress

- The Group has adopted the QCA Code for several years and maintained full compliance with the principles of the 2018 Code throughout 2024.
- The Board is comprised of a majority of independent Non-Executive Directors.

2025 goals

- Continue work on implementation of the 2023 QCA Code with the intention for full compliance in 2025.
- Introduce oversight and Board reporting lines for the ESG working group.
- Review climate-related risks and opportunities.
- Champion the new Group values and their implementation.

Monument Therapeutics

What is Monument Therapeutics

Monument Therapeutics ('Monument') is an early-stage biotechnology company. It was spun out of Cambridge Cognition in 2021 to combine our digital biomarkers with novel drug candidates and provide targeted, precision therapeutics for CNS diseases.

Monument will use our software to provide precise, objective measurements of the brain processes that are impacted by common neuropsychiatric disorders as a screening phase. This identifies suitable patients for treatment using Monument's drugs, which are currently going through clinical trials, enabling the right patient to be treated with the right drug at the right time. It is expected that this will provide significant advantages over existing treatment regimens, where currently approved drugs typically only work for around half of patients.

Our interest in Monument Therapeutics

At 31 December 2024, we hold:

- a 22.1% shareholding valued at £1.8m;
- a license agreement which entitles Cambridge Cognition to royalties on future revenue generated by Monument; and
- a Board position.

This has the potential to generate significant financial benefit for the Group.

Monument Therapeutics' pipeline

Monument currently has two drugs in development:

- MT1988, targeting cognitive impairment associated with schizophrenia and currently in Phase 1 clinical trials.
- MT1980, targeting post-operative cognition decline and post-COVID cognitive impairment. This has completed a successful Phase 1 healthy volunteers study. Further studies are planned.

Progress in 2024

Monument made significant progress in 2024, including:

- Grant of a US patent supporting the MT1988 programme for Schizophrenia.
- Grant of a UK patent for MT1980.
- Secured £2.5m equity investment to fund the Schizophrenia programme.
- Secured £0.5m grant funding for the Schizophrenia programme.
- Launched a Phase 1 clinical trial for MT1988, with the first patient dosed in November 2024.
- Made several appointments to its Scientific Advisory Board.

Monument closed an additional equity funding round of £0.9m in early 2025 at the same price as the 2024 raises. This reduced the Group's shareholding to 20.0%. The Group has not participated in these funding rounds.

Section 172 Statement

The Directors consider, both individually and collectively, that they have taken decisions in a manner they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its stakeholders, having regard to the matters set out in s172(1) of the Companies Act 2006:

The likely consequences of any decision in the long-term: long-term success is a key factor when making strategic decisions. Strategic Plans are prepared every year focussing on a minimum three-year period.

The interests of our employees: employees are our key asset, and we take their wellbeing and development seriously. We believe we offer competitive remuneration packages and seek to engage employees through regular team meetings, office events and town hall meetings. The Group has procedures to set objectives, conduct reviews and discuss career plans and working environments with employees with the objective of having motivated, effective teams.

The need to foster business relationships with suppliers, customers and other stakeholders:

- **Customers**: we have dynamic relationships with our customers and seek to maintain regular contact. Customers are regularly asked for feedback with a survey completed at the end of each study which is used to help shape future engagements.
- **Suppliers**: we seek to have constructive and mutually beneficial relationships with our suppliers.
- **Shareholders**: shareholders are key stakeholders who we seek to engage through generic and specific outreach, covering both financial results, and our innovation and plans.

The impact of our operations on the community and the environment: we aim to execute operations with due regard to the environment. Charities are supported by donations, fundraising, and the donation of redundant IT equipment.

The desirability of the Company, maintaining a reputation for high standards of business conduct: the integrity of individuals and corporate integrity are at the heart of all we do. This is embedded in our culture through formal (e.g. Standard Operating Procedures) and informal means.

The need to act fairly between members of the Company: no single set of stakeholders is prioritised over another. All decisions aim to be equitable across all stakeholders.

The Strategic Report comprises the pages 2 to 27. Approved by the Board of Directors and signed on behalf of the Board:

Steven Powell
Chair
22 May 2025

Chair's Introduction to Governance

I am pleased to be able to present the Governance Report for 2024. This Report covers details about the Board, our roles and responsibilities, compliance with the QCA Corporate Governance Code, and activities of the Committees.

Changes to the Board
In September 2024, Matthew Stork stepped down as CEO and resigned his position on the Board in October 2024, having served since May 2019. Rob Baker and Alex Livingstone-Learmonth have been appointed as Joint Management Directors since Matthew's departure. Rob and Alex do not hold Board positions. Together, they have already made a significant impact on the operations of the Group, and I would like to extend my thanks for their commitment over this period. The Board is seeking a permanent CEO and expects to make an appointment shortly.

In July 2024, Stephen Symonds stepped down as CFO and resigned his position on the Board, having served since August 2022. The Board appointed Ronald Openshaw to oversee the Group's financial matters on an interim contracted basis. Ronald does not hold a Board position. The Board is not actively seeking a permanent CFO replacement at this time but will review this position when a permanent CEO is appointed.

In February 2024, we welcomed Stuart Gall and Nick Rodgers to the Board as Independent Non-Executive Directors. I believe these appointments have strengthened our governance, provide succession for future rotation of Board members and have brought a wealth of experience to the Board. They both have made valuable contributions since their appointments. Their profiles are available on pages 30 to 31.

In February 2025, Jon Kempster was appointed to the Board as an Independent Non-Executive Director. Jon brings broad Board experience and deep financial expertise and will be a valuable addition as we continue to build and grow the business. His profile is available on page 31.

Corporate Governance
The Board believes that a sound and well understood governance structure is essential to maintain the integrity of the Group in all its actions, to enhance performance and to impact positively on our shareholders, staff, customers, suppliers and other stakeholders.

The Company has adopted the QCA Corporate Governance Code ('the Code') as the benchmark for measuring adherence to good governance principles. These principles provide a clear framework for assessing our performance as a Board and as a Company, and the Statement of Compliance below shows how we apply the Code's ten guiding principles in practice.

During 2024, the Company applied the 2018 Code and disclosures within this Annual Report are against this version of the Code. The Board considers that it does not depart from any of the principles of the Code and the Board continues to monitor and develop its governance processes to maintain best practice.

In 2023, the QCA updated the Code to be applied to accounting periods starting on or after 1 April 2024. The Company intends to comply fully with the 2023 Code from 2025 onwards. Certain disclosures, including a Remuneration Policy, are included within this Annual Report so that the 2025 AGM will comply with the revised Code.

Steven Powell, Chair
22 May 2025

Director Profiles

Dr Steven Powell **Chair** **Non-independent**	
Appointed	Chair: May 2019 CEO: July 2015
Tenure	9 years 10 months
Membership	Nomination Committee Chair Remuneration Committee member
Biography	Steven graduated in microbiology from the University of Wales and was awarded a PhD from the University of Aberdeen. He has nearly forty years of operational and investment experience in pharmaceutical and healthcare companies in the UK, USA and Europe. He has held six CEO roles, three in public companies. His current roles include several advisory roles, Executive Director of Glen Cova Scientific Limited and Director of SerenOx Limited. In 2003, he joined Gilde Healthcare, a pan-European life sciences investment fund, as a partner and remained an adviser to the fund until 2016.

Richard Bungay **Non-Executive Director** **Independent**	
Appointed	September 2020
Tenure	4 years 8 months
Membership	Audit Committee Chair
Biography	Richard has over 25 years' experience in corporate roles within the biotechnology and pharmaceutical sector, including as CFO, COO and CEO of both public and private companies, with a particular focus on financing, investor relations and corporate development. A chartered accountant, Richard is currently COO of Sitala Bio Limited, a private company developing treatments for autoimmune and inflammatory diseases. Richard was formerly CEO of Imophoron Limited, a private company developing treatments for infectious diseases, and prior to this CFO then CEO of Diurnal Group plc, an AIM-listed specialty pharmaceutical company targeting patient needs in chronic endocrine diseases, where he led the sale of the company to Neurocrine Biosciences. Richard's prior roles include CFO and COO at Mereo BioPharma Group plc, as well as being CFO of Glide Technologies, Verona Pharma plc and Chroma Therapeutics Ltd.

Director Profiles

Stuart Gall **Non-Executive Director** **Independent**	
Appointed	February 2024
Tenure	1 year 3 months
Membership	Audit Committee member (to 1 April 2025) Nomination Committee member (to 1 April) Remuneration Committee member
Biography	Stuart is CEO of Intelligent Ultrasound, an AIM-listed medical imaging company providing one of the world's leading 'classroom to clinic' ultrasound technologies. Previous appointments include joint founder and executive director of Fusion IP plc, an AIM listed university IP commercialisation company, before its purchase by IP Group plc for £103 million in 2014. Stuart has over 30 years' experience in both small company start-ups and public companies and previously worked at British Airways plc, The Promotions Partnership Limited, Anvil Limited and Toad plc (now Journeo plc).

Jon Kempster **Non-Executive Director** **Independent**	
Appointed	February 2025
Tenure	3 months
Membership	Audit Committee member (from 1 April 2025) Nomination Committee member (from 1 April 2025)
Biography	Jon has more than 20 years' experience as a public company director and is currently a Non-Executive Director of three AIM quoted companies: Norman Broadbent plc, a leading Executive Search and Interim Management firm, Synthetics plc, a leader in advanced security and surveillance systems, and Pennant International Group plc, a systems support and training solutions company. Jon qualified as a chartered accountant with Price Waterhouse in 1990 and has been CFO of several companies including FII Group plc, Linden Homes, Delta plc, and Frasers Group. He has held several non-executive roles since 2019.

Debra Leeves **Non-Executive Director** **Independent**	
Appointed	July 2019
Tenure	5 years 10 months
Membership	Remuneration Committee Chair Nomination Committee member
Biography	Debra is currently CEO of Vertual, the leading provider of virtual and augmented reality training simulation systems in radiotherapy. She has over 25 years of experience in the medical technology and biotechnology industries, and has previously been COO of Beckley Canopy Therapeutics, CEO of Physeon and also held senior roles with companies such as Rex Bionics, Avita Medical, Merck, GlaxoSmithKline, GE Healthcare and Pfizer.

Nick Rodgers **Non-Executive Director** **Independent**	
Appointed	February 2024
Tenure	1 year 3 months
Membership	Audit Committee member
Biography	Nick is an experienced Chair and Non-Executive Director with a background as a successful investment banker. He is currently a strategic adviser to gene therapy developer Santo Therapeutics. In May 2024, Nick stepped down as Chair of SEHTA, one of the largest health technology membership and networking organisations in the UK supporting businesses in the health technology sector. Until 2023 Nick was Chair of Destiny Pharma plc, a developer of novel anti-infective products and chair of ZPN Energy Limited, a developer of battery storage technologies and systems for the electric vehicle market. Previously, Nick was Chairman of Oxford BioMedica plc, a pioneer of gene and cell therapy and a leader in lentiviral vector research, development and bioprocessing.

Corporate Governance Report

The Board and Committees

The Board has overall responsibility for leading and directing the Group. To assist with this, the Board has established four Committees: Audit Committee, Nomination Committee, Remuneration Committee and Disclosure Committee. These have formally designated roles and responsibilities, and the reports of these Committees are available on pages 36 to 43.

Board Meetings

Attendance at Board and Committee meetings during 2024 was as follows:

	Board	Audit	Nomination	Remuneration
Number of meetings	15	2	2	5
Steven Powell	15	-	2	5
Matthew Stork[1]	9	-	-	-
Stephen Symonds[2]	9	-	-	-
Richard Bungay	15	2	-	-
Stuart Gall[3]	14	2	2	5
Debra Leeves	14	-	2	5
Nick Rodgers[3]	14	2	-	-

1. Resigned 14 October 2024
2. Resigned 26 July 2024
3. Appointed 1 February 2024

The Board met more frequently than usual in 2024 due to the equity raise and departure of the CEO. It is expected that the Board will return to a less frequent schedule of meetings for 2025.

Statement of Compliance with QCA Corporate Governance Code

Principle	Commentary	Further reading
Principle 1: Establish a strategy and business model which promote long-term value for shareholders	The Group has a rolling three-year detailed strategic plan that is updated and approved by the Board annually. This is supported by an annual operating plan, which is also subject to Board review. The Group's business model and strategy, designed to deliver long term sustainable shareholder value, is discussed in the Strategic Report.	Business model: pages 4 to 5

Principle	Commentary	Further reading
Principle 2: Seek to understand and meet shareholder needs and expectations	Leading shareholder engagement is the responsibility of the Group's CEO, supported by the Board. The Chair is currently temporarily responsible in the absence of a CEO. The Group works alongside its corporate advisors Panmure Liberum, Dowgate Capital and Hudson Sandler to determine effective shareholder communication strategies. Meetings are held with shareholders following release of financial results and other material events. Multiple meetings with shareholders were held before the 2024 equity raise. The effectiveness of this shareholder engagement strategy is kept under review.	Investor section of our website Section 172 report: page 27
Principle 3: Taking into account wider stakeholder and social responsibilities and their implications for long-term success	The Board is aware of its responsibilities to act for the benefit of its stakeholders. The Board considers all feedback in making its decisions.	Section 172 report: page 27
Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation	Risks are considered as part of the strategic planning process referred to above. The Executive team is ultimately responsible for quality management in the Group, and reports are made to the Board on key matters. The Board will periodically receive presentations on specific operational and financial risks.	Principal risks and uncertainties: pages 16 to 19

Principle	Commentary	Further reading
Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair	The Board consists of the non-executive Chair and four further Non-Executive Directors. The Chair is not considered to be independent, due to the length of his tenure on the Board and his previous role as CEO. He also holds unexercised options from his tenure as CEO. All Non-Executive Directors are considered to be independent. Most hold shares in the Company, however these are not considered material. The Non-Executive Directors do not receive performance related pay. All Directors are expected to devote sufficient time to their duties as may be necessary. This is expected to be around two days per month for Non-Executive Directors. The Board is provided with monthly operating and finance reports. Additional information is given to the Board for discussion at meetings as relevant.	Director profiles: pages 29 to 31 Board and Committee attendance: page 32 Committee reports: pages 36 to 43 Director shareholding: page 42
Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities	The Board believes that the Directors have an appropriate balance of skills and experience. The Nomination Committee is responsible for reviewing Board composition. Two experienced Non-Executive Directors, Stuart Gall and Nick Rodgers, were appointed in 2024, and an additional Non-Executive Director, Jon Kempster, was appointed in 2025.	Director profiles: pages 29 to 31 Nomination Committee report: pages 36 to 37
Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	Board evaluation has been led by the Chair and consists of one on-one meetings to gather, compare and consider the views of each of the Directors and an annual formal review. Formal performance reviews occur, supplemented by an external evaluation review, occur as required. The last review was undertaken in 2024. Objectives and targets are set annually for all Executive Directors and objectives are set for the Board.	Director profiles: pages 29 to 31

Principle	Commentary	Further reading
Principle 8: Promote a corporate culture that is based on ethical values and behaviour	The Board ensures that the Group culture is based on ethical values through the following means: • A clear set of values all employees are expected to adhere to. • Standard Operating Procedures ('SOPs') that outline the Group's processes and the values that underpin them are required to be read by employees and documentation of compliance maintained. • SOPs include policies regarding anti-bribery and corruption. • All new employees partake in an induction programme which emphasises our ethical values and behaviours. • These behaviours are re-iterated through the various employee communication and reward channels. • Training on topics relating to ethical behaviour, ranging from compliance in clinical trials to share dealing rules are given at regular intervals and attendance monitored.	Section 172 report: page 27 ESG: Social: pages 21 to 24
Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board	The Board is supported by four sub-committees: Nomination Committee, Audit Committee, Remuneration Committee and Disclosure Committee. The Board believes this structure is appropriate to support good decision making. The Disclosure Committee was implemented in H2 2024 and is responsible for reviewing and approving all announcements, except for those of a routine nature. It comprises: • Nick Rodgers – Chair • Richard Bungay – Member • Stuart Gall - Member	Committee reports: pages 36 to 43
Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	Regular dialogue is maintained with shareholders through the Annual Report, Interim Report, RNS alerts for market sensitive information and investor presentations.	Committee reports: pages 36 to 43 Section 172 report: page 27

Further information on the Company's corporate governance framework can be found at: www.cambridgecognition.com/corporate-governance

Nomination Committee Report

Membership and attendance	
Chair	
Steven Powell	2/2
Committee members	
Debra Leeves	2/2
Stuart Gall (to 1 April 2025)	2/2
Jon Kempster (from 1 April 2025)	

Role of Committee

The Committee's responsibilities include:

- reviewing the structure, size and composition of the Board;
- making recommendations to the Board concerning membership of Board committees; and
- identifying and nominating candidates for the Board for Board approval.

Following adoption of the 2023 QCA Code in January 2025, every Director appointed by the Board is subject to re-election by the shareholders at the 2025 AGM and every AGM thereafter.

Board composition and succession planning

2024 and 2025 have seen the following changes to the composition of the Board:

- The departure of Matthew Stork and Stephen Symonds, who held Executive Director roles on the Board as CEO and CFO, in October 2024 and July 2024 respectively. These Executive Director roles have not yet been replaced.
- The addition of three independent Non-Executive Directors; Stuart Gall and Nick Rodgers in February 2024, and Jon Kempster in February 2025.

Executive Director appointments

Following the departure of Matthew Stork as CEO in September 2024, Alex Livingstone-Learmonth and Rob Baker were appointed as Acting Joint Managing Directors. These are not Board positions.

Alex is the Group's Chief Commercial Officer, having joined the Group in February 2024. He has extensive experience in the sector, with over 20 years in the clinical trial technology, services and solutions industry. He was previously Vice President, Global Lead, Strategic Accounts at Calyx and Vice President, Global Strategic Accounts, Business Development at Signant Health.

Rob is the Group's Chief Operating officer, having joined the Group has Head of Product in November 2022. He held several senior roles at Amazon, including leading large operational teams to scale Alexa voice technology improvements and leading privacy and security operations. In addition to his operational expertise, Rob has significant sales and marketing experience, having been responsible for regional Amazon Echo device sales, device expansion, and large-scale e-commerce programs.

Rob's career began at Siemens, where he led contract delivery within the Mobility Division before transitioning into regional management roles within the Smart Infrastructure Division.

The search for a CEO is ongoing, led by the Chair of the Board. It is expected that an appointment will be made shortly.

Non-Executive Director appointments

In 2023, the Committee identified the need for additional experience and a wider range of views on the Board to support plans for growth, and due to the increased size and complexity of the Group and its operating environment. A search was initiated for new independent Non-Executive Directors. The key criteria were recent, relevant experience of AIM-listed companies and the biotech sector, and commercial, investor relations and financial expertise.

The Committee interviewed multiple potential candidates before recommending the appointment of Stuart Gall and Nick Rodgers to the Board. Stuart and Nick joined the Board in February 2024 and were duly elected at the 2024 AGM.

This process continued throughout 2024, and the Committee further recommended the appointment of Jon Kempster to the Board. Jon joined the Board in February 2025 and will stand for election at the 2025 AGM.

The Committee believes that these appointments have strengthened governance, succession for possible future rotation of Board members, and ensures that the majority of the Board are independent Non-Executive Directors.

Approval

This Nomination Committee report has been approved by the Board of Directors and is signed on its behalf by:

Steven Powell
Nomination Committee Chair
22 May 2025

Audit Committee Report

Membership and attendance	
Chair	
Richard Bungay	2/2
Committee members	
Stuart Gall (to 1 April 2025)	2/2
Nick Rodgers	2/2
Jon Kempster (from 1 April 2025)	

Role of Committee

The Committee's primary responsibilities include:

- Monitoring the integrity of the financial statements, including its annual and half yearly reports and trading updates, and overseeing the financial reporting process.
- Making recommendations to the Board on the appointment of the Group's auditors, approving the auditor's fees, safeguarding the objectivity and independence of the auditors, and reviewing the findings of the audit; and
- Monitoring and reviewing the effectiveness of the Group's systems of risk management and internal control.

Financial reporting and significant matters

The Committee discusses with management and the auditor the approach that has been taken in assessing all significant accounting areas. These include:

Significant issue	How it was addressed
Going concern	The Committee has overseen the preparation of the going concern statement, ensuring that the base case was aligned to the most recent Board-approved forecasts, and that modelled downside scenarios are appropriate. The Committee carefully reviewed the output of this modelling and approved going concern-related disclosures, noting the material uncertainty that exists. The Committee recommended to the Board the preparation of the financial statements under the going concern basis.
Revenue recognition	The Committee has overseen the application of the Group's revenue recognition policies alongside monitoring reporting compliance. The accounting treatment for significant judgements were reviewed by the Committee and concluded to be appropriate.
Valuation of Monument Therapeutics	The Group held a 22.1% investment in Monument Therapeutics Ltd ('Monument') at 31 December 2024. Management performed a fair value review as at the year end. The Committee has reviewed the basis for and assumptions in this review. The Committee was satisfied that the carrying value represents the fair value of the investment in Monument.

Significant issue	How it was addressed
Impairment	The Group holds significant goodwill and intangible assets following the acquisitions of eClinicalHealth and Winterlight Labs. Management has performed an assessment for impairment using a fair value less cost of disposal model. The Committee has reviewed the critical judgements used in this assessment, namely share price and potential future share price movements, verifying their appropriateness. Management has also performed an assessment for impairment triggers at an individual asset level. The Committee has reviewed this assessment. Based on this review, the Committee is satisfied that no impairment of goodwill or intangible assets is required.

The Committee has reviewed the Annual Report and determined that it is fair, balanced and understandable and provides the necessary information for shareholders. The Committee recommended to the Board the adoption of the 2024 Annual Report and the financial statements as at 31 December 2024.

Auditor and auditor independence

The auditor, Crowe UK LLP, has been in place since the audit of the financial statements for the year ended 31 December 2023. The Committee reviewed and approved the audit plan and scope for the 2024 audit, and subsequently met with the auditor to discuss key audit findings relating to financial reporting and the internal control environment.

The Committee advises the Board on auditor remuneration. The audit fees paid to Crowe for the statutory audit were £175,000 (2023: £200,000). The Committee continues to keep under review the cost effectiveness and quality of the audit services.

The Committee also assessed the ongoing independence of the auditors. Crowe is determined to be independent because:

- the firm and the lead audit partner have been in place for two years, in compliance with best practice in the UK;
- there are no personal relationships between the auditors and members of the Group;
- Crowe provides no non-audit services to the Group; and
- the Group's audit fees are not a significant component of Crowe's revenues.

Crowe has also confirmed to the Committee its independence and compliance with the FRC's Ethical Standard for Auditors.

The Committee recommend to the Board that Crowe be reappointed as auditor, to be put to shareholders for approval at the 2025 AGM. This recommendation was subsequently approved by the Board.

Risk management and internal control

The Group's risk management approach and principal risks are set out on pages 16 to 19. The Committee reviews the Group's risk management strategy on a regular basis and continues to believe that it properly addresses key risk areas.

Due to the size and complexity of the Group, the Committee does not believe a dedicated internal audit function is required. An external provider is used to complete internal audits of all departments on a periodic basis.

Approval

This Audit Committee report has been approved by the Board of Directors and is signed on its behalf by:

Richard Bungay
Audit Committee Chair
22 May 2025

Remuneration Committee Report

Membership and attendance	
Chair	
Debra Leeves	5/5
Committee members	
Steven Powell	5/5
Stuart Gall	5/5

The Company is not required to publish a Directors' Remuneration Report beyond the requirements set out in AIM Rule 19. However, the following information is given in the interests of transparency and good governance.

Role of the Committee

The Remuneration Committee's responsibilities include:

- determining the remuneration of Executive Directors and senior leadership team;
- reviewing and approving the design, award, magnitude and vesting outcome of all share incentive plans;
- reviewing and approving the design and outcome of all annual bonus plans in place across the Group;
- reviewing and approving the design of sales commission schemes; and
- benchmarking remuneration plans against sector-based data.

No Director plays a part in any discussion of their own remuneration.

Board changes

In September 2024, Matthew Stork stepped down as CEO and he resigned his position as Director on the Board on 14 October 2024. Following his departure, Matthew:

- **Salary and payment in lieu of notice**: was paid six-month's salary in lieu of notice, as required under his service contract.
- **Severance payment**: received a one-off severance payment of £30,000.
- **Annual bonus**: forfeited his 2024 bonus and retained the right to his unpaid 2023 bonus.
- **Share options**: retained all share options that had vested at the point of his departure. All unvested options lapsed. His remaining share options are subject to an accelerated expiration schedule.
- **Other**: the Company paid legal fees of £2,500 on Matthew's behalf.

In July 2024, Stephen Symonds resigned his position as Executive Director on the Board, resulting in the forfeiture of his share options and 2024 bonus.

In February 2024, Stuart Gall and Nick Rodgers joined the Board as Non-Executive Directors, and they were joined in February 2025 by Jon Kempster. We were delighted to welcome Stuart to the Remuneration Committee. Their remuneration has been set in line with the Board's other Non-Executive Directors.

Components of Executive Director remuneration

Executive Director remuneration packages are designed to:

- attract, motivate and retain Directors of the high calibre required to enhance the Group's market position; and
- align the interests of Directors with those of shareholders to drive value creation.

There are five main components of the remuneration packages of Executive Directors and senior management:

- **Base salary**: salary and benefits are reviewed and approved annually by the Committee.
- **Benefits-in-kind**: each Executive Director is entitled to participate in the Group's life assurance policy, private medical and dental insurance, and health and dental plans. These are in line with the Group's UK employees.
- **Annual bonus payments**: each Executive Director is entitled to participate in the Group's Senior Management Team bonus plan. The design and outcome of this plan is reviewed and approved by the Committee and is based on a mix of corporate and personal objectives aligned to create shareholder value.
- **Pension allowance**: each Executive Director receives a pension allowance equivalent to 6.5% of their basic salary. This is in line with the pension allowance for the Group's UK employees.
- **Share option incentives**: the Company operates an annual all-employee share option scheme. Vesting for Executive Directors and senior management is conditional upon achieving corporate objectives, typically linked to revenue growth and share price performance.

Components of Non-Executive Director remuneration

The remuneration of Non-Executive Directors is determined by the Board and reflects the anticipated time commitment required to fulfil their duties. Non-Executive Director remuneration contains no variable pay elements.

The letters of appointment of Non-Executive Directors can be terminated with one month's notice given by either party.

Directors' 2024 remuneration (audited)

The remuneration of Directors was as follows:

	Salary / Fees £'000	Benefits £'000	Bonus £'000	PILON £'000	Severance payment £'000	Pension £'000	Share options £'000	2024 £'000	2023 £'000
Executive Directors									
Matthew Stork[1]	208	2	-	134	30	31	52	**447**	428
Stephen Symonds[2]	128	1	-	-	-	8	(37)	**100**	316
Total	336	3	-	134	30	39	15	**547**	744
Non-Executive Directors									
Steven Powell	45	-	-	-	-	-	-	**45**	45
Richard Bungay	30	-	-	-	-	-	-	**30**	30
Stuart Gall[3]	28	-	-	-	-	-	-	**28**	-
Debra Leeves	30	-	-	-	-	-	-	**30**	30
Nick Rodgers[3]	28	-	-	-	-	-	-	**28**	-
Total	161	-	-	-	-	-	-	**161**	105
Total	**497**	**3**	**-**	**134**	**30**	**39**	**15**	**708**	849

1. Resigned 14 October 2024.
2. Resigned 26 July 2024. The charge associated with Stephen's share options was reversed following their forfeiture on his departure.
3. Appointed 1 February 2024.

From September 2024 and following Matthew Stork's departure, Steven Powell provided additional advisory services to the Group in support of the newly appointed Managing Directors and senior leadership team. This was in excess of his non-executive service contract. The scope of and remuneration for these services was discussed with and approved by the Committee Chair and the Board of Directors. Additional fees of £12,000 were incurred during 2024 (2023: £nil).

These fees are not included in the table above as services were contracted through The Truffaldino Partnership Limited, for which Steven Powell is a director and majority shareholder. See note 30 of the Notes to the Consolidated Financial Statements for further details.

Director interests in ordinary shares

The Directors' interests in the ordinary shares of the Company are:

	At 31 March 2025	% of issued share capital	**At 31 December 2024**	**% of issued share capital**	At 31 December 2023	% of issued share capital
Executive Directors						
Matthew Stork[1]	n/a	n/a	**n/a**	**n/a**	161,450	0.46%
Stephen Symonds[2]	n/a	n/a	**n/a**	**n/a**	32,950	0.09%
Non-Executive Directors						
Steven Powell	256,375	0.61%	**256,375**	**0.61%**	226,375	0.65%
Richard Bungay	10,000	0.02%	**10,000**	**0.02%**	10,000	0.03%
Stuart Gall[3]	68,750	0.16%	**68,750**	**0.16%**	n/a	n/a
Jon Kempster[4]	-	-	**n/a**	**n/a**	n/a	n/a
Debra Leeves	113,750	0.27%	**113,750**	**0.27%**	60,000	0.17%
Nick Rodgers[3]	52,292	0.12%	**52,292**	**0.12%**	n/a	n/a

1. Resigned 14 October 2024
2. Resigned 26 July 2024
3. Appointed 1 February 2024
4. Appointed 1 February 2025

Director interest in share options

At 31 December 2024, the following options had been granted to current and former Directors which remain current and unexercised. Steven Powell's options were granted during his tenure as the Group's CEO.

	Grant date	Number	Performance criteria	Exercise price	Expiry date
Non-Executive Directors					
Steven Powell	July 2015	62,500	Vested (1)	82.5 pence	July 2025
Former Directors					
Matthew Stork	October 2019	392,858	Vested (2)	28.0 pence	September 2025
Matthew Stork	June 2020	196,429	Vested (3)	28.0 pence	September 2025
Matthew Stork	November 2020	103,774	Vested (4)	53.0 pence	September 2025
Matthew Stork	April 2021	45,000	Vested (5)	125.0 pence	September 2025

1. Options vested once the average of the closing price of an Ordinary Share in the Company over two consecutive dealing days, as derived from the London Stock Exchange Daily Official List, equalled or exceeded 120 pence. This criterion was fulfilled on 4 May 2017.
2. Performance criteria were fulfilled on 30 September 2022:
- 50% vested if the average closing mid-market price of an Ordinary Share for any three-month period before 30 September 2022 exceeded 100 pence and on the last day of that period exceeded 90 pence.
- 50% vested if the average closing mid-market price of an Ordinary Share for any three-month period before 30 September 2022 exceeded 150 pence and on the last day of that period exceeded 135 pence.
3. Performance criteria were fulfilled on 14 June 2021:
- 50% vested if the average closing mid-market price of an Ordinary Share for any three-month period before 31 May 2023 exceeded 77.5 pence and on the last day of that period exceeded 70 pence.
- 50% vested if the average closing mid-market price of an Ordinary Share for any three-month period before 30 September 2022 exceeded 115 pence and on the last day of that period exceeded 105 pence.
4. Performance criteria were fulfilled on 1 July 2021:
- 50% vested if the average closing mid-market price of an Ordinary Share for any three-month period before 31 May 2023 exceeded 90 pence and on the last day of that period exceeded 80 pence.
- 50% vested if the average closing mid-market price of an Ordinary Share for any three-month period before 30 September 2022 exceeded 130 pence and on the last day of that period exceeded 115 pence.
5. Performance criteria were partially fulfilled:
- 50% vested if the average closing mid-market price of an Ordinary Share for any three-month period exceeded 142 pence, with the price on the last day of that period being at least 120 pence, and the last day of this period being no later than 30 April 2024. These criteria were met on 4 August 2021.
- 50% vested if the average closing mid-market price of an Ordinary Share for any three-month period exceeds 170 pence, with the price on the last day of that period being at least 145 pence, and the last day of this period being no later than 30 April 2024. These criteria were not met, and the options lapsed.

2025 remuneration

There are no Executive Directors currently. The Joint Managing Directors attend Board meetings by invitation but are not Executive Directors. It is anticipated that Executive Director appointments will be made in H1 2025. Remuneration for any new Executive Director will be in line with the principles outlined above, and the Remuneration Policy set out on pages 44 to 48.

Fees for the Chair and Non-Executive Directors will be unchanged in 2025.

Approval

This Remuneration Committee report has been approved by the Board of Directors and is signed on its behalf by:

Debra Leeves
Remuneration Committee Chair
22 May 2025

Remuneration Policy

The table below sets out a summary of key elements of the Remuneration Policy (the 'Policy') that is put forward for an advisory shareholder vote at the Company's 2025 AGM.

Purpose and strategic link	Operation	Opportunity	Performance measure
Executive Directors			
Basic salary			
Supports the recruitment and retention of Directors of a sufficient calibre to deliver the Group's strategy and objectives.	Reviewed and approved annually by the Remuneration Committee with changes normally effective from 1 January. In determining basic salary, the Committee considers: • Group and individual performance; • pay levels and increases for all employees; • skills and responsibilities of the individual; and • pay at companies of a similar size and scope.	No fixed monetary maximum set.	None; however, performance is considered as part of the annual salary review.
Pension allowance			
Provides a competitive post-retirement benefit.	A salary sacrifice defined contribution pension plan with Company contributions set to a fixed percentage of basic salary.	Company contribution is set at 6.5% of basic salary. This is in line with the pension allowance for all UK employees.	None.
Benefits-in-kind			
Provide a competitive and cost-effective benefits package to assist Executives in completion of their duties.	Directors are eligible to participate in the Group's: • life-assurance policy; • private medical and dental insurance; and • health and dental plans. Other benefits may be offered if considered appropriate and reasonable by the Committee.	The exact cost of providing benefits depends on the Director's individual circumstances and hence no specific monetary maximum has been set. Available benefits are in line with the benefits packages available to all UK employees.	None.

Purpose and strategic link	Operation	Opportunity	Performance measure
Share option incentives			
Motivates and rewards the achievement of long-term business goals aligned to key financial performance indicators and the creation of shareholder value through strong share price performance.	Share options are awarded annually. The number of options to be awarded are approved by the Committee. Awards vest dependent upon achievement of performance conditions measured over a three-year performance period. The design of these performance conditions are approved by the Committee. The Committee review the outcome at the end of the performance period and approve the percentage of options that will vest. The Committee may exercise discretion to override the formulaic outcome of these measures if, in the view of the Committee, they do not appropriately reflect overall business performance or the individual's contribution. Once vesting is approved by the Committee, options are immediately available to exercise for a period of up to 10-years from the initial award date.	The annual opportunity is at the discretion of the Committee, up to a theoretical maximum of 100% of basic salary. This may be limited by the rules of the share plan which caps the maximum number of options that can be awarded over a 10-year period. This has resulted in a reduced award in recent years of approximately 30% of basic salary.	A mixture of Group financial performance and shareholder returns over the three-year vesting period.

Remuneration Policy

Purpose and strategic link	Operation	Opportunity	Performance measure
Annual bonus			
Rewards and incentivises the achievement of financial and strategic targets over the financial year.	Performance measures, weightings and targets are set by the Committee at the start of the financial year. The Committee reviews and approves the payment against these targets. The Committee may exercise discretion to override the formulaic outcome of these measures if, in the view of the Committee, they do not appropriately reflect overall business performance or the individual's contribution.	50% of base salary for achieving a target level of performance. Up to 100% of base salary for achieving stretch targets.	A mixture of Group financial performance and personal objectives.
Chair and Non-Executive Directors			
Fees			
Provide an appropriate incentive to attract and retain high-calibre Directors. Non-Executive Directors do not have performance related pay.	The Chair and Non-Executive Directors are paid a flat fee for their services. The fee is set at a level that: • considers the commitment and contribution that is expected. • is appropriately positioned against comparable roles at companies of a similar size and complexity. Where the Chair or a Non-Executive Director performs services more than those set out in their service contract, an additional fee may be payable based upon this additional contribution.	Overall fees paid to Directors will remain within the limit stated in the Company's Articles of Association, currently £600,000. Actual fee levels are disclosed in the Remuneration Report on page 41.	None.

Re-election
All Directors submit themselves for re-election annually at the AGM.

Service contracts
The service contracts for Executive Directors can be terminated with six months' notice given by either party. For Non-Executive Directors, service contracts can be terminated with one month's notice given by either party.

Shareholding guidelines
There are no in-employment or post-employment shareholding guidelines for Directors.

Malus and clawback
Share option incentives are subject to malus and clawback provisions. This must be applied within three years of the vesting date. These may be applied in the event of:
- a material misstatement of the Group or Company's financial results;
- calculation error, erroneous or misleading data or assumptions;
- gross misconduct;
- Group reputational damage; or
- corporate failure.

Payments to departing Directors
In the event of a termination of contract without notice, the Director shall be entitled to a payment in respect of salary for the notice period of that contract. Timing of this payment is at the discretion of the Committee.

The Company has the power to enter into settlement agreements with Directors and to pay compensation to settle potential legal claims. In addition, and consistent with market practice, in the event of the termination of a Director, the Company may make a contribution towards that individual's legal fees and fees for outplacement services as part of a negotiated settlement.

The Policy does not include an explicit cap on the cost of termination payments.

There is no automatic entitlement to an annual bonus. Executive Directors may receive a bonus in respect of the financial year of cessation. The payment of any annual bonus will be at the Committee's discretion, based on the individual circumstances and would usually be pro-rated for the period of service. Achievement against performance criteria will be at the discretion of the Committee.

The treatment of leavers under the share option plan is determined by the rules of the plan.

Expenses
Directors are entitled to be repaid all reasonable expenses personally incurred in line with performance of their duties to the Company.

Recruitment remuneration arrangements

In the event of hiring a new Executive Director, the Committee will seek to align the remuneration package with the Policy, which may include the elements outlined above. However, the Committee retains the discretion to make appropriate remuneration decisions outside the Policy to meet the individual circumstances of the recruitment. This may include:

- an interim appointment to fill an Executive Director role on a short-term basis;
- where an Executive Director is recruited at a time in the year when it would be inappropriate to provide a bonus or share option incentive award as there is insufficient time to assess performance;
- an Executive Director is recruited from a business or location that offered some benefits that the Committee may consider appropriate to buy out;
- the Executive Director received benefits at their previous employer which the Committee considerers appropriate to offer; and
- the Committee may alter the performance measures, performance period and/or vesting period of the annual bonus or share option incentive award, subject to the rules of the plan, if the Committee determines that circumstances merit such alteration.

In determining appropriate remuneration arrangements on hiring a new Executive Director, the Committee will take into account relevant factors. This may include:

- the calibre of the individual;
- the existing remuneration arrangements for other executives; and
- the business circumstances.

The Committee seeks to ensure that arrangements are in the best interests of both the Company and its shareholders and seeks not to pay more than is appropriate.

Other

The Committee may make minor amendments to the Policy (for regulatory, tax or administrative purposes, or to take account of changes in relevant legislation) without notifying shareholders of that amendment.

Directors' Report

The Directors present their report on the affairs of the Group and Company together with the financial statements for the year ended 31 December 2024. The Group financial statements are prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

General information
The Company is a public limited company which is listed on the AIM market of the London Stock Exchange (symbol: COG) and is incorporated and domiciled in the UK. The address of its registered office is Tunbridge Court, Tunbridge Lane, Bottisham, Cambridge, CB25 9TU.

The Group's principal activities are the development and marketing of digital solutions to assess brain health.

Information included in the Strategic Report
Some matters required to be included in the Directors' Report have been included in the Strategic Report as the Directors consider them to be of strategic importance. These are:

- details on important events affecting the Company and Group during the year;
- principal risks and uncertainties, risk management and internal control;
- stakeholder engagement;
- details on likely future business developments; and
- details of research and development activities

Dividends
The Directors do not recommend payment of a dividend (2023: £nil).

Share capital
The issued share capital of the Company is set out in note 24 of the Notes to the Consolidated Financial Statements, and details of employee share schemes in note 27.

Going concern
In adopting the going concern basis for preparing the financial statements, the Directors have considered business activities in the context of the current operating environment. To support the going concern conclusion, the Directors have developed several working capital models covering from the signing of these financial statements through to 31 May 2026. The specific scenarios modelled are:

Base case
Based upon the Group's most recent Board approved forecasts.

The Group maintains a positive cash balance throughout the going concern period. The Group can meet all forecasted obligations as they fall due.

Reverse stress case
A scenario modelled to determine the minimum value of sales orders required for the Group to maintain a positive cash balance over the going concern period. This includes the impact of certain direct cost savings arising from reduced sales orders.

A flat reduction in sales orders from the base case resulted the Group's cash balance reducing to nil in Q3 2025, although there are additional potential cost savings that could be made that have not been modelled.

Conclusion

Given the Group's base case maintains a positive cash balance, the financial statements for the year ended 31 December 2024 have been prepared on the going concern basis of accounting.

The Group invoices a significant portion of a sales order at the point of signature. As a result, future cash generation is heavily dependent upon both the value and timing of future deals. The Group's reverse stress case demonstrates that a potential downside in future sales orders from the base case would result in currently available financing being insufficient to meet the Group's liquidity requirements over the going concern period. Should a downside scenario occur, the Board has identified several actions it could take to save or defer costs. In such a scenario, the Group may also need to seek additional sources of financing. This represents a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. The Directors continually review the Group's cash situation.

The financial statements do not include the adjustments that would be required if the Group and the Company are unable to continue as a going concern.

Financial risk management

Further information on the Group’s financial risk management strategy is included in note 29 of the Notes to the Consolidated Financial Statements.

Directors and their interests

The Directors who served during the year ended 31 December 2024 are shown on page 116.

Directors’ remuneration, shareholdings and share options are disclosed within the Remuneration Committee Report on pages 40 to 43. No connected persons held shares or share options during the period.

No Director had a material interest in any contract of significance, other than a service contract or contract for services, with the Company or any of its subsidiaries at any time during the year.

Directors’ responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Report of the Directors, the Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have to prepare the Group financial statements in accordance with UK-adopted international accounting standards (‘IFRS) and have elected to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice and applicable law including FRS 101 ‘Reduced Disclosure Framework’. 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 and of the profit or loss of the Company and Group for that year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the applicable IFRSs, or for the Parent Company, UK Generally Accepted Accounting Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on 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' indemnity arrangements

During the year the Company purchased Directors' and Officers' liabilities insurance in respect of itself and its Directors.

Corporate Governance

The Company's statement on corporate governance can be found in the Corporate Governance Report. The report forms part of this Directors' Report and is incorporated into it by cross-reference.

Auditor

A resolution to re-appoint Crowe UK LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting. In accordance with normal practice, the Directors will be authorised to determine the auditor's remuneration

Approval

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

Simon McKeating
Company Secretary
22 May 2025

Independent Auditor's Report to the Members of Cambridge Cognition Holdings plc

Opinion

We have audited the financial statements of Cambridge Cognition Holdings plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024, which comprise:

- the Consolidated statement of comprehensive income for the year ended 31 December 2024;
- the Consolidated and Parent Company statements of financial position and as at 31 December 2024;
- the Consolidated and Parent Company statements of changes in equity for the year then ended;
- the Consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements 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 Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the Group's and Parent Company's affairs as at 31 December 2024 and of its 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 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 related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that there is a reliance on the value and timing of future deals to generate cashflows, the uncertainty surrounding the deals and associated cashflows may result in a need for additional financing.

As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Group and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this 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 Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the period used by the Directors for the going concern assessment is appropriate, and is at least twelve months from the date of approval of the financial statements.
- Examining the working capital models prepared by management covering the period of the going concern assessment to ensure these are numerically accurate and appropriate.
- Reviewing the outcome of past working capital models by comparing these against actual results to obtain an understanding of the ability of management to forecast and to identify areas of higher judgement.
- Evaluating the key assumptions used and judgements applied by the directors in forming their conclusions on going concern.
- Comparing forecasts for FY 2025 to management accounts to date to determine current position and performance.
- Challenging management on whether the assumptions are realistic, achievable and consistent when compared to past performance and other information used during the audit.
- Reviewing any other documentation which the Directors used in assessing the going concern status including mitigating actions being considered.
- Reviewing Directors' sensitivity analysis and the resultant impact on available funds. We have also performed our own sensitivities evaluating the scenarios to ensure the adequacy of funds.
- Evaluating the appropriateness of the directors' disclosures, pursuant to the going concern assessment in the financial statements.

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

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the consolidated financial statements as a whole to be £100,000 (2023 £130,000), based on 1% of Group turnover. Materiality for the Parent Company financial statements as a whole was set at £50,000 (2023 £70,000) based on Parent Company's Total Assets. Turnover has been identified as the principal benchmark within the Group financial statements due to this being the primary focus of shareholders. Total assets has been identified as the principal benchmark within the Parent Company financial statements as it is considered to be the focus of shareholders due to being a holding company with no trade.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Performance materiality was set at £70,000 (2023 £91,000) for the Group and £35,000 (2023 £49,000) for the parent company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £5,000 (2023 £6,500). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

Cambridge Cognition Holdings plc is located in the United Kingdom. We performed full scope audits of the four significant components as well as the Parent Company using a component materiality. The operations of one of Group's subsidiaries is based out of South Africa, which ceased operations in the year, on which specific audit procedures have been performed.

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 in relation to going section, we have determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
Revenue recognition	
(see notes 2.3 and 6) We identified revenue recognition as one of the most significant assessed risks of material misstatement due to fraud. The Group has a number of different revenue streams with different revenue recognition points, including software and services revenue recognised overtime as well as hardware revenue recognised at a point in time. Errors in the recognition of revenue could materially misstate the financial statements and key investor metrics. Revenue is a significant risk area as judgements are required in determining the appropriate revenue recognition point.	We performed the following audit procedures: 1. Reviewed the revenue recognition process and the system of internal control around it, obtaining an understanding of the design and implementation of systems and controls relevant to revenue recognition. 2. Assessed that the accounting policies were in line with the requirements of IFRS15 and that the revenue is recognised in accordance of the accounting policies; 3. Selected a sample of contracts with customers, identified significant terms and deliverables in the contract to assess management's conclusions regarding the identification of performance obligations. Inspected the evidence that the services were provided and performance obligations were met. 4. Reviewed sampled invoices raised after the year end, to ensure that the revenue is recorded in the correct year. 5. For a separate sample of invoices raised during the year, we have agreed to contractual payment terms and traced their receipt to bank statements to agree that they were paid. 6. Confirmed the accuracy of the calculation of accrued and deferred income balances . 7. Reviewed the disclosure in the accounts to ensure the requirements of the standards have been met.

Independent Auditor's Report to the Members of Cambridge Cognition Holdings plc

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of goodwill and other intangible assets	
(See note 15 and 16) The Group has a carrying value of intangible assets totalling to £3,335,000 (2023: £4,089,000) and goodwill of £3,454,000 (2023: £3,653,000) as a result of business combinations occurred in previous years. While assessing the carrying value, management undertakes certain judgements on the determination of the recoverable amount of the assets. We considered that there is a risk that where judgements are inappropriate or unsupportable the goodwill and/or intangible assets could be impaired.	We performed the following audit procedures: 1. Obtained understanding of management's process of impairment assessment, including understanding the determination of a single cash generating unit ("CGU") being tested for impairment. 2. Evaluated the design and implementation of the controls over the impairment assessment process. 3. Considered the appropriateness of using the Group's market capitalisation as an approximation to the fair value of the CGU. 4. Reviewed sensitivity analysis performed by management. 5. Calculated for necessary adjustments like cost of disposal and performed additional sensitivity analysis using external information available. 6. Evaluated the appropriateness of the disclosures in the financial statements.

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on pages 50 to 51, 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's and 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 Parent Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Cambridge Cognition Holdings plc

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation in the countries in which the group and company operates.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, ensuring policies are appropriate under the relevant accounting standards and applicable law, a thorough review and assessment of revenue recognition on selected samples of projects to ensure the revenue recognition is based on accounting policy identified, corroborating balances recognised to supporting documentation on a sample basis ensuring those policies are followed and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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 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 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Leo Malkin (Senior Statutory Auditor)
for and on behalf of
Crowe UK LLP
Statutory Auditor
London
22 May 2025

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

	Notes	Year to 31 December 2024 £'000	Year to 31 December 2023 £'000
Revenue	6	**10,342**	13,515
Cost of sales		**(1,955)**	(2,717)
Gross profit		**8,387**	10,798
Research and development expense		**(2,559)**	(3,847)
Sales and marketing expense		**(2,358)**	(2,983)
Administrative expense		**(4,930)**	(6,139)
Non-recurring items	11	**(155)**	(1,456)
Total operating expense		**(10,002)**	(14,425)
Share of profit after tax from joint ventures	18	**32**	-
Other operating income	7	**416**	322
Operating loss		**(1,167)**	(3,305)
Adjusted EBITDA		**(43)**	(1,024)
Adjusting items[1]		**(1,124)**	(2,281)
Operating loss		**(1,167)**	(3,305)
Interest receivable	12	**21**	16
Finance costs	12	**(563)**	(168)
Loss before tax		**(1,709)**	(3,457)
Tax expense	13	**(76)**	(51)
Loss for the year		**(1,785)**	(3,508)
Other comprehensive income/(loss)			
Items that may subsequently be reclassified to profit or loss			
Exchange differences on translation of foreign operations		**(408)**	(210)
Items that may not subsequently be reclassified to profit or loss			
Fair value movements in equity investments	19	**1,688**	107
Total comprehensive loss for the year		**(505)**	(3,611)
Loss per share (pence)			
Basic	14	**(4.6)**	(10.1)
Diluted	14	**(4.6)**	(10.1)

All items of income are attributable to the equity holders in the Parent. The above results relate to continuing operations.

1. Adjusting items comprise amortisation of intangible assets of £552,000 (2023: £568,000), depreciation of property, plant and equipment of £68,000 (2023: £97,000), non-recurring items of £155,000 (2023: £1,456,000) and share-based payments of £349,000 (2023: £160,000). See note 11 for further details on non-recurring items, note 16 for other intangible assets, and note 17 for property plant and equipment.

Consolidated Statement of Financial Position

	Notes	At 31 December 2024 £'000	At 31 December 2023 £'000
Assets			
Non-current assets			
Goodwill	15	**3,454**	3,653
Other intangible assets	16	**3,335**	4,089
Property, plant and equipment	17	**34**	133
Investments	18	**1,844**	155
Trade and other receivables	20	**20**	20
Total non-current assets		**8,687**	8,051
Current assets			
Inventories	19	**128**	187
Trade and other receivables	20	**2,627**	2,417
Current tax receivable		**292**	351
Cash and cash equivalent	25	**1,295**	3,222
Total current assets		**4,342**	6,177
Total assets		**13,029**	14,228
Liabilities			
Current liabilities			
Trade and other payables	22	**2,119**	2,603
Deferred income on contracts with customers	6	**5,511**	7,699
Loans and borrowings	23	**985**	566
Current tax payable		**147**	99
Total current liabilities		**8,762**	10,967
Non-current liabilities			
Loans and borrowings	23	**905**	1,978
Total non-current liabilities		**905**	1,978
Total liabilities		**9,667**	12,945
Equity			
Share capital	24	**419**	350
Share premium		**17,641**	15,169
Other reserves	24	**5,205**	5,613
Own shares	24	**(71)**	(71)
Retained earnings		**(19,832)**	(19,778)
Total equity		**3,362**	1,283
Total liabilities and equity		**13,029**	14,228

The financial statements on pages 60 to 109 were approved by the Board of Directors and authorised for issue on 22 May 2025 and were signed on its behalf by:

Steven Powell
Chair

Company number
08211361

Consolidated Statement of Changes in Equity

	Notes	Share capital £'000	Share premium £'000	Other reserves £'000	Own shares £'000	Retained earnings £'000	Total £'000
At 1 January 2023		312	11,151	5,823	(71)	(17,120)	95
Loss for the year		-	-	-	-	(3,508)	(3,508)
Other comprehensive loss							
Exchange differences on translation of foreign operations		-	-	(210)	-	-	(210)
Fair value movements in equity investments	18	-	-	-	-	107	107
Total comprehensive loss for the year		-	-	(210)	-	(3,401)	(3,611)
Transactions with owners							
Issue of new shares in relation to business combinations		34	3,966	-	-	-	4,000
Issue of new shares in relation to exercise of employee share options	24	4	52	-	-	-	56
Credit to equity for share-based payments	27	-	-	-	-	160	160
Post-combination remuneration		-	-	-	-	309	309
Issue of warrants	23	-	-	-	-	274	274
Transactions with owners		38	4,018	-	-	743	4,799
At 31 December 2023		350	15,169	5,613	(71)	(19,778)	1,283
Loss for the year		-	-	-	-	(1,785)	(1,785)
Other comprehensive loss							
Exchange differences on translation of foreign operations		-	-	(408)	-	-	(408)
Fair value movements in equity investments	18	-	-	-	-	1,688	1,688
Total comprehensive loss for the year		-	-	(408)	-	(97)	(505)
Transactions with owners							
Issue of new shares in relation to equity fundraising	24	66	2,559	-	-	-	2,625
Transaction costs relating to issue of share capital	24	-	(446)	-	-	-	(446)
Shares issued on settlement of share-based arrangements	24	2	304	-	-	(306)	-
Issue of new shares in relation to exercise of employee share options	24	1	55	-	-	-	56
Credit to equity for share-based payments	27	-	-	-	-	349	349
Transactions with owners		69	2,472	-	-	43	2,584
At 31 December 2024		**419**	**17,641**	**5,205**	**(71)**	**(19,832)**	**3,362**

Consolidated Statement of Cash Flows

	Notes	Year to 31 December 2024 £'000	Year to 31 December 2023 £'000
Net cash flows used in operating activities	25	**(3,085)**	(4,967)
Investing activities			
Dividends received from joint ventures	18	**32**	-
Acquisition of subsidiary, net of cash acquired		**-**	(3,002)
Interest received	12	**21**	16
Purchase of property, plant and equipment	17	**(3)**	(33)
Net cash flow generated from/(used in) investing activities		**50**	(3,019)
Financing activities			
Proceeds from share issue	24	**2,624**	-
Transaction costs arising on issue of shares	24	**(446)**	-
Proceeds from borrowings, net of fees incurred	23	**-**	3,054
Proceeds from exercise of share options	24	**57**	56
Repayment of borrowings	25	**(547)**	(116)
Interest payments		**(563)**	(109)
Net cash flows generated from financing activities		**1,125**	2,885
Net decrease in cash and cash equivalents		**(1,910)**	(5,101)
Cash and cash equivalents at start of year		**3,222**	8,322
Exchange differences on cash and cash equivalents		**(17)**	1
Cash and cash equivalents at end of year	25	**1,295**	3,222

Notes to the Consolidated Financial Statements

1. General information

Cambridge Cognition Holdings plc ('the Company') and its subsidiaries (together, 'the Group') develops and markets digital solutions to assess brain health.

The Company is a public limited company which is listed on the AIM market of the London Stock Exchange (symbol: COG) and is incorporated and domiciled in the UK. The address of its registered office is Tunbridge Court, Tunbridge Lane, Bottisham, Cambridge, CB25 9TU.

2. Material accounting policies

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards. The accounting policies adopted are consistent with those followed in the preparation of the consolidated financial statements for the year ended 31 December 2023, except for presentation differences noted below. The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments measured at fair value. The accounts are presented in Pounds Sterling ('£'), and to the nearest £1,000.

The subsidiary undertakings included within the consolidated financial statements as at 31 December 2024 are given in note 18.

The consolidated financial statements incorporate the results of the Company and of its subsidiaries. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. All of the Group's subsidiaries are wholly owned.

The Group has made the following changes to the presentation of the Consolidated Statement of Comprehensive Income, which has resulted in restatements of prior period balances:

- The Non-GAAP measure (see note 2.4) Adjusted operating profit/loss has been replaced with Adjusted EBITDA. This is intended to align presentation with the internal accounts available to management and to shareholder expectations. Adjusted operating profit/loss was defined as operating profit/loss before: non-recurring items, amortisation of acquisition-related intangible assets and share-based payment charge. Adjusted EBITDA also excludes amortisation of intangible licences and depreciation of property, plant and equipment. The adjusted operating loss for the year ended 31 December 2023 was £(1,128,000).

2.2 Going concern

In adopting the going concern basis for preparing the financial statements, the Directors have considered business activities in the context of the current operating environment. To support the going concern conclusion, the Directors have developed several working capital models covering from the signing of these financial statements through to 31 May 2026. The specific scenarios modelled are:

In adopting the going concern basis for preparing the financial statements, the Directors have considered business activities in the context of the current operating environment. To support the going concern conclusion, the Directors have developed several working capital models covering from the signing of these financial statements through to 31 May 2026. The specific scenarios modelled are:

Scenario	Outcome
Base case Based upon the Group's most recent Board approved forecasts.	The Group maintains a positive cash balance throughout the going concern period. The Group can meet all forecasted obligations as they fall due.
Reverse stress case A scenario modelled to determine the minimum value of sales orders required for the Group to maintain a positive cash balance over the going concern period. This includes the impact of certain direct cost savings arising from reduced sales orders.	A flat reduction in sales orders from the base case resulted in the Group's cash balance reducing to nil in Q3 2025, although there are additional potential cost savings that could be made that have not been modelled.

Given the Group's base case maintains a positive cash balance, the financial statements for the year ended 31 December 2024 have been prepared on the going concern basis of accounting.

The Group invoices a significant portion of a sales order at the point of signature. As a result, future cash generation is heavily dependent upon both the value and timing of future deals. The Group's reverse stress case demonstrates that a potential downside in future sales orders from the base case would result in currently available financing being insufficient to meet the Group's liquidity requirements over the going concern period. Should a downside scenario occur, the Board has identified several actions it could take to save or defer costs. In such a scenario, the Group may also need to seek additional sources of financing. This represents a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. The Directors continually review the Group's cash situation.

The financial statements do not include the adjustments that would be required if the Group and the Company are unable to continue as a going concern.

2.3 Revenue recognition
Revenue is accounted for in accordance with IFRS 15 'Revenue from contracts with customers'.

To determine whether to recognise revenue, the Group follows a five-step process:
- Identifying a contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when or as performance obligations are satisfied

The Group often enters into contracts where a bundle of products or services are provided. Contracts are assessed and obligation(s) are separated by applying the five steps to each element of the contract to decide how revenue should be recognised. The Group's portfolio of products and services each have defined characteristics and performance obligations that inform revenue recognition decisions and the policy applied.

Management assesses the value of the standalone transaction prices of each unbundled element and believe them to be appropriately reflected in the contract prices for the respective element, which are the result of arm's length market price negotiations with customers. Each are capable of being sold and used by customers individually, and each are clearly identified within the contract. These values are then used for revenue recognition judgements related to the performance of obligations which fall within one of the accounting policies stated below depending upon the specific characteristic of that contract. Each of these are described below.

The timing of payments received from customers is based on contractual terms, is typically received at multiple points throughout a contract and does not necessarily match the timing of revenue recognition. To the extent that payments are received ahead of income recognition, these amounts are carried within the Consolidated Statement of Financial Position as Deferred income on contracts with customers. Where payments are received after revenue recognition these are carried in the Consolidated statement of financial position within Trade and other receivables as Accrued income from contracts with customers.

Software
The Group sells licences to use its software and/or its software hosting platform. These licences can take different forms, which are described in turn below:

Hosted software licences:
Where software is hosted on the Group's servers the revenue is recognised over a period of time, as there is a continuing performance obligation to provide services (e.g. to ensure servers are available). Customers also benefit from software and service enhancements which improve the functionality of the software during the licence period. These improvements are not standalone products and are included in the originally contracted price and so are not accounted for separately.

- For contracts where the software value is greater than or equal to £20,000, and software is sold on a cost per assessment basis, the Group uses the assessment price to recognise revenue as the assessments are used, as this represents the customers' consumption of their benefits of the contract, and the Group's simultaneous performance of its obligations.
- For contracts where the software value is less than £20,000, and software is sold on a cost per assessment basis, the Group uses a portfolio estimate of the revenue being recognised over 12 months. This period has been chosen as it best represents the average life of this portfolio of contracts.
- For contracts where the licence is sold for unlimited uses over a limited period of time, the revenue is taken equally over the course of the licence period.

Software breakage:
Software is generally sold as non-refundable and so at the end of a contract any remaining deferred software revenue is taken to the income statement. In addition, breakage will also be taken where software assessments on a project have not been used for 12 months, and management is not able to establish that the related project is ongoing.

Non-hosted software licences:
Where software is not hosted on the Group's servers, it is used as it exists at the point in time the licence is granted and as such revenue is recognised at that point in time. The time of recognition is once the licence has been delivered to the customer, either through delivery of a physical software key or installation on the client systems, as this is when the customer takes control of the asset and can direct its use. It is also when the Group's performance obligations are satisfied as the Group is not responsible for hosting the software and is unable to make further software enhancements.

Services
The Group provides a range of services that include supporting clinical studies, bespoke software development and scientific consultancy. Some services are ongoing services provided over a period of time, whilst some are clearly tied to a deliverable or other project milestone. The Group recognises the revenue from services over time only where it has the right to payment for services as they are performed.

Services delivered at a point in time:
Some services, such as training and delivery of scientific reports are delivered at a point in time and as such are recognised at a point in time, as the performance obligation is discharged on delivery, as this is when the customer obtains control of the related asset or consumes the benefit.

Notes to the Consolidated Financial Statements

Services delivered over a period of time:

When services are delivered over a period of time (e.g. study support services) the revenue is recognised equally over the relevant period, as the customer has access to the benefit of those services, using the output method. In some instances, the period in question may be for the life of the contract, and in these instances management will estimate the length of the contract for this purpose, and hence can measure the proportion of time passed to measure the value of revenue that can be recognised. When that estimate changes, revenue that has not yet been recognised will be adjusted prospectively to match the revised estimate. Study support services can be separated into set-up, ongoing management and close out phases with separate performance obligations. Where material and clearly identifiable, these phases will be recognised separately. Where immaterial or not clearly identifiable, these revenues will be recognised evenly over the course of the total relevant period.

In some cases, whilst the end product is a specific deliverable, it may be that the work required is executed over an extended period of time. In these cases, management may make an estimate of revenue earned to date considering the progress towards satisfying the performance obligation. This will normally be measured by the output method – i.e. what proportion of the deliverable has been completed. This is measured by observable milestones, for example story-points completed in a software build or over time where such observable milestones do not exist.

Customer support services:

Aside from any specific services contracted, customers have access to the Group's customer support team should they have problems with their software. The life of this support matches the life of the software licence (as support can only be required whilst a licence is held), and as such this support is not separated from the software licence revenue recognition as described above.

Hardware

The Group does not manufacture hardware, but will acquire, configure and sell hardware to customers. Hardware revenue is recognised when hardware is despatched to the customer.

Bill and hold arrangements:

On some occasions, a customer may ask that the Group purchases and configures hardware on their behalf and then store the hardware awaiting specific despatch instructions. In these cases, the customer assumes ownership of the assets even though they may still be in the Group's physical possession. Once ownership has been passed to the customer, the Group will recognise this hardware revenue, even though the hardware has not yet been despatched.

Royalties

The Group has entered into several licensing agreement that include royalty payments to the Group for use of its intellectual property. As there is no ongoing obligation from the Group to the end customer, royalty revenue is recognised in full as soon as reported by the distributor following the date of sale. This represents the points at which the Group has a contractual right to receive royalty payments.

2.4 Non-GAAP measures

The Group presents Adjusted EBITDA on the face of the Consolidated Statement of Comprehensive Income, where it is reconciled to profit from operations. The Directors believe that this alternative measure of profit provides a reliable and consistent measure of the Group's underlying performance. Adjusted EBITDA is defined as operating loss/profit before:

- non-recurring items;
- depreciation of property, plant and equipment;
- amortisation of intangible assets; and
- share-based payment charge.

Non-recurring items are identified by virtue of either their size or their nature. These items may include, but are not restricted to:

- fees associated with business combinations and integrations of acquired businesses;
- costs of significant restructuring exercises; and
- material impairments.

Further details of non-recurring items are provided in note 11.

Non-GAAP measures are not defined within International Financial Reporting Standards ('IFRS') and therefore may not be comparable with similarly titled measures of other companies. They are not intended to be a substitute for, nor superior to, GAAP measures.

2.5 Grants

Grants of a revenue nature are credited to profit and loss to match with the expenses incurred. Where the grant relates to payments for the use of the Group's products or resources to support broader projects, the grant is taken as other operating income.

2.6 Sales commissions

Commissions are accrued and subsequently paid based on the contractual terms reached with the salesperson. Commissions relate to the whole of the respective customer contract and so are apportioned on the same basis as revenue recognition. Where commissions are paid related to revenues that are not recognised in the same accounting period, the commission amount is capitalised and held as an asset on the balance sheet, before being expensed in proportion with the related revenue, which will be recognised in accordance with the policy in note 2.3 above.

2.7 Costs of sales

Cost of sales includes costs arising in meeting obligations to customers. The most significant items include direct staff costs associated with delivering revenue obligations, third party costs for services and hardware, sales commissions, and the costs of hosting customer data. All other costs are included within administration costs unless separate presentation on the face of the Consolidated Statement of Comprehensive Income is mandated.

Notes to the Consolidated Financial Statements

2.8 Leasing

A contract contains a lease if the contract gives the Group the right to control the use of an asset for a period of time. On commencement of a lease, the lease liability is measured at the present value of the contracted lease payments, using an estimation of the Group's incremental cost of borrowing, or a rate implicit in the contract if that can be determined. Right-of-use assets are measured at cost comprising the amount of the initial investment of the lease liability and restoration costs. Subsequent to initial recognition, the lease liability is increased for the related finance charges and reduced for instalments paid. The asset is depreciated on a straight-line basis over the shorter of the length of the lease or the asset's useful life. Upon any subsequent modifications to the lease, the values are reassessed in line with the process outlined for commencement above. Where a lease ends it is eliminated from the recorded cost and depreciation values.

Where the Group enters into leases with a period of under 12 months, or for assets with a low value, these costs are recognised directly into the income statement.

2.9 Foreign currencies

The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which it operates (its functional currency). The UK pound is the functional currency of the Company and presentational currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions, with differences recorded in profit or loss. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date.

On consolidation, assets and liabilities have been translated into the UK pound at the closing rate at the reporting date. Income and expenses have been translated into the UK pound at the average monthly rates over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the Other reserves.

2.10 Post-employment benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. However, such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and, at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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. Deferred tax is charged or credited in the profit or loss, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Research and Development tax credits

The Group applies for Research and Development tax credits in respect of each financial year. As the Group has an established history of successful claims, the credit is recognised when an estimated value can be reliably made. Where this qualifies for the UK SME R&D scheme, the tax credit is accounted for within the taxation charge or credit for the year.

The UK Research & Development Credit (RDEC) is recognised in the income statement and netted off against Research and development expense as the RDEC is of the nature of a government grant.

Notes to the Consolidated Financial Statements

2.12 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is provided at rates calculated to write off the cost of assets, less their estimated residual value, over their expected useful lives on the following bases:

Asset category	Useful life
Leased buildings (right-of-use)	Period of contracted use (i.e. length of lease)
Leasehold improvements	Straight line over the lesser of 5 years or the term of the lease
Fixtures, fittings and equipment	3 to 4 years

The gain or loss arising on the disposal of an asset is the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit and loss on the transfer of the risks and rewards of ownership.

2.13 Business combination, goodwill and other intangible assets

The Group uses the acquisition method of accounting for the acquisition of subsidiaries. The consideration is measured at the fair value of the assets given equity instruments issued and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed in the year. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair value of net identifiable assets and liabilities acquired. Goodwill is measured at cost less accumulated impairment losses. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the profit or loss on the acquisition date.

Purchased licences

Where a licence for software used in the provision of services to customers is purchased and controlled by the Group, the amount is capitalised and amortised over the period of the licence as long as future economic benefits are expected. The amortisation charge is charged to cost of sales.

Internally-generated intangible assets – research and development expenditure

The Group undertakes research and development expenditure in view of developing new products. Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from the Group's development is recognised only if the Group can demonstrate all of the following:

- 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.

Amortisation

Amortisation is charged to the Consolidated Statement of Comprehensive Income to allocate the cost of intangible assets over their estimated useful economic lives, using the straight-line method.

The estimated useful economic lives of intangible assets are as follows:

Asset category	Useful life
Technology based assets	5 to 11 years
Marketing based assets	15 years
Customer based assets	7 to 10 years
Licences	Life of licence

Goodwill

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to a singular cash generating unit ('CGU') which is expected to benefit from synergies arising from the combination. This CGU is tested for impairment annually, or more frequently when there is an indication that the CGU may be impaired. If the recoverable amount of the CGU is less than the carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Notes to the Consolidated Financial Statements

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the First-In-First-Out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.15 Financial instruments

Financial assets and financial liabilities are recognised in the Group's Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets (excluding investments held at fair value) and financial liabilities are initially measured at fair value, plus or minus directly attributable transaction costs.

Financial assets excluding investments held at fair value

Financial assets excluding investments held at fair value are subsequently measured at amortised cost. Accordingly, where the Group believes that there is a change in the value of a financial instrument (e.g. a trade receivable is considered unrecoverable) this amount will be adjusted through the profit or loss. A financial asset is derecognised once the contractual rights expire (e.g. when cash has been received for a trade receivable).

Expected credit losses on trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. The Group estimates expected credit losses by taking the credit losses over the preceding 36 months and comparing this to invoices raised over the same period. The historical rates are adjusted to reflect current conditions and the Group's view of economic conditions over the expected lives of the receivables. The percentage derived is then applied to the outstanding trade receivables and accrued income balances. The Group also reviews each receivable for specific circumstances which may raise doubt over its recoverability. This has resulted in an decrease in the expected credit loss to £3,000 (2023: £61,000). See note 29 for further details and an aging analysis.

Financial liabilities

All the Group's financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. Financial liabilities are derecognised when the related obligation is discharged, cancelled or expires.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised as the proceeds are received, net of direct issue costs.

Warrant instruments

Upon entering into the term loan in September 2023 (see note 23) the Group issued warrants over the share capital of the Company. As these warrants are over a fixed number of shares and at a fixed exercise price, they are classified as equity instruments. The fair value of the warrants was determined using a Black-Scholes model. They were recognised in full within equity on the issue date.

2.16 Share-based payments
Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 27.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

Where the life of an option is extended after grant date, the fair value of this extension is measured on the date of extension using a Black-Scholes model and expensed in profit or loss on that date.

2.17 Employee Benefit Trust
In order to facilitate the exercise of share options the Group maintains two Employee Benefit Trusts (EBTs). These are consolidated in accordance with IFRS 10. The costs of purchasing own shares held by the EBTs are deducted from equity under the 'Own Shares' reserve. Neither the purchase nor sale of own shares leads to a gain or loss being recognised in the Group's profit and loss or other comprehensive income. When shares are subsequently transferred to employees for less than their purchase price the difference is a realised loss recognised directly in reserves.

2.18 Investments
The Group measures equity investments at fair value, with changes in fair value recognised in other comprehensive income.

2.19 Joint ventures
The Group holds a share in joint venture, Cognition Kit Limited. The Group's investment in the joint venture is measured using the equity method, and its share of profit or loss is shown on the face of the Consolidated Statement of Comprehensive Income. Under the equity method, the investment in the joint venture is initially recognised at cost. The carrying amount is subsequently adjusted to recognise changes in the Group's share of net assets and dividends received.

3. Adoption of new and revised standards
The Group has applied for the first time in the reporting period commencing 1 January 2024:

- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback
- Amendments to IAS 1 – Classifications of Liabilities as Current or Non-Current
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

These amendments did not impact the Group's financial statements.

Notes to the Consolidated Financial Statements

4. Critical accounting judgements and key sources of estimation uncertainty

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

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

Revenue recognition (judgement)

As noted in section 2.3 above, many of the judgements in relation to revenue recognition are directed by the characteristics of the contractual obligation being discharged. Accordingly, a limited amount of management judgement is required. Whilst these judgements do not carry a significant level of estimation uncertainty, they are nonetheless described below:

- The extent to which, and the way in which, contracts are separated into their component parts and the values attributed to those parts. This is based on the detail as per the contract, but other methods could be used that would yield different results;
- Whether software licences are granted to allow the customer the benefit of use of the Group's intellectual property over a period of time (including benefitting from future maintenance and improvements) or whether that right is given as the intellectual property exists at the point of time the licence is granted. In the case of the former, software is recognised over the period of use, for the latter revenue is recognised when the customer receives control of the licence;
- The adoption of the portfolio approach for lower value sales and the recognition criteria applied judgements of the upper limit (£20,000) and the period of recognition (12 months) impact the method of valuation and hence the amount recognised in the financial statements;
- Where performance obligations are satisfied over time, the length of time remaining for performance, and whether this needs revising over time. These judgements are based on best available information from customers at any given point in time, but can change given the nature of the customer's business; and
- The deferral and subsequent recognition of commissions in cost of sales, which is recognised in the same proportion as the revenue it is associated with.

Critical estimates and judgements in applying the Group's accounting policies

The following are the critical judgements that the Directors, supported by management have made in the process of applying the Group's accounting policies. Where estimation uncertainty exists, the Directors, supported by management, take account of all available information in forming their judgement.

Accounting for holding in Monument Therapeutics Limited (judgement)

Judgement is applied in determining whether the Group holds significant influence over Monument Therapeutics Limited and consequently whether the holding is accounted for as an associate or an investment. This requires consideration of the specific circumstances regarding the Group's holding, including:

- the Company holding over 20% of the voting shares in the entity.
- the rights that are conferred to the Company by the class of shares held.
- the ability of the Company to influence decisions, given Board composition and the independence of day-to-day operations.
- the profile of other shareholders, and the influence they are able to exert over the entity to the exclusion of the Company.

Given the Company's restricted ability to influence operating decisions at the Board level as a result of a Shareholder Agreement, the Directors have determined that the Group does not hold significant influence over Monument Therapeutics Limited. This holding is therefore accounted for as an investment.

Fair value of investment in Monument Therapeutics Limited (judgement)

The Group reviews the fair value of its investment in Monument Therapeutics Limited on an annual basis. The starting position for this assessment is the most recent fundraise for Monument Therapeutics Limited. This is a Level 3 input on the fair value hierarchy. The Group then applies adjustments to this valuation for:

- operational progress since the last fundraise
- changes in market conditions since the last fundraise

The potential impact of identified adjustments upon the investment fair value involves a significant degree of estimation uncertainty. The outcome of this assessment is provided in note 18.

Valuation of intangible assets identified as part of business combinations (prior year estimate and judgement)

In the year ended 31 December 2023, the Group entered a business combination with Winterlight Labs Inc ('Winterlight'). This required the Group to recognise identifiable intangible assets acquired at fair value. The Group engaged with an external expert to assist with the identification and measurement exercise.

Valuation methods vary by type of intangible asset, and include income approaches (royalty savings methods, distributor method, excess earnings method) and cost approaches (replacement cost method). Income approaches require estimates of future cash flows, discount rates, royalty rates and customer attrition rates. Cost approaches require estimates of average salary costs and total man-hours required to develop a replacement product.

Impairment of goodwill (estimate)

The Group is required to assess all indefinite life assets for impairment at least annually. This is performed using a fair value less cost to sell model, as outlined in note 15. The fair value model is based on the Company share price at the year end and any movement in share price will impact the fair value valuation. The outcome of this impairment assessment is set out in note 15.

Notes to the Consolidated Financial Statements

Capitalisation of development costs (judgement)

The point at which development costs meet the criteria for capitalisation is critically dependent on management judgement of the probability to reliably measure the future economic benefits. This is judgemental as it may not be possible to demonstrate a market until significant validation work has been performed. Research and development expenditure in the year primarily relates to ongoing research. Therefore, no development costs have been capitalised (2023: £nil).

Recovery of deferred tax assets (estimate)

Deferred tax assets in excess of any deferred tax liabilities have been recognised only to the extent that there are deferred tax liabilities with no excess recognised for other deductible temporary differences, share options and tax losses as management considers that there is not sufficient certainty on when future taxable profits will be available to utilise those temporary differences and tax losses. This judgement is reviewed at each year end and made based upon forecasts of taxable profit, considering the inherent uncertainties in these forecasts. Details of the Group's deferred tax assets and liabilities are provided in note 21.

5. Outlook for adoption of future Standards (new and amended)

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods, nor on reasonably foreseeable future transactions.

6. Revenue

An analysis of the Group's revenue for each major revenue stream is as follows:

	2024 **£'000**	2023 £'000
Clinical studies	**9,329**	12,532
Academic research	**869**	891
Healthcare	**144**	92
	10,324	13,515

An analysis of the Group's revenue for each major product and service category is as follows:

	2024 £'000	2023 £'000
Software	**4,765**	6,532
Services	**5,234**	6,364
Hardware	**298**	619
Royalties	**45**	-
	10,342	13,515

Costs cannot be directly attributed to either the products and services, or revenue streams above so profit measures are not presented.

Geographical information
The revenue from external customers by geographical location is detailed below:

	2024 £'000	2023 £'000
United Kingdom	**1,199**	1,010
United States of America	**6,987**	9,368
European Union	**644**	2,505
Rest of World	**1,512**	632
	10,342	13,515

Non-current assets held in the United Kingdom amounted to £2.9 million (2023: £1.4 million). Non-current assets held in all foreign countries amounted to £5.8 million (2023: £6.6 million). Material non-current assets are held in Canada amounting to £5.8 million (2023: £6.5 million). No other country holds material non-current assets.

Information about major customers
One customer accounted for more than 10% of reported revenue in 2024, amounting to 18% of the total (2023: one customer amounting to 18%).

Revenue from contracts with customers
All revenue in 2024 and 2023 comes from contracts with customers.

Notes to the Consolidated Financial Statements

Timing of revenue recognition

As explained in note 2.3, some software and services are recognised over a period of time ('over time'), and some at a point in time ('point in time'). The split of revenue in line with these factors is as follows:

	2024 £'000	2023 £'000
Software - over time	**4,666**	6,440
Software - point in time	**99**	92
Services - over time	**4,413**	5,492
Services - point in time	**821**	872
Hardware - point in time	**298**	619
Royalties - over time	**45**	-
	10,342	13,515

Of the £7.7 million Deferred income from contracts with customers at 31 December 2023, £6.4 million was recognised as revenue in 2024. Of the £12.3 million Deferred income from contracts with customers at 31 December 2022, £9.1 million was recognised as revenue in 2023.

Payment terms can vary from customer to customer and are subject to negotiation. Normally, software will be invoiced at the point of initial sale and services invoiced as delivered. This creates a deferred income balance in respect of software which will be reduced as the software is used.

Contract balances

Contract balances are as follows:

	2024 £'000	2023 £'000
Trade receivables	**1,199**	1,039
Accrued income on contracts with customers	**213**	211
Deferred income on contracts with customers	**5,511**	7,699

Trade receivables increased due to higher sales volume in the last quarter of 2024 compared to 2023.

Accrued income on contracts with customers did not materially change.

Deferred income on contracts with customers decreased as revenue was recognised in excess of invoicing. This was caused by lower year-on-year sales orders.

Deferred commissions

Deferred commissions are presented as part of Trade and other receivables in note 20. The Group does not consider any of these amounts impaired. The movement of this account specifically is as follows:

	2024 £'000	2023 £'000
At 1 January	**382**	706
Recognised in Consolidated Statement of Comprehensive Income	**(259)**	(385)
Net additions from sales in year	**80**	71
Exchange adjustments	**28**	(10)
At 31 December	**231**	382

7. Other operating income

Other operating income is made up of the following:

	2024 £'000	2023 £'000
Grant income	**957**	322
Grant expense	**(541)**	-
	416	322

Grant income is received for various Horizon and Innovate UK funded projects. In 2024, this was primarily for Trials@Home and Bio-Hermes 2. In 2023, this was primarily Trials@Home. Grant expense in 2024 relates to subscription and licence paid to the Global Alzheimer's Platform Foundation for participation in the Bio-Hermes 2 project.

The Group held the following contract balances at 31 December relating to grants:

	2024 £'000	2023 £'000
Accrued income on grants – non-current	**20**	20
Accrued income on grants – current	**471**	156
Deferred income on grants	**303**	62

These balances are presented within Other receivables and Other payables respectively.

Notes to the Consolidated Financial Statements

8. Operating loss

Operating loss has been arrived at after charging/(crediting):

	2024 £'000	2023 £'000
Net foreign exchange losses	**121**	31
Research and development costs	**2,559**	3,847
Depreciation of property, plant and equipment	**68**	97
Amortisation of intangible assets:		
• included in Cost of sales	**6**	7
• included in Research and development expense	**484**	496
• included in Sales and marketing expense	**62**	65
Staff costs (see note 10)	**7,015**	10,121

9. Auditor's remuneration

The analysis of the auditor's remuneration is as follows:

	2024 £'000	2023 £'000
Fees payable to the Company's auditor for the audit of:		
• the Company's annual accounts	**131**	150
• the subsidiaries' annual accounts	**44**	50
Total audit fees	**175**	200

10. Staff costs

The average monthly number of employees (including directors) was:

	2024 Number	2023 Number
Operations	**59**	89
Sales and business development	**11**	13
Administrative support	**14**	17
	84	119

Their aggregate remuneration comprised:

	2024 £'000	2023 £'000
Wages and salaries	**5,875**	8,914
Social security costs	**453**	611
Other pension costs (see note 28)	**338**	436
Share-based payments charge (see note 27)	**349**	160
	7,015	10,121

11. Non-recurring items

	2024 £'000	2023 £'000
Acquisition and integration of Clinpal	**(22)**	570
Acquisition and integration of Winterlight	**74**	662
Restructuring	**103**	224
	155	1,456

The total net cash outflow as a result of non-recurring items was £543,000 (2023: £815,000).

Acquisition and integration of 'Clinpal'

The Group acquired Clinpal in October 2022. Costs in the year related to retention awards for key staff. As a result of the departure of a member of the Clinpal team in 2024 the Group reversed the related charge for retention awards. Costs in the prior year included movements in deferred consideration, retention awards for key staff, and onerous lease provisions and fixed asset impairments relating to Clinpal's office. No further expense is anticipated.

Acquisition and integration of Winterlight

The Group acquired Winterlight in January 2023. Costs in the year included retention awards for key staff. Costs in the prior year related to adviser fees and retention awards. No further expense is anticipated.

Restructuring

The Group completed significant, multi-department restructuring exercises in both the current and prior year. No further expense is anticipated.

Notes to the Consolidated Financial Statements

12. Interest receivable and finance costs

Interest receivable comprises:

	2024 £'000	2023 £'000
Interest on bank deposits	**21**	18

Finance costs comprise:

	2024 £'000	2023 £'000
Bank charges	**16**	21
Interest on term loan	**547**	147
	563	168

13. Taxation

	2024 £'000	2023 £'000
Corporation tax:		
• Current year	**12**	(77)
• Adjustments in respect of prior years	**64**	128
	76	51
Deferred tax (see note 21)	**-**	-
Total tax charge	**76**	51

Corporation tax is calculated at 25% (2023: 23.5%) of the estimated taxable loss for the year.

The tax charge for each year reconciles to the loss before tax as follows:

	2024 **£'000**	2023 £'000
Loss before tax on continuing operations	**(1,709)**	(3,457)
Tax at the UK corporation tax rate of 25% (2023: 23.5%)	**(427)**	(812)
Effects of:		
• Difference in foreign tax rates	**(2)**	1
• Expenses not deductible for tax purposes	**242**	311
• Deduction on exercise of share options	**(12)**	(64)
• Movement in unrecognised deferred tax on losses	**256**	585
• Adjustment in respect of prior years	**116**	125
• Foreign tax charge	**-**	5
• R&D tax credit	**(97)**	(100)
Tax charge for the year	**76**	51

The adjustment in respect of prior years relates to the corporate tax payable and R&D claims receivable in Canada (2023: R&D tax credits in respect of 2022 and 2021 and US federal tax payments). No R&D tax credits claim has yet been made for 2024, however the Group is able to estimate the expected amount that will be received for the year.

Notes to the Consolidated Financial Statements

14. Earnings per share

The calculation of basic and diluted earnings per share ('EPS') is based on the following data:

Earnings	**2024 £'000**	2023 £'000
Earnings for the purposes of basic and diluted EPS per share being net loss attributable to owners of the Company	**(1,785)**	(3,508)

Weighted average number of ordinary shares	**2024 '000**	2023 '000
For the purposes of basic EPS	**38,640**	34,586
For the purposes of diluted EPS	**38,640**	34,586

The diluted loss per share is considered to be the same as the basic loss per share. Potential dilutive shares are not treated as dilutive where they would result in a loss per share.

	2024 pence	2023 pence
Basic EPS	**(4.6)**	(10.1)
Diluted EPS	**(4.6)**	(10.1)

15. Goodwill

	2024 £'000	2023 £'000
At 1 January	**3,653**	482
Acquired in business combinations	**-**	3,314
Exchange adjustments	**(199)**	(143)
At 31 December	**3,454**	3,653

Goodwill acquired in a business combination is allocated to the cash generating unit ('CGU') which is expected to benefit from that combination. The Group has fully integrated operations and product portfolio and so operates as a single CGU.

Goodwill is subject to an annual impairment review, or more frequently if there are any indications that goodwill might be impaired. The review assesses the carrying amount of the Group's CGU, which is equivalent to the net assets of the Group, in comparison to its recoverable amount. In the event that the CGU is impaired, the impairment loss would first be allocated against the recorded goodwill first before any other assets within the CGU.

The review has been carried out using the following criteria:

- The recoverable amount of the CGU is determined by fair value less cost to sell;
- The fair value is determined with reference to the market capitalisation of the Company as at 31 December 2024; and
- Costs to sell are not expected to reduce the overall recoverable amount to below the carrying amount.

The key assumptions considered most sensitive for the fair value calculation are:

- Potential movements in the share price of the Company.

Based on the results of this analysis, management is satisfied that the recoverable amount of the Group's CGU, inclusive of the recorded goodwill, exceeds its carrying amount.

Management has performed a sensitivity analysis on each of the key assumptions mentioned above. Due to the significant headroom which exists between the recoverable amount and the carrying value, the Directors have concluded that there are no reasonably possibly changes in any of these key assumptions which would cause the carrying amount to exceed the recoverable amount.

Notes to the Consolidated Financial Statements

16. Other intangible assets

	Acquisition related intangible assets				
	Technology based assets £'000	Marketing based assets £'000	Customer based assets £'000	Licences £'000	Total £'000
Cost					
At 1 January 2023	955	-	-	40	995
Acquired in business combinations	3,055	520	308	-	3,883
Exchange adjustments	(131)	(22)	(14)	-	(167)
At 31 December 2023	3,879	498	294	40	4,711
Exchange adjustments	(184)	(32)	(18)	-	(234)
At 31 December 2024	**3,695**	**466**	**276**	**40**	**4,477**
Amortisation and impairment					
At 1 January 2023	32	-	-	24	56
Charge	496	33	32	7	568
Exchange adjustment	(1)	-	(1)	-	(2)
At 31 December 2023	527	33	31	31	622
Charge	484	32	30	6	552
Exchange adjustment	(26)	(3)	(2)	(1)	(32)
At 31 December 2024	**985**	**62**	**59**	**36**	**1,142**
Net book value					
At 1 January 2023	923	-	-	16	939
At 31 December 2023	3,352	465	263	9	4,089
At 31 December 2024	**2,710**	**404**	**217**	**4**	**3,335**

The following intangible assets are individually material at 31 December 2024:

	Net book value		
	2024	2023	
	£'000	£'000	Estimated end of life
Technology based assets			
• Clinpal software platform	**541**	732	October 2027
• Winterlight software platform	**1,395**	1,702	January 2032
• Winterlight patents and know how	**774**	918	January 2034
Marketing related assets			
• Winterlight tradename	**404**	465	January 2038
Customer related assets			
• Winterlight customer relationships	**186**	263	January 2033

Notes to the Consolidated Financial Statements

17. Property, plant and equipment

	Leased buildings £'000	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 January 2023	150	50	481	681
Additions	-	18	15	33
Acquired in business combinations	-	-	18	18
Disposals	-	(24)	(41)	(65)
Exchange adjustments	-	-	(4)	(4)
At 31 December 2023	150	44	469	663
Additions	-	-	3	3
Disposals	-	(31)	(50)	(81)
Exchange adjustments	-	(1)	(7)	(8)
At 31 December 2024	**150**	**12**	**415**	**577**
Depreciation and impairment				
At 1 January 2023	150	39	304	493
Charge	-	6	91	97
Impairment	-	3	-	3
Disposals	-	(24)	(39)	(63)
At 31 December 2023	150	24	356	530
Charge	-	2	66	68
Disposals	-	(13)	(36)	(49)
Exchange adjustment	-	(1)	(5)	(6)
At 31 December 2024	**150**	**12**	**381**	**543**
Net book value				
At 1 January 2023	-	11	177	188
At 31 December 2023	-	20	113	133
At 31 December 2024	**-**	-	**34**	**34**

18. Subsidiaries, joint ventures and other investments

For all investments, the Group's equity holding matches its voting rights. All holdings are in ordinary shares.

a. Subsidiary undertakings

Details of the Group's subsidiaries and joint ventures at 31 December 2024 are as follows:

Name	Registered office	% holding
United Kingdom		
Cambridge Cognition Ltd	Tunbridge Court, Tunbridge Lane, Bottisham, Cambridge, CB25 9TU	100%
Cambridge Cognition Trustees Ltd	Tunbridge Court, Tunbridge Lane, Bottisham, Cambridge, CB25 9TU	100%
eClinicalHealth Ltd	48 St. Vincent Street, Glasgow, Scotland, G2 5HS	100%
Canada		
Winterlight Labs Inc	100 King Street West, Suite 6200, 1 First Canadian Place, Toronto, Ontario, M5X 1B8	100%
South Africa		
Cambridge Cognition South Africa Pty Ltd	Lower Ground Suite Building 9, Somerset Office Park 5, Libertas Road, Bryanston, Gauteng, 2021	100%
United States of America		
Cambridge Cognition LLC	510 S. 200 W. Suite 200, Salt Lake City, UT 84101	100%

b. Joint ventures

Name	Registered office	% holding
United Kingdom		
Cognition Kit Ltd	Tunbridge Court, Tunbridge Lane, Bottisham, Cambridge, CB25 9TU	50%

The results and assets of Cognition Kit Limited are immaterial to the Group. Accordingly, detailed disclosures have not been presented.

Notes to the Consolidated Financial Statements

c. Other investments

Name	Registered office	% holding
United Kingdom		
Monument Therapeutics Ltd	Alderley Park, Congleton Road, Macclesfield, Cheshire, SK10 4TG	22.1%

The Company recognises its holding in Monument Therapeutics Limited ('Monument') as an investment. See note 4. The Company performed a review of the fair value of the investment at 31 December 2024 and concluded that an increase in the value to £1,844,000 (2023: £156,000) was required (2023: increase of £107,000). Monument completed two equity funding rounds in 2024, raising £2.5 million. This diluted the Company's shareholding to 22.1% (2023: 28.9%). The Company did not participate in these funding rounds.

19. Inventories

	2024	2023
	£'000	£'000
Finished goods and goods for resale	**128**	187

During the year inventories with a total value of £155,000 (2023: £316,000) were included in the Consolidated Statement of Comprehensive Income as an expense.

20. Trade and other receivables

	2024 £'000	2023 £'000
Total trade and other receivables		
Other receivables	**20**	20
Total non-current trade and other receivables	**20**	20
Total trade and other receivables		
Accrued income from contracts with customers	**213**	211
Deferred commissions	**231**	382
Other receivables	**494**	298
Prepayments	**484**	481
Term deposits	**6**	6
Trade receivables from contracts with customers	**1,199**	1,039
Total current trade and other receivables	**2,627**	2,417
Total trade and other receivables	**2,647**	2,437

Trade receivables

Trade receivables disclosed above are classified as financial assets and are measured at amortised cost.

The credit period offered on sales of goods and services varies from 14 days to 90 days.

See note 29 for further details about the credit quality of trade receivables and accrued income from contracts with customers.

Notes to the Consolidated Financial Statements

21. Deferred tax

	2024 £'000	2023 £'000
Deferred tax assets		
Deferred tax assets comprise of temporary differences attributable to:		
• Deferred tax asset recognised on business combination	**843**	1,070
Total deferred tax assets	**843**	1,070
Deferred tax liabilities		
Deferred tax liability for intangible assets	**843**	1,070
Total deferred tax liabilities	**843**	1,070
Net deferred tax asset/(liability)	**-**	-

At the reporting date, the Group has unused tax losses totalling £19.5 million (2023: £19.7 million) available for offset against future profits, arising in the following jurisdictions:

- UK: £17.6 million (2023: £17.0 million)
- US: £1.8 million (2023: £1.4 million)
- Canada: £nil (2023: £1.3 million)

No deferred tax asset has been recognised in respect of these losses as there is uncertainty over the timing of future taxable profits. The unrecognised deferred tax asset amounts to approximately £4.8 million (2023: £4.9 million). Losses may be carried forward indefinitely. The unrecognised deferred tax asset on share options amounts to £22,000 (2023: £65,000).

22. Trade and other payables

	2024 £'000	2023 £'000
Accruals	**722**	1,434
Lease liabilities	**18**	18
Other payables	**421**	259
Social security and other taxes	**104**	289
Trade payables	**854**	603
	2,119	2,603

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. For all suppliers no interest is charged on the trade payables. Group policy is to ensure that payables are paid within the pre-agreed credit terms and to avoid incurring penalties and/or interest on late payments. The Directors consider that the carrying amount of trade payables approximates their fair value.

23. Loans and borrowings

	2024 £'000	2023 £'000
Term loan - current	**985**	566
Term loan - non-current	**905**	1,978
	1,890	2,544

On 26 September 2023, the Group entered into a £3.0 million term loan denominated in Euros. The initial principal was €3,464,000. The debt is secured via a floating charge over the assets of the Company and Cambridge Cognition Limited. The term loan is repayable over three years, with an initial six-month period with interest only payments. Interest is incurred at a fixed rate of 11.5% of the outstanding principal. During the year, the Group incurred interest of £322,000 (2023: £88,000).

The Group offset directly attributable transaction costs of £237,000 incurred in obtaining the loan against the initial principal balance of the loan. These are amortised over the life of the loan within finance costs. This resulted in an additional finance cost of £114,000 (2023: £27,000).

Alongside, the Company issued 722,565 warrants with an exercise price of 91p. This was a 28% premium to the prevailing 71p share price on issue. These warrants were immediately exercisable from issue and expire in September 2033. No warrants were exercised at 31 December 2024.

The warrants were fair valued on issue using the following key assumptions:

	September 2023
Share price at date of issue	**71p**
Exercise price	**91p**
Expected volatility	**44%**
Expected life	**10 years**
Risk-free rate	**4.3%**
Expected dividend yield	**0%**

The total fair value of the warrants was determined to be £274,000. This was recognised immediately within equity and offset against the initial principal balance of the loan. This resulted in an additional finance cost of £138,000 (2023: £32,000).

The total finance cost recognised during the year in relation to the loan was £574,000 (2023: £147,000).

Notes to the Consolidated Financial Statements

24. Share capital and reserves

Share capital

	Number	£'000
Issued and fully paid Ordinary Shares of £0.01 each		
At 1 January 2023	31,170,093	312
Issue of new shares for the acquisition of Winterlight Labs Inc	3,445,595	34
Exercise of employee share options	344,421	4
At 31 December 2023	34,960,109	350
Exercise of employee share options	**189,263**	**1**
Issue of new shares in relation to equity fundraising	**6,561,057**	**66**
Shares issued on settlement of share-based arrangements	**229,984**	**2**
At 31 December 2024	**41,940,413**	**419**

All ordinary shares carry equal voting and distribution rights. There are no other classes of shares.

On 10 January 2023, the Company issued 3,445,595 ordinary shares of £0.01 each with a nominal value of £34,456 as part of the consideration for the acquisition of Winterlight Labs.

On 18 and 19 June 2024, the Company issued 6,561,057 ordinary shares of £0.01 each with a nominal value of £65,611 as part of an equity fundraise. Directly associated transaction costs of £446,000 were incurred and have been offset against share premium.

On 31 July 2024, the Company issued 229,984 ordinary shares of £0.01 each with a nominal value of £2,300 as deferred consideration for the acquisition of Clinpal. This was conditional upon achieving performance targets and the continued service of key individuals from the acquisition date in October 2022 to December 2023.

During the year, the Company issued 189,263 (2023: 344,421) ordinary shares of £0.01 each with a nominal value of £1,893 (2023: £3,444) pursuant to the exercise of employee share options.

Own shares reserve

	2024 £'000	2023 £'000
Own shares reserve	**71**	71

The Own shares reserve represents the cost of shares acquired by the two Cambridge Cognition Employee Benefit Trusts to satisfy options under the Group's share options schemes. The number of shares held by the UK Employee Benefit Trust at 31 December 2024 was 36,765 (2023: 36,765). The number of shares held by the Jersey-based Employee Benefit Trust at 31 December 2024 was 38,150 (2023: 38,150).

During the year employees exercised nil (2023: nil) share options that were settled by Employee Benefit Trusts.

Other reserves

	2024 £'000	2023 £'000
Merger reserve	**5,981**	5,981
Cumulative translation reserve	**(776)**	(368)
Other reserves	**5,205**	5,613

Merger reserve: arising when the Company became the Group's holding company in April 2013.

Cumulative translation reserve: The cumulative translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Notes to the Consolidated Financial Statements

25. Notes to the cash flow statement

	2024 £'000	2023 £'000
Loss before tax	**(1,709)**	(3,457)
Adjustments for:		
Depreciation of property, plant and equipment	**68**	97
Impairment of property, plant and equipment	**-**	3
Amortisation of intangible assets	**552**	568
Share-based payments charge	**349**	160
Share of profit after tax from joint ventures	**(32)**	-
Finance costs	**563**	168
Acquisition related expenses deferred amounts	**(59)**	318
Interest receivable	**(21)**	(16)
Research and Development expenditure tax credit	**(17)**	(73)
Operating cash flows before movements in working capital	**(306)**	(2,232)
Decrease in inventories	**59**	29
(Increase)/decrease in trade and other receivables	**(210)**	2,235
Decrease in trade and other payables	**(484)**	(445)
Decrease in deferred income on contracts with customers	**(2,188)**	(4,667)
Cash used in operations	**(3,129)**	(5,080)
Taxation credit received less tax paid	**44**	113
Net cash used in operating activities	**(3,085)**	(4,967)

Reconciliation of liabilities arising from financing activities

	2024 £'000	2023 £'000
Debt at 1 January	**2,544**	-
Term loan draw down	**-**	3,054
Repayment of borrowings	**(547)**	(116)
Interest expense	**563**	147
Interest paid	**(563)**	(88)
Offsetting		
• Transaction costs	**-**	(175)
• Warrants	**-**	(274)
Exchange adjustments	**(107)**	(4)
	1,890	2,544

Cash and cash equivalents

	2024 £'000	2023 £'000
Cash and cash equivalents	**1,295**	3,222

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value.

26. Leases

The Group is entered into leases for several properties. The associated right-of-use assets are included in note 17, within 'Leased Buildings'.

The changes in the lease liability are as follows:

	2024 £'000	2023 £'000
Lease liability at 1 January and 31 December	18	18

All remaining lease payments are due within one year. The residual lease liability is an obligation for restoration of property at the end of the lease.

The Group has recognised £170,000 (2023: £196,000) in the Consolidated Statement of Comprehensive Income relating to short-term leases. The total cash outflow for leases was £170,000 (2023: £196,000).

27. Share-based payments

Equity-settled share option scheme

The Company has a share option scheme for key employees of the Group. The vesting periods vary between 1 and 3 years. Options are forfeited if the employee leaves the Group before the options vest. Details of the share options outstanding during the year are as follows:

	2024		2023	
	Share options '000	**Weighted average exercise price £**	Share options '000	Weighted average exercise price £
Outstanding at 1 January	**3,299**	**0.28**	3,253	0.39
Exercised during the year	**(192)**	**0.30**	(382)	0.23
Granted during the year	**898**	**0.01**	1,001	0.01
Forfeited during the year	**(1,229)**	**0.21**	(523)	0.38
Expired during the year	**(80)**	**0.53**	(50)	1.25
Outstanding at 31 December	**2,696**	**0.21**	3,299	0.28
Exercisable at 31 December	**1,208**	**0.46**	1,323	0.35

The options outstanding at 31 December 2024 had a weighted average remaining contractual life of 5.8 years (2023: 5.7 years). The exercise prices of share options outstanding at the period end was as follows:

	2024		2023	
	Share options '000	**Weighted average exercise price £**	Share options '000	Weighted average exercise price £
Exercise price of one penny	**1,537**	**0.01**	1,673	0.01
Exercise price of one to 50 pence	**759**	**0.28**	990	0.28
Exercise price of 51 to 100 pence	**262**	**0.67**	280	0.66
Exercise price of over 101 pence	**138**	**1.25**	356	1.27
Outstanding at the end of the year	**2,696**	**0.21**	3,299	0.28

Options were granted on 28 June 2024. The performance conditions attached to some of these options are such that options vest dependent on the Group achieving certain performance targets. The performance conditions, which are both market and non-market conditions, have been incorporated into the measurement by actuarial modelling. The aggregate of the estimated fair values of the options granted in June 2024 is £318,000.

The inputs into the Monte Carlo stochastic and Black Scholes models for the performance related options were as follows:

	June 2024
Share price at date of issue	**38.5p**
Exercise price	**1p**
Expected volatility	**42%**
Expected life	**10 years**
Risk-free rate	**4.15%**
Expected dividend yield	**0.0%**

Expected volatility was determined by considering the expected share price movements and other comparable listed companies in the sector. For each option tranche a minimum share price hurdle for the options to vest was set in accordance with the individual terms in the option contracts.

Share-based payment charge

The Group recognised a total charge of £349,000 (2023: £160,000) in relation to equity-settled share-based payment transactions.

Notes to the Consolidated Financial Statements

28. Post-employment benefit schemes

Defined contribution schemes

The Group operates a defined contribution retirement benefit scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in funds under the control of independent trustees.

The total cost charged to income of £338,000 (2023: £436,000) represents contributions payable to these schemes by the Group at agreed rates. As at 31 December 2024, contributions of £34,000 (2023: £43,000) due in respect of the current reporting year had not been paid over to the schemes.

29. Financial instruments

a. Capital risk management

The Group manages its capital to ensure it is able to continue as a going concern while maximising the return to stakeholders through optimising the balance between debt and equity. The Group had borrowings of £2.0 million at 31 December 2024 (2023: £2.9 million). The Group is not subject to any externally imposed capital requirements.

The current capital structure of the Group consists of cash and cash equivalents, a term loan facility, and equity attributable to equity holders of the Parent, comprising issued capital, reserves and retained earnings as follows:

	2024 **£'000**	2023 £'000
Cash and cash equivalents	**1,295**	3,222
Term loan	**(1,890)**	(2,544)
Equity shareholders' funds	**(3,362)**	(1,283)

b. Categories of financial instruments and fair value

The carrying amount of financial instruments and their classification under IFRS 9 are:

	2024 £'000	2023 £'000
Non-current financial assets		
• ***at fair value through other comprehensive income***		
Investments	**1,844**	156
Current financial assets		
• ***at amortised cost***		
Cash and cash equivalents	**1,295**	3,222
Trade receivables from contracts with customers	**1,199**	1,039
Other receivables	**502**	298
Accrued income on contracts with customers	**213**	211
Term deposits	**6**	6
Total financial assets	**5,059**	4,932
Non-current financial liabilities		
• ***at amortised cost***		
Loans and borrowings (fair value – 2024: £840,000, 2023: £2,061,000)	**905**	1,978
Current financial liabilities		
• ***at amortised cost***		
Trade and other payables	**2,119**	2,603
Loans and borrowings (fair value – 2024: £1,146,000, 2023: £807,000)	**985**	566
Total financial liabilities	**4,009**	5,147
Net financial liabilities	**1,050**	(215)

Unless otherwise stated, the Directors consider that the carrying amounts of financial assets and financial liabilities recorded in the Consolidated Statement of Financial Position approximate their fair values.

Notes to the Consolidated Financial Statements

c. Financial risk management objectives

The Group's finance function is responsible for all aspects of corporate treasury. It co-ordinates access to financial markets and monitors and manages the financial risks relating to the operations of the Group through internal reports which analyse exposures by degree and magnitude. The risks reviewed include liquidity risk, market risk (including currency risk) and credit risk.

d. Liquidity risk

Liquidity risk is that the Group might have insufficient funds to meet its obligations.

The Group manages its liquidity needs by careful monitoring and forecasting of expected future cash inflows and outflows. As part of the annual budgeting process, the Board reviews three-year financial projections which include cash flow forecasts for the period. Cash flow forecasts for the current year are updated quarterly, and a detailed review of cash flow requirements for the next quarter is prepared at least monthly. Cash balances are also reported to the Board on a monthly basis.

At 31 December 2024, the Group's financial liabilities had the following contractual maturities:

	Trade payables £'000	Other payables £'000	Lease liability £'000	Term loan £'000	Total £'000
Current financial liabilities					
Less than three months	854	1,247	18	274	2,393
Three to six months	-	-	-	282	282
Six months to one year	-	-	-	589	589
	854	1,247	18	1,145	3,264
Non-current financial liabilities					
One to two years	-	-	-	840	840
Two to three years	-	-	-	-	-
	-	-	-	840	840
Total financial liabilities	**854**	**1,247**	**18**	**1,985**	**4,104**
Effect of discounting	-	-	-	(95)	(95)
Carrying amount	**854**	**1,247**	**18**	**1,890**	**4,009**

At 31 December 2023, the Group's financial liabilities had the following contractual maturities:

	Trade payables £'000	Other payables £'000	Lease liability £'000	Term loan £'000	Total £'000
Current financial liabilities					
Less than three months	603	1,595	18	-	2,216
Three to six months	-	167	-	261	428
Six months to one year	-	220	-	546	766
	603	1,982	18	807	3,410
Non-current financial liabilities					
One to two years	-	-	-	1,189	1,189
Two to three years	-	-	-	872	872
	-	-	-	2,061	2,061
Total financial liabilities	**603**	**1,982**	**18**	**2,868**	**5,471**
Effect of discounting	-	-	-	(324)	(324)
Carrying amount	**603**	**1,982**	**18**	**2,544**	**5,147**

e. Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Group has exposure to foreign currency exchange rates through its operating activities and investments in foreign subsidiaries. The Group continues to monitor its exposure to foreign currency risk but did not use any financial derivatives in 2024 or 2023. The Group's main exposure to foreign currency risk is to US Dollar, Canadian Dollar and Euro. The Group's foreign currency exposure has not changed during the year.

The Group has additional market risk exposure through its equity investment in Monument Therapeutics, which is measured at fair value. Changes in the biotechnology market could impact the fair value of this investment. The Group monitors the fair value of investments, but has no direct means of influencing or mitigating this risk.

There has been no change to the way the Group manages and measures market risks in the year.

Notes to the Consolidated Financial Statements

f. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The arises as there is a mismatch between the currency of the Group's cash inflows (primarily US Dollar) and cash outflows (primarily GBP, Canadian Dollar and Euro).

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the year-end were as follows:

	Assets		Liabilities	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
US Dollar	**1,373**	2,015	**288**	222
Canadian Dollar	**9**	19	**9**	21
Euro	**733**	236	**1,901**	2,740
Qatari Riyal	**-**	26	**-**	-
South African Rand	**18**	15	**1**	8

The balances above exclude intra-Group balances which are eliminated in the consolidated results. A movement in the exchange rate of +/- 5% from 31 December to the date of realising the net asset position would result in a gain/(loss) of:

	GBP strenghtening		GBP weakening	
	Income statement	Other comprehensive income	Income statement	Other comprehensive income
	£'000	£'000	£'000	£'000
31 December 2024				
US Dollar	**(57)**	**3**	**57**	**(3)**
Canadian Dollar	**12**	**(12)**	**(12)**	**12**
Euro	**58**	**-**	**(58)**	**-**
South African Rand	**3**	**(4)**	**(3)**	**4**
31 December 2023				
US Dollar	31	(119)	(31)	119
Canadian Dollar	9	(9)	(9)	9
Euro	125	-	(125)	-
South African Rand	2	(2)	(2)	2

This includes the impact of exchange rate movements upon intra-Group balances.

g. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group makes appropriate enquiries of the counterparty and independent third parties to determine credit worthiness. Use of other publicly available financial information and the Group's own trading records is made to rate its major customers. The Group's exposure and the credit worthiness of its counterparties are continuously monitored and the aggregate value of transactions is spread amongst approved counterparties. Credit exposure is also controlled by counterparty limits that are reviewed and approved by Group management continuously.

The Group does not have any significant credit risk exposure to any single counterparty or group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities.

The carrying amount recorded for financial assets in the Consolidated Statement of Financial Position is net of impairment losses and represents the Group's maximum exposure to credit risk.

Aging of Trade receivables from contracts with customers, and Accrued income from contracts with customers:

			Past due				
	Total	Current	Less than one month	One to two months	Two to three months	Three to six months	Over six months
31 December 2024	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Trade receivables from contracts with customers							
Gross amount	1,202	1,057	75	19	46	2	3
Loss allowance	(3)	-	-	-	-	-	(3)
Carrying amount	1,199	1,057	75	19	46	2	-
Accrued income from contracts with customers							
Gross amount	213	213	-	-	-	-	-
Loss allowance	-	-	-	-	-	-	-
Carrying amount	213	213	-	-	-	-	-

			Past due				
	Total	Current	Less than one month	One to two months	Two to three months	Three to six months	Over six months
31 December 2023	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Trade receivables from contracts with customers							
Gross amount	1,100	876	107	36	21	17	43
Loss allowance	(61)	(1)	(1)	-	-	(16)	(3)
Carrying amount	1,039	875	106	36	21	1	-
Accrued income from contracts with customers							
Gross amount	211	211	-	-	-	-	-
Loss allowance	-	-	-	-	-	-	-
Carrying amount	211	211	-	-	-	-	-

There has not been a significant change in credit quality in the year and the carrying amounts are considered recoverable.

There is a provision for credit loss of £3,000 (2023: £61,000). This is against specific projects for which recovery is not presently anticipated. In determining the recoverability of a trade receivable, the Group will also consider any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Management considers that all the above financial assets that are not impaired or past due are of good credit quality. The expected credit loss for the Group is immaterial.

£30,000 of trade receivables was written off during the year (2023: £11,000). A reversal of a provision for credit loss of £59,000 was credited to the income statement (2023: £48,000).

No guarantees have been given in respect to third parties.

30. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions between the Group and other related parties are disclosed below.

a. Transactions with Cognition Kit Limited

Cognition Kit Limited is the Group's 50% owned joint venture. During the year the Group invoiced £73,000 (2023: £42,000) in respect of the value of time and expenses of the Group committed to the activities of Cognition Kit Limited. This has been recognised in revenue.

The Group was invoiced £36,000 with respect to Cognition Kit Limited in the year (2023: £29,000). This has been recognised in cost of sales.

The Group received a dividend of £32,000 from Cognition Kit Limited in the year (2023: £nil).

At 31 December 2024, £43,000 was due to Cognition Kit Limited (2023: £nil) and £1,000 was due from Cognition Kit Limited (2023: £nil).

b. Transactions with The Truffaldino Partnership Limited

Steven Powell, Chair of the Group, is a Director and majority shareholder of The Truffaldino Partnership Limited.

During the year, the Group has incurred consultancy fees of £12,000 (2023: £nil) from The Truffaldino Partnership Limited. This has been recognised in Administrative expenses. At 31 December 2024, a balance of £4,000 (2023: £nil) was due to The Truffaldino Partnership Limited.

c. Remuneration of Directors and key management personnel

The remuneration of the key management personnel of the Group is set out below. The key management personnel of the Group at 31 December 2024 consist of the Directors of Cambridge Cognition Holdings plc and the Executive Leadership Team for the Group. Remuneration for employees of the Group is set out below.

	2024 **£'000**	2023 £'000
Short-term employee benefits	**1,151**	1,256
Post-employment benefits	**61**	62
Termination benefits	**30**	26
Share-based payments	**52**	123
	1,294	1,467

Additionally, Lucia Capital Consulting Limited has provided the Group financial leadership support services since July 2024, which the Group considers to include key management responsibilities.

Payments in respect of each Director are set out in the Remuneration Report. The audited section of that Report forms part of the financial statements.

d. Transactions with Lucia Capital Consulting Limited

During the year, the Group was charged £94,000 in relation to financial leadership support services received from Lucia Capital Consulting Limited. This has been recognised in Administrative expense. At 31 December 2024, a balance of £68,000 (2023: £nil) was due to Lucia Capital Consulting Limited.

Parent Company Financial Statements

Parent Company Statement of Financial Position

	Notes	At 31 December 2024 £'000	At 31 December 2023 £'000
Assets			
Non-current assets			
Investments	2	**9,340**	8,895
Trade and other receivables	3	**8,193**	5,517
Total non-current assets		**17,533**	14,412
Current assets			
Trade and other receivables	3	**67**	53
Cash and cash equivalent		**435**	2,464
Total current assets		**502**	2,517
Total assets		**18,035**	16,929
Liabilities			
Current liabilities			
Trade and other payables	4	**402**	494
Loans and borrowings	5	**985**	566
Total current liabilities		**1,387**	1,060
Non-current liabilities			
Loans and borrowings	5	**905**	1,978
Total non-current liabilities		**905**	1,978
Total liabilities		**2,292**	3,038
Equity			
Share capital	6	**419**	350
Share premium		**17,641**	15,169
Retained earnings		**(2,317)**	(1,628)
Total equity		**15,743**	13,891
Total liabilities and equity		**18,035**	16,929

No profit and loss account is presented for Cambridge Cognition Holdings plc as provided by section 408 of the Companies Act 2006. The Company's loss after tax for the financial year was £2,333,000 (2023: loss £514,000).

The financial statements of Cambridge Cognition Holdings plc on pages 110 to 115 were approved and authorised for issue by the Board on 22 May 2025 and were signed on its behalf by:

Steven Powell
Chair

Company number
08211361

Parent Company Statement of Changes in Equity

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
At 1 January 2023	312	11,151	(2,046)	9,417
Loss for the year	-	-	(514)	(514)
Other comprehensive loss				
Fair value movements in equity investments	-	-	107	107
Total comprehensive loss for the year	-	-	(407)	(407)
Transactions with owners				
Issue of new shares in relation to business combinations	34	3,966	-	4,000
Issue of new shares in relation to exercise of employee share options	4	52	-	56
Credit to equity for share-based payments	-	-	242	242
Post-combination remuneration	-	-	309	309
Issue of warrants	-	-	274	274
Transactions with owners	38	4,018	825	4,881
At 31 December 2023	350	15,169	(1,628)	13,891
Loss for the year	-	-	(2,333)	(2,333)
Other comprehensive loss				
Fair value movements in equity investments	-	-	1,688	1,688
Total comprehensive loss for the year	-	-	(645)	(645)
Transactions with owners				
Issue of new shares in relation to equity fundraising	66	2,559	-	2,625
Transaction costs relating to issue of share capital	-	(446)	-	(446)
Shares issued on settlement of share-based arrangements	2	304	(306)	-
Issue of new shares in relation to exercise of employee share options	1	55	-	56
Credit to equity for share-based payments	-	-	262	262
Transactions with owners	69	2,472	(44)	2,497
At 31 December 2024	**419**	**17,641**	**(2,317)**	**15,743**

Notes to the Parent Company Financial Statements

1. Material accounting policies

1.1 Basis of accounting

The separate financial statements of the Company are presented as required by the Companies Act 2006. They have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and law. The Company has elected to use Financial Reporting Standard – 'The Reduced Disclosure Framework' (FRS 101). The Company has taken advantage of the following disclosure exemptions afforded by FRS 101:

- IAS 7 'Statement of cash flows'.
- Paragraph 17 of IAS 24 'Related party disclosures' (key management compensation). See note 30 of the Notes to the Consolidated Financial Statements.
- The requirements of IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or more members of the Group.
- The following paragraphs of IAS 1 'Presentation of financial statements':
    - 10d (statement of cash flows).
    - 16 (statement of compliance with IFRS).
    - 38a (requirement for minimum of two primary statements, including cash flow statements).
    - 38b-d (additional comparative information).
    - 111 (statement of cash flows information).
    - 134-136 (capital management disclosures).
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraphs 45b and 46-52 of IFRS 2 'Share-based payments' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined). The information has been presented for the Group in note 27 of the Notes to the Consolidated Financial Statements.
- IFRS 7 'Financial instruments: Disclosures'. This information has been presented for the Group in note 29 of the Notes to the Consolidated Financial Statements.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year. The accounts are presented in Pounds Sterling ('£'), and to the nearest £1,000.

1.2 Investments

Fixed asset investments in subsidiaries are shown at cost less provision for impairment. The Company accounts for share options granted to the employees of subsidiary undertakings by recognising an increased investment in the subsidiary, with the corresponding credit recognised in reserves. The Company measures other equity investments at fair value, with changes in fair value recognised in other comprehensive income.

1.3 Financial instruments

The Company's financial instruments accounting policy is as per the Group's policy (see note 2.15 of the Notes to the Consolidated Financial Statements).

Intercompany loans are assessed for expected credit losses and a provision is made where the recoverable value is less than the book value of the receivable.

1.4 Going concern

The Directors have assessed the Company's ability to continue as a going concern, considering business activities in the context of the current operating environment. To support the going concern conclusion, the Directors have developed several working capital models for the Cambridge Cognition Group covering from the signing of these financial statements to 31 May 2026. The Directors believe that there is material uncertainty over the Company's ability to operate as a going concern in a potential downside scenario should the Group's sales orders be below forecasts. The Company would need to source additional external financing in this scenario. See note 2.2 of the Notes to the Consolidated Financial Statements for further details.

1.5 Employee Benefit Trust

Two Employee Benefit Trusts (EBTs) are maintained in order to facilitate the exercise of employee share options. Assets and shares of the EBTs are not consolidated into the results of the Company.

2. Investments

	2024 £'000	2023 £'000
Cost		
At 1 January	**8,895**	978
Additions in the year	**246**	7,493
Deferred consideration movements	**(59)**	317
Fair value movements	**1,688**	107
At 31 December	**10,770**	8,895
Impairment		
At 1 January	**-**	-
Charge	**(1,430)**	-
At 31 December	**(1,430)**	-
Net book value		
At 1 January	**8,895**	978
At 31 December	**9,340**	8,895

Additions includes share-based payment charges of £246,000 (2023: £80,000) related to employees of subsidiary companies. In 2023, this also included the acquisition of Winterlight Labs Inc on 10 January 2023. The cost of this investment includes acquisition related expenses of £410,000.

Notes to the Parent Company Financial Statements

On 25 October 2022, the Company acquired of the entire share capital of eClinicalHealth Limited, a virtual clinical trial solution provider. The cost of investment includes deferred consideration payable based on the achievement of targets and the retention of key personnel in 2023, and acquisition related expenses. The investment was adjusted down in 2024 as a result of performance criteria not being achieved.

The Company performed a review of the fair value of the investment in Monument Therapeutics Ltd at 31 December 2024 and concluded that an increase in the value to £1,844,000 (2023: £156,000) was required (2023: increase of £107,000).

An assessment for impairment was completed in 2024. This was performed on a fair value less cost of disposal basis, with reference to the Company's share price at 31 December 2024. An impairment charge of £1,430,000 (2023: £nil) was recognised, reducing the net asset value of the Company to the market capitalisation.

The investments at the end of the year were as follows:

Name	Country	Ownership and voting power held	Nature of business
Cambridge Cognition Ltd	United Kingdom	100%	Development and sale of computerised neuropsychological tests
Cambridge Cognition South Africa (Pty) Ltd	South Africa	100%	Software development
eClinicalHealth Ltd	United Kingdom	100%	Virtual clinical trial solution provider
Monument Therapeutics Ltd	United Kingdom	22.1%	Digital phenotyping
Winterlight Labs Inc	Canada	100%	Data collection and analysis; biomarker development

Other Group subsidiaries, all of which are owned indirectly through Cambridge Cognition Limited, are detailed in note 18 of the Group accounts. All subsidiaries have been included in the consolidated financial statements.

3. Trade and other receivables

	2024	2023
	£'000	£'000
Amounts due from subsidiary undertaking – non-current	**8,193**	5,517
Other receivables	**36**	45
Prepayments	**31**	8
	8,260	5,570

Of the amounts due from subsidiary undertakings, £3.8 million (2023: £2.5 million) is considered a long-term loan to Cambridge Cognition Limited. The Company receives interest at a rate of 7.5% per annum on this amount.

4. Trade and other payables

	2024 £'000	2023 £'000
Accruals	**227**	284
Other payables	**-**	4
Social security and other taxes	**7**	143
Trade payables	**168**	63
	402	494

5. Loans and borrowings

Details of the loans and borrowings of the Company are provided in note 23 of the Notes to the Consolidated Financial Statements.

6. Share capital

Details on the share capital of the Company are provided in note 24 of the Notes to the Consolidated Financial Statements.

7. Employment costs

The only employees of the Company are the Directors. Payments in respect of each director are set out in the Remuneration Report. The audited section of that Report forms part of the financial statements. The total amount of remuneration paid to the Directors, including share-based payments is £708,000 (2023: £849,000).

Corporate Directory

Directors	Steven Powell	Non-Executive Chair
	Matthew Stork	Chief Executive Officer - *resigned 12 September 2024* Director - *resigned 14 October 2024*
	Stephen Symonds	Chief Financial Officer - *resigned 26 July 2024*
	Richard Bungay	Non-Executive Director
	Stuart Gall	Non-Executive Director - *appointed 1 February 2024*
	Jon Kempster	Non-Executive Director - *appointed 1 February 2025*
	Debra Leeves	Non-Executive Director
	Nick Rodgers	Non-Executive Director - *appointed 1 February 2024*
Company Secretary	Simon McKeating	*appointed 26 July 2024*
Registered Office	Tunbridge Court, Tunbridge Lane Bottisham, Cambridge CB25 9TU	
Company Number	08211361	
Auditor	Crowe UK LLP 2nd Floor 55 Ludgate Hill, London EC4M 7JW	
Legal Adviser	Taylor Wessing LLP 5 New Street Square, London EC4A 3TW	
Bankers	Barclays Bank plc 9-11 St Andrews Street, Cambridge CB2 3AA	
Registrars	MUFG Corporate Markets (UK) Ltd Central Square 29 Wellington Street, Leeds LS1 4DL	
Nominated Adviser and Joint Broker	Panmure Liberum Ltd Ropemaker Place, Level 12 25 Ropemaker Street, London EC2Y 9LY	
Joint Broker	Dowgate Capital Ltd 15 Fetter Lane, London EC4A 1BW	
Investor Relations and Financial PR	Hudson Sandler LLP 25 Charterhouse Square Barbican, London EC1M 6AE	

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