RNS Number : 9248G
Cambridge Cognition Holdings PLC
01 May 2025

1 May 2025

Cambridge Cognition Holdings plc

("Cambridge Cognition", the "Company" or the "Group")

Preliminary unaudited results for the year ended 31 December 2024

Commercial progress and order book growth

Cambridge Cognition Holdings plc (AIM: COG), the brain health software group specialising in digital products to advance clinical research and patient treatment, announces its preliminary unaudited results for the year ended 31 December 2024.

Financial highlights

- 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 fundraising 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.

Overview

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.

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 has the potential to deliver annual new Sales Orders 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.

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, Chairman commented:

"2024 was a year of significant change for the Group. We rebuilt the Commercial team and focused on increasing the Order Book. While continuing our focus on Clinical Studies and Academic Research, the strategic objective is now to generate additional income from both the Healthcare and Consumer Health & Wellness segments, both of which represent substantial addressable markets.

"The new financial year has started strongly and we are continuing our growth trajectory to achieve sustained growth in equity value."

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Notes to Editors

About Cambridge Cognition

About Cambridge Cognition

Cambridge Cognition is a brain health software group specialising in digital health products that advance brain health research and treatment.

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. The Company creates shareholder value through organic sales growth, strategic partnerships, joint ventures and spin-outs. The Company has identified four market sectors:

- Clinical Studies for new pharmaceuticals;
- Academic Research for scientists to understand CNS disorders;
- Healthcare to provide physicians with cognitive assessments to allow them to diagnose and treat patients; and,
- Consumer Health & Wellness to provide individuals access to accurate, reliable and meaningful data to assess their cognitive health.

For further information, visit: www.cambridgecognition.com

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	**2024**	**2023**	**2023**
	£m	**%**	**£m**	**%**
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 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.
- 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.
- 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™.
- 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

Summary

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 £1.9m (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 & 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

At 1 January	**17.2**	*8.9*	*3.4*	*1.5*	*1.4*	*2.0*	17.6
Acquisitions							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	2023	Movement	Movement
	£m	£m	£m	%
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	2023	Movement	Movement
	£m	£m	£m	%
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

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	2023
	£m	£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 fundraising, through the issue 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).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year to	Year to

	Notes	31 December 2024 £'000	31 December 2023 £'000
Revenue	4	**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		**(155)**	(1,456)
Total operating expense		**(10,002)**	(14,425)
Share of profit after tax from joint ventures		**32**	-
Other operating income		**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		**21**	16
Finance costs		**(563)**	(168)
Loss before tax		**(1,709)**	(3,457)
Tax expense		**(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		**1,688**	107
Total comprehensive loss for the year		**(505)**	(3,611)

Loss per share (pence)			
Basic	5	**(4.6)**	(10.1)
Diluted	5	**(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).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	At 31 December 2024 £'000	At 31 December 2023 £'000
Assets			
Non-current assets			
Goodwill		**3,454**	3,653
Other intangible assets		**3,335**	4,089
Property, plant and equipment		**34**	133
Investments		**1,844**	156
Trade and other receivables		**20**	20
Total non-current assets		**8,687**	8,051
Current assets			
Inventories		**128**	187
Trade and other receivables		**2,627**	2,417
Current tax receivable		**292**	351
Cash and cash equivalents	6	**1,295**	3,222
Total current assets		**4,342**	6,177
Total assets		**13,029**	14,228

Total assets		**13,029**	14,228
Liabilities			
Current liabilities			
Trade and other payables		**2,119**	2,603
Deferred income on contracts with customers	4	**5,511**	7,699
Loans and borrowings		**985**	566
Current tax payable		**147**	99
Total current liabilities		**8,762**	10,967
Non-current liabilities			
Loans and borrowings		**905**	1,978
Total non-current liabilities		**905**	1,978
Total liabilities		**9,667**	12,945
Equity			
Share capital		**419**	350
Share premium		**17,641**	15,169
Other reserves		**5,205**	5,613
Own shares		**(71)**	(71)
Retained earnings		**(19,832)**	(19,778)
Total equity		**3,362**	1,283
Total liabilities and equity		**13,029**	14,228

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	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	-	-	-	-	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	4	52	-	-	-	56
Credit to equity for share-based payments	-	-	-	-	160	160
Post-combination remuneration	-	-	-	-	309	309
Issue of warrants	-	-	-	-	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	-	-	-	-	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	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	-	-	-	-	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	6	**(3,085)**	(4,967)
Investing activities			
Dividends received from joint ventures		**32**	-
Acquisition of subsidiary, net of cash acquired		**-**	(3,002)
Interest received		**21**	16
Purchase of property, plant and equipment		**(3)**	(33)
Net cash flow generated from/(used in) investing activities		**50**	(3,019)
Financing activities			
Proceeds from share issue		**2,624**	-
Transaction costs arising on issue of shares		**(446)**	-
Proceeds from borrowings, net of fees incurred		**-**	3,054
Proceeds from exercise of share options		**57**	56
Repayment of borrowings		(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	6	**1,295**	3,222

NOTES TO THE CONSOLIDATED FINANCIAL STATAMENTS

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. Basis of preparation

The preliminary financial information for the year ended 31 December 2024 is unaudited. As such, the unaudited preliminary financial information presented does not represent statutory financial statements within the meaning of section 435 of the Companies Act 2006.

Statutory accounts for the year ended 31 December 2023 have been filed with the Registrar of Companies. The statutory accounts for the year ended 31 December 2024 will be delivered to the Registrar in due course.

The Group financial statements will be properly prepared in accordance with UK adopted international accounting standards. The accounting policies adopted will be consistent with those followed in the preparation of the consolidated financial statements for the year ended 31 December 2023, except as noted below:

- 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 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 additional 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).

3. *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:

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 is able to 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.

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.

4. *Revenue*

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

	2024	2023
	£'000	£'000
Clinical studies	**9,329**	12,532
Academic research	**869**	891
Healthcare	**99**	92
Royalties	**45**	-
	10,342	13,515

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

	2024	2023
	£'000	£'000

	£'000	£'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	2023
	£'000	£'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.

Timing of revenue recognition

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	2023
	£'000	£'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. 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 addition from sales in year	**80**	71
Exchange adjustments	**28**	(10)
At 31 December	**231**	382

5. *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)

6. *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)
- Warrant costs	**-**	(274)
Exchange adjustments	**(107)**	(4)
Debt at 31 December	**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.

7. Annual Report and Annual General Meeting

Details of the Annual General Meeting ('AGM') will be communicated to shareholders via the Company's website and a Regulatory Information Service in due course.

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