

Brain+ publishes Half Year Report for 2025

Copenhagen, Denmark, August 28, 2025 – Brain+ A/S (Nasdaq First North: BRAINP)

In H1 2025, Brain+ A/S (“Brain+” or “the Company”) realized a net result of DKK -8.0 (H1 2024: -7.1 million), a operating/investment cash flow of DKK -7.0 million (H1 2024: DKK -7.4 million) and an end period cash position of DKK 4.3 million. Start year, the Company restructured to implement a leaner business model and save cost, while allocating all resources to support focused execution of its UK commercial strategy for the Ayla dementia care platform on the attractive UK private care home market. With a robust sales pipeline, including DKK 7.6 million in closable 2025 contracts, 3 care home contracts signed with a combined short-term uplift potential of DKK 0.5 million, growing market engagement and a recent validation of the impact of Ayla in dementia care, Brain+ has built a strong foundation for accelerated pipeline conversion and sales momentum for the rest of 2025. With DKK 0.3 million realized in sales cash flow year to date, Brain+ retains expectations to achieve at least DKK 3.6 million in total contracted sales in 2025. However, due to longer than expected cycles between contracting and cash flow in the introductory phase, expected realized cash flow from sales in 2025 is lowered to DKK 3.0 million from DKK 3.5-3.7 million. Management retains expectations that the Company’s current cash position together with cash flow from sales will be able to finance operations until targeted cash-flow break-even by mid-2026.

Following this announcement, Brain+ will issue a separate invitation to an investor webinar where management will present the half-year report for 2025 and provide additional details on business progress and commercial outlook.

Financial results H1 2025:

- Gross profit of DKK -1.0 million (H1 2024: DKK 1.0 million). The fall in gross profit is solely reflective of development activities being paused in early 2025, which resulted in only insignificant income recognition from work-for-own-cost compared to income recognition of DKK 2.0 million in H1 2024.
- Staff expenses in H1 2025 amounted to DKK 4.7 million, a fall of 16% compared to DKK 5.7 million in H1 2024. The reduction in staff expenses was the first effect of the restructuring implemented during the period.
- The net result for the period was DKK - 8.0 million, or DKK -6.0 million excluding the DKK 2.0 million effect of no income recognition from activated development costs (H1 2024: DKK -7.1 million).
- Cash flow from operating and investment activities (capitalization of work-for-own-cost) amounted to DKK -7.0 million (H1 2024: DKK -7.4 million).
- Cash flow from financing activities amounted to DKK 11.3 million, and Brain+ ends the period with a cash position of DKK 4.3 million.

Business achievements H1 2025

In H1 2025, Brain+ has carried out a comprehensive restructuring initiative to implement a leaner business model, pause new product development and focus all resources on directly revenue-generating activities in the UK. This initiative followed a deliberate pivot in the Company's UK commercial strategy to make the UK private care home sector the primary growth engine for the Ayla dementia care platform.

In late March 2025, so within months of having entered the UK market, Brain+ secured its first care home operator sales contract with Parkhomes Group (Parkhomes). This was followed in Q2 by two additional sales contracts with Southcare Homes (Southcare) and Majesticare. In total, the three operator contracts cover an initial 7 care homes, validating both the relevance of Ayla to support better dementia care in the care home sector, the company's target strategy and execution. These early wins represent DKK ~144 thousand (£16,600) in realized and contracted cash flow for 2025 and, more importantly, establish a pathway for significant expansion within existing customer portfolios. In April, Brain+ also signed an extended and expanded evaluation contract for Ayla with Copenhagen municipality with the potential of converting into a multi-year contract from 2026.

In connection with the H1 2025 report, Brain+ CEO Devika Wood commented:

The first half of 2025 has been transformational for Brain+. From the beginning, our vision has been clear: to improve the lives of people living with dementia through better care, powered by innovation. In H1, that vision turned into tangible proof. Ayla moved from promise to validation, from concept to commercial traction.

Crucially, we started executing our defined new market opportunity: bringing Ayla directly to the frontline of dementia care in care homes. The sector has long been underserved, and we have pioneered a serviced solution that embeds Ayla at the core of daily practice. By combining digital innovation with Cognitive Stimulation Therapy (CST), an evidence-based therapy, we are equipping frontline staff to deliver care where it matters most. This is not just incremental change, it is the creation of a new gold standard for dementia care, data-driven and staff-empowered.

Within just months of entering the UK market, Brain+ signed its first three operator contracts, bringing Ayla into seven care homes. These deployments are proof of product-market fit and the first step in a scalable growth model, with visibility to expand across a further 22 homes. Importantly, a 14-week pilot with Southcare Homes has already demonstrated measurable improvements in resident well-being, cognition, and staff satisfaction. This validation marks Ayla as a transformative solution for dementia care in the sector.

This dual approach of innovation and disciplined market execution has delivered a rapidly expanding pipeline: by mid-August, our UK pipeline represented close to DKK 23 million (£2.66 million) in potential contract value. With reference customers live, clinical validation secured, and a robust sales pipeline, we are well-positioned to accelerate adoption, revenue growth, and impact.

We also strengthened our financial foundations. In June, we successfully completed the TO5 funding transaction, raising DKK 5.8 million in gross proceeds, while seeing our first commercial revenues and early benefits of organisational efficiencies. Brain+ is now leaner, sharper, and wholly focused on UK execution.

Looking ahead to H2 2025, our focus is disciplined scaling: expanding within existing partner portfolios, converting high-value prospects, and driving NHS opportunities. With innovation proven, validation achieved, and momentum building, Brain+ is positioned to redefine dementia care in the UK and beyond.

Outlook for H2 2025

Business

With a sharp commercial focus, validated clinical outcomes, and clear customer traction, Brain+ has built a solid foundation for rapid commercial acceleration in H2 2025 and beyond. Three signed sales contracts and live reference customers now provide both proof of market fit and compelling evidence of Ayla's impact, creating the conditions for accelerated pipeline conversion.

Brain+ enters H2 2025 with strong momentum. Clinical validation is secured, early deployments are delivering measurable results, and the commercial model is scaling. The company is expanding Ayla across existing partner portfolios, deepening NHS engagement, and advancing toward significant market penetration. From an initial seven homes, Brain+ now has visibility to more than 30 homes in the near term, and active discussions with a further 250 homes provide a clear pathway to large-scale adoption. This embedded growth runway positions Brain+ to establish Ayla as the new standard in dementia care.

Financial

The UK sales pipeline currently represents a potential total contract value of DKK 23 million, with DKK 7.6 million hereof considered closable in 2025. This corresponds to at least DKK 1.9 million in probability weighted cash flow from sales in 2025, which including realised and contracted sales cash flow of DKK 0.3 million year to date provides a current cash flow outlook of DKK 2.2 million for 2025.

Based on strong momentum in UK commercial activities, Brain+ management remains confident to achieve at least DKK 3.6 million in contracted sales value in 2025, which is in line with expectations presented in the Company's Annual Report for 2024.

However, initial UK care home engagements have shown longer cycles from contracting to invoicing during the introductory commercial phase for Ayla, and with consequential timing adjustments, realised cash flow from sales in 2025 is now expected at DKK 3.0 million (previously DKK 3.5–3.7 million). Importantly, the adjustments reflects cash flow timing shifts and not lower demand.

Sales contracts in 2025 include both annual Ayla license fees and upfront staff training. As a consequence, only a fraction of upcoming contract sales will be recognized as revenue in 2025. Currently, 80–85% of expected sales cash flow in 2025 is forecast to be recognised as revenue only in 2026, and as a consequence, expected recognised sales revenue in 2025 is adjusted to DKK 0.5–0.6 million (from DKK 0.9–1.0 million).

Accordingly, and as a consequence also of no income recognition from activated development costs, Brain+ now forecasts a net loss of DKK 10.0–11.0 million for 2025 (down from an expected net loss of DKK 8.0–9.0 million as stated in the 2024 Annual Report).

Importantly, the adjustments made to the expectations for 2025 reflect timing shifts and non cash flow impacting lower income recognition. The UK market opportunity is strong, both pipeline value and customer engagement are expanding, and Brain+ management remains confident that the company's cash position together with cash flow from sales will be able to finance operations until targeted operational break-even by mid-2026.

Invitation to investor webinar

Brain+ will soon be sending out an invitation to an investor webinar where the Half Year Report 2025 will be presented and where the Company's management will provide further details on business progress and commercial outlook for the rest of 2025.

The full Half Year Report for 2025 is attached to this announcement. For further information on the company and to download the Half Year Report 2025, please visit Brain+' website: www.brain-plus.com

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