

31 December 2020

TRUSPINE TECHNOLOGIES PLC
("TruSpine", the "Company" or "Group")

Interim Results
for the six months ended 30 September 2020

CHIEF EXECUTIVE'S REPORT

I am pleased to report the interim accounts to 30 September 2020 for TruSpine Technologies plc. It should be noted that, although these accounts represent a six-month period, the 6-month period to 30 September 2020 ended approximately five weeks after the Company's IPO on the Aquis Stock Exchange Growth Market. Therefore, there is little to report for the period that was not already included in detail in the Company's Admission Document.

The Company is still in its pre-revenue development phase and remains loss-making. The loss before taxation for the six months to 30 September 2020 was £448k (2019: £122k) after administrative expenses of £443k (2019: £120k). Development spend for the six months to 30 September 2020 was £277k (2019: £54k).

Consolidated net assets as at 30 September 2020 amounted to £2.425 million (2019: £1.165 million) including cash and cash equivalents of £567,000 (2019: £47,000).

The IPO has provided the Company with a stronger corporate platform upon which to build its future, and also attracted attention from supporters and potential trade partners, the Company's technology continues to generate positive feedback and excitement from medical professionals within the spine industry. The Board therefore looks to the future with confidence, and believe that 2021 will see patients directly benefiting from the Company's technology.

On behalf of the Board, I would once again like to thank shareholders for their support, and TruSpine's staff and commercial partners for their continued dedication and hard work, during what has undoubtedly been a challenging time for us all.

Ian Roberts
Chief Executive

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 ("MAR").

The Directors of the Company take responsibility for this announcement.

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Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

GROUP UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

GROUP STATEMENT OF COMPREHENSIVE INCOME

	6 month period ended 30 September 2020 (Unaudited)	6 month period ended 30 September 2019 (Audited)	Year ended 29 March 2020 (Audited)
	£	£	£
Administrative expenses	(443,458)	(120,187)	(340,373)
Operating loss	(443,458)	(120,187)	(340,373)
Finance expense	(4,516)	(1,995)	(3,224)
Loss before tax	(447,974)	(122,182)	(343,957)
Tax credit	24,826	162,191	162,191

(Loss)/Profit		(423,148)	40,009	(181,766)
Loss attributable to:				
Owners of the parent		(423,148)	40,009	(181,766)
Other comprehensive income:				
Items that will or may be reclassified to profit or loss:				
Exchange translation differences on foreign operations		1,762	(8,668)	(2,565)
Total comprehensive loss		(421,299)	(31,341)	(2,565)
Total comprehensive loss attributable to equity shareholders		(421,299)	(31,341)	(184,331)
Earnings per share basic and diluted (pence)	5		0.05p	(0.24)p
		(0.50)p		

All results in the current and preceding financial period derive from continuing operations.

GROUP STATEMENT OF FINANCIAL POSITION

	30 September 2020 (Unaudited) £	30 September 2019 (Audited) £	29 March 2020 (Audited) £
Non-current assets			
Tangible fixed assets	21,154	-	-
Intangible assets	1,891,801	1,443,298	1,614,696
	1,912,955	1,443,298	1,614,696
Current assets			
Trade and other receivables	444,080	104,524	160,889
Cash and cash equivalents	566,648	47,439	135,035
	1,010,728	151,963	295,924
Total assets	2,923,683	1,595,261	1,910,620
Current liabilities			

Trade and other payables		448,915	430,105	216,925
Borrowings		50,000	-	-
		498,915	430,105	216,925
Total liabilities		498,915	430,105	216,925
Net Assets		2,424,768	1,165,156	1,693,695
Equity attributable to owners of the parent				
Share capital	6	8,778	7,607	8,385
Share premium		2,632,098	2,978,602	3,727,035
Other reserves	6	(205,000)	(200,000)	(205,000)
Translation reserve		(19,844)	(24,712)	(18,609)
Retained earnings		8,736	(1,596,341)	(1,818,116)
Total equity attributable to owners of the parent		2,424,768	1,165,156	1,693,695
Total Equity		2,424,768	1,165,156	1,693,695

GROUP STATEMENT OF CHANGES IN EQUITY

	Share capital £	Share premium £	Other reserves £	Translation reserve £	Retained earnings £	Total £
Balance as at 29 March 2019	7,580	2,920,599	(200,000)	(16,044)	(1,636,350)	(1,075,785)
Profit for the six months	-	-	-	-	40,009	40,009
Other comprehensive loss	-	-	-	(8,668)	-	(8,668)
Total comprehensive loss for the period	-	-	-	(8,668)	40,009	31,341
Issue of shares, net of issue costs	27	58,003	-	-	-	58,030
Transactions with owners, recognised directly in equity	27	58,003	-	-	-	58,030
Balance as at 30 September 2019	7,607	2,978,602	(200,000)	(24,712)	(1,596,341)	1,165,156

Balance as at 29 March 2020	8,385	3,727,035	(205,000)	(18,609)	(1,818,116)	1,693,695
Loss for the six months	-	-	-	-	(423,148)	(423,148)
Other comprehensive loss	-	-	-	(1,235)	-	(1,235)
Total comprehensive loss for the period	-	-	-	(1,235)	(423,148)	(424,383)
Issue of shares, net of issue costs	393	1,155,063	-	-	-	1,155,456
Reduction in share capital		(2,250,000)			2,250,000	
Transactions with owners, recognised directly in equity	<u>393</u>	<u>(1,094,937)</u>	-	-	2,250,000	1,155,456
Balance as at 30 September 2020	<u>8,778</u>	2,632,098	(205,000)	(19,844)	8,736	2,424,768

CONSOLIDATED STATEMENT OF CASH FLOWS

	6 month period ended 30 September 2020 (Unaudited)	6 month period ended 30 September 2019 (Audited)	Year ended 29 March 2020 (Audited)
	£	£	£
Cash flow from operating activities			
Loss before tax	(447,974)	(122,182)	(343,957)
Depreciation and amortisation	-	-	-
(Increase)/decrease in other receivables	(283,191)	51,676	(4,689)
Increase/(decrease) in other payables	231,990	(39,674)	(252,854)
Cash used in operations	(499,175)	(110,180)	(601,500)
Income tax credit	24,826	162,191	162,191
Net cash flows from operating activities	(474,349)	52,011	(439,309)
Investing activities			
Purchase of tangible assets	(21,154)	-	-
Purchase of intangible assets	(277,105)	(54,041)	(225,439)

Net cash used in investing activities	(298,259)	(54,041)	(225,439)
Financing activities			
Proceeds from Issue of shares, net of issue costs	1,155,456	58,030	807,241
Acquisition of owner shares	-	-	(5,000)
Increase in borrowings	50,000	-	-
Net cash flow from financing	1,205,456	58,030	802,241
Increase/(Decrease) in cash and cash equivalents in the period	432,848	56,000	137,493
Cash and cash equivalents at the beginning of the year	135,035	107	107
Exchange rate differences on cash and cash equivalents	(1,235)	(8,668)	(2,565)
Cash and cash equivalents at the end of the period	566,648	47,439	135,035

NOTES TO THE FINANCIAL INFORMATION

1. GENERAL INFORMATION

This financial information is for Truspine Technologies Plc ("the Company") and its subsidiary undertakings. The principal activity of TruSpine Technologies Plc (the 'Company') and its subsidiaries (together the 'Group') is the development of products for the spinal fusion market. The Company is a public limited company and was listed on the Aquis Stock Exchange on 20 August 2020. The Company is incorporated and domiciled in England and the address of its registered office is located at Spectrum House AF33, Beehive Ring Road, Gatwick Airport, Gatwick, RH6 0LG, United Kingdom.

2. BASIS OF PREPARATION

The interim consolidated financial information has been prepared with regard to International Financial Reporting Standards (IFRS) and interpretations adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The interim financial information incorporates the results for the group for the six month period from 30 March 2020 to 30 September 2020. The results for the year ended 29 March 2020 have been extracted from the statutory financial statements for the Company for the year ended 29 March 2020. The financial information set out in these interim consolidated financial information does not constitute statutory accounts as defined in S434 of the Companies Act 2006. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 29 March 2020, which contained an unqualified audit report and have been filed with the Registrar of Companies. They did not contain statements under S498 of the Companies Act 2006.

The same accounting policies, presentation and methods of computation have been followed in these unaudited interim financial statements as those which were applied in the preparation of the group's annual financial statements for the year ended 29 March 2020.

The interim consolidated financial information incorporates the financial statements of Truspine Technologies Plc and its subsidiaries.

The interim financial information for the six months ended 30 September 2020 was approved by the directors on 30 December 2020.

3. TAXATION

Tax recognised in profit or loss

	6 month period ended 30 September 2020 (Unaudited)	6 month period ended 30 September 2019 (Unaudited)	Year ended 29 March 2020 (Audited)
	£	£	£
Current tax credit	24,826	162,191	162,191
Deferred tax	-	-	-
Net tax credit	24,826	162,191	162,191
Loss before tax	(447,974)	(122,182)	(343,957)
Standard rate of UK corporation tax	19%	19%	19%
Loss on ordinary activities before tax multiplied by standard rate UK corporation tax	(85,115)	(23,215)	(65,352)
Tax adjustment	-	(237)	(237)
Unrelieved tax losses carried forward	85,115	23,452	65,589
UK research and development tax credit	24,826	162,191	162,191
Tax credit	24,826	162,191	162,191

At 30 September 2020, the Group are carrying forward estimated tax losses of £1.83m in respect of various activities over the years. The Company did not recognise a deferred income tax credit due to uncertainty concerning the timescale of its recoverability.

4. PROFIT/(LOSS) PER ORDINARY SHARE

Basic earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

	6 month period ended 30 September 2020 (Unaudited)	6 month period ended 30 September 2019 (Audited)	Year Ended 29 March 2020 (Audited)
	£	£	£
(Loss)/Profit attributable to equity holders of the Company	(423,148)	40,009	(181,766)
Weighted average number of ordinary shares in issue	84,581,810	75,871,582	76,773,336
Earnings per share basic and diluted (pence)	(0.50)p	0.05	(0.24)

5. SHARE CAPITAL

Group	Group and Company				
	Number of shares	Share capital £	Share premium £	Other reserves £	Total £
Issued and fully paid					
As at 29 March 2019	75,800,749	7,580	2,920,599	(200,000)	2,728,179
Movement during the period	266,667	27	58,003	-	58,030
As at 30 September 2019	76,067,416	7,607	2,978,602	(200,000)	2,786,209
Movement during the period	7,777,778	778	748,433	(5,000)	744,211
As at 29 March 2020	83,845,194	8,385	3,727,035	(205,000)	3,530,420
Movement during the period	3,933,773	393	(1,094,937)	-	(1,094,544)
As at 30 September 2020	87,778,967	8,778	2,632,098	(205,000)	2,435,876

Share Capital - Amount subscribed for share capital at nominal value.

Share Premium - Amount subscribed for share capital in excess of nominal value.

On 7 May 2020, a resolution was passed approving a reduction of capital whereby the share premium account of the Company was cancelled by an amount of £2,250,000.