



23 November 2023

CAMBRIDGE NUTRITIONAL SCIENCES PLC
(“CNS” or the “Company” or the “Group”)

Half-Year Report
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

Strong revenue increase, 2022 sales backlog cleared and FoodPrint® yields significantly improved; Company firmly on track to meet market expectations for the full year

CNS (AIM: CNSL), the specialist medical diagnostics company focused on promoting a personalised and functional approach to health and nutrition, announces its unaudited interim results for the six months ended 30 September 2023.

H1 Financial Highlights:

- Revenue increased 44% to £4.9m (H1 2022: £3.4m).
- Gross margin increased to 62.7% (H1 2022: 54.0%), largely due to production efficiencies & product mix
- Adjusted EBITDA¹ £0.0m (H1 2022: restated loss £0.4m).
- Loss before tax £0.7m (H1 2022: restated loss £0.8m).
- Loss on discontinued operations £ Nil (H1 2022: restated loss of £1.2m).
- Cash balance £4.4m (H1 2022: £2.7m).

Operational Highlights:

- Strong performance in operations with FoodPrint® yields significantly improved.
- First USA laboratory commercialising FoodPrint®.
- MyHealth Tracker roll out expanding to all UK customers and installed in one European country.
- Microbiome menu expansion moving into trial phase in UK.
- Creation of a continuous improvement function to build on the work done by Chartwell Consulting.
- Appointment of new independent Non-Executive Director, Carolyn Rand.
- Successful name change to Cambridge Nutritional Sciences Plc (AIM: CNSL), better reflecting the standalone business.

Outlook:

- Company is on track to meet market expectations for the full year.
- Healthy pipeline of sales, adding sales from three new countries with demand expanding via our scientific educational programmes.
- MyHealth Tracker UK customer roll out expected in H2; international roll out to commence in FY25.
- Well-funded to deliver on our strategic objectives.
- Further USA Laboratories expected to commercialise FoodPrint® in FY25.
- The Board remains confident that the Company has a compelling case regarding the dispute with DHSC but there have been no material developments. The Board continues to vigorously pursue its substantial counterclaim for losses incurred.

¹Adjusted for exceptional items, amortisation of intangible assets and share based payment charges.

Commenting on the results, Jag Grewal, Chief Executive officer, said:

“The first half of this year delivered encouraging performance in both financial and operational terms. It is particularly reassuring to see improvements in the operational side of the business yielding tangible results. We continue to build a new foundation as a standalone business and believe we have the right strategy and vision to build on a leadership position in the exciting market of personalised health and nutrition.”

Investor presentation

Simon Douglas, Chair, and Jag Grewal, CEO, will provide a live presentation relating to the Interim Results via the Investor Meet Company platform today at 4:30pm GMT. The presentation is open to all existing and potential shareholders.

Investors can sign up to Investor Meet Company for free and add to meet Cambridge Nutritional Sciences PLC via:

<https://www.investormeetcompany.com/cambridge-nutritional-sciences-plc/register-investor>

The investor presentation will be available later this morning on the Company website:

<https://www.cnsplc.com/financials/presentations>

The information communicated in this announcement is inside information for the purposes of Article 7 of EU Regulation 596/2014

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About Cambridge Nutritional Sciences plc

Cambridge Nutritional Sciences plc (AIM: CNSL) is a specialist medical diagnostics company focused on industry-leading Health and Nutrition products.

Chair's Statement

Overview

I am pleased to report that we have made a positive start over the first half of this fiscal year. The production challenges previously reported have been overcome and we have now cleared the sales backlog. We are delivering on our strategic objectives and have now established ourselves as a standalone business focused on Health and Nutrition under our new name of Cambridge Nutritional Sciences Plc ('CNS'). The market we serve remains exciting with a significant opportunity for global growth as more people are aware of their personalised health and its link to nutrition.

Financial Performance

Revenue increased 44.0% to £4.9m (H1: £3.4m) helped by both production and yield improvements of FoodPrint® enabling the clearing of the sales backlog arising from the FY23 production issues. FY24 revenue is expected to be in line with expectations.

Revenue by product group:

- Sales of FoodPrint® increased 47.0% to £3.3m (H1 2022: £2.2m)
- Sales of Food Detective® were £0.7m in line with the prior year
- CNS Lab and other sales were up 97.0% to £0.9m (H1 2022: £0.4m)

Gross profit from operations increased to £3.1m (H1 2022: £1.9m) with an improved gross margin percentage of 62.7% (H1 2022: 54.0%). The increase in margin principally reflects the improvements in production yields as well as a higher proportion of high margin FoodPrint® tests in the product mix. The Board is confident that Food Print® margins will continue at this improved level in H2 FY24 as the Company benefits from the enhanced operational efficiencies.

Overheads increased by 31% to £3.5m (H1 2022: restated £2.7m). £0.3m from underlying period growth with the balance related to one-time investment of the operational improvement project and business realignment, and a £0.1m FX headwind.

The Group continues to consider EBITDA and adjusted EBITDA (adjusted for exceptional items and share-based payments) as being the appropriate measures of profitability being aligned with the cash generating activities of the business. The adjusted EBITDA was £0.0m (H1 2022: loss of £0.2m). The £0.3m adjustment for exceptional items is related to realigning the group for the future.

The cash balance on 30 September 2023 was £4.4m (H1 2022: £2.7m, 31 March 2023: £5.1m).

Operational Update

Earlier in the year we were pleased to report that the production challenges announced have been resolved, after working with industry specialists, Chartwell Consulting ('Chartwell') over the six-month period to embed new working processes. The result is that FoodPrint® production yields have increased and are significantly higher than the preceding six months, demonstrating the effectiveness of the improved measures. These newly implemented measures, alongside management changes, have allowed us to address the order backlog and the market's demand for food sensitivity tests remains strong. As part of this process, and in our drive to constantly seek operational improvements, we now have a permanent continuous improvement function in our operations department to promote further efficiency and productivity across the business. Historically the business support systems were delivered from the group in Scotland, and we are now in the final steps post separating the business. Operationally we continue to evaluate alternative technologies for our flagship product, FoodPrint®, to ensure the long-term future of the product.

Strategic Priorities

The MyHealthTracker App ('the App'), announced in March 2023, is designed for use on both iOS and Android platforms and will give us a direct connection to customers. It has been rolled out across the UK with selected health care professionals and their customers and initial feedback shows that the product has been well received by both groups. We are looking to release the product more broadly in the UK in early 2024. During the period we also supported initial installation of the digital platform in one European country, and we look forward to introducing the App into more geographies during 2024 and beyond.

As we announced at the beginning of 2023, FoodPrint® was installed in our first laboratory in the USA and following approvals is now live and actively commercialising FoodPrint®. Further expansion into the USA is planned, with validation and approvals currently taking place with two other laboratories in the region.

We saw robust growth in our UK market, which is serviced by our own testing laboratory, CNSLab. Sales grew by 97%, driven by both practitioner-based business as well as direct consumer demand serviced by our white-label partners.

Our menu expansion into Microbiome testing is progressing with a UK based trial in conjunction with a test report provider which will allow us to assess the market feedback and requirements to further define the product offering in what is a fast-evolving area.

Dispute with the DHSC

There is no further progress to report in our dispute with the Department of Health and Social Care ('DHSC'). The Board continues to vigorously pursue its substantial counterclaim for losses incurred towards the DHSC, as a direct result of its failure to licence the necessary intellectual property to permit the contract to move forward and their failure to notify the Group of their inability to do so in a timely manner. The Board remains confident that the Company has a compelling case.

Current Trading and Outlook

We are pleased with progress over the first half of the fiscal year as the Company builds a solid foundation from which it can continue to grow. H2 is expected to remain strong, although in the absence of any further backlog to fulfill, is expected to be slightly lower than H1 FY24 with the full year's revenue expected to be in line with market expectations. The investment for the final steps in the separation of the business from the historical group will be completed during FY25. We will continue with our plans of expanding into the USA market and adding value to the customer base with two other laboratories in the region working on the validation and approval of the FoodPrint test in readiness for launch in early FY25. The MyHealth Tracker roll out in the UK will be finalised in Q4 FY24 and a further phased roll out is planned for FY25.

The Board's expectations are that the market conditions remain good and that we are well capitalised and in a strong position to grow as a standalone business.

Simon Douglas
Non-Executive Chair

Consolidated Statement of Comprehensive Income
for the six months ended 30 September 2023

		6 months ended. 30 September 2023	As restated* 6 months ended. 30 September 2022	12 months ended. 31 March 2023
	Note	£'000	£'000	£'000
Continuing operations				
Revenue	3	4,934	3,434	7,546
Cost of sales		(1,841)	(1,581)	(4,001)
Gross profit		3,093	1,853	3,545
Administration costs		(2,746)	(1,959)	(4,755)
Selling and marketing costs		(790)	(730)	(1,530)
Other income		51	—	25
Operating loss before exceptional items		(392)	(836)	(2,715)
Exceptional items		(294)	—	(524)
Operating loss after exceptional items		(686)	(836)	(3,239)
Finance costs	4	(12)	(6)	(13)
Loss before taxation		(698)	(842)	(3,252)
Tax credit	5	—	—	80
Loss for the period from continuing operations		(698)	(842)	(3,172)
Discontinued operations				
Loss after tax for the period from discontinued operations	6	—	(1,245)	(688)
Loss for the period		(698)	(2,087)	(3,860)
Other comprehensive (losses)/income to be reclassified to profit and loss in subsequent periods				
Exchange differences on translation of foreign operations		(3)	22	(15)
Other comprehensive income for the period		(3)	22	(15)
Total				
for the period		(701)	(2,065)	(3,875)
Earnings per share (EPS)				
Basic and diluted EPS on loss for the period	7	(0.3)p	(0.9)p	(1.7)p
Earnings per share for continuing operations				
Basic and diluted EPS on loss for the period from continuing operations	7	(0.3)p	(0.4)p	(1.4)p

* See note 2 for details regarding the restatement.

Consolidated Balance Sheet

as at 30 September 2023

		30 September 2023	30 September 2022	31 March 2023
	Note	£'000	£'000	£'000
ASSETS				
Non-current assets				
Intangibles	8	4,313	4,556	4,525
Property, plant, and equipment	9	515	1,062	567
Right of use assets	9	177	62	21
Deferred taxation		994	1,120	997
Total non-current assets		5,999	6,800	6,110
Current assets				
Inventories		1,073	1,074	777
Trade and other receivables		2,290	6,544	2,403
Cash and cash equivalents		4,396	2,712	5,115
Total current assets		7,759	10,330	8,295
Assets held for sale		—	—	—
Total assets		13,758	17,130	14,405
EQUITY AND LIABILITIES				
Equity				
Share capital		10,244	10,244	10,244
Share premium		25,072	25,100	25,072
Retained deficit		(25,974)	(23,534)	(25,319)
Translation reserve		(49)	(8)	(46)
Total equity		9,293	11,802	9,951
Liabilities				
Non-current liabilities				
Long-term borrowings		3	35	19
Lease liabilities		77	—	—
Deferred income		2,500	2,500	2,500
Total non-current liabilities		2,580	2,535	2,519
Current liabilities				
Short-term borrowings		33	31	32
Lease liabilities		101	69	23
Trade and other payables		1,452	2,282	1,525
Total current liabilities		1,586	2,382	1,580
Liabilities directly associated with assets held for sale		299	411	355
Total liabilities		4,465	5,328	4,454
Total equity and liabilities		13,758	17,130	14,405

* See note 2 for details regarding the restatement.

Consolidated Statement of Changes in Equity
for the six months ended 30 September 2023

	Share capital £'000	Share premium £'000	Retained deficit £'000	Translation reserve £'000	Total £'000
Balance at 31 March 2022	8,044	25,340	(21,537)	(31)	11,816
Loss for the period to 30 September 2022	—	—	(2,087)	—	(2,087)
Other comprehensive losses – net exchange adjustments	—	—	—	23	23
Total comprehensive (losses)/income for the period	—	—	(2,087)	23	(2,064)
Issue of share capital for cash consideration	2,200	—	—	—	2,200
Expenses in connection with share issue	—	(240)	—	—	(240)
Share-based payments	—	—	90	—	90
Balance at 30 September 2022	10,244	25,100	(23,534)	(8)	11,802
Loss for the period to 31 March 2023	—	—	(1,773)	—	(1,773)
Other comprehensive income – net exchange adjustments	—	—	—	(38)	(38)
Total comprehensive losses for the period	—	—	(1,773)	(38)	(1,811)
Expenses in connection with share issue	—	(28)	—	—	(28)
Share-based payments	—	—	(12)	—	(12)
Balance at 31 March 2023	10,244	25,072	(25,319)	(46)	9,951
Loss for the period to 30 September 2023	—	—	(698)	—	(698)
Other comprehensive income – net exchange adjustments	—	—	—	(3)	(3)
Total comprehensive (losses)/income for the period	—	—	(698)	(3)	(701)
Share-based payments	—	—	43	—	43
Balance at 30 September 2023	10,244	25,072	(25,974)	(49)	9,293

* See note 2 for details regarding the restatement.

Consolidated Cash Flow Statement
for the six months ended 30 September 2023

	6 months ended 30 September 2023 £'000	As restated* 6 months ended 30 September 2022 £'000	12 months ended 31 March 2023 £'000
Cash flows generated from operations			
Loss for the year from continuing operations	(698)	(842)	(3,172)
Loss for the year from discontinued operations	—	(1,245)	(688)
Adjustments for:			
Depreciation	108	120	219
Amortisation of intangible assets	219	225	372
Impairment and derecognition of intangible assets	—	15	15
Impairment of assets related to aborted Ely relocation	—	—	399
Impairment loss recognised on the remeasurement to fair value	—	176	176
Share-based payments	43	90	78
Taxation	—	—	(380)
Finance costs	12	21	16
Cash outflow from operating activities before working capital movement	(316)	(1,440)	(2,965)
Decrease in trade and other receivables	113	672	812
(Increase)/decrease in inventories	(296)	(168)	128
Decrease in trade and other payables	(73)	(843)	(1,466)
Movement in grants	—	(4)	(139)
Taxation received	—	—	478
Cash outflow from operating activities	(572)	(1,783)	(3,152)
Investing activities			
Finance income	—	—	19
Income from sale of CD4 business	—	1,315	5,315
Purchase of property, plant, and equipment	(10)	(25)	(25)
Purchase of intangible assets	(7)	(51)	(128)
Net cash (outflow)/inflow in investing activities	(17)	1,239	5,181
Financing activities			
Finance costs	(1)	—	(1)
Proceeds from issue of share capital	—	2,200	2,200
Expenses in connection with share issue	—	(240)	(268)
Principal portion of asset finance payments	(71)	(243)	(314)
Interest portion of asset finance payments	(7)	(16)	(25)
Principal portion of lease liability payments	(47)	(46)	(97)
Interest portion of lease liability payments	(4)	(5)	(9)
Net cash (outflow)/inflow from financing activities	(130)	1,650	1,486
Net (decrease)/increase in cash and cash equivalents	(719)	1,106	3,515
Effects of exchange rate movements	—	1	(5)
Cash and cash equivalents at beginning of period	5,115	1,605	1,605
Cash and cash equivalents at end of the period	4,396	2,712	5,115

* See note 2 for details regarding the restatement.

Notes to the Interim Report

for the six months ended 30 September 2023

1. BASIS OF PREPARATION

For the purpose of preparing the 31 March 2023 annual financial statements the Directors used IFRS as adopted by the EU and in accordance with the AIM Rules issued by the London Stock Exchange. In preparing these interim financial statements, the accounting policies used in the Group's Annual Report for the year ended 31 March 2023 have been applied consistently. The Group has not applied IAS 34 *Interim Financial Reporting*, which is not mandatory for AIM companies, in the preparation of these interim financial statements.

The interim financial statements are unaudited. The information shown in the consolidated balance sheet as at 30 September 2023 does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006 and the information in respect of the year ended 31 March 2023 has been extracted from the Group's 2023 Annual Report which has been filed with the Registrar of Companies. The report of the auditors on the financial statements contained within the Group's 2023 Annual Report was unqualified and did not contain a statement under sections 498 (2) and 498 (3) of Chapter 3, Part 16 of the Companies Act 2006. These interim financial statements were approved by the Board of Directors on 22 November 2023.

2. RESTATEMENT OF COMPARATIVES

Group

Discontinued operations

Following a review of administration costs, £186,000 of credits applicable to discontinued operations have been identified as being incorrectly applied to continuing operations as reported in the interim results reported for the six months ended 31 September 2022. This does not affect the results reported in the annual report for the year to 31 March 2023.

The effect of the restatements noted above on the consolidated statement of comprehensive income as at 30 September 2022 is as follows:

	As reported 30 September 2022 £'000	Restatement 30 September 2022 £'000	As restated 30 September 2022 £'000
Continuing operations			
Revenue	3,434	—	3,434
Cost of sales	(1,581)	—	(1,581)
Gross profit	1,853	—	1,853
Administration costs	(1,773)	(186)	(1,959)
Selling and marketing costs	(730)	—	(730)
Other income	—	—	—
Operating loss before exceptional items	(650)	(186)	(836)
Exceptional items	—	—	—
Operating loss after exceptional items	(650)	(186)	(836)
Finance costs	(6)	—	(6)
Loss before taxation	(656)	(186)	(842)
Tax credit/(expense)	—	—	—
Loss for the period from continuing operations	(656)	(186)	(842)
Discontinued operations			
Loss after tax for the period from discontinued operations	(1,431)	186	(1,245)
Loss for the period	(2,087)	—	(2,087)
Other comprehensive income to be reclassified to profit and loss in subsequent periods			
Exchange differences on translation of foreign operations	22	—	22
Other comprehensive income for the period	22	—	22
Total comprehensive losses for the period	(2,065)	—	(2,065)
Earnings per share (EPS)			
Basic and diluted EPS on loss for the period	(0.3)p	—	(0.3)p
Earnings per share for continuing operations			
Basic and diluted EPS on loss for the period from continuing operations	(0.3)p	(0.1)p	(0.4)p

3. SEGMENT INFORMATION

Following the withdrawal from COVID-19 products and the decision taken in March 2022 to dispose of the CD4 business, the sale of which was completed on 31 July 2022, the only remaining division is Health and Nutrition. The Global Health division specialised in the research, development, production, and marketing of kits to aid the diagnosis of infectious diseases, including COVID-19.

The Health and Nutrition division specialises in the research, development, and production of kits to aid the detection of immune reactions to food. It also provides clinical analysis to the general public, clinics, and health professionals.

The Corporate segment consists of centralised corporate costs which are not allocated to the trading activities of the Group. Inter segment transfers or transactions are entered into under the normal commercial conditions that would be available to unrelated third parties.

Business segment information

6 months to 30 September 2023	Health and Nutrition £'000	Corporate £'000	Total £'000
Revenue	5,062	—	5,062
Inter-segment revenue	(128)	—	(128)
Total revenue	4,934	—	4,934
Cost of sales	(1,841)	—	(1,841)
Gross profit	3,093	—	3,093
Operating costs	(2,739)	(746)	(3,485)
Operating profit/(loss) before exceptional items	354	(746)	(392)
Exceptional items	(151)	(143)	(294)
Operating profit/(loss) after exceptional items	203	(889)	(686)
Depreciation	108	—	108
Amortisation	219	—	219
EBITDA	530	(889)	(359)
Exceptional items	151	143	294
Share-based payment charges	—	17	17
Adjusted EBITDA	681	(729)	(48)
Share-based payment charges	—	(17)	(17)
Depreciation	(108)	—	(108)
Amortisation	(219)	—	(219)
Net finance costs	(12)	—	(12)
Exceptional costs	(151)	(143)	(294)
Profit/(loss) before tax	191	(889)	(698)
Exceptional items	151	143	294
Share-based payment charges	—	17	17
Amortisation	61	—	61
Adjusted profit/(loss) before tax	403	(729)	(326)

3. SEGMENT INFORMATION (CONTINUED)

6 months to 30 September 2022	As restated* Health and Nutrition £'000	Corporate £'000	As restated* Total £'000
Revenue	3,533	—	3,533
Inter-segment revenue	(99)	—	(99)
Total revenue	3,434	—	3,434
Cost of sales	(1,581)	—	(1,581)
Gross profit	1,853	—	1,853
Operating costs	(2,133)	(556)	(2,689)
Operating loss before exceptional items	(280)	(556)	(836)
Exceptional items	—	—	—
Operating loss after exceptional items	(280)	(556)	(836)
Depreciation	106	—	106
Amortisation	225	—	225
EBITDA	51	(556)	(505)
Share-based payment charges	—	90	90
Adjusted EBITDA	51	(466)	(415)
Share-based payment charges	—	(90)	(90)
Depreciation	(106)	—	(106)
Amortisation	(225)	—	(225)
Net finance costs	(6)	—	(6)
Loss before tax	(286)	(556)	(842)
Share-based payment charges	—	90	90
Amortisation	49	—	49
Adjusted loss before tax	(237)	(466)	(703)

* See note 2 for details regarding the restatement.

The adjusted profit/(loss) before taxation is a key measure of the Group's trading performance used by the Directors. The reported numbers are non-GAAP measures

3. SEGMENT INFORMATION (CONTINUED)

	6 months to 30 September 2023	6 months to 30 September 2022
	£'000	£'000
Revenues		
UK	830	423
Rest of Europe	1,167	1,125
North America	1,031	606
South/Central America	243	141
India	282	286
Asia	874	651
Africa and the Middle East	507	202
	4,934	3,434

	6 months to 30 September 2023	6 months to 30 September 2022	<i>inc/(dec)</i>
	£'000	£'000	%
FoodPrint®	3,284	2,239	47%
Food Detective®	732	706	4%
CNS laboratory service	829	420	97%
Food ELISA/other	89	69	28%
	4,934	3,434	44%

4. FINANCE COSTS

	6 months to 30 September 2023	6 months to 30 September 2022
Continuing operations	£'000	£'000
Interest payable on bank overdraft	1	—
Interest payable on lease liabilities	4	4
Interest on hire purchase and asset finance arrangements	7	2
	12	6

5. TAXATION

	6 months to 30 September 2023	6 months to 30 September 2022
Continuing operations	£'000	£'000
Tax credited in the income statement		
Current tax – current year	—	—
Current tax – prior year adjustment	—	—
Deferred tax – current year	—	—
Deferred tax – prior year adjustment	—	—

Reconciliation of total tax credit

Factors affecting the tax credit for the period:	£'000	£'000
Loss taxable	(672)	(656)
Effective rate of taxation	19%	19%
Loss before tax multiplied by the effective rate of tax	(128)	(125)
Effects of:		
Deferred tax asset not recognised	128	125
Tax credit for the period	—	—

6. DISCONTINUED OPERATIONS

	As restated* 6 months to 30 September 2022 £'000
Revenue	657
Cost of sales	(567)
Gross profit/(loss)	90
Administration costs	(1,175)
Selling and marketing costs	—
Other income	4
Operating loss before exceptional items	(1,081)
Exceptional items	—
Operating loss after exceptional items	(1,081)
Finance costs	(15)
Impairment loss recognised on the remeasurement to fair value less costs to sell	(149)
Loss before taxation	(1,245)
Tax	—
Loss for the period from discontinued activities	(1,245)

* See note 2 for details regarding the restatement.

Adjusted loss before taxation

	6 months to 30 September 2022 £'000
Loss for the period from discontinued activities	(1,245)
Exceptional items	—
Amortisation of intangible assets	7
Adjusted loss for the period from discontinued activities	(1,238)

Earnings per share

	6 months to 30 September 2022 £'000
Basic, loss for the period from discontinued operations	(0.5)p
Diluted, loss for the period from discontinued operations	(0.5)p
Adjusted, loss for the period from discontinued operations	(0.5)p

6. DISCONTINUED OPERATIONS (CONTINUED)

The major classes of assets and liabilities of the Global Health business as at 30 September 2023 are, as follows:

	30 September 2023	30 September 2022
	£'000	£'000
Assets		
Property, plant, and equipment	—	—
Total assets held for sale	—	—
Liabilities		
Borrowings	(299)	(411)
Total liabilities directly associated with the assets held for sale	(299)	(411)
Net liabilities directly associated with the disposal group	(299)	(411)

The property, plant and equipment relate primarily to COVID-19 plant and equipment no longer used in the business which have all been written down to zero value, the liabilities relate to the hire purchase on these assets.

7. EARNINGS PER SHARE

	6 months to 30 September 2023 £'000	As restated* 6 months to 30 September 2022 £'000
Loss attributable to equity holders of the Group		
Continuing operations	(698)	(842)
Discontinued operations	—	(1,245)
Loss attributable to equity holders of the Group for basic earnings	(698)	(2,087)

	2023 Number	2022 Number
Continuing operations		
Weighted average number of shares	237,685,180	225,443,711
Share options	—	—
Diluted weighted average number of shares	237,685,180	225,443,711

* See note 2 for details regarding the restatement.

The number of shares in issue at the period end was 237,685,180. Basic earnings per share are calculated by dividing profit for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. Diluting events are excluded from the calculation when the average market price of ordinary shares is lower than the exercise price.

Adjusted earnings per share on loss for the period

The Group presents adjusted earnings per share which is calculated by taking adjusted loss before taxation and adding the tax credit in order to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

	6 months to 30 September 2023 £'000	6 months to 30 September 2022 £'000
Loss attributable to equity holders of the Group	(698)	(2,087)
Exceptional items	294	—
Amortisation of intangible assets	61	56
Share-based payment charges	17	90
Adjusted loss attributable to equity holders of the Group	(326)	(1,941)

Adjusted loss for the year – continuing operations

The reported numbers are non-GAAP measure

	6 months to 30 September 2023 £'000	6 months to 30 September 2022 £'000
(Loss)/profit for the period from continuing operations	(698)	(842)
Exceptional items	294	—
Amortisation of intangible assets	61	49
Share-based payment charges	17	90
Adjusted (loss)/profit for the period from continuing operations	(326)	(703)

* See note 2 for details regarding the restatement.

7. EARNINGS PER SHARE (CONTINUED)

Adjusted EPS on loss for the period	(0.1)p	(0.8)p
Adjusted EPS on loss for the period from continuing operations	(0.1)p	(0.3)p

Adjusted loss before taxation, which is a key measure of the Group's trading performance used by the Directors, is derived by taking statutory loss before taxation and adding back exceptional items, amortisation of intangible assets (excluding development costs) and share-based payment charges.

8. INTANGIBLES

	Goodwill £'000	Licences/ software £'000	Technology assets £'000	Customer relationships £'000	Development costs £'000	Total £'000
Cost						
At 31 March 2022	3,017	1,634	1,975	100	9,181	15,907
Additions	—	—	—	—	16	16

Additions – internally generated	—	—	—	—	35	35
At 30 September 2022	3,017	1,634	1,975	100	9,232	15,958
Additions	—	50	—	—	50	100
Additions – internally generated	—	—	—	—	(23)	(23)
Reallocated from property, plant, and equipment	—	42	—	—	—	42
At 31 March 2023	3,017	1,726	1,975	100	9,259	16,077
Additions	—	7	—	—	—	7
At 30 September 2023	3,017	1,733	1,975	100	9,259	16,084
Accumulated amortisation						
At 31 March 2022	—	1,619	1,440	100	8,003	11,162
Amortisation charge in the period	—	—	49	—	176	225
Impairment charge	—	15	—	—	—	15
At 30 September 2022	—	1,634	1,489	100	8,179	11,402
Amortisation charge in the period	—	10	50	—	87	147
Reallocated from property, plant, and equipment	—	4	—	—	—	4
Currency translation	—	(1)	—	—	—	(1)
At 31 March 2023	—	1,647	1,539	100	8,266	11,552
Amortisation charge in the period	—	12	49	—	158	219
At 30 September 2023	—	1,659	1,588	100	8,424	11,771
Net book value						
At 30 September 2023	3,017	74	387	—	835	4,313
At 31 March 2023	3,017	79	436	—	993	4,525
At 30 September 2022	3,017	—	486	—	1,053	4,556

9. FIXED ASSETS

Consolidated	Right of use assets £'000	Leasehold improvements £'000	Plant and machinery £'000	Total £'000
Cost				
At 31 March 2022	412	696	2,461	3,569
Additions	—	1	24	25
Currency translation	—	—	1	1
At 30 September 2022	412	697	2,486	3,595
Additions	—	(1)	1	—
Reallocated to intangible assets	—	—	(42)	(42)
At 31 March 2023	412	696	2,445	3,553
Additions	202	—	10	212
Disposals	(412)	—	—	(412)
At 30 September 2023	202	696	2,455	3,353
Accumulated depreciation				
At 31 March 2022	306	484	1,535	2,325
Charge in the period	44	—	76	120
Impairment to fair value	—	—	27	27
Currency translation	—	(1)	—	(1)
At 30 September 2022	350	483	1,638	2,471
Charge in the period	41	—	58	99
Impairment to fair value	—	210	189	399
Reallocated to intangible assets	—	—	(4)	(4)
Currency translation	—	1	(1)	—
At 31 March 2023	391	694	1,880	2,965
Charge in the period	46	—	62	108
Disposals	(412)	—	—	(412)
At 30 September 2023	26	694	1,942	2,662
Net book value				
At 30 September 2023	177	2	513	692
At 31 March 2023	21	2	565	588
At 30 September 2022	62	214	848	1,124