Tissue Regenix
Group plc

Focusing on the development of regenerative products

Interim results for the
six months to **30 June 2021**

Stock Code: TRX

8 September 2021

Tissue Regenix Group plc
("Tissue Regenix" or "the Group")

Half-year Report
Interim results for the six months to 30 June 2021

Tissue Regenix Group (AIM:TRX) ("Tissue Regenix" or the "Group"), the regenerative medical devices company, announces its unaudited interim results for the six months to 30 June 2021.

Financial highlights

- Group revenues increased by 12% to £6.8m (H1 2020: £6.1m, at 21% constant currency)
- Orthopaedic and Dental division recorded a 26% increase in revenues (37% constant currency) to £4.3m (H1 2020: £3.4m), driven by strong underlying performance in the US market
- Gross profit of £3.1m (H1 2020: £2.9m), delivered at a 46% gross margin (2020: 46%)
- EBITDA loss reduced 48% to £1.1m (H1 2020: £2.1m) due to sales growth and tight expense management
- Cash position of £6.6m (H1 2020: £13.7m)

Commercial highlights

- US product shipments increased by 44% in H1 2021 compared with the same period in 2020

Operational highlights

- Restructuring of US commercial operations providing savings of US c.$350k in H1 2021
- Phase one expansion of the San Antonio facility completed on time and on budget
- Both government backed loans (part of the COVID-19 relief programme) have been forgiven
- Appointment of David Cocke as Chief Financial Officer
- Trevor Phillips and Brian Phillips appointed to the Board as Independent Non-Executive Directors

Post balance sheet events

- Two additional products added to the Biosurgery portfolio, DermaPure Mesh and VNEW®

Daniel Lee, Chief Executive Officer of Tissue Regenix Group plc, said: *"I am proud of how the Group operated during a challenging 2020 and am encouraged by our strong H1 results, with the Group making good operational and commercial progress, as the world began its recovery from the COVID-19 pandemic.*

"The additions of Brian Phillips and Trevor Phillips to the Board, as well as David Cocke as CFO, have brought together a strong, commercially focussed team to drive Tissue Regenix forward as the Group builds momentum following the pandemic. I am delighted to welcome them to the Board and look forward to working with them as we broaden the Group's portfolio and increase market penetration.

"I am incredibly pleased with the progress the Group has made in H1 2021 and look forward to this being further built on in H2. We are committed to creating long-term, sustainable value for shareholders and I am greatly encouraged by this promising set of results."

Investor Presentation

Daniel Lee, Chief Executive Officer, and David Cocke, Chief Financial Officer, will be hosting a live online presentation relating to the interim results via the Investor Meet Company platform at 4.30pm today. The presentation is open to all existing and potential shareholders.

Investors can sign up to Investor Meet Company for free and register for the presentation here: https://www.investormeetcompany.com/tissue-regenix-group-plc/register-investor

For more information:

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About Tissue Regenix (www.tissueregenix.com)
Tissue Regenix is a leading medical devices company in the field of regenerative medicine. The company's patented decellularisation ('dCELL®') technology removes DNA and other cellular material from animal and human soft tissue leaving an acellular tissue scaffold which is not rejected by the patient's body and can then be used to repair diseased or worn-out body parts. Current applications address many critical clinical needs such as sports medicine, heart valve replacement and wound care.

In August 2017 Tissue Regenix acquired CellRight Technologies®, a biotech company that specializes in regenerative medicine and is dedicated to the development of innovative osteoinductive and soft tissue scaffolds that enhance healing opportunities of defects created by trauma and disease. CellRight's human osteobiologics may be used in spine, trauma, general orthopaedic, foot & ankle, dental, and sports medicine surgical procedures.

CHAIRMAN STATEMENT
Jonathan Glenn, Chairman

Introduction
The first half of 2021 has been a period of strong recovery for the Group and one that has seen revenue growth and reduced losses, resulting in a business well-positioned for further growth as elective procedures recommence globally.

We have created a commercially focussed regenerative global medtech company in a high growth sector focused on soft tissues and bone, with a multi-billion dollar addressable market opportunity in the US alone. Our core product portfolio has two technology platforms:

- **BioRinse®** - natural bone filler solutions verified to be osteoinductive to stimulate and regenerate native bone growth
- **dCELL®** - used to produce allograft (DermaPure®) and xenograft (OrthoPure® XT) soft tissue products to promote healing and regeneration

These technologies have been used to create regenerative products with biosurgery, orthopaedics and dental applications.

Strong recovery in H1 2021
Following a challenging year in 2020 due to the COVID-19 pandemic, the Group has seen a strong recovery during H1 2021. Whilst the later release of lockdown restrictions in the UK and Europe led to a slower than anticipated return to normality, the Group has continued to work closely with its commercial partners to increase momentum and position the Group well for an expected increase in demand during H2 2021.

Revenues increased 12% (21% constant currency) to £6.8m (H1 2020 £6.2m) driven by the BioRinse portfolio which saw 26% (37% constant currency) year on year growth.

Operating loss for H1 2021 reduced to £1.6m (H1 2020: £2.5m) and the group also has a strong cash position of £6.6m (H1 2020: £13.7m).

Board

With confirmation of my appointment as Non-Executive Chairman and a number of new Board appointments already announced in the first quarter of 2021, we now have a strong, commercially focussed Board and executive leadership in Danny and David, collectively committed to creating long-term sustainable value and growth of the Group through an increased portfolio offering and market penetration. I look forward to continuing to work alongside the Board as the Group continues to build momentum and as the economy continues to reopen.

Outlook

Whilst some uncertainty remains about the pace of the economic recovery and specifically with the rise of the Delta variant leading to potential volatility in elective procedural activity in certain key markets, the Board believes the impact of this will be less than that experienced the previous year. The Board remains optimistic about the future growth of the business and is encouraged by the increase in sales in H1 as well as the progress made on the expansion of the Group's product portfolio that is expected to deliver further growth and revenue opportunities in future periods. Completion of the Phase 1 facility expansion provides us with increased capacity to serve existing commercial partners and increase our market penetration, while providing flexibility in the timing of the Phase 2 expansion. The Board expects that the Phase 1 expansion will meet the Group's BioRinse and dCELL production requirements over the short and medium term.

I look forward to updating shareholders on further progress in due course.

BUSINESS REVIEW
Daniel Lee, Chief Executive Officer

I am proud of how the Group operated during a challenging 2020 and our strong H1 2021 results are encouraging, with the Group making good operational and commercial progress as we have seen increasing vaccine distribution and global economic reopening and recovery from the COVID-19 pandemic.

Revenue

We ended the first half with year-on-year sales up 12% (21% constant currency) at £6.8m (H1 2020: £6.1m).

The BioRinse portfolio returned sales of £4.3m (H1 2020: £3.4m), a 26% increase on the comparative period (37% constant currency); indicating the return of demand for our diversified product portfolio as market conditions improved in the United States.

Sales of the dCell portfolio continued to be impacted during H1 2021 by the delayed return of applicable procedures in these surgical specialties due to the pandemic. Overall sales for the first six months of the year were down 12% (4% constant currency) to £1.5m (H1 2020: £1.7m).

In Germany, the business was impacted by the continued lockdown restrictions and the slower rollout of vaccines. The impact of this lockdown was demonstrated by flat sales (7% increase at constant currency) of £1.0m (H1 2020: £1.0m).

During this period, the business was able to grow in line with expectations as well as continuing to meet customer requirements. In 2020 our plans and activities for the Group positioned us well for the recommencement of elective procedures in 2021. The Group continues to develop new product and partnership opportunities, expand capacity through operational improvements and is well positioned to capitalise on additional opportunities in H2 2021.

Operations
Throughout the first six months of 2021 we were able to fully maintain operations at our facilities in the US, UK and Germany. In February, an unprecedented Texas winter storm impacted the San Antonio, Texas operation for almost two weeks due to the loss of power, water and supply chain delays; we implemented recovery measures which minimised any impact to our operations. Otherwise, our operations continued through the rest of the first half; we were able to respond to the resumption of demand and address any supply chain issues with minimal impact.

In January, we restructured our U.S. commercial operation to be more efficient and in-line with demand. In the initial six months of 2021, the overhead reduction as part of the restructuring, provided an additional US c.$350,000 in savings.

In 2020, we were the recipient of US Government backed loans which were provided as part of COVID-19 relief programmes and in 2021, we received official notification that both loans had been forgiven, as had been expected.

The Phase 1 expansion of our San Antonio facility, which was initiated in July 2020, was completed in H1 2021, on time and on budget. The expansion provides increased donor storage, final goods and distribution capacity and administrative space. Phase 1 also adds sterile packaging cleanroom space to our existing facility and provides 50 per cent. additional processing capacity for our growth plans. By staging our expansion, Phase 1 has given us the flexibility to initiate our Phase 2 plans through the addition of 10 more clean rooms at a later date, when the Board determines the Group is appropriately positioned to do so.

Commercial development
During the first half of the year, the Group worked closely with its commercial partners as businesses began to emerge from the pandemic. Our partners encountered numerous challenges during their “restart” periods and we remained flexible and proactive in responding to and addressing their needs. The pace of recovery has varied between the US, UK and Europe. The slower vaccine rollout in parts of the Europe compared to the US, has impacted the return of elective surgeries and with the late relaxation of restrictions in the UK, the market in these territories has remained suppressed. Comparatively, in the US product shipments increased by 44% in H1 2021 versus the same period in 2020.

Product development
We completed development on two additional products and added them to our Biosurgery portfolio in H1 2021. The DermaPure Mesh, meshed dermal graft, was commercially introduced in June and VNEW®, a pre-shaped dermis graft, distributed through our urogynaecological partner, ARMS Medical, completed development with the first delivery to take place in Q3 2021.

Outlook
Market indications for a post pandemic recovery are encouraging. Whilst there are uncertainties around further waves of COVID-19 and specifically the spread of the Delta variant, assuming trends around the Delta variant remain contained, management believe that future restrictions will be less impactful to the Group than at the height of the pandemic and as such we expect a significant increase in elective surgeries globally during H2 2021 and beyond. Having completed Phase 1 of the expansion which provided increased capacity to deal with this demand, the Group is now well positioned to capitalise on opportunities in H2 2021. As mentioned previously, the Phase 1 expansion is expected to meet our production needs over the short and medium term.

In addition, we will continue to strengthen our portfolio of products and identify opportunities for strategic partnerships drawing on the experience and expertise of our new and more commercially aligned Board. I am encouraged by the positive momentum we have seen in the first half of 2021 and look forward to delivering on our strategic aims.

FINANCE REVIEW
David Cocke, Chief Financial Officer

Revenue

During the first six months of 2021 revenue increased 12% (21% constant currency) to £6.8m (H1 2020: £6.1m). The BioRinse portfolio recorded a 26% (37% constant currency) increase in revenues to £4.3m (H1 2020: £3.4m), as the delays in elective surgeries caused by the effect of the pandemic during Q1 2021 were offset by increased penetration of our products. The dCELL portfolio recorded a 12% (4% constant currency) decrease in revenues to £1.5m (H1 2020: £1.7m) as the continued impact of the pandemic on elective surgeries affected this division more significantly, and particularly in the West and Northeast regions of the US. The impact of hospital lockdowns also affected output at our German joint venture, GBM-V, albeit to a lesser extent, where revenues were flat (7% increase constant currency) at £1.0m (H1 2020: £1.0m).

Steady Margins

Gross margin has maintained at 46% for the period from 2020 levels (2020: 46%).

Reduced losses for the year

Operating loss for the six months ended 30 June 2021 reduced to £1.6m (H1 2020: £2.5m). The cost restructuring programme implemented at the end of 2019 continued to provide savings benefits and losses were further reduced by the restructuring in January 2021, which is expected to reduce costs on an annual basis by c.$700,000. Exceptional costs of £0.2m for H1 2021 represent the costs incurred in relation to the restructuring announced in January 2021 and the winter freeze event which occurred in Texas in February 2021.

Cash position

Cash position for the Group at 30 June 2021 was £6.6m (H1 2020: £13.7m). Included in the cash burn over the last 12 months is £2.1m spent on the completion of the Phase 1 capacity expansion in the Universal City facility, which is expected to meet production demands over the short and medium term.

Non-current liabilities

The borrowings listed represent the MidCap loan facilities, comprised of a Term Loan and Revolving Credit Facility. Terms of these facilities were renegotiated in 2020, with principal repayment set to begin in H2 2023. As of June 30th, the Term Loan has a balance of $2.0m and the Revolving Credit Facility has a balance of $2.3m. Covenants associated with this financing are in compliance as of the date of this report.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS TO 30 JUNE 2021

	Notes	6 months 30 Jun 2021 (Unaudited) £'000	6 months 30 Jun 2020 (Unaudited) £'000	Year 31 Dec 2020 Audited £'000
Revenue	2	**6,797**	**6,085**	**12,829**
Cost of sales		**(3,690)**	(3,150)	(6,933)
Gross Profit		**3,107**	**2,935**	**5,896**
Administrative expenses before exceptional items		(4,442)	(5,355)	(10,066)
Exceptional items		(219)	(106)	(6,483)
Total administrative expenses		(4,661)	(5,461)	(16,549)
Grant income		-	-	855
Operating loss		**(1,554)**	**(2,526)**	**(9,798)**
Finance income		2	3	2
Finance Charges		(229)	(173)	(445)
Loss before tax		**(1,781)**	**(2,696)**	**(10,241)**
Taxation	3	43	297	533
Loss after tax		**(1,738)**	**(2,399)**	**(9,708)**
Attributable to:				
Equity holders of the parent		**(1,670)**	**(2,345)**	**(9,709)**
Non-controlling		**(68)**	**(54)**	**1**
		(1,738)	**(2,399)**	**(9,708)**
Other comprehensive income/(expense):				
Foreign currency translation differences – foreign operations		**(42)**	**444**	**(764)**
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		**(1,780)**	**(1,955)**	**(10,472)**
Attributable to:				
Equity holders of the parent		**(1,712)**	**(1,901)**	**(10,773)**
Non-controlling interests		**(68)**	**(54)**	**1**
		(1,780)	**(1,955)**	**(10,472)**
Loss per share				
Basic and diluted on loss attributable to equity holders of the parent	4	**(0.02p)**	**(0.16p)**	**(0.22)p**

The loss for the period arises from the Group's continuing operations.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS TO 30 JUNE 2021

	Attributable to equity holders of parent									
	Share Capital £000	**Share Premium £000**	**Merger Reserve £000**	**Reverse Acquisition Reserve £000**	**Reserve For Own Shares £000**	**Share Based Payment Reserve £000**	**Retained Earnings Deficit £000**	**Total £000**	**Non-controlling Interests £000**	**Total Equity £000**
At 31 December 2019	5,859	86,399	10,884	(7,148)	(831)	983	(70,936)	25,210	(615)	24,595
Loss for the period	-	-	-	-	-	-	(2,345)	(2,345)	(54)	(2,399)
Other comprehensive expense	-	-	-	-	-	-	444	444	-	444
Loss and total comprehensive expense for the period	-	-	-	-	-	-	(1,901)	(1,901)	(54)	(1,955)
Issue of shares	5,860	8,790	-	-	-	-	-	14,650	-	14,650
Expenses on issue of shares		(899)					-	(899)	-	(899)
Exercise of share options	1	-	-	-	-	-	-	1	-	1
Share based payment expense	-	-	-	-	-	18	-	18	-	18
At 30 June 2020	**11,720**	**94,290**	**10,884**	**(7,148)**	**(831)**	**1,001**	**(72,837)**	**37,079**	**(669)**	**36.410**
Loss for the period	-	-	-	-	-	-	(7,364)	(7,364)	55	(7,309)
Other comprehensive expense	-	-	-	-	-	-	(1,208)	(1,208)	-	(1,208)
Loss and total comprehensive expense for the period	-	-	-	-	-	-	(8,572)	(8,572)	55	(8,517)
Share based payment expense	-	-	-	-	-	(46)	-	(46)	-	(46)
At 31 December 2020	11,720	94,290	10,884	(7,148)	(831)	955	(81,409)	28,461	(614)	27,847
Loss for the period	-	-	-	-	-	-	(1,670)	(1,670)	(68)	(1,738)
Other comprehensive expense	-	-	-	-	-	-	(42)	(42)	-	(42)
Loss and total comprehensive expense for the period	-	-	-	-	-	-	(1,712)	(1,712)	(68)	(1,780)
Share based payment expense	-	-	-	-	-	18	-	18	-	18
At 30 June 2021	**11,720**	**94,290**	**10,884**	**(7,148)**	**(831)**	**973**	**(83,121)**	**26,767**	**(682)**	**26,085**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2021

	Notes	30 June 2021 £'000	30 June 2020 £'000	31 Dec 2020 £'000
Non-current assets				
Property, plant and equipment		4,036	2,456	3,252
Right of use assets		2,412	-	2,458
Intangible assets		10,942	17,865	10,931
Total non-current assets		**17,390**	**20,321**	**16,641**
Current assets				
Inventory		7,437	6,288	7,072
Trade and other receivables		2,555	2,628	2,643
Corporation tax receivable		369	684	825
Cash and cash equivalent		6,557	13,667	9,550
Total current assets		**16,918**	**23,267**	**20,090**
Total assets		**34,308**	**43,588**	**36,731**
Non-current liabilities				
Borrowings		(2,910)	(2,222)	(2,790)
Deferred tax		(505)	(714)	(560)
Lease liability		(2,211)	-	(2,271)
Total non-current liabilities		**(5,626)**	**(2,936)**	**(5,621)**
Current liabilities				
Borrowings		-	(850)	-
Trade and other payables		(2,348)	(3,392)	(3,007)
Lease liability		(249)	-	(256)
Total current liabilities		**(2,597)**	**(4,242)**	**(3,263)**
Total liabilities		**(8,223)**	**(7,178)**	**(8,884)**
Net assets		**26,085**	**36,410**	**27,847**
Equity				
Share capital	5	11,720	11,720	11,720
Share premium	5	94,290	94,290	94,290
Merger Reserve	5	10,884	10,884	10,884
Reverse acquisition reserve	5	(7,148)	(7,148)	(7,148)
Reserve for own shares		(831)	(831)	(831)
Share based payment reserve		973	1,001	955
Retained earnings deficit		(83,121)	(72,837)	(81,409)
Equity attributable to equity holders of parent		**26,767**	**37,079**	**28,461**
Non-controlling interests		**(682)**	**(669)**	(614)
Total equity		**26,085**	**36,410**	**27,847**

Approved by the Board and authorised for issue on 8 September 2021

Daniel Lee (Chief Executive Officer)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	6 months to 30 June 2021 £'000	6 months to 30 June 2020 £'000	12 months to 31 Dec 2020 £'000
Operating Activities			
Loss before Tax	**(1,781)**	**(2,696)**	**(10,241)**
Adjustment for:			
Depreciation of property, plant & equipment	127	101	192
Amortisation of intangible assets	290	319	570
Impairment of intangible and property, plant and equipment	-	-	6,130
Share based payment	18	18	(28)
Interest receivable	(2)	(3)	(2)
Interest payable	229	173	455
Operating cash outflow	**(1,119)**	**(2,088)**	**(2,934)**
(Increase) in inventory	(365)	(2,103)	(2,887)
Decrease/(increase)in trade & other receivables	122	(90)	11
(Decrease)/increase in trade & other payables	(759)	665	(46)
Cash outflows from operations	**(2,121)**	**(3,616)**	**(5,878)**
Research and Development Tax Credits received	465	649	649
Net cash outflow from operations	**(1,656)**	**(2,967)**	**(5,229)**
Investing activities			
Interest received	2	3	2
Purchase of property, plant & equipment	(911)	(53)	(1,158)
Capitalised development expenditure	(156)	-	(215)
Net cash outflow from investing activities	**(1,065)**	**(50)**	**(1,371)**
Financing activities			
Interest paid	(125)	(173)	(245)
Proceeds from issue of share capital	-	13,752	14,650
Cost of issue of equity	-	-	(899)
Proceeds from exercised share options	-	-	2
Proceeds from new loans	110	850	504
Repayment of loans	-	(237)	-
Lease liability payments	(22)	-	(41)
Lease interest payment	(104)	-	(200)
Net cash inflow from financing activities	**(141)**	**14,192**	**13,771**
Increase/(decrease) in cash and cash equivalents	**(2,862)**	**11,175**	**(7,171)**
Foreign exchange translation movement	(131)	112	(1)
Cash and cash equivalents at start of period	9,550	2,380	2,380
Cash and cash equivalents at end of period	**6,557**	**13,667**	**9,550**

1. Basis of preparation

The unaudited condensed consolidated interim financial information does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The interim financial statements, which are unaudited and have not been reviewed by the Company's auditors, have been prepared in accordance with the policies set out in the 2020 Annual Report and Accounts.

The comparative figures for the year ended 31 December 2020 do not constitute full financial statements and have been abridged from the full accounts for the year ended on that date, on which the auditors gave an unqualified report. They did not contain any statement under Section 498 of the Companies Act 2006. The 2020 accounts have been delivered to the Registrar of Companies. The Company has chosen not to adopt IAS 34 'Interim Financial Statements'.

2. Segmental reporting

The following table provides disclosure of the Group's revenue by geographical market based on location of the customer:

	Notes	6 months to 30 June 2021 £'000	6 months to 30 June 2020 £'000	12 months to 31 Dec 2020 £'000
USA		**5,692**	5,050	10,695
Rest of world		**1,105**	1,035	2,134
		6,797	**6,085**	**12,829**

6 months to 30 June 2021	BioSurgery £'000	Orthopaedics & Dental £'000	GBM-V & Cardiac £'000	Central £'000	Total £'000
Revenue	1,514	4,263	1,020	-	6,797
Cost of sales	(735)	(2,289)	(666)	-	(3,690)
Gross Profit	779	1,974	354	-	3,107
Administrative costs	(929)	(2,127)	(347)	(1,039)	(4,442)
Exceptional costs	(132)	(87)	-	-	(219)
Operating profit/(loss)	(282)	(240)	7	(1,039)	(1,554)
Finance income	-	-	-	2	2
Finance charges	-	(225)	-	(4)	(229)
Profit/(loss) before taxation	(282)	(465)	7	(1,041)	(1,781)
Taxation	-	-	-	43	43
Profit/(loss) for the period	(282)	(465)	7	(998)	(1,738)

6 months to 30 June 2020	**BioSurgery**	**Orthopaedics & Dental**	**GBM-V & Cardiac**	**Central**	**Total**
	£'000	£'000	£'000	£'000	£'000
Revenue	1,710	3,418	957	-	6,085
Cost of sales	(1,021)	(1,569)	(560)	-	(3,150)
Gross Profit	689	1,849	397	-	2,935
Administrative costs	(1,417)	(2,112)	(484)	(1,342)	(5,355)
Exceptional costs	(22)	(84)	-	-	(106)
Operating (Loss)	(750)	(347)	(87)	(1,342)	(2,526)
Finance income	-	-	-	3	3
Finance charges	-	-	-	(173)	(173)
(Loss) before taxation	(750)	(347)	(87)	(1,512)	(2,696)
Taxation	27	163	59	48	297
(Loss) for the period	(723)	(184)	(28)	(1,464)	(2,399)

12 months to 31 December 2020	**BioSurgery**	**Orthopaedics & Dental**	**GBM-V & Cardiac**	**Central**	**Total**
	£'000	£'000	£'000	£'000	£'000
Revenue	3,308	7,446	2,075	-	12,829
Cost of sales	(1,849)	(3,848)	(1,236)	-	(6,933)
Gross Profit	1,459	3,598	839	-	5,896
Administrative costs	(2,660)	(4,977)	(1,104)	(1,325)	(10,066)
Exceptional costs	-	(6,144)	(101)	(238)	(6483)
Grant Income	325	490		40	855
Operating (Loss)	(876)	(7,033)	(366)	(1,523)	(9,798)
Finance income	-	2	-	-	2
Finance charges	-	(445)	-	-	(445)
(Loss) before taxation	(876)	(7,476)	(366)	(1,523)	(10,241)
Taxation	(22)	426	129	-	533
(Loss) for the period	(898)	(7,050)	(237)	(1,523)	(9,708)

3. Taxation

	6 months to 30 June 2021 £'000	6 months to 30 June 2020 £'000	12 months to 31 Dec 2020 £'000
Current Tax:			
UK corporation tax credit on research and development costs in the period	-	(249)	(440)
US corporation tax	-	-	-
		(249)	**(440)**
Deferred tax:			
Origination and reversal of temporary timing differences	(43)	(48)	(93)
Tax credit on loss on ordinary activities	**(43)**	**(297)**	**(533)**

The Group has accumulated losses available to carry forward against future trading profits.

4. Loss per share (basic and diluted)

Basic loss per share is calculated by dividing the loss attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period excluding own shares held jointly by the Tissue Regenix Employee Share Trust and certain employees. Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares in issue during the period to assume conversion of all dilutive potential ordinary shares.

	6 months to 30 June 2021 £'000	6 months to 30 June 2020 £'000	12 months to 31 Dec 2020 £'000
Total loss attributable to the equity holders of the parent	**(1,670)**	**(2,345)**	**(9,709)**

	No.	No.	No.
Weighted average number of ordinary shares in issue during the period	**7,033,077,499**	**1,493,073,354**	**4,447,666,932**
Loss per share			
Basic and diluted on loss for the period	(0.02)p	(0.16)p	(0.22)p

The Company has issued employees options over 126,489,254 ordinary shares and there are 16,112,800 jointly owned shares which are potentially dilutive. There is, however, no dilutive effect of these issued options as there is a loss for each of the periods concerned.

5. Share capital

	30 June 2021 £'000	30 June 2020 £'000	31 Dec 2020 £'000
Ordinary shares of 0.1 pence	7,033	7,033	7,033
Deferred shares of 0.4 pence	4,687	4,687	4,687
	11,720	**11,720**	**11,720**

Movements on share capital during the period were as follows:

	Ordinary shares		Deferred shares	
	Number	£'000	Number	£'000
At 31 December 2019	**1,171,971,322**	**5,859**	**-**	**-**
Sub-division of shares	1,171,971,322	(4,687)	1,171,971,322	4,687
Issued on exercise of share options	1,388,222	1	-	-
Issue of shares	5,859,626,212	5,860	-	-
At 30 June 2020	**7,032,985,756**	**7,033**	**1,171,971,322**	**4,687**
Issued on exercise of share options	91,743	-	-	-
At 31 December 2020	**7,033,077,499**	**7,033**	**-**	**-**
At 30 June 2021	**7,033,077,499**	**7,033**	**1,171,971,322**	**4,687**

6. Interim financial report

A copy of this interim report is available on the Company's website at www.tissueregenix.com

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