31 March 2025

Cirata plc

("Cirata" or the "Company")

Preliminary results for the year ended 31 December 2024

Cirata (LSE: CRTA) today announces its audited preliminary results for the year ended 31 December 2024 ("FY24"). The release of the Company's FY24 Annual report will be announced in due course.

Financial Headlines

- **Bookings for the year**: $7.1m (FY23: $7.2m)
- **Revenue for the year**: $7.7m (FY23: $6.7m)
- **Cash overheads**: $20.6m (FY23: $30.3m)
- **Adjusted EBITDA**[1]: loss of $13.5m (FY23: loss of $24.2m)
- **Loss from operations**: $13.5m (FY23: $36.5m)
- **Cash at 31 December 2024**: $9.7m (FY23: $18.2m)

Bookings

For FY24 overall, the Company delivered total bookings of $7.1m (FY23 $7.2m), broadly flat on the prior year but with improving quality and a mix shift to Data Integration ("DI"), which management expects to lead to growth in future bookings. DI bookings grew by 80% to $4.7m, with the trend towards DI (Cirata's core growth driver) in line with the Company's trading update on 9 January 2025. DI accounted for 67% of bookings and DevOps software accounted for 33% (FY23: DI 36% and DevOps 64%).

Major wins in the period included a $2.0m Live Data Migrator (LDM) contract with a top 3 US bank for a one-year term. This deal represents the largest Original Equipment Manufacturer ("OEM") Big Replicate implementation to date.

FY24 saw improved engagement with both customers and partners. Changes implemented in the Company's go-to-market ("GTM") strategy, including establishing dedicated teams for DI and DevOps, have begun to bear fruit. Improving momentum was observed in the pipeline, supported by partnerships with IBM, Databricks and Oracle. Notable achievements in Q4 included 13 new contract signings, with 6 focused on DI.

[1] Operating loss adjusted for: impairment loss, depreciation, amortisation, equity-settled share-based payment, other income/(expense) and other one-off non recurring items disclosed separately. See Note 4 for a reconciliation.

Current Trading
We expect the momentum in DI to continue in FY25, with Q1 broadly in line with management expectations. The Company will be releasing a Q1 trading update in mid-April.

FY25 Outlook
Management expects improvements in the levels of sales activity and execution, both directly and through its partners, as well as via improved visibility and predictability. For example, elements of the GTM 'Land & Expand' strategy continue to yield growth from existing customers. Management, however, expects the acquisition of new customers to be an improving source of future growth as we move through FY25.

Management's aspiration to achieve cash flow breakeven remains unchanged, supported by ongoing improvements in pipeline conversion and operational discipline.

At this very early stage in the financial year, management's plans for FY25 are:

- Continued improvement in the quality of business mix and revenues towards DI
- Continued high growth in DI following the FY24 trajectory
- Greater stability in renewals and DevOps
- Further expense savings to provide an annualized expense run-rate of $16-17m from the end of Q1 FY25. The sustainable cost base will be approximately one-third of the peak expense levels of early FY23
- Bookings to continue to be back-end weighted with a similar quarterly profile to FY24

As previously stated in the Company's Q4 FY24 trading update, management does not anticipate an FY25 fundraise for working capital given its assessment of the current pipeline, the strategic actions to improve predictability and the significantly reduced cost base.

Stephen Kelly, Chief Executive Officer, commented:
"2024 was a transitional year for Cirata as we moved from 'rescue' to 'recovery', stabilizing the business to prepare for growth. We have reduced our cost base by roughly two-thirds since the peak in early FY23. Our efforts in restructuring the organisation, strengthening governance and enhancing cultural accountability have delivered tangible results, including the largest LDM Original Equipment Manufacturer implementation in our history with our partner IBM.

The release of LDM 3.0 and our reinvigorated partnerships with IBM, Microsoft, Databricks and Oracle position us well to leverage the growing demand for seamless data integration and AI-driven analytics.

While challenges remain and stronger execution is required, the focus for FY25 is clearly on growth and a pivotal year for establishing Cirata as a consistent growth company. The foundations we have put in place and the progress we have made, affirm Cirata's potential as a leader in enterprise data solutions.

This announcement contains inside information under the UK Market Abuse Regulation. The person responsible for arranging the release of this announcement on behalf of Cirata is Larry Webster, Company Secretary.

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About Cirata

Cirata, accelerates data-driven revenue growth by automating data transfer and integration to modern cloud analytics and Artificial Intelligence ("AI") platforms without downtime or disruption. With Cirata, data leaders can leverage the power of AI and analytics across their entire enterprise data estate to freely choose analytics technologies, avoid vendor, platform, or cloud lock-in while making AI and analytics faster, cheaper, and more flexible. Cirata's portfolio of products and technology solutions make strategic adoption of modern data analytics efficient and automated. For more information about Cirata, visit www.cirata.com.

Business Review

Chief Executive Officer's Statement

Building Momentum for Growth: Transition from Recovery.

As I chronicled last year, FY23 was a rescue year for a broken company. FY24 was a year of building foundations, regaining trust and confronting the legacy challenges that hampered Cirata's potential. Rescuing and building a company back from FY23 from the ground up has been a demanding journey for the management team. We understand the sentiment of demoralised colleagues, customers, partners and investors who understandably felt extremely let down, given the $250m capital raised since the Company's IPO.

As we move into FY25, I am pleased to report that last year's extensive restructuring, cultural renewal and operational focus are beginning to bear fruit. While we are only part way through our journey, we are no longer defined by past struggles but are shaped by future opportunities. Our focus for FY25 will be on transitioning to a more predictable growth phase, scaling operations, striving for continued high growth in Data Integration, achieving cash flow break-even and avoiding seeking further working capital.

Rebuilding foundations

Management concluded a market analysis and strategy review named "Lighthouse 1.0" in April 2023. This resulted in a renewed focus on core segments for data migration / modernisation. Lighthouse provided key recommendations for changes in the sales and marketing areas during 2024.

Marketing efforts were inefficient, with activities such as events and partner programs failing to generate sufficient pipeline. Sales quality was subpar, relationships with partners were strained, and pre-sold business opportunities were poorly managed and under-consumed.

Additionally, a culture of underperformance and disassociation detached from the Company's grim loss-making reality prevailed. It was crucial to avoid a ‘shock and awe' approach with indiscriminate cost cutting, focusing instead on thoughtful and strategic restructuring to nurture the foundations for growth of the business whilst retaining critical intellectual property.

FY24 represented a critical inflection point as we laid the groundwork for future profitability and positioned Cirata as a trusted partner in the evolving Data Integration and DevOps markets.

For five years, the Company has broadly ‘flat-lined’. However, regarding business quality, bookings and revenues have become substantially stronger during FY24, as evidenced by the DI transition and new contract wins.

We wanted greater growth in FY24 and 15% revenue growth YoY driven off on an annualized cost base reduced by approximately 55% since the peak expense run-rate, shows some positive progress.

Evidence of rebuilt trust was shown through the signing of a c.$2.0m Live Data Migrator ("LDM") contract with a top 3 US bank, representing the largest Original Equipment Manufacturer ("OEM") Big Replicate implementation to date. These achievements underscore our ability to deliver enterprise-grade solutions while driving growth in our core Data Integration product.

FY24 delivered total bookings of $7.1m (FY23: $7.2m), with Data Integration bookings increasing by 80% year-on-year to $4.7m. Data Integration accounted for 67% of bookings, compared to 36% in FY23, reflecting our strategic pivot toward high-growth opportunities and DI as the strategic growth catalyst.

FY24 generated revenue of $7.7m (FY23: $6.7m) and an adjusted EBITDA loss of $13.5m (FY23: loss of $24.2m). This reduction in EBITDA losses, nearly halved from the previous year, is a testament to the effectiveness of our strategic cost reduction efforts. Positioning the business to take advantage of growth opportunities.

Actions Taken

1. Reinforcing Market Positioning and Go-to-Market (“GTM”) Strategy
   - Management concluded a market analysis and strategy review named ‘Lighthouse 1.0’ in April 2023. This resulted in a renewed focus on core segments for data migration / modernisation. Lighthouse provided key recommendations for changes to sales and marketing during 2024.
   - The sales team is more established, providing greater confidence in sales cycle management and improving deal closure predictability.
   - We have launched a streamlined GTM strategy. This includes dedicated teams for both DI and DevOps solutions, with the leadership of Chris Cochrane for DI in North America, which is our main market and geographical region.
   - Early signs of momentum are translating into a growing pipeline for FY25, supported by renewed confidence from partners such as IBM, Microsoft, Oracle and Databricks. Lighthouse highlighted the OEM opportunity, which is particularly relevant to IBM with the white-labeled ‘Big Replicate’ product. The success of a Top 3 US bank expanding its relationship with Cirata through IBM serves as evidence.

    - We made significant changes to our digital marketing cadence over the last several quarters, together with a wholesale change to our website and product positioning. This significantly improved inbound, organic lead generation, with over 35 inbound inquiries in the last 90 days of FY24 from virtually zero. The lead generation activity continues into this year.
2. Deepening customer engagement
    - Our 'land and expand' strategy continues to deliver results, with 13 contracts signed in Q4 FY24, six of which were for Data Integration. Notable examples include a Top 3 US Bank and Experian, who are consuming more data. Cirata is encouraging customers to transition towards an annual subscription model. This strategy allows us to nurture initial engagements into multi-year relationships with enterprise customers. With the evolution towards data orchestration, Management expects customers to graduate to 'Cirata Everywhere' with coverage for semi and unstructured data enterprise-wide.
    - Our partnerships are an important part of our strategy, and we've worked hard to rebuild partner trust over the last several quarters, resolving legacy issues related to unspent prepaids, better alignment with our product roadmap, and working proactively with our partners to build a qualified pipeline.
3. Driving recurring revenue and operational excellence
    - We are targeting a shift towards recurring revenue models, leveraging our DI platform's capabilities to address complex enterprise data challenges and the growing demand for AI-driven analytics.
4. Financial discipline and path to future profitability
    - Preserving cash remains a top priority, with the FY24 annualized cost base reduced further to $20.4m, down from the annualized run rate of approximately $45m at its peak.
    - Management has acted to provide further improvements on this front, anticipating a reduction to the annualized cash cost overhead by a further c.$4m during Q1 FY25. This means the annualized cost run rate will be $16-17m as the Company exits Q1 FY25, approximately one-third of its peak cost base.
    - As the Company drives bookings growth, the direction of travel on this particular KPI is clear towards cash flow break even.

The Company's cash balance was $9.7m as of 31 December 2024 with short term trading receivable position increased to $3.0m as of 31 December 2024 (Q4 FY23: $1.8m) This was due to the higher amount of bookings invoiced in the fourth quarter of FY24 compared to FY23.

A renewed culture of accountability

Cirata's cultural transformation has been central to our progress. Our colleagues, united by a clear vision and shared values, are embracing a culture of execution, resilience and accountability. Comprehensive communications, onboarding, compliance training, incentives, and quarterly business reviews are some factors that help ensure alignment across the organisation.

We are proud to operate with a strengthened governance framework underpinned by our "Code of Business Conduct and Ethics." This commitment to transparency and integrity remains at the heart of our operations as we rebuild trust with all stakeholders.

Cirata provides quarterly reporting for investors, which typifies the highest disclosure standards for investors among AIM companies.

Outlook for FY25 and Beyond

We believe Cirata's technology occupies a unique position in the market, enabling enterprises to harness the power of data for transformative insights, analytics and Gen AI applications. As AI adoption accelerates and the need for seamless data integration grows, Cirata's platform is more relevant than ever.

Looking ahead, the Company is transitioning to a more predictable growth phase, aligned with a Target Operating Model that better reflects companies operating in the software industry. This will allow management to benchmark more effectively capital allocation to sales & marketing, engineering and G&A as the business scales.

Management expects to see continued improvements in the quality of the business mix and revenues, with a growing emphasis on Data Integration (DI), which is expected to sustain the high growth trajectory established in FY24. In parallel, Cirata aims to drive greater stability in renewals and DevOps, strengthening the foundation for long-term, recurring revenues.

Bookings are expected to follow a similar quarterly profile to FY24, remaining back-end weighted as the business executes its sales strategy.

Management does not anticipate an FY25 fundraise for working capital given its assessment of the current pipeline, the strategic actions to improve predictability and the significantly reduced cost base.

Our commitment to shareholders is unwavering: we are here to deliver long-term value through focused execution, disciplined growth, and consistent delivery.

I would not pretend our journey with Cirata has not been hard and taken longer than expected. It has often been gruelling, with many unplanned and negative surprises. With FY24, the legacy issues subsided, and management could for the first time concentrate its energy on strategies for growth. I do not underestimate the challenges of growth, but this management team is ‘all in’ and providing Cirata with its best opportunity to fulfil its potential for value creation to deliver for shareholders.

Gratitude to our investors
I would also like to take a moment to express my sincere gratitude to our investors who have supported Cirata through this journey. Their commitment has been vital to our ability to lead in the rescue and recovery phases as we execute on our strategy. I would also like to express my gratitude to our colleagues, customers, partners, and shareholders for their continued support and belief in Cirata. Your resilience and dedication inspire us every day. Together, we are rebuilding Cirata into a stronger, more agile and more impactful organisation. It has been tougher than anticipated and has required more than expected to fix such a broken company. Our mission is to build a growth company that will maximise value creation for investors.

Cirata’s journey and path forward
Cirata has not been for the faint-hearted. As a British tech battler on the global stage, especially aspiring to be strong in the US market, the Company has to punch above its weight. Building a growth company from the wreckage of a broken company has been challenging and has tested us all.

The path ahead will not be linear, but it is clear. We are energized, focused, and committed to making FY25 the year Cirata continues to turn a corner and stake its position as a leader in data innovation.

Stephen Kelly
Chief Executive Officer

Financial Review

Reflections on 2024
Revenue for the year ended 31 December 2024 was $7.7m (FY23: $6.7m). Deferred revenue at 31 December 2024 was $2.3m (FY23: $2.7m), reflecting continued strong renewals and multi-year contracts.

Adjusted EBITDA loss was $13.5m (FY23 EBITDA loss: $24.2m).

Revenue
Revenue for the year ended 31 December 2024 increased to $7.7m, compared to $6.7m in FY23, reflecting a year-on-year growth of approximately 15%. This improvement was primarily driven by significant growth in DI bookings, which increased by 80% and accounted for 67% of total bookings, compared to 36% in FY23. The successful execution of the "land and expand" strategy contributed to higher multi-year contract

renewals and new customer acquisitions, including Cirata's largest-ever LDM contract valued at c.$2.0m.

Revenue also benefited from strong contributions from the North American region, which continued to lead geographically, and increased deferred revenue from multi-year deals, indicating stronger forward revenue visibility.

Operating costs

Cash overheads decreased to $20.6m (FY23: $30.3m), reflecting a deliberate focus on cost optimization. Management anticipates further reductions in FY25 to $16–$17m annualized cash overheads, aligned with operational efficiency targets.

Profit and Loss

Adjusted EBITDA loss for FY24 was $13.5m (FY23: $24.2m). Loss from operations reduced to $13.5m (FY23: $36.5m), supported by higher revenues and disciplined cost management.

Consolidated statement of financial position

Property, plant and equipment at 31 December 2024 was $0.2m (31 December 2023: $0.2m).

Trade and other receivables at 31 December 2024 were $4.8m (31 December 2023: $4.4m). This includes $3.0m of trade receivables (31 December 2023: $1.8m) and $1.8m related to non-trade receivables (31 December 2023: $2.6m). Trade receivables increased at 31 December 2024 due to the higher amount of bookings invoiced in the fourth quarter of FY24 compared to FY23. Non-trade receivables reduced mainly due to lower prepayments and other receivables.

Cash flow

The cash balance as of 31 December 2024 was $9.7m (FY23: $18.2m). Net cash outflow reduced significantly due to a leaner cost base and improved revenue realization.

Subsequent events

There are no subsequent events to report.

Ricardo Assuncao Moura

Chief Financial Officer (Interim)

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Note	**Year ended 31-Dec-24 (Audited) $'000**	Year ended 31-Dec-23 (Audited) $'000
Revenue	3	**7,681**	6,695
Cost of sales		**(537)**	(633)
Gross profit		**7,144**	6,062
Operating expenses	4	**(21,805)**	(37,625)
Other income/(expense)		**207**	(46)
Impairment loss		**(563)**	(815)
Operating loss	4	**(15,017)**	(32,424)
Finance income		**1,584**	164
Finance costs		**(76)**	(4,227)
Net finance income/(costs)		**1,508**	(4,063)
Loss before tax		**(13,509)**	(36,487)
Income tax credit		**-**	8
Loss for the year		**(13,509)**	(36,479)
Other comprehensive (loss)/income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign operations - foreign currency translation differences		**(1,577)**	4,489
Other comprehensive (loss)/income for the year, net of tax		**(1,577)**	4,489
Total comprehensive loss for the year attributable to owners of the parent		**(15,086)**	(31,990)
Loss per share			
Basic and diluted loss per share (cent)	5	**(11)**	(41)

The notes form an integral part of these condensed consolidated financial statements.

Consolidated statement of financial position

At 31 December 2024

	Note	**31-Dec-24 (Audited) $'000**	31-Dec-23 (Audited) $'000
Assets			
Property, plant and equipment		**198**	151
Other non-current assets	6	**180**	278
Non-current assets		**378**	429
Trade and other receivables	7	**4,812**	4,439
Cash and cash equivalents		**9,732**	18,246
Current assets		**14.544**	22,685
Total assets		**14.922**	23,114
Equity			
Share capital		**17,100**	15,634
Share premium		**261,726**	256,278
Translation reserve		**(10,661)**	(9,084)
Merger reserve		**1,247**	1,247
Retained earnings		**(259,839)**	(247,461)
Total equity		**9,573**	16,614
Liabilities			
Loans and borrowings	8	**367**	359
Deferred income	9	**223**	129
Deferred tax liabilities		**3**	3
Non-current liabilities		**593**	491
Loans and borrowings	8	**522**	436
Trade and other payables		**2,125**	2,986
Deferred income	9	**2,109**	2,587
Current liabilities		**4,756**	6,009
Total liabilities		**5,349**	6,500
Total equity and liabilities		**14,922**	23,114

The notes form an integral part of these condensed consolidated financial statements

Consolidated statement of changes in equity

For the year ended 31 December 2024

	Attributable to owners of the Company					
Audited	Share capital $'000	Share premium $'000	Translation reserve $'000	Merger reserve $'000	Retained earnings $'000	Total equity $'000
Balance at 31 December 2022	9,524	232,861	(13,573)	1,247	(213,496)	16,563
Total comprehensive income/(loss) for the year						
Loss for the year	-	-	-	-	(36,479)	(36,479)
Other comprehensive income for the year	-	-	4,489	-	-	4,489
Total comprehensive income/(loss) for the year	-	-	4,489	-	(36,479)	(31,990)
Transactions with owners of the Company						
Contributions and distributions						
Equity-settled share-based payment	-	-	-	-	2,514	2,514
Proceeds from share placing	6,059	22,400	-	-	-	28,459
Share options exercised	51	1,017	-	-	-	1,068
Total transactions with owners of the Company	6,110	23,417	-	-	2,514	32,041
Balance at 31 December 2023	**15,634**	**256,278**	**(9,084)**	**1,247**	**(247,461)**	**16,614**
Audited						
Total comprehensive loss for the year						
Loss for the year	**-**	**-**	**-**	**-**	**(13,509)**	**(13,509)**
Other comprehensive loss for the year	**-**	**-**	**(1,577)**	**-**	**-**	**(1,577)**
Total comprehensive loss for the year	**-**	**-**	**(1,577)**	**-**	**(13,509)**	**(15,086)**
Transactions with owners of the Company						
Contributions and distributions						
Equity-settled share-based payment	**-**	**-**	**-**	**-**	**1,131**	**1,131**
Proceeds from share placing	**1,310**	**5,445**	**-**	**-**	**-**	**6,755**
Proceeds from share allotment	**151**	**-**	**-**	**-**	**-**	**151**
Share options exercised	**5**	**3**	**-**	**-**	**-**	**8**
Total transactions with owners of the Company	**1,466**	**5,448**	**-**	**-**	**1,131**	**8,045**
Balance at 31 December 2024	**17,100**	**261,726**	**(10,661)**	**1,247**	**(259,839)**	**9,573**

The notes form an integral part of these condensed consolidated financial statements

Consolidated statement of cash flows

For the year ended 31 December 2024

	Note	**Year ended 31-Dec 2024 (Audited) $'000**	Year ended 31-Dec 2023 (Audited) $'000
Cash flows from operating activities			
Loss for the year		**(13,509)**	(36,479)
Adjustments for:			
- Depreciation of property, plant and equipment		**59**	629
- Loss on disposal of property, plant and equipment		**-**	125
- Release of lease liability		**-**	(216)
- Impairment of right of use asset		**563**	815
- Net finance income/(expense) (excluding foreign exchange)		**16**	(137)
- Income tax credit and other Income		**-**	38
- Foreign exchange		**(1,511)**	3,952
- Equity-settled share-based payment	10	**1,131**	2,514
		(13,251)	(28,759)
Changes in:			
- Trade and other receivables		**(276)**	540
- Trade and other payables		**(852)**	(3,451)
- Deferred income		**(379)**	447
Net working capital change		**(1,507)**	(2,464)
Cash used in operating activities		**(14,758)**	(31,223)
Interest paid		**(16)**	(27)
Income tax received		**-**	652
Net cash used in operating activities		**(14,774)**	(30,598)
Cash flows from investing activities			
Interest received		**-**	33
Acquisition of property, plant and equipment		**(107)**	(76)
Cash used in investing activities		**(107)**	(43)
Cash flows from financing activities			
Gross proceeds from issue of share capital		**7,361**	31,362
Share issue costs		**(447)**	(1,835)
Payment of finance lease liabilities		**(470)**	(430)
Net cash generated from financing activities		**6,444**	29,097
Net decrease in cash and cash equivalents		**(8,437)**	(1,544)
Cash and cash equivalents at the start of the year		**18,246**	19,108
Effect of movements in exchange rates on cash held and cash equivalents		**(77)**	682
Cash and cash equivalents at the end of the year		**9,732**	18,246

Notes to the condensed consolidated financial statements

For the year ended 31 December 2024

1. Reporting entity

Cirata plc (the "Company") is a public limited company incorporated and domiciled in Jersey. The Company's ordinary shares are traded on AIM. The Company's registered office is First Floor Osprey House, Old Street, St. Helier, Jersey, JE2 3RG. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is primarily involved in the development and provision of global collaborative software.

2. Basis of preparation

a. Basis of accounting

These consolidated financial statements have been prepared in accordance with UK adopted international accounting standards. They were authorised for issue by the Company's Board of Directors on 28 March 2025.

Under Article 105(11) of the Companies (Jersey) Law 1991, a parent company preparing consolidated financial statements need not present solus (parent company only) financial information, unless required to do so by an ordinary resolution of the Company's members.

Details of the Group's material accounting policies are included in Note 28. The policies have been consistently applied to all the years presented, unless otherwise stated.

The following new standards and amendments to standards that are effective for the first time for the financial year beginning 1 January 2024 have been adopted:

» Classification of Liabilities as Current or Non-current (Amendment to IAS 1).

These amendments to standards have not had a material impact on these financial statements.

b. Going concern basis of accounting

To assess whether it is appropriate to prepare the financial statements on a going concern basis the Directors have prepared forecasts and budgets. These forecasts and budgets take into consideration the results of a robust assessment of the principal risks facing the Group, including those risks that would threaten the Group's business model, future performance, and liquidity. In the year ended 31 December 2024, the Group incurred a loss before tax of $13.5m (2023: $36.5m) and experienced a net cash outflow before financing of $14.8m (2023: $30.6m). During

2024, the performance of the Group improved, with revenue increasing by 15% to $7.7m (2023: $6.7m) and operating losses of $15.0m (2023: $32.4m) were incurred. As at 31 December 2024 the Group had net assets of $9.6m (2023: $16.6m), including cash of $9.7m (2023: $18.2m). As at 31 December 2024 the Group had no debt facilities (2023: none).

In performing its going concern assessment, the Directors are required to consider a minimum period of twelve months from the date of approving the financial statements. Scenario modelling has been undertaken over the period to 31 December 2026. The assessment involved the preparation of a ‘Base’ case and a severe but plausible ‘Downside’ case.

The Base case scenario included assumptions for quarterly sales targets, anticipated changes to Group’s current contracting model, timeframes for new sales personnel to convert sales pipelines, and cost assumptions reflecting an overhead annualised cost base and sales commissions totaling c.$16.3m. Under the Base case the Group is forecasting the ability to meet all financial obligations as and when they fall due during the period forecast.

The Downside case sensitised the Base case and modelled materially lower sales bookings during the period without any cost reduction, which would be taken in such a scenario. Under the Downside case the Group is forecasting a reduction in cash resources to effectively nil by end of December 2026. The Downside scenario does not consider any readily available mitigating actions that management could take, such as further cost savings. By their very nature forecasts and projections are inherently uncertain. The biggest driver of the uncertainty continues to be around the ability of the business to successfully close sales in a predictable and sustainable way. Consequently, the loss-making position of the Group and the low forecast cash balance sheet position heightens the uncertainty such that circumstances could arise under which the downside scenario may occur that would render the preparation of accounts based on the assumption of a going concern inappropriate.

Accepting the material uncertainty, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the Annual Report and Accounts. No adjustments have been made to the financial statements that would result if the Group were unable to continue as a going concern.

c. Functional and presentational currency

The consolidated financial statements are presented in US dollars, as the revenue for the Group is predominantly derived in this currency. Billings to the Group’s customers during the year by Cirata, Inc. were all in US dollars with certain costs being incurred by Cirata Ltd in sterling and Cirata, Pty Ltd in Australian dollars. All financial information has been rounded to the nearest thousand US dollars unless otherwise stated.

d. Alternative performance measures

The Group uses a number of alternative performance measures ("APMs") which are non-IFRS measures to monitor the performance of its operations. The Group believes these APMs provide useful information to help investors and other stakeholders evaluate the performance of the business and are measures commonly used by certain investors for evaluating the performance of the Group. In particular, the Group uses APMs which reflect the underlying performance on the basis that this provides a more relevant focus on the core business performance of the Group and aligns with our KPIs. Adjusted results exclude certain items because if included, these items could distort the understanding of our performance for the year and the comparability between periods. The Group has been using the following APMs on a consistent basis and they are defined and reconciled as follows:

- Cash overheads: Operating expenses adjusted for: depreciation, amortisation, equity-settled share-based payment and other one-off non-recurring items disclosed separately. See Note 9 for a reconciliation.
- Adjusted EBITDA: Operating loss adjusted for: impairment loss, depreciation, amortisation, equity-settled share-based payment, other (expense)/income and other one-off non-recurring items disclosed separately. See Note 4 for a reconciliation.

e. Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

3. Revenue and segmental analysis

a. Operating segments

The Directors consider there to be one operating segment, being that of development and sale of licences for software, related maintenance and support and professional services.

b. Geographical segments

The Group recognises revenue in three geographical regions based on the location of customers, as set out in the following table:

Revenue	**Year ended 31-Dec 2024 (Audited) $'000**	Year ended 31-Dec 2023 (Audited) $'000
North America	**5,576**	4,603
Europe - Germany	**557**	896
Europe - Other	**522**	479
Rest of the world - China	**536**	478
Rest of the world - Other	**490**	239
	7,681	6,695

Management makes no allocation of costs, assets or liabilities between these segments since all trading activities are operated as a single business unit.

c. Major products

The Group's core patented technology, Distributed Coordination Engine (DConE) enables active-active replication without the limitations of a central transaction coordinator. This technology is used in many of the Group's products.

d. Major customers

	Year ended 31 December 2024 **(Audited) % of revenue**	**Year ended 31 December** 2024 **(Audited) Revenue $'000**	Year ended 31 December 2023 (Audited) % of revenue	Year ended 31 December 2023 (Audited) Revenue $'000
Customer 1	23%	1,729	15%	984
Customer 2	13%	983	12%	832
Customer 3	9%	718	11%	716
Customer 4	3%	196	3%	174

e. Split of revenue by timing of revenue recognition

Revenue	**Year ended 31-Dec 2024 (Audited) $'000**	Year ended 31-Dec 2023 (Audited) $'000
Products transferred at a point in time	**5,462**	4,222
Products and services transferred over time	**2,219**	2,473
	7,681	6,695

f. Contract balances

The following table provides information about contract assets and liabilities from contracts with customers.

	31-Dec 2024 (Audited) $'000	31-Dec 2023 (Audited) $'000
Contract assets, which are included in "Other non-current assets - Accrued income"	**173**	265
Contract assets, which are included in "Trade and other receivables - Accrued income"	**191**	800
Total contract assets	**364**	1,065
Contract liabilities, which are included in "Deferred income - non-current"	**(223)**	(129)
Contract liabilities, which are included in "Deferred income - current"	**(2,109)**	(2,587)
Total contract liabilities	**(2,332)**	(2,716)

4. Cash overheads and Adjusted EBITDA loss

a Reconciliation of operating expenses to "Cash overheads":	Note	Year ended 31-Dec 2024 (Audited) $'000	Year ended 31-Dec 2023 (Audited) $'000
Operating expenses		**(21,805)**	(37,625)
Adjusted for:			
Advisor costs relating to the Irregularities		**-**	4,175
Amortisation and depreciation		**59**	629
Equity-settled share-based payment	10	**1,131**	2,514
Cash overheads		**(20,615)**	(30,307)

b Reconciliation of operating loss to "Adjusted EBITDA loss":	Note	Year ended 31-Dec 2024 (Audited) $'000	Year ended 31-Dec 2023 (Audited) $'000
Operating loss		**(15,017)**	(32,424)
Adjusted for:			
Other (income)/expense		**(207)**	46
Impairment loss		**563**	815
Advisor costs relating to the Irregularities		**-**	4,175
Amortisation and depreciation		**59**	629
Equity-settled share-based payment	10	**1,131**	2,514
Adjusted EBITDA loss		**(13,471)**	(24,245)

5. Loss per share

a. Basic loss per share

The calculation of basic loss per share has been based on the following loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding:

	Year ended 31 December 2024 (Audited) $'000	Year ended 31 December 2023 (Audited) $'000
Loss for the year attributable to ordinary shareholders	**13,509**	36,479

Weighted average number of ordinary shares	**2024 Number of shares '000**	2023 Number of shares '000
Issued ordinary shares at 1 January	**114,962**	67,015
Effect of shares issued in the year	**5,203**	20,934
Weighted average number of ordinary shares at 31 December	**120,165**	87,949

	2024	2023
Basic loss per share (cent)	**11**	41

b. Adjusted loss per share

Adjusted loss per share is calculated based on the loss attributable to ordinary shareholders before one-off advisors costs relating to the Irregularities, net foreign exchange gain/(loss), impairment loss and the cost of equity-settled share-based payment, and the weighted average number of ordinary shares outstanding:

Adjusted loss for the year:	Note	**Year ended 31-Dec 2024 (Audited) $'000**	Year ended 31-Dec 2023 (Audited) $'000
Loss for the year attributable to ordinary shareholders		**13,509**	36,479
Adjusted for:			
Advisor costs relating to the Irregularities		**-**	(4,175)
Impairment loss		**(563)**	(815)
Foreign exchange gain/(loss)		**1,524**	(4,200)
Equity-settled share-based payment	10	**(1,131)**	(2,514)
Adjusted loss for the year		**13,339**	24,775

	2024	2023
Adjusted loss per share (cent)	**11**	28

c. Diluted loss per share

Due to the Group having losses in all years presented, the fully diluted loss per share for disclosure purposes, as shown in the Consolidated statement of profit or loss and other comprehensive income, is the same as for the basic loss per share.

6. Other non-current assets

Due in more than a year:	**31-Dec-24 (Audited) $'000**	31-Dec-23 (Audited) $'000
Other receivables	**7**	13
Accrued income	**173**	265
Total other non-current assets	**180**	278

7. Trade and other receivables

Due within a year:	**31-Dec-24 (Audited) $'000**	31-Dec-23 (Audited) $'000
Trade receivables	**2,995**	1,775
Other receivables	**391**	515
Accrued income	**191**	800
Corporation tax	**882**	691
Prepayments	**353**	658
Total trade and other receivables	**4,812**	4,439

8. Loans and borrowings

	31-Dec-24 (Audited) $'000	31-Dec-23 (Audited) $'000
Non-current liabilities		
Lease liabilities	**367**	359
	367	359
Current liabilities		
Current portion of lease liabilities	**522**	436
	522	436
Total loans and borrowings	**889**	795

At 31 December 2024 and 2023, the Company had no bank loan debt.

9. Deferred income

Deferred income represents contracted sales for which services to customers will be provided in future years.

Deferred income which falls due:	**31-Dec-24 (Audited) $'000**	31-Dec-23 (Audited) $'000
Within a year	**2,109**	2,587
In more than a year	**223**	129
Total deferred income	**2,332**	2,716

10. Share-based payments

The Group operates share option plans for employees of the Group. Options in the plans are settled in equity in the Company and are normally subject to a vesting schedule but not conditional on any performance criteria being achieved.

The terms and conditions of the share option grants are detailed in the Group Annual Report and Accounts for the year ended 31 December 2024.

a. Expense recognised in profit or loss

	Year ended 31-Dec 2024 (Audited) $'000	Year ended 31-Dec 2023 (Audited) $'000
Total equity-settled share-based payment charge	**1,131**	2,514

b. Summary of share options outstanding

Number of share options outstanding:	**2024 Number of options (Audited)**	2023 Number of options (Audited)
Outstanding at 1 January	**4,984,365**	5,449,095
Forfeited during the year	**(486,498)**	(4,062,030)
Exercised during the year	**(34,187)**	(419,116)
Cancelled during the year	**-**	(435,286)
Granted during the year	**941,000**	4,451,702
Outstanding at 31 December	**5,404,680**	4,984,365
Exercisable at 31 December	**2,312,805**	421,944
Vested at 31 December	**2,312,805**	421,944

11. Commitments and contingencies

As at 31 December 2024 the group had no commitments (31 December 2023: $nil). As at 31 December 2024 the group had a contingent liability related to an ongoing FCA investigation, no liability has been recorded as at 31 December 2024 due to the uncertainty surrounding the investigation. At 31 December 2023, the group had a contingent liability of $127,303.

12. Subsequent events

There are no subsequent events to report.