

RNS Number : 5114T
Cambridge Nutritional Sciences PLC
16 January 2025

Cambridge Nutritional Sciences plc

(the "Company" or "CNSL")

Settlement of DHSC Claim

Cambridge Nutritional Sciences plc (AIM:CNSL), the specialist medical diagnostics company focused on promoting a personalised and functional approach to health and nutrition, announces that its subsidiary, Omega Diagnostics Limited ("Omega") has settled its long-running dispute with the Secretary of State for Health and Social Care ("DHSC").

DHSC and Omega have agreed settlement terms on a "drop hands" basis with no admission of liability, with the effect that DHSC will not pursue its claim relating to reimbursement of pre-production payments and Omega will not pursue its claims in relation to additional losses arising from DHSC's failure to place orders for LFTs. The agreement reached is in full and final settlement of all claims held by either party arising from the Letter of Intent and Contract. Each party will bear its own legal costs, which in the case of Omega, are expected to be circa £0.2m for the year ending 31st March 2025 (to be recorded as an exceptional item in the Company's Statement of Comprehensive Income).

The result of the settlement will allow £2.5m of 'Deferred Income' held in the group balance sheet to be reclassified as 'Other exceptional Income' for the year ending 31st March 2025. This movement will not impact the Company's key KPI of adjusted EBITDA as this income and its associated costs are exceptional in nature and so are not indicative of the current underlying business performance.

Contacts:

Cambridge Nutritional Sciences plc

Carolyn Rand, Non-Executive Chair
James Cooper, Interim Chief Executive

www.cnsplc.com

investors@cnsplc.com

Cavendish Capital Markets Limited

Geoff Nash / Edward Whiley / (Corporate Finance)
Nigel Birks / Harriet Ward (ECM)

Tel: 020 7220 0500

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("MAR") AND IS DISCLOSED IN ACCORDANCE WITH THE COMPANY'S OBLIGATIONS UNDER ARTICLE 17 OF MAR

About Cambridge Nutritional Sciences plc

Cambridge Nutritional Sciences plc (AIM: CNSL) is a specialist medical diagnostics company focused on promoting a personalised and functional approach to health and nutrition.

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