

COGNITION HOLDINGS LIMITED

Incorporated in the Republic of South Africa
(Registration number 1997/010640/06)
Share code: CGN ISIN: ZAE000197042
("Cognition" or "the Group" or "the Company")



UNAUDITED CONSOLIDATED INTERIM RESULTS
for the six months ended 31 December 2023



COMMENTARY ON INTERIM RESULTS

for the six months ended 31 December 2023

Overview

Cognition continued to streamline its operations and reduce overhead costs, collaborating closely with its controlling shareholder, Caxton & CTP Limited Publishers and Printers ("Caxton"), to optimise operational efficiencies and explore opportunities within Caxton and its clientele.

Research and Insights – Customised research and insights partner, focusing on product pricing, B2B and consumer research, market sizing and advertising monitoring.

Revenue within this Business Unit struggled as the market slowed down, resulting in a 10% reduction compared to the same period in the previous year. However, prospects for the forthcoming period have improved significantly with several high-value research projects awarded to the business unit. These projects are expected to offset the poor sales performance of the past period. The business unit was able to keep its cost structure relatively low during the period to offset the decline in revenue, resulting in the unit remaining profitable.

Campaign and Data Management Service - Collaborates with brands and agencies that want to connect, engage with, and understand their customers using the relevant market technology.

Increased migration by large multinational brands to consolidate their marketing to centralised international hubs continues to be a challenge for the business unit, resulting in a decline in the volume and value of campaigns that have contributed to the 15% decrease in the business unit's revenue. To counter the trend the unit focused on enhancing its offering to South African based retailers to include loyalty and customer retention strategies with seamless integration with popular social media platforms. This has significantly enhanced the business unit prospects for the foreseeable future and aligns with the offering that the Cognition is aiming to deliver to Caxton's clientele.

Channel Incentives and Loyalty - Channel Incentives enable brands to reward resellers and sales agents that market and sell its products to end consumers. In addition, the Channel Incentives platform simplifies the claiming of incentives and assists with the product training process, leading to increased sales and product knowledge.

This business unit has experienced a notable recovery as its revenue increased by over 30% compared to the same period in the previous year. This is attributed to a strategic shift in the units offered to its clients, migrating away from traditional channel incentives. It now provides a comprehensive suite of services with improved availability, significantly faster payout turnaround times, and streamlined interactions. This increase in revenue has resulted in a substantial increase in Agency Services Payments, which increased from R59.8 million to R103.2 million when compared to the same period last year, increasing revenue but also in accounts receivable that increased substantially from R30million at the beginning of the period to R54 million at the reporting date.

Prospects

Although Cognition does have significant cash resources, the challenging economic environment and the rise of globalisation does impact on its ability to expand its operations and capitalise from its existing operational base. In response, we are focusing on improving our systems and product offerings through innovation while curtailing costs where possible.

The board of directors is currently in formal discussions with Caxton, which may result in an offer by Caxton to acquire those shares in Cognition not already held by Caxton, and consequently the delisting of Cognition from the Johannesburg Stock Exchange and it is currently trading under cautionary.

COMMENTARY ON INTERIM RESULTS

for the six months ended 31 December 2023 (continued)

Financial Review

Revenue for the interim period was R37.3 million, which is 8.6% lower than the comparative previous period, with a decline in the gross profit margin from an average of 74% down to 70%, resulting in a reduced gross profit of R26.1 million compared to R30,1 million for the comparative period.

During the period, Cognition maintained its cost base at the same level as in previous years, with total staff and operating expenditure being R26.6 million compared to R26.4 million in the comparative prior period, and it benefited from its cash resources and the high-interest environment that netted R9.2 million in the period under review with the net result that it was able to report Profit before tax of R8.8 million compared with the comparative R6.3 million in the previous period.

The Group concluded the disposal of one of its subsidiaries that housed its head office, Cognition House. This transaction has resulted in additional capital gains taxation within the period, even though the sale did net a marginal financial gain.

In the prior comparable period, the sale of Private Property that was concluded, resulted in a once off profit realised from the disposal of the investment. The earning per share for this period has therefore declined to 1.61 from 27.87 cents per share, however, the comparative earnings for continuing operation were 1.66 cents in the previous comparative period.

Headline earning per share was 2.48 cents per share compared to total headline earnings in the previous period of 0.67 cents per share, although compared to headline earnings from continuing operations, it was 1.65 cents per share in the corresponding period.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Change	Unaudited as at 31 December 2023 R'000	Unaudited as at 31 December 2022 R'000	Audited as at 30 June 2023 R'000
ASSETS				
Non-current assets	6.0%	8 941	8 435	9 190
Property, plant and equipment	59.6%	1 309	820	1 287
Goodwill	0.0%	1 888	1 888	1 888
Intangible assets	-45.7%	717	1 320	995
Investment in associates	9.8%	3 399	3 095	2 990
Deferred tax asset	24.1%	1 628	1 312	2 030
Current assets	6.5%	261 001	245 051	245 280
Inventory	-35.0%	39	60	24
Current tax receivable	-88.3%	124	1 059	264
Trade and other receivables	76.2%	54 036	30 669	30 347
Cash and cash equivalents	-3.0%	206 802	213 263	214 645
Non-current assets held for sale		-	11 881	11 804
Total assets	1.7%	269 942	265 367	266 274
EQUITY AND LIABILITIES				
Capital and reserves	4.0%	241 776	232 568	238 524
Stated Capital	0.0%	159 420	159 420	159 420
Retained income	11.9%	87 411	78 118	83 717
Change in ownership	0.0%	(6 135)	(6 135)	(6 135)
Attributable to the equity holders of the parent	4.0%	240 696	231 403	237 002
Non-Controlling interests	-7.3%	1 080	1 165	1 522
Current liabilities	-14.1%	28 166	32 799	27 750
Trade and other payables	20.7%	15 107	12 513	17 265
Current tax payable	-58.8%	1 421	3 447	175
Unclaimed dividends	0.0%	233	233	233
Third Party Prize money	-31.3%	11 405	16 606	10 077
Total equity and liabilities	1.72%	269 942	265 367	266 274
Net asset value per share (cents)	4.0%	104.98	100.93	103.37
Net tangible asset value per share (cents)	4.3%	103.85	99.53	102.11
Number of shares in issue	0.00%	229 273 021	229 273 021	229 273 021

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
Continuing Operations				
Revenue	-8.6%	37 370	40 895	79 205
Cost of Sales	4.7%	(11 242)	(10 742)	(20 646)
Gross profit	-13.3%	26 128	30 153	58 559
Other operating income	47.2%	187	127	128
Other operating gains / (losses) 100%		63	-	(99)
Staff costs	2.3%	(19 726)	(19 286)	(40 056)
Other operating expenses	-2.9%	(6 893)	(7 102)	(13 730)
Depreciation and amortisation expense	-8.1%	(613)	(667)	(1 321)
Operating (loss) / profit	-126.5%	(854)	3 225	3 481
Investment income	216.1%	9 204	2 912	11 173
Income from equity accounted Investment	92.9%	409	212	107
Profit before tax	38.0%	8 759	6 349	14 761
Income tax expense	153.0%	(4 814)	(1 903)	(5 097)
Profit for the period	-11.3%	3 945	4 446	9 664
Total comprehensive income / from continuing operations	-11.3%	3 945	4 446	9 664
Profit from discontinued operations	-100.0%	-	58 365	59 103
Net profit after Tax	-93.7%	3 945	62 811	68 767
Attributed to:				
Owners of Cognition Holdings Limited				
Continuing operations	-3.1%	3 694	3 810	9 039
Discontinued operations	-100.0%	-	60 087	60 456
Non- controlling interest	-123.1%	251	(1 086)	(728)
Continuing operations	-60.5%	251	636	625
Discontinued operations		-	(1 722)	(1 353)
	-93.7%	3 945	62 811	68 767

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Stated Capital R'000	Change in ownership R'000	Retained Income R'000	Attributable to Equity Holders R'000	Non- Controlling Interest R'000	Total Equity R'000
Audited balance at						
1 July 2022	159 420	(6 135)	14 221	167 506	26 546	194 052
Changes in equity						
Total comprehensive profit for the period	-	-	63 897	63 897	(1 086)	62 811
Disposal of subsidiary	-	-	-	-	(23 987)	(23 987)
Dividends				-	(308)	(308)
Unaudited balance at						
31 December 2022	159 420	(6 135)	78 118	231 403	1 165	232 568
Total comprehensive profit for the period	-	-	5 599	5 599	357	5 956
Audited balance at						
30 June 2023	159 420	(6 135)	83 717	237 002	1 522	238 524
Total comprehensive profit for the period	-	-	3 694	3 694	251	3 945
Dividends	-	-	-	-	(693)	(693)
Unaudited balance at						
31 December 2023	159 420	(6 135)	87 411	240 696	1 080	241 776

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
Cash flow from operating activities	-557.6%	(18 644)	4 074	7 491
Net cash generated from operations	-1574.9%	(24 822)	1 683	1 746
Investment income	135.6%	9 204	3 907	12 170
Dividend from associate		-	239	239
Normal tax paid	72.4%	(3 026)	(1 755)	(6 664)
Cash flow from investing activities	-88.0%	11 494	95 601	93 566
Purchase of property, plant and equipment	-46.7%	(332)	(623)	(1 586)
Proceeds on disposal of property, plant and equipment	-100.0%	-	1,391	137
Purchase of intangible asset	-100.0%	-	(1,623)	(1 713)
Lease receivable		-	-	90
Disposal of subsidiary	-87.7%	11,826	96,456	96 638
Cash flow from financing activities		(693)	(308)	(308)
Dividends paid	125.0%	(693)	(308)	(308)
Net (decrease) / increase in cash and cash equivalents	-107.9%	(7 843)	99 367	100 749
Cash and cash equivalents at beginning of the period	88.5%	214 645	113 896	113 896
Cash and cash equivalents at end of period	-3.0%	206 802	213 263	214 645

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

BASIS OF PREPARATION

The unaudited condensed consolidated interim results for the six months ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the requirements of the JSE Limited Listings Requirements for interim reports, the requirements of the Companies Act applicable to condensed financial statements and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and contain information required by IAS 34 - Interim Financial Reporting. The accounting policies applied in preparation of these condensed consolidated interim results are consistent with those applied in the previous annual financial statements.

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. 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.

These financial statements have been compiled under the supervision of the Financial Director, Pieter Scholtz CA(SA)

The unaudited condensed consolidated interim results for the six months ended 31 December 2023 have not been reviewed by the Group's auditor.

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from offering multiple services to customers.

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the services. All invoices are due and payable with payment on presentation of invoice between 30 and 90 days except for a single multinational that has arranged longer payment terms not exceeding 120 days. Therefore, the Group has elected to apply the practical expedient as there are no significant financing components. Revenue is derived from fees charged to customers for the following service offerings:

- Online Platform Services
- Research Services
- Communication Service Revenue
- Campaign Service Development
- Supplementary Services



NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

The Group does not encounter any revenue reversal due to returns, refunds, rebates and other similar obligations. An analysis of the Group's revenue streams are as follows:

Revenue stream	Performance obligation	Timing measurement	Judgement
Online Platform Services	The Group has various platforms that are used by its clients to enhance and promote their service to a large consumer base.	Transaction-based services that are offered on the online platform are recognised when the transaction takes place at a point in time and invoiced when the service is rendered or within the month that the service is rendered.	Platform service delivery is largely automated as is the related billing. Judgement is therefore not required to estimate the amount or timing of the revenue recognised.
Research Services	Qualitative and quantitative research services.	Continued data collection, collation and research analytics into monthly reports are recognised over time and invoiced in the month that the service is rendered. Where a research project spans more than one month, revenue is recognised upon achievement of the benchmarks set within the project. Depending on the agreement, a percentage of the invoicing takes place upon commissioning of the project and the remaining balance as the benchmarks are achieved. All invoicing that has not been recognised as revenue yet is recognised and disclosed as amounts received in advance within trade and other payables.	No judgement is required with regards to the timing and amount of ongoing data collection, collation and research analytics services. Management applies judgement to estimate benchmarks as follows: Work completed compared to the estimated work required to complete the service. The cost incurred at a period end over the total estimated cost to complete the service. This is applied on an individual project basis.

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

Revenue stream	Performance obligation	Timing measurement	Judgement
Communication Service Revenue	Provision of communication services such as SMS, USSD, IVR, WhatsApp, App push and Fax services to users.	Revenue is recognised at a point in time when the transaction takes place. Invoicing takes place within the same month as the service is rendered.	No judgement is required with regards to the timing and amount as these services are automated.
Campaign service development	Represents fees for setting up and managing digital services used for business and marketing purposes.	The setup of a service is recognised at the point in time when the service is provisioned and is invoiced within the same month. Revenue related to the management of services is invoiced within the month that the recognition takes place and is recognised by the Group over time.	Management applies judgement to determine if the service is setup and provisioned. No judgement required with regards to the timing and amount of management fees.
Supplementary Services	Other revenue earned by the Group on services supplementary to the services above.	Other revenue relates to the sale of supplementary services that are recognised at a point in time.	No judgement required relating to the timing and amount of supplementary services.



NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

	Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000		Audited year ended 30 June 2023 R'000	
	Continuing operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
Continuing operations					
Revenue from contracts with customers					
Rendering of services	140 627	100 740	60 811	189 920	60 811
Less: Agency revenue	(103 257)	(59 845)	-	(110 715)	-
	37 370	40 895	60 811	79 205	60 811
Disaggregation of revenue from contracts with customers					
The group disaggregates revenue from customers as follows:					
Rendering of service					
Africa revenue	-	-	-	485	-
South African revenue	37 370	40 895	60 811	78 720	60 811
	37,370	40 895	60 811	79,205	60 811
Timing of revenue recognition					
Over time					
Online Platform Services	-	-	60 811	-	60 811
Research Services	17 110	18 455	-	36 466	-
Campaign services	5 076	5 890	-	10 586	-
	22 186	24 345	60 811	47 052	60 811
At a point in time					
Online Platform Services	6 101	4 589	-	10 823	-
Communication Services	1 741	2 544	-	5 469	-
Campaign services	6 011	8 351	-	13 751	-
Supplementary Services	1 331	1 066	-	2 110	-
	15 184	16 550	-	32 153	-
Revenue from contracts with customers - continuing operations	37 370	40 895	60 811	79 205	60 811

The Group offers services that are classified as agency revenue in terms of IFRS 15 and as such the Group discloses these services separately in the note for enhanced disclosure purposes.

Online platform services, research services and certain supplementary services are accounted for in the Knowledge Management segment with the remaining revenue accounted for in the Active Data Exchange Services segment.

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

NOTES TO CASH FLOW STATEMENT

	Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
A RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS			
Profit before taxation	8 759	69 199	77 612
From continuing operations	8 759	6 347	14 761
From discontinued operations	-	62 852	62 851
Adjustments for:	(9 063)	(65 252)	(72 607)
Depreciation and Amortisation	613	3 000	3 654
(Profit) on disposal of business	(63)	(66 759)	(66 759)
(Profit) / Loss on disposal of property, plant and equipment	-	(29)	121
Income from associates	(409)	(212)	(107)
Impairment of intangible assets	-	2 655	2 655
Investment income	(9 204)	(3 907)	(12 171)
Operating profit before working capital changes	(24 518)	(2 264)	(3 259)
Working capital changes	(24 518)	(2 264)	(3 259)
Inventories	(15)	(77)	(42)
Trade and other receivables	(23 768)	1 815	2 330
Third party prize money	1 328	(450)	1 432
Trade and other payables	(2 063)	(3 552)	(6 979)
Cash generated from operations	(24 822)	1 683	1 746
Tax paid			
Balance at the beginning of year	89	2 101	2 101
Current tax for the year	(4 412)	(6 244)	(8 675)
Balance at end of the year	1 297	2 388	(89)
	(3 026)	(1 755)	(6 663)

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers (the "CODM"). The CODM have been identified as the executive committee members who make strategic decisions. The CODM have organized the operations of the Company based on its brands, and this has resulted in the creation of the following reportable segments:

- **Active Data Exchange Services**
- **Knowledge Creation and Management**

	Unaudited six months ended 31 December 2023	Unaudited six months ended 31 December 2022		Audited year ended 30 June 2023	
	R'000	R'000		R'000	
	Continuing operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
Gross Revenue	140 627	100 740	60 811	189 920	60 811
Active Data Exchange Services	16 883	19 276	-	37 444	-
Knowledge Creation and Management	123 744	81 464	60 811	152 476	60 811
Revenue Generated as agency service	(103 257)	(59 845)	-	(110 715)	-
Active Data Exchange Services	(2 723)	(2 323)	-	(3 543)	-
Knowledge Creation and Management	(100 534)	(57 522)	-	(107 172)	-
Revenue	37 370	40 895	60 811	79 205	60 811
Active Data Exchange Services	14 160	16 953	-	33 901	-
Knowledge Creation and Management	23 210	23 942	60 811	45 304	60 811
Cost of sales	(11 242)	(10 742)	(1 794)	(20 646)	(1 794)
Active Data Exchange Services	(2 981)	(3 398)	-	(6 726)	-
Knowledge Creation and Management	(8 261)	(7 344)	(1 794)	(13 920)	(1 794)
Gross profit	26 128	30 153	59 017	58 559	59 017
Active Data Exchange Services	11 179	13 555	-	27 175	-
Knowledge Creation and Management	14 949	16 598	59 017	31 384	59 017

The reconciliation of Gross Profit to Profit before Taxation is provided in the Statement of Comprehensive Income. The CODM reviews these income and expense items on a Group basis and not per individual segment. All assets and liabilities are reviewed on a Group basis by the CODM.

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

Reconciliation between earnings and headline earnings

		Unaudited six months ended 31 December 2023	Unaudited six months ended 31 December 2022	Audited year ended 30 June 2023
Earnings per share (cents)	-94.2%	1.61	27.87	30.31
Earnings - continuing operations (cents)	-3.1%	1.61	1.66	3.94
Discontinued operations (cents)		-	26.21	26.37
Headline earnings per share (cents)	272.7%	2.48	0.67	3.15
Headline earnings - continuing operations (cents)	50.1%	2.48	1.65	3.98
Headline (loss) - discontinued operations (cents)		-	(0.99)	(0.83)
Diluted earnings per share (cents)	-94.2%	1.61	27.87	30.31
Diluted earnings - continuing operations (cents)	-3.1%	1.61	1.66	3.94
Diluted - discontinued operations (cents)		-	26.21	26.37
The calculation of the earnings per share for the Group is based on the following:				
Earnings per share (R'000)		3 694	63 897	69 495
Earnings - continuing operations (R'000)		3 694	3 810	9 039
Earnings - discontinued operations ('000)		-	60 087	60 456

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

	Unaudited six months ended 31 December 2023	Unaudited six months ended 31 December 2022	Audited year ended 30 June 2023
Reconciliation between earnings and headline earnings			
Continuing operations			
Profit attributable to ordinary shareholders of parent related to continuing operations	3 694	3 810	9 039
Profit on disposal of subsidiary	(63)	-	-
Tax effect on the disposal of the subsidiary	2 056		
After tax effect on (loss) / profit on disposal of property, plant and equipment:	-	(21)	88
Net Headline earnings continuing operations	5 687	3 789	9 127
Discontinued operations			
Profit attributable to ordinary shareholders of parent relating to discontinued operations	-	60 087	60 456
(Profit) on disposal of subsidiary	-	(66 759)	(66 759)
Tax related to the disposal of the business		3 440	3 440
Impairment of intangible assets (After tax and non-controlling interest)	-	969	969
Net Headline (loss) discontinued operations	-	(2 263)	(1 894)
Total Net Headline earnings per share	5 687	1 526	7 233
Weighted average number of shares in issue	229 273 021	229 273 021	229 273 021
Diluted weighted average number of shares in issue	229 273 021	229 273 021	229 273 021

There were no instruments issued during the current period that have a dilutive impact.

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

TAXATION

	Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
Local income tax - Current period	2 216	1 897	5,136
Capital Gains tax - Current period	2 056	3 440	3,440
Local income tax - Recognised in the current tax for prior periods	140	-	(65)
Deferred tax movement	402	1,051	334
	4,814	6,388	8,845
Reconciliation between applicable tax rate and average effective tax rate			
Accounting profit	8 759	69 199	77 612
Accounting profit - continuing operations	8 759	6 348	14 761
Accounting profit - discontinued operations	-	62 851	62 851
Tax at applicable rate	2 365	18 684	20 955
Non-deductible expenses - Not in the production of income	327	1 362	1 571
Local income tax - recognised in current tax for prior periods	475	984	1 011
(Profit) / loss on disposal of investment	2 056	(14 585)	(14 585)
Income from associates	(409)	(57)	(107)
	4 814	6 388	8 845

SALE OF SUBSIDIARY

During the period under review, the Group concluded the disposed of all of its interest in Four River Trading 123 Proprietary Limited whose sole asset is Cognition House which used to be the Head Office of the Company. The Group no longer required large premises as Cognition's infrastructure is now being hosted within Caxton facilities and all current Johannesburg-based employees of the Company are accommodated at Caxton House in Jan Smuts Avenue, Craighall Park.

The carrying value of the assets sold were as follows:

	R'000
Fixed assets	11 780
Trade and other receivables	78
Cash and Cash Equivalent	4
Trade and other payables	(95)
Total identifiable asset value	11 766
Consideration received	11 830
Profit on disposal of subsidiary	63

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

GOING CONCERN

Management's consideration for going concern includes all factors applicable to the Group. Management is therefore satisfied that the going concern basis has been correctly applied and this report has been prepared on the basis of accounting policies applicable to a going concern.

DIVIDEND POLICY

The Board resolved not to declare an interim dividend as it is currently evaluating how to deliver returns to its shareholders in the most effective way possible.

DIRECTORATE

There were no changes to the Directorate of the Company during the period under review.

SUBSEQUENT EVENTS

The Board is not aware of any material events that have occurred between the end of the interim period and the date of this report.

APPRECIATION

We would like to thank our customers, partners, dealers, staff and other service providers for their continued support, loyalty and dedication.

For and on behalf of the Board

Paul Jenkins
Chairman

Rob Fedder
Chief Executive Officer

Pieter Scholtz
Financial Director

Johannesburg

16 February 2024

Business and Registered Office:

Cognition House

4th Floor, Caxton House, 368 Jan Smuths Avenue,
Craighall, 2196

PO Box 3386, Pinetown, 2123

Telephone +27-11-293-0000

Fax 086-610-1000

Directors: Paul Jenkins#* - Chairman, Rob Fedder –
CEO, Pieter Scholtz - Financial Director,
Miles Crisp#*, Dennis Lupambo#*, Steve Naudé#*,
Amasi Mwela#, Servaas de Kock#

Non-executive

* Independent

Company Secretary: **Felicia van der Merwe CA(SA)**

Auditor: **BDO South Africa Incorporated**

Transfer Secretaries: **Computershare Investor
Services Proprietary Limited**

Sponsor: **AcaciaCap Advisors Proprietary Limited**





www.cognitionholdings.co.za