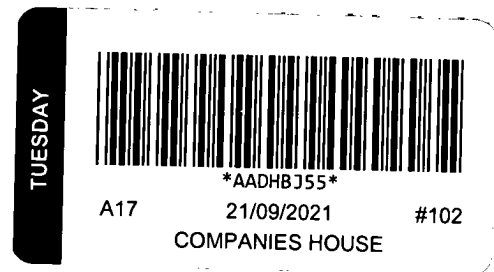


TISSUE REGENIX HOLDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

Registered Number: 10718340



TISSUE REGENIX HOLDINGS LIMITED
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**TISSUE REGENIX HOLDINGS LIMITED
ADVISORS AND OFFICERS**

DIRECTORS

J Glenn
D Lee
D Cocke (appointed 21 January 2021)

COMPANY NUMBER

10718340 (England & Wales)

REGISTERED OFFICE

Unit 3
Phoenix Court
Lotherton Way
Garforth
Leeds
LS25 2GY

AUDITOR

RSM UK Audit LLP
Central Square, 5th Floor
29 Wellington Street
Leeds
LS1 4DL

TISSUE REGENIX HOLDINGS LIMITED DIRECTORS REPORT

The Directors submit their report and the financial statements of Tissue Regenix Holdings Limited for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the Company was that of an intermediate holding company. The Company is incorporated and domiciled in the UK.

RESULTS AND DIVIDENDS

The loss incurred for the year ended 31 December 2020 was \$4,172,000 (loss for year ended December 2019: \$24,921,000).

The Directors do not recommend the payment of a dividend (2019: \$nil).

DIRECTORS

The following Directors held office during the year:

J Samuel (resigned 20 March 2020)
G Jones (resigned 24 November 2020)
D Lee (appointed 16 November 2020)
J Glenn (appointed 1 April 2020)

GOING CONCERN

The Directors have considered their obligations, in relation to their assessment of the going concern of the Group and each statutory entity within it and have reviewed the current budget cash forecasts and assumptions as well as the main risk factors facing the Group.

In addition, Tissue Regenix Group plc has confirmed that it will continue to provide financial support to the company for at least 12 months from the date of approval of these financial statements. As at 31 December 2020, the Group had £9.6m of cash and cash equivalents available to it.

The Directors are satisfied that Tissue Regenix Group plc is capable of providing the necessary financial support and, therefore, that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS INDEMNITY

There are no third-party indemnity provisions for directors.

TISSUE REGENIX HOLDINGS LIMITED

DIRECTORS REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. The directors have elected under company law to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements are required by law and international accounting standards in conformity with the requirements of the Companies Act 2006 to present fairly the financial position and performance of the company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the company's auditor is unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

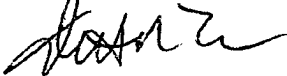
TISSUE REGENIX HOLDINGS LIMITED
DIRECTORS REPORT

AUDITOR

RSM UK Audit LLP (RSM) have indicated willingness to continue in office, in accordance with the recommendation of the Audit Committee and section 489 of the Companies Act 2006. A resolution to reappoint RSM as the Company's Auditor was agreed at the Annual General Meeting and RSM was deemed to therefore continue in office.

The Company has taken the small companies exemption in preparing the report.

On behalf of the Board



D Lee
Director

Date 16/9/21

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TISSUE REGENIX HOLDINGS LIMITED
For the year ended 31 December 2020

Opinion

We have audited the financial statements of Tissue Regenix Holdings Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, statement of changes in equity, statement of financial position, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TISSUE REGENIX HOLDINGS LIMITED
For the year ended 31 December 2020

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TISSUE REGENIX HOLDINGS LIMITED
For the year ended 31 December 2020

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are IFRS, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal and external tax advisors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TISSUE REGENIX HOLDINGS LIMITED
For the year ended 31 December 2020

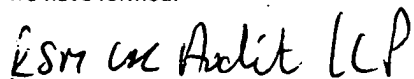
The extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Thornton (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Central Square

5th Floor

29 Wellington Street

Leeds

LS1 4DL

Date 20 September 2021

TISSUE REGENIX HOLDINGS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2020

	Notes	2020 \$000	2019 \$000
Finance income	2	1,122	1,243
Administrative expenses		(5,294)	(26,164)
Loss before taxation		(4,172)	(24,921)
Taxation	5 3	-	--
Total comprehensive loss for the year		(4,172)	(24,921)
Attributable to:			
Owners of the Company		(4,172)	(24,921)

The loss for each period arises from the Company's continuing operations. No other comprehensive income was received in either of the periods other than that recognised within the statement of comprehensive income.

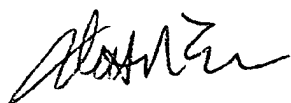
TISSUE REGENIX HOLDINGS LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2020

	Share Capital	Share Premium	Retained Profit	Total Equity
	\$000	\$000	\$000	\$000
As at 31 December 2018	1	26,026	1,140	27,167
Loss for the period	-	-	(24,921)	(24,921)
As at 31 December 2019	1	26,026	(23,781)	2,246
Loss for the period	-	-	(4,172)	(4,172)
As at 31 December 2020	1	26,026	(27,953)	(1,926)

TISSUE REGENIX HOLDINGS LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

	Notes	2020 \$000	2019 \$000
Assets			
<i>Non-current assets</i>			
Investments	4	7,500	7,500
Other receivables		24,566	5,446
Total non-current assets		32,066	12,946
<i>Current assets</i>			
Other receivables	5	-	19,939
Total current assets		-	19,939
Total assets		32,066	32,885
Liabilities			
<i>Current liabilities</i>			
Amounts owed to parent undertaking		(33,992)	(30,639)
Total liabilities		(33,992)	(30,639)
Net (Liabilities)/ Assets		(1,926)	2,246
Equity			
Attributable to owners of the Company			
Share capital	7	1	1
Share premium	8	26,026	26,026
Retained earnings		(27,953)	(23,781)
Total Equity		(1,926)	2,246

Approved by the Board and authorised for issue on 16 September 2021.



Daniel Lee
Director

Company number: 10718340

TISSUE REGENIX HOLDINGS LIMITED
STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	Notes	2020 \$000	2019 \$000
Operating activities			
(Loss) before tax		(4,172)	(24,921)
<i>Adjustments for:</i>			
Interest receivable		(1,122)	(1,243)
Impairment of intercompany receivables		5,293	26,164
Movement in intercompany		1	-
Net cash outflow from operations		-	-
Change in cash and cash equivalents		-	-
Cash and cash equivalents at start of year		-	-
Cash and cash equivalents at end of year		-	-

1) ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Company is incorporated and domiciled in the United Kingdom and its registered number is 10718340. The address of the registered office is Unit 3 Phoenix Court, Lotherton Way, Garforth, LS25 2GY. The Company was incorporated on 10 April 2017. The principal activity is that of an intermediate holding company.

The financial information has been prepared by the Directors in accordance with International Accounting Standards in conformity with the Companies Act 2006 ("IFRS"). The Company has taken advantage of the exemption in Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and performance of the Company as a single entity.

The financial information has been prepared on the historic cost basis rounded to the nearest thousand and is reported in US Dollars which is the company's functional and presentational currency. The principal accounting policies applied are set out below.

GOING CONCERN

The Directors have considered their obligations, in relation to their assessment of the going concern of the Group and each statutory entity within it and have reviewed the current budget cash forecasts and assumptions as well as the main risk factors facing the Group.

The Company is a subsidiary undertaking of Tissue Regenix Group plc. The Company recorded a loss for the year of \$4,172,000 and had net liabilities of \$1,926,000 at the period-end, which included \$24,556,000 due to Tissue Regenix Group Plc. Tissue Regenix Group Plc has confirmed that they will not seek repayment of this amount until such time as the Company has sufficient funds available to make such repayment.

In addition, Tissue Regenix Group plc has confirmed that it will continue to provide financial support to the company for at least 12 months from the date of approval of these financial statements. As at 31 December 2020, the Group had £9.6m of cash and cash equivalents available to it.

The Directors are satisfied that Tissue Regenix Group plc is capable of providing the necessary support and, therefore, that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Gains and losses arising on retranslation are charged to profit or loss as they are incurred.

TISSUE REGENIX HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENT
For the year ended 31 December 2020

INVESTMENTS

Fixed asset investments, including investments in subsidiaries, are stated at cost and reviewed for impairment if there are any indications that the carrying value may not be recoverable.

FINANCIAL ASSETS AND LIABILITIES

Trade and other receivables

Trade and other receivables do carry interest and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

An expected credit loss ('ECL') model, as introduced under IFRS 9, broadens the information that an entity is required to consider when determining its expectations of impairment. Under this model, expectations of future events must be taken into account and this will result in the earlier recognition of larger impairments against trade and other receivables.

In applying the ECL model the company considered the probability of a default occurring over the contractual life of its trade and other receivables balances on initial recognition of those assets. The company has no trade receivables in the reported year.

Trade and other payables

Trade and other payables are not interest bearing and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from proceeds.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

TAXATION

The tax expense represents the sum of the tax currently recoverable and deferred tax.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply

TAXATION (continued)

to the period when the asset is realised or the liability is settled using tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to profit or loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions that have the most significant effects on the carrying amounts of the assets and liabilities in the financial information are discussed below:

Recoverability of receivables from Group undertakings

Receivables from subsidiaries represent a 5 year loan with interest rates ranging from 5.6% to 7.25% linked to the Bank of England base rate, and interest free amounts advanced to group companies that are repayable on demand. In accordance with IFRS 9 'Financial Instruments', where the counterparty would not be able to repay the loan if demanded at the reporting date, the company has made an assessment of expected credit losses.

The assessment made by the Directors stems from analysis performed at group level. The Directors have concluded that the expected credit losses applicable to the loans made by the company to Group undertakings are consistent with those assessed in detail for the parent company. Following a reduction in the Tissue Regenix Group plc share price during the course of the year, which in turn has adversely affected the likely outcome of the downside scenarios considered by the Directors in relation to the recovery of receivables from subsidiaries, the assessment of lifetime expected credit loss was \$31,858k at 31 December 2020 (2019: \$26,565k).

The calculation of the allowance for lifetime expected credit losses requires a significant degree of estimation and judgement, in particular determining the probability weighted likely outcome for each scenario considered and in using a range of market capitalisations to determine the amount recovered in each scenario. Whilst the Directors considered future cash flows over time, the ECL calculation was based on a sale of the group in the event that repayment of the loans was demanded.

NEW STANDARDS AND AMENDMENTS TO STANDARDS ADOPTED IN THE YEAR

During the year, the Company adopted no new standards effective from the 1 January 2020. The Company has not adopted any new or amended standards early.

Impact of other new International Financial Reporting Standards

The following other new standards and amended standards, none of which have had a material impact on these financial statements, are mandatory and relevant to the Company for the first time for the financial period commencing 1 January 2020:

- Amendments to References to the Conceptual Framework in IFRS Standards
- Definition of a Business (Amendments to IFRS 3)
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39, IFRS 16, IFRS 4 and IFRS 7)

TISSUE REGENIX HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENT
For the year ended 31 December 2020

Standards, Amendments, Improvements & Interpretations issued but not yet effective.

At the date of authorisation of these financial statements the following standards and interpretations, which have not been applied in these financial statements, and which are considered potentially relevant, were in issue but not yet effective:

- Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts' (Amendments to IFRS 4)
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2
- Covid-19-Related Rent Concessions (Amendment to IFRS 16)

The Directors anticipate that the adoption of the amendments to standards in future periods will have no material impact on the recognition and measurement of assets, liabilities and the associated performance of the Company when the relevant standards and interpretations come into effect.

2) FINANCE INCOME

	2020	2019
	\$000	\$000
Loan interest receivable	1,122	1,243

The company had no staff (2019: nil) and no associated staff costs (2019: \$nil).

3) TAXATION

The charge for the periods can be reconciled to the loss before tax per the Statement of Comprehensive Income excluding impairments as follows:

	2020	2019
	\$000	\$000
The tax assessed for the period varies from the standard rate of corporation tax as explained below:		
Profit/(Loss) on ordinary activities before tax	1,122	(24,921)
Tax at the standard rate of corporation tax 19% (2019: 19%)	213	(4,735)
Effects of:		
Unutilised tax (profit)/losses not recognised	(213)	4,735
Tax charge for the period	-	-

	2020	2019
	\$000	\$000
Tax losses		
Profit available to carry forward against group trading losses	3,905	23,781
Deferred tax asset – unrecognised at 19% (2019:17%)*	742	4,043

*The Company has not recognised a deferred tax asset relating to these losses as their recoverability is uncertain.

TISSUE REGENIX HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENT
For the year ended 31 December 2020

The enacted UK corporation tax rate of 19% forms the basis of the deferred tax calculation, following the UK budget in 2021 the chancellor announced an increase to the main rate of corporation tax to 25% from April 2023, if applied this would significantly increase the value of unrecognised deferred tax asset.

4) INVESTMENTS IN SUBSIDIARIES

	2020	2019
	\$000	\$000
Investment cost	7,500	7,500

At 31 December 2020, the Company held the following investments in subsidiaries:

Undertaking	Sector	Share of issued capital and voting rights	
		2020	2019
Tissue Regenix Holdings Inc	Holding company	100%	100%
CellRight Technologies LLC*	Regenerative medicine	100%	100%

*Held through Tissue Regenix Holdings Inc

Registered Addresses:

1808 Universal City Boulevard, Universal City Texas, 78148.

5) TRADE AND OTHER RECEIVABLES

	2020	2019
	\$000	\$000
Non-current		
Other receivables	24,556	5,446
Current		
Other receivables	-	19,939
	24,556	25,385

*Other receivables include \$24,556k (2019: \$25,385k) due from other companies in the Group.

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value. There is £5,446k (2019: same) included in other receivables that is receivable in 2024 and is subject to interest.

After management review of different scenarios, a total impairment provision of \$31,858k (2019: \$26,565k) is held against the subsidiary loan in relation to its recoverability.

TISSUE REGENIX HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENT
For the year ended 31 December 2020

6) RISK MANAGEMENT OF FINANCIAL ASSETS AND LIABILITIES

The Company's activities expose it to a variety of financial risks: The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The management of these risks is vested in the Board of Directors. The policies for managing each of these risks are summarised below:

Management of market risk

i) Interest rate risk

As the Company has no borrowings there is no risk

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders. The Company's overall strategy is to minimise costs and liquidity risk.

The capital structure of the Company consists of equity attributable to the owners of the Company, comprising issued capital, reserves and retained earnings as disclosed in note 7 and 8 and in the Statement of Changes in Equity.

Financial assets

	Loans and receivables	Financial liabilities at amortised cost	Total
	\$000	\$000	\$000
At 31 December 2020			
Other receivables	24,556	-	24,556
Other payables	-	(33,992)	(33,992)
TOTAL	24,556	(33,992)	(9,436)

Financial assets

	Loans and receivables	Financial liabilities at amortised cost	Total
	\$000	\$000	\$000
At 31 December 2019			
Other receivables	25,385	-	25,385
Other payables	-	(30,639)	(30,639)
TOTAL	24,385	(30,639)	(5,254)

The Company had no financial instruments measured at fair value through profit and loss.

TISSUE REGENIX HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENT
For the year ended 31 December 2020

7) SHARE CAPITAL

	Number	\$000
Authorised, allotted and paid up ordinary shares of £1each:		
31 December 2018, 31 December 2019 and 31 December 2020	1,001	1

As permitted by the provisions of the Companies Act 2006, the company does not have an upper limit to its authorised share capital. All shares are ordinary shares which are fully paid and entitle the holder to full voting rights, to full participation or distribution of dividends

8) RESERVES

Share premium

Consideration received for shares issued above their nominal value net of transaction costs

Reserves of the company represent the following:

Retained Earnings

Cumulative profit and loss net of distributions to owners.

9) RELATED PARTY TRANSACTIONS

Trading transactions

	2020 \$000	2019 \$000
Transactions with shareholders:		
Amounts owed to related parties at the period end	33,992	30,639
Amounts due from related parties at the period end	24,556	25,385

There is no key management personnel remuneration in the year.

10) ULTIMATE CONTROLLING PARTY

Tissue Regenix Limited is the immediate parent company.

At 31 December 2020 Tissue Regenix Group plc is considered to be the Company's ultimate parent undertaking. Tissue Regenix Group plc is the largest and smallest Group that Tissue Regenix Holdings Limited are consolidated into. Tissue Regenix Group plc's Annual Report can be obtained from www.tissueregenix.com. Tissue Regenix Group plc is incorporated in England.