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Tissue Regenix Group PLC
25 June 2025

Tissue Regenix Group plc

('Tissue Regenix', the 'Group' or the 'Company')

Final results for the year ended 31 December 2024

Investor presentation

Tissue Regenix Group plc (AIM: TRX), the regenerative medical devices company, announces its audited results for the year ended 31 December 2024.

Financial Highlights[1]

- Revenue growth for the Group of 9%
  - BioRinse® revenues increased by 4% to USD21.0m (2023: USD20.1m), driven by growth in the Group's core allograft and DBM product lines
  - dCELL® revenues increased by 23% to USD7.6m (2023: USD6.2m) as the commercial reorganisation implemented in 2022 continued to mature
- Record adjusted EBITDA profitability of USD1.9m (2023: USD0.7m)
  - This increase in adjusted EBITDA was driven by increased sales revenue and aided by management of administrative expenses to achieve operating leverage
- Gross profit of USD13.6m (2023: USD13.0m)
- Cash position at 31 December 2024 of USD1.9m (2023: USD4.7m). Undrawn debt facility to fund further growth

1 Based on the decision of the Board to divest the Company's interest in the German joint venture GBM-V, the figures in this review do not include the revenues, profits or assets of GBM-V

2 During 2024, the Group reported expenses associated with its strategic review of USD124k (2023: nil). The Group considers these expenses to be exceptional and accordingly are excluded from the calculation of Adjusted EBITDA and EBITDA

Operational Highlights

- Signed BioRinse agreements with nine new strategic partners or stocking distributors who target specialties such as the spine and dental markets
- Restructuring of the dCELL commercial business continued to provide growth opportunities and record revenues for this division
  - Added 41 new distributors for dCELL in 2024 across existing regions
- In June 2024, Tissue Regenix acquired the building in San Antonio that the Company has occupied since 2021 as part of the Phase 1 and 2 expansion plans
  - The efficiencies and changes implemented since 2020-2021 have positively impacted the Group's processing capacity requirements and needs, inducing a review of the Company's preliminary plans for the Phase 2 expansion. An approach has been identified which more closely meets the needs of how the Group processes tissue and provides flexibility to process different tissue types in a more efficient manner. The Company is in the process of finalising the new plans, with construction expected to start in 2025
- In 2024, the Group processed 34% more musculoskeletal and dermis donors than in 2023. This allowed the Company to meet the demand for finished products and support the growth of the demineralised bone matrix and DermaPure® businesses. This resulted in 13% more shipped units Y-o-Y

Post-period end

- David Cocke, Chief Financial Officer, has announced his intent to retire in 2025. David plans to remain with the Group until a replacement is identified and an orderly transition period has taken place

Jonathan Glenn, Chair of Tissue Regenix, commented *"It has been another successful year for the Group, reporting record adjusted EBITDA profitability and top line growth across all divisions. Our commitment to the 4S strategy and our growth pillars has provided a strong foundation for the business which now continues to deliver year-on-year.*

"In November 2024, we announced a strategic review of the business which included soliciting offers for the Company. During this review, it was determined that the Company's valuation during this period bore no resemblance to Tissue Regenix's

this review, it was determined that the Company's valuation during this period bore no resemblance to Tissue Regenix's prospects or record of strong delivery. Despite varying degrees of interest in the Company, the equity value could not be used as a basis for a strategic transaction, and the *strategic review was concluded in April 2025. The Board's priorities remain in the best interests of our shareholders, and we continue to look forward with a solid business that is constantly adapting to create greater efficiencies and deliver greater shareholder value.*

"Finally, I would like to thank David for his contribution to the business over the last four years, a period in which the business has achieved profitability and consecutive record revenue growth. On behalf of the Board and the Group, I wish David all the best in his retirement."

Investor Briefing

Daniel Lee, Chief Executive Officer, and David Cocke, Chief Financial Officer, will host a live online presentation relating to the final results via the Investor Meet Company platform at 2pm (BST) on Tuesday 1 July 2025. 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, please contact:

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation ("MAR") EU no.596/2014. Upon the publication of this announcement via Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

About Tissue Regenix (www.tissueregenix.com)

Tissue Regenix is a leading medical device company in regenerative medicine. The Company's patented decellularisation technology (dCELL®) removes DNA and other cellular material from animal and human soft tissue, leaving an acellular tissue scaffold that is not rejected by the patient's body and can be used to repair diseased or damaged body structures. Current applications address many crucial clinical needs in sports medicine, foot and ankle injuries, and wound care.

In August 2017, Tissue Regenix acquired CellRight Technologies®. This biotech company specialises in regenerative medicine and is dedicated to developing high-quality, innovative tissue scaffolds to enhance healing opportunities in defects created by trauma and disease. CellRight's human tissue products may be used in spine, trauma, general orthopaedic, dental and ophthalmological surgical procedures.

Tissue Regenix Group plc

Chair & Chief Executive Officer's Statement

It has been another successful year for the Group, reporting record adjusted EBITDA profitability and top line growth across all divisions. Our commitment to the 4S strategy and our growth pillars has provided a strong foundation for the business which now continues to deliver year-on-year.

In November 2024, we announced a strategic review of the business which included soliciting offers for the Company. During this review, it was determined that the Company's valuation during this period bore no resemblance to Tissue Regenix's prospects or record of strong delivery. Despite varying degrees of interest in the Company, the equity value could not be used as a basis for a strategic transaction, and the strategic review was concluded in April 2025. The Board's priorities remain in the best interests of our shareholders, and we continue to look forward with a solid business that is constantly adapting to create greater efficiencies and deliver greater shareholder value.

Finally, I would like to thank David for his contribution to the business over the last four years, a period in which the business has achieved profitability and consecutive record revenue growth. On behalf of the Board and the Company, I wish David all the best in his retirement.

Jonathan Glenn
Chair

2024 performance
The Group delivered a positive performance in 2024, continuing on a growth trajectory and once again achieving profitability expectations. We saw record adjusted EBITDA profitability and 9% overall revenue growth for the Group. Our dCELL division recorded top line growth of 23% during FY2024, the lead across our divisions. This improvement was achieved through the continued adoption of our products through our strategic partners working alongside our direct distribution activities. The current economic climate, as well as general ebbs and flows of business tempered our overall growth compared to an incredibly strong three years prior, however, we will use our diversity and flexibility to continue to manage these challenges in 2025. Execution, hard work and the dedication of all the employees of the Group provided the foundation needed for our 2024 achievements and the bright future which lies ahead for Tissue Regenix.

Strategy and Growth Pillars
Our focus on the 4S strategy -***Supply, Sales Revenue, Sustainability*** and ***Scale*** - continues to provide the solid foundation of how we operate, execute and drive growth and generate value for our shareholders.

Tissue ***Supply*** remains an area of investment and focus. It is a very dynamic market as the source and quality can vary which impacts our ability to sustain and grow our business. ***Supply*** also refers to our focus on processing capacity to supply products to customers on a timely basis. We consistently identify opportunities for efficiencies which we can employ to enhance our throughput.

Sales and ***Sustainability*** are measured through our revenue and profitability growth as well as opportunities to maximise the gift of tissue donation to improve the quality of life of patients. ***Scale*** is meeting growth expectations by expanding domestic and global opportunities with tissue in regenerative medicine.

Our growth pillars have been defined as **Base Business, Tissue Partnerships, Market Expansion and Regulatory Evolution** We believe that these growth pillars represent defined tactical activities and areas of focus which drive growth moving forward.

1. Base Business
Our core businesses with our existing and new partners/distributors through the BioRinse and dCELL product lines are the primary drivers of the business. Our customers expect a level of service, and we remain flexible and

responsive to our customer needs. We have supported growth opportunities using our existing capacity and continual focus on operational efficiencies to ensure a supply of products in existing and growing surgical specialties augmented by product enhancements. This growth will also be supported by our current infrastructure and planned capacity enhancements.

BioRinse
The BioRinse portfolio is a very diverse business which generates the bulk of our revenue, reporting sales of USD21,012K (2023: USD20,133K), driven by the U.S. spine, orthopaedics and dental markets. The 4% year on year ('YoY') divisional revenue growth did not reflect the 13% increase in unit shipments of BioRinse finished goods products as the decline in higher per unit priced Release Donor Tissue was offset by increases in our core processed/finished tissue products. We continue to see growth opportunities led by confidence in our demineralised bone matrix ('DBM'), sports medicine and dental products. We realised greater than 32% revenue growth from the prior year from these top three product groups and these portions of the business will continue to drive our growth in 2025.

In 2024, we signed BioRinse agreements with nine new strategic partners or stocking distributors who target specialties such as the spine and dental markets.

Two areas where this division encountered headwinds in 2024 and impacted overall growth were our Released Donor Tissue ('RDT') and birth tissue products. In particular, the wound care marketplace for birth tissue products experienced the greatest headwinds in 2024. Two issues have impacted this business. The first surrounds the proposed Centers for Medicare & Medicaid Services ('CMS') changes for products which will be reimbursed in the outpatient setting for diabetic and venous leg ulcers and second is what has been described as "skyrocketing cost trends" where products receiving the highest reimbursement garner distribution and customers. These issues impacted the amnion business for one of our strategic partners and resulted in a significant decrease in sales volume over the prior year, in particular during H2 2024 (H1 +11% YoY vs H2 -67% YoY). Though our amnion business in ophthalmology remains strong, we expect the wound care business to remain in flux through 2025. Our plan is to shift our resources to those segments of our business which continue to experience growth.

dCELL

In 2024, the restructuring of the dCELL commercial business continued to provide growth opportunities for this division. dCELL is a more direct business for our organisation as we sell branded products through our regional sales management team who in turn manage distributors in their respective territories. This business is highly impacted by Group Purchasing Organization approvals, so we have placed management in areas which align with our approvals. To increase our depth and breadth in regions where we already have established business, we added 41 new distributors over the year. Our direct business has a focus with orthopaedic, podiatric, plastic and general surgeons. Our partnership with ARMS Medical provides the opportunity to expand into women's health through dermis-based products addressing urogynecological procedures. Combined these efforts resulted in 23% revenue increase year on year by the end of 2024. Our dCELL division reported sales of USD7,634K (2023: USD6,183K), record revenue for this division.

During 2024, we also supported increased market acceptance of our DermaPure products through articles in clinical publications such as *Foot and Ankle Orthopedics* and *Bioengineering*. Both manuscripts highlighted the clinical advantages of using human dermal matrices processed using the dCELL technology.

The OrthoPure XT product currently is the only non-human biologic tissue graft produced using the dCELL technology and is available to the European Union ('EU') market for certain ligament reconstruction procedures. In 2024, we introduced this product into the Swiss market and made a distribution change in Germany. Our partner, Geistlich, based on their success with the products in Italy, earned the opportunity to expand their distribution. During the European Society of Sports Traumatology, Knee Surgery and Arthroscopy meeting in Milan in 2024, Geistlich hosted a lunch symposium where the initial positive Italian experiences at the Rizzoli Clinic with the OrthoPure XT were presented. The manuscript from the five-year clinical experience from the initial regulatory approval study has been completed and submitted in May 2025.

GBM-V

In December 2024, our Board took the decision that the operations of this not-for-profit German joint venture were not strategic to the operations of the business and started to consider options to divest the business. We have embraced the diversity of opportunities with various tissue products, but the not-for-profit structure and market dynamics of this joint venture have historically reduced the growth rate of the Group and reduced its profit margins whilst also requiring management resource. We will announce more on this in due course as we look to focus on our more profitable divisions.

2. Tissue Partnerships

Our focus on tissue ***Supply*** is a foundation for our own growth, as it drives our internal capacity but is also an opportunity for our organisation to provide tissue to other processors in need of specific tissue types. Any supply volumes which exceed our internal needs creates opportunities to develop relationships with other tissue processors. In turn, we use these opportunities to obtain tissue which we may need from other processors. Historically, the tissue industry works with recovery agencies, but we have been an advocate of working with tissue processors along with recovery agencies. This is done to meet the global need for tissue products and to help ensure that the gift of human tissue donation is maximised in a timely and efficient manner.

There are definite trends for the types and quantities of tissue that may be in demand by other tissue processors and to meet this demand we constantly review and look for opportunities to work with others. In 2024, we saw a downturn in the opportunities with existing RDT customers, and the regulatory approvals needed for new outside the U.S. tissue processors were significantly delayed. As a result, for the entire year we were impacted by a 37% decline in RDT which was exacerbated in H2 2024 (H1 2024 -5% YoY; H2 2024 -68% YoY). The regulatory approval situation in the U.S. and elsewhere remains slow and the recent political changes and discussion on tariffs has not improved the situation. The uncertainty regarding tariffs has caused some customers to adopt a wait and see position prior to ordering or formalizing commitments. We do believe that as the approvals are received, we can put our RDT business back on a growth trajectory.

3. Market Expansion

We have stated that our two-pronged approach to broaden the markets for our products will encompass identifying and initiating activities in additional surgical specialties through institutions where we have an existing base business and expansion into geographic markets where there is a need for allograft tissue-based products but currently have limited availability.

Our allograft tissue business in the EU demonstrated growth ahead of expectations. This growth was partially limited by ongoing delays in obtaining regulatory approvals for exporting tissue from our EU distribution centre. We continue to identify partners in the EMEA markets and rely on their knowledge of their local markets and regulatory approval processes to continue our expansion.

Our expansion into additional surgical specialties was supported by the development of case reports which highlight the versatility of our DermaPure dermal product. Acellular dermal matrix products are used in numerous surgical specialties, but other dermal allograft products lack the benefits provided by the dCELL process used to produce DermaPure. In 2024 we developed case studies which highlighted the use of DermaPure in augmenting tissue in surgical oncology procedures such as esophagectomy and Whipple procedures, augmenting tendon repairs in the foot and ankle including Achilles lengthening, and replacing tissue lost due to spider bites and amputation repairs. We will continue to expand and demonstrate the benefits of this versatile tissue.

OrthoPure XT, our xenograft tissue device, was designed to meet the clinical need for an off-the-shelf graft for certain ACL ligament reconstruction procedures. The receipt of the CE Mark provided opportunities to distribute the product in EU markets (currently, Italy, Switzerland, Germany) and the UK. Our OrthoPure XT business demonstrated growth in 2024. The CE Mark is accepted in other markets, so we received regulatory approval to distribute this device in New Zealand and are currently establishing distribution opportunities. Our efforts to receive regulatory approval in Australia encountered regulatory delays so we are currently assessing additional approaches to this market. We will continue to identify opportunities to distribute this product in markets which recognise the CE Mark.

4. Regulatory Evolution

The bulk of our revenue comes from allograft tissue-based products which are regulated by Section 361 HCTP (Human, Cell, and Tissue Products) in the U.S. The requirements mandated for Section 361 products place limits on how the products can be produced and how they are used and marketed; if one works beyond these limits then the product will need to be regulated as a medical device. Our facility in San Antonio has been established to meet the requirements of producing Section 361 products. In 2024, we began the evolution of our processes and facility to become one that is capable of meeting medical device requirements. By the end of 2024, we had implemented the changes required to meet medical device contract manufacturing requirements for the U.S. Food and Drug Administration ('FDA'). Our next phase in 2025 will be to meet the requirements for ISO 13485 contract manufacturer requirements which is aligned with the immediate needs for our organisation. We will then make plans to be an ISO 13485 product manufacturer as we bring online products which are regulated as medical devices in the global market. A medical device registration is rare for a U.S. tissue processor of our scale. All of this is to give us the opportunity to innovate with human tissue and broaden opportunities for Tissue Regenix to distribute tissue into markets which regulate human tissue allografts as devices.

Growth highlights from our strategic partners and distributors

In 2024, growth from our hybrid commercial model was highlighted by increased demand by our internal commercial distribution, existing commercial partners, and identification of additional accounts or strategic partnerships/distributor relationships.

For BioRinse, our DBM, dental and sports medicine grafts all grew YoY in the 23 - 78% range. This was due to many factors which included our diversity of products (sports medicine, spine, general orthopaedic, dentistry), existing strategic partners, and product improvements.

For dCELL, the 23% growth was achieved by increasing our presence in existing accounts and increasing our number of distributors. The YoY revenue increase was driven primarily by the 86% increase in number of units shipped of our meshed DermaPure products and the accompanying 62% increase in revenue. Our meshed DermaPure products along with additional new products will continue to drive revenue growth for this division in 2025.

Demand for our BioRinse, dCELL and OrthoPure XT products will continue to drive our organic growth in 2025.

Operations and Planning for the Future

For our allograft tissue business, the supply of donor tissue is directly linked to our growth plans. In 2024 we adjusted our tissue intake to meet the shifts we noted in our finished goods for our commercial partners and RDT demand. Overall, we sourced 12% fewer donors than in 2023. These shifts reflected the demands for our own processing of musculoskeletal ('MS') donors and demand from other tissue processors.

In 2024, we processed 34% more MS and dermis donors to meet the demand for finished products and support the growth of our DBM and DermaPure businesses. This resulted in 13% more shipped units YoY which was reflected in the 11% more distribution orders.

Though we have additional processing headroom from our Phase 1 expansion, we initiated a review of our Phase 2 expansion needs. The efficiencies and changes we have implemented since 2020-2021 have positively impacted our processing capacity requirements and needs. In mid-2024 we presented to our Board preliminary plans for our Phase 2 expansion which differs from our previous plans. With capital efficiency and flexibility in mind, we have identified an approach where we will create an additional large clean room where we will have multiple laminar flow hoods and work areas. This approach more closely meets the needs of how we process tissue and gives us flexibility to process different tissue types in a more efficient manner. Previously we considered building additional traditional clean rooms which also comes with additional construction cost, time and operational costs. We are in the process of finalising and confirming our designs with the plan to solicit proposals and initiate construction as dictated by business need.

In June 2024, we announced the purchase of our building in Universal City, Texas, which, until then was leased as part of our Phase 1 and 2 expansion plans. We negotiated in the lease a purchase option for the building at a pre-set price through November 2024. This was a logical option as we had invested a significant amount of capital to prepare the facility for our long-term plans. The appraisal determined that the purchase option was below the fair market value of the property. Coupled with fixed interest rates and no cash down payment requirement from our lenders, these factors made it an attractive opportunity for the Company to buy the building. The mortgage payments are on par with the historic lease payments and will not be subject to standard increase clauses. The purchase makes strong financial and commercial sense for the Group as we consider our expansion plans.

Strategic Process

In November 2024, we announced that we had initiated and were conducting a review of the Company's strategic options which included soliciting offers for the Company. The Company engaged a financial adviser to contact a limited number of potential counterparties to assess whether such parties could put forward a proposal that would deliver greater value to Tissue Regenix's shareholders than pursuing a standalone independent strategy. There was no certainty that any offer would be made as a result of contact with these potential counterparties, nor as to the terms which our Board would deem reasonable in the best interests of our shareholders. Despite continued positive performance and news, the Company's valuation during this period bore no resemblance to the prospects or typical valuation for a business in this sector. The Board believed that despite varying degrees of interest in the Company, the equity value could not be used as a basis for a strategic transaction. In early April 2025, the Board determined that, based on discussions to date, an appropriate offer was not forthcoming, discussions with any interested parties were terminated and the strategic process was concluded.

Outlook

As has been widely reported, we have already seen great changes and uncertainty in 2025 in the U.S. and around the globe which have created additional political, regulatory and financial headwinds. We cannot control these elements of change, but our priority remains in delivering our existing strategies. Sales Revenue and Sustainability will continue to be the focus of our 4S's and executed through the growth pillars in 2025. The strategy has built a strong foundation, and we will continue to build from this foundation a more robust company for the future.

The BioRinse products will continue to be the dominant revenue contributor in 2025. Whilst the headwinds we encountered during the year have not ended, we are confident with our product range, our positioning and our ability to continue to grow. Growth will come from existing and new partners in spine, sports medicine and dentistry. Our dCELL business will also become a more significant contributor of growth as we develop greater penetration into the markets we currently serve and expand into other surgical specialties as clinicians become familiar with the versatility of our products. We plan to augment our inventory of donor tissue through partnerships with other processors. As we receive additional regulatory approvals, any excess inventories will be managed through distribution to other processors globally who have a need for tissue which is ready to be processed.

Growth of our geographic outreach with our human tissue dCELL and BioRinse portfolios may be tempered due to trading issues with the EU and other markets. We remain optimistic that the delayed regulatory approvals for our RDT opportunities will change for the positive. Our unique xenograft tissue product, OrthoPure XT, will continue to develop traction in existing markets and as it is introduced into additional EU markets in 2025. We also have activities associated with rationalising our cost structure to provide for additional efficiencies.

In 2025, we will complete plans to initiate our Phase 2 capacity expansion to provide more flexibility for the future. In addition to our organic growth plans, we will continue to look at other opportunities or avenues to inorganically Scale the business for additional longer-term growth.

We have a well-placed, well-resourced and well-regarded business with the right strategy in place to allow us to grow significantly in the coming years. Whilst we encountered a wide variety of events during 2024 that were in no way foreseeable, we managed our way through them with proficiency and adaptability which has allowed us to not only meet profit expectations but to place the Company in a very secure position. We are excited about the future and believe the Company is well placed to take advantage of all the opportunities in front of us.

As a final note, David Cocke, our Chief Financial Officer since January 2021, has announced his intent to retire in 2025. A formal date has yet to be determined but David plans to remain with the organisation until a replacement is identified allowing an orderly transition period. We would like to thank David for his significant contribution to the business and a further announcement will be made in due course.

Jonathan Glenn
Chair
24 June 2025

Daniel Lee
Chief Executive Officer
24 June 2025

Tissue Regenix Group plc

Financial Review

This financial review does not include the revenues, profits or assets of GBM-V which are presented as discontinued operation and disposal group held for sale in the Consolidated Statement of Income and Consolidated Statement of Financial Position respectively. Where appropriate, comparative numbers related to the Consolidated Statement of Income in respect of GBM-V have been adjusted.

Consolidated Statement of Income

Revenue

During the year ended 31 December 2024, revenue increased by 9% to USD28,646k (2023: USD26,316k).

The Group experienced growth across its key business segments for the year, as more fully described below:

- The BioRinse segment increased top-line sales by 4% to USD21,012k (2023: USD20,133k), driven by growth in our core allograft and DBM product lines.
- Revenue from the dCELL division increased by 23% to USD7,634k (2023: USD6,183k) as the commercial reorganisation implemented in 2022 continued to mature.

Cost of sales and gross profit

Gross profit for the year was USD13,621k (2023: USD12,980k). Gross margin percentage was 47% (2023: 49%).

Included in costs of sales is cost of product - USD12,377k (2023: USD11,633k) - and third-party commissions - USD2,298k (2023: USD1,703k).

Administrative expenses

During 2024, administrative expenses decreased by USD446k, or 3%, to USD13,148k (2023: USD13,594k), driven primarily by reduced staffing costs in the BioRinse segment.

Strategic Review Expenses

During 2024, the Group reported expenses associated with its strategic review of USD124k (2023: nil). The Group considers these expenses to be exceptional and accordingly are excluded from the calculation of Adjusted EBITDA and EBITDA

Adjusted EBITDA

During 2024, the Group reported adjusted EBITDA of USD1,879k (2023: USD689k). This increase in adjusted EBITDA was driven by increased sales revenue, gross profit and aided by management of administrative expenses to achieve operating leverage. In 2024, EBITDA was USD1,516k (2023: USD347k) and is adjusted for share- based payments of USD363k (2023: USD342k).

Finance income/charges

Finance income of USD10k (2023: USD26k) primarily represented interest earned on cash deposits. Finance charges for the year were reported at USD923k (2023: USD1,301k) and related primarily to interest charges and associated costs in respect of the MidCap Financial Trust ('MidCap') loan arrangement. Finance charges in 2023 included USD248k relating to a financing fee associated with the former MidCap loan termination.

Loss for the year

The loss for the year was USD681k (2023: loss: USD1,657k), resulting in a basic loss per share of 0.96 cents (2023: loss per share: 2.43 cents).

Adjusting for the impact of discontinued operations on the loss for the year, the loss for the year from continuing operations was USD853k (2023: USD1,877k), resulting in a basic loss per share of 1.20 cents (2023: loss per share 2.67 cents). The reduction in the loss for the year was driven by the increase in sales revenue, gross profit and lower administrative and finance expenses.

Taxation

The Group continues to invest in developing its product offering and, as such, is eligible to submit enhanced research and development tax claims, enabling it to exchange tax losses for a cash refund. In the year to December 2024, a refund of USD190k was receivable (2023: USD352k). The year-on-year reduction was a result of the continued transition into commercial activities and away from research and development activities.

Income tax payable in the U.S. amounted to USD630k (2023: USD310k). Gross tax losses carried forward in the UK were USD60,898k (2023: USD60,361k). The Group does not currently pay tax in the UK. A deferred tax asset has not been recognised as the timing and recoverability of the tax losses remain uncertain.

Consolidated Statement of Financial Position

As at December 2024, the Group had net assets of USD29,056k (2023: USD29,355k), of which cash in hand totalled USD1,870k (2023: USD4,650k).

Inventory levels increased 35% at USD14,006k (2023: USD10,358k) as the headwinds faced in our RDT business led to a build-up of certain tissue types.

Intangible assets increased to USD15,767k (2023: USD15,135k) in the year. A further USD770k of development costs, relating primarily to clinical research and systems development, were capitalised in the year (2023: USD450k). The balance of movements in this account relate to amortisation, exchange adjustments and reclassification from property, plant and equipment.

The Directors carried out the annual impairment review, as required by IAS 36, to determine whether there was any requirement for an impairment provision in respect of goodwill as at 31 December 2024.The results of the test indicated that the recoverable amount of the Group's non-current assets was at least equal to the carrying amount of those assets and, therefore, no provision for impairment was required as at 31 December 2024 (2023: USD nil). See notes 4 and 15.

Working capital increased in the year to USD13,245k (2023: USD9,705k), driven by an increase in inventory as noted in the discussion of inventory levels above, slightly offset by an increase in trade and other payables. The Consolidated Statement of Financial Position includes income tax receivable of USD190k (2023: USD352k) in respect of UK research and development tax credits.

Loans and borrowings

Borrowings include the USD7,249k debt facility from MidCap (2023: USD5,985k). The USD3,030k borrowings relates to the Group's purchase of its former leasehold property in San Antonio in June 2024 (2023: USD3,410k in respect of all leases). The MidCap debt facility includes USD1,542k in respect of the term loan and USD5,829k in respect of the revolving credit facility, net of USD122k of capitalised debt issue costs. In January 2023, the Group elected to increase its current revolving credit facility from USD5,000k to USD10,000k and extend the maturity until 2028. In June 2024 the Group exercised an option to increase the revolving credit facility to USD6,000k. In February 2025 another option was exercised to increase the revolving credit facility to USD7,000k. Repayment of the term loan in equal instalments commenced in February 2024. See Note 21.

Dividend

No dividend has been proposed for the year to 31 December 2024 (2023: nil).

Accounting policies

The Group's consolidated financial information has been prepared in accordance with UK-adopted International Accounting Standards ('UK-adopted IAS'). The Group's significant accounting policies, which have been applied consistently throughout the year, are set out on pages 45 to 53.

Going concern

The Group financial statements have been prepared on a going concern basis based on cash flow projections, approved by the Board for the Group, for the period to 31 December 2026 (the 'Cash Flow Projections'). Funding requirements are reviewed on a regular basis by the Group's Chief Executive Officer and Chief Financial Officer and are reported to the Board at each Board meeting, as well as on an ad hoc basis if requested. Until sufficient cash is generated from its operations, the Group remains reliant on cash reserves of USD1.9 million at 31 December 2024 and the ongoing support of MidCap (borrowings of USD7.4 million at 31 December 2024 with USD3.0 million additional credit available from February 2025), and other lending institutions (borrowings of USD3.0 million at 31 December 2024) to meet its working capital requirements, capital investment programme and other financial commitments.

In compiling the Cash Flow Projections, the Board has considered a downside scenario regarding the effect of reduced and delayed revenues due to slower market uptake of the Group's product offerings. The Cash Flow Projections prepared by the Board, including the downside scenario, indicate that the Group will still have cash reserves at the end of the forecast period. The Group's Cash Flow Projections assume that the MidCap revolving credit facility and other credit facilities are available throughout the forecast period. The availability of the MidCap facility is dependent upon compliance with a rolling 12-month revenue covenant that is measured on a monthly basis. The other credit facility contains a debt service covenant related to the CellRight Technologies, LLC business unit which is measured on an annual basis. The Cash Flow Projections, including the downside scenario, indicate compliance with these covenants throughout the forecast period.

In summary, the Directors have considered their obligations in relation to the assessment of the going concern basis for the preparation of the financial statements of the Group and have reviewed the Cash Flow Projections, including the downside scenario. On the basis of their assessment, they have concluded that the going concern basis remains appropriate for use in these financial statements.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group are set out on pages 13 to 15.

Cautionary statement

The strategic report, containing the strategic and financial reports of the Group, contains forward-looking statements that are subject to risk factors associated with, amongst other things, economic and business circumstances occurring from time to time within the markets in which the Group operates. The expectations expressed within these statements are believed to be reasonable but could be affected by a wide variety of variables beyond the Group's control. These variables could cause the results to differ materially from current expectations. The forward-looking statements reflect the knowledge and information available at the time of preparation.

David Cocke
Chief Financial Officer
24 June 2025

Tissue Regenix Group plc

Consolidated Statement of Income

For the year ended 31 December 2024

	Notes	2024 USD'000	2023 USD'000
Continuing operations			
Revenue	5	28,646	26,316
Cost of sales		(15,025)	(13,336)
Gross profit		13,621	12,980
Administrative expenses		(13,148)	(13,594)
Strategic review expenses	8	(124)	-
Operating profit/(loss)		349	(614)
Finance income	6	10	26
Finance charges	7	(923)	(1,301)
Loss on ordinary activities before taxation	8	(564)	(1,889)
Taxation	10	(289)	12
Loss for the year from continuing operations		(853)	(1,877)
Discontinued operations			
Profit from discontinued operations, net of tax	11	172	220
Loss for the year		(681)	(1,657)
Loss for the year attributable to:			
Owners of the parent company		(713)	(1,713)
Non-controlling interest	25	32	56
		(681)	(1,657)
Loss for the year from continuing operations attributable to:			
Owners of the parent company		(853)	(1,877)
Non-controlling interest	25	-	-
		(853)	(1,877)
Profit for the year from discontinued operations attributable to:			
Owners of the parent company		140	164
Non-controlling interest	25	32	56
		172	220
Loss per Ordinary Share			
From continuing operations			
Basic and diluted, cents per share	12	(1.20)	(2.67)
From continuing and discontinued operations			
Basic and diluted, cents per share	12	(0.96)	(2.43)

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Tissue Regenix Group plc

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	2024 USD'000	2023 USD'000
Loss for the year	(681)	(1,657)
Other comprehensive (loss)/income		
Items that may be subsequently reclassified to profit or loss:		
Foreign currency translation differences	(181)	241
Foreign currency translation differences on discontinued operations	96	(46)
	(85)	195
Total comprehensive loss for the year	(766)	(1,462)

Total comprehensive loss for the year attributable to:		
Owners of the parent company	(798)	(1,518)
Non-controlling interest	32	56
	(766)	(1,462)
Total comprehensive loss for the year from continuing operations attributable to:		
Owners of the parent company	(938)	(1,682)
Non-controlling interest	-	-
	(938)	(1,682)
Total comprehensive profit for the year from discontinued operations attributable to:		
Owners of the parent company	140	164
Non-controlling interest	32	56
	172	220

Tissue Regenix Group plc

Consolidated Statement of Financial Position

As at 31 December 2024

	Notes	2024 USD'000	2023 USD'000
Assets			
Non-current assets			
Property, plant and equipment	13	8,115	5,748
Right-of-use assets	14	194	3,270
Intangible assets	15	15,767	15,135
		24,076	24,153
Current assets			
Inventory	16	14,006	10,358
Trade and other receivables	17	4,575	3,730
Corporation tax receivable		190	352
Cash and cash equivalents	18	1,870	4,650
Disposal group held for sale	19	629	-
		21,270	19,090
Total assets		45,346	43,243
Liabilities			
Non-current liabilities			
Loans and borrowings	21	(9,855)	(8,753)
Deferred tax	22	(280)	(400)
		(10,135)	(9,153)
Current liabilities			
Trade and other payables	20	(4,856)	(3,783)
Taxation payable		(602)	(310)
Loans and borrowings	21	(610)	(642)
Disposal group held for sale	19	(87)	-
		(6,155)	(4,735)
Total liabilities		(16,290)	(13,888)
Net assets		29,056	29,355
Equity			
Share capital	23	15,951	15,950
Share premium	24	134,356	134,253
Merger reserve	24	16,441	16,441
Reverse acquisition reserve	24	(10,798)	(10,798)
Reserve for own shares	24	(1,257)	(1,257)
Share-based payment reserve	24	1,069	1,088
Cumulative translation reserve	24	(1,848)	(1,763)
Retained deficit	24	(124,095)	(123,764)
Equity attributable to owners of the parent company		29,819	30,150
Non-controlling interest	25	(763)	(795)
Total equity		29,056	29,355

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 24 June 2025 and are signed on its behalf by:

Daniel Lee

Chief Executive Officer

Tissue Regenix Group plc
Consolidated Statement of Changes in Equity
For the year ended 31 December 2024

	Share capital USD' 000	Share premium USD' 000	Merger reserve USD' 000	Reserve acquisition reserve USD' 000	Reserve for own shares USD' 000	Share- based payment reserve USD' 000	Cumulative translation reserve USD' 000	Retained deficit USD' 000	Total USD' 000	Non-controlling interest USD' 000	Total equity USD' 000
At 31 December 2022	15,950	134,179	16,441	(10,798)	(1,257)	824	(1,958)	(122,129)	31,252	(851)	30,401
Transactions with owners in their capacity as owners: Exercise of share options	-	74	-	-	-	-	-	-	74	-	74
Transfer to retained deficit in respect of exercised and expired share options	-	-	-	-	-	(78)	-	78	-	-	-
Share-based payments	-	-	-	-	-	342	-	-	342	-	342
Total transactions with owners in their capacity as owners	-	74	-	-	-	264	-	78	416	-	416
Loss for the year	-	-	-	-	-	-	-	(1,713)	(1,713)	56	(1,657)
Other comprehensive income: Currency translation differences	-	-	-	-	-	-	241	-	241	-	241
Currency translation differences on discontinued operations	-	-	-	-	-		(46)	-	(46)		(46)
Total other comprehensive income for the year	-	-	-	-	-	-	195	-	195	-	195
Total comprehensive loss for the year	-	-	-	-	-	-	195	(1,713)	(1,518)	56	(1,462)
At 31 December 2023	15,950	134,253	16,441	(10,798)	(1,257)	1,088	(1,763)	(123,764)	30,150	(795)	29,355
Transactions with owners in their capacity as owners: Exercise of share options	1	103	-	-	-	-	-	-	104	-	104
Transfer to retained deficit in respect of exercised share options	-	-	-	-	-	(382)	-	382	-	-	-
Share-based payments	-	-	-	-	-	363	-	-	363	-	363
Total transactions with owners in their capacity as owners	1	103	-	-	-	(19)	-	382	467	-	467
Loss for the year	-	-	-	-	-	-	-	(713)	(713)	32	(681)
Other comprehensive loss: Currency translation differences	-	-	-	-	-	-	(181)	-	(181)	-	(181)
Currency translation differences on discontinued operations	-	-	-	-	-	-	96	-	96	-	96
Total other comprehensive loss for the year	-	-	-	-	-	-	(85)	-	(85)	-	(85)
Total comprehensive loss for the year	-	-	-	-	-	-	(85)	(713)	(798)	32	(766)
At 31 December 2024	15,951	134,356	16,441	(10,798)	(1,257)	1,069	(1,848)	(124,095)	29,819	(763)	29,056

Tissue Regenix Group plc
Consolidated Statement of Cash Flows
For the year ended 31 December 2024

	2024 USD'000	2023 USD'000
Operating activities		
Loss before taxation from continuing operations	(564)	(1,889)
Profit before taxation from discontinued operations	172	220
	(392)	(1,669)
Adjustments for:		
Finance income	(10)	(26)
Finance charges	923	1,301
Depreciation of property, plant and equipment	431	395
Depreciation of right-of-use assets	107	132

Amortisation of intangible assets	508	450
Share-based payments	363	342
Unrealised foreign exchange (gain)/loss	(20)	84
Operating cash inflow before movements in working capital	1,910	1,009
(Increase)/decrease in inventory	(3,840)	524
(Increase)/decrease in trade and other receivables	(930)	1,073
Increase/(decrease) in trade and other payables	1,182	(1,836)
Net cash (used in)/generated from operations	(1,678)	770
Research and development tax credits received	175	270
Taxation paid	(132)	-
Net cash (used in)/generated from operating activities	(1,635)	1,040
Investing activities		
Interest received	11	26
Purchase of property, plant and equipment	(3,299)	(413)
Capitalised development expenditure & purchase of intangible assets	(770)	(450)
Net cash used in investing activities	(4,058)	(837)
Financing activities		
Proceeds from exercise of share options	104	74
Proceeds from loans and borrowings	4,273	-
Repayment of loans and borrowings	(20)	(238)
Repayment of leases	(174)	(140)
Interest paid on loans and borrowings	(819)	(567)
Fees paid on loans and borrowings	-	(355)
Lease interest payments	(81)	(284)
Other interest payments	(4)	(2)
Net cash generated from/(used in) financing activities	3,279	(1,512)
Net decrease in cash and cash equivalents	(2,414)	(1,309)
Cash and cash equivalents at beginning of year	4,650	5,949
Effect of movements in exchange rates on cash held	(21)	10
Cash and cash equivalents at end of year	2,215	4,650
Continuing operations	1,870	4,338
Discontinued operations	345	312
	2,215	4,650

Tissue Regenix Group plc
Notes to the Consolidated Financial Statements
For the year ended 31 December 2024

1. Corporate information

Tissue Regenix Group plc (the 'Company' and, together with its subsidiaries, the 'Group') is a public company limited by shares, domiciled and incorporated in England and Wales under the Companies Act 2006. Its registered number is 05969271.

The address of the registered office is Unit 3, Phoenix Court, Lotherton Way, Garforth LS25 2GY.

The nature of the Group's operations and its principal activity is that of an international medical technology company focused on commercialising two platform technologies, dCELL, addressing soft tissue needs, and BioRinse, providing sterile bone and soft tissue allografts.

2. Adoption of new and revised standards

Standards adopted during the year

The Group has adopted all of the new or amended Accounting Standards and interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory and relevant to the Group's activities for the current reporting period.

The following new and revised Standards have been adopted but have not had any material impact on the amounts reported in these financial statements:

Amendments to IAS 1 - *Classification of liabilities as current or non-current*
Amendments to IFRS 16 - *Lease liability in a sale and leaseback*
Amendments to IAS 1 - *Non-current liabilities with covenants*
Amendments to IAS 7 and IFRS 7 - *Supplier finance arrangements*

Standards issued but not yet effective

Any new or amended Accounting Standards or interpretations that are not yet mandatory (and in some cases, had not yet been endorsed by the UK Endorsement Board) have not been early adopted by the Group for the year ended 31 December 2024. They are as follows:

Amendments to IAS 21 - *Lack of exchangeability*
Amendments to IFRS 10 and IAS 28 - *Sale or contribution of assets between an investor and its associate or joint venture*
IFRS 18 - *Presentation and disclosures in financial statements*
IFRS 19 - *Subsidiaries without public accountability: disclosures*
Amendments to the SASB standards to enhance their international applicability
Amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments
Annual improvements to IFRS accounting standards - Volume 11
IFRS S1 - *General requirements for disclosure of sustainability - related financial information*
IFRS S2 - *Climate-related disclosures*

The Directors have not yet considered the impact adoption of these Standards or interpretations in future periods will have on the financial statements of the Company or the Group.

3. Significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The financial statements are presented in United States dollars ('USD'). All amounts have been rounded to the nearest thousand, unless otherwise indicated.

As described below, the Directors continue to adopt the going concern basis in preparing the consolidated and the Company financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The preparation of the financial statements in compliance with UK-adopted International Accounting Standards requires management to make estimates and the Directors to exercise judgement in applying the Group's accounting policies. The significant judgements made by the Directors in the application of these accounting policies that have a significant impact on the financial statements and the key sources of estimation uncertainty are disclosed in note 4.

Going concern

The Group financial statements have been prepared on a going concern basis based on cash flow projections, approved by the Board for the Group, for the period to 31 December 2026 (the 'Cash Flow Projections'). Funding requirements are reviewed on a regular basis by the Group's Chief Executive Officer and Chief Financial Officer and are reported to the Board at each Board meeting, as well as on an ad hoc basis if requested. Until sufficient cash is generated from its operations, the Group remains reliant on cash reserves of USD1.9 million at 31 December 2024 and the ongoing support of MidCap (borrowings of USD7.4 million at 31 December 2024 with USD3.0 million additional credit available from February 2025), and other lending institutions (borrowings of USD3.0 million at 31 December 2024) to meet its working capital requirements, capital investment programme and other financial commitments.

In compiling the Cash Flow Projections, the Board has considered a downside scenario regarding the effect of reduced and delayed revenues due to slower market uptake of the Group's product offerings. The Cash Flow Projections prepared by the Board, including the downside scenario, indicate that the Group will still have cash reserves at the end of the forecast period. The Group's Cash Flow Projections assume that the MidCap revolving credit facility and other credit facilities are available throughout the forecast period. The availability of the MidCap facility is dependent upon compliance with a rolling 12-month revenue covenant that is measured on a monthly basis. The other credit facility contains a debt service covenant related to the CellRight Technologies, LLC business unit which is measured on an annual basis. The Cash Flow Projections, including the downside scenario, indicate compliance with these covenants throughout the forecast period.

In summary, the Directors have considered their obligations in relation to the assessment of the going concern basis for the preparation of the financial statements of the Group and have reviewed the Cash Flow Projections, including the downside scenario. On the basis of their assessment, they have concluded that the going concern basis remains appropriate for use in these financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary undertakings (together 'the Group') made up to 31 December each year.

Subsidiary undertakings are those entities controlled directly or indirectly by the Company. Control is achieved when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Non-controlling interest

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Losses applicable to the non-controlling interests are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Controlled joint venture

In January 2016, the Group entered a joint venture establishing GBM-V GmbH, a company incorporated in Germany. The Group controls the majority of the voting rights, and, consequently, the results for this entity are consolidated in full within these financial statements with the recognition of a non-controlling interest within equity.

Goodwill

Goodwill arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration payable and the fair value of the identifiable assets, liabilities and contingent liabilities acquired. Goodwill is tested annually for impairment as described below.

Foreign currencies

The individual financial statements of each component entity are presented in the currency of the primary economic environment in which the entity operates (the 'functional currency'). For the purposes of the consolidated financial statements, the results and the financial position of each Group entity are expressed in USD, which is the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the functional currency of each group company ('foreign currencies') are translated into the functional currency 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 into the functional currency at the rates prevailing on the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences are recognised in the profit or loss in the period in which they arise, except for foreign exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur and which, therefore, form part of the net investment in the foreign operation. Foreign exchange differences arising on the translation of the Group's net investment in foreign operations are recognised within the cumulative translation reserve via the statement of other comprehensive income. On disposal of foreign operations and foreign entities, the cumulative translation differences are recognised in the income statement as part of the gain or loss on disposal.

For the purpose of presenting company and consolidated financial statements, the assets and liabilities of the Company, and the Group's component entities that have a functional currency other than USD, are translated using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Foreign exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity. Equity items are translated at the exchange rates at the date of transactions, and foreign exchange differences arising, if any, are accumulated directly in equity.

On the disposal of a foreign operation (e.g. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation or a loss of joint control over a jointly controlled entity that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Where there is no change in the proportionate percentage interest in an entity then there has been no disposal or partial disposal, and accumulated exchange differences attributable to the Group are not reclassified to profit or loss.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity.

Research and development

Research costs are charged to profit and loss as they are incurred. An intangible asset arising from development expenditure on an individual project is recognised only when all of the following criteria can be demonstrated:

- It is technically feasible to complete the product, and management is satisfied that appropriate regulatory hurdles have been or will be achieved.
- Management intends to complete the product and use or sell it.
- There is an ability to use or sell the product.
- It can be demonstrated how the product will generate probable future economic benefits.
- Adequate technical, financial and other resources are available to complete the development or use or sell the product.
- Expenditure attributable to the product can be reliably measured.

Such intangible assets are amortised on a straight-line basis from the point at which the assets are ready for use over the period of the expected benefit and are reviewed for an indication of impairment at each reporting date. Other development costs are charged against profit or loss as incurred since the criteria for capitalisation are not met.

The costs of an internally generated intangible asset comprise all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Directly attributable costs include employee costs incurred on technical development, testing and certification, materials consumed and any relevant third-party costs. The costs of internally generated developments are recognised as intangible assets and are subsequently measured in the same way as externally acquired intangible assets. The assets are reviewed for indicators of impairment, but they are not amortised until completion of the development project.

Property, plant and equipment and right-of-use assets

Property, plant and equipment assets are stated at their historical cost of acquisition less any provision for depreciation or impairment.

Depreciation is provided on all property, plant and equipment assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Buildings	over 39 years
Laboratory equipment	over 5-7 years
Computer equipment	over 3 years
Fixtures and fittings	over 5 years

Land is not depreciated.

A right-of-use asset is recognised at commencement of the lease and initially measured at the amount of the lease liability plus any incremental costs of obtaining the lease and any lease payments made when or before the leased asset is available for use by the Group. The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. Right-of-use assets are depreciated over the shorter of the useful life of the asset and the lease term, unless the title to the asset transfers at the end of the lease term, in which case it is depreciated over the useful life.

Intangible assets

Intangible assets are stated at fair value at acquisition. They are subsequently held at cost less any provision for impairment or amortisation. Intangible assets are amortised through administrative expenses within the income statement over their expected useful life as follows:

Trademarks	over 5 years
Customer relationships	over 10 years
Process and information technology	over 10 years
Supplier agreements	over 5 years

Impairment of property, plant and equipment, right-of-use and intangible assets

Impairment of property, plant and equipment, right-of-use and intangible assets

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

In respect of goodwill and intangible assets with an indefinite life, the Group performs an annual impairment review as required by IAS 36.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ('CGUs')).

Discounted cash flow valuation techniques are generally applied for assessing recoverable amounts using Board- approved forward-looking cash flow projections and terminal value estimates, together with discount rates appropriate to the risk of the related CGUs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Inventories

Inventories are recognised at the lower of cost and net realisable value. Cost is determined using the first in, first out method and represents the purchase cost, including transport, for raw materials, together with a proportion of manufacturing overheads based on normal levels of activity for work in progress and finished goods. In cases where monetary amounts cannot be observed directly, judgements and assumptions are used to arrive at accounting estimates. The effect of any change in an accounting estimate is recognised by adjusting the carrying amount of inventory in the period of change.

Appropriate provisions for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the assets are impaired.

Non-current assets or disposal groups classified as held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. For non-current assets or assets of disposal groups to be classified as held for sale, they must be readily available for immediate sale in their present condition and their sale must be highly probable.

Such assets or disposal groups are generally measured at the lower of their carrying amount and fair value less costs of disposal.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increase in fair value less costs of disposal but not in excess of any cumulative impairment previously recognised.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale, and the assets of disposal groups classified as held for sale are presented separately on the face of the Statement of Financial Position, in current assets. When applicable, the liabilities of disposal groups classified as held for sale are presented separately on the face of the Statement of Financial Position, in current liabilities.

Share-based payments

Share options

Equity settled share-based payment transactions are measured with reference to the fair value at the date of grant, recognised on a straight-line basis over the vesting period, based on management's estimate of shares that will eventually vest. The fair value of options is measured using a binomial model where the performance conditions of grants are market-based, the Monte Carlo model where there are multiple performance conditions and the Black-Scholes model where there are non-market related performance conditions. See note 26 for more information on performance conditions.

At each reporting date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and the number of equity instruments that will ultimately vest. The movement in cumulative expense since the previous reporting date is recognised in the Consolidated Statement of Income, with a corresponding entry in equity.

The grant by the Company of options and share-based compensation plans over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

Jointly held shares

Where an employee acquires an interest in shares in the Company jointly with the Tissue Regenix Employee Share Trust, the fair value of the option at the purchase date is recognised on a straight-line basis over the vesting period. The fair value benefit is measured using a binomial valuation model, considering the terms and conditions upon which the jointly owned shares were purchased.

Financial assets and liabilities

Recognition of financial assets and financial liabilities

Financial assets and financial liabilities are recognised on the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument and are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets measured at fair value through profit or loss.

Financial assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial liabilities are subsequently measured at either amortised cost or fair value.

Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset only when the contractual rights to cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amount it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset or financial liability, a gain or loss is recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost. The measurement of the loss allowance depends upon management's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability-weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Trade and other receivables

Trade and other receivables do not carry any 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 management considers the probability of a default occurring over the contractual life of its trade receivables balances on initial recognition of those assets.

Impairment provisions are recognised for the Group as follows, representing the expected credit losses over the contracted life of these balances:

Not overdue	0% of aged receivables
0 - 3 months overdue	0% of aged receivables
3 - 4 months overdue	25% of aged receivables
4 - 5 months overdue	50% of aged receivables
Over 5 months overdue	100% of aged receivables

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.

Borrowings

Borrowings are interest-bearing and are initially recognised at fair value less the directly attributable costs of issue. They are subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash at hand and deposits on a term of not greater than three months. The Group places its funds with financial institutions with an A rating or higher.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

The costs of an equity transaction are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that would otherwise have been avoided.

Leases

On commencement of a contract that gives the Group the right to use assets for a period of time in exchange for consideration, the Group recognises a right-of-use asset and a lease liability unless the lease qualifies as a 'short-term' lease (where the term is 12 months or less with no option to purchase the leased asset) or a 'low-value' lease (where the underlying asset is USD5,000 or less when new).

The lease liability is initially measured at the present value of the lease payments during the lease term discounted using the interest rate implicit in the lease or the incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined. The lease term is the non-cancellable period of the lease plus extension periods that the Group is reasonably certain to exercise and termination periods that the Group is reasonably certain not to exercise. Lease payments include fixed payments less any lease incentives receivable, variable lease payments dependent on an index or a rate and any residual value guarantees.

The lease liability is subsequently increased for a constant periodic rate of interest on the remaining balance of the lease liability and reduced for lease payments. Interest on the lease liability is recognised in profit or loss. Variable lease payments not included in the measurement of the lease liability, as they are not dependent on an index or rate, are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Statement of Income except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Statement of Financial Position date.

Revenue

Revenue is measured as the fair value of the consideration received or receivable in exchange for transferring goods to a customer, net of discounts, VAT and other sales-related taxes. The Group recognises revenue when it transfers control over a good or service to a customer. In some instances, for a small proportion of the business, goods are held by third parties (e.g. hospitals) and revenue is recognised upon utilisation within surgical procedures.

Bill-and-hold sales

The Group has bill-and-hold arrangements with customers, and this revenue is recognised when the Group considers that performance obligations have been met and they meet the following criteria:

- The reason for the bill-and-hold arrangement must be substantive (usually, the arrangement has been requested by the customer to facilitate their shipping arrangements).
- The product must be identified separately as belonging to the customer (that is, it cannot be used to satisfy other orders).

- The product must be ready for physical transfer to the customer.
- The Group cannot have the ability to use the product or direct it to another customer.

Strategic review expenses

Strategic review expenses comprise all expenditure incurred in respect of projects undertaken by management for the development of strategic plans for the Group. This includes any associated third-party professional adviser costs, and all such costs would be incremental to the Group's usual administrative costs.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments and making strategic decisions, has been identified as the Board of Directors.

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group, and which:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single co-ordinated plan to dispose of a major separate line of business or geographic area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

The results of discontinued operations are presented separately on the face of profit or loss and other comprehensive income. The comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of the assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

The following are the critical judgements and estimations that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Recoverability of non-current assets

The Directors are required by IAS 36 *Impairment of assets* to carry out an annual impairment review in respect of goodwill to determine whether there was any requirement for an impairment provision in respect of the Group's goodwill at 31 December 2024.

The carrying amount of non-current assets at 31 December 2024 was USD24.1 million (2023: USD24.2 million).

Critical judgements

The Group's non-current assets include intangible assets and goodwill arising on the acquisition of CellRight Technologies LLC, plus certain property, plant and machinery and right-of-use assets. It is the Directors judgement that the recoverable amount of these assets cannot be determined individually and that this is the smallest identifiable group of assets whose output has an active market and which generate largely independent cash flows from other assets or group of assets. It is, therefore, the Directors judgement that these assets should be considered to be a single cash generating unit ('CGU'). Only the assets included in the CGU are subject to impairment review.

Estimations

The aggregate carrying value of the CGU was assessed for impairment based on value in use, which requires the Directors to estimate the future cash flows expected to arise from the CGU using a suitable discount rate in order to calculate present value. The future cash flows expected to arise were calculated using a discount rate of 18.3% (2023: 18.3%) based on the weighted average cost of capital.

The impairment test indicated that the recoverable amount was at least equal to the carrying amount of the assets and, therefore, no provision for impairment was required at 31 December 2024 (2023: nil). See note 15.

The key inputs to the cash flow forecast are revenues, gross margin and overheads, future anticipated capital expenditure and movements in working capital. The key estimation relates to sales growth, which is inherently difficult to forecast in a rapidly growing market, and it is possible that any or all of these key assumptions may change, which may then impact the estimated recoverable amount of the CGU and require a material adjustment to the carrying value of the assets in future periods.

Inventory

Critical judgements

Inventories are recognised at the lower of cost and net realisable value. Cost is determined using the first in, first out method and represents the purchase cost, including transport, for raw materials, together with a proportion of manufacturing overheads based on normal levels of activity for work in progress and finished goods. At 31 December 2024, the Directors made a judgement with regard to the costs used in determining the value of the Group's inventory, and determined that certain costs not previously included should now form part of the carrying amount of inventory.

Estimates

The effect of any change in an accounting estimate is recognised by adjusting the carrying amount of inventory in the period of change, and the total impact at 31 December 2024 was to increase the carrying value of inventory by USD1.3 million.

Classification and recoverability of a disposal group

Critical judgements

At 31 December 2024, the Directors had undertaken an active plan to dispose of its controlling interest in the assets and liabilities of GBM-V GmbH. The Directors consider that the net assets are available for immediate sale in their present condition, and that a sale is highly probably within twelve months. As a result, the Directors consider the assets and liabilities meet the definition of a disposal group held for sale under IFRS 5 and have reclassified them as such at 31 December 2024. See note 19.

Estimates

In accordance with the measurement criteria of IFRS 5, the disposal group held for sale has been measured at the lower of its carrying amount and fair value less costs to sell. The Directors have based their estimation of fair value on indicative offers received to date and the offer most likely to proceed to completion. As a result, no impairment loss was recognised on classification as a disposal group held for sale.

Discontinued operations

Critical judgements

GBM-V GmbH is considered to represent a component of the Group which represents a separate geographical area of operations and whose cash flows can be clearly distinguished from the rest of the Group. The Directors, therefore, consider that it meets the criteria of IFRS 5 to be presented as discontinued operations at the time the assets and liabilities meet the criteria to be classified as held for sale.

Discontinued operations have been presented as a single amount on the face of the Consolidated Statement of Income and Statement of Comprehensive Income. The Consolidated Statement of Income and Statement of Comprehensive Income for the prior period has been restated to conform to this presentation. See note 11.

5. Segmental information

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

	Continuing 2024 USD'000	Continuing 2023 USD'000
US	27,581	25,327
Rest of World	1,065	989
	28,646	26,316

Analysis of revenue by customer

During the year ended 31 December 2024, the Group had one customer who individually exceeded 10% of revenue. This customer generated 23% of revenue (2023: one customer who generated 13% of revenue).

Operating segments

In accordance with IFRS 8, the Group has derived the information for its operating segments using the information used by the chief operating decision-maker, who has been identified as the Board of Directors.

Subsequent to the operations of GBM-V being classified as discontinued operations, the Board of Directors has determined that the Group has two operating segments for internal management, reporting and decision-making purposes, namely dCELL and BioRinse.

Central overheads, which primarily relate to operations of the Group function, are not allocated to an operating segment.

Revenue from all operating segments derives from the sale of biological medical devices.

Refer to the Business Overview on page 2 for more details on the Group's operating segments and operations.

Segmental information is presented below.

	dCELL 2024 USD'000	BioRinse 2024 USD'000	Central 2024 USD'000	Total 2024 USD'000
Statement of Income				
Continuing operations				
Revenue	7,634	21,012	-	28,646
Gross profit	3,739	9,882	-	13,621
Depreciation	(3)	(470)	(62)	(535)
Amortisation	-	(451)	(57)	(508)
Operating profit/(loss)	827	2,822	(3,300)	349
Net finance income/(charges)	4	(920)	3	(913)
Profit/(loss) before taxation	831	1,902	(3,297)	(564)
Taxation	(168)	(121)	-	(289)
Profit/(loss) for the year	663	1,781	(3,297)	(853)

	dCELL 2023 USD'000	BioRinse 2023 USD'000	Central 2023 USD'000	Total 2023 USD'000
Statement of Income				
Continuing operations				
Revenue	6,183	20,133	-	26,316
Gross profit	2,839	10,141	-	12,980
Depreciation	(4)	(423)	(84)	(511)
Amortisation	-	(450)	-	(450)
Operating profit/(loss)	340	1,838	(2,792)	(614)
Net finance income/(charges)	4	(1,296)	17	(1,275)
Profit/(loss) before taxation	344	542	(2,775)	(1,889)
Taxation	202	(190)	-	12
Profit/(loss) for the year	546	352	(2,775)	(1,877)

	dCELL 2024 USD'000	BioRinse 2024 USD'000	GBM-V (held for sale) 2024 USD'000	Central 2024 USD'000	Total 2024 USD'000
Statement of Financial Position					
Non-current assets	2,436	21,487	-	153	24,076
Current assets	4,085	16,082	629	474	21,270
Total assets	6,521	37,569	629	627	45,346
Non-current liabilities	-	(10,135)	-	-	(10,135)
Current liabilities	(920)	(4,504)	(87)	(644)	(6,155)
Total liabilities	(920)	(14,639)	(87)	(644)	(16,290)
Net assets	5,601	22,930	542	(17)	29,056
Capital expenditure	-	184	6	59	249
Additions to intangible assets	531	237	-	2	770

	dCELL 2023 USD'000	BioRinse 2023 USD'000	GBM-V 2023 USD'000	Central 2023 USD'000	Total 2023 USD'000
Statement of Financial Position					

Position

Non-current assets	1,946	21,987	6	214	24,153
Current assets	5,030	12,649	807	604	19,090
Total assets	6,976	34,636	813	818	43,243
Non-current liabilities	-	(9,123)	-	(30)	(9,153)
Current liabilities	(693)	(3,345)	(200)	(497)	(4,735)
Total liabilities	(693)	(12,468)	(200)	(527)	(13,888)
Net assets	6,283	22,168	613	291	29,355
Capital expenditure	165	167	9	54	395
Additions to intangible assets	334	116	-	-	450

6. Finance income

	Continuing 2024 USD'000	Continuing 2023 USD'000
Bank interest receivable	9	24
Other interest received	1	2
	10	26

7. Finance charges

	Continuing 2024 USD'000	Continuing 2023 USD'000
Interest on loans and borrowings	797	603
Fees on loans and borrowings	-	248
Interest on lease liabilities	81	284
Amortisation of debt cost	41	163
Other interest paid	4	3
	923	1,301

8. Loss on ordinary activities before taxation

The loss before taxation for the year has been arrived at after charging:

	Continuing 2024 USD'000	Continuing 2023 USD'000
Depreciation of property, plant and equipment	428	379
Depreciation of right-of-use assets	107	132
Amortisation of intangible assets	508	450
Rentals subject to 'short lease' exemption	6	6
Expensed inventory	11,833	9,702
Staff costs including share-based payments	10,037	8,035
Strategic review expenses*	124	-
Foreign exchange losses	53	15
Auditor's remuneration:		
Fees payable for the audit of the parent company and consolidated financial statements	96	74
Fees payable for the audit of subsidiary entity financial statements pursuant to legislation	78	70
	174	144

*Strategic review expenses relate to costs incurred in respect of the Boards review of the Company's strategic options as announced in November 2024. It includes associated third-party professional adviser costs which are incremental to the Group's usual administrative costs.

9. Staff costs

The average monthly number of employees (including Directors) was:

	Continuing 2024 Number	Continuing 2023 Number
Directors	6	6
Laboratory and administration staff	86	76
	92	82

Their aggregate remuneration comprised:

	Continuing 2024 USD'000	Continuing 2023 USD'000
Wages and salaries	9,644	8,791

Wages and salaries	9,644	8,791
Social security costs	574	559
Other pension costs	37	34
Share-based payments	363	342
	10,618	9,726

Included within wages and salaries are other staff benefits provided to employees. The cost of providing these benefits is USD0.6 million (2023: USD0.6 million).

Included within group salaries is USD38,824 capitalised to development costs, and USD0.6 million included within the carrying value of inventory.

Refer to the Directors' Remuneration Report for details regarding the remuneration of the highest paid Director and the total amounts for Directors' remuneration in accordance with Schedule 5 to the Accounting Regulations.

10. Taxation

	Continuing 2024 USD'000	**Continuing 2023 USD'000**
Current tax:		
UK R&D tax credit	(15)	(202)
Adjustments in respect of prior periods	(206)	-
Foreign taxation	630	310
	409	108
Deferred tax:		
Origination and reversal of temporary differences	(120)	(120)
Tax charge/(credit) for the year	289	(12)

The charge/(credit) for the year can be reconciled to the loss per the Consolidated Statement of Income as follows:

	Continuing 2024 USD'000	**Continuing 2023 USD'000**
Loss on ordinary activities before tax	(395)	(1,889)
Loss multiplied by the standard rate of corporation tax for UK companies of 25% (2023: 23.52%)	(99)	(444)
Effects of:		
Surrender of tax losses for R&D tax credit refund	119	233
Deduction for R&D expenditure	(27)	(115)
Remeasurement of deferred tax for changes in tax rates	(206)	(22)
Adjustments in respect of prior period current and deferred tax	(10)	122
Movement in deferred tax not recognised on unutilised tax losses	(101)	226
Expenses not deductible for tax purposes	733	108
Origination and reversal of timing differences	(120)	(120)
Tax charge/(credit) on loss for the year	289	(12)

The enacted UK corporation tax rate of 25% forms the basis for the UK element of the deferred tax calculation following the UK budget in 2021, when the Chancellor announced an increase to the main rate of corporation tax in the UK to 25% from April 2023.

Unrelieved tax losses carried forward, as detailed below, have not been recognised as a deferred tax asset as there is currently insufficient evidence that the asset will be recoverable in the foreseeable future. The losses are related to UK operations and must be utilised in relation to the same operations.

	Continuing 2024 USD'000	**Continuing 2023 USD'000**

Tax losses		
Losses available to carry forward	60,898	60,361
Unrecognised deferred tax asset at 25% (2023: 25%)	15,224	15,090

11. Discontinued operations

During the year ended 31 December 2024, the Board took the decision that the operations of the Group's not-for-profit joint venture, GMB-V, were not strategic to the operation of the business and were, therefore, committed to a plan to sell the operations or group of assets, and an active programme to locate a buyer and complete a sale was undertaken.

The operations of GMB-V have been presented as discontinued operations for the year ended 31 December 2024. A single amount is presented on the face of the Consolidated Statement of Income, comprising the post-tax result of discontinued operations. The Consolidated Statement of Income for the prior period has been restated to conform to this presentation.

The results of the discontinued operations, which have been included in the Consolidated Statement of Income for the year ended 31 December 2024, were as follows:

	2024 USD'000	2023 USD'000
Revenue	3,114	3,177
Cost of sales	(2,104)	(2,117)
Gross profit	1,010	1,060
Administrative expenses	(835)	(824)
Depreciation	(3)	(16)
Profit before taxation	172	220
Taxation	-	-
Profit from discontinued operations, net of tax	172	220
Profit per Ordinary Share		
Basic and diluted, cents per share	0.20	0.24

During the year, the discontinued operations contributed USD59,567 inflow (2023: USD129,678 inflow to the Group's net cash inflow) to the Group's net cash outflow from operating activities, USD6,056 (2023: USD9,056) to outflow from investing activities and USD nil (2023: nil) to net cash inflow from financing activities.

12. Loss per Ordinary Share

Basic loss per Ordinary Share is calculated by dividing the net loss for the year attributable to owners of the parent company by the weighted average number of Ordinary Shares in issue during the year, excluding own shares held jointly by the Tissue Regenix Employee Share Trust and certain employees.

Due to the losses incurred from continuing operations in the years reported, there is no dilutive effect from the existing share options and jointly owned shares.

The calculation of the basic and diluted loss per Ordinary Share is based on the following data:

	Continuing operations 2024 USD'000	Continuing and discontinued operations 2024 USD'000	Continuing operations 2023 USD'000	Continuing and discontinued operations 2023 USD'000
Losses				
Losses for the purpose of basic and diluted loss per Ordinary Share being net loss for the year attributable to owners of the parent company	(853)	(681)	(1,877)	(1,713)
	Number	**Number**	**Number**	**Number**
Number of shares				
Weighted average number of Ordinary Shares for the purpose of basic and diluted loss per Ordinary Share	70,994,026	70,994,026	70,426,760	70,426,760
Basic and diluted, cents per share	(1.20)	(0.96)	(2.67)	(2.43)

The Company has options issued over 2,532,440 (2023: 2,585,537) Ordinary Shares and warrants issued over 30,968 (2023: 30,968) Ordinary Shares, and there are 161,128 (2023: 161,128) jointly owned shares that are potentially dilutive. See note 26.

13. Property, plant and equipment

	Land and	Laboratory	Fixtures and	Computer

	buildings USD'000	equipment USD'000	fittings USD'000	equipment USD'000	Total USD'000
Cost					
At 31 December 2022	5,093	3,036	970	1,045	10,144
Additions	18	135	10	232	395
Disposal	-	(11)	-	(2)	(13)
Exchange adjustment	-	75	40	38	153
At 31 December 2023	5,111	3,235	1,020	1,313	10,679
Reclassification	-	-	-	(517)	(517)
Exercise of option to purchase	3,340	-	-	-	3,340
Additions	45	183	14	7	249
Disposal	-	(3)	(52)	(118)	(173)
Assets held for sale	-	(111)	(78)	(25)	(214)
Exchange adjustment	-	(33)	(18)	(11)	(62)
At 31 December 2024	8,496	3,271	886	649	13,302
Depreciation					
At 31 December 2022	378	2,315	917	794	4,404
Charge for the period	132	193	17	53	395
Disposal	-	(11)	-	(2)	(13)
Exchange adjustment	-	73	39	33	145
At 31 December 2023	510	2,570	973	878	4,931
Reclassification	-	-	-	(107)	(107)
Exercise of option to purchase	371	-	-	-	371
Charge for the period	197	206	14	11	428
Discontinued operations	-	3	-	-	3
Disposal	-	(3)	(52)	(118)	(173)
Assets held for sale	-	(111)	(72)	(22)	(205)
Exchange adjustment	-	(32)	(17)	(12)	(61)
At 31 December 2024	1,078	2,633	846	630	5,187
Carrying amount					
At 31 December 2024	7,418	638	40	19	8,115
At 31 December 2023	4,601	665	47	435	5,748
At 31 December 2022	4,715	721	53	251	5,740

Property, plant and equipment with a carrying amount of USD5.2 million (2023: USD5.7 million) have been pledged to secure borrowings of the Group. The Group is not permitted to pledge these assets as security for other borrowings or to sell them to another entity.

Reclassification

During the year ended 31 December 2024, certain assets previously classified as computer equipment were reclassified as intangible assets. See note 15.

Option to purchase

In June 2024, the Group exercised an option to purchase 1740 Universal City Boulevard, San Antonio, a property previously held as a right-of-use asset under the terms of a lease. The cost and accumulated depreciation of the building have been reclassified from right-of-use assets. See note 14.

The carrying value of the property at 31 December 2024 was USD2.9 million on which the Bank of San Antonio has a first lien security interest, Universal City Business Park LLC has a second lien security lien and MidCap holds a third lien security interest. See note 21.

14. Right-of-use assets

	Land and buildings USD'000	Laboratory equipment USD'000	Total USD'000
Cost			

At 31 December 2022	3,545	-	3,545
Additions	-	195	195
Exchange adjustment	10	-	10
At 31 December 2023	3,555	195	3,750
Exercise of option to purchase	(3,340)	-	(3,340)
Exchange adjustment	(3)	-	(3)
At 31 December 2024	212	195	407
Depreciation			
At 31 December 2022	342	-	342
Charge for the period	128	4	132
Exchange adjustment	6	-	6
At 31 December 2023	476	4	480
Charge for the period	78	29	107
Exercise of option to purchase	(371)	-	(371)
Exchange adjustment	(3)	-	(3)
At 31 December 2024	180	33	213
Carrying amount			
At 31 December 2024	32	162	194
At 31 December 2023	3,079	191	3,270
At 31 December 2022	3,203	-	3,203

Option to purchase

At 31 December 2023, the Group had a ten-year fixed lease over US land and buildings, which included an option to purchase within the first five years, being up to November 2024. The Directors considered the potential cash outflow arising as a result of financing the option to purchase against the potential cost of ongoing lease payments, the potential market value of the property, which an independent appraisal indicated would be in excess of the fixed option exercise price, and the commercial advantages of taking ownership and control of the property. As a result, the Directors decided that it would be beneficial to exercise the option to purchase and this was completed in June 2024. The cost and accumulated depreciation of the building have been reclassified as property, plant and equipment. See note 13.

15. Intangible assets

	Development costs USD'000	Computer software USD'000	Goodwill USD'000	Customer relationships USD'000	Trademarks USD'000	Process and information technology USD'000	Supplier agreements USD'000	Total USD'000
Cost								
At 31 December 2022	2,579	-	19,458	3,000	799	1,500	600	27,936
Additions	450	-	-	-	-	-	-	450
Exchange adjustment	136	-	-	-	-	-	-	136
At 31 December 2023	3,165	-	19,458	3,000	799	1,500	600	28,522
Reclassification	-	517	-	-	-	-	-	517
Additions	768	2	-	-	-	-	-	770
Disposal	(1,238)	-	-	-	-	-		(1,238)
Exchange adjustment	(40)	(2)	-	-	-	-	-	(42)
At 31 December 2024	2,655	517	19,458	3,000	799	1,500	600	28,529
Amortisation								
At 31 December 2022	1,176	-	7,871	1,619	799	810	600	12,875
Charge for the period	-	-	-	300	-	150	-	450
Exchange adjustment	62	-	-	-	-	-	-	62
At 31 December 2023	1,238	-	7,871	1,919	799	960	600	13,387
Reclassification	-	107	-	-	-	-	-	107
Charge for the period	-	58	-	300	-	150	-	508
Disposal	(1,238)	-	-	-	-	-	-	(1,238)
Exchange adjustment	-	(2)	-	-	-	-	-	(2)
At 31 December 2024	-	163	7,871	2,219	799	1,110	600	12,762
Carrying amount								
At 31 December	2,655	354	11,587	781	-	390	-	15,767

2024								
At 31 December 2023	1,927	-	11,587	1,081	-	540	-	15,135
At 31 December 2022	1,403	-	11,587	1,381	-	690	-	15,061

Development costs represent expenditure on clinical evaluation studies relating to the Group's products. The assets are reviewed for indicators of impairment but are not amortised until completion of the development project.

Computer software represents third-party purchased software which is amortised over 3 years, and software development costs which are reviewed for indicators of impairment but are not amortised until completion of the development project.

Goodwill, customer relationships, trademarks, process and information technology and supplier agreements relate to the acquisition of CellRight Technologies LLC in 2017.

Goodwill represents the excess of the consideration paid over the fair value of the assets acquired.

Customer relationships represent the fair value attributed to the customer base existing on acquisition. The carrying value of these assets is USD0.8 million, and the remaining useful life is 2.6 years.

Trademarks relate to registered trademarks acquired in the acquisition, which have now been amortised in full.

Process and information technology represent the fair value attributed to in-house developed technology for each product group, 'trade secrets' and in-house developed information technology. The carrying value of these assets is USD0.4 million, and the remaining useful life is 2.6 years.

Supplier agreements relate to agreements for the supply of human tissue, which have now been amortised in full.

The assets acquired on the acquisition of CellRight Technologies are subject to annual impairment testing as described below.

Reclassification

During the year ended 31 December 2024, certain assets previously classified as property, plant and equipment were reclassified as intangible assets. See note 13.

Impairment of intangible assets

The Group considers the assets arising on the acquisition of CellRight Technologies LLC to be a single CGU and tests for impairment on an annual basis, or more frequently where there are any indicators of impairment. The aggregate carrying value is compared against the expected recoverable amount of the unit by reference to the present value of the future net cash flow expected to be derived from the asset, its value in use.

Value in use is estimated based on future cash flow discounted to present value using a pre-tax discount rate of 18.3% (2023: 18.3%), which still reflects increases in the risk-free interest rate inherent in the calculation of the weighted average cost of capital. An impairment charge arises where the carrying value exceeds the value in use.

The inputs into cash flow forecasts are based on the most recent budgets/forecasts approved and reviewed by the Directors for the following year, extended forward for the next four years based on expected growth within the CGU over that period. At the end of year five, a terminal value is calculated using a long-term growth assumption of 2% (2023: 2%).

The key inputs to the cash flow forecasts are:

- revenues (based on estimates of revenue growth with both new and existing customers based on an understanding of the needs of those customers and having regard to independent market assessments of market growth);
- gross margin and overheads (based on existing gross margins and adapted for appropriate increases based on the anticipated growth of the business);
- future anticipated capital expenditure (adjusted based on expected future growth); and
- movements in working capital.

The key assumption within the cash flow forecasts relates to sales growth which is inherently difficult to forecast in a rapidly growing market. Across the five-year forecast period, the compound annual growth rate ('CAGR') is 16.8% (2023: 20.5%).

At 31 December 2024, the impairment test prepared by the Directors indicates a recoverable amount based on value in use of USD74 million (2023: USD68.2 million) compared with a CGU carrying amount of USD33.5 million (2023: USD32.6 million). The Directors, therefore, do not consider that an impairment charge is appropriate for the year ended 31 December 2024 (2023: nil). However, in drawing this conclusion, the Directors note the importance of achieving the anticipated CAGR and have calculated that an impairment arises in the event that the CAGR falls to 5.2% (2023: 12.4%) across the five-year period.

16. Inventory

	2024 USD'000	2023 USD'000

	USD'000	USD'000
Raw materials and consumables	6,715	4,518
Work in progress	6,411	5,133
Finished goods, including goods for resale	880	707
	14,006	10,358

Inventory of finished goods, including goods for resale, is presented net of a provision of USD0.2 million (2023: USD0.2 million).

At 31 December 2024, the Group has recognised the impact of a change in accounting estimates in the carrying amount of inventory. The change arose as a result of a change in the measurement technique used for inventory and resulted in an increase of USD1.3 million in the carrying value at 31 December 2024.

17. Trade and other receivables

	2024 USD'000	2023 USD'000
Trade receivables	3,653	3,027
VAT recoverable	195	49
Other receivables	54	77
Prepayments and accrued income	673	577
	4,575	3,730

The Directors consider that the carrying amount of trade and other receivables approximates to their fair values.

	2024 USD'000	2023 USD'000
Trade receivables	3,740	3,087
Less: allowance for expected credit losses	(87)	(60)
	3,653	3,027

Allowance for expected credit losses

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss Rate	Carrying amount 2024 USD'000	Allowance for expected credit losses 2024 USD'000	Carrying amount 2023 USD'000	Allowance for expected credit losses 2023 USD'000
Not overdue	0%	3,285	-	2,835	-
0-3 months overdue	0%	86	-	161	-
3-4 months overdue	25%	20	6	5	1
4-5 months overdue	50%	117	29	35	8
Over 5 months overdue	100%	232	52	51	51
		3,740	87	3,087	60

The average credit term with customers is 40 days (2023: 40 days).

Movements in the impairment allowance for trade receivables are as follows:

	2024 USD'000	2023 USD'000
At 1 January	60	84
Increase during the year	117	120
Receivables written off during the year as uncollectable	(8)	(31)
Unused amounts reversed	(82)	(113)
At 31 December	87	60

18. Cash and cash equivalents

Cash and cash equivalents held by the Group at 31 December 2024 were USD1.9 million (2023: USD4.7 million). The Directors consider that the carrying amount of these assets approximates to their fair value and do not believe that the Group is exposed to any significant credit risk on its cash.

19. Disposal group held for sale

During the year ended 31 December 2024, the Board took the decision that the operations of the Group's not-for-profit joint venture, GMB-V, were not strategic to the operation of the business and were, therefore, committed to a plan to sell the operations or group of assets, and an active programme to locate a buyer and complete a sale was undertaken.

At 31 December 2024, assets and liabilities of GMB-V, the sale of which is highly probably to take place within twelve months, have been classified as a disposal group held for sale and presented separately in the Statement of Financial Position.

In accordance with the measurement criteria of IFRS 5, the disposal group held for sale has been measured at the lower of its carrying amount and fair value less costs to sell. The Directors have based their estimation of fair value on indicative offers received to date and the offer most likely to proceed to completion. As a result, no impairment loss was recognised on classification as a disposal group held for sale.

classification as a disposal group held for sale.

At 31 December 2024, the disposal group comprised the following assets and liabilities:

	USD'000
Carrying value	
Plant and equipment	9
Inventory	192
Trade and other receivables	83
Cash and cash equivalents	345
	629
Trade and other payables	(87)
Carrying value under IFRS 5	542

20. Trade and other payables

	2024 USD'000	**2023 USD'000**
Trade payables	2,714	1,207
Taxes and social security	34	35
Accruals	2,108	2,541
	4,856	3,783

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

The Group has financial risk management policies to ensure that all payables are paid within the credit time frame and no interest is generally charged on balances outstanding.

21. Loans and borrowings

	2024 USD'000	**2023 USD'000**
MidCap term loan	1,542	2,000
MidCap revolving credit	5,829	4,148
	7,371	6,148
Capitalised debt issue costs	(122)	(163)
Net MidCap borrowings	7,249	5,985
Other borrowings	3,030	-
Lease liabilities	186	3,410
	10,465	9,395

	2024 USD'000	**2023 USD'000**
Current loans and borrowings		
MidCap borrowings	500	458
Other borrowings	45	-
Lease liabilities	65	184
	610	642
Non-current loans and borrowings		
MidCap borrowings	6,749	5,527
Other borrowings	2,985	
Lease liabilities	121	3,226
	9,855	8,753
	10,465	9,395

Remaining contractual maturity analysis

The following table details the Group's remaining contractual maturity for its loans and borrowings. The table has been drawn up based on the undiscounted cash flows based on the earliest date on which the loans and borrowings are required to be paid. The table includes both principal and interest cash flows.

	2024 USD'000	**2023 USD'000**
Maturity analysis		
Less than 6 months	773	762
6 months to 1 year	765	794
1 year to 2 years	1,469	4,211
2 years to 5 years	10,495	6,275
	13,502	12,042

The movement in loans and borrowings during the year was:

	2024 USD'000	**2023 USD'000**
At 1 January	9,395	9,608
Cash flows - financing activities - loans and borrowings - advances	4,273	-
Cash flows - financing activities - loans and borrowings repayments	(194)	(378)
Cash flows - investing activities		

Cash flows - investing activities - exercise of option	(3,050)	-
Non-cash movements - additions to right-of-use assets	-	195
Non-cash movements - movement in amortised loan costs	41	(35)
Non-cash movements - net effect of foreign exchange	-	5
At 31 December	10,465	9,395

MidCap facility

In June 2019, the Group signed a US bank facility with MidCap, the terms of which were revised in January 2023 as follows:

- The facility includes a term loan and a revolving credit facility, which originally incurred interest at LIBOR rate plus 6.75% and LIBOR rate plus 4.5% respectively. The LIBOR rate was replaced by Secured Overnight Financing Rate ('SOFR') when LIBOR was discontinued. The floor SOFR rate is 3%.
- The extension of the maturity date of both the term loan and the revolving credit facility to 1 January 2028. The term loan is being repaid over 48 months commencing February 2024.
- An early payment of the exit fee of USD0.25 million (initially due on 1 June 2024) relating to the USD5.5 million term loan which was repaid in 2019. This fee was charged against the revolving credit facility in the year ended 31 December 2023. An exit fee of 4.5% on the remaining balance of the term loan (USD0.09 million) will be due on maturity or earlier settlement if applicable.
- An increase in the funds available under the terms of the revolving credit facility up to USD10 million (with a fee payable in respect of each facility expansion of 0.5%).

Debt issue costs are capitalised against the loan and are amortised over the life of the facilities. No costs were capitalised during the year ended 31 December 2024 (2023: USD0.2 million).

In June 2024, Midcap released its collateral claim on 1740 Universal City Boulevard and now has a third lien security interest on this property. See note 13. In respect of the term loan, Midcap now has a first lien security interest in all assets of the Company other than this property. The carrying amount of these assets at 31 December 2024 is USD5.2 million (2023: USD4.6 million). See note 13.

In June 2024, the Group exercised its option to increase the revolving line of credit by USD1.0 million to USD6.0 million to support the working capital growth of the business. This was further increased by USD1.0 million to USD7.0 million in February 2025.

The revolving credit is subject to a rolling 12-month revenue covenant, which is measured on a monthly basis. The Group was in full compliance with the terms of the covenant in the periods reported.

Other borrowings

In June 2024, the Group exercised an option to purchase 1740 Universal City Boulevard, San Antonio, US., a property previously subject to the terms of a lease. See note 14.

The exercise price of the option was USD3.1 million which was financed by further borrowing as follows:

- Under the terms of an agreement dated 13 June 2024, the Group received a loan of USD 2.6 million from the Bank of San Antonio. The loan bears interest at a rate of 7.29% and the principal and accrued interest are repayable by monthly payments of USD18,983 commencing June 2024 until June 2029 ('the Maturity date'). At the maturity date, the entire principal and accrued interest remaining is payable in full. The Bank of San Antonio has a first lien security interest in the property. See note 13.

  The borrowings have an annual debt service covenant and the Group was in full compliance with the terms of the covenant in the periods reported
- Under the terms of an agreement dated 13 June 2024, the Group received a loan of US 0.5 million from Universal City Business Park, LLC. The loan bears interest at a rate of 8.25% and the principal and accrued interest are repayable by monthly payments of USD3,607, commencing 1 August 2024 until 1 July 2029 ('the Maturity date'). At the maturity date, the entire principal and accrued interest remaining is payable in full. Universal City Business Park, LLC has a second lien security interest in the property. See note 13.

Lease liabilities

The Group leases properties used for its operations in the UK and the US.

- UK land and buildings: Five-year fixed lease, which included a break clause in 2023 not exercised.
- US property, plant and equipment: Five-year fixed leases.

The Group's average effective borrowing rate for leases at 31 December 2024 was 9.6% (2023: 9%).

Disclosure of additions to and carrying amounts of right-of-use assets by class has been provided in note 14.

At 31 December 2023, the Group had a ten-year fixed lease over US land and buildings, which included an option to purchase within the first five years, being up to November 2024. The Directors considered the potential cash outflow arising as a result of financing the option to purchase against the potential cost of ongoing lease payments, the potential market value of the property, which an independent appraisal indicated would be in excess of the fixed option exercise price, and the commercial advantages of taking ownership and control of the property. As a result, the Directors decided that it would be beneficial to exercise the option to purchase and this was completed in June 2024.

Effect of leases on financial performance

	2024 USD'000	2023 USD'000
Depreciation of right-of-use assets	107	132
Interest expense	81	284
	188	416

22. Deferred tax liabilities

	2024 USD'000	2023 USD'000
At 1 January	400	520
Release to the income statement	(120)	(120)
At 31 December	280	400

The deferred tax liability relates to intangible assets recognised on the acquisition of CellRight Technologies LLC. See note 15.

23. Share capital

	2024 USD'000	2023 USD'000
Allotted, issued and fully paid		
Ordinary Shares of 0.1 pence	92	91
Deferred Shares of 0.4 pence	6,783	6,783
Deferred Shares of 9.9 pence	9,076	9,076
	15,951	15,950

As permitted by the provisions of the Companies Act 2006, the Company does not have an upper limit to its authorised share capital.

The Ordinary Shares are fully paid and entitle the holder to full voting rights, to full participation and to distribution of dividends.

The Deferred Shares are not listed on the Alternative Investment Market ('AIM') of the London Stock Exchange, do not give the holders any right to receive notice of, or to attend or vote at, any general meetings and have no entitlement to receive a dividend or other distribution other than to a return of capital in the event of a winding up (and only after the holders of the Ordinary Shares have received the sum of £1 million per share).

On 28 April 2023, the Company consolidated every 100 Ordinary Shares of 0.1 pence each into one 'Consolidated Ordinary Share of 10 pence each'. Immediately following the consolidation, each Consolidated Ordinary Share was subdivided into one New Ordinary Share of 0.1 pence each and one New Deferred Share of 9.9 pence each. The New Ordinary, and New Deferred Shares have the same rights as the existing Ordinary and Deferred Shares, respectively.

Due to the difference in functional and presentation currencies of the parent company, foreign exchange differences can arise between the allotted, issued and fully paid share capital, which is presented at historical rates of exchange.

Issued Ordinary Share capital

Immediately prior to the share consolidation on 28 April 2023, the Company issued 10 Ordinary Shares of 0.1 pence each at nil consideration to allow for an exact consolidation of 100:1.

On 6 September 2023, the Company issued 216,519 Ordinary Shares of 0.1 pence each at a price of 27.6 pence per share, raising gross proceeds of USD74,693 (£59,759), in respect of the exercise of share options.

On 27 June 2024, the Company issued 821,167 Ordinary Shares of 0.1 pence each at a price of 10 pence per share, raising gross proceeds of USD103,889 (£82,117), in respect of the exercise of share options.

Movements in share capital during the period were as follows:

	Ordinary Shares of 0.1p Number	Deferred Shares of 9.9p Number	Deferred Shares of 0.4p Number
At 1 January 2023	7,035,794,890	-	1,171,971,322
Share issue	10	-	-
Immediately prior to share consolidation	7,035,794,900	-	1,171,971,322
Share consolidation	(6,965,436,951)		

Share consolidation	(6,965,436,951)	-	-
Post-consolidation subdivision of shares	70,357,949	70,357,949	1,171,971,322
Allotment of shares	216,519	-	-
At 31 December 2023	70,574,468	70,357,949	1,171,971,322
Allotment of shares	821,167	-	-
At 31 December 2024	71,395,635	70,357,949	1,171,971,322

24. Reserves

Reserves of the Group represent the following:

Share premium

Consideration paid in excess of the nominal value of shares allotted, net of the costs of issue.

Merger reserve

Consideration and nominal value of the shares issued during a merger where the fair value of the assets transferred differ.

Reverse acquisition reserve

Retained earnings of a reverse acquisition.

Reserve for own shares

Shares held on trust for the benefit of employees - Employee Benefit Trust.

Share-based payment reserve

Accumulated charges/(credits) made under IFRS 2 in respect of share-based payments.

Cumulative translation reserve

Foreign exchange differences arising on the translation of foreign operations and any net gain/(loss) on the hedge of net investment in foreign subsidiaries. The cumulative translation reserve also represents the net effect of the fact that the functional currency of the parent undertaking is GBP while its reporting currency in respect of the consolidated financial statements is USD, resulting in exchange differences on translation of the parent undertaking's equity.

Retained deficit

All current and prior period retained profits and losses.

25. Non-controlling interest

	2024 USD'000	2023 USD'000
As at 1 January	(795)	(851)
Attributable profit for the year	32	56
As at 31 December	(763)	(795)

The non-controlling interest has a 50% (2023: 50%) equity holding in GBM-V GmbH.

During the year ended 31 December 2024, the Board was committed to a plan to sell the operations or group of assets of GBM-V GmbH, and an active programme to locate a buyer and complete a sale was undertaken.

The operations of GMB-V have been presented as discontinued operations for the year ended 31 December 2024. A single amount is presented on the face of the Consolidated Statement of Income, comprising the post-tax result of discontinued operations. The Consolidated Statement of Income for the prior period has been restated to conform to this presentation. See note 11.

26. Share-based payments

The Company operates a number of share incentive plans, under which Directors and certain employees have been granted options to subscribe for the Company's Ordinary Shares.

Details of the share options and EBT shares outstanding at 31 December 2024 were as follows:

	EMI options Number	Unapproved options Number	EBT shares Number	SAYE options Number	LTIP options Number	Total Number	Weighted average exercise price
Outstanding at 31 December 2022	5,155	4,969	161,128	207,464	1,791,705	2,170,421	54p
Granted	-	-	-	-	787,041	787,041	10p
Exercised	-	-	-	(216,519)	-	(216,519)	27.6p
Expired adjustment	-	-	-	9,055	-	9,055	27.6p
Lapsed	-	(3,334)	-	-	-	(3,334)	9.88p
Outstanding at 31 December 2023	5,155	1,635	161,128	-	2,578,746	2,746,664	42p
Granted	-	-	-	-	768,071	768,071	0.1p
Exercised	-	-	-	-	(821,167)	(821,167)	10p
Outstanding at 31 December 2024	5,155	1,635	161,128	-	2,525,650	2,693,568	[illegible]

2024	5,155	1,635	161,128	-	2,525,650	2,693,568	38.5p
Exercisable at 31 December 2024	-	-	161,128	-	-	161,128	£5

The information shown above has been restated to reflect the share consolidation, that became effective on 28 April 2023, in all periods presented. See note 23.

The options outstanding at 31 December 2024 had an estimated weighted average remaining contractual life of 7.4 years (2023: 7.5 years) with an exercise price ranging between 0.1 pence and £19.75, as follows:

- 3,154 with an exercise price of £19.75
- 3,636 with an exercise price of £11
- 161,128 with an exercise price of £5
- 1,757,579 with an exercise price of 10 pence
- 768,071 with an exercise price of 0.1 pence

The latest date for exercise of the options is 17 July 2034 and, unless otherwise agreed, the options are forfeited if the Director or employee leaves the Group before the options vest, or in respect of those options that have already vested, are not exercised within an agreed time period.

Unapproved share incentive plan

The Company has granted awards under the unapproved share incentive plan, some of which qualify as Enterprise Management Incentives ('EMI'), which have a three-year share price performance condition.

- 1,519 EMI options have a share price performance condition under which the price of the Company's Ordinary Shares must reach £25 in year 1, £30 in year 2 and £35 in year 3 for a minimum of 30 consecutive days.
- 3,636 EMI options have a share price performance condition under which the price of the Company's Ordinary Shares must reach £15 in year 1, £20 in year 2 and £30 in year 3 for a minimum of 30 consecutive days.
- The unapproved share options have a share price performance condition under which the price of the Company's Ordinary Shares must reach £25 in year 1, £30 in year 2 and £35 in year 3 for a minimum of 30 consecutive days.

Share options that are not exercised within 10 years from the date of grant will expire.

Save As You Earn ('SAYE') scheme

The Company operates a SAYE share option plan, under which Directors and certain employees have been granted options to subscribe for the Company's Ordinary Shares. Employees must pay into the plan for a minimum of three years before options can be exercised. At the end of the scheme, employees can exercise their options or elect to have their contributions refunded.

Share options that are not exercised within 10 years from the date of grant will expire.

There were no awards outstanding under this plan at 31 December 2024.

Long-Term Incentive Plan ('LTIP')

The Company operates an LTIP share option plan, under which Directors and certain employees have been granted options to subscribe for the Company's Ordinary Shares.

Awards vest based on a three-year performance period and are granted in two tranches:

- Tranche 1 - awards vest according to a market-related performance condition which is based on the growth in the Company's Total Shareholder Return ('TSR') over the performance period. The percentage of the TSR tranche awards that vest is as follows:

Company's TSR growth	**Percentage of TSR tranche awards that vest**
Less than 50%	Nil
At least 50% but less than 75%	25%
At least 75% but less than 100%	50%
100% or more	100%

The Remuneration Committee may use its discretion to adjust the percentage of TSR awards that are deemed to vest at the end of the vesting period. A likely reason is that the Committee considers that the Group's strong operating performance is not reflected in the Company's share price due to prevailing market conditions outside the Company's control.

- Tranche 2 - awards vest according to non-market performance conditions as follows:

20% based on annual revenue targets;

20% based on annual profitability targets; and

20% based on annual profitability targets; and

20% based on personal performance targets.

Awards made under all plans are equity-settled. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

Share options that are not exercised within 10 years from the date of grant will expire.

At 31 December 2024, 1,010,260 awards had been granted with market-related performance conditions (tranche 1) and 1,515,390 awards had been granted with non-market performance conditions (tranche 2).

Shares held in employee benefit trust ('EBT')

The Company also operates a jointly owned EBT share scheme for senior management, under which the trustee of the Company-sponsored EBT has acquired shares in the Company, jointly with a number of employees. The shares were acquired pursuant to certain conditions, set out in Jointly Owned Equity agreements ('JOEs'). Subject to meeting the performance criteria conditions set out in the JOEs, the employees are able to benefit from most of any future increase in the value of the jointly owned EBT shares. The portion available is calculated based on the price of the Company's Ordinary Shares at the time the employee wishes to take their portion.

Grant of LTIP options

On 17 July 2024, the Company issued 768,071 share options with an exercise price of 0.1 pence per Ordinary Share under the LTIP.

- 307,228 of the awards were issued with a market related performance condition (tranche 1).
- 460,843 of the awards were issued with non-market performance conditions (tranche 2).

The performance period is the three years from 1 January 2024 to 31 December 2026.

The fair value of the market related performance options has been calculated using the Monte Carlo model as it is considered to be a more appropriate model for options granted with multiple performance conditions. The fair value of the options granted with non-market performance conditions has been calculated using the Black-Scholes model.

The significant inputs into the models for the IFRS 2 valuation were as follows:

	Grants in year 768,071 Options
Exercise price (pence)	0.1
Expected volatility (%)	40
Expected life (years)	3
Risk-free rates (%)	4.2
Expected dividends	-

The expected volatility was calculated using the historic volatility of the Company's TSR for the period 2014 to 2024.

The fair value of the options granted during the year was USD0.4 million. The share price at the date of grant was 68.5 pence per Ordinary Share.

In the year ended 31 December 2024, the Company recognised a total expense of USD0.4 million (2023: USD0.3 million) in respect of employment-related securities.

On 27 June 2024, the Company issued 821,167 Ordinary Shares of 0.1 pence each at a price of 10 pence per share, raising gross proceeds of USD103,889 (£82,117), in respect of the exercise of share options.

Warrants

In 2019, warrants were issued to MidCap as part of the Group's new borrowing facilities. Options over 30,968 shares were granted at an exercise price of £5.74. These options are equity-settled and remain exercisable. The weighted average remaining contractual life is 4.5 years (2023: 5.5 years).

27. Financial instruments

Financial risk management objectives

Management provides services to the business, coordinates access to domestic and international financial markets and monitors and manages the financial risks relating to the operations of the Group. These risks include capital risk, cash flow interest rate risk, credit risk, liquidity risk and foreign currency risk.

The policies for managing these risks are regularly reviewed and agreed by the Board.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy is to minimise costs and liquidity risk.

The capital structure of the Group consists of cash and cash equivalents, interest-bearing loans and borrowings (including leases) and equity attributable to owners of the parent company, issued share capital, reserves and retained earnings.

The Group plans its capital requirements on a regular basis and, as part of this review, the Directors consider the cost of capital and the risks associated with each class of capital.

Categories of financial instruments

	2024 USD'000	2023 USD'000
Financial assets measured at amortised cost		
Cash and cash equivalents	1,870	4,650
Trade receivables	3,653	3,027
Other receivables	54	77
	5,577	7,754

	2024 USD'000	2023 USD'000
Financial liabilities measured at amortised cost		
Trade payables	2,714	1,207
Accruals	2,108	2,541
Loans and borrowings	10,587	9,395
	15,409	13,143

Fair value of financial instruments

The Directors consider that the carrying amount of its financial instruments approximates to their fair value.

Interest rate risk management

The Group's policy on interest rate management is agreed at Board level and is reviewed on an ongoing basis.

The risk in the potential movement in interest received on cash surpluses held is limited due to little movement on deposit interest rates.

The Group's main interest rate risk arises from long-term loans and borrowings that incur interest charges at a fixed rate above established parameters. See note 21. The Directors have performed a sensitivity analysis for the impact of changes in the interest rate charged on its loans and borrowings from MidCap and have determined that a 1% (increase)/decrease in the interest rate would result in an additional (charge)/credit to the income statement of USD0.07 million (2023: USD0.06 million).

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group.

The maximum exposure to credit risk at the reporting date in respect of recognised financial assets is the carrying amount, net of any provisions for impairment of those assets. The Group does not hold any collateral.

Credit risk arising from trade receivables is mitigated by a robust procedure including credit reviews on all customers and establishing a credit allowance that reflects any known risk.

Generally, financial assets are written off when there is no reasonable expectation of recovery.

The credit risk on liquid funds (cash) is considered to be limited as a result of the Group's policy that the counterparties are financial institutions with an A rating or higher, assigned by international credit rating agencies.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short-medium and long- term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves and by continually monitoring forecast and actual cash flow.

With the exception of loans and borrowings, outlined in note 21, the Group's financial liabilities mature within six months.

The Group does not face a significant liquidity risk with regard to its lease liabilities, which are monitored by the Board.

At 31 December 2024, the Group was compliant with all the terms relating to the MidCap facilities.

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, with the result that exposure to exchange rate fluctuations arises.

Other than small amounts of cash balances that are held in currencies other than the functional currency of the relevant entity, the majority of its monetary assets and monetary liabilities are denominated in the functional currency of the relevant entity. As a result, there is limited exposure to fluctuations in exchange rates that would impact the income statement of the Group.

The financial statements of certain of the Group's foreign subsidiaries are denominated in currencies that differ from the Group's presentation currency. As a result, the Group is exposed to movements in USD in respect of foreign exchange differences arising on the translation of recognised assets and liabilities, which may impact equity.

The Group does not normally hedge against the effects of movements in exchange rates.

Foreign currency sensitivity analysis

The carrying amounts of the Group's monetary assets and liabilities that are denominated in a different currency to the functional currency of the relevant entity are immaterial, and, as a result, the Group has not undertaken foreign currency sensitivity analysis in respect of the income statement.

The carrying amounts of the Group's assets and liabilities, including those that may give rise to net gain/(loss) on the hedge of net investment in foreign subsidiaries, denominated in currencies that differ from the Group's presentation currency, and that, which, may therefore, have an impact on equity, are as follows:

	2024 GBP USD'000	2024 Euro USD'000	2023 GBP USD'000	2023 Euro USD'000
Assets	57,493	629	47,050	813
Liabilities	(8,591)	(87)	(70,307)	(200)
	48,902	542	(23,257)	613

Sensitivity analysis has been performed to indicate how equity would have been affected by changes in the exchange rate between GBP/Euro and USD. The analysis is based on the weakening and strengthening of USD by 5%. The sensitivity analysis includes assets and liabilities denominated in a currency that differs from the Group's presentation currency and adjusts their translation at the period end for a 5% change in foreign currency rates.

The table below details the Group's sensitivity to a 5% decrease in USD against GBP/Euro. A negative number below indicates a decrease in equity where USD weakens 5% against GBP/Euro. For a 5% strengthening of USD, there would be an equal and opposite impact on equity, and the balance below would be positive.

	2024 USD'000	2023 USD'000
Equity	2,472	(1,132)

28. Related party transactions

Amounts due from subsidiaries

The Group has taken advantage of the exemptions contained within IAS 24*Related Party Disclosures* from the requirement to disclose transactions between group companies as these have been eliminated on consolidation.

Remuneration of key management personnel

Key management personnel are regarded as being members of the Company's Board of Directors. The governance section of this report includes persons other than Board members who are not considered key management personnel in terms of decision making, and they are, therefore, not included in the related party disclosure.

The remuneration of key management personnel of the Group is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	2024		2023	
	Charges for the year USD'000	Amounts owing USD'000	Charges for the year USD'000	Amounts owing USD'000
Salary and other benefits	943	136	1,196	423
Social security costs	23	-	23	-
	966	136	1,219	423
Share-based payments	179	-	176	-
	1,145	136	1,395	423

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

All transactions with related parties have been conducted on an arm's length basis.

For more information on the salaries and fees, bonuses and benefits included above, see the Directors' Remuneration Report.

29. Ultimate controlling party

The Directors believe that there is no ultimate controlling party.

END

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