



30 September 2022

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

**Half-year Report**

Trellus Health Plc (AIM: TRLS), the AIM listed digital health business, announces its unaudited half-year report for the six months ended 30 June 2022.

**About Trellus Health**

Trellus Health is pioneering a scientifically validated, resilience-driven personalized connected health solution which addresses the intersection of chronic disease with mental health, estimated to cost the US economy \$3.7 trillion annually<sup>1</sup>. Trellus' approach transforms chronic disease management and changes the lives of patients living with debilitating, incurable conditions, initially focused on Inflammatory Bowel Disease ("**IBD**"), including Crohn's Disease and ulcerative colitis, and shortly Irritable Bowel Syndrome ("**IBS**") but with potential utility and demand across many chronic conditions. Trellus is pursuing this approach via a B2B2C strategy which is focussed on regional and national health plans, employers, health systems, GI (gastrointestinal) provider networks and pharmaceutical companies as well as through a D2C model partnering with patient advocacy groups to drive awareness and demand.

Through its *TrellusElevate™* connected health platform and companion App, Trellus Health is the first and only digital health company to offer a scientifically validated, personalized resilience-based self-management training program for people living with chronic conditions which has been proven to reduce unplanned hospitalizations by 94%<sup>2</sup>.

**Financial Highlights**

- AIM IPO proceeds used for technology platform development and advancement of commercial strategy
  - *c. \$5.9m capital investment in the TrellusElevate™ connected health platform and companion software*
- Net cash of \$23.97m at 30 June 2022 (31 December 2021: \$31.98m)
  - *cash runway extends into 2025*
- Adjusted EBITDA\* loss of \$4.61m, in line with expectations (FY 2021: \$5.73m loss)  
*\* Earnings before interest, tax, depreciation and amortisation adjusted for share-based payments*

**Operational Highlights (H1 and Post-period end)**

- New DTC coaching model and adapted platform rolled-out in July, with early adopter program with over 50 patients on-board already
- Access to Trellus IBD Self-Management Program extended to patients across the whole of North America (USA & Canada)
- Agreements signed to facilitate access to additional DTC growth channels to expand consumer reach
  - *Licensing agreement with largest patient advocacy group in the US and partnership agreement with large US provider partner*
- Significant B2B2C progress with Health plans and employers to deliver *The Trellus Resilience Training and Self-Management Solution*, including:
  - *late-stage discussions with two US health plans and final contracting phases of a New York ("NY") Medicaid plan*
  - *final contracting phase with a large NY State employer, and large NY state provider*
- Opportunity to be part of a patient support hub to the pharmaceutical industry further demonstrating B2B2C progress
  - *Late-stage discussions with two large pharmaceutical companies*
  - *Ongoing discussions with two patient services partners*
- Expansion into IBS expected to launch earlier than expected at start of Q1 2023, which impacts a much larger healthcare population in the US (c. 30 m people)
- Tighter control of costs and revised delivery model provides cash runway extension into 2025 assuming current level of revenue only

- Appointment of Trellus co-founder Dr. Marla Dubinsky as Chief Executive Officer and strengthened senior management team including appointment of COO and CFO

**Commenting on the outlook for the business, Julian Baines, Non-executive Chairman of Trellus, said:**

*“We are significantly encouraged by the progress made over the last six-months, and the recently accelerated commercial progress made across both B2B2C and D2C models since the summer. In particular, Trellus Health now has an advanced pipeline of potential B2B2C partners keen to make the The Trellus Resilience Training and Self-Management Solution available to members of their health plans or to their employees. The increasing interest from pharmaceutical companies and the progression to late-stage discussions is also very encouraging.*

*“Following the adoption of a new delivery model, we have accelerated the launch of our product to also cover IBS, we are excited to be in a position to offer a comprehensive GI solution ahead of original expectations, with launch for IBS expected start of Q1 2023. We remain well funded and have sensibly reduced our cash-burn through our new delivery model and cost savings in the business, extending our cash runway into 2025 on conservative assumptions only. We have reduced customer acquisition costs and increased automation to support profitable scale up.*

*“While progress has been slower than we previously anticipated, recent developments are supportive of an improvement in the pace of commercialisation. Accordingly, we look forward to updating our shareholders as we make further commercial progress, in particular with contracts relating to both D2C and B2B2C models expected to be signed soon and expected to contribute positively in 2023.”*

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

Trellus Health will be hosting a live online presentation open to all investors on 3 October at 15.30 BST, via the Investor Meet Company platform. Investors can sign up to Investor Meet Company for free and add to meet Trellus Health via: <https://www.investormeetcompany.com/trellus-health-plc/register-investor>

**Trellus Health plc**

Julian Baines, Non-executive Chairman  
Dr. Marla Dubinsky, Chief Executive Officer  
Steve Young, Chief Financial Officer

<https://trellushealth.com/>

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**About Trellus Health plc ([www.trellushealth.com](http://www.trellushealth.com))**

Trellus Health (LSE: TRLS) is the first digital health company focused on the intersection of chronic physical conditions 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 individual health behaviors that enable thriving in the face of a chronic condition. Through its TrellusElevate™ connected health platform and companion App, the company addresses both clinical and behavioral health together, in context, to improve outcomes and reduce healthcare costs for patients, employers, and the healthcare system.

The Company is initially focused on Inflammatory bowel disease (“IBD”), which includes the chronic incurable conditions of Crohn’s Disease and ulcerative colitis, and shortly Irritable Bowel Syndrome (“IBS”), but considers its approach to have potential utility and demand across many chronic 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. IBD patients treated using the methodology also experienced a 49% reduction in required opioid use and a 73% reduction in corticosteroid use 12 months following program completion<sup>2</sup>.

The Company was founded by Mount Sinai faculty members 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](http://www.trellushealth.com)

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

<sup>2</sup>(source: <https://www.sciencedirect.com/science/article/pii/S1542356521012258>).

### **Forward-Looking Statements**

*Certain statements made in this announcement are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates, and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Company's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions security holders and prospective security holders not to place undue reliance on these forward-looking statements, which reflect the view of the Company only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.*

## **CHAIRMAN'S STATEMENT**

I am very pleased to announce another period of solid progress for the business, but also one of constructive change which, I believe, positions us well to execute on our expanded commercialisation strategy. This now incorporates our original Business-to-Business-to-Consumer (B2B2C) model (previously described as our B2B model) as well as our newly launched Direct-to-Consumer (D2C) capability, both designed to drive consumer adoption of *The Trellus Resilience Training and Self-Management Solution*.

Having shifted to a more automated delivery method, which supports both aspects of our combined business model, there is now much greater scope to scale the business profitably over the longer term, and allow us to reach more patients quickly, in all US states and in Canada. Most importantly, this means that people living with chronic conditions will have access to a whole-person support system that addresses both their physical and mental health needs, helping them to build resilience, take control of their own health and improve their outcome, all with a much lower cost burden for health systems.

### **Board and Senior Management Team structure**

Both in the period and post-period end we announced a number of changes to the Board and senior management team.

Given the evolution of our new commercialisation strategy, we changed our Board and Senior Management structure, which is now led by Trellus Health Co-Founder Dr. Marla Dubinsky. Marla is a Professor of Pediatrics and Medicine at the Icahn School of Medicine at Mount Sinai, New York and her unrivalled expertise and reputation in this market is well-known. We were delighted that Marla's position as a world-leader in IBD was recently recognised by the award of the 2022 Sherman Prize, a prestigious US national award that recognises 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 announced that Aled Stevenson, previously US Executive VP of Sales and Development, would become Chief Operating Officer. Earlier, in June, we announced the appointment of Traci Entel, an experienced management consultant and global HR executive, as Non-executive Director, and at the beginning of last month we announced the appointment of Steve Young, an experienced Chief Financial Officer of AIM-listed companies, as our new CFO.

We believe we have a structure in place which strengthens our ability to deliver against our commercial goals. In particular we are very pleased to have the full extent of Marla's expertise, passion and knowledge of the market deployed in her new role as Chief Executive Officer. Already Marla and the team have delivered considerable commercial progress for the business as set out below.

### **Strong progress with our expanded commercialisation strategy**

#### *1) D2C early adopters engaged and further consumer channels and strategic partnerships expected*

During the first-half of the financial year, we evolved to a more scalable service delivery model utilizing an integrated resilience team. We also initiated the implementation of a D2C business model partnering with patient advocacy groups to drive awareness and demand, alongside our original B2B2C strategy which focussed on regional and national health plans, employers, health systems, GI provider networks and pharmaceutical companies.

We commenced the roll out of our D2C model in July 2022, with a targeted approach focussed on an early adopter programme to kick-start early patient engagement. We have ongoing pilot programs, sponsored by patient advocacy groups *Connecting to Cure* and *Athletes vs Crohn's and Colitis*, and in partnership with select IBD centers in the US. We have over 50 patients on-board already who are already providing important user data. This is being used to support B2B2C engagement by providing valuable real-world evidence of the health and economic outcomes of the Trellus Method.

We have also recently signed two agreements that will provide access to additional D2C growth channels to expand nationwide consumer reach. The first is a licensing agreement with the *Crohn's and Colitis Foundation*, the largest patient advocacy group for IBD in the US, which will add the Trellus app to their website and open access for providers and patients nationwide. We have also signed a collaboration agreement with a national GI Society Provider platform, to offer exclusive access to the Trellus Resilience Program to over 16,000 GI professionals across the US for the benefit of the millions of patients they collectively serve. These two channels alone provide the broadest possible reach into the US gastroenterological community, and provide the most direct channels to market via both patients and GI providers nationwide. There is no doubt that the unrivalled reputation of our co-founders in this field of care, has uniquely positioned Trellus to deliver such key partnership agreements and we hope to see tangible benefits from these collaborations in due course.

## 2) *Significant progress with advancing B2B2C model*

I am very pleased to report that, despite the longer lead times in the B2B2C contracting process as previously reported in December 2021, we have made significant progress in advancing a number of conversations with payers, such as regional and national health plans, employers, health systems, GI provider networks, and pharmaceutical companies. Whilst we have launched our D2C model, we remain focused on our B2B2C offering which provides better quality patient outcomes at lower costs to health plans and employers.

We are in productive conversations with two health plans, having entered late-stage discussions with one and starting the due diligence process with another; we are in the final contracting phase for a New York Medicaid plan and we have two further contracts, one with a large NY State employer and the other with a NY State Provider to support members of a large NY labor union, which we expect to be signed soon.

We are in late-stage discussions with two large pharmaceutical companies in the US, one for patient support services and another for clinical trials screening, and we are in ongoing discussions with two patient services partners who deliver programs to pharmaceutical companies as part of a centralized patient support hub. We believe that our methodology will help pharmaceutical companies to improve patient adherence behaviors, encourage customer loyalty and engagement, and support clinical trial screening. Success under our B2B2C model will see those organisations driving their own members to the Trellus platform.

## **Expansion into Irritable Bowel Syndrome (IBS) for comprehensive GI solution**

As a business we are targeting large, multi-billion addressable markets for chronic conditions, where there is a significant unmet need to provide whole-person, clinical, mental and behavioural, support to empower patients to take control of their health. With c \$3.4 trillion spent annually in the US on chronic and mental health conditions there is an urgent need for new solutions to help patients manage their conditions and reduce associated healthcare costs.

Our initial focus was on IBD, a lifelong chronic disease plagued by mismanagement, improper treatment, high costs and rates of anxiety, depression and emergency healthcare utilization. However last year, we initiated research into versioning *Trellus Resilience Training* into IBS, another chronic GI condition that has significant similarities with IBD from a symptom burden and emotional perspective. IBS however has a much higher population prevalence than IBD, impacting c. 10% of the US population (c. 30m patients for IBS compared to c. 3m for IBD). Whilst the annual healthcare spend on IBS is higher at c. \$61 bn (IBD c \$25 bn), this is significantly lower than IBD on a "per patient" basis.

Originally, we had expected to launch the Trellus Method for IBS in H1 2023, however using existing resources we have accelerated the launch of our IBS application which is now expected at the start of Q1 2023, when we will be offering patients a comprehensive GI solution covering both IBD and IBS. We also believe our solution can be used across many other chronic conditions to deliver meaningfully improved healthcare outcomes as well as reducing expensive, unplanned care, such as emergency department visits and hospitalisations.

## Geographic expansion

Since the launch of our new service delivery method and D2C model we have also made our IBD Program available to patients in Canada as well as all 50 states in the US.

## Careful cash management extends cash runway into 2025

Since IPO we have been careful to manage cash within the business and maintain a healthy net cash position at the end of the first half, to support our commercial strategy as we accelerate revenue generation. Following the period end we have undertaken a further review of our cash burn rate which has allowed us to significantly reduce costs across staffing and consultancy fees, development costs and other software and technology related expenses, without any detriment to our growth strategy. As a result, we have extended our cash runway out into 2025, providing us with confidence that we are well funded to deliver commercial success and cash generation.

## Financial review:

### Income Statement and Balance sheet

The Company has been continuing in its development phase since 2021. The only revenue generated is from implementation services and the Company has not yet generated revenues from its operating activities. The main components of the Administrative expenses totalling US \$4.9m (H1 2021: US \$1.6m, FY2021: US \$5.9m) were employee related costs of US \$3.1m (H1 2021: US \$1m, FY 2021: US \$3.6m), professional costs of US \$0.7m (H1 2021: US \$0.4m, FY2021: US \$1.1m) and other operating expenses of US \$0.8m (H1 2021: US \$0.2m, FY 2021: US \$1m). Total depreciation and amortisation was \$0.2m (H1 2021: US \$Nil, FY 2021: US \$0.03m) and Share-based payment charge was US \$0.01m (Half year 2021 - US \$0.04m, Full year 2021 - US \$0.14m).

The Company has incurred costs of US \$1.85m (H1 2021: US \$1.5m, FY2021: US \$3.6m) in developing the Trellus Health platform. At the period end, funds held in Sterling incurred a foreign exchange loss of US \$1.4m (Hi1 2021: US \$0m, FY2021: US \$1.7m) reducing the cash balances.

The cash balance at the end of 30 June 2022 totalled US \$24m (30 June 2021 - US \$40m and 31 December 2021 - US \$32m).

## Dividend

The Company continues with its policy of retaining the cash to fund the development of the business rather than paying a dividend.

## Outlook

We are significantly encouraged by the progress made over the last six-months, and the recently accelerated commercial progress made across both B2B2C and D2C models since the summer. In particular, Trellus Health now has an advanced pipeline of potential B2B2C partners keen to make the *The Trellus Resilience Training and Self-Management Solution* available to members of their health plans or to their employees. The increasing interest from pharmaceutical companies and the progression to late-stage discussions is also very encouraging.

Following the adoption of a new delivery model, we have accelerated the launch of our product to also cover IBS, we are excited to be in a position to offer a comprehensive GI solution ahead of original expectations, with launch expected start of Q1 2023. We remain well funded and have sensibly reduced our cash-burn through our new delivery model and cost savings in the business, extending our cash runway into 2025 on conservative assumptions only. We have reduced customer acquisition costs and increased automation to support profitable scale up.

While progress has been slower than we previously anticipated, recent developments are supportive of an improvement in the pace of commercialisation. Accordingly, we look forward to updating our shareholders as we make further commercial progress, in particular with contracts relating to both D2C and B2B2C models expected to be signed soon and expected to contribute positively in 2023.

I would like to thank our shareholders for their continued support.

Julian Baines, MBE  
***Non-Executive Chairman***  
30 September 2022

**CONSOLIDATED CONDENSED STATEMENT OF  
COMPREHENSIVE INCOME  
FOR THE 6 MONTHS ENDED 30 JUNE 2022**

		6 months ended 30 June 2022 Unaudited US\$'000	6 months ended 30 June 2021 Unaudited US\$'000	Year ended 31 December 2021 Audited US\$'000
	Notes			
<b>Continuing operations</b>				
Revenue		10	-	25
Cost of sale		-	-	-
Gross profit		10	-	25
Administrative expenses		(4,850)	(1,567)	(5,927)
Operating loss		(4,840)	(1,567)	(5,902)
Share based payments		9	39	139
Depreciation and amortisation		222	-	32
<b>EBITDA before share-based payment</b>		<b>(4,609)</b>	<b>(1,528)</b>	<b>(5,731)</b>
Income tax charge	3	-	-	-
<b>Loss for the period</b>		<b>(4,840)</b>	<b>(1,567)</b>	<b>(5,902)</b>
<b>Loss per ordinary share attributable to the owners of the parent during the period</b>				
Basic and diluted	4	\$ <b>(0.03)</b>	\$ <b>(0.01)</b>	\$ <b>(0.04)</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE 6 MONTHS ENDED 30 JUNE 2022**

	6 months ended 30 June 2022 Unaudited US\$'000	6 months ended 31 30 June 2021 Unaudited US\$'000	Year ended 31 December 2021 Audited US\$'000
<b>Loss for the period</b>	<b>(4,840)</b>	<b>(1,567)</b>	<b>(5,902)</b>
<b>Other comprehensive expense:</b>			
Currency translation differences	(1,433)	(3)	(1,725)
<b>Total comprehensive loss for the period</b>	<b>(6,273)</b>	<b>(1,570)</b>	<b>(7,627)</b>



**CONSOLIDATED CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022**

	Notes	As at 30 June 2022 Unaudited US\$'000	As at 30 June 2021 Unaudited US\$'000	As at 31 December 2021 Audited US\$'000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		70	32	82
Intangible assets	5	5,920	2,214	4,280
<b>Total non-current assets</b>		<b>5,990</b>	<b>2,246</b>	<b>4,362</b>
<b>Current Assets</b>				
Trade and other receivables		481	319	451
Cash and cash equivalents		23,968	39,691	31,982
<b>Total current assets</b>		<b>24,449</b>	<b>40,010</b>	<b>32,433</b>
<b>Total assets</b>		<b>30,439</b>	<b>42,256</b>	<b>36,795</b>
<b>Equity attributable to owners of the parent</b>				
Share capital		137	137	137
Share premium		43,387	43,380	43,387
Other reserve		148	39	139
Foreign currency reserves		(3,158)	(3)	(1,725)
Retained earnings		(11,504)	(2,329)	(6,664)
<b>Total equity</b>		<b>29,010</b>	<b>41,224</b>	<b>35,274</b>
<b>Current liabilities</b>				
Trade and other payables		1,429	1,032	1,521
<b>Total liabilities</b>		<b>1,429</b>	<b>1,032</b>	<b>1,521</b>
<b>Total equity and liabilities</b>		<b>30,439</b>	<b>42,256</b>	<b>36,795</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 6 MONTHS ENDED 30 JUNE 2022**

	Share Capital US\$'000	Share Premium US\$'000	Foreign Currency Reserve US\$'000	Other reserves US\$'000	Retained earnings US\$'000	Total US\$'000
<b>At 1 January 2021</b>	<b>12</b>	<b>4,996</b>	<b>-</b>	<b>-</b>	<b>(762)</b>	<b>4,246</b>
<b>Comprehensive income</b>						
Loss for the period	-	-	-	-	(1,567)	(1,567)
<b>Other comprehensive income</b>						
Currency translation differences	-	-	(3)	-	-	(3)
<b>Total comprehensive expense</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>(1,567)</b>	<b>(1,570)</b>
<b>Transactions with owners</b>						
Capital reconstruction	64	(64)	-	-	-	-
Share based payments	-	-	-	39	-	39
Issue of ordinary shares	61	38,448	-	-	-	38,509
<b>Total contributions by and distributions to owners</b>	<b>125</b>	<b>38,384</b>	<b>-</b>	<b>39</b>	<b>-</b>	<b>38,548</b>
<b>At 30 June 2021</b>	<b>137</b>	<b>43,380</b>	<b>(3)</b>	<b>39</b>	<b>(2,329)</b>	<b>41,224</b>
<b>Comprehensive income</b>						
Loss for the period	-	-	-	-	(4,335)	(4,335)
<b>Other comprehensive expenses</b>						
Currency translation differences	-	-	(1,722)	-	-	(1,722)
<b>Total comprehensive expense</b>	<b>-</b>	<b>-</b>	<b>(1,722)</b>	<b>-</b>	<b>(4,335)</b>	<b>(6,057)</b>
<b>Transactions with owners</b>						
Share based payments	-	-	-	100	-	100
Issue of ordinary shares	-	7	-	-	-	7
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>107</b>
<b>At 31 December 2021</b>	<b>137</b>	<b>43,387</b>	<b>(1,725)</b>	<b>139</b>	<b>(6,664)</b>	<b>35,274</b>
<b>Comprehensive income</b>						
Loss for the period	-	-	-	-	(4,840)	(4,840)
<b>Other comprehensive expenses</b>						
Currency translation differences	-	-	(1,433)	-	-	(1,433)
<b>Total comprehensive expense</b>	<b>-</b>	<b>-</b>	<b>(1,433)</b>	<b>-</b>	<b>(4,840)</b>	<b>(6,273)</b>
<b>Transactions with owners</b>						
Share based payments	-	-	-	9	-	9
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>9</b>
<b>At 30 June 2022</b>	<b>137</b>	<b>43,387</b>	<b>(3,158)</b>	<b>148</b>	<b>(11,504)</b>	<b>29,010</b>

**CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS  
FOR THE 6 MONTHS ENDED 30 JUNE 2022**

	6 months ended 30 June 2022 Unaudited US\$'000	6 months ended 30 June 2021 Unaudited US\$'000	Year ended to 31 December 2021 Audited US\$'000
<b>Cash flow from operating activities</b>			
Loss before income tax	(4,840)	(1,567)	(5,902)
Adjustments for			
- Depreciation and amortisation	222	3	32
- Share-based payments	9	39	139
Changes in working capital			
- Trade and other receivables	(30)	(308)	(440)
- Trade and other payables	(92)	910	1,401
<b>Net cash used in operating activities</b>	<u>(4,731)</u>	<u>(923)</u>	<u>(4,772)</u>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment (PPE)	-	(24)	(81)
Internally generated intangible assets	(1,850)	(1,552)	(3,640)
<b>Net cash used in investing activities</b>	<u>(1,850)</u>	<u>(1,576)</u>	<u>(3,721)</u>
<b>Cash flow from financing activities</b>			
Net proceeds from issue of ordinary shares	-	38,509	38,516
<b>Net cash generated from financing activities</b>	<u>-</u>	<u>38,509</u>	<u>38,516</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,581)</b>	<b>36,010</b>	<b>30,023</b>
Cash and cash equivalents at beginning of period	<b>31,982</b>	<b>3,684</b>	<b>3,684</b>
Exchange loss on cash and cash equivalents	<u>(1,433)</u>	<u>(3)</u>	<u>(1,725)</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>23,968</u></u>	<u><u>39,691</u></u>	<u><u>31,982</u></u>

## NOTES FORMING PART OF THE INTERIM FINANCIAL STATEMENTS

### 1. General information and basis of presentation

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

The principal activity of Trellus Health PLC (the "Company") is the delivery of resilience-driven care for complex chronic conditions.

The Group's principal activity is that of digital health.

#### ***Basis of preparation***

The financial information in these interim results is that of the holding company and all of its subsidiaries and are unaudited. It has been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards as adopted for use in the United Kingdom, IFRS IC interpretations, and the Companies Act 2006 applicable to companies reporting under IFRS.

The presentation currency of the Group is United States Dollars ("USD" or "US\$") and this is the currency of the primary economic environment that the main business operates in.

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.

The financial information presented herein does not constitute full statutory accounts under Section 434 of the Companies Act 2006 and was not subject to a formal review by the auditors. Comparative figures in the Interim Report for the year ended 31 December 2021 have been taken from the Group's audited statutory financial statements on which the Group's auditors, Crowe U.K. LLP, expressed an unqualified opinion. The comparative figures to 30 June 2021 are unaudited.

These interim accounts have not been prepared in accordance with IAS 34, 'Interim financial reporting'. They have been prepared under AIM Rules of UK companies and have been authorised for issue by the Company's Board of directors on 30 September 2022.

### 2. Summary of significant accounting policies

The accounting policies applied by the Group in this financial information are the same as those applied by the Group in its financial statements for the year ended 31 December 2021 and which will form the basis of the 2022 financial statements except for a number of new and amended standards which have become effective since the beginning of the previous financial year. These new and amended standards are not expected to materially affect the Group.

The principal accounting policies adopted in the preparation of the historical financial information of the Company, have been applied consistently to the period presented.

#### ***Going concern***

The Group is in the development phase of its business and has only generated revenues related to implementation services totalling \$10,000. At 30 June 2022 the Group has available cash resources are over \$23.9m. The company has been continuing developing its platform and methodology for delivery of resilience-driven management for complex chronic conditions. 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.

### 3. Income tax

The Group has no provision for corporation tax due to tax losses incurred since incorporation. The Group has incurred indefinitely available tax losses of approximately US\$17.5m (December 2021 - US\$10m) to carry forward against future taxable income at the end of 30 June 2022. No deferred tax asset has been recognised in respect of such losses and temporary differences due to the unpredictability of future profit streams. Such losses may be carried forward indefinitely.

### 4. Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary share, being share options. Currently the share options are anti-dilutive.

	<b>6 months ended 30 June 2022 Unaudited US\$'000</b>	<b>6 months ended 30 June 2021 Unaudited US\$'000</b>	<b>Year ended 31 December 2021 Audited US\$'000</b>
<b>Loss attributable to owners of the parent</b>	<b><u>(4,840)</u></b>	<b><u>(1,567)</u></b>	<b><u>(5,902)</u></b>
	<b>Number</b>	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares in issue	<b><u>161,508,333</u></b>	<b><u>105,115,884</u></b>	<b><u>131,734,028</u></b>
<b>Basic loss per share</b>	<b><u>US\$ (0.03)</u></b>	<b><u>US\$ (0.01)</u></b>	<b><u>US\$ (0.04)</u></b>

## 5. Intangible Fixed Assets

	Software Development costs US\$'000	Licence costs US\$'000	Total US\$'000
<b>Cost</b>			
On 1 January 2021	662	-	662
Additions	1,052	500	1,552
<b>At 30 June 2021</b>	<b>1,714</b>	<b>500</b>	<b>2,214</b>
Additions	2,088	-	2,088
<b>At 31 December 2021</b>	<b>3,802</b>	<b>500</b>	<b>4,302</b>
Additions	1,850	-	1,850
<b>At 30 June 2022</b>	<b>5,652</b>	<b>500</b>	<b>6,152</b>
<b>Amortisation</b>			
On 1 January 2021	-	-	-
Charge for the period	-	-	-
<b>At 30 June 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the period	(22)	-	(22)
<b>At 31 December 2021</b>	<b>(22)</b>	<b>-</b>	<b>(22)</b>
Charge for the period	(210)	-	(210)
<b>At 31 June 2022</b>	<b>(232)</b>	<b>-</b>	<b>(232)</b>
<b>Net book value</b>			
<b>30 June 2021</b>	<b>1,714</b>	<b>500</b>	<b>2,214</b>
<b>31 December 2021</b>	<b>3,780</b>	<b>500</b>	<b>4,280</b>
<b>30 June 2022</b>	<b>5,420</b>	<b>500</b>	<b>5,920</b>

## 6. Dividends

No dividends to shareholders of the holding company were provided or paid during the six months to 30 June 2022 (31 December 2021: £nil).

## 7. Availability of this announcement

This announcement is available from the Company's website, <https://trellushealth.com/>. If you would like to receive a hard copy of the interim report, please contact the Trellus Health plc's investor relation team (Walbrook PR) on +44 (0)20 7933 8780 or [trellus@walbrookpr.com](mailto:trellus@walbrookpr.com) to request a copy.

## 8. Events after the reporting date

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