

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE UK VERSION OF THE MARKET ABUSE REGULATION (EU) NO. 596/2014, AS IT FORMS PART OF UK LAW BY VIRTUE OF THE EUROPEAN (WITHDRAWAL) ACT 2018 AND CERTAIN OTHER ENACTING MEASURES ("UK MAR").

Trellus Health plc
("Trellus Health" or the "Company")

Trading update

LONDON, UK. AND NEW YORK, U.S. (14 December 2021). Trellus Health plc (AIM: TRLS), which is commercialising a scientifically validated, resilience-based, connected health solution for chronic condition management, provides an update on trading expectations for the current financial year, on operational and strategic progress during the year and on the Company's outlook for 2022.

Shares in Trellus Health were admitted to trading on AIM in May 2021, with the Company successfully raising £28.5m (gross) in a significantly oversubscribed fundraising allowing it to further develop and enhance the TrellusElevate™ platform and, amongst other things, fund its clinical operations, commercialisation, and business development strategy.

The Company is able to report good progress during 2021 and has seen strong operational performance with the TrellusElevate™ technology platform V1.0 launched in July and, [as announced in September](#), a licensed clinical team established, comprising an IBD Nurse, a Licensed Behavioral Specialist and a Registered Dietician Nutritionist.

Trellus also announced its first Demonstration contract with the Mount Sinai Health System employee health plan in August 2021 and the following month confirmed that a Managed Services Organization Agreement was executed with Connected Health Medicine PC to deliver resilience-based multidisciplinary care using licensed clinical professionals trained on applying the GRITT™ methodology for assessment and treatment via the TrellusElevate™ platform.

The Company's focus has been on ensuring operational and user experience excellence with the platform, and live testing with IBD patients, currently being conducted, is very encouraging. The Company now plans to deliver the clinical operational launch of the TrellusElevate™ technology platform from January 2022 in New York, New Jersey and Connecticut.

The Company has a robust pipeline of potential payers (i.e. regional and national health plans, employers, health systems, GI provider networks, and pharmaceutical companies) engaged in ongoing discussions. Several B2B payer contracts are in late-stage negotiations with expected completion in Q1 2022, reflecting longer lead times and processes to negotiate and conclude than originally anticipated. Accordingly, the

Company has expedited plans to launch a direct-to-consumer (DTC) offering to support the more widespread expansion of its services to IBD patients in the US. Trellus therefore expects to see a move towards greater revenue generation through DTC over payer channels in 2022. The DTC offering will also be launched in early 2022 in the same states as the first clinical launch of the platform.

The Company continues to keep a very tight control of costs and to manage investment in the business closely, as it begins to transition from development phase into early revenue generation. In respect of the financial year ending 31 December 2021, the Company expects to generate revenue of \$25K and incur an EBITDA loss of \$5.9m. As a result year-end cash is expected to be not less than \$30m as at 31 December 2021, higher than market expectations and reflecting the realignment of expenditure with the pace of development of the business.

The focus for 2022 will be on the establishment of additional demonstration programmes, B2B contracts and recruitment of DTC patients to gather real world evidence to validate and reinforce outcomes shown in the co-founders' published research. This demonstrated that IBD patients show significant improvements in resilience and reductions in expensive unplanned healthcare by using the Company's proprietary GRITT™ methodology and resilience-building multidisciplinary care model. As greater evidence is amassed during 2022, the Company expects to enter into regional and national multi-year contracts with payers from 2023 onwards.

Under the emerging DTC model, the fees payable by the consumer to access and engage with the Company's platform will be paid directly by patients or reimbursed through billing to insurance claims using pre-existing procedural codes. These DTC fees are lower on average than those planned for B2B customers. Trellus Health's investment plans for 2022 are being phased such that the Company anticipates having funding sufficiency to sustain business growth and expansion through H1-2023.

Monique Fayad, CEO of Trellus Health commented: *"We are extremely pleased with the progress made this year against our technical, operational and commercialization plans. Initial feedback from IBD patients using the TrellusElevate™ platform has been consistently positive, as they are delighted by its ease of use and the level of support and interaction received from their licensed multidisciplinary care team.*

"Our robust pipeline of discussions and late-stage contract negotiations across a range of B2B payers and business development partners demonstrates the market's interest in and need for validated digital health solutions that improve outcomes while significantly reducing health care costs. While the sales cycle has proven lengthier than expected, we remain excited by the medium-term prospects for the business on B2B growth and are pleased to be able to offer a DTC service much sooner than we first anticipated. With clinical operations commencing in January through our partnership with Connected Health Medicine, we look forward to gathering and reporting real world evidence and user feedback regarding the positive health and economic outcomes of utilizing the proprietary GRITT™ methodology and whole-person care management approach for complex chronic conditions."

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About Trellus Health plc (www.trellushealth.com)

Trellus Health (LSE: TRLS) is a leading pioneer in resilience-driven care and the first digital health company focused on the intersection of chronic physical conditions and mental health. Trellus Health's digital-first chronic care management solution integrates convenient access to a licensed multidisciplinary care team with a suite of tools for resilience assessment, education and behavior modification, remote monitoring, health maintenance and prevention. Through its TrellusElevate™ connected care platform and companion App, the company enables coordination and delivery of expert whole-person care, addressing both clinical and behavioral health together, in context, to improve outcomes and reduce healthcare costs for patients, employers, and the healthcare system.

Trellus Health is commercialising the provision of digital chronic condition management solutions for employers and health plans that utilise the scientifically validated resilience-based methodology and a proprietary HIPAA-compliant technology platform called TrellusElevate™ to coordinate and deliver personalised care remotely via telehealth. The Company is initially focused on Inflammatory bowel disease ("**IBD**"), which includes the chronic incurable conditions of Crohn's Disease and ulcerative colitis, but considers its approach to have potential utility and demand across many chronic conditions. A direct-to-consumer (DTC) offering is also being devised for IBD, allowing patients to pay directly or submit claims for insurance reimbursement utilising existing procedural codes.

The TrellusElevate™ platform is the Company's proprietary connected health platform that incorporates the proprietary methodology and learnings on resilience from clinical research and practice conducted at the Mount Sinai IBD Center for more than five years. The proprietary methodology and resilience-driven multidisciplinary care model have been scientifically validated to demonstrate meaningful improvements in patient outcomes and over 85 per cent. reduction in unplanned healthcare utilisation (emergency department visits and hospitalisations) which the directors of the Company believe indicates the potential for significant cost savings for healthcare payers.

The Company was founded by Dr. Marla C. Dubinsky, MD and Dr. Laurie Keefer, PhD, both with decades of combined experience in IBD and psychogastroenterology, respectively. Trellus Health's patent-pending GRITT™ resilience assessment and personalized treatment methodology was developed and validated at the Mount Sinai Health System to build resilience and wellness for improved outcomes at lower cost.

Shares in Trellus Health were admitted to trading on AIM in May 2021, under the ticker TRLS. For more information on Trellus Health, visit www.trellushealth.com

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