



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

Final Results

LONDON, U.K. AND NEW YORK, U.S. (23 May 2023): Trellus Health plc (AIM: TRLS), which is commercializing a scientifically validated, personalized resilience-based condition management solution for chronic health conditions at their intersection with mental health, announces its audited final results for the year ended 31 December 2022.

Operational and financial highlights (including post-period end)

- Dr. Marla Dubinsky, Co-Founder of Trellus Health, appointed CEO in July 2022
- Adopted new coaching-based condition management model, facilitating rapid rollout of the Trellus Elevate™ Program across the US and Canada
- Launched Direct-to-Consumer ("D2C") model in July, focused on early adopter program to kick-start early patient engagement and support business-to-business-to-consumer ("B2B2C") engagement, with partnerships secured with patient advocacy and groups and GI platforms to provide widespread reach to GI (gastrointestinal) patients.
- Signed two B2B2C contracts with the Mount Sinai Health System ("Mount Sinai") in October 2022, making the Trellus IBD program available to all Mount Sinai Health System employees; the second contract was to make the Trellus IBD and IBS programs available to eligible members of a large NY state labor union that provides health services to its members through Mount Sinai
- Signed an initial demonstration project with a New York-based health insurance company with more than 1.8 million members to make Trellus IBD program available as a health plan benefit to certain members under its Medicaid managed care plan.
- Launched Resilience Program for IBS (irritable bowel syndrome),
- Several key appointments made, including:
 - o Dr Daniel Mahony, Senior Independent Non-Executive Director, as Non-Executive Chairman
 - o Steve Young as Chief Financial Officer
 - o Aled Stevenson, previously US Executive VP of Sales and Development, as Chief Operating Officer

- o Traci Entel as Non-Executive Director
- Net cash of \$19.08m (31 December 2021: \$32.0m) - reflecting continued effective cash management and providing a runway into at least 2025 (on conservative growth assumptions)
- Adjusted EBITDA* loss of \$8.1m, in line with expectations (FY 2021: \$5.7m loss)

** Earnings before interest, tax, depreciation and amortization adjusted for exceptional items*

Dr. Marla Dubinsky, Chief Executive Officer of Trellus Health, said: *"I am very proud of the progress that Trellus Health has made during the year and the milestones we have achieved. We are now firmly in our commercialization phase with a market-ready solution, our first B2B2C contracts secured and seeing increasing momentum with prospective new partners, including major health plans.*

"Our ongoing D2C offering continues to yield important data and learnings allowing us to prove the scalability and impact of the Trellus Elevate Program supporting and informing our B2B2C engagement.

"I expect 2023 to be a pivotal year for Trellus Health as we continue our B2B2C engagement to secure larger pilot agreements and subsequently more expansive contracts and build the evidence base of the cost savings provided by our solution, and further our goal of changing the lives of as many people living with chronic conditions as possible."

A copy of the investor presentation is available here:
<https://trellushealth.com/investors/annual-interim-reports/>

The Company will also host a live online presentation at 5pm BST on 23 May 2023 through the digital platform *Investor Meet Company*. Investors can sign up for free via:

<https://www.investormeetcompany.com/trellus-health-plc/register-investor>

A recording of the presentation and responses to the Q&A sessions will also be available afterwards.

**For further
information
please
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About Trellus Health plc (www.trellushealth.com)

Trellus Health (LSE: TRLS) is the first resilience based digital health company focused on the intersection of chronic illness and mental health. Trellus Health integrates its proprietary resilience-based methodology with the technology, tools, and team to deliver a whole-person technology-enhanced experience that results in relieving disease burden, building self-management skills and promoting positive health behaviours that improves outcomes and enables thriving in the face of a chronic condition. Through its

TrellusElevate™ connected health platform and companion App, the company addresses both physical and behavioural health together, in context, to improve outcomes and reduce healthcare costs across the healthcare ecosystem.

The Company was founded by Mount Sinai faculty members Marla C. Dubinsky, MD and Laurie Keefer, PhD, both with over 50 years of combined clinical and research experience in IBD, IBS and psychogastroenterology, respectively.

The Company was initially focused on inflammatory bowel disease ("IBD"), which includes the chronic incurable conditions of Crohn's Disease and ulcerative colitis but has now added Irritable Bowel Syndrome ("IBS"). Given the common emotional and mental health struggles often experienced by individuals suffering from a variety of chronic conditions, Trellus Health considers its approach to have potential utility and demand across many conditions.

The TrellusElevate™ platform is the Company's proprietary connected health platform that incorporates the GRITT™ methodology and learnings on resilience from clinical research and practice conducted at the Mount Sinai IBD Center for more than five years. This proprietary, resilience-driven methodology has been scientifically validated to demonstrate meaningful improvements in patient outcomes, 71% reduction in Emergency Department (A&E) visits, and 94% reduction in unplanned hospitalisations, which the directors of the Company believe indicates the potential for significant cost savings for healthcare payers. Patients with IBD managed with the proprietary resilience methodology also experienced a 49% reduction in required opioid use and a 73% reduction in corticosteroid use 12 months following starting the program which is a major indicator of improved health outcomes².

The Trellus IBD program described is based on technology developed by Mount Sinai faculty and licensed to Trellus Health. Mount Sinai and Mount Sinai faculty, including Marla Dubinsky, MD, and Laurie Keefer, PhD, have a financial interest in Trellus Health. Mount Sinai has representation on the Trellus Health Board of Directors.

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

1) Source: <https://www.cdc.gov/chronicdisease/about/costs/index.htm>)

2) Source: <https://www.sciencedirect.com/science/article/pii/S1542356521012258>)

CHAIRMAN'S STATEMENT

I am pleased to report on my first set of results as Chair of Trellus Health, following my appointment in February 2023.

Overview

The year saw solid progress for the Company, with the team adapting well to a strategic shift that has seen traction and delivery of our resilience-based methodology, with Trellus Health now a commercial-stage business with a market-ready solution and our first paying customers now coming through. Our Direct-to-Consumer ("D2C") offering of *The Trellus Resilience Training and Self-Management Solution* (the "Trellus Program") was launched during the year, with the positive initial data received from it helping to secure our first Business-to-Business-to-Consumer ("B2B2C") pilot and demonstration contracts.

Trellus Health now offers a comprehensive GI (Gastrointestinal) solution for both inflammatory bowel disease ("IBD") and irritable bowel syndrome ("IBS"), which significantly increases the number of patients who can be helped by our program. This was made significantly easier by investment we have made in our program to enable expansion into new indications in future, as we look to deliver the Company's vision of a world where every person with a chronic condition has hope and thrives.

We continue to target further projects with partners including employers, regional and national health plans, and pharmaceutical companies. Initially these will be smaller in scale to demonstrate the improvements in patient outcomes and healthcare economics. The data generated from these is already proving useful in our continuing push to capture larger B2B2C pilots and demonstrations, on which discussions are progressing positively, including with major health plans.

A full summary of our progress and achievements made during the year, as well as further detail on our expanded strategy, are covered in the Chief Executive Officer's Review.

Board and Senior Management Team

During the year and post-period end, we announced several changes to the Board and senior management team.

In July 2022, we appointed Trellus Health Co-Founder, Dr. Marla Dubinsky, to

the position of Chief Executive Officer. Marla is a Professor of Pediatrics and Medicine at the Icahn School of Medicine at Mount Sinai, New York, and has been engaged in IBD clinical and translational research for over two decades. Marla's standing in her field was underlined when she was awarded the 2022 Sherman Prize, a prestigious US national award that recognizes individuals with an extraordinary track record of achievement, who make exceptional and pioneering contributions to transform IBD care.

At the same time as Marla's appointment as CEO in July 2022, we appointed Aled Stevenson, previously US Executive VP of Sales and Development, to the position of Chief Operating Officer. In August 2022, we announced the appointment of Steve Young, an experienced Chief Financial Officer of AIM-listed companies, as our new CFO. We also announced the appointment of Traci Entel, an experienced management consultant and global HR executive, as a Non-Executive Director in June 2022.

Post-period end, I was appointed Non-Executive Chairman from my previous position of Senior Independent Non-Executive Director, after Julian Baines stepped down from the Board following his appointment as Executive Chairman of EKF Diagnostics Holdings plc ("EKF"). I would like to thank Julian again for his contribution to Trellus Health, from his early involvement leading to investment from EKF, through his guidance during our IPO in May 2021, and beyond to our recent commercial progress.

We believe we have a Board and senior management team in place with the necessary skills to execute our evolved commercial strategy over the coming years, and I have been pleased to see the progress made, particularly since Marla's appointment.

Outlook

I was pleased to see the progress made by the team during the year with Trellus Health signing its first commercial B2B2C contracts, despite difficult market conditions. Our evolved strategy should continue to see us enrolling new D2C members with our partners, who provide great reach into the US gastroenterological community, while simultaneously scaling to larger and more material B2B2C projects over time. I am confident that this is the best strategy to commercialize and drive adoption of the Trellus Program.

We expect our business model to exhibit significant scaling in due course as we receive monthly recurring membership fees for each user of the platform, and initial evidence suggests a strong retention on the platform. At this early stage we expect our smaller B2B2C projects to provide a modest number of

users and revenues. However, we are confident we can demonstrate to our partners that we can meet or even exceed the cost savings indicated in our initial projects and illustrate a clear and very substantial return on investment (ROI). This should lead to the expansion of our partnership agreements to make the Trellus Program available to all their eligible members or employees. For this reason, our smaller-scale demonstration projects, and the data we are already generating, are key for the future of the business. The ongoing dialogue with larger health plans has been encouraging as we look to secure new pilot programs throughout North America, and we look forward to providing updates on these discussions when appropriate. These are expected to serve as catalysts to faster growth, both from the expansion within the broader base of eligible members as pilots are expanded, and from using the data from these projects in discussions with new partners to begin new demonstration projects with a greater number of patients.

Our management team continues to focus on good cash control and our net cash position of \$19.1 million as of 31 December 2022 is sufficient to provide a runway into at least 2025 (on conservative growth assumptions), providing the Company with the resources necessary to demonstrate further commercial traction and create substantial shareholder value.

Dr. Daniel Mahony

Non-Executive Chairman

23 May 2023

CHIEF EXECUTIVE OFFICER'S REVIEW

Since my appointment as CEO in July 2022, we have made very good progress, with the Company having successfully entered its commercial phase following a refining of our strategy to best deliver our resilience-driven connected health self-management solution. I have been delighted with the various partnerships that we have secured, with Trellus Health now ready to scale up into larger B2B2C projects during 2023 and reach many more patients with both our existing and potential new partners. It's been incredibly fulfilling to see the feedback received from our early users and seeing the Trellus Method truly change lives at an increasing scale.

Commercialization strategy and progress

In July 2022, we commenced the rollout of our direct-to-consumer (D2C)

model, with a targeted approach focused on an early adopter program to kick-start early patient engagement and drive awareness and demand. The D2C model ran alongside our original business-to-business-to-consumer (B2B2C) model, which focused on regional and national health plans, employers, health systems, GI provider networks and pharmaceutical companies.

We are using the data gained from our D2C users to validate the use and outcomes of the Trellus Method and support B2B2C engagement in larger project opportunities to enable the wider rollout of the Trellus Program. Our strategy is to scale these larger projects and demonstrate the cost savings that can be achieved by our partners when using the Trellus Program, until a point where they make the Program available to all their eligible members or employees. We intend to continue our D2C offering for the foreseeable future, to support those living with chronic gastrointestinal (GI) conditions who may not have the Trellus Program covered by their employers or health plans.

I have included an outline of our progress in both of our models below.

1) *D2C early adopters*

We signed two agreements during the year that have expanded our D2C reach to nationwide consumers. The first is a licensing agreement with the *Crohn's and Colitis Foundation*, the largest patient advocacy group for IBD in the US. We also signed a collaboration agreement with *GI OnDemand*, a leading GI virtual integrated care platform, which offers exclusive access to the Trellus Program to over 16,000 GI professionals. These two channels alone provide the broadest possible reach into the US gastroenterological community, thus providing the most direct channels to market via both patients and GI providers nationwide. Importantly, we do not need to employ costly targeted marketing in our D2C models, as our partners can make their own members aware of the availability of the Trellus Program.

Our initial sponsorship program with patient advocacy groups, Athletes vs Crohn's and Colitis and Connecting to Cure to cover the costs of the program for 100 early adopters has fully enrolled and now concluded. Our initial free membership offering was an important step for Trellus as we were able to prove the scalability and impact of our platform and services on engagement and outcomes. As of February 1st, all D2C members are now paying a monthly membership fee. We have over 130 DTC members currently enrolled.

2) *B2B2C model*

In October 2022, we signed two contracts with the Mount Sinai Health System ("Mount Sinai"). The first contract has seen Mount Sinai make the Trellus IBD

program available to, and paid for, as a wellness benefit, to all Mount Sinai Health System employees, focusing initially on IBD. The second contract was to make the Trellus IBD and IBS programs available to eligible patients, again as a wellness benefit, who are members of a large NY state labor union, which provides health services to its members through Mount Sinai. These two agreements became active in the early part of 2023 following the completion of technology integration and marketing materials, and we are now starting to see enrollment from these contracts.

Post-period end, we also secured an agreement for a demonstration project of 50 initial patients with IBD with a New York-based health insurer with more than 1.8 million members. This B2B2C partnership saw the Trellus IBD program being made available as a health plan benefit to certain members of the health plan under its Medicaid managed care plan. Running for an initial 12-month term, the agreement can be extended by mutual agreement, with patient enrolment having begun.

Our activities to date have provided useful data and insights and served as the backbone for advanced discussions with a major health plan for a pilot study at a greater scale than those undertaken to date. As part of the project scope and design, Trellus Health is undertaking enhancement of its IBD platform to ensure that it can meet the requirements of the health plan's members. While there is never certainty as to timing or outcome from such negotiations, nor as to the speed of implementation following contractual agreement, there appears to be serious intent by the partner, and we are similarly motivated to pursue this opportunity so that the Trellus solution begins to be offered at a greater scale. The pilot study would be expected to begin to generate meaningful data 6-12 months from implementation, which could facilitate a faster and more substantive roll-out amongst the health plan's sizeable volume of IBD members than that seen to date.

User feedback

The initial outcomes of the program among our early adopter DTC members have been highly positive. Midway through the Trellus IBD Program:

- 57% of members surveyed reported an increase in their self-confidence in how to manage their condition.
- 65% of members surveyed reported an increase in their self-management skills and behavior change.
- 74% of members surveyed reported an improvement in their emotional and mental wellbeing.

Expansion into Irritable Bowel Syndrome (IBS) and beyond

Trellus Health is targeting large, multi-billion-dollar addressable markets for

chronic conditions, where there is a significant unmet need to provide whole-person, clinical, mental, and behavioral support, empowering members by teaching them the art of self-management and self-care.

While our initial focus was on IBD, in February 2023, we launched the Trellus Method for IBS, ahead of schedule, using existing resources. IBS is another chronic GI condition that has significant similarities with IBD from a symptom burden and emotional perspective, often having a significant impact on a person's quality of life. IBS also has a much higher prevalence than IBD, impacting c. 10% of the US population (c. 30m patients for IBS compared to c. 3m for IBD). The Trellus Method for IBS is now available through our D2C offering, as well as through the expansion of our Mount Sinai labor union contract to offer our program to members with IBD and IBS.

I am proud that we now offer a comprehensive GI solution covering both IBD and IBS and have scope to improve the lives of many more patients. We believe our solution can be used across many other chronic conditions to deliver meaningfully improved healthcare outcomes whilst reducing costs, and this expansion into IBS has represented the first step.

Market Ready Solution

During the year, we continued investment into the TrellusElevate™ platform to create a fully integrated and seamless workflow. Our team, led by our CTO Jamey Hancock, has worked incredibly hard to build a proprietary structure that gives Trellus Health a competitive advantage, with inherent value as a health management platform, as opposed to simply being a telehealth or behavioral health mobile app.

Our proprietary platform provides coaching and engagement, delivers digital health modules, and can identify those patients likely to incur healthcare costs, with secure channels to manage workflows, provide analytics and support the healthcare professional's decision-making process. We are unique in this space by integrating coordination, communication, and analytics in one end-to-end platform. This provides expandability, flexibility, scalability, and control for our team, allowing us to integrate new features and adapt much faster than our peer group, and allows us to scale to other GI and non-GI conditions.

We have invested in making Trellus an API (application programming interface)-first platform; this means that we have full control over the entire platform, and can seamlessly expand into new indications, as we have done already with IBS. In contrast, competitors may face issues when trying to perform similar expansions, including compatibility issues, versioning

problems, and data mapping difficulties, making it a time-consuming and a costly process.

Consequently, we have built our platform in a way that is adaptable to any chronic condition, either directly or with partners, giving flexibility and security to create value for our customers and partners.

During the year, we made several other improvements to our platform, including optimizing the IBD and IBS user experience features and launching a new learning management system (LMS), which allows us to receive feedback from care teams and clinicians. We also increased the scalability of the resilience team through implementing greater levels of automation, allowing us to handle a larger volume of patients, and improved our registration process and the speed of enrollment.

Maintained strong cash position and effective cash management

During 2022, we took important steps to ensure careful cash management and the reduction of cash burn despite the investments made in our platform. Costs across staffing and consultancy fees, development costs and other software and technology related expenses have been reduced without any detriment to our growth strategy. As a result, as of 31 December 2022, Trellus Health's net cash position was \$19.08 million, ahead of expectations, providing a runway into 2025 on conservative growth assumptions and giving confidence that we are well funded to deliver commercial success and cash generation.

Financial Performance

The financial performance of the Company for the year ended 31 December 2022, continues to reflect the costs incurred with the development phase of the TrellusElevate™ technology platform. In the latter half of the year initial revenues have been received from adopters of the platform.

Income Statement

The Company commenced revenue generation in the second half of the year ending 31 December 2022 through paid sponsorships and self-paying members that are early adopters of the platform. The main components of the administrative expenses totalling US \$8.8m (2021: US \$5.9m) were employee related costs of US \$4.7m (2021: US \$4.3m) (excluding the share-based payment charge of US \$0.06m (2021: US \$0.14m), professional costs of US \$1.1m (2021: US \$1.3m), and other operating expenses of US \$2.3m (2021: US \$0.4). Total depreciation and amortisation were \$0.66m (2021: US

\$0.03m). Cost savings have been identified and implemented across all areas of the business.

The Company incurred a share-based payments charge of US \$0.06m (2021: US \$ 0.14m). The full benefit will be spread over the vesting periods, which is a weighted average of 2.3 years.

Statement of Financial Position and Cash Flow Statement

The principal asset of the Company is the development costs relating to the TrellusElevate™ technology platform and software purchased for US \$6.7m (US \$2.9m in 2022 and US \$3.8m in 2021) along with the exclusive licence acquired from Mount Sinai for the GRITT™ technology, licensed for US \$0.5m in 2021, together with related equipment.

The cash position of the Company as of 31 December of US \$19.1m (2021: US \$32.0m) remains strong, with expenditure in the second half of 2022 reducing significantly compared to the first half as cost control measures were implemented. Due to the depreciation in the value of sterling against the US dollar over 2022, and the substantial funds held in sterling at year end, a foreign exchange loss of US \$1.4m (2021: \$1.7m) decreased the year end cash balance.

Summary

I am very proud of the progress made by the Company. During the year we adopted a new coaching-based condition management model, which has facilitated rapid rollout of our program across the US and Canada. The early adopter D2C roll out was a very important step forward, as it allowed us to generate important data, refine the program and has provided the evidence we needed to demonstrate that we can replicate and scale the exceptional outcomes that were seen in the original research conducted at Mount Sinai.

Our first B2B2C contracts in late 2022 with Mount Sinai also represented a great step forward for Trellus Health, and enrollments have begun to take place from these post-period end. Our agreement with the New York health plan is also now active with patient enrollment having begun. We continue to have multiple meetings with senior level management and are actively developing project scope with large health plans, employers as well as pharmaceutical companies and we look forward to providing updates on these discussions when appropriate.

With the clear progress made in both D2C and B2B2C, as well as our IBS expansion, investment made in the TrellusElevate™ platform and a healthy

cash runway, we are firmly on the path to deliver further commercial traction through larger B2B2C pilot agreements and subsequently more expansive contracts, and ultimately change the lives of more patients living with chronic conditions. 2023 will be an important year for Trellus Health as we continue our strategy of securing material revenues via B2B2C agreements and demonstrating the value of our platform to our existing partners. I would like to thank our employees, shareholders, and partners for their support during the year.

Dr. Marla Dubinsky

Chief Executive Officer and Co-Founder

23 May 2023

**Consolidated Income Statement and Other Comprehensive Income
for the year ended 31 December 2022**

	Notes	2022 \$'000	2021 \$'000
Revenue		18	25
Cost of Sales		-	-
Gross Profit		18	25
Administrative Expenses		(8,828)	(5,927)
Operating Loss		(8,810)	(5,902)
Depreciation, amortization and impairment		659	32
Share-based payments	8	62	139
EBITDA before exceptional items and share-based payments		(8,089)	(5,731)
Finance Income		-	-
Finance Costs		-	-
Loss before Income Tax		(8,810)	(5,902)
Income Tax Charge	3	-	-
Loss for the Year		(8,810)	(5,902)
Loss per share			
Basic and Diluted (US \$ cents)	4	(0.05)	(0.04)

The results reflected above relate to continuing operations. The comparative period reflects the year ended 31 December 2021.

**Consolidated Statement of Comprehensive Income
for the year ended 31 December 2022**

2022 \$'000	2021 \$'000
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Loss for the year	(8,810)	(5,902)
Items that may be subsequently reclassified to profit and loss		
Currency translation differences	(1,434)	(1,725)
Total comprehensive loss for the year	(10,244)	(7,627)

Consolidated Statement of Financial Position as at 31 December 2022

	Notes	2022 \$'000	2021 \$'000
Assets			
Non-Current Assets			
Property, plant, and equipment	5	58	82
Intangible Assets	6	6,488	4,280
Total Non-Current Assets		6,546	4,362
Current Assets			
Trade receivables and prepaid expenses		283	451
Cash and cash equivalents		19,085	31,982
Total Current Assets		19,368	32,433
Total Assets		25,914	36,795
Share Capital and Equity			
Share Capital	7	137	137
Share Premium		43,387	43,387
Share-based Payment Reserve	8	201	139
Foreign Currency Reserves		(3,159)	(1,725)
Retained Earnings		(15,474)	(6,664)
Total Equity		25,092	35,274
Liabilities			
Current Liabilities			
Trade and other payables		822	1,521
Total Liabilities		822	1,521
Total Equity and Liabilities		25,914	36,795

Consolidated Statement of Cash Flows for the year ended 31 December 2022

	Notes	2022 \$'000	2021 \$'000
Cash Flow from Operating Activities			
Loss for the period		(8,810)	(5,902)
<i>Adjustments for:</i>			
Depreciation and amortisation	5,6	536	32
Impairment of Intangibles	6	123	0
Share-based payment expense	8	62	139
		(8,089)	(5,731)
Decrease/(Increase) in trade and other receivables		168	(440)
(Decrease)/Increase in trade and other payables		(699)	1,401
Net cash outflow from operating activities		(8,620)	(4,772)
Cash Flow from Investing Activities			
Purchases of plant, property and equipment	5	-	(81)
Purchases of intangible assets	6	(2,908)	(3,640)
Net cash outflow from investing activities		(2,908)	(3,721)
Cash Flow from Financing Activities			
Net proceeds from issue of ordinary shares	7	-	38,516
Net cash inflow from financing activities		-	38,516

Net (Decrease)/Increase in Cash and Cash Equivalents	(11,528)	30,023
Cash and Cash Equivalents at the Beginning of the Year	31,982	3,684
Exchange loss on Cash and Cash Equivalents	(1,369)	(1,725)
Cash and Cash Equivalents at the End of the Year	19,085	31,982

Consolidated Statement of Changes in Equity

Consolidated	Share Capital \$'000	Share Premium Account \$'000	Other Reserves \$'000	Foreign Currency Reserve \$'000	Retained Earnings \$'000	Total \$'000
At 1 January 2021	12	4,996	-	-	(762)	4,246
Comprehensive Income						
Loss for the year					(5,902)	(5,902)
Currency translation differences	-	-	-	(1,725)	-	(1,725)
Total Comprehensive Loss for the Year	-	-	-	(1,725)	(5,902)	(7,627)
Issue of Share Capital	61	38,455	-	-	-	38,516
Share capital reconstruction	64	(64)	-	-	-	-
Share based payment reserve	-	-	139	-	-	139
Balance at 31 December 2021 and						
At 1 January 2022	137	43,387	139	(1,725)	(6,664)	35,274
Comprehensive Income						
Loss for the year	-	-	-	-	(8,810)	(8,810)
Currency translation differences	-	-	-	(1,434)	-	(1,434)
Total Comprehensive Loss for the Year	-	-	-	(1,434)	(8,810)	(10,244)
Share Based Payment Reserve	-	-	62	-	-	62
Balance at 31 December 2022	137	43,387	201	(3,159)	(15,474)	25,092

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

1. General information and basis of presentation

Trellus Health plc is a public limited company incorporated in the United Kingdom (Registration Number 12743489), which is listed on the AIM market of the London Stock Exchange. The address of the registered office is Avon House, 19 Stanwell Road, Penarth, CF64 2EZ.

The principal activity of the Company is the delivery of resilience-driven care for complex chronic conditions.

The financial information within this preliminary announcement is extracted from the Group's consolidated financial statements for the year ended 31 December 2022, which were approved by the Board of Directors on 23 May 2023. This financial information does not constitute statutory accounts within the meaning of sections 434(3) and 435(3) of the Companies Act 2006 or contain sufficient information to comply with the disclosure requirements of UK adopted International Accounting Standards (IFRS).

The Group's consolidated financial statements for the year ended 31 December 2022 have been prepared in accordance with UK adopted International Accounting Standards (IFRS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Company's auditor, Crowe U.K. LLP, has given an unqualified report on the consolidated financial statements for the year ended 31 December 2022. The auditor's report did not include reference to any matters to which the auditor drew attention without qualifying its report and did not contain any statement under section 498 of the Companies Act 2006. The consolidated financial statements will be filed with the Registrar of Companies, subject to their approval by the Company's shareholders at the Company's next Annual General Meeting in June 2023.

Statutory accounts for the year to 31 December 2021 have been delivered to the Registrar of Companies.

Certain statements in this announcement constitute forward-looking statements. Any statement in this announcement that is not a statement of historical fact including, without limitation, those regarding the Company's future expectations, operations, financial performance, financial condition and business is a forward-looking statement. Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, amongst other factors, changing economic, financial, business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this announcement and the Company undertakes no obligation to update its view of such risks and uncertainties or to update the forward-looking statements contained herein. Nothing in this announcement should be construed as a profit forecast.

2. Significant accounting policies

Going concern

The Group is in the development phase of its business and has only generated revenues related to implementation services and early patients in pilot scheme. At December 2022 the Group has available cash resources of \$19m.

The Board has considered the impact of the ongoing Russia/Ukraine war and rising inflation. There has been minimal impact on the Company to date and the Board anticipates minimal on-going impact, due to the nature of the business.

The Directors have prepared cash flow forecasts for the Group for a review period of over 12 months from the date of approval of this historical financial information. These forecasts reflect an assessment of current and future market conditions and their impact on the Group's future cash flow performance.

The forecasts have been sensitised for additional costs which may be incurred in the review period. In the sensitised scenario, the forecasts indicate the Group would still have sufficient cash to continue as a going concern.

Having considered the points above, the Directors remain confident in the long-term future prospects for the Group, and their ability to continue as a going concern for the foreseeable future. They therefore adopt the going concern basis in preparing the historical financial information of the Group.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of IFRS, this announcement does not itself contain sufficient information to comply with IFRSs. The Company will publish its full annual report containing financial statements for the year ended 31 December 2022 before the end of May 2023, together with a notice to shareholders of the Company's Annual General Meeting ("AGM") which will be available on the Company's website at www.trellushealth.com and at the Company's registered office at Avon House, 19 Stanwell Road Penarth CF64 2EZ. The AGM will be held in June 2023, with further information to be notified at the time of the availability of the full annual report.

3. Tax expenses

	2022 \$'000	2021 \$'000
Current tax expense		
Current tax on loss for the year	-	-
Total Current Tax	-	-
Deferred Tax Asset		
On losses generated in the year	-	-

Total Deferred Tax - -

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2022	2021
	\$'000	\$'000
Loss for the period	(8,810)	(5,902)
Tax using the Company's domestic tax rate of 19%	(1,674)	(1,121)
Expenses not deductible for tax purposes	31	76
Depreciation, amortisation and impairment that are not deductible for tax purposes	117	6
Unrecognised deferred tax assets	1,526	1,039
Total tax expense	-	-

The unrecognised deferred tax relates to two elements: the unrecognised deferred tax arising on share-based payments of US \$201,000 and unrecognised deferred tax on taxable losses of US \$4 million (2021 - US \$1.9m), based on total taxable losses carried forward of US \$19m (2021 - US \$10m). No deferred tax asset is recognised for these losses due to early stage in the development of the Group's activities. The losses do not expire but can only be used against trading profits from the same trade.

4. Loss per share

	2022	2021
	\$'000	\$'000
<i>Numerator</i>		
Loss for the period	(8,810)	(5,902)
<i>Denominator</i>		
Weighted average # of shares	161,508,333	131,734,028
Resulting Loss per Share (\$)	(0.05)	(0.04)

The Company has one category of potential ordinary share, being share options (see Note 8). The potential shares were not dilutive in the period as the Group made a loss per share in line with IAS 33.

5. Property, Plant and equipment

All assets are equipments

	US \$'000
Cost	
At 1 January 2021	12
Additions	81
At 31 December 2021	93
Depreciation	
At 1 January 2021	(1)

Charge for the year	(10)
At 31 December 2021	(11)
Net Book value at 31 December 2021	82
Cost	
At 1 January 2022 and 31 December 2022	93
Depreciation	
At 1 January 2022	(11)
Charge for the year	(24)
At 31 December 2022	(35)
Net Book value at 31 December 2022	58

6. Intangible assets

	Group Software Development US \$'000	Group Licence US \$'000	Group Total US \$'000
Cost			
At 1 January 2021	662	-	662
Additions	3,140	500	3,640
At 31 December 2021	3,802	500	4,302
Depreciation			
At 31 January 2021	-	-	-
Charge for the year	(22)	-	(22)
At 31 December 2021	(22)	-	(22)
Net Book Value at 31 December 2021	3,780	500	4,280
Cost			
At 1 January 2022	3,802	500	4,302
Additions	2,908	-	2,908
Foreign currency difference	-	(65)	(65)
At 31 December 2022	6,710	435	7,145
Depreciation			
At 31 January 2021	(22)	-	(22)

Charge for the year	(471)	(42)	(513)
Impairment charge	(122)		- (122)
At 31 December 2022	(615)	(42)	(657)
Net Book Value at 31 December 2022	6,095	393	6,488

The licence was acquired from Icahn School of Medicine at Mount Sinai on 19 August 2021 for rights to intellectual property and data to support the GRITT technology.

Capitalised development costs in relation to the Group's software platform has been reviewed for indicators of impairment. No indicators of impairment were identified although an impairment charge of \$122,000 was recognised in the period in relation to specific aspects of capitalised expenditure considered to have no value in use.

7. Share capital

	2022	2022	2021
	Number	\$'000	\$'000
Ordinary Shares of £0.0006 each	161,508,333	137	137

8. Share-based payment

On 1 January 2021, the Board adopted the Share Option Plan to incentivise certain of the Group's employees and Directors. The Share Option Plan provides for the grant of both EMI Options and non-tax favoured options. Options granted under the Share Option Plan are subject to exercise conditions as summarised below.

The Share Option Plan has a non-employee sub-plan for the grant of Options to the Company's advisors, consultants, non-executive directors, and entities providing, through an individual, such advisory, consultancy, or office holder services and a US sub-plan for the grant of Options to eligible participants in the Share Option Plan and the Non-Employee Sub-Plan who are US residents and US taxpayers.

The options vest equally over twelve quarters from the grant date or 25% after twelve months and over eight quarters equally thereafter. If options remain unexercised after the date one day before the tenth anniversary of grant such options expire. The options are subject to exercise conditions such that they shall, subject to certain exceptions, vest in instalments over the three years immediately following the date of grant, which vesting shall accelerate in full in the event of a change of control of the Company.

	2022	2021
	Weighted	Weighted
	Average	average
	Exercise	exercise
	2022	2021

	price (\$)	Number	price (\$)	Number
Outstanding at 1 January	0.35	3,580,000	-	-
Granted during the period	0.48	1,640,000	0.35	3,730,000
Exercised during the period	-	-	0.20	(33,333)
Expired during the period	0.44	(1,965,000)	0.20	(116,667)
Outstanding at 31 December	0.39	3,255,000	0.35	3,580,000
Exercisable at 31 December	0.25	1,973,125	0.23	665,833

The exercise price of options outstanding at 31 December 2022 ranged between 20 US cents and 68 cents and their weighted average contractual life was 2.3 years.

The weighted average fair value of each option granted during the year was \$0.38 (2021: \$0.32).

The fair value of each share option granted in 2022 has been estimated using a Black-Scholes model and ranges from 1 US cent to 10 US cent. The inputs into the model are a share prices of 17 US cent, 23 US cent, 26 US cent and 43 US cent, exercise prices of 48 US cent, expected volatility of 50%, no expected dividend yield, contractual life of between 2.9 and 1.9 years and a risk-free interest rate of 1.25% and 2.25%.

9. Related Party Transactions

Outside of the remuneration previously disclosed in the report of the remuneration committee on page 23, the Group received a \$10k reimbursement from Mount Sinai Hospital during 2022 for member set up in connection with the related party contracts announced in October 2022. There has been no revenue received in 2022 in connection with these two related party contracts, with or via Mount Sinai Hospital. The amount owed as at 31 December 2022 is \$0 (2021: \$0). The Group also paid a \$100k management fee to Mount Sinai Hospital during 2022, the amount outstanding at 31 December 2022 is \$0 (2021: \$0).

10. Events after the reporting date

There have been no events subsequent to the period end that require disclosure in these financial statements.

11. Dividends

There were no dividends paid or proposed by the Company in either year.

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